



# CUSTOMER SUCCESS METRICS REPORT

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REPORT



# Index

|                                                                                                                                                                                                                                                                                |    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| <b>Executive Summary</b>                                                                                                                                                                                                                                                       | 3  |
| <b>Methodology</b>                                                                                                                                                                                                                                                             | 3  |
| <ul style="list-style-type: none"><li>• Data Sources</li><li>• Segmentation Criteria</li></ul>                                                                                                                                                                                 |    |
| <b>NPS Trends</b>                                                                                                                                                                                                                                                              | 4  |
| <ul style="list-style-type: none"><li>• Net Promoter Score by Company Stage and Target Market</li><li>• NPS Impact on Business Metrics</li><li>• NPS Collection and Response Metrics</li></ul>                                                                                 |    |
| <b>Churn Analysis</b>                                                                                                                                                                                                                                                          | 8  |
| <ul style="list-style-type: none"><li>• Logo Retention by Company Stage and Contract Size</li><li>• Net Revenue Retention by Company Stage and Target Market</li><li>• Churn Reasons Analysis</li><li>• Retention Improvement Strategies (Effectiveness Rating 1-10)</li></ul> |    |
| <b>Expansion Revenue Patterns</b>                                                                                                                                                                                                                                              | 13 |
| <ul style="list-style-type: none"><li>• Expansion Revenue Sources by Company Stage (% of total expansion)</li><li>• Expansion Timing Analysis</li><li>• Expansion Strategy Effectiveness (1-10 rating)</li></ul>                                                               |    |
| <b>Customer Health Indicators</b>                                                                                                                                                                                                                                              | 17 |
| <ul style="list-style-type: none"><li>• Customer Health Score Components by Importance (1-10 scale)</li><li>• Health Score Implementation by Company Stage</li><li>• Health Score ROI Metrics</li></ul>                                                                        |    |
| <b>Support Efficiency Metrics</b>                                                                                                                                                                                                                                              | 22 |
| <ul style="list-style-type: none"><li>• Support Metrics by Company Stage</li><li>• Support Efficiency Improvement Strategies (% implementation)</li><li>• Support-to-Success Transition Metrics</li></ul>                                                                      |    |
| <b>Customer Success Team Metrics</b>                                                                                                                                                                                                                                           | 27 |
| <ul style="list-style-type: none"><li>• CS Team Structure by Company Stage</li><li>• CS Team Efficiency Metrics</li><li>• CS Team Specialization (% of companies implementing)</li></ul>                                                                                       |    |
| <b>Customer Success Program Maturity</b>                                                                                                                                                                                                                                       | 32 |
| <ul style="list-style-type: none"><li>• CS Program Maturity by Dimension (1-10 scale)</li><li>• CS Program Evolution by Stage</li><li>• CS Technology Adoption (% of companies)</li></ul>                                                                                      |    |
| <b>Strategic Recommendations</b>                                                                                                                                                                                                                                               | 37 |
| <ul style="list-style-type: none"><li>• By Company Stage</li><li>• Cross-Stage Recommendations</li></ul>                                                                                                                                                                       |    |
| <b>Future Customer Success Trends (2025-2026)</b>                                                                                                                                                                                                                              | 41 |
| <b>Conclusion</b>                                                                                                                                                                                                                                                              | 42 |

## Executive Summary

This comprehensive analysis examines customer success metrics across SaaS companies at various growth stages, revealing distinct patterns in NPS trends, churn analysis, expansion revenue dynamics, customer health indicators, and support efficiency metrics. Based on data from leading customer success research firms, we've identified that companies with mature customer success functions achieve 43% higher net revenue retention and 37% lower customer acquisition costs through improved referrals. The data demonstrates that the most successful organizations evolve their customer success approach through growth phases, shifting from reactive support to proactive success management and ultimately to predictive engagement models. This report provides actionable benchmarks and strategies for optimizing customer success metrics through each phase of company growth.

## Methodology

This report synthesizes data from multiple authoritative sources on customer success and SaaS metrics, including:

- Gainsight's 2024 Customer Success Industry Report (sample size: 1,250+ companies)
- Gartner's 2024 Customer Experience Survey (sample size: 4,500+ organizations)
- ChurnZero's 2024 Customer Success Benchmark Report
- OpenView Partners' 2024 Expansion SaaS Benchmarks
- HubSpot's 2024 Customer Success Metrics Study
- TSIA's 2024 Customer Success Benchmark Report
- CustomerGauge's 2024 NPS & CX Benchmark Report
- SaaS Capital's 2024 Growth Metrics Survey

- ◆ **Funding stage:** Seed, Series A, Series B, Series C+, Public
  - ◆ **ARR range:** <\$1M, \$1-10M, \$10-50M, \$50-100M, \$100M+
  - ◆ **Target market:** SMB, Mid-market, Enterprise, Mixed
  - ◆ **CS maturity:** Reactive, Proactive, Predictive, Prescriptive
-

# NPS Trends

## NET PROMOTER SCORE BY COMPANY STAGE AND TARGET MARKET

| Target Market | Seed | Seed A | Seed B | Seed C+ | Public |
|---------------|------|--------|--------|---------|--------|
| SMB           | 31   | 36     | 41     | 45      | 48     |
| Mid-market    | 24   | 34     | 39     | 43      | 46     |
| Enterprise    | 24   | 29     | 35     | 40      | 44     |
| Average       | 27   | 33     | 38     | 42      | 46     |

*Source: CustomerGauge's 2024 NPS & CX Benchmark Report, Gainsight's 2024 Customer Success Industry Report*

### → Key Insights:

- NPS scores improve consistently with company maturity across all market segments
- According to CustomerGauge's 2024 NPS & CX Benchmark Report, companies with dedicated customer success functions demonstrate 12-18 point higher NPS scores than those without
- SMB-focused companies consistently show higher NPS than enterprise-focused organizations, with Gainsight reporting that complexity and multiple stakeholders in enterprise relationships create greater satisfaction challenges



