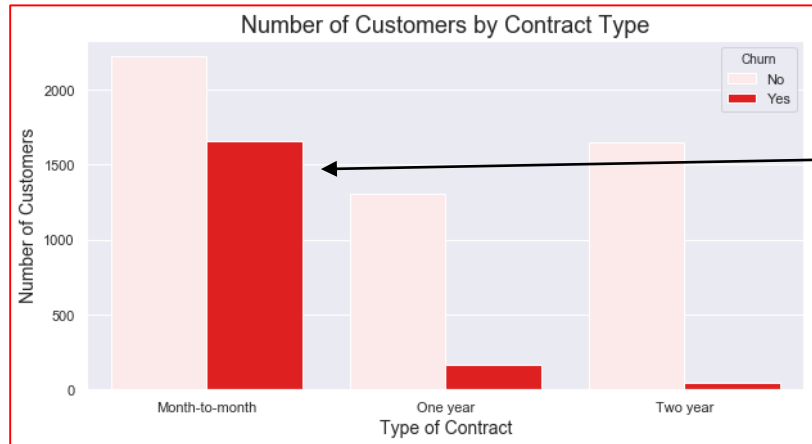
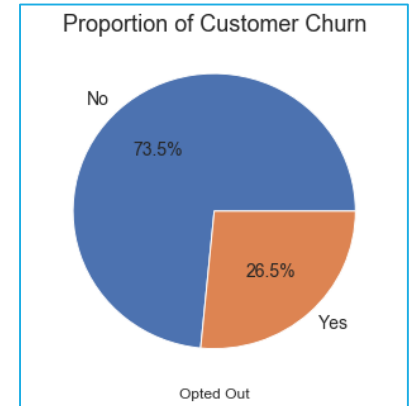


Telco Customer Churn Data Report

Goal: To make inferences on what influences customer retention, create predictions and visualize the information.

- To begin, we observe that the majority of last month's customers have been retained (73.5%) while roughly a quarter opted out of the telecom's services. →

- By computing the correlation values between each feature variable and the customer retention, the most important features were determined to be the type of contract (monthly vs annual), internet service (opt-in vs opt-out), and tenure (how long they have been with the company).

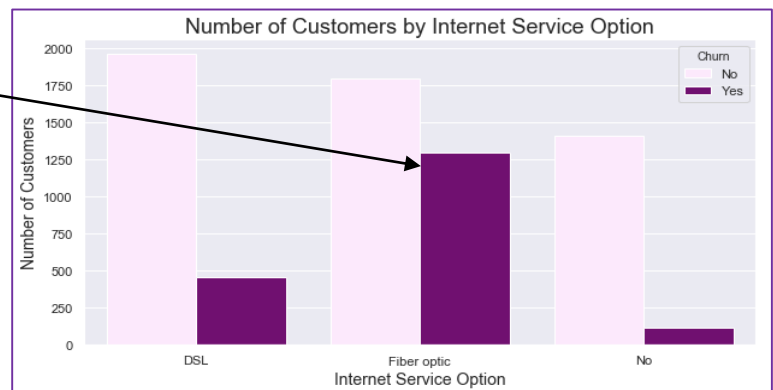


- Starting with the type of contract, we can clearly see that users with monthly contracts have a significantly higher churn rate compared to annual-term users.

- By promoting and incentivizing annual contracts, the company will be more successful in lowering the churn rate and keeping customers happy.

- Customers who select fiber optic - internet service have a much higher chance of leaving the company.

- One suggestion would be to look into the discrepancy between the quality of the fiber-optic service and its price because it is likely that customers felt that this option is overpriced compared to DSL and no internet service.



- Customers with longer tenure have a much lower churn rate because they prefer to stay with the company in the long-run.

- In order to lower the churn rate and retain customers, the company should utilize loyalty/reward programs that incentivize users to stay onboard rather than switching to another company.

- Conclusion: In order to lower the churn rate, the company should retain their customers with loyalty programs, incentivize users to select the annual plan, and look into the quality/price of the fiber-optic service.

