

Retention & PLG: Core Strategy

A summary of key insights from the full article.

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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.