

Customer Success Update - Q2 2024

Date: July 5, 2024 **Author:** Rachel Kim, VP Customer Success **Distribution:** All CS, Executive Team

Q2 Performance Summary

Key Metrics

Metric	Q2 Target	Q2 Actual	vs Target
Net Revenue Retention	115%	118%	+3pts
Gross Revenue Retention	95%	97%	+2pts
Logo Retention	97%	98.2%	+1.2pts
NPS	55	62	+7pts
Expansion Revenue	\$3.8M	\$4.5M	+18%

Customer Health

Health Score	Count	% of Base	Change
Healthy (80-100)	1,847	82%	+3%
Neutral (50-79)	315	14%	-2%
At Risk (0-49)	90	4%	-1%

Retention Performance

Churn Analysis

Q2 Churn: 1.8% (logo) | 3% (revenue)

Churn Reason	Logos Lost	ARR Lost	Notes
Business closure	8	\$92K	Macroeconomic
Acquired/merged	5	\$215K	Often leads to expansion
Competitive loss	4	\$180K	See analysis below
Budget cuts	3	\$78K	Startups

Churn Reason	Logos Lost	ARR Lost	Notes
Product gaps	2	\$145K	Azure requirement
Total	22	\$710K	

Competitive Losses Deep Dive

Lost 4 accounts to competitors: - 2 to [Competitor A] - Pricing and Azure support - 1 to [Competitor B] - Specific Kubernetes features - 1 to Open Source - Budget constraints

Lessons: - Azure support gap is real (addressed in Q4) - Need better competitive retention plays

Save Wins

Saved 12 accounts at risk of churning: - Total ARR saved: \$890K - Key tactics: Executive engagement, custom success plans, feature fast-tracking

Expansion Performance

Upsell & Cross-sell

Type	Q2 Revenue	Deals	Avg Deal Size
Seat expansion	\$1.8M	156	\$11.5K
Tier upgrade	\$1.2M	42	\$28.5K
Product cross-sell	\$1.1M	38	\$29K
Multi-year commit	\$0.4M	12	\$33K
Total	\$4.5M	248	\$18.1K

Top Expansion Accounts

Customer	Expansion	Type
TechCorp Industries	\$320K	Added SecureVault
DataFlow Systems	\$285K	Tier upgrade + seats
CloudFirst Inc	\$210K	Added DataLens
Innovate Labs	\$180K	Multi-year + expansion

Expansion by Product

Product	Expansion ARR	Growth
CloudForge	\$2.1M	+45%
DevPipeline	\$1.2M	+38%
SecureVault	\$0.8M	+62%
DataLens	\$0.4M	+28%

Customer Satisfaction

NPS Trend

Quarter	NPS	Response Rate
Q4 2023	52	34%
Q1 2024	58	38%
Q2 2024	62	42%

NPS by Segment

Segment	NPS	Change
Enterprise	68	+5
Mid-Market	61	+4
SMB	58	+3

Top Praise Themes

1. **Support quality** (mentioned 234 times)
2. **Product reliability** (mentioned 189 times)
3. **Ease of use** (mentioned 156 times)
4. **CSM relationships** (mentioned 142 times)

Top Criticism Themes

1. **Documentation gaps** (mentioned 87 times)
 2. **Feature requests** (mentioned 72 times)
 3. **Pricing complexity** (mentioned 45 times)
-

Support Performance

Ticket Metrics

Metric	Q2	Target	vs Target
Tickets	4,847	-	+12% volume
First Response (avg)	1.8 hrs	4 hrs	
Resolution Time (avg)	18 hrs	24 hrs	
CSAT	94%	90%	
First Contact Resolution	72%	65%	

Ticket Categories

Category	Count	%	Trend
How-to questions	1,842	38%	↓
Bug reports	1,019	21%	→
Feature requests	872	18%	↑
Account/billing	629	13%	→
Integration help	485	10%	↑

Support Team

- Added 4 new support engineers
 - Launched 24/7 coverage for Enterprise
 - New knowledge base reduced how-to tickets by 15%
-

Customer Programs

Onboarding

Metric	Q2	Q1	Change
Time to First Value	8 days	12 days	-33%
Onboarding NPS	72	65	+7
Implementation Success	94%	91%	+3%

New onboarding improvements:

- Self-serve onboarding for SMB (launched June)
- Dedicated onboarding pods for Enterprise
- Onboarding health score tracking

Customer Education

Program	Participants	Completion	NPS
CloudForge Certification	892	78%	71
DevPipeline Workshop	456	85%	68
Admin Training	324	82%	74
Executive Briefings	48	100%	82

Customer Advisory Board

Q2 CAB meeting highlights: - 18 executives attended - Top request: AI features roadmap - Positive feedback on multi-region launch - Concerns about pricing model changes

Team Updates

Headcount

Role	Q1 End	Q2 End	Change
CSMs	28	34	+6
Support Engineers	22	26	+4
Onboarding Specialists	8	10	+2
CS Ops	4	5	+1

CSM Assignments

Segment	Ratio	Target
Enterprise	1:15	1:12
Mid-Market	1:35	1:30
SMB	Tech-touch	-

We're still above target ratios; hiring continues.

Team Recognition

Q2 MVP: Sarah Chen - 140% expansion quota, 0 churn **Rising Star:** Michael Park - Fastest ramp to full book **Support Hero:** Emma Watson - 98% CSAT, handled critical incident

Q3 Priorities

Focus Areas

1. **Reduce time to value** - Target: 5 days (from 8)
2. **Scale tech-touch** - Launch digital CS for SMB
3. **Improve documentation** - Address top feedback theme
4. **Build expansion pipeline** - 2x current coverage

Key Initiatives

Initiative	Owner	Target
Digital CS platform	CS Ops	Launch Aug 1
Documentation overhaul	CS + Product	Aug 31
Health score v2	CS Ops	Jul 31
Executive sponsor program	Enterprise CSMs	Jul 15

Asks of Other Teams

Product

- Prioritize documentation improvements
- Include CS in beta programs earlier
- Monthly roadmap syncs with CS leads

Sales

- Warmer handoffs (seeing gaps)
- Realistic implementation timelines in contracts
- Include CS in late-stage deals

Marketing

- Customer case study support
 - Referral program launch
 - User conference planning
-

Resources

- Q2 Retention Report: [Internal Link]
 - Customer Health Dashboard: [Internal Link]
 - Q3 CS Playbooks: [Internal Link]
 - Support Knowledge Base: [Internal Link]
-

Next CS Update: October 1, 2024