

# Retention & Engagement Analytics — Starter Kit

Engagement is the leading indicator; retention is the lagging result. Use this sheet to track the signals that predict who leaves, read cohort curves honestly, recover the involuntary churn you are losing for free, and stay inside the privacy law. The rule under all of it: watch engagement closely enough to act before the cancellation, not after.

## 1 · ENGAGEMENT — THE LEADING INDICATORS

- Watch time / Play Time (CTA-2066)** — time genuinely playing; map every screen to one definition.
- Completion rate** — share who finish; above ~65% correlates with materially higher retention.
- Time-to-second-session** — the sharpest early warning; a no-return first week means drift.
- Stickiness (DAU/MAU)** — habit in one %; streaming ~20-40%. High but not a churn guarantee.

## 2 · READ THE COHORT CURVE

- Group by signup month** — track each cohort on its own clock, not a blended churn number.
- Watch the shape** — a curve that flattens high is durable; one sliding to zero has no floor.
- Compare cohorts** — a later cohort's higher month-1 retention shows a change actually worked.
- Spot the smile** — later columns ticking up = lapsed viewers returning; time releases to it.

## THE INVOLUNTARY-CHURN RECOVERY — WORKED MATH

Involuntary churn is the cheapest retention win on the board because nobody chose to leave. Take a service with 1,000,000 subscribers at \$10 a month, losing 0.86% to failed payments: that is  $1,000,000 \times 0.86\% = 8,600$  paying subscribers gone every month, or  $8,600 \times \$10 = \$86,000$  in monthly recurring revenue walking out for a billing reason, not a satisfaction one. A competent dunning sequence — automated retries on a sensible schedule, a card-updater service that pulls new card numbers from the networks, and a short reminder series — routinely recovers more than half of it. Recover 60% and you save about 5,160 subscribers and roughly \$51,600 a month, which is about \$619,000 a year, without commissioning a single new show or running a single retention campaign. That is why mature platforms model voluntary and involuntary churn separately and treat dunning as core revenue infrastructure, not an afterthought. Run the same arithmetic with your real subscriber count, your real price, and your real involuntary rate before you decide where retention effort earns the most — and remember the voluntary half still needs the product: engagement signals, fresh content, and the right plan at the right price.

## 3 · CHURN — SPLIT IT, RECOVER THE FREE HALF

- Voluntary (~2.41%/mo)** — they chose to leave; fix with content, price, recommendations.
- Involuntary (~0.86%/mo)** — failed payment, no decision; ~1/4 to 1/3 of total churn.
- Run dunning** — retries, card-updater, reminders recover most involuntary churn for free.
- Model the two separately** — different signatures, different fixes; never report one blended number.

## 4 · QUALITY & PRIVACY GUARDRAILS

- QoE is a retention tax** — +1s startup  $\approx$  +5.8% abandonment; slice return rates by rebuffering.
- Avoid vanity metrics** — total plays and registered users only go up; prefer rates and cohorts.
- VPPA (18 U.S.C. § 2710)** — consent before sharing viewing data with analytics/ad third parties.
- GDPR (Reg. (EU) 2016/679)** — viewing behaviour is personal data; secure a lawful basis to process.