

Customer Success

Channel Considerations

Continuing Education for IPED Channel Masters

Today's Agenda

- ▶ WHAT'S CHANGING?
- ▶ SUBSCRIPTION ECONOMY
- ▶ WHY CUSTOMER SUCCESS MATTERS
- ▶ PARTNER PROGRAMS AND CUSTOMER SUCCESS

What Is Customer Success?



***“The most important single thing is to obsessively focus on the customer.
It’s our job everyday to make every important aspect of the customer experience a little better.”***

Jeff Bezos, CEO, Amazon

What's Changing...Everything!

	THEN	NOW
Platform	HW	IaaS
Location	On-Prem	Cloud
Delivery	Box/CD	Web
Installing/Managing/Supporting/Upgrading	Customer	Vendor
Buyer	IT	DevOps/Business
Pricing	Perpetual + Maintenance	Subscription (Year/Mth/Hr)
Relationship (Length)	Long	Short
# of Vendors	Few	Many
Who Takes Risk	Customer	Vendor
Product	Physical	Service

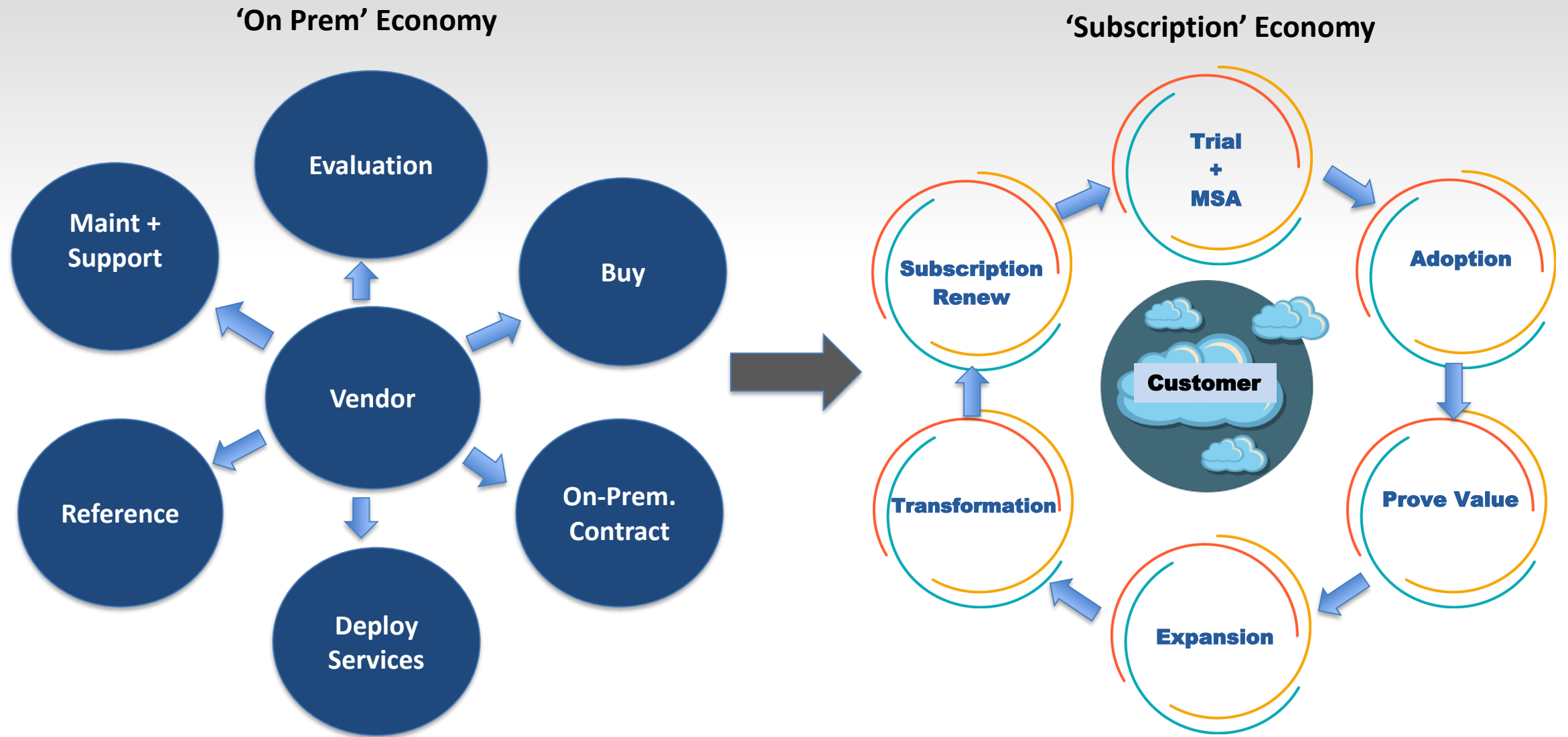


New! Subscription Economy!

