

The State of Customer Success in the C-Suite

Companies that are shifting their Go-To-Market strategy from traditional top-down sales to retention and expansion are looking to Customer Success (CS) for results. Accordingly, the C-suite now has increased focus on CS and is dedicating more resources, budget, attention, and leadership positions to the CS function. Customer Success leaders are now viewed as 'growth' and 'revenue' leaders by boards of directors.

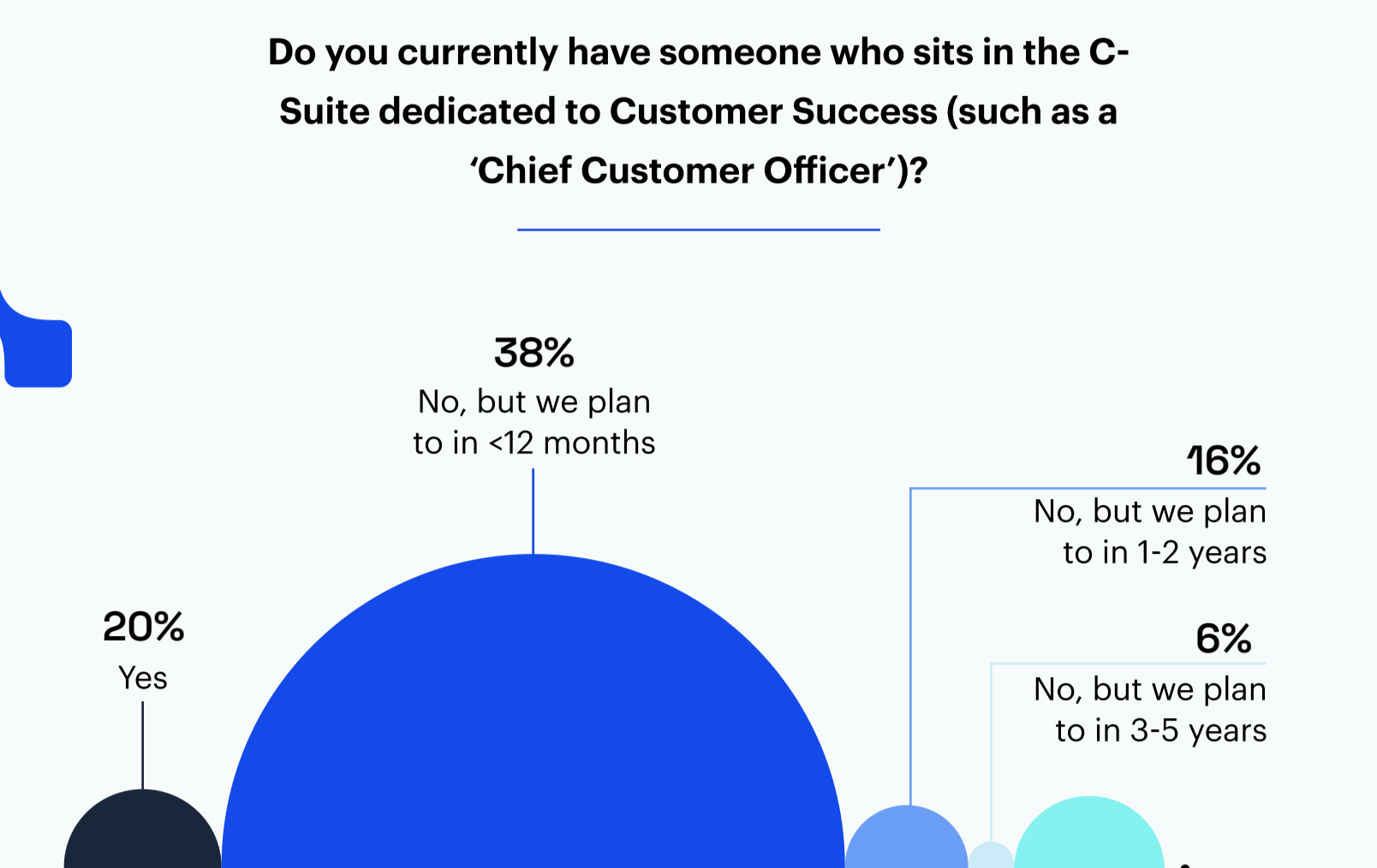
Pulse and Vitally surveyed 100 executives involved in CS to find out who owns the CS department, how investments in CS are changing, what their strategic initiatives are, and how they are planning for the future.

