



Customer Churn Analysis

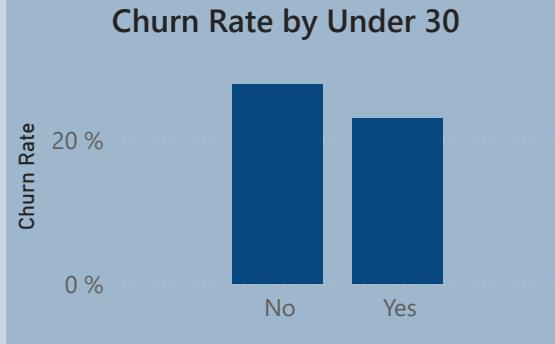
Pritom Bhowmik
Lead Analyst

26.86 %
Churn Rate

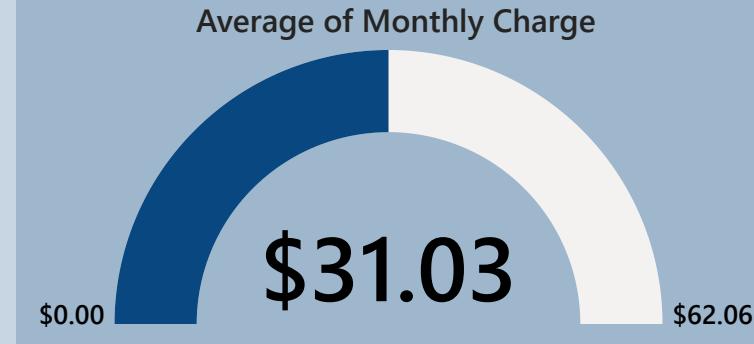
1796
Churned

6687
Count of Customer ID

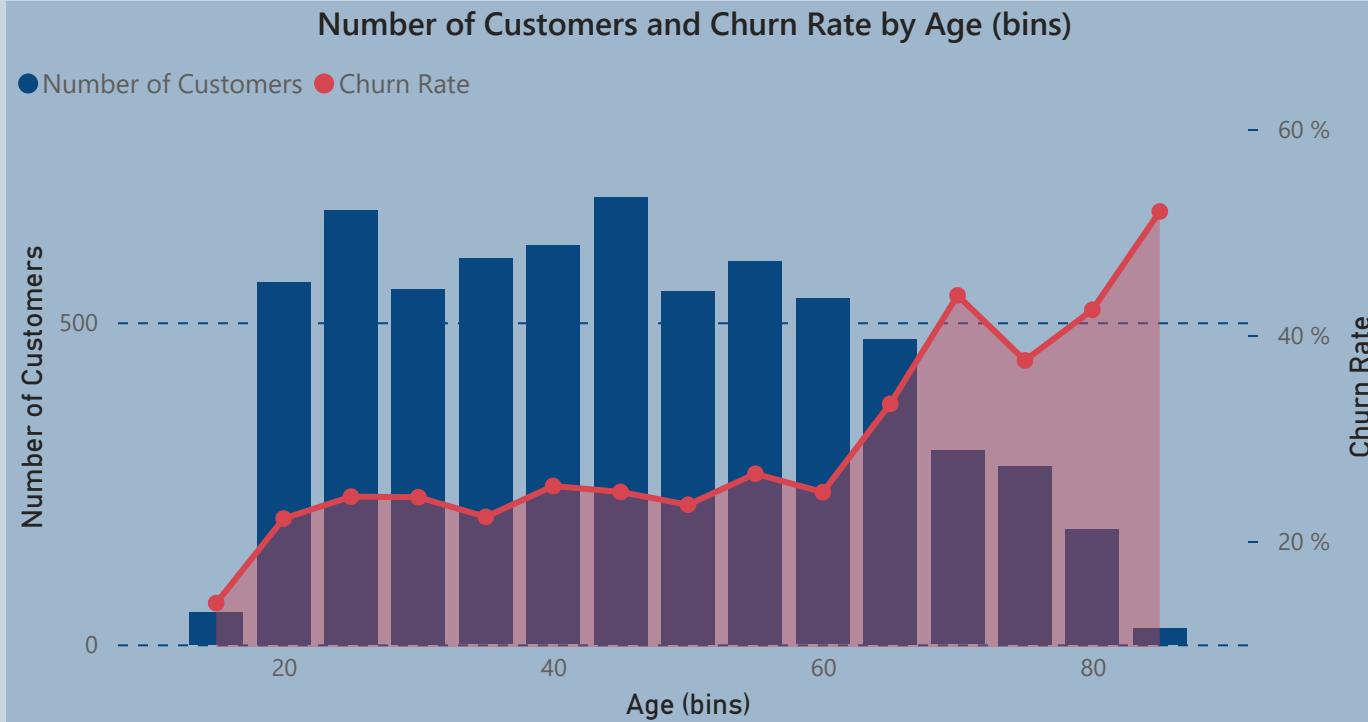
Churn Rate by Under 30



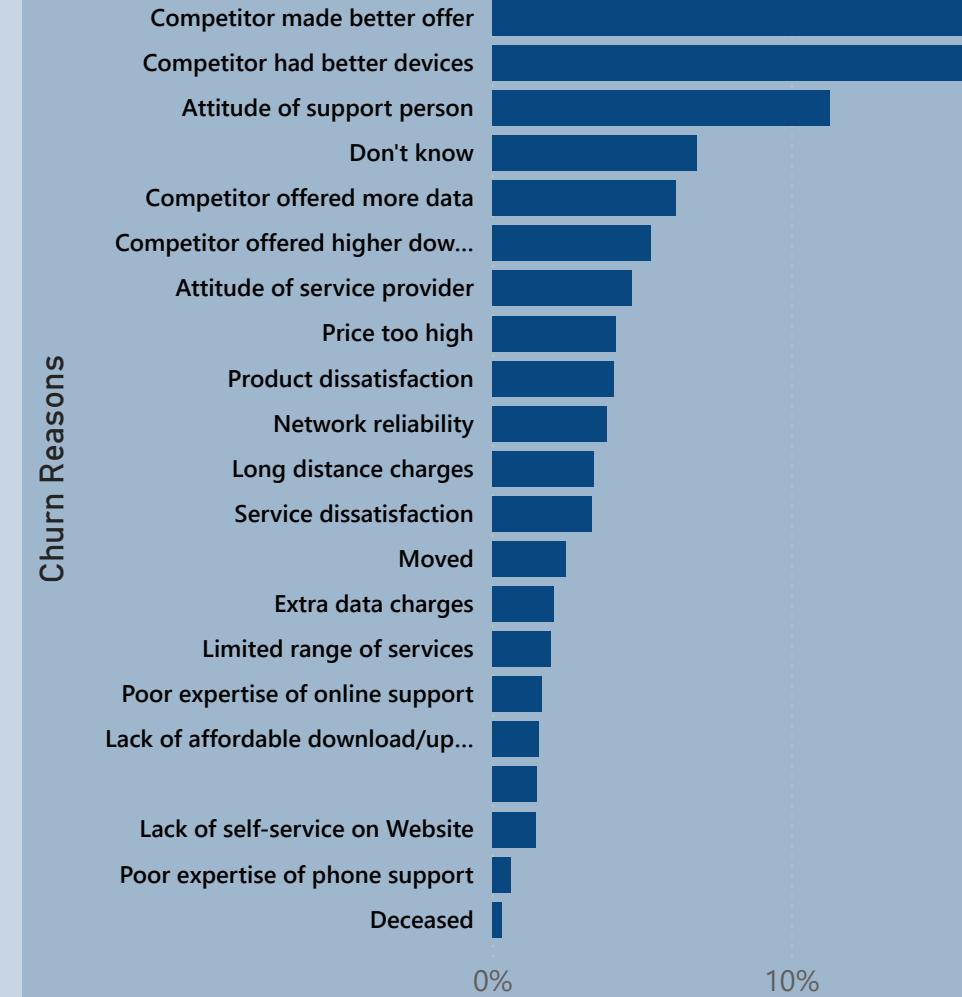
Average of Monthly Charge



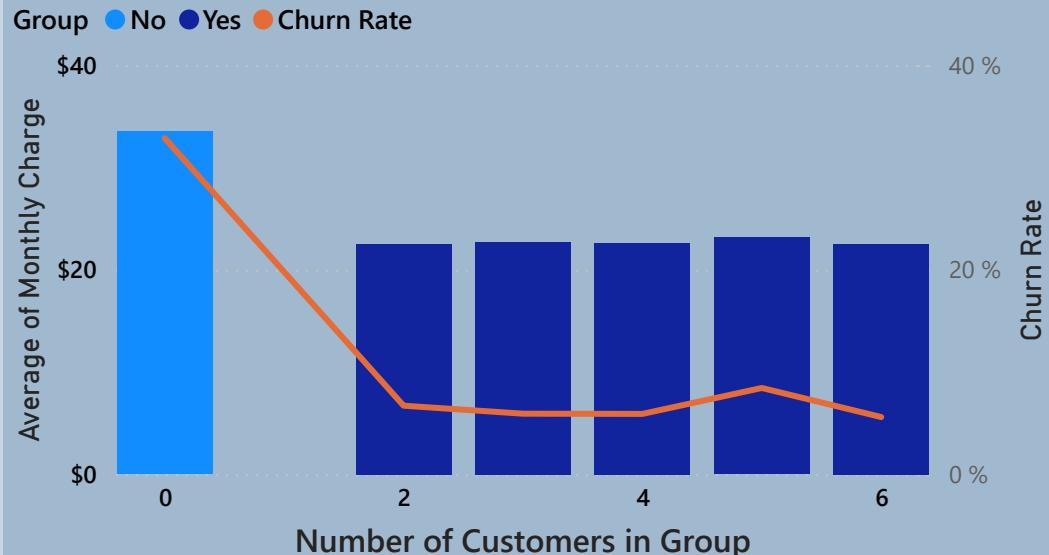
Number of Customers and Churn Rate by Age (bins)



Churn Reasons



Average of Monthly Charge and Churn Rate by Number of Customers in Group and Group



