Hello AD,

I intend to solve your problem by the following steps:

Step 1: Test the hypothesis

The hypothesis can be tested by analysing the historical data about customers’ contracts.

Collect historical data about all customers’ contracts

Extract data on the customers who transferred to other providers

Identify whether customers churn and an increase in price happened at the same time

Prove the hypothesis

If the customer churn is along with an increase in price, we can conclude the growth in prices affects

customer churn. On the contrary, if customers transfer to another providers when there is no change or

even a decrease in price, we can say prices do not affect customer churn.

Step 2: Build a model to predict customer churn

It is a binary classification problem. All customers are labelled with either 1 (switch to another provider) or 0

(stay with the current provide). In order to build a powerful model to predict customer churn, | intend to

complete the following tasks:

Task 1: Collect data on all customers, including:

\* contract data: starting time and ending time, price, discount, promotions, etc

\* customer information: name, country, city, profit, revenue, company size, industry, etc

\* energy usage: energy consumption amount

\* If transfer to other providers, this is the target label

Task 2: Understand and clean the data

Task 3: Exploratory data analysis

Discovering data patterns by data visualization

Task 4: Build a machine learning model and evaluate its performance

\* Train a model on the clean dataset got in task 2

\* Use cross-validation to evaluate the model performance

Task 5: Identify whether a discount on price can prevent customer churn

Apply 20% discount on the prices, then predict the customers’ labels again. If the predicted labels change from 1 to 0, this indicates the discount can stop customer churn. On the contrary, if the predicted labels are still 1, this indicates the discount cannot stop customer churn.

Regards