SmartKarrot Global Customer Success Survey

2020

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The survey seeks to provide insights on how industry practitioners are managing **Customer Success**, what they are tracking, tools they are using and what they expect for **2020**.

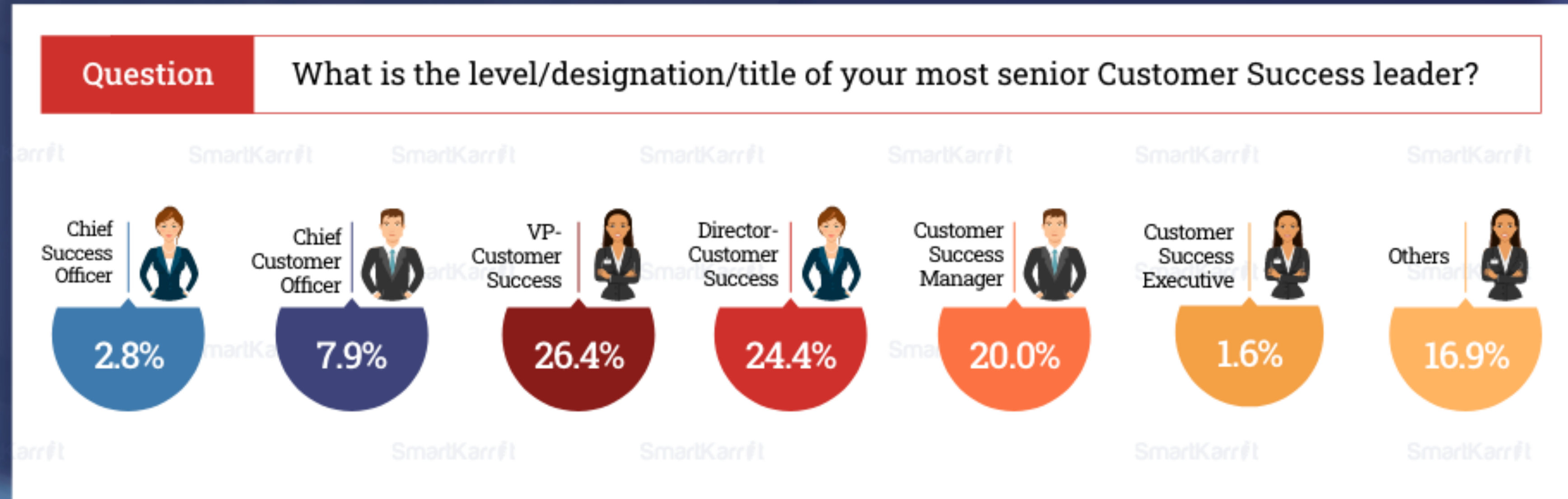# SmartKarrot Global Customer Success Survey 2020

250+ Respondents

22 Countries

Map markers: 133, 4, 14, 5, 54, 5, 7, 10, 4

9%

of organizations have **Chief Success Officer** and **Chief Customer Officer** roles

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| Question | What is the level/designation/title of your most senior Customer Success leader? |

Chief Success Officer	Chief Customer Officer	VP-Customer Success	Director-Customer Success	Customer Success Manager	Customer Success Executive	Others
2.8%	7.9%	26.4%	24.4%	20.0%	1.6%	16.9%

