



Calculating Churn Rates: CodeFlix

Learn SQL from Scratch

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Table of Contents

1. Get familiar with the company.

- ❖ How many months has the company been operating?
- ❖ Which months do you have enough information to calculate a churn rate?
- ❖ What segments of users exist?

2. What is the overall churn trend since the company started?

3. Compare the churn rates between user segments.

- ❖ Which segment of users should the company focus on expanding?

Question 1

Take a look at the first 100 rows of data in the subscriptions table. How many different segments do you see?

id	subscription_start	subscription_end	segment
1	2016-12-01	2017-02-01	87
2	2016-12-01	2017-01-24	87
3	2016-12-01	2017-03-07	87
4	2016-12-01	2017-02-12	87
5	2016-12-01	2017-03-09	87
6	2016-12-01	2017-01-19	87

Question 2

```
SELECT  
    MAX(subscription_start),  
    MIN(subscription_start)  
FROM subscriptions;
```

There are 3 months to calculate churn rates for, CodeFlix has a one-month cancellation policy.

MAX(subscription_start)	MIN(subscription_start)
2017-03-30	2016-12-01

Question 3.

You'll be calculating the churn rate for both segments (87 and 30) over the first 3 months of 2017 (you can't calculate it for December, since there are no subscription_end values yet). To get started, create a temporary table of months.

first_day	last_day
2017-01-01	2017-01-31
2017-02-01	2017-02-28
2017-03-01	2017-03-31

```
--  
WITH months AS  
    (SELECT  
        '2017-01-01' as first_day,  
        '2017-01-31' as last_day  
    UNION  
    SELECT  
        '2017-02-01' as first_day,  
        '2017-02-28' as last_day  
    UNION  
    SELECT  
        '2017-03-01' as first_day,  
        '2017-03-31' as last_day  
    )  
SELECT *  
FROM months;
```

Question 4.

Create a temporary table, `cross_join`, from subscriptions and your months. Be sure to `SELECT` every column.

id	subscription_start	subscription_end	segment	first_day	last_day
1	2016-12-01	2017-02-01	87	2017-01-01	2017-01-31
1	2016-12-01	2017-02-01	87	2017-02-01	2017-02-28
1	2016-12-01	2017-02-01	87	2017-03-01	2017-03-31
2	2016-12-01	2017-01-24	87	2017-01-01	2017-01-31
2	2016-12-01	2017-01-24	87	2017-02-01	2017-02-28
2	2016-12-01	2017-01-24	87	2017-03-01	2017-03-31

```
--  
WITH months AS  
  (SELECT  
    '2017-01-01' as first_day,  
    '2017-01-31' as last_day  
  UNION  
  SELECT  
    '2017-02-01' as first_day,  
    '2017-02-28' as last_day  
  UNION  
  SELECT  
    '2017-03-01' as first_day,  
    '2017-03-31' as last_day  
  ),  
cross_join AS  
  (SELECT *  
    FROM subscriptions  
    CROSS JOIN months  
  )  
SELECT *  
FROM cross_join;
```

Question 5

Create a temporary table, status, from the cross_join table you created. This table should contain:

id selected from cross_join

month as an alias of first_day

is_active_87 created using a CASE WHEN to find any users from segment 87 who existed prior to the beginning of the month. This is 1 if true and 0 otherwise.

is_active_30 created using a CASE WHEN to find any users from segment 30 who existed prior to the beginning of the month. This is 1 if true and 0 otherwise.

id	month	is_active_87	is_active_30
1	2017-01-01	1	0
1	2017-02-01	0	0
1	2017-03-01	0	0
2	2017-01-01	1	0
2	2017-02-01	0	0
2	2017-03-01	0	0

```
--  
WITH months AS  
  (SELECT  
    '2017-01-01' as first_day,  
    '2017-01-31' as last_day  
  UNION  
  SELECT  
    '2017-02-01' as first_day,  
    '2017-02-28' as last_day  
  UNION  
  SELECT  
    '2017-03-01' as first_day,  
    '2017-03-31' as last_day  
  ),  
cross_join AS  
  (SELECT *  
   FROM subscriptions  
   CROSS JOIN months  
  ),  
status AS  
  (SELECT id,  
    first_day AS month,  
    CASE  
      WHEN (subscription_start < first_day)  
        AND (subscription_end > first_day OR subscription_end IS NULL)  
        AND (segment = '87') THEN 1  
      ELSE 0  
    END AS is_active_87,  
    CASE  
      WHEN (subscription_start < first_day)  
        AND (subscription_end > first_day OR subscription_end IS NULL)  
        AND (segment = '30') THEN 1  
      ELSE 0  
    END AS is_active_30,  
    CASE  
      WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '87')  
    THEN 1  
      ELSE 0  
    END AS is_canceled_87,  
    CASE  
      WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment =  
'30') THEN 1  
      ELSE 0  
    END AS is_canceled_30  
  FROM cross_join  
  )  
SELECT *  
FROM status;
```

Question 6

Add an is_canceled_87 and an is_canceled_30 column to the statustemporary table. This should be 1 if the subscription is canceled during the month and 0 otherwise.