Data collected from August 27 - October 6, 2021

Respondents: 100 executives

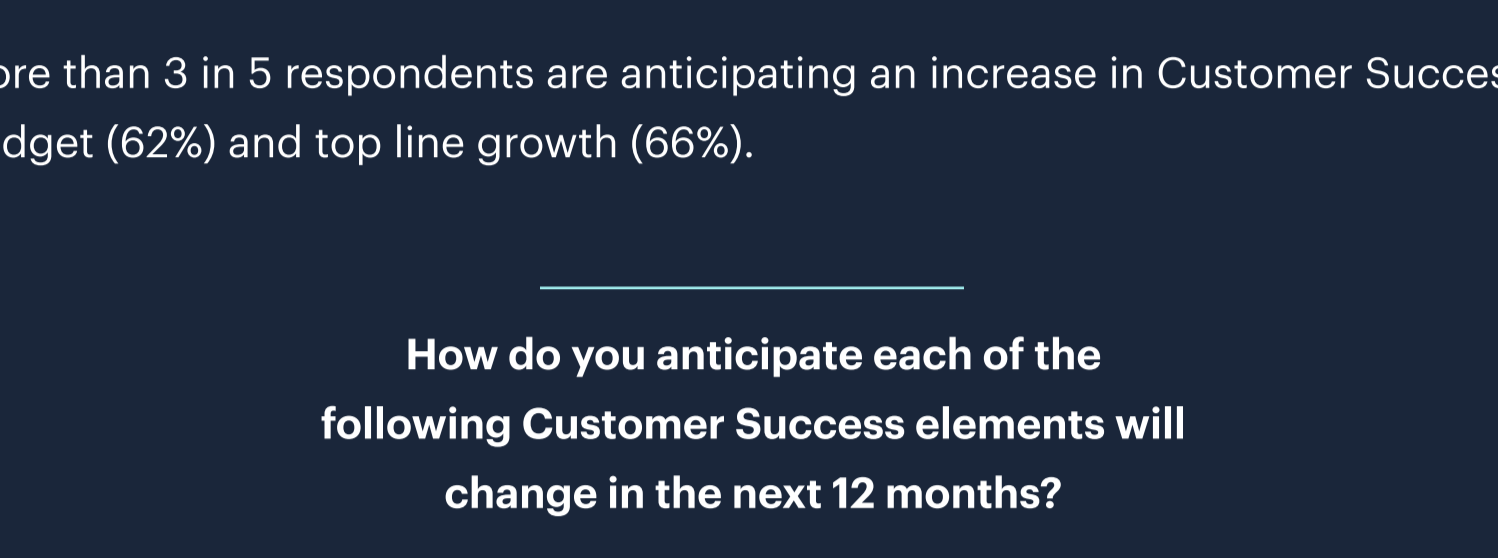
Most Customer Success leaders are reporting to the C-suite, and dedicated "success" officers are on the rise

Most respondents say the most senior member of their Customer Success team reports to the COO (30%) or the CEO (24%). Only 14% are reporting to a dedicated "success" officer in the C-suite. 12% roll up into marketing and 11% into sales or a CRO.



Although only 20% of respondents have someone in the C-suite dedicated to Customer Success, 60% plan to within the next 5 years, with most (38%) planning to in the next 12 months.

