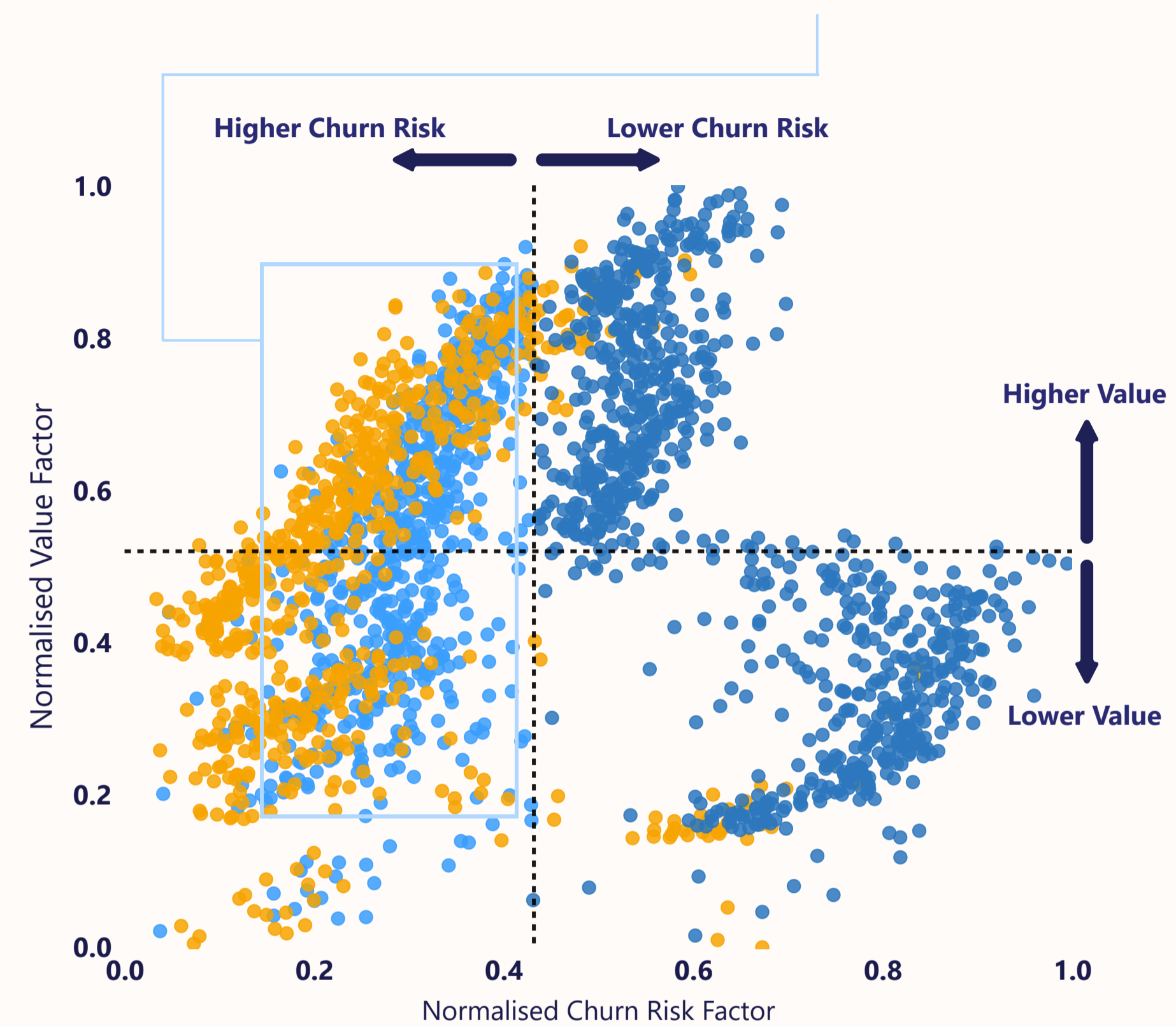


Stayed & Churned Customers Monthly Charge Summary

	High Value	Low Value
Totals	Total Charge \$281K (63%) Avg. Charge: \$88.5, Accounts: 3,180 (45%)	Total Charge \$148K (37%) Avg. Charge: \$43.2, Accounts: 3,419 (55%)
Churned	Total Charge \$72K (16%) Avg. Charge: \$94.2, Accounts: 763 (11%)	Total Charge \$65K (15%) Avg. Charge: \$59.0, Accounts: 1,106 (16%)
Stayed @ Risk	Total Charge \$88K (20%) Avg. Charge: \$89.0, Accounts: 985 (14%)	Total Charge \$49K (11%) Avg. Charge: \$54.2, Accounts: 904 (13%)
Stayed Safe	Total Charge \$121K (27%) Avg. Charge: \$85.2, Accounts: 1,422 (20%)	Total Charge \$34K (7%) Avg. Charge: \$23.8, Accounts: 1,409 (20%)

Churned accounts have a higher than average monthly charge for both high and low value customers.