id	month	is_active_87	is_active_30	is_cancelled_87	is_cancelled_30
1	2017-01-01	1	0	0	0
1	2017-02-01	0	0	1	0
1	2017-03-01	0	0	0	0
2	2017-01-01	1	0	1	0
2	2017-02-01	0	0	0	0
2	2017-03-01	0	0	0	0

```
--
WITH months AS
  (SELECT
    '2017-01-01' as first_day,
    '2017-01-31' as last_day
  UNION
  SELECT
    '2017-02-01' as first_day,
    '2017-02-28' as last_day
  UNION
  SELECT
    '2017-03-01' as first_day,
    '2017-03-31' as last_day
  ),
cross_join AS
  (SELECT *
   FROM subscriptions
   CROSS JOIN months
  ),
status AS
  (SELECT id,
    first_day AS month,
    CASE
      WHEN (subscription_start < first_day)
        AND (subscription_end > first_day OR subscription_end IS NULL)
        AND (segment = '87') THEN 1
      ELSE 0
    END AS is_active_87,
    CASE
      WHEN (subscription_start < first_day)
        AND (subscription_end > first_day OR subscription_end IS NULL)
        AND (segment = '30') THEN 1
      ELSE 0
    END AS is_active_30,
    CASE
      WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '87') THEN 1
      ELSE 0
    END AS is_canceled_87,
    CASE
      WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '30') THEN 1
      ELSE 0
    END AS is_canceled_30,
    CASE
      WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = 87) THEN 1
      ELSE 0
    END AS is_canceled_87,
    CASE
      WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = 30) THEN 1
      ELSE 0
    END AS is_canceled_30
  FROM cross_join
  )
SELECT *
FROM status;
```


Question 7

Create a status_aggregate temporary table that is a SUM of the active and canceled subscriptions for each segment, for each month. The resulting columns should be:

- ❖ sum_active_87
- ❖ sum_active_30
- ❖ sum_canceled_87
- ❖ sum_canceled_30

month	sum_active_87	sum_active_30	sum_canceled_87	sum_canceled_30
2017-01-01	278	291	70	22
2017-02-01	462	518	148	38
2017-03-01	531	716	258	84

```
--
WITH months AS
(SELECT
  '2017-01-01' as first_day,
  '2017-01-31' as last_day
UNION
SELECT
  '2017-02-01' as first_day,
  '2017-02-28' as last_day
UNION
SELECT
  '2017-03-01' as first_day,
  '2017-03-31' as last_day
),
cross_join AS
(SELECT *
  FROM subscriptions
  CROSS JOIN months
),
status AS
(SELECT id,
  first_day AS month,
  CASE
    WHEN (subscription_start < first_day)
      AND (subscription_end > first_day OR subscription_end IS NULL)
      AND (segment = '87') THEN 1
    ELSE 0
  END AS is_active_87,
  CASE
    WHEN (subscription_start < first_day)
      AND (subscription_end > first_day OR subscription_end IS NULL)
      AND (segment = '30') THEN 1
    ELSE 0
  END AS is_active_30,
  CASE
    WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '87') THEN 1
    ELSE 0
  END AS is_canceled_87,
  CASE
    WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '30') THEN 1
    ELSE 0
  END AS is_canceled_30
FROM cross_join
),
status_aggregate AS
(SELECT month,
  SUM(is_active_87) AS sum_active_87,
  SUM(is_active_30) AS sum_active_30,
  SUM(is_canceled_87) AS sum_canceled_87,
  SUM(is_canceled_30) AS sum_canceled_30
FROM status
GROUP BY month)
SELECT *
FROM status_aggregate;
```

Question 8

Calculate the churn rates for the two segments over the three month period. Which segment has a lower churn rate?

month	churn_87	churn_30
2017-01-01	0.25(25%)	0.08(8%)
2017-02-01	0.32(32%)	0.07(7%)
2017-03-01	0.49(49%)	0.12(12%)

```
--
WITH months AS
(SELECT
  '2017-01-01' as first_day,
  '2017-01-31' as last_day
UNION
SELECT
  '2017-02-01' as first_day,
  '2017-02-28' as last_day
UNION
SELECT
  '2017-03-01' as first_day,
  '2017-03-31' as last_day
),
cross_join AS
(SELECT *
  FROM subscriptions
  CROSS JOIN months
),
status AS
(SELECT id,
  first_day AS month,
  CASE
    WHEN (subscription_start < first_day)
      AND (subscription_end > first_day OR subscription_end IS NULL)
      AND (segment = '87') THEN 1
    ELSE 0
  END AS is_active_87,
  CASE
    WHEN (subscription_start < first_day)
      AND (subscription_end > first_day OR subscription_end IS NULL)
      AND (segment = '30') THEN 1
    ELSE 0
  END AS is_active_30,
  CASE
    WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '87') THEN 1
    ELSE 0
  END AS is_canceled_87,
  CASE
    WHEN (subscription_end BETWEEN first_day AND last_day) AND (segment = '30') THEN 1
    ELSE 0
  END AS is_canceled_30
FROM cross_join
),
status_aggregate AS
(SELECT month,
  SUM(is_active_87) AS sum_active_87,
  SUM(is_active_30) AS sum_active_30,
  SUM(is_canceled_87) AS sum_canceled_87,
  SUM(is_canceled_30) AS sum_canceled_30
FROM status
GROUP BY month)
SELECT
  ROUND(1.0 * sum_canceled_87 / sum_active_87, 2),
  ROUND(1.0 * sum_canceled_30 / sum_active_30, 2)
FROM status_aggregate;
```