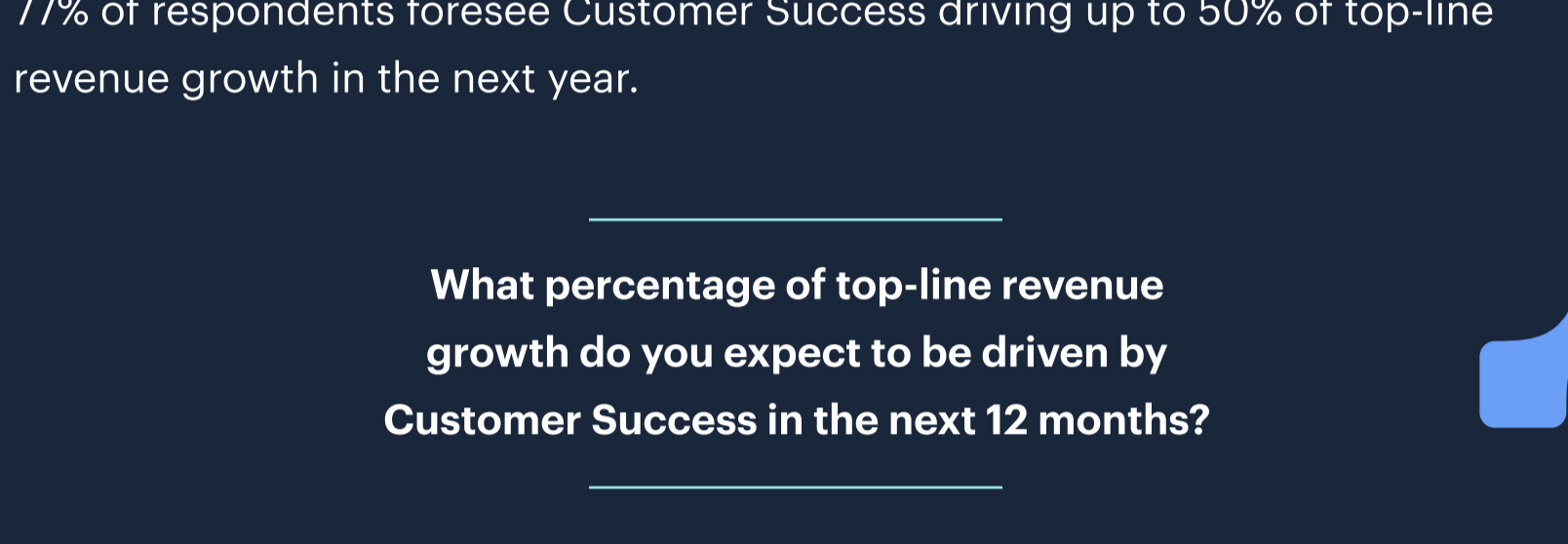
Do you currently have someone who sits in the C-Suite dedicated to Customer Success (such as a 'Chief Customer Officer')?



Investments in Customer Success are expected to increase in the next 12 months

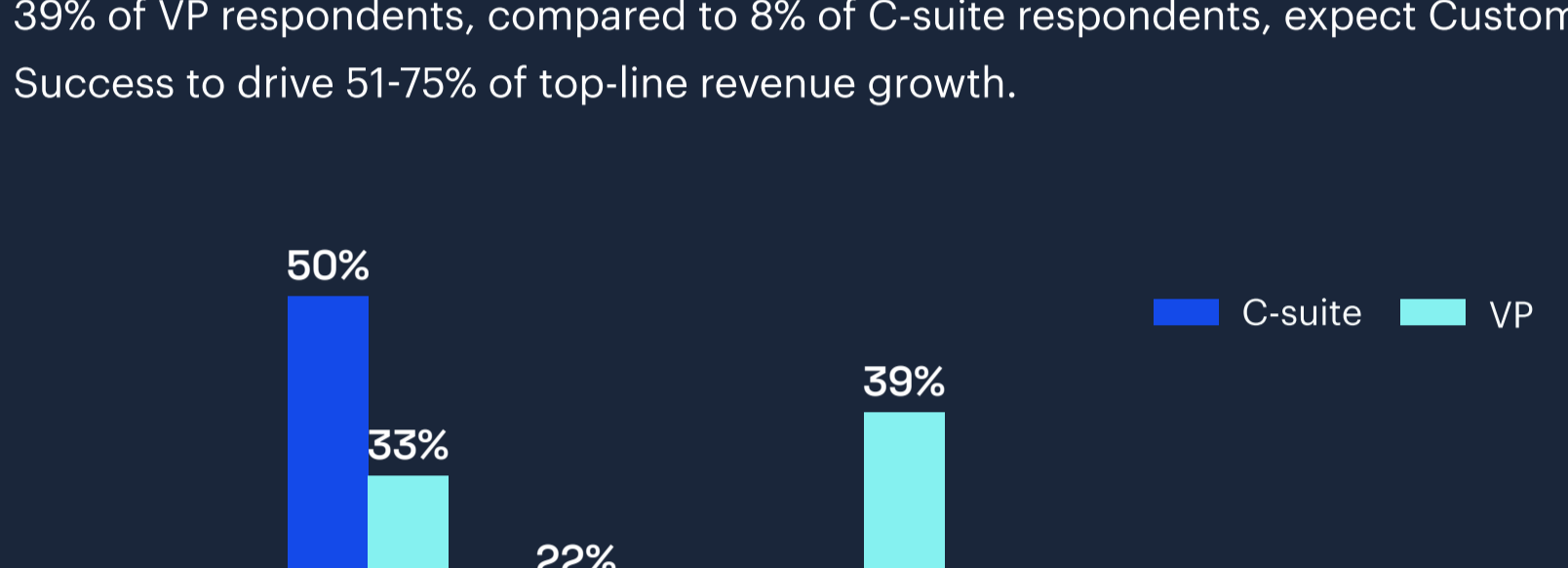
More than 3 in 5 respondents are anticipating an increase in Customer Success budget (62%) and top line growth (66%).

