



CUSTIFY • EBOOK

# A SaaS Business' Guide to Building Customer Success

# Table of content

---

What Is Customer Success?	3
What Challenges Do Companies Face Around Customer Success?	4
How Is Customer Success Different from Customer Experience or Customer Support?	9
Do I Need to Hire a Customer Success Team?	12
What Are Some Common Customer Success Tactics?	13
What Tools Do I need for Customer Success?	19
How Do I Measure Customer Success?	21
How Can I Get Started With Customer Success?	22
A Growing, Changing, Exciting Field	23

LET'S START WITH THE BASICS.

## What Is Customer Success?

---

To put it simply, customer success is the practice of proactively helping your customers meet their goals.

*(The Customer Success Association defines it as “a long-term, scientifically engineered, and professionally directed strategy for maximizing customer and company sustainable proven value.” But good luck trying to explain that to your boss.)*

Your product exists to help people solve a problem. Customer success is the logical extension of that. You do not just help your customers by providing a great product—you also offer support, encouragement, and consultative help, too.

Some companies think of customer success as a type of client or relationship management. Others might include it in discussions of [customer experience](#). Some emphasize client value and upselling.

In every case, it is about making sure that your customers succeed. That is the important part to always remember.

It is proven that this works. As an example: HubSpot was able to keep 33% of previously unhappy customers after starting to monitor their customers' success. You can imagine yourself that the investment in customer success is quite a fast break even if you can keep a huge amount of customers.

In our ebook, we present you some of the best tactics to make sure that your client and in the end, your business succeeds. Our goal is to present to you ways how your customer success team can work efficient with your customers and potential additions that you can implement within your organization.

## Challenges

# What Challenges Do Companies Face Around Customer Success?



Implementing a customer success program seems like a no-brainer having in mind our Hubspot example before. Obviously, it is not that easy and there are some challenges you potentially face when you just get started. As all changes, starting from scratch could make it difficult to get it up and running.

We found five typical challenges that our clients faced and ways how those challenges can be overcome.

## Varying Definitions of Success

The biggest challenge that our clients had when they started with a customer success program is that it is not always easy to figure out how customers define success or even how they would define success for their customers.

This could start because not all of the customers use the product in the same way or the customers are in different industries and have different needs and goals. Besides that, it is also about the customers themselves, in one company it might be an executive you are working with while in the other it might be a manager. There is from the nature itself given a huge amount of variation in customers and the customers' definition of success.

You can find out how different segments of customers use your product with Custify. [Request a demo](#) to find out more!

This brings us to the very first pillar of customer success: Building Relationships.

Your Customer Success Managers (CSM) build relationships with your customers and develop deep insights into your customers challenges, goals and how they use your product. This is one of the reasons why you hear the word ‘consultative’ thrown around in discussions of customer success.

There is no other way to understand what your customers are looking for and without knowing what they are looking for, you can't help your customers to find it.

There is no other way to understand what your customers are looking for, and without knowing what they are looking for, you can't help your customers to find it.

Your customer success managers (CSMs) build relationships with your customers and develop deep insight into their challenges, goals, and how they use your product. Which is one of the reasons why you hear the word “consultative” thrown around in discussions of customer success.

There's no other way to understand what your customers are looking for. And without knowing what they're looking for, you can't help them find it.

## Lack of Customer Visibility

If your customer success program is working, you can reach out to your customers to help them solve problems — before they reach out to you. This means you need to understand what is going on at your customers' companies.

This is a challenge. In the past, your best bet is to rely on their reports. That leads to a reactive customer support model and means you can only help your customers when they ask to be helped.

Modern tools have changed that. You no longer have to wait until a customer brings up a problem. Customer success software, for example, will show you metrics and KPIs of your customers so that you have a deep understanding of what is going on at your customers.

For example, you might notice that the adoption rate is lower than expected - so you could reach out to your client and offer help with that. Or you might see that people are using only the basic functionality of your app, but not getting the most out of it. You can be proactive in helping those employees learn to better use the tool.

This kind of monitoring and customer visibility has completely changed the customer support and success landscape (and has a lot to do with why customer success is associated with SaaS; we'll talk about that in a moment).

