CUSTOMER SUCCESS OPERATING MODEL

PART 3. ONBOARDING

Part 1. Core Elements
Part 2. Metrics
Part 3. Onboarding
Part 4. Adoption
Part 5. Expansion
Part 6. Core Skills

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An initiative by:

Winning by Design

Introduction

IN

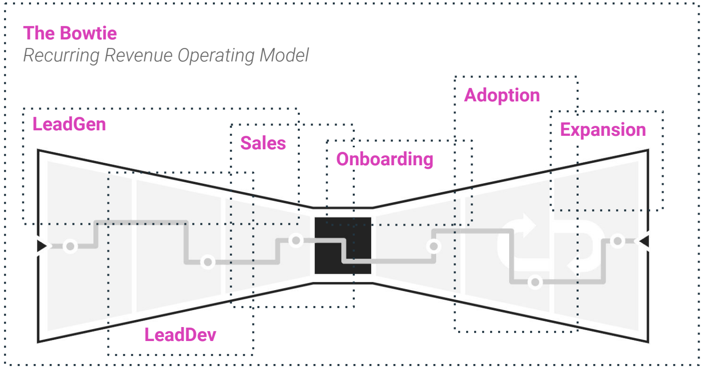
A Uniform Operating Model for a Recurring Revenue Businesses

The 3 Goals of the Operating Model for Recurring Revenue:

- Goal 1. Establish a common, and customer centric, language.
- Goal 2. Apply standardized metrics to allow for benchmarking.
- Goal 3. Create Interoperability between different functions.

It is based on the following steps:

- Step 1. Use of the bowtie to model the entire customer journey.
- Step 2. Split up the customer journey in phases.
- Step 3. Establish key metrics for each phase [M, CR, PM].
- Step 4. Identify a handful of Moments that Matter per phase.
- Step 5. Create a Blueprint for each of these moments.
- Step 6. Codify SPICED into a Blueprint so it can be trained, improved, etc..
- Step 7. Measure metrics [M, CR, PM] and improve over time



The key functions are:

1. Lead Generation
2. Lead Development
3. Sales
4. Onboarding
5. Adoption
6. Expansion

Customer Success Operating Model

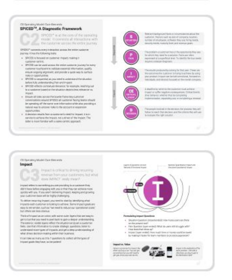
Introduction

IN

The 2023 Blueprint format explained.

The location of where you are at:

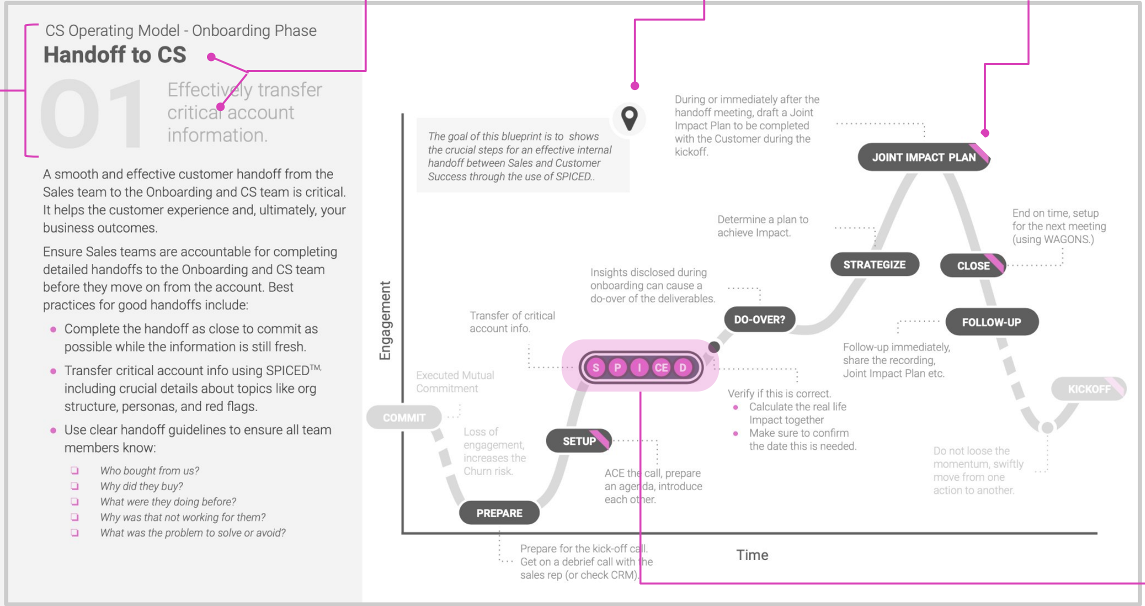
- *The CS Operating Model*
- *In the Onboarding Playbook*
- *Handoff to Customer Success*
- *Blueprint 01*
- *Large numbering allows you to navigate easily in the slide sorter.*



Clear description of the action and what it does. Handoff to CS is to Transfer critical account info

The goal of each blueprint is clearly stated upfront.

