

GETTING TO KNOW YOUR AUDIENCE

Introducing Mobile Event App Subscription Analytics

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INWEGO is an Atlanta-based mobile ticket subscription service that offers subscribers access to a variety of events, such as concerts, sporting events, and festivals. This service was launched in 2016 to create a simple and flexible way for members to discover and attend awesome events in their city at a low monthly cost. It is currently available in select cities, including, Atlanta, Phoenix, Dallas, Denver, D.C. and Tampa.

INWEGO and Mather Economics developed a working relationship as INWEGO found an opportunity for growth, but wanted to hone in on their subscriber behavior patterns and have a better understanding of profitability within different segments of subscribers. Mather provided an analysis of INWEGO's subscriber base to determine the characteristics of subscribers that churn after the first month and a retention probability timeline by subscriber segments.

A few minutes with Chris LeCraw...

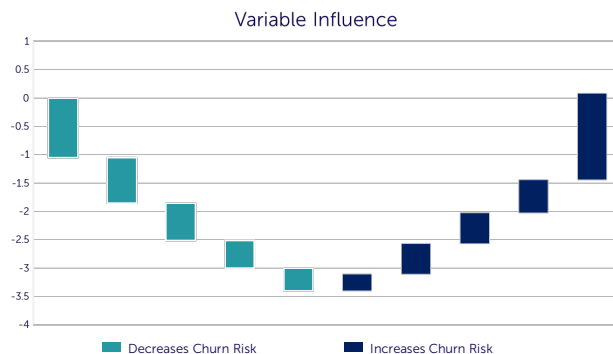
Chris LeCraw, the General Manager at INWEGO, took the time to answer some questions about his experience and findings from working with Mather.

Q. What insights from the analysis did you find most helpful?

A. Segmenting our customer base was a key need going into our engagement as subscription customers in an unlimited usage model behave in a wide variety of ways. We wanted to understand how to group customers by similar behaviors, and then also what behaviors were indicators of churn and retention. Identifying key drivers of churn and retention were extremely helpful as we evaluated

opportunities to iterate on pricing and packaging as well as new product features.

**There are a variety of subscriber behavior patterns and characteristics that determine churn risks. There will be varying levels of impact on churn with each different variable. The below graph shows a select few variables used in the churn model.*



Q. What aspect of our analysis contributed to the decision to restructure your current business model. Also, how did you approach the decision and was it successful?

A. The analysis of subscriber profitability by usage were instrumental to scoping new pricing & packaging opportunities. By market, we were able to pinpoint the usage rates where logical breaks in tiered packages made sense in terms of marketability, and then also model the subsequent impact to margin had subscribers paid into the various tiers. The tiered model is too new to draw conclusions, but early signs are promising in terms of our new ability to target different packages to a wider audience.

"I love this app. It practically dares us to try new things."

... Anonymous user

Q. Did you use any of the subscription incentives we recommended (i.e. holding back passes to top tier events, gifting one free guest pass, additional points for use, early access to an event, different subscription terms with a slight discount)?

A. Of these recommendations, we have implemented more discounted, limited tiers with a one-tap opportunity to upgrade into a higher plan as a strategy for attracting a new, more casual customer who we can build engagement with the goal of moving some into higher priced tiers as they find more value in the product. Of the remaining solutions, we have not yet implemented any as our core focus in the last 6 months has been rolling out the new model, but several including gifting guest passes and providing additional points at sign up are on our roadmap to test by year end.

It was clear that using Early Access* was a desired behavior in terms of retention and also effective in more equitably distributing supply of higher demand tickets, so as part of our new model rollout we increased the Early Access window from one day to five days, and adoption has increased thus far as a result.

Q. Have you continued to evaluate subscriber retention at different points in time (i.e. after first month, after first year, etc.)?

A. Due to resource constraints and keeping all members focused on the new model rollout, we have not had time to devote to evaluate the subscriber retention. That said, shifting resources to these analyses will be part of our key performance metric monitoring over the next 6 months. We are particularly interested to evaluate retention across price points and in between price points (e.g. likelihood to upgrade or downgrade over different periods of time).

