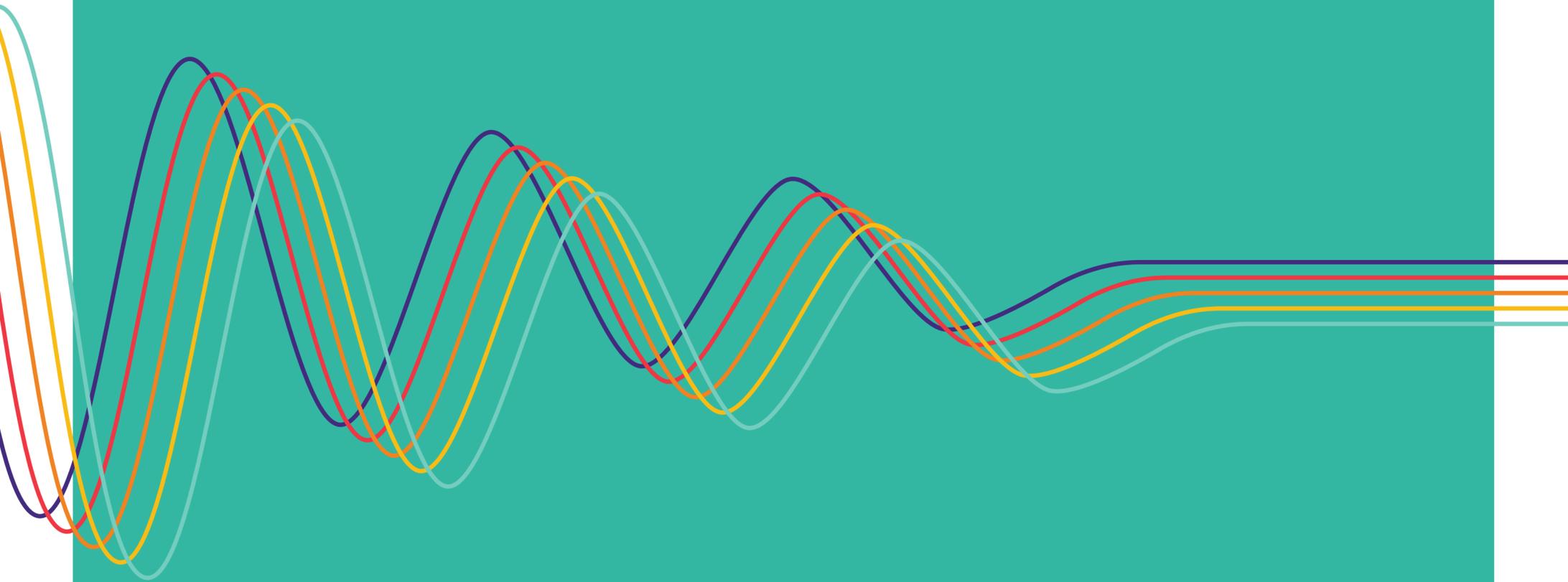




Align for success

The Customer Success leader's guide to building cross-functional harmony with product, sales, marketing, support, and finance.



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As a Customer Success leader, you know that every department in your organization is responsible for the customer experience. Do they know it too?

Until every team understands their impact—and the goals, strategies, processes, communications, and initiatives it takes to deliver a great customer experience—it's harder for you and your team to gain the buy-in and recognition you deserve.

The key to success is cross-functional alignment. It's easier said than done, but this guide will help. You'll understand what makes each team tick and how to build their trust by offering specific value. You'll discover:

- The true value of cross-functional alignment for Customer Success
- Foundational best practices for cross-functional alignment
- How to work and share data with product, sales, marketing, support and finance
- How to add value and bring teams together with net revenue retention

Why cross-functional alignment is essential for Customer Success

For fast-moving Customer Success teams, taking the time to align can feel like a hindrance to getting work done. However, this is an area where you need to go slow to go fast. Building cross-functional relationships and processes creates a more customer-centric organization. It promotes better decisions, eliminates blind spots and silos, and raises everybody's game.

For Customer Success—a relatively new driver of revenue and growth—it's especially important. Why?

1. You're the customer's champion

Customer Success is the team that's closest to the customer and best placed to provide customer connections and insights. Strong cross-functional relationships enable you to infuse the voice of the customer, and advocate for the customer, throughout the organization.

2. You work with more departments than most other teams

Though customers may have different departmental POCs—such as billing, support, or professional services—Customer Success is ultimately responsible for managing the customer relationship. Whether you need to expedite a customer request or call in a special favor, your team needs every team on its side.

3. The role of Customer Success is often underrecognized

When Customer Success is a new department within an organization, other departments may not understand its operations or understand its value to the business as a driver of revenue. To elevate the position of Customer Success within your organization, building lateral relationships with other departments is key.

Five foundational rules for cross-functional alignment

Every departmental relationship comes with nuance. However, these foundational practices, shared by Anna Talerico, Operating Partner at Arthur Ventures, apply to any cross-functional alignment initiative.

1. Schedule recurring meetings with functional leaders

The key to alignment is establishing regular, peer-based rapport. Setting a routine cadence of conversation nurtures your relationships over time. Keep your meeting agendas simple and use them to share current projects, key initiatives, obstacles, and opportunities.

2. Pre-plan with departments

Department leaders often get their business targets and set out to accomplish them without asking other teams for help. Don't be afraid to reach out to your peers to get their insight on how you can meet objectives together. Everyone has a role in contributing to the customer experience.

3. Find cross-functional metrics to co-own

The most effective way to align teams and leaders is through shared metrics, which build a strong foundation for collaboration. Create joint initiatives to increase NPS, retention, and expansion. Encourage other teams to share responsibility for your customer base.

4. Set practical collaboration goals and expectations

Department leaders should speak candidly about the relationship they want and how to make it mutually beneficial. Brainstorm a short list of action items that will help each leader be more useful to the other. Break them down into smaller, achievable tasks to get started. The resulting processes should have a clear benefit and unite teams in a meaningful way.

5. Assign ownership of collaboration initiatives

Cross-functional efforts break down because they lack structure. Set expectations for how other departments contribute to your team's projects, meetings, and decisions. Define the initiative's owner and participants, so that goals and roles are clear from the start.

Aligning Customer Success with other departments

Let's explore the cross-functional relationships between Customer Success and five of its closest counterparts: **product, sales, marketing, support, and finance.**

The objectives, challenges, and tactics you'll find in this section will help you spot and address the most common reasons for misalignment.



Product + Customer Success

Why alignment matters

Your team and product need each other to create an incredible customer experience.

You share interdependent goals, such as delivering customer value, optimizing onboarding and conversions, and increasing retention and adoption. When you work well together, your products and services become more valuable. When you misalign, you risk losing customer trust.

Product's role and responsibilities

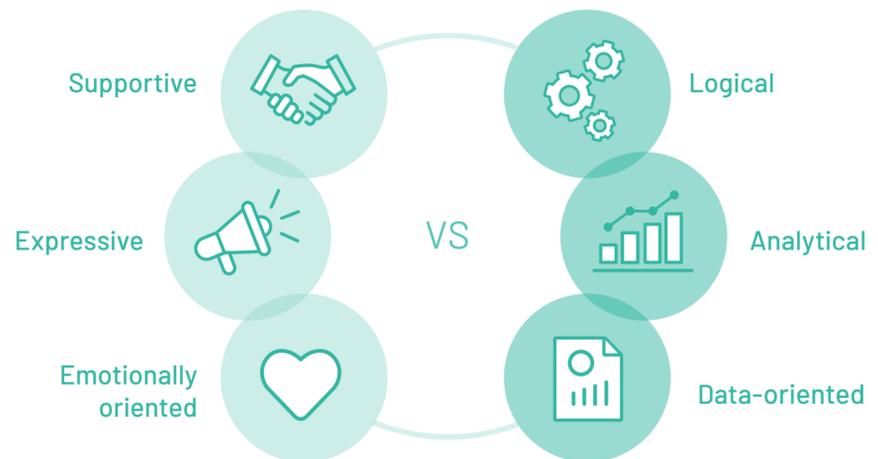
- Set the product and competitive strategy
- Grow product revenue
- Increase user engagement and adoption
- Manage the product lifecycle

Barriers to alignment ✘

1. Perception gaps

While you and product have overlapping goals, your team cultures and working styles may differ.

[HBR breaks working styles down](#) into four basic types: logical, organized, supportive, and strategic. Customer Success often reflects the supportive type: relationship-building, expressive, and emotionally oriented—a type that excels at facilitating interactions and selling ideas. Your product team’s style is more likely logical: analytical, data-oriented, and skilled at executing and solving complex problems.