How do you anticipate each of the following Customer Success elements will change in the next 12 months?

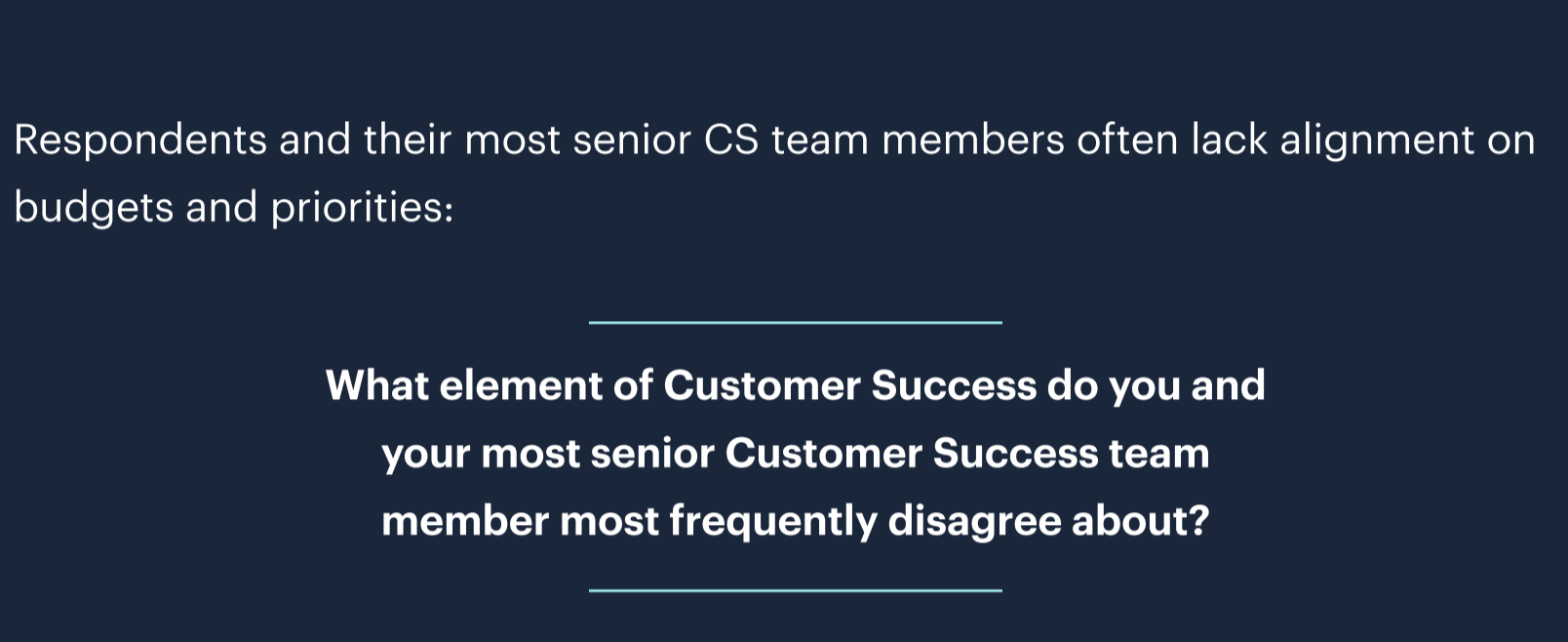


77% of respondents foresee Customer Success driving up to 50% of top-line revenue growth in the next year.

What percentage of top-line revenue growth do you expect to be driven by Customer Success in the next 12 months?



