Enhancing Customer Success Through Data

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We all know how valuable data is.

There are laws protecting it - and teams dedicated to managing it.

Data has become so valuable because it can be used to shape strategy and inform decision-making in business.

Put simply, using data effectively directly contributes to the profitability of a company.

Whilst data can be leveraged across all departments in your organization, one of the areas of the business where it's most critical to leverage data properly is customer success.

This is because, in CS, data can provide incredible insights into customer behavior that can help you predict churn and identify expansion opportunities.

However, having data is one thing; knowing how to use it properly is another.

So, let's delve into the role that data plays in customer success and explore how Customer Success Platforms can help you make the most of your customer data.

The Role of Data in Customer Success

Identifying Trends and Patterns

As a CS leader, you should be encouraging your team to leverage data to spot opportunities with their customers.

Simply taking the time to review customer data can reveal trends and patterns that might otherwise go unnoticed.

These trends can be both positive and negative, for example:

✓ A sudden drop in product usage could indicate an issue that needs immediate attention.

✓ Meanwhile, an uptick in engagement could signify an opportunity for upselling or cross-selling.

In order for a CSM to be proactive, it's important they can read the signs of what's coming before a customer even mentions it. This is why using data is such a crucial skill to master in customer success.

Measuring Customer Health

Customer health is the source of much debate within the CS community.

What should go into an overall health score? Is it accurate? Should I rely on it?

The truth is, that while some people like to second-guess a defined health score, using data to understand the overall health of your customer should never be considered a bad thing.
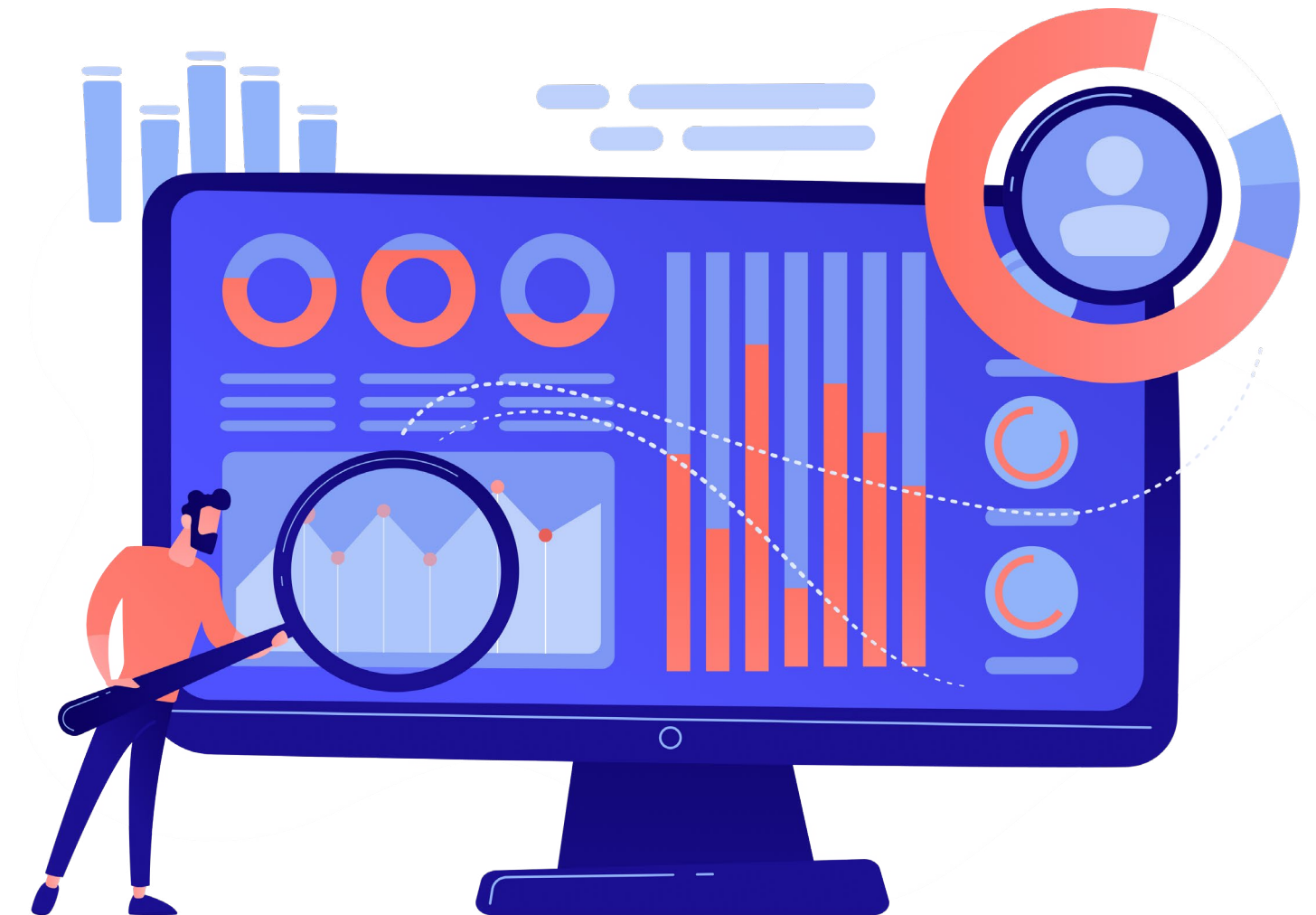
Whilst how you combine data to achieve an overall 'score' is open to interpretation, most people will still look at individual key metrics to understand more closely the current health of their customers, these can include:

- ✓ Net Promoter Score (NPS)
- ✓ Customer Satisfaction (CSAT)
- ✓ Product usage metrics
- ✓ Customer Lifetime Value (CLV)
- ✓ CSM sentiment

Failure to regularly monitor what your customers are doing with your product, or their feedback via surveys, is a sure fire way to get some nasty surprises when it comes to renewal time. So, never underestimate the power of data in CS.