## Segmentation



Separating customers up into different groups has been a marketing mainstay for years and is nothing new, but segmentation is a different problem when it comes to customer success.

Creating the right segments and communicating with your customers while they are part of a segment is crucial for running an efficient customer success program. This is even more important if you have a small customer success team.

As targeted outreach is a core tenet of customer success and proper segmentation makes it easier and more effective.

Customer success software is fortunately here and takes your data and helps create detailed segments and makes it possible to automate communication tasks, i.e., send an email when your customer just entered a segment.

## Building Lasting Customer Relationships

In customer support, interactions with clients are (ideally) fast and far between. They call you up, you solve their problem, and they're on their way. There's no relationship-building.

Changing from that mindset to one where you build lasting relationships can be tough. Again, we come back to the consultative nature of customer success. How can you be active in your customer's lifecycle?

Finding the right answer for your customer base isn't easy. Every company's customers go through a unique lifecycle. Figuring out how to build relationships that last and are useful throughout that lifecycle is a challenge.

There's no quick fix for this one. The right tools and training certainly help. But in the end, it comes down to knowing your customers and what they need.

## Why Is Customer Success Associated With SaaS?

Today, companies of all types have customer success programs. But customer success is rooted in SaaS.

One of the reasons is that the SaaS business model requires continued customer satisfaction for profit. In the past, software companies (like many non-tech companies today) could sell a product and make a profit. After that, there was little need to be in touch with the customer unless they had a problem.

Today, however, companies need to keep customers to make a profit. Instead of selling a piece of software for thousands or tens of thousands of dollars, you might sell a subscription to the app for a couple of hundred bucks a month.

This means your customer needs to be getting value out of the software consistently over time.

That's where customer success comes in.

It's not all about profit, though. SaaS companies are also uniquely positioned to monitor their products' usage at all times. If someone buys a batch of steel pipe from your company, you won't know the exact moment when they install it or if they're having problems with it.

SaaS companies have deep insights into how their products are being used and when an issue comes up. Which puts them at the forefront of proactive customer success. Now, other companies are finding ways to get insight into their products' usage and their customers' actions.

But SaaS is still the driving force behind customer success and innovation in the field.

Customer Success vs. Customer Support

## How Is Customer Success Different from Customer Experience or Customer Support?

---



There's a misconception that customer success is [just another name for customer support or account management](#). But it is important to realize that the two are different.

The biggest difference between customer success and customer support is that customer success is proactive, and support is reactive. You won't find customer support reps calling customers they've been assigned to see how things are going.

Customer Success Managers, however, will do that regularly. They anticipate problems and use customer success software to monitor for issues. Again, it's a more consultative relationship.

You'll get different answers when you ask people about the difference between customer success and customer experience. Some say customer success is part of customer experience. Others will say the opposite, that customer experience is part of customer success.

The two can often be tightly integrated, as the customer success relationship does affect the overall experience. Different customer experience groups will have different domains and practices. Some might be very similar to customer success. Others might be more different.

For example, a customer experience group might work on web design or retail space design, where a customer success manager is unlikely to. And customer experience might include interactions with customer support, which, as we've mentioned, is very different from customer success.

Account management is another field that shares some facets of customer success. Account managers are usually focused on cross-selling and upselling. Customer Success Managers might be involved in that, but the relationship is deeper.

Customer success teams will have more contact throughout the customer lifecycle than account managers.

In the end, all of these groups need to work together (and part of customer success is putting customers in contact with other teams that can help them when necessary). So drawing lines between them is counter-productive.

## Do I need to Hire a Customer Success Team?

Lots of companies are building customer success teams from the ground up. They might have a Vice President of customer success, several customer success managers, and technical or marketing staff to support them.

That's a lot of staff to add at once. Even bringing on one or two new people can be a challenge for a small company (though as you saw above, there's good financial reason to do so.)

Fortunately, you can get started with less than that. If you have two or three people that can dedicate some of their time each week to customer success, that will be a great start to your program.

