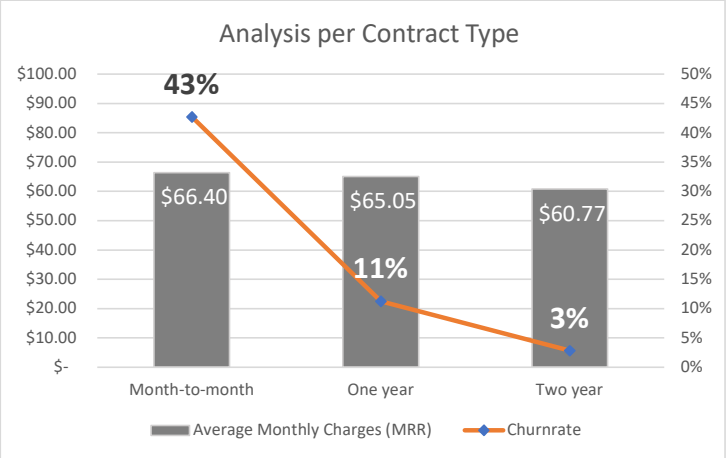
Telco Churn Analysis

Analysis per Contract Type

Contract Type	Total Customeer	Churnrate	Average Monthly Charges (MRR)
Month-to-month	3875	43%	$ 66.40
One year	1473	11%	$ 65.05
Two year	1695	3%	$ 60.77



Insights:

Month-to-Month Dominance: A significant majority (3875 out of 7043, roughly 55%) of customers are on month-to-month contracts. This suggests a preference for flexibility and potentially a reluctance to commit long-term.
High Churn for Month-to-Month: The month-to-month contract also exhibits the highest churn rate (43%).
Month-to-Month Premium: Interestingly, month-to-month customers have the highest average monthly charges ($66.40). This could be due to factors like higher base rates for flexible plans or the inclusion of add-ons that are not discounted with longer contracts

Recommendation

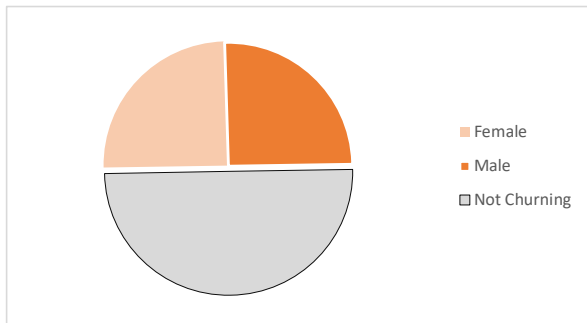
Focus on Retention for Month-to-Month: While month-to-month customers provide a large revenue base, the high churn rate necessitates strategies to improve retention. This could involve targeted offers, loyalty programs, or understanding the reasons for churn through surveys or feedback analysis.

Suggestion

Optimize Pricing Strategies: Evaluate the pricing structure for different contract types. Ensure that the pricing accurately reflects the value proposition and incentivizes desired customer behavior.

Analysis in Gender

Gender	Sum of Total Counter	Churnrate	Average Monthly Charges (MRR)
Female	3488	27%	$ 65.20
Male	3555	26%	$ 64.33



Insights

Near-Equal Gender Distribution: The customer base is almost evenly split between females (3488) and males (3555). This suggests that gender isn't a significant differentiating factor in terms of overall customer acquisition.
Slightly Higher Average Monthly Charge for Females: Female customers have a slightly higher average monthly charge ($65.20) compared to male customers ($64.33).

Recommendation

Investigate the Monthly Charge Difference: While the difference in average monthly charge is small, it's worth investigating why females have a slightly higher average.

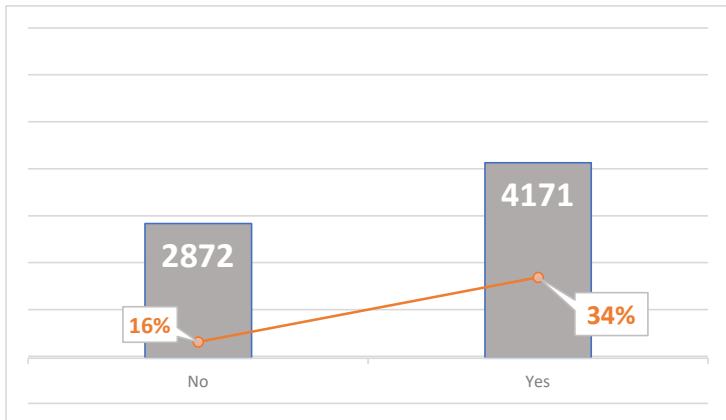
Usage Patterns: Do female customers tend to use more data or subscribe to more add-on services?
Plan Choices: Do they opt for different plan types on average?
Promotional Offers: Are there any discrepancies in the promotional offers targeted at different genders?