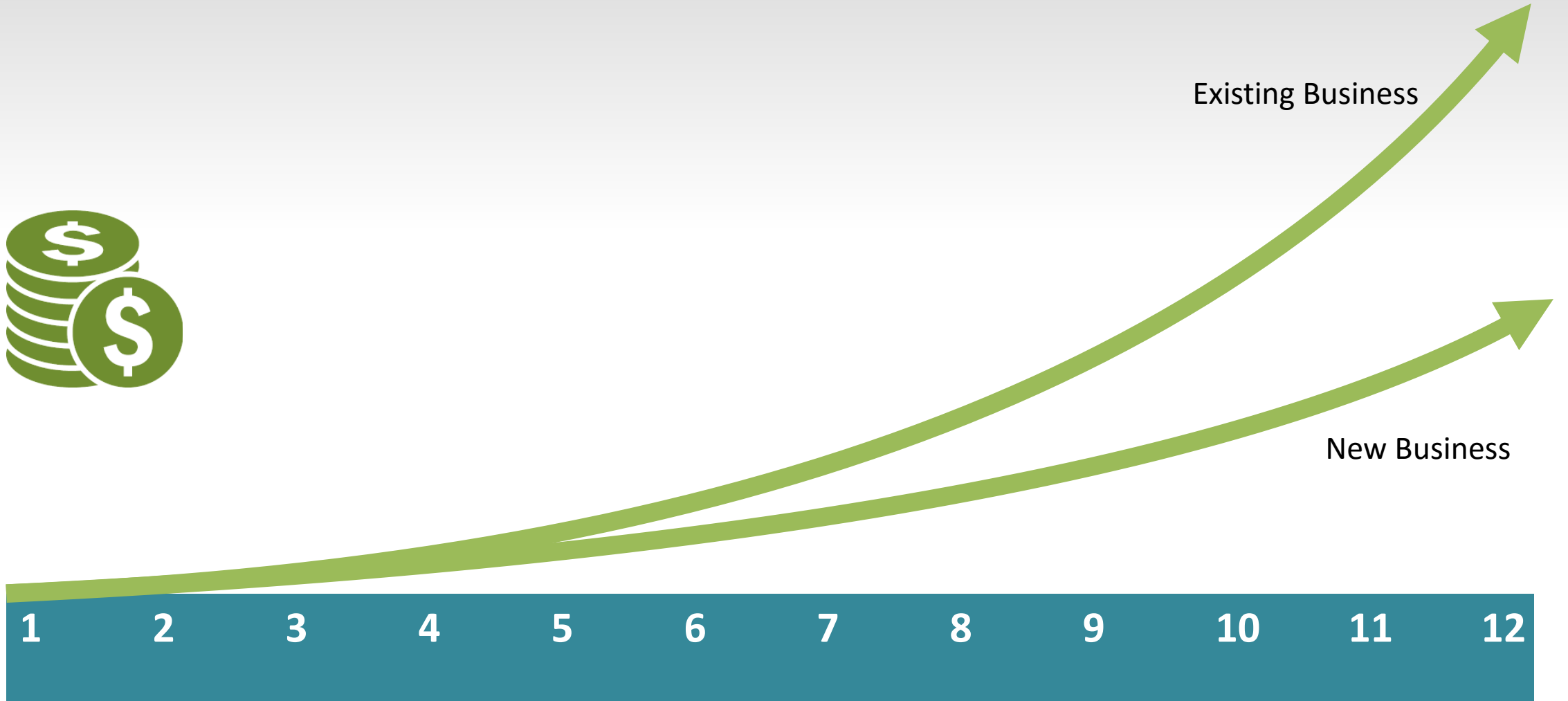
WELCOME!



