
ANALYSIS ON TELCO-CUSTOMER-CHURNING

BY: OWOLABI SIMEON

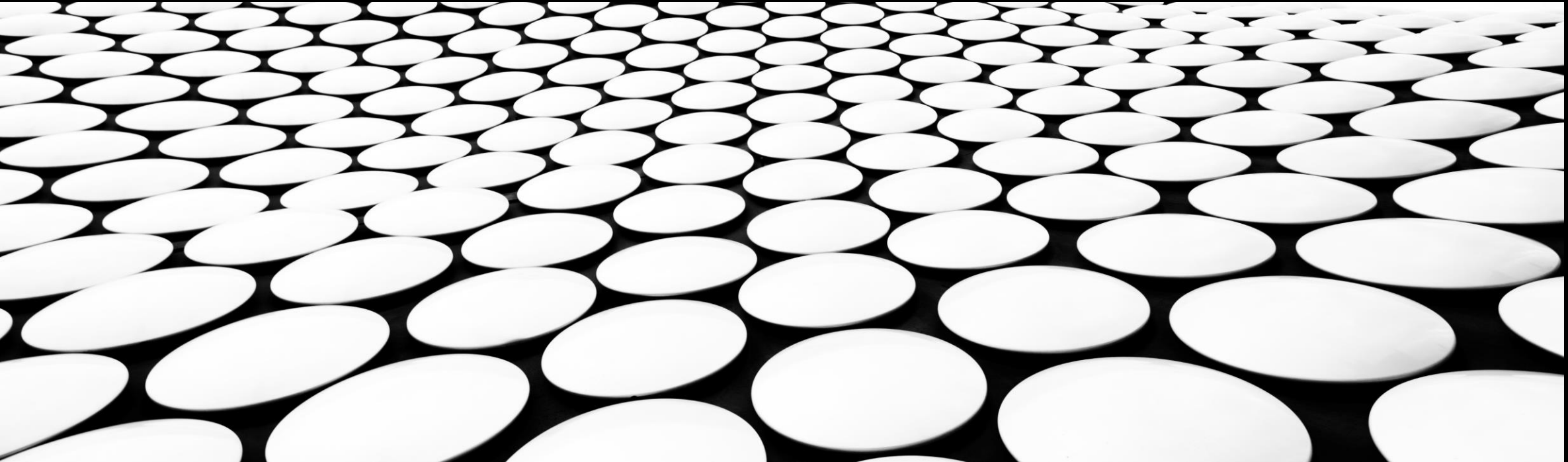


TABLE OF CONTENT



Executive Summary



SWOT Analysis



Churned Customer Analysis



Outcome / Insight



Conclusion

