

Executive Summary

This report presents the findings of an exploratory data analysis (EDA) of customer churn data for PowerCo. The EDA revealed the following:

- Approximately 10% of customers have churned.
- Consumption data is highly skewed and must be treated before modeling.
- There are outliers present in the data and these must be treated before modeling.
- Price sensitivity has a low correlation with churn.
- Feature engineering will be vital, especially if we are to increase the predictive power of price sensitivity.

Recommendations

Based on the findings of the EDA, the following recommendations are made:

- Collect competitor price data. This information could be used to identify customers who are more likely to churn if a competitor has a good offer available.
- Collect data on average utilities prices across the country. This information could be used to identify customers who are more likely to churn if PowerCo's prices are way above or below the country average.
- Collect client feedback. This information could be used to identify customers who are dissatisfied with PowerCo's services and are therefore more likely to churn.

Conclusion

The EDA findings provide valuable insights into the factors that are associated with customer churn. These insights can be used to develop more effective strategies for preventing churn and retaining customers.