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Dec130 – Hw1

After analyzing the given data of each customer, I concluded that what will affect the churn rate of a customer most will depend on the customer’s tenure and contract with the telecom company. Knowing that a customer already has a high tenure within the telecom company, it already implies that the customer has a high commitment and trusts their provider. The customer contract also affects the rate of churn because having a long contract means that they cannot easily disconnect their commitment with their provider but having a month-to-month contract doesn’t mean that they automatically have a high churn rate. Therefore I used two scenarios to define the rate of churn of each customer.

I combined two IF statements using Excel to find out which customer would most likely churn. I computed the mean of the tenure of all the customers and if the customer has a higher tenure than the mean, I concluded that the customer wouldn’t churn. If the customer also has a two year contract, the customer most likely wouldn’t churn but even if the customer only have a month-to-month contract but he’s tenure is above than the mean, then he also belongs to the group that most likely wouldn’t churn.

Therefore I conclude that 51.8% of the customers will not churn and 48.2% of the customers will churn.