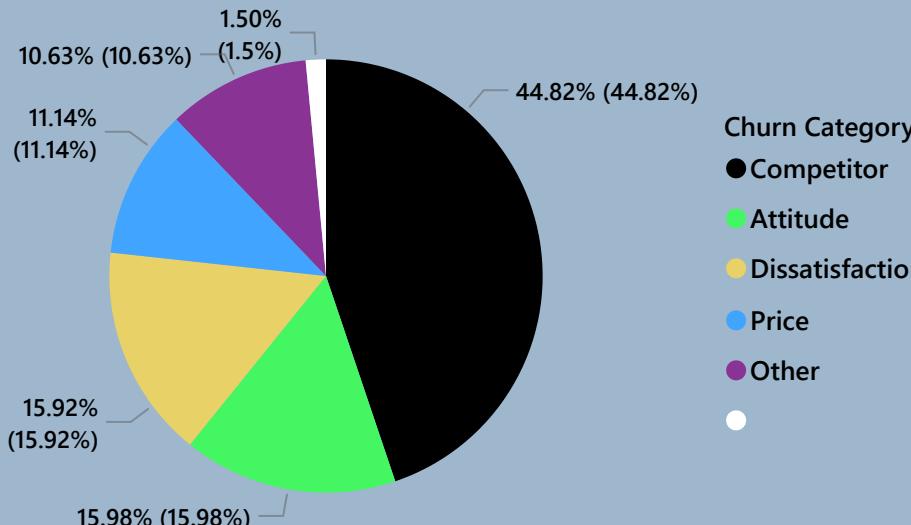
Groups & Categories

Churn Rate by Contract Category and Gender

Gender ● Female ● Male ● Prefer not to say



Churn by category



Monthly

46.29 %

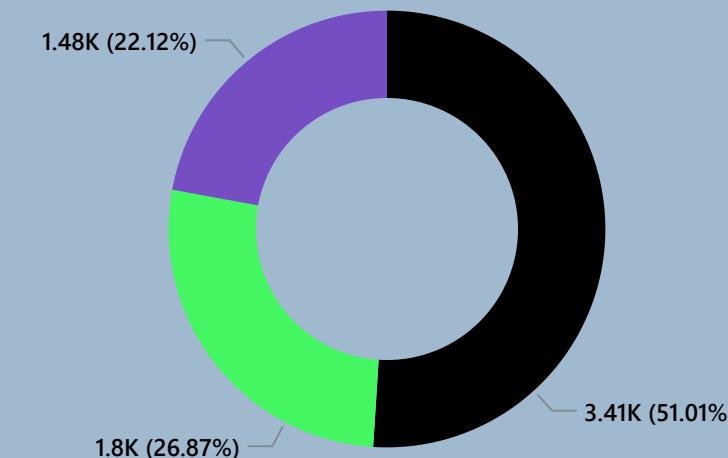
Churn Rate

Yearly

6.62 %

Churn Rate

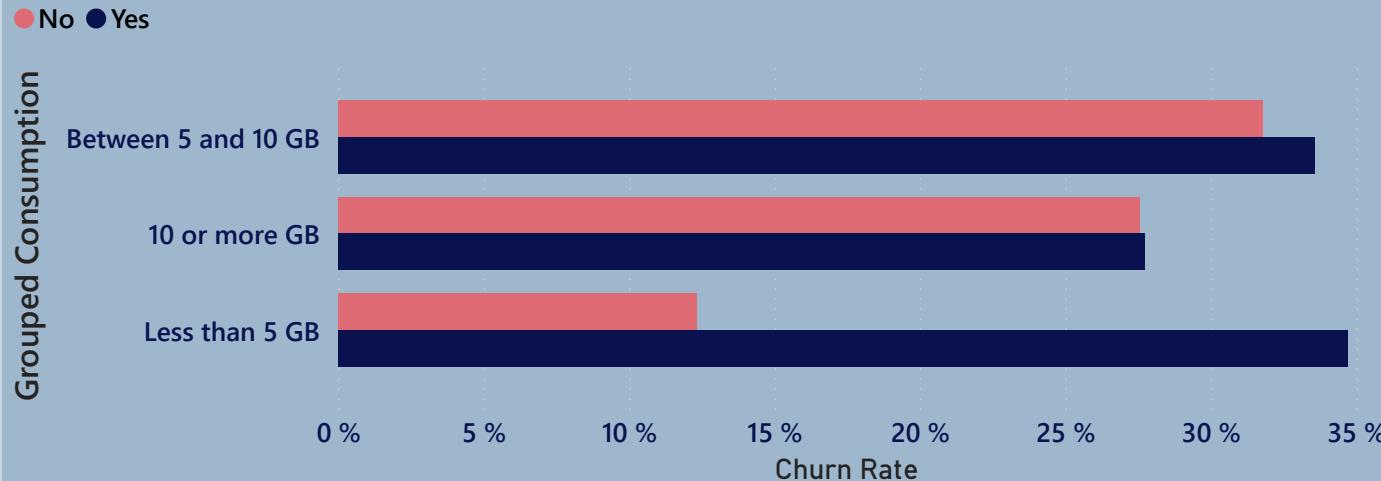
Customers by Contract type



Contract Type
● Month-to-Month
● Two Year
