

■ Business Strategy Report: Reducing Customer Churn in Telecom

Prepared by: **Bereket Andualem**
■ bereket87722@gmail.com | ■ LinkedIn | ■ Upwork Profile

■ Key Insights at a Glance

Total Customers	7,043
Overall Churn Rate	26.5%
Annual Revenue at Risk	~\$1.44M (based on \$65 avg. monthly charge)

■■ 1 in 4 customers is leaving — this represents a significant revenue and growth challenge.

■ Top 3 Churn Drivers

1. Month-to-Month Contracts → ~38% churn rate (highest of all contract types). Customers on flexible plans lack commitment.
2. No Online Security Service → Customers without online security are more vulnerable and dissatisfied.
3. High Monthly Charges (> \$75) → Sharp increase in churn due to price sensitivity without added value.

■ Top 3 Actionable Recommendations

- Convert Month-to-Month Users to Annual Plans — Offer 12-month plan with 12% discount or 3 months free. Target: reduce from 55% → 30%. Impact: 15–20% churn reduction.
- Bundle Online Security by Default — Include in mid-tier & premium plans. Position as 'SafeNet Protection'. Impact: retain 3,200+ customers.
- Optimize Pricing with a Mid-Tier Plan — Launch at \$69.99/month. Capture at-risk customers near \$75. Impact: reduce churn by 25%.

■ Business Impact Summary

Strategy	Churn Reduction	Estimated Savings
Contract Lock-in	8–10%	~\$400K
Security Bundling	6–8%	~\$300K
Price Optimization	5–7%	~\$250K
Total Potential	~20%	~\$950K+ saved annually

■ "With data-driven strategies, you could save nearly \$1M per year — just by retaining customers you're currently losing."

■■■ About the Analyst

Bereket Andualem

Data Scientist | Churn Prediction Specialist | Business Strategist

I help telecom and SaaS companies predict customer churn, improve retention, and grow revenue using machine learning and actionable insights.

■ Want a custom churn model for your business?

■ Email: bereket87722@gmail.com | ■ Hire me on Upwork