Class 1

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Class 3

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Class 4

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Class 1
Let's get into it. So we're actually gonna start today with a poll so that I can get to know you a little bit. I appreciate all of you in the Linkedin who posted what you're looking for out of this course in advance. But i'd love to hear from you today on scale of one to 10

with one being totally not confident, very terrified, and 10 being we are perfect at this. How confident in you or your team's ability to run the solid renewal process.

We have folks from a lot of different backgrounds and levels in this course from I see running your own book of business up to team leads to executives. So just kind of think about that context for your team or your own book of business.

And I apologize this poll. There are like 4 questions on here, and that was not supposed to happen. So please focus on the first one.

Yeah, Ignore the other questions.

and there there's nothing in them. So there shouldn't be much to answer there. But

all right.

all right. I'm going to go ahead in the poll.

Let's see if it works, or if you have the results. No, I think it's working fine. It just there's other questions for

love, this: okay, Can you guys see the pull results?

Yeah.

Okay, Awesome.

All right. So sixes 7. I like that. I like that that makes sense with a lot of the feedback in our slack group was about forecasting today, so I pivoted today's topics to focus heavily on that. So we'll get into that in just a bit.

all right. So

before we get into the day. Here's how I structured the course, and I was sitting down and kind of whiteboarding this out and thinking about what we want to cover if we have these 4 weeks together. So today is kind of the nuts and bolts. Right of building the house. Let's say we're building the structure of the renewal process, the timeline, and we're talking about forecasting. It's not necessarily the most exciting or strategic things in the world, but it's super foundational. If you don't have these things, it is hard to move forward to make sure that you have a really great renewal process and experience for your customers. So think about like the foundation of the house

next week. We're talking about strategies to demonstrate value value is a huge lynch PIN of the renewal process, in my opinion. So we're going to put up the framing of the house for and talk about strategies to show value and reconfirm that with customers as you're going through the renewal

week 3, we're gonna talk about risk. So we're gonna like, insulate and fireproof. Your house right? We're gonna think about okay, if risk is coming up as we're going through the renewal or we're approaching the renewal. And we're identifying that this renewal might be contentious or down, sell, or something like that. What can we do to mitigate that risk?

And then week 4 we're going to decorate the house. We're going to talk about leadership insights. That is, a huge part

of really owning the renewal process, in my opinion, is being able to actually take all of the data that you get after a quarter or a year of renewals, synthesize it, create a story around it, and actually share that with other people, and develop insights about what the business should do differently. Given the renewal process the year before or before.

So that's how we're swinging through these different topics. So there's occasions where you might pop in a question, and I will say, hey, that's great for week, 3, right? And we'll, we'll table it for then

before we get into more nets in bolts, I gotta talk about Gr and nrr you're going to hear me use those terms, and I don't want to fly past this, and just assume that everyone knows what they mean.

I also think that the the definition and importance of these things are changing. Given the macroeconomic climate today.

so gr is gross attention, revenue, right of all the dollars you have for renewal that signed a contract last year. How many of those dollars you're going to keep

right? That's how I boil that down. Really, simply net retention revenue is. Can you expand right beyond. So net retention is gonna give you those credits for expansion. Gross retention is a real, brutal, honest look at. Of all the dollars we sold a year ago that are coming up for renewal. How many are actually we're doing

now? For the past 2 years everybody has been focused, in my opinion, on this right. I saw board decks that had goals of 120 to 160% net retention revenue goals, and

that's because we were just talking about growth, right? Everything was good. The market was super hot. You could get. You could raise money from anybody right. It was all about growth. How much can we grow? Can we improve net retention revenue? Can we grow customers? Can we go viral right

and net retention revenue? Forgive some of the sins of churn.

You can cover up a little bit of churn by growing one big customer in a really significant way that one big customer can overshadow a bunch of little accounts, turning

so gross retention revenue. It's a little bit more honest, I would say, when you're looking at retention of going okay, if the customers that signed in 2,022,

how much are we going to renew in 2,023 right? We're not going to expand upon that.

So i'm actually hearing a big shift in the market. Gross retention. Revenue is becoming more important. Right? Your hearing, Vc. Is talk more about profitability and costs, and scalability and gross retention. Revenue is coming up in the board where more and more than it ever did in the past 2 years.

So we'll come back to a lot of these metrics definitions for them how to present them what I think about them in the fourth class of this session. But I wanted to make sure we touched on that upfront, because those will obviously come up today. As we talk about forecasting.

there's a question from Eric. Do you define? Nr. And Ndr is interchangeable? Yes, in our in, and you are, in my opinion. ndr being net dollar retention interchangeable, and how I've run it in the past, but i'll make sure to hit both of those terms in week. 4, so that if you're seeing ndr and some things you can, you can use that as well.

All right. So today's goal. We are going to talk about mailing the renewal process. 3 parts of that ownership who owns the renewal. We start there process so actually building a process.

and then 3 forecasting. There was a lot of questions and interest in forecasting in the slack group. So I pulled that forward. And we're going to spend a good amount of today on different options and ideas for for forecasting your renewals.

Alright. So a little bit of mindset as we talk about. You know, retention and ownership. I have this quote up from Gavin to Becker the gift of Fear, a really interesting book.

and oftentimes, you know, we we assume that people will react to situations. In the same way we will. We assume that if they are on the call with us. They hear the same thing in the customer's voice. We assume that when faced with risk, they would respond as we would. and the goal of today's course is to take that assumption out of this out of this completely out of your renewal process by clarifying your expectations for your team or yourself.

We're gonna focus on creating process standards and clarity so that there's no assumption right when you get to. You know the night before the renewal, and someone's been telling you it's going well the whole time. And then you finally ask, hey, Where's that contract at? And somebody says, oh, I haven't seen that yet.

right? We can't assume that everybody would treat processes, situations, risks the same way we would. And so we're we're really focusing on clarifying and setting fair expectations, especially if you're in a team management role.

When I go into Companies Series a series B, there's a lot of assumptions happening. People assume right that others handle situations the way they would.

A common dynamic is, I founders going to assume when they delegate renewals to somebody that they're going to build a process just like that founder, and visions in their brain. But is that founder going to communicate the vision? Probably not. Let's be real.

And then, when something does go awry, because it will, there's not a common trust and expectation to fall back on of hey? Why did this happen? It's a bunch of assumption that that you're falling back on and going well. I kind of assumed I was doing the right thing in this situation. I thought right. This was the right thing to do, and nobody's wrong in that situation. But it's up to us, especially as leaders to clarify with our teams

exactly what we expect, and how we would handle certain situations, so that we're not going in, based on assumption.

It's on us to define what good looks like, and to make our expectations clear. So today is all about defining what a good ownership, model renewal process and forecast standards look like, so that your team has clear expectations, and you can more openly communicate with them because you're on the same page.

So let's talk about ownership who should own the renewal.

So i'm gonna talk through some options of renewal, ownership

and some pros and cons, and we'll kind of like weigh this question together. I want you to think about your current company where you've been in the past who should own the renewal? Some people have very strong opinions here. Some people Don't: okay.

So let's talk about a Csm. On in the renewal, and my Csm. Is kind of my catch all for my post sales person. That may or may not have a quota caring role right? They're a Csm. They might be focused on success metrics along with a renewal.

There's some really clear pros to a csm owning a renewal that I think a lot of us as customers who that get fashionals know in love right? You know this. The customer knows the Csm. You don't have to create a new relationship.

The Csm. Knows everything about that customer. They've been on calls with them potentially for months or years. They got the account, history and details. We don't have to get somebody up to speed, and we don't need another handoff right it's sometimes a little bit clunky when you're trying to Exchange right mid life cycle. Hey? Here's this other person coming in. and they're going to own this one transaction or this one of it right?

But there is some really big cons to Csm. Owning the renewal.

One

Csm. Have a lot on their plate. I have never worked with or consulted with a company where the Csms didn't have enough to do

right

in a lot of situations. Csm. Are getting renewals added to their plate right now, as companies may be going through reductions in force or changing roles or thinking about. Okay, how can we do more with less? Let's just put the renewals on the Csm: I'm: starting to see that happen.

The second Con. I think that I would have screamed from the rooftops that oftentimes nobody fully recognizes, as we put Csm. In charge of the renewal. But we don't give them the negotiation and sales training

that a sales team would get. They're not getting enablement at the same pace or in the same way that the sales team get, and in a lot of situations the

they renew the sales process. Let's be real Frank. Here you are confirming value here, making sure it's qualified. You're trying to expand right. You're trying to negotiate and forecast and close. It looks a lot like a sales pipeline right?

And oftentimes we just kind of expect systems to know how to do that. And then, when they don't run it like a sales pipeline, we're surprised again. Expectations and assumptions really eat away, and our ability to do a good job there

and then 3 Csm. Is maybe hesitant to expand. Speak from personal experience. I've worked with many Csms who were personally concerned right when you step to the side after a customer call or something, they go.

I'm worried about expanding their footprint. I'm worried. It could lead to a downside in the future. I'm worried They're not. We're not gonna be able to use those seats. I'm worried. It's gonna create more work for me.

honestly. And in those vulnerable moments right you have somebody going. I'm not sure. Right then I can push through an expansion. In the same way a sales team can.

so let's flip the coin. Talk about sales owning the renewal, and I put account managers in this bucket. So if you're an account manager team that is really just focused on expansion and upsell, i'm calling you sales for purposes of this, but pros it's the inverse of the Csm. Downs. You're trained to run a sales pipeline

right. You know how to run a pipeline and a funnel. How to run a deal cycle.

too. You're comfortable negotiating and contracting. It can't overstate that that can be really complex. We've all spent a bunch of time trying to figure out. Where is the renewal contract? And what if someone wants to red line it? What do we do? Right? Those are actual processes that take up time that oftentimes don't get top billing right, but they really can bog down the team.

Third, the Csm. Gets to keep their hands clean

and some situations right with some products or some customer types, it's really beneficial to keep the Csm out of the dollars. And since negotiation, right, so that they can just focus on advocacy and and adoption, and

that rip fostering that relationship versus okay. Now, i'm going to PIN it and potentially talk about expansion or money, or we're going to get into a negotiation conversation during one of these calls

some cons. We all know it requires another hand off. Handoffs can be tricky and really challenging.

The customer may not know or trust the sales. Rep right. The customer doesn't. You know them? Are they going to be as forthcoming or as open? Maybe not.

and sales and Cs goals may not be aligned. This is something we will talk more about, and we, for we are going to talk about incentives as part of the metrics conversation. So I want to talk about how how we should pay people

as part of the metrics conversation. But if your sales and Cs goals are aligned, and they own these separately. You are going to have a world to hurt because you're gonna have people constantly saying across the room. Hey! They're doing something I don't like. They're blocking expansion, or they're over expanding, or they're selling things that people can't use. So you have to make sure those incentives and goals are aligned.

So

who owns the renewal?

It depends. It's very annoying. It's a super Cs leader. Answer. To say, it depends in this situation, but it truly depends. If you go back through, you know me on Webinars past or writing. I've done done in past. I truly think it depends

on the company and the team to figure out where ownership best lies.

So it says, 3 key factors. But I add in the fourth, where I can count. I'm just on a lot of cold medicine.

So is your thinking about determining ownership of the renewal and kind of the expansion i'll say to.

I think you should consider these 4 things, and you're gonna find in this course. There's a lot of situations where i'm giving you options. And i'm saying, Think about these things, or consider these factors, and then decide what's right for your business.

It's because, candidly, I don't think there's a one size fits all answer to a lot of these things. I have led teams that owned renewal and expansion quotas 100. They did all the forecasting, all the paperwork, all the closing.

I have also run teams that were complete Csms that did not have any part of the commercials of the relationship. Both teams were effective. Both teams were motivated and incentivized to expand customers, but the ownership balance was different.

and it depended on these 4 factors. What was the right model for that company.

So first factor, pricing and packaging.

If you have a product that has a lot of pricing and packaging complexity, it is harder to sell just fact right. If you have to go in and custom scope everything. If there is a a

product list this a mile long, right? And people get to choose how to customize it, and you need a solution consultant to demo it, and it's a massive amount of currency like money upgrade. That's going to be harder to sell

if it's just adding seats

really easy. If they can self serve and transact on their own fantastic right, it's a scale right of pricing and packaging from low to high complexity, from low to high AR. And you need to think about okay, realistically, how hard is this to sell? How long is this deal cycle? How much skill and does this take to sell? How much scoping does this take to sell?

The more complexity, the more specialized sales team. You're gonna need. It's gonna be really hard to pile that on to somebody who's also doing product support and executive business reviews and onboarding customers potentially. Right. You can't add on a really complex sales cycle

to product technicality, more complexity, more specialized roles. This goes back to, you know, if you need solutions consulted scoping. If you have to demo to different stakeholders right, think about those things are just going to complicate the sales cycle, and it's going to make it harder to potentially purchase and her to potentially sell. Not that you can't do it really, really well, but it needs more specialized roles and skills.

Third, your team skills and expertise. So this is one that you can change and influence. However, I think it's important that we all acknowledge our own team skills and expertise. Oftentimes the teams I've built for inherited or teams that i'm. Consulting with

the Csm. That they have

hired right Are people that come from consulting on boarding professional services, backgrounds.

Oftentimes they have 0

sales experience.

and we hired them to do a very specific job that was, get to know the product really deeply understand all of our use cases. Really, well push adoption with customers, create relationships that are really strong, create customer advocates, and no part in that job description to, we say.

sell things, or like really retain customers other than like I'll keep customers happy, so they renew right. And so I think we have to do a really honest reflection

of Where do my team skills and expertise lie? And if you intend to take a team that was hired for a purpose that isn't really sales focused and give them a commercial goal, right?

It's important that you enable and support them to do that. You can't put that expectation on them without training and enablement. And some people candidly will opt out and say, like, I am not that person, and that's totally okay.

So the team skills and expertise those existing job roles like. I really want you to reflect on those things when you think about okay, who is best set up at this company, and do we candidly have somebody that can really run this well and can optimize our renewals?

I've gotten a couple of questions from companies I've worked with that are going to more generalist roles. So Csms are inheriting renewals and expansions.

But I would argue in those situations going into a recession, or whatever macroeconomic climate 2023 will bring who knows? It changes month by month.

Your customers are your lifeline.

You can afford to churn and we know that new business is struggling right across the board. I'm just gonna make a blanket statement there, and that's very over generalized

but taking a key business process like renewals.

and putting it as part of someone's job, putting it on their plate. And just kind of assuming that person has the skills and expertise to run a really great renewal cycle is not a recipe for maximizing your renewals right?

So it's really important that you write down all the things the team that owns renewals is doing and saying, okay, what's competing with the attention that they could give to renewals? Are they

also a new business rep? Are they incentivized to go after new business more. Oh, it's good to acknowledge. Let's talk through what that could look like.

Are they also onboarding customers realistically? Are they going to focus on the customer that's in onboarding, hitting up their inbox, asking product questions? Are they going to focus on this renewal that's coming up in April.

the human probably going to focus on that onboarding customer.

So just be brutally honest with yourself and your team, and reflecting who's right to own this and Don't make the renewal part right of someone's job as an afterthought. Make it a really deliberate portion of their job with the right training and enablement to support it.

So

part of your homework this week let's think about who should own the renewal at your company. It might be slightly different than who's been owning it to date. You might be in a situation where you're like. Heck

the people that own it have too many hats to wear, but they have to own it. So we'll talk about training and enablement throughout the course and things you can do to really upskill them to make sure that they're prioritizing it in the same way.

A quick.

a quick few don't that I just gotta say for the room before we break for questions, and I swear we will

do not expect multiple people to own a single renewal. I have walked this walk. It is not a great place, if you say, hey, Ae, hey? Csm, you guys are going to share.

Oh, that is really hard, and that's hard. 100% of the time for almost all things right. You have to have a single owner. One person is in charge of calling the forecast. One person is in charge of getting it on time.

2 don't make ownership decisions case by case. So don't say, oh, we're just gonna as the renewals come up. We'll decide. Is it going to be the Ae or the Csm. That's a lot of work for you. It means that probably everyone's a little bit confused. They're not going to get enabled fully. You can very much do like a segment based

decision. Hey? Our strat reps. We're gonna to the strategic accounts differently than the rest of the accounts or the self service accounts definitely the rest of the accounts right. That's a policy that people can understand and follow. But if you're going customer by customer, really challenging.

and then finally, don't expect the owner to prioritize that renewal. If they don't have incentive, you would not say, hey e ae, you're running the renewals, and there's 0 motivation for you.

It doesn't require a quota. You don't get any money. They're gonna go. Well, i'm not gonna prioritize those. I'm gonna go focus on new business that retires my quota. Same thing with a Csm.

Right. If they don't have an incentive and clear alignment of goals to prioritize the renewals, then they're not going to be a priority. They're gonna fall to the bottom of the list. We'll talk more about incentives, and I have stronger opinions there for sure. In week. 4.

All right.

Let's pause here. That was a lot about ownership.

and some some things to think about.

Hit me with your questions. You can come off mute, raise your hand, come in the chat. I can see you on my other screen. Any questions, feedback or thoughts.

although I go first. First of all this is fantastic work. Really appreciate it. Learning a lot. Here I have a specific question that has to do with a friction between

i'm strategic account manager or a who has compensation focus on net new. And the Csm. Does not own the renewal.

but does get paid out compensation wise, based off of the renewal.

Okay, and how do you navigate that dynamic where aes are probably putting really high pricing increases on customers

and being harsh with the negotiation and maybe Don't get backlash because they're compensation so focused on net new

and the Csm. Who doesn't have any charge of the renewal they're getting paid out on that. But they

or the renewals down selling like, Where is the friction?

Yeah, I mean, with such a big increase for the Nrr. As you would say right, there's such a big focus on Nr: Some people might get so put off by there being such a large increase that

they may chart. and so the Csm. Has done such a great job with adoption, health, and they're sitting there like Well, why are we doing this right? So

Yeah.

Oh, it's a tough one. Retention is everybody's shop.

the entire company.

What your job is a leader is to use the data to tell that story, to show that the incentives are not correct.

because if the Csm is doing the role that we hired and train them to do.

and they are still getting dinged on compensation. Right? You are going to have a retention issue of your talent.

and you're gonna have a significant morale issue. And frankly, this is really bad for your business long term, because you've got a leaky bucket. If you're over selling your first new deal and all of your deals, then right size and month 12, and they come down to where they need to be. You have a pattern of data now, saying, hey, we're actually overselling

an overpaying upfront.

If we landed with a smaller land and expanded, we would not have an in our impact month 12, and our Nr. Is going to suffer for the rest of the year, because people are going to in our G. Rr. Candidly, both are going to suffer because people are going to downsell across the board.

So when you present that data pattern to your leaders. It's going to show 2 things. 1, 80 incentives are probably too strong on maximizing your first land things that you could do there, or one give Aes a retention based incentive or an expansion based incentive.

A lot of companies. I work with the Aes have time to expand the customer.

So you have, say, a year, or even 2 years depending upon your product deployment cycle to a that ae continues to get credit for expanding, so they're not incentivized to do this outside single time. You know. One deal right, because that's the only time they get paid

2. You can put a retention, kick her on there. If your book of misses stays and grows. If your Nr. Goes up, you're over here, you can get a cut in that.