- Organizations in the top quartile of NPS performance achieve 43% higher revenue growth and 38% lower customer acquisition costs through referrals (Gainsight, 2024)

NPS IMPACT ON BUSINESS METRICS

| NPS Performance Group | Revenue Growth | Referral Rate | Expansion Revenue | Retention Rate | Sales Cycle Reduction |
|-----------------------|----------------|---------------|-------------------|----------------|-----------------------|
| Top Quartile          | +24%           | 43%           | +18%              | +12%           | -27%                  |
| Second Quartile       | +16%           | 31%           | +12%              | +8%            | -19%                  |
| Third Quartile        | +9%            | 19%           | +7%               | +3%            | -12%                  |
| Bottom Quartile       | +4%            | 11%           | +2%               | -1%            | -5%                   |

Source: CustomerGauge's 2024 NPS & CX Benchmark Report, Gainsight's 2024 Customer Success Industry Report

➔ Key Insights:

- NPS performance correlates strongly with multiple growth metrics
- According to CustomerGauge's 2024 NPS & CX Benchmark Report, referral business from promoters costs 62% less to acquire and converts 51% faster than non-referred prospects
- Top-quartile NPS performers generate 9x more revenue growth than bottom-quartile companies
- Gainsight's 2024 Customer Success Industry Report indicates that every 10-point NPS improvement correlates with 2-3% increase in renewal rates and 3-4% increase in expansion revenue



## NPS COLLECTION AND RESPONSE METRICS

| Metric                       | Seed     | Seed A    | Seed B    | Seed C+   | Public   |
|------------------------------|----------|-----------|-----------|-----------|----------|
| NPS survey frequency         | Annual   | Bi-annual | Quarterly | Quarterly | Monthly  |
| NPS response rate            | 21%      | 27%       | 32%       | 36%       | 41%      |
| Closed-loop response time    | 8.3 days | 5.7 days  | 3.2 days  | 1.8 days  | 1.1 days |
| Detractor follow-up rate     | 57%      | 68%       | 79%       | 87%       | 94%      |
| Promoter advocacy activation | 12%      | 23%       | 37%       | 48%       | 57%      |
| NPS program maturity score   | 4.2/10   | 5.8/10    | 7.3/10    | 8.5/10    | 9.2/10   |

Source: CustomerGauge's 2024 NPS & CX Benchmark Report, HubSpot's 2024 Customer Success Metrics Study

### → Key Insights:

- NPS program sophistication increases dramatically with company maturity
- According to CustomerGauge's 2024 NPS & CX Benchmark Report, companies implementing closed-loop NPS processes achieve 18 point higher score improvements year-over-year
- Promoter activation represents a significant untapped opportunity, with HubSpot reporting that even mature organizations activate less than 60% of promoters for advocacy



## Key Insights:

- ▶ Organizations with NPS response rates above 35% demonstrate 29% higher score reliability and 24% more actionable insights (Gainsight, 2024)



**Promoter activation represents a significant untapped opportunity, with HubSpot reporting that even mature organizations activate less than 60% of promoters for advocacy**



# Churn Analysis

## LOGO RETENTION BY COMPANY STAGE AND CONTRACT SIZE

| Contract Size     | Seed | Seed A | Seed B | Seed C | Public |
|-------------------|------|--------|--------|--------|--------|
| <\$5K ARR         | 67%  | 72%    | 76%    | 79%    | 82%    |
| \$5K-\$25K ARR    | 73%  | 78%    | 82%    | 85%    | 87%    |
| \$25K-\$100K ARR  | 79%  | 83%    | 86%    | 89%    | 91%    |
| \$100K-\$250K ARR | 84%  | 87%    | 90%    | 92%    | 94%    |
| \$250K+ ARR       | 89%  | 91%    | 93%    | 95%    | 96%    |
| Overall Average   | 78%  | 82%    | 85%    | 88%    | 90%    |

Source: ChurnZero's 2024 Customer Success Benchmark Report, SaaS Capital's 2024 Growth Metrics Survey

### → Key Insights:

- ▶ Logo retention improves consistently with both contract size and company maturity
- ▶ According to ChurnZero's 2024 Customer Success Benchmark Report, companies implementing dedicated customer success programs achieve 7-9 percentage point higher retention rates across all segments



- Small contract customers (<\$5K ARR) represent the highest churn risk, with SaaS Capital reporting 15-22 percentage point lower retention compared to enterprise customers
- Organizations in the top quartile of customer success maturity achieve 92%+ logo retention regardless of company stage (Gainsight, 2024)

## NET REVENUE RETENTION BY COMPANY STAGE AND TARGET MARKET

| Target Market | Seed | Seed A | Seed B | Seed C | Public |
|---------------|------|--------|--------|--------|--------|
| SMB           | 94%  | 99%    | 103%   | 106%   | 109%   |
| Mid-market    | 98%  | 103%   | 108%   | 112%   | 115%   |
| Enterprise    | 101% | 107%   | 113%   | 118%   | 122%   |
| Average       | 97%  | 103%   | 108%   | 112%   | 116%   |

Source: OpenView Partners' 2024 Expansion SaaS Benchmarks, SaaS Capital's 2024 Growth Metrics Survey

➔ **Key Insights:**

- Net revenue retention trends demonstrate a stronger correlation with contract size than logo retention
- According to OpenView Partners' 2024 Expansion SaaS Benchmarks, companies achieving >120% NRR receive valuation multiples 2.8x higher than those below 100%



- Expansion revenue represents the primary driver of NRR differences between market segments
- SaaS Capital's 2024 Growth Metrics Survey indicates that companies with dedicated expansion teams achieve 14-18 percentage point higher NRR than those without

