

Executive summary model solution

Churn is indeed high in the SME division

- 9.9% between January 2016 and March 2016

Predictive model able to predict churn but main driver is not customer price sensitivity

- Yearly consumption, net margin, and forecasted consumption are the 3 largest drivers

Discount strategy of 20% is effective but only if targeted appropriately

- Offer discount only to high -value customers with high churn probability