Dear Associate Director,

In order to test the hypothesis of whether the churn is driven by the customer’s price sensitivity, we would need to model the churn probabilities of customers, and derive the effect of prices on churn rates.

The following columns can help us test the hypothesis:

* Customer age
* Customer acquisition cost
* Total discounts offered to a customer
* Churn data of customers
* Annual trend of churn
* Change in price per month

After engineering the data, the work could go as follows:

1. Define and create the feature price sensitivity.
2. Engineer new features based on the given data.
3. Explore the data to uncover relationships between features and target.
4. Build a binary classification model.
5. Evaluate the model and tune the parameters for maximum accuracy and explainibility.
6. Productionise the model to predict churn probabilities of existing customers.

Best regards,

Shwetank