

Effective Communication as a PM



Project Brief: By Nidhi Kumari

Scenario:

You are a Product Manager (PM) at Sri Mandir, a devotional app from India dedicated to helping devotees in their spiritual and devotional journey. You are in charge of monetization for the app. You recently launched a paid premium plan on Sri Mandir, which was a success. However, you have noticed that not enough people are renewing their subscriptions. The hypothesis is that adding personalized discount nudges will help convert people who are unsure about renewing their subscriptions.

Assignment:

Draft a PRD to implement and test the personalized discount nudge feature, aiming to enhance the subscription renewal rate.

- → Your job is to document and communicate it succinctly to the design & engineering teams (please try to cover as many details as possible)
- → Use this PRD template :

https://docs.google.com/document/d/1541V32QgSwyCFWxtiMIThn-6n-2s7fVWztEWVa970uo/edit



PRD: Personalized Discount Nudge for Subscription Renewal

Project Goal

The **primary goal** of this project is to **increase** the subscription **renewal rate for Sri Mandir's premium plan** by implementing a personalized **discount nudge** feature. By addressing the observed decline in renewals, we aim to enhance user retention and boost recurring revenue, which is crucial for the app's long-term sustainability and growth. The project seeks to determine the most effective discount strategy that encourages users to continue their spiritual journey with Sri Mandir while maintaining a healthy balance between user retention and revenue optimization.

Furthermore, by segmenting users based on their subscription duration and app usage frequency, and testing various discount levels, we hope to uncover patterns that will inform future retention strategies. Ultimately, the goal is to create a **win-win situation** where users feel valued and motivated **to continue their premium subscription**, while Sri Mandir secures a more stable and growing user base.





Description: What is it?

The Personalized Discount Nudge feature aims to encourage users who are nearing the end of their subscription to renew by offering tailored based on their engagement history and preferences. This feature will be integrated into the Sri Mandir app, providing a seamless experience for users to receive and redeem discounts.

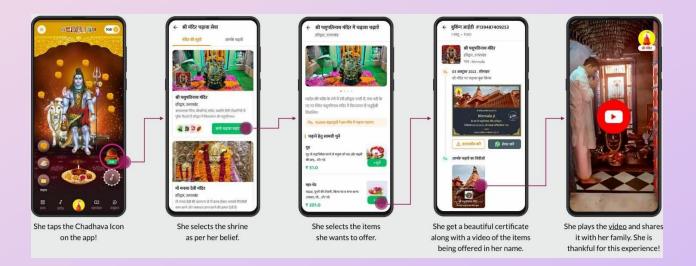
Problem: What problem is this solving?

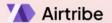
The current challenge is a low renewal rate for the premium subscription plan. Despite initial success, many users are hesitant to renew their subscriptions, which impacts the overall revenue and sustainability of the app.

Why: How do we know this is a real problem and worth solving?

User feedback and analytics indicate that many subscribers are unsure about the value of renewing their subscriptions. Surveys have shown that personalized offers can significantly influence purchase decisions. By implementing discount nudges, we can address the hesitation and potentially increase renewal rates

- Recent data shows a significant drop in renewal rates compared to initial subscription rates.
- Subscription revenue is a key component of Sri Mandir's business model.
- Retaining existing customers is more cost-effective than acquiring new ones.





Success Metrics: How do we know if we've solved this problem?

The product is available in Hindi, Marathi, Gujarati, and Rajasthani. Three more languages - Punjabi, Bengali, and Odia - are coming soon, but for the time being it's just these four.

So, the people using this are Hindus from those linguistic communities. And there are a lot of them - millions, to be precise. Sri Mandir has over 10M downloads, with 3M MAUs (monthly active users). So, it's already massive. In terms of age demographics, the user base is very diverse but there is significant representation in the 40–60-year-old category.

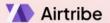


Was talking to my bua and she cut the talk short saying that she has to be on this App at this time to do e-aarti in order to maintain her streak; doing which for a month will give her 2 free birth chart readings. She's 66 y/o and I was not prepared to hear all this 3

12:51 PM · Jan 29, 2023

503 Likes 20 Retweets





Primary Success Metric:

 Increase in subscription renewal rate by at least 15% within 3 months of feature launch.