The banner provides a visual que to actions that are identified as a moment that matters.



Reference to the next action and blueprint in the customer journey.

Presence of SPICED, the framework which creates interoperability between blueprints.

Expertise broken down into a series of steps, actions, best practices etc.

Visual that guides you through the experience as a function of customer engagement over time.

Customer Success Operating Model

Overview Onboarding

00 Following the mutual commitment the relationship has changed: *You are all on the same team now.*

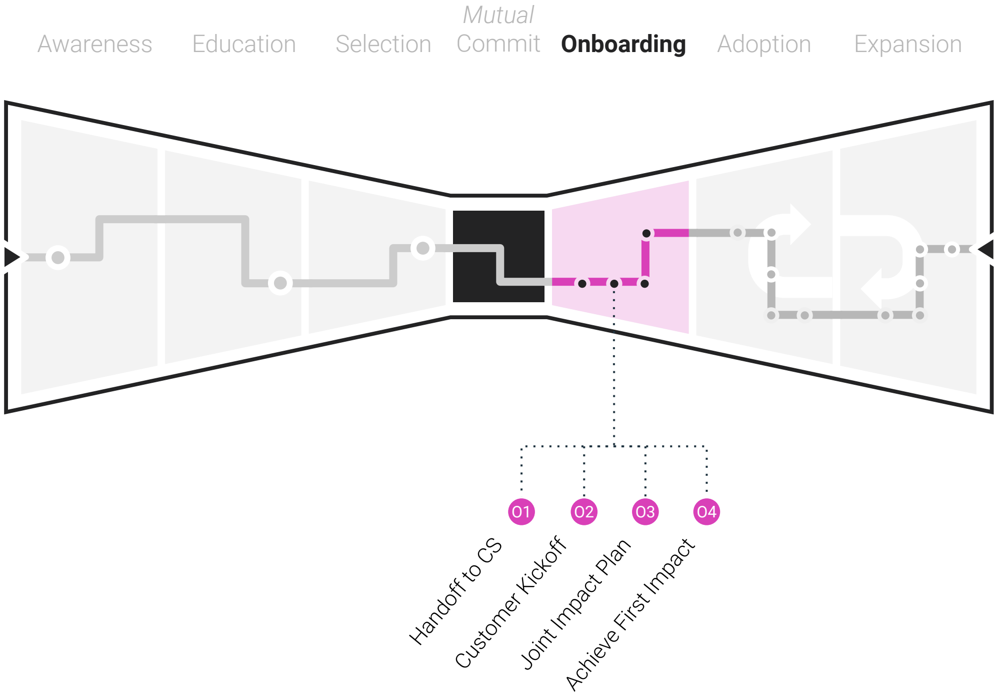
The customer onboarding phase is arguably the most critical part of the customer journey as it lays the foundation for the relationship. Unfortunately, it is also the easiest to do wrong.

Avoid using a "check-the-box" mentality in which both teams focus on the tactics of completing an onboarding checklist without really understanding the pain to solve and the Impacts to deliver.

If you don't know what Impact you're working to achieve, it will be tough to deliver it. To ensure you set your customers and your business up for success, make sure to embed these best practices in your customer Onboarding journey:

01. Handoff to CS
02. Customer Kickoff
03. Joint Impact Plan (aka Success Plan, Account Plan, etc.)
04. Achieving First Impact

Getting these motions right will directly impact your customer retention and expansion. It can provide critical insights to your sales and marketing teams to help them set great expectations with prospects.



