

Reduce Churn via Predictive Analytics in Kentico

part of the Kentico User Group webinar series

by **Brian McKeiver**, Kentico MVP & Co-Owner at **BizStream**





Let's Get This Party Started



http://kenticousergroup.org/







Goals

- Understand why churn is important
- Look for churn indicators
- Create measurable business rules from those indicators
- Translate business rules to prediction scores
- Take action on the highest prediction scores to stop churn





What is Churn







Business Killer

Almost 9 in 10 customers have abandoned a business because of a poor experience.





The Churn All Stars

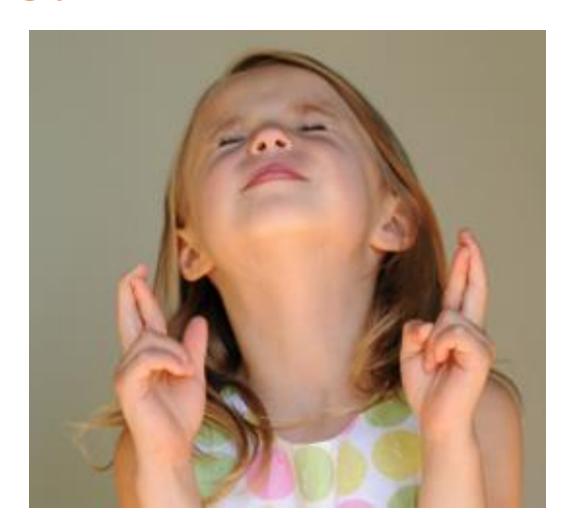
- Bad Onboarding
- Lack of Ongoing Success
- Sh*t happens in business Things out of your control







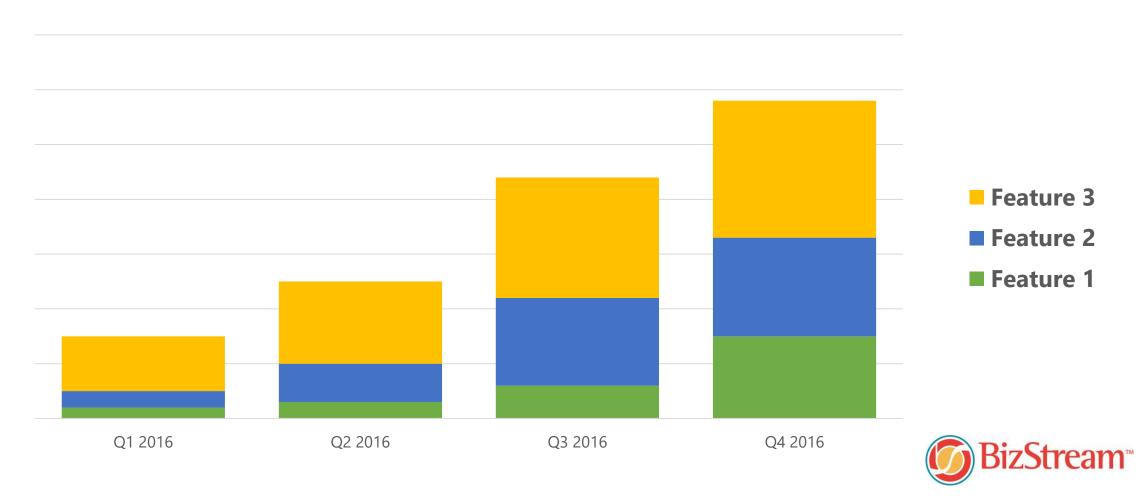
What To Do?







Product Usage Correlates To Churn





Kentico Online Marketing Feature Set



Content Personalization & Segmentation



Lead Scoring and Engagement Scoring



Web Analytics



A/B Testing and Multivariate Testing



Campaign and Conversion Management



Contact Management



E-mail Marketing



Marketing Automation

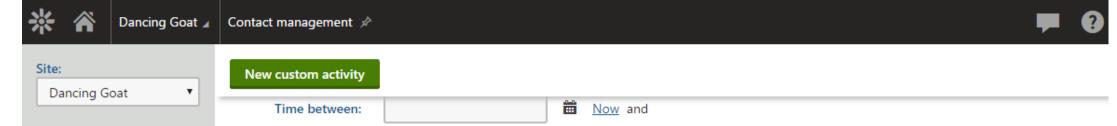






Web Analytics





:::