I would then argue for your Csm. Saying.

it's great that they have some incentive based on retention, I believe in that. But are there other metrics that they should be measured on as well. For example, adoption

should that be the better, leaving indicator of them doing a really great job and doing the right thing for the company and the customer. So it's a great question. I think I will definitely make sure to hit that one again in week, 4 right when we talk about incentives for those teams

love that? Yeah. So so it's really sounded like getting these

gathering the data that we have going back to Rev. Ops and saying, there are really 2 buckets here. How do we incentivize these strategies in the correct way that'll benefit everyone. But then also, maybe there are other metrics with the Csm. That we can look at to incentivize. This is really helpful, both. Thank you.

Absolutely. Yeah. We'll talk about like telling that story to the right way to tell that story is not like my Csms are getting dinked. It's whoa this in our risk for the business? And look at all this data from 2,023, telling us the market is looking at gross and net retention like never before we have to make it a big change, right? And so there's opportunities to use outside expertise as witnesses. As you tell that story.

All right, Cambria.

Hey, Brooke, I lead our our Csm. Org at my company, paired one to one with an account manager, with within a strategic segment, and something that we have done over time since I've joined this really decoupled the roles and aligned kind of what? That responsibility is more clearly, but something that i'm running into. So it's a little bit cultural, but I think is really relevant to the retention and renewals is like in order for us to be successful as a business like, we need to have swimming.

and we need to avoid kind of like that leaky bucket. But what we're seeing is account manager is lacking sort of trust, or the ability to decouple from like day to day, like kind of latching on in order to feel like they can secure the renewal. So, knowing that you've operated at multiple stages like, how how do you position to an account manager other than giving them a ton of targets to hit, to like, align them in an extreme to get them focused on, like the appropriate picture and kind of create that separation

so that we can kind of create those outcomes.

if I understand correctly. So they're too involved potentially with the day to day operating of the customer. Yes, first time I've ever experienced it. Very odd, really interesting.

what I. What I would do in that situation is really focus on

you. It sounds like you're doing a lot of great work to make expectations clear, but transforming the role right? And this is a wide change for that team. So create something visual that represents. Here's what you're doing today. You have X amount of hours a week.

and you're spending it like this. And I know that, based on your calendars and managing you right, how you how you're spending your time if you go back

in on my linkedin. There's a post a couple of weeks ago kind of about doing a role breakdown. So imagine 2 bar charts of Here's how you're spending your time today. Here's how I want you spending your time, and here's what needs to change to make that happen, and Why, it's important to do that, and you've got to appeal to. It's important for the business.

and it's important for you and your your outcomes, your personal goals that you spend your time more likely after right. And here's why.

right? And so explaining that focusing on the right activities and those you know, could be a variety of things it could be. Hey, I need you to call down renewals. I need you to send more contract, whatever it could be, is gonna

improve the metrics that we all care about right now. So let's commit to making our our week. Our actions look more like the after than the before.

and then holding them accountable for that. So you gotta go through the the wide change and make sure they really reflect on how they're spending their current time in situations where I've seen that disconnect in the past with different roles. Really, those individuals didn't realize how they were spending their day

right. They didn't realize how much time was getting even that by things. And in a lot of cases those people were like, oh, it's no problem. I can just reply to these emails. Right? It's not. It's not taking up that much of my time. But when you do that exercise it becomes really visual. Oh, shoot! I actually spend 40 of my time doing customer support, and I would prefer to be spending that elsewhere.

Question from Daniel in the chat. Let's assume that renewals are not currently with the right group based on the ownership criteria. We went through, however, the group doesn't want to give up the renewals. What would you do to navigate this? Oh, that's a fun one, Daniel. I i'm gonna guess

Maybe it's a. Cs team that doesn't want to give up renewals. I see this. There's a lot of like emotions connected into giving up commercials or giving up. I mean, that's an emotionally charged way to even talk about it is giving up.

We you have to do the exercise of breaking down what's the right role for the business that you think will maximize Nr. And then demonstrate to all the individuals who care about the customer want to be involved with the renewal that they're all compensated off of it are

regardless.

Probably I guess.

and the right thing for the business is to get the renewals in the hands of somebody who can do the best job with them.

And frankly, that's the right thing for Everybody's Take home pay, too. You got to speak their language a little bit.

The right thing is to get the renewals into the right owner hands, and it's not about our ego of I own the renewal, and I own the customer, and I own the commercial, because that's con that's commonly what I see is, it's it's an ego based decision. It's not based on rationally who is best to own this.

So I think we'll talk more about that as we talk about strategy and enablement, about how teams can work together to strategize on renewal still. But the commercials might sit with the team that's best adept for that.

Luke has some great comments in here. I like the up votes. Enablement is for sure, key and building confidence here. Option 3 hire some renewal manual managers. I like that, too.

All right. I'm gonna keep us moving and come back to some of these questions, Emily, can you make sure we document these. So if we have questions at the end, we can come back to them all right.

building a renewal process all right. So we're still down at the foundation of the house we're talking about renewal process.

Let's get into it.

I commonly, when I go into startups to work with them for the first time. A leader will tell me. Yeah, we've got a renewal process.

and then i'll actually talk to people who are supposedly running, said renewal process and they go. Oh, yeah, I just you know I I call them kinda like 30 days before the renewal, and then, you know, i'll send them the contract, and then they'll sign it if they want to sign it. And that's as much thought as it has gone into that renewal process.

It's really important that we don't skip past this process and again assume that everybody knows how to run a renewal. So a renewal process. A really good one

has 4 key things. One uses time to drive key actions. Everybody on your time understands time. As far as I know, time, time, or facts

right. It's really important that everybody is operating off the same definition of what happens at different stages in the renewal journey, and I like to see 3 to 5 stages with beginning and end days. If you got a 10 stage process

too hard, 2 stage process not enough intel for you as a leader. At the end of this 3 to 5 stages with beginning and in dates where you're driving key actions that are time to limited. And so you're saying everybody is doing the same things at the same time

to your process, has to include forecasting. Don't. Use the stages to drive forecast. Everybody's got to make a call

about where this deal is going to go. It is really important, especially the Cs leader. If you want to hold on to commercials in versus Daniel's question, right. Or if you're trying to demonstrate ownership and mastery of your book of business, you need to be able to forecast. And so we're going to get way deep into that

3. Your renewals process should run like a sales pipeline. There should be milestones for each stage. There should be extra criteria for each stage. You're running a weekly meeting that goes through your entire renewal pipeline you are communicating up to leaders. Here's what my renewal pipeline looks like. 90 days out 60 days out 30 days out.

Here's where we're going with each deal. You are owning it like a pipeline, because you're committed right to to maximizing value for the business.

and then 3. It creates clear expectations for your team. Nobody can read your mind.

And so, when somebody says, Yep, the renewal is going Well, that's not enough information, right? You have to have clear expectations about what good looks like for a great renewal process in order for people to actually execute it. If you're just assuming that everybody is going to run about the same process.

you're going to be in a world to hurt with surprises down the line.

So renewal process example super basic. I've kind of like managed this together from different examples from my past.

but I challenge you to create a one slide, renewal, process, a renewal process to rule them all. That has a couple of key criteria, and explains to everybody

what's happening with in your renewal process. So I'm actually gonna have all of you do an exercise in just a minute where you're actually going to start to frame out your own one of these, and I know some folks have them, but i'm not going to skip past it.

What's good about this renewal process 3 to 5 stages with clear days in and out of stage, it needs to count down and work back from your renewal, so that you know what's happening. As you're approaching the renewal.

You can then use these days to create warning signs for yourself as a leader of we're approaching 60 days out, and we're not at these milestones

2. It has key activities for the team to do so. There's no assumptions on the teams part about what to do. In each stage. You have key things that you're saying, hey, check these off. If you are 70 days out, I expect you to meet with the champion. Be ready to present to the decision Maker, confirm value, and update your forecast

3. You have resources for the team with each one of these, so there's no confusion about what deck to use what forecast guide, where the contract templates line up the resources that you need to each stage? And finally, it's a little obscure down there. But that's an exit criteria.

In order to exit each stage. There are clear guidelines for the team must hit, so you do not pass. Go, if you haven't done those things.

So when you're actually reflecting back week over a week with your team about, where are we at with this company right with this renewal? And you're in the value stage one. You immediately have an understanding of. Okay. I know what's supposed to be happening at this point. Have we done those things yet. If not, why.

how can I support you right through this renewal? So if you don't have these expectations, then it kind of becomes like, okay. We're 60 days out how we feeling feeling good feeling bad, and that's a really hard place to operate from, especially at scale.

So

as you build your process. Here are the questions I want you to answer for each stage. Right? When do I need to begin this stage? How far back do I have to work. Some companies starting a formal renewal process. Right might need to be way earlier than others depending upon your product and your contract. This is going to vary again company by company and yes, renewal. Start the day. Technically, somebody signs all the things you're doing leading up to a formal renewal process are all about building value, so that the renewal becomes a foregone conclusion. But in reality we need to have a pipeline approach to that renewal day

to think about. What information will my team need? Can they find an accurate renewal? They do. They have the contract that they can renew from last, or a review from last year? Do they need data? Do they need decks? Do they need guides? What do they need?

What activities, then do they need to do with those resources. What does success at each stage look like? What are my exit criteria? What needs to happen to run a perfect renewal? And then how long will these activities take so continue to just make sure it's realistic. How long is it going to take to do these activities?

So what i'm gonna do? Oh, because the criteria

there is the exercise! Let's actually skip to the exercise here. Well, we still have that fresh in our mind. What i'm going to do

is, I have made a really fancy Google Spreadsheet for everybody that actually has some of our different exercises we're going to do today. And this is Just so. You don't have to start with some white space today, but we're going to spend 3 min actually

going through framing this out. So everybody is going to frame this out. I'm going to put this in the chat.

Make a copy. Oh, Emily's got it. Yes, thank you, Emily. But make a copy of this, and I want us to spend a couple of minutes. I want you to reflect on all right.

What would my one slide renewal process look like.

What are some key things that stand out stage by stage, day by day or activity by activity, that I really want to make sure the team hits. And my goal here is to just get us thinking, and then we can maybe share back some realizations as well.

Alright, Misha, you have a question.

Yeah, just a burning question, just because in my startup we have a team of 10. Csm: but a lot of our renewals are. Actually, they just go forward without any. If there's no a churn notice, then they just like water renew.

So a lot of my account thing fully just auto renew, and now been renewing for 2 years, and there's no really real process in our organization to kind of like. Look at these numbers.

Sometimes I look at the contract, and i'm like oh, this was like 6 months ago.

It renewed already. Right? So it's it's good. It's really good that you know no customers are leaving or turning, or whatever. But how do I think about this when i'm trying to like, think about these processes and the 4 steps? I would think about this with the assumption, you don't have an auto renewal.

because that is very commonly something that eventually starts getting red lines out of your contracts. So, while it's wonderful. It could go away.

especially this year

in new business revenue. I am seeing a lot of red lines that people would not normally agree to, because we have to do it this year to get new purchases through. So I would not be surprised if a year from now you start to see contracts come through without that auto renewal cost.

It's very common for legal and finance teams to go search for that when they're signing a contract and strike it out. There's also the option or possibility. I have had customers

for better or worse. Are you that class with me? So I would plan as if you didn't have it as if you had to negotiate. Send the paperwork and close that deal.

Got it awesome. Thank you.

Hey, Bro. There's a question in the chat for Melissa. How do you handle chasing Po s on auto renewals?

Well, this is that a question more for Misha, or how I've seen it done in the past.

I think it was more for her just in that process, because I think that's one challenge. We're seeing where they're auto redoing. We invoice. But we're not getting the Po just because everyone's reevaluating everything right now.

And so, then it's on the Csm. To keep following up on that, and it, it becomes a big time sync. It's only happened to me once where I had to get the Po, but others

I just I've been, you know, so, for lucky I guess that, like it's on, or the news that I don't even know half the times. Only one account that I can remember we had to have like back and forth about it, but it was super easy to they were able to kind of. We. We had to send them a draft quote. Then they created the Po. Sent it to us, and then we send them the original one.

So that's how we did it that time, Melissa. That's a great point. That's where I've seen this. The auto renewal not hold is even if somebody technically auto renowned, they can hold that Po: not

pay you, and then you're in a stalemate deciding. Do we want to try to enforce the contract legally and force them into payment.

or they can default on the invoice. Oftentimes in early stage startups those costs are upside down. It does not make sense to try to enforce the Po by whatever means necessary. So It's a great call out to

Katie. You have a great comment in here. This feels like a lot for an Smb tier and be able to maintain at scale any suggestion for more of a tech touch. Absolutely, I think that would be great to start to draft out. This is very much like a mid market

Ish, I would say renewal process, if I had to generalize your activities might not be

person based activities, but might be triggered of it. Activities. Okay, automated email and then a request for a call. We you can automate sending contracts to people for a signature. So I would absolutely look at opportunities instead of using a person based lens for its activities, Use the systems you have as well.

There

we'll get everybody a few more another minute to ask any questions or frame out their process. Bro: I have a question. How do you leverage data, usage and insights during your strategy phase? Would you rather do that in a different phase. Or would you

use account and usage details in the strategy face?

I I think we're gonna talk a lot more next week about when you're putting together a strategy to approach a renewal. What data signals might you need to be able to demonstrate value? Right? So, looking at usage, data

utilization of things like that, and we'll talk about that a little bit in the forecast. But we'll. We'll dive into that next week for sure.

All right. Let's talk a little bit more about process.

One thing I see a lot of processes, miss. So even if you get nothing else from today, i'm okay with it. If you have a process that doesn't have exit criteria.

then we're making an assumption that everybody knows when to move a renewal down funnel. right. We're making the assumption that everybody has done the right things at that stage, and they're able to move down.

We're also really focusing on

activities versus success criteria. So again, this is the question of what is success at this stage look like. It might be that the contract is signed, and that's the extra criteria, so you can't pass the stage until that contracts actually been signed. And all of this is really to keep your renewal on track

right. If these exit criteria aren't meant on time. You, as a leader, can then come in and say, okay, how do I support this deal more? Do? Does my individual need more air cover. Do we gotta get more creative with our terms? What can we do to keep this renewal on track?

We don't want to see your renewal start to lag after the renewal date. Then you get into some Iffy gray water about like, okay, Are we shutting people off? What are we doing? That's no fun. So extra criteria really do the heavy lifting upfront to make sure that people are moving stages appropriately

for your automated customers for customers that are tech touch. Maybe a lot of this can be automated. But you see, obviously in these examples i'm talking about, You know, Smb. Platform and market when somebody is manually managing oftentimes a process.

So some pro tips here more isn't always more. I'm not a fan of okay. You're going to do 15 activities in the steel cycle complexity can really lead to confusion around. What are we doing at each stage? And why so focus on the most important things the team has to do

to you obviously may need multiple renewal processes for massly different customers. To Katie's point you might have some self service customers. You might have auto renewal customers, and that needs to look different than your enterprise team or customers that are in contract values above a certain threshold.

So there might be some natural break points where you're going. I actually need a couple of versions of this renewal process for different teams to run right. I would again encourage you to say, if one person can. Theoretically, one run one kind of process, Don't have somebody say, okay, you're gonna run the self Service and the enterprise, for example, just

very dramatic examples there

and then 3. You don't need a system to run a process.

Spreadsheets are okay to start. So Oftentimes at this point I have been asking people like clearly, you know i'm running a renewal a pipeline like an opportunity Pipeline and salesforce. That's what i'm comfortable with. That's what I implement. And a lot of the companies I go work with. We're going into salesforce. We're going to Hubspot, and we're gonna actually start to create renewal opportunities just like a deal pipeline for new business.

But you don't need a system to run a process. You can start this with spreadsheets literally spreadsheet forecast right when the renewal they do, you can. You can mock this up without a process, and you can run it in

a very similar fashion with the right expectation. So I really encourage you to not let the process limitation hold you back for running a detailed process or something more thorough

couple of questions about the deck. Yes, you will get this deck with all of my wonderful Star Wars gifts for sure.

Some commentary about Po. All right. Let me make sure we're not passing this.

Alright Sam has another question about auto renewals when customers are up for renewal, and they have auto renewed language and their current contracts tasked his ams to repay for any customers with auto in your language. Whoo! He's trying to eliminate all auto renewal languages with a huge risk for forecasting, and not to mention inflation is out of control these days.

Really interesting, Sam. I think that's a it's a it's a good tip. I think the auto renewal works really well in times of plenty when we are in, you know. 2021 right? And everybody is cool to just keep renewing things.

But contracts are getting more scrutiny this year, and I think it's a great way to one of white red lines, and just to to make sure that you you don't have some forecast variability in there as well. All right.

Let's move in to forecasting. We're the 30 min outmark. I know that we're going to spend time here, and I know that some good questions are going to come up, so keep dropping them in the chat, Raise your hand. I can see you, and i'll try to bring you in in time

to talk about that. So originally I was gonna hit forecasting pretty quickly, but it was an overwhelming consensus and our slack channel that people wanted to talk about forecasting. So let's do it.

When you talk about forecasting with your team. I everybody just drops face right. Nobody's really excited to start forecasting sales. Reps are excited to start forecasting. It feels like a

commit a blood. Commit right, and you're being forced into taking a position on something. And oftentimes Csm is really push back on forecasting because they're thinking. Well, it's more nuanced than a number

right? I have all these relationships with this account, and there's all this data, and I can't just send that up into a number. Well, we're trying to do that right? We're trying to give a best forecast and assessment of what we think is going to happen, so that we can better plan our business.

and we'll talk more about forecast mindset, and making sure that it's a safe place for people to forecast and be honest about where they think a deal is going to end up.

So before we get into the details, pull scale one to 5. How confident are you in your or your team's ability to forecast effectively.

1 3 5, one. I've never forecasted 3. I try, but it's hit, miss, and 5. My forecast is solid.

all right, and in the poll and share the results.

All right, 3 Cool.

That is, super calm when you are among good company. My folks, especially in 3, is a lot of teams I've worked with, or my own teams right reflecting on. That is, we're trying to forecast. We're telling people to forecast. But then you end up kind of nagging on people like, please update your forecast just updated, please, please, please. And then we also realize they're not always quite accurate. So

we have a lot of people on the call, though that Haven't forecasted before.

So let's not assume. Let's start with what is forecasting right for us

one. This is your team's assessment of that customer's likelihood to renew

right. This is a numerical assessment, so that we can actually sum up and do some math on what's up for renewal

forecasts can take into account both subjective and objective components. So we're going to talk about creating a forecast guide for your team and based on your team's roles, right? And the data that you have the forecast might blend both like

perceived risk and sentiment with objective usage data. And you say, hey? Both of these things matter, and how we actually estimate their likelihood to renew

3 forecasting is super important, because it enables you to run counts on gr and error. If you are trying to up, level yourself as a leader, it is really important that you can translate all of your individual deals into summary metrics. That's how leaders say they're going. Okay, If Bob has a 1 million dollars of business for renewal, this quarter, how much are we going to keep? And how much can we expand?

And then, finally, it minimizes surprises and shows you where the team needs help. The best benefit to forecasting. When you start forecasting for the first time. Is you just start having better conversations about risk

right? It forces the conversation about an honest reflection

of what's going on at this customer, and if somebody's only putting 60 in the forecast, and you thought they were a really happy, healthy customer. That's a great piece of knowledge. You now know where the risk is, and it shows you where the team needs help.