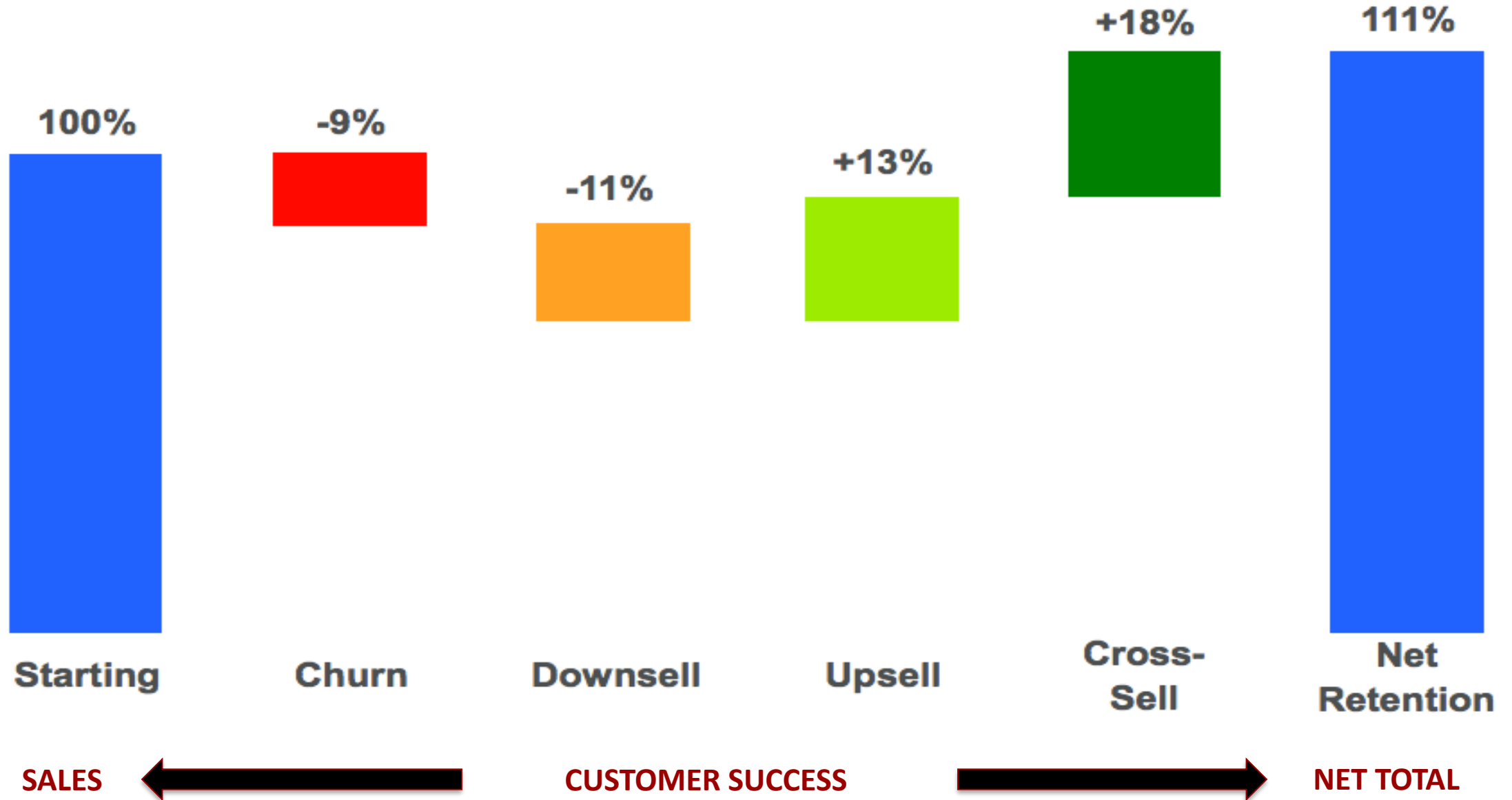
SHIFT #1: On Prem to Subscription Economy