Now

Contacts

Contact import

Accounts

Activities

Pending contacts

On-line users

Configuration

Tracking the data is the crucial step

| ☐ ≡ Actions | <u>Title</u> | <u>Type</u> | Contact name | IP address | Activity time |
|-------------|---|-----------------|----------------|----------------|----------------------|
| | Page visit 'Thank you' | Page visit | Brian McKeiver | 66.161.180.226 | 9/1/2016 11:22:43 AM |
| | Form submitted 'TryAFreeSample' | Form submission | Brian McKeiver | 66.161.180.226 | 9/1/2016 11:22:39 AM |
| | Page visit 'Colombia' | Page visit | Brian McKeiver | 66.161.180.226 | 9/1/2016 11:22:17 AM |
| | Page visit 'Colombia Carlos Imbachi' | Page visit | Brian McKeiver | 66.161.180.226 | 9/1/2016 11:22:13 AM |
| | Page visit 'Colombia' | Page visit | Brian McKeiver | 66.161.180.226 | 9/1/2016 11:17:59 AM |
| | Landing page 'Colombia' | Landing page | Brian McKeiver | 66.161.180.226 | 9/1/2016 11:17:59 AM |
| | Purchase for '50' | Purchase | Bailey Mel | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Page visit 'Home' | Page visit | Stacy Stewart | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Page visit 'Partnership' | Page visit | Stacy Stewart | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Page visit 'Partnership' | Page visit | Harold Larson | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Page visit 'Home' | Page visit | Dustin Evans | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Search keywords 'wholesale' | Internal search | Dustin Evans | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Page visit 'Partnership' | Page visit | Todd Ray | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Form submitted 'BusinessCustomerRegistration' | Form submission | Monica King | 66.161.180.226 | 9/1/2016 11:13:37 AM |
| | Page visit 'Partnership' | Page visit | Monica King | 66.161.180.226 | 9/1/2016 11:13:37 AM |

Reset

Search



Start by Reviewing

- Review the last 20 customers who canceled
- Start to create a theory on why they left (define indicators)
- Review your app usage for good customers too







Don't forget the Human factor











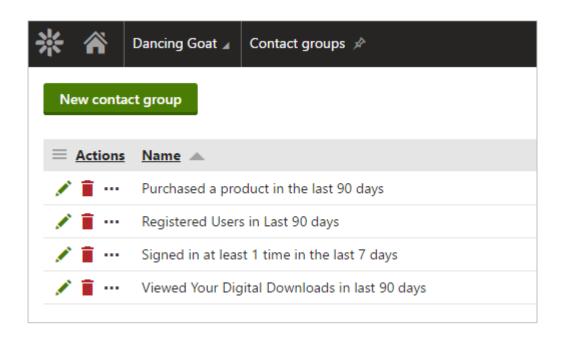
Churn Indicators

| Indicator | Description |
|------------------------------|--|
| Missed contact form | A Contact Us form was submitted by a user and support did not reply within 24 hours. |
| Poor initial experience | Too many errors in the error log, |
| Too little or Stale activity | No secondary orders, product or service not activated, service not used after the first try in 15 days |
| Last login lapse | User has not logged into the site in the last 30 days. |
| Repeat "How To" Video plays | Watched the same "How To" video on your product repeatedly in the same 3 days after purchase |





Kentico Dynamic Contact Groups



Segmenting is the second step





Time for a little math

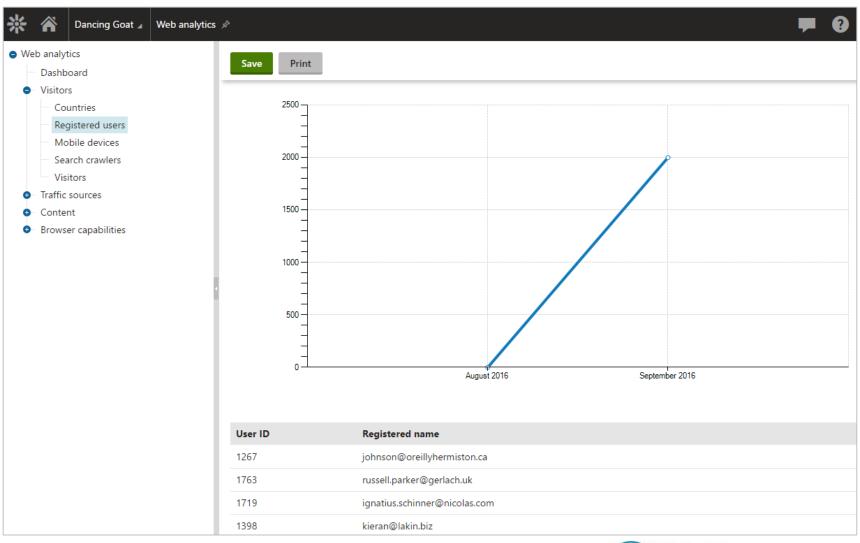
Identify matches by user for all active customers until you hit your target sample