These contrasting work styles can lead to perception gaps where intention and perception don’t align. Your team may interpret product’s directness as being demanding or overcritical. Meanwhile, product may interpret your team’s passion and enthusiasm as being sensational or rash.

2. The real-time vs. big-picture conflict

One of the most common intention-perception gaps between these teams is product’s perception that Customer Success overreacts to customers’ wants instead of defending product’s long-term strategy. Product might complain that CSMs don’t push back on customer “needs” as much as they should, or that CSMs focus too much on individual customer interactions instead of the bigger picture.

3. Misaligned customer expectations

Cases of [product misfits](#), customer angst, and other gaps in expectation can be a sign that product and Customer Success teams aren’t attuned to one another. Your company can lose customer trust when customers feel that you’ve failed to meet or manage expectations. Look out for customer complaints that the product is hard to use or missing key features that prevent the customer from achieving their goals.

Expectation misalignment can happen at any stage of the customer lifecycle from sales through training. Common reasons include:

- Teams overpromise product functionality and ROI.
- Customers don’t receive sufficient product training.
- Teams encounter ambiguity around goals, roles, project timelines, and product use cases.

How to align and succeed

1. Share your access to the customer's point of view

Product teams know that they should communicate regularly with customers. However, most only do so before a product launch or intermittently. By facilitating more customer interactions, you can give product a better understanding of things from the customer's view—enabling product to spot trends and build offerings that better meet customers' needs.

Consider inviting your product team to:

- Join Customer Success and sales calls.
- Attend onboarding and training sessions.
- Sit in on Customer Success team meetings.
- Shadow the support team and jump into their ticket queue to answer questions.

2. Deliver new insights with a better feedback database

Increase your value to product with an objective database of customer feedback that goes beyond urgent requests to reveal trends, potential revenue gains, and customer segment patterns.

To build product's confidence in your database—and appeal to their logical working style—set detailed submittal and response guidelines for your team. These can include required datapoints, a reasonable response timeframe, and a feedback priority setting. Consider quantifying both the urgency of feedback and the cost of delaying the response.

It's important to have your team log each customer's feedback as soon as it's given. The customer feedback that you hear in meetings with your CSMs is often the latest and loudest, rather than the broader pattern. A system that collects feedback immediately will counteract this recency bias and allow you and product to objectively assess your customer requests and the deeper trends within.

Questions to ask when building a case for feedback consideration:

- What's the customer's sense of priority?
- What's your (the CSM's) sense of priority?
- Are there dollars at stake? If so, how much?
- Are there workarounds or alternatives? If so, how feasible are they to implement?

How to align and succeed

3. Build your customer expertise into the product roadmap

As the experts on your customers' perspective, your team can add value to every step of a product launch from ideation to go-to-market.

For example, Customer Success can set up focus groups to gauge customers' reaction to proposed feature releases. Your CSMs can test unreleased functionality and collect feedback from experienced users. Ask product to include you early and throughout feature development.

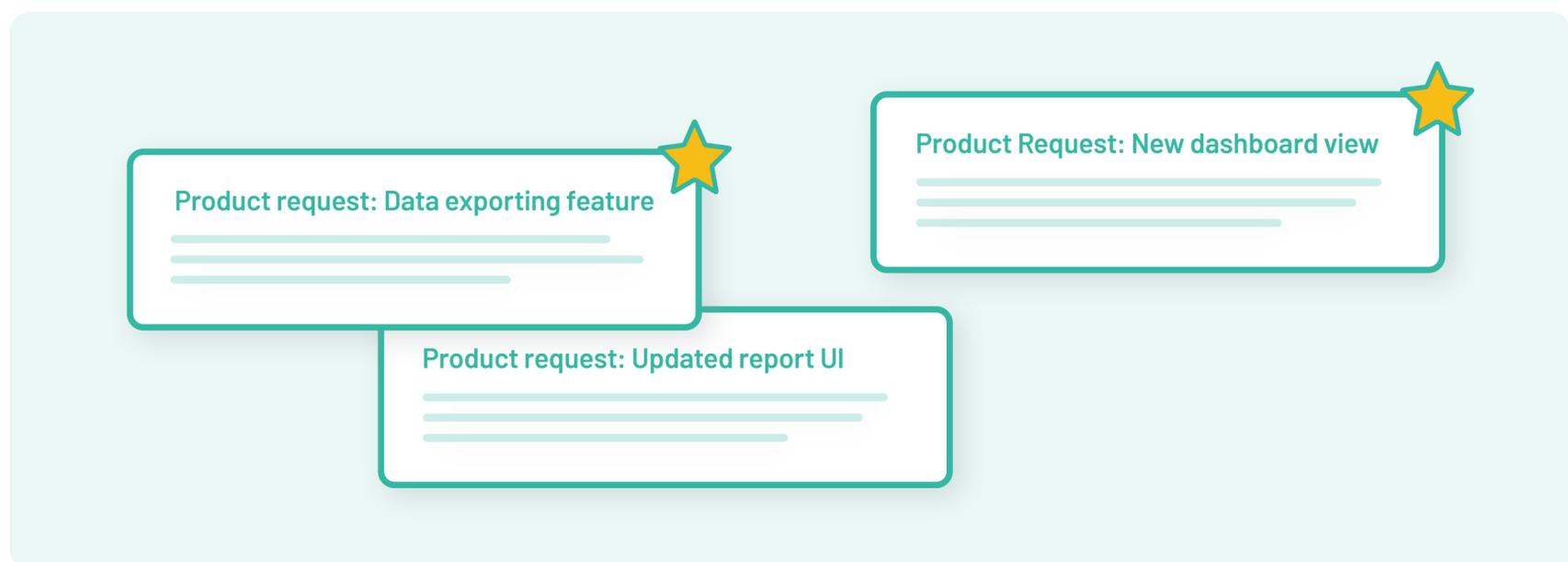
In turn, establishing these points of feedback makes Customer Success more familiar with product changes and more confident in how to convey them to customers.

4. Equip your team with the product perspective

Perception gaps work both ways. You can give your team a better perspective of product's challenges with a role-playing exercise in which they'll put on their "product hats" and become product managers.

Start the exercise by laying out every product request that Customer Success submitted. Highlight the most common requests, the most high-value requests, and the requests most related to the company's strategic goals. Now, ask your team to prioritize them.

Your team will likely experience the difficulty of balancing the customer's needs with those of the team and the company—and gain some valuable perspective on the reasoning and rationale behind product's future decisions.



How to align and succeed

Share your data: how product can benefit from Customer Success insights

- Provide a **single source of truth** for customer data that gives product a deeper understanding of your customers.
- **Segment customers** to drill down for detailed insight on how different groups use and feel about the product. Based on these groupings, strategize targeted engagements and reporting.
- Use **pre-built and custom dashboards** to track product usage, analyze trends, and identify opportunities for product improvements.
- **Create alerts** to notify product of significant changes in customer behavior, such as when a customer starts using a new or updated product feature.
- Stay informed about evolving customer needs by creating and sending **customer surveys**. Identify pain points or opportunities for product enhancements and measure customer satisfaction.

Sales + Customer Success

Why alignment matters

It's hard to improve retention if Customer Success and sales aren't aligned on the ideal customer profile and how to support them.

Your team's relationship with sales is often the hardest because sales impacts your performance directly. You're responsible for the success of the customers that sales signs, and you share the customer handoff at the onboarding stage of the lifecycle.

Sales' role and responsibilities

- Increase sales and conversion rates
- Acquire new logos
- Increase account growth and expansion
- Shorten the sales cycle
- Generate referrals and references

Barriers to alignment

1. Stretch fit vs. bad fit

When organizations lack an agreed definition of their ideal customer, teams apply their own criteria to determine whether a prospect is a reasonable stretch or a mismatch. With different goals to yours, sales will often see a stretch fit where Customer Success sees a bad fit.

The dangers here are bigger than cross-functional friction. Selling to a bad-fit customer means higher customer churn and potential reputational damage for a SaaS business. Bad-fit customers are more likely to churn early. They become “squeaky wheels” that eat up support and training resources, causing your team to inadvertently neglect your best and happiest customers.

STRETCH FIT	BAD FIT
You can definitely deliver initial value	You cannot deliver immediate value
You can honestly deliver required future value in a reasonable timeframe	Nor can you realistically deliver required future value in a reasonable timeframe
Often worth a chance	Avoid these customers

2. Haphazard handoffs

When customers are excited to dive into your product and sales is eager to move on to their next deal, it’s easy to rush or skip customer handoffs.