Automating as much of the process as possible will also help. Your marketing team can help automate email outreach. Your engineering team can help set up a chatbot. Your sales reps can be trained in some proactive outreach and follow-up techniques.

Of course, you can automate customer success as well by using a customer success platform like Custify.

Having a fully scaled customer success team isn't an essential part of customer success. What's crucial is a commitment to helping customers succeed. It starts at the top of an organization and permeates down to the bottom.

## Build a Customer Success Team

### Do I need to Hire a Customer Success Team?

---



That's what really matters. Not the size of your team.

That being said, you do need someone committed to customer success. It's best if they're full-time because it can be a lot of work, especially in the beginning. Having the right tools makes the process easier (we'll talk about those tools in a moment).

It's also important to remember that you don't need to have a full-fledged customer success program right from the start. You can start with a few tactics from the following list and build up from there.

## Customer Success Tactics

# What Are Some Common Customer Success Tactics?

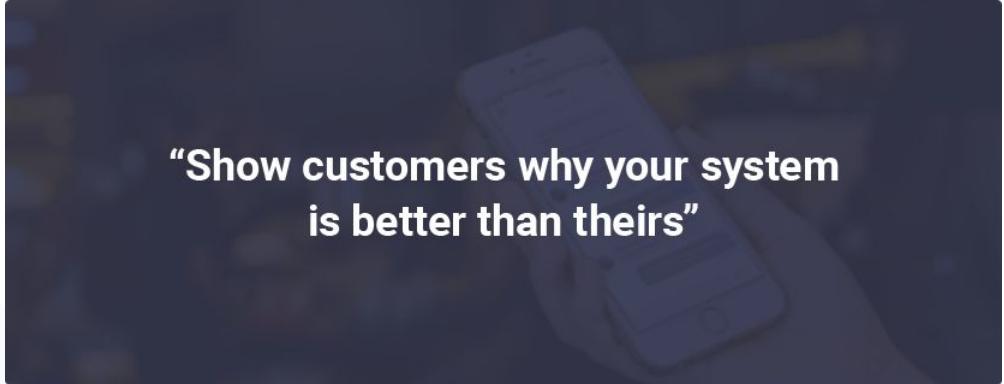
---

Okay, we've covered the background of customer success. Now we come to the meat of it. What do you do when you do customer success?

The answer varies between companies and customer segments. What you do might be vastly different from what your closest competitors do. And what you do for new clients might differ from what you do for repeat customers.

That being said, there are some customer success tactics that you'll see often. Here are five of them to get you thinking about how you can start customer success in your own business.

## Proactive Outreach



**"Show customers why your system  
is better than theirs"**

This is the signature tactic of customer success. As we mentioned earlier, [customer support is reactive, while customer success is proactive](#). It might seem like a small distinction, but it makes a world of difference to your customer.

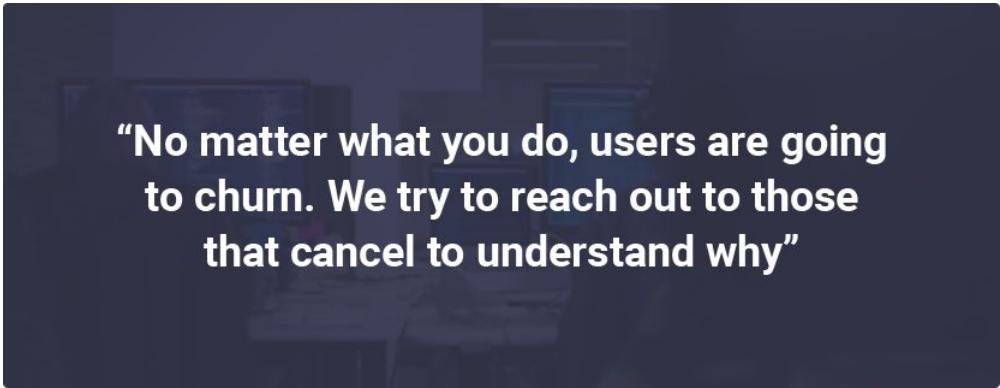
But what is proactive outreach? What does it look like?

