



Guide to Building
**The Customer Success Leader's
30-60-90 Day Plan**



CustomerSuccess**Box**

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30-60-90 Days Plan for VP of Customer Success



Overview



We as consumers subscribe to Netflix for our entertainment. Businesses, from small startups to large multinational corporation, subscribe to software, legal services & financial services, transportation, marketing, HR and payroll services, office space and IT infrastructure and pretty much everything else businesses ever need.

Global shift from Ownership to Subscription economy is happening and is here to stay. Period.

In the Subscription economy, “customer” is the true King. It not only gives the customers aka subscribers the power to choose among options, but also the power to “fire” any vendor. Not only the cost and effort of switching from one software/service/product provider to another is reducing day by day. Even the number of competitors are increasing because of the advancements in technology.

This is most true in the SaaS industry. Global SaaS industry suffers from **30% annual churn rate**. And at the same time has its own peers hit **130% MRR retention** and beat this trend by miles.

How are they able to do this?

Enter... **Customer Success**. Drum rolls!!

In SaaS it is the job of Customer Success to deliver the promised value.

Customer success is not just another department and customer success managers are not just any other position that every SaaS company should have.

An awesome Customer success team is one of the fundamental requirements to be a successful SaaS company. In the world where softwares and products are getting easier to build, customer success can be a differentiating factor.

As more and more companies are getting aware of customer success and its advantages, even companies from other industries have started to setup customer success departments.

Customer success is responsible for wide ranging functions like retention, renewal, upsells, advocate for customers, build key relationships, be the voice of the customer, drive stickiness through product adoption etc depending on the company and the product.

Focussing on everything can lead to disastrous consequences as no goal would be properly achieved and in the end it will be just be a wastage of resources.

Usually there are already 1-5 CSMs when a customer success leader is hired.



If CSMs are handling the customers well, why is a Customer Success Leader required?

CSMs are just responsible for the accounts that they are managing. They are usually responsible for their account churn. But a leader is responsible for the Annual Recurring Revenue (ARR) along with bigger goals like more than over 100% retention rate which requires careful planning and execution.

The customer success leader also helps standardise the processes and is responsible for the overall customer experience.

As a first time customer success leader, you will be excited and wanting to achieve as many goals as possible.

But it is not possible to get immediate results without following the correct process. By following a proper plan, you will be amazed by the results customer success can bring.

When a customer success leader is hired, the first 90 days are crucial. 90 days is an optimum time to learn and understand the product, plan a strategy and execute to get results.

Few months ago we wrote an article on [First 90 Days plan for Customer Success Management](#). That article was published on [Hackernoon](#) and we got a lot of feedback, questions and requests for more details. Taking all those requests into account we have now prepared a comprehensive guide for first 90 days plan for the first customer success leader in a SaaS company.

Who is this ebook for?

Customer success is an emerging field which has been growing exponentially since the last few years. An effective customer success practice can lead to financial growth.

This ebook will help in making the first 90 days plan when you are hired as the first Customer Success Leader in a company. The ebook will also be useful for experienced Customer Success Managers who want to become Customer Success Leaders in the future.



We have divided the ebook into 3 parts and each part comprises of a detailed plan along with tasks that should be completed in each block of 30 days.

0-30 Days

**LISTEN,
UNDERSTAND
AND ANALYZE**

30-60 Days

PLAN

60-90 Days

EXECUTE

Listen, Understand and Analyze

In the first 30 days, your focus should be to listen, understand and analyze the product.

Without proper information and knowledge, you won't get the expected results. So in the first 30 days, you only have to learn and not execute.

The first 30 days should be divided into two sets where in the first set you listen and understand and in the second set you analyze.



Listen and Understand



Meet the stakeholders

Knowing the stakeholders is the first step to being a successful customer success leader. Here the stakeholders involved are:



Management

The management team will discuss what their expectations are from the customer success team. As the customer success leader you should understand the goals of the company (90 days, 180 days, 1 year, 2 years goals), product vision, customer persona (aka Ideal Customer Profile or ICP), current segmentation factors, the metrics the CS team is measured on currently. If the management wants you to reduce the churn rate but you are focussing on reducing onboarding time, your relieving date is near!



Customer Success Team

This is your team and with whom you have make the customers successful. Interact with the team and understand the existing processes and the challenges faced by them. Also make a note of how a successful customer looks like and what made them successful.



Onboarding Team

Without an effective onboarding process, no matter how good the other things are, the company cannot be successful. The onboarding team will help you understand the existing onboarding process.



Customers

Your job is to make sure that the customers are able to achieve their goals and are happy. Learn about your customers. Understand the reasons for customer churn, who the top customers are, what the health of customers are, etc.



Product Manager

If you have any doubts related to the product, product manager is your go to person. A product manager will give you an overview of the product and also inform about the product roadmap.



Support Team

The customer experience cannot be good if the support team is not efficient. Understand the process and metrics that they follow. Learn about the common and recurring issues, SLAs, synergy with the CS team, trend of support tickets, happy and unhappy customers.

SMART TIP



Go through the support tickets to understand what the most common problems are.



Marketing Team

The marketing team will guide on how the product is being marketed, what features are being highlighted, the type of content being produced. In future, the customer success team has to collaborate with the marketing team to produce case studies etc.

Spend time with each stakeholder and understand what their expectations are along with what problems are they facing.

