Email

Dear AD,

PowerCo is a major gas and electricity utility that supplies to corporate, SME and residential customers.

Churn Problem:

1. The power-Liberalization of the energy market in Europe has led to significant customer churn especially in the SME segment.

2. A fair hypothesis is that price changes affect customer churn.

Client Hypothesis:

1. Through Predictive model could be helpful to know which customer are more likely to churn at their current price.

2. A discount might incentivize them to stay with our client.

3.SME is considering 20% discount that is avoid client churn.

Required Data:

a. Required electricity cussumption details, date joined as customer, monthly bill, industry.

B .Churn data which has details about customer churned

c. And historical price data of Client(PowerCo)

Process Of Solution(Work):

1. We need to define price limit

2. Need to do data analysis.

3. Need to features engineering based on data that we obtain(Logistic Regression, Random Forest)

4. And we deeply dive why price change impact on churn

5. According to this we define discount strategy

Regards,

Amit Verma