

PRECURSIVE PLAYBOOK

HOW TO SCALE IN SAAS WITH CUSTOMER ONBOARDING

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CUSTOMER SUCCESS STARTS
WITH CUSTOMER ONBOARDING

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FORWARD

Customer Success starts with Customer Onboarding (CO). The CO category is increasing in importance with 84% stating that onboarding experience impacts the lifetime value of a customer.*

In the current economic climate, SaaS companies are laser focused on retention and growth of existing customers, recognizing that improving time-to-value has a direct link to reducing churn.

At Precursive we know that the first 90 days are critical in the customer journey. In working with SaaS companies everyday, we have captured unique insights into what it takes to see success faster. We have packaged these strategies and tactics into **5 plays** that you can apply in your own companies.

This playbook wouldn't have been possible without the contributions from some of the world's fastest growing companies who put Customer Success at the very heart of their growth strategy. We are grateful for their partnership and spirit of generosity.

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***Fernego (2019) | Poor Customer Experience Costs Financial Institutions \$10 Billion Per Year**

Hyper-growth companies are

25%

more likely to be investing in high-touch onboarding

59%

of businesses believe that Onboarding has an impact on customer retention

85%

of enterprise, hyper-growth and early stage organizations with a high-touch approach have standardized their onboarding process

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

WHO IS THIS PLAYBOOK FOR?

You are part of a SaaS organization

You have aggressive growth targets

You think your CO function could deliver more

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- Establishing a true culture of Customer Success is critical to scaling your SaaS business.
- **Build the right culture** and you build the right team.
- **Communication strategies** must be personalized to each customer segment in order for delivery to be realistic.
- **Understanding your customer** takes time and must call into play data from a variety of sources.
- **Repeatable Playbooks** help to standardize processes which, in turn, is the key to successful scaling.
- Having the **right technology** has significant impact, but couple technology with a Customer Success mindset to realize the biggest gains.
- **Focus on growth** and don't obsess.

1

The building blocks to optimize SaaS Customer Onboarding.

**In this Playbook,
you will find the
following**

2

Real world insights into how the world's most innovative businesses are leveraging Customer Onboarding to scale

3

Practical guidance and tools so that you can replicate their success.

DATA YOU CAN TRUST

Insights from some of the world's most innovative SaaS businesses where Customer Success is key to scaling

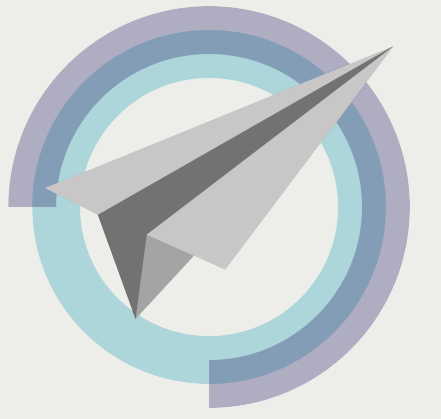
IN ASSOCIATION WITH:      

Plus data from Precursive's annual Customer Onboarding Benchmark Survey featuring more than 600 companies over the last 3 years

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WHY IS CUSTOMER ONBOARDING
CRITICAL IN SCALING SAAS?



“Onboarding is a vital step, it’s the beginning. That’s where you need to make sure that the customer knows what they have purchased and what they can do with it.”

Andrea PASERO
/ Box

WHY IS CUSTOMER ONBOARDING IMPORTANT?

SaaS (Software-as-a-Service) is a well-known business model. Acquire new customers, help them realize value for your product, grow your relationship and retain them, parallel to gaining new customers. How do you make them all successful? Getting them up and running on your product and seeing value as

soon as possible is essential. Described by *PatSnap*’s Emily Kuske as the key to long-term success, this is the first opportunity to create a great customer experience. It’s a critical, one-time only moment in your relationship.

That’s what we call Customer Onboarding.

GOOD
EXPERIENCE

= adoption, value, upsell, advocacy, renewal

POOR
EXPERIENCE

= churned, lost to a competitor

Put simply, whatever you do, you can’t scale with a high churn rate. That’s why a great Customer Onboarding experience for every single customer is crucial for any SaaS business scaling fast.

