

# Customer Retention & Lifecycle Marketing — Workbook

This workbook turns the course into a working retention program for your own business. You will measure your real churn and LTV, segment your customers with RFM, map your lifecycle, and draft the onboarding, win-back, and loyalty flows you need. Work through one section per module, fill the worksheets with your actual numbers, and use the templates as live tools rather than examples.

## Measuring Retention Like a Professional

Establish your retention baseline with honest churn, LTV, and cohort numbers before changing anything.

### Worksheet: Your Retention Baseline

Pull the figures from your store, billing system, or CRM for the last full month and complete each line. Use gross profit margin, not revenue, for the LTV line so the number is defensible.

Active customers at start of month

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Customers lost during the month

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New customers acquired during the month

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Monthly churn rate (lost / start)

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Monthly retention rate (100% minus churn)

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Average order value (AOV)

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Purchase frequency (orders / unique customers)

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Average customer lifespan (1 / churn rate)

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Gross margin %

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Customer lifetime value (AOV x frequency x lifespan x margin)

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Current customer acquisition cost (CAC)

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LTV-to-CAC ratio

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### Exercise: Build Your First Cohort Curve

Export your orders with customer ID, order date, and first-order date. Group customers by the month of their first purchase, then for each cohort calculate the percentage still active in each following month. Lay it out as a triangular grid and answer the prompts.

- Where is the steepest drop in your curve, and which lifecycle stage does it correspond to?
- At what percentage, if any, does your retention curve flatten into a loyal core?
- Are your newer cohorts retaining better or worse than your older ones, and what changed?
- Based on the curve, is your single biggest opportunity onboarding, repeat purchase, or win-back?

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### Checklist: Measurement Readiness Checklist

- I can pull last-order date, order count, and total spend per customer
- I am excluding newly acquired customers when measuring retention of the existing base
- I am using gross margin, not revenue, in my LTV calculation
- I have separated revenue churn from logo churn (if I run subscriptions)
- I have built at least one cohort retention curve and identified the leakiest stage

## Mapping the Lifecycle and Segmenting Customers

Translate your customer base into lifecycle stages and RFM segments you can actually market to.

### Worksheet: Lifecycle Stage Map

For each stage, write the marketing job to be done, the trigger that moves a customer in, and the one message or flow you will use. Be specific to your product and purchase cycle.

New lead — job, entry trigger, primary flow

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First-time buyer — job, entry trigger, primary flow

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Activated customer — job, entry trigger, primary flow

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Repeat customer — job, entry trigger, primary flow

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Loyal advocate — job, entry trigger, primary flow

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At-risk — job, entry trigger, primary flow

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Lapsed / churned — job, entry trigger, primary flow

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### Exercise: Score Your Customers with RFM

Using the RFM scoring template, split your customers into quintiles on Recency, Frequency, and Monetary value, scoring 5 (best) to 1 (worst). Assign each a three-digit code, then group the codes into named segments and answer the prompts.

- How many Champions (5-5-5, 5-5-4) do you have, and what percentage of revenue do they drive?
  - Who are your Can't-Lose customers (high monetary, poor recency), and what is their average past spend?
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- Which segment is largest, and is your current marketing serving it correctly?
- What is the one segment where a small intervention would unlock the most revenue?

### Worksheet: Behavioral Event Plan

List the leading-indicator events you will track and what each one will trigger. Keep the list short — track only events that predict retention or revenue.

Event 1 — name, source, what it triggers

Event 2 — name, source, what it triggers

Event 3 — name, source, what it triggers

Engagement-decline signal — definition and threshold

Consent / privacy basis for tracking (GDPR, CASL, CAN-SPAM)

### Checklist: Segmentation Setup Checklist

- Every customer has an RFM score and belongs to a named segment
- Each lifecycle stage has a defined entry trigger
- I track at least three high-value behavioral events
- I have a segment that flags declining engagement before purchase recency collapses
- My tracking honors consent and unsubscribe preferences

## Building the Core Lifecycle Flows

Draft and schedule the onboarding, post-purchase, and win-back flows that carry most of the retention value.

### Worksheet: Define Your Activation Moment

Pin down the single aha moment that predicts retention for your product, then design the welcome series that drives customers to it. Skip remaining emails once a customer activates.

