Strategy Storm '25

blinkit
India's Last Minute App

TEAM: INCOGNITO

Detailed Churn Analysis for BlinkIt

Introduction

Customer churn is a critical challenge for BlinkIt, impacting revenue retention and customer lifetime value (CLV). This report provides an in-depth analysis of churn patterns using the Power BI dashboard, identifying key trends and actionable insights to reduce churn rates.

Link to the dashboard:

Key Performance Indicators (KPIs)

Total Customers: 16K
Churn Rate: 47.35%
Average Tenure: 32.11 months
Revenue Retained: 4M

These KPIs highlight that nearly half of BlinkIt's customer base is at risk of churning, necessitating urgent intervention. The slicers in the dashboard allow us to segment the data based on churn status, plan type, and agreement duration, revealing critical insights for targeted retention strategies.

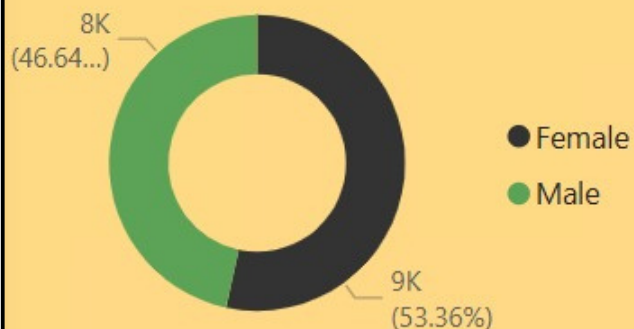**16K** Customers

32.11 Average Tenure(in months)

4M Revenue Retained

47.35% Churn Rate

Detailed Analysis of Dashboard Metrics

Customers by Sex


8K (46.64...)

9K (53.36%)

● Female
● Male

Customers by Sex

- **Churn Rate:** Our customer segment is divided into 46.64% Males and 53.36% Females whereas out of customers that churned, 61.46% of them are females compared to 38.54% Males.
- **Insights:** Gender does impact churn probability.
- **Causes:** Lack of gender-specific personalization in marketing strategies.
- **Action Needed:** Implement targeted campaigns tailored to female customers based on their shopping behaviors.

Customers by Support Calls and Churn

- **Churn Rate:** Increases significantly when support calls exceed 4+.
- **Insights:** High contact rates correlate with customer dissatisfaction.
- **Causes:** Poor issue resolution, long wait times, ineffective support.
- **Action Needed:** Enhance customer service quality, reduce response time, and deploy AI-driven chatbots for immediate issue resolution
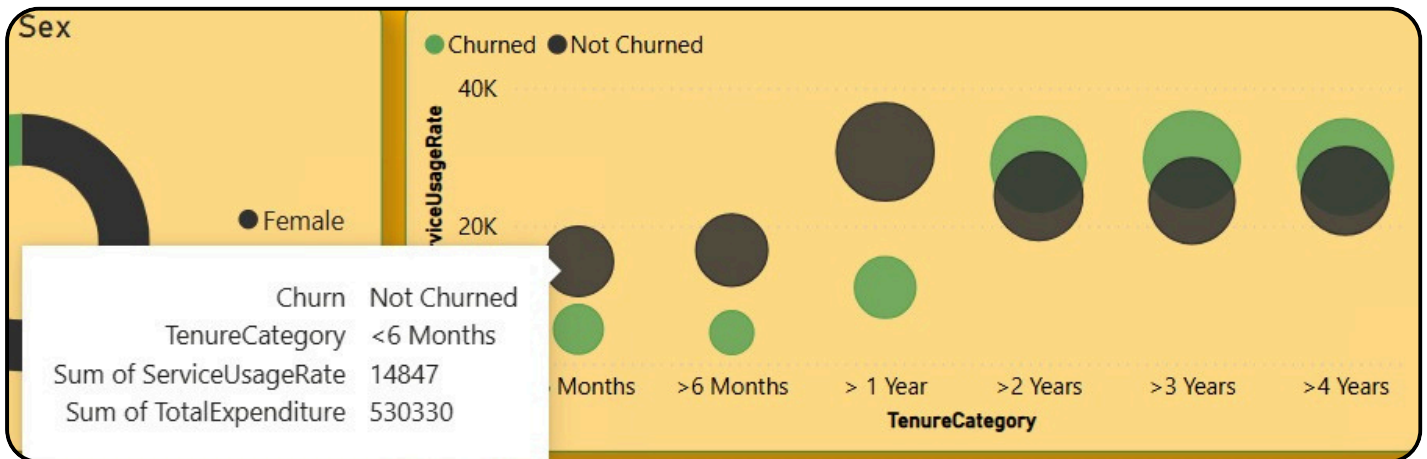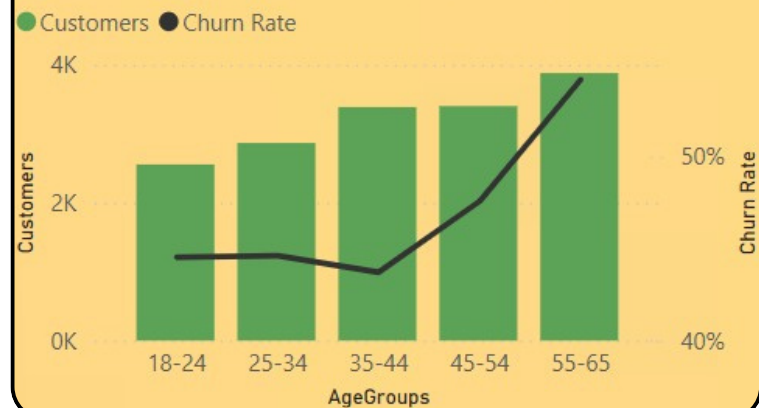