Detailed explanation:

- Current renewal rate: [Let's assume it's 50%]
 Target renewal rate: 65% (60% + 15% increase)
 Measurement period: 3 months post-launch
- **Calculation method**: (Number of renewals / Number of expiring subscriptions) x 100%
- Data segmentation: We'll track this metric for each test group (control, 10% discount, 20% discount, personalized discount)

Why this metric matters:

- Direct indicator of feature effectiveness
- Impacts revenue and customer lifetime value
- Easy to measure and compare against historical data





Secondary Metrics:

1. Increased engagement with the app in the last week of subscription

- **Metric**: Average daily active minutes in the last 7 days of subscription
- **Target**: 20% increase compared to the same period for non-nudged users
- **Calculation**: Sum of active minutes for last 7 days / 7
- Segmentation: By discount group, subscription length, and user engagement level

Why this metric matters:

- Indicates if the nudge reminds users of the app's value
- Higher engagement may correlate with higher renewal likelihood
- Can provide insights for future personalization strategies

2. Revenue per User (RPU)

- Metric: Total revenue generated / Number of subscribers
- Target: Maintain or increase current RPU despite offering discounts
- Calculation: Sum of all subscription payments / Total number of subscribers
- Segmentation: By discount group and user engagement level

Why this metric matters:

- Ensures the discount strategy is financially viable
- Helps optimize discount levels for maximum revenue
- Balances user acquisition/retention with profitability

3. Discount Redemption Rate

Detailed explanation:

- **Metric:** Percentage of users who use the offered discount to renew
- **Target**: 50% redemption rate
- Calculation: (Number of discounts used / Number of discounts offered) x 100%
- **Segmentation**: By discount percentage and user engagement level

Why this metric matters:

- Indicates the attractiveness of the discount offer
- Helps optimize timing and presentation of the nudge
- Can inform future pricing and promotional strategies



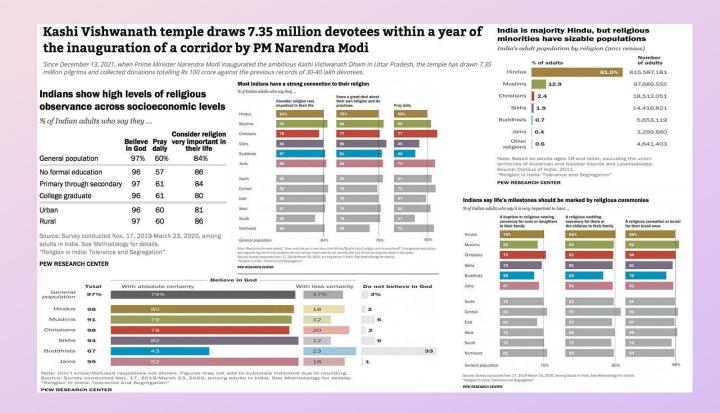
4. Time-to-Renewal

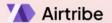
- Metric: Average time between receiving the nudge and completing the renewal
- **Target**: 50% of renewals occurring within 48 hours of receiving the nudge
- Calculation: Sum of (Renewal time Nudge time) / Number of renewals
- **Segmentation**: By discount group and days remaining in subscription

Why this metric matters:

- Measures the immediacy of the nudge's impact
- Can help optimize the timing of nudges
- Indicates user decision-making patterns for future strategies

By tracking these primary and secondary metrics, we'll gain a comprehensive understanding of the personalized discount nudge feature's effectiveness. This data will not only tell us if we've solved the immediate problem of low renewal rates but also provide insights for future improvements and strategies to enhance user retention and satisfaction.





Audience: Who are we building for?

Current premium subscribers of Sri Mandir, specifically:

- Users within 7 days of their subscription end date
- Users who have shown consistent engagement throughout their subscription period
- Users who haven't already initiated renewal







What: Roughly, what does this look like in the product?

1. Personalized In-App Notification (7 days before subscription end):

Design: Could be like:

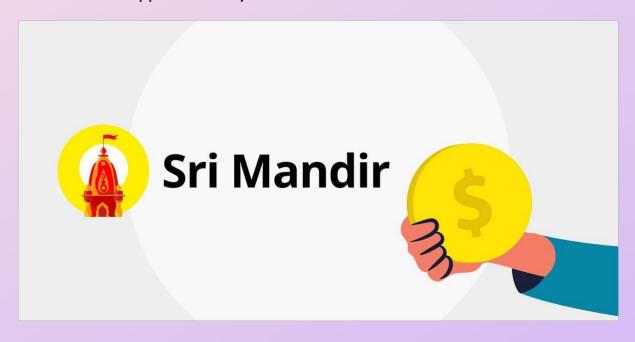
- A full-screen pop-up that appears when the user opens the app
- Warm, inviting color scheme aligned with Sri Mandir's brand
- User's name prominently displayed for personalization

Content: What can the prompt suggest:

- Headline: "[User's Name], Renew Your Spiritual Journey!"
- Engagement stats:
 - "You've completed [X] devotional sessions"
 - "You've meditated for [Y] hours"
 - "You've learned [Z] shlokas"
- Personalized message: "Your dedication inspires us. We'd love to continue this journey with you."
- Discount offer: "As a token of our appreciation, renew now and get [X]% off!"
- Clear CTA button: "Renew Now and Save [X]%"
- Secondary link: "Remind me later"

Functionality:

- Tapping "Renew Now" takes the user directly to the renewal page with discount applied
- "Remind me later" dismisses the modal but schedules it to reappear in 2 days





2. Email Notification (5 days before subscription end):

Design:

- Mobile-responsive email template
- Visually appealing header image representing spiritual growth

Content:

- Subject line: "[User's Name], Don't Miss Out on Your Spiritual Progress"
- Personalized greeting
- Recap of user's achievements in the app
- Reminder of upcoming subscription end date
- Reiteration of the discount offer
- Benefits of continuing the premium subscription
- Large, colorful CTA button: "Renew Your Spiritual Journey Now"

Functionality:

- CTA button links directly to the app's renewal page with discount auto-applied
- Include unsubscribe option as per email regulations

3. Final Reminder Push Notification (1 day before subscription end):

Design:

- Short, attention-grabbing notification
- Uses app icon for immediate recognition

Content:

- Title: "Last Day for Your Special Offer!"
- Body: "[User's Name], renew now to save [X]% and continue your spiritual growth."

