Dear AD,

As mentioned, PowerCo is facing significant customer churn, especially in the SME segment due to price sensitivity. To test this hypothesis we need to collect significant data from the client on below metrics:

1. Customer Data:
    a. Payment History [Numerical] : Must include the subscription dates and consumption history.
    b. Customer Service Interactions [Numerical]: If the customer has raised any issue
    c. SME Data- Small or Medium or Micro enterprise [categorical]
    d. Domain of Industry - [Categorical]: To check if this churn is particular to any specific domain of industries.
2. Pricing data:
    a. The PowerCo's pricing for its customers across different segments.
    b. Competitor pricing if available.

After collecting and analyzing this data we can build a model that can predict the customers who are likely to churn. This is a case of classification problem for which we can use Perceptron, Logistic Regression or Random Forest classifiers.

Further, we can perform the A/B testing by selectively offering a 20% discount to randomly selected customers who are at high risk of churn. This test will give us an idea if incentive helps PowerCo retain the customer or not.

Please let me know if you need any more details.

Regards,
ABC