This is a reflection of the Customer Success function not yet being considered as part of the core C-Suite in most organizations. We hope to see this change drastically in the years to come. Almost 44% of Customer Success functions are being headed by mid-management at this time.
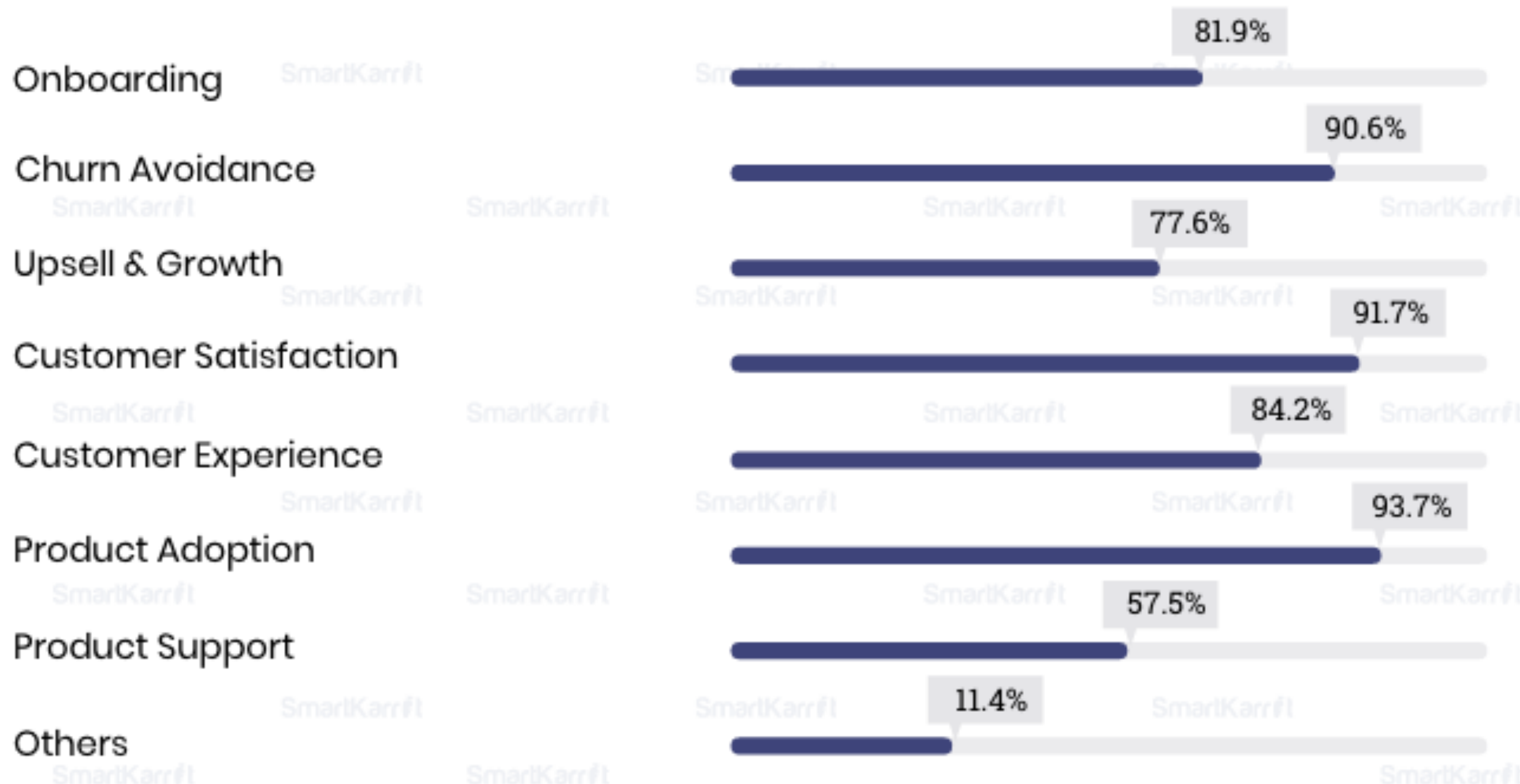
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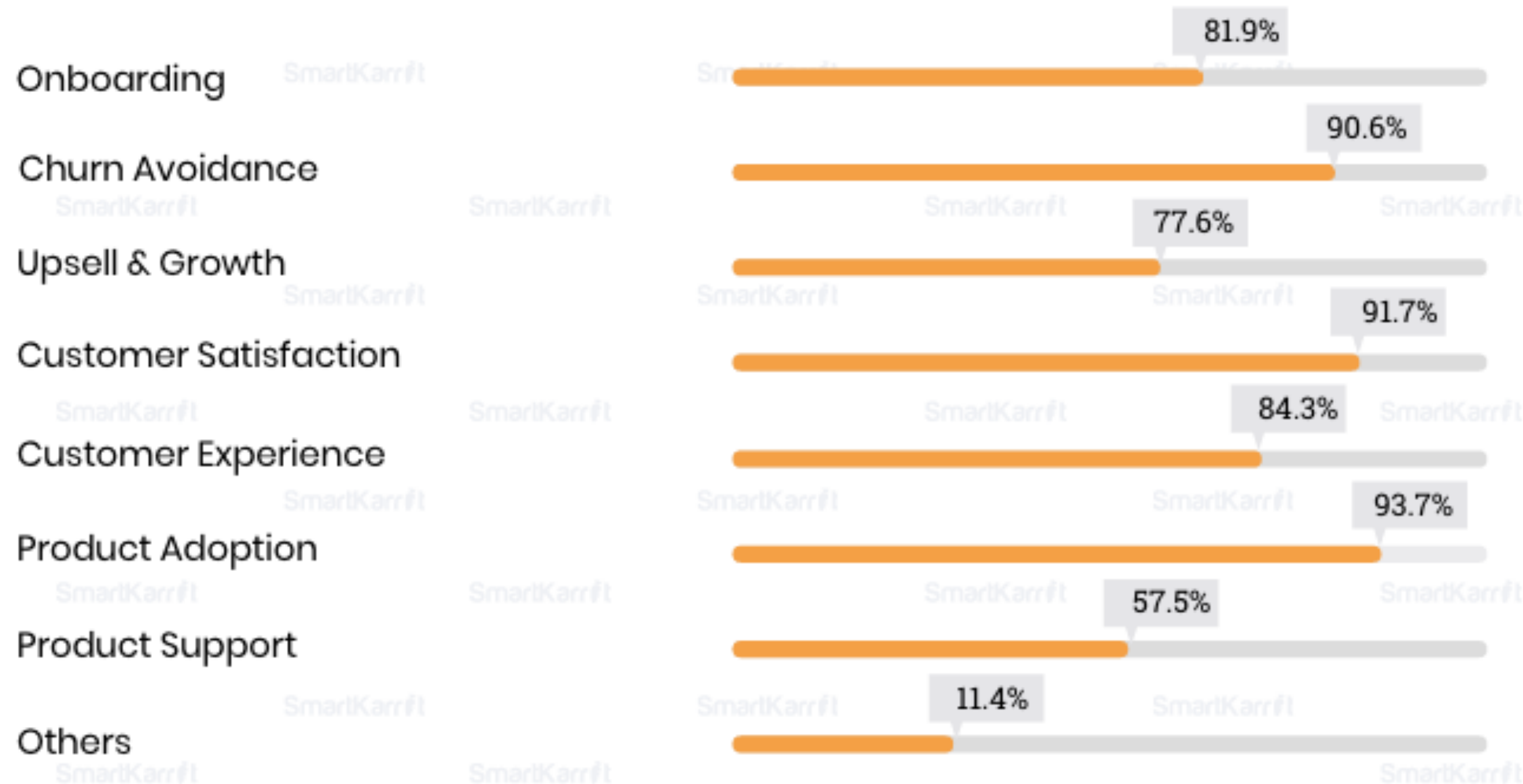## 94% chose PRODUCT ADOPTION & USAGE as a key responsibility area of their CUSTOMER SUCCESS team

Question | What ALL is the customer success team currently responsible for, in your organisation?

Responses | **Percentage of Total Respondents**

Response	Percentage
Onboarding	81.9%
Churn Avoidance	90.6%
Upsell & Growth	77.6%
Customer Satisfaction	91.7%
Customer Experience	84.2%
Product Adoption	93.7%
Product Support	57.5%
Others	11.4%

We have always felt that product success is an integral part of Customer Success and are happy to see this validated. It is interesting to note that churn avoidance and onboarding outrank upsell – will keep an eye out for this to change next year.

