

23ANDME CUSTOMER LIFECYCLE CASE STUDY

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23ANDME IS FACING HARDSHIP

- 23andMe, once a leading brand in direct-to-consumer genetic testing, is facing a challenge in managing its **customer lifecycle**.
- The company pioneered the DNA analysis industry, offering consumers insights into their ancestry, family traits, and potential health risks.
- However, its product offering is largely seen as a one-time purchase, with no clear strategy for customer retention. Additionally, the company has faced numerous data security and product reliability issues.
- These challenges, combined with the lack of a plan for customer retention or growth, have become a threat to the company's future.



CHALLENGE & SOLUTION

Research Question

- "How can 23andMe effectively manage its customer lifecycle to ensure long-term sustainability and growth with being a one-time purchase product offering?"

Challenge

- Understand how customers feel about the product post purchase and its effect on their chances for recommending.

Solution

- Identify what product attributes drive satisfaction & customer recommendation
 - 2 types of driver analyses using regression



THE DATA

- **Primary Data:**
 - Conduct surveys of past 23andMe customers
- Each respondent will be asked demographic questions in addition to how they feel about the product based on a selection of attributes. All of attributes will be ranked on a 1-7 Likert Scale (1=Very Dissatisfied and 7 =Very Satisfied).
- The survey will also ask respondents:
- How satisfied they are with the product which will be asked on a 1-7 Likert scale (1=Very Dissatisfied and 7 =Very Satisfied).
- How likely they are to recommend the product which will also be asked on a 1-7 Likert scale (1=Very Unlikely to recommend and 7=Very Likely to recommend).

Attributes

Accuracy of Results

Depth of Ancestry

Quickness of Results

Depth of Health Risks

Customer Service

Reliability of Health Insights

Ease of Understanding

App/Website Quality

Price

Security & Privacy

Personalization of Results

Ease of Use



ANALYZING THE DATA

- To Identify the key drivers an ordinal logistical regression analysis will be performed.
 - Drivers of Recommendation (Attributes are the predictor variables and the likelihood to recommend as the outcome) The results of the regression analysis will indicate what attributes are statistically significant drivers of recommendation, both positive or negative.
 - Drivers of Satisfaction (Attributes are the predictor variables and the overall satisfaction as the outcome) The results of the regression analysis will indicate what attributes are important to the customer, both positive or negative.
- The findings will allow 23andMe to have an in-depth understanding of which product attributes are most important to customers. Which will enable them to invest resources in improving those important attributes.



DATA DRIVEN INSIGHTS

23andMe can enhance its products and develop new offerings that align with customer priorities, shifting from a one-time purchase model to a community-driven approach that boosts satisfaction and referrals.

Additionally, marketing efforts and materials should highlight the core attributes identified to attract potential customers and provide shareable content for past customers.

Also to increase customer recommendations, 23andMe should implement a referral program, offering incentives such as discounts on the 23andMe+ or rebates on previous purchases.



POTENTIAL CHALLENGES & ISSUES

- **Responses:** A challenge that may arise is past purchasers may not respond to the survey. To increase the response rate, offering a gift card or complimentary item to increase engagement would be key.



SOURCES

- <https://www.nature.com/articles/d41586-025-00118-y>
- <https://www.standard.co.uk/news/science/23-and-me-dna-test-collapse-b1213426.html>

