

BCG

THE BOSTON CONSULTING GROUP



PowerCo Exploration Data Analysis

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Exploration Data Analysis (EDA)

Executive Summary



Key Results

- Churn is indeed high in the SME division (9.7%)
- Churn is very low for companies which joined recently or that have made the contract a long time ago
- Churn is not due to price sensitivity alone, it is driven mostly by:
 - Forecasted power price for 1st period
 - Electricity consumption of the past 12 months
 - Price of energy for the 2nd period
 - Subscribed power
 - Electricity campaign the customer first subscribed to
 - Forecasted bill of meter rental for the next 12 months
 - Number of service
 - Antiquity

Recommendations

- Track user behaviour to understand just before who are the users are about to churn
- Figure out its most valuable customers. Focus attention on its best customers and allocate more resources to retaining them. 80% of the turnover is brought in by 20% of the customers
- Build Personalisation. It is not always about recommendations for new products, personalization an also be used on the pricing front and the user experience

*The effectiveness of these recommendations presupposes an even more granular collection of customer information (some of these for example: customer service, geolocation, open government data customer sentiment, customer segmentation).