Suggestion

Further Analysis: Combine this gender-based data with other customer demographics and behavioral information (like contract type from the previous table) to create more detailed customer segments. This will help identify any intersecting factors that might be driving churn or spending patterns.

Analysis in Type of Billing

Billing Type	Sum of Total Counter	Churnrate	Average Monthly Charges (MRR)
Traditional	2872	16%	$ 51.99
Paperless	4171	34%	$ 73.55
Grand Total	**7043**	**27%**	**$ 64.76**



Insights

Paperless Billing Popularity: A significant portion of customers (4171 out of 7043, roughly 59%) have opted for paperless billing. This indicates a general preference for digital communication and convenience.
Higher Average Monthly Charge for Paperless Billing: Customers with paperless billing also have a significantly higher average monthly charge ($73.55) compared to those with paper bills ($51.99).

Recommendation

Investigate the Churn Discrepancy: Customers with paperless billing have a considerably higher churn rate (34%) compared to those who receive paper bills (16%). This is a noteworthy finding that warrants further investigation.

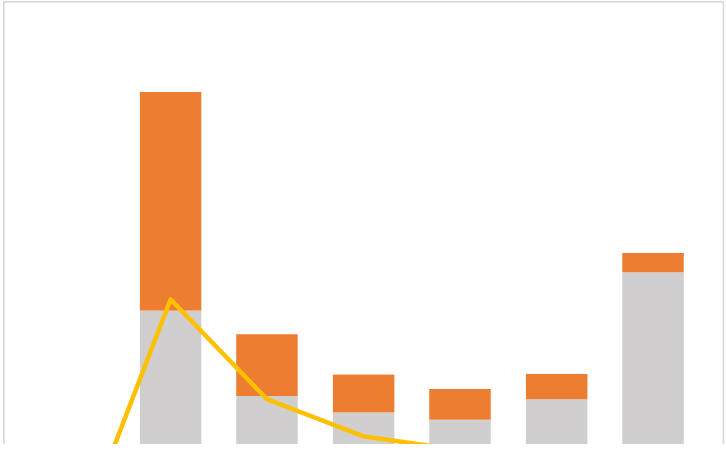
Plan Preferences: Do paperless customers tend to choose more expensive plans or bundles?
Add-on Services: Are they more likely to subscribe to add-on services or features?
Promotional Offers: Are there differences in the promotional offers targeted at paperless vs. paper bill customers?

Suggestion

Promote Paperless Billing Strategically: While paperless billing offers cost savings and environmental benefits, it's important to promote it strategically, ensuring a smooth and positive experience for customers who opt for it.

Analysis in Customer Tenureship

Years	Sum of Total Counter	Sum of Churate	Average Monthly Charges (MRR)
0	11	0%	$ 41.42
1	2175	48%	$ 56.17
2	1024	29%	$ 61.36
3	832	22%	$ 65.58
4	762	19%	$ 66.32
5	832	14%	$ 70.55
6	1407	7%	$ 75.95
Grand Total	**7043**	**27%**	**64.76169246**



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Suggestion

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Overall Insight

Month-to-Month Customers: High churn (43%) despite high average revenue, requiring constant acquisition efforts.

Long-Term Contracts: Low churn, stable revenue, and increased customer lifetime value.
Gender: Not a significant factor in churn or spending, but a small spending difference for females warrants further investigation.

Paperless Billing: Popular, but associated with higher churn (34%), suggesting issues with the digital experience.
Tenure: High churn in the first year, decreasing significantly with time; long-term customers spend more.

Overall Recommendation

Month-to-Month: Improve value proposition, investigate churn drivers (price sensitivity, etc.).
Long-Term Contracts: Incentivize upgrades, simplify the process.
Gender: Maintain gender-neutral approach, but investigate female spending difference.
Paperless Billing: Prioritize digital experience improvements, investigate churn reasons.
Tenure: Implement tiered customer lifecycle management; focus on onboarding for new customers, loyalty programs for long-term customers.