About: Defining & analyzing business metrics of a subscription product from 2020-2022 in Tableau.
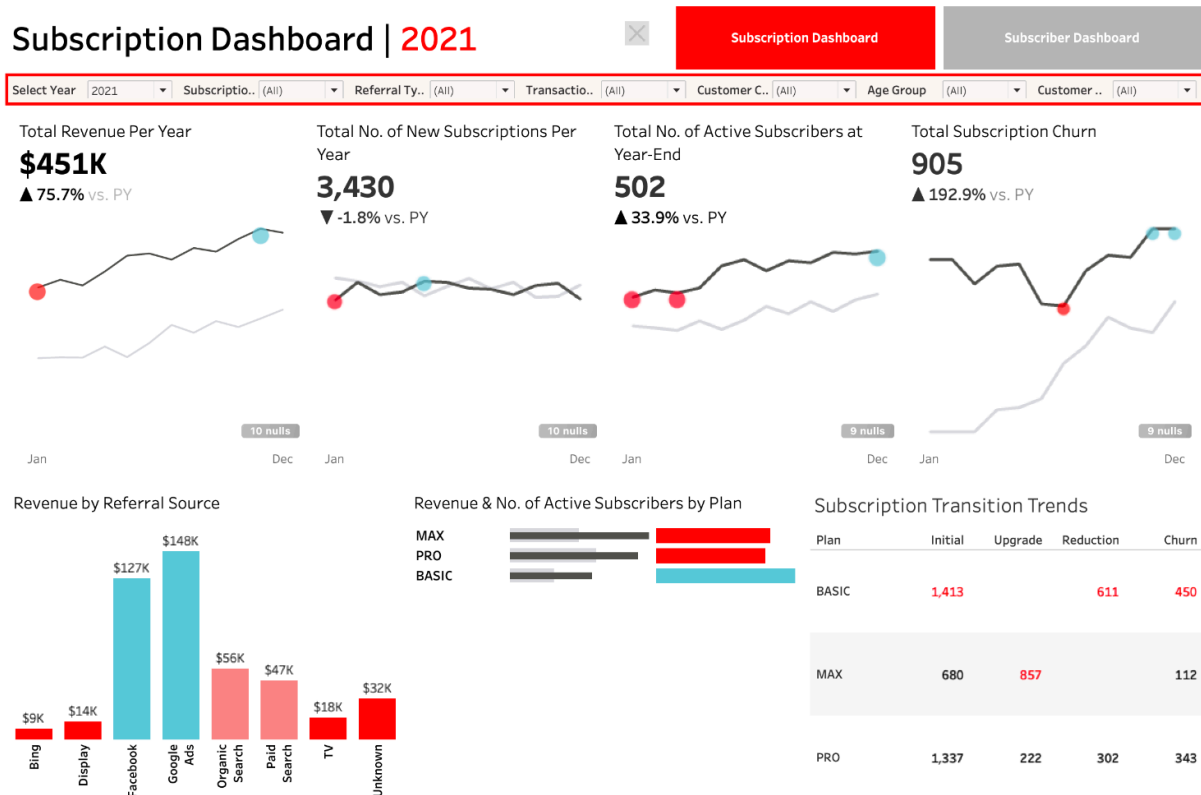
Skills: Data Visualization, Metrics Analysis, Business Metrics, Strategy

Data Source:
https://www.kaggle.com/datasets/sarathperingayi/performance-of-a-subscription-business

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North Star Metrics and Dimension

- **Revenue:** Total revenue from Basic, Pro, and Max plans

- **Churn Rate:** Percentage of customers discontinuing their subscriptions

- **Customer Growth Rate:** Year-over-year growth in total active subscribers

- **Plan Type:** Basic, Pro, Max

- **Plan Period:** Monthly

- **Plan Region:** EMEA

Summary of Insights

Revenue Trends
- **Total Revenue Per Year** consistently grew from 2020 to 2022 with a compound annual growth rate of 55.3%. In 2020, the company achieved an annual revenue of $257k and grew it to $620k in 2022.
- The company's **top 3 referral sources** over 3 years were consistently **Google Ads, Facebook, and Organic Search.**
- The Pro plan type emerged as the highest revenue stream, contributing 43% of the company's total revenue in 2022
- **Sweden** was the company's **top revenue-generating market** with a **total revenue of $242k in 2022,** while **Norway** generated **the lowest revenue, totaling $121k for the same year.**

Customer Growth Trends
- Despite the high churn rates, the overall customer base grew year-over-year reaching 6,373 subscribers in 2022, indicating a strong acquisition strategy. However, sustaining this growth while reducing churn is critical for long-term success.
- The most popular plans for new subscribers were Basic, Max, and Pro
- Our user base primarily identifies as women with the most popular age group being from 18-24.
- Q1 and Q2 had the highest growth rate activity

Churn Analysis
- **Plan Type Behavior:** Subscribers generally start on the Basic plan and then upgrade to Pro or Max. A trend we saw is that subscribers tend to downgrade to the Basic plan before churning.
- **Total Subscription Churn** reached an all-time high in 2022, with 981 subscribers leaving, 395 of whom were on the Basic plan. The company recorded the **highest churn rate of 45.5% in December 2022.**

Recommendations & Next Steps

Churn Analysis
- Launch a detailed study to understand why customers are churning, especially those who downgrade before leaving. This could involve a mix of qualitative and quantitative research methods.
- Implement retention strategies like loyalty programs, personalized discounts, and feature enhancements aimed at reducing churn, particularly among Basic and downgraded Max users.

- Regularly collect feedback from subscribers to stay ahead of potential dissatisfaction that could lead to churn.
- Regularly track and analyze the subscription lifecycle to identify trends early and implement preemptive measures to counteract negative trends.

Growth Optimization
- Use customer segmentation to tailor marketing and retention efforts based on the specific needs and behaviors of different user groups.

Revenue Optimization
- Shift a larger share of the marketing budget to high-performing channels such as Facebook and Google Ads. Simultaneously, explore new referral channels that align with your target audience's preferences.
- Consider bundling options or tiered service offerings that provide more value at each subscription level, encouraging users to remain or upgrade rather than downgrade or churn.