

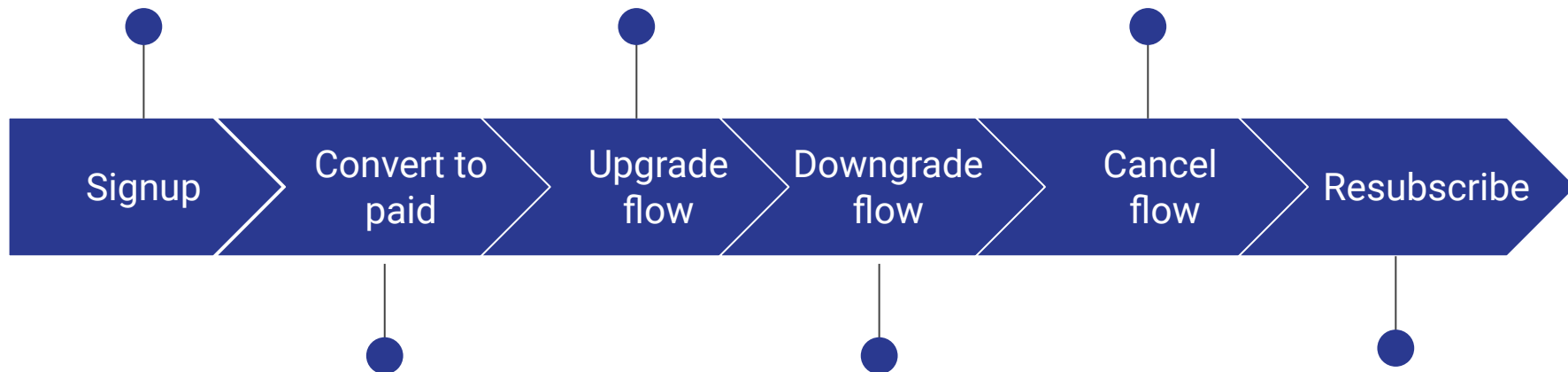
Priceless Penny

Arthur Reis

Free trial does not
require form of
payment upfront

Premium plan still
hasn't found market fit

High amount of paying
and non-paying users
churning



High count of churned
free users

High % of Premium
users downgrading

Low % of churned
users reactivate
membership

Base model KPIs

Landing page:

1% of users that land on page registers for a plan

35% of users that click on page registers for plan

Cost per lead: \$10.3

User behavior:

Free users: Churn rate: 24% Upgrade rate: 7%

(12mo avg)

Paid users: Churn rate: 1.3% (12mo avg)

Profitability:

CAC: \$45 (12mo avg)

Op. Margin: 67% (12mo avg)

Op. Profit per customer: \$476 (12mo avg)

LTV:\$862 (12mo avg)

Signup flow completions:

Team project & paid referral acquisition

Basic plan: 80%

Pro plan: 18%

Premium Plan: 2%

Paid Search acquisition

Free plan: 65%

Basic plan: 25%

Pro plan: 9%

Premium plan: 1%

Upsells

Free learners that convert on upsell: 45%

Basic learners that convert on upsell: 77%

Pro learners that convert on upsell: 2%

Downgrades:

Pro learners that downgrade: 30%

Premium learners that downgrade: 95%

Objective: increase user base + drive product adoption

Signup

Problem: Only 3% of impressions are clicking on the page.

Solutions:

1. Design better UX landing pages with a,b,c variants for signup funnel
2. Add testimonials to the pages
3. Countdown timer with discount in 1st paid month

KPI: An increase of 10% in the Signup UX flow from paid search will result in a 21% increase of new paid users

Convert to Paid

Problem: Only 7% of free users upgrade to paid

Solutions:

1. Offer 30 day money back guarantee
2. Offer forum access
3. Offer basic plan with solutions + grading + certificate per \$300 (reduce arbitrage)

KPI: Forum access to free users would increase upgrade rate from 8% to 16%.

Upgrade flow

Problem: Paid users upgrading went from 12% to 4% in average

Solutions:

1. Basic > Pro Flow is good - offer forum access
2. Pro > Premium Give flexible team trial for small business
3. Pro > Premium - only 0.1% upgrades

KPI: Offering flexible trial would increase in 50% Pro users upgrading to Premium

Downgrade flow

Problem:

Premium users are 85% downgrading to Pro

Solutions:

1. Redesign value proposition of Premium plan
2. Flexible Premium plan for smaller teams / individuals
3. Offer support & tutoring for Premium plan

KPI: Offer tutoring & support can reduce in 50% the Premium users that finish the cancel flow to 40%

Cancel flow

Problem: Overall churn is high

Solutions:

1. Redesign cancelation funnel
2. Offer last course with 50% off
3. Countdown timer with discount in 1st paid month

KPI: Redesigning the cancelation flow to make sure users are aware the loss of access to courses would reduce cancels in 50%

Re-subscribe

Problem: Roughly only 30% of churned users return to the platform

Solutions:

1. e-newsletter with recommendations and new courses available.
2. Discounted pricing for signup page experimentation.
3. Offer concierge access to offer trip experience planning

KPI: Engaging with churned users will increase reactivation by 15%

Change to original pricing scheme

Personas

I'd focus on expanding the ideal customer profile (ICP) that the courses are targeting (recreational and professional development)

