

Executive summary model solution

- PowerCo has high churn rate 9.7% with 14606 customers.
- The predictive model performs well for predicting non-churners, but price sensitivity isn't the main driver.
- Churn's key influential factors are Yearly consumption, forecasted consumption, net margin, and time-related factors like tenure and contract updates.
- Churn drops after the 5th month, suggesting the value of longer contracts. For those leaving within the first 6 months, surveys could help uncover underlying issues.
- Discount strategy of 20% is effective but only if targeted appropriately. Offer discount to only to high-value customers with high churn probability

-- Yongshi Lin