# **Summary and Recommendations**

# • Key Observation:

- Churn Rate: Approximately 26.54% of customers have churned, as shown in the pie chart.
- Customer Tenure: Customers who stayed with the service for longer periods tended to remain, while those with a tenure of 1-2 months were more likely to churn.
- Senior Citizens: A greater percentage of senior citizens churned compared to non-senior citizens.
- Contract Type: Customers on month-to-month contracts had a significantly higher churn rate than those with 1- or 2-year contracts.
- Payment Method: Customers paying via electronic check exhibited higher churn rates.

### 2. Key Metrics and Trends

### Demographics and Service Usage:

- Senior Citizens: Represent 16.2% of the customer base.
- Average Monthly Charges: \$64.76, with a minimum of \$18.25 and a maximum of \$118.75.
- **Tenure**: Median tenure is 29 months, with 25% of customers having a tenure of less than 9 months.

### Churn Behavior:

- Customers without value-added services like OnlineSecurity or TechSupport are more likely to churn.
- High churn rates were observed among users of Fiber Optic Internet compared to DSL.
- Customers who do not use streaming services or backup solutions are less likely to churn.

### Payment Methods:

 Electronic check payments correlate with a higher churn rate compared to bank transfers or mailed checks.

# 3. Visualizations and Insights

The following charts provided clear insights into customer behavior:

- 1. **Pie Chart**: Displays the churn rate distribution, showing that **26.54% of customers** are churned.
- 2. **Bar Charts**: Highlight categories like payment methods and contract types, emphasizing their correlation with churn.
- 3. **Heatmaps and Scatterplots**: Illustrate correlations between tenure, monthly charges, and churn behavior.

4. **Customer Trends Over Time**: A clear trend showing that longer-tenured customers are less likely to churn.

### 4. Recommendations

Based on the insights, the following recommendations are proposed:

### 1. Focus on Retention:

 Encourage longer-term contracts by offering incentives or discounts for switching from month-to-month plans.

## 2. Improve Service Accessibility:

• Emphasize the value of OnlineSecurity and TechSupport to reduce churn rates for customers who currently lack these services.

# 3. Targeted Interventions for At-Risk Groups:

 Develop targeted campaigns for senior citizens and customers using electronic checks to address their specific concerns.

# 4. Pricing Adjustments:

 Review pricing strategies for Fiber Optic Internet to make it more competitive, as its high churn rate may be cost-related.