Churn Prevention Project
[Productivity App]

Included:

- Recommendation #1: Onboarding Excellence
  - Drilldowns: Collect data at Onboarding, Incorporate data in Customer Journey, Post Onboarding Temperature Check
- Recommendation #2: Implement Customer Health Model
  - Drilldowns: Creation of Customer Health Model, Creation of Customer Health Playbook, Run Playbook against Model & Iterate
- Recommendation #3: Revenue Recovery & Churn Data Collection
  - Drilldowns: Implement Offboarding/ Cancellation Survey, Run Winback Campaigns for Specific Segments, Continuously Incorporate Learnings in all Models
- Mini Recommendation #1: Optimize for Reduced Payment Friction
- Mini Recommendation #2: Invest in Better Access to Data/ Visibility
- Mini Recommendation #3: Build High-Touch Relationships with Clients at Scale
- Customer Journey
- Project Plan
- Appendix

Recommendation #1 - Onboarding Excellence

- Collect data at onboarding to help inform use cases, goals, and metrics included in the customer health model score
- Design & update onboarding & customer journey strategies that align to key segments
  - By subscription, primary use case, and aligned to goals & outcomes
- Post onboarding temperature check
  - Survey in product/email to solicit feedback on alignment to initial goals & use cases & collect first NPS score for baseline customer health model score

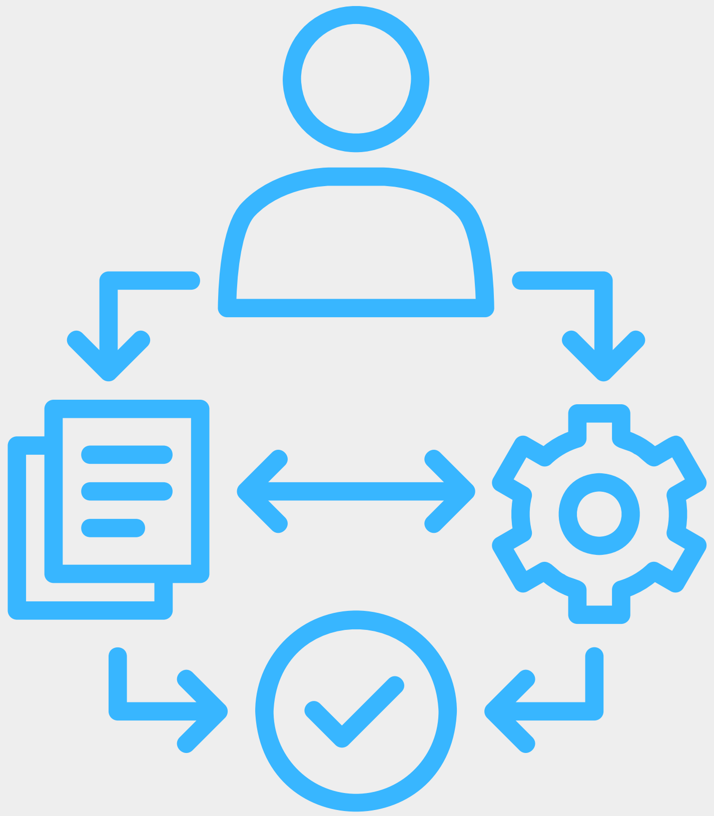
Recommendation #1 Drilldown #1 - Collect Data at Onboarding

Why [Productivity App]: Understanding specific use case & goals

- How did you hear about us?
- What brings you here?
- What are the top problems you're expecting to solve?
- How were you solving this before (if at all?)
- User onboarding goals & preferences?
- Communication & engagement preferences

What do we need to nail?

- What features are you most excited to use?
- Who else on your team will be using [Productivity App]?
- Anticipated usage/volume?



Recommendation #1 Drilldown #2 - Map learnings to appropriate onboarding & beyond strategy

Example Implementation: Onboarding Survey Question: What are the top problems you're expecting to solve?

- Aim to include potential choices that can flag risk, point them in the right direction, or validate fit
- Answers to this question can inform what Intercom Series they're served, what email/ in-product comms/ prompts are sent & risk score
- For example, if someone chooses "other", you might capture more details via the survey & choose to personally engage in the onboarding journey if there is misalignment in needs & available solutions

Recommendation #1 Drilldown #3 - Post Onboarding Temperature Check (30-45 Days)

