Measuring Incrementality of Perks Program on Subscription Churn

Actionable Insights • Accurate Decisions

Client

Leading Gaming Company

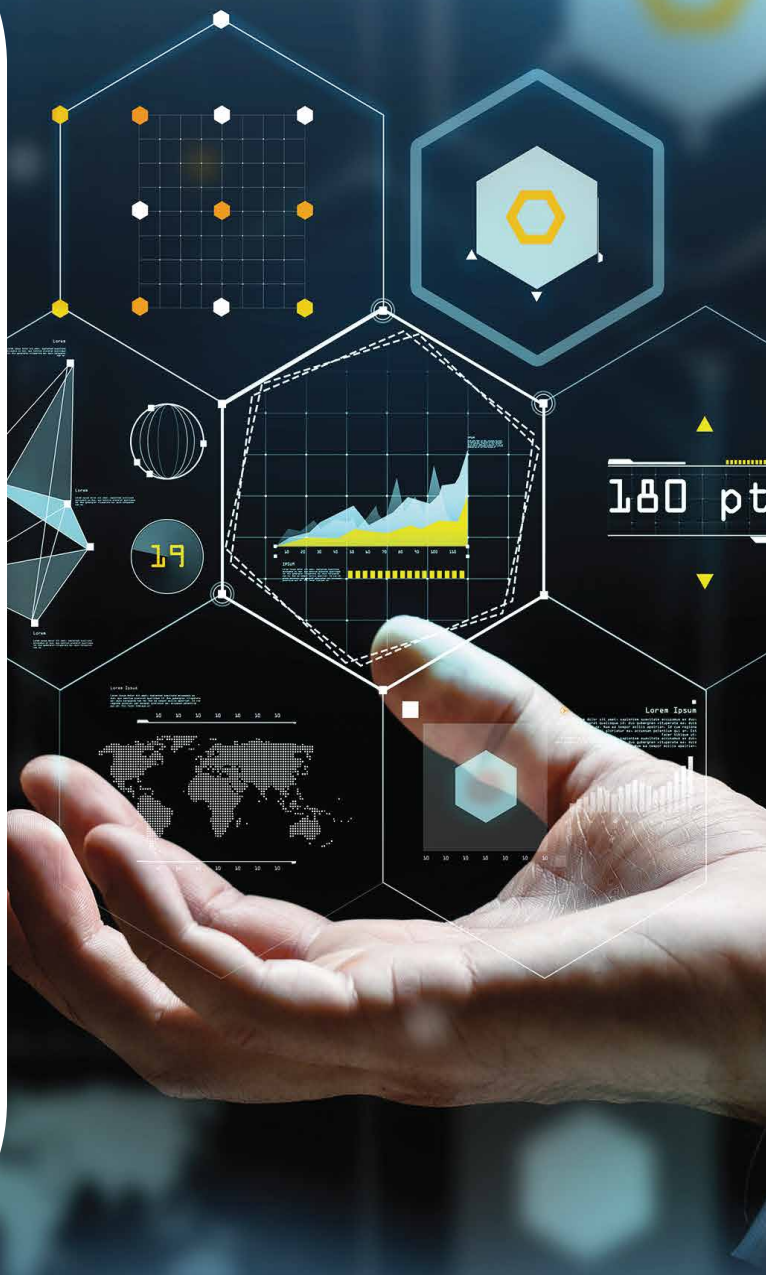
The Problem

Timeline of Perks getting added to Perks catalogue was non-linear, and the client had no way of measuring incremental impacts of Perks program on Subscription Churn.

The Before State

A gaming subscription service provides 100+ titles to play and added membership benefits such as discounts on Games / Add-Ons and **Perks** - value-added benefit providing free Add-Ons, Bundles, Non-Game 3rd party offers.

Objective of the study is to measure the incremental impact of redeeming perks on reducing subscription churn. Previously, there were no studies that give any evidence on incremental lift for Perks program which is highly complex in a non-experimental setup.



The LatentView Solution

Measured the incremental impact of Perks redemption on churn using clustering algorithm (Unsupervised Machine Learning).

Identified user segments such as Light-Engaged, Heavy-Engaged, Console-Intensive and PC-Intensive and the implication of churn for perks redeemers and non-redeemers.

Developed a quasi-control framework to measure the incrementality of Perks program accounting for product/business confounders.

The After State

ML based approach helps in measuring incrementality in a **non-experimental** setup and the segmentation results in synthetic look-alikes to be able to estimate more accurately.

Perk-redeemers were churning **3% less (statistically significant) compared to the non-redeemers.**

Measuring incrementality helps business to improve the productivity of the Perks program and supplements the decisions on continuation and potential expansion of the Perks program.

About: LatentView Analytics

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