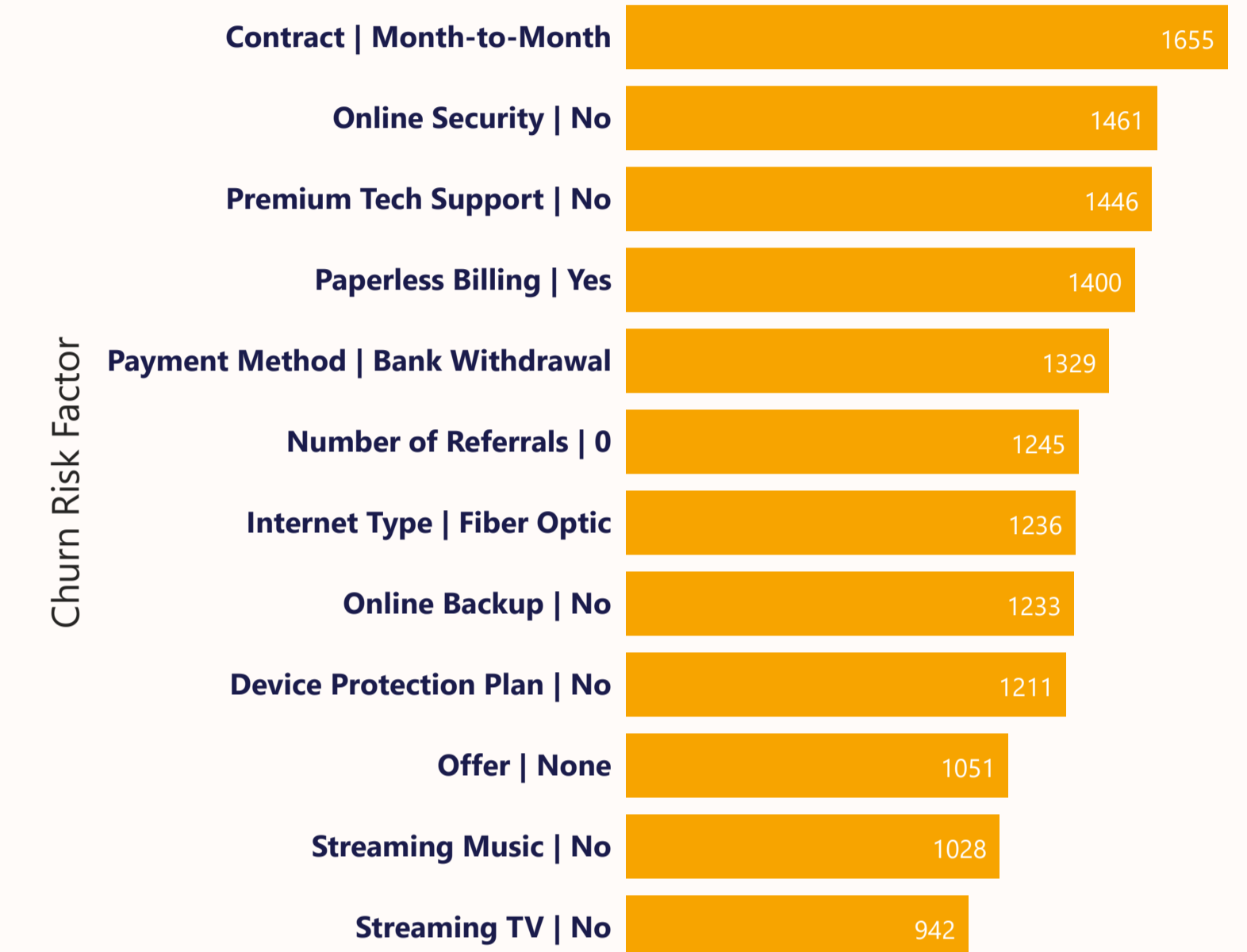
An analysis of the churn risk factor below shows that there are a significant number of high and low value **stayed accounts** that exhibit similar characteristics to **churned accounts**, and are **potentially at risk**