This is your Playbook to MAKE EVERY CUSTOMER A SUCCESS STORY.



PLAY #1
**CREATE A CUSTOMER
SUCCESS CULTURE**

THE CURRENT STATE OF PLAY

Only 35% of early stage companies have a dedicated Customer Onboarding team

So are companies folding it into their culture? Typically, one person will cover multiple roles, attempting to cover off the demands of Support, Customer Onboarding and Account Management. As businesses mature, so must this approach.

That maturation starts with a mindset that recognizes the value of Customer Success, which extends to every corner of the existing team and also sets the expectations for every new hire coming into the business.



“Customer Success is not just a department, it’s actually the whole customer experience”

Helen YILDIZ
/ Customer Success
Leader

CREATING A CULTURE OF CUSTOMER SUCCESS

CHAMPIONING THE VALUE

The message from each one of the businesses we spoke to was clear: Customer Success departments need to be reconsidered as revenue drivers, rather than cost centres.

Unanimously we heard that this mindset has to come from the top down: the senior leadership team needs to buy into the fact that Customer Onboarding is a key value driver in the Customer Success strategy. With that comes prioritization of building and delivering a strong process.

However, it's when the whole organization can see for themselves the real results of effective onboarding that Customer Success becomes a core value of your SaaS organization.

That's where a Salesforce dashboard plays an important role e.g. one that outlines where you are in real-time in terms of achieving key Customer Success KPIs.

Given an accurate picture of where you are now and what happens when you scale said approach, it's a powerful opportunity to communicate the importance of Customer Success as a cornerstone of your culture. *AppsFlyer's* CCO, Ziv Peled, takes it one step further and describes the world's most successful companies as the ones who consider themselves **customer obsessed**.