Our activation moment (the one action that means a customer 'got it')

Current activation rate of new customers

Welcome Email 1 (immediate) — goal and primary call to action

Welcome Email 2 (day 1-2) — fastest path to first value

Welcome Email 3 (day 3-4) — social proof / use case

Welcome Email 4 (day 5-7) — top objection handled

Welcome Email 5 (day 10-14) — second-action nudge

Branch logic — what happens when a customer activates early

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### Exercise: Draft Your Win-Back Sequence

Using your average purchase cycle, design the four-step win-back sequence from the course. Lead with non-discount reasons to return and reserve the offer for step three.

- What inactivity window (in days) defines a lapsed customer for your purchase cycle?
  - What is your no-discount 'we miss you' angle for email 1?
  - What single compelling, non-promotional reason to return will you use in email 2?
  - What offer will you reserve for email 3, and which segments earn the most generous version?
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### Checklist: Core Flows Launch Checklist

- Welcome / onboarding flow is built and branches on activation behavior
- Post-purchase flow drives the critical second purchase and requests a review
- Replenishment reminder fires just before consumables run out (if applicable)
- Win-back sequence triggers on my defined inactivity window
- Subscription save flow and dunning emails are in place (if applicable)
- A global frequency cap prevents flows from over-mailing the same customer

### Exercise: Map Your Engagement Cadence

Plan a sustainable rhythm of touches tuned to your purchase cycle, mixing value, story, and promotion. Use the prompts to pressure-test it.

- What overall sending frequency matches your purchase cycle without exhausting the list?
  - What ratio of value/educational to promotional messages will you commit to?
  - What is your one best contextual cross-sell, and at what moment will you trigger it?
  - What guardrail metric (unsubscribe or spam-complaint rate) will tell you to slow down?
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## Loyalty, Tools, and Measuring Impact

Add a loyalty layer, select and configure your tooling, and prove impact in revenue and LTV.

### Worksheet: Loyalty Program Blueprint

Design a loyalty program that rewards the behaviors you want more of and pays off on the math. Reward repeat purchase, referrals, and reviews — not just discounts.

Behavior we most want to increase

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Program structure (points / tiered / paid / value-based) and why

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Tier names and the desirable benefit unlocked at each

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Reward economics — cost of rewards vs incremental margin from added frequency

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Lifecycle triggers (balance reminders, near-tier nudges, expiring rewards)

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Success measure (members vs non-members on repeat rate, frequency, LTV)

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## Exercise: Select and Configure Your Tooling

Choose the ESP, CRM, or lifecycle platform that fits your business type, then plan the setup. Start lean with the highest-impact flows first.

- Which tool fits your model (Klaviyo/Omnisend for ecommerce, Customer.io/Braze for SaaS, HubSpot/ActiveCampaign for B2B)?
- Have you authenticated your sending domain with SPF, DKIM, and DMARC for deliverability?
- Which two flows will you build first to get the fastest return?
- What list-hygiene rule will you set to suppress chronically unengaged contacts?

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## Worksheet: Retention Metrics Dashboard

Define the dashboard you will review monthly. Report on outcomes, not open rates, and set targets for each line.

Retention / churn rate by cohort — current and target

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Customer lifetime value and LTV-to-CAC ratio — current and target

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Repeat-purchase rate and purchase frequency — current and target

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Net revenue retention / gross revenue retention — current and target (if subscription)

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Revenue attributed to each lifecycle flow

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Guardrails — unsubscribe rate, spam-complaint rate, inbox placement

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## Checklist: Impact and Iteration Checklist

- Every flow is tied to a downstream revenue or LTV metric
- I use a 5-10% randomized holdout to measure true incremental lift
- I run experiments to a trustworthy sample size before declaring a winner
- My dashboard reports outcomes, not vanity metrics
- I review the cohort curve, fix the leakiest stage, and repeat the loop

## Your Action Plan

1. Calculate your baseline churn, retention rate, and gross-margin LTV using the Retention Baseline worksheet.
2. Build one cohort retention curve and identify the single leakiest lifecycle stage.
3. Score your whole customer base with the RFM template and create named segments.
4. Draft your lifecycle stage map and define the activation moment that predicts retention.
5. Set up your ESP or CRM, authenticate your sending domain, and build your segments.
6. Launch the welcome/onboarding flow and the post-purchase flow first, with a global frequency cap.
7. Add the win-back sequence (and subscription save flow plus dunning, if applicable).
8. Design and launch a loyalty program that rewards repeat purchase, referrals, and reviews.
9. Stand up the retention metrics dashboard and review it monthly on outcomes, not open rates.

10. Run holdout-based experiments on your highest-leverage stage and feed every learning into the next iteration.











