

Netflix-Style Churn Analysis – Business Outlook Report

Executive Summary

- This project analyzes user churn behavior using engagement, subscription, and behavioral metrics.
- The primary finding is that churn is driven mainly by inactivity and low engagement rather than demographics or pricing alone.

Key Strategic Takeaways

1. Churn is driven more by engagement than demographics
 - Watch behavior > age, gender, household size
2. Mobile users are the highest-risk segment
 - This is the clearest operational insight
3. Premium ≠ retention
 - Pricing alone does not secure loyalty
4. Early lifecycle intervention is critical
 - Tenure is a natural churn filter

Business Strategy Fix:

- **User engagement is the strongest retention driver.**
Heavy viewers with high completion rates are significantly less likely to churn, regardless of pricing or demographics.
- **Mobile-only users show the highest churn risk.**
Shorter sessions and lower engagement on mobile suggest UX and content delivery gaps that directly impact retention.
- **Premium pricing does not guarantee loyalty.**
Premium subscribers churn more when perceived value does not meet expectations, indicating the need for clearer differentiation.
- **Early-stage users are most vulnerable.**
Churn risk drops sharply with tenure, making the first 30–90 days critical for retention interventions.
- **Churn patterns vary by region and usage context.**
Country and device type influence churn, highlighting the importance of localized and device-specific strategies.

Strategic Focus:

- Improve early engagement, **optimize mobile viewing experience**, and align subscription value with user expectations to reduce churn effectively.