

Executive Summary

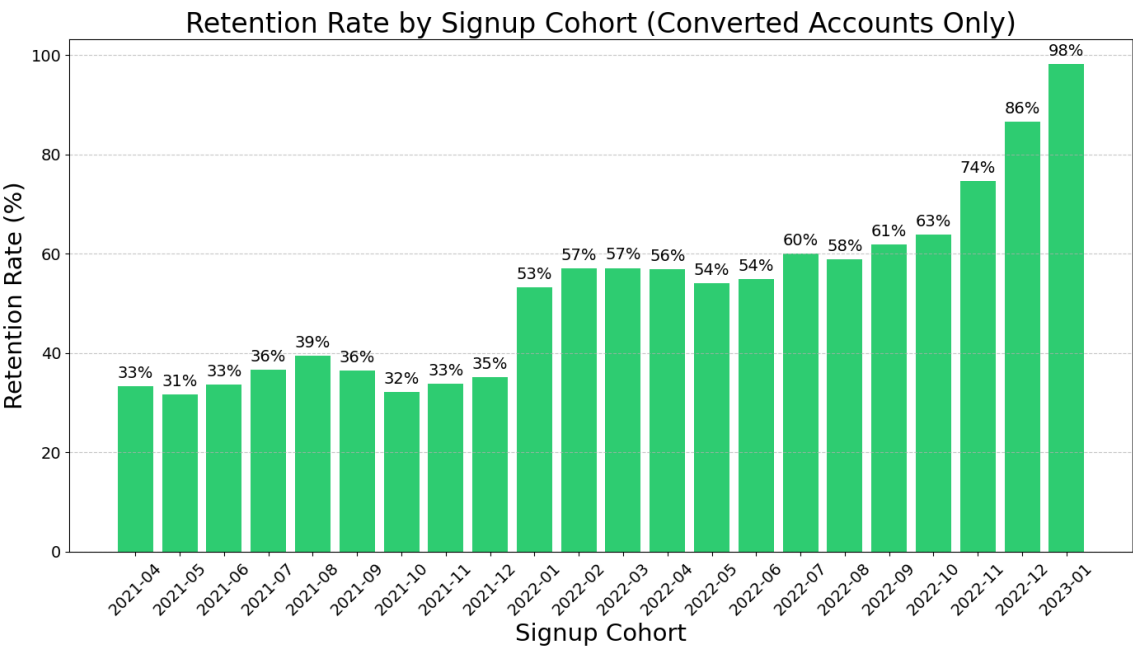
This subscription product shows impressive acquisition growth with significant upside potential in retention. Enhancing the current 55% post-trial retention rate would transform strong revenue growth into sustainable unit economics.

Key Findings:

- **Proven Improvement Path:** January 2022 marked significant retention gains across all segments which can be investigated to generate future retention gains
- **Strategic Segmentation Opportunity:** Higher pricing tiers show 70-90% retention vs. 55% average within last year demonstrating key target population
- **Revenue Structure Risk:** Business relies heavily on onboarding fees rather than customer expansion posing a risk for long run revenue sustainability
- **Platform Optimization:** Apple users make up majority of customer origination and deliver superior lifetime value despite lower initial MRR
- **Geographic Advantage:** US market make up majority of customers and outperforms international regions in retention