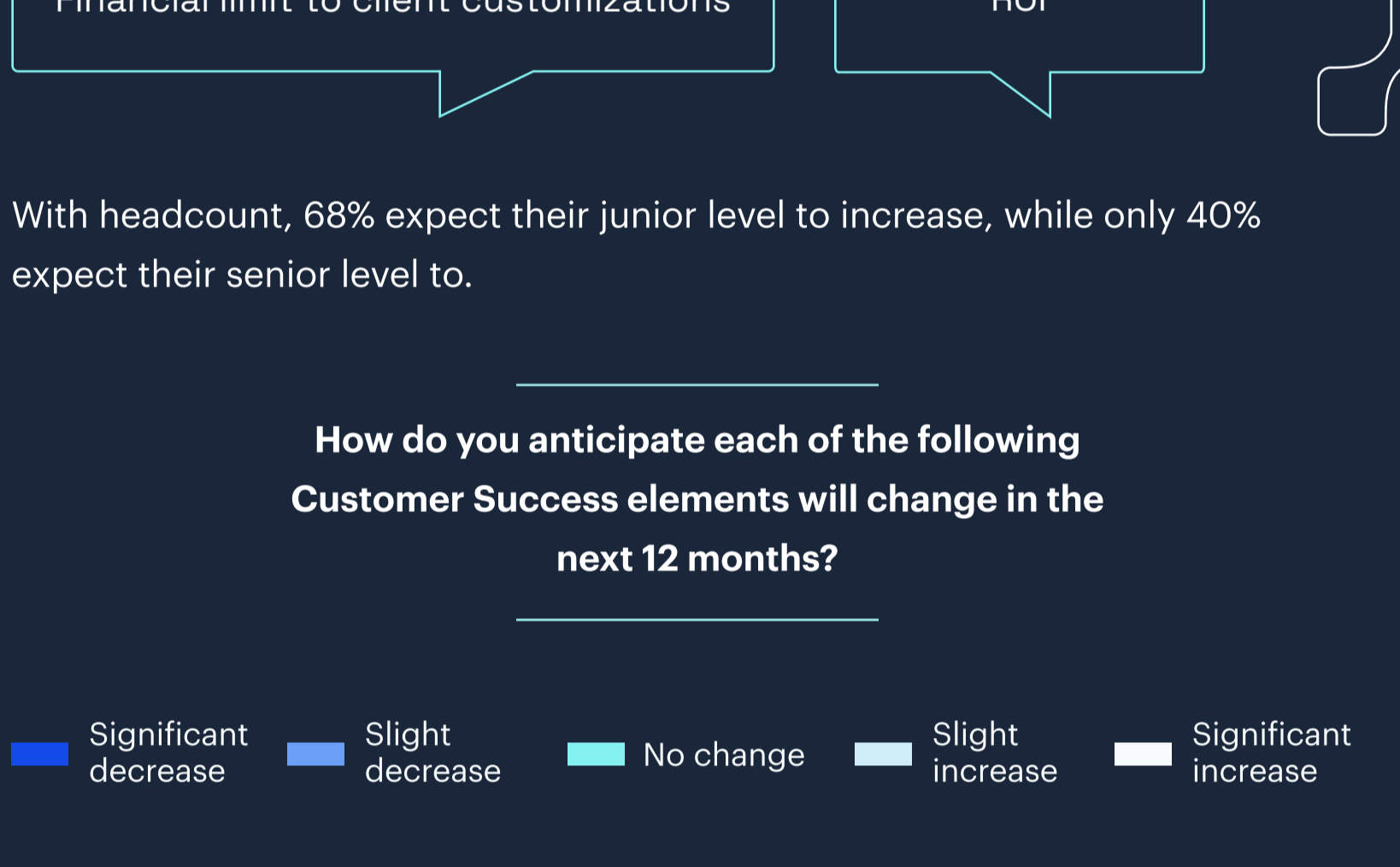
39% of VP respondents, compared to 8% of C-suite respondents, expect Customer Success to drive 51-75% of top-line revenue growth.



Respondents and their most senior CS team members often lack alignment on budgets and priorities:

What element of Customer Success do you and your most senior Customer Success team member most frequently disagree about?