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24% of respondents consider NPS as valuable ONLY when combined with other metrics

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Question	How relevant is **NPS** as a metric?

Responses	Percentage of total Respondants	
Very important		27.2%
Somewhat important		36.2%
Not important		12.6%
Important only when combined with metrics		24.0%

We feel this is very true. NPS needs to be stopped being used as a vanity metric. It is a critical component of measuring sentiment when used in conjunction with other metrics like usage metrics, value milestones, touchpoints etc.

![SmartKarrot]

84% chose **CUSTOMER EXPERIENCE** as a key responsibility area of their **CUSTOMER SUCCESS** team

Question	What ALL is the customer success team currently responsible for, in your organization?

Responses | **Percentage of Total Respondents**

- Onboarding — 81.9%
- Churn Avoidance — 90.6%
- Upsell & Growth — 77.6%
- Customer Satisfaction — 91.7%
- Customer Experience — 84.3%
- Product Adoption — 93.7%
- Product Support — 57.5%
- Others — 11.4%

We have always felt that product success & customer experience are an integral part of Customer Success and are happy to see this validated. Customer experience goes beyond just measuring NPS and will evolve into managing and influencing customer touchpoints across channels.

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65% of respondents consider the **CUSTOMER SUCCESS FUNCTION** in their organization to be **SOMEWHAT INTEGRATED + SILOED**

Question	Do you feel customer success is siloed within your company or integrated across teams?

Well Integrated
35.4%

Somewhat Integrated
59.8%

Completely Siloed
4.8%
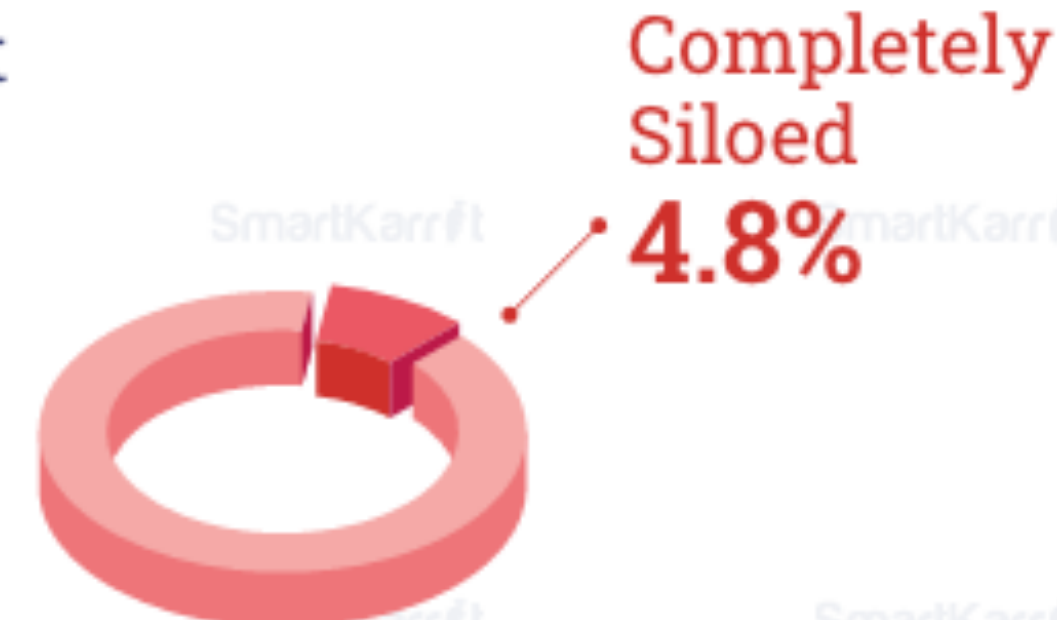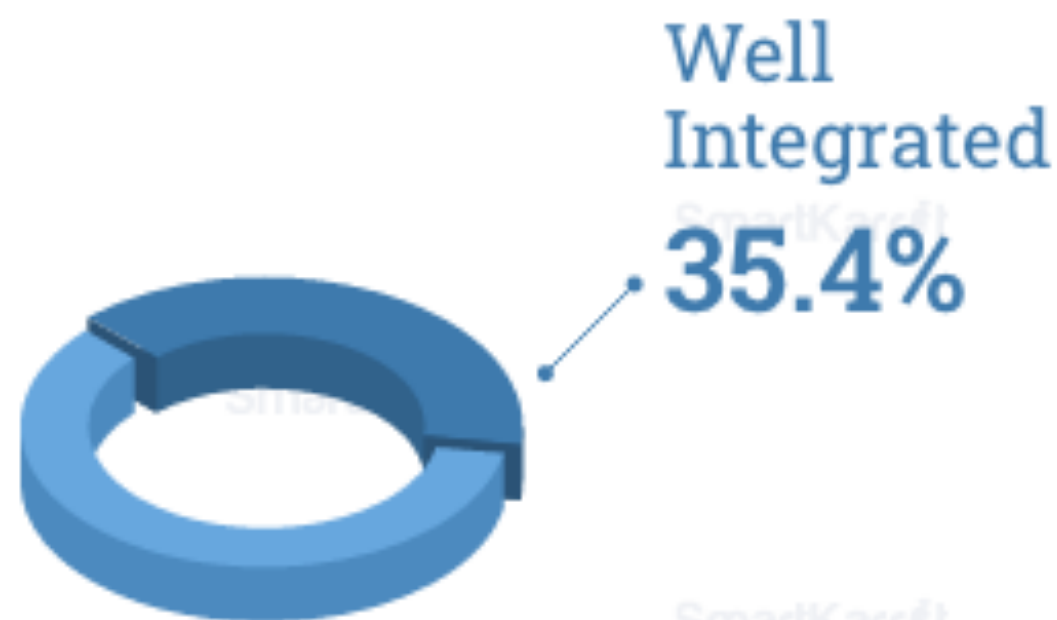
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This is not surprising considering the multifunctional aspects of Customer Success operations. We do hope to see this improve in the years to come. Leadership backing, organizational structure and use of integrated Customer Success platforms will be likely contributors.

