



# ChurnIQ Segment Catalogue

Segment at every step in the subscriber journey





Register



Trial



Subscribe



Offer



Pay



Experience



Retain



Winback

## Introduction

This guide will provide you with a set of segments that you can use (or build on) to automate your segment actions from ChurnIQ. Across all key touchpoints of the subscriber journey, you will find **goals, important attributes, key segments, and possible actions you can take.**

Each segment listed has been selected because of its proven relevance to important outcomes for media & entertainment subscription services. **And you can find each of them already pre-built for you in ChurnIQ.** If you would like to further refine these segments, you can use the dozens of attributes available in ChurnIQ to do so.

### Step

1

The guide is structured into the 8 steps of the retention journey, from registration to winback. Each of these steps represent an important touchpoint in the customer's experience with your service.

### Goals

2

For each step, you will also find goal outcomes that are important for almost every OTT subscription service. These goals give you a focal point for figuring out the segments to target.

### Attributes

3

A number of especially relevant attributes are listed for each step and goal. You can use as many attributes as you like to create a segment, but these attributes are particularly important at a given step.

### Segments

4

Finally a select set of segments is described at each step, along with an action you could use for those customers. These segments are defined using just a few attributes. You can add more as you like.



STEP 1

## REGISTER

The Register step contains customers who are using your platform for free, and have never purchased a subscription or pass.

### Why the Register step matters

Depending on your business model, free users represent either an advertising revenue source, or a pool of potential subscribers to your service - just waiting for the right incentive to sign up.



### Goal Outcomes



#### From free to subscription

A clear goal here is quickly turning free users into subscribers. Focus on the period of time that elapses between an account being created, and a subscription being started.



#### Staying active

A second goal is to reduce the number of inactive free users there are. More visits to your platform means more opportunities to persuade them to create a first subscription.



### Important Attributes



#### Time since account setup

The most important date for this group is when the user created their account.

An important distinction is whether they are a new, or a long-term free user on your platform.



#### Days since last login

A second key attribute is how long it has been since the customer last signed in.

This allows you to identify lapsed users, but also to see which long-term users keep coming back.



### Key Segments & Actions

#### Registered > 1 day go but have not subscribed

This segment were motivated enough to take the step of creating an account. Now to build on that momentum and make them a subscriber.



Accelerate content discovery for this group, eg. with spotlights for your most popular premium content or library overviews.

#### Long term accounts that are recently active

This segment created an account some time previously without subscribing, but have recent logins to your platform.



Tease this group with upcoming premium only content. Alternatively, offer a price incentive, like 50% off for their first month.

#### Inactive recent signups

This group signed up in the past 7-10 days, but have not been active for the past 3 days.



Seek to reengage this group before they lapse, and they forget about your platform or find an alternative.





STEP 2

## TRIAL

The Trial step contains customers who have created a subscription, but who are still in the free trial period for that offer.

### Why the Trial step matters

A trial conversion rate of 70% is perhaps the most surest indicator of consistent growth for an OTT service. This is the point in the subscriber lifecycle where communication is most powerful, and has the strongest effect on the customer relationship.



### Goal Outcomes



#### Keep them engaged

Like the end of the free trial, the 1 or 2 days following the start are critical for habit formation.

Watch out for channel specific UX problems, and be ready to act when > 2 of inactivity are observed.



#### Convert at higher rates

Your key measure here is trial conversion. Use 'Trial Daily' to monitor this closely.

Create a goal of a 3% uplift in your conversion rate. And evaluate your actions accordingly.



### Important Attributes



#### Days to trial expiry

The free trial cycle is a ticking clock, and the expiry date is the point your whole strategy should revolve around.



#### Days inactive

Inactivity - post trial start in particular - is a key risk indicator for trial conversion.



#### Signup channel

Channel specific UX issues are often a driver of low conversion rates. Distinguishing between them is important.



### Key Segments & Actions

#### Subscribers in final 3 days of their trial

This group are often making a final evaluation of the subscription at this point, making this a crucial period for swaying them towards conversion.



