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Introduction to Cohort Analysis

Unlock insights with cohort analysis for better data-driven decisions.

DEFINITION

Cohort analysis is a method used to study the behavior of groups of users over time. It helps identify trends and patterns based on shared characteristics or experiences.

KEY CONCEPTS

Cohort Definition

A cohort is a group of users who share a common characteristic within a defined time frame.

Time Frame

Cohorts are analyzed over specific periods to observe changes in behavior or performance.

Behavior Tracking

Cohort analysis focuses on how specific groups behave over time, allowing for targeted insights.

Retention Rate

This metric measures how many users from a cohort continue to engage with a product over time.

Segmentation

Cohorts can be segmented by various factors like demographics, acquisition source, or behavior.

EXAMPLES

- Analyzing user retention rates by month of signup.
- Comparing purchase behavior of users acquired through different marketing channels.
- Evaluating the impact of a new feature on user engagement over time.

MEMORY TIPS

- ★ Think 'Cohort = Common Time' to remember shared time frames.
- ★ Use 'R-T-B' for Retention, Time, Behavior to recall key analysis aspects.
- ★ Visualize a timeline with groups to remember the chronological aspect of cohorts.

COMMON MISTAKES

- ✗ Confusing cohorts with segments; cohorts are time-based groups.
- ✗ Neglecting to define clear time frames for analysis.
- ✗ Overlooking external factors that may influence cohort behavior.

QUICK RECAP

Cohort analysis helps track user behavior over time by grouping users with shared characteristics. It provides valuable insights into retention and engagement, making it essential for data-driven decision-making.