90%

respondents recommend a high or very high degree of overlap between **PRODUCT MANAGEMENT** and **CUSTOMER SUCCESS** teams

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This is a key aspect of being able to create true customer value. From initial product onboarding to new feature release and overall customer experience – the needed overlap is quite evident.

Question — For great Customer Experience, in your opinion, what is the level of overlap/co-operation required between Customer Success & Product Management?

Very Low	Low	Medium	High	Very High
01	02	03	04	05
0.4%	0.8%	7.9%	28.7%	62.2%

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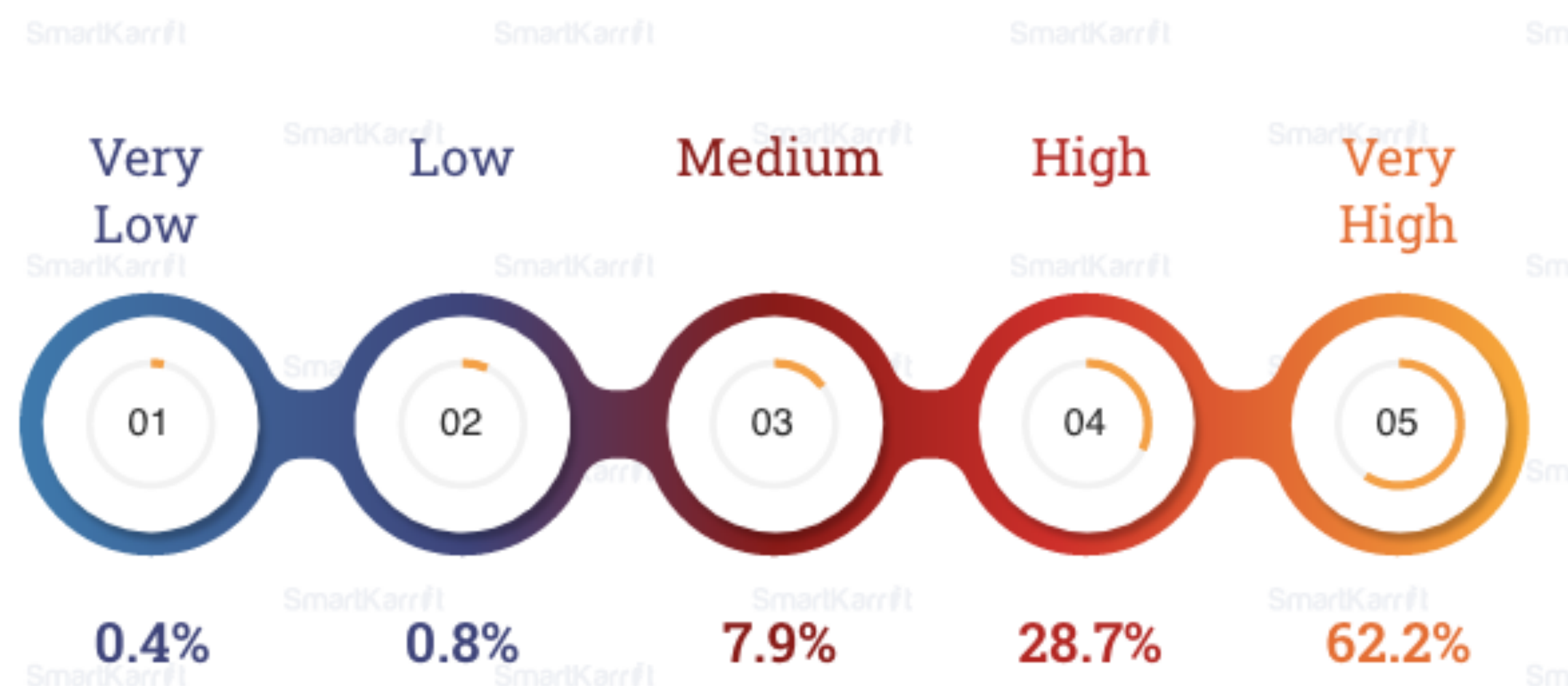
61%

of Customer Success teams **DO NOT** use a dedicated **Customer Success platform** in their day to day operations

Question	Which tools does your Customer Success team use in their day to day operations?