| Kentico UserID | Missed contact form | Poor initial experience | Stale activity | Last login lapse | Canceled ? |
|-------------------|---------------------|-------------------------|----------------|------------------|------------|
| 121 | 1 | | | | |
| 237 | | | | 1 | 1 |
| 356 | | 1 | | 1 | 1 |
| 498 | | | 1 | | |
| 725 | | 1 | | | |
| 902 | | | 1 | | 1 |
| 1104 | 1 | | | | |
| 1256 | | | | 1 | 1 |
| | | | | | DIZJUCANI |



Kentico Reports

Kind of works right?







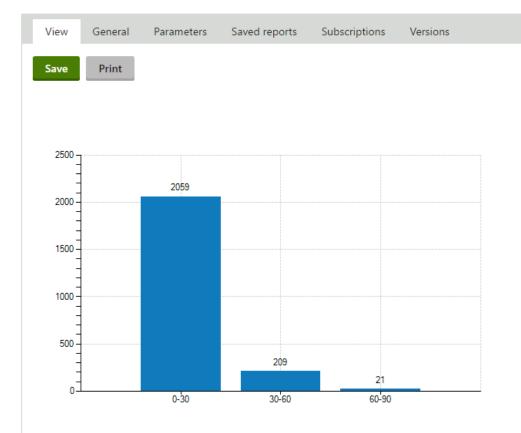
Custom Analytics and Reports

You can log custom events for web analytics via the Kentico API using the **HitLogProvider** class from the **CMS.WebAnalytics** namespace.





Custom Reports



| | View | General Print | Parameters | Saved reports | Subscriptions | Versions | | |
|---|----------|---------------|------------|---------------|---------------------|---------------|------------|----------------|
| | Save | Print | | | | | | |
| П | Email | | | Us | erCreated | LastLogon | Logge | ed on Days ago |
| 1 | iazmvn@f | unkauitzon.ii | nfo | 1/ | 14/2016 10:36:11 PN | 9/19/2016 11: | 36:39 PM 1 | |

| jazmyn@funkquitzon.info | 1/14/2016 10:36:11 PM | 9/19/2016 11:36:39 PM | 1 |
|---|------------------------|-----------------------|----|
| jaquelin.stehr@harvey.name | 3/15/2016 10:36:14 PM | 9/19/2016 11:36:42 PM | 1 |
| lenny@fay.info | 7/8/2016 10:36:13 PM | 9/18/2016 11:36:41 PM | 2 |
| rylee@schinner.co.uk | 2/23/2016 10:36:13 PM | 9/17/2016 11:36:42 PM | 3 |
| garnet@terry.com | 4/26/2016 10:36:11 PM | 9/17/2016 11:36:40 PM | 3 |
| will ard_zemlak@gulgowski.info | 8/31/2016 10:36:11 PM | 9/16/2016 11:36:40 PM | 4 |
| lilian_hansen@mosciski.uk | 12/28/2015 10:36:10 PM | 9/16/2016 11:36:39 PM | 4 |
| leland_morissette@jacobs.us | 6/18/2016 10:36:14 PM | 9/16/2016 11:36:42 PM | 4 |
| sonya@spinka.co.uk | 2/18/2016 10:36:13 PM | 9/13/2016 11:36:42 PM | 7 |
| delpha@champlin.biz | 9/10/2016 10:36:10 PM | 9/11/2016 11:36:39 PM | 9 |
| alta_koepp@wehnerhermann.ca | 8/3/2016 10:36:11 PM | 9/11/2016 11:36:40 PM | 9 |
| dangelo. dick in son@tremblay konopelski.co. uk | 3/16/2016 10:36:11 PM | 9/11/2016 11:36:40 PM | 9 |
| verner.tromp@effertzorn.uk | 4/11/2016 10:36:10 PM | 9/9/2016 11:36:39 PM | 11 |
| | | | |