Now, i'm gonna switch to the chat for a second, because there's a really good conversation going on. Brett brought up a comment a couple of minutes ago

about where or how early in the process to the team attempt to identify risk of churn. I found a lot of renewal conversations stay optimistic right up into the point they go. So

So one, I think every business should have a separate risk management process that's running all the time evergreen.

You should not wait until the renewal to say this customer is at risk. You should not wait until you are forecasting. To say this customer is at risk. The customer is likely at risk. Well, in advance of forecasting.

Where I see surprises is a lot of times people can have. I call them. It's a real term. It's called Happiness about. Oh, this person is really nice to me. We're having great calls, they show up. We talk about our families and our friends. They like our product.

I think that's good. when in reality, if you were to sit down with that individual and try to forecast the deal based off of data or perceived risk.

The forecast would be much lower than that person is telling you. So this is where we need to get into the data right in the details. Where is the risk at the account? Versus how are you feeling about that account because you can feel really good about the person you have a relationship with, and the forecast can be terrible. Both things can be true

all right. Come back to some of these comments

as well. But I love the the conversation we're having here. Yes, happy our ears is is a lived reality. And you you learn that the leader over the years, and it's not that somebody's wrong. They're having a great relationship and a great conversation. But it's not the reality of what's happening in the data of the account.

All right.

So what i'm going to do now, i'm going to talk through 3 different forecasting options I see. Most commonly

they're not bad or good. They're not right or wrong. They're varying levels of complexity, for sure, and some are harder to do than others like actually harder work for the team to do. But I want to take you through some options so that you get a little bit of a menu of different ways that you can forecast.

And then you can start to think about like what makes sense for my business. And are there practices that I can interpret into how i'm forecasting today. So my least complex version of forecasting. And if we're starting, forecasting for the first time with a team who has never forecasted before no sales background. This is

the tried and true red, yellow, green, right, love the regular great. It is simple. It is easy to understand. It is fast to set up what I have here essentially, and I don't know where the animations are that are. These are 3 customers in this table.

But this would be you actually requiring the team to say, hey, give me a regular greet on all your accounts up for renewal this quarter.

This hypothetical Csm. Has a 109 K. Up for renewal. They've got an account that's green, yellow, and red. What it does require you to do is to then translate green, yellow, and red into a number here, right and say, hey, i'm going to assume green accounts are going to. We're doing 100%

yellow counts at 70% red accounts at 50. So you just add a formula of math super easy to do in a spreadsheet again. You don't need a fancy process to do your forecasting here, but it gives

you an actual output of like, hey, Here's where I think we're going to land at the end of the quarter.

So if this is something, or you're like, I am never forecasting for my own individual book or my Team Hasn't done it before. This is a great starting point to figure out what we need to do. Second option

percentage scale a little bit different and a little bit more nuanced on the left is an example of a percentage scale here and on the right that same little customer matrix.

But what you could actually do is say, hey, i'm gonna give people defined percentages of what it means to forecast at each level. So you only forecast it 100. If it's a confirmed renewal, that customer is confirmed and signed.

If it's likely with low chance of contraction, put it at 80.

If there's some potential contraction, maybe they drop some seats or some products, or something like that. Maybe they've done a little bit of

reduction in force, put it in 60. So you get my gist here right. You're giving people the parameters to forecast against and saying, Go through and forecast your book of business. What's different about this is that it's a slightly more

precise, let's say. Then, red, yellow, green, red, yellow, green, is a real quick back of napkin. Math. Right

here. You're saying I want you to actually think about some potential complicating factors like product usage, data or reduction in force, or things like that, macroeconomic in fact effects. And I want you to bring that into the forecast.

So if you have a team that can move beyond red, yellow, green, maybe some people have some sales background, or they've been running renewals for a period of time. A percentage scale might be a really good way to go.

It still gets you to that same output at the end where you're going, hey? My! You know. Forecast my gross forecast as well.

80%,

and then finally, dollar based forecasting. This is the the hardest. I'll say of the 3 that I've brought forward. There's many other ways to do this.

but this actually is. Put the dollar amount you think, will renew on the forecast.

It requires more math from the team, but it's literally straightforward. Hey, Acme, it's definitely over 70. K. I actually think it's going to go to 72. They're adding 3 seats.

this playing customer, which is supposed to be Beta 9 K. For renewal. I think it's gonna come to 6. K. One team has low adoption. I think they're gonna drop it.

It can get you really precise. If the team is doing the work right. It is the easiest to report up right because you're you're starting from dollars and summing up you're starting from currency.

You're not starting from an abstract percentage. Your regular greed or something like that, and it's the easiest for including expansions.

So if you're really trying to push a net retention goal and you're trying to inject your renewal process with opportunities to expand. This is a great opportunity to actually say, hey! This, I think, is actually going up

a time of renewal. It's gonna renew for over a 100%.

Now, the method you choose matters. It's not that one method is right or wrong. They're all, you know, relatively accurate. But the method matters, and how precise you are about your forecast.

So you can see that from red, yellow, green down to dollar base. Our forecast actually changes in a probably somewhat meaningful way, because we've crossed that 7. That's 80% threshold actually in this exercise.

And this is really

high level. But I think it helps. You understand, if you're trying to really hone in on precision in your forecast. If you've been forecasting for a couple of quarters right that you could potentially put more rigorous forecast control in with your team to make sure you're getting the most precise forecast out.

So let's pass for some questions about forecasting. There's more to go. We're going to talk about building a forecast guide. There's some good conversation. We're about hard metrics and qualitative things to Assess risk. We're gonna hit that in the Forecast guide, which is great.

Jf. Says his biggest challenge and forecasting on our site is my Ams manage anywhere around a 100 of the opportunities a month, some running more automated, and others that are fully engaged.

All right. That's a good amount. So are they manually forecasting all 150 opportunities. Jeff. Book, to answer your question. No, they're not manually forecasting all 150 opportunities. What i'll do with them is on a weekly basis. I'll ask them to forecast what they expect to close.

The exercise I do with them is once a month I present to them their targets. and then on a weekly basis basis, we forecast where they are and where they should be.

So it's a very engaging process overall.

Yes, for sure do they get when you say forecast to close? Is it just based on time, like we think these ones have to come in this week with so many volume, with so much volume versus like, we see risk 3 weeks out.

Yeah. Usually we start a renewal process 120 days out, and then on a 30 day basis, we' to what we call more of a blitz mode with our our our customers that are haven't yet engaged with us. So there's a clear, I would say, definition of a customer who's in 30 days in and who has an engage with us, is is a high risk customer of of not renewing.

and from that perspective, then the efforts will increase. And so.

on a weekly basis, we follow through on those those customers to make sure. Hey, have we seen an evolution in these customers? Which stages are they in and from there? Where do you? I think you'll be closing at the end of the week.

That's awesome. All right.

I to hear that. All right.

Any other questions. Thanks for sharing Jeff, especially with that volume. That's awesome.

all right. Jeff asked you of a way to track forecasting accuracy

a little bit. Yes, it's a little bit around forecast, mindset. So don't don't book your team on this. but I do ask everybody we call the quarter before we enter the quarter, so everybody does have their entire forecast done for the full quarter, and then I, as a leader, would prison up. Here is our forecast for the quarter.

It's different in a sale than a sales forecast. I don't necessarily go in with like commit best case, you know. Expected kind of forecast I have seen teams do that, and say, hey, we have a forecast of 83. But i'm gonna say that's my best case. I'm gonna take 81 is my you know, commit potentially.

But I do encourage you to call the quarter before you actually start. Renew renewing, and then to track. Okay, how close are we to that forecast As the quarter progresses You would be surprised. Teams that know their customers can come in dead on forecast. But if you're starting to see throughout the quarter lots of surprises, it's just an opportunity to calibrate with the team and really build out some forecast expectations right? And make sure that we're forecasting from the same set of data. In fact.

Yeah.

yeah, Karen's doing that awesome. She's over time tracking what we said versus what we did. I always started that at the end of the quarter, as we sum it up. I'll bring some of my old board slides that are literally like we said we were going to do 83 we did 84%.

And so those are Those are opportunities right to show that you're forecasting reliably, or that you're improving upon the forecast as well as great opportunity.

All right. If you're struggling with forecast accuracy, right? Or you're starting forecasting for the first time, regardless, you should absolutely create a forecast guide for your team.

So do not assume that everybody has forecasted in a past role or life. Oftentimes we are working with teams that Don't have former sales, people on them, so not everybody's done this before. So first pick a forecast type that makes sense for your business. You'll see actually in our little forecast guide. There's some placeholders back here really simple for you to white, you know. Just jot down some notes as we're talking through this today.

but pick a forecast type that really speaks to you in your business, and then define exactly what each category includes.

So this is your opportunity to really create some a formula right around building a forecast for people.

So I like to think about a forecast as a math equation of one. Your usage metrics plus your risk status so uses metrics. There was some great conversation in the chat about what usage metrics could potentially influence a forecast.

There's gonna be adoption metrics like weekly active users seat utilization logins. Things like that that might really help you predict if that account will down, sell potentially some seats. And a question I always ask myself, is the customer, using

everything what they all that they purchased. If they're not using a product, they're not using some seeds. If they haven't expanded right potentially, Those are useful identifiers to say

in a time of economic recession. If I was the Cfo, that company and we weren't using something, would I try to get it off my contract. Probably right. So usage metrics can be a good proxy for that

to risk status. So this is an opportunity to think about the company's health and all of the other risk factors that play into complicating our relationships with customers.

There might be a demonstrated lack of value. Right? They haven't seen, value their implementation could have taken too long. There could be product factors. They could.

you know, have turned over the whole team and did a reduction in force are there extenuating risk factors that are going to influence this renewal

and make it hard for the renewal to come in at full value and on time.

So I see there's great comments about. We have a renewal forecast and a risk forecast. That's a great comment. I always want companies to have separate risk programs

at risk should be its own thing that doesn't live just in the context of the renewal You're looking at the at risk signaling as you build your forecast to say, hey, this company is already at risk. We were already having these issues, and I think it's going to influence our forecast in our renewal. Jen put in a great comment.

We also forecast what is addressable term versus not addressable, and am team quarterbacks, attacks on that addressable churn number hard to drive it down. Jen, would you be comfortable sharing a little bit more about how you're defining addressable and non-addressable.

Yeah. So it sorry. I'm not feeling well addressable is going to be, you know, Things like adoption, you know. Can we get other teams? Person is in our platform to use those licenses that are going unused or not addressable might be, You know it. It was a a poor solution fit. Our product is not going to be able to meet their needs.

That's great.

As we talk about incentives in week 4 i'll try to bring that back forward. It is really important, as you're forecasting that you as a leader, thinking about what's savable or addressable here, and i'm not a fan of dinging people for non addressable chart.

If that company is going out of business. They are going out of business if that company, If our product roadmap does not meet their needs, that is

correct and healthy, Ch. It's time for him to go, and there is a way to tell that story at the leadership level. So let's bring that back in in session, for as we talk about kind of storytelling and metrics, but it's a great call out to add.

Yes, and Jen says we have quarterly criteria set from the start of the year. You got to create the rules there again about like

what's addressable, not addressable to protect your team and to make sure you set clear guidelines.

All right. So forecast mindset for your team

This I hear this all the time. My husband is a vp of sales, which probably surprises nobody. At this point he runs a violent sales team, and he's constantly on the phone. He refuses to use air pods. So I hear you all the time. Don't tell me what you feel. Tell me what's for real

right. So when you are doing a forecast call with your team

or you're going through a book of business. Most of my team always historically, they start with the story, and they say I feel

I feel like this customer is going to renew it. 80%

or well, they came to the last call, and they were really excited about it. And you can be really gentle in in changing this mindset. But the the

point here is to really boil down our biases around feeling right? Feeling good. I think they like me to. Okay, what is the data and the risk profile. Tell us what is the data telling you.

and what you want to make sure I mean is skip some of this to to actually get us through

our last 10 min here.

But I want you to make sure that you're creating an environment around forecasting. That's safe. and I think that sometimes gets a back wrap. But the goal here is that you, as a leader, are trying to get to the accurate forecast, and you don't want to make it scary for the team. So nobody's forecast is ever wrong, even if you start the quarter and you get way surprised by something at the end of the quarter. You've learned something really meaningful in that experience.

So, getting accurate forecasts takes time and calibration. You have to have a really clear forecast guide. You have to have triggering events for forecast going up and down. You can expect that everybody is going to be able to do it and nail it right the first time.

So we want to make sure that you're doing forecasting in a in a relatively low pressure environment where you're saying, we're starting with one forecast, and then we're going to keep forecasting. As we get closer and closer to the renewal.

So you have a chance to revise it's not wrong. We're just going to learn more information as time goes on, and we're going to get more and more right.

You also want to create an environment of when in doubt. Forecast down, Karen, put it in the chat. Let's not be aspirational. Create a culture that accepts and welcomes risk.

You want to know the bad news as a leader. You do not want your team to hide bad news from you. You want to be able to get it out on the table in an open and honest way.

So it's really important that you are ma modeling that behavior of accepting and welcoming risk and saying, great i'm here to support you and figure out what to do about this risk? Is it addressable? Is it not addressable? If it's addressable, what are we going to do to game plan to get this renewal through.

and finally, your team will take notice of how you handle the forecast. If it's your priority, it will be theirs.

If you're just saying, hey, update your forecast from slack.

They're not going to prioritize it. It's not going to be accurate, and it's not going to be a priority to get right. So they're going to watch again your behavior and how you treat it. And if you're sharing your forecast up to leadership, and if you're using it to make your decisions and treating it with the gravity that it expects you're going to get better quality inputs right?

So those are a few kind of mindset tips around forecasting. The last thing i'll say before I really do want to open it up to questions is, I encourage people to forecast early and often

right

at the beginning of the renewal process. Literally, the first thing people do in that first strategy stage should be updating the forecast with at least some sort of number, and updating it at least once per renewal stage. If you are using a Crm, you can have that last, you know. Edited date in there. If you're on a spreadsheet, just throw in the date that you're updating the forecast, so that you know how recent this information is.

and then I love to have a forecast trigger guide for the team as well. This is just, hey? If any major info changes throughout the process. I want you to move that forecast up or down, and all of this is just about

again creating expectations for the team, and not assuming they know when to change the forecast.

That's something we often totally speed past at companies is saying, oh, we're going to do a forecast once.

and then we're gonna get surprised right at the end of the renewal, because we still have it forecast high, and in reality the decision makers been no showing calls. They've done some. Lay off since then. Things like that, right? So you need to be changing that forecast as you get new information, so I would encourage you this week as well

to really think about your forecast guide, and to think about your triggering events so negative and positive. When do you move the forecast, up or down, and how much potentially, if your team needs that level of clarity

move the forecast around.

And this means that you're not going to get onto a call and constantly have people's forecast to be out of whack where it's forecast to 90. But something someone's telling you a story that's really negative. If those things Don't match, you need to be able to coach that person and getting the forecast to line up to what's actually happening at the account.

Okay.

all right. We have sped through a ton of material. There's not real homework

for the course, right? But I would really encourage you to use

the framework the little Google sheet I presented, or if you have existing slides, use those to model up these 3 things this week, draft up your renewal process and make sure you have this. We're gonna keep revisiting and refining this throughout the course.

Make sure you have a forecast guide and some forecast triggers as well. I think that as we go through, especially the risk management session, there's gonna be opportunities to keep building upon that. So if you have somewhere to start from. It's gonna be easier for you to keep your notes in one place and keep up to date.

I'm also very open to renewing anybody at the end of the course. So if you're going through this and thinking, I gotta build all this stuff, i'm happy to give feedback along the way, since we're not doing homework and testing as per normal.

All right.

We have 5 min left, which is

shocking. We made it made it a full 90. I was originally going to talk about incentives in this in this session, too, and i'm really glad I carved that off for a future.

All right, I will stay on for a few minutes for questions. Emily did drop a survey. Please fill out the survey, and it's really helpful for me to know where you want to go with the rest of the course, and if you're really bored and need more for me, I need to know that too frankly.

But i'll stay on for a few more questions, Misha. I see your hands up.

Yeah, I just had a quick question, so I've only done forecasting once or twice in the past.

just generally, when we look at best practices, obviously the closer the better. But do we have like a percentage of uncertainty that, like you usually see in the industry where you're like. Oh, you know, around 5% or 10% away from what the actual number was. It's a good number. Or is there

Is there any percentage like that? Yeah, like a standard deviation kind of thing?

I think it it's you will be able to calibrate your own, as you do a couple of quarters of forecasting, you start to figure out. Oh, hey, we're usually within 3, you know, or something of the forecast I have, i'm. Usually without a super surprising non-addressable turn, for example, a company going out of business i'm, usually within 2 to 4

of our forecasts both up or down. That is, you know all bets are off this year, though, so like Don't feel like you have to set an expectation with people that the forecast is going to be perfect and accurate. The goal of the forecast is to get to know your renewals.

and to know where the risk is, and to start managing that risk more proactively. The goal isn't to have a perfect forecast that's an output. The goal is to get to know your deals with your team, so

make sure you're focusing your executive leadership on this is just a behavior we want to drive with the team to get to know the customers and to get comfortable with risk in our process. It's not about being perfect on the number side.

Great thanks.

all right.

Any other hands up for questions.

Hey, Brooke, Really, quickly, before everyone kind of heads out which I know some of you have. Someone asked about popping and pasting the chat into our slack channel. You can actually see the chat when you go into our recording here. I will share really, quickly, and just show you. Can you all see that

So right here and just swap over from the audio transcript to the chat message, and that is where you can see the chat, because I know there was a lot of good information in there, and a lot of good comments from folks. So that is there for you all

awesome. The more you know. Thanks. Zoom.

Yeah. I really appreciate everybody popping in with your perspectives and what you do at your companies and forgive me if I'm. I'm calling out people to speak, I will. I will call you off mute. I really appreciate you sharing the context. All companies and customers are different, so it's hard to aggregate up to just kind of one size fits all for the purpose of the course, but hopefully enough holds true for all of us

all right. And with that oh, wait, Carlos, one of the last one. I I know you're not gonna approach the incentives part, but having work with renews in the past. I understand that sometimes aes are incentivized to sell.

not to over sell, but sometimes they sell greater deals that over time are not used, and it's very common for the customers to to downgrade, and it's not only natural. It's part of a process, but how do you envision a process where it doesn't penalize

because oftentimes either renewal, reps, or even Csms are penalized for that. Don't. Natural adjustment, I would say so. What's in in one phrase what do you think it's a good process to perhaps

keep everybody happy, if possible.

I think

we should talk based on these questions in week 4. We should absolutely talk about addressable versus not addressable turn and handling it and cinemizing those differently.

So a downsell is healthy, if that customer never utilized those seats, and never will. That's healthy chart. That would. That's inflating our numbers if we were to try to renew and keep that if they don't actually intend to use the seats, or that product, or whatever it is.

And I think we're talking earlier in the course about. If you're seeing that as a trend with a lot of customers. You need to reflect that back up to leadership. So, Carlos, it's a great question. I want to make sure we hit that in week for a little bit more in detail, and we can talk about addressable and non-addressable.

awesome. All right, folks. Thank you so much for awesome participation. Please drop additional questions in the slack channel or thoughts or things you want to know. Put the perspective of what your company is doing. We all want to learn from each other. I really appreciate the participation, and i'll see you next week.

Bye, Everybody

thanks so much, Brooke. We appreciate it. See you next week.

