

# Reducing Churn & Improving Customer Value: Segment Insights from Hopify

*Simulated Data Analysis / Business Analyst Portfolio Project*

May 16, 2025

Disclaimer: This presentation is based on simulated data created solely for illustrative and analytical purposes. All customer information is fictional.

# Business Problem

Hopify, a fictional SaaS company, was seeing signals of rising churn and wanted to investigate how retention varied across customer segments.

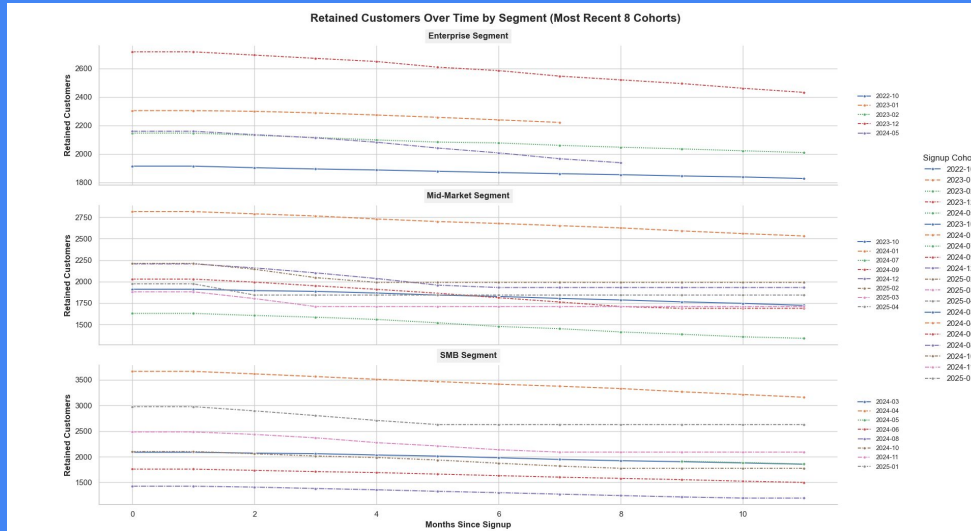
Leadership needed clarity on:

- When customers are most likely to churn in their lifecycle?
- Which segments are most at risk?
- What support or product-related factors contribute to early churn?

# Key Findings

- Enterprise: Churn exceeds target by 49%, posing risk to Hopify's highest-value segment.
- Mid-Market: Churn is rising but remains under control — continue close monitoring.
- SMB: High churn despite support availability suggests issues with onboarding and early value delivery.

# Retention Trends Vary by Segment



▼ SMB churn begins early, with sharp drop-offs starting around Month 2–4

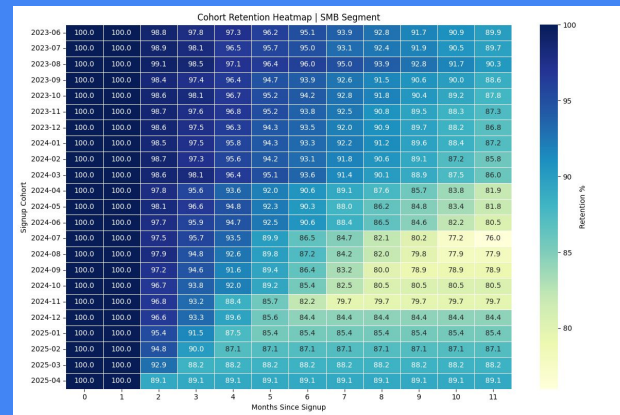
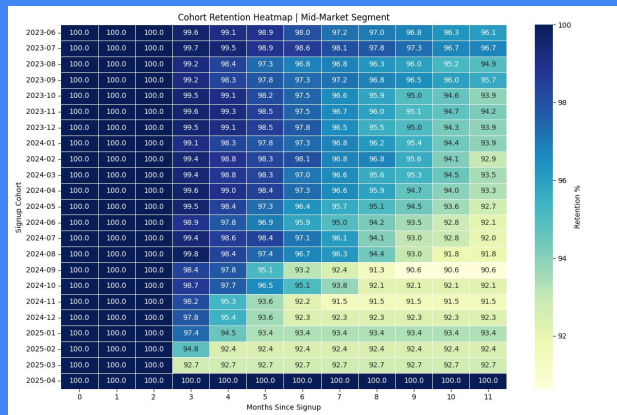
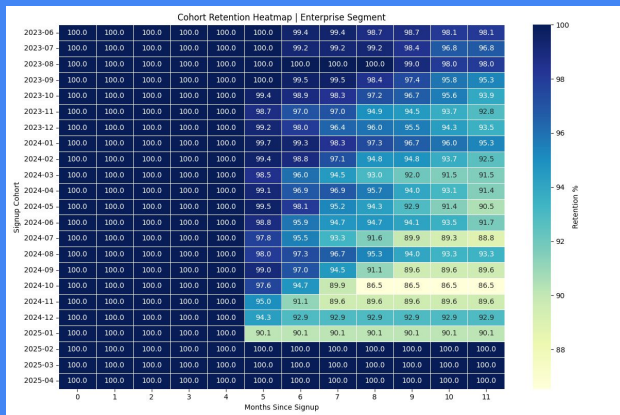