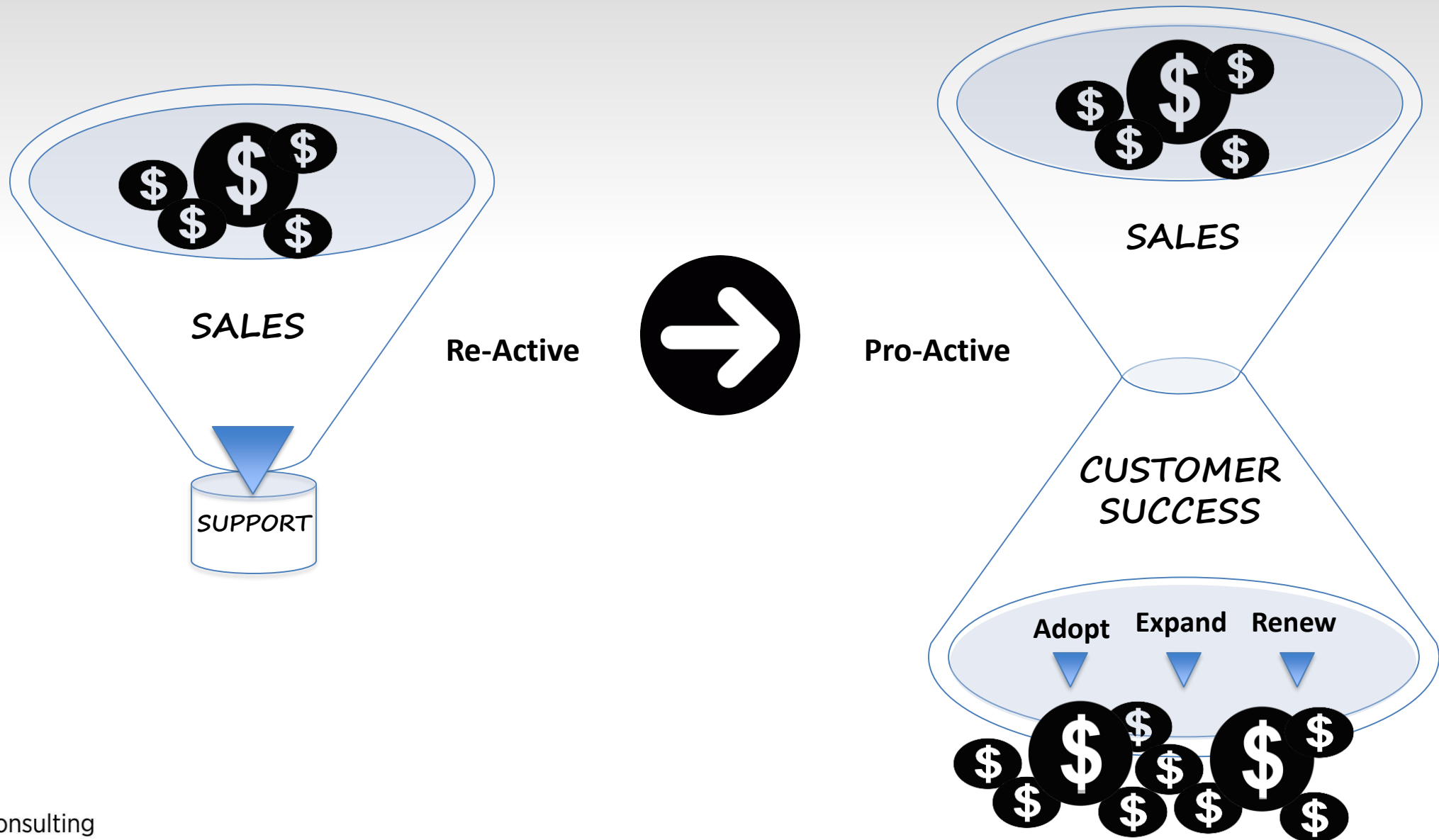
Why Retention Is Important



Subscription Economy – Valley of Death...or Growth?