Understand the Product

- What is your product?
- Why was it built in the first place?
- What problems is it solving?
- What value it promises to deliver?
- How is your product different from the competition?

These are some of the several questions whose answers you have to seek.

You need to deeply understand the product. Not just what are the different features available in the product but also why each of the specific features were built. For example why was the health feature created?

Learn about the various use cases the product is designed for.

Here you will need the help of the product team along with the developers. Try the product yourself and get all your doubts cleared. Trying the product thoroughly will also help you know the shortcomings and problems your customers face.



Understand the Existing Processes

Before improving anything, you need to learn about the existing process and figure out which parts can be improved and leave the parts which already are working great.

Customer success department handles several things like onboarding, retention, upsells etc. Understand each of the processes and also question why the specific process is designed in that way.

Similarly learn about the renewal, upsell and any other existing processes.

Start with onboarding process. Along with learning about the onboarding process, get to know the current onboarding metrics being measured. Depending on the company, the onboarding metrics can be different. Some of the common onboarding metrics are time to value, customer engagement, milestones completed etc.

Customer Success Process Maturity Table

	Doesn't Exist	Basic	Intermediate	Advanced	Wrong
Team Feedback		Verbal	Written (Feedback forms, emails etc)	1 to 1+ Written	Verbal (No record kept)
Customer Feedback		Verbal	NPS+Verbal	CSAT+NPS+ Formal	Verbal (No record kept)
Product		Single Plan, Single Product	Multiple Plans, Single Product	Multiple Plans, Multiple Products	
Onboarding Process		Time Bound	Time Bound + Milestones	Time Bound + Milestones + Product Adoption	Time Bound (No playbooks)
Renewal Process		Guesswork	Milestones	Milestones + Renewal Playbook	Suggesting at the wrong time (ex- onboarding)
Upsell Process		Guesswork	Milestones	Milestones+ Upsell Playbook	Suggesting at the wrong time (ex- onboarding)

Connect with Key Customers

Maintaining a good customer relationship is a part of the customer success manager's job. After meeting the stakeholders and learning about the product and processes, the next step is to connect with the key customers.

These customers are extremely important for the company and you will learn about why your product is so important for these customers. Your domain knowledge will also improve.



Who are the Key Customers?

Key customers usually are of 4 types:

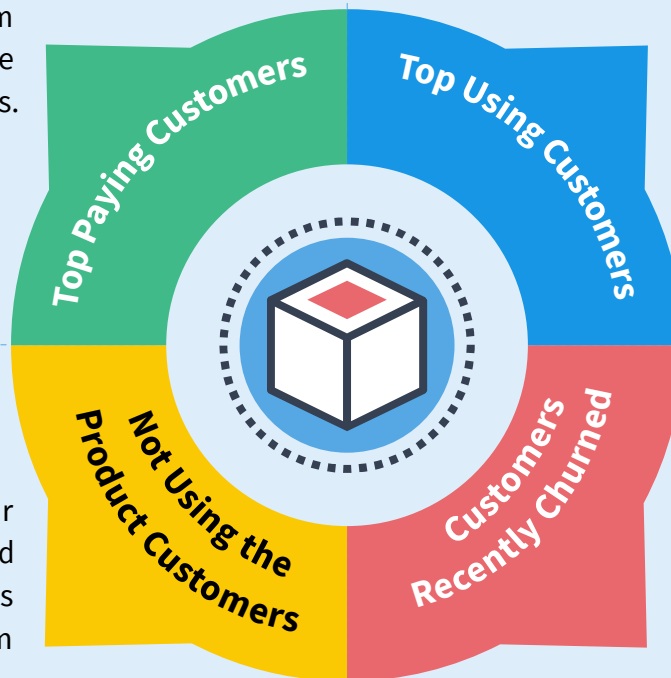
These are 20% of the customers who are responsible for 80% of the total revenues for the company. Talk with them to understand the use case of each of these customers.

Often the top paying customers are the top using customers as that is the reason they are paying so much. But this is not a rule and sometimes this might not be the case. Understand for what purpose and which features are these customers using the most.

These are the customers are usually ignored but are crucial if you want to learn and improve your product/service. Understand what their exact problems are and try to solve them ASAP.

easiest way to know where the actual problem is. Did the customers churn because the product was not good enough, the customer experience was not good, they were not able to achieve the goals they

were promised, customer was not onboarded properly etc.

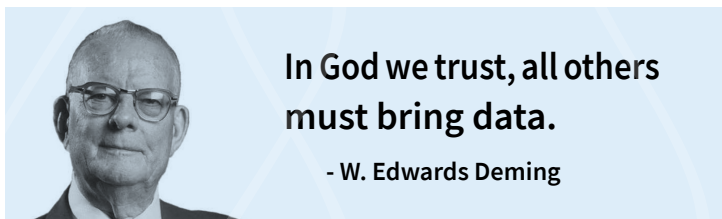


Customers also give the real and unbiased feedback about the product. After all the product is made for the customers and hence their feedback is critical. Try to understand their challenges and also what improvements they want both in the product and also in their experience.

Now, let us move to the second step. >>

Analyze

Dig into Data



Data Never Lies

By digging into the data, you will get an idea of what the real problems are. If you are using a customer success platform, you will get awesome insights. For example: what features are the customers using, when was the last login etc.

The customer success department has access to an abundance of data. Data alone is not sufficient if the CSM is not able to derive insights and knowledge about the customers.

