

# Retention & PLG: Core Strategy

A summary of key insights from the full article.

© 2025 Parthasarathy Padhee

## Why Retention Matters

- CAC is rising; attention spans are shrinking.
- By Month 3: 28% avg retention vs 54% best-in-class.
- Retention drives long-term growth.

## Core PLG Building Blocks

- Time-to-Value: Reduce friction to reach 'aha' quickly.
- Habit Loops: Enable repeatable value.
- Lifecycle Analytics: Identify drop-offs & value moments.

## Practical Example

A simple home-screen redesign increased engagement by reducing friction and highlighting high-frequency actions.

## Who Owns Retention?

- Retention is cross-functional.
- Product-led metrics complement team KPIs.
- Alignment is key.

## Common Pitfalls

- Treating PLG as marketing-only.
- Over-focusing on vanity metrics.
- Poor instrumentation.
- Not measuring value-realisation.

## Leader Actions

- Make retention org-wide.
- Invest in analytics early.
- Simplify onboarding & UI.
- Define value-realisation milestones.
- Build a retention council.