Total Number of Customers

7043

Churned Customers

1869

Retained Customers

5174

Churned

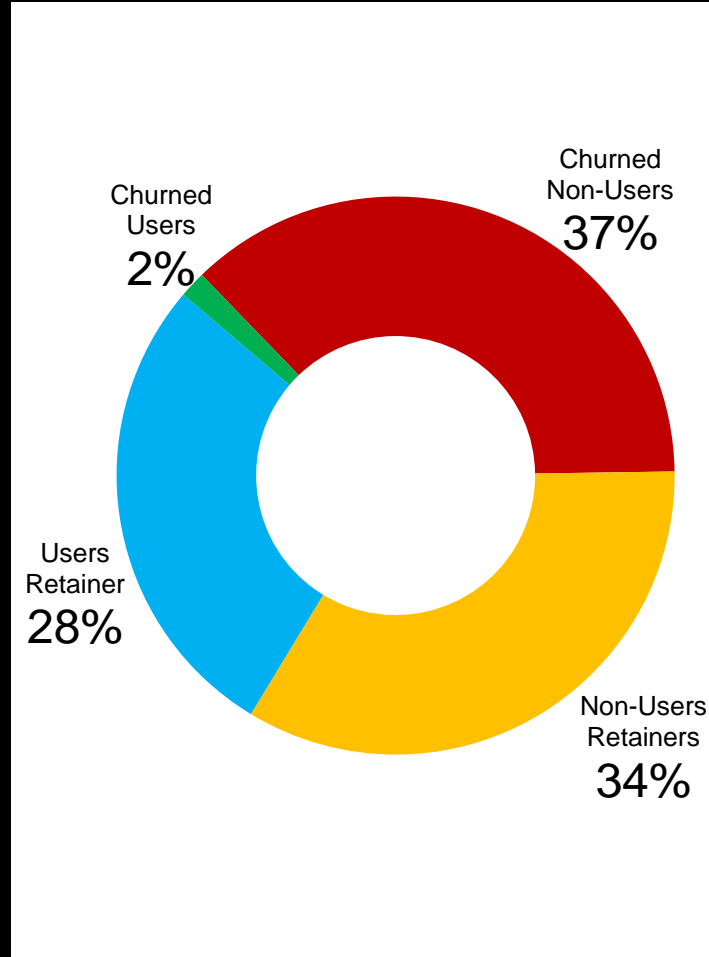
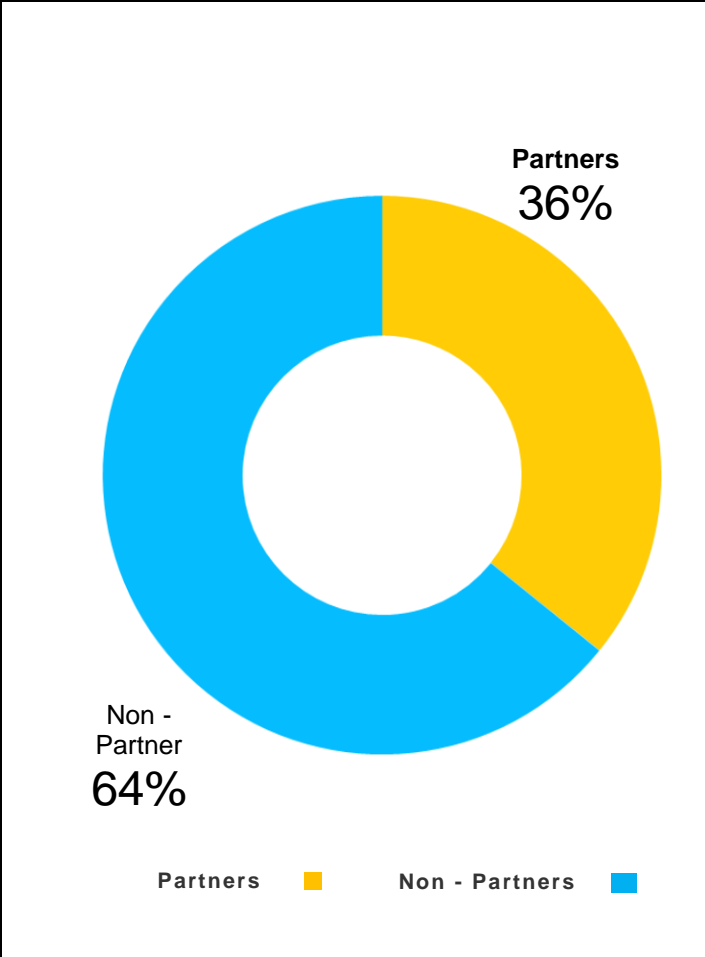
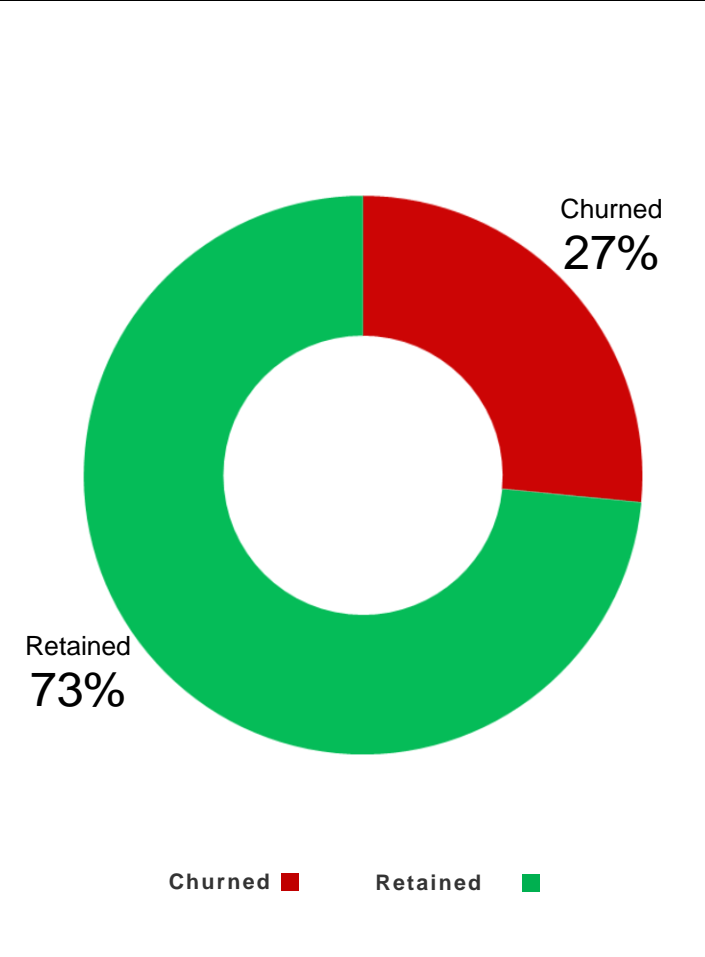
MALE	FEMALE
930	930