CHURN REASONS ANALYSIS

| Churn Reason               | Seed | Seed A | Seed B | Seed C | Public |
|----------------------------|------|--------|--------|--------|--------|
| Product-market fit         | 41%  | 34%    | 27%    | 21%    | 16%    |
| Feature/functionality gaps | 23%  | 26%    | 28%    | 26%    | 24%    |
| Poor customer experience   | 11%  | 14%    | 18%    | 21%    | 23%    |
| Value realization failure  | 8%   | 12%    | 16%    | 19%    | 22%    |
| Competitive displacement   | 6%   | 8%     | 10%    | 12%    | 14%    |
| Budget/cost concerns       | 7%   | 5%     | 4%     | 3%     | 2%     |
| Champion change/turnover   | 4%   | 6%     | 7%     | 9%     | 11%    |

Source: ChurnZero's 2024 Customer Success Benchmark Report, Gainsight's 2024 Customer Success Industry Report

➔ Key Insights:

- Churn reasons evolve significantly with company maturity



→ Key Insights:

- According to Gainsight's 2024 Customer Success Industry Report, product-market fit represents the primary early-stage churn driver, while experience and value realization dominate in mature companies
- Feature gaps maintain relatively consistent impact across growth stages, while competitive displacement increases in significance
- ChurnZero's 2024 Customer Success Benchmark Report indicates that companies with systematic churn reason analysis achieve 18% higher retention improvement year-over-year

RETENTION IMPROVEMENT STRATEGIES  
(EFFECTIVENESS RATING 1-10)

| Strategy                        | Seed | Seed A | Seed B | Seed C | Public |
|---------------------------------|------|--------|--------|--------|--------|
| Onboarding optimization         | 8.4  | 8.7    | 8.9    | 9.1    | 9.2    |
| Executive relationship programs | 5.2  | 6.7    | 7.9    | 8.8    | 9.3    |
| Success planning process        | 6.3  | 7.5    | 8.4    | 9.0    | 9.4    |
| Health scoring automation       | 4.8  | 6.9    | 8.2    | 8.9    | 9.3    |
| Proactive risk identification   | 5.7  | 7.2    | 8.3    | 9.1    | 9.5    |
| Value realization measurement   | 7.1  | 8.0    | 8.7    | 9.2    | 9.6    |

| Strategy                     | Seed | Seed A | Seed B | Seed C | Public |
|------------------------------|------|--------|--------|--------|--------|
| Digital engagement programs  | 7.9  | 8.3    | 8.6    | 8.8    | 9.0    |
| Customer marketing/community | 6.5  | 7.4    | 8.1    | 8.6    | 9.0    |
| Renewal process optimization | 6.8  | 7.7    | 8.5    | 9.1    | 9.4    |
| Predictive churn modeling    | 3.4  | 5.1    | 6.8    | 8.2    | 9.1    |

Source: Gainsight's 2024 Customer Success Industry Report, ChurnZero's 2024 Customer Success Benchmark Report



## Key Insights:

- Retention strategy effectiveness varies significantly by company stage
- According to Gainsight's 2024 Customer Success Industry Report, onboarding optimization represents the most consistent high-impact strategy across all growth stages
- Executive relationship programs and health scoring demonstrate the most dramatic effectiveness increase with company maturity
- ChurnZero's 2024 Customer Success Benchmark Report indicates companies implementing at least five high-impact strategies for their stage achieve 31% higher retention rates than those with fewer programs

# Expansion Revenue Patterns

## EXPANSION REVENUE SOURCES BY COMPANY STAGE (% OF TOTAL EXPANSION)

| Expansion Source        | Seed | Seed A | Seed B | Seed C | Public |
|-------------------------|------|--------|--------|--------|--------|
| User/seat expansion     | 52%  | 48%    | 43%    | 39%    | 36%    |
| Feature/module adoption | 31%  | 35%    | 38%    | 42%    | 45%    |
| Volume/usage increases  | 12%  | 13%    | 15%    | 16%    | 17%    |
| Tier/edition upgrades   | 4%   | 6%     | 7%     | 9%     | 11%    |
| Services/implementation | 7%   | 5%     | 4%     | 3%     | 2%     |
| Cross-product adoption  | 2%   | 4%     | 7%     | 9%     | 11%    |

Source: OpenView Partners' 2024 Expansion SaaS Benchmarks, Gainsight's 2024 Customer Success Industry Report



### Key Insights:

- Expansion sources evolve with company maturity and product portfolio breadth
- According to OpenView Partners' 2024 Expansion SaaS Benchmarks, user expansion dominates early-stage growth while feature/module adoption increases in significance with product maturity
- Cross-product adoption emerges as a significant driver in later stages as product portfolios expand



## Key Insights:

- Gainsight's 2024 Customer Success Industry Report indicates that companies with expansion revenue exceeding 30% of new bookings achieve 42% higher growth rates

### EXPANSION TIMING ANALYSIS

| Timing Metric                | Seed | Seed A | Seed B | Seed C | Public |
|------------------------------|------|--------|--------|--------|--------|
| Months to first expansion    | 8.7  | 7.4    | 6.3    | 5.2    | 4.6    |
| % expanding in year 1        | 21%  | 27%    | 34%    | 41%    | 47%    |
| Average expansions/year      | 1.3  | 1.6    | 1.9    | 2.3    | 2.7    |
| Expansion win rate           | 62%  | 68%    | 73%    | 78%    | 82%    |
| Expansion sales cycle (days) | 34   | 41     | 49     | 57     | 64     |
| Expansion revenue multiple   | 1.3x | 1.5x   | 1.8x   | 2.1x   | 2.4x   |

Source: OpenView Partners' 2024 Expansion SaaS Benchmarks, ChurnZero's 2024 Customer Success Benchmark Report



## Key Insights:

- Expansion velocity increases significantly with company maturity



## Key Insights:

- ▶ According to ChurnZero's 2024 Customer Success Benchmark Report, companies with dedicated expansion teams achieve first expansion 42% faster than those without
- ▶ Expansion win rates significantly exceed new logo win rates across all stages, with OpenView reporting 25-40 percentage point higher success rates
- ▶ The cumulative expansion multiple (lifetime expansion revenue ÷ initial contract value) increases dramatically with company maturity, reaching 2.4x for public companies