Using a customer success software, the data is available in a structured format as per your requirements. For example, Engagement Score is calculated as the Percentile of features used by all users across an account against the rest of the accounts in the product. This can be set in the customer success software instead of CSMs having to calculate on their own.

Here are some metrics that you should keep an eye on using a customer success platform:

METRIC	DEFINITION
Time Spent	Time Spent is the sum total time spent in minutes by all Users across an Account.
Last Activity Date	Is the latest activity date of any Users across an Account.
Last Activity Date	Is the sum total of feature events used by all Users across an Account.
Total Unique Modules Used	Is the total number of unique modules used by all Users across an Account.
Total Active Users	Is the total number of all the unique users who logged in at least once across an Account.
License Utilization	License Utilization Is the total number of licenses utilized as compared to the total number of licenses issued to the Account.
Engagement Score	Engagement Score is calculated as the Percentile of features used by all users across an account against the rest of the accounts in the product.

These are some of the metrics that will help you give you an idea about which customers need attention.

But the customer success manager should look at the right data for each of the customers to get the right insights. For example, if a customer has to do a certain small task every day, you should look at the last login of that customer and not how much time are they spending on the platform to get the right view of the customer.

As a customer success leader, going through data and understanding which customers might be facing what problem is essential.

Understand Recurring Revenue

SaaS companies are based on the model of recurring revenue.

The cost of acquisition (CAC) is quite high in the SaaS industry. The initial contract value is usually 5-15% of the lifetime value (LTV) of the customers. If the customer cancels the contract, it is a huge loss for the company.

The longer the customer stays, the more profitable the customer is for the company.

In fact, ideally LTV should be at least 3 times the CAC so that the company can grow.

Since recurring revenue is so essential, you need to understand how is the revenue spread across an organisation.

- Which type of customers pay the highest?
- What is the average LTV of the customers?
- What is average ARPA?
- What is the CAC?
- What percentage of customers upgrade?
- What is the average expansion revenue?

These are a few of the several questions that you need to ask.

Analyze Last 90-180 Days of Churn

High churn rate is one of the major reasons that has killed several SaaS companies. It doesn't matter how high your growth rate is, if you are not able to bring the churn rate under control, it is difficult to sustain the company.

Churn can happen due to various reasons like bad fit, missing functionality, missed outcome etc.

- ◆ **Bad Fit** - When the product is sold to customers who don't belong to the ICP, the customer is bound to churn.
- ◆ **Missing Functionality** - Assume that a customer has requested for a feature multiple times yet you are unable to either provide the feature or give them a timeline by when the feature would be available in the product. The customer might get frustrated and churn.
- ◆ **Missed Outcome** - If a customer is unable to achieve the desired outcome by using the product, the customer might churn. This type of churn is completely unacceptable.

There can be other reasons because of which the customer might churn like never onboarded, user left the company, high price, etc.

To know the different types of customer churn and specific strategies to reduce each type of churn, refer to our Ebook.

[Reduce Churn In 90 Days](#)

Deeply analyze the churn that happened in the last 90-180 days. Take the help of the customer success platform along with the customer success managers to understand why the customer churned.

Was it the fault of the product or the company or the customer was not fit for the product?

Analyze how those customers could have been saved.

Consider strategies to tackle each of the churn types.

For example to tackle bad fit churn type you should:

- ◆ Train your sales team to identify non ICP customers so that products are not sold to these customers.
- ◆ To make sure that the sales team does not actually sell to non ICP customers, any commission that they get should be cancelled if the customer churns within 90 days of signing a contract.

If done properly, you will be able to understand what and where the major shortcomings are that led to the customer to churn.

After having listened, understood and analyzed the product, it is now time to move to the second part and start making a plan that you will execute in the end.



31-60 Days

Plan

Now that you have all the knowledge, data, insights regarding the product, it is time to design a plan which will help you achieve the desired results.



Address Customer Sentiment

This is a task which needs to be done regularly. Sometimes, you will feel that a customer is satisfied but s/he may be writing negatively about you on Twitter or other social media channels.

In the 21st century where everything is rated online, one angry and frustrated customer can cause irreversible damage to the company and brand. If something like this happens you should apologize ASAP, if it was your fault, and provide the customer the best possible solution available along with an awesome customer experience.

The same mistake should not be repeated again.

Make sure you keep a tab on all the company mentions across the web and tackle the feedback (positive or negative) as soon as possible. You can use tools like Hootsuite and other tools that are designed for specific social media channels.

If there is too much negative feedback, there might be a fundamental problem that needs attention.



Segment Customers

To better serve the customer, it is essential to segment them.

Why is it necessary to segment the customers?

In the initial stages, a company has few customers who can be easily managed by the customer success team. As the company starts growing and the number of customers increase, it is difficult to give personal attention to each and every customer.

This may lead to some customers not getting any proactive help.

All customers are NOT equal! Different customers can have different expectations from the same product. As the number of customers increases, this becomes a bigger problem.

Segmenting customers can solve this problem. **Segmentation leads to better and efficient management of customers by the customer success team.**

What is segmentation of customers?

Segmentation of customers is dividing customers into groups based on some common factors. Each group of customers will have some similar characteristics. Because of these characteristics, each group of customers might have similar requirements and expectations.

The most common ways in which customers are segmented are:

1. ARPA

The easiest way to segment customers is based on how big their contract is. Usually the higher a customer is paying, the more important the product is for them.