Personalization

As we talked about in the previous chapter, personalization is one of the key approaches CS teams need to take when it comes to customer success management.

Personalization is way more than just adding someone's name automatically into an email template - it's about enhancing your customer's overall experience with your product and service.

Leveraging data is a key aspect of developing personalized experiences for your customers, with examples including:

Customer segmentation: using your existing data to understand what customers in different segments are likely to need - before they even mention it.

Automated workflows: data allows you to understand customer behavior, so you can develop automated workflows to help keep your customers engaged.

Custom user journeys: understanding your customers' habits, timeframes, and behaviors, can help you to plot a realistic user journey that works for them, whilst aligning with your overall goals in an implementation, expansion, or renewal project.

Onboarding problems with New Customers

Set Health Scores for **real-time** insights

Map and monitor customer **journeys** through lifecycles

Automate tasks with playbooks

Check **results:**

34%
Lower Churn

8h
saved per CSM weekly

67%
Increase in CSM productivity

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Proactive
Decision-Making

One of the fundamental laws that all CSMs abide by when they enter the world of customer success is to be proactive and not reactive.

When it comes to proactive decision-making in CS - data is your friend.

Instead of twiddling your thumbs and waiting for customers to come to you with their problems, you can take a leaf out of the books of the best CSMs - who use data to anticipate and fix issues before they escalate.

By being proactive like this, CSMs can hugely improve the overall experience for their customers - and directly contribute to an increase in expansion and retention rates as a result.
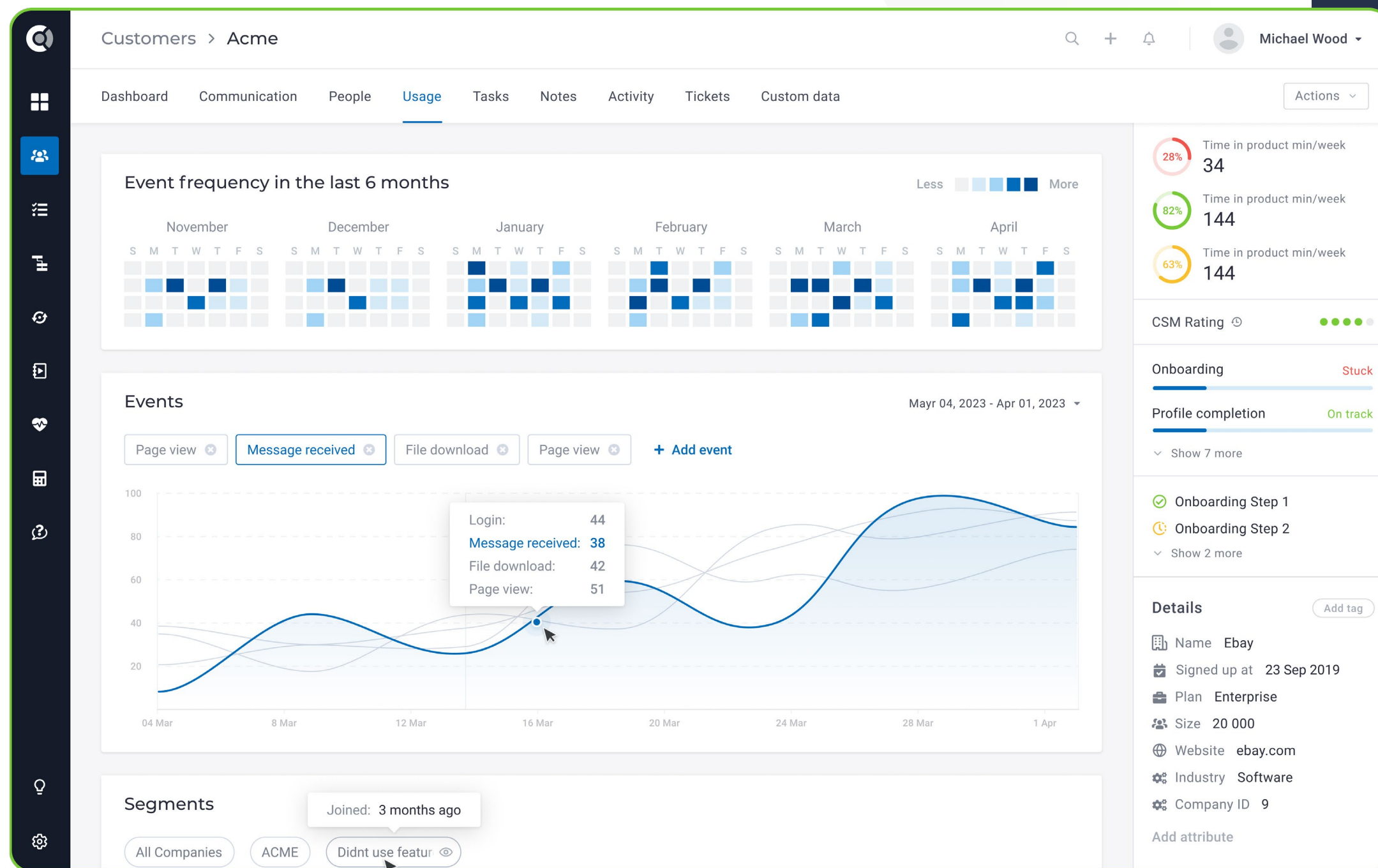
How Technology Can Help You Gather and Interpret CS Data

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By this point, you're probably nodding your head and agreeing that your CSMs should be using data pretty much all the time.