Contrast the free/premium divide. Highlight content that will be unavailable if the customer no longer has a subscription

#### Trials inactive for 3 consecutive days

This can be a major red flag, especially for shorter trials. You may not need everyday use, but long lapses point to low conversion likelihood.



Tease with new & upcoming content. Remind them that they are in trial, and the time to explore your platform is slipping away.

#### Trials with your lowest performing channel

Pay special attention to channels that are the biggest drag on your overall conversion rate.



Create distinct onboarding flows for subscribers to problematic channels. Highlight help resources and preempt known problems



STEP 3

## SUBSCRIBE

The Subscribe step contains all customers who currently have an active subscription to your service - free & paid.

### Why the Subscribe step matters

This step is an overview of your current platform, representing all customers with an active content entitlement. Use a broad perspective at this step, including customer activity, lifetime length, and revenue value.

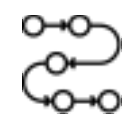


### Goal Outcomes



#### Increase net subscriber growth

The primary goal is to increase net subscriber growth. Decreasing paid subscriber churn is a key component.



#### Lengthen the subscriber lifetime

Another key outcome is increasing the average subscription lifetime. Longer lifecycles mean more completed billing cycles.



#### Grow daily engaged metric

A third goal is growing daily engagement. This simply means increasing engagement frequency.



### Important Attributes



#### Subscription lifetime -days

A model of the typical subscriber lifecycle helps you segment customers into early, mature, and loyal (long-term customers).



#### Engagement/login activity

Whether engagement or login patterns, this helps you to spot users who are drifting from your platform.



#### Customer Lifetime revenue

Very useful as an indicator of long term loyalty, particularly for monthly subscriptions.



### Key Segments & Actions

#### Monthly subscribers in the second billing cycle

It is not implausible for 80% of all churn to occur in your first two billing cycles. After this cycle, churn tends to decline significantly.



Create a dedicated workflow for customers 40-60 days into their subscription. Emphasize upcoming content, and try using small discounts.

#### Mature monthly subscriptions

This segment has an active subscription for at least 150% of the average subscriber lifecycle, ie. > 150 days against an average of 100 days.



Focus on this group for upgrades to your Annual plan, especially if they also have strong activity levels. Also engage them as reviewers & champions.

#### Subscribers with lapsing engagement

Not longer term dormant users, but those who have not logged in (or engaged) for 15-30 days - particularly in the first 3 months of the lifecycle.



Experiment with content prompts with an emphasis on novelty. This means highlighting your latest content, or content that is often undiscovered.



STEP 4

## OFFER

The Offer step focuses on segmentation by the plans in your current product setup.

### Why the Offer step matters

Breaking down your entire subscriber base by offers and channels allows you to create more granular, targeted campaigns. It makes it easier to include value, popularity, and growth for tracking effectiveness.



### Goal Outcomes



Growing net movement per offer

Experimenting with messaging on specific offers is great way to micro-test strategies on a smaller scale than your entire subscriber base.



Improving the Annual/Monthly customer ratio

Longer term commitments are better for your business. Improving your Annual:Monthly subscription ratio by 5% will have a major impact on your revenue.

Create a goal of a 3% uplift in your conversion rate. And evaluate your actions accordingly.



### Important Attributes



Offer period

Firstly, Annual & Monthly subscribers have a very different lifecycle structure.

Secondly, annual customers will contribute 2-3 times more revenue than an average monthly customer.



Channel LTV

Pay attention to higher & lower performing channels. You can use the channel LTV chart to track this, or simply your retention cohorts.



### Key Segments & Actions

#### Annual subscribers approaching renewal

As higher value customers, your relationship with this segment requires more attention. Be especially alert to approaching renewals



Increase value communication efforts as the renewal date nears. Use 'thank you' coupons as an added incentive.

#### Recently converted monthly subscribers

Conversion to paid subscriptions is an important goal, but these customers will have another moment of truth in a matter of weeks.



Make the user feel appreciated after the first payment, and highlight all they have to look forward to as your subscriber.





STEP 5

## PAY

The Pay step relates to your customers' billing activities, including payment cycles and upcoming renewals.