## EXPANSION STRATEGY EFFECTIVENESS (1-10 RATING)

| Expansion Strategy                | Seed | Seed A | Seed B | Seed C | Public |
|-----------------------------------|------|--------|--------|--------|--------|
| Usage-based pricing               | 7.2  | 7.6    | 8.0    | 8.3    | 8.5    |
| Multi-tier product packaging      | 6.4  | 7.1    | 7.7    | 8.2    | 8.6    |
| Land-and-expand sales motion      | 8.1  | 8.5    | 8.8    | 9.0    | 9.1    |
| Success-driven expansion programs | 5.3  | 6.7    | 7.9    | 8.7    | 9.2    |
| Product-led growth frameworks     | 7.8  | 8.2    | 8.5    | 8.7    | 8.9    |
| Value-based expansion frameworks  | 4.8  | 6.2    | 7.5    | 8.6    | 9.3    |

| Expansion Strategy       | Seed | Seed A | Seed B | Seed C | Public |
|--------------------------|------|--------|--------|--------|--------|
| Cross-product bundling   | 3.4  | 4.7    | 6.3    | 7.8    | 8.9    |
| Dedicated expansion team | 4.2  | 5.9    | 7.4    | 8.5    | 9.1    |

*Source: OpenView Partners' 2024 Expansion SaaS Benchmarks, Gainsight's 2024 Customer Success Industry Report*

### → Key Insights:

- Expansion strategy effectiveness varies significantly by company stage
- According to OpenView Partners' 2024 Expansion SaaS Benchmarks, land-and-expand sales motions represent the most consistently effective approach across all stages
- Success-driven and value-based expansion frameworks demonstrate the most dramatic effectiveness increase with company maturity
- Gainsight's 2024 Customer Success Industry Report indicates that companies implementing at least four high-impact expansion strategies achieve 47% higher net revenue retention.

# Customer Health Indicators

## CUSTOMER HEALTH SCORE COMPONENTS BY IMPORTANCE (1-10 SCALE)

| Health Indicator             | Seed | Seed A | Seed B | Seed C | Public |
|------------------------------|------|--------|--------|--------|--------|
| Product usage frequency      | 8.7  | 8.5    | 8.3    | 8.1    | 7.9    |
| Feature adoption breadth     | 7.8  | 8.0    | 8.3    | 8.6    | 8.8    |
| Support ticket volume        | 7.9  | 7.7    | 7.4    | 7.2    | 6.9    |
| Support ticket severity      | 8.3  | 8.2    | 8.0    | 7.8    | 7.6    |
| NPS/CSAT responses           | 6.8  | 7.2    | 7.6    | 7.9    | 8.2    |
| Executive engagement         | 5.4  | 6.1    | 6.9    | 7.6    | 8.2    |
| Business outcome achievement | 6.2  | 7.0    | 7.9    | 8.5    | 9.1    |
| User growth trends           | 7.1  | 7.5    | 7.8    | 8.1    | 8.3    |
| Time since last login        | 8.4  | 8.2    | 7.9    | 7.6    | 7.3    |
| Contract utilization         | 5.9  | 6.5    | 7.2    | 7.8    | 8.3    |

Source: Gainsight's 2024 Customer Success Industry Report, ChurnZero's 2024 Customer Success Benchmark Report



## Key Insights:

- Health score components evolve significantly with company maturity
- According to Gainsight's 2024 Customer Success Industry Report, activity-based metrics dominate early-stage health scoring, while value realization metrics increase in importance with maturity
- Business outcome achievement demonstrates the most dramatic importance shift, nearly doubling in significance from seed to public stage
- ChurnZero's 2024 Customer Success Benchmark Report indicates companies with comprehensive health scores (8+ components) achieve 32% higher predictive accuracy for retention

## HEALTH SCORE IMPLEMENTATION BY COMPANY STAGE

| Health Score Characteristic  | Seed | Seed A | Seed B | Seed C | Public |
|------------------------------|------|--------|--------|--------|--------|
| Companies with health scores | 37%  | 58%    | 76%    | 89%    | 96%    |
| Average components used      | 4.2  | 6.1    | 7.8    | 9.3    | 10.7   |
| Automated calculation        | 28%  | 46%    | 63%    | 78%    | 87%    |
| Machine learning enhancement | 5%   | 12%    | 24%    | 42%    | 61%    |
| Predictive capabilities      | 11%  | 23%    | 39%    | 58%    | 74%    |

| Health Score Characteristic  | Seed | Seed A | Seed B | Seed C | Public |
|------------------------------|------|--------|--------|--------|--------|
| Segmented scoring approaches | 19%  | 34%    | 53%    | 72%    | 86%    |
| Health score accuracy rating | 61%  | 68%    | 74%    | 82%    | 87%    |

*Source: Gainsight's 2024 Customer Success Industry Report, ChurnZero's 2024 Customer Success Benchmark Report*

### → Key Insights:

- Health score sophistication increases dramatically with company maturity
- According to ChurnZero's 2024 Customer Success Benchmark Report, companies with machine learning-enhanced health scores achieve 41% higher predictive accuracy
- Health score implementation represents one of the strongest indicators of CS program maturity
- Gainsight's 2024 Customer Success Industry Report indicates organizations with health score accuracy above 80% achieve 36% higher retention rates.

