Measuring & Communicating the Value of Customer Success to the Rest of the Business

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Of the company level metrics that your Leadership team tracks, what are the core outcomes or metrics that the CSM team is responsible for?
Core Outcomes

- Goals

- Customer Adoption Maturity/Growth
- Customer Delight
- Customer Retention

Goal #1: Retain Customers
Goal #2: Create Customer Delight
Goal #3: Increase Maturity
# Company Level Metrics

<table>
<thead>
<tr>
<th>#</th>
<th>%</th>
<th>Metric</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>Customer Success (___% weight)</strong></td>
</tr>
<tr>
<td>1.</td>
<td>___%</td>
<td>Health Scores</td>
</tr>
<tr>
<td>2.</td>
<td>___%</td>
<td>License Utilization</td>
</tr>
<tr>
<td>3.</td>
<td>___%</td>
<td>Onboarding &amp; Adoption</td>
</tr>
<tr>
<td>4.</td>
<td>___%</td>
<td>Success Plans</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Financial Success (___% weight)</strong></td>
</tr>
<tr>
<td>5.</td>
<td>___%</td>
<td>Attrition &amp; Renewal Rates</td>
</tr>
<tr>
<td>6.</td>
<td>___%</td>
<td>AOV % PS Attach Rate</td>
</tr>
<tr>
<td>7.</td>
<td>___%</td>
<td>Weighted Avg Contract Length</td>
</tr>
</tbody>
</table>
Client Advocacy’s Mission

“Every client becomes an advocate for Addepar.”

Client Success is how we achieve the mission!

• Adoption
• Recognition of ROI
• Retention
Top Metrics & Outcomes

- ARR
- # of Clients
- Churn
- Upsell
- Client Health
What KPIs do you track in order to drive these high-level business outcomes
Core KPIs

- **Objectives**
  - Customer Adoption Maturity/Growth
    - Product Adoption Metrics
    - Unique differentiator feature usage
    - Leading (NLS) feature usage
  - Customer Delight
    - NPS
    - Champion Score
  - Customer Retention
    - Revenue Retention
    - Logo Retention
<table>
<thead>
<tr>
<th>#</th>
<th>Metric</th>
<th>KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Customer Success</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Health Scores</td>
<td>• % growth over baseline target</td>
</tr>
<tr>
<td>2</td>
<td>License Utilization</td>
<td>• % growth over baseline licenses</td>
</tr>
<tr>
<td>3</td>
<td>Onboarding &amp; Adoption</td>
<td>• % onboardings (PS vs CSM)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• in-app customer journey milestones</td>
</tr>
<tr>
<td>4</td>
<td>Success Plans</td>
<td>• 100% in high-touch segment</td>
</tr>
<tr>
<td></td>
<td><strong>Financial Success</strong></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Attrition &amp; Renewal Rates</td>
<td>• YoY, MoM attrition rate by segment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Renewal rate on annual contracts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Off cycle attrition</td>
</tr>
<tr>
<td>6</td>
<td>AOV % PS Attach Rate</td>
<td>• #, $ attach by segment</td>
</tr>
<tr>
<td>7</td>
<td>Weighted Avg Contract Length</td>
<td>• # months</td>
</tr>
</tbody>
</table>
Core KPIs

- Client Advocacy KPIs
  - NPS & NPS Response Rate
  - ARR Retention Rate
  - Client Retention Rate
  - Adoption Rate (AUM & advisors)
  - Δ in number of Referenceable accounts
  - # of Reference Activities
  - ARR from Reference Activities
Are there important Customer Success KPIs you measure, which don’t correlate to financial business outcomes?
“Soft” KPIs

KPIs not correlated to financial outcomes

- Customer Adoption Maturity/Growth
  - Product Adoption Metrics
  - Unique differentiator feature usage
  - Leading (NLS) feature usage

- Customer Delight
  - NPS
  - Champion Score

- Customer Retention
  - Revenue Retention
  - Logo Retention
“Soft” KPIs

KPIs not correlated to financial outcomes

- Webinar attendance
- Sales hand offs complete
- Qualified Opportunities
- Success Plans
- # reboots completed
- NPS score
- CSAT
"Soft" KPIs

KPIs not correlated to financial outcomes

- Client Health Scorecard
- Referenceable Accounts (depth & breadth)
- # of Client Engagements
  - PR
  - Reference Calls
  - Blogs
  - Videos
Where are there cross-functional dependencies for the metrics your team owns. How do you address these?
Core KPIs

- **Dependencies**
  - **Customer Adoption Maturity/Growth**
    - Product Adoption Metrics – Engineering, Enablement, Sales, Support
    - Unique differentiator feature usage – Engineering, Enablement, Support
    - Leading (NLS) feature usage – Engineering, Support
  - **Customer Delight**
    - NPS – Sales, Engineering, Marketing, Support
    - Champion Score – Sales, Marketing
  - **Customer Retention**
    - Revenue Retention – Sales, Engineering, Support
    - Logo Retention – Sales Engineering, Support
Customer Success is everyone’s responsibility!

Leadership

Business Operations

Customer Success: CSMs, Professional Services, Support

Product
- Features
- Functionality
- PSAT

Marketing
- Pricing & Packaging
- Personas
- Campaigns
- Pipegen

Sales
- Attach Rates
- Sales Hand Offs
- Red Accounts
- Renewals
Can you share any best practices around how you track & report on the core CSM metrics?
Core KPIs

- Reporting Framework
- Customer Adoption Maturity/Growth
  - Product Adoption Metrics
- Customer Delight
### Tracking & Reporting on Customer Success Metrics

**Leverage Data to Turn on the Headlights**

<table>
<thead>
<tr>
<th>Onboarding</th>
<th>Adoption</th>
<th>EWS/Red Accounts</th>
<th>Bug Requests</th>
<th>Feature Requests</th>
<th>CSAT</th>
<th>Renewals/Attrition</th>
</tr>
</thead>
</table>

**Tools & Integrations**

[Image of tools and integrations]

[Logo for salesforce and desk]
Any pitfalls to avoid – what metrics have you tried that did not work well?
Core KPIs

- Failed KPIs
  - Customer Adoption Maturity/Growth
    - Revenue Growth
    - Breadth/Depth/Frequency of use
  - Customer Delight
    - Referenceable
Pitfalls to avoid

“Setting and forgetting” customer segmentation and coverage models
- Constantly analyze your customer base and adjust strategy accordingly

Underinvesting in Customer Success (resources & tools)
- Get your data into one place to gain 360 degree view of your customer
- Implement tools to “Turn on the headlights”
- Invest in post-sales resources

Assuming Customer Success is the VP of Customer Success’ job and not everyone!
- Customer Success is a team sport
In what forum/s do you share the results & value driven by the CSM team (ie Leadership meetings, Board presentation, etc.)
Core KPIs

Forums for Sharing

- Customer Adoption Maturity/Growth
  - CSM team leads, Engineering leads – weekly
  - Marketing teams – monthly

- Customer Delight
  - NPS quarterly to C-suite, the Board, entire company

- Customer Retention
  - Revenue Retention – bi-weekly to company, quarterly to C-suite/Board
  - Logo Retention – quarterly to C-suite/Board
Forums used to highlight value driven by CSM Team

Sharing Results

- Internal QBRs with Execs (all clouds & emerging businesses)
- Monthly and weekly Management meetings
- Weekly CSM Team meetings
- Real-time via Salesforce, Chatter and Gainsight
• Sharing Results
  • Internal Blog
  • Weekly Report
  • Quarterly Business Reviews
  • Client Health Lights