

BizGrow Customer Churn Analysis

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We Aren't Debating a Churn Number; We're Debating its Cause



Type A: Regrettable Churn

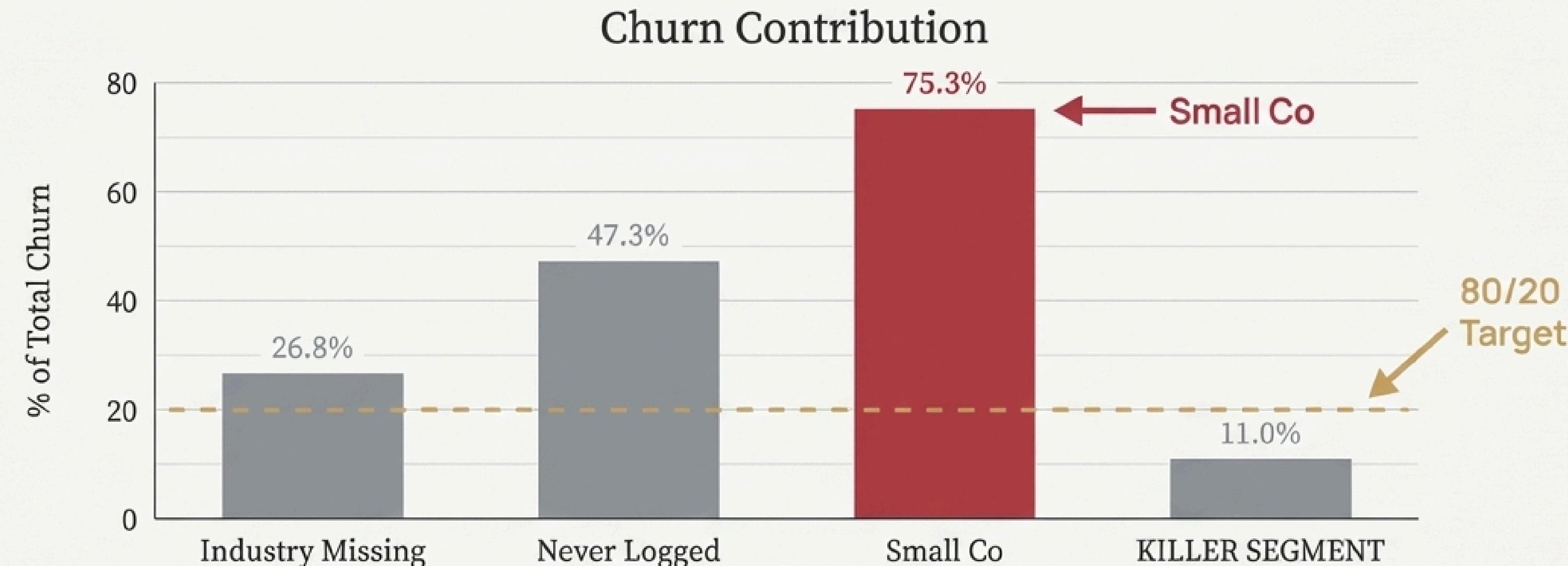
Meaning: Good fit customers leaving because of product, service, or experience issue.



Type B: Structural Churn

Meaning: Poor fit customers leaving naturally.

The 80/20 Driver: Small Companies Account for 75% of Our Churn



While we have several low-quality indicators, one segment is the overwhelming driver of the problem: **Companies with 1-10 employees.**

Data Cleaning Methodology

Method 1: Brute Force Cleaning

- Missing fields, EU data, and structural issues were overwritten to create a clean dataset.