Class 2
text
All right. So last week we talked all about kind of the the bones, right of the renewal process and forecasting, and I used a little bit of a a house analogy of like, okay, we're building the framing of of do we have the right renewable stages? Do we have a forecasting process? Do we know when our renewals are. Even today we're going to be talking more about strategies. So actually putting up the walls of the house.

And yeah, as I was building these materials. Originally I kind of had this placeholder for renewal strategy, thinking like, okay, Well, let's talk about approaching renewals and how you think about renewals. But in reality it's become a customer value meeting. We're gonna talk about customer value almost exclusively today.

And when I talk to folks in my network who are customer, success leaders, sales, leaders, value consultants, solutions, consultant solutions, engineers, everything kind of kept coming back to customer value as the driving force of a renewal. And obviously that starts way in advance of the process

that we outlined last week.

So we're gonna get into a lot of how I think about customer value, how to drive customer value, how to realize when you have good solid customer value, and when you don't, and then some practical tips and tactics that you can take forward into your upcoming renewals. And then throughout the rest of the year, swinging through each quarter. Alright, let's get under way.

So renewals come down to risk and value. And I love this course because it really forces me to think simply about communicating to somebody

what's important right at the top line. And I think what's important is it comes down to risk and value it's risk for us. If i'm being totally candid, renewals are kind of almost all downside for us as customer success people. We're getting examined right. We're put into the microscope. We have to prove ourselves.

and it it can be a really scary experience right at the especially individual level where you're going. I feel the weight of this renewal, and if it fails because I did something right this year that makes this customer not want to stay with us.

but on the flip side of that coin it's all about value for the customer. It's not necessarily a risk decision for them. Yes, there's a little risk reward. But that that comes down to value. Is this valuable enough for me to put my name on this for another year.

Is this valuable enough for me to fight for this budget right? Especially in this economic climate? Is this valuable enough for me to be a champion, but throughout my own organization, and put my reputation on the line.

So those 2 pieces are what's going to drive this week's class in next week's class. As we get into risk.

The best way to protect your revenue is to show value, and it's a little bit right to say, show value early and often, but it's honestly true. The best way to future proof, all of your renewals is to figure out. Am I showing that customer value right now.

even if that renewals in Q. 3 and Q. 4. Am I showing the customer something valuable to them right now?

So i'm gonna talk about what a typical renewal strategy looks like, and it's it's really missing the value piece. And when I consult with companies, when I come in as an internal hierarchy. Companies. Oftentimes I'm, seeing these kinds of processes play out and like we talked about last week with the renewal process.

Oftentimes the renewal strategy is all about making us feel good. The forecasting is about, you know, making us feel good and making us feel like we understand what's going on. It's not about the customer.

So we're going to switch that lens here throughout these slides to talk about how our current renewal strategy is mostly about us. It's about us, understanding and us managing the renewal versus what this experience look like for the customer? And are we driving customer value?

So typically what I see when I come into a business, and they say, hey, we're having a retention problem. And I say, walk me through your renewal process. What happens? And typically people take me through this process? Milestones, I say, okay, like, where are you discussing the strategy of the renewal like? Where are you putting together an offer in a pitch.

and that doesn't really happen until almost the eleventh hour. So usually what happens in a high touch renewal process right? Is we realize the renewal is coming up, and usually it's next month. It's never on time.

We kind of panic.

and we say, hey, Csm, am we gonna show we have to show how we got to show something we got proved to this customer. They made the right investment. So we're gonna put together as much data as we can possibly assemble, and the world's longest deck.

and we are going to make this customer get on the phone with us. So what happens in this is the mindset around this call is, I want this customer to talk to me so I can understand where we're at in this renewal, and I can feel better.

So i'm going to show them all of this product usage data. We're talking dozens of slides potentially. I have seen of product usage data. Here's your adoption. Here's your usage. Here's what this feature in this product and this thing in this team, and we're just going into the data weeds. And then i'm going to get the customer on this call.

and I'm going to show them everything they may or may not early know. Again, this data is all about us. It's for the usage of our our product right. And so oftentimes, as soon as an executive can sniff that out, they're going to go. I don't want to be on that call

right. I have to be focused on me in my business and my team. I don't want to be focused on exactly what this product right? Using metrics look like if there's a top line great, but that's not worth my time.

and so oftentimes we get leveled down right. We're down to the manager or director of someone who is

at the level of the product Usage metrics we're presenting, and we end up talking about a bunch of issues with the product. Right? You get on this call, and you start showing slides that all of a sudden it's off the rails because somebody's like. What about that outage?

Right? What about the support tickets that I have open? What about that feature that you promise me that your team hasn't built yet. So all of a sudden we're down in the weeds, doing hand to hand combat, figuring out, okay, do I have the right data to show them to combat that objection. And ultimately this sets you up per

perfectly for a tough negotiation.

Because you depart that call, or even series of calls going, we're not on the same page, right? I'm trying to show you product metrics. You don't like them. I'm not able to answer some of your questions potentially. And so we're going into our renewal already

off basis. Right? We don't understand what each other wants from this relationship, and we don't value the same things. So when we get into a negotiation we're almost speaking different languages. Right? We're saying, hey, you're using the heck on this product. They're going well. All I see is the gaps.

I just see the feature I didn't I wanted and didn't get. I just see the outage I just see the support tickets. That's what i'm focused on. So we're already in different places.

When i'm working with customers that are lower touch it honestly looks a lot like this, but in reality the timeline is super condensed, and what, unfortunately, honestly happens is, we end up just sending paperwork to customers.

and sometimes there are some really tough external pressures right on the team that make doing anything else physically impossible. If you have hundreds of accounts

right there, there's no possible way that you're gonna be able to go through a deep dive on data and tech preparation and meeting with the customer. You're gonna end up sending paperwork realistically.

and that customer is going to reflect that frustration back at you. They're going to let you know. Hey?

I got this contract. I'm still in the place of this customer. I see the gaps. I have issues I have needs or wants that haven't been addressed. So we're going into the same negotiation on rough footing of feeling like we're not speaking the same language, and we're not valuing the same things.

So

we gotta break this mold. I see this mold constantly in the renewal process, and then the renewal approach, which is like, Well, we're going to, you know. Show up and throw up. We're going to give them as much information as possible, and they're going to love it as much as we do, and then they're just going to agree to renew. No, that's about us. That's not about the customer. We need to be oriented about the customer.

If we fail to show them values, we do not earn the right to a renewal.

Why would you ask somebody to put potentially their professional brand or their budget on the line for your product, if they're not convinced of the value

realistically. That's what we're asking. You know, people to do. People buy

individuals make buying decisions, and we're asking in person or set of people to cosine. Yeah, I vouch right for this product it has driven value for me or for my team. It is meaningful in my work, and if we don't do that, it's really hard when you get to that tough renewal negotiation to recover. So what we're going to do is we're going to start today with an exercise.

and we're gonna come back to this list a couple of different times, so grab your PIN and paper your dock sheet and your other monitor whatever you need to do. Sticky

napkin. It's not fancy list.

and I want you to write down

every reason you can think of in the next like 2 min. Why, your customers buy your product every reason, big and small.

why they buy

some cool tunes for next week. So it's not 2 min of quiet.

Still. See some folks writing maybe drop in the chat a thumbs up when you're done, so I can get a sense of where we're at.

Cool

all right. 20 more seconds and we'll wrap up. Thank you for that.

All right.

let's go. So we're going to be talking about

what the reasons why our customers buy, or often that we believe spoiler. Let's do it.

So you have your list of why customers buy. And now i'm going to talk about what I think is a great value statement oftentimes like. First of all, what is the value statement

I think, of a value statement is like one sentence to rule them up. If you had to answer the why did our biggest customer by question?

You would answer with a value statement that ideally had all of these components right? These 3 things, a business objective.

an outcome. and a metric.

I met our organizational di goal by driving applications from 500 new candidates from diverse backgrounds and a business objective. I'm: an outcome, right? Organizational di goals are objective. Our outcome is, we drove applications, and we're met with 500, right?

So if you were asked about oftentimes as a Cs leader. When i'm talking to my team about our customers, i'm saying, hey, you know why this customer buy or like what problem are we solving? I'm getting a really different answer than a value statement? I'm getting a well. They need help with

productivity.

They need help scaling their processes, or they want to drive more conversions right. and it's directionally correct. But it's missing all of the meaty detail of business, objective outcome and metric that really drive change and make sure you're on the same page with your customer.

So on this left side or actual value, statements that I worked with either clients or some of my own team on

drove new business revenue by increasing outbound pipeline by 50 over 3 months. reduce voluntary attrition to increased employee engagement by 20%

before we started using this three-part value statement, everything I got when I asked somebody, hey, how is this account? Doing was this kind of stuff.

right? These are not value statements.

These are statements about what's going on at the at the time, but it has nothing to do with the customer value improving adoption.

That's again about us. Not the customer

onboarding and training 30 30 users. That's great, that's a fact. Putting in not about value. That that's driving for the organization. What are those 30 new users going to be able to do with your product? What meaningful change are you driving with that

submitting 3 new product feature requests great. They're engaged. I see that potentially as a health signal, but it doesn't Tell me if we're driving value with the current features that we have. So I want you to start really examining when you're getting to know a customer and saying, do we actually have

a great value statement. Does it have a business objective? Does it have an outcome? Does it have a metric, or is the value of our product about us, and how we think about value.

The best business objectives have nothing to do with your product

Full stop. The best business objectives are all about the customer, and They're about what the customer is trying to do as an entire organization. These are things that you might be getting from earnings calls from their website, from conversations with champions where you're going, hey? What is your team just like trying to do this year?

How are you getting measured this year? What are the initiatives that are important to your executive team.

They have nothing to do with your products, and I think it's a trap. We often fall into his customer. Success. People of saying Well, their objective is to implement our product

or their objective is to adopt this feature. No, they they're doing those things to try to get to some desired outcome that moves the needle in their business. and you have to peel back layers to get to that place. It's not about the product adoption.

So, part 2 of this exercise go back to your list wherever that may be, whatever napkin it may be on, and I want you to x off

every reason why customers buy that's product centric. They don't buy for a feature they do not buy to adopt something

they don't buy to help do more right. I want you to cross off the product centric reasons, because we're going to narrow down this list to some really good value statements that you can reflect on this week.

They buy for outcomes. Exactly, Jeff. Great comments.

Remember what I did this exercise with a client about 18 months ago. and it was my Covid.

and we all sat down, and we we had a virtual whiteboard on Miro, and we were doing the sticky thing where we put out every reason why customers bought, and this was a combined revenue team. So pre sales and post sales.

and why customers bought 2 thirds of our reasons were about. Well, this feature is better than the competitors feature.

right? And people really like this integration.

you know, and in reality it made trying to figure out why customers were buying really noisy because there was dozens and dozens of features on this really chaotic Mirror board. Imagine, like a rainbow of post it right. And when we went back and we actually carved out 2 thirds of the reasons it became really re cleared like, hey, there's like

6 real reasons why people buy right, and they weren't necessarily the 6 we were focused on communicating

or marketing, or highlighting in our calls to Andrew's Point. We were focused on pushing kind of products and integrations and things like that, hoping that they would lead to value when in reality the the 6 reasons people bought were all about their own organizational pain.

3.

So let's do a poll. I'm. Curious what percent of your value statements did you cross off because they were product or feature based. You just heard my story a customer. They did two-thirds, and that's honestly pretty standard for what I see is like half to two-thirds. But i'm really curious from this group.

from, you know, a scale of none to every single one.

How many value statements did you cross that?

10 more seconds.

Let's see just a few. I like it

half more than half almost all

cool. All right, love, that there's not a every single one

great the great starting point, and those of you for the nuns keep building that list. Oftentimes the nuns end up with a single value statement. I swear you have more

keep going. That list all right. This represents a little bit of what I expected to see, which is really cool, but i'm loving that just to feel we're focusing in on what really matters here. Awesome. All right, Keep it moving.

So let's take a pause. Here. We've talked through like value statements. We have talked through. You know what the difference between business objective value versus kind of like our product focused value. Let's pause for some questions or feedback, so drop in the chat, raise your hand. I can see you on my other screen.

Let me know what questions or thoughts you have.

Silence is either total confusion or complete agreement.

You never know

i'll. I'll just kill the silence here. But first of all, this is incredibly helpful. I think the last 2 startups where we started the account, management, customer, success, management, side. That was the first thing we said was, this has all the things to do with product and nothing to do with what the customer is actually getting so really appreciate. This would love to hear your thoughts.

You know. I think right now every Cfo CEO is combing down their vendor list, and seeing which vendor has the metrics on the left of your side slide that you had, or on the right.

right, so i'd like to hear kind of any general, I guess thoughts or use cases. You've been helping your customers with consulting them to get higher up as we go through renewals.

Did you see my deck before this? That's where we're going? You just no, it's just manageable how that happens. So I've done this exercise that we just did the right. All the value statements cross out the product once for a couple of years.

But I would be remiss if I didn't say like 2023 is slightly different. It is special right? We i'm gonna use the word recession whether or not it's a recession is somehow continually up for debate. I don't know if it's a recession. But let's just assume that everybody is doing what Andrew just described.

We know that's happening. Everybody is looking at their balance sheet. Everybody is looking at their contracts, and they are trying to figure out. Is there anything we can do without?

And candidly, my point of view is any responsible. Fiscal executive should be doing this, especially if they're a company that's thinking about laying off human beings. Everybody should be looking at their contracts very closely, and figuring out what they need, and don't mean.

So here's some ways, I think, about value in a recession, and

this is the This is like the question it honestly comes down to in my mind.

Are you you being your product, making money or saving money for your customers.

If you're not clearly doing one of those things, it's going to be a rougher ride.

So value that's about time

or productivity

isn't going to cut it, and we're going to talk more about this in the next slide. You have to get $2. You have to make that translation of either. I am helping you make more money, or I'm helping you save money.

That is the ultimate metric this year.

It always is. But I think in times that are different

productivity, time, back, efficiency things like that. They can fly and talk more about that aside. And the other way to put this question that I saw on the linkedin post. I think I shared in our slack group, and I will post Linkedin post there continually, and things that that look interesting article wise for us to kind of reflect on together.

But are you a painkiller. or you a vitamin

in times of plenty.

like 2020 or 2021 where everyone wanted all the software.

We want vitamins. We want to just do things better. You want to be healthy, right? You're listening to a podcast and that athletic Greens commercial comes out again, and you're like maybe maybe you should be healthier right.

But in times of scarcity we need painkillers right now. I want to. Tylen all right. I want to avoid paid at all costs. I don't want to lay people off.

I don't want to have to cut contracts. I don't want our pipeline to reduce. I want to avoid all of those very real pains and risks that we are all facing in this time of scarcity.

So we will do things right now. We fiscal officers. We are all doing it as executives who buy things. We are willing to compromise on the best for good enough if it helps us avoid some of that pain

like the top of the line. Mindset is gone. I've worked for companies that were like. Well, we're the premium product. Right? We are top of the line. We have all the features. We we do all the things the best. It's the best youi, and in times of plenty that's great. Everybody's going. Yeah, I want the best tool stack.

I want the best for my reps or for my team. I want everybody to love using this. We're going to get the best adoption right now. You're going. If it does most of what the other software does at half the price. I will make that trade off.

I will make that compromise.

And so this is this: mindset is a a big shift in the past few years we've we've been booming for years, and everybody's been pitching on top of the line. We're the best in class. We're a platform. We have all the features in reality. I see us regressing back to point solutions.

I'm seeing it in people's buying behavior. They are ripping apart platforms. They're going. Okay, I can get point solutions together for cheaper to just have the features that I absolutely need.

So a visual representation of this right

is this: a cfo mindset. This year I talked to 2 friends who are one's post ipo once pre ipo late stage and said, hey, like, how are you thinking about.

you know, If you, If you had all the contracts on your desk, how would you sort them? And here are the categories that come through

at the bottom of the hierarchy for the psychological psychology folks in here like me. It's like a massless hierarchy. The things you need to have to keep the lights on.

If you turn these off, the business dies.

you need finance like you have to pay your vendors. You need to pay people. You need the infrastructure. The application needs to work. You need it. You need security. It's got to be secure. These are things where and if you cut back needlessly, you would potentially jeopardize your business.

If you have a product that fits in this category, that is your pitch, for the next year is, I am a great painkiller, I will avoid the potential pain and risk of your lights going.

Not

next is all of the applications we need to run the business, so that Cfo sat down with the vp of sales and the Vp. Of products and the Vp. Of marketing, and said, okay, give me your tools that you can't live without right stack, rank your contracts. These are the things that run the business Generally

you could technically get by without them, like we could technically get rid of a Crm and go back to spreadsheets. But it would be terrible, and we all know that it would be 0 fun for anybody to experience that. But could you technically do it? Yeah.

Could you technically probably get by with less design, resources or tools? Yes, but you may be compromised on product quality right? And that's a compromise that the business might be willing to make.

Could you get by without all of your marketing applications and platforms? You need a nice events platform. Do you need that AI copywriting platform? Excuse me.

Let me know. Maybe you could get by with Docs

and going back to old school. Same thing with data. Do you need the best data visualization? Do you need the best.

you know applications to bring everything together, or can you get by with what you have.

So these are things right where you're running the business. It's core business functionality. Yes, you could maybe take a haircut, or you could get rid of it, but it would be painful to do. But it's not going to crash your business.

Third.

run the business, but better.

This is where a lot of innovation has come from in the last few years. We do this, but better we're. You know, this app, but even better right haven't. You heard that in a lot of pitches we help you be more productive.

We help you better visualize project management. We provide better enablement and training. We help automate things people do manually. Those are vitamins in a lot of ways, right? It's. Hey? You have a core way. You run your business. We're going to just help you do this better. You don't necessarily need it.

You could potentially survive without it. It would be really nice to have right. We would like to have it. But if we're making absolutely heartbreaking decisions about what to keep and what to lose, these are the things that are going to be on the chopping block most realistically and the quickest

right.

So I know we hope we will pull up next. We have a pause for questions, but I want to pause for questions here

together to see where we're all at, and how we're reacting to some of these recession based mindset differences.

Francisco. Yes.

hey, Brooke. Thanks a lot really nice resonate with Andrew said. Really nice session.

and you started with the key flights on, and you said that

in this section the pitch this year is really to reinforce that you basically cannot live without us whatever vendor we are.

I I noticed that you didn't pitch for the next ones, and we are always trying to justify.

You know that we are more essential, depending also depending on the software and or whatever company I'm. Curious how, how we can approach that. How how do we justify how we go down to this pyramid of needs essentially depending on our

what we solve for the customer.

Okay, great. What I would look at first is, you know, do an honest reflection of like, probably. Where do we stay

right? Where do we sit, and where do most of? And then where do we think we sit? And then where do most of our customers put us? Those can be really different places

a lot of companies and worked with but like no, we keep the lights on, and i'm like we we asked customers like, let's validate where we actually sit in this hierarchy.

and then to look at things that how we're communicating to our customers and pitches in our website and our regular meetings, and saying, what are we saying? We do. I don't love fear based value of like. You can't turn if you turn us off, you know

you will take. Necessarily. I had a vendor do that to me a couple of years ago, and it was technically true, but i'll never forget it.

And at any point in the future I will remember that, and I will remember that meeting very well of feeling like oh, that doesn't feel like a really good partnership that feels like a hostage situation. So it's not

necessarily saying, Well, you can't turn, or else it's saying, hey, we're helping you with these core business critical processes that we know Help You keep your lights on, and let's talk about what objectives you're trying to drive here.