Tool	Percentage
CRM	76.4%
Customer Success Platform	37.8%
XLS	37.0%
Tasks	31.5%
Financial System Of Record	23.6%
Ticketing System	61.2%
Marketing Automation	21.6%
Survey/ NPS	51.8%
Mail/ Slack	79.1%
Conference/ Video Calling	73.6%
Not Applicable	0.4%
Others	12.6%
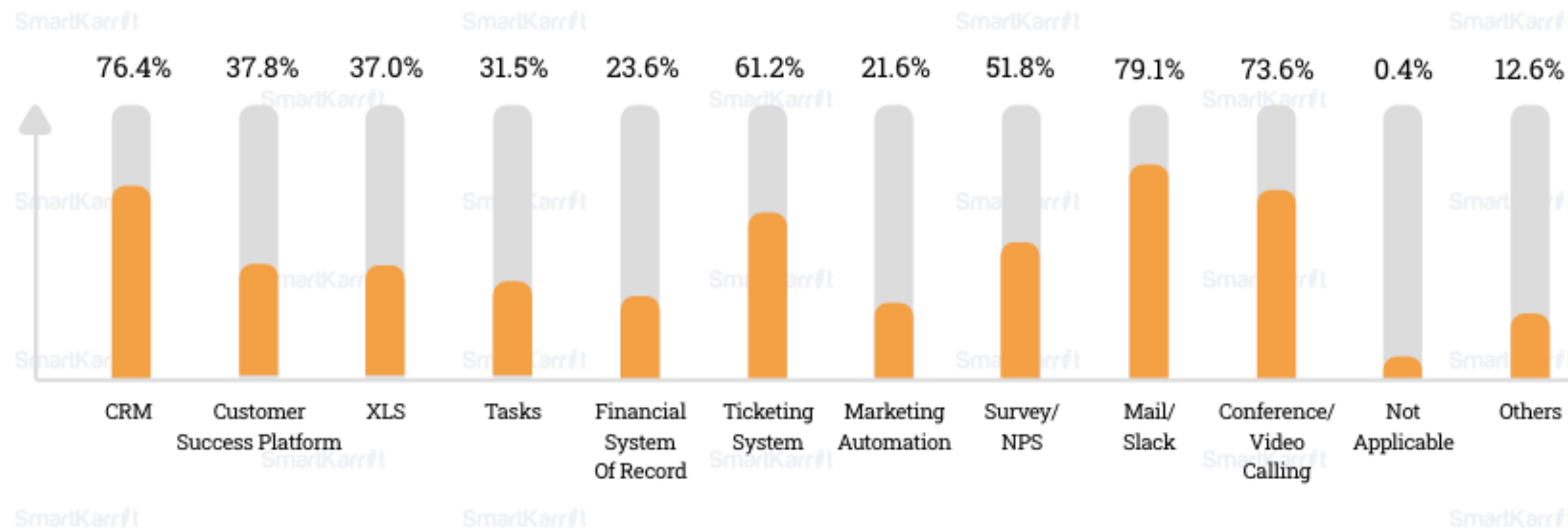
76% still use CRMs as a key tool! We are not surprised.
We do expect to see a change in this as functions slowly evolve into more "execution" and "operations" oriented tools and move away from only system of contacts and records. This is also a reflection of a potential gap which Customer Success platforms like SmartKarrot need to be aware of and address.

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48% feel there are too many **TOOLS** used internally as a top challenge & **54%** feel current tools are ineffective

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Question	What are the top 3 challenges you have faced in using tools above?

48.0%	27.2%	20.5%	54.7%	6.3%	21.3%	22.0%	12.2%	13.4%
Too many tools	Data liquidity	Cost of tools	Effectiveness of tools	Data security	Training	Maintenance	Not applicable	Others

These are stunning numbers. We anticipate the need for significant innovation in Customer Success tools in the near future. Outcome orientation and relevant to outcome features are likely changes we can expect.

79%

feel the relevance of AI/ML usage in handling **at-risk &** **upsell** identification

The need of the hour is to have system driven cues to drive churn reduction and nurture upsell opportunities. Complex but is relevant in regard to Customer Success platforms being aligned to core outcomes.

Question Which areas do you see a potential for advanced tools like AI/ML usage in Customer Success?

No relevance
1.2%

Personalised onboarding
50.0%

Automating customer outreach
65.3%

Identification of at-risk & upsell accounts
78.4%

Increasing product adoption
69.3%

Better touchpoint management
63.8%

Not applicable
2.8%
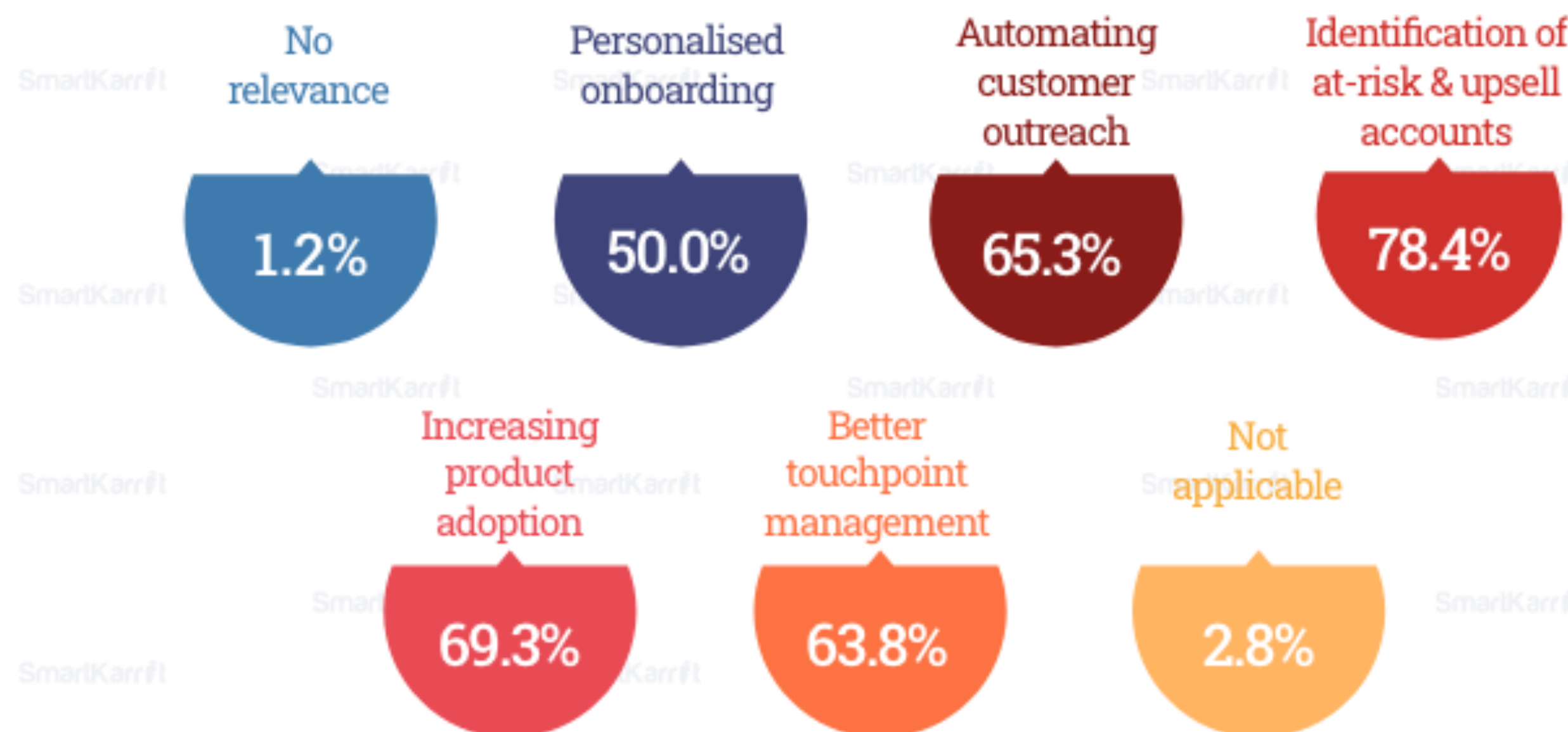
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89% of respondents think that **Customer Success tools** should enable real time actions in response to **user behavior**