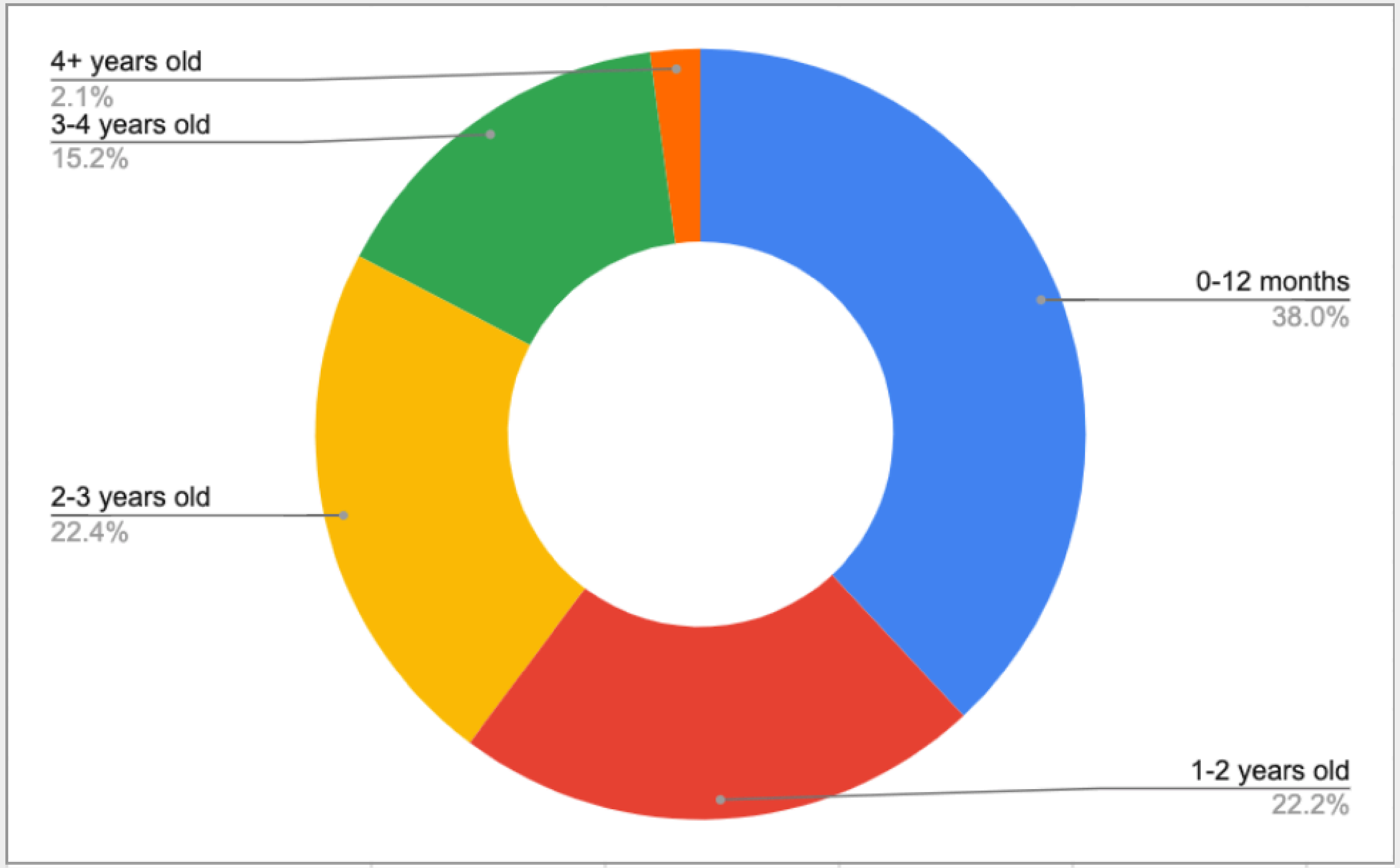
- Send survey via Intercom if current utilization qualifies, via email if not
  - Have you been able to achieve X (from onboarding data). If not, why not?
  - Is there anything we can do to improve your experience/achieve additional value?
  - Would you recommend [Productivity App] to a friend/colleague? (1-10, NPS). If less than 8, what made you choose this/what can we improve?
- Take action on responses that indicate churn risk is imminent
  - Customer Health Playbook
- Followup with users who meet x criteria after 30-45 additional days

Recommendation #2 - Customer Health Model + Proactive/ Reactive Triggers

- Implement a very simple model to start, make adjustments based on learnings over time
  - Ex. 1-3, 1: Low Risk, 2: Mid Risk, 3: High Risk
  - Test the model against historical data & churn outcomes prior to implementing
- Create a Customer Health Playbook to define exactly what proative & reactive actions should be taken by Health Score/Trigger
  - Ex. Low Risk: Ex. 2+ years, logged in last 30 days, 50+ meetings booked
  - Ex. Mid Risk: Ex. 1-2 years, logged in last 31-60 days, 10-49 meetings booked
  - Ex. High Risk: Ex. 1 month- 1 year, logged in 61+ ago, < 10 meetings booked

