

‘Minus gives plus’: Project proposal for testing a new service

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The 'Minus Gives Plus' service will allow subscribers to stay in touch with a negative balance, which will lead to revenue growth by strengthening trust relationships and encouraging subscribers to increase costs

What is 'Minus gives plus'?

A free service that will allow you to communicate and use services as if nothing had happened with a negative balance within the limit

What will be available to customers?



all services within the monthly subscription fee



outgoing calls and SMS over the tariff



additional options with a daily subscription fee

Why do we need this?

strengthening trusting relationships with subscribers by introducing a new service that is beneficial to them



encouraging subscribers to increase their average monthly communication costs

Revenue growth

The limit depends on the client's expenses, if the test is successful, the service will be available only to "active" customers, which will protect against opportunism and encourage reliable customers

Activation method

Автоматически при отрицательном балансе

Validity period

30 days from the date of the last replenishment; minimum replenishment - 50% of the debt amount

The maximum possible extension period is 90 days

Limit

Average spend over the last 3 months + N% or (if recently upgraded to a more expensive plan) – cost of the plan + N%

Territory

No restrictions

Parameters for entering the pool of those who have access to the service



Spends monthly for N months > N rubles ('active')



Activated SIM card > N days ago ('reliable')



Has no debt on other numbers ('reliable')

Example



Misha, spends 300 rubles monthly, switched to a new expensive tariff for 800 / month yesterday and ended up having his balance under 0

Limit:
800 per tariff + N%



Masha, spends 500 rubles monthly

Limit:
500 + N%

To make a decision on the advisability of introducing the service, an A / B test will be conducted with selected parameters for 100,000 people, where 50% is the control group. It will show how customer behavior will change and help predict the impact on revenue

Parameters that we select for the test

limit calculation formula (average costs + N%, what N?)

the threshold for entering the group of those who have access to the service (how many days with us + expenses per month, how many months of observation)

Hypotheses

- 1 the service will cause an increase of average costs
- 2 more in % will increase the costs of subscribers whose costs are below the median for all customers
- 3 % of lost users will decrease