● One Year

Plans & Calls

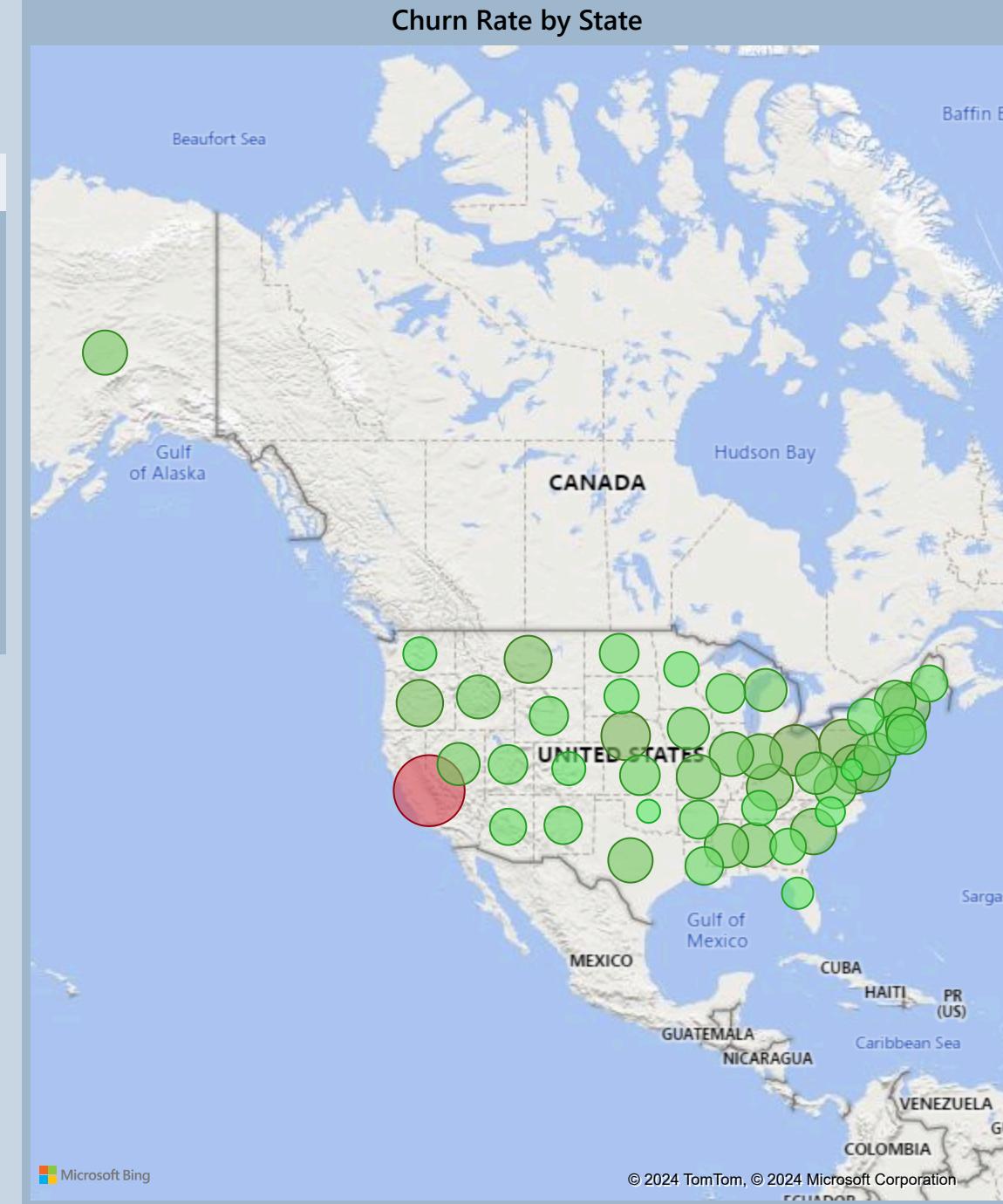
Churn Rate by Grouped Consumption and Unlimited Data Plan



Intl Active	no	yes	Total
Yes	40.34 %	7.59 %	34.31 %
No	20.01 %	71.19 %	22.21 %
Total	27.07 %	24.88 %	26.86 %

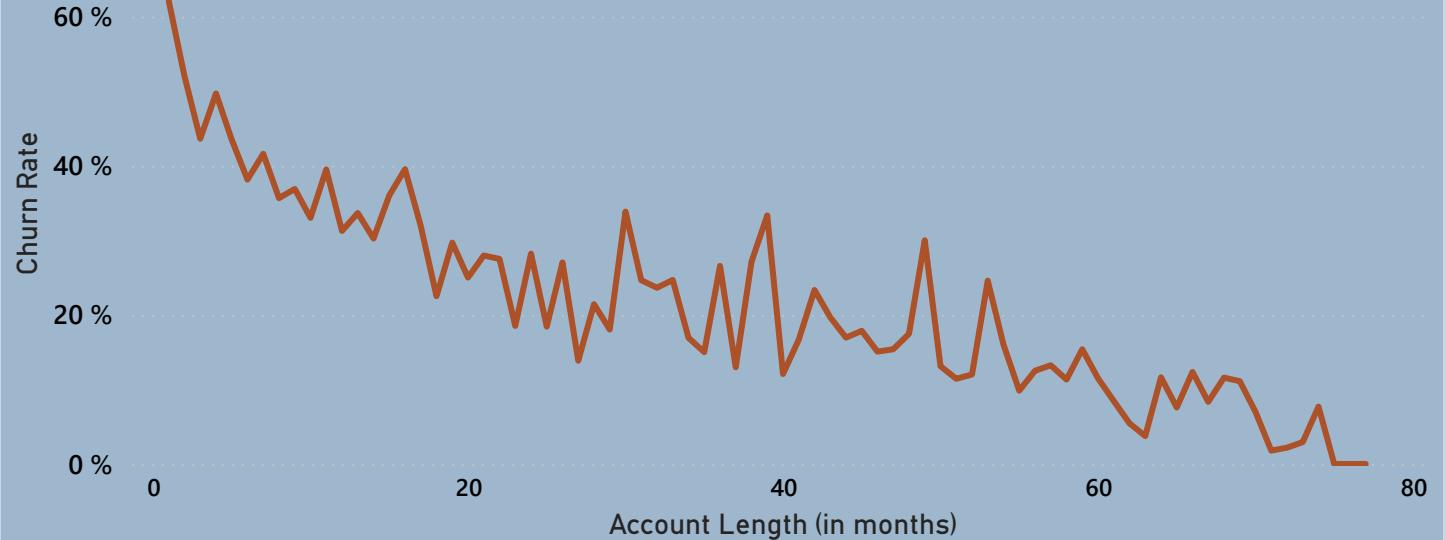
Unlimited Data Plan	Churn Rate	Number of Customers
No	16.10 %	2193
Yes	32.11 %	4494
Total	26.86 %	6687