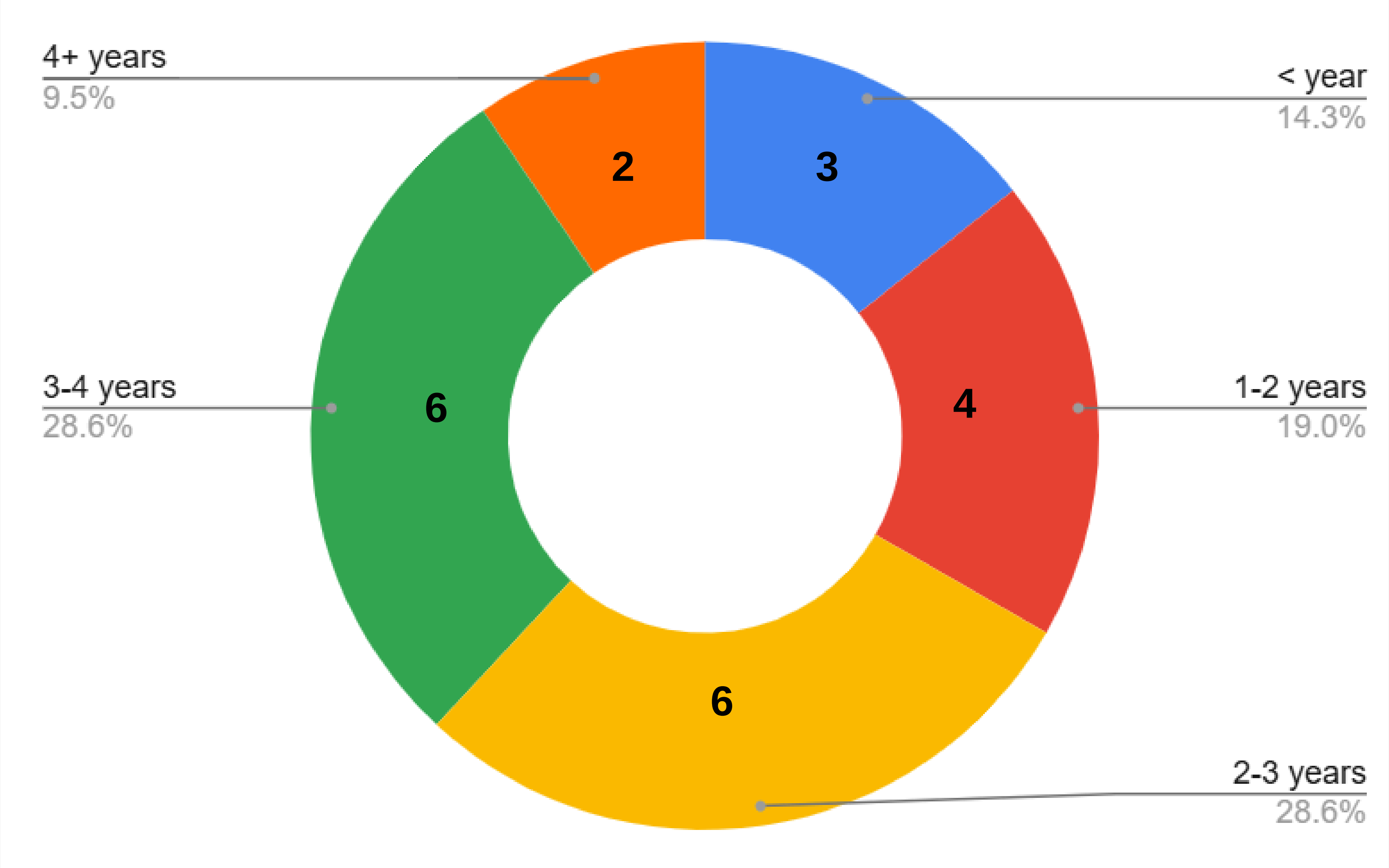
Customer Breakdown- 809 Active Clients

(Logged in < 30days, Subscription Status = Active, Paying $1+, 2/27/25): Tenure



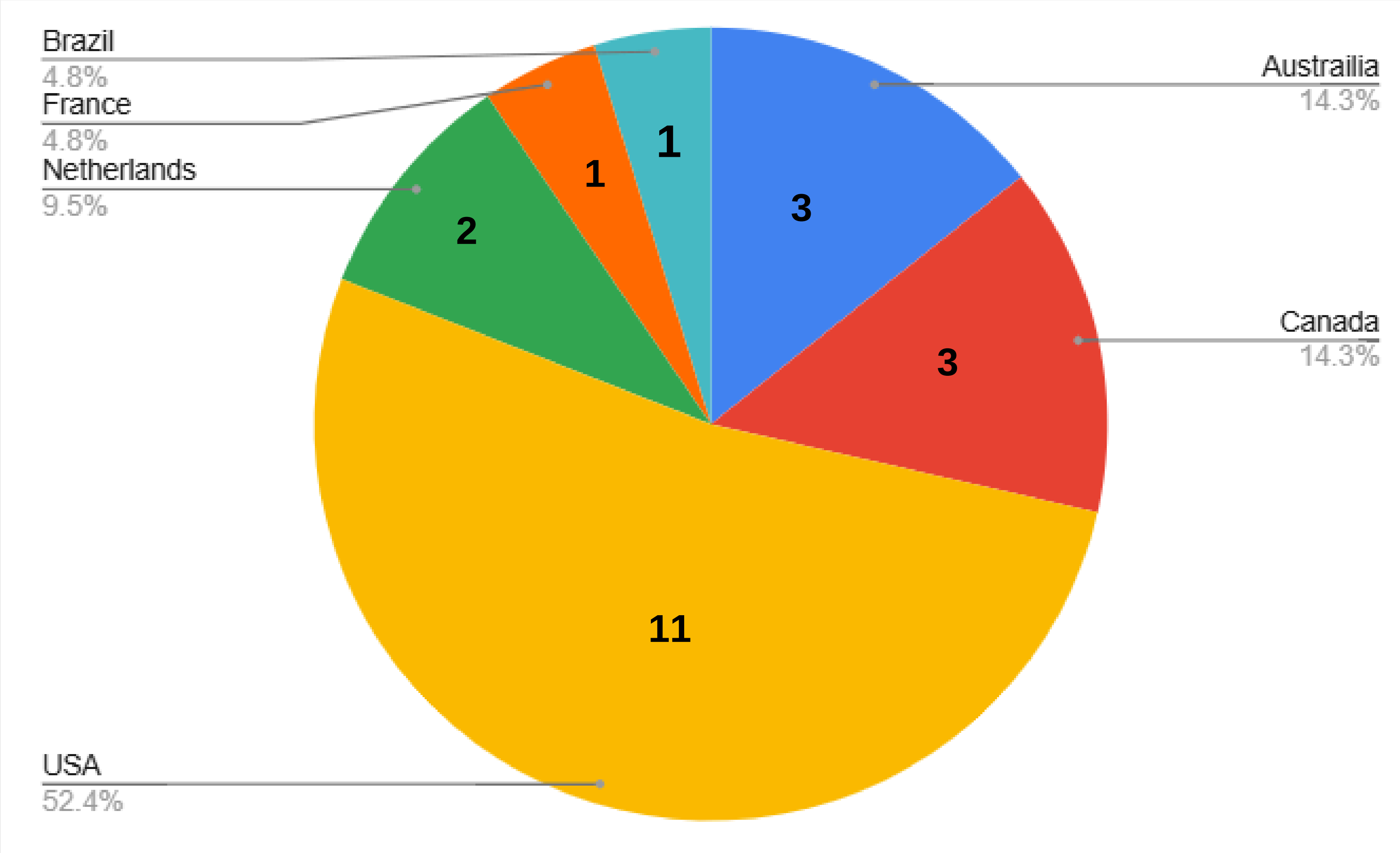
Highest Paying Customers- 21 Accounts

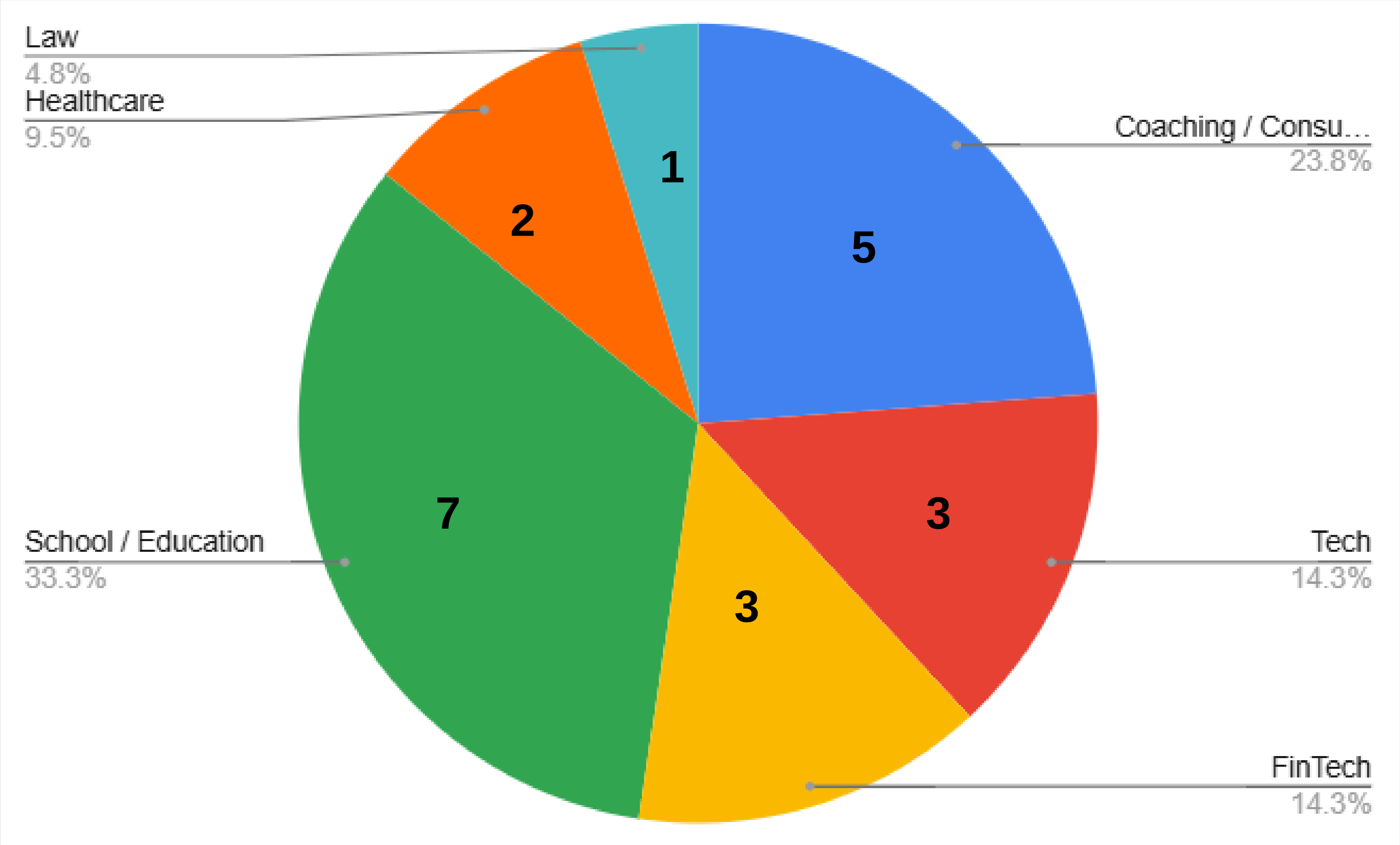
