Project Specifications: Churn Analysis

1. Why customers leave? - October 5/2018

Cluster	Reason	Metric	Trigger
1	Wrong Customer	AOV Voucher value Basket Item	Marketing
2	Poor Service	Punctuality: ratings and driver app data, zipjet Reschedule Quality of cleaning: ratings, reclean Lost/ Damaged item: ratings, refund, punctuality is more than n days, lost items??? Payment error? CC Interaction: refund requested, refund processed/cc voucher is provided/ **Why customers churn after second order???** **If cc voucher is used and then customer is churned -> bad experience** NPS score??? -> identify significance of data	Drivers Facility Facility/Operations
3	Inconvenient Model	Availability in customers' area Distance to competitor Customer rescheduled Customer canceled last order???	Driver Recommendation
4	Natural Churn	NOT (1 OR 2 OR 3)	No Action

Differentiate between cities
Start from 2017-01-01

Split by number of orders

Churned after first order:

Hypotheses:

1. Metrics for Cluster 2 are hard.

2. Identify group of good customers -> active customers with #orders > 3 -> What is aov, voucher based on items group? Use the thresholds for first order to filter to wrong customers.
3. To identify group 3 test hypotheses using comparison method
    1. If customer rescheduled -> not conv time, compare with active customers who rescheduled on first order!
    2. If customer canceled -> not conv time, compare with active customers who canceled on first order!
    3. Availability + dist to competitor

From Sonia's analysis ask:
1. Itemization
2. Refund
3. Reschedules
4. NPS

2. When customers leave? October 19/2018

1. Predict churn time with probability P: number of days from last order that customer will stay active. Prediction model's inputs are items, gender, AOV, number of items, and season.
2. Model should capture reasons 2-3 and alarm for an action.

3. How to measure churn rate? October 26/2018

1. Snapshot number of churned customers according to 2) daily.
2. Snapshot revenue lost.

4. Create pool of retention actions.

5. Live testing.