

Executive Summary: Proactively identifying churn risk to protect revenue

Background

PowerCo is facing a significant challenge with customer churn. The project objective is to develop a data-driven solution to proactively identify at-risk customers.

Key Findings

•A predictive model has been developed which can successfully identify

35% of all customers who are likely to churn.

•The key drivers of churn have been identified as customer tenure, profitability, and price volatility.

Business Impact

The model enables the business to move from a reactive to a proactive retention strategy by launching targeted campaigns. This improves the efficiency of retention spending and has a positive impact on the bottom line.