So you need to make sure that when you're putting the business objective in place with the customer, you can also ladder that up on this hierarchy. If the customer's business objective is just to be more productive. Red flags

right, and the customer's business objective is to just like, hey? We just kind of want to like, scale out the team and like, do a little bit more red flags

if the customer says, oh, we're actually restructuring our processes so that we can approach a new market. That's about running the business right? We are trying to get into a new market. That is a business objective that is, company-wide.

that you can measure and that everybody is oriented to. So you can also use this framework to assess individual objectives at customers to say, okay, Well, we think we're mostly run the business for a lot of our customers, but some might have weak

business objectives that are more about productivity and managing the business better. How do we move them into this bucket. How do we get into a run? The business mindset, or even a keep? The light on mindset like, in order for us to survive and meet our number this year. We have to get into that market.

We have to go Enterprise, and here's what that would look like, and you could say great. We're moving down in the hierarchy in a really sort of healthy way.

Jeff put in the chat. I would try to get Csm. To ask, as of today. Would you renew? That's a great question.

I love that question. You have to do a one. You have to be brave a little bit because it's uncomfortable to ask that question.

to get you to those business outcomes. Right?

It's. I tell people that are scared to ask that question. It's always better to know to your point.

like you gotta know where you're You can't assume

It's a great addition. Ruth asked. How do you avoid fear based? But be in the keep the lights on. For instance, our customer can face lawsuits, so we feel that's important, but we don't want to fully. That's a great question.

So think Think about this right?

Here's how I would approach that. That problem

is you could have get lawsuits.

and that would be really scary and have negative detriment to the business. Maybe reputational, fiscal retention, wise, right? If those things happen, this would be really negative outcomes, and it's not like you want to take a slide that's like hey? Congratulations! You've avoided

lawsuits this year, so that you weren't dragged through the press. That's not a that's not a great partnership building mindset. Think of the inverse. What is avoiding lawsuits allow them to do with the money that would otherwise go there.

And what is avoiding lawsuits mean that they are free to continue doing as a business. Is it something like they can continue to innovate

or mitigate risk, or they maintain their brand integrity? They keep their team safe and retained. What are things that are the inverse of avoiding the pain that are the positive that they're freed up to do right, because they they aren't in a situation that's really really negative.

So if we break it down to like an infrastructure, or it, or security, it's the same sort of thing. It's like, hey? Security is a fun one, because you know you need it. It's it's a lot about being a pain killer and avoiding pain. Nobody wants a data breach a major hack that's super bad, and everybody deep down understands that it knows that. But

all of the security companies are pitching, hey? I want to keep you safe and secure, so that you can keep operating your business in a really efficient innovative way. It's not about necessarily being really negative. It's about what Isn't, what is being secure enable you to do. You don't even have to worry about being secure. Right? We're going to help you with that.

but it's it's a it's a tough kind of line to walk, and something you can always do with customers is when you have friendly customers, as you're forming up business objectives, or you're thinking about where you fit in this framework is? Ask customers for feedback. Say, hey, does this resonate with you.

right? We're talking to customers about Some of the problems are facing this year. I love to hear that from you, and going back to customers can be the best sounding board, because we can all sit in our offices and hypothesize all day long about what customers want to hear, but in reality. Go, go, go, stress, test it a little bit. I love being able to call, you know, some of the friendly customers and say, hey, can I give, you know.

Send you a Starbucks for 20 min of your time. Give me feedback on a slide. So always keep that in your pocket, too.

And, Brooke. I see that J. Is also. He raised his hand a moment ago and put something in the chat jail. Did you have a question you wanted this for feedback.

Yeah, Thank you for that. Yeah, it was just well, basically my my question was was what stayed in the in the chat, but really. with the with the current situation and the fear recession. You know a lot of the what's being said is, do more with less. So Can't we argue that most productivity, tools and most automation tools can actually be positioned, and to keep the keep light on as we push the really streamline, optimize our processes and make it better, so that we cut costs and do more with less.

I think it's a great argument to make, and I think that's how you potentially take the existing product that might be bucketed here and start to move it down like you said.

But your messaging is changing. For the past 5 years we haven't been talking about. Do more with less right? We've been talking about. Just do more, be more productive, be more efficient. You need to tie that to a business objective that's like, hey? Your team is more constrained. You aren't hiring

potentially in the way that you had planned. But you still have a big number. So we're gonna help you continue to be at the level of productivity. You need to be to hate your number. We got away with a lot of business like with a lot of value statements that we're just about productivity, I think just equals

inherent value. And if you're not tied to an objective of what are they going to do with their productivity, or their more time, or their more efficiency? Then it's going to fall flat right now.

I had a customer Tell me, years ago, and we're in this onsite meeting, and I we it was talking about productivity, and is a very big customer, and i'm saying, hey, we're gonna help the team be more productive and he goes. I don't want my team to be more productive if they're more, or I don't think I was talking about productivity and efficiency.

He's like. If they're more efficient, they'll just use the time save to go golf.

They won't actually use it to do more of what I want them to do. So how are you gonna make sure that they do more of what I want them to do so. Just be aware of that potential track of the productivity pitch and make sure that if you're saying, do more with less. Okay? Well, what are you doing more of? And how does that drive the business forward in a way that we wanted to do this year?

Cambria has a great comment in the chat about what Jeff mentioned right? The question would you renew today, but learned in your business 60 to 90 days out, is often way too late to turn this around, and that's absolutely true. It's better to know

you should always ask, and and that's my blanket. Perspective is always asked regardless. Would you renew. How are you feeling about the upcoming renewal? Because it's better to know that not know. You cannot assume that everything is good because we're not talking about it. That is an elephant in the room. It's not going to work out, but the timeline doesn't work in our favor here. You want to know if there's risk as soon as possible, and we'll talk about some strategies next week around risk.

But there's absolute truth, and what Cambri is saying of like, hey? If we found out at the 60 day mark prior to renewal, that there was a giant risk based on the product roadmap, there's nothing we can really do at that point. So pulling these value conversations forward is really important.

and this class is very much not about, and and maybe kind of on the right way. It's not as much about what happens in the 90 days of the renewal, but how you need to be thinking about value all year long to protect your customers.

all right. And lastly, I saw that roof came off mute roof. Did you have a question?

No, I was just thinking her for the point. I I think, when we deal with the the legality issue right now, we talk a lot about how we mitigate their risk. I think it's a good point to. We already have conversations with. What else are they doing?

Like the account managers do? What else are they doing like this year projects wise. So we can kind of refactor that into

let's focus on your other things and not worry about this.

Yeah. that's a great point.

Yeah. And and we have to. I feel like people also be we mitigate risk

we. We.

We rest on those laurels a little bit annually, Ruth, right like we assume that could be a great reason why people buy is, they might have just faced a really significant risk, and it's very recent in their mind. They're going. This had really tangible impact to us.

Yeah, we actually see that a lot of that's how we'll get them. And then at renewal they're like, Well, we'll, we'll, we'll risk it. We'll wing it.

We'll risk it again. Right Well, we'll go back out. We'll see if we can do a little bit of this with a couple of different apps. So this is the importance of keeping a new business objective. That's about forward looking

risk. Aversion can be really great as a painkiller in that moment.

right especially for a new purchase, but on an ongoing basis I've worked with Cloud Security teams, and they're like well they just know that if they leave us they could be exposed to risk. And i'm like that's not a real risk anymore. Once they've been with you, assuming nothing bad has happened in the past year or 2 or 3.

Right? It's not really painful, and it's not what's going to move their business forward. So you have to be having those conversations that your team is having about. What else is going on in the business.

Gotcha. Thank you.

It's a great point.

All right. Jeff has a question in the chat. How do you keep track of the unique metrics that come up during the Value statement, discussions with customers, and whether or not you are reaching them. Oh, it's a great one.

I have seen this one. This is really hard to solve. Jeff. and oftentimes when we talk about metrics, tracking people kind of default to product usage, metrics and things like that like is adoption going up. It's utilization going up, or things like that are I? I would consider table stakes to will somebody renew, or they even just using the products. But the business metrics, I think, are really meaningful. And

you know this would be things like. Did you drive that 30 more pipeline? Did you drive the 500 more applications or things like that right that that have the impact on the business objective the best way I've seen this done. Well. One I've seen people do this in like

account plans. So I've seen manual account plans, and I seen digital account plans, and those would be as simple as potentially an account plan section of a Crm. That's got, hey? Business

Objective. When was it last updated? What is the objective? And then some notes? I have seen it in

customer success and systems, right like insights and catalysts and things like that where you're able to actually build in. You know a a section that says, what's all of our value? Conversations? What value proper we attach to? How will we measure this value?

So there's ways to capture it, and we'll talk a little bit more in a couple of slides about future looking value, and you'll actually see examples of some stuff my clients are using. But this is a hard problem. Honestly, a lot of these metrics. They come up in conversation.

and they come up in calls. You have to be looking for them, and the team has to be really good at documenting them, and really diligent. But it's still pretty manual. In my opinion. Anybody has a way better idea. Please drop it in the chat. But I commonly see this in account plans or crm sections or things like that.

All right, let's keep it moving. So a quick poll. Your customers treat you

like a painkiller or a vitamin. And this is just for your reflection

to think back of like, okay, do we have the pain, failure, tendencies, or the vitamin tendencies.

and if we look like a vitamin, how do we maybe navigate a little bit? We're becoming a painkiller. All right.

Let's see.

50 50 ish around generously. This is what this is a typical for what I see.

and especially a lot of us, are still using messaging from the last couple of years. We are still using messaging that says, help you do more. Be more efficient. Be more productive. You can, as Jf. Said, focus on changing that messaging towards painkiller messaging.

and you have to. You have to be deliberate about navigating that change. Don't. Just go on one and do more with less.

Really, think about what is being more productive with me, Allow your business to do to avoid paying.

All right.

so go back to your napkin, your list, your dock, and circle. The reasons that are still left why customers buy that are painkillers, because those are the ones that deserve additional thought from you. This week of like, okay.

this is a pain killer reason, and it's not product based. And that's the reasons that you want to start to orient your team around. You want them to listen for on calls as we get into uncovering value. These are the ones that are the golden nuggets that when you hear them on a call You're going, Heck. Yes, that's what I want to attach to for the next year.

Pause early for questions. So for the sake of time I am going to keep us moving at this point, so please continue to put them in comments. Raise your hand. I can see you

correct. So we had some good commentary in the chat about hey? Asking some of this, and doing some of this value. Work at the point of renewal is a little bit too late.

So driving value for customers is definitely a long term strategy. You are risk proofing future renewals. When I work with a client and we start doing stuff like this. I say, hey? Candidly, the stuff that we're doing right now, that's for Q. 3. Thank you for at soonest.

It's not going to necessarily move the needle immediately.

and I fully acknowledge that's not the reality that all of us have.

But I want to empower you to think about this as a long term investment. This is massively critical that you still do it just because it doesn't yield results. Now.

doesn't mean we shouldn't do it. And that is way, way, way easier said than done, because we are all under the pressure to be like. What are you doing about the Q One renewals now, right. What are you doing about the renewals next week, and we'll talk a little bit about that, especially in the risk meeting next week, because, real realistically, those open renewals are risky.

But this is about. How do I not get into a bunch of at risk? Renewals in 2, 3, and Q. 4, and you need to be able to manage up to justify. Why, you're investing in this sort of thing with your leadership and say that you are risk proofing future renewals. I just. I empathize here because I have been that leader where i'm going. Oh, shoot! I'm not able to plan out for things that'll pay off in the future because my executive team just wants me to focus on the now, and you've got to see it shift out of the now mindset and say, what am I doing? About 2, 3, and Q. 4.

That's going to pay off right?

So what I want to challenge you with this week is, you have your set of value, statements and business objectives that are not product centric, that Orient more toward being a pain killer. And I want you to reflect on your customer experience the whole journey.

and I want you to start to think about. Where can you bring moments of value into the entire customer experience, and some of these

far proceed any sort of renewal conversation.

And you should be having these moments of value in these conversations about, would you renew essentially much sooner than the 90 days of hey, we're officially on the renewal clock.

The best favor you can do for yourself is with your customers that are onboarding today, setting up clear value from day. One

don't let another day go by where you are not sure why they bought. or the sales team is giving you some real real generic, you know. Example, right for summary statement.

move forward with the trading and the deliberate choice to say customers moving forward. We're going to have really clear business objectives and value, for

you can also do things that are quick wins like implementing pain killer features. First. If you have a super long tail product implementation.

right? Or there's ways that you know. Hey? We have an aha moment. If we get this feature into the users hands. Maybe we should rethink the implementation to oriented toward delivering something valuable and pain alleviating

quickly.

There's a lot you can do in activation and adoption as well that we don't do, and that's often because we don't understand the value statement we do celebrate adoption with a lot of customers. We say, hey, your team is here, and we want them to be here. They're at 60, and we want them to be at 80.

But when we kind of fail to celebrate some of those milestones and say, hey, this is where we're at. This is great, and we also fail to translate that to value great you are this adopted, or you're this activated. So what what does that mean, hey? We're one step closer to achieving your value? Right?

I want to share data with you. That shows we're making progress toward that value. Your team is engaging right with prospects, and that's directly laddering up to your value statement to drive revenue or to drive new pipeline.

So you need to be making sure you're reminding them. Then, hey, we have that value. We have that shared goal in mind, and we are making progress toward that goal.

The other thing you can do is a lot of advocacy work, and I find that in in times like this. We often let this stuff slide because we don't need to have it right to keep the lights on. So we say, okay, we're not. We're not going to do as much customer marketing because it's like really hard, and it's somebody's evening weekend job.

and the community is hard to administer and marketing is just really focused on new business, so they're not thinking about t studies and testimonials. No.

don't let because you go. Don't let have a because you go.

Advocacy is a slow burn, and it is a long term. Yield right, because making a customer and advocate now. But that will pay you back

in both retention, right of that account, but also new business expansion. People move jobs rather frequently. People are repeat buyers of technology that makes life

better for them. It's a very important. You're still remembering that people make the buying decisions, and there's opportunities to drive advocacy. Advocacy are critical, especially if you end up in an evaluation of the future where all other things are equal. Your price is equal, right. The features are about equal. They're going to buy from a

a company they're familiar with. They had good experience with, and they can vouch for ways you can drive advocacy. These are at any point in the time. It's community engagement. It's social proof. It's case studies and testimonials. And we're going to talk more about confirmation bias. Here it's a reference programs a customer giving a reference is constantly talking about how valuable they are to your business.

or how valuable you are to their business. Excuse me, that's huge. You can also reward them with advisory opportunities. Hey? I want you to be on our board right Customer Advisory Board. Early access user groups. Give me feedback engage with me by Directionally, it's a relationship. People make buying decisions.

and because we're people well, he was.

and we don't always make the most rational decision on the planet. We make a lot of decisions based off our own intuition before I was a business person. I don't know how it's best to describe that at this point in time.

I thought I was going to be a psychologist, a clinical psychologist. I have a psychology degree, and then I realized I really didn't enjoy working in a psychology lab very different environment. But it's fascinating. How so many of the tenants of psychology, of social proof of confirmation bias hold true and things that

in our interactions we have with our team, with our employees and with our customers.
So when you're thinking about ways to infuse value

in your customer experience. Think about the power of confirmation bias. What confirmation price is is the human nature. We seek out information that confirms right, our beliefs. So we're going to seek out information that confirms. Oh, I feel right.

I made the right decision. This was a good call. It aligns with my beliefs, and frankly, we tend to ignore evidence that contradicts our beliefs. This has many implications socially. But let's just zoom in on the business application.

It can be such a powerful force for good.

Hey, Customer, You've made the right buying decision. Your team is loving this software. Here is some quotes I have from your team.

Look at the the proof of all these other people who are buying alongside you in this community. They all feel the same confirmation that you do. You made the right choice.

You can use this power to help reinforce the value right of your software, and also to to frankly be aware of the risk when you and your customer for are coming from different biases. We work for the company.

We believe in the software. We love the product. We're going to look for information that confirms that we're going to have potentially happy years like what we talked about last week. Our team is going to go Well, the customer said they really liked this thing. So I feel really good about it. That's confirming that they like the product. And thus they're going to Redo.

So your team can use this construct to also ignore things that challenge that belief right? If a customer has a belief that's negative or a bias that's negative.

hey? Yeah, people have adopted. But like I've had issues with some the support team.

and they have a building my product feature that I want, and i'm feeling like it's just really expensive.

If they're looking for, then evidence that confirms those beliefs. We have to reset their beliefs to say, hey, this actually is valuable, and that is a hard thing to do right when you already have somebody that's in in, they say, or camp.

because they're gonna look for evidence that confirms their bias on the world. So I think this is really interesting when you're working with a a company, or especially if you have

enterprise software and you work with a team of people. Right? Envision a a customer of yours that has, maybe, you know, 5 6 people on their side who are making decisions about your product on a a monthly basis.

There's people that fall into different camps of biases, some that absolutely are fan voice. They love your software they forgive you when it goes down. They do not care that you don't have all the features. They are on your product Webinars. They love it. They're looking for opportunities to continue to confirm their love for something. And then there are people who are just a tractors right, and they're going. I it doesn't do anything right

every time I log in. It's really hard to reset my password, and I don't like dealing with the support team, and they can be having technically the exact same experience factually, but they have really different biases wrapped around this. So I think it's really important to acknowledge where people are coming from and trying to meet them where they're gonna happen.

Candidly, it's really hard to turn a naysayer into that that fan of the software but you can do that through a lot of advocacy programs and working with people. But the first thing is just acknowledging right where they're at

all right. We have a lot of chat happening. So let's take a pause. All right.

Asha. I'm: so sorry if it's if it's not Asha. Thank you for highlighting advocacy and community I'm curious with the groups experience their organs around the last bullet and the last pull out with customer advisory opportunities like

for it's user groups, early access groups. Should you want to come up mute and share a little bit more about what you're how you're thinking about that right now.

Yeah, Hi, Brooke. No, this is all really great, and, like I said, loved to see that third bullet on your slide as someone. So i'm coming from a place of someone who's looking for my next

opportunity. And you know my sweet spot is that one to many. It's around community digital scale.

an advocacy. So

the conversations I've been having with organizations, you know, has been all over the map in terms of someone like the Cro is seeing the value because they're needing to meet an expansion target this year.

probably unlike any other year. And you know, whereas you know the head of customer success, or the head of marketing isn't necessarily fully bought in because they're they're thinking of it. Well, we're gonna double down on our traditional one. Cs model. We're gonna double down

on our demand. Gen: so i'd love to kind of get a sense from the group here as to what their organizations like you've presented. Here's what you should be doing, but i'd love to get a sense from the from the group here on what they're seeing their organizations actually doing.

I don't know if we have enough time for that.

I think. Let's have people think on that. I would love for drop it into the chat thread that we have going.

and I would encourage you to the future of Cs looks different

than where I came up through right, coming up through really high touch, complex travel, enterprise super deep one in one relationship. That's not the future of Cs.

Jay Nathan posted a fantastic linkedin article or a linkedin post, maybe 2 days ago. That really talks to some of the things I think, that you're trying to solve for around scalable Cs. How do we create relationships with scale? How do we use the network effect to our advantage. So I think that that would be a great.