Partnership

Partners	Non Partners
669	1200

Non-Users of other Services who Churned

361





Strengths

The telecom company has good records in providing services like Phone Service and Internet Services which is what they need to capitalize on.



Weaknesses

I observed weaknesses in the service rendered to partners and non-partners as well as the dependent Users.



Opportunities

The telecom company should focus on providing more value to their customers by offering more payment options, promoting additional services, and providing incentives to sign up for longer contracts.



Threats

Not offering more affordable plans and providing more value to customers who have been with them for a longer time will cause more customers to churn.

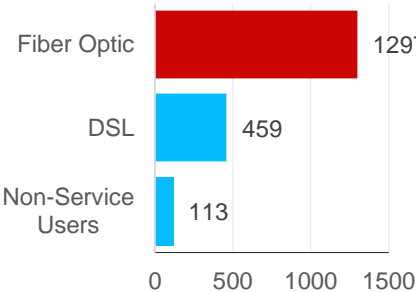
Churned Senior
Citizen

476

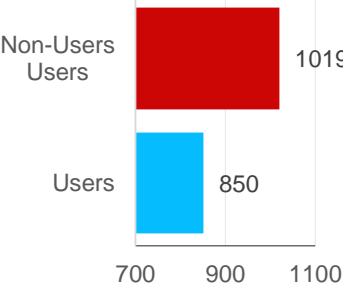
Phone Services
Users

1699

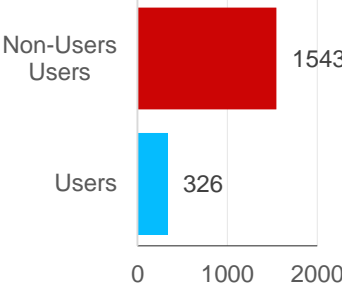
Internet Service Users



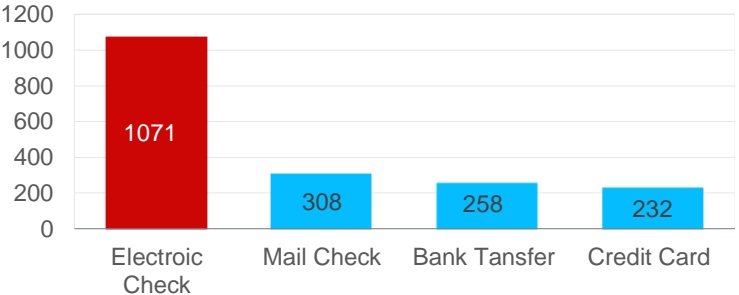
Multiple Line User



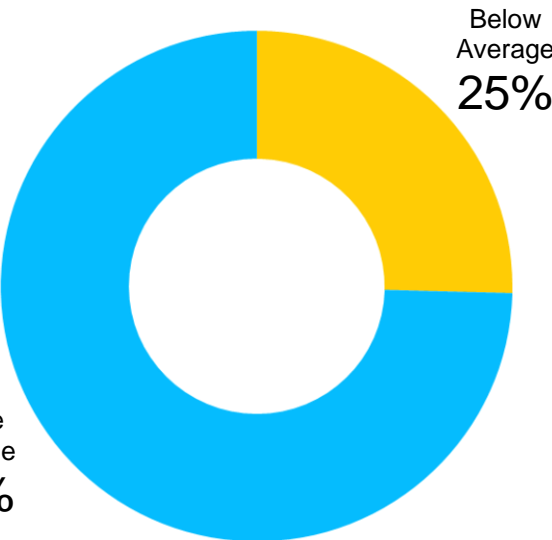
Dependent User



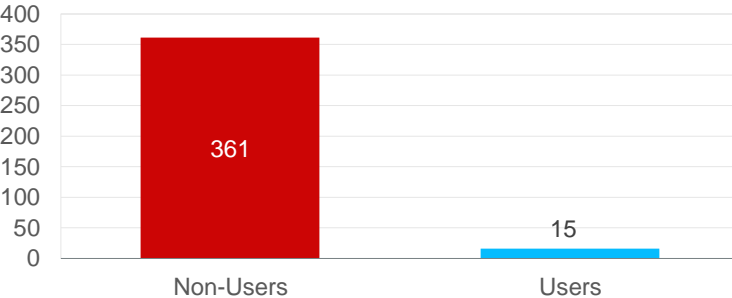
Churn based on Payment Methods



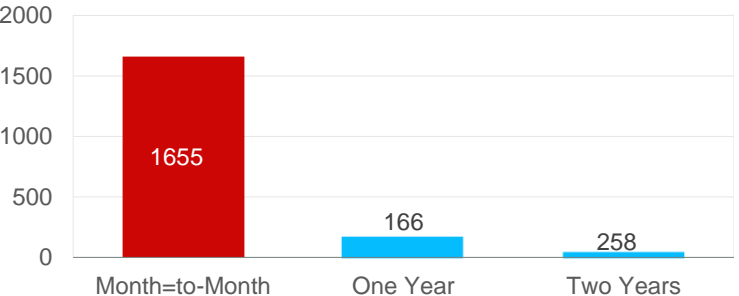
Churn based on Total charges
Per Average £2283



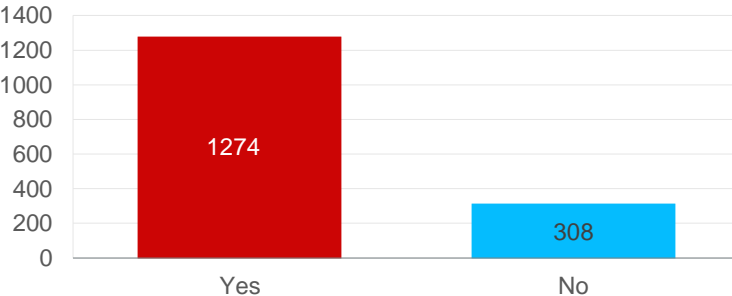
Churn based on Additional services



Churn based on Contract Length



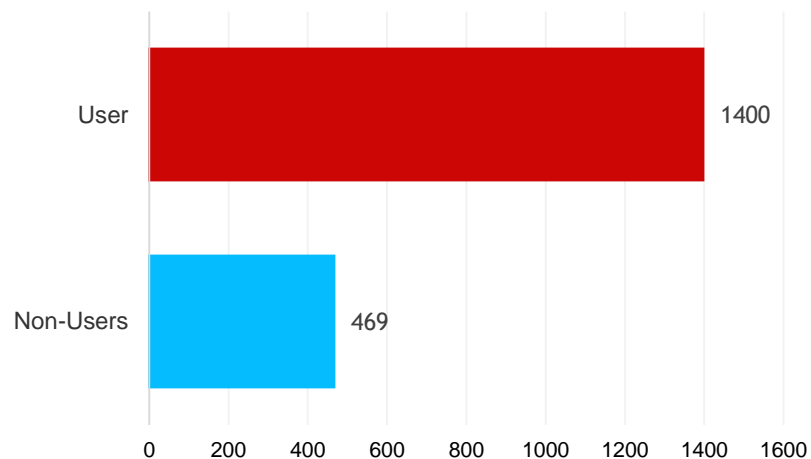
Churn based on Monthly charges Above £70