(Logged in < 30days, Subscription Status = Active, Paying $130+, 2/27/25): Geo



Highest Paying Customers- 21 Accounts

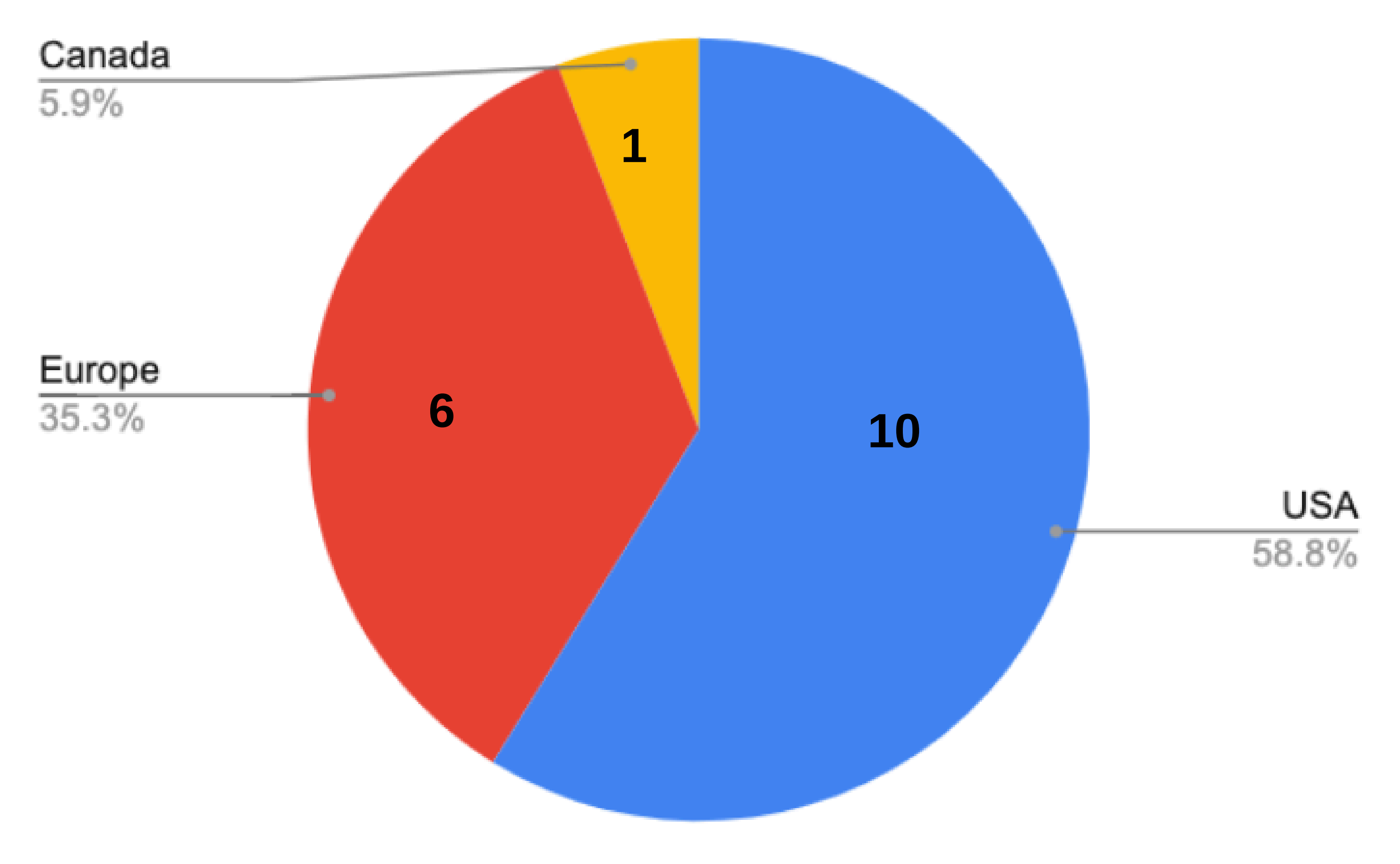
(Logged in < 30days, Subscription Status = Active, Paying $130+, 2/27/25): Geo + Industry