Enterprise and Mid-Market cohorts remain stable beyond Month 4—indicating stronger onboarding or product fit



Highlights the need for segment-specific onboarding strategies to reduce early churn

# Cohort Retention by Segment



Enterprise churns earlier than expected, with newer cohorts dropping to ~90% by Month 6 and as low as 86.5% by Month 11

Mid-Market begins declining after Month 3–4, stabilizing near 90–92%

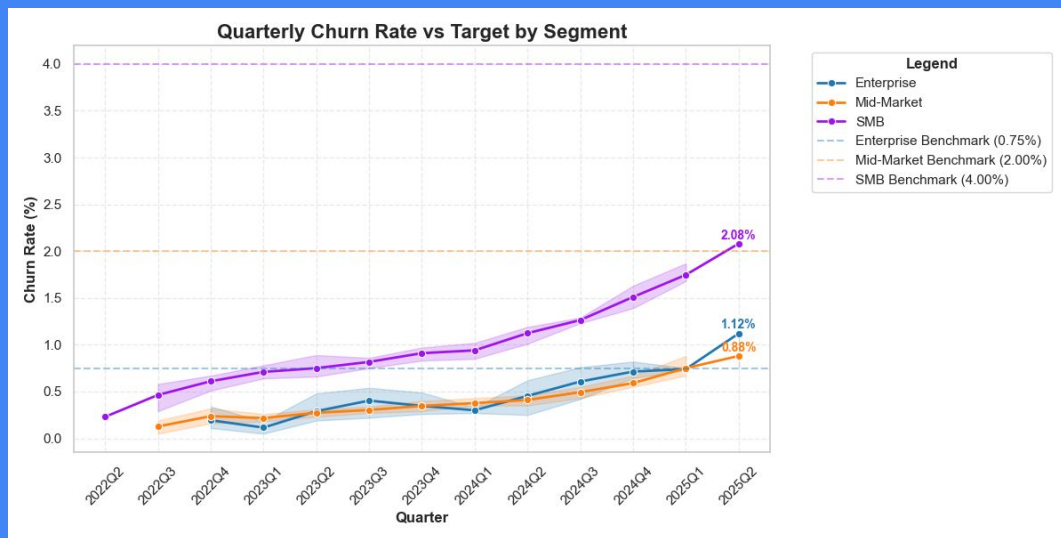
▼ SMB shows sharp churn starting Month 2, with some cohorts below 80% by Month 11

# Churn Rate vs. Support Volume

- Enterprise and Mid-Market: Highest churn among customers submitting 5+ support tickets — indicates possible frustration or unmet needs.
- SMB Segment: High churn occurs even without support interaction, suggesting gaps in onboarding or proactive engagement.




Segment	Support Ticket Group	Customers in Group	Customer % of Segment	Churn Rate %	Risk Level
Enterprise	High Volume (5+ Tickets)	1,959	26.6%	19.9%	🟡 Moderate Risk
Enterprise	No Support Tickets	5,395	73.4%	6.5%	🟢 Low Risk
Mid-Market	High Volume (5+ Tickets)	1,114	5.0%	19.9%	🟡 Moderate Risk
Mid-Market	No Support Tickets	16,293	73.4%	9.5%	🟢 Low Risk
SMB	High Volume (5+ Tickets)	6,061	13.6%	18.8%	🟡 Moderate Risk
SMB	No Support Tickets	38,468	86.4%	21.0%	🟡 Moderate Risk

# Churn Rising — Enterprise Now Leads in Risk



- Churn rates have risen steadily across all segments since 2022.
- Mid-Market and SMB churn remain below monthly target thresholds.
- Enterprise churn now exceeds its 0.75% threshold by 49% — reaching 1.12%.
  - This signals growing long-term revenue risk in Hopify's highest-value segment.

# Churn Risk Snapshot — Enterprise Exceeds Target by 49%

Segment	Target Churn	Actual Churn	Absolute Variance	Status
Enterprise	0.75%	1.12%	+49.3%	 Exceeds
Mid-Market	1.50%	1.32%	-12.0%	 Healthy
SMB	1.80%	1.75%	-2.80%	 Monitor



# Recommendations & Next Steps



## Recommendations:

- Strengthen onboarding by Month 2 to prevent churn in the 2–4 month window.
- Prioritize SMB and Enterprise with segment-specific retention strategies.
- Boost early support engagement — encourage usage of help channels to reduce passive churn.



## Next Steps:

- Launch onboarding enhancements focused on first 60 days.
- Implement proactive outreach for high-risk Enterprise accounts.
- Add in-product nudges or support prompts to increase early interaction.

# Thank You!

*Always happy to dive deeper or walk through findings - just reach out!*



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Portfolio: [Business Analysis Portfolio](#)



Github: <https://github.com/j-herman99/hopify-saas-kpi-analysis>