Climbing Customer Lifetime Value (CLV)

⭐ Improve Reviews

🧲 Increase Retention

🛟 Win Backs

Ipsy

Improved Cancellation Experience
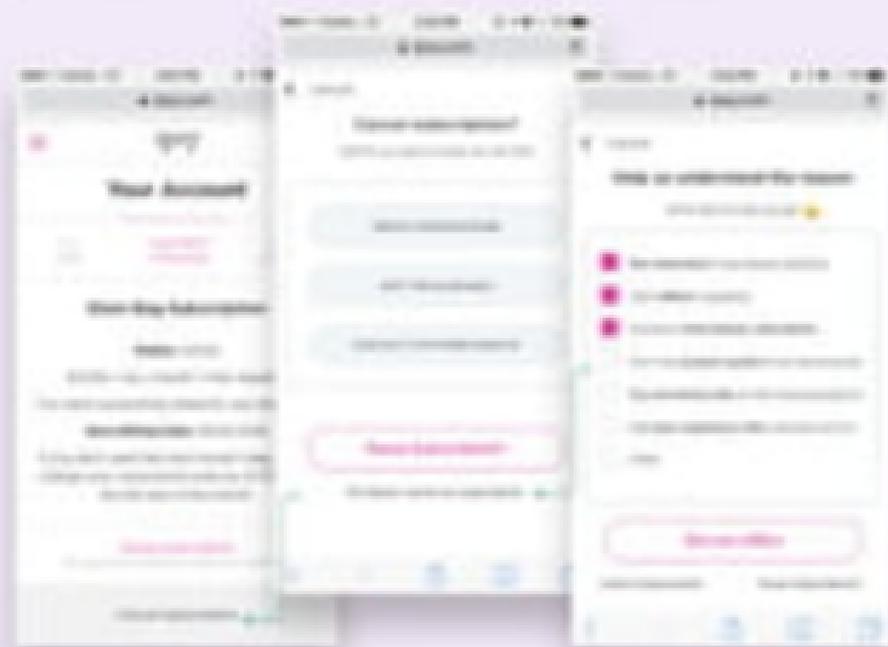
https://uxdesign.cc/design-present-cancellation-experience-and-improve-retention-9004bfd4eded

1. Offers subscribers more flexibility on account page level: put subscriptions on hold or switch to an every other month plan.

2. Listen to why the user is leaving, and then present them meaningful offers/helps to address the reason they have stated.

3. Communicate the consequences (benefits would be lost) and provide clear Cancellation path.

4. Ask for feedback.

Retention Engine

1. Gather Data
2. Attempt to Resolve
3. Optimize
4. Win Back

Retaining Existing Customers
& Winning Back Former Customers

Bellwethr

Consumers Have The Power

91% of angered customers will **never** do business with a company again

88% of consumers read an online review that **changed** their buying decision.

Consumers tell an average of **15 people** bout a bad experience.