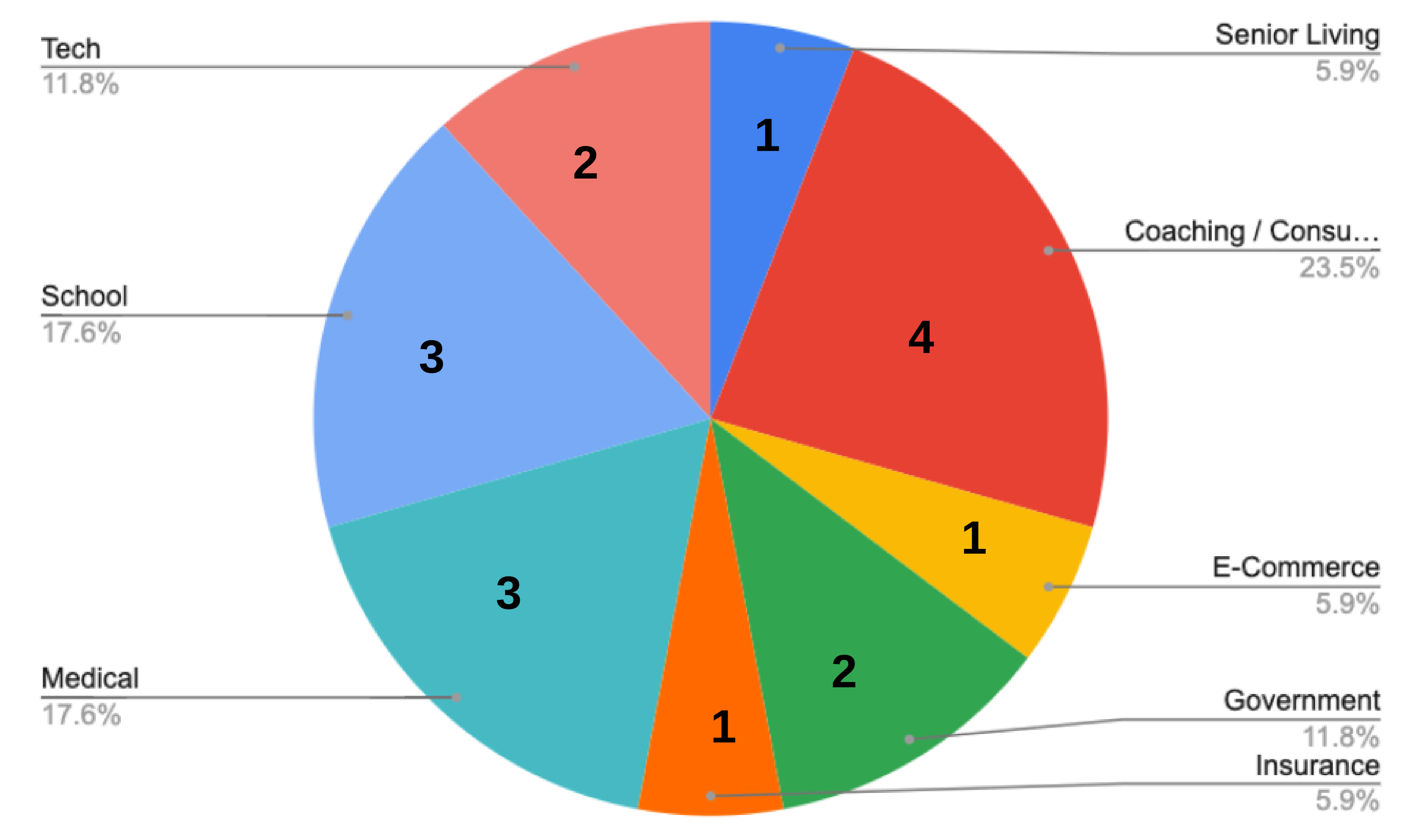




Most Tenured Clients- 17 accounts

(Logged in < 30days, Subscription Status = Active, Sign-up date = 4 years, 2/27/25): Geo + Industry





Recommendation #2 Drilldown #1 - Define Customer Health Score Model & Calculations

- Define what will be measured and included in the overall calculation of your Customer Health Score
    - Usage Data: Ex- a drop in X% of usage creates a trigger
    - Risk Triggers: Ex- <1 login in last 30 days, < 5 meetings booked per month, incomplete onboarding
    - Success Triggers: Ex- > 3 log ins in last 30 days, > 5 meetings booked per month
- Run the model against current customer base and sample the outcomes. Make necessary adjustments based on learnings until satisfied with predictability & accuracy of score vs. outcomes
- Initial plan may include manual calculations & reporting, but long-term plan should include automating health score data & making accessible in all relevant systems

Recommendation #2 Drilldown #2 - Create Customer Health Playbook

- Low Risk
  - Proactive approach
  - Goal oriented
  - by length of customer journey
  - Incorporating usage data
- Mid Risk
  - Proactive/Reactive approach
  - Goal & Problem oriented
  - by length of customer journey
  - incorporating usage data
- High Risk
  - Reactive approach
  - Problem oriented
  - by length of customer journey
  - incorporating usage data

Recommendation #2 Drilldown #3 - Run the Customer Health Playbook across all segments & measure/ incorporate learnings

Recommend starting with A/B test: Run the playbook on Segment A & measure outcomes