Poor handoffs leave customers feeling confused and abandoned by your team. You can lose the opportunity to build on the foundation of trust that sales established, positive momentum about the product, and even the path for future success with that customer. Within your organization, this means frustration, blame, and strain on the relationship between sales and Customer Success.

3. Expansion ownership ambiguity

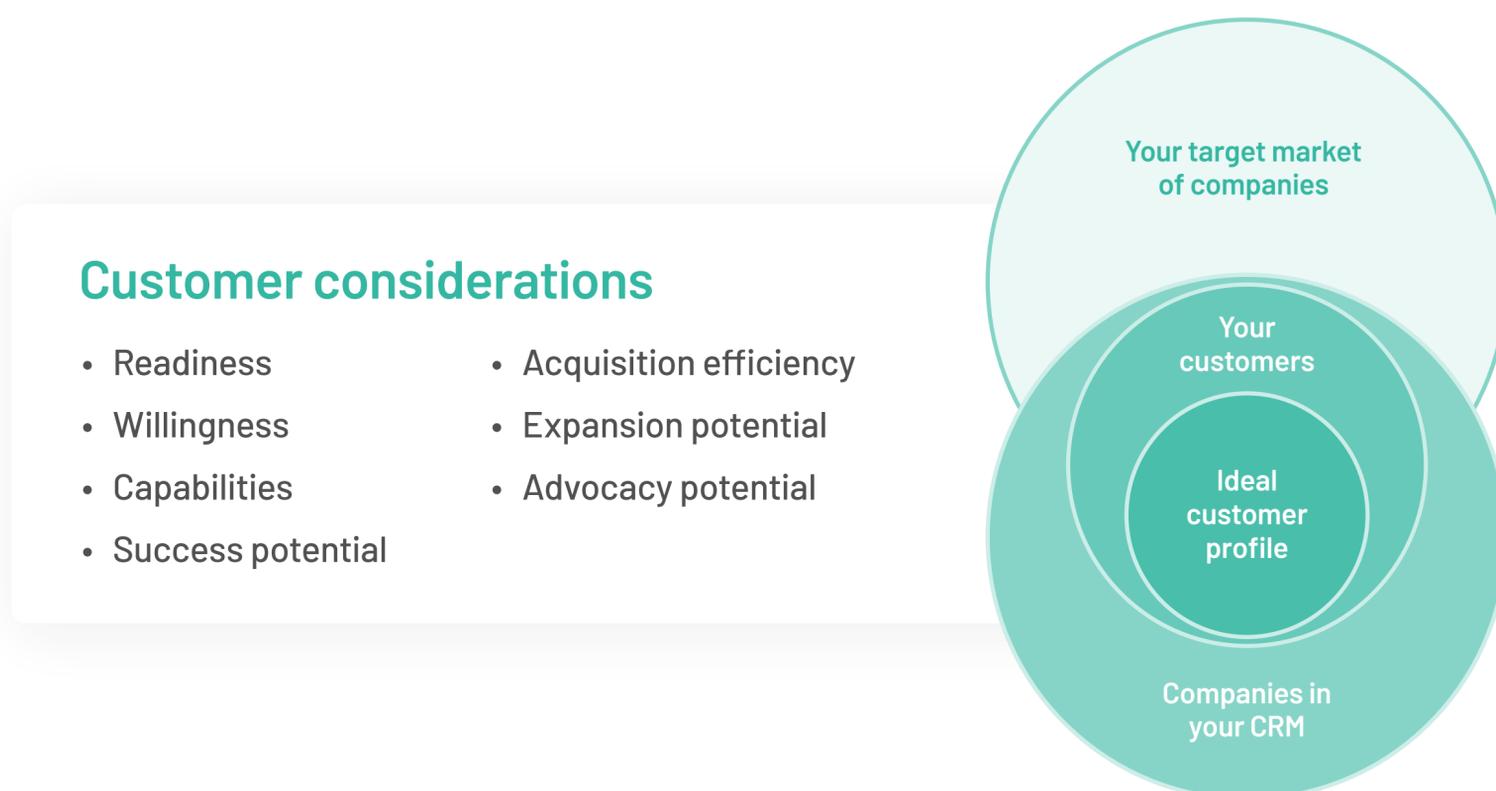
Without defined rules for expansion ownership, sales and Customer Success teams will take their own initiative to pursue opportunities. This can mean duplicating or disputing each other’s efforts, or—conversely—feeling disincentivized to seek out expansion opportunities when the returns aren’t clear or teams are worried about overstepping their bounds.

How to align and succeed

1. Build a better ICP with customer data

Customer Success is the team most exposed to the long-term effects of bad-fit customers. However, defining your ideal customer is a shared organizational responsibility.

To raise legitimate instances of bad-fit customers to sales, start with data. Customer feedback is powerful; when also tied to revenue, it becomes surefire proof of where “leakage” occurs. Collect these proof points and metrics to make your case to sales. Plan on actively revisiting your ICP as your product, services, and market evolve.



2. Advocate for comping sales on renewals

Want sales team members to feel more motivated in seeking customers with long-term potential? Talk with sales leaders about a policy of comping salespeople on the renewals of closed accounts. For example: if 85% of a salesperson’s closed deals renew in year one, then they receive a bonus.

If sales leaders don’t want to involve monetary incentives, suggest an alternative that taps into salespeople’s competitive nature. For example, create a dashboard to show the retention rates of closed accounts by salesperson. The sales team can stack-rank their reps to highlight the winners among their peers.

Alternatively, suggest a stipulation that releases a salesperson’s commission only after they complete a quality handoff. The criteria for acceptance would need to be documented in detail and agreed upon by the leaders of both teams.

How to align and succeed

3. Set clear expectations for customer handoffs

Work with sales to define what information should be provided at handoff, and in what depth. Valuable customer details that sales can provide include:

- Top priorities, motivations, and expectations
- How success is defined and will be evaluated
- Stakeholder roles and relationship
- Potential issues within the organization and/or your processes and abilities
- Customer hot buttons, particularly issues with previous solutions
- Compelling events or timelines

Requiring sales to ask these questions will also help them to assess a customer's product fit. Their notes will save customers the frustration of having to repeat themselves after handoff.

Example of an internal handoff process for sales and Customer Success



How to align and succeed

4. Conduct joint reviews of churned and poor-fit customers

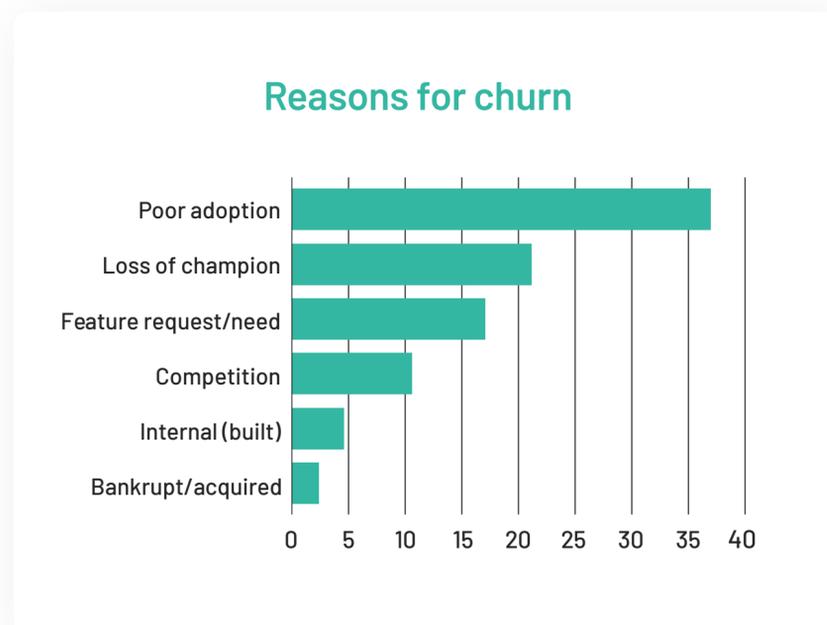
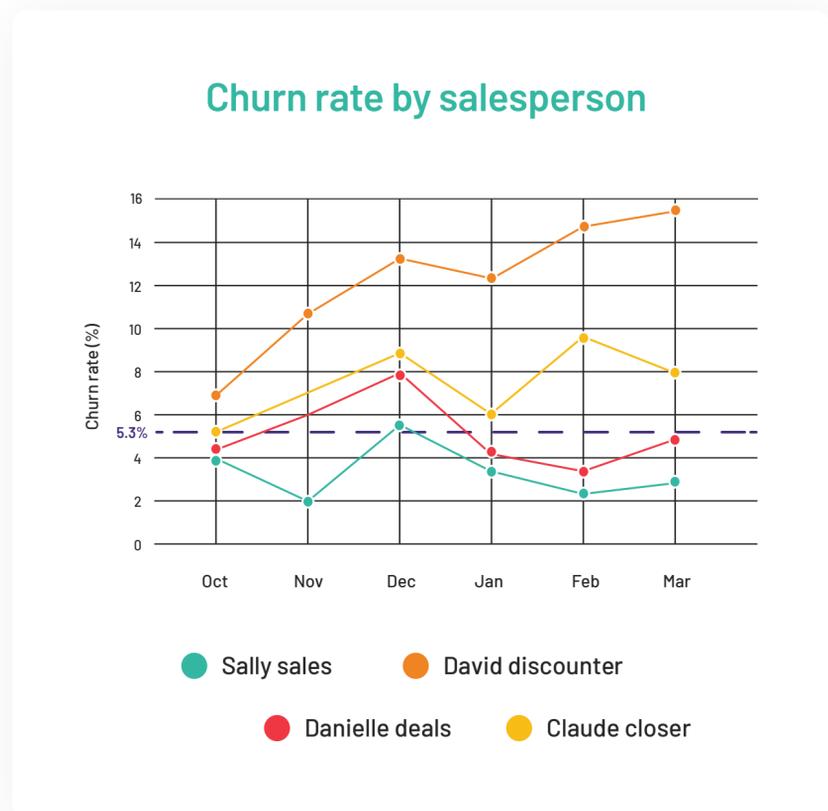
Creating a regular joint session with sales leadership to analyze churned and bad-fit customers helps you approach the issue collaboratively. Lead with data, not anecdotes, to help both teams uncover the root causes, trends, and opportunities for improvement without bias.