Maven Telecoms

Churn Report - Q2 2002

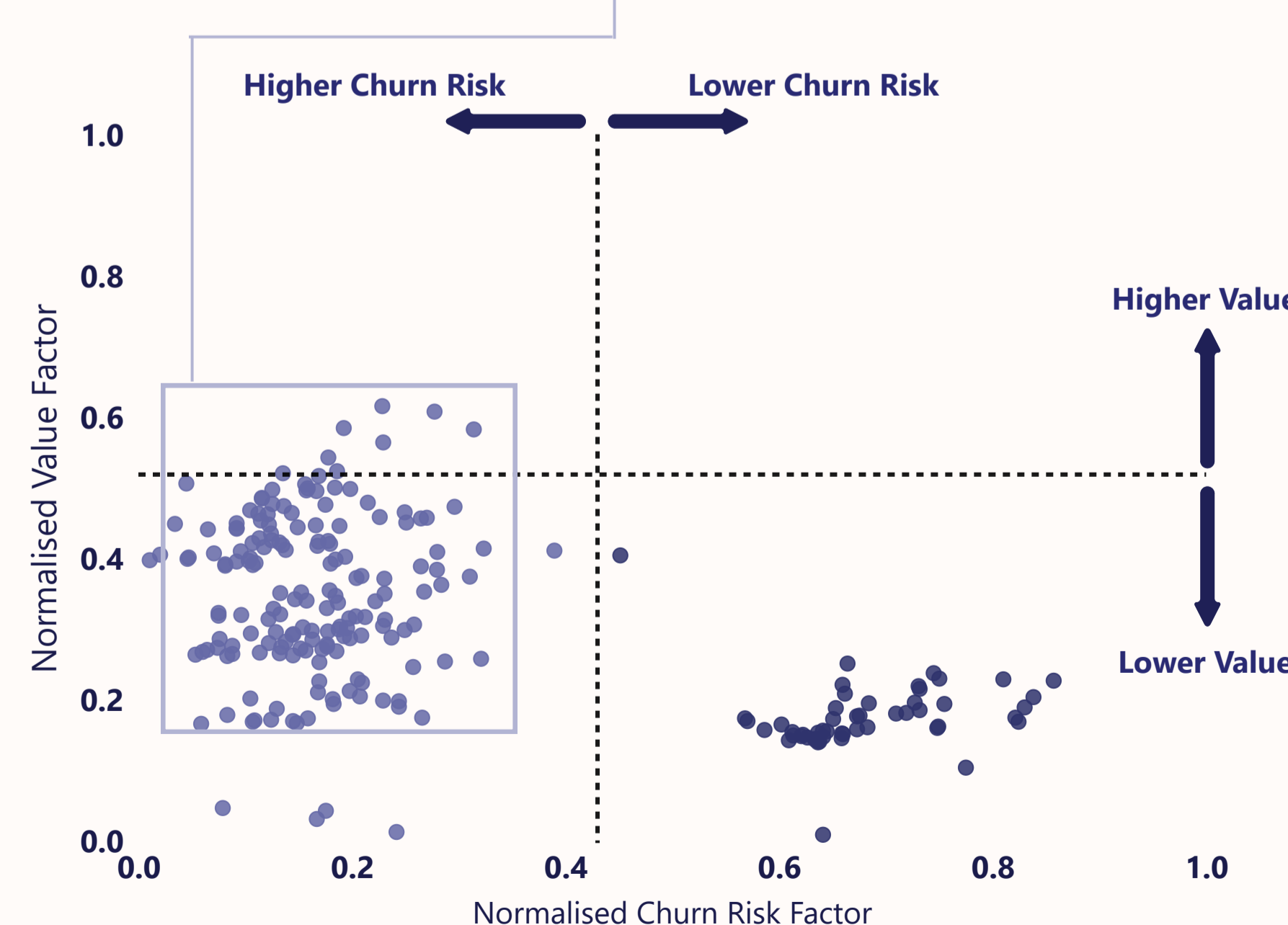
The **top 10 churn customer** profile characteristics are shown below. These strongly influence the lower values of the normalised **churn risk factor**.



Newly Joined Customers Monthly Charge Summary

	High Value	Low Value
Totals	Total Charge \$968 (0%) Avg. Charge: \$96.8, Accounts: 10 (0%)	Total Charge \$18K (4%) Avg. Charge: \$41.6, Accounts: 444 (6%)
Joined @ Risk	Total Charge \$968 (0%) Avg. Charge: \$96.8, Accounts: 10 (0%)	Total Charge \$15K (3%) Avg. Charge: \$56.6, Accounts: 267 (4%)
Joined Safe	Total Charge \$0 (0%) Avg. Charge: \$0.0, Accounts: 0 (0%)	Total Charge \$4K (1%) Avg. Charge: \$20.2, Accounts: 183 (3%)

Assessing **newly joined** customer accounts against the churn risk factor shows that the majority of new accounts exhibit similar characteristics to typical **churn accounts** and are **at risk**. Those not at risk appear to be **low value** accounts.



Key Recommendations

Analysis of the **churn customer** profile shows a typically low buy-in transitional customer with month-to-month billing, limited add-on services, no offers and fiber optic internet. As such, there is limited "stickiness" or incentive for customers to stay.

In approaching **at risk** and **newly joining** customers, the following should be considered to potentially reduce the likelihood of churn:

- Incentive to move to a **yearly contract**, or creation of a new **quarterly contract**
- Incentive to add **additional services** (security, streaming, etc.) by **offering bundling at reduced rates**.
- Examine issues associated with the **Fiber Optic network** to see if performance issues are resulting in **poor customer experiences**.