

# Reducing Customer Churn in Self-Serve Ad Platforms: A Data-Driven Approach to Customer Success

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## ABSTRACT

Customer churn is a critical challenge for self-serve ad platforms, particularly in the advertising technology and marketing technology companies. This paper presents a comprehensive approach to reducing churn through tailored onboarding, proactive engagement, feedback loops and loyalty programs. A churn prediction model is proposed to help identify at-risk clients, while key platform features that boost retention are explored. Additionally, we present relevant churn metrics and data points to help customer success teams make informed decisions.

**Keywords:** Customer churn, self-serve platforms, ad tech, retention, onboarding, churn prediction model, customer success, feedback loops, product adoption, client engagement, mar tech

## 1. Introduction

Self-serve ad platforms have revolutionized how marketers manage campaigns by offering a flexible, user-driven approach. However, this flexibility often comes with a challenge—clients, particularly those unfamiliar with digital platforms, may experience frustration or fail to realize value quickly, leading to high churn rates. The ad tech and mar tech industries must therefore prioritize customer retention by refining customer success strategies and incorporating predictive analytics to proactively identify at-risk users.

This paper addresses the major causes of churn, proposes a churn prediction model and explores specific platform features that directly enhance retention. By focusing on data-driven solutions, this paper offers a guide for customer success teams to build long-term client loyalty in the competitive landscape of self-serve platforms.

## 2. Understanding Causes of Churn in Self-Serve Ad Platforms

Churn in self-serve platforms often arises from the following key issues:

- **Complex User Interfaces:** Customers unfamiliar with advanced features may abandon the platform if they find it difficult to navigate.
- **Delayed Value Realization:** If clients don't quickly see campaign results, they may doubt the platform's value.
- **Overwhelming Competition:** With the availability of multiple self-serve ad platforms, clients may switch platforms easily.

To combat these challenges, it's essential to engage clients early, guide them toward immediate wins and consistently communicate the value the platform offers.

## 3. Proactive Communication with Clients

In the self-serve environment, communication should be proactive rather than reactive:

- **Usage Monitoring:** Analyzing clients' usage metrics allows customer success teams to intervene when engagement drops. For instance, if a client logs in infrequently or has low campaign activity, an automated message offering assistance or tips could prevent churn.

- **Personalized Check-ins:** Even though the platform is self-serve, personalized emails offering guidance or showcasing relevant new features can enhance client relationships and show commitment to their success.
- By ensuring ongoing communication, clients are reminded of the platform's value and feel supported, reducing the likelihood of churn.
- **Case Study:** Sweet Fish Media, a B2B podcasting agency, implemented a targeted churn reduction strategy that involved quarterly client reviews and best practice consultations. By focusing on proactive customer success efforts and measuring churn metrics regularly, they reduced their monthly churn from 15% to 3% within a year.

#### 4. Onboarding as a Key to Reducing Churn

The onboarding process plays a pivotal role in ensuring long-term retention for clients using self-serve platforms. A tailored, well-thought-out onboarding strategy can significantly reduce early-stage churn:

- **Personalized Onboarding Paths:** Instead of a generic onboarding, customer success teams should customize the process based on the client's industry and specific campaign objectives. This ensures clients receive relevant guidance tailored to their needs.
- **Interactive Tutorials and Gamification:** In-platform tutorials with step-by-step visual guides can help clients familiarize themselves with key platform features. Gamification elements, such as achievement badges or rewards for completing tutorials, can motivate clients to explore and learn more about the platform.
- **Seamless Meeting Scheduling:** Incorporate a call-to-action within the platform, allowing clients to easily schedule meetings with representatives whenever they require assistance. This makes the onboarding experience more interactive and flexible.
- **AI-Powered Chatbot for Assistance:** Integrate a chatbot to address client questions during platform usage. AI can interpret user queries and provide instant, actionable answers. If a client needs further clarification or isn't satisfied with the chatbot's response, the conversation can be redirected to a live representative, offering a white-glove support experience.

With these strategies, onboarding becomes an effective tool to help clients fully comprehend the platform's value, fostering engagement and reducing churn during the crucial early stages.

