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| Slide 1 |  |  |
| Slide 2 |  | Present topline summary  FraudFinder2.0 is growing, but that revenue is at risk  Revenue growing better than the 10% subscription increase in the early part of the time period |
| Slide 3 |  | Measured against a 10% growth line. Revenue should be increasing each month by 0.833% on average as we are utilizing a 10% per annum increase in fees.  Measured against a fitted line at resets each year to the known starting point.  Projecting the next six months as simplistic double of the revenue we’d only grow at 8.4%. This points toward a loss in customers. |
| Slide 4 |  | # of revenue subscribers  Look at refunds for products  Total mixed ecosystem of FF and FF2. FF2 getting new customers but at the expense of FF customer as they upgrade. This is as expected but the growth rate for new customers is not keeping pace. We are about 400 short of 2010 FF levels after 1.5 years and leveling off.  Refunds as proxy for lost revenue don’t like the trend upward in refund per customer. Losing higher value customers.  Total refunds is also for only half of the 2013 year. |
| Slide 5 |  | Average Revenue Per Account.  Look at the revenue per customer in both an average and median fashion FF2. Compare against average against FF1. Median to represent growth without the effect of the large right tail. Then focus on the FF2 growth. There are negative revenue growth months which is concerning. Losing higher value customers to push the tail in.  Positive right skew on RPT pushes us to investigate at the top rank for revenue  Monthly reoccurring revenue by product / total revenue customer counts by product discounting refund customers time points. Figure not included but shows flat growth with high variability. Effects of changes in that long tail may be to blame. |
| Slide 6 |  | Percentage from active users versus inactive for the last full year of transactions.  Summed revenue for all products held to calculate RPT against the transaction history data.  Check with sales on the subscriber list of the top 100.  Focus on these large subscribers as they hurt bottom line more when they cancel. |
| Slide 7 |  | For FF2 churn risk is 3 times higher in users who are inactive based on logrank test to get hazard ratio  Confidence interval around curves shows they are significantly different until ~760 days  Logrank test  Provide hazard curve explanation and logrank test  Tenure is based on derived values from revenue data. First and last positive revenue value dates by customer for FF2.  Average tenure is 833 days.  Correlation not causation but it is concerning  We can look at the transactions data directly and see it is increasing but we don't know which product accounts for the transactions  2010 -> 1124  2011 -> 1420  2012 -> 1763 |
| Slide 8 |  | Hold for questions and discussion of methods of deriving data or explanation of analysis  Possible next steps:   * Pilot a different program of renewal fees to compare against current or look at first 5 years of FraudFinder to compare against behavior of FruadFidner2 adoption * Customer segmentation transaction behavior * Tracking inception and cancellation dates explicitly * Tracking transaction by month and project for added granularity * Addition of customer marketing spend to assist in determining LTV |