



# Customer Analytics

## Sports Media and Publishing Company

Analyzed the sales patterns, customer behavior (Churn and retention), and Cohort analysis to derive Lifetime value of customers and establish correlation with CAC

# Customer Analytics for a Sports Media and Publishing Company

## Situation

- Client had started a subscription-based model for a leading sports magazine and wanted to analyze the customer trends (Sales, Churn and Retention related) to track the performance and identify avenues for higher sales
- Partnered with the client to develop a model with the analysis focused on sales pattern and behavior (Region level sales, WoW, MoM sales, AOV), Churn and retention, also leveraging Cohort analysis to derive Lifetime value of Customers and establish correlation with CAC

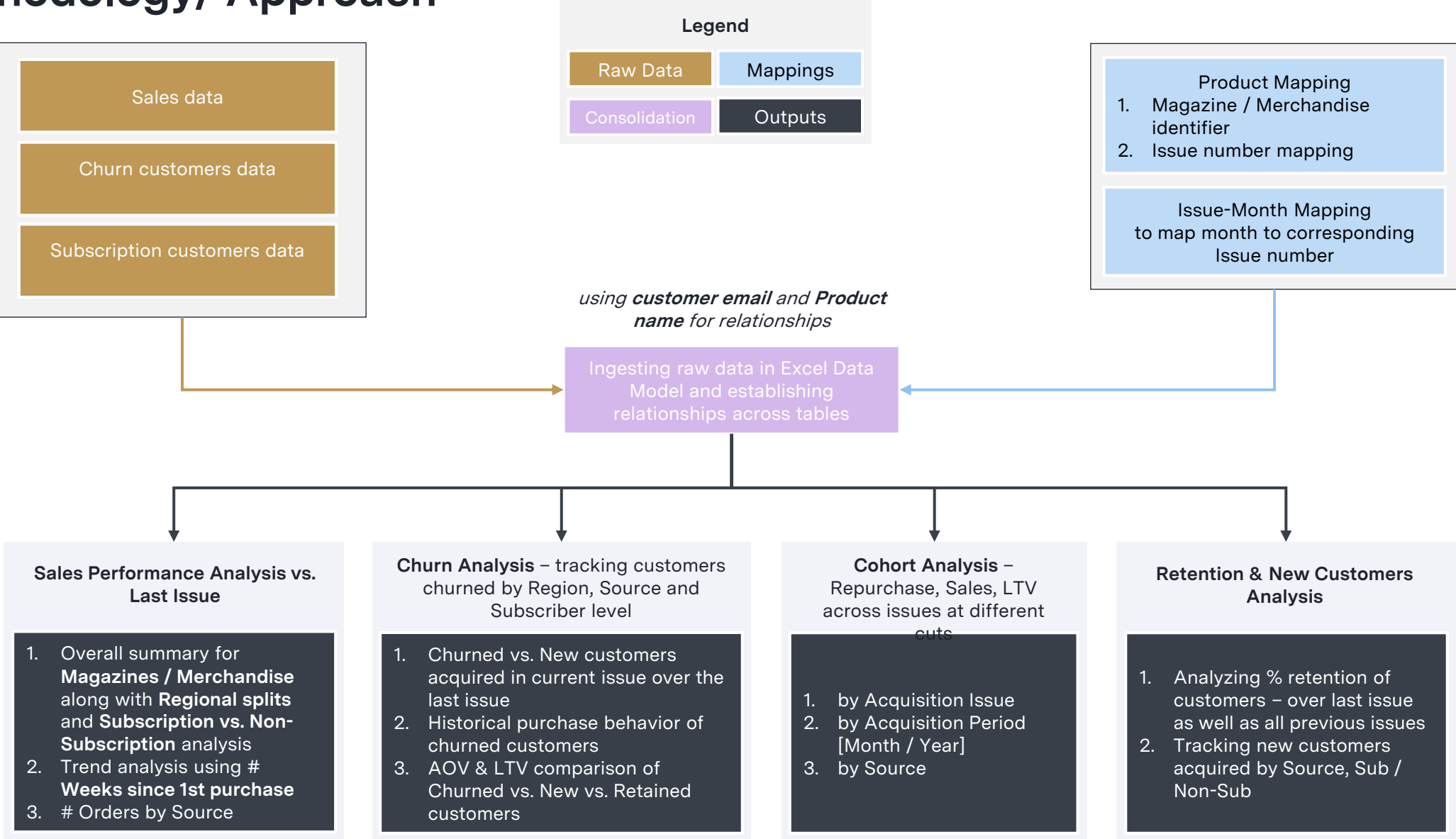
## Accordion Value Add

- Developed an excel model with visibility into sales, number of subscriptions, revenue and other key performance metrics such as churn rate, LTV
