Dear Assistant Director,

This is what I came up with.

PowerCo supplies gas and electricity to SME’s and residential customers.

Factors:

* Price

Price affects customer churn.

Data needed from clients:

* How much of each (gas and electricity do they require)
* Price/ rate of gas and the rise in price over the years
* Price/rate of electricity and the rise in price over the years
* Revenue and profits of the individual/company
* Size of the company
* If the customer has churned or not

Hypothesis:

* 20% discount for specific customers who might churn

Testing the Hypothesis:

* Create a model to figure out of rise in price of which utility (gas or electricity) has led to more churn of customers based on the company size and revenue. Use the churn history of customers to build a logistic regression model to check if they will churn at a given price point.
* Trying inputting current price for various customers and figure out if they will churn given the variables defined above.
* If they will churn then offer them a discount.

Regards,

Yash Nagle