Customer Success Operating Model

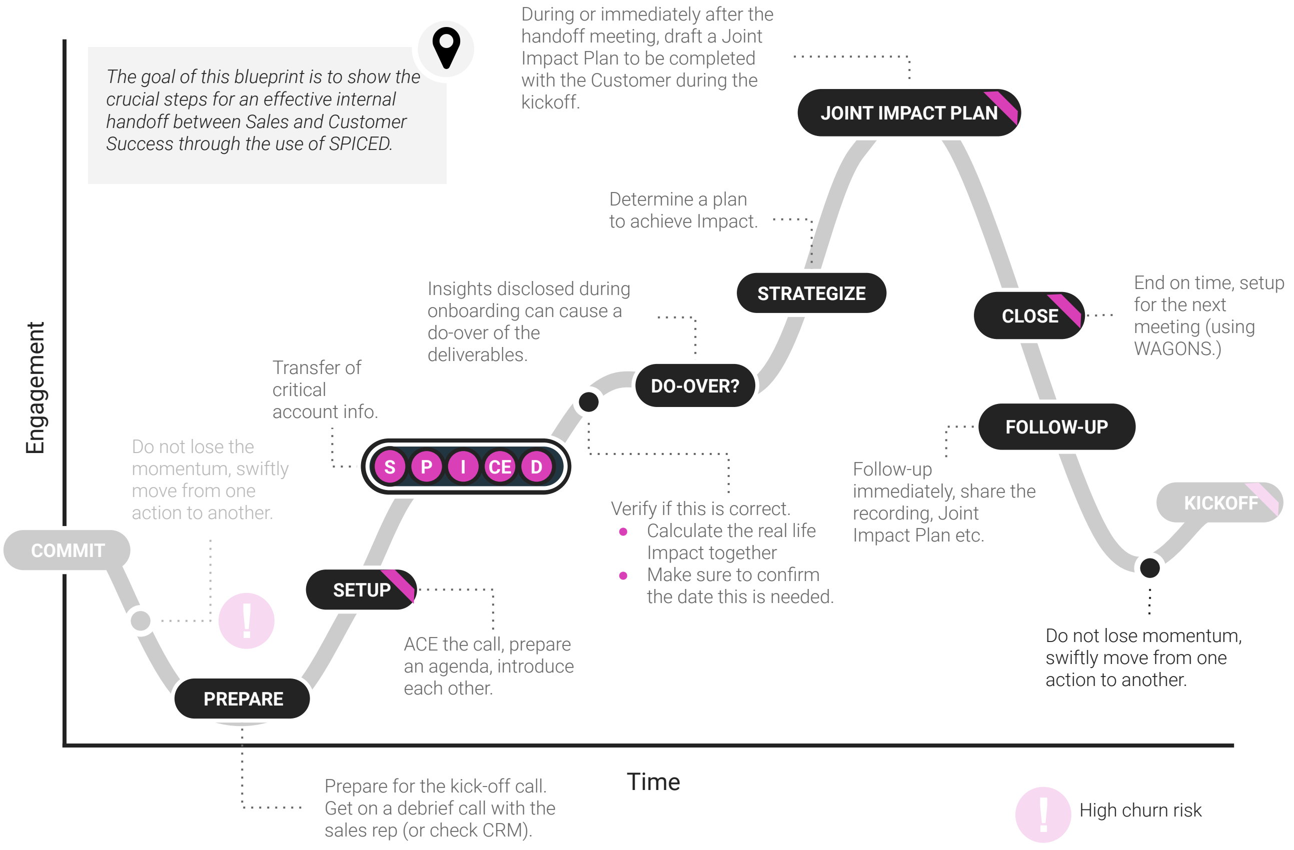
Handoff to Customer Success

01 Effectively transfer critical account information.

A smooth and effective customer handoff from the Sales team to the Onboarding and CS team is critical. It helps the customer experience and, ultimately, your business outcomes.

Ensure Sales teams are accountable for completing detailed handoffs to the Onboarding and CS team before they move on from the account. Best practices for good handoffs include:

1. Complete the handoff as close to commit as possible while the information is still fresh.
2. Transfer critical account info using SPICED™, including crucial details about topics like org structure, personas, and red flags.
3. Use clear handoff guidelines to ensure all team members know:
   - ❑ *Who bought from us?*
   - ❑ *Why did they buy?*
   - ❑ *What were they doing before?*
   - ❑ *Why was that not working for them?*
   - ❑ *What was the problem to solve or avoid?*



