Executive Summary

Current Situation

- PowerCo has a significant customer churn problem in SMEs.
- They believe it is caused due to price insensitivities
- One possible solution suggested was to offer 20% discount for the customers who are likely to churn

Data Analysis & Modelling

- After data cleaning, EDA, and feature engineering, a Random Forest Classifier model was trained to predict customer churn probability
- The model achieved an accuracy of 0.90 and a precision score of 0.89 on the test set
- These results indicate that the model successfully predicts customer churn and demonstrates strong performance in minimizing false positives.

Key Insights

- Nearly 9.7% of the 14606 customers have churned
- Forecasted bill of meter, Yearly consumption, net margin are top drivers for churn
- Customer Feedback on why they chose to leave/not renew might help in proper understanding of the problem
- Conducting a proper market research on current competitors and their offerings