

Subscription & Membership Marketing — Workbook

This workbook turns the course into a working lifecycle system for your own subscription or membership. You will calculate your real retention and unit-economics numbers, design your trial conversion sequence, build a dunning recovery flow, and construct a cancellation-deflection experience with save offers. Use the templates to track every metric and forecast every experiment before you ship it.

The Economics of Recurring Revenue

Establish your baseline by calculating your actual MRR movements, retention rates, and unit economics.

Worksheet: MRR Movement Breakdown

Pull last month's recurring revenue and break the change into its four movements. Fill the input cells from your billing data and leave the calculated cells for yourself to compute, then sanity-check that starting MRR plus net new equals ending MRR.

Starting MRR (first of month)

New MRR (brand-new customers)

Expansion MRR (upgrades and add-ons)

Contraction MRR (downgrades)

Churned MRR (full cancellations)

Net New MRR (calculate)

Ending MRR (calculate)

Largest single movement and what it tells you

Exercise: Calculate Your Retention and LTV

Using a fixed cohort from a recent period and your average plan figures, work through the retention and lifetime-value formulas from Module 1. Show your working and compare each result against the benchmarks named in the course.

- Take a cohort's starting MRR, then compute Gross Revenue Retention as starting minus contraction minus churn, divided by starting. How does it compare to the 90 to 95 percent consumer benchmark?
- Compute Net Revenue Retention by adding expansion back in. Is it above or below 100 percent, and what

does that mean for whether your base grows on its own?

• Estimate LTV as average revenue per account times gross margin, divided by monthly churn rate. Then halve your churn rate and recompute to see how much retention drives value.

• Divide your LTV by your CAC. Are you above, at, or below the 3-to-1 baseline, and what does the gap imply about spending more or less on acquisition?

Checklist: Metrics Baseline Readiness

- I can state my current MRR and break it into new, expansion, contraction, and churn
- I know my monthly Gross Revenue Retention and Net Revenue Retention with the time window stated
- I have calculated LTV using my real churn rate and gross margin
- I know my CAC and my LTV-to-CAC ratio against the 3-to-1 baseline
- I have estimated my CAC payback period in months
- I have tagged what share of my churn is voluntary versus involuntary

Trial-to-Paid Conversion

Choose your trial structure, define your activation milestone, and design the conversion sequence.

Worksheet: Trial Structure and Activation Definition

Decide your trial model and length from your own data, then define the activation milestone that predicts conversion. Fill each field; the trial length should be set just longer than your measured time-to-value.

Trial model chosen (opt-in, opt-out, or reverse trial)

Reason this model fits my price and product

Measured median time-to-value in days

Chosen trial length in days and why

Activation milestone (action + quantity + time window)

How I confirmed this milestone predicts retention

Onboarding change to funnel users toward the milestone faster

Exercise: Draft Your Trial Conversion Sequence

Write the behavioral messaging sequence for your trial across email and in-app prompts, following the cadence from Module 2. For each message, name the trigger condition rather than just a day number.

• Write the day-0 welcome with one clear first action that leads to your activation milestone. What is the single call to action?

• Write the activation nudge that fires only if the user has not activated by day 1 or 2. How does it remove friction to the value step?

• Write the conversion reminder that states the exact charge date and amount. How do you phrase honesty about the charge while reinforcing the benefit?

• Write the final-day urgency message with a one-click path to keep access. What is the one-tap action you

link to?

Checklist: Trial Conversion Launch Checklist

- [] Trial model and length chosen from activation data, not competitor copying
- [] Activation milestone defined as action, quantity, and time window
- [] Onboarding rebuilt to drive users to the milestone fast with a checklist or progress cues
- [] Messaging sequence triggers off behavior, not only the calendar
- [] Conversion reminder states exact charge date and amount for opt-out trials
- [] A frictionless plan-management and cancel path exists to prevent chargebacks
- [] Holdout group set to measure conversion lift from the sequence

Fighting Involuntary Churn with Dunning

Measure your involuntary churn, configure the silent recovery layer, and write the dunning message sequence.