Customer Success Operating Model

Kickoff Call

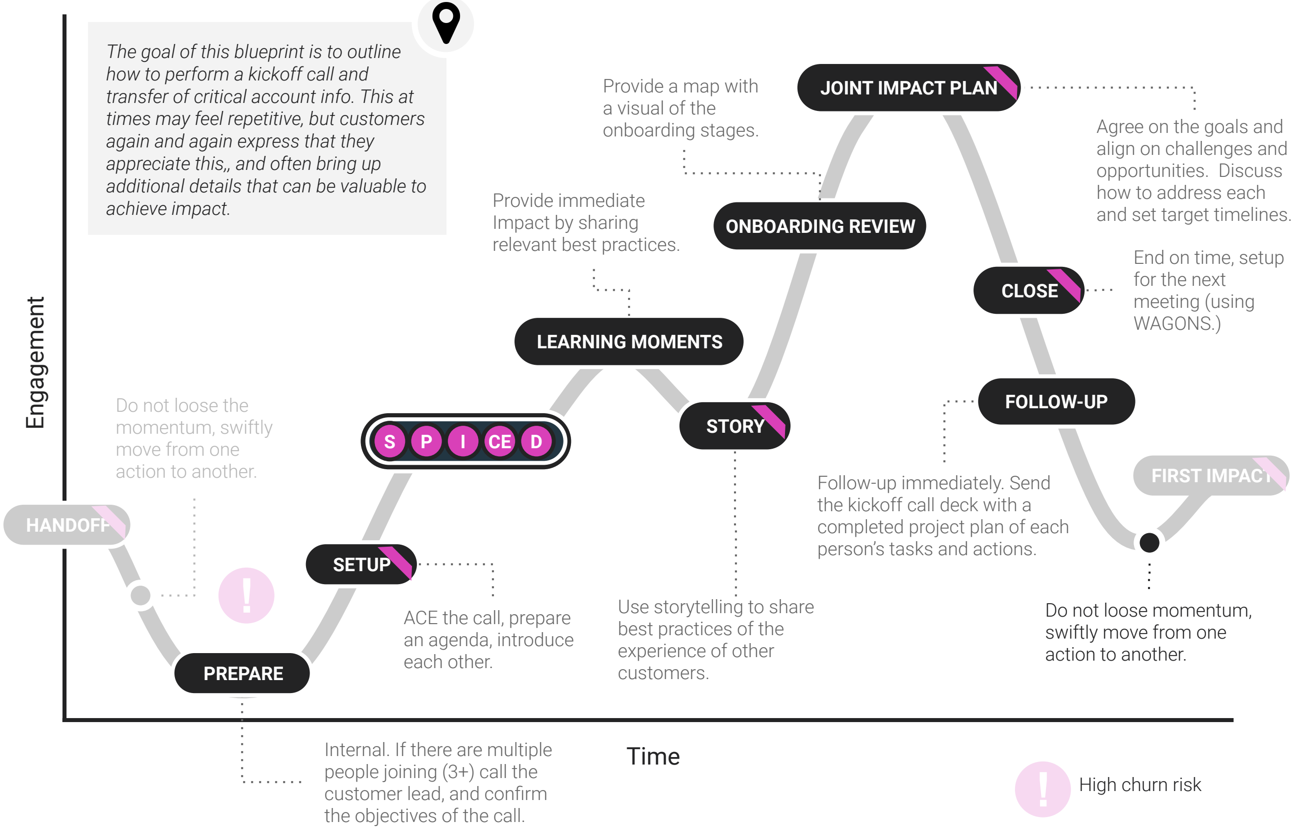
02

Start the relationship off strong with an effective Kickoff call.

Tips for a strong Kickoff Call:

1. Research the attendees ahead of the call, so you know the titles and the context they have about the engagement.
2. Start the meeting by aligning on goals and confirm whether the attendees have other plans or expectations.
3. Be curious and listen. This isn't about you talking; it's about asking questions and hearing additional critical details that can set you up for success.
4. Set expectations around roles & responsibilities on both sides, and share keys to success and common pitfalls. Explain what working with your organization will look like over the first few months and beyond.
5. Start your close no later than 5 minutes before the end time. Ensure there are clear next steps and assigned action items.

The goal of this blueprint is to outline how to perform a kickoff call and transfer of critical account info. This at times may feel repetitive, but customers again and again express that they appreciate this,, and often bring up additional details that can be valuable to achieve impact.