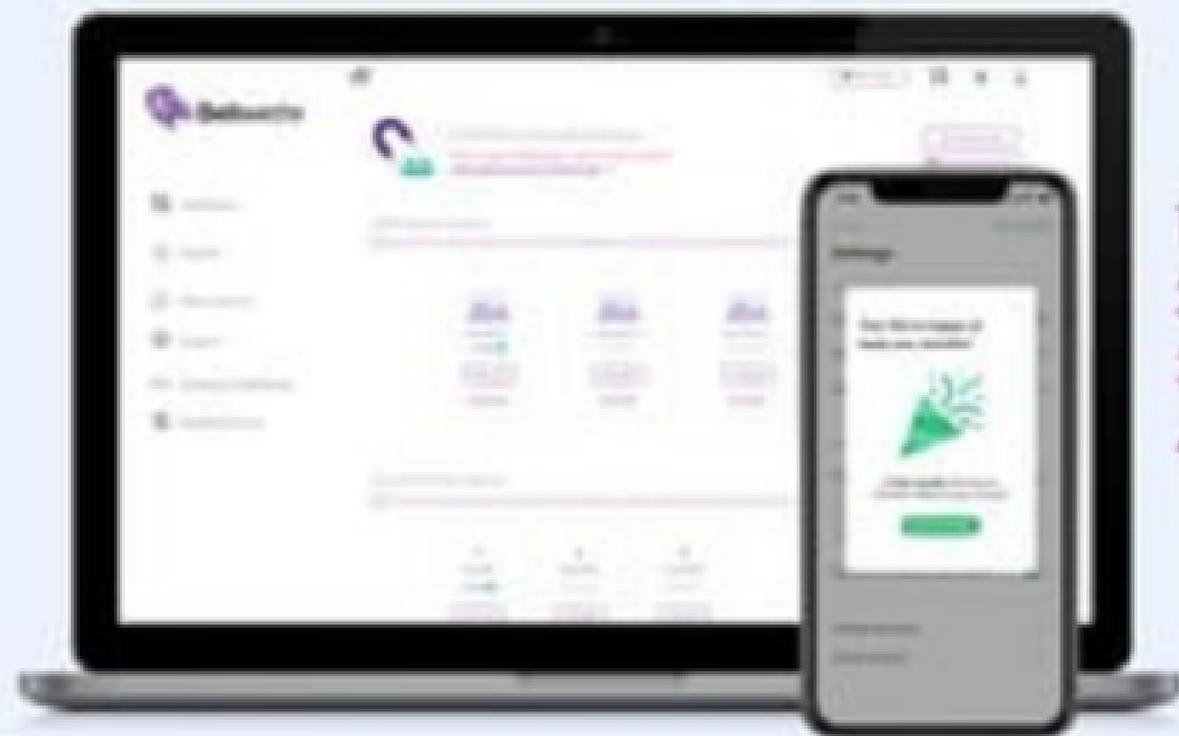A **single** bad review can undo **40** good reviews

Customer Success Is the New Growth Driver

According to one **McKinsey study**, the companies with top-quartile revenues achieved their strong showing by investing more in customer-success initiatives aimed at churn reduction.

Climbing Customer Lifetime Value (CLV)

Improve Reviews

Increase Retention

Win Backs

EXIT

Start At The End: Reverse Engineering

The customer exiting process is seen as a **negative.**

Holding Customers Hostage

Phone Calls, Email, In Person, Confusion

= Wasting Customer's Time

66% of adults feel that valuing their time is the most important thing a company can do to provide them with good online customer experience.

– Forrester

Wall Street Journal

## Hostage Holding & Brand Reputation

John A @USNRankings · 3 ago.
Why is it that the **@WSJ** won't let you **cancel** your membership on the app or the website? Ridiculous. They make you call in, jump through hoops; feels like a ploy from 1997. I just want to **cancel** as easily as I signed up! #wsj #WSJWhatsNow

Thiago Julio, MD @thiago37 · 3 ago.
If you ever tried to **cancel** a **@WSJ** subscription you know exactly what they are talking about!!

> **The Wall Street Journal** ✓ @WSJ · 3 ago.
> It's called the "breakpoint." It's the moment your head explodes after hours on the phone with customer service. And companies know exactly when it comes. on.wsj.com/2yzPthR
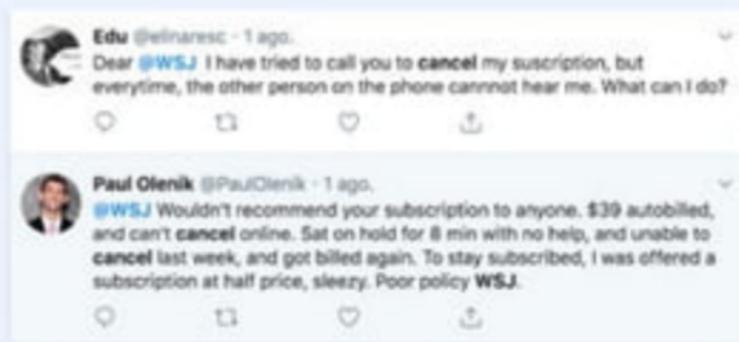
Edu @elinaresc · 1 ago.
Dear **@WSJ** I have tried to call you to **cancel** my suscription, but everytime, the other person on the phone cannnot hear me. What can I do?