Churn Rate by State

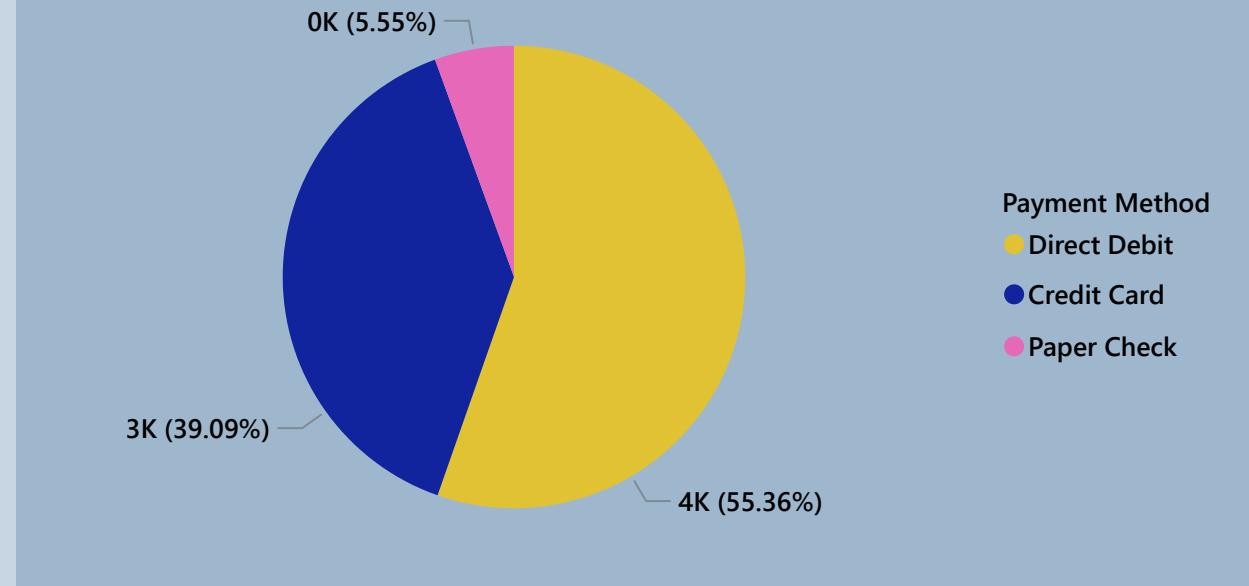


Contract Type

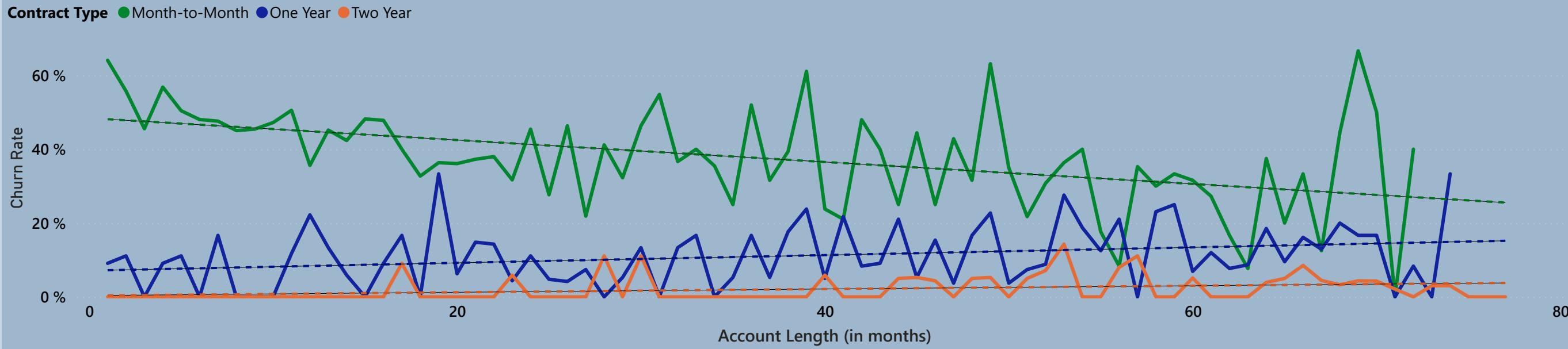
Churn Rate by Account Length (in months)



