Dear AD,

To test that hypothesis of whether churn is due to customers’ price sensitivity, we will need some data:

1. Customer data- included characteristic of each client like consumption, date joined etc..
2. Churn data- included if the customer has churned.
3. Historical of price data- included price charged at time intervals.

Once we have the data, we will need to do a data engineering of the data, build a binary classification model like logistic regression, random forest, XGboost etc.… and picking the best model based on the trade-off between the accuracy and the complexity of the models. Based on that model, we will be able to measure the impact of the prices on churn rates, and the relatives importance of price based on other factors. This will help us to understand the business impact of discounted the price strategy of the client.

Regards,

Jean-marc