### Why the Pay step matters

Recurring billing is the beating heart of your subscription business. Marginal improvements at this step represent major gains in business performance.



### Goal Outcomes



#### More successful renewals

For OTT services, the rate at which subscriptions successfully renew is the key indicator of the business' health.



#### Reduce involuntary churn

Involuntary [payment] churn can account for more than half of the subscriptions you lose. Stopping these losses is a primary goal.



### Important Attributes



#### Days to next renewal

Renewal timelines act as a subscriber 'micro-cycle'. Use this cycle to time messages & test their impact.



#### Key Method/Gateway Combos

Use Pay analytics to identify your most popular method/gateway combinations. These require close attention.



#### Missing payment details

This is a red alert. Missing payment details means no payment, so it is important to have an action in place.



### Key Segments & Actions

#### Subscribers immediately pre- and post-renewal

For monthly messaging cycles, both the days immediately before & after renewal are a great time to maximise impact.



In both cases the goal is simply to remind the customer about the value they get from their subscription. After payment matters just as much as before.

#### Customers missing payment details within 5 days of billing

Customers missing payment details with their renewal date fast approaching are at a very high risk of churn.



Send a personalised, friendly reminder to the customer to check their payment details.



STEP 6

## EXPERIENCE

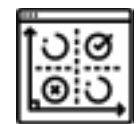
The Experience step captures behavioral dimensions of the customer's experience, like content engagement and satisfaction.

### Why the Experience step matters

Content engagement and satisfaction are key indicators of the value a customer is getting from their subscription, and an extremely useful means of distinguishing between customers.



### Goal Outcomes



#### Higher recent engagement

A key goal here is decreasing the number of users whose engagement levels are 'Low' & 'None' over the past 30 days.



#### Higher average daily engagement

Another KPI to use here is the average number of subscribers engaged day-to-day.

If your content engagement tactics are having an effect, then this number will gradually climb over time.



### Important Attributes



#### Days engaged - of past 30

One of the most important distinctions between customers is how often they actually engage with content.



#### Individual NPS scores

NPS is one of the more direct indications you can get of a customer's commitment to your service. High raters can be champions for your platform, low raters should be engaged for feedback.



### Key Segments & Actions

#### Customers with higher risk engagement levels

This does not necessarily mean low engaged customers, it also means customers with engagement levels that are more typical prior to churn.



Depending on whether high or low engagement predicts risk, trigger engagement with upcoming [for high] or current popular [for low] content.

#### Very highly engaged monthly customers

You can use your own definition, but by default ChurnIQ defines this segment as customers engaging > 15 of the past 30 days.



These customers are more likely to think that an annual offer makes sense, so suggest upgrading to them. Use discounts experimentally to see what works.





STEP 7

## RETAIN

The Retain step captures all customer cancellations and churned subscriptions.

### Why the Retain step matters

The Retain step focuses on the key churn issues - cancelling customers, reasons given for unsubscribing, and the timing of churn in the context of the subscriber lifecycle.



### Goal Outcomes



Drop that churn rate

A primary goal - a churn rate decline of just 2-3% has a huge cumulative effect.



Recover cancelled customers

Finding and recovering customers- once they have hit 'unsubscribe', the clock is ticking to change their mind.



Improve 3/6 month retention

Your cohort analysis is one of your best measures of longer term retention effectiveness.



### Important Attributes



Subscription status

Once a subscription status changes to 'stopped' - these customers require urgent intervention.



Cancellation reason

'Why' the customer cancelled influences the best action for you to take.



Activity & engagement

It is important to understand just how engaged a customer was with your content before cancellation.



### Key Segments & Actions

#### Annual subscribers who cancelled yesterday

You need to respond quickly - high value customers who cancelled yesterday are an important group to focus on.



Incentives are often necessary to change a customer's mind here. Experiment to find the most cost-effective discount.

#### Customers cancelling due to experiential reasons

These are customers who cancel due to poor player, streaming, or support reasons.



Content isn't driving this cancellation, so an apology with a discount gives the highest probability of success.

