JUMP Retention

SVOD Business data Tool for churn prediction and prevention

Why Churn is important?

All subscription models share the same goals metrics - to improve both **CLTV** and **MRR**.

And while acquiring new customers leads to recurring revenue, the key challenges today's OTT providers face are customer retention and churn rate management.

In OTT new customer acquisition is 7 times more expensive than retaining an existing one, making retention essential for any SVOD company to be cost efficient and scalable.

What do I get with JUMP RETENTION?

- **Churn reduction** of as much as **30%**
- **Churner profiling**
- The ability to create your own **actionable segments.**

- Greater impact by sending **personalized marketing campaigns.**
- A better way to **track** the profitability of your decisions.
- A **user-friendly interface** with KPIs that tell you:
  - How many **customers have churned.**
  - How many customers are at **risk of future churn.**
  - **Why they are at risk** and what you can do to retain them.

CHURNER

- Fewer episode playbacks **<85%**
- Increased channel switching **<15%**
- Less time consuming content **<30hrs**
- Mobile phone as main device (and <2 devices in all)

NON-CHURNER

- High frequency of content consumption **<90%**
- Low channel switching **<15%**
- Big screen as main device (and >2 devices in all)
- More time consuming content **>40%**

TOP ENGAGEMENT

4,039 *Subscribers*

5,875 *Avg Content Watched per week*

8,832 *Avg Playbacks per week*

HIGH ENGAGEMENT

310 *Subscribers*

0,750 *Avg Content Watched per week*

2.580 *Avg Playbacks per week*

MODERATE ENGAGEMENT

1,569 *Subscribers*

1,697 *Avg Content Watched per week*

2,094 *Avg Playbacks per week*

LOW ENGAGEMENT

27,232 *Subscribers*

0,173 *Avg Content Watched per week*

0,303 *Avg Playbacks per week*

INACTIVE ENGAGEMENT

54,297 *Subscribers*

0,000 *Avg Content Watched per week*

0,000 *Avg Playbacks per week*

How much MONEY do I save?

Take a look at these **3 Scenarios:**

	Baseline - (**Churn 5%**)	Scenario 1 - (**Churn 4%**)	Scenario 2 **- (Churn 3%)**
Revenues Year 1	€ 8,145,857.54	€ 8,917.161.67	€ 9,192,231.12
Earnings vs.Base Line	--	**€ 771,304.12**	**€ 1,046,373.57**
Revenues Year 2	€ 9,178.956.17	€ 11,139,470.58	€ 11,899,116.82
Earnings vs.Base Line	--	**€ 1,960,514.41**	**€ 2,720,160.65**

EVEN 1% CHURN REDUCTION CAN HAVE A HUGE IMPACT ON ROI!

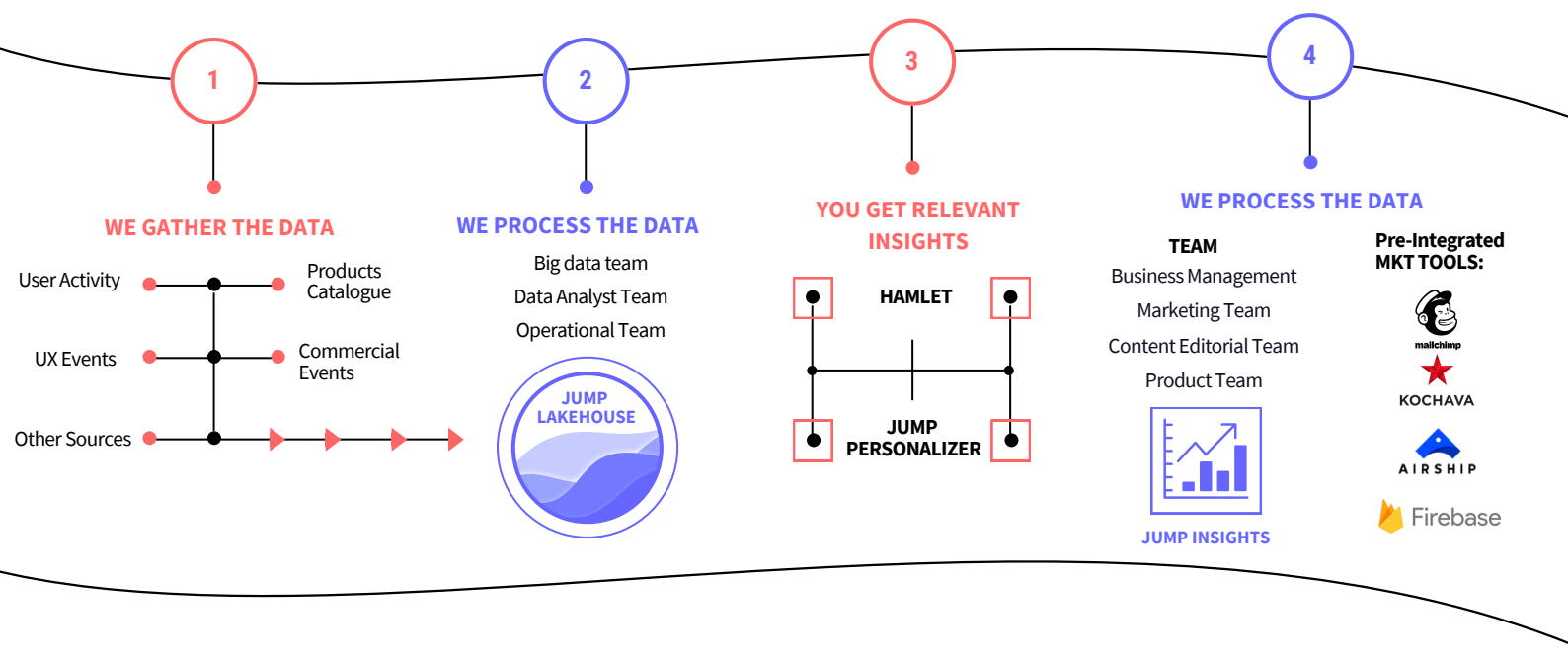
Scenario assumptions:

- **Initial Subscribers:** 100,000
- **Baseline Churn Rate:** 5%
- **Monthly Subscriptions Growth:** 10%
- **Subscription Price:** 7.99 €
- **Churn Rate in Scenario 1:** 4% (being a 1% churn decrease an extremely conservative assumption)
- **Churn Rate in Scenario 2:** 3% (being a 2% churn decrease a very conservative assumption)

*Contact us for help on creating a churn reduction scenario.

How does it WORK?

1. **WE GATHER THE DATA**
   The development of the **churn model** begins with the **ingestion of all** customer **data** into the JUMP system. All data (in its multiple formats, files/storage, custom logics, etc.) is first located and then analyzed.
2. **WE PROCESS THE DATA**
   Then we enter the behavioral information of our client's users into our data warehouse (under our own **Data Structure Model**).
3. **YOU GET RELEVANT INSIGHTS**
   Once the Data Model is ready**, a streamlined workflow** creates the features used to feed **JUMP's Churn Model** and trains one or more models using state-of-the-art ML techniques.
4. **YOU MAKE AN IMPACT**
   This model can be used to generate **predictions** on similarly modeled data and obtain performance metrics.



BUILD VS BUY

Building a Proof Of Concept churn model is simple. Building a robust product on a productive churn model is really complex.

Through our experience working with clients worldwide and their aggregated data to train our ML models, the capabilities of our ML framework HAMLET provide superior results to in-house initiatives in terms of performance and time to market.

	Without JUMP	With JUMP
Time to Market	Up to **2 Years**	**1 Month**
Scalability	Limited. High costs	More ML algorithm models with **HAMLET**
Accuracy	**2-3 years** to reach Jump's accuracy level	**+ 75%** (More data means better results)
Experience	Starting **from scratch**	Model trained for **+ 4 years** / **+ 25 customers**
Aggregated Data	Only their **own data**	**Aggregated data** to train the models
Cost Efficiency	At least **DOUBLE the costs**	Ability to run models at a **lower cost** (Volume)
Market Knowledge	**limited** to their region / area of knowledge	**Experts in churn models** for TV, OTT and video
Geographical Influencers	**Less knowledge** of the market	**Feedback** from global clients to adapt the models to each region's specific behaviour
Dedicated Multifunctional Team	Distraction with **other priorities**	Team focused on improving the model performance

ADVANTAGES of using a framework: HAMLET

An ML workflow is much more complex than a traditional ETL process. Many decisions must be configured per client, but after laboratory tests are run, this process can be highly automated, thus reducing costs and effort.

Thanks to **HAMLET**, our Data Science teams are able to **run these kinds of tests automatically and intelligently for every new version of the code, saving tons of hours and greatly accelerating development.**

Implementing a state-of-the-art ML optimization engine, **HAMLET automatically identifies segments of the data** that can be modeled separately in order to provide a **higher level of insights and greater performance.**

Automatic feature selection and multi-model competition, selection and tuning for each of those models on industry-standard **reduces times and provides more elaborate results** than a simple model training and evaluation setup can offer**.**

Our proven metrics validation methodology allows us to present results with the confidence that the final **production performance of our models will accurately match the measured performance.**

CONTACT US FOR MORE INFO ON CHURN MANAGEMENT!

WWW.JUMPDATADRIVEN.COM