These customers usually require more handholding and you should try to provide them the best customer experience as the majority of your revenue comes from these customers.

2. Pricing

Usually companies have different plans depending on the features they are providing. Higher plans have all the features while lower plans have limited features. Plans may also depend on the number of seats along with several other possibilities.

Customers in the same plan can be handled by the same customer success manager as their needs and requirements will be similar.

Grow	Business	Enterprise
<i>For businesses who want to start with the customer success initiative with a small success team</i>	<i>For businesses with mature customer success practices and a large success team</i>	<i>For businesses who want to extend with the customer success initiative across a range of products and teams</i>
Standard Integrations	Standard integrations with custom rules	Standard integrations with custom rules and two way sync
Single Product	Single Product	Multi Product
Email Support	Live Chat Support	Phone Support
Request Pricing	Request Pricing	Request Pricing
See details	See details	See details

Grow Includes	Business Includes	Enterprise Includes
All Customer Communication	All Customer Communication	All Customer Communication
Account Health Monitoring	Account Health Monitoring	Account Health Monitoring
Onboarding & Workflows	Onboarding & Workflows	Onboarding & Workflows
Portfolio Management	Portfolio Management	Portfolio Management
Alerts & Tasks	Alerts & Tasks	Alerts & Tasks
Campaigns	Campaigns	Campaigns
Predictive Account Forecast	Predictive Account Forecast	Predictive Account Forecast
Revenue Forecasting	Revenue Forecasting	Revenue Forecasting

For example, CustomerSuccessBox has 3 plans: Grow, Business and Enterprise. A client on the Grow plan will not have any issues regarding campaigns or predictive account forecast as they are not using those features.

The CSM managing customers in the Grow plan should be well versed in Account Health Monitoring, Onboarding and Workflows, Portfolio Management but does not need to be an expert on Revenue Forecasting, etc.

Here also, customers in higher and more expensive segments usually need more attention and handholding. Their issues need to be resolved ASAP because your software is essential for them to achieve their business goals.

3. Demographic

Customers can also be segmented based on which geographic area they belong to.

So customers from North America can be in one segment, customers from Europe can be in another segment while customers from Asia can be in a third segment.

Customers belonging to the same geographical location will have similar culture. CSMs belonging to that geographical area will be able to better understand that culture and will be able to provide superior customer success experience.

4. Industry

If your product caters to customers from different industries, then industry can also be a factor by which customers can be segmented.

Each industry will have different needs and expectations. Customers belonging to the same industry use similar jargons and terminologies.

A CSM having previous experience in the same industry is better suited to provide customer success to the clients from that industry.

5. Use Cases

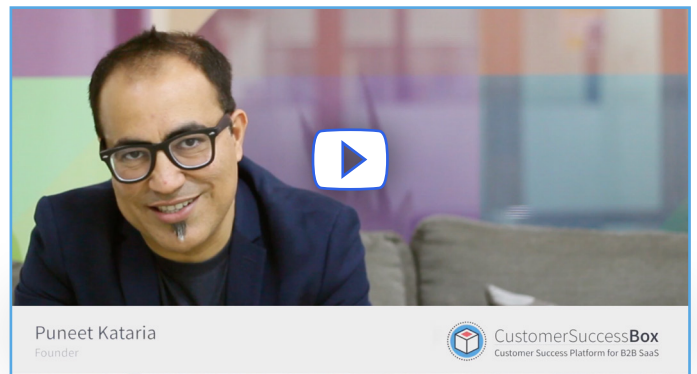
This is the most effective way to segment customers.

As you would know by now that the same product is used to solve multiple different use cases.

You need to first understand which use case a customer belongs to. Depending on the different use cases, segment the customers.

Here, CSMs don't need to teach all the features of a product. Teach only those features that will help the customers achieve their goals.

You can even link the use cases to the different personas that are a part of the ICP (Ideal Customer Profile).



These are the common ways in which the customers can be segmented. There can be several other ways to segment customers based on which industry and what stage the company is in.

You can even combine 2-3 factors to better segment customers. For example you can combine the plan along with use cases. There can be several customers in one plan but they still can be using the product for achieving different goals.

Hence, combining plans with use cases will bring customers in the same plan and having the same use cases in one segment which will have much more similarities that if the customers had been segmented on one factor.



Learn About the Product Roadmap

Most of the details about product roadmap can be learned from the product manager. The product manager will inform you about all the features that are planned for the upcoming year along with the quarters in which the specific features would be live.

This information will act as goldmine for the customer success team.

**When will feature <A> be live?
Is feature on the product roadmap?
What is the status of feature <C> ?**

Product roadmap can help you answer common questions like these. Whenever a customer requests a specific feature, the respective CSM can give a correct estimate by which that feature would be available. If the feature is currently not in the roadmap, s/he can tell the truth along with suggesting how they can still complete their task.

Giving false hope can be extremely detrimental for the company in the long run. You may be able to keep the customer for a few weeks or months but in the end customer will churn and may even give bad reviews to his connections.

If a key customer requests for a feature, that feedback should be passed on to the product team. Depending on their availability and urgency, they might give a timeframe by which the feature would be live.



Make a Customer Success Strategy

Now is the time to put all your learnings and knowledge to use.

As a customer success leader, you have to put together a feasible plan which if followed will lead to solid results.