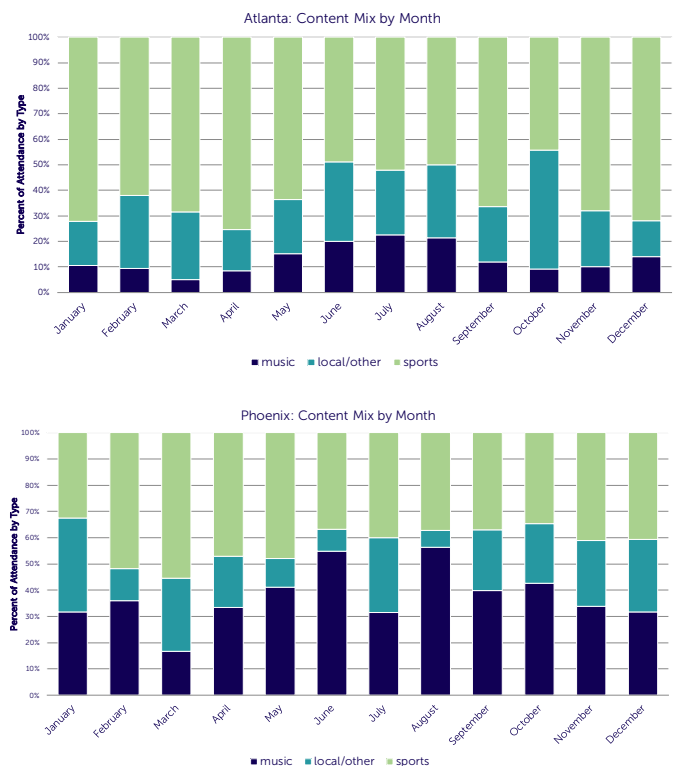
Q. Have you continued to observe significant behavioral differences across locations?

A. Yes; with six markets live for six months or more, we are seeing variances in behavior primarily driven by two variables: Seasonality and Content Mix.

Seasonality influences growth as markets with different climates experience different growth trajectories at different times of year. For example, warmer markets like Phoenix and Tampa see higher growth rates in the winter, whereas colder climates like D.C. and Denver experience higher growth in the spring and summer. Also, the onset of a new season (e.g. basketball season, outdoor concert season, etc.) tend to drive growth spikes as well.

While Content mix is correlated with seasonality (e.g. there are fewer outdoor festivals in Phoenix in the summer), our markets do vary in their mix of sports, music and local content throughout the year. We've yet to conclude one particular type of content is a higher driver than others; instead we find a balanced offering that is consistently injected with fresh, new content, tends to be the most reliable driver of growth.

**The content mix varies by market throughout the year. Atlanta has strong sport participation through the year, but music and festivals become more popular during the summer. Phoenix has a large music presence throughout the year with sports becoming more popular in the spring.*



"INWEGO is just so simple to use"

... Anonymous user

Q. What are the biggest challenges and opportunities you see for INWEGO over the next year?

A. With a significant and exciting change to our business model, it is critical for us to ensure we isolate the right data sets and the right variables to maximize our learnings. Furthermore, we'll have to adjust our strategic interpretation as we're shifting from operating around customer behaviors in an unlimited model to a different set of behaviors (and therefore insights) in a tiered model.

By shifting to a tiered model, we're able to offer far lower (e.g. 50%) price points than we've had in the past. We are excited by the opportunity to attract and even newer audience who finds great value in trying something new and exciting every month for just \$15-\$20 per month.

Early Access allows subscribers to use their reward points to gain access to tickets up to 10 days in advance of the event

More about INWEGO...

INWEGO is a monthly event membership that gets you tickets to events in your city. You can choose from hundreds of pro sports, college sports, concerts, and local events. Your tickets are included in your membership and are all available on your phone in the INWEGO app. You can link with other INWEGO members to sit together or buy a guest ticket for non-members. Membership prices will vary based on the plan type and city. Change, pause, or cancel your membership anytime.

For more information, download the INWEGO on the Apple App Store!



"Really enjoying it so far, been to a variety of events this year"

... Anonymous user