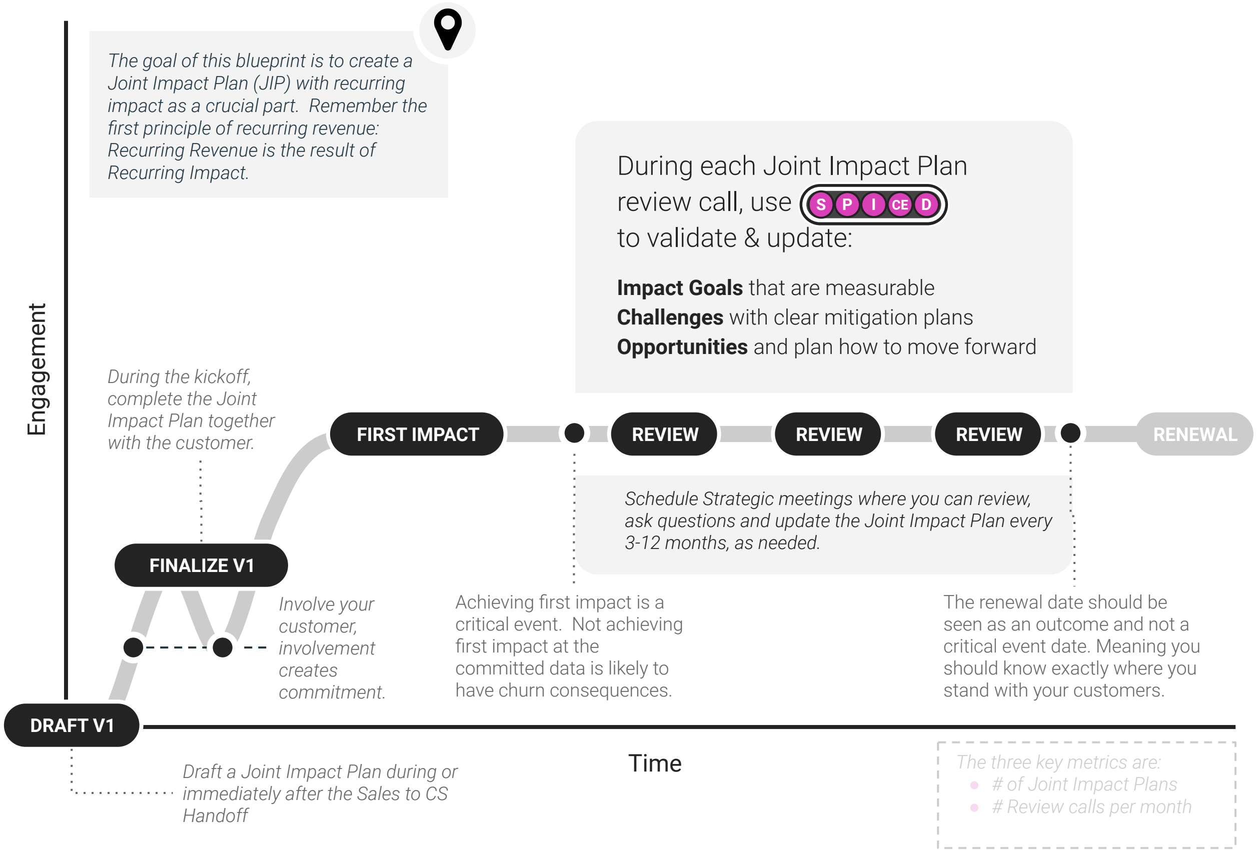
Customer Success Operating Model

Joint Impact Plan

03 Create a shared *north star* that guides the customer relationship.

The Joint Impact Plan (JIP) is a customer-facing document that guides the entire ongoing engagement. Whether you refer to it as a JIP, a Success Plan, part of an Account Plan, or something else, the important thing is that it lays out clear goals and is created collaboratively with the customer.

1. Include details of short and long-term goals, such as the First Impact goal to achieve during Onboarding; adoption goals, internal organizational management goals, etc.
2. Use the JIP to discuss challenges openly with your champion, such as how to convert detractors, recognize change management challenges, etc.
3. Use the JIP to discuss opportunities openly with your champion, such as the goals they have for their org, the chance to unseat a competing product, etc.



Customer Success Operating Model

First Impact

04 Deliver First Impact Quickly to Build Confidence.

First Impact refers to the moment the customer achieves tangible Impact through the use and adoption of a product or service. The First Impact must be clearly defined at the beginning of the engagement and ideally goes beyond a simple login. To drive this conversation, you need to understand the various Impact a customer wants to achieve, prioritize them, and choose a "First Impact."

Achieving First Impact will signal the end of the Onboarding phase. It does not mean that your implementation work is complete. It simply means that an initial milestone towards a larger goal is achieved.

Examples of First Impact definitions:

- Downloading a report for the first time
- Completing a task in the system

Time to First Impact is the time it takes for a customer to achieve First Impact as defined during the Business Kickoff meeting, usually measured in days. Research has shown that customers with shorter Time to First Impact are generally more successful, and their likelihood of churn is much lower than those with longer Time to First Impact.