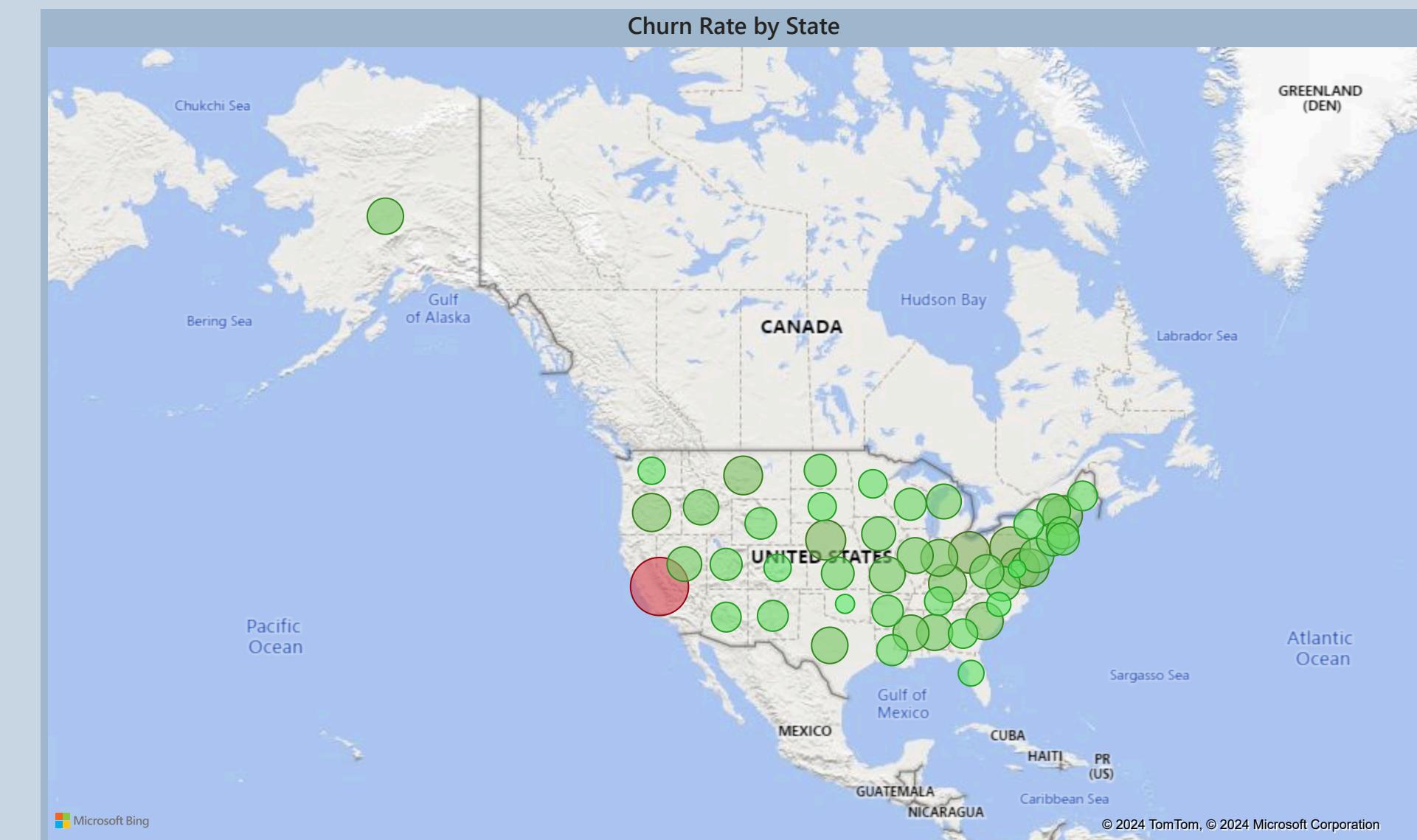
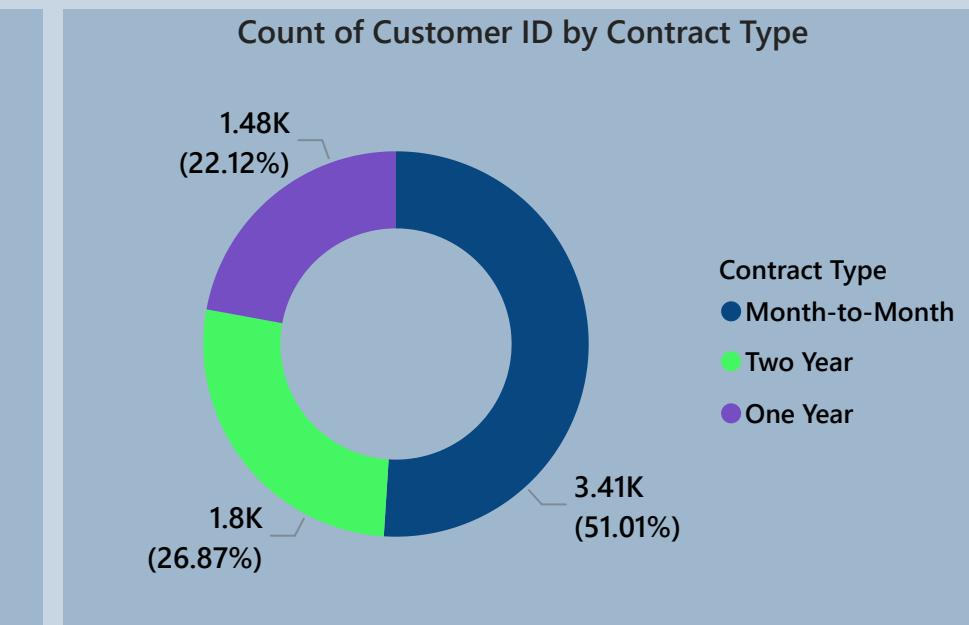
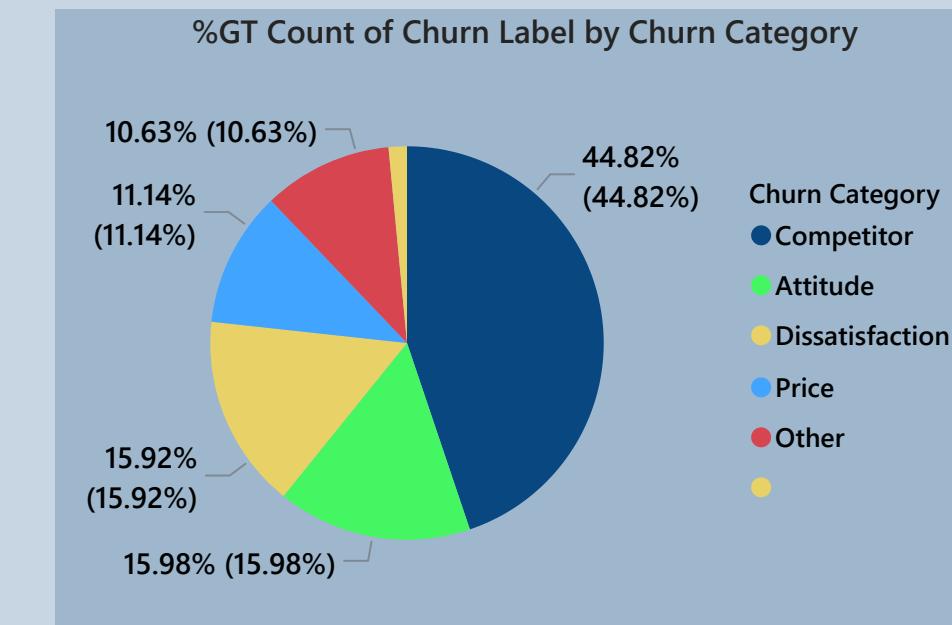
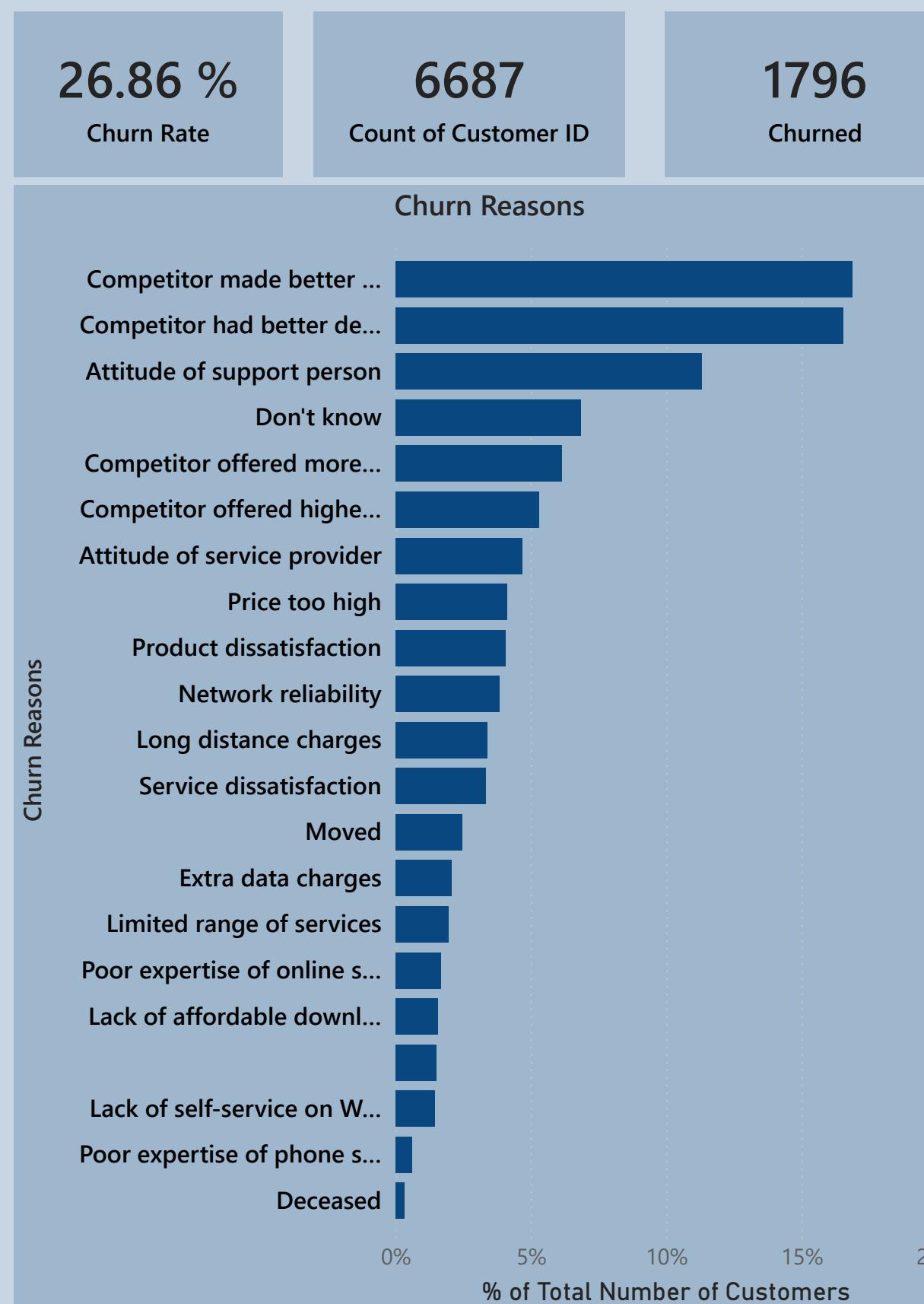
Number of Customers and Churn Rate by Payment Method



