Cluster 4: Overview

- **Total Transactions**: 4784
- **Total Revenue**: ₹2,00,98,444
- **Unique Members**: 3303

Branch Insights

- **Top Transaction Branches**:
  - **Branch 810**: **45.2%** of total transactions (2164 transactions).
  - **Branch 45**: **8%** of total transactions (382 transactions).
  - **Branch 126**: **7.5%** of total transactions (360 transactions).
  - **Branch 137**: **5.9%** of total transactions (285 transactions).
- **Branch Types**:
  - **Company Owned**: **59.5%** (2846 transactions).
  - **Active User Branch**: **23%** (1099 transactions).
  - **Profit Share**: **12.4%** (595 transactions).
  - **Revenue Share**: **4.9%** (235 transactions).

Insight: The company-owned branches have a major share of transactions. **Focusing on strengthening active user branches and profit share branches** through tailored promotions could help increase transactions in these areas.

Transaction Type Breakdown

- **Renewal (Transaction Type ID 2.0)**: **83.1%** of total transactions (3978 transactions).
- **Signup (Transaction Type ID 1.0)**: **16.8%** of total transactions (805 transactions).

Insight: This cluster is renewal-heavy, indicating **strong member loyalty**. However, **increasing the number of new signups** would provide future opportunities for retention and growth. A **referral program** or **signup bonuses** could help attract new members while maintaining high renewal rates.

Subscription Insights

- **Subscription Length**:
  - **96.5%** of members (4620) have a **12-month subscription**, indicating **long-term engagement**.

○ Small portions of members are subscribed for longer durations like **13 months (2.2%)** and **24 months (0.4%)**.

Insight: This cluster already has a strong preference for **long-term memberships**. You could enhance member loyalty further by offering **rewards for staying subscribed beyond 12 months**, or providing **bonus months** for referrals.

Coupon Usage

● **99%** of transactions (4748) used coupons, with a **total discount sum of ₹55,71,483**.

Insight: Coupons are being used heavily in this cluster. Consider reducing discount rates slightly or introducing **tiered coupon systems** based on reading activity to **balance revenue and discount campaigns** more effectively.

Reading Fees

● **Total Reading Fee Revenue**: ₹2,15,85,704
● **Average Reading Fee Paid**: ₹4512 per transaction
● **Most Common Reading Fees**:
  ○ ₹3840: 46.5% of transactions (2226 transactions).
  ○ ₹4531.20: 17.5% of transactions (838 transactions).
  ○ ₹4800: 11.7% of transactions (561 transactions).

Insight: The **most frequent reading fee is ₹3840**. Introducing **premium reading fee plans** could encourage members to upgrade to higher tiers, especially those who are already paying ₹4531 and ₹4800. This would lead to increased revenue.

Seasonality

● **Peak Transaction Months**:
  ○ **January**: **11.4%** of total transactions.
  ○ **March**: **10.8%**.
  ○ **April**: **10.7%**.
● **Slow Months**:
  ○ **December**: **6.6%** of total transactions.
  ○ **May**: **5.6%**.

Insight: The **first quarter of the year** is the busiest for this cluster. **Targeting promotions** and **renewal campaigns** in **December and May** could help mitigate the seasonal drop in transactions. Additionally, offering **year-end deals** to drive signups during slower months might help balance out revenue.

Renewal Patterns

- **Peak Renewal Years**:
    - **2025**: 1333 memberships expiring.
    - **2024**: 1314 memberships expiring.

Insight: Since most renewals are concentrated in **2024 and 2025**, a **proactive renewal strategy** should be implemented, starting with **early renewal incentives** for members nearing expiration in **2024**. A **personalized renewal reminder** system could further help in ensuring continuity of membership.

Retention and Loyalty Insights

- **Member Loyalty**:
    - Members like **M204398** have renewed **12 times**, showing strong loyalty.
    - Several members have renewed 4–6 times, indicating a high level of satisfaction.

Insight: **Loyalty programs** tailored to these highly engaged members could further increase their lifetime value. Offering them **exclusive perks** such as **priority access to new book releases**, **invitation-only events**, or **special discounts** could encourage them to continue renewing for longer periods.

Package Breakdown

- **Most Common Packages**:
    - **Default Package**: 2997 transactions.
    - **Online Package**: 1741 transactions.
    - **Primus Online Package**: 46 transactions.

Insight: The **Default and Online Packages dominate**. You could create **bundle offers** or encourage **upgrades to premium packages** by emphasizing the additional benefits of higher-tier options.

Retention and Revenue Improvement Strategies for Cluster 4:

1. **Retention**:
   - Continue leveraging **coupons and discounts** but introduce **tiered coupon levels** to ensure that only highly active members get larger discounts, balancing retention with profitability.
   - Focus on **early renewal campaigns** for the **2024 and 2025 expirations**, offering additional months or **bonus reading days** as an incentive.
   - Implement **loyalty programs** for members who renew multiple times (e.g., exclusive events, access to rare books).
2. **Revenue**:
   - Create **premium reading fee plans** that offer exclusive content or perks for members paying more than ₹4000, especially those currently paying around ₹4800 or more.
   - Launch **special year-end offers** during slower months like **December** and **May**, where transactions are lower, to encourage new signups.
   - Introduce **family or multi-user subscription plans** to increase the overall subscription duration and value per membership.

Conclusion

Cluster 4 shows **strong member loyalty and retention**, with a majority of transactions stemming from **renewals and long-term memberships**. The **reading fee structure** could benefit from the introduction of **premium tiers** and **targeted campaigns** to capture more revenue while maintaining the strong renewal base.