In its simplest form, it's a customer success manager sending an email to a client asking how things are going and if they can help. Sometimes this approach will get you the information you need to take action.

Customer success software gives you the tools you need to make that proactive outreach even more effective. For example, you might see that only 60% of your client's employees had downloaded your app when you expected at least 80%.

You can reach out to your client and ask if you can help with the onboarding process.

Or you might see that your customer isn't using your software as much as you thought they might. This can be a warning sign for churn. That means it's time to get in contact and ask why they haven't been using your product. And, of course, how you can help.



**"No matter what you do, users are going to churn. We try to reach out to those that cancel to understand why"**

You can share useful content, too—when you publish a blog post that a customer will find useful, let them know with a personal email so they can check it out. Give them a heads-up when you're going to be at a conference so they can stop by for a chat. Tell them when new features are coming out to get them excited.

All of these strategies work for proactive outreach. You and your product will stay top-of-mind, and you'll get the chance to address issues before they cause churn. It's a win for everyone.

That all sounds like a lot of work. And it can be.

But there's a simple solution:

## Email Automation

[Marketing automation](#) is a huge topic in the marketing world right now—but its uses expand beyond targeted marketing. Automating your emails saves you a huge amount of time and effort. All while engaging your customers.

The premise is simple. You create a series of emails, and they get sent to specific customers at a chosen interval. There are lots of different series you might create:

- Welcome series that answers common questions;
- Training emails that show people how to use your software;
- Implementation emails that target users who haven't started using your app;
- Check-in emails to ask customers how you can help;
- Cross-selling emails that emphasize the value of other products.

The possibilities are almost endless. And with advanced email marketing software, you can set up very detailed triggers that start these campaigns. For example, your welcome series might start on signup, and your training series might start on download.

With powerful customer success and email marketing apps, you can do just about anything.

So what's the benefit of all of these emails?

Staying in close contact with your customers. That's a core part of customer success. And while few people are gathering data on how automation affects customer success, marketers say that it's one of the most effective tools for reaching potential customers.

## Customer Journey Mapping



When you first hear about [customer success journey mapping](#), it doesn't seem like it will be a game-changer. All it does is display the steps of the customer lifecycle in a flowchart. You already know how your customer lifecycle goes, right?

The important part of the journey map is that the teams within your company are identified for each step of the journey. So everyone knows whose responsibility it is to keep the customer moving through the lifecycle.

Even more importantly, the customer journey map shows how the customer should be handed off from one group to another. Does your sales team add an entry to your implementation database? Do your customer success managers create a ticket in your support system, or do they work directly with your support team?

These handoffs are crucial in creating a great customer experience. And they ensure that your customers get their problems solved as quickly as possible. (On the flip side, bad handoffs can lose you customers fast.)

This is one of the central ideas of customer success.

Having a customer journey map not only prepared but visible to employees is a great way to make sure your customer is set up for success. It's not just for training new employees. It's for reminding everyone how to support the customer journey through every interaction.

## Content Development and Distribution

While content marketing sits firmly in the world of marketing, and not usually customer success, you can use the same principles to provide value to your customers.

For example, if you find that many customers are dealing with similar issues, you can create a downloadable checklist that helps them solve the problem. Or you can address specific issues in your blog posts.

Instead of creating content that emphasizes the value of your product to potential customers, create content that helps current customers get the most out of your product.

(Fortunately, that content can easily be repurposed for marketing, too.)

Maybe it's an ebook telling people how to solve a common problem. Or an infographic that outlines ideas related to your industry.

In short, follow the best practices of content marketing. But don't just target potential customers. Think about your current customers and their needs, too.

## Developing Custom Services and Practices

This is so important that I'm going to give it its own heading. No list of customer success tactics is complete because no two audiences are alike.

Your customers have unique needs. They have unique definitions of success. Their lifecycle journey is different. (By the way, you can identify different customer journeys by using Custify. [Schedule your demo](#) to find out how!)

So customer success needs to be flexible. You'll need to adapt to the needs of your customers. Maybe they don't respond well to email, so you'll need to make your proactive outreach phone-based. Or handoffs make them nervous, so your customer success agents play a stronger role in implementation and support.