The only downside to that - and we agree with you on this - is that manually trawling through data is a hugely time-consuming task.

And, let's face it, if there's one thing that CSMs don't have a lot of - it's time.

So, it's important to understand how you and your CS team can make the most of customer success-focused technology to improve the way you gather and interpret data.

✓ Data Aggregation

✓ Real-Time Analytics

✓ Predictive Analytics

✓ Automated Reporting

✓ Actionable Insights

Customers › Acme

Michael Wood

Dashboard | Communication | People | Usage | Tasks | Notes | Activity | Tickets | Custom data | Actions

Event frequency in the last 6 months

Less [ ] More

November | December | January | February | March | April

28% Time in product min/week 34
82% Time in product min/week 144
63% Time in product min/week 144

CSM Rating ●●●●

Onboarding — Stuck
Profile completion — On track

Show 7 more

✓ Onboarding Step 1
⏱ Onboarding Step 2

Show 2 more

Events
Mayr 04, 2023 - Apr 01, 2023

Page view | Message received | File download | Page view | + Add event

Login: 44
Message received: 38
File download: 42
Page view: 51

100
80
60
40
20

04 Mar | 8 Mar | 12 Mar | 16 Mar | 20 Mar | 24 Mar | 28 Mar | 1 Apr

Details — Add tag
Name Ebay
Signed up at 23 Sep 2019
Plan Enterprise
Size 20 000
Website ebay.com
Industry Software
Company ID 9

Add attribute

Segments
Joined: 3 months ago
All Companies | ACME | Didnt use featur

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We've talked about this already in previous chapters, but we'll talk about it again because it's one of the biggest challenges facing any CS team - and that is, of course, navigating data silos.

By using a dedicated customer success platform, you and your CS team can say goodbye to losing countless hours tracking down and trawling through data from a number of different sources.

This is because the best CSPs will integrate with the rest of your tech stack and automatically aggregate a variety of different data types for you, including:

- ✓ CRM sales data,
- ✓ Support ticket data
- ✓ Marketing data,
- ✓ Product usage data
- ✓ Emails & meeting notes
  and so much more

All of which can be used by the CSP to provide you and your team with a centralized dashboard that provides a full 360-degree view of your customer, helping you to gain important insights at a glance.

Estimated time saved: 5 hours per CSM per week. down and trawling through data from a number of different sources.

Data Aggregation

Elisabeth Courland - CS Ops @ Agorapulse

Data is gold, but too much data becomes quickly undigestable. Focus on the data that matters.

Real-Time Analytics

Because your customers expect your CSMs to have their fingers on the pulse when it comes to managing their accounts, it means that historical data can only do so much to help.

To counteract this, CS teams are leveraging real-time data and data analytics to help them get immediate insights into the performance of their customer accounts.

As well as gathering data from a wealth of different 3rd party sources, customer success platforms can also provide you and your team with real-time analytics to monitor customer behavior and usage - both positive and negative.

Once the CSP has identified an event that your CSMs should be told about, the system can issue an alert to keep your CSM informed.

From there, one of two things can happen:

✓ The CSM uses the information to reach out to the customer and help rectify the issue.

✓ The customer success platform uses that information as a trigger to run a playbook to help the customer automatically.
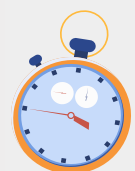
Estimated time saved: 5 hours per CSM per week.
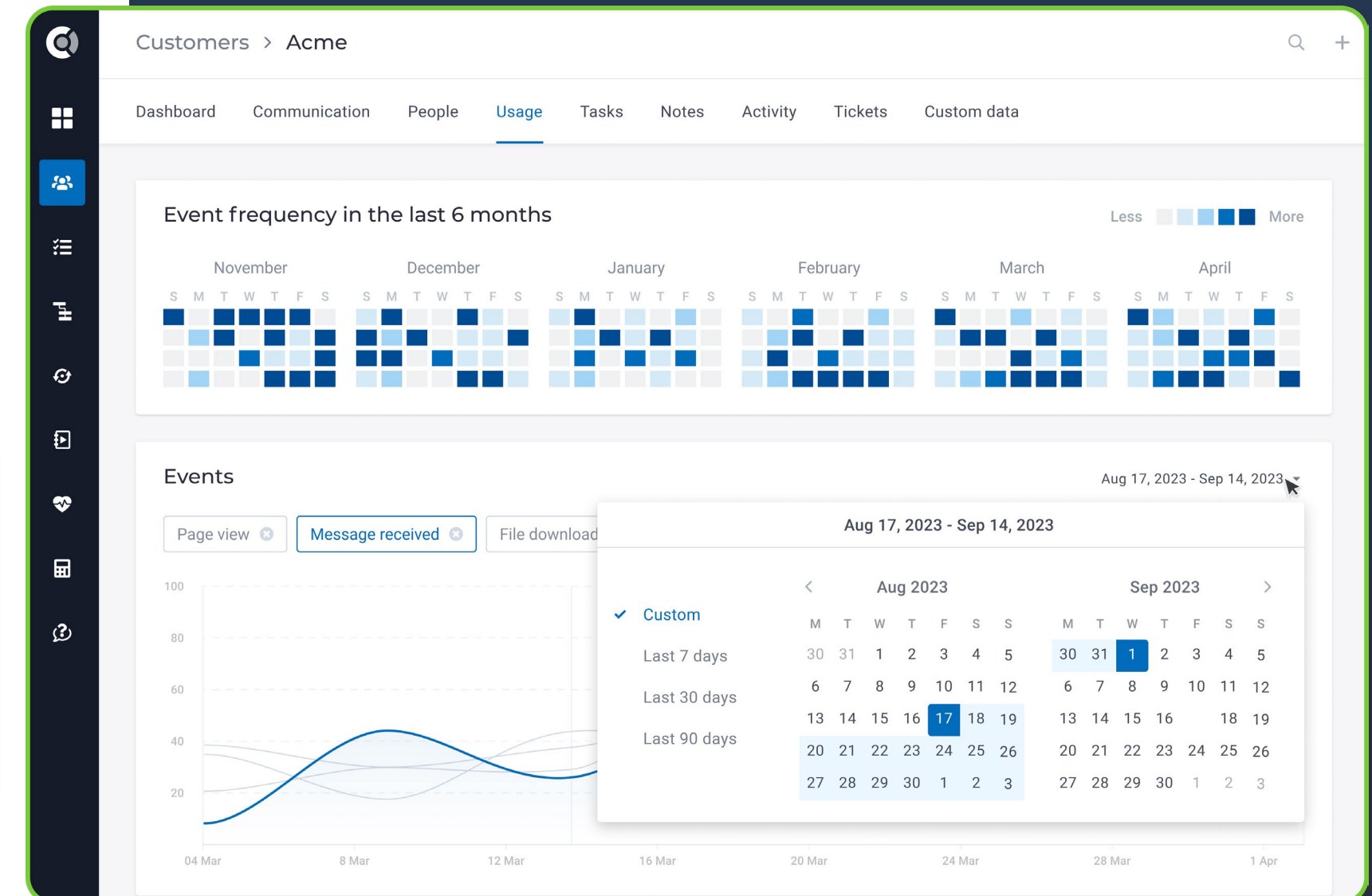
Both are valid options that are designed to help the customer. Any automation can be set up purely based on the severity of the issue, so it gives your CSMs complete control over when and where they intervene manually.