You have to make sure all the resources including the customer success team, technology, time are all utilised to an optimum level and make sure everyone works to their strength.

Don't make too many drastic changes as that may overwhelm the team. Focus on making gradual improvements.

Depending on the various segments, make portfolios for each of the CSMs so that each CSM knows which customers they are responsible for.

You also need to decide what should be the initial focus of the team be.

CSM is responsible for onboarding, retention, upsells, drive stickiness through product adoption, decrease time to value etc.

But, initially the team has to focus on one thing so that they can get some measurable results in a limited timeframe. Otherwise, no matter how much resources you spend, you will not get the expected results.

From talking to hundreds of CS leaders, we got to know that onboarding is the part which is neglected the most but can give the highest ROI.

Hence, I would recommend you to first focus on improving the onboarding process.

You can retain and upsell customers only if they are able to achieve their goals and are satisfied by the product. Normally retention and upsells happen during the end of the contract hence it takes a longer time to see whether you have made any positive impact or not.

But, onboarding is the first step that the customer goes through and the first major task that a CSM has to handle.

As improper onboarding is one of the main reasons for customer churn; fixing it will show instantaneous results.



The onboarding process should aim to achieve 3 main goals:

1. Customer should be able to get to an early value ASAP.

Many CSMs teach all the features of the product to the customer during onboarding.

This is a WRONG approach.

Teaching all the features at once, many of which will not be used by the customer, might overwhelm them. Onboarding is not the only time where you can guide the customer; the customer success department is supposed to guide the customer throughout the customer journey.

As discussed earlier, customers buy the same product to achieve different goals. Based on the way you have segmented your customers (by use cases, goals etc) you should preferably have a different onboarding processes for different use cases that the product is designed for.

The aim should be to help the customer reach an early value by teaching only the important features which the customers actually need to use, in the least amount of time.

2. Customer has to put in the least effort to get to that value.

The reason why customers have bought your product is because they can achieve their goals faster and by putting less effort.

As a CSM, especially during the onboarding process, the customer is eager to get to value. If you are making the customer go through long unnecessary processes, the initial enthusiasm that they have might dip. If they feel that the software is tedious or there is a huge learning curve while the output is not that big, they may churn during the onboarding process only.

So, you should try to make the onboarding process simpler, even if it means that you have to put in more effort

3. There should be product adoption at the end of the onboarding process.

After the onboarding process, the customer should have adopted the product and know how to achieve his/her business goals. It is recommended that you teach the sticky features, if it would be useful to the customers.

Sticky features are those features, which once a customer starts using, they will not want to go back to the old way as these features are intuitive and easy to follow.

The more sticky features the customers learn, the better product adoption will happen.



Design an Onboarding Framework

To improve the onboarding process, it is critical to have a customer onboarding framework.

Onboarding framework consists of the necessary steps that both the customer and CSM has to follow along with the milestones and value that the customer will get in a specified timeline.

It is important that after every major step the customer achieves some value. Unnecessary steps should be avoided.

Number of onboarding framework should be equal to the number of use cases that your product solves.

Here is an example of a customer onboarding framework for CRM onboarding

[Download Template](#)



Define Customer Lifecycle Journey

Monitor and support the customer throughout their lifecycle.

In the SaaS world there are 5 major phases in the customer's journey: **Sign up, Onboard, Renew, Upsell, Advocacy.**

Define product adoption milestones, expected outcomes journey for each.

Talk about each of the above points.

The retention process starts with proper onboarding of the customer. Successful onboarding of the customer should lead to product adoption. As the customer starts using the software, CSM should be proactively available to guide them.

CSMs should also regularly engage with the customers to gain more insights.

By the end of the contract duration, the customer would have gained actual benefits from the product after which the renewal process becomes smooth and the CSM might even upsell to the customer.

Once the customer realises the value of your product and you are able to provide an awesome experience, the product becomes an inevitable part of the customer and s/he becomes loyal to your product.

Build a community of loyal customers who will act as advocates for your product. Give the community an early access of your product. Take the feedback of the community seriously as these are the real users who will help improve your product.

Monitoring the customer's lifecycle allows you to provide the customer the right input and guidance at the right time.

For example: you should not be trying to upsell the customer in the onboarding phase.



Customer Engagement Model

The job of customer success is not only to make sure that the customers achieve their goals but also to provide the customers an awesome experience.

Today there are several products competing in the same segment. As the technology becomes cheaper, there will be more inexpensive products that help the customers achieve similar goals.

Customer experience can be differentiating factor between products in the same field.

No matter what technology you use, you should try to engage with the customers as per your bandwidth. Not only will you gain insights that can not be derived from the data but also help build relationships with your customers.

There are several ways to engage with your customers:

1. **Emails, automated campaigns, feedback forms.**

If the ARPA is less than \$1k, each CSM will be handling hundreds of accounts. Customers mostly will use the self serve model (support documentation, guides, videos etc).

Here, CSM will be using technology to manage the accounts and hence the best way to get the customers' feedback is through mails, automated campaigns and forms.

Depending on what the majority of the customers give feedback on, the CSM can concentrate and improve those concerns.

2. Phone Calls.

If the ARPA is above \$5k, the CSMs should call the customers, at least once every month/quarter to understand how things are going, what difficulties are they facing and what improvements would they want.

It is crucial to make a record of the learning from the call so that it can be acted upon at a later date.

