

Subject: Data Requirements for Analysis of Client Churn Related to Price Sensitivity

Dear Associate Director,

I hope this email finds you well. I wanted to update you on the progress of the task you assigned regarding our hypothesis on client churn and price sensitivity. After thorough consideration, I have identified specific data requirements that are essential for a deeper and more accurate analysis.

To effectively test our hypotheses - H0: Price sensitivity is not a significant reason for clients leaving, and H1: Price sensitivity is a significant reason for clients leaving - I will need access to detailed client data. Specifically, the required data includes:

Client Name: To identify individual client cases for analysis.

Previous Service Price: The price initially paid by the client for PowerCo services.

Increased Service Price: The updated price that the client is currently paying.

Client Status: Information on whether the client is still active or has left.

Duration of Service Use: How long each client has been using PowerCo service.

Product Usage Details: Specifics about which of PowerCo products the client is using.

Historical Incentives: Any incentives or discounts previously offered to the client.

Client Service Experience: Feedback or data regarding the client's experience with PowerCo service.

Client Feedback: Any direct feedback PowerCo have received from the client.

Competitors' Pricing: If available, price details of similar services offered by PowerCo competitors.

Having this information will enable us to understand the underlying factors influencing clients' decisions, particularly concerning price changes. It will provide valuable insights into customer churn and help us determine if pricing plays a critical role in their decision-making process.

For the initial analysis, I plan to use logistic regression, which should give us a clear view of the impact of price changes on client retention. Depending on the data quality and complexity, we might also explore other analytical models like ANOVA, time series analysis, and various machine learning models to gain a more comprehensive understanding.

Your assistance in facilitating access to this data would be greatly appreciated. It will significantly aid in conducting a robust analysis and enable us to make informed decisions based on our findings.

I look forward to your input and any further instructions you may have.

Best regards,

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Intern Data Scientist