- Performed cohort analysis to identify key factors driving sales/customer behavior using attributes such as acquisition Issue, period and source
- Identified the efficient sources to acquire customers using LTV – CAC analysis of customer cohorts
- Provided visibility into comparative (Issue vs. Issue , Week vs. Week and Month vs. Month) performance of Sales, Churn and Retention
- Analyzed the effectiveness of bundling merchandize with magazine sales in driving customer retention

## Impact

- Cohort analysis enabled the client to identify the efficient acquisition sources using LTV – CAC metrics
- Bundling analysis enabled the client to identify the correct fit for bundling to achieve higher sales and improve retention

# Methodology/ Approach



# Summary of Sales Performance of Magazine at Issue Level

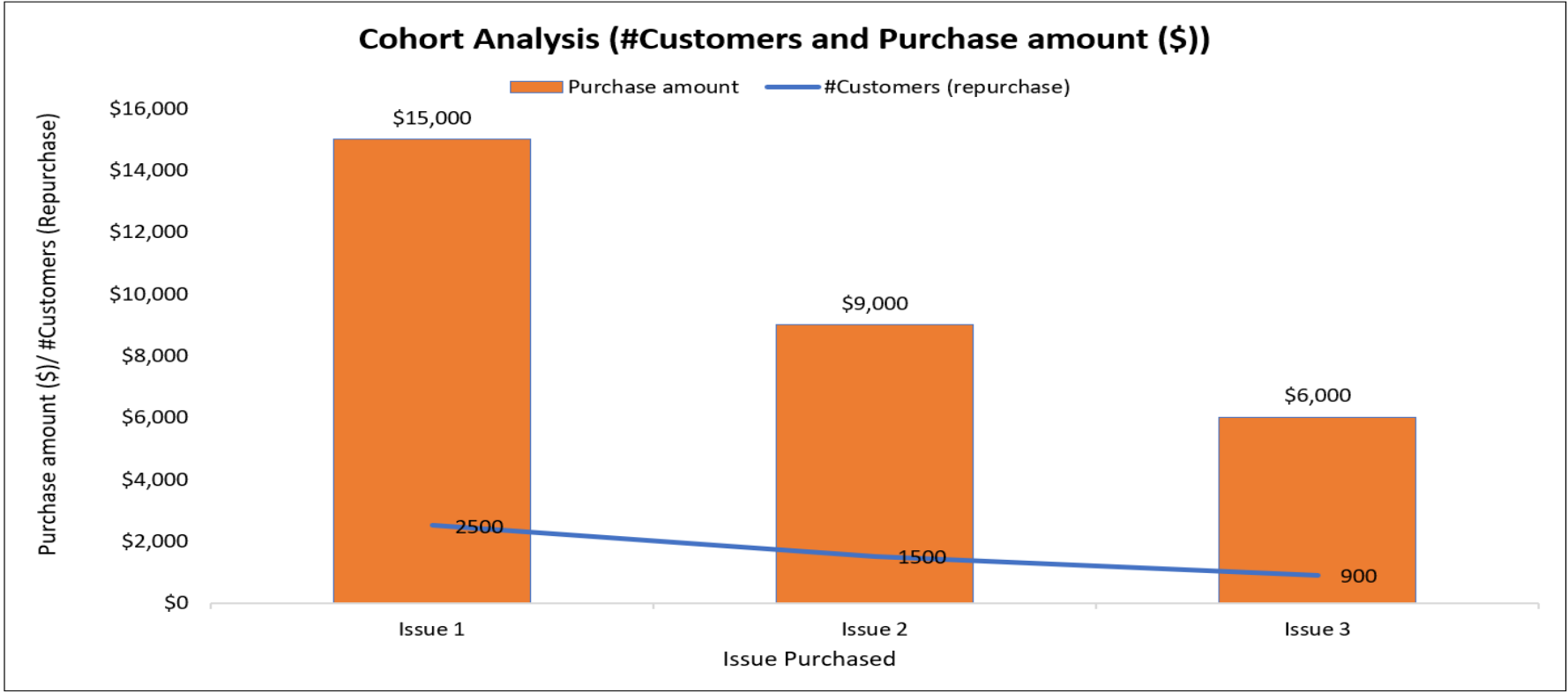
Flexibility to select the different issues