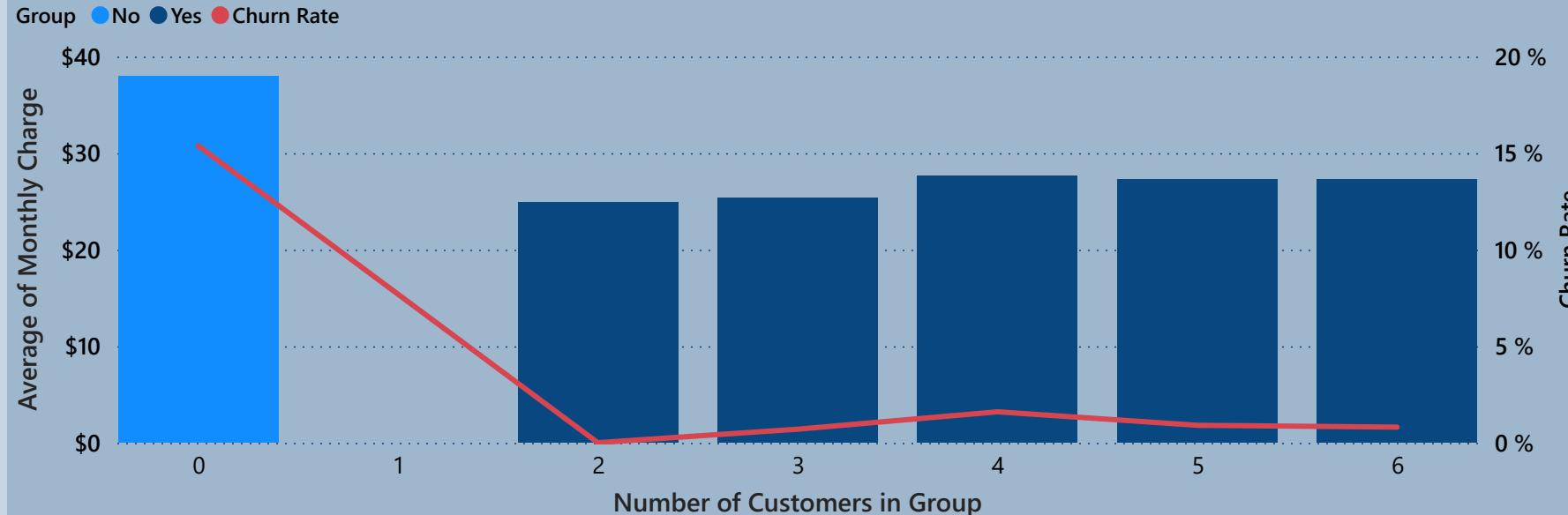
Churn Rate by Account Length (in months) and Contract Type



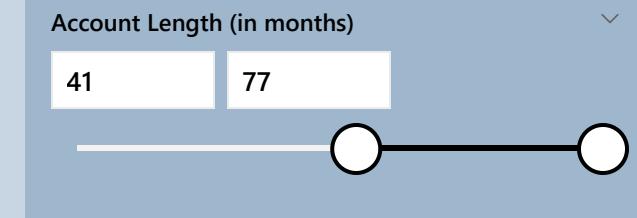
Overview



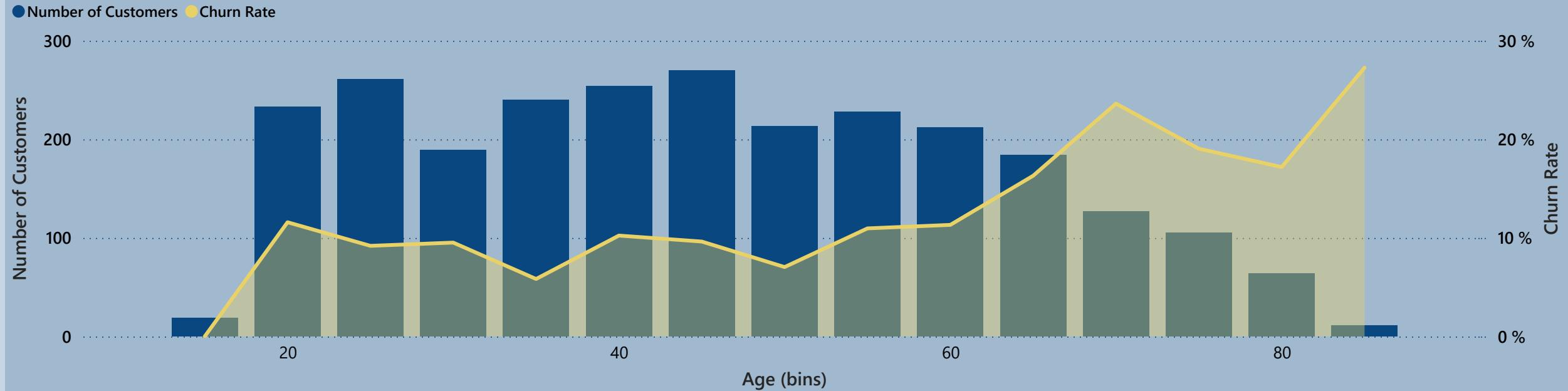
Average of Monthly Charge and Churn Rate by Number of Customers in Group and Group