## HEALTH SCORE ROI METRICS

| Metric                               | Bottom Quartile | Median  | Top Quartile |
|--------------------------------------|-----------------|---------|--------------|
| At-risk identification lead time     | 14 days         | 31 days | 63 days      |
| Retention rate improvement           | +3.2%           | +7.6%   | +14.2%       |
| Expansion opportunity identification | +8.7%           | +19.3%  | +37.8%       |
| CSM efficiency improvement           | +11.4%          | +28.6%  | +53.7%       |
| CS team productivity gain            | +15.2%          | +31.7%  | +59.4%       |
| Automated touchpoint trigger success | +9.8%           | +24.3%  | +46.2%       |

Source: Gainsight's 2024 Customer Success Industry Report, ChurnZero's 2024 Customer Success Benchmark Report



## Key Insights:

- Health score implementation demonstrates significant ROI across multiple dimensions
- According to Gainsight's 2024 Customer Success Industry Report, early risk identification represents the most valuable outcome, with top-quartile implementations providing a 63-day average warning.
- Companies in the top quartile of health score implementation achieve 4.4x higher retention improvement than bottom-quartile organizations.



## Key Insights:

- ChurnZero's 2024 Customer Success Benchmark Report indicates that health score-driven expansion identification increases expansion revenue by 37.8% for top-quartile implementations



**Companies in the top quartile of health score implementation achieve 4.4x higher retention improvement than bottom-quartile organizations.**

# Support Efficiency Metrics

## SUPPORT METRICS BY COMPANY STAGE

| Support Metric                  | Seed | Seed A | Seed B | Seed C+ | Public |
|---------------------------------|------|--------|--------|---------|--------|
| First response time (hours)     | 8.7  | 6.2    | 4.3    | 2.9     | 1.8    |
| Average resolution time (hours) | 21.4 | 16.8   | 12.3   | 8.7     | 6.2    |
| Tickets per customer (monthly)  | 2.9  | 2.6    | 2.2    | 1.9     | 1.7    |
| Self-service resolution rate    | 34%  | 42%    | 51%    | 59%     | 67%    |
| Support CSAT                    | 83%  | 86%    | 89%    | 91%     | 93%    |
| First contact resolution rate   | 57%  | 63%    | 68%    | 73%     | 77%    |
| L1 to L2 escalation rate        | 38%  | 32%    | 26%    | 21%     | 17%    |
| Cost per ticket                 | \$23 | \$19   | \$16   | \$14    | \$12   |

Source: TSIA's 2024 Customer Success Benchmark Report, HubSpot's 2024 Customer Success Metrics Study



### Key Insights:

- Support efficiency metrics improve consistently with company maturity

→ **Key Insights:**

- According to TSIA's 2024 Customer Success Benchmark Report, self-service resolution demonstrates the most dramatic improvement, nearly doubling from seed to public stage
- Companies in the top quartile of support efficiency achieve 42% higher customer satisfaction and 31% lower support costs
- HubSpot's 2024 Customer Success Metrics Study indicates that organizations with response times under 4 hours demonstrate 23% higher retention rates

**SUPPORT EFFICIENCY IMPROVEMENT STRATEGIES  
(% IMPLEMENTATION)**

| Strategy                      | Seed | Seed A | Seed B | Seed C+ | Public |
|-------------------------------|------|--------|--------|---------|--------|
| Knowledge base implementation | 57%  | 73%    | 86%    | 94%     | 98%    |
| Self-service portal           | 42%  | 61%    | 78%    | 89%     | 95%    |
| Ticket deflection tools       | 28%  | 47%    | 65%    | 7.9%    | 88%    |
| AI-powered recommendations    | 14%  | 29%    | 48%    | 67%     | 81%    |
| Customer education program    | 31%  | 49%    | 67%    | 81%     | 90%    |
| Chatbot implementation        | 19%  | 37%    | 56%    | 74%     | 86%    |

| Strategy                   | Seed | Seed A | Seed B | Seed C+ | Public |
|----------------------------|------|--------|--------|---------|--------|
| Product usage analytics    | 33%  | 52%    | 71%    | 84%     | 92%    |
| Support SLA implementation | 27%  | 48%    | 69%    | 85%     | 94%    |
| Tiered support model       | 36%  | 58%    | 77%    | 89%     | 96%    |
| In-app help resources      | 44%  | 62%    | 79%    | 91%     | 97%    |

Source: TSIA's 2024 Customer Success Benchmark Report, HubSpot's 2024 Customer Success Metrics Study



Key Insights:

- Support efficiency strategy implementation increases predictably with company maturity
- According to TSIA's 2024 Customer Success Benchmark Report, knowledge bases represent the most consistently implemented efficiency tool across all stages
- AI-powered support tools show the most dramatic adoption gap between early and late-stage companies
- HubSpot's 2024 Customer Success Metrics Study indicates that companies implementing at least five efficiency strategies achieve 38% lower cost per ticket and 29% higher customer satisfaction

## SUPPORT EFFICIENCY IMPROVEMENT STRATEGIES (% IMPLEMENTATION)

| Metric                                   | Seed  | Seed A | Seed B | Seed C+ | Public |
|------------------------------------------|-------|--------|--------|---------|--------|
| Support:CSM ratio                        | 5.2:1 | 3:7:1  | 2:6:1  | 1:8:1   | 1:3:1  |
| % of customers with named CSM            | 23%   | 36%    | 48%    | 62%     | 74%    |
| Reactive vs. proactive interaction ratio | 84:16 | 72:28  | 59:41  | 43:57   | 31:69  |
| Support tickets handled by CS (%)        | 11%   | 18%    | 26%    | 34%     | 41%    |
| CS case capacity per CSM                 | 17    | 24     | 32     | 41      | 52     |
| Digital-to-human engagement ratio        | 31:69 | 43:57  | 56:44  | 67:33   | 76:24  |
| CS-influenced renewal rate               | +8%   | +14%   | +19%   | +24%    | +28%   |

Source: TSIA's 2024 Customer Success Benchmark Report, Gainsight's 2024 Customer Success Industry Report



### Key Insights:



The balance between support and success functions evolves dramatically with company maturity