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Question

Do you agree with the statement: "Within my Customer Success tool, I would like the ability to automate real-time actions in response to user behavior"

Not applicable	Strongly disagree	Disagree	Agree	Strongly agree
01	02	03	04	05
3.9%	1.2%	4.7%	41.7%	48.5%
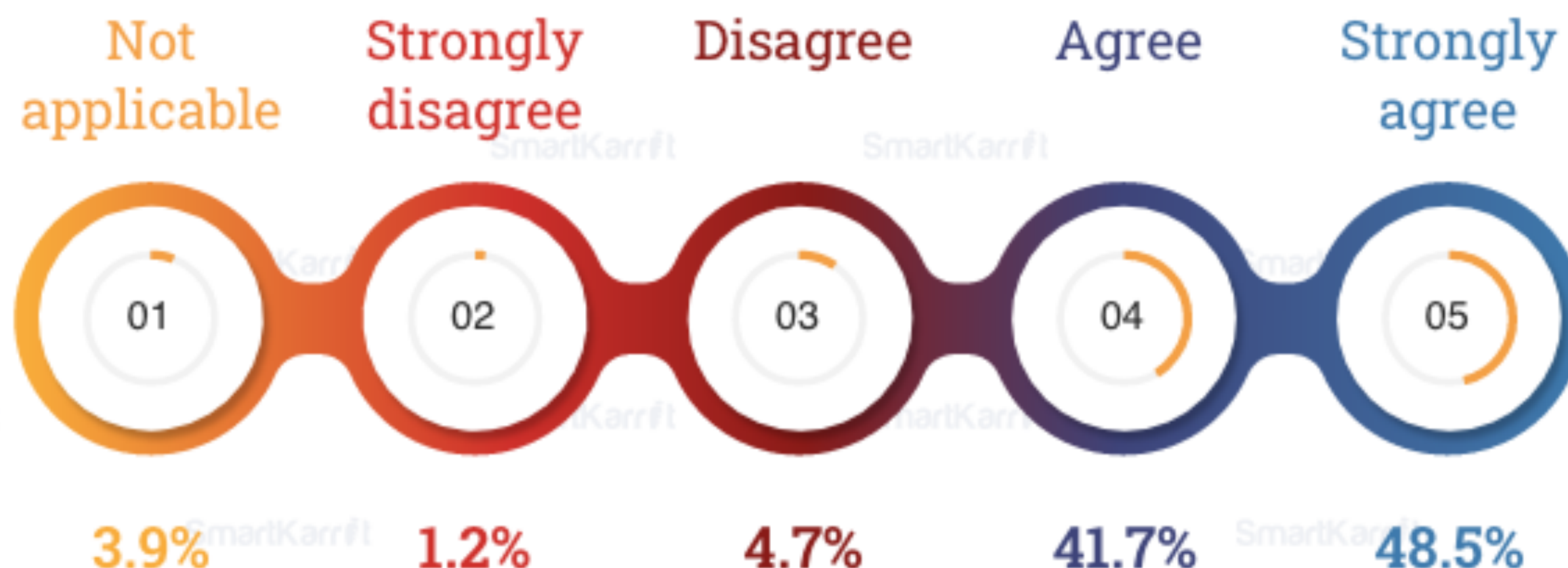
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*This reiterates our belief that most tools today are an extension of CRM systems – great at being a **system of record** (when used effectively) and a **system of contacts**. Customer Success as a function needs to influence outcomes and tools/platforms will need to evolve accordingly.*

33%

organizations' **Customer Success platform** does not track Product Usage and Adoption

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*We believe tracking is only one part of the need. The ability to **influence** the adoption and usage metrics is probably what the real need is.*

