# **Customer Retention**

- Our Objective here is to find customer behavior to retain customers. The dataset provided gives us data about customers who churned within the last month, the services that each customer has signed up for, account details and demographic information as well.
- Using data exploration and inference we found certain patterns in the data that we feel will help us with predicting the people who churned. Each of those inferences are discussed further.

# Monthly Charges

 As per our analysis for the customer who churned the average cost was 80 and the customer who did not churn the average cost was around 60. So If we have recently changed the price we should take this data into consideration and think about changing the price structure.

### Monthly Customer

When comparing monthly customers with our 1 year and 2 year customers. Monthly customers are highly likely to churn. This might be because they are just trying the service and don't like the commitment. 42% of our monthly customers have churned vs 11% of our 1 year customers and 3% of our 2 years customers. There is definitely some strong correlation here. If the user has a month to month contract the user is more likely to leave and go to a competitor

## Senior Citizen

 There is a high correlation with a customer's likelihood to stay to the fact that he/she is a senior citizen. People who are senior citizen might be getting a better deal here and hence are likely to stay longer.

#### Paperless Billing

 Having paperless billing has a higher likelihood of churning. This might hold true for a number of reasons such as more people read their email than the mails they get.

## • <u>Tenure</u>

The time the person has been loyal to the company has a high likelihood that he
or she will continue that relationship. The .35 correlation suggests that it's a
strong predictor of a person's ability to churn.

#### Tech Support

o If a person has not called tech support he or she is more likely to churn as compared to a person who has used it. Maybe that's the reason they chured in the first place. They found an issue they didn't call and directly churned. This leads us to the question as to how to reach such customers in time and promote our customer care support. Maybe use social media such as twitter to further increase our reach.

## Electronic Check

 I assume echeck is not automated, hence people have to constantly do this manually and hence might sometime forget to do it. As .45 of the people who churned were doing it through electronics.

# • Fiber optics

People who have fiber optics are more likely to churn than people who use DSL.
 This might be due to the competition in Fiber optics and DSLs technology as well.

# • Partner or Dependents

 People who do not have a partner of Dependents are more likely to churn and look for other products.

# Cross -selling

 Customers who do not get any of our other services such as tech support, online security, online backup services are more likely to churn.