## Key Insights:

- ▶ According to Gainsight's 2024 Customer Success Industry Report, the transition from reactive to proactive engagement represents the most significant indicator of CS program maturity
- ▶ Digital engagement scale increases with company maturity, enabling higher CSM capacity while maintaining effectiveness
- ▶ TSIA's 2024 Customer Success Benchmark Report indicates that companies with named CSM coverage above 60% achieve 31% higher expansion revenue and 24% higher retention



**Digital engagement scale increases with company maturity, enabling higher CSM capacity while maintaining effectiveness**

# Customer Success Team Metrics

## CS TEAM STRUCTURE BY COMPANY STAGE

| Team Metric                  | Seed    | Seed A  | Seed B | Seed C+ | Public |
|------------------------------|---------|---------|--------|---------|--------|
| CSMs per \$1M ARR            | 0.7     | 0.9     | 1.2    | 1.4     | 1.6    |
| Avg customers per CSM (SMB)  | 67      | 83      | 104    | 127     | 148    |
| Avg customers per CSM (Mid)  | 27      | 34      | 42     | 51      | 59     |
| Avg customers per CSM (Ent)  | 8       | 11      | 14     | 17      | 21     |
| Avg ARR per CSM (\$K)        | \$1,420 | \$1,120 | \$870  | \$710   | \$610  |
| CSM:Sales ratio              | 1:4.2   | 1:2.8   | 1:1.9  | 1:1.3   | 1:0.9  |
| CS team as % of company      | 7%      | 9%      | 12%    | 15%     | 17%    |
| Companies with CS operations | 12%     | 27%     | 53%    | 76%     | 91%    |

Source: Gainsight's 2024 Customer Success Industry Report, TSIA's 2024 Customer Success Benchmark Report

→ Key Insights:

- CS team investment increases significantly with company maturity
- According to TSIA's 2024 Customer Success Benchmark Report, the ratio of CSMs to sales representatives inverts between seed and public stages, reflecting increasing focus on retention and expansion
- Customer load per CSM varies dramatically by market segment, with enterprise CSMs managing 85% fewer customers than SMB-focused teams
- Gainsight's 2024 Customer Success Industry Report indicates that companies investing above industry benchmarks in CS achieve 2.3x higher net revenue retention

CS TEAM EFFICIENCY METRICS

| Efficiency Metric                    | Seed  | Seed A | Seed B | Seed C | Public |
|--------------------------------------|-------|--------|--------|--------|--------|
| Revenue managed per CSM (\$M)        | \$1.4 | \$1.8  | \$2.3  | \$2.9  | \$3.6  |
| Customer engagements per day         | 5.7   | 7.2    | 8.9    | 10.7   | 12.6   |
| QBR/EBR preparation time (hours)     | 6.8   | 5.2    | 4.1    | 3.3    | 2.6    |
| Automated engagement touchpoints (%) | 32%   | 47%    | 61%    | 73%    | 82%    |
| ARR managed per CS headcount (\$M)   | \$2.1 | \$2.8  | \$3.5  | \$4.3  | \$5.2  |

| Efficiency Metric                | Seed | Seed A | Seed B | Seed C | Public |
|----------------------------------|------|--------|--------|--------|--------|
| Productive time on customers (%) | 57%  | 63%    | 68%    | 74%    | 79%    |
| Customers influenced by CS (%)   | 41%  | 58%    | 73%    | 84%    | 91%    |

Source: Gainsight's 2024 Customer Success Industry Report, TSIA's 2024 Customer Success Benchmark Report

→ Key Insights:

- CS team efficiency increases dramatically with program maturity
- According to TSIA's 2024 Customer Success Benchmark Report, revenue managed per CSM increases 2.6x from seed to public stage while maintaining or improving effectiveness
- Automation represents a key driver of efficiency improvements, with Gainsight reporting that automated touchpoints increase 2.5x through growth stages
- Companies in the top quartile of CS efficiency achieve 41% higher net revenue retention with equivalent team investment.

## CS TEAM SPECIALIZATION (% OF COMPANIES IMPLEMENTING)

| Role Specialization            | Seed | Seed A | Seed B | Seed C | Public |
|--------------------------------|------|--------|--------|--------|--------|
| Dedicated onboarding team      | 21%  | 39%    | 62%    | 81%    | 92%    |
| Technical CSMs                 | 14%  | 31%    | 53%    | 72%    | 87%    |
| Strategic/Enterprise CSMs      | 26%  | 47%    | 68%    | 83%    | 92%    |
| CS Operations specialists      | 8%   | 23%    | 47%    | 69%    | 84%    |
| Dedicated renewal managers     | 11%  | 28%    | 51%    | 71%    | 86%    |
| Customer marketing function    | 15%  | 34%    | 56%    | 74%    | 89%    |
| Digital CS/product specialists | 7%   | 19%    | 42%    | 63%    | 79%    |
| CS Analytics/data science      | 5%   | 16%    | 38%    | 59%    | 76%    |
| Expansion/growth specialists   | 13%  | 32%    | 57%    | 76%    | 88%    |

Source: Gainsight's 2024 Customer Success Industry Report, TSIA's 2024 Customer Success Benchmark Report



## Key Insights:

- CS team specialization increases dramatically with company maturity
- According to Gainsight's 2024 Customer Success Industry Report, companies with specialized onboarding teams achieve 47% faster time-to-value and 29% higher first-year retention
- CS Operations represents one of the fastest-growing specializations, with TSIA reporting 84% of public companies now having dedicated resources
- Organizations with specialized CS roles demonstrate 35% higher team efficiency and 28% better customer outcomes across key metrics



**Organizations with specialized CS roles demonstrate 35% higher team efficiency and 28% better customer outcomes across key metrics**

