Cluster 3: Overview

- **Total Transactions**: 3650
- **Total Revenue**: ₹69,93,595
- **Unique Members**: 3647

Branch Insights

- **Top Transaction Branches**:
  - Branch 810: **36.8%** of total transactions (1344 transactions).
  - Branch 26: **8.2%** of total transactions (301 transactions).
  - Branch 126: **7.3%** of total transactions (267 transactions).
  - Branch 131: **6.9%** of total transactions (251 transactions).
- **Branch Types**:
  - **Company Owned**: 46.6% (1701 transactions).
  - **Active User Branch**: 27.4% (1000 transactions).
  - **Profit Share**: 16.8% (614 transactions).
  - **Revenue Share**: 8.6% (313 transactions).

Insight: Company-owned branches are dominating in terms of transactions. **Promotional efforts should be allocated** more towards active user branches and profit-share branches, which have a smaller share but high potential for growth.

Transaction Type Breakdown

- **Signups** (Transaction Type ID 1.0): **97.6%** of total transactions (3561 transactions).
- **Reopen** (Transaction Type ID 7.0): 2.1% (80 transactions).
- **Renewal** (Transaction Type ID 2.0): **0.2%** (9 transactions).

Insight: This cluster has a **very high proportion of new signups** compared to renewals. **Retention** campaigns could focus on **converting first-time signups into loyal members** by offering renewal incentives after their initial sign-up period.

Subscription Insights

- **Subscription Length**:
  - **84%** (3067) of members have a **3-month subscription**.
  - **13%** (486) of members have a **6-month subscription**.

- **2.2%** (80) of members are **on a trial or no subscription period**.

Insight: With a majority of members on shorter subscriptions, focusing on **retention campaigns** aimed at converting **3-month subscribers into 6-month or annual plans** could yield better long-term engagement. Offering a discount on upgrading to a longer subscription term might be an effective strategy.

Coupon Usage

- **15%** of transactions (548 transactions) used coupons, with a **total discount sum of ₹3,19,926.8**.

Insight: Coupons are underutilized in this cluster. Offering **targeted discount campaigns** through coupon codes may encourage higher member retention and more frequent renewals.

Reading Fees

- **Total Reading Fee Revenue**: ₹52,16,489.2
- **Average Reading Fee Paid**: ₹1429 per transaction
- **Most Common Reading Fees**:
  - **1200 INR**: 50.6% of transactions (1849 transactions).
  - **1416 INR**: 18.5% of transactions (676 transactions).
  - **2160 INR**: 8.8% of transactions (321 transactions).

Insight: The **most frequent reading fee is ₹1200**, which is relatively lower. To **increase revenue**, consider introducing **tiered reading packages** that offer more perks at a higher fee, or encourage members to **upgrade to higher fee plans** for additional benefits.

Member Loyalty and Retention

- **Renewal Rate**: Very low, with only **0.2% of transactions** being renewals.
- **Member Loyalty**:
  - There are **minimal repeat renewals**, indicating **low retention** for existing members.
  - Members like **M2202396** with 4 transactions have renewed multiple times, but **3644 members only made one transaction**, showing low loyalty.

Insight: **Member retention is critical for Cluster 3**. Developing **targeted campaigns** to incentivize renewals could help. Offer **loyalty programs** or **exclusive benefits** for renewing members. This cluster needs special attention in **retaining members post initial sign-up**.

Seasonality

- **Peak Transaction Months**:
    - **April**: **15.1%** of total transactions.
    - **March**: **13.7%**.
    - **January**: **11.7%**.
- **Slow Months**:
    - **December**: **4.9%** of total transactions.
    - **November**: **5.6%**.

Insight: **April and March** show the highest number of transactions. Consider **targeting promotions** and **renewal discounts** during these peak periods. For slower months like **December** and **November**, **exclusive offers** or **seasonal campaigns** could help boost engagement.

Reading Fee Distribution

- **50.6%** of members pay the **minimum fee of ₹1200**.
- Higher fees such as **₹2160 and ₹1416** account for **8.8% and 18.5%** of the transactions, respectively.

Insight: With most members paying the base reading fee, introducing **premium reading plans** with **added benefits** (such as access to exclusive content or priority access to books) could help in increasing the average reading fee per member.

Expiration Analysis

- **Major Expiry Year**:
    - **2024**: **760 members** have their memberships expiring in 2024.
    - **2025**: 99 members.
    - A small number of members have longer-term memberships.

Insight: Given that a majority of memberships are expiring in **2024**, it's essential to implement **renewal campaigns** early in the year to **lock in retention** and prevent churn.

Retention and Revenue Improvement Strategies for Cluster 3:

1. **Retention**:
   - Introduce a **rewards program** for members renewing multiple times. Loyalty points or exclusive benefits could help increase the **0.2% renewal rate**.
   - Offer **targeted renewal discounts** as most members are on **3-month plans**.
   - Provide **reminder notifications** for renewal periods, especially in **January, March, and April** to capture those peak transaction months.
2. **Revenue**:
   - Encourage members to **upgrade their subscriptions** to **6-month or 12-month plans**.
   - **Promote premium reading fees** with additional perks to those already paying ₹1200.
   - **Introduce referral discounts** where members can get benefits for bringing in new subscribers, which could drive both **signups** and **retention**.

This strategic focus will increase **customer lifetime value (CLTV)** while boosting **immediate revenue** from **upgrades and renewals**.