Method 2: Rigorous Flagging

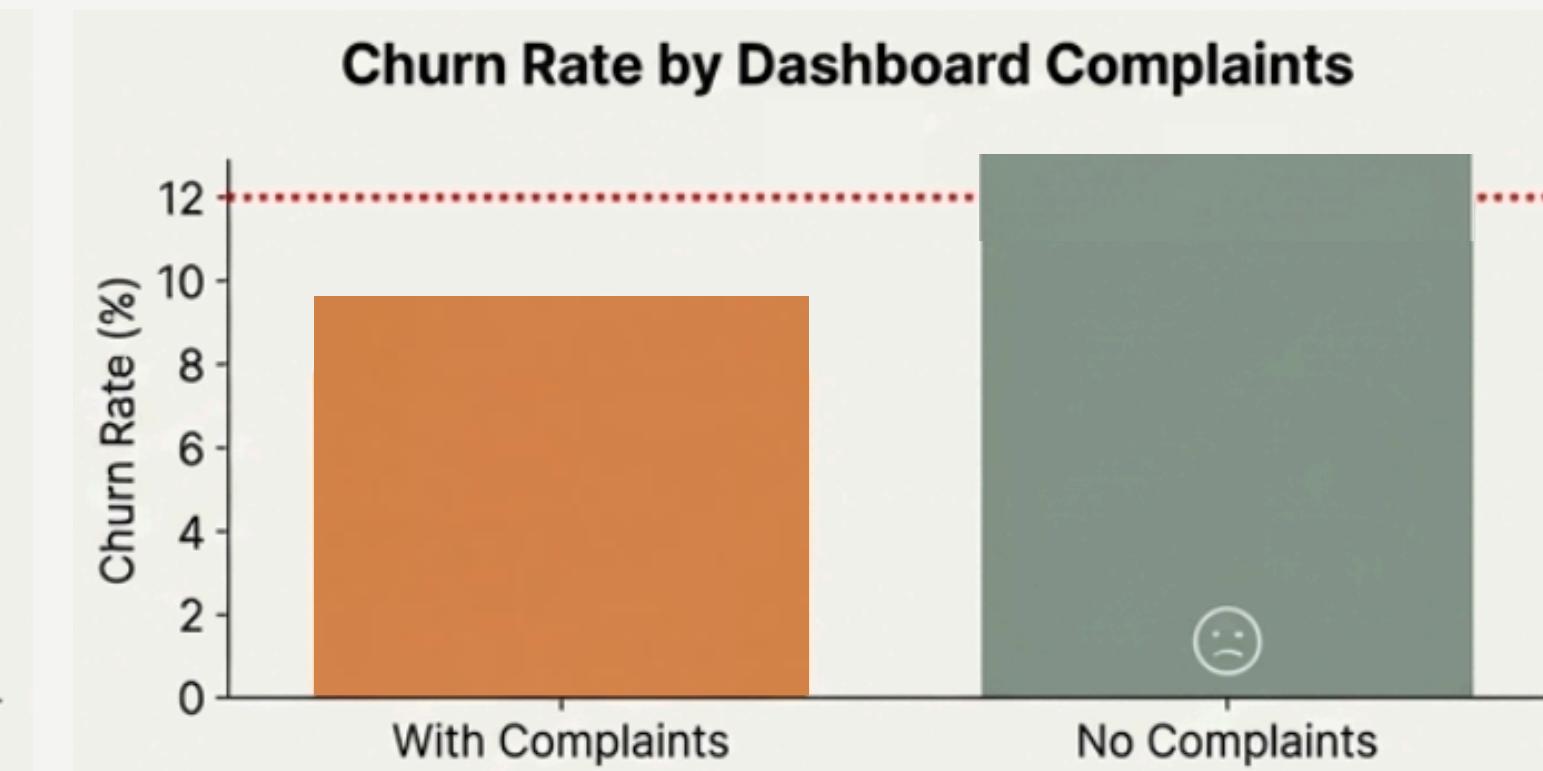
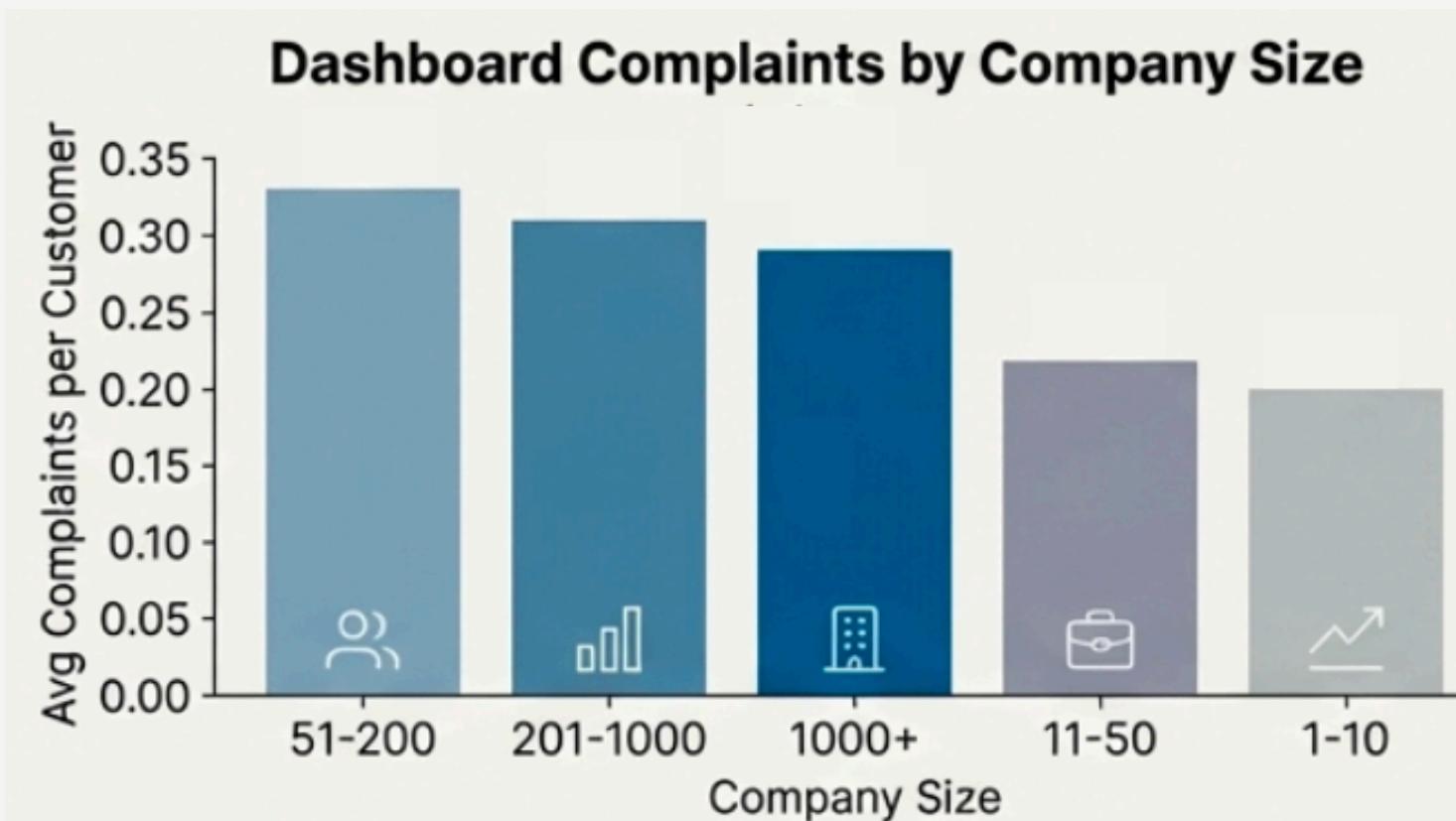
- Data anomalies were flagged and preserved for further sensitivity analysis.