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Custify
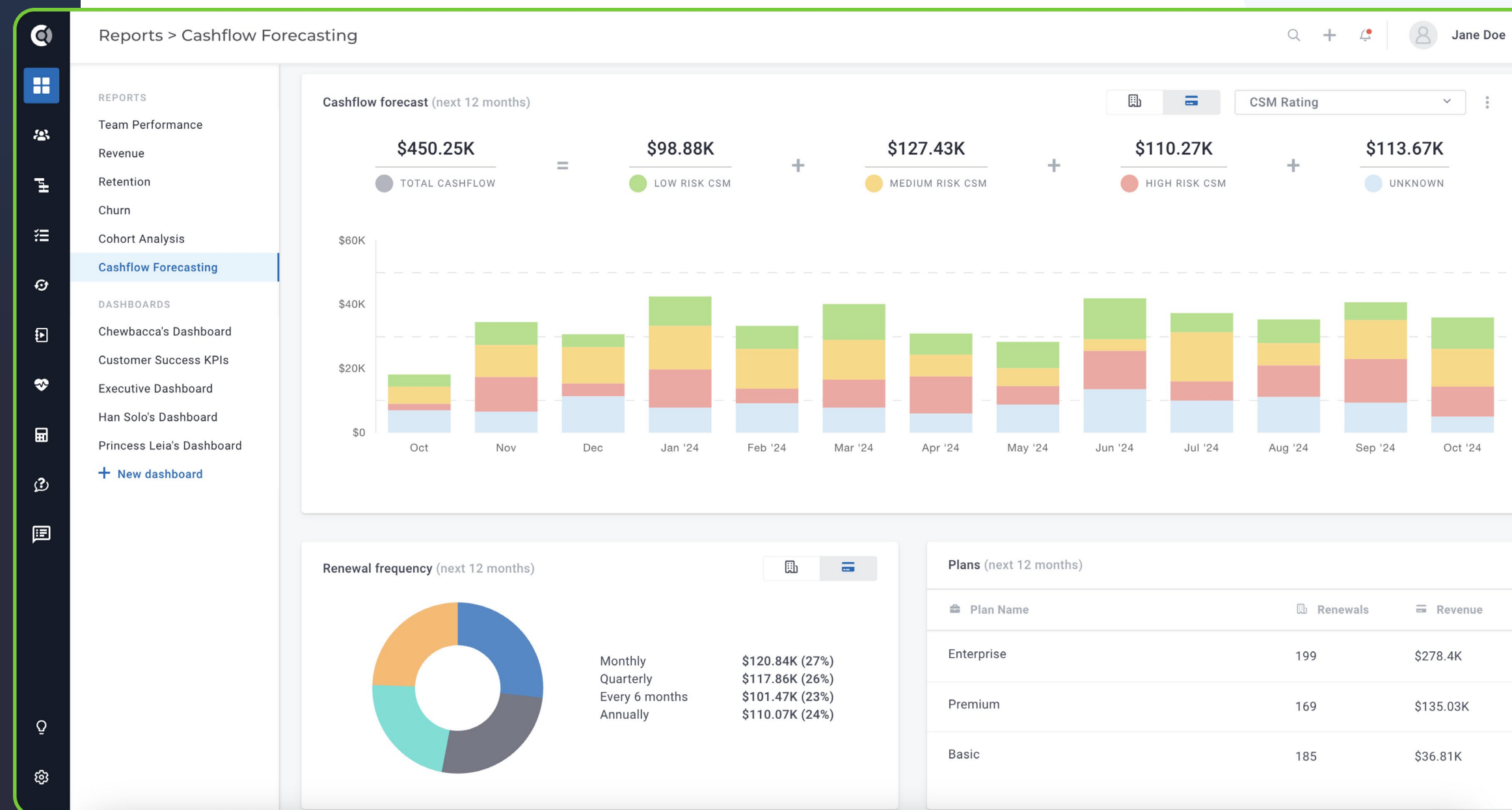
Predictive Analytics

While having real-time alerts and analytics is a fantastic resource for CSMs to have at their disposal, there is still an issue with them.

