

It’s clearly visible that the first 2 weeks of every group are the most active throughout the 12 week period. Retention over user lifetime is quite bad, starting from **60-99% in the first week**, dropping to **5-7% at one point, ending with 25-33%** of active users in the 12th week.

Even though the acquisition budget is the same for all 4 groups (months), **acquired customers vary due to being different time of the year** and activity of the previous users also plays a big role here, as they have to invite new members to download the app.

**What dynamics do we see from the numbers?**

We can see 4 different Cohorts, monthly acquired customers for each Cohort and users activity for each week (12 weeks)

**Given that the acquisition budget remained the same throughout the entire period, why does the number of acquired customers vary?**

It’s usual that people use a new app mostly in the first weeks. December has Christmas/New Year, in January people might party less after the holidays, that explains the drop in activity, February has Valentines Day, March has hotter days - possible for outdoor season opening.

**What insights does the data give us regarding acquisition budget planning and targeting?**

The budget might not be spread accurately and target a really broad audience, as people are mostly engaged only for the first few weeks.

**What’s the onboarding rate for each month and why does it differ? Also, what measures should be taken not to lose customers during the onboarding phase.**

Onboarding rate: Dec +100%, Jan -25% **((90-120)/120)\*100%**, Feb +11%, Mar +5%. We see only numbers, sudden change in active users might be due to bad interface, app lagging or other factors, we have to fix issues like that firstly for smooth app usage.

**Period of the highest number of customers slipping into a dormant state**

People mostly slip into dormancy in the 3rd week, dropping 92%, 30%, 82%, 81% for each cohort.

**What measures should be taken to reactivate customers once they slip into dormancy. How does customer segmentation help to avoid it?**

What actions should we take to reactivate customers? Party ideas depending on the season, collaborate with party supplies companies and offer some discounts, push more notifications after 2nd week. We should segment customers to send personalized ideas, for example: party ideas based on age, party ideas based on their location (is it hot/cold there? Possible to go to the beach? etc.), party ideas based on family status - parties for children, etc.

**How seasonality relates to customers' engagement rate and why?**

Since this app is a party organization app - **seasonality is crucial here**, starting from holidays happening during specific dates - to the weather conditions based on the season.

**Account churn rate of each cohort after a 3-month period**

Account churn rate for each Cohort group:

Starting point of each group is 100%, we subtract the active users after 3 months from the starting point and we get a 3 month churn rate.  
Dec 75% (100%-25%)

Jan 75% (100%-25%)

Feb 67% (100%-33%)

Mar 71% (100%-29%)

**What measures should be taken to decrease churn rate**

The app should feed more ideas to users for party ideas, especially during the slower week periods in order to decrease churn rate.

**Account retention rate of each cohort after a 3-month period**

Active users after 3 months are the ones that we managed to retain during the 3 month period, meaning retention rate for each cohort group is the 12th week’s active users

Dec 25% Jan 25% Feb 33% Mar 29%

**Highest weekly reactivation rates from each cohort**

Highest reactivation rate means highest % jump of a given week, compared to a week before, so we can see that the rate was highest for each Cohort at:

**Dec** week 6 increase from 7 to 15% - **8% increase**

**Jan** max increase **was 3%**, that occurred on week 4 (from 5% to 8%), week 6 (from 7% to 10%), week 8 (from 12% to 15%), week 9 (from 15% to 18%) and week 12 (from 22% to 25%)

**Feb** max increase **was 4%** and that occurred twice - week 4 (from 13% to 17%) and week 10 (from 24% to 28%)

**Mar** week 12 increase from 24% to 29% - **5% increase**

**Plan the same period next year from the following perspectives:**

**Acquisition budget**

We can choose the most active weeks for each of the Cohort groups and allocate more budget during these weeks to have active users.

**Customer segmentation, targeting and messaging. Specifically what kind of customers are we going to target each month and why**

We need to segment customers to reach them more personally and know their hobbies/location, etc. for more relevant offers. That’s going to increase the app usage and decrease budget spend on unnecessary irrelevant ads for a broad audience. We will target all current customers, simply differentiate the ads and the offers based on the segmentation we already made.

**Onboarding and activation**

Onboarding and activation period seems smooth, we retain more than 90% of the customers during 1st week with the exception of January month, we can pitch some budget friendly party ideas as people might be tired of spending money for parties after Christmas and New Years.

Planning the same period we will take into account that February will most likely be our slowest month, we won’t spend too much on acquiring customers during that month, but rather push some notifications for current users.