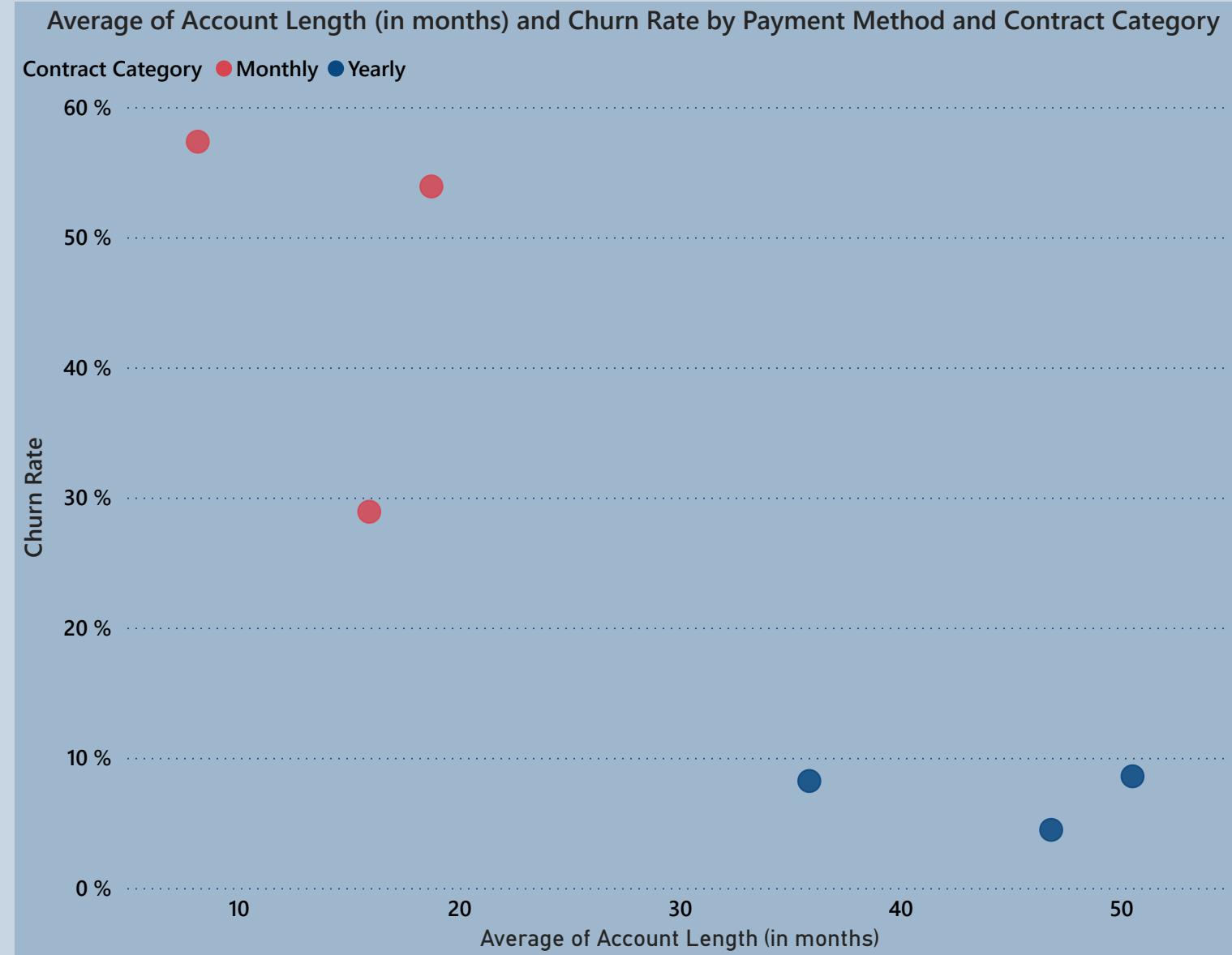
Age Groups



Number of Customers and Churn Rate by Age (bins)



Payments & Contract



Contract Category, Payment Method

- ↗ Monthly
 - Credit Card
 - Direct Debit
 - Paper Check
- ↗ Yearly
 - Credit Card
 - Direct Debit
 - Paper Check