- Segment A-Example: Customers post onboarding period
    - Low Risk
        - Ex. 2+ years, logged in last 30 days, 50+ meetings booked
    - Mid Risk
        - Ex. 1-2 years, logged in last 31-60 days, 10-49 meetings booked
    - High Risk
        - Ex. 1 month- 1 year, logged in 61+ ago, < 10 meetings booked
- Segment B-Example: Customers during onboarding period

Recommendation #3 - Revenue Recovery/ Churn Data Collection

- Implement offboarding/cancellation survey to collect data that can be incorporated in the future
  - Incorporate in Customer Health Score Model
  - Incorporate in Customer Health Playbook
  - Incorporate in selling motion/ website verbiage/ PPC initiatives
- Run winback campaigns for certain segments/churn reasons

Recommendation #3 Drilldown #1 - Implement Offboarding/ Cancellation Survey

- Via point of cancellation
- Via email (3-5 days post-cancellation)
- Offer feedback call in exchange for something of value
  - (free month, gift card, etc.)
  - Reserve for larger clients/specific dollar values or randomly sample all clients

Recommendation #3 Drilldown #2 - Run Winback Campaigns

- Free Clients (Trial expired with no action less than 30 days) - Forgot about it, or have didn’t see value in Premium
- Recent Churners (Left Within the Last 3-6 Months) – Unclear value, switched to a competitor, or only briefly used the product
- Long-Term Inactive Users (Churned 6+ Months Ago) – Forgot about the product or had no immediate need
- Price-Sensitive Customers (Canceled Due to Cost) – Found it too expensive for use case
- Competitor Switchers (Left for a Rival Product) – Believed a competitor offered a better solution (e.g. clients we lost during Google’s calendar release)
- Low-Engagement Users (Used the Product Infrequently) – Didn’t fully understand the product’s value
- Seasonal or One-Time Users – Only needed the product for a specific project, use case, or timeframe
- High-Value Customers (Previously Paid for a Premium Plan) - Likely left for a critical reason worth solving

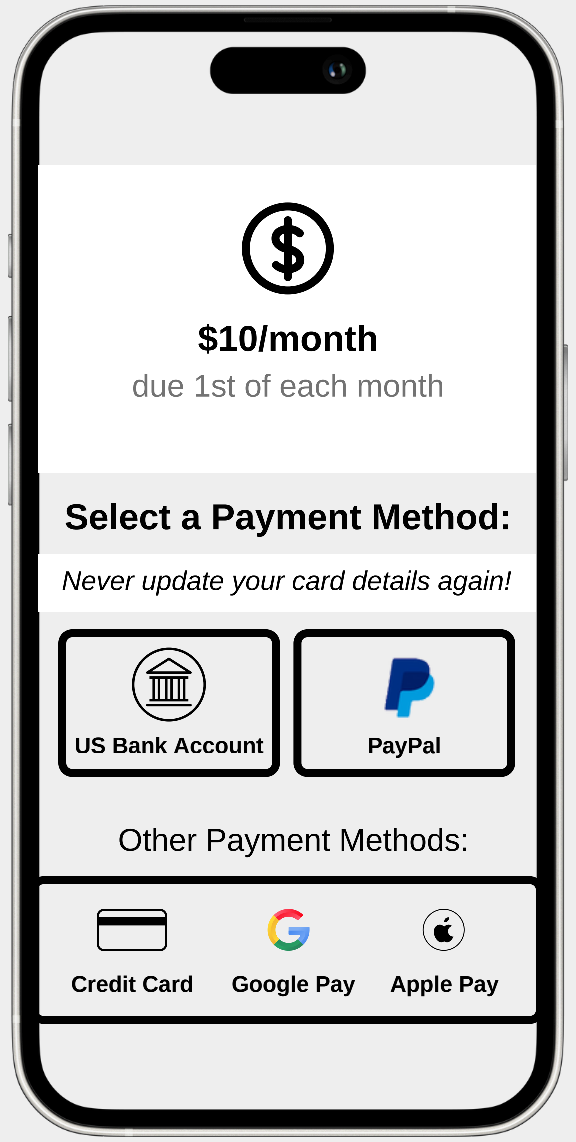
Recommendation #3 Drilldown #3 - Use Data & Learnings to Continuously Improve for New/ Current Customers

- Establish process for periodically reviewing all collected data
  - New trends discovered
  - Categories of growing risk & action plan to address it
  - Categories of reduced risk & learnings to incorporate in other areas
- Communicate feedback & changes to customers to encourage additional collaboration
- Aim to add one proactive customer event/ collateral/ engagement opportunity for every big learning & solve
  - Webinar to showcase how/ why, etc.
  - Case Study or White Paper
  - Newsletter Feature

Mini Recommendation #1 - Optimize for Reduced Payment Friction

Best Practices:

- ✅ Offer reduced fee for annual billing
  - Currently offering 20% discount for annual billing
- Optimize for payment types least likely to fail
  - Recommend adding ACH Direct Debit & PayPal via Stripe & featuring/ highlighting these payment options over credit cards
  - Explore asking for a different card at initial signup if expiration date is within (Looks like that card expires within the next 60 days. *“Would you like to use another one to save yourself an update?”*)
- Ensure Stripe settings are calibrated for your use case
  - List of Recommendations in Appendix