FILTER PANE							
select current issue >>		select last issue for comparison >>		#Weeks of sales to be considered for last issue >>			
Issue #	Issue 25	Issue #	Issue 24	# Weeks	All weeks		
MAGAZINE	Non Subscription	# Copies Sold	Copies sold		WoW copies sold		
		Last Issue	650		40		
		Change	1,600		560		
				-950		- 520	
	Subscription	# Copies Sold	Copies sold		WoW copies sold		
		Last Issue	2,800		5		
		Change	3,000		70		
			-200		-65		
	Overall	# Copies Sold	Total Copies sold		WoW copies sold		# Copies to achieve Breakeven
		Last Issue	3,500		50		6,000
		Change	4,700		650		
			-1,200		-600		
Overall	% Retention (from last issue)	#Customers		% Retention from last Issue		# New Customers Acquired	
	Last Issue	3,500		70.0%		500	
	Change	4,000		40.0%		2,500	
		-500		+ 30 pps		-2000	

filter to compare the performance based on # weeks

Summary of Sales performance, Break -even analysis and the comparison with the earlier issue.

# Cohort Analysis Based on Acquisition Issue and Source

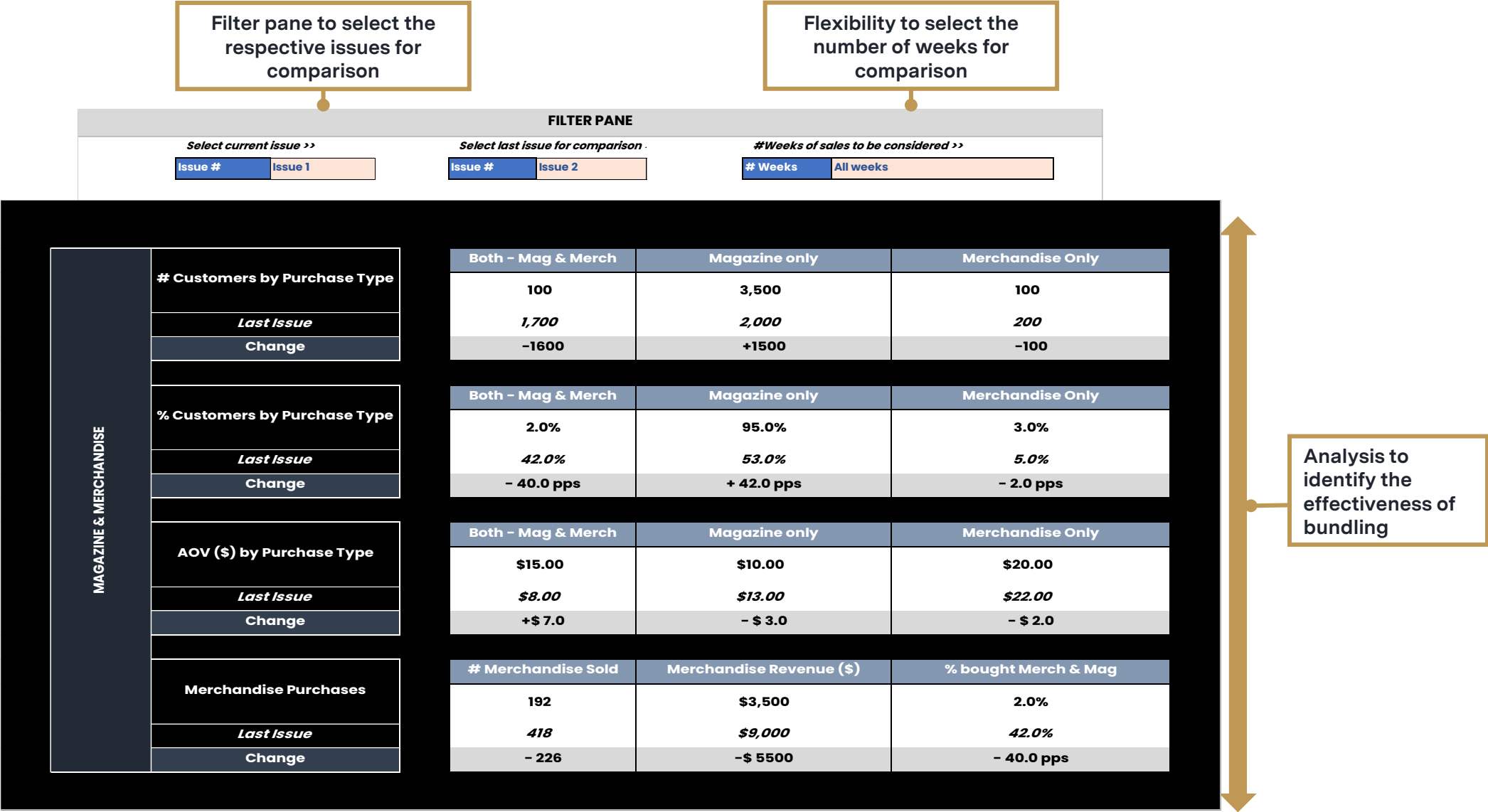


Charts to show Cohort analysis based on Acquisition Issue

Issue NO	COHORT SIZE				#CUSTOMER (Repurchase)				Purchase Amount ('\$)				LTV Value ('\$)			
Source>>	Source 1	Source 2	Source 3	Source 4	Source 1	Source 2	Source 3	Source 4	Source 1	Source 2	Source 3	Source 4	Source 1	Source 2	Source 3	Source 4
Issue 1	10	350	300	1200	10	350	300	1200	\$50	\$2,500	\$2,200	\$8,600	\$5.0	\$7.1	\$7.3	\$7.2
Issue 2	10	350	300	1200	5	170	120	700	\$15	\$1,200	\$900	\$5,000	\$6.5	\$10.6	\$10.3	\$11.3
Issue 3	10	350	300	1200	2	120	100	600	\$10	\$1,200	\$1,000	\$5,500	\$7.5	\$14.0	\$13.7	\$15.9
Issue 4	10	350	300	1200	1	100	100	500	\$10	\$1,000	\$1,000	\$5,000	\$8.5	\$16.9	\$17.0	\$20.1

Detailed cohort analysis to estimate LTV at acquisition issue, acquisition source level

