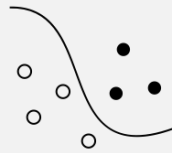


Executive summary



Churn rate is high in SME division

- 9.7% customers has churned between January 2016 and March 2016



Predictive model is able to predict churn, but customer price sensitivity is not the main driver

- Yearly consumption, net margin, and forecasted yearly consumption are the top 3 drivers



Discount Strategy of 20% works but needs to be targeted appropriately

- Offer discount to high-value customers with high churn probability