#### 5. Building Strong Feedback Loops

Feedback is essential in self-serve platforms where clients may not always voice their concerns directly. Continuous feedback loops can ensure that client satisfaction is constantly monitored and addressed:

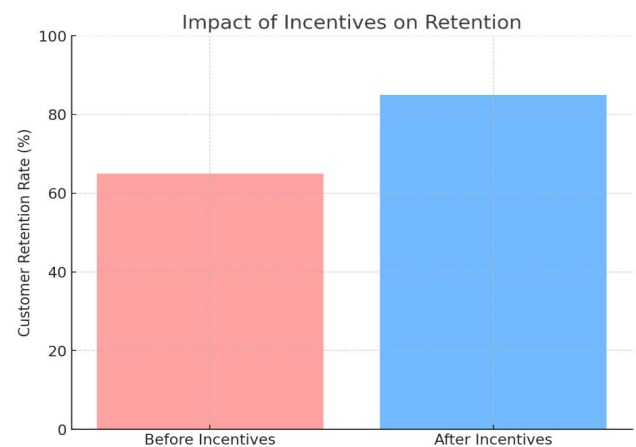
- **Automated Feedback Collection:** Incorporating feedback requests after specific actions, such as completing a campaign setup, helps gather real-time insights on customer satisfaction.
- **Actionable Insights:** Customer success teams should review feedback regularly and collaborate with product teams to ensure updates and new features align with client expectations.

- **Case Study:** SugarCRM focuses on building long-term customer relationships using customer feedback loops and transparency. By regularly gathering feedback through voice-of-customer surveys and creating a dedicated feedback ambassador team, SugarCRM ensures that all customer concerns are addressed.

#### 6. Offering Incentives and Value-Added Services

Keeping clients engaged through incentives can significantly reduce churn in self-serve platforms:

- **Loyalty and Rewards Programs:** Tiered loyalty programs based on platform activity can incentivize clients to continue using the platform by offering discounts or credits based on usage milestones.
- **Feature Showcases:** Regularly showcasing underused platform features through emails or notifications can encourage clients to explore the full potential of the platform, thus increasing retention.



**Figure 1:** A bar chart comparing customer retention rates before and after implementing loyalty programs or incentives.

#### 7. The Importance of Community Building

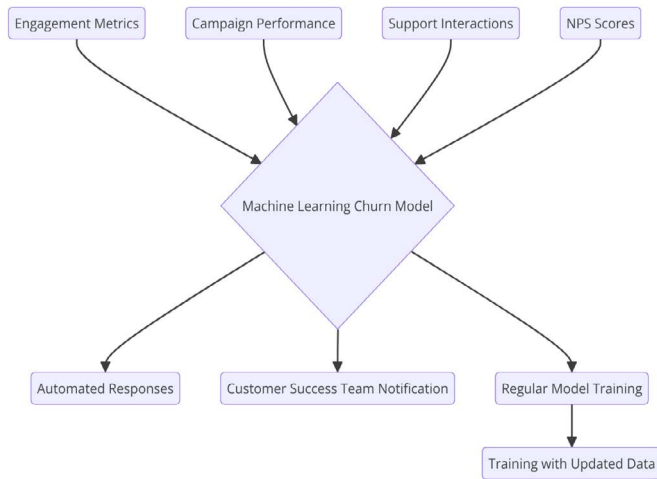
Building a community around the platform helps create a sense of belonging and increases client engagement:

- **User Forums and Communities:** An integrated community where users share best practices or ask questions can build a support network, reducing the likelihood of churn.
- **Customer Advocacy:** Turning satisfied clients into advocates through user-generated content, case studies or webinars creates organic promotion for the platform and fosters stronger relationships.

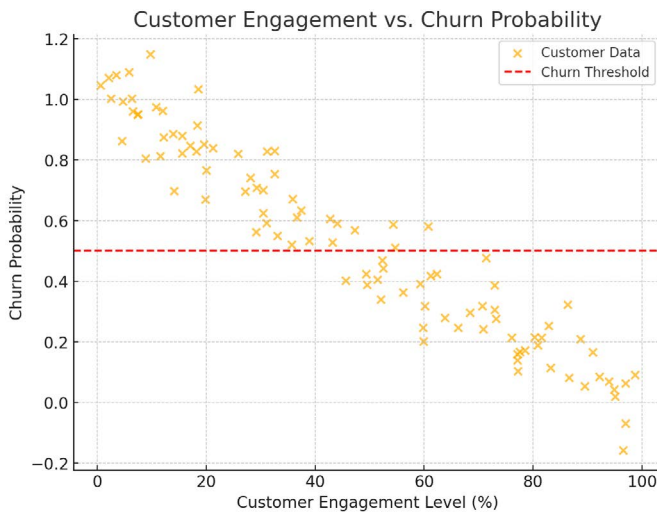
#### 8. Analyzing Churn Events for Continuous Improvement