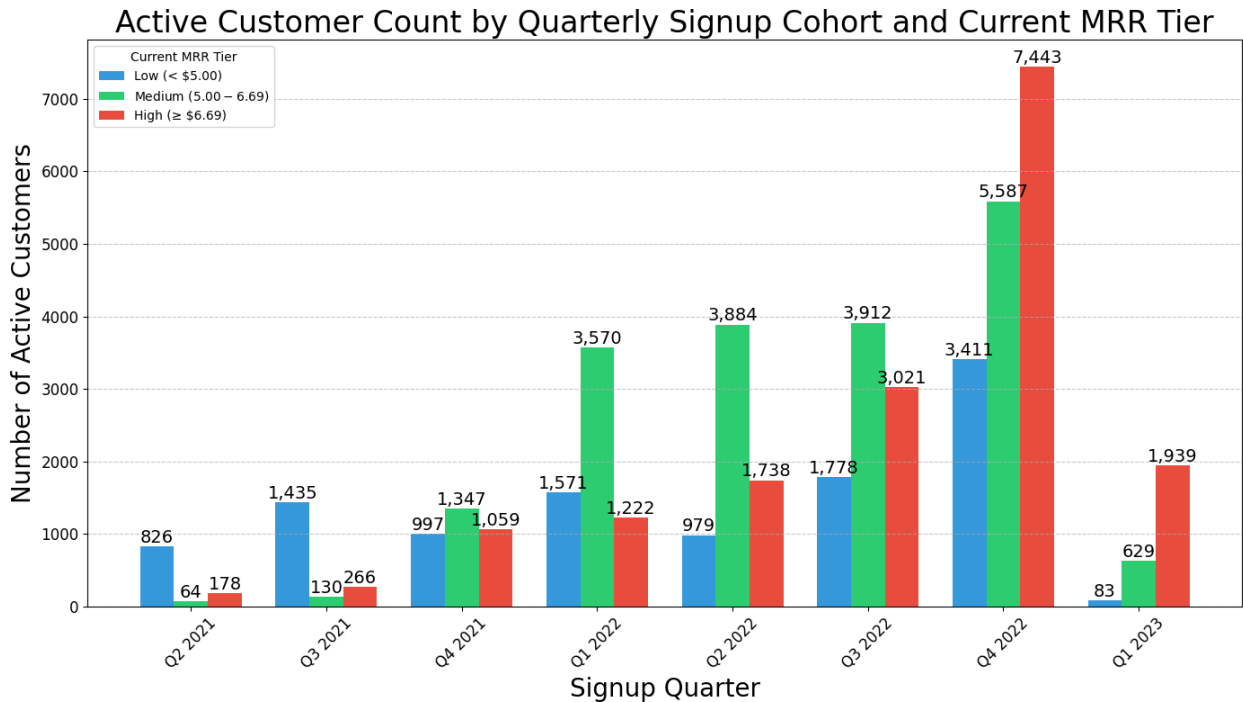
Cohort Retention Patterns

1. **Critical Three-Month Evaluation Period:** The first three months post-conversion represent the decisive window for customer retention efforts. Data consistently shows sharp retention decline during this period before stabilizing at steady-state levels, indicating clear customer decision-making during this window.
2. **Significant Retention Improvement Opportunity:** January 2022 marked a substantial, consistent improvement in retention across cohorts that should be thoroughly investigated and replicated. This valuable retention shift could stem from:
 - Product enhancements that meaningfully improved customer experience
 - Introduction of annual subscription plans extending the retention cycle
 - Strategic shifts in customer acquisition targeting higher-retention segments



