Segment Analysis

Scenario: Now that you have determined one of Slack's Habit, Aha, and Setup moments, you have been asked by the VP of Product to segment our users through the activation funnel. He requests you share with marketing any findings on what users are performing well, not well, and what areas can be improved on.

The findings will help marketing team focus on Ideal Customer Profiles (ICPs), so they know where to invest for Acquisition. The activation funnel has already been applied to these segments and your goal is to see analyze delta between the funnel and how many users make it through the funnel.

Remember: The delta is the percentage of users that make it from one stage of the funnel to the next to ultimately tell us what percent of our acquired users go through all stages of funnel to achieve activation.

Once your conduct this analysis, you can then create experiments on how to convert more users through each step in the Setup, Aha, and Habit moments. The goal for Slack is to get more users through the funnel so we have more users and a higer % of users that become activated.

Skill: Analyze how different segments flow through the activation funnel by determining the # and % of users activated per segment.

Instructions: Conduct each segment analysis in order:
Industry (Row 8 - 28)
Company Size (Row 30 -50)
Account Size (Row 52 - 71)
Source (Row 73 - 90).

Place any notes, thoughts, comments in the "Observations (Personal Notes)" box for yourself to view in the future - these will not be graded.

In your text-based analysis, your goal is to increase the total average % you calculate in row 31, 53, 74, and 93 across each segment. To determine what is a good threshold of % of users activated that is good enough vs.needs more support, compare the % users activated for each segment to the average for that segment.

1. Calculate the Delta (Setup to Aha) ratio in Column D

2. Calculate Delta (Aha to Habit) ratio in Column F,

3. Calculate # of users activated in Column H,

4. % of Users Activated in Column I,

5. Address questions (located below each segment) regarding what segment has the best/worst activation funnel and create an experiment I to focus effort on a specific segment funnel. Use the [Action], [Outcome], and [Theory] Framework.

Cells colored in Blue have ben completed as examples for you. The formulas have been removed.

Segment Analysis by Industry for June 2019

Industry	New Users Acquired	Activation Funnel					# of Users Activated	% of Users Activated
Total	**921**	**Setup Moment**	**Delta (Setup to Aha)**	**Aha Moment**	**Delta (Aha to Habit)**	**Habit Moment**		
Technology	279	85%	92%	78%	87%	68%	126	45%
Retail	165	76%	91%	69%	91%	63%	54	33%
Healthcare	138	80%	95%	76%	92%	70%	59	43%
Financial Services	110	76%	91%	69%	87%	60%	35	31%
Manufacturing	90	80%	94%	75%	88%	66%	35	40%
Consumer Goods	74	70%	93%	65%	88%	57%	19	26%
Transportation	46	68%	88%	60%	92%	55%	10	22%
Oil and Gas	19	69%	93%	64%	94%	60%	5	26%
Average	**115**	**76%**	92%	**70%**	90%	**62%**	38	33%

Observations (Personal Notes)

What industry has the best activation Funnel? Why?	What industry has the worst activation Funnel? Why?	What would you want to report to Marketing?	Experiment Brief using Action, Outcome, Theory (Select 1 moments to improve)
Technology. A significant number of technology companies leverage websites and apps as core products. These products lend themselves to rapid experimentation and product improvements that benefit from frequent, regular, ongoing	Transportation. The transportation industry is a highly-regulated industry, which means that changes and updates to products require more approval making them slower to market. There may be a tendency/bias in this industry to rely on traditional communication channels such as email and phone.	% of activated users by industry, total new users acquired by industry, and conversion percentage at the Setup, Aha, and Habit moments.	[ACTION] If we run an a/b experiment by changing the signup flow to ask users their industry we can tailor their Slack experience and [OUTCOME] evaluate if there is an increase in # Team Slack messages sent in 7 days (Habit moment) [Theory] because the app will surface tools and recommendations relevant to their customer profile.

Segment Analysis by Company Size for June 2019

Company Size	New Users						# of Users Activated	% of Users Activated
Total	**1,450**	**Setup Moment**	**Delta (Setup to Aha)**	**Aha Moment**	**Delta (Aha to Habit)**	**Habit Moment**		
1-5	280	64%	92%	59%	86%	51%	54	19%

Observations (Personal Notes)

6-10	370	74%	93%	69%	90%	62%	117	32%
11-20	200	78%	91%	71%	93%	66%	73	37%
21-50	175	81%	93%	75%	95%	71%	75	43%
51-100	120	75%	93%	70%	89%	62%	39	33%
101-250	75	68%	97%	66%	83%	55%	19	25%
251-500	130	72%	93%	67%	99%	66%	41	32%
501+	100	70%	90%	63%	90%	57%	25	25%
Average	**181**	**73%**	93%	**68%**	91%	**61%**	55	30%

