Sir/Madam,

In order to test the hypothesis that churns is driven by customer price sensitivity and to offer discount depending on the customer churn analysis (Yes/No). We will require the below datasets:

1. The historical customer data giving us details of usage, years since when he has been with the company.
2. The historical pricing data along with the customer churning history.

Since this looks like a classification problem whether the customer will churn or not we can use Classification problem models such as Logistic Regression, Random Forest, and Decision Tree, Gradient Boosting etc.

After having a look at the dataset we can do an Exploratory Data Analysis and choose a model which will avoid over fitting or under fitting.

We can use measures such as Recall, Precision, F1 Score and AOC ROC Score, Accuracy for the model evaluation.

Post the Model evaluation we can come to a conclusion whether a discount is to be offered to customers or not.

Thank You!