Paul Olenik @PaulOlenik · 1 ago.
@WSJ Wouldn't recommend your subscription to anyone. $39 autobilled, and can't **cancel** online. Sat on hold for 8 min with no help, and unable to **cancel** last week, and got billed again. To stay subscribed, I was offered a subscription at half price, sleezy. Poor policy **WSJ**.

Planet Fitness

Hostage Holding & Brand Reputation

PLANET FITNESS CANCELLATION PROCESS RANT

Naturally Marked • 2.1K views • 7 months ago

PLANET FITNESS CANCELLATION PROCESS, THIS IS SO CRAZY THE THIS YOU HAVE TO DO FOR A GYM TO STOP TAKING ...

Kathy Draper, former Fitness Trainer at Planet Fitness (2014-2017)

Answered Feb 18, 2019 · Author has 76 answers and 68.4k answer views

You cannot cancel online. You have two options - Send a certified letter to cancel or go into your home location.

Surrender

Not attempt at keeping a customer who wants to cancel.

No information as to what went wrong or could be improved.

No attempt at resolution when there may have been a solution.

Smarter Resolution

1   Discovering what went wrong

2   Working to resolve the issue

3   Don't waste Customer's time if there's no possible resolution

Netflix

Resolution and Options

Ipsy
Improved Cancellation Experience

1. **Offers subscribers more flexibility** on account page level: put subscriptions on hold or switch to an every other month plan.

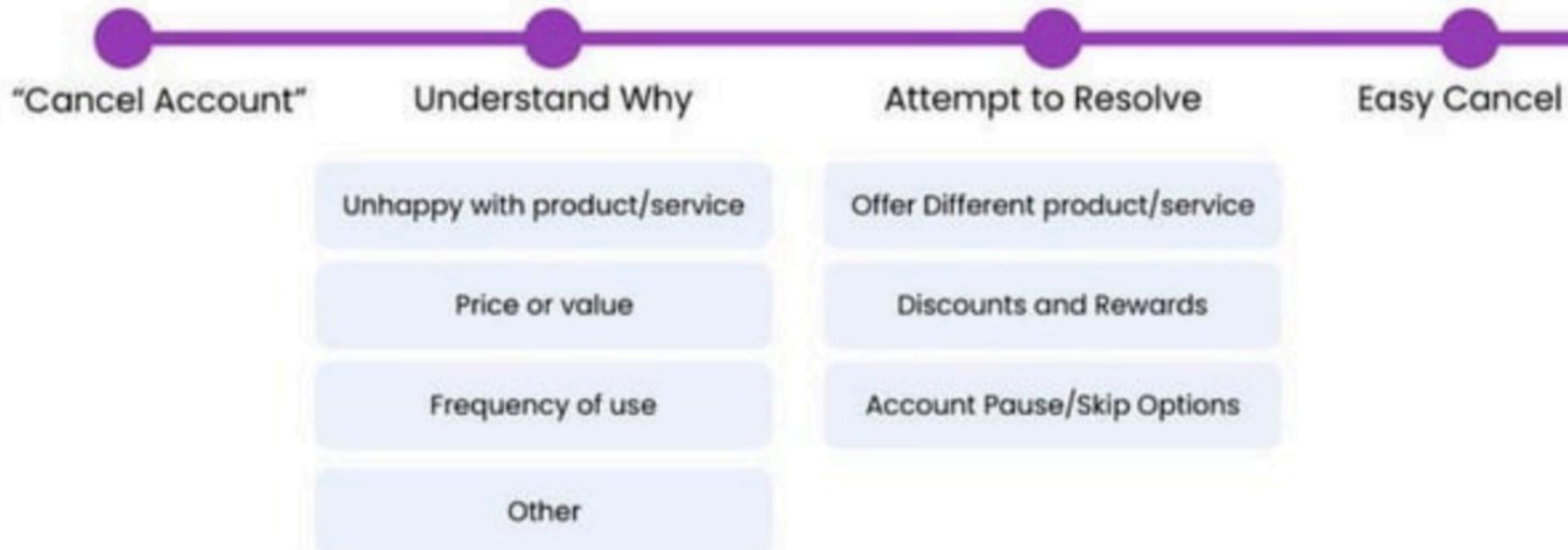2. **Listen to why the user is leaving,** and then present them meaningful offers/helps to address the reason they have stated.