What company size has the best activation Funnel? Why?	What company size has the worst activation Funnel? Why?	What would you want to report to Marketing?	Experiment Brief using Action, Outcome, Theory (Select 1 moments to improve)
21-50. This segment has deltas % at or above the average and moments % above the average as well. The # of new users at the top of the funnel are just shy of the average. Companies in this size are likely looking for an affordable team communications platform	At the smallest end of 1-5, a business is small enough that it may choose to rely on existing tools such as email, SMS, or phone calls. At this stage, companies are tight on financial resources and may be unwilling to pay for a Slack enterprise subscription.	We would report to marketing team any frictions, or suggestions that we observe that can improve signups or sales. We would also want to report % activated by company size, total number of users activated by company size, and conversion percentage at the Setup, Aha, and	[ACTION] If we run an a/b experiment by increasing the length of free trial from 90 days to 120 days [OUTCOME] to evaluate if there is an increase in # of Team Slack messages sent in 7 days (Habit moment) [Theory] because users will have more time to become familiar with features, tools, and integrations in the app and see more value over time.

Segment Analysis by Account Size for June 2019

Account Size	New Users						# of Users Activated	% of Users Activated
Total	**1,500**	**Setup Moment**	**Delta (Setup to Aha)**	**Aha Moment**	**Delta (Setup to Aha)**	**Habit Moment**		
1 - 2	100	59%	93%	55%	87%	48%	16	16%
2 - 5	250	62%	98%	61%	84%	51%	48	19%
5 - 10	210	70%	87%	61%	90%	55%	49	23%
10 - 20	250	83%	92%	76%	92%	70%	110	44%
20 - 50	220	86%	91%	78%	94%	73%	108	49%
50 - 100	270	87%	93%	81%	90%	73%	139	52%
100+	200	88%	91%	80%	89%	71%	100	50%
Average	**214**	**76%**	92%	**70%**	90%	**63%**	73	34%

Observations (Personal Notes)

What account size has the best activation Funnel? Why?	What account size has the worst activation Funnel? Why?	What would you want to report to Marketing?	Experiment Brief using Action, Outcome, Theory (Select 1 moments to improve)
50 - 100. Accounts of this size have deltas that are at or above the average and moment % that are at the top of the pack, along with # new users at the top of the funnel well above the average.	1 - 2. This segment has a setup to aha delta below the average and moments % well below the averages. The # of new users at the top of the funnel is less than 1/2 the average.	We would report to marketing team any frictions, or suggestions that we observe that can improve signups or sales. We would also want to report % activated by account size, total number of users activated by company size, and conversion percentage at the Setup, Aha, and	[ACTION] If we run an a/b experiment by increasing the length of free trial from 90 days to 120 days [OUTCOME] to evaluate if there is an increase in # of Team Slack messages sent in 7 days (Habit moment) [Theory] because users will have more time to become familiar with features, tools, and integrations in the app and see more value over time.

Segment Funnel by Sources for June 2019

Source	New Users						# of Users Activated	% of Users Activated
Total	**1,490**	**Setup Moment**	**Delta (Setup to Aha)**	**Aha Moment**	**Delta (Setup to Aha)**	**Habit Moment**		
Pricing Page	250	72%	94%	68%	88%	60%	73	29%
Free Trial Page	310	76%	92%	70%	84%	59%	97	31%
Referral link	390	80%	91%	73%	89%	65%	148	38%
Team Invitation	430	83%	94%	78%	91%	71%	198	46%
Blog Page	110	70%	94%	66%	88%	58%	29	27%
Average	**298**	**76%**	93%	**71%**	88%	**63%**	101	34%

Observations (Personal Notes)

What source has the best activation Funnel? Why?	What source has the worst activation Funnel? Why?	What would you want to report to Marketing?	Experiment Brief using Action, Outcome, Theory (Select 1 moments to improve)
Team Invitation. Accounts of this size have deltas % that are above the average, moments % that are above the average, and the highest # new users at the top of the funnel as compared with other segments and the average value.	Blog Page. This segment has moments % that are below the averages and the lowest # of new users at the top of the funnel (about 1/3 the average) as compared with the other segments.	We would report to marketing team any frictions, or suggestions that we observe that can improve signups or sales. We would also want to report % activated by account size, total number of users activated by company size, and conversion percentage at the Setup, Aha, and Habit moments.	[ACTION] If we run an a/b experiment by sending users sourced via blog page an in-app notification prompting them to invite team members [OUTCOME] we can evaluate if there is an increase in # of users invited within 7 days (Setup moment) [Theory] because creating a Slack team will be more top of mind for these users.

Experiment Brief

Scenario: Slack has noticed that users are churning over time. Apply your activation and retention knowledge to suggest experiments to reduce churn.

It is ideal to always have an active experimentation for different segment of users and different metrics (activation and retention) for those users. You proposed experiments for activation before for users who just started to use our product. Now you will propose experiments to active users to ensure they remain active OR users that have become inactive to attempt to resurrect them to become active agian.

You've just completed the churn and retention analysis in Tab 7, from which your VP has provided you resources to tackle churn.