Common themes in the responses to this question included:



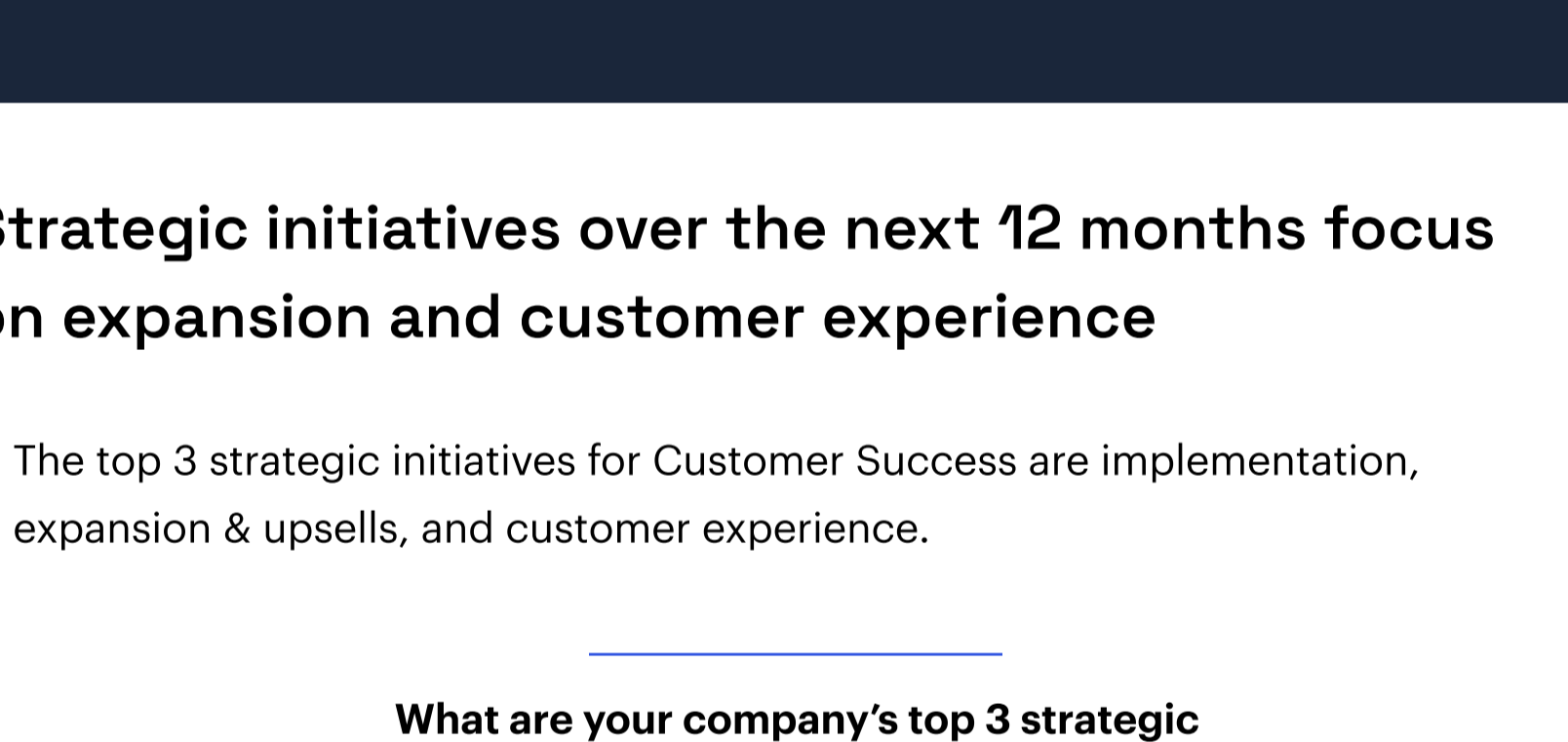
With headcount, 68% expect their junior level to increase, while only 40% expect their senior level to.

How do you anticipate each of the following Customer Success elements will change in the next 12 months?



Increasing headcount may be a challenge as the next 12 months rank hiring as the top barrier to scaling Customer Success over the next 12 months. The other top barriers are creating content and Customer Success enablement materials and training the Customer Success team.