ONBOARDING KPIs TO MONITOR

Revenue Split

1

Cost of Acquisition

2

Cost of Renewal

3

Customer Lifetime Value

4

Time to Value

5

Churn Rate

6

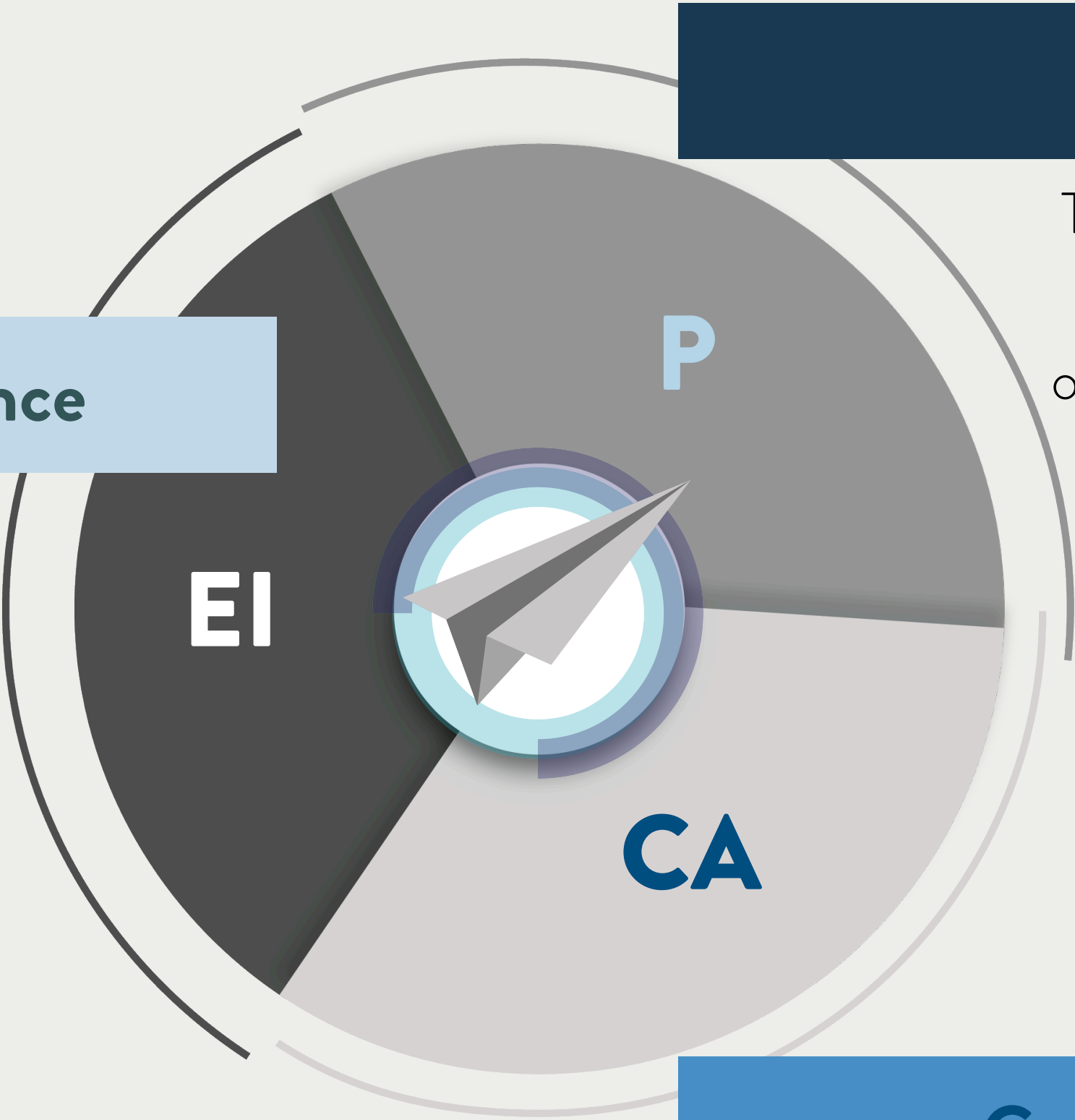
HIRING FOR CUSTOMER SUCCESS

In every one of our conversations with the SaaS organizations in this playbook, the same message was heard: *a company’s culture is driven by its people, so hire for success.*

When it comes to what to look for in Customer Success candidates for scaling organizations, we have distilled the findings into these three key components.

Emotional Intelligence

Soft skills, communication skills, relationship skills. Emotional Intelligence comes under a number of different labels, but the leaders of today are looking for people who can understand their customer and work with them to achieve their goals.



Passion

The passion to produce great customer outcomes is what sets a team apart. Our experts recommend that you recruit people who fit this mould to build a culture of success.

Customer Acumen

Hire for people who have business acumen and who can articulate the business model of their customers. People with these capabilities are able to work independently, intelligently and freely within the repeatable frameworks you have in place.

“I’m looking for people that are really passionate, super passionate about helping customers to be successful.”

Ziv PELED
/ AppsFlyer

PLAY #1

CHECKLIST FOR HIRING

Sample interview questions for your prospective CO team member

What are the industry, company, functional and role specific trends that your customers face?

What are the KPIs your current customers are measured against?

What is the professional motivation of your current customer champion?

If you were to join us here, where would you imagine we will be in 12 months from now?

Can we speak to a former customer that you managed as a reference?

How would your customers describe the value they get from your current product?



PLAY #2
**UNDERSTAND YOUR
CUSTOMERS**
(AND SERVE THEM BETTER)

HIGH-TOUCH OR SCALE?

Every customer should be a success story, but the way that you interact with your customer can vary greatly between different segments. For example the way you serve your high volume, low value customers is going to be different to the way you serve a high value Enterprise customer.

HIGH VOLUME STRATEGIES

Theses typically include bringing customers together. This can be in the form of Customer or Product Advisory Boards, *Circles of Success* Events or Peer-to-Peer Breakfast Briefings.

Customers advocating
on your behalf

OR

HIGH VALUE ENTERPRISE

Enterprise customers will require more face-time with your team to provide feedback on their requirements and loop you into future plans; work together to inform your product roadmap.

Customers informing
your roadmap

“If I’m a customer with three seats I still want to be treated as a human. I’m not a robot.”

Andrea PASERO / Box

Use our Customer Success segmentation map to inform your approach to customer communication, by plotting your customer segments on the grid.