It's. It's the next frontier. And candidly.

I don't know that I worked with a lot of companies that are doing it really. Well, I feel like we're just on that tipping point. And that cost of figuring out okay, like scalable Cs Isn't: just removing a resources and then putting out some articles and hoping for the best. We're we're getting more deliberate about how we network customers together and engage in different ways, which is really cool

but different class. I can talk about that separately, but great point absolutely

all right.

So this is a reminder to seek opportunities to remind customers why they bought and demonstrate success. So a lot, again, of our renewal process, or just our general process or onboarding processes, our our our core risk management. It's about us right like we're trying to manage risk, or we're trying to get the customer launched.

Look at your processes and examine. Are there opportunities to inject moments of value and demonstrations of success and bonus points? If you can do those things at scale in a way that's like product driven

community led, user led things like that.

So while we're also collaborating on this, think through like, what are ways you demonstrate value to customers, I'd love to hear from you in the chat today or in our slack thread. We can kind of start a thread later about like creative ways. We've shown value to customers. I have a few in my pocket

that I can drop in the thread because a lot of how we've done this is is one to one hand to hand combat. But I've seen some companies start to bring out some really innovative user groups and experiences for customers that help drive and reinforce value without a human having to lead it. So Bonus points to answer the scale. There's no point systems. There's not a great, of course, but like

good on you because you're heading into the future in the right way.

Great

we are at the hour, Mark, we're doing pretty good, but i'm going to keep us moving. Keep dropping questions in the chat.

So it's a top of the class. We saw those 2 renewal strategies with the little emojis that were mostly about us. So let's talk just a really high level about building a better renewal strategy and some opportunities to drive value conversations with customers.

Now, i'm fully aware that what i'm about to show you isn't necessarily the most scalable thing in the world. But I think there's definitely ways that you can think about. How does this match the different segments of my business, and where my customers are at? And then what customers is this worth doing

with right? What has the biggest impact on our retention potential this year.

So here's what I think a better renewal strategy. Looks like one.

The 3 questions you ask your team. This is your internal prep and your internal strategy

2. You send the data asynchronously to your customer. Yes, you have a ton of product. Data. Yes, your team really likes looking at that product data, and somehow there's never enough of it. However, is it the best use of time on a meeting? No.

So get creative about sending the data, Async, and we'll talk about how to do that.

3 have a value focused meeting. So, instead of having a meeting that's going through 8 slides of charts.

How do you have a conversation with the customer? That's about uncovering their business objectives, and then finally moving through contracting. We'll take more of contracting and risk next week. But ideally.

all of these steps are about getting you and the customer to the same page and understanding of the business objectives before you talk about a contract.

so the sooner you do these things the better. But you don't want to go into that negotiation or contracting process kind of making assumptions still about, hey? I think the customer values the product we're going to know by this point.

Right? So

let's talk about the 3 questions I ask my team when we're talking renewal strategy.

One. Why did this customer buy?

Oftentimes this will lead to panicked crm searching and looking at the Crm and saying, Well, the sales team put here

that they bought to do more. And you're like, Well, you have this customer for months. What are you talking about? The answer there is, we know we don't know why they bought

It's not a good business, a good enough business objective to tie to a real business value, avoiding pain, keeping the lights on right running the business.

This is all about knowing right. Do we really feel like we know why this customer bought what was keeping them up at night

prior

to purchasing what was, what was the initiative that they hoped to advance? That would be meaningful to their business. So why did this customer buy? Oftentimes you're gonna get a super canned answer about like, oh, it's value prop 3. It's data sharing.

or whatever, and you're like. No, no, no! What? Why is to to sharing important to their business? You have to peel back the layers here.

and the first

few times through You do this with the team. You may not be getting really deep answers, but this is all about learning right. We're going on a journey about how to learn to get deeper with customers.

So second question then, is, if you do have a good sense of why that customer bought? Did they achieve their goal?

Did we do it

right If their goal was to drive pipeline, Did we hit the numerical cool. and do we know that or not. It's okay. If we don't know we're gonna go ask.

and then 3 have. We shared that with them? If we know they hit the goal if their goal was to drive the pipeline, and we can see in the application that they did do that thing. Do they know that?

Are they on the same page with us. If I ask them, did you meet your goal? What would they say?

Right?

So these 3 questions

open up a a much more open and honest conversation, I would say with the team about like, oh, where are we really at with this account? And do we really know when we're day to day supporting an account we're often super focused on.

Okay. Well, we're implementing that product, and then we're doing this thing. And then we're doing this thing, and we're

following kind of like a secondary deployment plan in my head when I talk to somebody.

so i'd say, hey, how is adobe doing as a customer. I get a story about all of the different things they're doing. and it's not about why they bought and did they hit their goal. And oh, they love the product they know. We drove this revenue. Our next goal is to do this thing right.

So you, as a leader, need to start coaching to these questions and setting the expectation of like, hey, when we're doing a a review of accounts when we're talking about renewal strategy. I want to really get to the root of the business objective. Don't give me a rundown of a project plan.

don't tell me all the activities. Don't tell me. Oh, well, they're like no showing a lot of meetings right now, so like i'm not really sure. No, no like that's that's red flags across the board. We have to get deeper into these 3 questions, and these simple questions can be really helpful to uncovering right where they where the customer is really at.

So you strategize with your team. You get to know, hey, wh, how how solid do we think our footing is?

And then I like to send important data asynchronously to a customer.

This you can do as part of a renewal or any point

in a customer journey. Yes, you probably have product analytics in your product. Yes, we probably want customers looking at them on their own. Our customers doing it. No.

a customer is not going into your analytics unless they have a business purpose to do it. They will not go in unless they think there is an issue.

or they're approaching a renewal, and they're trying to put together a business case potentially without you involved. They're not going to look at your analytics regularly, just to my general very broad generalization. So what we end up doing is saying, Well, the customer is not looking at the analytics, so i'm going to schedule that meeting where I show up and throw up.

and I just take them through every single analytics that I have. And sometimes the customer actually requests that because they know they haven't. All looked at the analytics.

but that is not a good use of your time with the customer, your time with the customers very, very limited, especially an executive.

There are applications that I really liked as an executive. I was a big fan. I was a referral for them. I would go to events and and be a marketing reference. I would not get on a business review with their team, because I knew they were gonna take me through like 17 dashboards, and I didn't care.

And I think we just have to kind of own that as customer success people that meeting is dead, and

but it doesn't solve our problem. We still need people looking at this data. It's still important. Yes, it's table sticks. We need to know that people have adopted the product, used it whatever.

So what I would do is figure out a more creative way to get this stated your customers.

You can work with your product team right to make this truly product lead, and say, hey, we need to do auto-generated our ports.

We need to do things that scale we need to do in app tutorials. But realistically like if the product team focused on things like that this year. Probably not.

So what you can do is say, hey, Team spent 10 min scaling out a way that you do a demo

of the actual analytics. And then you ask for the value focused meeting and say, hey, i'm going to show you all this data now it's recorded on a video, so you can send it to people. You can share it as you want.

You can revisit it. But when we meet next week I really want to focus on a conversation with you about value. So here's what that looks like. I'm going to pause for a minute.

All right. I'm still sick. I have a cough drop.

Keep everyone all right. So this it is potentially way more powerful for both your Executive and your project team.

hey? I have all this cool data.

I have built you a loom video or a cloud App.

i'm gonna walk through. I've got something interactive potentially.

There's really cool stuff out there, Dex. You could send ahead of time

that you can say, hey.

you.

instead of walking, using our really critical time that we have together

to walk through a bunch of data that you can internalize on your own. Use this to Orient yourself. Get on the same page of your own data. and then

let's meet next week to talk about value

and have a conversation that really, truly does have to be interactive. Most of the Csm business reviews I sit on or have that on. We're the cost. This customer success manager, just talking at the customer

right

here. This graph. Here's what this says. Here's this graph here's what this says. Here's this things that you've done this year. Who's about says? And you want to make sure that the meeting we're asking for is actually going to be bi-directional.

So we'll talk about how to do that!

Give me one moment.

But 90 min is a long time to top you. Okay. So let's talk about value focused customer meetings. The meeting you're gonna have

has 2 parts and potentially just 2 slides

you are going to reflect on this year's value. So this is where you do know the business objective for the customer. and then you're going to move into the future. and you're going to align on the value for the future.

And this is how you risk proof your renewal. because way in advance

of actually asking for the renewal. You're saying what's coming next? Right? What's the next goals? How is this changing

with new initiatives? If you're starting

the biggest complaint I get from Csm is when they're prepping for renewals or business reviews, or anything like that

they have to put together these massive slide decks and your reality. You're just putting together talking points to facilitate a conversation.

The conversation is the money here.

right? You want to flip that talk time

from 70% Csm: to 50% customer, right? You want them engaging. So you have to train your team to ask questions.

Here's what a real reflect on this your value slide looks like for one of my clients.

It's anonymized kind of. But here's what it looks like.

So this is the one slide we show customers that actually says. Here's what your organization achieved this year. and the beauty of this slide. because it takes the team about it

35, 40 min to assemble. They pull some metrics from some benchmarks. they pull some numbers for their projects.

and in reality

this is all about drawing from that relationship.

and all of their history with the customer to say, do we have a really solid business, objective and value statement to put up here?

And if we Don't, this is where we need to spend time asking a ton of questions of the come Customer. Hey? Here's what I think you achieved this year. What did you achieve?

How do you feel about these goals.

or put an article in our slack? Thread a post by Kevin Dorsey, because the sales leader down locally near me. all about making the customer hold the value.

and he has this great visual image of like, you know, when you're walking through the Mall, and there's like all the kiosks.

And maybe you guys don't go to Malls anymore. I'm old, I don't know, but people try to hand you things right.

They say, hey, have you tried this?

And they try to hand you a product. They want you to hold it Once you're holding it, you're suckered in because they literally don't have to take it back from you.

You weren't literally holding the value. And you have to think about. Oh, okay, Like, I have this thing in my hands. You want to do the same sort of thing here, and a less push away, I would say.

of having the customer hold the value, have them own this. See how do you feel about this? What else? What are other outcomes that you've achieved this year?

And the best Csms have this presentation in edit mode, and we live editing and adding as we go, and they're going. Oh, okay, you're telling me things I didn't even know. Tell me more about that

right? What did it feel like to achieve that?

And that is so great because you're getting the customer to co-author the value with you.

They're holding it. They believe it, too. It's not just what we think. It's what they share.

Come next. Question.

All right, have you? How have you handled a situation where the customer doesn't review the initial metrics video that you sent

that you sent through, and then asked you to go through that value in the conversation.

and we'll get just a moment to answer that question.

All right.

Nobody wants to see me pull my nose so sorry.

No worries Eb: Great question customers. I wish they would cooperate 100% of the time, but they're busy, too.

so one

I will get some shared commitment from them of hey? I I really do want to talk. What do we respect your time?

And I would try first to see if I can have the value conversation regardless.

and say, hey, I Still, I I really want to make this conversation by directional. I have some key questions for you. and I want to talk about your value and see if you can have that regardless, and get their commitment to watch the video after

and say, oh, my gosh! All that information in the video, and i'd be happy to meet with you again if you want to debrief it. But I I really do want to talk about value.

So see if you can divert if you can't, which is very realistic, I would get commitment to say great. I'm happy to do that. But I need another meeting with you next week, or in 2 days, because we still have to have this conversation.

so you can agree, but make the ask to say, I still have to have this conversation with you. I don't want to let you off the hook, so schedule it first.

Don't go into the deck. Don't give them what they want. Say, are you free? Friday at 10 for the value Conversation

Great, All right. We're scheduled. We're booked. We're off the calendars. Now i'll take you through some data.

right? So just make sure that you're making that ask. We tend to be a little bit. You know we we like customers. We care about people or people people in this job, and and Don't be too accommodating where you're like. Oh, absolutely. I'll just show you the data, and then i'll email you after it. Beg for that value. Call. It's not gonna happen.

It's not a committed customer.

Sorry. So that's your one slide. Looking back

again, I challenge organizations. A slide.

It's all about the business objectives. It's not about every graph. It's not about all the adoption. Sure you can put some data on it. You saw some time savings benchmarks. You saw some product numbers on it that were summary.

but in reality it's it's it's not a show up and throw up. We're having a conversation about what what value do we drive this year, and we're having the customer collaborate with us

all right future value. So this is the second part of your 2 slide deck. It's all about crafting the value statement for the year to come. The sooner you could have this conversation with a customer

preceding a renewal the better. Right? You have to have time

to. I think

some points in the chat earlier about. If a risk comes up at day 60, it's kind of hard to Orient at that point sooner, you know the better.

So this is where you are showing your you're teaching your team to ask lots of questions and be curious. Curiosity is one of my top hiring traits for Csms.

and they always want to know why.

Right? Why are you doing it that way? And then how are you going to use them?

So I challenge people to almost always ask a follow up question

when somebody gives you a statement. So what that would look like is

all right, like, what are your goals for the next year.

and someone would say, Drive more pipeline again.

and you would say, oh, okay, like what kind of pipeline? Why is that a goal now? And they'd say something generic. Well, it's always the goal

it was. Is there anything different about this year? Is it going up by a bigger percentage? How much can you share more? So my default here

is oh, that's interesting. Why is that? Can you share more?

People love talking about themselves?

You can really get people going and sharing more about their goals.

If somebody says something you didn't expect, hey? That's really different than what we last discussed.

What changed can you share more. That's a new initiative. How will you measure it? That's a big change. How does it impact you?

And you have to have really great active listening skills.

I mean you're a Csm. With a 40 slide deck. You're just really focused on getting through your 45 deck right? You're not in the mindset and we're having a conversation, and I have put my active listening years on.

and i'm going to respond to my customers and actually get to understand why and how So it's a really different mindset that a lot of the meetings that we have

the candle here about us just like sharing as much information as possible, and being like, got it Good! Great. No, we're we're actively listening in this meeting. You don't need a ton of materials you need active listening ears. You need the space and time to think, and you have to actually seek to understand.

Now, the money question here is, say you get down to a really great business objective.

Okay, we're driving new pipeline, and we actually really want to go up market

because we think that's going to minimize the most risks of the business. Our enterprise customers are the ones that we're retaining year over year, and they grow the best. So we really want to drive 30% more pipeline and enterprise.

And you're like awesome love, that very, very great business objective.

How can we help you meet this school?

How can my product help you meet the school. You don't have to solution. You have to have the customer help you solution.

How do they envision? How you could help me that goal. If they say i'm not sure right. You can work together on like, okay. Are there certain features or there ways that we can get to this place.

but they might already have ideas.

and you want them in their mind to start thinking

you are going to help me.

It's that place You're going to help me meet that call right? We're gonna work together on climbing this mountain.

So here's what this looks like for that same customer. It is the simplest slide in the world.

I'm target for next year, and it's based on what I've heard from your team

right in this situation for this client. But

the organization is focusing on these priorities business objectives. They are important because outcome.

and we'll measure our progress by metric. and the best slides are the best value statements again, these 3 parts.

And right now, what this client is doing is, they go to these meetings with this blank.

Well like

they don't know, and it's okay. You can put a draft in here. You can put what you think. And then you say, here's what I think. what a you think, customer, what am I missing?

What else?

And you work with the customer to help them own and hold the value and help you define the solution here.

and if you're missing a key piece of this.

you're telling me we have to increase our focus on Csr: Cool. I can help you with that. But why is that important to your business?

Why are we focusing on this now? Why, now, why change

right? Oh, talent, retention? Oh, do we have a problem we tell retention. Do we have a problem with company values and representation like, what? What? How does this drive meeting for the company?

So there are 2 sides.

literally 2 sides, and it's not about how much prep you take. It's about how great you could be a listener in that meeting.

and I love call recording for this purpose, if only for a talk time counter. So I know how much time I spend talking

versus how much time my clients been talking, and what success looks like is 50% customer talk time or more. I want them to lead into this to participate in co authoring what value looks like.

So your your questions here are in this last slide. But the money one here how can we help you meet the school? How are we gonna help, because that then becomes your plan. Your Csm. Has that roadmap

after this meeting? They say great, we're going to go. Do these things to help you make this call. So when you go, actually ask for renewal. 2 months down the line 4 months in the line, whatever it might be. You're going great. Here's our progress toward the goal. And here's what we're working on. And here's the kind of outcome. It's going to drive for you

all right. That wraps up

all of our sites with 6 min to spare way less lines than last week. Still, just as long mind blowing your homework

this week is to write strong value statements for some of your key accounts. This is a muscle that gets

stronger as you practice it. Like all vessels great, so you need to start writing some down. So just think about some customers. Start asking your team the 3 questions and start to train yourself to look for strong value statements, especially as we head into the risk meeting next week.

Because, candidly.

when you don't have a strong value statement, that's when you're going here we go risk right? What are we going to do about it?

All right?

Jeff has a quick question. How would you help a customer be prepared for this meeting. So when I make the ask, or I suggest making the ask for this meeting, as you make it clear, we're going to have a conversation around future value. and you could ask the customer who, from your team needs to be involved in a conversation of that stature

right

for enterprise solutions. There's a chance that you have this conversation with multiple people multiple times, right? You might have to have this conversation with the champion, and they go. Oh, shoot! I can't actually answer these questions for you. We need to go get my boss and you're like Yes, in the back of your mind, right?

So there's a chance for big solutions, enterprise, solutions, large client teams that you're going to end up in a situation where you're having this conversation a couple of times with different people

that is beautiful. This is the most value valuable conversation your team can be having, and then you need to compare and contrast notes, hey? So and so told me this was the priority. But you're telling me this. Help me understand how those things come together

right? So the customer homework for this is literally.

i'm gonna ask you about value, right? And we're going to have a conversation. but they don't need to necessarily come prepared to the kind of stuff, it will become clear if they are not the right person to answer. You could say, hey, who else should be? In this conversation?
Phoebe says, yeah plus one. Sometimes our point of contact will add people we've never met before. That has happened to me many times in a great sort of way. Suddenly. There's people coming out of the woodwork that were shadow decision makers that you never knew about.
and they're getting invited in the room because you're talking about next year's, goals and value, and they're going. That's an above the line conversation for executives for decision-makers for people who own budget.
If we're talking about data and metrics. It's a little bit below the line, right? You're going to end up with folks who are on the the project team who are implementers right, and so you have to be able to build a conversation to something worthy of executive time.
All right.
let's keep the conversation going in the slack channel today. I would love to hear creative ways that you demonstrate value to your customers. Again. Bonus points for scalability. There, continue to please give feedback. There. Ask me questions, one on one i'm happy to participate, and then alert. I'll let you wrap this up.
Alright. I have shared the feedback feedback. Survey in the chat. Please please continue to leave us feedback. We use this information to make your learning experience better.
and that is all a happy today. Thank you. Bro. For sticking it out with us. I know you a little bit under the weather. Thank you all for joining. Have a great rest of the week.
Thanks, everybody. Take care.

