Presented by Ben Kovacevich

# REDUCING CUSTOMER CHURN FOR A SUBSCRIPTION-BASED FITNESS APP



# THE TASK

- A data driven approach to improving retention and boosting user engagement
- 2. Identify which users are most likely to cancel their subscriptions and why

# DATASET SUMMARY & TOOLS USED

#### Goal:

To identify behavioral patterns that correlate with user churn and provide actionable recommendations to improve retention.

- 1. 1000 users from a simulated fitness subscription service
- 2. 10 fields of collected data with 3 derived columns for deeper analysis
- 3. Tools Used
  - 1. Excel (data cleaning & transformation)
  - 2. Tableau (data viz)



### **Key Metrics Summary**

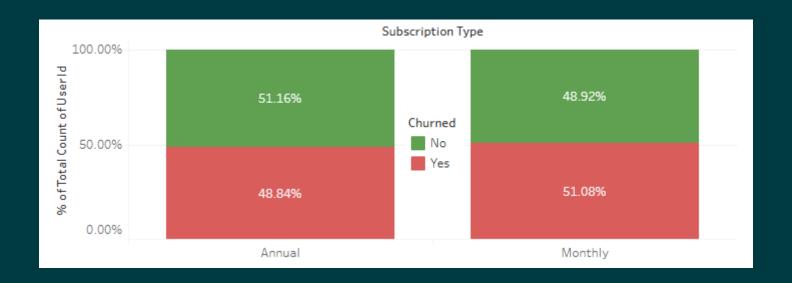
CHURN RATE 50.4%





- Despite a long average tenure, churn remains high indicating many users delay cancellation.
- Understanding behavior patterns behind churn is critical to improving long-term engagement.

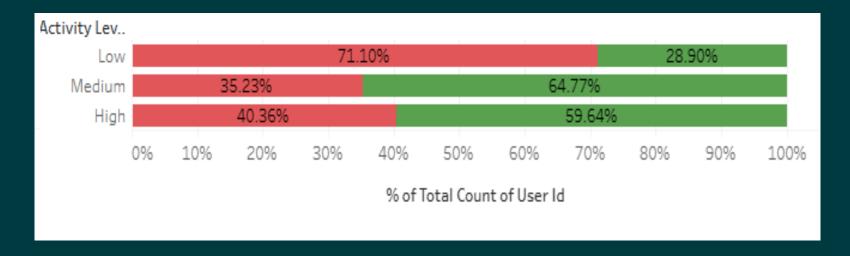
#### **Churn by Subscription Plan**



- Monthly users churn at 51.08%, slightly higher than annual users at 48.84%
- Annual subscribers retain slightly better 51.16% retained vs 48.92% monthly
- Suggest commitment level influences churn behavior

Annual plans offer slightly better retention, hinting that increasing long-term commitment can reduce churn.

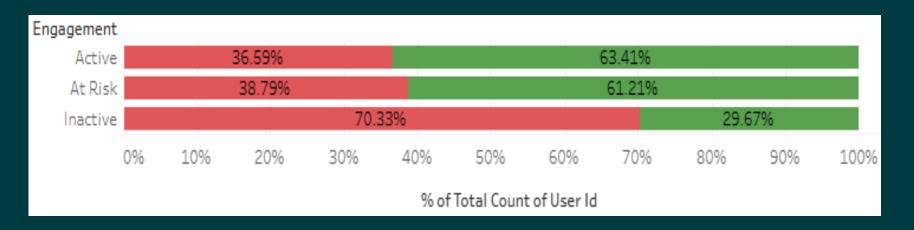
#### Churn by activity level



- Low activity users churn at 71.1%
- Medium activity users churn at 35.2%
- High activity users churn at 40.4%
- Strong negative correlation between workout frequency and retention

Users who average fewer than 1 workout per week are more than 70% likely to churn. Driving consistent weekly activity is critical to retention.

#### **Churn by Engagement**



- Inactive users churn at 70.33%
- At risk users churn at 38.79%
- Active users churn at 36.59%
- Engagement recency is a strong predicator of churn behavior

Churn risk increases drastically once users go 60+ days without logging in. Proactive re-engagement campaigns are essential before users become inactive.

## **Data Driven Retention Strategies**

- Re-engage At-Risk Users
  - Send automated reminders before users go inactive (30-59 days)
  - Offer rewards or challenges to boost re-login and workout rates
- Boost Low Activity Users
  - Recommend personalized workout plans for users with <1 workout/week</li>
  - Add motivational features: streak, badges, or trainer tips
- Promote Annual Subscriptions
  - Annual user showed higher retention
  - Offer incentives (discounts or bonus content) to upgrade from monthly plans
- Launch a Churn Prevention Campaign
  - Target segments with high churn risk (inactive + low activity + monthly)
  - Use messaging based on user behavior, not just demographics



By focusing on activity-driven segmentation and tailored interventions, the business can meaningfully reduce churn and improve customer lifetime value



## **Tools Used & Closing**

1. Excel Cleaned & explored data

2. Tableau Visualized churn trends

PowerPoint Presented findings

Thank you! Questions or feedback welcome.

Ben Kovacevich kovacevich34@gmail.com https://www.linkedin.com/in/kovacevich34/https://github.com/Kingserb34