6123

Customer Service Calls

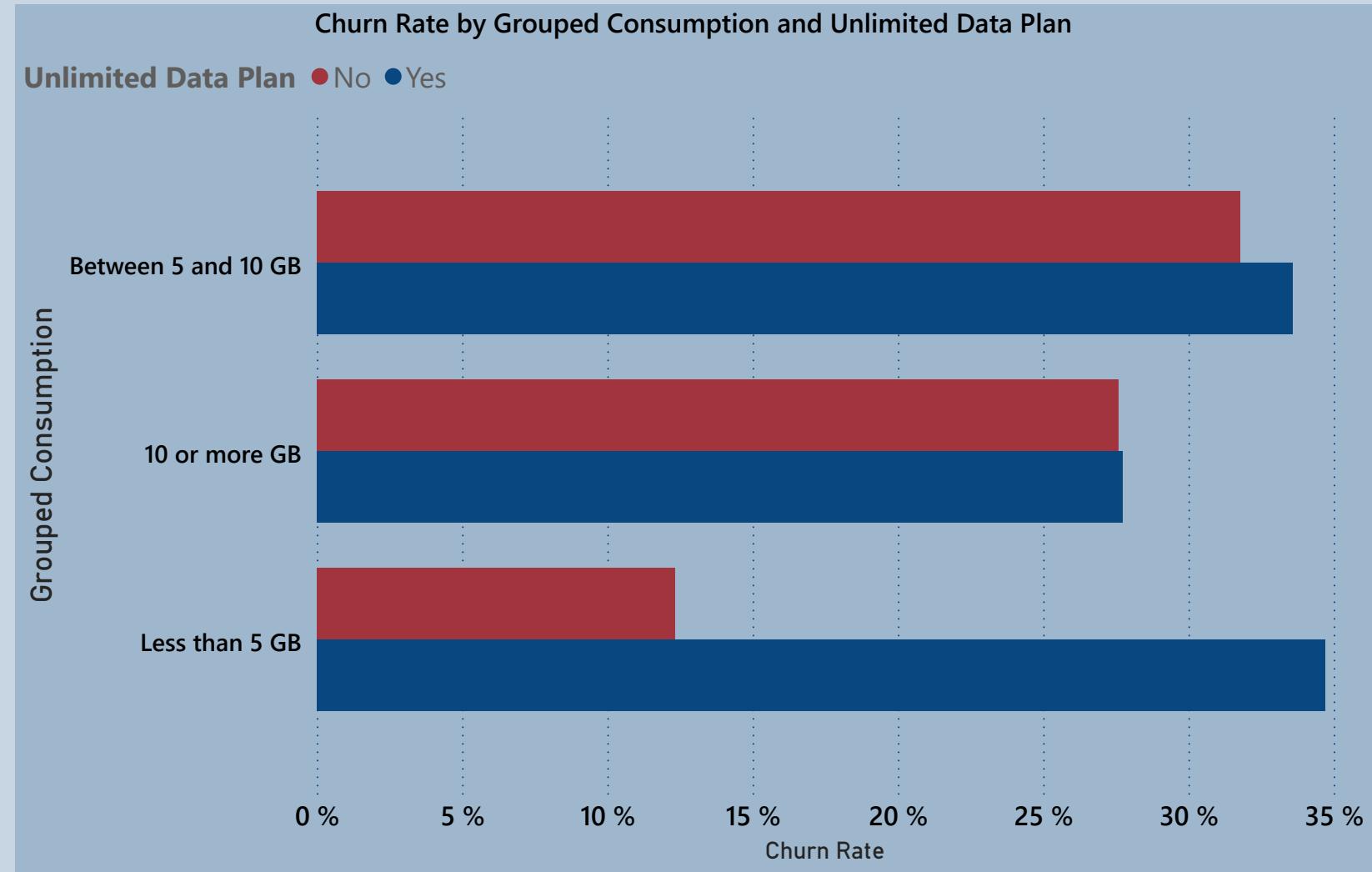
0.92

Avg Customer Service Calls

Extra Charges

33.64
Avg Extra International Charges

3.37
Avg Extra Data Charges



Insights

6123

Customer Service Calls

0.92

Avg Customer Service Calls

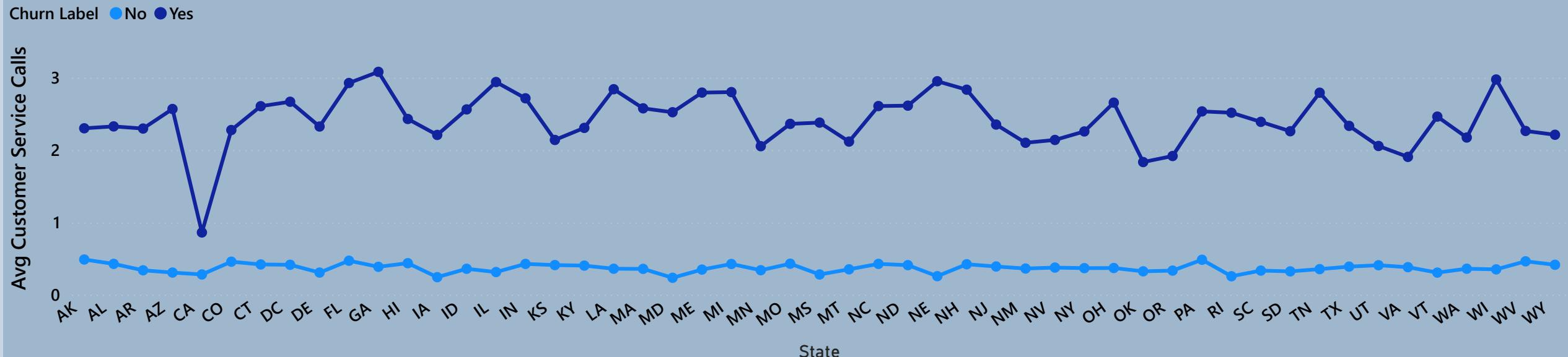
33.64

Avg Extra International Charges

3.37

Avg Extra Data Charges

Avg Customer Service Calls by State and Churn Label



Customer Churn Analysis Report

Prepared by: Pritom Bhowmik, Lead Analyst

1. Executive Summary

This report investigates customer churn across multiple dimensions, including age, contract type, payment method, consumption patterns, and account tenure. With an overall churn rate of 26.86% among 6687 customers (with 1796 churned), the analysis reveals key trends and underlying causes for customer attrition. The insights presented here are intended to help guide strategic initiatives aimed at reducing churn and enhancing customer loyalty.

2. Overall Churn Metrics & Demographics

Total Customers: 6687

Churned Customers: 1796

Overall Churn Rate: 26.86%

Age & Customer Count Analysis

Age Bins: Customers are segmented by age groups, which show varying churn rates. For instance, churn rate differences across age bins help pinpoint which demographic groups are more at risk.

Insight: Younger customers (under 30) and certain age ranges show distinct patterns, indicating that targeted engagement strategies might be beneficial for these segments.

3. Churn Drivers & Categories

Churn Reasons Breakdown

The dashboard highlights a variety of reasons for churn. Key categories include:

Competitor Offerings:

Competitor made better offer and Competitor had better devices account for the highest share of churn at 44.82%.

Service Attitude & Support:

Negative interactions with support personnel are significant, contributing around 15.98%.

Dissatisfaction & Price:

Product dissatisfaction and high pricing are also notable drivers, with price-related issues around 11.14%.

Other Factors:

Miscellaneous factors, including uncertainty (“Don’t know”) and other service issues, add up to the remaining percentage.

Data-Driven Observation

The dominance of competitor-driven reasons suggests that market competitiveness and value proposition enhancement are key areas for improvement.

4. Contract Type & Payment Method Segmentation

Contract Type Impact

Month-to-Month:

Representing 51.01% of customers, these contracts exhibit a high churn rate of 46.29%.

One Year & Two Year:

With 22.12% and 26.87% of customers respectively, the churn rate dramatically falls, especially for yearly contracts (around 6.62%).

Payment Methods

Direct Debit: 4K customers (55.36%)

Credit Card: 3K customers (39.09%)

Paper Check: Very small segment at 5.55%

Interpretation

Longer contract commitments correlate with significantly lower churn rates, suggesting that incentivizing longer-term agreements could be beneficial.

Direct Debit appears to be the dominant payment method, and its relationship with churn should be examined further for potential payment-related friction.

5. Consumption & Service Plan Insights

Data Consumption & Unlimited Plans

Grouped Consumption:

Customers are segmented into groups: “Less than 5 GB”, “Between 5 and 10 GB”, and “10 or more GB”.

Unlimited Data Plan Impact:

Customers on unlimited plans show a churn rate of 32.11% compared to 16.10% for those without.

Customer Distribution:

Without unlimited plan: 2193 customers

With unlimited plan: 4494 customers

Additional Charges & Customer Service

Average Extra Charges:

Extra International Charges: 33.64

Extra Data Charges: 3.37

Customer Service Calls:

An average of 0.92 calls per customer, with state-level variations that may highlight localized issues.

Takeaway

The higher churn rate among unlimited plan subscribers indicates that while these plans might be attractive, they may come with underlying issues such as overuse or unmet service expectations.

Extra charges and the frequency of service calls are critical metrics to monitor as they might point to customer dissatisfaction with billing or service quality.

6. Account Tenure Analysis

Account Length

Trend:

Churn rate is segmented by account length (in months). Early stages of customer tenure tend to see higher churn rates, which gradually decline as customers remain longer.

Contract Type Interaction:

Detailed segmentation shows that month-to-month contracts with short account lengths are particularly vulnerable to churn.

Recommendation

Implement proactive engagement and support strategies during the initial months of customer onboarding to build trust and encourage longer tenure.

7. Geographic & Demographic Segmentation

Churn by State

The dashboard provides a breakdown of churn rates by state, enabling targeted interventions based on geographic performance.

Customer Service Calls by State:

Variations in average service calls across states suggest that localized service quality or network reliability issues might be influencing churn.

Actionable Insights

Identify states with unusually high churn and customer service call volumes for deeper analysis.

Consider localized campaigns and network improvements in underperforming regions.

8. Recommendations & Next Steps

Based on the insights gathered, the following actions are recommended:

Enhance Competitor Response Strategies:

Revise offers: Develop competitive packages to counter competitor promotions.

Service Quality: Improve support training and customer service responsiveness.

Incentivize Longer-Term Contracts:

Offer discounts or additional benefits for yearly or multi-year contracts.

Develop retention programs targeted at month-to-month customers, especially during early tenure.

Review Unlimited Data Plans:

Investigate customer feedback and service performance for unlimited plans to identify pain points.

Consider tiered unlimited offerings to better match usage and service quality.

Localized Engagement:

Use state-level data to deploy targeted campaigns.

Enhance network reliability and service quality in regions with higher churn.

Monitor Additional Charges & Service Calls:

Regularly review extra international and data charges to ensure they align with customer expectations.

Use customer service call data to identify and resolve recurring issues.

9. Conclusion

The detailed analysis provided in this report reveals that customer churn is driven by a mix of competitive pressures, service quality, contract terms, and plan-specific issues. By focusing on targeted strategies—especially in enhancing support, incentivizing longer commitments, and addressing specific issues related to unlimited data plans—the company can work towards lowering churn rates and improving overall customer satisfaction.

Implementing these recommendations, supported by continuous monitoring through dashboards like this one, will help create a proactive and data-driven approach to customer retention.