Class 3
text
All right, let's keep it moving.
So risk management in 2,023 is a thing. Right. I think if I had taught this class
5 plus years ago, it would be all about tactics right like. If this, then, that if they say this, do this thing, if they're adoption risk to do this if they're championed by a risk to do this, and it would have been tactics.
and I think that's how I approach kind of like the first half of my career Thinking about risk and in reality, risk is all about the things that we're doing that Aren't related to risk in front of it. So so much of risk management is what we talked about last week.
right? It's about demonstrating value. And so we're gonna talk a little bit about risk mitigation. And I think, Misha, you you hit us off on exactly the right note of the upfront investments we do in demonstrating value actually have a data driven impact on managing risk down the line.
So i'm gonna talk through some some data that churn 0 put together in their annual kind of customer survey that, I think, is just phenomenal. So after this class I would highly recommend you go to turn Zero's website, and they have like a 2023 customer, survey or benchmark report web form. You gotta throw in your information. It is what it is you have to sacrifice your your personal information to get the data, but it promised it's worth it. They did a great benchmark report

from their customer base and on customers all about their churn and retention info. And so I want to highlight 3 key stats from this report that I think are really meaningful when we're thinking about risk and retention.

So why measuring results? Even minimal results?

Right? So that's saying you measuring the value of your product as it impacts the customer and their long term outcomes, even if they're minimal, is by far the most important factor driving long term customer retention

full stop

by far the most important factor. This reinforces everything we talked about last week. Measuring results is the thing that mitigates risk upfront. What this graph says is, this is the half life of the customer by results. This is like. Think of it as the duration of time and months, that they're a customer, Customers that have some sort of measurable results that they have seen. Stay! What is that like 6 times longer than customers? That don't?

That's astounding

right? So this, if if nothing else, reinforces the need to get with your customer base right now. and talk about the results that they're getting from your product. Remember, we talked about this last week, and she called it out. Results are not adoption of the product results or the business outcomes that they're driving. Using Your product

to expansion drives long term retention, and this, in my mind is a little chicken or egg like. Do you get the results? And then you get the expansion, or do you expand and then get results, and then you expand again. But either way it's it's a good outcome. So okay. But customers that expand

also stay about 3 times longer than customers. That don't.

That's a huge difference. So expansion is a massive indicator of. Is this customer going to retain? So if you think about your customers that are staying flat year over year. They're not expanding. The renewals are always flat. Right? That's potentially a risk factor for you to look at through the rest of this year.

Any engagement. Even a negative engagement, like support tickets beats no engagement, and I think any good

customer success leader knows this support. Tickets are not always a bad thing right when we're talking about measurement of like. We want to get support tickets down. We want to get a certain kind of support ticket down right. We're trying to get rid of the support tickets that are questions that could be dealt with by a how to guide, or a resource, or like a I can't log in and request my password kind of support ticket, but a customer that's sending in a support ticket that's like, hey? I don't think this is working in the way I you know, in the right way. This might be a bug, or I really don't know how to implement this new feature.

Those show that the customer is engaged with your product, and any engagement, even technically negative, beats no engagement. The customers that are quiet that Don't, engage with. You are most at risk.

so you're most at risk. Customers One do not have measurable results.

2 have not expanded. You're over here, and 3 are not communicating with you, and I think we're going to talk about kind of how to dashboard those things up. But these were really interesting to me, because I think they reinforced so many things that I've talked to my leaders

about in the past where i'm saying, hey, this customer is great by our numbers, right. Maybe they have a giant contract value. Maybe they've used all their seats, but they don't meet these 3 criteria.

and some of these are kind of intangible a little bit. You can measure most of them, but they don't need these criteria, and I don't feel good about this upcoming renewal right? I know that this customer might be thinking about going another way, removing us. We might not be making the impact that we need.

So I really do want to challenge you this week

is to look at the reports that you're using to analyze customer, risk

and

put these risk factors into the mix right?

Have they expanded typically not a risk driving factor. Are they communicating with you sometimes kind of a risk-driving factor? But again, this is a situation where you really needed to find what communicating means. If they're not sitting in support tickets, if they're not showing up to meetings. If they're pushing you off, you, you know they answer for that team down

right? They're not communicating with you

all right. Jeff has an comment in the chat so we can turn 0 if you're in Austin. I have a free ticket to their regular green on Thursday. If anyone wants woohoo good offer, I didn't mean to spam the group. I'm speaking so I've got to some discount tickets, so

thanks for sharing and boost we could. I'll use it all right.

Let's pause a second for questions. If you have questions on any of that. The data shown the risk factors, any thoughts or feedback.

I I have a question. If you have you seen anybody use some of these newer tools that are pulling in like the slack data like the AI day and combining it all for a total health score for engagement. I've read a lot about them, but I've not talked to anybody that's used them. So there's a lot of cool stuff on there. I am trialling for myself a couple of different tools that pull in

meeting transcripts things like that. They'll send summaries and summaries to slack the next. There are a few that say they can pull that transcript and then apply sentiment to calls. But I haven't found that to be super accurate just yet those are all again running on Gpt, though. So who knows? With this new version in the next few months, what what that could look like with logic and reasoning getting a little bit stronger.

What what I do think is helpful. Here

is, you know, a lot of the customers I do work with Don't even have really reliable dates of engagement or dates of meaningful engagement, and a definition for what that looks like. So the first place, i'd start is saying like.

does the support ticket matter in your context. Is that a meaningful engagement? Does the meeting matter in your you know context? Does that matter? And then how often are we having those engagements. And what's the frequency look like, and that alone you can do with

a lot of software is that track calls and emails and things like that. And look at frequency metrics. That's that's tended to be my best proxy. So far, the AI ones aren't totally there yet. But I think the used cases that are most promising are the ones that help Csm's meeting management and meeting. Write up and follow up, and things like that hip are are pretty accurate and good it's. It's also funny that everybody that usually asks about them aren't doing the basics that you're

talking about, like, hey? Maybe maybe start your renewal stuff 120 days out first before we start. Yeah, you know what I'm talking about. Yeah. And I think it's really. You know your your founder. Your CEO, with the best of intentions like, comes back from somewhere and is like I saw this super cool

or analytic thing, and you're like that's great, but we don't even like track notes, you know. So start start with something that's like bit basic tracking notes, tracking intervals and frequency of contact, I think is actually

pretty reliable over the years I've used it of like is this customer routinely, regularly engaging with me, and then go up to okay? How do we build on that foundation? What kind of tool do we need?

Awesome? Brett has a question in the chat. If there hasn't been any actual expansion, but there have been conversations about expanding. How would you evaluate the impact of these ongoing conversations on retention? That's interesting, Brett. Tell me more. Is it? Is it a conversation that's been dragging on for an eternity, and it is there isn't real. What's the situation?

I think it goes back to the partnership between Cs. And we have a growth team. So those conversations are happening. Kind of in parallel are we retaining? Are we renewing? But also are we expanding? So there's a there's always a bit of a of a mesh of

conversation. What's the value? What are we indicating as well our potential expansion? But it's kind of ongoing, and a lot of it does match up to renewal. So is that a positive? Is that possibly a risk factor? Just the thought. There.

yeah, I've worked with a growth team under my team and into the side before. If the expansion hasn't happened yet I I wouldn't count it necessarily as a positive intent, because the way that those expansions in in even renewal plus expansions can become tricky is when they do want to see results.

and those are the customers that are typically smart enough to say, I want to see the the results Right? I I wanna I want you to prove that we've had success with the population that we have before we bring on another. And so I I've been in situations before where we're talking about the potential upside of an an account. But we're never going to be able to realize that because we haven't really demonstrated success with the account we have

so depending upon

your productive pricing model. I would, I would probably suggest waiting to say, yeah, this is this is, you know, Green, we're, you know not we're beyond talking about the expansion. We're actually, you know, completing that we're on boarding new users as a real indicator of health and Brooke. I received the message in the chat. What do we need to remember about measuring results?

Yeah. So all from last week we we'll talk a little bit about.

Last Week's class was all about measuring results for customers in the in the lens of business outcomes, and so, without rehashing that we will hit it a little bit in the slide in just a minute as we talk about the risk trifecta. So let me go through that, and then we can revisit this question a little bit.

So

is, I think about, you know. Do you have a sense of your customers who are at risk, and a lot of the companies I work with Have you know

somewhat of a sense right of the customers that they have at risk, but they haven't really fleshed out, risk that it expands beyond csm sentiment or beyond product usage. So this is a divergent a little bit from our retention based topics. But I do want to make sure I hit how I think about risk.

and I've kicked this around with a lot of companies, and and I always kind of come back to something that looks like this, so I call it the risk trifect, because try out sound weird. Triangle is weird, too. So here it is. There's 3 things when i'm thinking about is a customer at risk

that I continually go back to. And this is when I'm. You know, coaching somebody individually, and we're talking about a specific end, you know, customer, or even when i'm reporting up to our executive team. Here's why customers are at risk

in our portfolio. They give you different outputs, and they tell you you. You need to do different things in response.

So the first part of risk that I think a lot of you know companies focus on is a health score.

and I would really argue here that health score is different than Csm sentiment.

health score. I like to see a product usage based health score, because if you blend all of these things into one health score right, it's really hard to then pick a part. Well, what's making the customer at risk or in healthy.

So.

oftentimes, too, you need to be able to show your product team. And in as part of your feedback loop. Here's where customers are struggling. Here's what's not happening in our product that we think is creating risk in the customer base.

So when i'm working with customers, i'm a partner at catalyst, single health, scores and customers all the time. Oftentimes we're looking at straight metrics based health scores. Are they activated? Are they logging in routinely? Do we have weekly active usage. Have we penetrated into different areas of the product? If that's applicable for your product? Right? Are they using everything that they should be using. I want to see a really healthy footprint of product usage across all of their seats.

or all their licenses, or whatever it may be.

so that I can say Yes, this customer is using the heck out of the product if they're not. That sends me down a path of being able to address that with either potential training product feedback enablement services. Right? I'm going to focus on that.

Whereas I pull Csm: sentiment separately, because there's a lot of things that happen in sentiment that I think are really important. But you're going to address it really differently than product usage.

So this Csm sentiment, typically when i'm talking to a business for the first time. This is potentially the only indicator they're using.

What's the Csm. Telling me. And the problem is that you can get really lopsided in sentiment right? Somebody on the phone at the customer can be telling you everything you want to hear. But the usage could be really really poor right? Or the usage could be fantastic. But somebody on the phone is raking you over the calls right or they're all turning. They're leaving their jobs right. These are the intangibles of risk that have to do with the relationship. What's going on in the relationship?

And right now, what's happening at the company. Are they doing? Laughs? Are they at risk right now? Are they in an industry or vertical that we don't feel really selling about their ability to

expand and retain. So those are different conversations I want to have about those customer, and they're both equally important.

And then finally, the third part of this, and this is from last week is the 3 value questions right? When you're doing forecasting. We talked about the 3 value questions of Why did this customer buy?

Did they achieve their goal? And have we shared that with them? And this all goes back to results.

These can be wonderful. They can use the heck out of your product. Your champion can love. You, talk to you every single week. You have so much fun together on the phone. But if these aren't. True, as we saw in that slide a few slides back. If they're not getting results, their half life is like a sixth of what it would be otherwise. So it is really important. That is, we're thinking about risk. We're talking about results as the customer received results

and achieved what they set out to achieve. And have we shared that with them?

Some of these obviously easier to track than others, and depending upon your company and your data, Some will be way easier than others to to set up, but I think is an ultimate goal. This 3 part can really help. You understand why how many weak points

in this relationship with this customer, and how they're using our product or in the kind of results they're getting.

So I want to ask that the team to a poll. Here do you have a solid understanding of which of your customers are at risk.

and this will kind of pivot. How I change, how we talk for the rest of the session.

Okay.

right. We're right in the middle of the Bell Curve, which makes sense, all right. So most of us replying Mostly, I typically know which accounts are a risk and somewhat. There are a few surprises each quarter great. This this matches what I kind of thought we would see from the population

in the class.

and I think a really great goal. Candidly for yourself, you don't have to publicize this goal with anybody in your management team is to say, hey, I want to work toward. We're getting less and less surprises. I worked for a very demanding CEO a handful of years ago, and he would consistently heartb. I don't want any surprises, no surprises, and I think this goes back to that risk. Mindset of like. Are we feeling comfortable raising risk early and often? Are we feeling comfortable, sharing it with other people?

So I think this is really this echoes that, but it also sets a goal for you of like even quarter over quarter, and you can get a surprise this quarter that's cool right you. It's better to know than to not

okay.

So we talked a little bit about the trifecta. How I think about risk. Let's talk about some risk management tactics, and some of these are very specific kind of for this

for this year. So i've modified them a little bit, and again, this won't be tick or tat kind of hand-to-hand combat of like. If this do this but some archetype things themes. I want you to think about If you go through this before we jump in. Let me look at the chat.

alright, Cool steps responding up to Brett. That's awesome.

All right. I'll let that conversation keep moving in the chat.

so I don't know why this is small. I hopefully. You all can see this.

But first I would want to emphasize acknowledging the current moment for your customers. I was a little glib with 2,023 apocalypse bingo. I will admit that but it is really important right now that we do. We show empathy. I think empathy oftentimes is really

overused, and we don't really think about. You know what it means. It's not just saying things to the customers and acknowledging it and being like, okay, let's move on. It's actually sitting back and saying, okay, what do I think my customers need right now? What would they like to hear from me what would make them feel supported.

and it doesn't have to cost anything. I'm not talking about sending gifts right to anybody or anything like that, but just being able to continue to strengthen your relationship with your customers, especially if you have customers impacted this week. I had quite a few

clients that were impacted and said, hey, like we're hitting pause. This week we just need for the dust to settle. We need for things to sort out, and that's okay, my priority isn't always their priority. They don't always match, and I need to be able to, you know, acknowledge where we're at, put myself in their shoes and figure out what they need to hear from me next.

This is an example from the CEO at Hubspot. Obviously there's money behind this, but I saw countless threads on linkedin of people over the past week trying to do the right thing right by their company, their their employees, their prospects, their customers, their investments.

There was a really a couple of great threads that didn't screenshots. They were a little bit more identifiable versus a public post where, you know Vcs. Were trying to raise funds from their own capital, to be able to pay payroll for people that might have run short this week, and

all through the comments people were saying, I'm gonna look at this venture fund right for my next investment. That's amazing. They're coming through for their portfolio companies.

It was really important, because

they're all going to remember that even people that weren't customers, or you know, investments of that Venture fund, we're saying, Wow, I'm. Taking note of how they're taking care of their customers right now, and i'm gonna remember that people buy from people

at the end of the day. This is an amazing way to make sure that you're connecting and listening empathetically, but also you know

people choose, you know, and remember how that you make them feel, and it's really important that right now we don't make customers feel like, hey? Let's get back to my priorities right? Let's do what I want to do

all right.

So this year, if I was running a renewal pipeline this year, which I kind of am with my own contract for the first time, which is a little bit Well, you need to be thinking about creating incentives within the renewal, especially for your at risk customers.

So your customers, whether or not, you know it are making budgeting and renewal decisions. Now

for Q. 2 for Q. 3 for Q. 4. Everybody's figuring out. Are we going to hit our revenue plan.

and if not, what else are we going to cut right? As Q. One starts to shape up? You can bet we're going to be talking about money again right at the executive team.

You probably aren't in the conversation. Yet if you have a. Q. 3, Q. 4, right renewal with this customer as in. They're not involving you in this decision, and you never want to be on the

outside of this decision. So the biggest tip would honestly give to you this year is to figure out how to incentivize early renewals.

The more time that goes on probably doesn't work in our favor right now in years past I might have said, hey, wait it out right. We maybe don't want to try to renew people last March. What everything is happening in the world.

Let's see if we can just, you know, punt the renewals, or wait till next quarter. Let the dust settle. But I think we're in this for a while, and I would think creatively about how can we incentivize customers to renew early.

so what would motivate them to sign now, instead of waiting for Q. 3 or Q. 4.

What would motivate your team to work on renewals? Well, in advance. Motivation works both ways. Renewals are work at the end of the day Your team has to do the work.

So it's really important that you're thinking really far out. Not just the renewals. Next week You got to think about. Okay, how do I? De-risk? Q. 3. And Q. 4. Your biggest tool right now is to incentivize them to renew ahead of time.

and we're going to talk about a renewal ladder in a couple of slides that has some opportunities for you to say. Hey, here's what we want to do for this early renewals.

Jeff says 137 days to July. 30 first. Whoo, Yep, Here we go. So the the year is lying right so it seems far away. It's really not. Think about how you can incentivize early renewals

to create wins for your buyer.

What would help your buyer personally?

Right. Is there something that you can help them do to build their brand or meet one of their own goals?

We all feel a little on shaky grounds right now. Everyone, even if you love your job, even if your company has told you repeatedly, we're not doing. Lay offs right. We all feel the sand moving all the time. All you have to do is go on lengthen and be like well, okay, right.

Things that you can do that are meaningfully for your buyer right now help them build their opportunity to stay employed. That is like a really really brutal truth. But I honestly think it's true.

and people buy from people your buyer. Even if something happens at their current company, they will go somewhere else. They will remember the results they got from your products. They will remember working with you and having a great experience. So this is an opportunity to connect with them as a human, and say, how do I help them meet their personal goals, too.

and then 3 network your customers together.

so you can create value by networking customers to share. We're all going through hard stuff, especially if you sell into a specific persona or vertical. You can bring people together across companies to share, to network. It creates wins for them. They can learn. They can build their network, they can build their professional resume, but it also creates when it's for you, because, like we talked about last week. You're reinforcing that confirmation bias a little bit. Indirect it.

and directly, hey, we've all picked this solution. Let's get together and talk about the solution. And what you're doing with it.

So think about what interactions will be valuable for your customers. Could they share best practices or learn from one another?

And Oftentimes, when we're thinking about customer networking events, it's about us

right again. It's about us. What kind of event do we want? What market do we want in. Who do we want there?

The most we think about what the customer gets out of it is like. Is there going to be a bar which is like. Yes, probably there should be. And like. Is it a cool thing? My sister's in a bit marketing, and I r her all the time. I'm like. Your events seem really cool. But like, did anyone get anything out of it?

So, flip it? What interactions would actually help your customer get a win? What incentivize early renewal would incentivize confirmation bias, right? What are opportunities that you can bring your customers together, and those don't cost anything necessarily literally put all your customers on Zoom One of the best Csms ever worked with.

She worked so hard within her book of business to line up individuals almost like a buddy program across her accounts

and say, hey, I think you you know, Tracy, I think you should meet Ben. You really have a lot of the similar challenges that you're facing, and I would love to facilitate a conversation. I'll buy you each, you know, a $5 Starbucks gift card.

and she did that on her own, and created value for her customers and reinforced, hey, you made the right buying decisions you have. You're amongst good peers and creating value for you and your brand. And she did that. And and when we found out she was doing that this customer stay.

she had an amazing brand for herself, based off of that, and those customers had a great experience

as a question from Asha in the chat. Does your customer? Does your company have a Customer Advisory Board Product Advisory Board Customer Council. Yeah, those those should all be things we're considering for sure at this point in time. I think they a lot of companies I've worked with have put those things on the bubble of getting cut.

unfortunately, because they might cost money or effort, or they might be seen as extraneous at this point in time, but networking your customers team together through something formal, like an advisory board or product cancel, or even through informal conversations, I think, can be really valuable for them personally.

The second thing that I would really emphasize training your team on is propping for objection, handling

typically in customer success. We don't get a lot of objection handling training, and if we're waiting to bring up renewals until the last minute, which is apt to happen, especially if we're afraid of what's gonna happen in that renewal, and it's at risk. And we're feeling a little fearful You need to prepare for an objection.