Any data that is gathered and interpreted, even in real-time, is a lagging indicator that represents events that have already happened.

What about if you want your team to start being even more proactive and looking ahead into the future using leading indicators?

The good news is that you don't need to stock up on crystal balls in order to see what's coming for your customers, you can use predictive analytics instead.

This is because the most advanced customer success platforms have begun to leverage machine learning technology to offer predictive analytics.
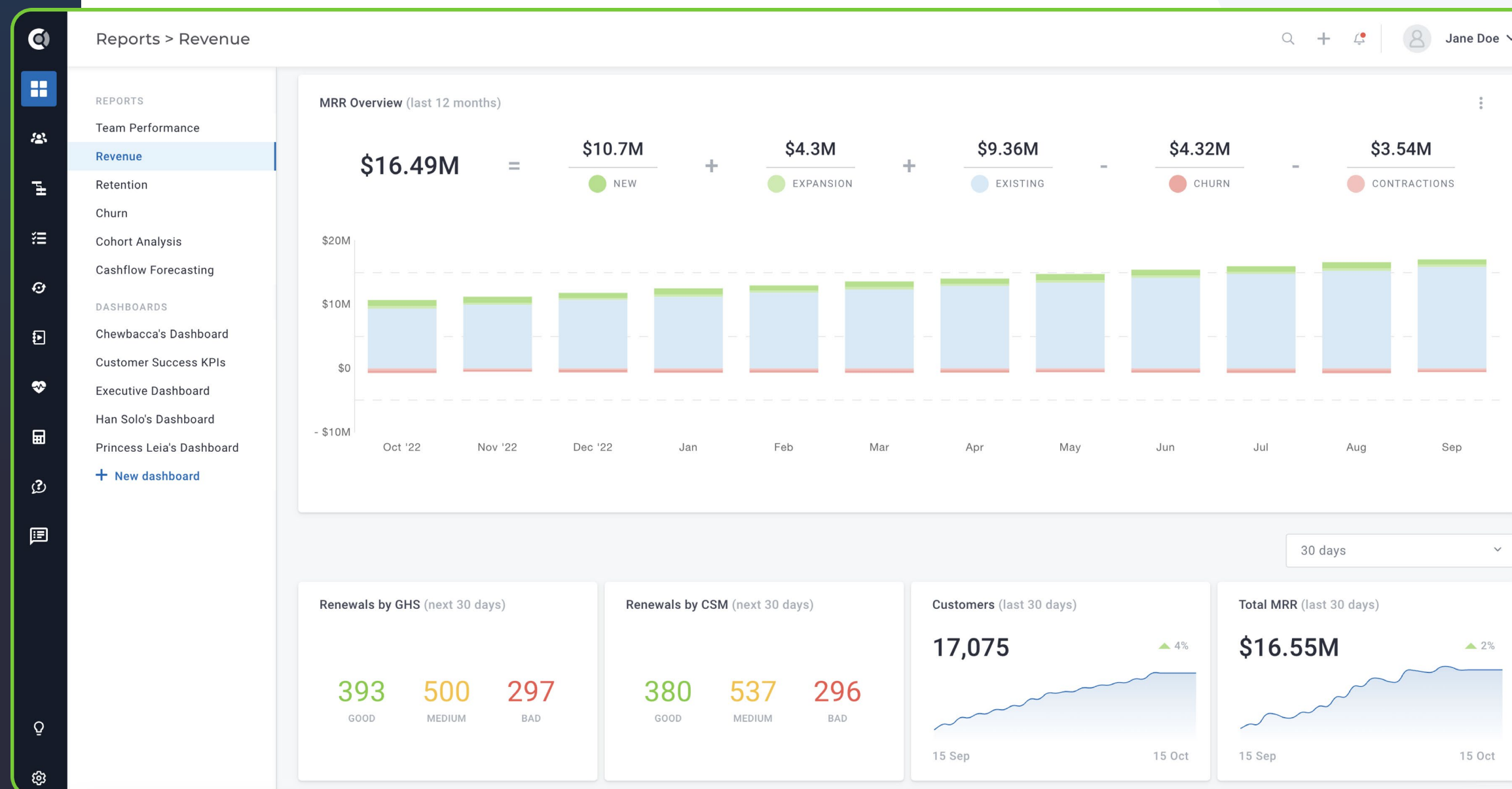
Predictive Analytics

Put simply, this technology looks at the past behavior of your customers - both individually and as a group - and then uses that information to predict future actions.

