Subject: Investing PowerCo Customer Churn: Data Requirements and Approach

Dear [AD],

Estelle and I have embarked on our analysis of PowerCo's customer churn issue. Allow me to elaborate on our approach:

1. Problem Framing:

- We've framed the challenge as a customer churn prediction problem.

- Our primary goal is to identify customers at risk of switching energy providers.

2. Data Collection and exploration:

- We're gathering relevant customer data, including demographics, Usage patterns, billing history, churn status and pricing details.

- Ensuring data quality and consistency is our priority

3. Feature engineering:

- We'll create meaningful features from raw data, such as average consumption, tenure and payment frequency.

3. Model Building and Evaluation:

- Binary classification models (e.g., Logistic Regression, Random Forest) will predict churn.

- We'll evaluate model performance based on accuracy, precision, recall.

4. Business Impact Assessment:

- Understanding the implications of the proposed discounting strategy is crucial.

- We'll estimate potential revenue loss due to churn and quantify the benefits of retention efforts

We'll keep you updated of our progress and share insights as we delve deeper into the data.

Kind regards,

Soundarya.