The Catch? Both methods resulted in the exact same hypothesis testing results, confirming the stability of our findings.

Hypothesis: Slow Dashboard Killed Engagement

Are customers leaving because of performance issues?

Retained customers have a complaint rate of **26.93%**, while **churned customers** have a complaint rate of only **20.60%**



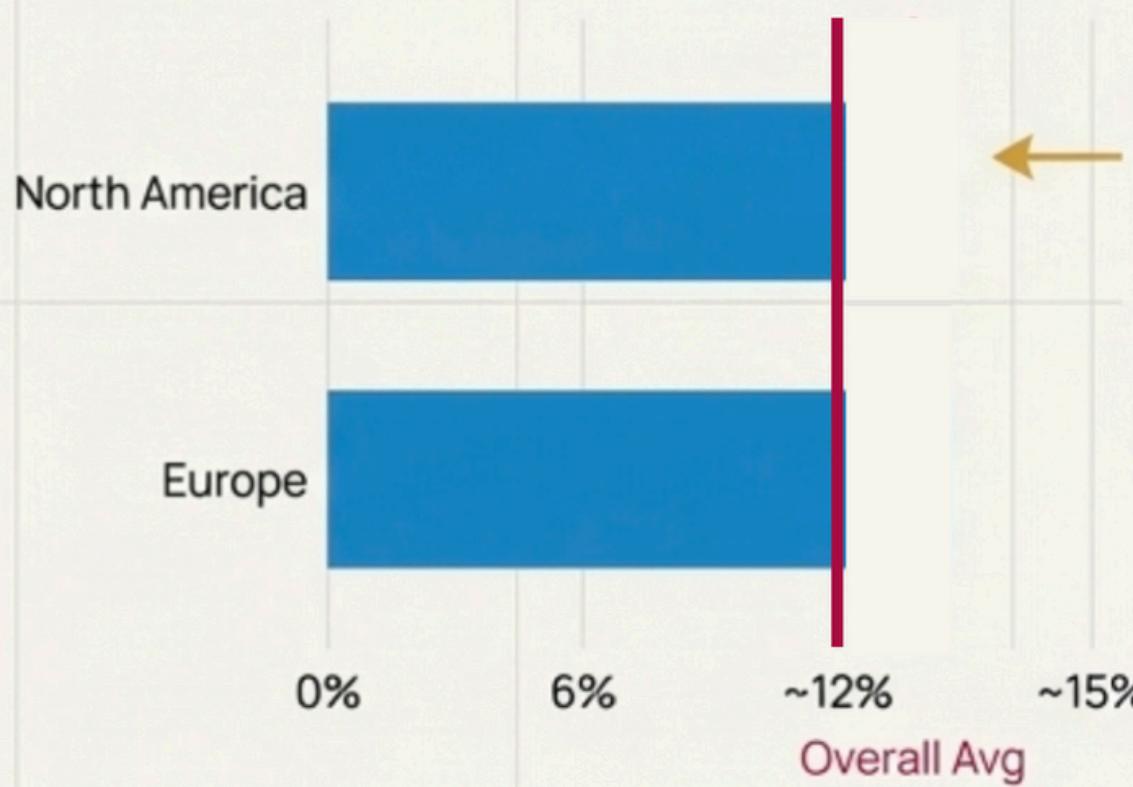
REJECTED

Dashboard complaints are a sign of engagement from our best customers, not a driver of churn.

Hypothesis: We've Reached Natural Market Saturation

Are we churning in mature markets simply because there are fewer new customers to acquire?

Churn Rate by Region



Churn Rate: Region x Company Size



****REJECTED****

The problem is consistent globally; market saturation is not the root cause.