During your joint session, you want to review:

Churn rate by salesperson

Look for patterns among salespeople with consistently higher/lower churn rates, salespeople whose trends are going the wrong/right way, and periods where everyone’s churn increased. A salesperson with consistently high churn rates may need additional product training. Review their prospecting strategy and sales pitch as well, and compare it to salespeople whose customers don’t churn.

In instances where churn increased across the board, look at which promotions were active and could have attracted poor-fit customers.



Reasons for churn

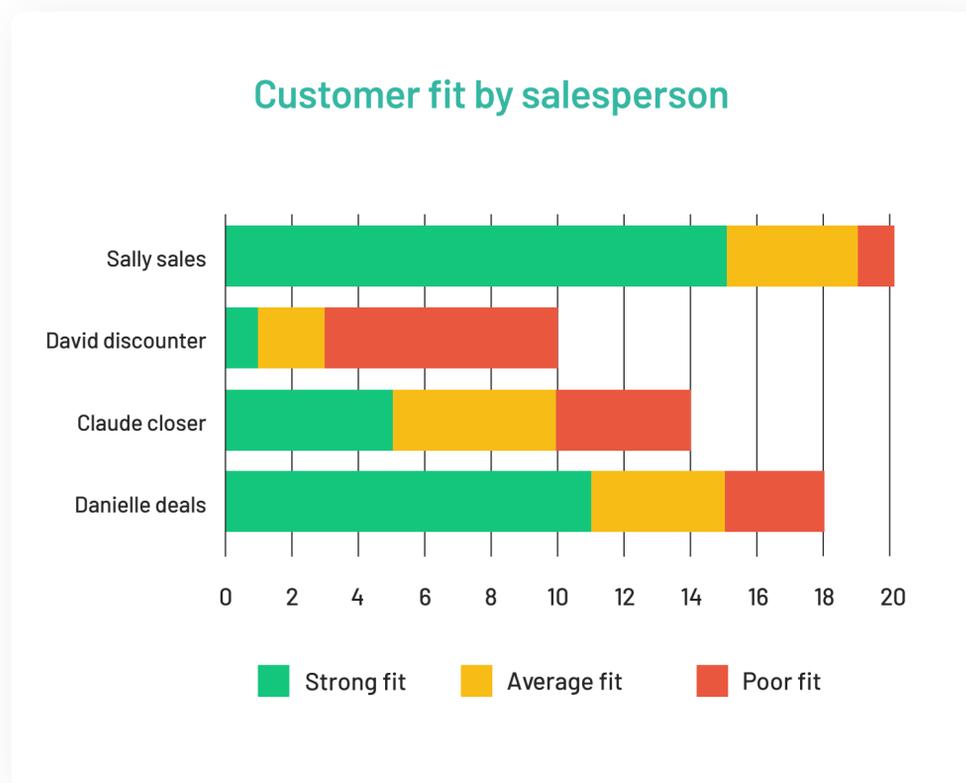
Look at the why behind the churn to spot common causes. Pay special attention to churn reasons related to Customer Success, sales, or both. This will help you spot gaps in your ICP.

How to align and succeed

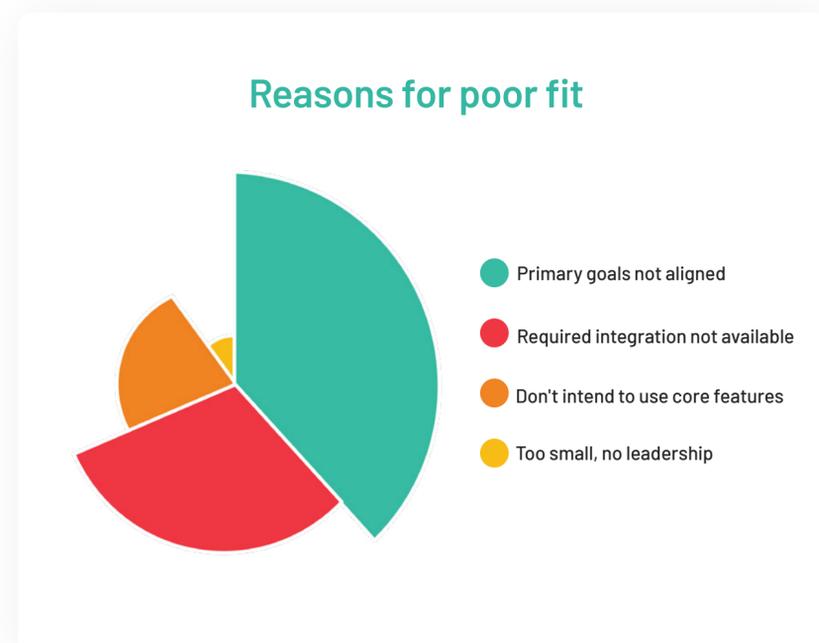
Customer fit by salesperson

Dig into which salespeople are acquiring poor-fit customers and why. You'll want to look at:

- Salespeople with consistently frequent poor-fit deals
- Salespeople with increasingly frequent poor-fit deals
- Salespeople with consistently few poor-fit deals
- Periods where everyone's poor-fit deals increased



Assessing customer fit can be subjective. To ensure consistency, consider the factors for qualifying customer fit, as well as the ranking for the scale. For periods when everyone signed poor-fit deals, look for messaging issues and shifts in focus to specific verticals or customer types.



Reasons for poor fit

Identifying patterns in poor-fit customers can help you determine training needs, adjust customer profiles, share insights on churn with product, and surface qualifying questions that will help sales rule out poor-fit customers earlier.

How to align and succeed

5. Build rules of engagement

[Rules of engagement between Customer Success and sales](#) are essential for navigating expansion opportunities. Create clear rules that address these factors:

- **Customer experience:** What interactions make the most sense to the customer and build trust?
- **Circle of influence:** How far removed is the seller (CSM or salesperson) from the product or person being sold?
- **Product and process complexity:** Are your expansion pathways more transactional or complex? Complex transactions can become a distraction for Customer Success.
- **CSM capacity:** Are you willing to reduce a CSM's book of business to prioritize expansion that—based on the work involved to close the deal—is in effect a “net new” sale?
- **Visibility into buying signals:** Who has the most insight into existing customer behavior? What about other business units within the customer organization who aren't using the product?
- **Revenue shares:** Consider a revenue-share when both Customer Success and sales play a meaningful role in selling, with commission based on the proportion of their contribution.

Expect to revisit your rules of engagement as new situations arise. It's impossible to prepare for every expansion scenario.