| Days From Today | Number of Registered Users |
|-----------------|----------------------------|
| 0-30 | 2059 |
| 30-60 | 209 |
| 60-90 | 21 |













| Kentico UserID | Missed contact form | Poor initial experience | Stale activity | Last login lapse | Canceled? |
|-------------------|---------------------|-------------------------|----------------|------------------|-----------|
| 121 | 1 | | | | |
| 237 | | | | 1 | 1 |
| 356 | | 1 | | 1 | 1 |
| 498 | | | 1 | | |
| 725 | | 1 | | | |
| 902 | | | 1 | | 1 |
| 1104 | 1 | | | | |
| 1256 | | | | 1 | 1 |
| 1349 | | | | | |
| 1372 | 1 | 1 | | 1 | 1 |
| Total | 3 | 3 | 2 | 4 | 5 |





Calculate Prediction Score

| | | Canceled? | | |
|----------------------------|----------|-----------|---------------|-------|
| | | Yes | No | Total |
| | Is True | 3 | 2 | 5 |
| Missed Contact Form | Is False | 3 | 2 | 5 |
| | Total | 6 | 4 | |
| | | Pre | diction Score | 0.000 |
| | | | | |
| | | | | |
| | | Car | nceled? | |
| | | Yes | No | Total |
| | Is True | 2 | 1 | 3 |
| Poor Initial Experience | Is False | 3 | 4 | 7 |
| | Total | 5 | 5 | |
| | | Dre | diction Score | 0.218 |

| | | Can | Canceled? | |
|----------------|----------|-----|---------------|-------|
| | | Yes | No | Total |
| | Is True | 1 | 1 | 2 |
| Stale Activity | Is False | 4 | 4 | 8 |
| | Total | 5 | 5 | |
| | | Pre | diction Score | 0.000 |
| | | | | |
| | | Can | celed? | |
| | | Yes | No | Total |
| | Is True | 4 | 0 | 4 |
| Last Login | Is False | 1 | 5 | 6 |
| | Total | 5 | 5 | |
| | | Pre | diction Score | 0.816 |

Source: Phi Coefficient





Churn Prediction Scores

| Predictor | Prediction Score |
|------------------------------|-------------------------|
| Missed contact form | 0.000 |
| Poor Initial Experience | 0.218 |
| Too little or Stale activity | 0.000 |
| Last login lapse | 0.816 |





Remember no Silver bullet

No one-size-fits-all approach to measure customer health







What to do about it?

Know your customer's first
90 day journey

 Know your existing customer's last 90 days as well

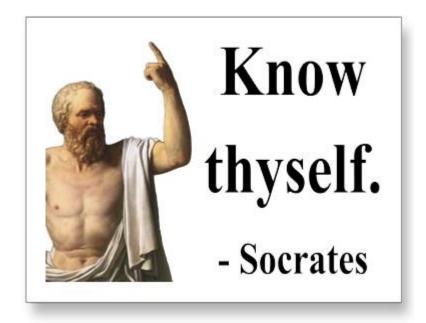






Know Yourself and Your App

- How long does it take to complete in-app tasks?
- How long does it take to edit your profile?
- How long does it take to share a post socially?
- How long does it take a champion to come back and write a positive review?
- How frequently does your product provide value / save time?







What to do next?

- Custom scheduled task to count event log issues per user in a given day
 - Triggers Marketing Automation process to send email "Getting Started" documentation link
- On-line Form for Net Promoter Score for existing customers
- Reach out to people, who haven't met targets, before they leave





Why does this all matter?

Increasing customer retention by **5%** can increase profits by **25% to 95%**.

Source: Fred Reichel and Bain & Company





Q&A







Next Round

Sign up for the next webinar Kentico 404 - Nov 16



http://kenticousergroup.org/









Brian McKeiver Co-Owner, BizStream

Phone: **(616) 481-1631**

E-mail: brian@bizstream.com

@mcbeev

in www.linkedin.com/in/brianmckeiver

www.mcbeev.com/