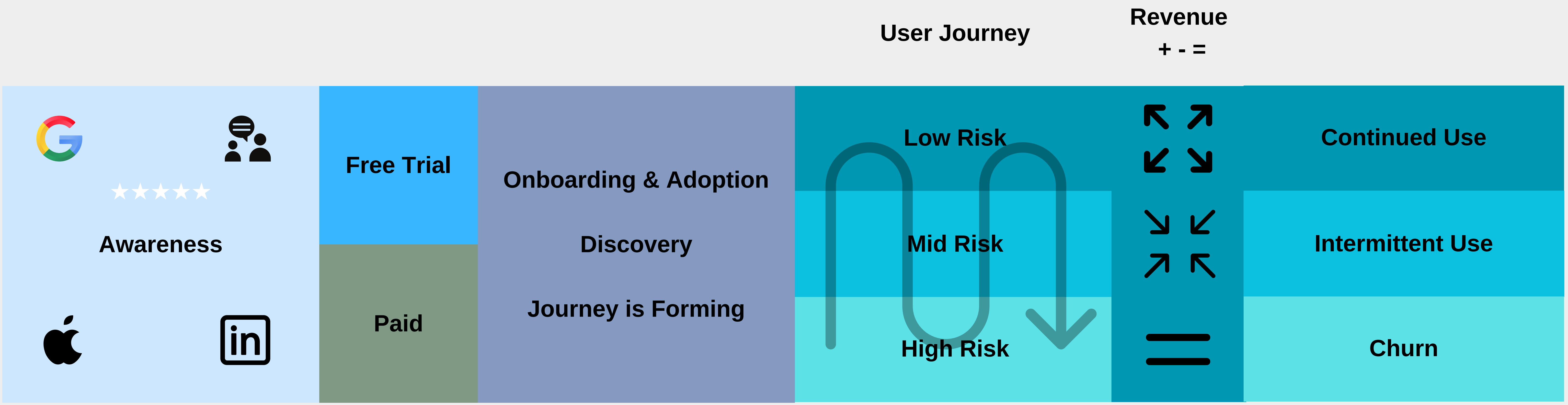
Mini Recommendation #2 - Invest in Better Access to Data/ Visibility

- Data Gaps
  - One single source of truth to house customer data, that reflects monthly usage, users, MRR
- Tech Stack
  - Using Intercom as a CRM not just a Support portal
- CS KPI Reports:
  - Customer Engagement Metrics
  - Expansion
  - Contraction
  - Churn
  - NRR
- CS Support for New Business
  - Looking at support ticket trends > incorporating into GTM strategies, onboarding, training materials
  - Automating lower level support tickets to allow more capacity for CS work

Mini Recommendation #3 - Build Relationships with Clients at Scale

- Create as many high-touch points as possible within different segments to get people to associate you with being actual people vs. having a relationship with an application
  - On-Boarding intro videos
  - Webinars
  - Customer of the Month
  - Business Case Studies
  - Annual Business Reviews (only for larger clients)
  - Contests / Gifts
  - Creating community
- Create your online voice on Socials
  - Company level
  - Founder level
  - Employee level

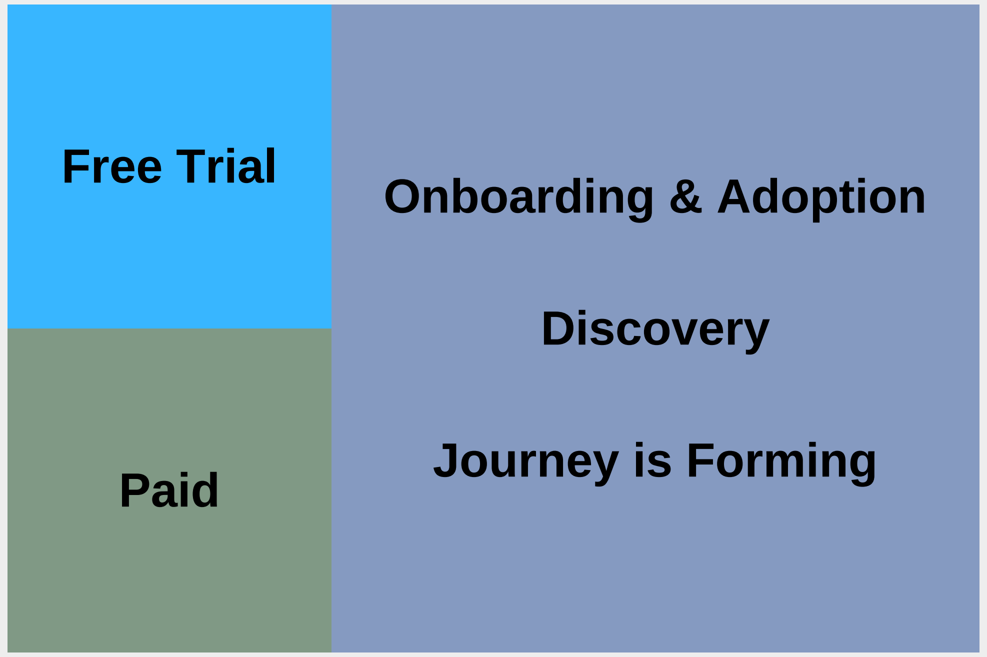
[Productivity App] Customer Journey: Overview



[Productivity App] Customer Journey: Awareness

- <u>App Store</u>: Poor customer ratings on app store based on a limited (< 10 total ratings). Our recommendation would be to run a campaign to secure positive ratings, and enhance the description to include why [Productivity App] would be a better choice than a competitor
- <u>LinkedIn</u> : The “Home” section does a great job outlining [Productivity App] and directs customers to the website, encouraging them to sign up for the trial or get in touch. The “About” page could be enhanced to humanize the company by mentioning who and why the company were founded, and how the approach of [Productivity App] makes it the best choice on the market against larger competitors. Latest posts are from 3 years ago, which communicate to the customer that this might be too small of a company to work with, and that it may lack in resources to upkeep the software/app
- <u>Software Rating Sites</u>: These ratings are GREAT! This is a page that customers can truly see different use cases and see feedback from other clients about how much they love the service. A prospect looking at this page will fully understand the value of [Productivity App]
- <u>Chrome Extension</u>: Great reviews, but < 10 reviews. We can work to expand the number of reviews
- <u>Knowledge Articles</u>: Site shows a “not secure”, check all security certifications to ensure this doesn’t pop up for prospects. Article is great! Very clear and shows the prospect that setup will be easy. It’s also a good sign that it was updated 4 months ago

[Productivity App] Customer Journey: First Impressions



What’s Working Well?

