

Session #3

Customer Success Leadership
Bootcamp Webinar Series - Q1 2024

Using Churn and Risk Data to Drive Your New Strategy

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Knowing Why Customers Churn is
Important, Knowing Why
Customers Stay is **Critical**

Early risk indicators help you anticipate if your customers may not succeed, influencing your strategic decisions.

SYMPTOMS

Symptoms are the visible indications of an issue

ROOT CAUSE

Root causes are the underlying reasons behind the symptoms



CHURN

ROOT CAUSES



Lack of Perceived Value



State of the Business



Poor User Experience



Lack of Change Management

SYMPTOMS



Poor Adoption



Lack of Engagement



Detractor NPS



Non-Renewal

Current Pulse Reasons

Support:

59

34.5% of Customer Count
\$4,680,057.00 ARR

Business Viability:

19

11.1% of Customer Count
\$2,106,611.00 ARR

Professional Services:

14

8.2% of ...
\$427,000.00 ARR

On-boarding:

14

8.2% of ...
\$1,669,897.00 ARR

Relationship:

13

7.6% of Customer Count
\$442,702.00 ARR

Billing:

8

4.7% of Customer ...
\$116,500.00 ARR

Sales:

3

Education

Customer Communication:

20

11.7% of Customer Count
\$1,054,642.00 ARR

Customer Success:

9

Product Issues:

7

Enhance...

Product

Current Pulse Reasons

Customer Communication:

43

25.4% of Customer Count
\$4,962,150.00 ARR

Relationship:

23

13.6% of Customer Count
\$584,064.00 ARR

Education:

15

8.9% of Customer Count
\$1,515,527.00 ARR

Business Value Health Index:

15

8.9% of Customer Count
\$1,974,863.00 ARR

Support:

33

19.5% of Customer Count
\$1,534,010.00 ARR

On-boarding:

14

8.3% of Customer Count
\$870,293.00 ARR

No Reasons:

11

6.5% of ...
\$200,000.00 ARR

Business Viability:

6

Professional...

5

3.0% of ...
\$249,...

NPS

Bi...

E...

The image features a soft, hazy background of a sunset or sunrise over a body of water. In the foreground, the silhouettes of two people are visible. One person is standing and pointing towards the horizon, while the other is crouching and looking through a telescope mounted on a tripod. The text 'LOOK FOR THEMES' is overlaid in a bold, blue, sans-serif font, centered horizontally and partially overlapping the telescope and the crouching person.

**LOOK FOR
THEMES**

IDENTIFY THEMES FOR IMPROVEMENT

WHAT SHOULD YOU BE LOOKING FOR?

What are the top 3 risk reasons impacting the most amount of customers?

Are there themes amongst leading indicators?

Break factors into 2 buckets - controllable and uncontrollable.

What factors can be addressed now that will have impact on churn in 6 months?

What's the 1 thing we can do that will change retention?

PROGRAMS TO CONSIDER

3 INITIATIVES

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Lack of
Perceived Value



Goal Coaching &
Onboarding

Low Adoption and
Change Management



Webinar
Trainings &
Workshops

Integration and
Data Consolidation



Support
Office Hours

Goal Coaching and Onboarding

- Customers struggled to articulate their specific SMART goals as it correlated to the business
- Onboarding focused on the adoption of the technology and not the solution of a pain or value realization
- Train the trainer did not focus on Change Management
- Adoption would dwindle as end users were unclear on the “WIIFM”



Webinar Training & Workshops

- End users were not part of the onboarding process and struggled to connect technology to value
- As new product was released there was more technology with value not being understood or adopted by all customers
- Customers need as much training about the industry as they do about the product
- Leaders have challenges that they would like to brainstorm with other leaders

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Support Office Hours

- Customers are needing assistance with technical integrations and want access to agents to answer questions quickly
- When product issues or experiences arise for users, this disrupts their workflow and slows them down
- With smaller teams, and more customers using and adopting the platform, the number of tickets submitted is increasing with more work for the small team



Leading

Definition: Leading indicators are metrics or signals that change before a specific situation does. They are considered predictive and help anticipate future trends.

Purpose: Leading indicators are used to provide early warnings about potential shifts in performance or market conditions. They offer proactive insights to guide decision-making.

Examples:

Job Postings: In the labor market, a rise in job postings can suggest increasing economic activity and potential growth.

Characteristics: Leading indicators are forward-looking and are typically monitored to identify trends or changes in the early stages. However, they may not always accurately predict future outcomes.

Lagging

Definition: Lagging indicators are metrics that change after a specific situation has changed. They are reflective and measure the consequences or results of past events.

Purpose: Lagging indicators provide confirmation of trends that have already occurred. They are useful for assessing the impact of previous decisions and actions.

Examples:

Revenue Growth: An increase or decrease in revenue is a lagging indicator that reflects the success or challenges of past sales and business activities.

Characteristics: Lagging indicators are retrospective, offering a historical perspective on performance. While they provide valuable confirmation, they are not as helpful in predicting future changes.



TAKE NOTE

1. Remember to review why your customers go and why they stay
2. Solve for the root cause and not the symptom
3. Design the programs that will retain customers, not stop them from churning
4. Don't over engineer, move quickly
5. Define early indicators and track them closely

THANK YOU
Q&A