Hypothesis: Our Support Capacity Has Collapsed

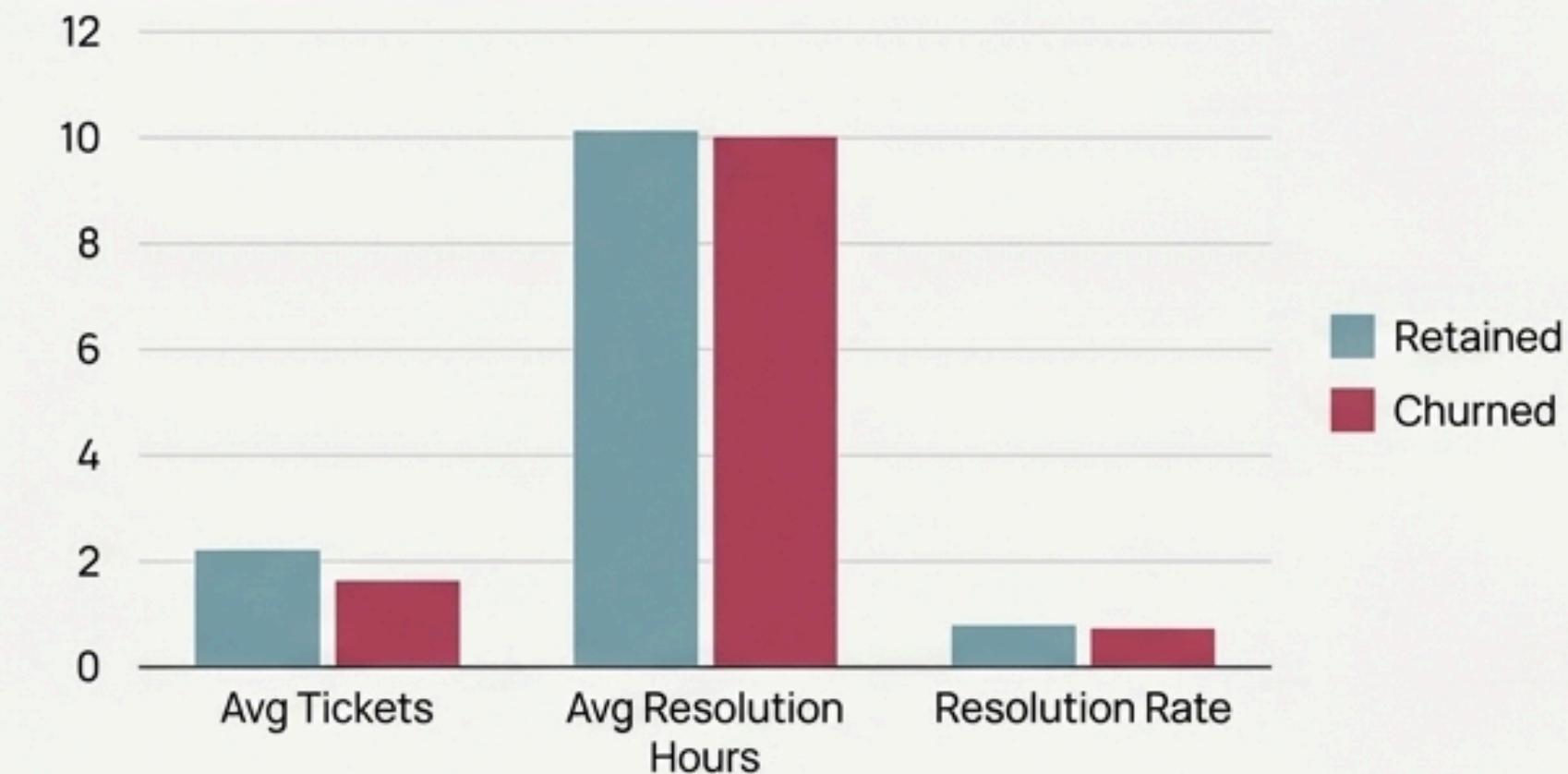
Is our support team failing to adequately serve customers, causing them to leave?

Support Metrics

	Total tickets	Avg resolution hours	Resolution rate
Retained	2.21	10.14	0.75
Churned	1.65	10.01	0.68

Key Insight 1: Churned customers submit *fewer* support tickets on average (1.65 vs. 2.21).

Key Insight 2: Average resolution time is almost identical (10.01 vs. 10.14 hours).