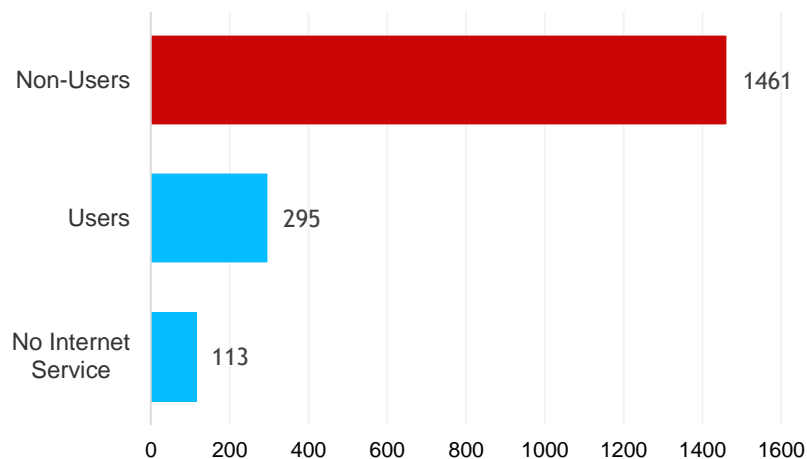
Below Average Above Average

01	Payment method	A majority of the customers who churned (57 out of 100) used electronic checks as their payment method. This suggests that the company should consider offering more payment options, such as credit card or bank transfers, to reduce the likelihood of customer churn.
02	Contract length	Customers who were on a month-to-month contract were more likely to churn compared to those on a one-year or two-year contract. This indicates that the company should consider incentivizing customers to sign up for longer contracts, such as offering discounts or other perks.
03	Additional services	Customers who did not use any additional services such as Online Backup, Device Protection, Tech Support, Streaming TV, or Streaming Movies were more likely to churn. This suggests that the company should focus on promoting these additional services to customers to increase their retention.
04	Monthly charges	Customers who churned had higher average monthly charges (£70) compared to those who did not churn (£70). This indicates that the company should consider offering more affordable plans to customers to reduce the likelihood of churn.
05	Total charges	Customers who churned had Above average total charges (£2283) compared to those who did not churn. This suggests that the company should consider providing more value to customers who have been with them for a longer time, such as offering loyalty discounts or other perks.

Churn based on Paperless Billing



Churn based on Online Security



06

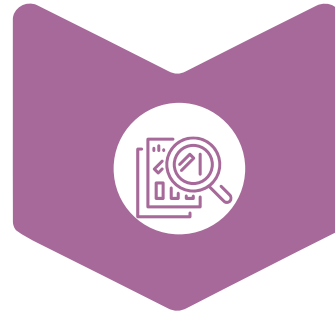
Paperless Billing

Customers who use Paperless Billing are more prone to Churning than non-users. Analysis shows that 75% of customers who churned are users of this Paperless Billing Service, this could be due to bad service or the difficulties related to using the service.

07

Online Security

Analysis shows that 78% of the customers (1461) who churned don't use Online Security, which could open them to more cyber attacks. I advise the Telecom company to lend out its voice advising customers to subscribe to using online services.



Conclusion

The data analysis shows that there are a total of **1869 customers** who churned. This is approximately **26.5%** of the total customer base. The average **tenure of customers** who churned is **17 months**, which is lower than the overall average tenure of customers. The majority of churned customers are those with a **month-to-month contract**, with higher monthly charges and no dependents. Customers who have availed of **Fiber Optic internet service** are more likely to churn.

Furthermore, customers who did not opt for **additional services** such as online security, tech support, and device protection, are also more likely to churn. Customers who pay through Electronic checks are more likely to churn than those who use other payment methods.

The company can use these insights to take measures to reduce churn rate, such as **providing incentives to customers for a longer contract period, offering discounts to customers who opt for additional services, and improving their billing and payment process.**

APPENDIXES

TOTAL CUSTOMER		
Churn	1869	27
Un-Churn	5174	73
Total	7043	

GENDER							
Male that Churn	930	49.8	That Didn't	2625	50.7		
Female that churn	939	50.2	That Didn't	2549	49.3		
Total	1869			5174			

CONTRACTS		
M-to-M	1655	89
1year	166	9
2years	48	3
	1869	

METHOD OF PAYMENT		
Bank Tansfer (Automatic)	258	14
Credit card (Automatic)	232	12
Electroic Check	1071	57
Mail Check	308	16
	1869	

PARTNERSHIP				
	churned		retained	
Partners	669	36	2733	53
Non-partners	1200	64	2441	47
	1869		5174	

PAPERLESS BILLING	Churn		Retained
No	469		2403
Yes	1400		2771
	1869		5174

ADDITIONAL SERVICE THAT CHURN	Yes		No	
Users	15		269	
Non_Users	361		331	
	376		600	

MONTHLY SUB	Churned		Retained	
Above 70Pounds	1274	68	2314	45
Below 70Pounds	595	32	2857	55
	1869		5171	

TOTAL CHARGES	Churned		Retained	
Above Average of 2283Pounds	475	25	2182	42
Below Average of 2283Pounds	1394	75	2992	58
	1869		5174	

ONLINE SERVICE	Churn	Retained
No	1461	2037
No Internet Service	113	1413
Yes	295	1724
	1869	5174

REFERENCES

Gulati, A. P. (2022, March 15). *Churn Analysis of a Telecom Company*. Analytics Vidhya. <https://www.analyticsvidhya.com/blog/2022/01/churn-analysis-of-a-telecom-company/#:~:text=Electronic%20check%20mediums%20are%20the,senior%20Citizens%20are%20high%20churners>