spin x MIT MANAGEMENT BUSINESS ANALYTICS

Reveal & Retain:

Promoting Key Retention Behaviors of Profitable Users

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Problem Statement

- Fintech ecosystem with 10+ million diverse users
- Limited visibility into key actions that drive profitability
- Higher risk of churn without personalized features

Objective

1 Identify

Examine the most profitable users and identify the actions that create and sustain high value activity

2 Understand

Segment and cluster users into meaningful archetypes to understand customer behavior

3 Create

Leverage insights to create a product feature that increases retention and user value

Data

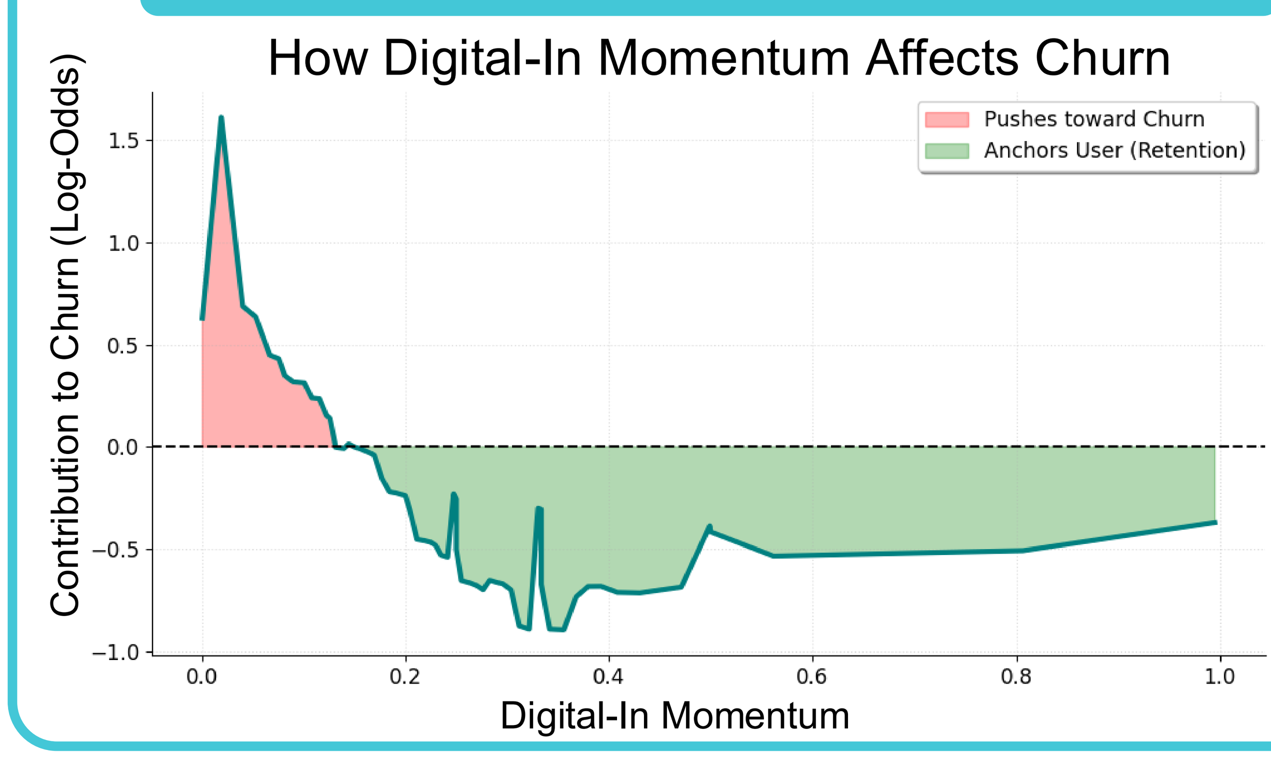
1.6B Transactions

4.2M Analyzed Users

900k "Heavy Users"
Spin's most profitable segment

1 Churn Analysis

Explainable Boosting Machine



Key Retention Factors

- Diverse Lever Usage
- Stable Behavior
- Momentum Increase

+46%
Heavy-User Conversion
Cash + Digital-In vs. Cash Only

Cross-Selling Levers

- Higher Conversion
- Lower Churn

2 Customer Segmentation

Feature Engineering

Velocity
FIFO-based matching to measure precise time-to-spend

Product Mix
Customer's most frequent transaction type

Spend Complexity
Merchant entropy, amount consistency, product diversity

Gaussian Mixture Model

	The Shopper	The Banker	The Transferer	The Cash User
Of Heavy Users	41%	14%	28%	17%
In	Digital	Digital	Digital	Cash
Out	Purchase	Mixed	Transfer	Mixed
Velocity	Medium	Low	High	Medium
ARPU	Low	High	Medium	Medium
	Many small card purchases to a variety of merchants	Receives more inflows than outflows, holds money for 7+ days	Transfers money out of account within a day of receiving it	Large, infrequent cash deposits of consistent amounts

3 Next Best Action

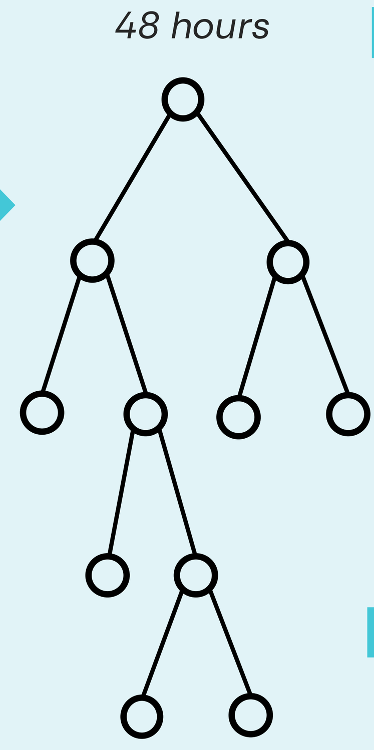
Habit Loops

73% of user inflows are part of a habit loop:

- Same amount
- Repeats 4+ times
- Min. Bimonthly frequency

LightGBM Model

Predict habit occurrence within 48 hours



ROC-AUC: 0.85

Retention Notification

"You usually Cash-In today. Visit an OXXO to fund your account"

Cross-Sell Notification

"You usually Cash-In today. Fund your account digitally instead?"

Estimated Impact

26,730
Heavy Users prevented from churning annually

27,786
Users successfully converted to Heavy Users

+83%
Increased revenue margin per converted customer

+6.1%
Annual Heavy User Universe Growth

+2.7%
Annual Revenue Lift