Functionality:

- Tapping the notification opens the app to the renewal page
- Respects user's notification preferences



4. Discount Application at Checkout:

Design:

- Redesigned renewal page highlighting the discount
- Clear breakdown of original price, discount, and final price

Content:

Banner at top: "Your Exclusive [X]% Discount is Applied!"

Subscription options (if multiple plans available)

o Price breakdown:

Original price: ₹XXXYour discount: -₹YYY

Final price: ₹ZZZ

Savings highlight: "You save ₹YYY!"

Functionality:

- Discount automatically applied
- Option to enter different promo code if user has one
- Smooth integration with payment gateway

5. Post-Renewal Confirmation:

Design:

Celebratory screen with animations (e.g., floating lotus flowers)

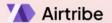
Content:

- "Thank you for continuing your spiritual journey with Sri Mandir!"
- Summary of renewed subscription details
- Suggestion of a featured meditation or devotional content to engage with immediately

Functionality:

- o Option to share renewal (and potentially the app) on social media
- Direct link to featured content

This detailed product design ensures a seamless, user-friendly experience while providing the necessary tools for the team to monitor and optimize the feature's performance. The design focuses on personalization, clear value communication, and ease of renewal to maximize the effectiveness of the discount nudge feature.



How: What is the experiment plan?

Breakdown into phases:

1. A/B Testing: A/B Testing: The experiment will divide users into four groups: a control group receiving no discount, and three test groups receiving different discount levels.

This setup allows for direct comparison of how various discount strategies impact renewal rates and revenue.

Control group: No discount nudge

o Test group A: 10% discount

Test group B: 20% discount

Test group C: Personalized discount based on usage (10-30%)

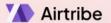
2. Segmentation: Users will be further segmented based on their subscription duration and app usage frequency.

This segmentation enables analysis of how different user types respond to discount nudges, potentially revealing patterns that can inform more targeted strategies in the future

- By subscription duration (3 months, 6 months, 1 year)
- By app usage frequency (high, medium, low)
- 3. **Metrics to track:** The primary metrics of **renewal rates** and **revenue per user** will directly measure the **financial impact of the discount nudges**.

User engagement post-renewal will be tracked to ensure the discounts are attracting valuable, active users rather than just price-sensitive ones who may not fully utilize the app.

- Renewal rates for each group
- Revenue per user
- User engagement post-renewal
- 4. **Duration:** The two-month experiment duration ensures that we capture data from users with various subscription end dates, providing a comprehensive view of the feature's effectiveness across different user cycles.
 - Run the experiment for 2 months to capture a full cycle of renewals



When: When does it ship and what are the milestones?

Timeline:

1. Week 1-2: Design and planning

Design and planning Focus on finalizing feature design, creating technical specifications, and setting up analytics tracking. This phase ensures a solid foundation for development.

- Finalize feature design
- Create technical specifications
- Set up analytics tracking

2. Week 3-4: Development

Development Implement in-app notifications, develop email templates, and create discount logic. This is the core building phase of the feature.

- Implement in-app notifications
- Develop email templates
- Create discount logic

3. Week 5: QA and Testing

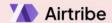
Conduct internal QA and Testing and fix any bugs identified. This ensures the feature is stable and functioning as intended before any user exposure

- Internal testing
- Bug fixes

4. Week 6: Soft Launch

Soft Launch Release the feature to 10% of eligible users and closely monitor for any issues. This controlled release helps identify any unforeseen problems in a real-world setting.

- Release to 10% of eligible users
- Monitor for any issues



5. Week 7-14: Full Launch and Experiment

Full Launch and Experiment Roll out to all eligible users, run A/B tests, and collect data. This is the main experimental phase where we gather the bulk of our data.

- Roll out to all eligible users
- Run A/B tests
- Collect data

6. Week 15: Analysis and Iteration

Analysis and Iteration Analyze results, prepare a comprehensive report, and plan for improvements or full implementation based on findings. This phase sets the direction for the feature's future.

- Analyze results
- Prepare report
- Plan for improvements or full implementation

The target ship date would be 15 weeks from the project start date, with full data analysis and recommendations available at that time. This timeline allows for thorough development, testing, and data collection while maintaining a reasonably quick turnaround for such a significant feature.