

User Retention Analysis in B2B SaaS

Situation Description

A company develops a B2B SaaS solution for project management. Data shows that **40% of customers do not renew their subscription after the first year.**

Problem Details:

- **Average active usage time:** 2 months, then activity sharply declines.
 - **Survey results:**
 - 30% find the product too complex
 - 25% do not see the value
 - 20% switched to another solution
 - 15% reported missing features
 - 10% cited other reasons
 - **Most successful customers (who renew) use at least 70% of system features.**
 - **Teams with fewer than 10 people churn more often than larger teams.**
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Task

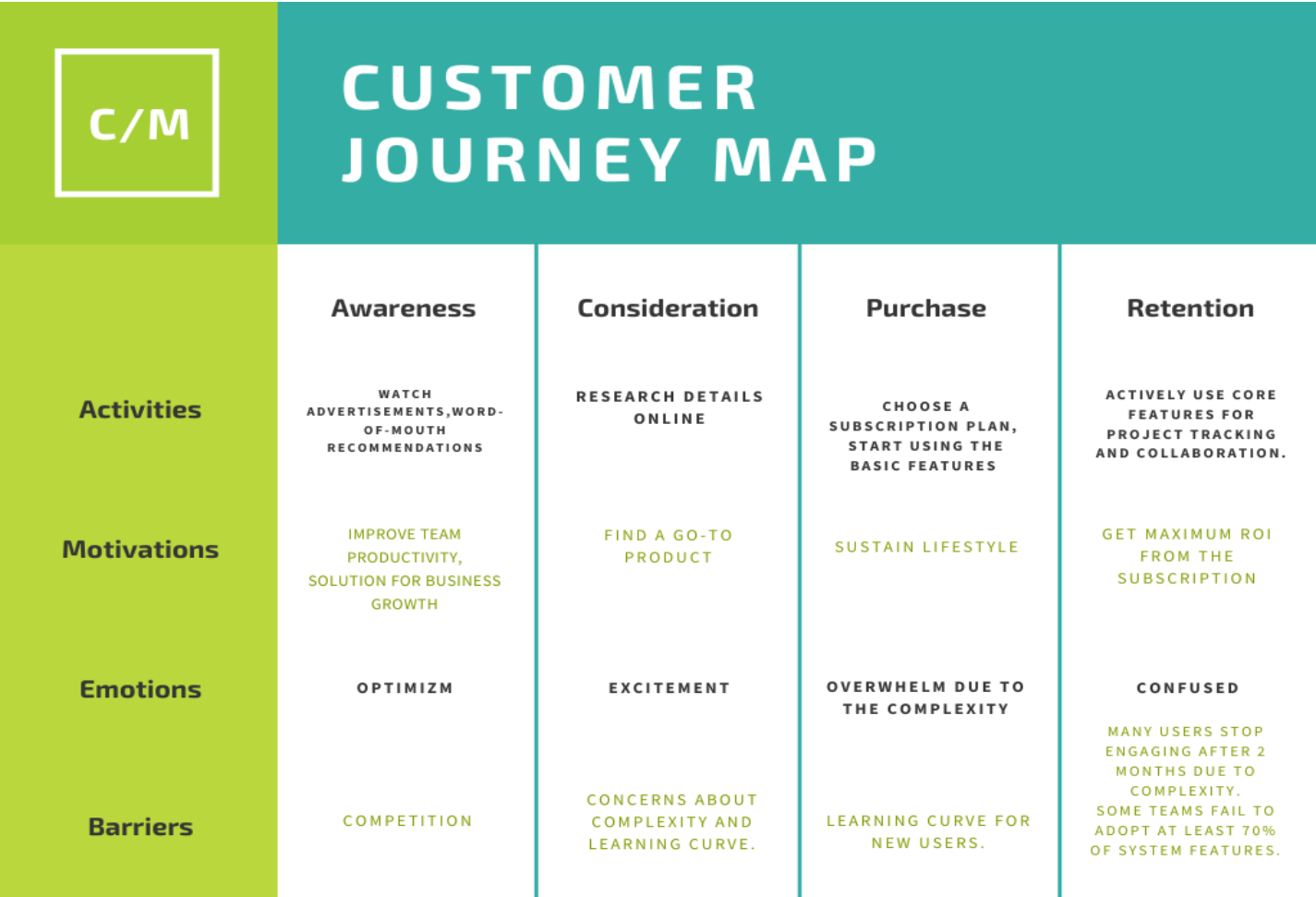
Create an **extended Customer Journey Map (CJM)** for a typical client, covering all stages from the first interaction to the renewal/cancellation decision. Identify **critical frustration points** and the **moment when the decision not to renew is made**. Then, **develop a retention strategy with 5 concrete initiatives**.

Deliverables:

1. **Extended Customer Journey Map** with a detailed customer experience analysis.
2. **Retention strategy with 5 specific initiatives.**

Evaluation Criteria:

- Completeness and detail of the **Customer Journey Map**
- Quality of **frustration point identification**
- Justification of **proposed initiatives**
- Alignment of initiatives with **identified problems**
- Potential effectiveness of the **retention strategy**
- Consideration of **customer segmentation characteristics**
- **Professional presentation** of results



Here are **five concrete retention initiatives** based on the **Customer Journey Map (CJM)** insights for the B2B SaaS project management tool:

1. Step-by-Step Guidance (Addresses Complexity & Value Perception)

Issue: 30% of users find the product too complex, leading to abandonment.

Solution:

Implement a **step-by-step guidance** with interactive tutorials.

Offer **templates** based on industry use cases.

Provide an **AI-driven help assistant** for real-time support.

2. Show the Real Value of the Tool

Issue: 25% of customers do not see the value, and renewal rates are higher for those who use 70%+ of features.

Solution:

Give users a **custom guide** on how to use features that fit their needs.

Offer **short video demos** and pop-up tips to show useful features.

3. Keep Customers from Switching to Competitors

Issue: 20% switched to another solution.

Solution:

Ask why they're leaving through short feedback surveys.

Show clear advantages by comparing features with competitors.

4. Give Users the Features They Need

Issue: 15% reported missing features.

Solution:

Launch a **public feature request board** where users can vote on new features.

Allow more customization so users can adjust the tool to fit their needs.

5. Renewal & Re-engagement Strategy

Issue: Active usage drops after 2 months, affecting renewal.

Solution:

Implement **automated re-engagement campaigns** after inactivity.

Offer **loyalty-based discounts or extended trials** before renewal.