● Churned ● Not Churned
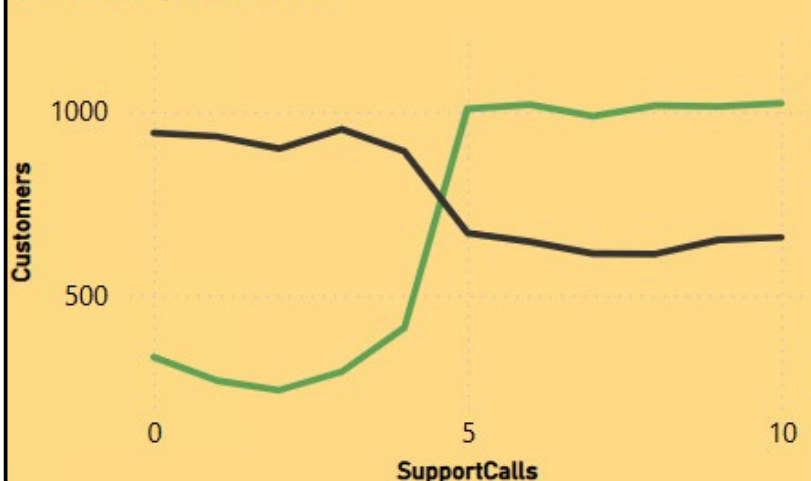
Customers and Churn Rate by Age Groups

- **Churn Rate:** Highest among older customers (55-65 years), lowest in working professionals (35-44 years).
- **Insights:** Older customers may find digital interfaces challenging or less engaging.
- **Causes:** UI complexity, lack of loyalty (kirana shops) and of incentives for older users.
- **Action Needed:** Implement senior-friendly UI, create special discounts for older users, and improve customer engagement.

Customers and Churn Rate by AgeGroups

● Customers ● Churn Rate

Sex

● Churned ● Not Churned

Churn	Not Churned
TenureCategory	<6 Months
Sum of ServiceUsageRate	14847
Sum of TotalExpenditure	530330

In the following graph.
x axis:- Tenure Category
y axis:- Service Usage Rate
legend:- Churn
Size of bubble:- Total Expenditure

Service Usage Rate and Total Expenditure by Churn and Tenure

- **Churn Rate:** Higher for customers with tenure more than 2 years.
- **Insights:** Long-term users contribute more revenue but are prone to get churned.
- **Causes:** Probable causes could be inconsistent delivery experiences, lack of competitive pricing, poor customer support and limited product variety.
- **Action Needed:** Ensure reliable delivery, competitive pricing, responsive customer support, and expand product variety to retain long-term consumers.
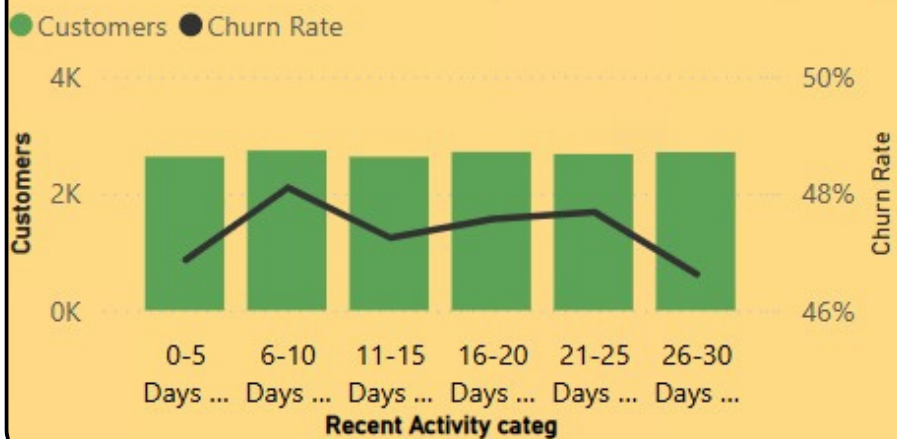
Customers by Billing Delay and Churn