3. Communicate the consequences (benefits would be lost) and **provide clear Cancellation path**.

4. **Ask for feedback.**

Smart Resolution

Offering intermediates and different paths in cancellation process

Customer Support

Pause Account

Discount or Promotion

Different Plan

Why do you want to close your account?

- I'm not using my account
- Technical Issues
- I'm unhappy with the services
- It's too expensive
- Support has been poor
- I found a better solution
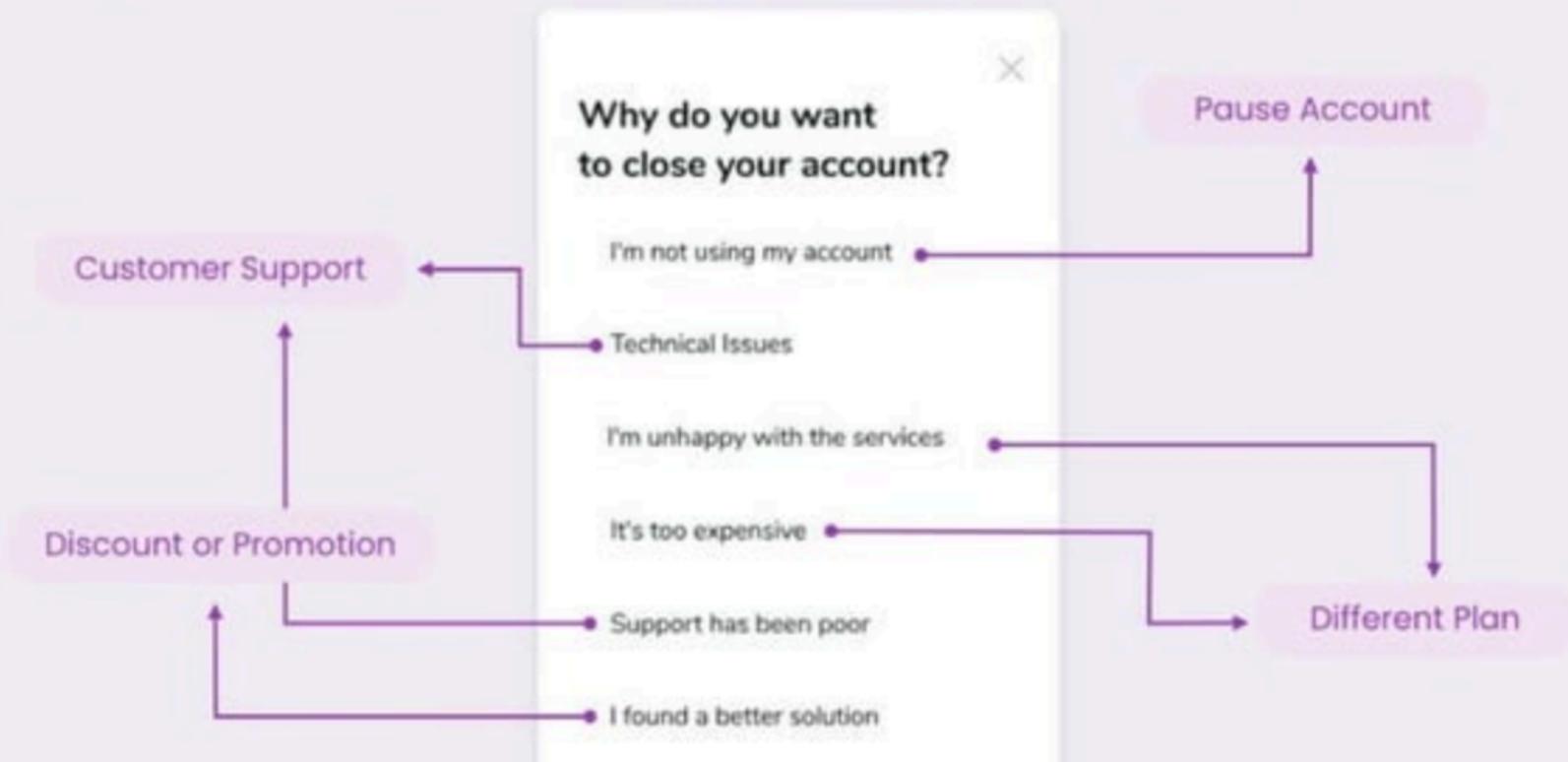
Dynamic Experiences

Machine learning models optimize for the experience most likely to resolve.