Target

By defining and segmenting each persona that can use the product we can develop a much better marketing and top of funnel strategy for lead acquisition

Monetization

Having a personalized experience that suits our personas needs can elevate product adoption and increase upgrades and referrals

Modified model KPIs

Landing page:

1% of users that land on page registers for a plan

35% of users that click on page registers for plan

Cost per lead: \$10.3

User behavior:

Free users: Churn rate: 24% Upgrade rate: 8.5%
(12mo avg)

Paid users: Churn rate: 1.3% (12mo avg)

Profitability:

CAC: \$45 (12mo avg)

Op. Margin: 67% (12mo avg)

Op. Profit per customer: \$486 (12mo avg)

LTV:\$880 (12mo avg)

Signup flow completions:

Team project & paid referral acquisition

Basic plan: 80%

Pro plan: 18%

Premium Plan: 2%

Paid Search acquisition

Free plan: 65%

Basic plan: 25%

Pro plan: 9%

Premium plan: 1%

Upsells

Free learners that convert on upsell: 45%

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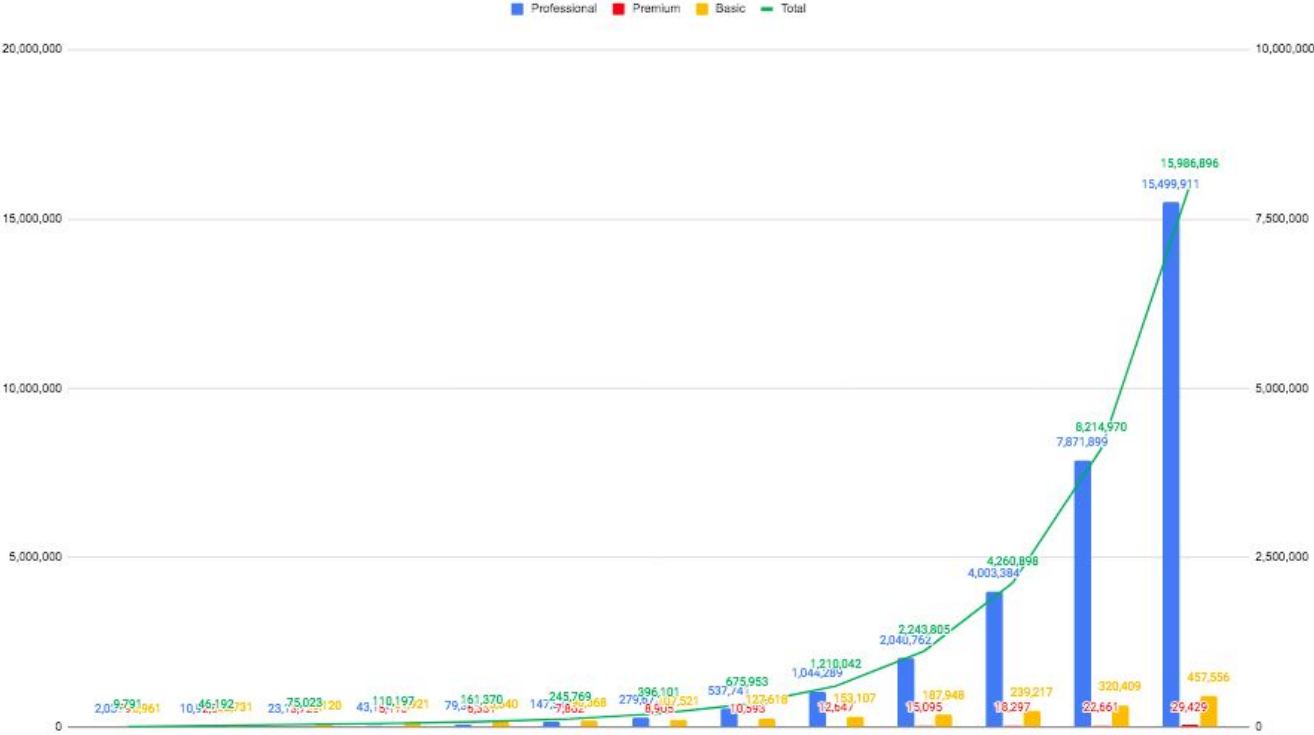
Pro learners that convert on upsell: 2%

Downgrades:

Pro learners that downgrade: 30%

Premium learners that downgrade: 95%

Modified Pricing scheme



3 Disadvantages of the modified pricing scheme

Overage charges

Overage charges may bring a friction to users that are not fully aware of the overage usage (as it is a non-popular monetization method) and it can increase churn rates

Contraction revenue

Contraction revenue is higher in the modified pricing due to higher total of paying users and users downgrading plans

Churned revenue

The modified pricing is resulting in a higher amount of revenue churning

3 Advantages of the modified pricing scheme

User experience

Overage charges bring a flexibility to users that want to continue learnings without having to upgrade to more expansive plan - thus creating a better user experience

Monetization

The modified pricing is yielding higher new, returning, reactivated, and expansion revenues

Profitability

The modified pricing model is resulting in 25% higher LTV per user compared to the original model