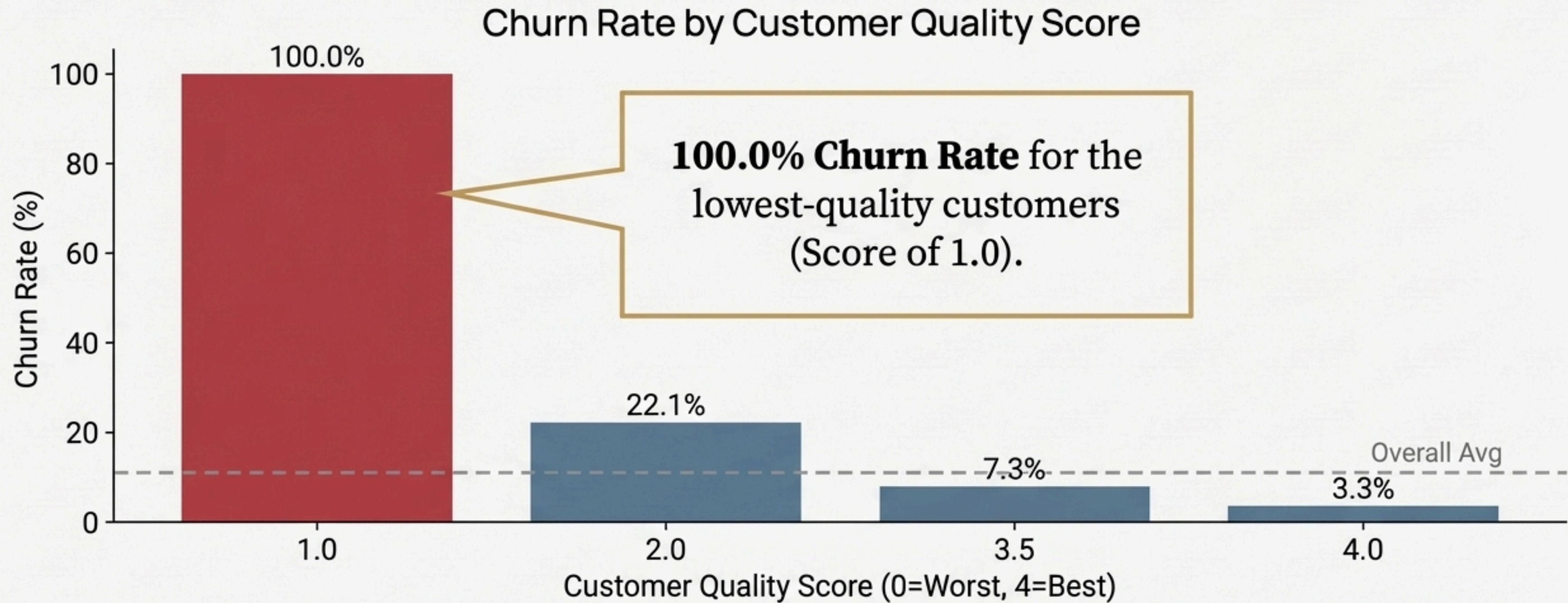


****REJECTED****

Support is not failing our churned customers; if anything, they use it less.

Churn Rate is Perfectly Correlated With Customer Quality

If sales is acquiring low-quality customers, we should see a higher churn rate among those customers.



The data shows a clear, undeniable distinction in churn rate between high and low-quality companies.

The Final Verdict: Our Churn is Structural

Sales is acquiring low-quality customers. The product is fine.

The ‘Why?’

These companies churn because they were never a good fit. They sign contracts, then exhibit zero engagement:

-  They never log in.
-  They fail to provide valid industry information.
-  They don't activate their accounts.

Our Action Plan to Reduce Structural Churn



Overarching Target: Reach an 80% log-in rate for new 1-10 employee companies.

Immediate Action (Now)



- Flag all new small companies with missing industry data.
- Add a mandatory account activation requirement to the sales process.

30-Day Action (Onboarding)



Create a week-long automated onboarding workflow for new small companies:

- Day 1: Welcome email with 30-min setup video and support info.
- Day 3: Automated CSM outreach if no login.
- Day 7: Warning of account termination if no login.
- Day 14: Account termination.

60-Day Action (Measurement)



Implement continuous tracking and reporting of small company log-in rates.

Thank you!