In the world of customer success, these predictions could include positives like the potential for upselling, as well as negative events like the risk of a customer churning.
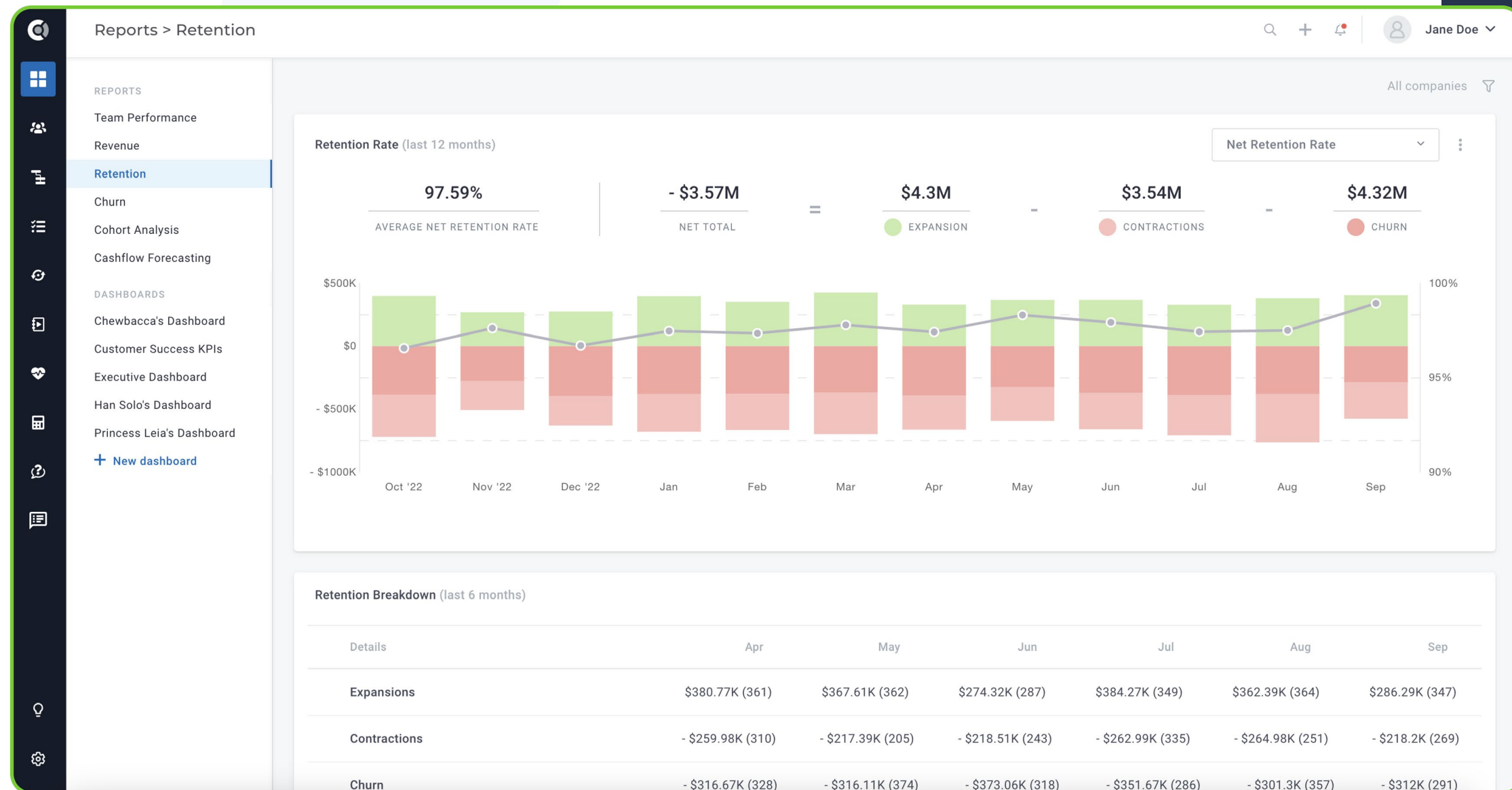
Of course, these predictive analytics have no way of knowing what is going on behind the scenes with your customers - they are trained to use the data in front of them to make accurate predictions.

This means that they're not completely foolproof, but using these predictions can be invaluable for account planning and strategic decision-making.

Reports > Revenue

Jane Doe

REPORTS
Team Performance
Revenue
Retention
Churn
Cohort Analysis
Cashflow Forecasting

DASHBOARDS
Chewbacca's Dashboard
Customer Success KPIs
Executive Dashboard
Han Solo's Dashboard
Princess Leia's Dashboard
+ New dashboard

MRR Overview (last 12 months)

$16.49M = $10.7M + $4.3M + $9.36M - $4.32M - $3.54M
NEW EXPANSION EXISTING CHURN CONTRACTIONS

$20M
$10M
$0
- $10M

Oct '22 Nov '22 Dec '22 Jan Feb Mar Apr May Jun Jul Aug Sep

30 days

Renewals by GHS (next 30 days)
393 GOOD 500 MEDIUM 297 BAD

Renewals by CSM (next 30 days)
380 GOOD 537 MEDIUM 296 BAD

Customers (last 30 days)
17,075 ▲ 4%
15 Sep 15 Oct

Total MRR (last 30 days)
$16.55M ▲ 2%
15 Sep 15 Oct

Estimated time saved: 4 hours per CSM per week.

Automated Reporting

When it comes to data and customer success, if there's one job people hate above all else - it's reporting.

Asking your CSMs to create reports manually can result in a time-consuming process that runs a high risk of producing errors.

To counteract this time-sapping, error-prone task, you can use your CSP to automate your reporting for you.