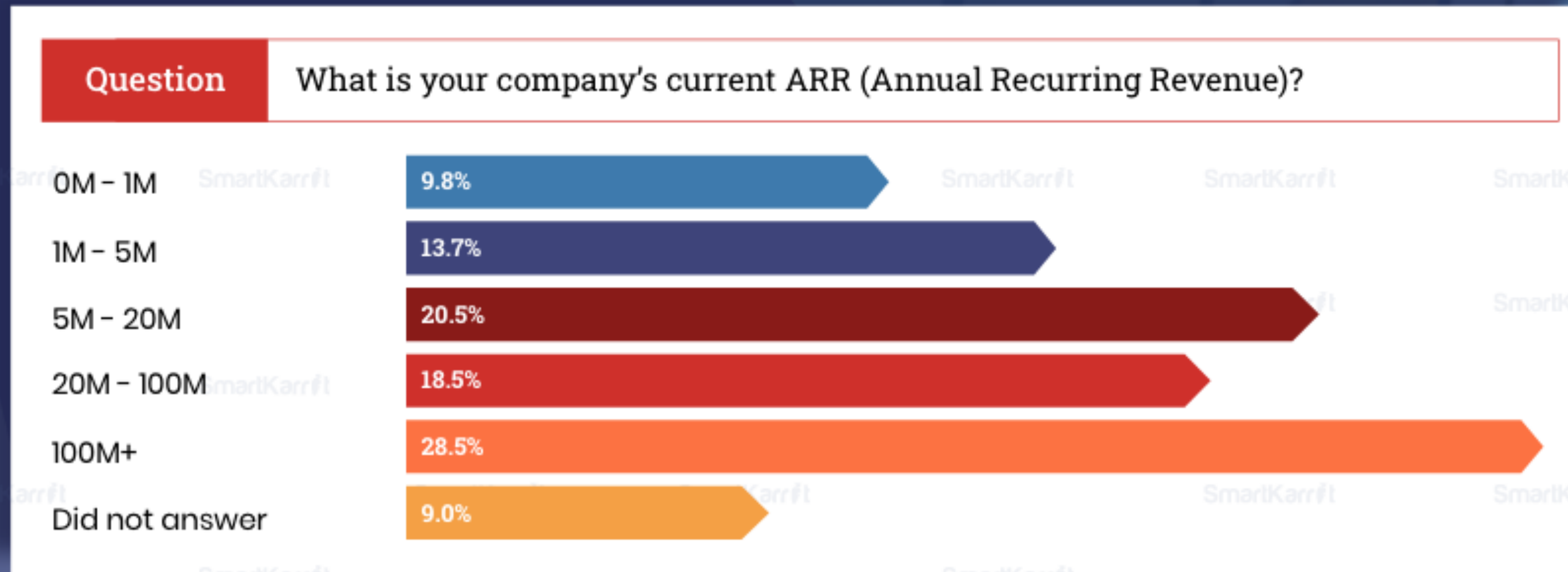| Question	Does your Customer Success Tool/Platform allow you to track product usage and adoption actively as part of Customer Success operations?

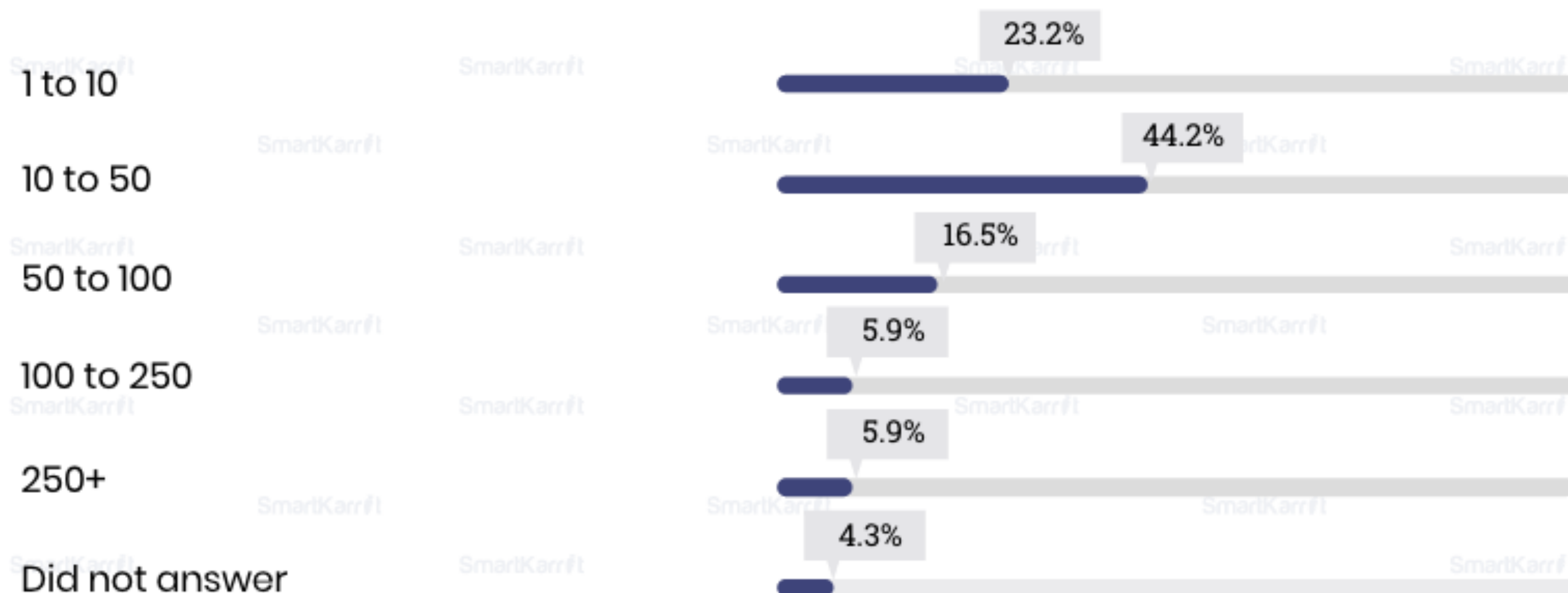|	
45.2%	Yes
6.3%	No
27.9%	No, but I would like to
20.5%	Not applicable

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44% Customer Success Managers manage between 10 to 50 accounts

This appears consistent with what we have been seeing in practice and reading in other reports. ~45% of CSMs have 10-50 accounts to manage. Need to consider that this number is likely to increase as systems become more automated and prescriptive.