#### Highly engaged customers cancelling

These are customers who are in the top 10-15% for engagement who nevertheless have decided to cancel.



This group frequently cancels because they are burning through content. This means they like it - so focus on teasing upcoming content.



STEP 8

## WINBACK

The Winback step refers to churned subscribers who you are trying to win back - as well as those you already have.

### Why the Winback step matters

A churned subscriber is 3-5 times more likely to create a new subscription than any other potential customer. Churn and reactivation is a natural part of the subscriber lifecycle - so use winback flows to take advantage.



### Goal Outcomes



Grow your winback rate

Winbacks soften the impact of churn. Growing this churn:winback ratio is a powerful strategy.



Shorten the winback period

Focus on the time it takes for a subscriber to return. If you can reduce this average by 50-60 days, the payoff is significant.



More organic winbacks

Discounts are a key winback tactic, but organic (non-discounted) winbacks are more profitable.

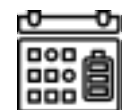


### Important Attributes



Reason for churn

Voluntary or involuntary? Content, service, or pricing? These distinctions matter greatly to the winback tactics you should use.



Time inactive

What have they missed? Adjusting your message for recent & long-term churners is a good idea.



Previous subscription lifetime

There is a huge difference between a customer who churned after one month, and someone who churned after six months.



### Key Segments & Actions

#### Customers who churned due to content reasons > 3 months ago

This group liked the idea of your service, but ran out of content that was really relevant to them.



Tease this group with recently added content - but after a reasonable timeframe. They want what you have, they just need more of it!

#### Customers who churned yesterday due to payment reasons

This group are passive or 'involuntary' churners. They usually did not ever make a decision to churn from your service.



The key with this group is to quickly get their attention with a message that 'Something went wrong!' You will want to motivate them to act fast.

#### Customers who have just been won back

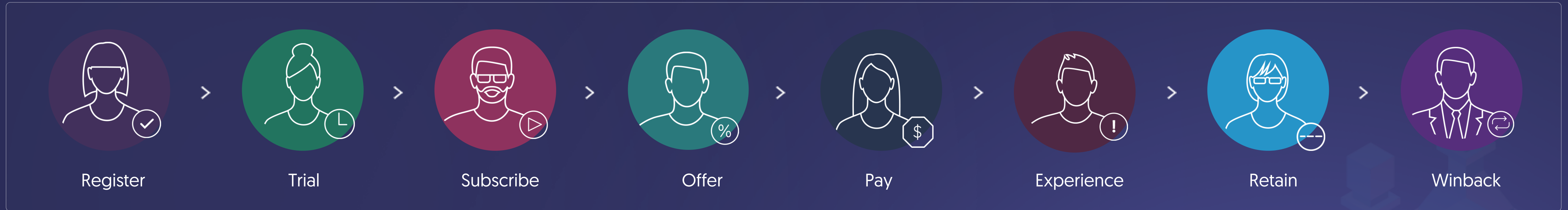
A key point in the relationship; these are customers who just started their 2nd (or higher) subscription with your service.



Welcome these customers back. This is a great opportunity to make them feel like they are a little bit special - like regulars in a favorite restaurant.



# Key segments at every point in the journey



## Register

- Registered > 1 day ago but have not subscribed
- Long term free accounts with recent activity
- Inactive recent signups

## Trial

- Subscribers in the final 3 days of their trial
- Trials inactive for 3 consecutive days
- Trials with your lowest performing channel

## Subscribe

- Monthly subscribers in the second billing cycle
- Mature monthly subscribers
- Subscribers with lapsing engagement

## Offer

- Annual subscribers approaching renewal
- Recently converted monthly subscribers

## Pay

- Subscribers immediately pre- and post-renewal
- Customers missing payment details within 5 days of billing

## Experience

- Customers with higher risk engagement levels
- Very highly engaged monthly customers
- Customers submitting low NPS scores

## Retain

- Annual customers who cancelled yesterday
- Customers cancelling for experiential reasons
- Highly engaged customers cancelling

## Winback

- Customers who churned due to content reasons > 3 months
- Customers yesterday due to payment reasons
- Customers who have just been won back