Analyzing churn events provides critical insights into why clients leave and what can be improved:

- **Exit Surveys:** Conducting exit surveys to understand the key reasons for churn helps inform future retention strategies.
- **Churn Prediction Models:** A churn prediction model, based on usage data, campaign performance and support interactions, can help identify clients at risk of leaving. For example, if a client's engagement drops by 50% over a month, the model would flag this as a potential churn risk, prompting the customer success team to take action.



**Figure 2:** Churn Prediction Model Framework - A diagram illustrating how data points such as engagement metrics, campaign performance and support ticket frequency feed into the churn prediction model, generating a churn risk score and leading to intervention by customer success teams.



**Figure 3:** scatter plot illustrating the correlation between Customer Engagement and Churn Probability.

As you can see, higher engagement levels generally correspond to lower churn probability. The red dashed line represents a churn threshold based on the focus group and interviews with CS leaders.

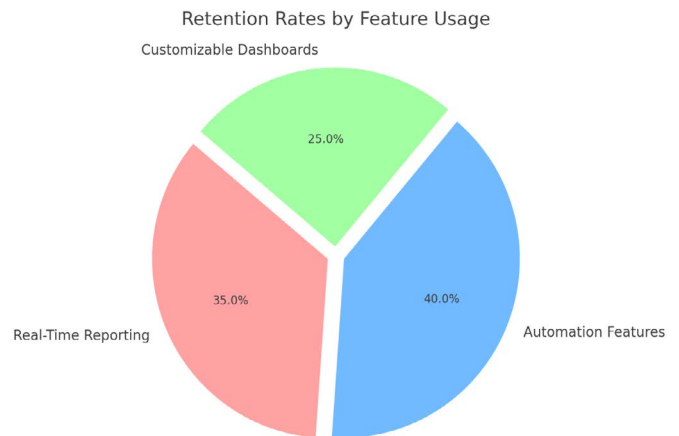
- **Case Study:** Statusbrew reduced churn by 20% by integrating real-time customer support via live chat and redesigning their cancellation page to gather feedback before a customer cancels. Their Customer Success Team actively monitors user engagement and intervenes when usage patterns indicate a potential churn risk.

### 9. Which Platform Features Boost Retention Rates?

Certain platform features have a direct correlation with higher retention rates in self-serve platforms:

- **Real-Time Reporting:** Providing clients with real-time reporting and analytics allows them to immediately assess campaign performance, leading to a greater sense of control and satisfaction.
- **Automation Features:** Offering features such as automatic campaign optimization or scheduling can save time for clients, encouraging continued usage.

**Customizable Dashboards:** Clients who can personalize their dashboards to focus on key metrics relevant to their campaigns tend to stay longer as they feel the platform is tailored to their needs.



**Figure 4:** Retention Rates by Feature Usage

## 10. Key Churn Metrics to Track

Key metrics for tracking and predicting churn in self-serve ad platforms include:

- **Net Revenue Retention (NRR):** Tracks how much revenue is retained after accounting for upsells, giving insight into overall growth or contraction.
- **Gross Retention Rate (GRR):** Measures how many customers are retained over time without including upsells.
- **Customer Lifetime Value (CLTV):** Provides a long-term view of client profitability and churn impact.
- **Monthly Active Users (MAU):** A drop in active users often precedes churn, making this a critical metric to monitor.
- **Time to First Value (TTFV):** Tracks the time it takes for a customer to derive measurable value from the platform.
- **Product Usage Metrics:** Measures engagement with core and advanced features.
- **Support Interaction Frequency:** High interaction may signal confusion or dissatisfaction.

## 11. Conclusion

Reducing churn in self-serve ad platforms requires a multi-faceted approach that includes personalized onboarding, proactive engagement, feedback loops and the use of predictive models. By tracking key metrics like NRR, MAU and product usage, customer success teams can identify at-risk clients early and take action to retain them. Additionally, platform features like real-time reporting and automation significantly boost retention, helping clients derive more value from the platform and reducing churn rates.

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