# Customer Success Program Maturity

## CS PROGRAM MATURITY BY DIMENSION (1-10 SCALE)

| Maturity Dimension          | Seed | Seed A | Seed B | Seed C | Public |
|-----------------------------|------|--------|--------|--------|--------|
| Onboarding effectiveness    | 532  | 6.4    | 7.5    | 8.3    | 8.9    |
| Risk management processes   | 3.1  | 4.8    | 6.5    | 7.9    | 8.7    |
| Expansion/growth programs   | 2.7  | 4.3    | 6.1    | 7.6    | 8.4    |
| Digital engagement maturity | 3.6  | 5.2    | 6.7    | 7.9    | 8.6    |
| Success planning process    | 2.9  | 4.6    | 6.3    | 7.8    | 8.5    |
| Value realization framework | 2.4  | 4.1    | 5.9    | 7.4    | 8.2    |
| Data-driven decision making | 3.2  | 4.7    | 6.2    | 7.5    | 8.3    |
| CS technology enablement    | 2.6  | 4.2    | 5.9    | 7.3    | 8.1    |
| Cross-functional alignment  | 3.8  | 5.3    | 6.7    | 7.8    | 8.4    |
| Overall maturity score      | 3.3  | 4.8    | 6.3    | 7.7    | 8.5    |

Source: Gainsight's 2024 Customer Success Industry Report, ChurnZero's 2024 Customer Success Benchmark Report

### → Key Insights:

- CS program maturity increases predictably across all dimensions with company growth
- According to Gainsight's 2024 Customer Success Industry Report, onboarding represents the most mature dimension at early stages, while value realization and expansion show the largest maturity gaps
- Companies with overall maturity scores above 7.0 demonstrate 39% higher net revenue retention
- ChurnZero's 2024 Customer Success Benchmark Report indicates that organizations achieving top-quartile maturity 1-2 growth stages earlier than average show 47% better customer retention during scaling

## CS PROGRAM EVOLUTION BY STAGE

| CS Program Characteristic | Seed Stage       | Seed A/B                | Seed C+/Public         |
|---------------------------|------------------|-------------------------|------------------------|
| Primary focus             | Reactive support | Proactive engagement    | Predictive success     |
| Success definition        | Product adoption | Value realization       | Business outcomes      |
| Engagement model          | High-touch only  | Tiered by segment       | Digital-led with tiers |
| Team organization         | Generalists      | Specialized by function | Specialized + digital  |

| CS Program Characteristic  | Seed Stage       | Seed A/B                 | Seed C+/Public           |
|----------------------------|------------------|--------------------------|--------------------------|
| Measurement approach       | Activity metrics | Health & outcome metrics | Predictive indicators    |
| Technology Strategy        | Point solutions  | Platform investment      | Integrated ecosystem     |
| Expansion Approach         | Opportunistic    | Structured programs      | Insight-driven expansion |
| Executive Involvement      | Crisis-driven    | Periodic reviews         | Strategic partnership    |
| Cross-functional Alignment | Minimal          | Defined Handoffs         | Integrated workflows     |
| Value Demonstration        | Usage Reports    | Success Plans            | Business Impact Analysis |

Source: Gainsight's 2024 Customer Success Industry Report, TSIA's 2024 Customer Success Benchmark Report



## Key Insights:

- CS programs evolve predictably through three major maturity phases
- According to Gainsight's 2024 Customer Success Industry Report, the transition from reactive to proactive represents the most critical evolution milestone

→ **Key Insights:**

- Companies that evolve their CS programs to align with their growth stage demonstrate 41% higher net revenue retention
- TSIA's 2024 Customer Success Benchmark Report indicates that organizations with predictive capabilities achieve 37% lower churn rates and 29% higher expansion revenue.

## CS TECHNOLOGY ADOPTION (% OF COMPANIES)

| Technology Category         | Seed | Seed A | Seed B | Seed C | Public |
|-----------------------------|------|--------|--------|--------|--------|
| Customer success platform   | 18%  | 37%    | 59%    | 78%    | 91%    |
| Health scoring automation   | 11%  | 29%    | 52%    | 73%    | 87%    |
| Customer analytics solution | 24%  | 43%    | 68%    | 83%    | 92%    |
| In-app engagement tools     | 29%  | 47%    | 69%    | 84%    | 93%    |
| Success planning software   | 7%   | 21%    | 42%    | 63%    | 81%    |
| QBR/EBR automation          | 9%   | 26%    | 49%    | 71%    | 86%    |
| Voice of customer platform  | 14%  | 32%    | 57%    | 76%    | 89%    |

| Technology Category           | Seed | Seed A | Seed B | Seed C | Public |
|-------------------------------|------|--------|--------|--------|--------|
| Customer marketing automation | 21%  | 39%    | 62%    | 79%    | 90%    |
| CS operations analytics       | 8%   | 23%    | 45%    | 67%    | 83%    |
| Predictive customer AI        | 5%   | 17%    | 36%    | 58%    | 77%    |

Source: Gainsight's 2024 Customer Success Industry Report, TSIA's 2024 Customer Success Benchmark Report

→ Key Insights:

- ▶ CS technology adoption increases dramatically with company maturity
- ▶ According to TSIA's 2024 Customer Success Benchmark Report, dedicated customer success platforms represent the most transformative technology investment, enabling 43% higher team efficiency
- ▶ Companies implementing four or more CS technologies demonstrate 38% higher net revenue retention and 29% better team productivity
- ▶ Predictive AI shows the most significant adoption growth, with Gainsight projecting 50%+ adoption across all stages by 2026

# Recommendations by Company Stage

## → Seed Stage Companies:

- ✦ **Focus on onboarding effectiveness:** According to Gainsight's 2024 Customer Success Industry Report, companies with structured onboarding achieve 37% higher retention in the critical first year
- ✦ **Implement basic health scoring:** Start with 4-5 key indicators of adoption and engagement to identify at-risk customers
- ✦ **Establish customer feedback loops:** Implement quarterly NPS/CSAT surveys with closed-loop response processes
- ✦ **Develop knowledge base resources:** Build self-service support content to reduce support burden and improve customer experience
- ✦ **Define early success metrics:** Create clear measurements for successful customer activation and adoption

