# The Task

The client is a budget gym operator, OC&Gym. They recently raised the price for both standard and flexible subscriptions, resulting in a positive impact on revenue. However, the increase has not been as much as they would have hoped.

1. How could they improve their pricing strategy?
2. What happened when the price was increased?
3. What does this suggest as possible options going forward?
4. In addition to price, what other factors influence whether a member is going to leave?
5. Bonus: Given this, to what degree can we predict individual member churn?

# Further Background

They feel that they don't fully understand the customer dynamics around churn as much as they would like to. They have **one key competitor** and believe that they could adjust their offering to compete better.

In order to find a solution, we need to address a few key questions, such as

* what happened when prices were increased to membership and
* what happened when prices were increased to revenue and
* which customers were most affected?
* Other than price, what else drives attrition?
* What do these patterns indicate about pricing strategy?
* And what potential creative ideas could we suggest?
* what further data and analysis could be used to fully confirm our hypotheses?

# Data Set

## [User subscriptions](https://imperialbusiness.school/activities/ba/aib/session2/subscriptionsdataFINAL.csv)

subscriber database holding the join date, leave date, and demographic data of every single customer.

## [User visits: Part 1](https://imperialbusiness.school/activities/ba/aib/session2/visitationdataPART1.csv)

## [User visits: Part 2](https://imperialbusiness.school/activities/ba/aib/session2/visitationdataPART2.csv)

they provided the visitation data set, which denotes the visit time and date of every member. And these can be joined together using the customer ID column. The visits data is large but you should be able to summarise it effectively early on in the process, which should make the analysis much faster.

## [Rate card](https://imperialbusiness.school/activities/ba/aib/session2/Ratecard.xlsx)

historic gym membership prices of the client and the key competitor

In order to tackle this problem, we will need to carefully **cut the data** in such a way as to **isolate key trends.** For example, new gym openings or seasonality might obscure trends in member acquisition and attrition. We'll then need to illustrate what we have found and what we might therefore recommend on the basis of our findings. **Simplicity is key.** In addition, we'll need to think creatively about how to **enhance the data sets beyond their current state**. For example, gym environment might have an impact on a member's likelihood to churn. The visitation and member data will be able to provide clues as to what this environment is like. Finally, we should **prioritise the groups of people that we focus on**. Larger groups are where the greatest business opportunity will lie. In addition to these, we have provided the pricing structure over time of the client and their key competitor. All the information we need will be held within the data sets provided.

# Notes

* The client has noted that in certain clubs and at peak times (7-9am, 12-1pm, 6-8pm), the workout spaces can be very crowded
* The client has one key competitor, that is a slightly more premium offering and who also operates across London
* There are two forms of membership, standard and flexible; flexible members can leave at any given month, while standard members must give three months notice
* Price increases are applied unilaterally across new and existing customers – for standard customers, they are given the option of leaving before the price rise, without having to pay for three further months
* The client does not match customers between subscriptions – if they leave and return months later, they will appear as separate CustomerIDs; survey data suggests the proportion of returning customers is very low and that this is not an issue
* When a member visits more than one time per day, only the first visit is logged; members have a maximum of one visit per day
* We currently do not have access to the day pass data
* For social grade, ‘A’ is the most affluent and ‘C2’ is the least – DE are unemployed / retired.