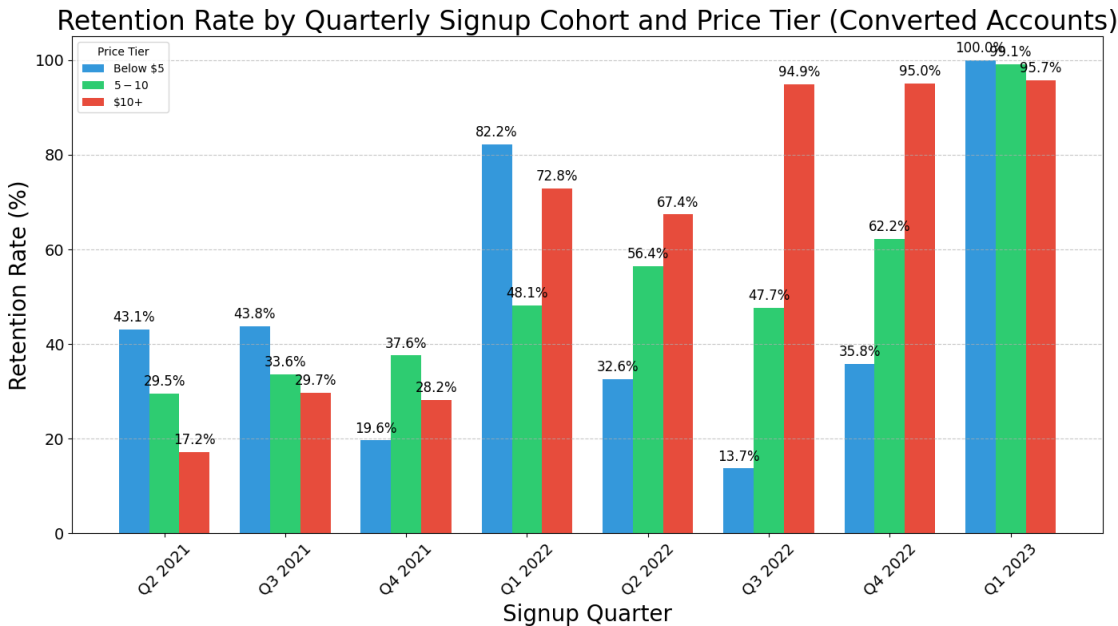
MRR and Pricing Tier Patterns

- 1. Recent cohorts show significantly higher MRR, indicating a successful strategic shift toward higher-value customer acquisition that aligns with our observation that premium tiers demonstrate better retention. Further longitudinal data on initial MRR values and potential downgrade patterns is needed to confirm this revenue will be fully retained long-term.



- 2. **Pricing Tier Correlation:** Premium-tier customers exhibit dramatically higher retention rates, creating a powerful business advantage where the most valuable segments are also the most loyal. This virtuous cycle likely stems from higher-paying customers perceiving greater product value or having deeper financial resources to maintain subscriptions, reinforcing the fundamental viability of the subscription model.

*Note that this calculation will naturally be higher immediately after acquisition in the case that customer incurred onboarding costs for their plan