## → Seed A Companies:

- ✦ **Implement customer segmentation:** Develop tiered engagement models based on customer size, complexity, and growth potential
- ✦ **Formalize success planning:** Create standardized success plans for key customer segments with clear milestones and outcomes
- ✦ **Enhance digital engagement:** Implement in-app messaging and education to scale customer touchpoints
- ✦ **Develop expansion playbooks:** Create structured programs for identifying and executing expansion opportunities
- ✦ **Invest in CS automation:** Implement basic automation for customer health monitoring and engagement tracking

# Recommendations by Company Stage



## Seed B Companies:

- ✦ **Build value realization framework:** Create structured methodology for measuring and demonstrating customer business outcomes
- ✦ **Implement CS specialization:** Develop specialized roles for onboarding, technical success, and strategic accounts
- ✦ **Enhance predictive capabilities:** Implement predictive health scoring to identify risks and opportunities earlier
- ✦ **Develop digital CS motion:** Create scalable digital-led engagement for appropriate customer segments
- ✦ **Form CS operations function:** Establish operational support for data analysis, technology management, and process optimization



## Seed C+ Companies:

- ✦ **Implement AI-driven intelligence:** Leverage AI for predictive analytics, insight generation, and recommendation engines
- ✦ **Develop prescriptive engagement:** Evolve from reactive/proactive to prescriptive customer success approaches
- ✦ **Create integrated success ecosystem:** Build seamless integration between CS, sales, marketing, and product functions
- ✦ **Implement voice of customer program:** Develop systematic approach to capturing, analyzing, and acting on customer feedback
- ✦ **Establish executive engagement program:** Create structured executive relationship processes for strategic accounts

# Recommendations by Company Stage



## Cross-Stage Recommendations

- ✦ **Align CS investment with growth objectives.** According to TSIA's 2024 Customer Success Benchmark Report, companies investing above median in customer success achieve 2.2x higher net revenue retention. Treat CS as a growth driver rather than a cost center.
- ✦ **Implement health scoring regardless of stage.** Start with basic health indicators and evolve sophistication with company growth. Gainsight's 2024 Customer Success Industry Report indicates that even simple health scores improve retention by 12-18%.
- ✦ **Balance efficiency with effectiveness.** Design scalable engagement models incorporating both high-touch and digital elements. ChurnZero's 2024 Customer Success Benchmark Report shows companies with multi-channel approaches achieve 31% higher retention with equivalent team size.
- ✦ **Focus on business outcomes, not just product adoption.** Develop frameworks for measuring customer business impact appropriate to your stage. Organizations focused on value realization demonstrate 28% higher net revenue retention (Gainsight, 2024).

# Recommendations by Company Stage



## Cross-Stage Recommendations

- ✦ **Implement success programs one stage ahead.** According to TSIA's 2024 Customer Success Benchmark Report, companies implementing CS practices ahead of typical adoption curves achieve 34% better outcomes during scaling phases.
- ✦ **Measure CS impact comprehensively.** Track both leading indicators (health scores, adoption metrics) and lagging indicators (retention, expansion) to demonstrate full CS impact. Companies with comprehensive measurement frameworks secure 42% higher CS investment (Gainsight, 2024).

# Future Customer Success Trends (2025-2026)

Based on current trajectory and expert analysis, we project the following customer success trends for 2025-2026:

- **AI-Powered Personalization at Scale:** According to Gainsight's 2024 Customer Success Industry Report, 65% of CS leaders plan to implement AI-driven personalization by 2026, enabling tailored experiences without proportional team growth.
- **Predictive Success Models:** ChurnZero's 2024 Customer Success Benchmark Report forecasts that predictive capabilities will become standard for Series B+ companies by 2026, with 70%+ adopting AI-enhanced risk and opportunity identification.
- **Digital-Led CS Evolution:** TSIA's 2024 Customer Success Benchmark Report projects that digital-led engagement models will expand from 32% to 65% of CS programs by 2026, dramatically improving scalability while maintaining effectiveness.
- **Outcome Engineering Focus:** Gartner's 2024 Customer Experience Survey indicates that outcome-focused methodologies will replace adoption-centric approaches in 60%+ of CS programs by 2026, shifting emphasis from activity to impact.
- **CS-Product Integration:** HubSpot's 2024 Customer Success Metrics Study forecasts that CS-Product fusion will accelerate, with 55% of companies implementing combined organizational models by 2026 to create seamless customer experience.

# Conclusion

Customer success metrics demonstrate clear maturation patterns across company growth stages, with distinct shifts in focus, strategy, and outcomes. The most successful organizations evolve their approach from reactive support to proactive success management and ultimately to predictive engagement models, implementing practices aligned with their specific growth stage.

The data clearly shows that investment in customer success correlates strongly with improved retention, expansion, and overall growth outcomes. Companies with mature CS functions achieve 43% higher net revenue retention and 37% lower customer acquisition costs through improved referrals, creating significant competitive advantage.

As the customer success function continues to evolve from a cost center to a strategic growth driver, leading organizations are increasingly adopting sophisticated technology, specialized team structures, and data-driven methodologies to scale impact without proportional cost growth. This transformation represents one of the most significant opportunities for sustainable SaaS growth in the coming years.

By implementing the stage-appropriate recommendations in this report, customer success leaders can optimize their programs for current needs while building foundations for future scaling, driving improved outcomes across all key metrics from NPS and retention to expansion and lifetime value.

# About Forth & Scale

Forth & Scale helps SaaS companies optimize their growth strategies through benchmarking, operational consulting, and growth advisory services. We synthesize insights from the industry's leading research firms including Gainsight, TSIA, ChurnZero, Gartner, and many others to provide actionable guidance tailored to each company's growth stage and market position.

*Methodology note: This report synthesizes data collected between January 2024 and March 2025 from the industry sources cited throughout. All figures represent median values unless otherwise noted.*

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