Sample

Divide into 2 segments by the median of average monthly expenses for N months

Group A - control

Group B - experiment

A1: below the median 50 000

B1: below the median 50 000

A2: above the median 50 000

B2: above the median 50 000

Sampling error 5%

Confidence level 95%



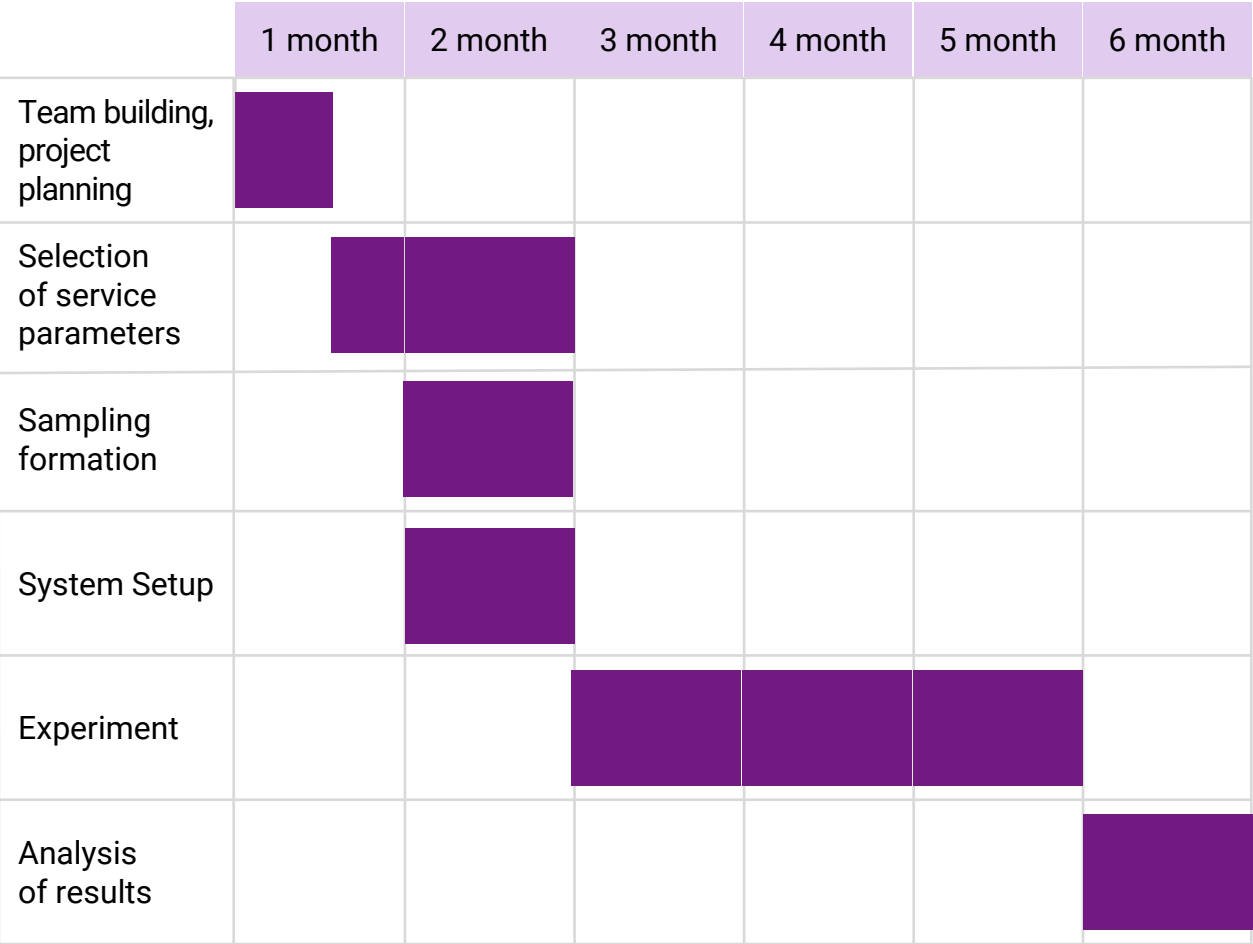
100 000 чел – общее количество исследуемых, из них услуга будет тестироваться на 50%

What will we evaluate

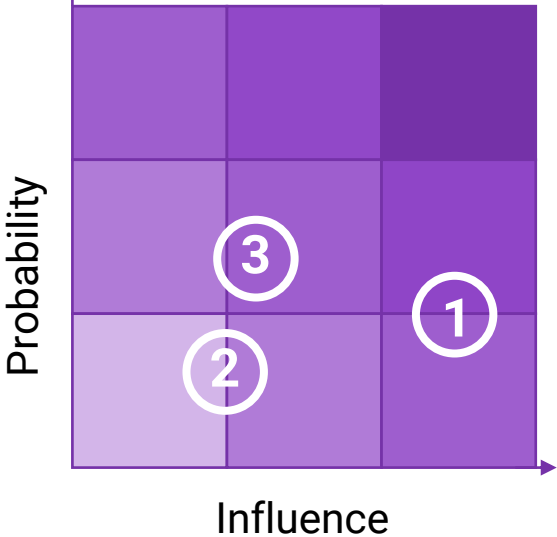
- % of people who used the service
- average number of days in negative balance
- change in expenses in % - did you start spending more?
- Δ between groups B1 and B2 - who increased the costs more?
- % of people who increased communication costs with the introduction of the service
- median communication costs
- % lost users (?)
- total profit (excluding opportunist costs)

In the total duration of the project, the test itself will take half the time, the possible risks are leveled by its duration and a high degree of preparation for the experiment

Plan



Project risks



Risk

- 1. Unsuccessful selection of parameters
- 2. Opportunism will not be taken into account
- 3. Influence of other factors (ex: seasonality)

Leveling

- 1. Allocation of 2 analysts, 1 month for analysis
- 2. Service limit for test – 60 days, test - 90 days
- 3. Longer test duration

The project will require a team of 5 people, employment is part time, no external resources are required



Project manager

- 1 person

- sets the vector of work and will coordinates the project

Business Analysts

- 2 people

- select the parameters of the service;
- select customers;
- write TOR to the developer;
- analyze the results

Developer

– 1 person

- set up a solution for technical specifications

Corporate lawyer

– 1 person

- check the text written by the manager describing the service conditions

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