

Dear[LDS],

To investigate the hypothesis regarding the influence of customers' price sensitivity on churn, we would require data to model customers' churn probabilities and determine the impact of prices on churn rates. The following data would be essential for constructing these models.

1. **Customer data:** This should include various client characteristics such as industry, historical electricity consumption, date of joining as a customer, etc.
2. **Churn data:** This data should indicate whether a customer has churned or not.
3. **Historical price data:** This data should provide information on the prices charged to each customer for both electricity and gas, recorded at specific time intervals.

Once we have access to the necessary data, the next steps would involve feature engineering based on the obtained data. Subsequently, we would construct a binary classification model, such as Logistic Regression, Random Forest, or Gradient Boosted Machines, selecting the most suitable model based on factors like complexity, interpretability, and accuracy.

By utilizing the chosen model, we can ascertain the direction and magnitude of the influence of prices on churn rates. Additionally, we can assess the relative importance of prices compared to other factors. Furthermore, the model would enable us to evaluate the business impact of the client's proposed discounting strategy.

Regards,
Shivam