- Simple onboarding process
- Walkthrough covers the most important three setup steps
- Clients receive automated emails to guide them through setup & a check in email
- Clients have the ability to try the product for free
- Free trial users receive upgrade encouragement

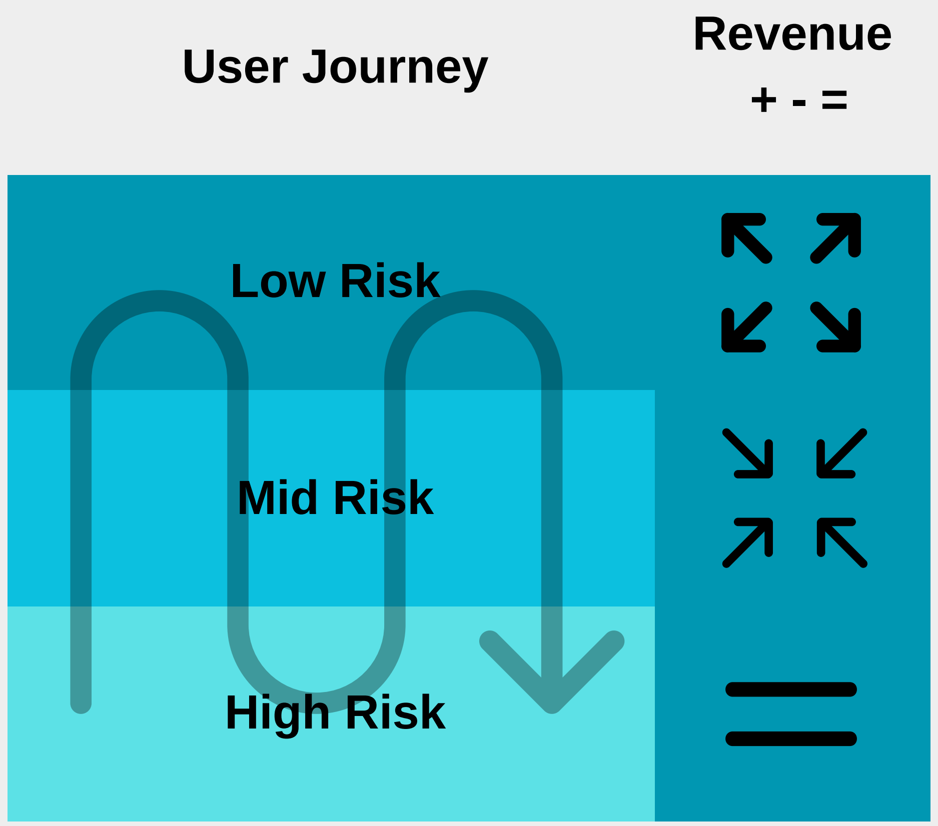
What’s Missing?

- Lack of ongoing communication and community engagement after onboarding period
- No segmentation-based personalization in outreach
- Limited data capture during onboarding to refine targeting

Recommendations

- Build Relationships at Scale (Mini-recommendation #3) to foster continuous engagement
- Enhance data collection during onboarding to personalize communication based on client type (e.g., school accounts receive education-focused best practices)
- Improve post-onboarding touchpoints to maintain engagement and drive adoption

[Productivity App] Customer Journey: User Journey



What's Working Well?

- Customers can easily expand or contract their accounts due to a per-user pricing model
- Annual contract discounts encourage retention and allow clients more time to adopt and integrate the product
- Flexibility in account changes reduces friction for clients

What's Missing?

- No proactive triggers to detect potential contraction or churn early
- Missed expansion opportunities due to lack of insight into client usage and intent
- Limited visibility into client behavior patterns that could inform sales and marketing (GTM) strategies

Recommendations

- Developing a Client Health Score Model
  - Identifies risk signals early, such as declining usage, reduced engagement, or increased support tickets
  - Enables proactive intervention for at-risk clients
  - Highlights potential expansion opportunities based on healthy engagement patterns
- Capturing Additional Data for Client Segmentation
  - Helps personalize outreach and offers based on risk level and revenue potential
  - Allows sales and customer success teams to prioritize accounts with the highest expansion potential
  - Improves GTM strategy by learning from past churn, contraction, and expansion trends

[Productivity App] Customer Journey: Outcomes

Continued Use

Intermittent Use

Churn

What’s Working Well?

- The flexibility of the product allows for multiple use cases, enabling customers to tailor the application to their needs
- Knowledge base articles and strong customer support help clients find solutions efficiently
- Tagging customer tickers helps identify opportunities to improve onboarding and support at scale

What’s Missing?

- Limited ability to capture and analyze data that predicts a client’s future usage behavior
- No customized journey to differentiate communication and engagement strategies for each client segment
- Lack of reactivation campaigns to bring intermittent users back through targeted engagement
- No structured approach to recapturing revenue from churned or trial clients who never converted, missing opportunities to keep them engaged through marketing efforts
- Limited insights into why trial clients do not convert, leading to missed opportunities for optimization

Recommendations

- Developing Predictive User Profiles
  - Captures behavioral data to predict whether a client is likely to be a continued, intermittent, or at-risk user
  - Enables early intervention for accounts showing signs of disengagement
  - Helps refine onboarding strategies
- Customized Journeys for Each Segment
  - Continued users receive value-driven communication that encourages expansion and deeper product adoption
  - Intermittent users are targeted with behavior-based reactivation campaigns when usage declines
  - Churned and unconverted trial clients are kept in ongoing marketing nurture campaigns, providing them with compelling reasons to return
- Proactive Campaigns for Reactivation and Retention
  - Personalized outreach to trial users who never converted, based on insights into where they dropped off
  - Retargeting campaigns for churned clients with incentives, product updates, and testimonials to re-engage them
- Enhanced Segmentation & Data Collection
  - Improves tracking of user behavior to refine marketing, onboarding, and engagement strategies
  - Creates dynamic client segments that evolve based on real-time interactions with the product
  - Supports CS team in prioritizing outreach efforts for maximum impact

Project Plan Details

Recommendation #1: Onboarding Excellence

Recommendation #2: Customer Health Model + Proactive & Reactive Triggers

Recommendation #3: Revenue Recovery & Churn Data Collection

Next Steps & Required Resources

- Discuss **prioritization** of recommended actions
- Assign internal **project owners** for each project
- Project owner to broaden scope & **outline resources needed**, assessing current tools available & gaps uncovered
- Schedule a **kickoff alignment** with all project participants using the RACI model
- Schedule **regular check-in meetings** to review deadlines, owners, progress & risks
- Implement project in a low-risk way first (testing) and then more widely after incorporating learnings
- Schedule **reviews of progress**, performance & learnings for 3-6 months followng each project

Appendix

Appendix: Stripe Recommendations