How to align and succeed

Share your data: how sales can benefit from Customer Success insights

- Use **renewal data** to prioritize outreach to high-potential industry segments with the best product-market fit and the highest predictable revenue.
- Use **customer review data** to see which customers have engaged with a campaign and left a positive review, then target prospects with similar attributes.
- Strengthen sales territory planning using **customer health scores**. Use multiple scoring models at a time based on segments, lifecycle stages, and other situational factors.
- Quickly **find references** among your customer base for specific use cases. Target searches by firmographics (industry, size, funding, location), technographics (software and integrations), and product usage (features and frequency) to find your ideal customer.
- Provide accurate timeline estimates during sales discussions by **tracking the entire customer journey**, down to task-level detail. Eliminate discrepancies between what sales promises and what's realistic to deliver.
- Increase renewals and expansion opportunities. Use **quantitative** (product usage, service utilization) and **qualitative** (relationship quality, satisfaction) data to trigger personalized communications that target the right customers with timely, relevant offers.

Marketing + Customer Success

Why alignment matters

A smooth partnership with marketing means increased product usage and more customer advocates for your product and brand.

This relationship can be challenging due to a difference in focus. Marketing is busy attracting new business. Your team is busy building customer relationships. However, you share many common goals.

Marketing's role and responsibilities

- Increase demand
- Contribute to sales
- Generate leads and improve their quality
- Grow brand awareness and authority
- Launch new products

Barriers to alignment

1. You don't see enough customer marketing

Demand and leads are the top priorities for most SaaS marketing departments. It's not uncommon to find companies whose entire marketing budget is devoted to customer acquisition, which means that customer marketing is often absent. While Customer Success is responsible for driving retention, growth, and advocacy, you want your team focused on building relationships and solving customer problems—not creating upsell campaigns.

Marketing and Customer Success need to work together to market to customers. Marketing needs Customer Success for their customer knowledge to build authoritative content. Customer Success needs marketing for their positioning skills to capture customer attention and get them to engage.

2. Different definitions of a successful customer

You know that Customer Success and marketing aren't aligned when each has its own idea of what makes a customer successful. A marketing team's definition of success is often derived from the narrative they've designed to attract new customers—whether it aligns with your customers' perception of the product or not.

If Customer Success doesn't regularly share data on customer behavior, pain points, and success stories, marketing's messaging will never be as relevant as it could be. You'll see it in your product positioning, case studies, and other resources that fail to resonate.

3. Uncoordinated customer communications

Conflict between marketing and Customer Success typically occurs when customers receive conflicting messaging. For example, marketing creates an email campaign to promote a new feature with their positioning. At the same time, CSMs send personal communications about the feature with different messaging. To the customer, the company seems disorganized.

Customer Success and marketing both rely on customer trust to succeed. When either does anything to erode that trust—even inadvertently—friction between your teams will occur.

4. Too many marketing requests

Customer Success is the team that knows the customer best, which makes them the go-to source for customer-related insights. Customer Success time is a hot commodity for marketing teams who need to better understand customer needs for new communications, campaigns, and events. For you, this takes time away from building relationships and solving your customers' problems.

How to align and succeed

1. Divide and conquer customer marketing

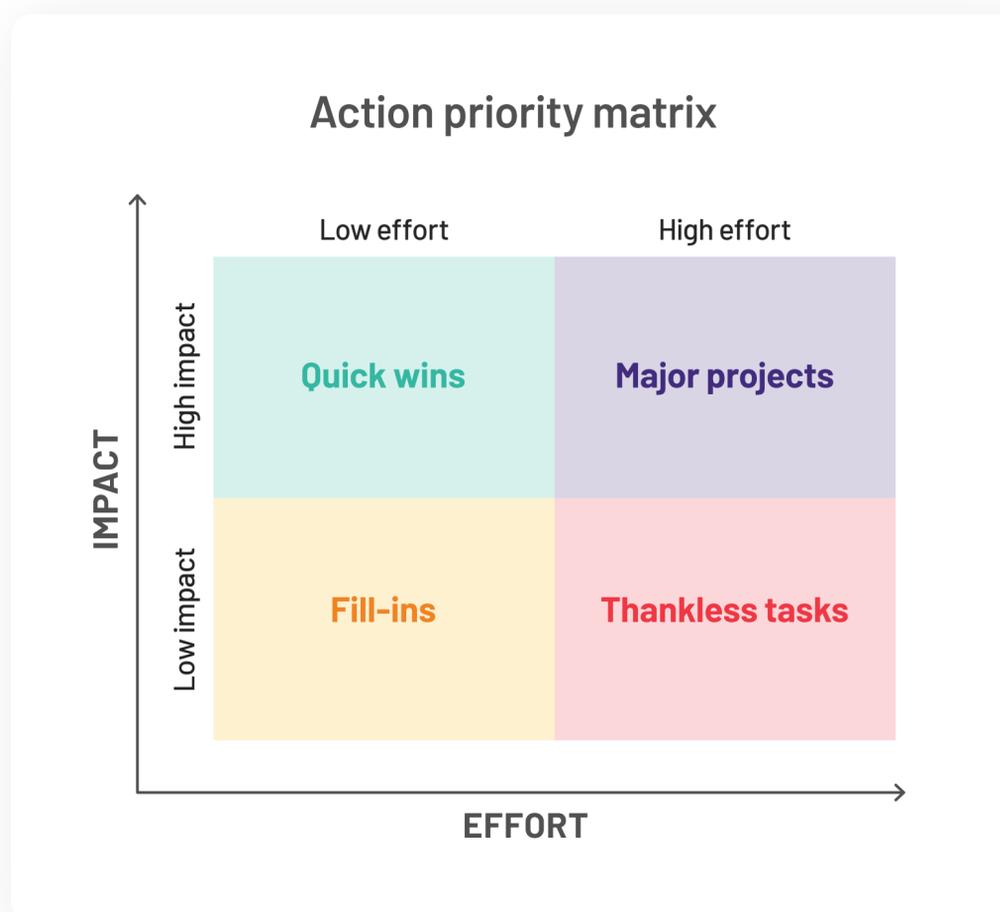
[Customer marketing](#) unites the strengths of both Customer Success and marketing. It includes case studies, referrals and references, customer events, customer newsletters, expansion campaigns, training resources, product release documents, customer communities, and awards. Customer Success brings in-depth knowledge to build authoritative content. Marketing brings positioning and messaging skills to capture attention and generate engagement.

If you don't have a designated customer marketing team, formulate a plan for Customer Success and marketing to tackle it together.

Step 1: analyze. If you're starting from the ground up, focus on the work that matters most. Compile a list of customer marketing tasks, ranked for both effort and impact. Assign each task to one of four categories: quick wins, major projects, fill-ins, and thankless tasks – based on its score.

Step 2: prioritize. Focus on quick wins first. These are likely to be case studies, expansion campaigns, referrals, references, and reviews. Next, prioritize major projects, like a customer community or award program, that require upfront work for a larger payoff down the road. Work on fill-ins only when you have free time. Drop thankless tasks from your to-do list entirely.

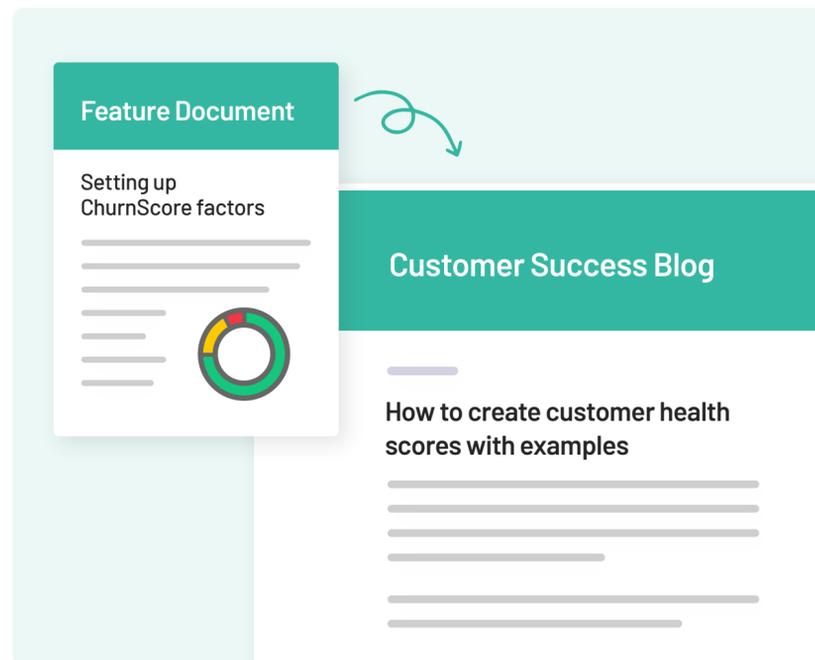
Step 3: assign. Once priorities are set, divvy up ownership based on team capacity and expertise. Marketing may be best suited to take on the interviewing and writing for case studies. Customer Success may be the natural fit for training resources where specificity and depth are valued over copyediting.