3. QBRs and 1-to-1 Meeting

If the ARPA is closer \$100k, the customer would expect in person meetings. These customers are key for the company and you can not afford to lose them.

You can conduct 1-1 meeting along with the onboarding specialist (if any) during the onboarding phase so that the customer thoroughly understands on how to use the product. Meeting your clients face to face for QBRs helps each side what they have achieved, what needs to be worked upon, where they made mistakes, etc.

No matter which way you engage with the customers, make sure you actually do engage with them. Sometimes, a customer prefers a certain way of interaction; if your bandwidth allows it, take the customer's expectations into consideration.



Decide the KPIs to Focus on

How will you decide whether the goals have been achieved or not?

KPIs (Key Performance Indicators) show in terms of numbers what the exact impact have been.

There are **several KPIs** that can be measured like MRR retention rate, Customer Churn, CAC:LTV ratio, Customer Engagement score etc.

Some of the important KPIs that a company should measure:

MRR Retention Rate

This KPI is measured as % of \$ MRR growth, without including the new accounts. Market leaders usually have above 100% MRR which is possible through upsells and cross sells.

Churn Rate

Every type of churn is not the same. There are 2 main types of churn: Account churn and Revenue churn.

When a customer cancels his/her contract, it is counted as **account churn**. The total loss of revenue when a customer cancels his/her contract or downgrades his/her plan comes under **revenue churn**.

Usually there are few high paying customers. If these customers churn, the account churn will look normal but revenue churn will be very high.

Hence, both account churn and revenue churn should be measured to get a complete picture.

CAC: LTV ratio

Everyone knows the Lifetime Value (LTV) of a customer has to be higher than the Cost of Acquisition (CAC) for the company to sustain.

But how high should the LTV be compared to CAC so that the company can grow comfortably?

According to research, the LTV should be at least 3 times the CAC.

Depending on the industry, the SaaS product and the stage the company is, you have to decide which all KPIs to focus on.

Focussing on too many KPIs will lead to nowhere. Make sure you consult the senior leadership while finalising the KPIs that the customer success team should improve.



Setup Account Health Parameters

Along with the KPIs, the CSMs have to focus on the account health of the respective accounts.

Account health shows in a snapshot in terms of good, average and bad how satisfied the customers are and whether they are achieving their goals or not.

Customers having good health have a high chance of renewing the contracts and there is a probability to upsell to them also.

Customers having bad health need the urgent attention of the respective CSM as they may churn anytime.

Health is not just a single number. You have measure **Health 360** to get the overall picture. Health 360 consists of 4 types of health that you had like to measure:

- ◆ **Product Adoption:** Examples- Engagement Score, License Utilization %, Active Days, Timespent etc.
- ◆ **Financial:** Examples- Invoice Status, Account MRR, Subscription Activated on etc.
- ◆ **Service:** Examples- Total tickets, Total open tickets, Critical Unresolved tickets etc.
- ◆ **Relationship:** Examples- Last Touchpoint, Account Forecast Value, Risk Score etc.

Account health parameters should be custom set for the different segments of the customers.

For different segments, the meaning of health might be different. For enterprise segments, the number of features used may be essential while for customers on growth plan the time spent will show a better picture of what their health is.

Each of the segments should be thoroughly studied to understand what is important for them before setting up the health parameters.

If wrong health parameters are set, the customers who you think have good health might actually churn.

You can even talk/take feedback from key customers of each segment to better understand what they actually want to achieve from the product.



Create an Expansion Plan

Customer support department is a cost centre for the company. **Unlike customer support, customer success department is a profit centre for the company.**



This is because along with retention, they are also responsible for upsells and cross sell which bring in additional revenue for the company. The best part is that without spending a lot of extra resources, the team is able to earn more from the same set of customers.

But upselling and cross selling is not easy as it may seem. The SaaS industry is very competitive and there might be similar less expensive products in the market too.

You should know which customers to upsell, when to upsell and which plans to offer.

Initially the focus should be on onboarding but you should always be on the lookout for hints that show that the customer might be ready for upsell.

For example, if the license utilization (total number of licenses utilized as compared to the total number of licenses issued to the Account) is high, the customer may need to buy more licenses.

Or if the upgraded plan allows the customer to do the same task in a much easier way, the customer should be informed about it.

Don't start upselling during the onboarding phase. Let the customer understand the product, start using it and actually gain value from it.

First understand the customer's need and once the customer starts using the product, make sure the customer understands the value of the product.



Establish Targets

What do you plan to achieve by the end of the 90 days?

It is time to establish the targets for the whole customer success team. By how much should the KPIs improve by the end of the next 30 days?

For example the target might be set to reduce account churn by 30% or revenue churn by 20%. You may have more than one targets like along with reducing churn, increase MRR retention to 120%.

