

SUBSCRIPTION CASE STUDY REPORT

EXECUTIVE SUMMARY

This report analyzes the performance and viability of a 7-day subscription model recently tested by Company Z, in comparison to its standard 30-day subscription product. The 7-day model was rolled out to a select group of existing customers to assess whether a shorter billing cycle could improve revenue consistency and reduce payment delays.

THE ANALYSIS FOCUSED ON THREE MAIN OBJECTIVES:

1. Evaluate whether the 7-day subscription is a viable alternative to the 30-day model.
2. Examine revenue performance over time and provide a forecast for the upcoming period.
3. Calculate average monthly revenue per subscriber and recommend a path forward based on findings.

THE DATA USED AND APPROACH FOLLOWED:

- The data used for this analysis comprises a sample of transaction history from customers enrolled in the 7-day test model. These customers previously exhibited **an average payment delay of 8 days under the 30-day subscription**.
- The dataset contained transactional data with **Customer uid**, **Payment Date** and **Amount paid** for a period of **6 months** starting **July to December**.
- The analysis was conducted entirely in **Microsoft Excel**. **Power Query** was extensively used to clean the dataset, standardize date formats, and generate expected payment dates—enabling accurate calculation of payment delays per customer.
- For analysis and visualization, **Pivot Tables** and **Pivot Charts** were employed to summarize key metrics and trends. In addition, Excel formulas such as **UNIQUE()**, **FORECAST.LINEAR()**, **SUMIFS ()**, and **AVERAGE()** were used to calculate distinct counts, forecast revenue, compute conditional totals, and determine overall performance metrics.

Key assumptions made include;

- The average payment delay is the key metric measure of the effectiveness and viability of the 7-day subscription model in comparison to the 30-day subscription model.
- Revenue performance is solely influenced by the customers subscription behavior.

ANALYSIS AND FINDINGS

a) Viability of the 7-day Subscription model.

Average Payment Delay

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- The average payment delay for the 7-day subscription is **4 days**, which accounts for **57% of the subscription cycle**. In contrast, the 30-day

subscription had an average delay of **8 days**, accounting for only **26%** of the total cycle.

- This suggests that while the 7-day model appears to reduce delay in absolute terms (from 8 to 4 days), **relative to its cycle**, it suffers greater strain. Customers are taking up **more than half** the subscription period to renew, which undermines the purpose of a shorter cycle and raises concerns about timely renewals.
- Because the 7-day subscription model has a **higher proportion of payment delay relative to its cycle length**, there's a greater risk that a subscriber may **miss or skip a renewal window**. This makes the 7-day model more vulnerable to **inconsistent subscription behavior** compared to the 30-day model, where the longer access period and fewer renewal touchpoints **support more continuous engagement**.



- In addition, data shows that **payment delay increased gradually** over time starting at 3 days in July through September and rising to 4 days from October to December. This upward trend implies that **renewal discipline is not improving over time**, which could erode long-term reliability of the 7-day model.
- We see the 7 day subscription model gaining traction with the number of subscriptions going up over time but in it's current state it is not frictionless enough to scale without risk.



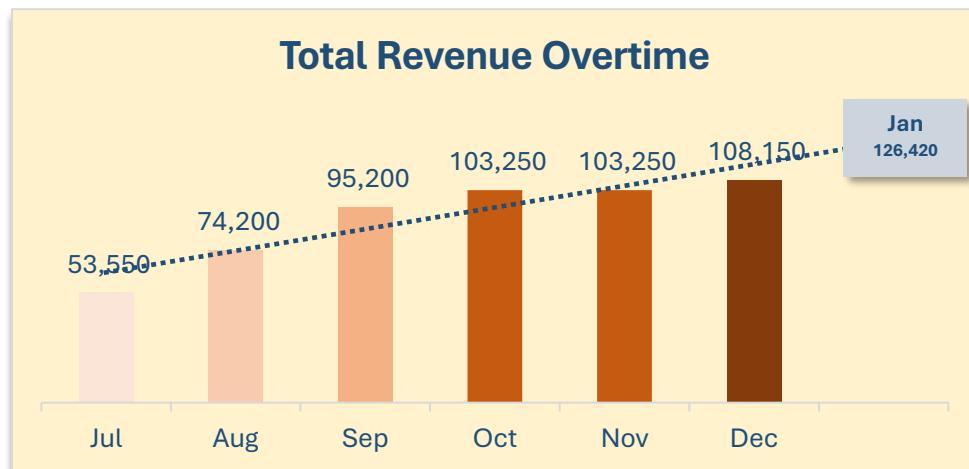
- It enables more frequent transactions but in practice each renewal point becomes a potential dropout point especially if reminders, autorenewals or frictionless payment systems are not in place.
- The **average number of subscriptions per subscriber** total to **3**, suggesting that a typical subscriber remains active about 3 out of 4 weeks each month suggesting relatively strong engagement, however the fact that it's not 4 out of 4 weeks points to minor drop offs or delay patterns indicating room for improvement.

b) Revenue performance Overtime &Forecast

- The total Revenue for the period totals to **537,600** with the average monthly revenue contributed by each subscriber coming to **1,037**.

Total Revenue	Avg Revenue/Subscriber
537,600	1034

- A consistent month-over-month growth in revenue was observed, with December reaching a peak of **108,150**. Based on this upward trend assuming it stays linear, January is forecasted to generate approximately **126,420** in revenue.



c) Average Monthly Revenue Performance Per Subscriber



- **December** recorded the highest average revenue per subscriber, driven more by an increase in the number of subscriptions rather than a rise in the subscriber count. Notably, **October** had the highest number of subscribers yet did not achieve the highest average revenue per subscriber.

- This suggests that **revenue growth in December was fueled by higher subscription frequency among existing users**, highlighting improved engagement or subscription behavior rather than new customer acquisition.

RECOMMENDATIONS

1. The 7-day subscription model shows potential through increased engagement and transaction frequency; instead of discarding it, consider refining it before a full rollout.
2. To address payment delays which are likely driven by friction or lack of prompt rather than intent introduce measures such as;
 - **Automated payment systems**
 - **Reminder notifications**
 - **Allowing multiple payment channels**
 - **Maybe a day's grace period**
3. Offer incentives or discounts for timely renewals to encourage consistent behavior, especially in light of the rising payment delay from 3 to 4 days over the 6-month period.
4. Since most subscribers are active for up to 3 weeks each month, introducing loyalty perks could encourage full-month engagement and improve consistency.
5. December's revenue growth was largely driven by increased subscription frequency per user rather than a rise in subscriber count, making it important to distinguish between growth in usage and growth in user base. Future reporting should separate revenue gains by subscriber growth and usage intensity, while also tracking churn and reactivation trends to support long-term sustainability.