Whatever your customers need for success, you'll deliver on it. Keep an open mind, and you'll find the right tactics for your company.

## Customer Success Tools

# What Tools Do I need for Customer Success?

---

The most basic customer success tools are an email account and a phone. If you have those, you can run a CS program. That's all you need for proactive outreach.

There are other tools that you're probably already using that you can use for customer success, too. For example, you can use Google Analytics to see which of your support pages are visited most often. Then you can integrate that information into your onboarding.

You can see which of your blog posts are the most popular and make sure that your customers get the maximum value out of them. You can create a customer success journey map in Microsoft Word and send it to your company.

Of course, there are plenty of more advanced tools that are built for customer success. Customer success software gives you a detailed look into the health of each of your customers so you can deal with their issues before they cause problems.

You can see how much value you're providing to customers. [See how likely they are to churn](#). Determine who's most likely to go from a free trial to a paying customer and focus your efforts.

All of these things will help your Customer Success Managers do their jobs better.

## Additional Tools for Customer Success

There are many other tools you may want to use when setting up your customer success program.

- Detailed analytics from Google Analytics or Microsoft Power BI show you what your potential customers are interested in;
- Email marketing software lets you automate your outreach and see where you're providing the most value;
- Social listening and scheduling apps make it easier to provide value to your customers on social media;
- Chatbots help customers find the information they need as quickly as possible.

Again, you'll find what works best for your customers. You may use one of these tools. You may use them all. You may use something completely different. Whatever works for your customers is the best tool.

## Measurement

# How Do I Measure Customer Success?

---



There are many [different ways to measure customer success](#). But one stands out above them all: churn.

There are several different kinds of churn that you can measure, but they all come down to the same thing: how many customers do you lose on a monthly (or yearly) basis?

[Find out with Custify](#).

In effect, it's a measure of how happy your customers are. If they can't live with your software, your churn rate will be very low. If there are other options out there that are better, cheaper, or easier to use, it'll be higher.

There are other ways you can measure customer success, too. Here are some of the common metrics:

- User churn
- Revenue churn
- Net Promoter Score
- Average revenue per customer
- Customer growth
- Customer engagement
- Trial-to-paid conversions

As a SaaS business, you're probably monitoring a lot of these things already. If you're not, it's time to start.

## Get Started

# How Can I Get Started With Customer Success?

---

As you can see, customer success can be complicated. But you can start with one simple change in your company.

All you need is a customer-focused mindset.

Like they say at Oracle, “Our customers’ success is our success.” If you adopt that mantra, you’ll be well on your way to a great customer success program.

You don’t have to hire a whole new team or buy expensive new tools (though both will help a lot). All you need to do is get your team on board with a customer-centric viewpoint.

Obviously, you’ll also need to adopt some of the tactics above. But that’s the easy part. The most important thing to focus on is making sure everyone at your company understands the value of customer success.

Once you’ve done that, you can start having your account managers or support techs begin proactive outreach. Your executives and team leaders can create a customer journey map. Your marketers can develop content specific to current customers.

But all of that is built on the right mindset.

So how do you actually do that? Have a candid conversation with your employees. Tell them that modern companies no longer succeed by providing a great product. They succeed by selling success and forming close, consultative relationships with customers.

It’s just the right thing to do.

## Closing Words

# A Growing, Changing, Exciting Field

---

Compared to fields, like sales or marketing, customer success is still very new. Which means we're still trying to figure out exactly what it is.

How does it fit in with other teams? Is it part of marketing? Maybe a type of account-based marketing? Does it include customer experience, or is it a sub-type of customer experience? How should customer success teams fit into your business? Should you [outsource customer success](#)?

We don't have the answers to those questions yet.

And that's one of the things that makes customer success so exciting. Not only do you get to help your customers solve their most pressing problems, but you get to help define an entire field of business, too.

If you want to join us on our own journey in defining customer success, sign up for our newsletter! We'll send you blog updates with ideas on how to improve your customer success process, thoughts on the field in general, and more ultimate guides.

**See if Custify is right for you.**

[Request a demo](#)