By using the technology behind a customer success platform to automatically generate custom reports for you at any time interval you can imagine, it will enable your CSMs to share up-to-the-minute - and highly accurate - reports with internal and external stakeholders, keeping everyone in the loop at the click of a button.
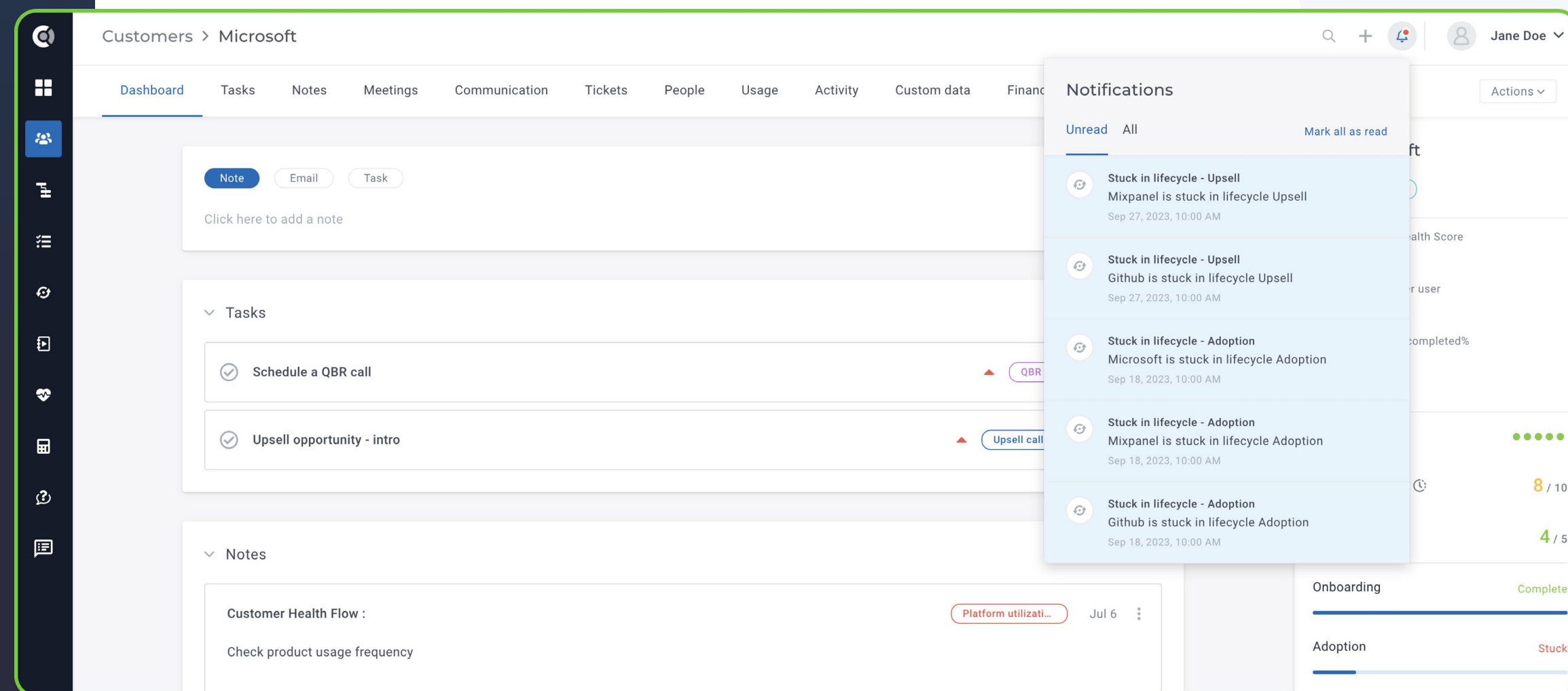
Estimated time saved: 8 hours per CSM per week.

Actionable Insights

Not only can a CSP help you to centralize and present all your customer-related data, but it can help you even further, by providing actionable insights.

This means that the data isn't just presented nicely in a chart or graph, the system will also analyze the data and automatically offer suggested actions for your CSMs to take.

For instance, if the data shows that one of your customers is not utilizing certain features within your software, the platform might suggest that the CSM sends an educational webinar or a targeted email campaign to improve engagement with those features.

Estimated time saved: 2-3 hours per CSM per week.

Summary Sheet

Your 'At a Glance' Guide to Personalize the Customer Experience

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Manual Process

❌ Gathering data from multiple sources

❌ Analyzing data retroactively

❌ Focus on current customer behaviour

❌ Writing and distributing reports

❌ Guessing next steps with a customer

Personalized Onboarding

✓ Data Aggregation

✓ Real-Time Analytics

✓ Predictive Analytics

✓ Automated Reporting

✓ Actionable Insights

Time Saved

5 hours per week

5 hours per week

4 hours per week

**8 hours per week**

2-3 hours per week

Conclusion

We all know how valuable data is, particularly when it comes to using it to help decision-making in business. Nowhere is it perhaps more important than in customer success. But how do you use data properly to improve your customer success function?

To help inspire you, we suggested 4 key ways you can use data to enhance the way you do customer success:

✓ **Identify trends and patterns** - don't let history repeat itself, spot patterns and adjust what you're doing

✓ **Measure customer health** - whether it's CSAT, NPS, or something else, you need to measure it regularly

✓ **Personalization** - use the data to inform segmentation, workflow automation, & custom user journeys

✓ **Proactive decision-making** - use the data in close to real time to inform decisions and next steps.