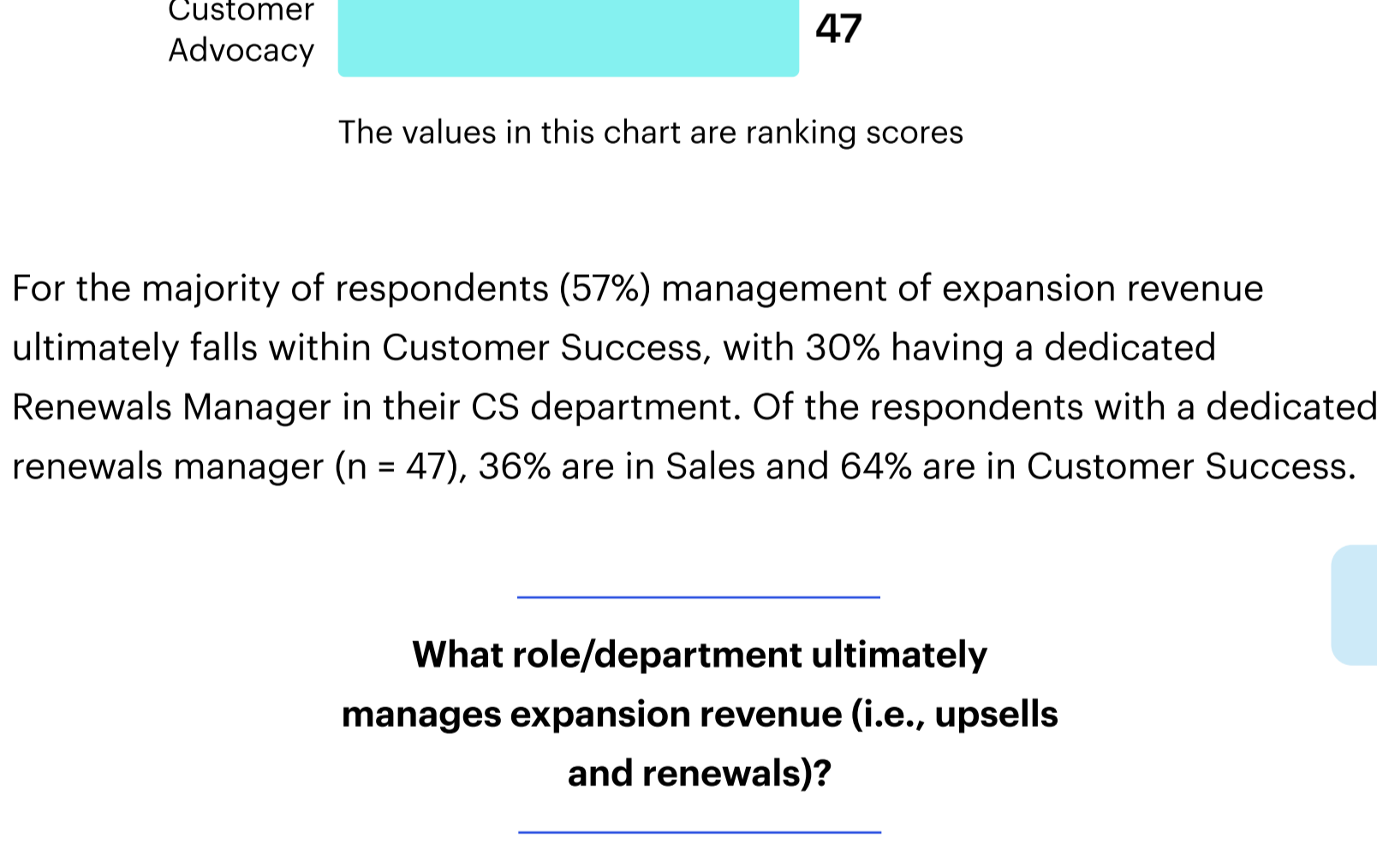
What do you consider to be the top 3 barriers to scaling your Customer Success over the next 12 months?