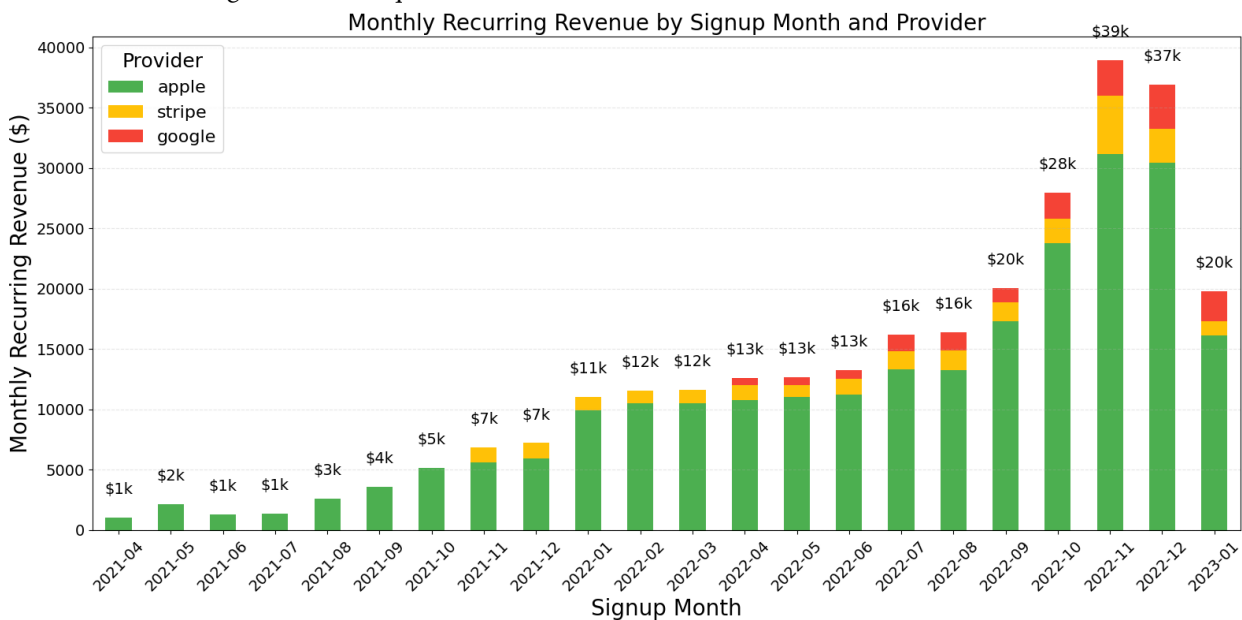


Revenue Structure and Expansion

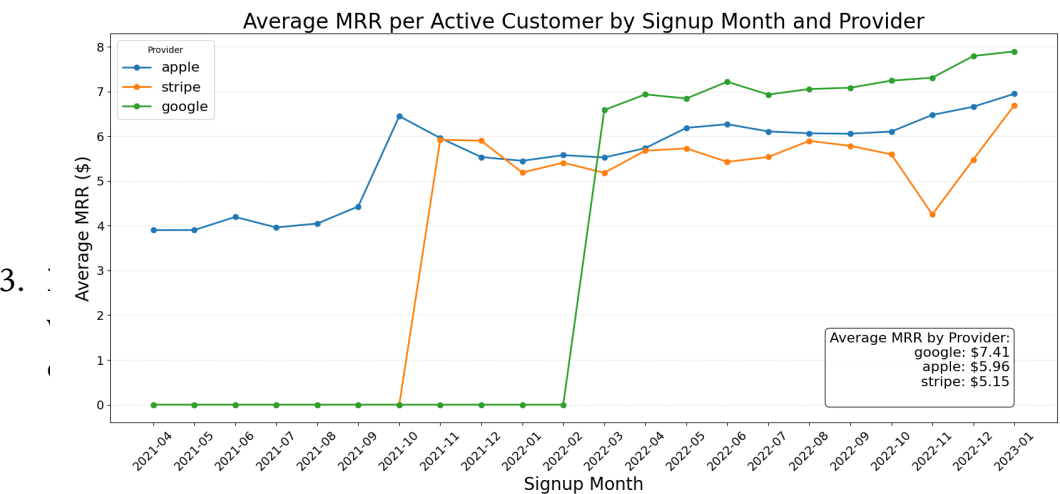
The business demonstrates a front-loaded revenue model with substantial onboarding fees complemented by 20% of customers showing organic revenue expansion. This promising expansion rate likely underestimates the true figure due to onboarding fee effects, though data limitations prevent precise revenue retention calculations across the customer lifecycle. The immediate strategic priority should be implementing cohort-based MRR tracking to accurately measure expansion revenue and reduce reliance on acquisition-driven growth.