1. Reason for Exit	2. Intermediate	3. Pause	4. Confirm

User 1

	Switch Plans?	2 Month Pause?	Account Summary

Why do you want to close your account?

×

I'm not using my account

Technical Issues

I'm unhappy with the services

It's too expensive

Support has been poor

I found a better solution
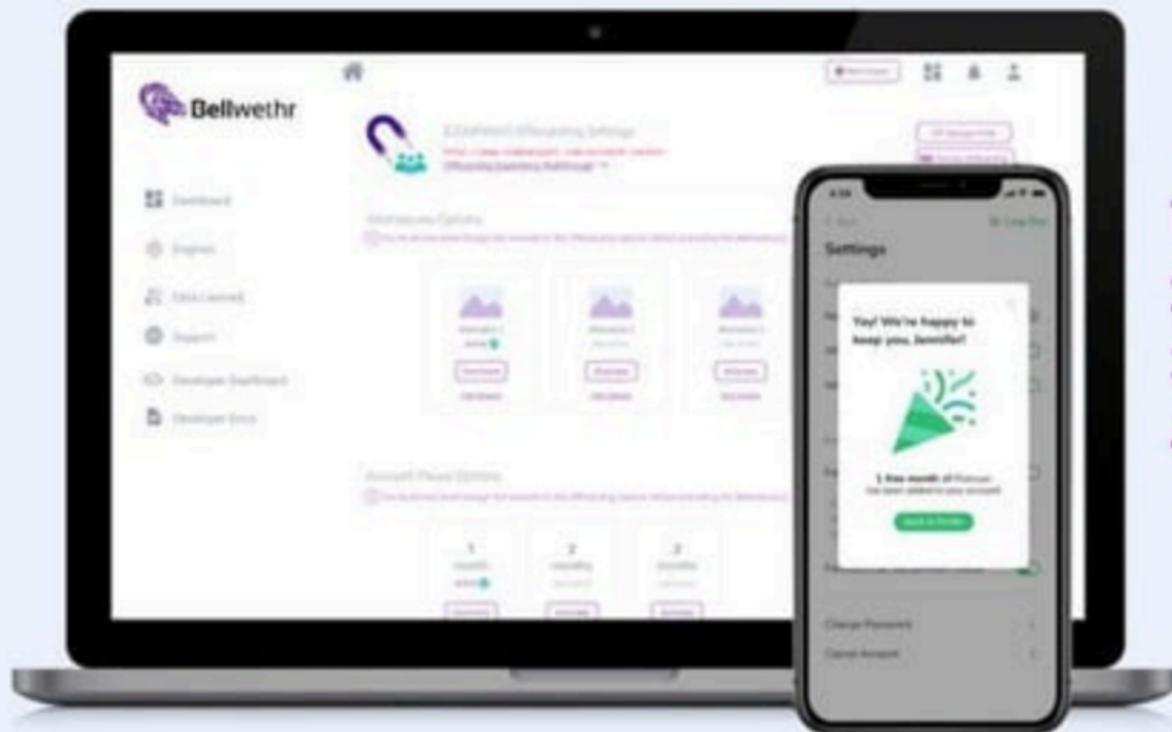
← Go back

User 2

	1 month free?	1 Month Pause?	Account Summary

Retention Engine

1. Gather Data
2. Attempt to Resolve
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Prevent Gaming Of System

Ranking your alternatives to prevent gaming & constant discounts

Relevant Information	·········· 10
Switch Products/Plan	·········· 9
20% Discount	·········· 6
Skip 1 Month	·········· 5
Free Alternative	·········· 2
Free Month	·········· 1

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Optimize Based On Outcomes

Ranking your messaging based on the value it would deliver to the business

News / Product Info	·········· 10
Lead Request	·········· 9
20% Discount	·········· 6
30% Discount	·········· 5
50% Discount	·········· 2
Free	·········· 1

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