acorn

Case Study: Designing a model to predict churn

Client:

A global B2B SaaS powerhouse with a team of 6,000 talented individuals and a remarkable annual revenue of $2 billion.

Problem:

Losing customers can be a nightmare, but identifying which ones are at risk of leaving is a challenging task.

Background:

Our client was moving from a primarily on-premise offering to a cloud-based subscription. Based on this move, they needed to be able to assess and address various risks such as; customer churn, subscription renewal, upgrading, and downgrading. The client also needed assistance in improving their assessment of cloud customer engagement and developing an improved data-driven approach to benchmarking. Ultimately, customer success managers and directors used both aspects of this work (predictive modeling and data-driven benchmarking) to improve customer engagement and support.

Summary:

Our team was tasked with developing a highly accurate churn prediction model for our client, who expressed concern over the unreliability of their current customer attrition forecasts. By collaborating closely with key stakeholders and identifying areas for improvement, we were able to address gaps in their existing system and provide solutions to the challenges they were facing.

We discovered that the lack of a churn assessment model and limited data availability contributed to their unreliable predictions. Our team also identified internal process gaps and inconsistent documentation that required attention. With our expertise and thorough analysis, we are confident in our ability to develop a reliable churn prediction model that will meet our client's needs.

About Acorn Analytics, Inc.

Overview:

The Acorn team has had the honor of working with organizations ranging from 1 employee to 100,000 on our quest to help the world better leverage technology and be more data driven in how it operates. We have converted petabytes of raw data into billions of dollars of value, impacting over a hundred million lives across the globe.

Founded: 2016

**Offices:** Boulder, CO & Sacramento, CA

Website: https://acornanalytics.com

Phone: (925) 388-6887

acorn

Our Solutions:

We created a model that predicts customer engagement using innovative tracking and benchmarking techniques. The data experts successfully filled any gaps and provided a model that tracks customer engagement and creates benchmarks using novel approaches.

Interestingly, our model's main principles contradicted the client's assumptions. We found that inactive customers are at a higher risk of churning, while active and engaged customers are the least likely to do so.

Our solution was to design a predictive model that could identify potential customer churn risks with 85-90 percent accuracy.
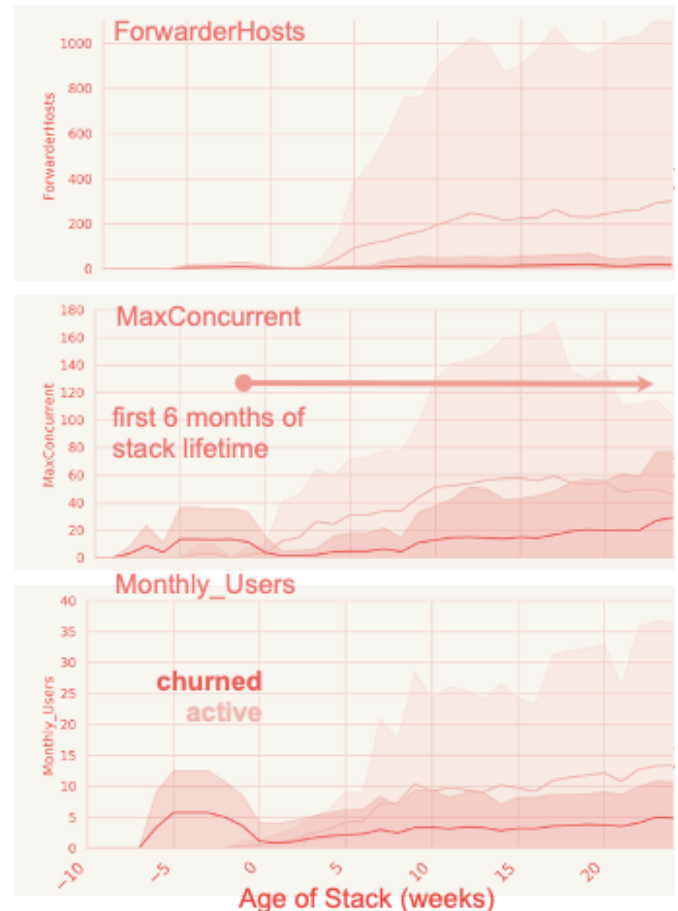
Outcome/Client Impact:

- Our model allowed the client to reliably predict a customer who will churn 85-90% of the time.
- After implementing our predictive model, the client could correctly identify a customer who will reliably churn 85-90% of the time.
- Additionally, our data solution created an improved assessment of their customers' engagement and a data-driven approach to benchmarking.

Contact Us Now For a Free Consultation!

Our Specialties:

- Data Strategy, Roadmaps & Consulting
- Employee culture analytics
- Machine Learning & Computation
- SaaS Customer Intelligence analytics
- Forecasting Future Risks & Opportunities
- KPIs, OKRs, Dashboards & Scorecards
- DataOps, Data Engineering & Infrastructure

Website: https://acornanalytics.com

Phone: (925) 388-6887

Email: scheduling@acornanalytics.com

Industries We Service:

- Media & Entertainment
- Software & Technology
- Wellness & Healthcare
- Consumer Packaged Goods
- Food & Beverage
- Manufacturing