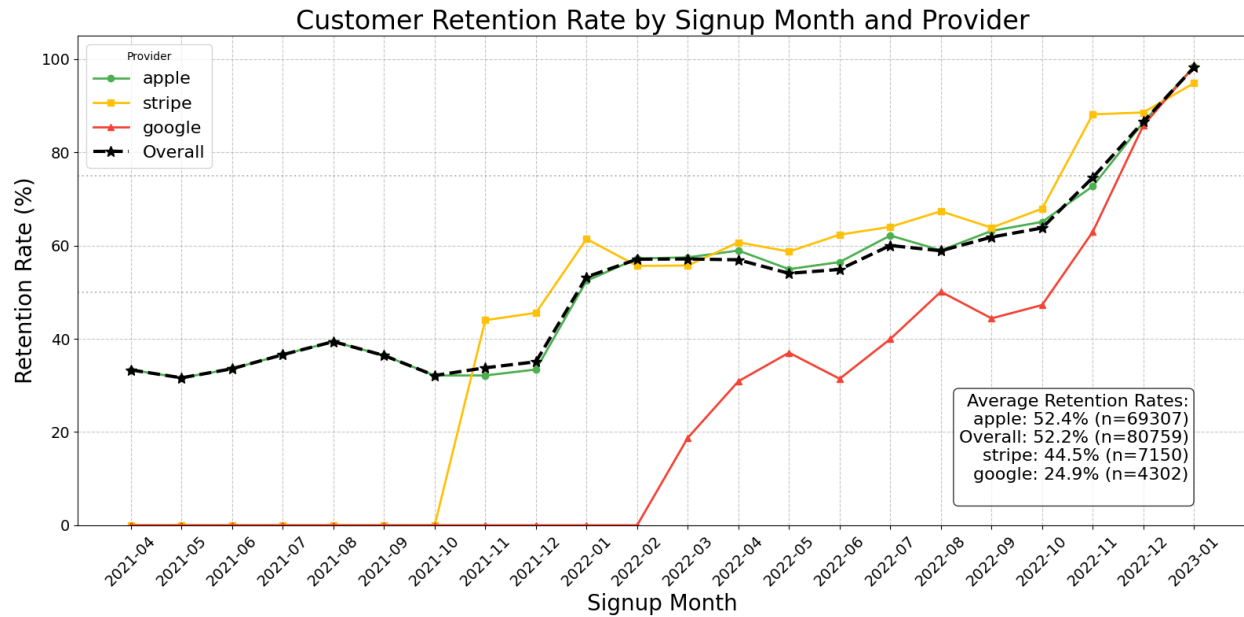
Provider Analysis

1. **Apple Dominance:** Apple has consistently captured the highest customer volume since launch, establishing a reliable acquisition foundation.



2. **Strategic Retention Focus:** Leverage our strong Apple customer base while urgently addressing Google's retention challenges, as Google-originating customers generate highest initial MRR but churn at alarming rates. Prioritize platform-specific experience improvements to bring Google retention metrics in line with Apple's superior performance.

