

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.

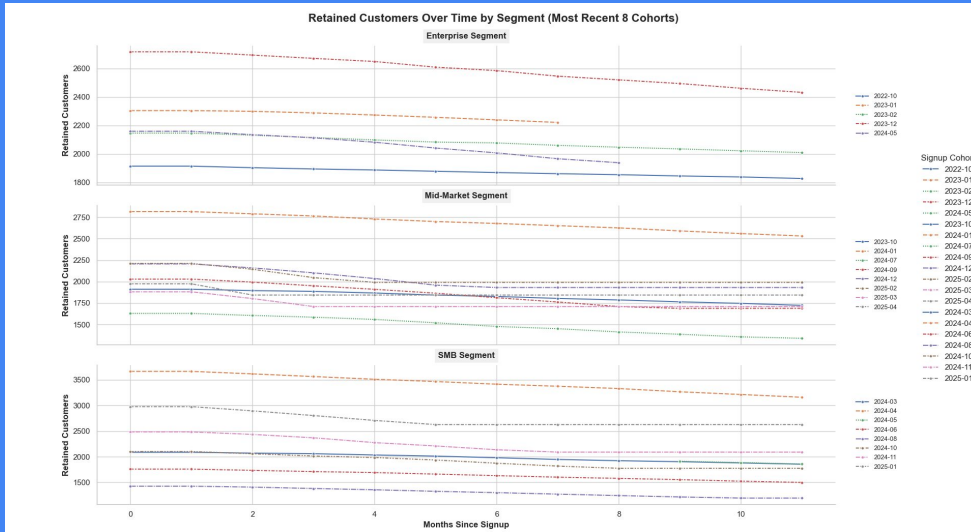
Leadership needed clarity on:

- 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 customers show steep churn in the first 3–4 months.

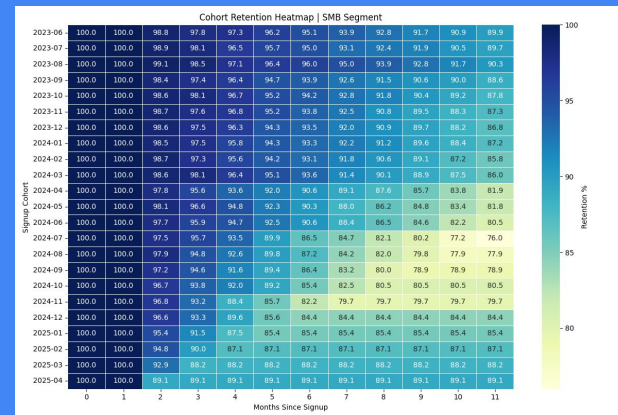
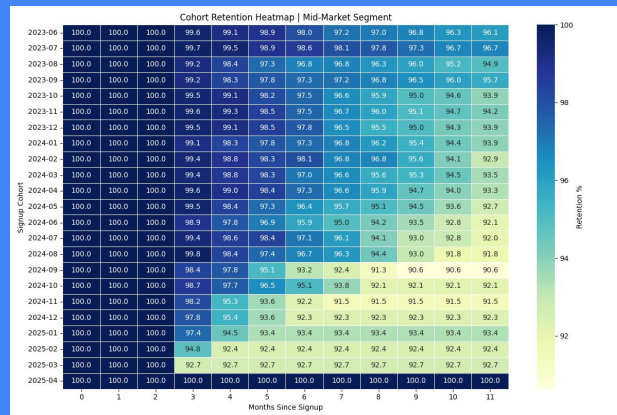
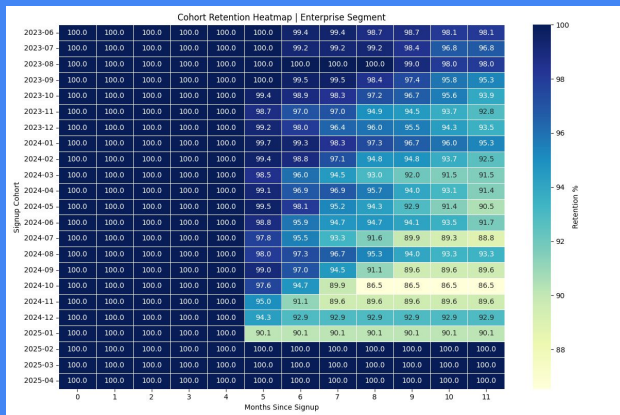


Enterprise and Mid-Market retain most customers beyond Month 4, indicating stronger onboarding or product fit.



Suggests a need for segment-specific onboarding strategies.







Cohort Retention by Segment



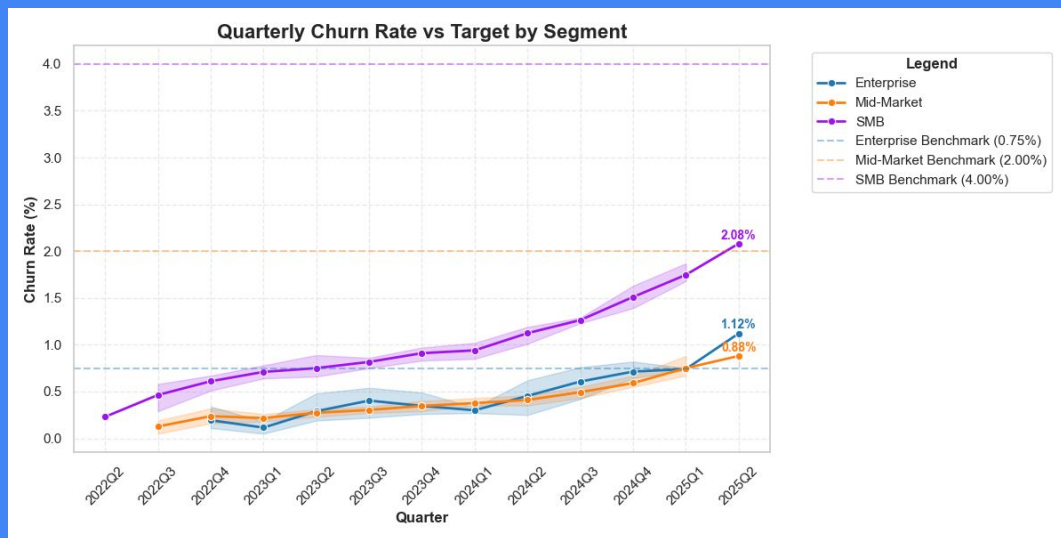
- Enterprise retains over 90% of customers beyond 9 months — showing strong long-term engagement.
- Mid-Market retention remains steady near 92% but begins to decline after Month 6.
- SMB churns early, with retention falling below 80% by Month 11 — weak lifecycle value.

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 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>