How to align and succeed

2. Repurpose Customer Success content

Marketing can reduce requests for Customer Success support with content creation by repurposing existing assets. Start with Customer Success’s support and onboarding documentation, which is easily reworked for prospective clients. With Marketing’s storytelling and design skills, a technical document can become an entirely new piece that’s useful to prospects and existing customers alike.



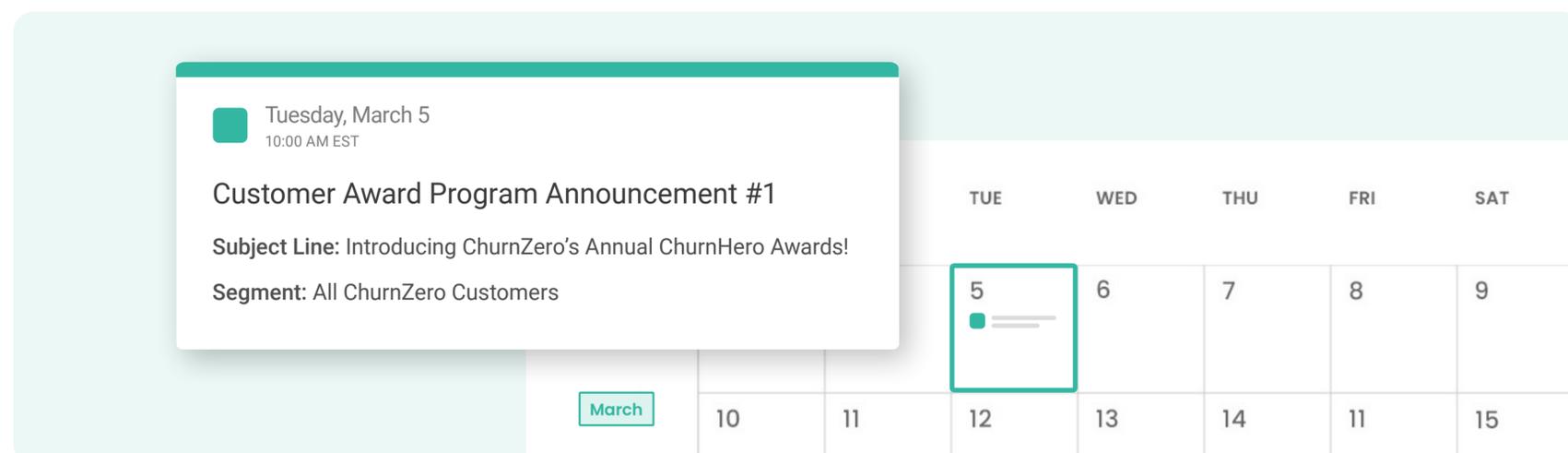
Marketing can also revise your content for a wider audience. FAQs are a great source of ideas for new marketing content. Anything your customers are wondering about, your prospects are too.

Additionally, invite a member of the marketing team to join Customer Success team meetings. They’ll discover new content ideas with little effort.

3. Assign a customer communications gatekeeper

To avoid crossed wires with customer communications, each team needs to know the other’s plans. This can be tough with teams that move fast, so appoint one customer communications gatekeeper on each team, with responsibility to coordinate things with their counterpart.

To spot potential issues with communications overlap, create a shared calendar for customer communications, to include channel, scheduled send date/time, sender name, subject, CTA, and customer segment. Both teams must commit to keeping it current. A recurring meeting to review the calendar will help you spot gaps, overlap, and conflict.



How to align and succeed

4. Spotlight your customers internally

To create stories that resonate with prospects and customers, marketing needs to understand how customers use the product, the pain points they experience, and the successes they see. Without this information, marketing has to fill in the gaps themselves.

ChurnZero's own Customer Success team hosts a weekly customer spotlight session to share a customer success story with the entire organization. These sessions bring marketing and other teams closer to the customer experience, while giving Customer Success the opportunity to showcase their work and uncover future case studies.

Share your data: how marketing can benefit from Customer Success insights

- Use **automated plays** to ask customers for online reviews or referrals after they submit a positive NPS, capitalizing on moments when customers are primed to share good reviews.
- Identify customers for case studies based on **health scores, tenure, product usage, and CSM sentiment**. Refine results by industry, company size, and product/feature.
- Prepare for case study interviews by accessing an account's **logged activity** and other key details to quickly get up to speed on the customer's history.

Support + Customer Success

Why alignment matters

Your relationship with support keeps you ahead of issues and ensures that your customers get the most value.

Customer Success and support share a common goal: to ensure customer satisfaction. There's one significant distinction: support takes a reactive approach, while Customer Success works proactively. You need to bridge this gap to share customer information, monitor customer behavior, and deliver continuous value.

Support's role and responsibilities

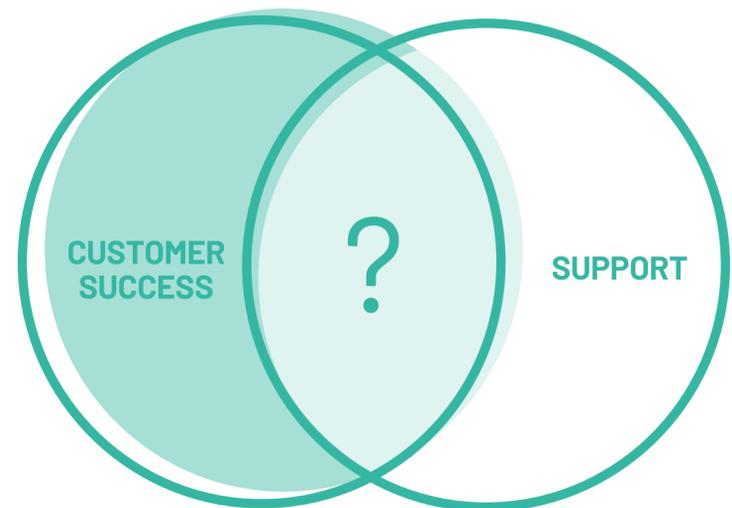
- Increase customer satisfaction
- Reduce resolution time
- Decrease ticket backlog
- Create self-service tools for proactive help
- Grow customer lifetime value

Barriers to alignment ✘

1. Unclear role boundaries

Every Customer Success professional has experienced the challenge of customers reaching out for technical troubleshooting or a password reset. From the customer’s perspective, the difference between your team and support is less important than getting their problem solved quickly.

While Customer Success and support share a “helper” mentality and a common goal, managing customer requests this way causes internal operations to get scrambled. When teams prioritize speedy responses over structured processes, disorganization erupts, and unsustainable support precedents are set.



2. Confusing customer handoffs

When a customer contacts support with an issue that belongs to Customer Success, they need to be transferred smoothly. As consumers, we’ve all experienced the frustration of transfers that take too long. Anytime we encounter a situation in which we need to be transferred, our guard goes up. Your customer is feeling the same way.

3. Siloed support cases

As the two most visible customer-facing teams, one might assume that Customer Success and support are attached at the hip. However, with each team typically working in different software platforms, it’s easy to get siloed. With urgent issues or angry customers in the mix, it gets worse: teams react with ticketing tunnel vision, and make more communication mistakes and oversights.

How to align and succeed

1. Un-blur the lines between support and Customer Success

Leaving blurred lines between Customer Success and support is one of the most common oversights that SaaS companies make.

To un-blur them, start by defining the proactive responsibilities of Customer Success and the reactive responsibilities of support. Set clear guidelines on which department should own what.

Conduct a time audit to quantify the activities of both roles and identify the trade-offs of mixing responsibilities. For example, you may discover that a CSM routinely spends 40+ minutes on bug investigations instead of engaging at-risk customers.

Your goal isn't to eliminate overlap completely, because Customer Success teams will always be pulled into support issues due to their customer relationships. Your goal is to effectively manage the balance and strive for accountability and clear communication.

2. Educate customers on support protocols

Make sure that your customer onboarding includes who to contact and in what circumstances. Outline the proper channels and contact points, and explain how requests are transferred from one team to the next. Customers who don't know the protocol will often use Customer Success as a point of escalation, which becomes harder to stop as it goes on.

Customer Success should share how each team feeds into the other, and how the support team would have handled their request. Let them know, for instance, that support has dedicated people on standby for technical questions. Aim to have your customer understand the why of doing things the right way.

3. Make it easy to contact support

You may have smooth processes, a vast knowledge base, and seamless self-service, but if a customer finds it easier to contact their CSM for an immediate support answer, they'll do it every time.