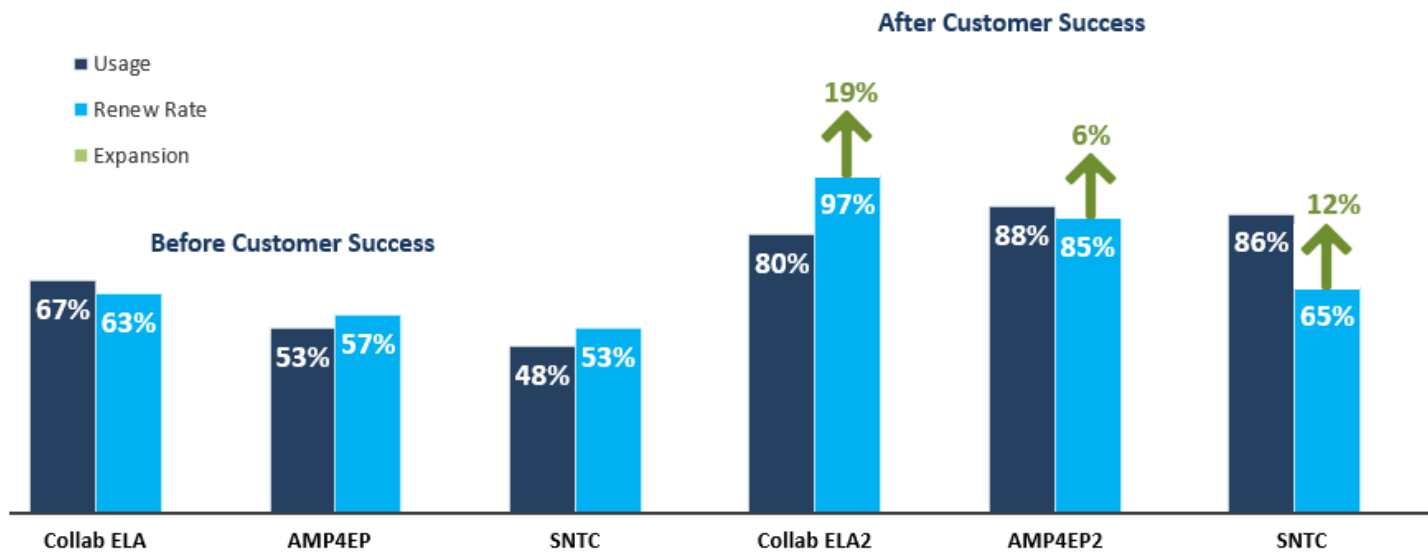
Customer Success = Force Multiplier



Cisco Customer Success = Retention, Expansion & Growth

Ensure Customers Realize Value

Renew More, Buy more, More Loyal



Source: Cisco Customer Success Results – Cisco Partner Summit 2017

Example: Cisco Customer Success

- **Results:** Before & After implementing new Cisco Customer Success Team
- **Model:** Used to create value proposition to Cisco partners to invest
- **Metrics:** Cisco Customer Success model, roles and metrics critical to results:
 - **new** Customer Success Specialist Roles
 - Metrics:
 - Net Promoter Score (NPS)
 - Expansion Leads
 - Professional Development

*Note: No Sales Commission
-Not a sales function

Customer Success - What's Required



Customer Success Specialist

Role

- Customer Success Specialist






Model

- Adoption
- Expansion
- Renewal
- Satisfaction

Metrics

- Adoption – Red, Yellow, Green
- Expansion - + New Products/Services
- Renewal – Subscription Renewal
- Satisfaction – NPS
- * **Not Revenue**

Customer Success Metrics

#	Metric	Description
1	 Adoption Rate	Adoption: Amount sold that's "active" by customer vs. entire customer base.
2	 Upsell and Cross-sell Rate	Upsell: # customers that agree to "upsell" from existing quantity to larger quantity or existing product to premium (more expensive product). Cross-sell: # customers that agree to purchase another product that is ADDITIVE to original product (another related product or service).
3	 Customer Churn Rate	Churn: Number of customers that do not renew at the end of their subscription vs. total active customer base.
4	 Net Promoter Score (NPS)	NPS: Percentage of customers who would recommend you to their friends, coworkers and family. Typically measured by a survey "How likely are you..." with a 0-10 scale. NPS score is % of Promoters (rating 9-10) less Detractors (rating 0-6).
5	 Customer Effort Score (CES)	CES: Score determines customer effort to accomplish a task. Measured through a survey. Goal is to get customers to score a 1 (low/no effort). Examples: opening an account, starting new service, integrating data etc. Outcome; helps highlight issues with customer experience/journey.

The Top Tech Companies & Top Cloud Disruptors Invest in Customer Success Organizations