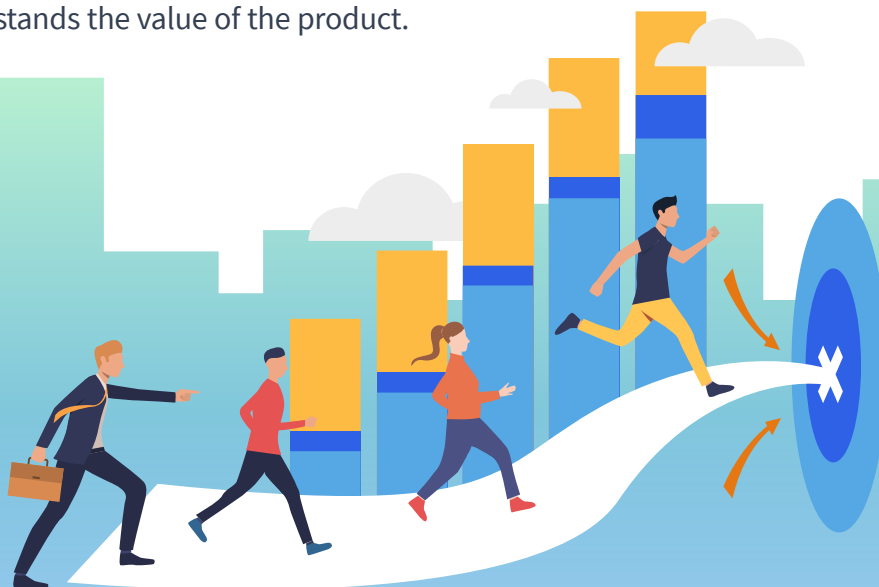
But make sure too many targets are not set otherwise it will be difficult to achieve them.

At the end, all hypotheses need to be checked by implementing and measuring data.

The targets should be clearly explained to the customer success team along with their order of importance.

Also, it should be explained how each of the metrics will be measured.

Finally we move on to the implementation phase in the last 30 days.



61-90 Days

Execute

Now that all the plans are ready, it is time to implement them and get results.



Select a Customer Success Platform

Customer Success platform helps the customer success team to focus on the right customer at the right time with the backing of data.

If the company already has a CS platform, figure out why it was bought and does it help align with the current goals?

Customer success platform does the boring work of crunching millions of data points to show the health of each of the accounts.

The parameters for the health can be custom set as per the requirements.

With the press of a button you will know which customers need your immediate attention (ie- customers having poor health). You can even go through in detail to understand what problem is the customer may be facing.

Then you can call the customer, understand their problem and try to solve it ASAP.

With a customer success platform, you actually get a window of opportunity to try to prevent the customer for churning.

Without a customer success platform, by the time you compile the data and figure out which customers might be facing roadblocks, the customers might already have started using a competitor's product.

There are 3 main categories of Customer Success Platforms:

Enterprise Grade Customer Success Platform

These are for SaaS companies with over \$100,000 customers and over \$100M ARR. Enterprise Grade Customer Success Platforms can handle scale in a way that other platforms can not. Since you have so many customers the data needs to be handled securely.

Full Scale Specialized Customer Success Platform

For SMBs, Startups, SaaS companies having 10,000 to 100,000 customers and doing \$1M-\$100M ARR. Here the focus is more on features than on scale.

These platforms are much less expensive and offer a wide variety of features but are limited by scale

Basic Platform

Here you will the basic features but it will be missing several essential features like health monitoring, milestones, alerts.

It is recommended that you use platforms like Excel or Trello instead of these basic platforms.

While choosing a customer success platform you need to keep several factors like team working style, scale, ARPU, accounts per CSM, success strategy in mind.

Take your time and all factors into consideration before making the final decision.

We have prepared a [detailed guide](#) that will help you decide which type of customer success platform you need.

Team Addition

As the customer success team leader, you need to expand your team if the need arises. For example, if your product is complex you may need to hire an onboarding specialist.

You also need to decide what value of ARR each CSM should manage. The exact value depends on the industry and the product. Usually several customers in the growth/baby plan are managed by one CSM whereas with enterprise clients, one CSM sometimes manages a single client.

Each CSM on average manages \$2M worth of ARR with a minimum of at least \$1M. If the average contract value is of \$10k/ year, a CSM has to manage 50-200 clients while if the average contract value is of \$100k/ year, a CSM has to manage 1-20 clients.



Here you need to discuss your plans with the senior leadership. Also mention how team addition will lead to better management of customers and eventually increase revenue for the company.

Budget Approval

For buying a customer success platform or any other tool, increasing the team size, you need to get the required budget approved.

You have to prepare a convincing case to show the senior leadership how spending money will actually lead to the financial growth for the company.

Did you know that the average MRR for SaaS companies is around 70% while the top companies may be able to achieve an MRR of 130%?

That presents a massive opportunity of improving the MRR by 60%!

Explain the ROI on spending a specific budget. You can use an [ROI calculator](#) to do so.

The budget you seek depends on various factors like ARPA, ARR, complexity of the product etc. For example: If you have enterprise customers your budget will be higher as you are working with thousands of customers on scale.

Don't ask for a huge budget in the starting. Ask for the funds required to buy only the necessary things. Once you are able to show the results, you can ask for a larger budget.

Budget approval may be a lengthy process and you need to have schedule several meetings with the required people. Be patient and explain your points along with the required data.

