

CUSTOMER CHURN ANALYSIS

Customer churn is a critical challenge in the banking sector, affecting profitability and growth. As part of a recent project, I developed a comprehensive Customer Churn Analysis Report using Power BI, where I analyzed a bank's customer data to uncover trends, identify root causes, and propose actionable solutions to retain customers.

Objective:

The primary goal was to analyze customer behavior, identify patterns leading to churn, and derive insights that could inform retention strategies. The focus extended beyond churn rates to understanding the "why" behind customer decisions.

Key Insights from the Analysis:

1. Churn Rate Overview:

- **Churn Rate:** 20.4% of customers are leaving—approximately 1 in 5 customers.
- This emphasizes the pressing need for effective retention strategies.

2. Customer Segmentation Analysis:

- **Inactive Customers:** Represent 51.51% of churn cases, highlighting the importance of engagement.
- **Non-Credit Card Holders:** 2.4x more likely to churn compared to cardholders.
- **Age Groups:**
 - Customers aged 41–50 exhibit the highest churn rates.
 - Followed by 31–40 and 51–60 age brackets.

3. Regional Trends:

Customers from Germany show the highest churn rates, suggesting region-specific challenges.

4. Contributing Factors:

- **Low Credit Scores:** Customers with credit scores between 400–600 are more likely to leave.
- **Low Account Balances:** Accounts with balances below \$100,000 significantly contribute to churn.

Recommended Actions to Mitigate Churn:

1.Reengage Inactive Customers:

- Develop personalized offers and loyalty rewards programs.
- Initiate outreach campaigns to reestablish engagement.

2.Support Financially Vulnerable Customers:

- Provide financial advisory services.
- Launch credit score improvement programs and fee waivers.

3.Region-Specific Strategies:

Address regional concerns in Germany with tailored services and incentives.

4.Promote Credit Card Usage:

- Educate customers on the benefits of credit cards to enhance engagement.
- Offer incentives for first-time credit card users.

Impact of Recommendations:

- Implementing these strategies can potentially reduce churn by at least 5%, translating into significant savings and improved customer satisfaction. By focusing on actionable insights and data-driven strategies, this analysis offers a roadmap for banks to enhance retention and long-term growth.
- This project highlights the importance of blending data visualization with strategic thinking to tackle real-world business challenges. I'd love to connect with professionals passionate about data analytics, customer retention, and impactful business solutions.

CHURN ANALYSIS

BANK CUSTOMER DATA

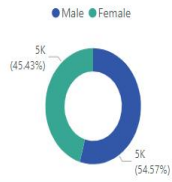
10K

Customers

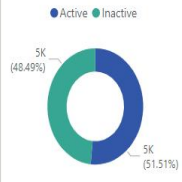


Churn Status
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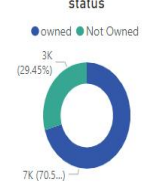
Customers by Gender



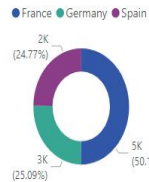
Customers by Activity Status



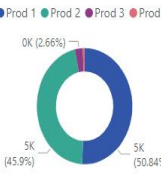
Customers by Credit Card status



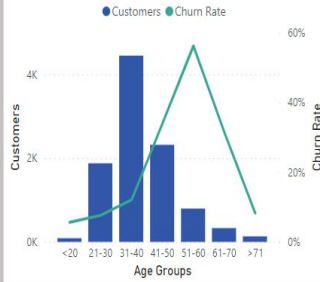
Customers by Country



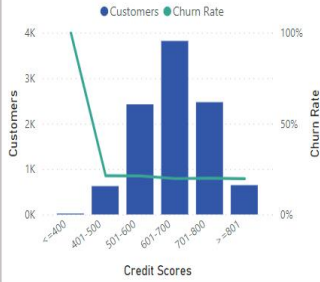
Customers by Products



Customers and Churn Rate by Age Groups



Customers and Churn Rate by Credit Scores



Customers and Churn Rate by Account Balance

