

# Executive summary for PowerCo.

Price- Not the main driver of churn.

Net Margin and Consumption over 12 months are top drivers.

Activated Months, Tenure, and the number of months of updated contracts are influential factors.

## Data Analysis of Power Co. in Electricity and Gas:

- Customer Churn at **9.7%**

## Data Exploration:

- The customers who have stayed longer or have more active products and services probably do not churn.
- Customers who are not customers of gas, tend to churn.

## Hypothesis:

- Does the customers' price sensitivity drive churn?
- Price sensitivity features are scattered around but are not the main driver for a customer churning

## Key Drivers:

- Net margin and consumption over 12 months are top drivers for churn.
- The margin on power subscription is also an influential driver.
- Offer discount only to high-value customers with high churn probability
- Time seems to be an influential factor, especially the number of months they have been active, their tenure, and the number of months since they updated their contract
- The difference between off-peak prices in December and January of the preceding year is an influential driver but not as pronounced as previous drivers.