Using the analysis in tab 5, retention segmentation analysis, suggest experiments to help increase retention and reduce churn of specific segments.

Remember in Tab 5, you calculated the users who are retaining the most, but focus on the segments that are **NOT** retaining well and create experiments for these segments.

Skill: Create experiments and include analysis on the impacts, rational, and hypothesis of the experiment.

Instructions:

1. Determine 3 experiments you would want to run to reduce churn OR understand churn better in B12 - B14

2. In column C, elaborate on what is being tested

3. In column D, provide a qualitative and quantitative hypothesis of what will happen

4. In column E, describe the rationale of why you chose this experiment from any social proof, previous experience, or from any research.

5 In column F, provide a list of stakeholders who would need to be involved to release this experiment and why

6. In column G, document what more information is needed for you to execute on this experiment and document what assumptions you are making

7. In column H, provide a list of metrics that need to be measured in this experiment that would verify if the experiment failed or passed

10. In column I - L, apply the ICE framework to your experiments

	Experiment Brief	Describe what in the experiment is being tested?	Hypothesis (What do you think will happen qualitatively and quantitatively?)	Rationale (Why do you want to try this experiment?)	Stakeholders (What other titles in the company needs to be involved?)	What more info do you need to decide this is an experiment you want to run? What assumptions are we making?	What metrics should be measured?	ICE - Impact? (be quantitative)	ICE- Confidence	ICE- Ease	ICE - Growth Score
1	[ACTION] We can share example use cases of customers through a chatbot [OUTCOME] so that we can increase retention and reduce churn for customers, especially ones in the in the manufacturing, oil and gas, and transportation segements, [THEORY] because we would be making it more clear to them how Slack can be beneficial as a tool in their business.	We would provide customers with clear examples of how Slack is used in a wide variety of industries by using a chatbot where users can select what industry they are in. They would then receive links to blog articles on how Slack has been successfully used by certain enterprise clients to tranform their internal business communication.	We would reduce early and mid stage churn. At the moment, retention starts at 80% and drops to 38% by week-14 for our manufacturing segment. I think we could increase initial retention to 83 % and week-14 retention to 41% as a result of this step.	We are observing are lowest retention rate for users in the manufacturing segment, followed by oil and gas and transportation. These industries share similar traits in terms of the types of workers they employ skillset and experience. If we can highlight case studies relevant to this customer profile, we may be able to improve the retention of these users.	Marketing team to understand what they know about our customers in the lowest performing industries by retention, and to create copy for relevant blog posts. Design team to create mockups of the chatbot experience. Engineering team to setup the chatbot and blog pages.	What are example use cases and success stories of customers in the manufacturing, oil and gas, and transportation segements?	Weekly retention rate by industry	8	8	8	8
2	[ACTION] We can provide online webinars that train new users on Slack for enterprise clients 500+ [OUTCOME] so that we can increase retention and reduce churn for this customer segment, [THEORY] because we will train and equip large enterprise employees with the skills they need to transition from their existing communications tools to Slack.	We would provide employees at large enterprise companies 500+ with access to online webinars that train them on the full suite of features and tools available in Slack.	We would reduce early and mid stage churn. At the moment, retention begins at 17% at and drops to 8% by week-14 for our the segment of customers at companies 500+. I think we could increase week-14 retention to at least 25% as a result of this step.	Retention begins at 17% and drops to 8% by day-14 for the segment of customers with company size 500+. Companies of this size likely face a higher implementation cost by way of time, training, and resources required to install wide adoption of new tools. It's likely that large enterprise customers have existing communications tools to	Product teams to create copy for webinars. Design teams to create graphics and/or animations for webinars. Content/production teams to record and produce video webinars. Marketing team to send email and in-app notifications on instructions to access webinars.	What content do we need to share in our webinars? What features/tools are the highest yield in terms of reducing time-to-value for our customers?	Weekly retention rate by industry	9	9	7	8.33
3	[ACTION] We can provide customers of accounts 100+ with the ability to speak with a Slack coach after sign up [OUTCOME] so that we can increase retention and reduce churn for this segment, [THEORY] because customers will be able to speak directly with a Slack expert to get unresolved questions answered and become more quickly proficient in Slack early in their journey with the product.	We would provide users of accounts 100+ with the ability to speak with a Slack coach by phone so that they can resolve any and all unresolved questions they have concerning using of the product.	We would reduce churn for customers at accounts 100+. At the moment, retention begins at 21% at and drops to 10% by week-14 for the segment of customers at account size 100+. I think we could increase week-14 retention to at least 20% as a result of this step.	When comparing retention by account size, we see that accounts 100+ have the worst retention curve.	Product teams to train sales operations/teams on Slack features and tools. Sales/operations teams to set up process to receive and respond to customer support calls.	What questions do we typically encounter from customers at account size 100+? Are we equipped to handle and manage inbound support calls from customers in this segment? What would be the cost in time and resources to setup such an operation?	Weekly retention rate by industry	8	6	6	6.67