

CASE STUDY · BUSINESS STRATEGY

Reducing Churn at a B2B SaaS Start-up

Using onboarding, health scores and customer success to keep
customers

ORGANISATION

LedgerLite (fictional)

SECTOR

Software as a service

PREPARED BY

Case writer: Your Name

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01 At a Glance

Organisation	LedgerLite (fictional)
Sector	Software as a service
Location	Pune
Challenge	High monthly churn among small business customers
Solution	Guided onboarding, health scores and proactive success team
Timeframe	6 months

-45%

Monthly churn (sample)

+18 pts

Activation rate

6 mo

Programme

Organisation and outcomes are illustrative; figures are sample data for teaching and templating purposes.

02 Background

LedgerLite sells simple accounting software to small businesses on a monthly subscription. Sign-ups were growing, but many customers cancelled within three months.

The team suspected that customers were not getting value quickly enough.

03 The Challenge

The company needed to reduce churn to make growth sustainable.

- Many customers never completed set-up
- Support was reactive
- No early warning of at-risk accounts
- Pricing confusion

We were filling a bucket with a hole in it.

— CEO, LedgerLite (fictional)

04 Objectives

1. Improve activation in the first 14 days.
2. Identify at-risk customers early.
3. Reduce monthly churn.

05 Approach

The team analysed product usage and redesigned the early customer experience.

Phase 1: Find the value moment

Usage data showed that customers who created their first GST invoice in week one stayed much longer.

- Cohort analysis
- Exit surveys
- Customer interviews

Phase 2: Guided onboarding

A checklist, sample data and short videos guided customers to their first invoice.

- In-app checklist
- Template data
- Welcome calls for larger accounts

Phase 3: Customer health

A health score based on logins and key actions triggered outreach by the success team.

- Health score
- Playbooks
- Monthly business reviews

Implementation Timeline

Period	Milestone	Notes
Month 1	Data analysis	Value moment identified
Month 2–3	Onboarding redesign	A/B test
Month 4–5	Health score and playbooks	Success team trained
Month 6	Review	Pricing page updated

06 Results

Customers reached value faster and fewer left.

Metric	Before	After
Monthly churn	6.2%	3.4%
Activation in 14 days	41%	59%
Support tickets per account	2.3	1.6
Net promoter score	21	38

Exhibit 1: Key metrics before and after (sample data)

Chart placeholder — insert a before/after chart

Exhibit 2: Trend over the implementation period (sample data)

07 Lessons Learned

- Define activation clearly.** One key action predicted retention.
- Be proactive.** Reaching out early saved accounts.
- Simplify pricing.** Clear plans reduced confusion and cancellations.

08 Analysis

What worked • Clear value moment • Health score	What was difficult • Data quality • Success team capacity
Opportunities • Annual plans • Partner accountants	Risks to sustain • Competitor discounts • Feature creep

09 Discussion Questions

Use these questions for classroom discussion or self-study.

- How did the team identify the value moment?
- What should a customer health score include?
- When is it worth offering a discount to a churning customer?
- How would you measure the success team's impact?

10 Teaching Note

Suitable for courses on SaaS business models, product management and customer success.

11 Appendix: Additional Exhibits

Cohort	Retained
Before programme	58%
After programme	76%

Exhibit 3: Retention by cohort (month 3) (sample data)

12 Conclusion

By focusing on early value and proactive support, LedgerLite made its growth more sustainable.