



# *CodeFlix Churn Analysis*

Learn SQL from Scratch

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# Key Questions

How many months has the company been operating?	Slide 3
Which months do you have enough information to calculate a churn rate?	Slide 3
What segments of users exist?	Slide 3
What is the overall churn trend since the company started?	Slide 4
Compare the churn rates between user segments.	Slide 4
Which segment of users should the company focus on expanding?	Slide 4

## 1.1 Company trading history

*Based on the data provided for analysis Codeflix has been operating for four months.*

- *The first subscriber came on board on 1 December 2016*
- *The latest subscriber came on board on 30 March 2017*
- *Cancellations are recorded in the data through Jan to Mar 2017*

*No cancellations occurred in December due to the minimum 31 day subscription and the earliest subscription being 1 Dec 2016.*

*Churn rates can therefore only be calculated for Jan, Feb, Mar 2017 with the data provided.*

*Two customer segments are identified in the data, labelled 87 and 30.*

## 1.2 Churn Discussion

*In both segments churn is increasing over the period analysed.*

- *From a low base in January the customer segment 30 (approx 7%) dropped marginally in February but then rose above prior levels in March (11%).*
- *Customer segment 87 exhibits consistently higher churn than segment 30 and has risen steadily in each month (starting at 25% in January nearly doubling to 48% in March).*

*Clearly segment 30 contains a stronger client base and potentially can be expanded if additional investment is applied. Market research to identify possible reasons for the difference between segments would also add value to future marketing activity.*

*A table of the key calculation output is provided below and the code used for the analysis is provided in an embedded file.*



codeSQL.txt

## 1.2 Churn Calculation Output

The churn\_87 and churn\_30 variables refer to the calculated churn rates in each month for the two different customer segments

MONTH	CHURN_87	CHURN_30
Jan 2017	0.25180	0.07560
Feb 2017	0.32035	0.07338
Mar 2017	0.48588	0.11732