CUSTOMER SEGMENTATION CHECKLIST

High	<ul style="list-style-type: none">● High-touch onboarding● Named CSM email and telephone support, with Professional Services● Product roadmap driven by customer roadmap	<ul style="list-style-type: none">○ High-touch onboarding with some automation○ Named CSM email support○ Customer-centric events e.g. Customer Advisory Board to inform future product roadmap
	<ul style="list-style-type: none">● Automated onboarding with in-App prompts● Support email address● Customer Success Stories available online	<ul style="list-style-type: none">● Tech touch onboarding with in-App prompts● Support desk● Customer-led live events e.g. Circles of Success, Breakfast Briefings
Low	VOLUME	
	High	

SOME GOLDEN RULES

1 Listen To Your Customer

That’s the first rule and according to Andrea Pasero, CX Program Manager for Box, something that ‘works really well in Customer Success’. Emily Kuske, of PatSnap counsels that there is no ‘right’ or ‘wrong’ way to do onboarding, but to be guided by what you hear from your customer.

2 Understand What Success Looks Like For Them

What do your customers want to achieve? More than a definition of done, take the time to understand, define and agree what success looks like to the customer.

3 Don’t Make Assumptions About Their Use Case

Make sure you have spent time understanding how your customer will use your product or service. There are many variations on how your technology will be deployed and it may be in ways that have never occurred before!

4 Insights Come From Different Departments

Don’t rely on Customer Success only. When gathering information and feedback, don’t just loop in the CS teams- there are other areas of the business, e.g. sales or account management, that will interface with your customers and give you a greater understanding of their true status.

5 Don’t Just Listen To What The Customer Says

Look at what they do. You have data, use it; customer feedback questionnaires are clearly important, but usage data also tells a story that you need to hear.



PLAY #3
**CUSTOMER ONBOARDING
PLAYBOOKS FOR SCALING**

WHAT IS A CUSTOMER ONBOARDING PLAYBOOK?

To summarise, a Customer Onboarding Playbook is a repeatable process that the team follows for every new customer, which delivers consistency and creates the ideal Customer Experience. So why are they important?

- ◎ **Playbooks are the backbone for scalability**
- ◎ **Playbooks act as roadmaps for individuals**
- ◎ **Playbooks set expectations for success**

TRACK. COACH. SCALE.

Track. A Playbook provides an effective way to track the metrics of any repeatable process. With an expected baseline, you can pinpoint areas which might be underperforming and causing delays.

"Use playbook data to set norms and build your strategy against them."

Emily Kuske, Patsnap

Coach. Your playbooks will help to coach the right behaviors across your team. As a step-by-step guide, it will help your team navigate different situations with customers. By increasing efficiencies with a playbook, you will have more time to develop customer acumen for your staff.

Scale. Playbooks are the repeatable processes that roll out at the click of a button. As soon as you close a new customer, everyone gets to know what their next step is. By getting these Playbooks down now, organizations can go a long way to mitigating the risks that come with depending on individuals who may be in high demand across multiple projects, and relying on them as the only way to scale.

CHECKLIST: WHAT SHOULD A CUSTOMER ONBOARDING PLAYBOOK INCLUDE?

Onboarding Playbook

Backing

Kick-off

Implementation

Training

Monitor

Complete

Not Started

5

Check In/Pre-launch Session

Mar 25

Launch

Mar 27

Post-Launch Check in

Mar 31

In Progress

4

Customise email notifications

Mar 09

Data Import Test

Mar 16 - 17 (2d)

Data Import Live

Mar 26

Schedule Post-Launch Check In

Waiting

3

Pre-Install Questionnaire

Mar 05

Data Discovery Call

Mar 10

Launch Planning

Mar 18 - 24 (5d)

Data Preparation

Mar 11 - 13 (3d)

Complete

3

Schedule Kickoff

Feb 25

Kickoff Call

Feb 25

Send Pre-Install Questionnaire

Feb 25

Account Setup



PLAY #4
**YOUR SCALING TECH
STACK**

YOUR SCALING TECH STACK

YOUR SCALING TECH STACK

Your choice of technology is a critical factor in your scaling success. At the same time, the Customer Success tech market is crowded and fast moving. It can be a challenge to determine where to commit your time and investment.