Worksheet: Failed-Payment Recovery Configuration

Document your involuntary-churn split and the recovery settings you will deploy. Fill the input fields from your processor; leave the recovery-rate field for after you measure results.

Share of churn that is involuntary (payment failure)

Most common failure reason in my data

Card account updater enabled (yes or no)

Smart retry schedule (number of attempts and spread in days)

Retry-cap to avoid bank fraud flags and decline fees

Recovery tool connected (Stripe Smart Retries, Churnkey, Stunning, other)

Current recovery rate of failed-payment MRR (measure and fill)

Exercise: Write Your Dunning Message Sequence

Draft the customer-facing dunning sequence that fires when silent retries fail, following the day-0 through post-cutoff cadence from Module 3. Keep early messages helpful and the update action one click away.

- Write the day-0 first-failure message framing it as a minor card hiccup. What is the exact one-click update call to action?

- Write the day-7 message noting access may be interrupted soon. How do you raise urgency without becoming hostile?

- Write the final notice that states the exact date access ends. What single action do you give the customer?

- Describe your multi-channel plan: which messages go to email, in-app banner, and SMS, and how you respect quiet hours.

Checklist: Dunning System Checklist

- Involuntary churn measured and separated from voluntary churn
- Card account updater enabled for expired and reissued cards
- Immediate retries replaced with a smart multi-day schedule aligned to paydays
- Retry count capped to avoid fraud flags and per-decline fees
- Update link drops customer onto a pre-filled payment screen with minimal steps
- Messages are mobile-optimized and respect quiet hours
- Dunning is suppressed instantly once a payment succeeds

Cancellation Deflection and Retention Offers

Design the cancellation flow, map save offers to reasons, and forecast your lifecycle experiments.

Worksheet: Cancellation Reason-to-Offer Map

Map each likely cancellation reason to the save offer that fits it, using the pause-vs-discount discipline from Module 4. Fill the offer and the value rationale for each row.

Reason: too expensive — matched offer

Reason: not using it enough — matched offer

Reason: too busy or seasonal — matched offer

Reason: missing feature or had a problem — matched response

Reason: got what I needed or only briefly — matched offer

Which reasons receive a discount and why limited to those

Pause durations offered and the resume-reminder timing

Exercise: Forecast a Lifecycle Experiment

Pick one experiment you intend to run, a dunning improvement, a pause offer, or a trial change, and forecast its MRR impact before shipping, following the five-step method from Module 4.

- State the expected change in churn rate or trial conversion and the customer base it applies to.

- Translate that into monthly MRR defended or gained, then project it over three to six months noting whether the effect compounds.

- Compare the projected gain against the cost, including discount margin given up and build effort.

- Define the holdout group and the success threshold you will judge the result against before launch.

Checklist: Deflection and Win-Back Checklist

- Cancellation flow asks the reason before offering a tailored alternative
- Save offers are segmented by reason and by customer value
- Pause is presented as a low-stakes default with a clear resume date and reminder
- Discounts are limited to price-driven cancellations that justify the margin
- Completing a cancellation is always genuinely possible, with no dark patterns
- Win-back campaigns are segmented by why the customer left

[] Every experiment has a forecast and a holdout, compared to actuals afterward

Your Action Plan

1. Pull your billing data and complete the MRR Movement Breakdown and retention and LTV calculations to set a baseline.
2. Tag a recent batch of cancellations as voluntary or involuntary to find which churn to attack first.
3. Choose your trial model and length from your measured time-to-value, and define your activation milestone.
4. Rebuild onboarding to funnel new users to the activation milestone, then ship the behavioral trial conversion sequence.
5. Enable card account updater and replace immediate retries with a smart multi-day schedule capped to avoid fraud flags.
6. Write and launch the multi-channel dunning sequence with a one-click pre-filled payment-update link.
7. Build the cancellation flow with a reason survey and reason-mapped save offers, adding a pause option as the default.
8. Launch a segmented win-back campaign targeting recently lapsed customers by their stated reason for leaving.
9. Forecast each lifecycle experiment's MRR impact and set a holdout group before shipping it.
10. Review forecasts against actuals monthly and update the Lifecycle Metrics Dashboard to compound your learning.

