Hi LDS:

The problem of PowerCo case is due to the power-liberalization of the energy market in Europe, the company is losing the small and medium enterprises clients. PowerCo engages BCG to help them stop or reverse the churn rate of SME clients.

PowerCo's SME department manager's hypothesis is the churn is driven by customer price sensitivity. So we have to do a hypothesis test that null hypothesis is the churn is driven by the price. The dataset we need is current SME customer's data with variables, and the churn data indicates which customer churns and the data related to the charged price of customers. We will do some exploratory data analysis and feature engineering on the variables. Then, we would have to run some binary classification model (Logistic Regression, Random Forest…) on the data. We have to compare the score of different model. We have to figure it out how the price influence customers' choice and what the discount should be that will maximize client's profit.

Regards

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