Strategic initiatives over the next 12 months focus on expansion and customer experience

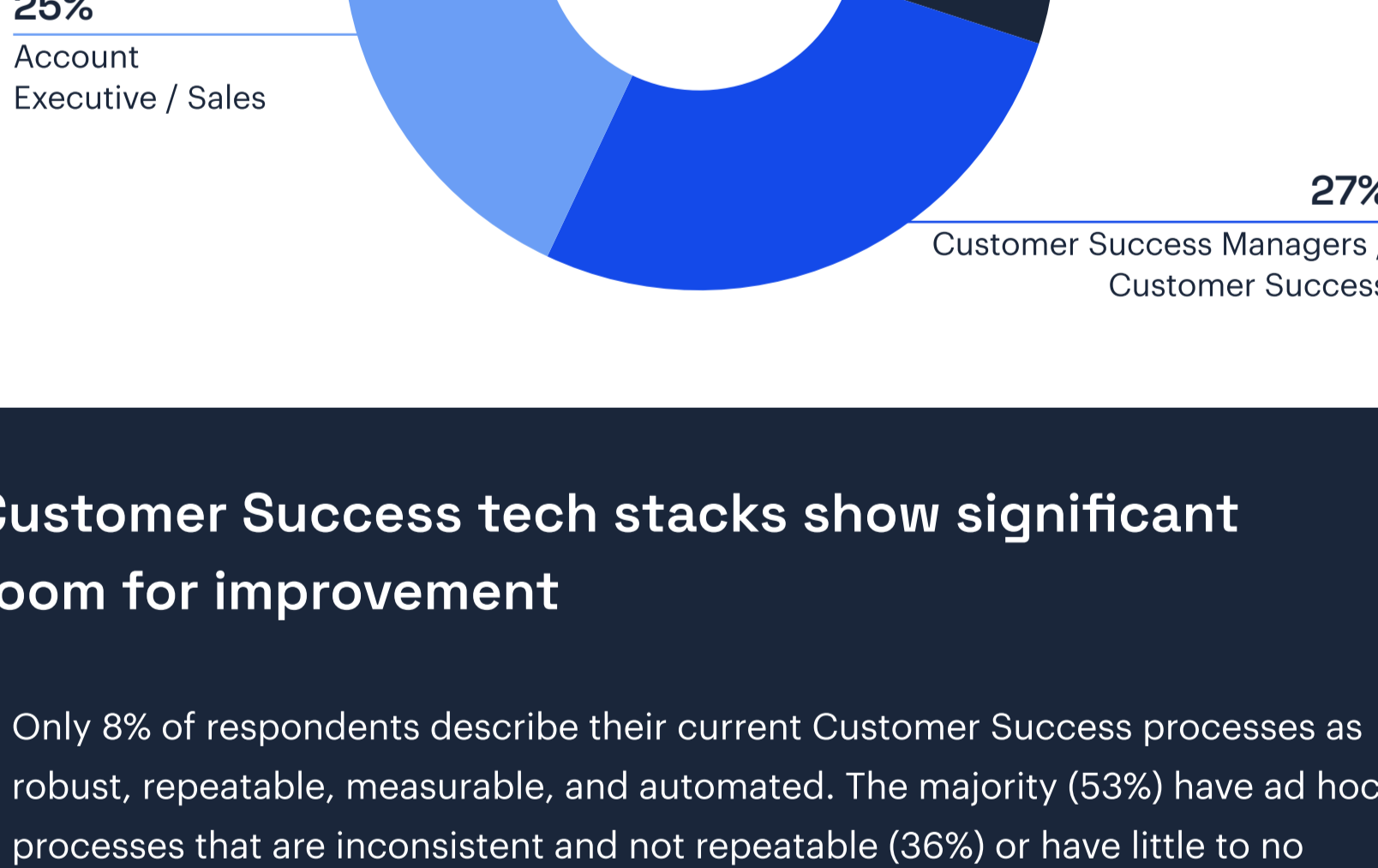
The top 3 strategic initiatives for Customer Success are implementation, expansion & upsells, and customer experience.

What are your company's top 3 strategic initiatives for Customer Success over the next 12 months?



For the majority of respondents (57%) management of expansion revenue ultimately falls within Customer Success, with 30% having a dedicated Renewals Manager in their CS department. Of the respondents with a dedicated renewals manager (n = 47), 36% are in Sales and 64% are in Customer Success.

What role/department ultimately manages expansion revenue (i.e., upsells and renewals)?



Customer Success tech stacks show significant room for improvement

Only 8% of respondents describe their current Customer Success processes as robust, repeatable, measurable, and automated. The majority (53%) have ad hoc processes that are inconsistent and not repeatable (36%) or have little to no defined processes (17%).

Which of the following phrases most closely describes your current Customer Success processes?



What is the largest opportunity for improvement with Customer Success at your organization?



Respondent Breakdown

