

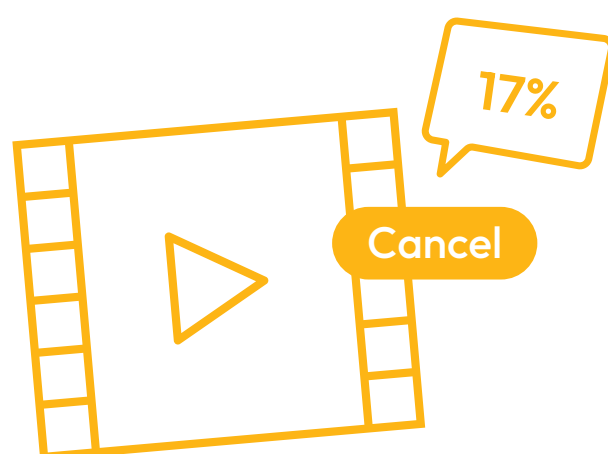
Avoid these 6 causes of subscription churn

Customer acquisition is only half the battle if you want to succeed. Subscription companies need to exceed customer expectations to keep audiences engaged and continue to thrive.

Even small shifts in retention figures can significantly impact your bottom line, so it's important to address churn wherever you find it. Address these six common causes of subscription churn to keep revenue growing.

1 Low engagement

17% of subscribers canceled a streaming video service.¹ Low user activity is a sure sign that customers may be regretting their decision.

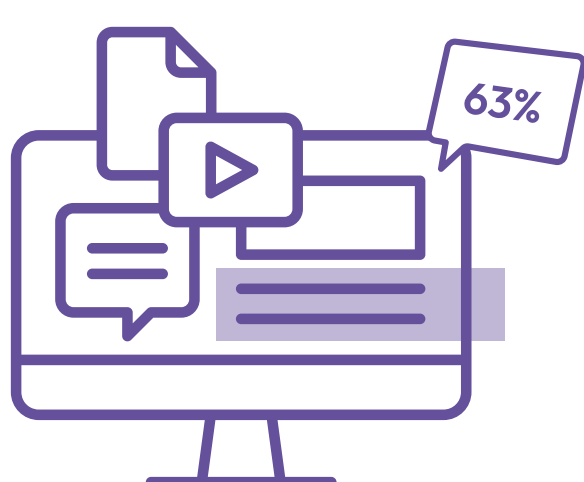
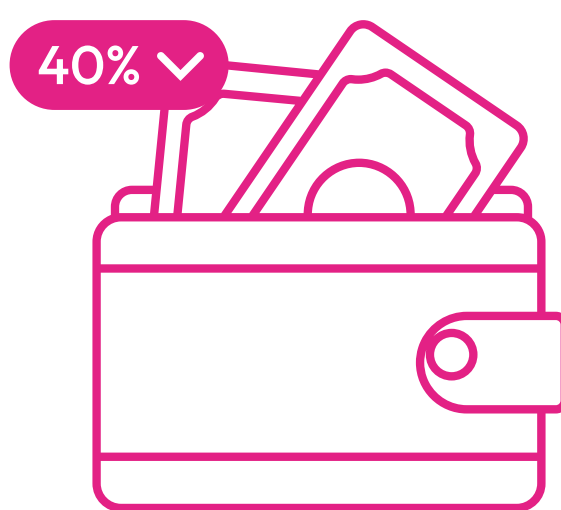


2 Fair transactions

25% of online video subscribers have inadvertently canceled services **due to a payment card problem** - 18-34-year-olds are twice as likely to experience this type of passive churn.²

3 Little perceived value

40% of consumers plan to reduce their discretionary spending.³ Failing to consistently deliver value through subscription services will eventually lead even dedicated subscribers to become disengaged.



4 Bad user experience

63% of consumers now expect some degree of personalization.⁴ Across the board, customers are raising their standards for UX.

5 Cost concerns

Consumer spending on services dropped 13.3% in Q2 2020.⁵ People are likely to drop their most expensive subscriptions when cutting back.



6 Poor support

96% of consumers will leave a service if they have a bad customer service experience.⁶

Don't let customer churn, whether it's active or passive, derail your subscription business. Amdocs provides the subscriber insights needed to keep users engaged, reduce cancellations and generate more revenue for years to come.

Visit vindicia.com/products/retention

Sources:
 1. <https://www.prnewswire.com/news-releases/deloitte-covid-19-accelerates-cycle-of-paid-entertainment-subscriptions-and-cancellations-301081484.html>
 2. <https://vindicia.com/blog/subscriptions-and-cancellations-video-streaming-habits-us-and-uk-subscribers>
 3. <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/survey-us-consumer-sentiment-during-the-coronavirus-crisis>
 4. <https://www.retailcustomerexperience.com/news/consumers-expect-personalization-reveals-report/>
 5. <https://www2.deloitte.com/us/en/insights/economy/spotlight/economics-insights-analysis-08-2020.html>
 6. <https://www.forbes.com/sites/shephlyken/2020/07/12/ninety-six-percent-of-customers-will-leave-you-for-bad-customer-service/?sh=11e80ad930f8>