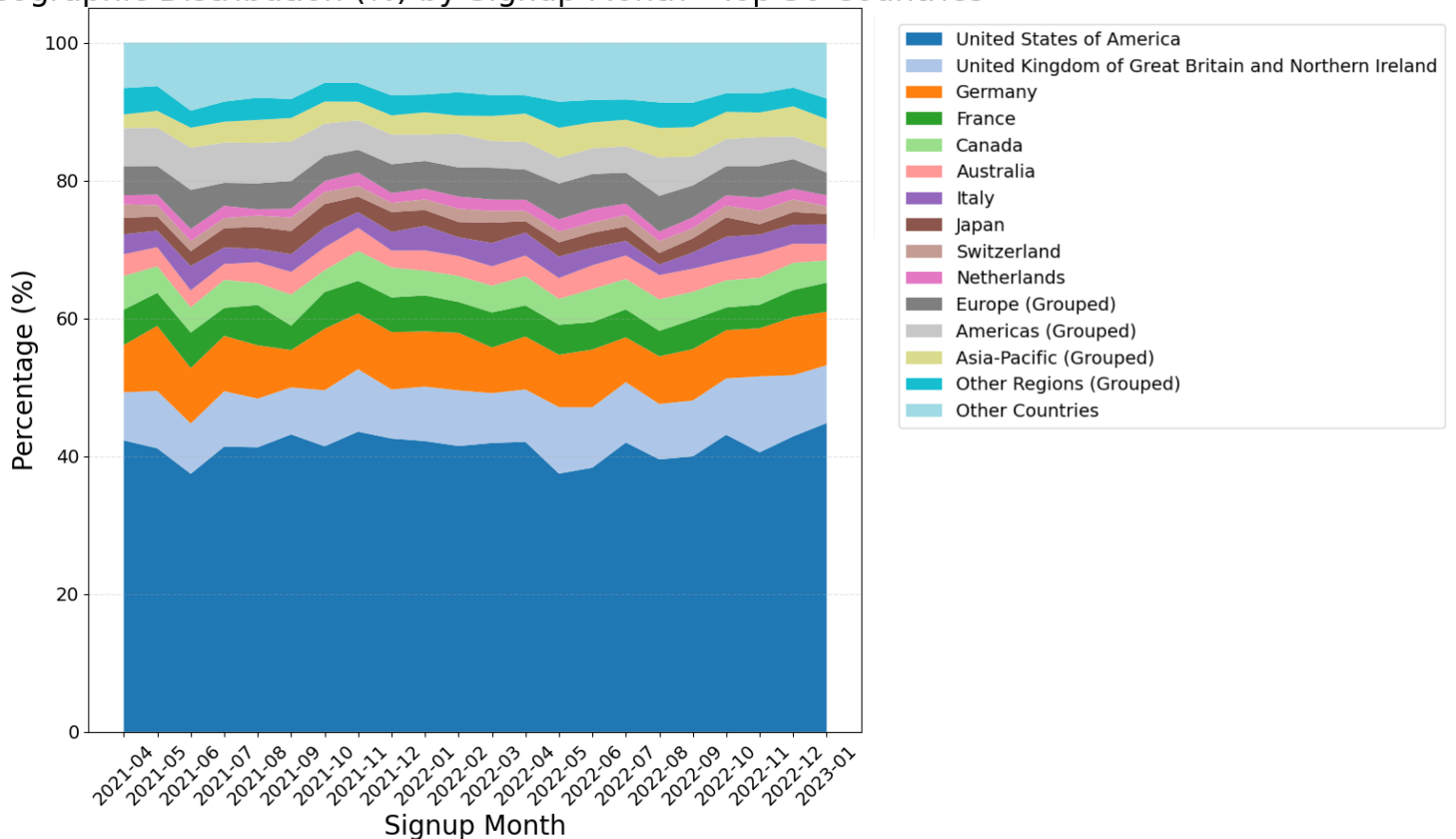




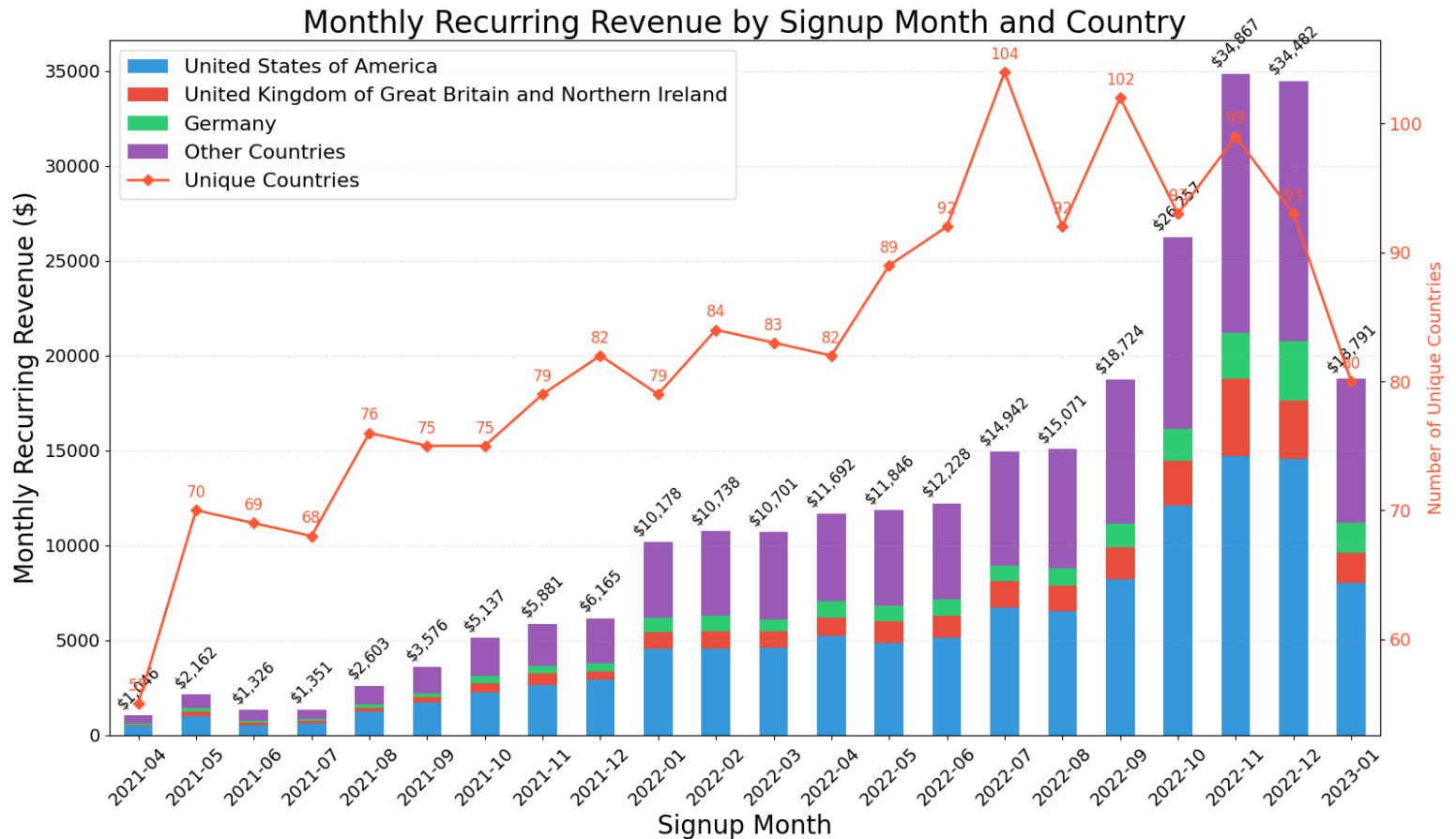
Geographic Distribution: Strategic Opportunities