While your choice of tech stack to deliver a great customer journey will be unique to your use case, a good starting point is to consider the market leading choices being made by fast-scaling SaaS organizations.



"Salesforce is a great CRM and you can do a lot with it. However, Precursive OBX [formerly Taskfeed] is an extension of this and allows us to use Salesforce even better. We could have hacked our way around in Salesforce, but having a tool which sits within it is the ideal state."

Nick TURNER
/ GoCardless

THE STATE OF CUSTOMER ONBOARDING TECH TODAY

From the data in our 2020 Customer Onboarding Survey, it looks like there is some change on the way when it comes to the usage of CO-specific tools. Our prediction is that Customer Onboarding platforms are about to tip into the mainstream for SaaS organizations looking to scale.

Playbook tip: Take our Precursive Customer Onboarding Survey 2020 and request your tailored Customer Onboarding benchmark report, to evaluate where you sit against your peers and where improvements can be made.

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TECH #1

Salesforce is the starting point

Salesforce dominates as the CRM of choice for today's B2B technology-driven business. Larger and fast growing organizations are still relying on this increasingly mature platform as their technology touchstone.

TECH #2

Scaling fast? Invest in a specialist CSM

The Hyper-growth business segment is investing in CSM platforms, and they are seeing value as a result.

TECH #3

Best-of-Breed Customer Onboarding

The Customer Onboarding category is still playing catch up. While it's true that businesses recognise the need for more automation, management, and metrics, their journey more often than not starts out with building ad-hoc onboarding capabilities within the Salesforce platform rather than deploying a specialist onboarding tool.



PLAY #5
FOCUS ON GROWTH

“Another way of fighting churn is pushing for growth.”

Andrea PASERO
/ Box

PLAY #5

FOCUS ON GROWTH

The final play is simple: focus on growing your existing customer and you will scale. Here's what we heard from our CS leaders:

Within the SaaS model, businesses are only as successful as the customers they continue to maintain and grow year on year.

Customer Success must be considered an enabler of growth, not a blocker.

Identify the 'moments of truth' when your customer will be ready to upgrade or extend their licence.

Increasing customer adoption of your product, better still deepening their feature usage, is significantly correlated with reducing churn.

Above all, make sure you are doing everything possible to work with your customer to realise the value of what they bought.



PUTTING IT ALL TOGETHER
**WHAT DOES GOOD
LOOK LIKE?**

WHAT DOES GOOD LOOK LIKE?

SCALING A DIGITAL IDENTITY SERVICES PROVIDER WITH WORLD-CLASS ONBOARDING

Signicat suffered from the common issues that occur with multiple, disparate onboarding processes:

Structural: there was no existing customer success function

Cultural: the highly technical team did not see onboarding as ‘important’

Standardization: due to a lack of uniformity in their approach there was no repeatable process

Accountability: processes in place did not capture metrics required to identify where there were issues and where to improve

WHAT DOES GOOD LOOK LIKE?

USING CULTURE, PROCESS & TECHNOLOGY FOR IMPROVED CS OUTCOMES

Signicat scaled their onboarding organization through onboarding technology, enabling them to handle a higher volume of work while not having to over-hire and increase headcount significantly.

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35% 78% 48%
FASTER QUICKER GROWTH

with “time to value” now less than 60 days

to be paid, with a 14 day reduction in “time to money”

As the business scaled in 2019, with the ability to take on (and onboard) new customers

[Technology] helped us to organize ourselves better, made us able to handle a higher volume, while also keeping track of what is happening. Nothing is forgotten. It enabled us to coordinate in a tool. Signicat has been able to do this in its own way, but Precursive has some great guidelines. It has made us more scalable.

Sofi FAHLBERG / Signicat



PRECURSIVE PLAYBOOK

HOW TO SCALE IN SAAS
WITH CUSTOMER ONBOARDING

THANK YOU

Precursive would like to thank you following contributors to this playbook for their stellar insights and time.

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