Summary And Recommendations

Objective :

The analysis primarily investigates factors influencing customer churn , particularly focusing on payments methods and contracts types.

Key Insights (with Data Percentages):

1. **Overall Churn**
    - About **26–27% of customers churned**, while **73–74% were retained**.
    - This indicates a **high-risk churn segment** that could significantly impact revenue.
2. **Demographics & Churn**
    - **Gender:** Churn rates were nearly identical for males and females (~27%), suggesting **gender has no significant impact**.
    - **Senior Citizens:** Around **42% of senior citizens churned** vs only **24% of non-seniors**. This points to age-related dissatisfaction or service accessibility issues.
3. **Service-Related Factors**
    - **Internet Service:**
        - **Fiber Optic customers churned at ~41%**, much higher than DSL customers (~19%).
        - Indicates dissatisfaction with fiber optic service quality or cost.
    - **Value-Added Services:** Customers without **Online Security, Tech Support, or Device Protection** had churn rates of **35–40%**, compared to **15–20%** for those who subscribed.
4. **Contracts & Billing**
    - **Month-to-Month contracts: ~43% churn rate**.

- **One-year contracts: ~11% churn**.
- **Two-year contracts:** only **3% churn**.
- Long-term contracts are the **most effective churn prevention lever**.
- **Paperless Billing:** Customers using paperless billing had a **34% churn rate**, slightly higher than mailed billing users (~20%).

5. **Tenure & Loyalty**
    - **First-year customers (0–12 months): ~45% churn**.
    - **1–2 years: ~25% churn**.
    - **Over 4 years: <15% churn**.
    - Clear evidence that **early-stage churn** is the biggest retention challenge.
6. **Streaming Services**
    - Customers with **Streaming TV/Movies** churned less (~25%) compared to those without (~30%).
    - Bundled services improve stickiness.

🎯 Strategic Recommendations

1. **Retention Priority Segments:** Senior citizens, first-year customers, and month-to-month contract holders should be the **top targets** for churn reduction programs.
2. **Incentivize Long-Term Contracts:** Provide discounts, loyalty perks, or bundled offers to shift customers from monthly to annual contracts.
3. **Service Quality Focus:** Investigate complaints from **fiber optic users** to reduce their churn risk.
4. **Upsell Add-On Services:** Encourage adoption of **Tech Support, Online Security, and Device Protection**, which correlate with lower churn.

5. **Onboarding Experience:** Launch a **customer success program** in the first 6 months to prevent early-stage churn.