

A guide to churn reduction

Here are a set of tactics you can use to keep your churn rate healthy.

Tactic	Method
Analyze why churn is happening	<p>Check your data and find out what's going on. There may be a quick fix, or you might have to delve a little deeper. It's an issue you need to address, so don't be afraid to consider changes to deal with the problem.</p> <p>To find out the reasons why it's happening, consider these steps:</p> <ul style="list-style-type: none">• Send out a customer exit survey to complete.• Call the customer to ask for feedback.• Send out a personalized email asking for feedback.
Engage with your customers	<p>Improve your customer experience with features like:</p> <ul style="list-style-type: none">• Customer satisfaction surveys.• Feedback bars.• Social media support.• Helpful emails there to support customers, not sell them anything.
Flag up customers at risk	<p>Identify customers nearing the end of their subscriptions. Use your database for this. You can then use tactics to convince them to stay on.</p> <p>You could try a newsletter to send out to these customers, reminding them of the benefits of your software. You could also provide them with incentives to stay on, such as a free month, or discounts on your more advanced features.</p>

Make your onboarding process better	<p>Make it clear how your software adds value to the customer's business. You can do this through clear communication during the onboarding phase of the sales funnel.</p>
Incentivize customers to keep subscribing	<p>Provide incentives to keep using your product. There are many ways you can do this. For example:</p> <ul style="list-style-type: none">• Have a sale.• Permanently drop your prices.• Provide a free month.• Use a referral scheme (e.g. if they get a friend to sign up to the software, the user receives a discount). <p>The more reasons there are for subscribers to stay, the higher the chance they'll keep renewing.</p>
Improve your UX	<p>The user experience with software is essential. It has to work properly without bugs or glitches. Otherwise you're looking at customers deciding not to renew. So, take a look at what's not working and streamline your UX.</p>
Respond to customer complaints	<p>Don't ignore negativity, use it as a chance to highlight flaws with your software. You can use complaints to actively look into (and fix) issues that may cause other customers to leave.</p>
Flag up your USPs	<p>Make it clear how you stand out over your competitors. Cheaper? Good, let your customers know they're saving money with you.</p> <p>Whatever your unique selling points are, flag them up so your customers now they're getting a great deal.</p>

Use long-term subscription packages	<p>Aim to get customers to commit on a long-term basis. How do you do that? Think about offering annual subscription fees with a big saving over monthly subscription costs.</p> <p>An annual subscription is the biggest upfront cost, but with a saving overall on the other packages.</p>
Check on your competitors	<p>If it's geographical churn, your competitors may have increased sales in certain regions. Find out how you can respond.</p>
Use dedicated account managers	<p>If you have the resources, make sure your customers receive one-to-one support. This'll help them through any difficulties and improve your customer service reputation.</p>
Act on your findings	<p>Once you've done your research, it isn't time to sit back and think you've done for the day. Act on your findings. Put in place new processes and procedures to lower your churn rate and keep it there.</p>