

Churn Analysis

Group – 11

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1) Churned Customers:

- The Recursive Feature Elimination (RFE) which we have used with our Logistic Regression classifier, suggests us that these features have the most relevance with classifying the churned customers.
 - Complain – People who had complains has churned more than people without any complaints.
 - CityTier_1 – Comparing to city tiers 2 and 3 people from city tier 1 has churned more.
 - PreferredOrderCat_Laptop & Accessory – People who's preferred order is laptop & accessory has churned and they also contain majority proportion of the non churn group.
 - PreferredOrderCat_Others – It has small number of people but majority of them are in churn group.
 - SatisfactionScore_1 – Low satisfaction in customers results in churn.
 - SatisfactionScore_2 - Low satisfaction in customers results in churn.
 - MaritalStatus_Single – People who are single are more likely to churn than married or divorced people.
 - tenure_group_Tenure_12-24 – People has churned between 12-24 months.
 - tenure_group_Tenure_It_12 – People has churned in less than 12 months.
 - Tenure – Length of time customer has stayed with the company.
- Also, the feature visualisation suggests the same as above.

2) People likely to churn:

- According to analysis people with complains are more likely to leave next.
- People from city tier 1 are more likely to churn than people from another city tiers.
- People who preferred laptop and accessories are more likely to churn and people who preferred other categories are also more likely to churn.
- Also, the visualization suggests that people who preferred mobile are more likely to churn and most of them has already churned as well.
- So, people who preferred electronic gadgets are leaving the organization.
- People who had low satisfaction level were churning more as well.

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- Single people are more likely to churn as well.
- Also, New users who has been using the service for less than 2 years are more likely to leave than users who have been with the organization for more than 2 years.

3) Marketing Strategy:

- According to above analysis these are some marketing strategies to entice individuals to continue using the service.

i) Complaint Resolution Program:

- Implement a robust complaint resolution program to address and resolve customer complaints effectively.
- Actively gather feedback from customers who have lodged complaints to improve service quality.

ii) City Tier-Specific Strategies:

- Develop city tier-specific marketing campaigns and offers to retain customers in different city tiers.
- Focus on providing tailored incentives and promotions to customers in City Tier 1 to reduce churn.

iii) Preferred Order Categories:

- Analyze and improve the shopping experience for customers who prefer Laptop & Accessory and Other categories.
- Offer personalized recommendations and discounts to encourage more purchases in these categories.

iv) Satisfaction Enhancement:

- Invest in enhancing customer satisfaction by addressing pain points and improving service quality.
- Conduct regular surveys to measure customer satisfaction and act based on the feedback received.

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v) Marital Status Targeting:

- Implement targeted marketing campaigns based on marital status.
- For single customers, offer exclusive deals or loyalty programs to retain their loyalty.

vi) Tenure-Based Retention:

- Create retention programs for customers with shorter tenures (less than 2 years) to ensure they stay longer.
- Offer loyalty rewards and discounts to long-term customers to keep them engaged.

vii) Customer Engagement:

- Develop a comprehensive customer engagement strategy to keep customers active on the platform.
- Use email marketing, personalized recommendations, and app notifications to re-engage inactive customers.

viii) Exit Surveys:

- Conduct exit surveys for customers who have churned to understand the specific reasons for their departure.
- Use this feedback to make targeted improvements in areas that matter most to customers.