On the flip side, the more effortless you make it for customers to reach support, the less likely they'll bypass your processes. Listen to feedback, build an experience that matches what the customer wants, and be as responsive as you can. Give your customers no need to seek alternatives.

How to align and succeed

4. Build a collaborative technology infrastructure

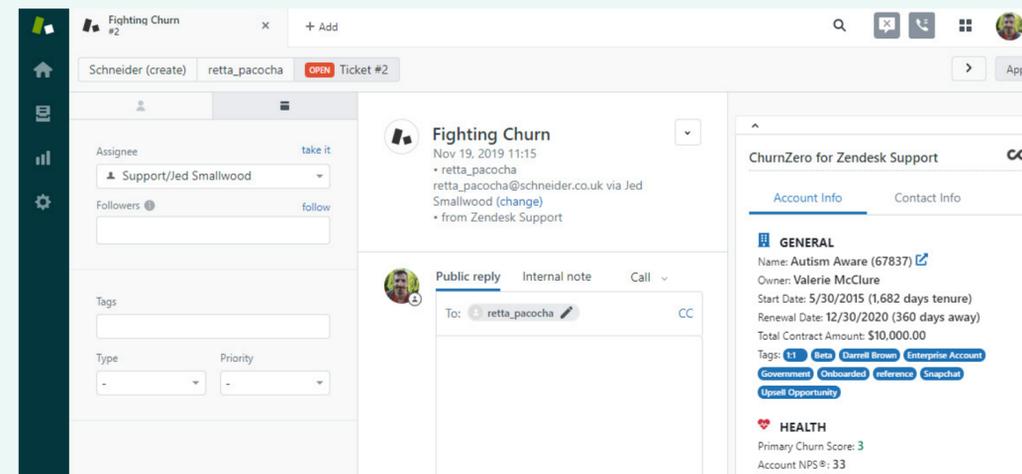
To deliver a seamless experience across customer touchpoints, Customer Success and support need a complete overview of customer information and activity. A two-way integration between each team's operating system is the most efficient way to achieve it. Integrating your Customer Success and ticketing software eliminates the need for teams to jump between systems when under pressure.

Your Customer Success data will deepen support's understanding of the customer and provide the context to personalize each customer interaction. Support can prioritize tickets and tailor their response approach according to the customer's health (is there a high or low risk of churn?), renewal date (does their contract expire next week or next year?), and role type (is the ticket submitter an end user or executive sponsor?).

Similarly, support's data helps Customer Success understand the customer's experience with the product. Your team can be aware of a customer's open ticket status and history before every check-in.

You can also factor ticketing data into a customer's health score. Customers who have a large number of tickets, or unresolved high-priority tickets, may signal a churn risk.

ChurnZero's Zendesk Connector App displays a customer's ChurnZero data in their Zendesk ticket.



Share your data: how support can benefit from Customer Success insights

- Help support prioritize and resolve tickets with **health scores** (low vs. high churn risk), **renewal date** (contract expiration this week vs. next year), and **ticket submitter** (end user vs. executive sponsor).
- **Integrate with support software** to give Customer Success direct access to ticket details and history.
- Keep a pulse on customer satisfaction with automated **customer satisfaction surveys** following support interactions.

Finance + Customer Success

Why alignment matters

By aligning your team with finance, you'll unlock valuable insights, identify expansion pathways, and raise the profile of Customer Success.

For SaaS companies, it's all about efficient growth. Customer Success and finance may have different backgrounds, functional language, and working styles, but both teams understand better than anyone else the importance of retaining customers. For finance, this means monetizing the customer base when acquiring new customers, as well as retaining and expanding accounts. Your visibility into product usage, sentiment, and other qualitative data is hugely valuable.

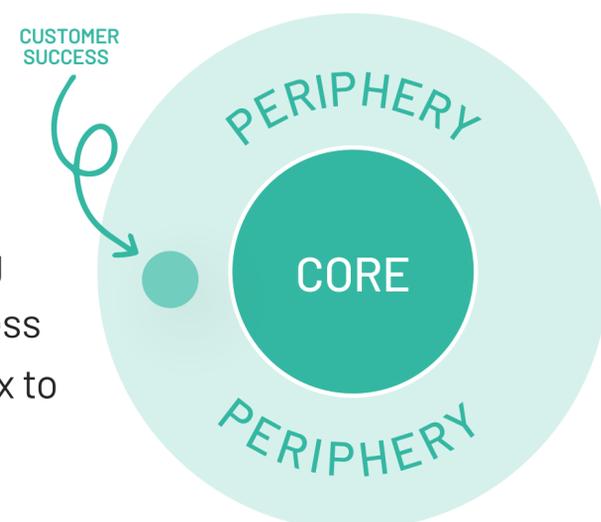
Finance's role and responsibilities

- Create budgets and manage expenses
- Model future performance: hiring and funding strategies
- Increase profitability
- Identify financial trends among customers
- Contain risk and ensure compliance

Barriers to alignment ✘

1. Low awareness of your team's business value

If the finance team doesn't understand Customer Success and its contribution to the organization, they may view the function as a cost center. This is often due to the challenge of correlating Customer Success to revenue, especially if the Customer Success team doesn't own renewals. It's a misperception you'll need to fix to have finance as an advocate for your team's business value.



2. Surprise budget requests and churn

Finance teams don't like surprises, especially those caused by shifts in the customer base. If your team is overfocused on lagging indicators, such as renewals and customer satisfaction metrics, churn from customers whose health isn't as strong as expected will come as an unwelcome surprise.

The same rule applies to budget requests. Surprise budget requests are a common issue with Customer Success teams whose CSM-to-customer ratio is based on broad industry benchmarks, instead of their specific customer journey and segments.

3. Different functional languages

The tendency of Customer Success teams to convey their message anecdotally is the wrong approach to partnering with finance. While Customer Success is a relationship-driven function, finance is an analytics-driven function that communicates using data. To avoid sharing irrelevant information –or sharing the right information the wrong way—your team needs to connect its customer relationships to data.

How to align and succeed

1. Adopt a data-first mindset

Partnering with finance means using data to tell customer stories. Your key datapoints will vary by organization and by what your finance team specifically cares about. However, you should know a few [common metrics](#) that finance teams track, including annual/monthly recurring revenue, average contract value, and customer lifetime value. Your metrics will help you and finance come to a mutual understanding of retention and growth.

2. Tie Customer Success to revenue

Tying your work to definable and measurable business value is the key to substantiating your team's value. The most straightforward way to tie Customer Success to revenue is to have Customer Success own renewal and expansion in your organization.

If Customer Success wants to be seen as a profit center, your team must own renewal. Teams that don't own renewal often pin to their value to "soft" metrics like customer touches and NPS. These metrics don't earn teams the internal authority they seek.

Tell your Customer Success story in datapoints:

- Days in onboarding.
- Time to first value (TTFV).
- Churn reasons.
- Expansion reasons.
- Customer feedback and support tickets/trends.
- Feature requests.
- Customer health scores – percentages and trends.
- Customer segmentation data (i.e., 25% of our SMB customer segment is using XYZ feature).

Source: "When Customer Success is a second-class citizen" presented by Anna Talerico of Arthur Ventures at [BIG RYG](#), ChurnZero's annual Customer Success leadership summit.

How to align and succeed

3. Proactively share Customer Success churn risks and metrics

To build a more trusted relationship with finance and your broader executive team, you need to be seen as the source of truth, not surprise.

Look for ways to proactively share customer information, such as customer churn, with leadership. Consider building a dashboard for finance and executives on critical metrics such as wins, trends, churn post-mortems, health scores, and escalations.

If you have a difficult relationship with your finance team due to churn, the best thing to do is be transparent about risks. Being forthright reduces surprises and benefits the entire the organization.

4. Get finance buy-in on your numbers

Reaching your retention or revenue goals depends on budget. If your budget is built around a customer-to-CSM ratio that cannot deliver the experience that customers expect, you must reevaluate expectations with finance.

Prior to a budgeting meeting, find out what your CFO's stance is on Customer Success benchmarks. That way, you can call out instances where your company diverges from the collective norm and, therefore, shouldn't be held to industry averages.

[Perform a top-down and bottom-up analysis](#) to determine if your customer-to-CSM ratio can support retention goals and your customer journey. Don't build your budget or adjust goals until you and finance agree on a ratio. Get their buy-in early to make budget-related conversations and requests easier.

Present your business model in a format that gives finance the flexibility to adjust numbers. The more comfortable they are with your numbers, the more confidently they can make decisions based on them.

