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Calculating Codeflix's Churn Rates Project

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Learn SQL from Scratch Capstone Project

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- 1. How many months has the company been operating?**
- 2. Which months do you have enough information to calculate a churn rate?**
- 3. What segments of users exist?**
- 4. What is the overall churn rate by month?**
- 5. Compare the churn rates between segments**
- 6. Which segment of users should the company focus on expanding?**

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1. How many months has the company been operating?

CODEFLIX company have been operating for 4 months.

From 2016-12-01 -2017-03-31

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2. Which months do you have enough information to calculate a churn rate?

We only have enough information for 3 months to calculate a churn rate. Codeflix requires a minimum subscription length of 31 days, so a user can never start and end their subscription in the same month.

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3. What segments of users exist?

Segment (30)and (87) identify which segment the subscription owner belongs to.

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4. What is the overall churn rate by month?

Query Results

month	churn_rate_87	churn_rate_30
2017-01-01	0.251798561151079	0.0756013745704467
2017-02-01	0.32034632034632	0.0733590733590734
2017-03-01	0.485875706214689	0.11731843575419

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5. Compare the churn rates between segments

The Churn_rate_30 segment perform better . As of 2017-03-01 it was 0.11731843575419 which is less to the Churn_rate_87 of 0.485875706214689 . The analysis tells us that less people are canceling their subscription in Churn_rate_30 compare to Churn_rate_87 . Therefore the CODEFLIX company is better of making more income with Churn_rate_30.

Query Results

month	churn_rate_87	churn_rate_30
2017-01-01	0.251798561151079	0.0756013745704467
2017-02-01	0.32034632034632	0.0733590733590734
2017-03-01	0.485875706214689	0.11731843575419

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6. Which segment of users should the company focus on expanding?

Churn_rate_30 should be the focus for CODEFLIX should focus on expanding Churn_rate_30 is as a lower number of subscription that get canceled compare to Churn_rate_87

Query Results

month	churn_rate_87	churn_rate_30
2017-01-01	0.251798561151079	0.0756013745704467
2017-02-01	0.32034632034632	0.0733590733590734
2017-03-01	0.485875706214689	0.11731843575419

My Capstone SQLCodes

```
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
month,
1.0 * sum_canceled_87/sum_active_87 AS
churn_rate_87,
1.0 * sum_canceled_30/sum_active_30 AS
churn_rate_30
FROM status_aggregate;
```