- **Churn Rate:** *Drastically increases beyond 15 days of billing delay.*
- **Insights:** *Timely payments strongly correlate with retention.*
- **Causes:** *Financial strain, dissatisfaction with pricing.*
- **Action Needed:** *Introduce automated reminders, offer flexible payment plans, and reward timely payments with loyalty points.*

Customers and Churn Rate by Recent Activity

- **Churn Rate:** *Peaks at ~48% for users inactive for 6–10 days.*
- **Insights:** *Decrease in engagement is a strong predictor of churn.*
- **Causes:** *Lack of personalized engagement, weak push notifications.*
- **Action Needed:** *Implement re-engagement campaigns, push notifications, and targeted discounts to encourage frequent usage.*

Impact of Slicers on Trends

The dashboard includes slicers for:

- **Churn Status:** *Allows filtering of churned vs. retained customers. This helps in identifying key attributes contributing to churn.*
- **Plan Type:** *Enables segmentation by subscription plans. Insights show that premium users churn less than free-tier users.*
- **Agreement Duration:** *Highlights customer behavior based on contract lengths. Customers with shorter agreement durations have a significantly higher churn rate.*

These filters provide a dynamic analysis capability to extract deeper insights and tailor strategies accordingly.

Summary and Recommendations

Key Observations:
- Older customers and those with frequent billing delays exhibit higher churn rates.
- High support calls indicate dissatisfaction, increasing churn probability.
- Customers inactive for 6-10 days are at the highest risk of churning.
- Long term customers (> 2 years) with less than 550 expenditure, have higher churn rate.

Strategic Recommendations:
1. **Personalized Customer Engagement:**
   a. Offer senior-friendly UI features and proactive engagement for older users.
   b. Implement AI-driven customer support to handle queries efficiently.
2. **Retention Incentives for Long term Customers:**
   a. Provide onboarding discounts and loyalty programs.
   b. Responsive customer support, and expand product variety to retain long-term consumers.
3. **Billing and Payment Optimization:**
   a. Introduce automated reminders for delayed payments.
   b. Offer flexible payment plans to customers with frequent billing issues.
4. **Re-Engagement Strategies for Dormant Users:**
   a. Send push notifications and special offers to inactive users.
   b. Deploy a predictive churn model to proactively retain customers.

By implementing these strategies, BlinkIt can reduce its churn rate, enhance customer retention, and improve long-term profitability.
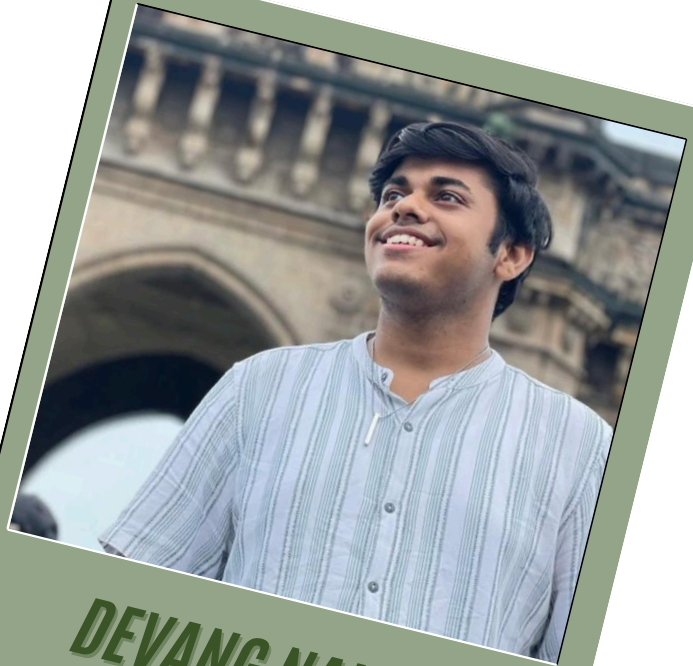
THANK YOU!

TEAM MEMBERS

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