

# **Part 2: Business Insight & Analysis**

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## **1. The "Sugar Rush" Problem (Growth Trajectory)**

The numbers look impressive at first glance: WAU doubled from ~1,700 to ~3,700 users. However, this growth is unsustainable. The Quick Ratio frequently drops below 1.0, meaning we're losing more users than we're gaining in many weeks.

The problem? We're not growing because users love the product. We're growing because we keep adding new users to replace the ones who leave. It's a classic "leaky bucket"—pouring more water in doesn't help if the holes aren't fixed first.

## **2. Week 41 Shows the Real Problem (Key Drivers)**

Week 41 reveals what happens when we prioritize quantity over quality:

- What happened: A marketing push brought in 1,006 new users in Week 41.
- The result: Week 42 saw a record 1,269 users churn—the highest ever.
- The insight: Aggressive acquisition without proper onboarding actually hurts growth. Users came, had a poor experience, and left immediately.

The positive sign: Resurrected users are climbing to ~500/week. Former users are naturally returning, which means the brand has trust—we just need to improve the product experience.

## **3. What I Would Do (Recommendations)**

If this were my business, I would shift focus from new signups to keeping existing users. Three specific actions:

- Pause aggressive ads until the Quick Ratio stays above 1.5. Week 41 proved that scaling too early backfires.
- Fix the first 7 days. Losing ~900 users weekly means onboarding is broken. We need user interviews to understand why they leave after the first session.
- Invest in win-back campaigns. Since old users are already returning, a simple "We've Improved" campaign would be cheaper and more effective than acquiring new users who will churn.

Bottom line: Fix retention first, then scale growth.