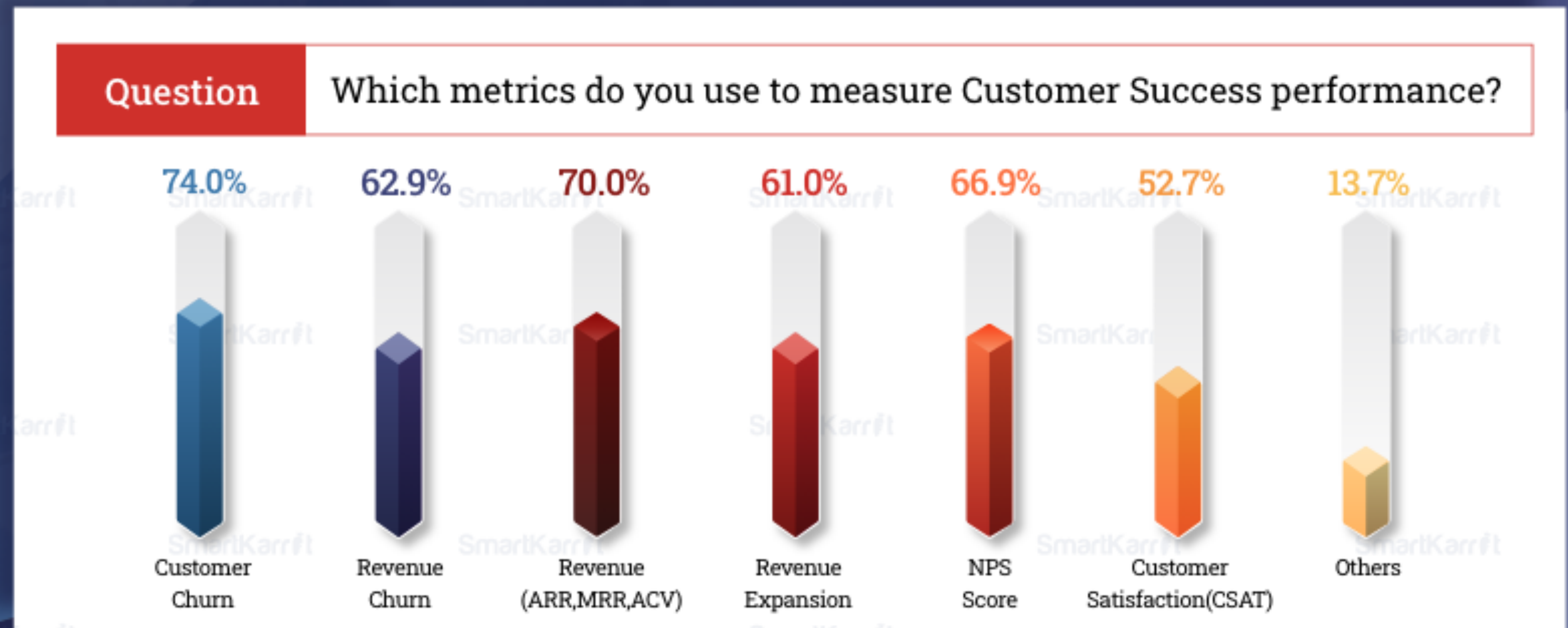| Question	At your workplace, how many Accounts/Customers does each CSM manage?

1 to 10	23.2%
10 to 50	44.2%
50 to 100	16.5%
100 to 250	5.9%
250+	5.9%
Did not answer	4.3%

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48% organizations faced **Customer Churn** between 2 - 10% in past two years

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| Question | What is the average customer churn your organization has experienced over the last 2 years? |

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<1%	1-2%	2-5%	5-10%	>10%	Did not answer
10.6%	17.7%	24.8%	22.9%	17.7%	6.3%
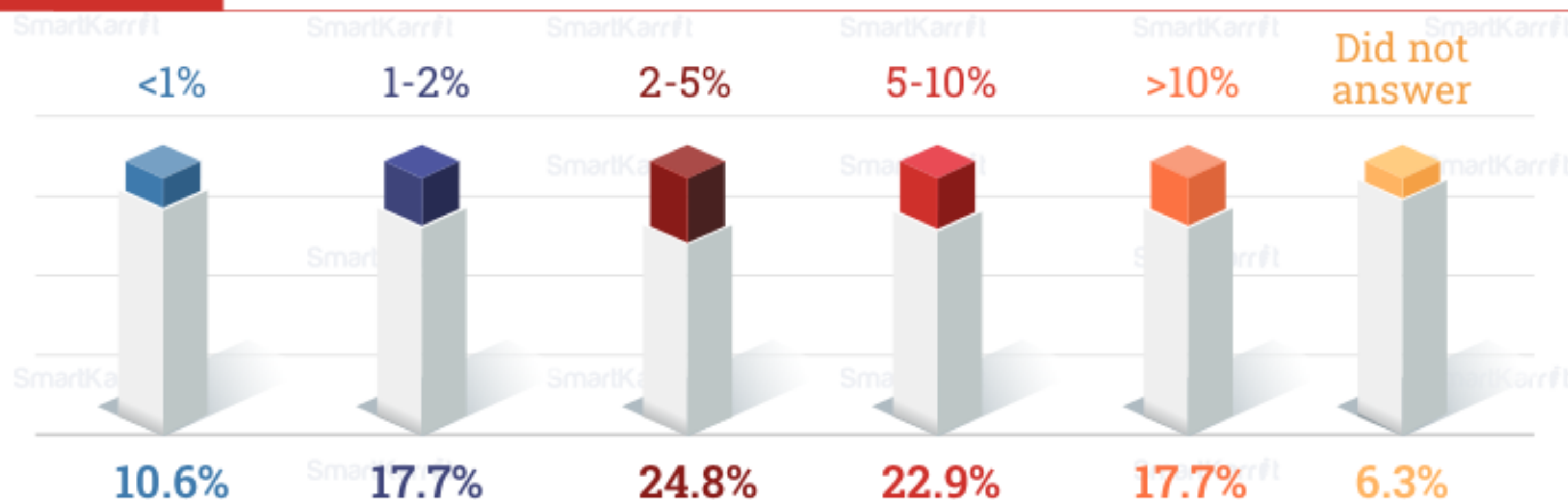
This is consistent with industry data. We feel post COVID organizations are likely to strive for negative churn and put more weightage around customer retention.

About

SmartKarrot

SmartKarrot helps drive business outcomes around life-time value, retention, expansion, adoption, engagement and customer experience. One integration engine connecting behavioural analysis, strong personalized engagement and automated actions.

For more details write to:

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