# Bundling Analysis of Merchandise and Magazine at Issue Level



# Bundling Analysis of Magazine and Merchandise at Source Level

Flexibility to select Issues

FILTER PANE

select current issue >>

Issue #

Issue 1

MAGAZINE & MERCHANDISE	Source 1	# New Customers	Magazine only	Merchandise Only	Both - Mag & Merch
		Total	40	5	2
	47				
	Source 2	# New Customers	45	15	3
		Total	63		
	Source 4	# New Customers	60	15	5
		Total	80		
	Source 5	# New Customers	200	50	10
		Total	260		
	Overall	# New Customers	Magazine only	Merchandise Only	Both - Mag & Merch
		Total	345	85	20
450					

Merchandise	Merchandise 1	# New Customers	% Customers
	Merchandise 2	65	62%
	Merchandise 3	5	5%
	Merchandise 4	20	19%
	Merchandise 5	5	5%
	Total	10	10%
	105		

# Summary of Subscription and Region Analysis at Issue Level

Flexibility to select the comparison issues

FILTER PANE				
select current issue >>		select last issue for comparison >>		#Weeks of sales to be considered for last issue >>
Issue #	Issue 1	Issue #	Issue 2	# WeeksAll weeks
Subscription Analysis	Issue 2	Subscriptions	% subscriber vs one of sales	FY 1 subscriber target
	vs Budget	2,500	80%	20,000
SaaS metrics	Gross Adds, churn & CAC	Gross Adds	Churn %	CAC \$
		3,500	5.0%	20
	vs Budget	-3000	+ 3.0 pps	+10
Regional Analysis	% Customers by Region	Region 1	Region 2	Region 3
		80.0%	15.0%	5.0%
	Change vs last issue	+ 3.0 pps	- 1.9 pps	- 1.2 pps

Subscription and region analysis of selected issues and their comparison



# Learnings

- Project requirement led the team to study cohort analysis and learn major KPIs such as LTV, AOV churn rate etc.
- Team got an opportunity to learn advanced excel and work on the data model with complicated Dax formulae and power queries.