In order for you to properly leverage customer data to your advantage, we discussed why you should consider a customer success platform (CSP) to help you.
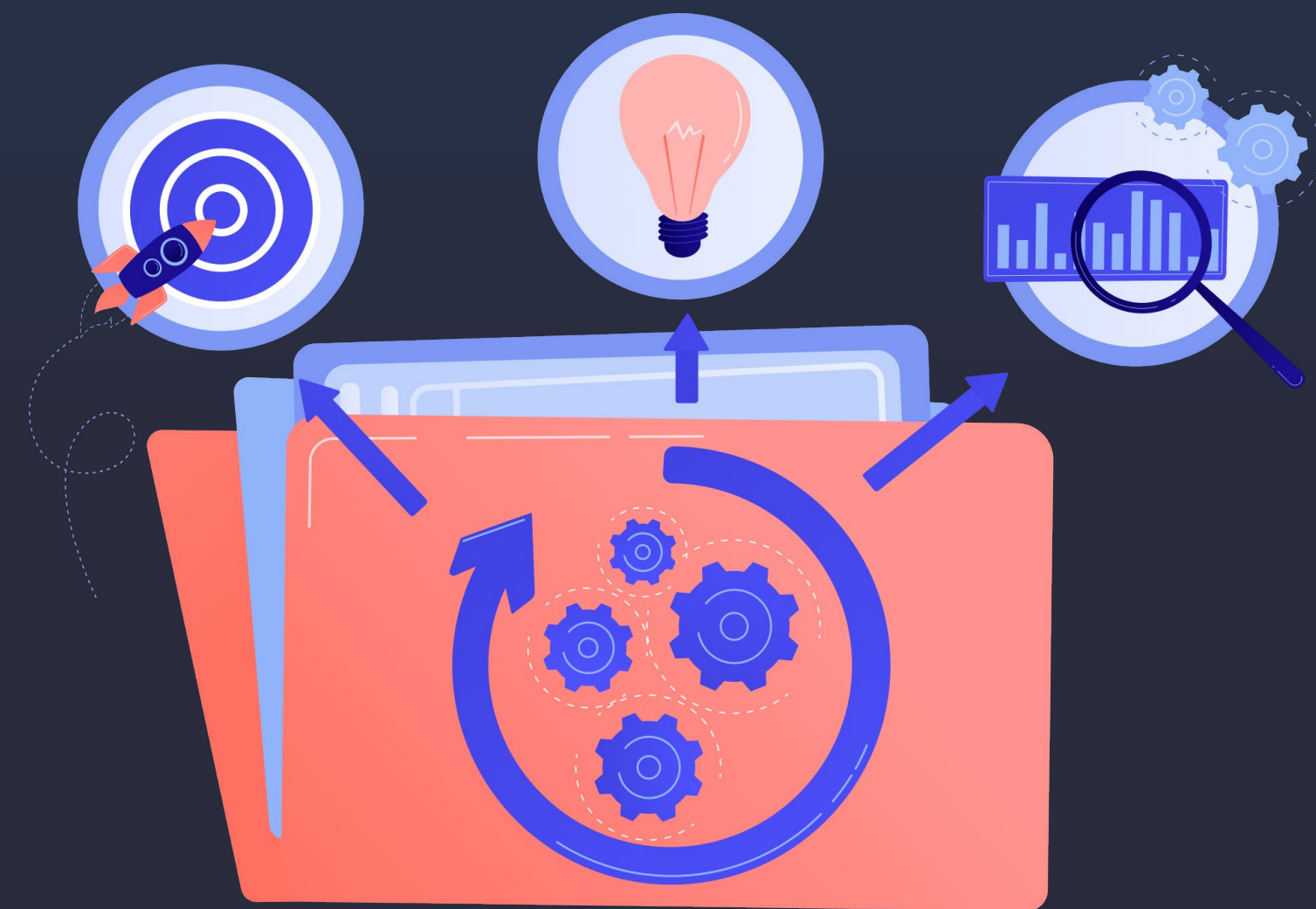
Conclusion

Philipp Wolf, Founder & CEO - Custify

As CEO of Custify, I've witnessed the powerful impact a Customer Success Platform can have on CS operations. By using Custify, CSMs can expect enhanced outcomes across the customer journey, including data aggregation, real-time and predictive analytics, automated reporting, and actionable insights.

These capabilities are essential for any CS team looking to elevate their data management practices and proactively drive customer success. Embrace Custify to transform your approach and achieve remarkable efficiency and effectiveness in your CS operations.

Custify

Discover how Custify can transform your customer data into actionable insights to boost product adoption, reduce churn, and identify upsell opportunities.

Our platform equips your customer success team with the tools needed to:

✓ **Optimize the customer journey with effective data use, enhancing CX and reducing churn.**

✓ **Manage customers proactively in real time.**

✓ **Centralize all customer data for easy team access.**

✓ **Provide actionable tasks for clear progress on customer issues.**

✓ **Deliver predictive insights for informed decision-making.**

✓ **Integrate seamlessly with your favorite tools, making Custify a core part of your strategy.**

Enhance How You Use Data in Customer Success With Custify

Want to learn more about how Custify can help you use data to better serve customers?

Request a Demo

FAQs

Q: **How can data improve the customer journey?**

Making better use of data can help you enhance the customer journey by enabling personalized experiences, predicting needs, improving service quality, and allowing for more effective communication, ultimately boosting customer satisfaction and loyalty and reducing churn.

Q: **What sort of data are we talking about here?**

A customer success platform (CSP) will help you aggregate any data associated with your customers. This could be anything from product usage or support ticket data, through to CSM sentiment, payment history, or anything else you can think of, really. It brings it all together in one place for a 360-view of your customer and then helps you form insight and make decisions on next steps.

Q: **How efficient would my CSMs be if they use data better?**

By making the most of the possibilities that leveraging data with a CSP can offer, we estimate that your CSMs could easily save themselves 10+ hours every week gathering and interpreting customer data. This then frees up your team to do what they do best - work directly with customers on high impact issues and help them maximize the results they get from using your product.

Q: **How can adopting technology, like a Customer Success Platform (CSP), help you to use data better?**

Adopting a Customer Success Platform (CSP) can help improve the way you gather, analyze, and act on data across the customer journey. The technology has been developed specifically to help customer data management and interpretation as straight forward and painless as possible.