DISRUPTERS



ENTERPRISE



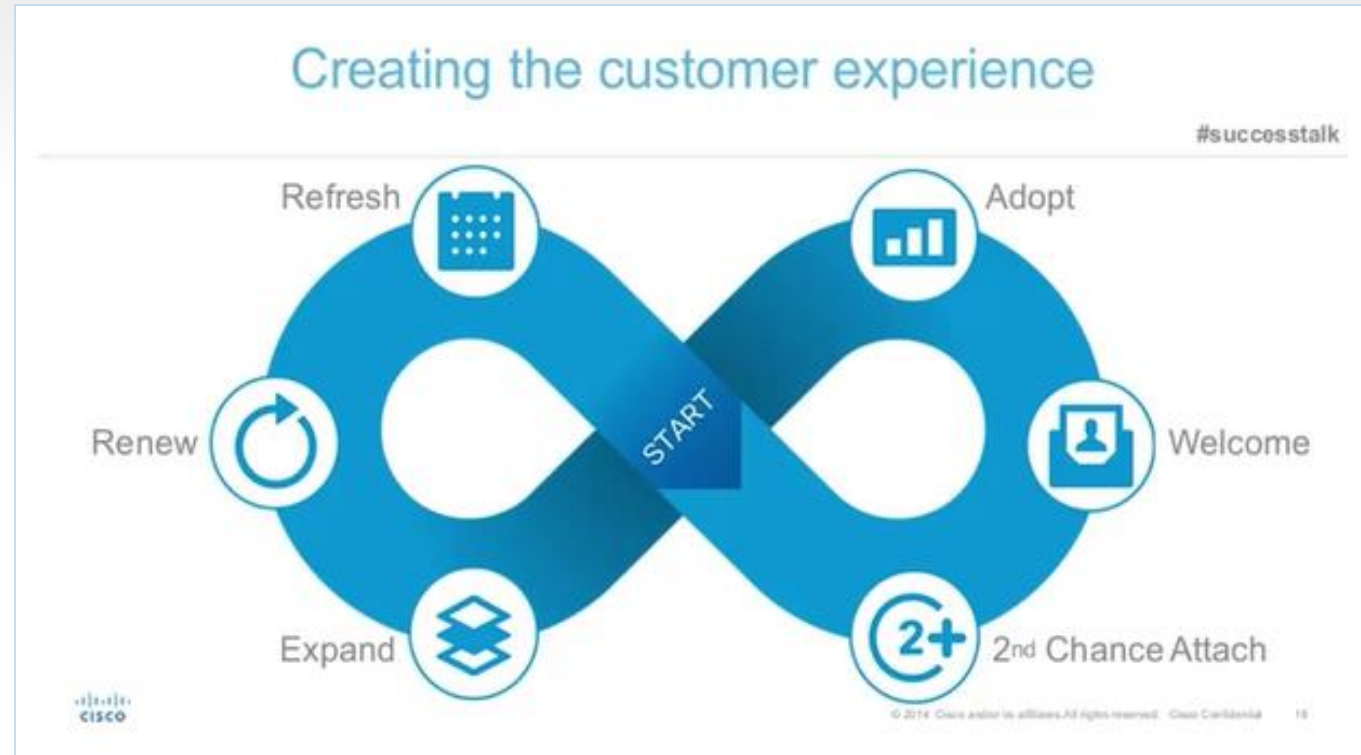
Cisco Customer Success and Partners = Lifecycle Advisor Program



Lifecycle
Advisor
Partner

Cisco's Land, Adopt, Expand & Renew Lifecycle Services Model

- Lifecycle Advisor program helps partners build and reward investments in Lifecycle practices
- Supports partners recurring revenue services and Cisco's investments in subscription services
- 300 Lifecycle Advantage portal participating partners; goal is to double it to 600 this coming year
- **2 Customer Success Managers (role) required** for companies with Lifecycle Advisor status
- Lifecycle Advisor authorization – people, process, tools requirements & audit + references



397 Customer Success Managers Hired by Partners

Customer Success and Partners “Team Sport”

- Retention (Customer Success) is as important as net new sales
- Opportunity for partners to differentiate themselves – see Oracle CEI Program
- Vendors are modifying Partner Programs:
 - Branding Customer Success Programs
 - Required Partner investment in CSM’s
 - Differentiating Customer Success Partners
 - Helps Partners Build a CS Practice
- Investment in Customer Success
 - Tools
 - Training/Certification
 - Metrics
 - Job Profiles
 - Audit
- Partners Benefit <-> Vendors Benefit
 - More customers fully deployed
 - Increase in Recurring Revenue
 - Increase in Upsell/Cross-sell
 - Decrease in Downsell/Churn

Oracle Cloud Excellence Implementer Program

Aligning Oracle’s Partner Ecosystem with Customer Success

The Oracle Cloud Excellence Implementer (CEI) Program is focused on driving Customer success with Oracle Software as a Service (SaaS) products. This program identifies, recognizes, and differentiates highly qualified consulting firms that demonstrate ongoing expertise, successful track records, and superior customer satisfaction in Oracle Cloud implementations by specified geography and cloud service module.

Focus on Customer Success



Checklist

- Are you selling XaaS Services?
- Do you have a customer success vs. renewals model?
- Do you just focus on renewals or renewal, retention and NPS?
- Do your partners handle renewals or retention?
- Have you developed a partner model for customer success?

Thank You



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