1. **Asian Market Expansion Priority:** Despite rapid global growth to 100 countries, significant Asian markets remain underpenetrated, representing the largest immediate growth opportunity. Selecting payment providers with established Asian presence should be the next platform partnership priority.

Geographic Distribution (%) by Signup Month - Top 30 Countries



2. **US Success Built on Apple Dominance:** US market's superior retention metrics correlate directly with high Apple device penetration, reinforcing the critical Apple-customer relationship driving business performance.
3. **Global Product-Market Fit Validation:** The consistent January 2022 retention improvement across all geographic segments confirms product-level changes drove this success rather than regional initiatives, creating a blueprint for future global enhancements.
4. **Market Concentration Risk Management:** While the US, UK, and Germany provide a solid revenue foundation, geographic diversification should be accelerated to reduce regional concentration risks.



Note: Customers with unknown countries have been excluded from this analysis.

Data Limitations & Recommended Improvements

1. **Longitudinal Data Structure Needed:** The single-timepoint snapshot severely constrains retention analysis, preventing proper monthly-on-book curves, revenue expansion tracking, and accurate churn pattern identification. Implementing longitudinal customer tracking would transform analytical capabilities.
2. **Revenue Component Separation:** Current total_charges combines onboarding fees with recurring subscription revenue, making true MRR calculations imprecise. Splitting these revenue streams in the data schema would enable accurate unit economics analysis.

3. **Stripe Data Enrichment Required:** All customers with missing country information originate from Stripe, creating geographic blind spots. Prioritize correcting this data feed to improve regional performance visibility.
4. **Free Trial Identification Gap:** Customers with extended periods of zero charges lack proper categorization. Adding explicit free trial designation would prevent these users from skewing retention and revenue metrics.

Conclusion:

These findings suggest several areas for potential operational focus:

1. Investigating the specific product, pricing, or experience changes implemented around January 2022 to identify retention drivers
2. Analyzing the correlation between higher pricing tiers and improved retention to optimize customer acquisition and pricing strategy
3. Addressing the retention challenges with Google-originated customers despite their higher initial MRR
4. Implementing improved data infrastructure to enable longitudinal customer analysis, particularly for understanding revenue expansion and churn patterns over time
5. Applying successful retention strategies from the US market to other key geographic regions to improve global performance