Datapoints that Customer Success should own:

- Gross retention
- Net retention
- Churn reasons
- Average revenue per user (ARPU)
- Days in onboarding
- NPS
- Customer health scores

Source: "When Customer Success is a second-class citizen" presented by Anna Talerico of Arthur Ventures at [BIG RYG](#), ChurnZero's annual Customer Success leadership summit.

How to align and succeed

EXAMPLE OF A BOTTOM-UP ANALYSIS FOR CUSTOMERS PER CSM	
Monthly hours per customer for regular activities	2.36
Monthly hours per customer for one-time activities (smoothed across all customers)	0.51
Monthly hours per customer inbound (1 hour per day x 20 days per month / 80 customers)	0.25
Total hours per customer per month	3.12
Total available hours per CSM per month	120
Customers per CSM	38

Source: [Customer Success capacity planning and budget guide](#) based on a workshop presented by Kristen Hayer, Founder and CEO of [The Success League](#), at [BIG RYG](#), ChurnZero's annual Customer Success leadership summit.

Share your data: how finance can benefit from Customer Success insights

- Use **customer health scores** to predict the likelihood of customer retention and growth, avoiding surprise churn and improving the accuracy of forecasts.
- Access **historical customer data** to track pipeline changes over time, understand trends among customer cohorts, and improve long-term planning.
- Tell customer stories through data with **pre-built and custom dashboards** tailored to finance's goals.

Net revenue retention: the great unifying metric

Creating shared metrics among teams increases accountability, cohesion, and output. Net revenue retention (NRR) is a metric that every department influences and can share accountability for.

What is net revenue retention?

NRR reflects your ability to retain and expand customers. NRR calculates total revenue (including expansion) minus revenue churn (contract expirations, cancelations, or downgrades).

Generally, Customer Success teams are tasked by their executive team or board to focus on either NRR or Gross Revenue Retention (GRR). But it's essential to weigh the [implications of a central focus on NRR versus GRR](#) when building strategies for Customer Success.

The importance of net revenue retention

NRR tops the list of [metrics every chief customer officer should know](#). To sustain revenue growth, companies need to retain and expand their customers. A complacent relationship without growth is not healthy. NRR provides the most straightforward assessment of success with your customers.

Investors and boards realize this too. Companies with high retention and expansion rates receive valuation metrics that can be twice as much as a company with average rates, according to [M&A figures](#) from Software Equity Group. Investors now use NRR as a qualifying metric to determine the health of a SaaS business and its suitability for funding.

How departments affect net revenue retention

NRR reflects company-wide effort. Customer Success influences it, but doesn't raise or lower it on their own. Every department and team should feel accountable for NRR. You can help by showing them how they affect it.

Break NRR down at both the departmental and individual level. Now, show and explain how increasing NRR helps improve an individual's own performance and that of their team, using the following breakdowns.

Exploring each department's impact on NRR

The strength of the relationship between NRR and departments will vary; however, by working with different teams to dig into their impact on NRR, you can highlight trends, patterns, and key variables in the strategies and activities of each function.

Customer Success & NRR

How does NRR correlate to:

Customer lifecycle

- Does the completion of specific phases or milestones within the customer lifecycle lead to increases in churn, renewal, or expansion?

Customer touchpoints

- Does the number or type of customer touchpoints related to improving product adoption or customer engagement—such as business reviews, trainings, and consulting—lead to increases in churn, renewal, or expansion?

Product usage and events

- Does greater depth and frequency of product usage lead to increases in churn, renewal, or expansion?

Finance & NRR

How does NRR correlate to:

NRR goal attainment probability

- Does finance use the right business metrics to inform the NRR goal?

Revenue recognition

- Does finance's accounting method align with how departments track transactions?

Hiring and budgeting model

- Does finance set a budget that makes it feasible for teams to reach the NRR goal?

Sales & NRR

How does NRR correlate to:

Ideal customer profile

- Does pursuing prospects who fit the profile of renewed and expanded customers lead to a higher close rate and lifetime value?

Sales process

- Do specific sales touchpoints, such as a discovery call, lead to increases in churn, renewal, or expansion?

Sales pitch

- Are there trends among the talk tracks and/or promotions that were used when now-churned customers first signed on?
- Is your sales team overselling in the initial contract? This can result in churn and slow adoption (too much product too fast) and hurt future, steady expansion. For example, would you rather sell \$100 today or \$90 today and \$10 more at renewal? That \$10 becomes 111% NRR at renewal versus just 100% NRR for selling \$100 upfront.

Product & NRR

How does NRR correlate to:

Product changes

- Are there trends among customer feedback—including positive, neutral, and negative responses—to product changes?

Product adoption

- Does using a specific feature accelerate time to value? At what usage frequency does acceleration occur?

Expansion pathways and trends

- Does using a specific feature increase a customer's expansion velocity? At what usage frequency does a customer's expansion potential increase?

Marketing & NRR

How does NRR correlate to:

Lead generation

- Does targeting prospects who fit the profile of renewed and expanded customers lead to more sales-accepted leads or demos?
- Are there trends in the marketing tactics—including positioning, messaging, promotion channels, and lead scoring—used when a now-churned customer first signed on?

Expansion campaigns

- Do marketing's tech-touch strategies help prime and reinforce the expansion efforts led by Customer Success? Do they lead to increases in expansion?

Customer advocacy

- Does a customer's level of involvement in advocacy initiatives—such as customer communities, content contributions, reference or referral programs, and event attendance—lead to increases in renewal or expansion?

Support & NRR

How does NRR correlate to:

Support interactions

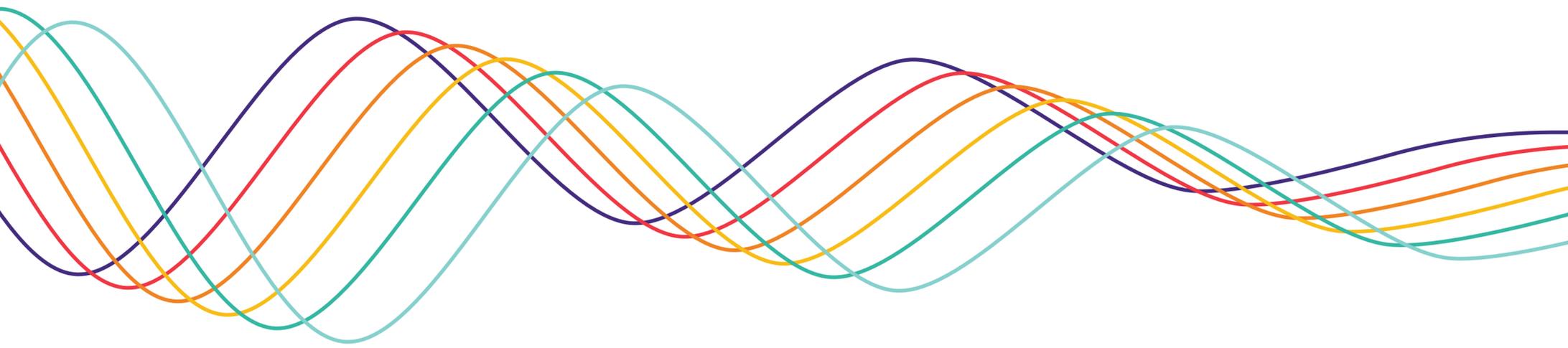
- Do specific support touchpoints or actions lead to more positive customer satisfaction scores?
- Do customers who rate their support experience as positive have an increased likelihood to renew or expand? Do customers who rate their support experience as passive or negative have an increased likelihood to churn?

Support resources

- Does the accessibility and format (self-service vs. human-led) of support relate to a customer's product adoption?

Customer training

- Does training or the frequency of training lead to the usage of more advanced features, and therefore, qualify customers for new expansion pathways?



Ask not what other departments can do for you

Alignment doesn't happen overnight. All departments have their own habits, quirks, personalities, and way of operating. The important thing is to get started and plant the seeds for change.

Sell the vision that collaboration reduces team fallibility. Help teams see their own limitations. Cultivate a shared understanding to bridge perception gaps and bring people together. Rather than leading with what you want to change, learn what other departments care about. How will your alignment initiative improve their KPIs, or make their work easier?

Ask not what other departments can do for you, ask what you can do for other departments.

About ChurnZero

At ChurnZero, we believe that Customer Success belongs everywhere within an organization, because every function affects the customer experience. Our platform and partnership make it easier to align cross-functionally with other teams as well as keeping customers successful, reducing churn, driving adoption and increasing net revenue retention.

Find out how we can help you today at www.churnzero.com.