Communicate Goals

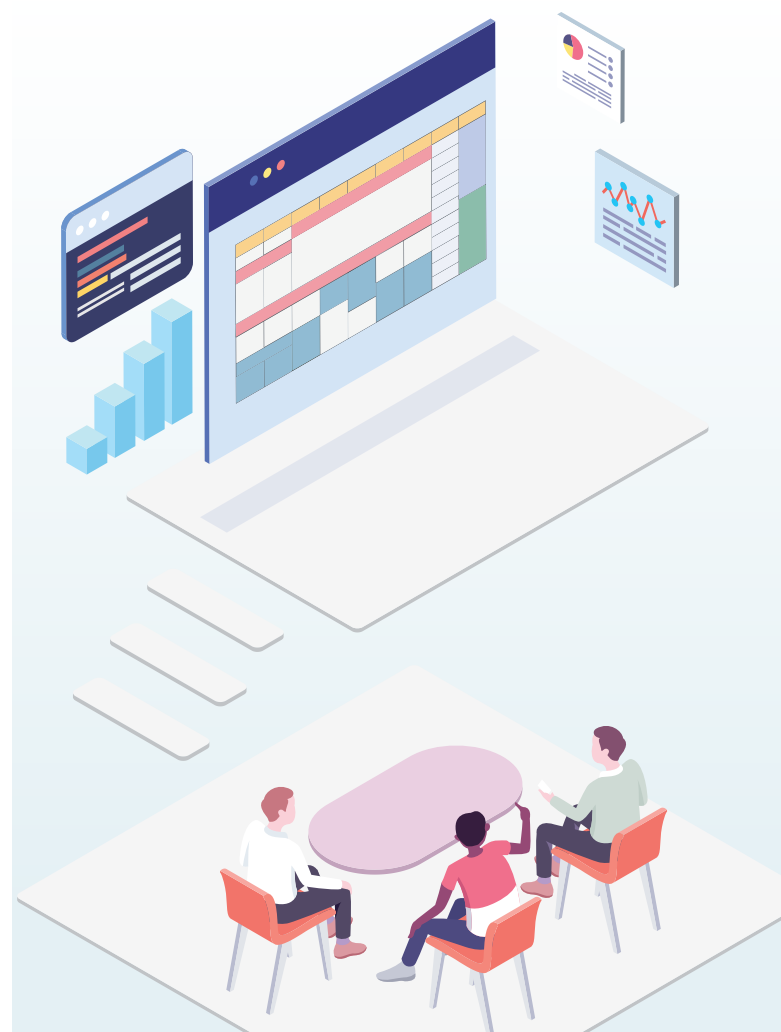
In these 30 days, the team would be implementing the plan designed by you. The goals should be clearly communicated to the team.

The goals need to be specific. Instead of having a goal to reduce onboarding time, goal should be to reduce the onboarding time by 30%. Other goals can be to decrease time to value by 20%, finalising the tech stack etc.

During the execution period, if some members deviate from the plan, you have to make sure to bring them on track.

Support your team members and clear any doubts that they have. Everyone should be focussed on achieving the goals that have been set.

This is the time to show your leadership skills so that your team executes your plan effectively and are able to arrive at measurable results.



Train, Plan and Refine the Process

During the 30 days, it is important to keep monitoring the metrics as well as the process.

In case some members are not able to follow the process, you may need to train them.

Not only that, you should even coach them about the customer success best practices, how to take the help of technology to improve efficiency and make sure that the whole team is on the same page.

If you are not able to get the expected results, you should try to refine the process. It is important to improve the process ASAP based on the feedback.

Some mistakes can not be thought of while planning but is visible when the execution starts.

Sometimes, the initial hypothesis may be totally wrong and in that case it is difficult to change the process altogether, but you should at least try to take a different approach.

Monitor and Report

Finally, at the end of the 90 days, It is time to compile the results.

The result will not be exactly as expected. If there are minor deviations, that can be taken care of.

But if there are major deviations, you need to ponder as to why that happened.

Failing is not a bad thing if you have learnt from the failure. Try to understand what could have made the plan successful.

Some mini goals may have been achieved so make a note of that.

Prepare a detailed report supported by data and your learnings.

You can use the customer success software to get the reports or can even build custom reports as per your requirements.

Here is an example of custom report:

Goals: Reduce onboarding time to 30 days, decrease time to value to 5 days, inc ARR handled per CSM to \$1.5M

	Current Status	Goal
Onboarding Time	30 days	25 days
Time to Value	8 days	5 days
ARR/CSM	\$1M	\$1.3M

After the 30 days, the results are:

	Onboarding Time	Time to Value	ARR/CSM
CSM 1	27 days	9 days	\$1.3M/CSM
CSM 2	25 days	8 days	\$1.1M/CSM
CSM 3	23 days	7 days	\$1.2M/CSM

In the first 90 days as the first customer success leader, these are the things that you should focus on.

The first 90 days is going to be quite hectic and stressful but you will also learn a lot. To get a positive result by the end of the 90 days, it is essential to put all your learnings to execution.

No matter what the outcome is after 90 days, you will have gained a lot of valuable insights, which will take your team to even greater heights.

Finally the time has come to implement the learnings from the ebook. :)



CustomerSuccessBox is the leading customer success platform for B2B SaaS businesses.

CustomerSuccessBox enables success across all customer lifecycle stages. It enables every CSM to manage hundreds of accounts while growing a multi-million dollar portfolio. It lowers the cost of delivering success per customer. Thereby enabling customers even with lower ARPA to enjoy the benefits of a customer success program. Leading customer-centric enterprises such as Raken, Zedonk, Synup and Locus use CustomerSuccessBox to drive product adoption, retention, and expansion.

Founded in 2016 by Puneet Kataria and Amritpal Singh, CustomerSuccessBox raised \$1Mn in 2018 in a Pre Series A round of funding led by early-stage venture fund pi Ventures and Axilor Ventures.

Millions of events logged & **200,000+** Accounts monitored Daily!