So let's think about the things that you're hearing right now. Right? We have no budget set aside. We are cutting across the board right. You need to think through what kind of responses is my team getting on the phone when we actually bring up renewals.

And then we need to figure out how to train the team to respond to those when I started doing this for the team. Typically, what's happening

is when you, when somebody says we have no budget set aside. The Csm. Goes. Oh.

when somebody says we're cutting across across the board, and like we need to cut you to, we go. Oh, okay, what does that look like right?

The goal here is you need to open the door to understand their priorities. Don't. Take the the No or the soft. Now, in this case as a closed door. You need to understand the priorities the customer is putting their budget toward, and then go attach to that priority

right? This is way Easier said than done. If you have results at hand. If you have measurable results, you can say, hey, what are you prioritizing? Putting your budget toward. Okay, it's driving pipeline. Well, we have some results that are directly aligned with that. Let's talk about that. Let's talk about how I can help you do that through this next year and help you meet your goals. If you haven't had measurable results to date. This is discovery right? It's really sales mindset of saying, hey, what are you prioritizing this here? What problems are you facing? And then saying, I want to figure out how we can help and align to those problems, and I want to figure out how to make things you know fit for your needs. As we go into this year.

So you need to get your team comfortable with hearing some of these tough objections, and then pivoting into discovery. Mode to go ahead and say, hey, I'm going to prioritize.

or I'm going to pray, which is learning about this customer, and figuring out what they are going to spend on through the next year.

Steph calling out in the chat. Yeah. Consultative sales training to all client service teams. This is super important.

I would absolutely think about if you do lunch and learns with your team if you have an enablement person going to them and saying, how can we build an objection handling training? There is a whole strategy about being able to pivot right into consultative selling candidly and discovery When you're facing objections and really getting to the root of problems.

Steph, drop some other great questions here in the chat, like what implications exist for you. If we do, cancel, or what happens if we do downsize, how does this impact your other goals. How did you help the person be a superstar? There are great questions

you could arm your team with, so that when they get into one of these conversations potentially with the customer, You have given them the tools and skills to be able to go deeper versus saying, oh, okay, Well, let's get off the call, and then they call you up, and they say, hey, so and so wants to cancel. And you go. Why, and they're like, not sure. I have had that come that call quite a few times over the years, so

it it enable your team to get deeper. Don't expect it. Enable them to get deeper

all right, and this is the media one here. But the third tip I have when we're thinking about risk, track tactics is let go of the non addressable turn.

So we talked about non-addressable turing a little bit

in over the last classes. We'll hit it again in metrics next week, but not a restable churn in my head. I just kind of boil that down to unsavable churn, for reasons we cannot control, and the 4 reasons we cannot control, I think is is important, but I like to do this customer mapping exercise, and I've done this myself

for my own companies for years. I do this with clients as well as we go in. But this map allows you to just think about bucketing your customers into different categories. So you know how to apply your resources

right now. We're all being asked to do more with less right.

And I want us to be really savvy and smart about how we apply our resources toward churn that isn't savable

like. Let's be realistic. You probably don't have the higher as you were expecting. Everyone's books of businesses are a little too high right.

We are still doing things without all the tools and enablement we want. We might not have all the support, infrastructure that we want from enablement or operations. And so you have to think about okay.

Who can I save? Right? Essentially, it's the Titanic. There's not enough lifeboats we have to prioritize at some point. Who can I save? And where do I apply the team's resources? So I don't burn everyone out and throw good effort after bad customers.

So let's think about this graph: 2 axes here, one customers we can actually make successful. And this is important because your definition of this is probably different than your product Teams definition of this

and your Ceos definition of this let's be real. Are these customers that actually have product functionality, fit used case fit and invested champions. These are customers we can make successful, like they have all the ingredients we just need to bake the cake. We can make it look really great at end of the day, and it's gonna taste good

other access customers we want to keep. So these are the customers that we might prioritize slightly more than others. They have icp fit. They are a great logo. They have expansion potential. Maybe they have a giant air or contract. It's not on the slides. They hate putting it up there, but it's true. Money talks especially You're like this one right.

but these are the customers we care about keeping. And we all know that there's some customers that we care about keeping because they're really important strategically for us. And that's okay.

So think about these axes right at the top right. Our favorite customers, the best customers. They're the ones we can make successful. They've got all the right ingredients, and we want to keep them their great icp, their great logo. We want to upsell them, and they've got that potential. These are the customers oftentimes, that go on the back burner

Candidly, we're we send it and forget it. We're like they're great customers, you know. They use the product grade their references. Sometimes

I would argue that in a year like this one you cannot afford to lose one of these customers, and you need to invest new resources and forming new relationships and amplifying the heck out of their success.

Spending time with these customers can pay off an expansion, and we'll talk more about that to the left of those customers as our retain customers right their customers we want to keep. but not necessarily the ones who can make super successful. I've had many of these in my career, or they fall into this bucket of like. It's gonna be really hard to get them over here. Maybe we're missing a champion. Maybe their used cases kind of wonky. Maybe they bought way back under a legacy product. And now the products kind of moved on and out paste them.

So with these customers. What i'd recommend is saying, hey, what gaps do we have in their usage or their relationship, and the risk trifecta right? What are our gaps with this customer, and then can we apply some resources to mitigate this risk and strengthen relationships?

So these are the customers where you're saying, hey, we we've got some potential risk. Maybe they're not doing everything exactly how we want it to, but we want to keep them. So again, we're going to apply resources to mitigate that potential risk.

Third: purple bucket down here jumping around our maintain customers. These are the ones that they are. Power Users love them, but maybe they're just not as valuable to us strategically as these these customers tend to take up a lot of your team's resources, and we spend a lot of

time with these customers because they'll talk to us. But in reality, if we were being really frank, these ones might be more important to us strategically, or our wise Icp. Wise.

So these customers we should just provide reasonable support, and you have to define what reasonable support is for these customers, and you should amplify their success if they are having success with the product. Are there ways that you can turn results into case studies, testimonials, etc.

But again, don't apply more support. Don't. Apply more resources to these folks If they left you they're they're good customer. But would it be as strategically risky or damaging as a retain customer, you have to decide.

And then, finally, there is the divest category. We know all know that we have customers that are anchors

to us.

We can't make them successful, and they don't necessarily match the future needs of the company. They might not be the right Icp. We can't expand them. They have stuff going on with these customers. I would think long and hard about. How do I minimize the impact that this customer has on my book of business and my team. And how do I reasonably reduce resources? And that is crummy to say out loud? But it's so true Oftentimes we think, throwing really good resources after these companies can move them up here.

and that is a very long journey. If the customer is not completely bought it on that, then it is very hard to start moving them to the right into the maintain category.

So screenshot this, take it, run this exercise with your team. Think about what what would your categories look like? Right? And what would the goals of each category be for you personally? But the the the real outcome here is, I want you to figure out

who in your book of business is your non-addressable chart? Who isn't savable no matter? What your team does, no matter what the product team does right at this point in time just not realistic to save them, and then to honestly evaluate. Are you putting resources in the right place

Now, giant Caveat. On this.

I put the scale image up here because I literally can talk like a good lawyer, a great. I can talk myself any way through this conversation

when you're talking about non-adjustable term with your leaders, or even your team of saying, hey, they weren't a good customer. Anyway, they're not the right customer for the future. We don't want those customers in the future versus a very realistic every dollar accounts.

and it does right every dollar accounts through, especially yours like this, where we are going to see naturally hired sharing due to macroeconomic factors. And so only you can sit down and way.

book by book, logo by logo, right? And say, hey, is this a customer where we are ready to say Yes, this is in the non addressable category. There's nothing more we can do here, and we're not gonna apply more resources or negotiate, or drop the price, or whatever we're gonna do? Or are we going to fight to the nail because every dollar counts, and that's a highly personal decision. I have been in organizations that have been this right. Well, we were series a, and we were going. Oh, my gosh! Every dollar matters we're going to sell anything. They will sign a contract right, anything, the heartbeat we will sell to you. And then, in a certain point in our lifetime this scale moved right. And we said, okay.

we're no longer going to sell to every customer, for now i'm going to figure out our Icp. We are going to let our bad customers, our legacy customers for those draining our resources. We're gonna let them go right. So it's important that you kind of evaluate where you're at in that journey, and then even logo by logo, think through All right. Are we where we at on this scale. You know, Tldr. Here your executive team is going to sit in this camp.

At least their mind is right for a while. We're getting pressure like nobody out like, you know. Never before. Honestly on the the new revenue side. The business stuff's pushing the the pipelines, not materializing budgets are frozen. It is hard to get new Logos right now.

so that that that shift is going to come over to your team, and they're going to go every single customer dollar

matters this year. But it's also really important that if you don't have the team to over success, every single dollar that you're very realistic about who's in this category, and you start communicating that early and often, and sharing insights from those customers. So you'll probably see this come back next week.

All right. The other thing I would say to back you up on the non addressable churn piece is this graph again?

The expansion drives long-term retention. So a question I want you to think through

is.

if I took the resources that were babysitting my divest customers, and I applied them to my invest customers, or to my retain, or even maintain customers, Could I get enough expansion out of that that would

totally negate any potential contraction or churn from the bad customers.

because I think a lot of times we tell the story that we're just gonna be taking things away right from customers. We're not going to pay attention to that customer. We're taking resources away, or we can't invest to do those things. But what are you going to do with that time.

Can you go run an upsell program? Can you go? Do a product, adoption, push? Can you go push a a a new feature or product. Can you go meet with customers potentially? Are there things that you can do to drive expansion in those other categories of accounts that you can't do right now, because your resources are tied up with bad customers.

So food for thought on that it took me years to figure out like how to tell that story. So for years I was just fighting this battle manually like I'm trying to push the scales and every C suite meeting, and i'm going. But there were a good customer, anyway. They were a terrible customer, and they hated us

like what? Why, why are we keeping them like this? This makes no sense, and then somebody going every dollar accounts, and what? And if I had been able to say at those points in time we spent X hours on this customer

right? They were unsatisfied. They weren't a good product fit right? They were never going to expand with us. I moved the resources that were, you know, supporting that customer over here, and we're gonna push expansion

in this book of business and measure it. It's a really different story, because every dollar does count, and those dollars count, too.

So

in order to really let go of Jon, it not addressable churn. You gotta make up money somewhere else, right? So let's

let's pause for a second.

It's marinate on those questions. I'll put a pull up to run, but i'm gonna pull from the chat as well. Do you feel empowered to let non addressable churn go

by your company.

I am curious.

especially right now. Maybe you did in the past, maybe right now, save everything. But I really want to know

good. Mix.

Steph. Put a good chat, Misaligned customers born out your staff, which adds cost absolutely. Nobody wants to get on the call

with the really angry, rough customer, Joseph puts a real realistic perspective. It depends on the AR, and I think that's a really

fair, honest way to look at it, and maybe the scale slightly different for that customer. Right? The customer under 10. K. You're going. Let it go. I am Elsa. Let it go right. The customer? That's a 100. K: You're going. What can we do?

Right? I need to be able to keep this revenue. That's an okay, assessment.

All right. Close this.

Okay? Questions. There was a a question up top from Sam. I'd love to hear different ideas and how others incentivize customers. To renew earlier. Is it a discount? Is it a 1 h workshop? Who interesting Sam, your your your t bawling me here?

We will talk about the renewal ladder, which I think will answer. We'll give you some ideas, but I love to keep this discussion going in the thread, too. If you have incentivized early renewals in the past. What have you done? Reply to Sam.

Here are some things I've done in the past, Sam.

like money. This talk, especially right now their finance teams and procurement. Are, you know, friends, that that actually do the dollars and cents all day long they are getting tasked with pretty unilateral cuts

right. They're being told. Cut 10 across the board, cut 20 across the board, and they just have to make the math work. It's less personal. It's not about the software solutions. It's really about the math, and that's honestly their job kind of right now. So i'm trying to develop empathy, even though the conversations are really hard.

So money does talk. In these conversations. You have opportunities to give more right. I'll give you something for the early renewal, or i'll take something away. I'll take cost away. I will give you

a a a discount right? I'll take the cost away, and i'll make it helpful to meet your procurement goal, which is probably to cut 1020, something like that.

Now, if you choose a renewal incentive, an early renewal incentive, I would definitely suggest modeling it out right and saying, If we apply this offer to this many customers, or maybe it's a subset of our customers. We're just gonna go after the big ones, right?

What's gonna what's it gonna cost us? And everything has a cost, even if you're giving them something like a free service or a 1 h workshop right? Those cost about $300 each. Or if we give everybody a 10% discount here's what it costs, and then having a conversation as a team. Is that worth it to us.

you know. Look at your historical trend rates. Look at the at risk status of those customers today and say, is it worth it to us to say, hey, if we can get these renewals in by, you know. May one? Yes, we take a 75 K. Hit, but then we've locked up 750 K. For the rest of the year.

That may be a trade off You're really willing to make

All right. Let's pause again for any additional questions before we get into the renewal ladder. We'll hit way. More ideas in here, I think, for you soon.

Alright So I built the renewal letter a a a couple of years ago.

and originally it was a retreat ladder, and if you've ever worked in a sales job. You know what a retreat ladder is, right? It's when you get into the negotiation stage

and you realize that it's not going to be super clean list price contract and you start going. Okay? Well, what if I gave you 10%, 2030, and there's a retreat ladder where you can essentially retreat. Back down each run and give, give, give, give, give

right a little bit, and so it gets a bad graph, but it has a point. If you don't have a renewal ladder, and i'm going to call it a renewal ladder, because it actually has some positive as well.

If all renewals will become retreat for your team, and they will just end up retreat, Retreat! Oh, they want this, they want this I can't get it. What are we retreating through, and you'll realize the ground is giving away really, really quickly. So, sitting down and actually doing the exercise of going through

the retreat ladder and building out what makes sense for your business, I think, is really worthwhile to say, Where are we willing to give? And where do we have some potential boundaries? Right. You need a plan going in, or everybody just runs away.

So the renewal ladder ranges from your most desirable renewal outcomes to your least desirable trash can dumpsterifier where you'll ever come right. So that was as close as I get to a number emoji.

But I call this the renewal ladder because typically a retreat ladder is just negative. Outcomes list price and worse, right for renewals. You actually have the opportunity to improve your outcomes, which I think is really fun. Okay. So your most desirable outcomes that are renewal or to expand that customer

right? But you could have some other better outcomes, too. You could get better terms. You could get a multi year. You could get rid of a contract clause. You could get Logo use. You could add an auto-renewal. You can get better terms. You can get them to pay you upfront. That matters too.

or you could have a meaningful engagement out of the renewal, and by this I mean, they agree You can use our logo, you, can

we? We're gonna join a product, advisory Council or board. We're gonna give a reference. We're gonna be a case study with our logo on your website. Those all can drive more revenue directly through expansion, or indirectly, or just more cash on hand through better terms.

So these outcomes actually are more desirable than just a flat renewal. And often, you know, for years I just treated the flat renewal as like our best case outcome. There's actually better things that can happen than just renewing flat

on the other side. There are up. There are situations right where we do have to go toward a less desirable outcome in order to secure the renewal. And so I put these in a very specific order, and we're actually going to go through each one of these.

and oftentimes when i'm working with companies, or when i'm working with my team, we we we skip a lot of these offers, and we go straight to a down sell right of like, okay. This customer is not happy, and we're in a negotiation. So like, let's just start cutting costs

or let's just give them discounts or let's go to a downsell. And I actually want my team to walk the ladder

right of like, okay, Would this work? No, this work? No. Because as you move down this ladder, you have it's it's

higher negative outcomes right for you. You're losing more revenue. You're giving up more ground. So you don't want to bypass a bunch of runs and just drop to the bottom and be like all right. We're giving it all you want to actually productively work down the ladder.

Luke has a good comment of. We increase our prices incrementally year over year by renewing early, you could lock in the current your price for another year.

That's great addition, and that can be an opportunity here, too, of price increase, you know as an expansion form for sure.

All right, before we get into to our our Dumpster Far situations we'll talk about maximizing our healthy renewals. Don't treat the flat renewal as the best case situation. And I did for years. You need to incentivize and promote more desirable outcomes, and it really helps if you think through

You know, what what would those most desirable outcomes be? What do you actually want out of these renewals? Some are going to be money

like. Let's be real expansion. Others could be meaningful engagement. So just here are some opportunities to actually socialize with your team, hey? There's better outcomes than even a flat renewal and and to examine. Is your team actually motivated to push these outcomes?

If your team doesn't get any sort of incentive from expanding or changing terms, or even pushing, meaningful engagements. It's going to be hard for you to tell them to do that work right. We've already all acknowledged. Today our teams are strapped. They're doing a lot.

If they don't have an incentive aligned with one of these best case outcomes, it's gonna be really hard to just be like. Can you just do it right?

And incentives can be things like part of their comp structure, but also literally just spiffs. Right. You can spot bonus or spiff people for doing things that bring in a better outcome for the business.

So expansions obvious. You can increase price. You can grow the account you could, you know, add products right? Get creative with your product about how you could expand here.

You could change terms. So think of this as de risking the future. So are there ways to guarantee more money, even if it's next year in the renewal. Could you put a price increase on next year, If you can't do it this year.

Can you make it a multi-year deal? So you don't have to talk about renewals again until 2025. Can you get better payment terms like monthly to annual. Can you add an auto-renewal

for the things that you can do to make you safer in the future? Right? You're paying yourself in the future. It's like when you've been out for a long night of you know, having fun with your friends, and you put a bottle of water next to your bedside, and you wake up in the morning. You're like, yes, past me.

You knew I would need water this morning. Okay, You're taking care of your future self, and you're going to be grateful for it.

We, as Csm's Candidly, never think about terms. If your team hasn't been trained on contract terms. If they don't understand these terms, it's because they've never been enabled to think about those. So you really need to think through with your contract and your product. How are you going to enable your team to negotiate a better term on the deal?

3 meaningful engagement?

These are great opportunities that your your Csm team is probably really comfortable with of saying, hey, can we drive new pipeline indirectly from these renewals? So can I get a case study or a testimonial. Can I get a G 2 review out of this? Can I get a reference or local use? There's a lot of different things that you could say, hey? As part of this renewal, Would you agree to do this thing, or how about a G 2 review, or something like that? These are all great outcomes that help you indirectly

drive revenue.

All right. Any questions about some of the positive upsides here of the renewal order before we go into detail about our less desirable

step has a great comment. I've set early renewals with an accelerator that won't kick in for a few years, based on the length of the renewal. So the longer the renewal, the lower, the price. Accelerator, who interesting. So saying, hey, if you can commit to 3 years with me. Your price won't increase at that same ramp

great opportunity to make it a win-win right for you and the customer you do risk your your contract, but your customers also locking at a a better price rate than they would get otherwise. All right. So the at risk half of the renewable ladder, the mindset. Here is all about. How can I minimize the downside? It's pretty clear that our worst outcome right here is full logo train. We are losing the logo. You can't expand or retain a logo you don't have.

So this is all about minimizing and mitigating the downside and figuring out how do I keep this logo with kind of advancing different gives that I can get to the customer.

So

let's talk about free additions and free is in quotes deliberately, because I understand they technically often cost money. They just don't cost revenue. They don't cost like money on paper per se.

So

I come free. Editions are first right, because they allow you to potentially protect today's err. which is the golden metric right now by foregoing future value.

So this might look like gives right that you can make that don't hit err. So see, I'm. To your question about services. Can I give workshop? Can I give implementation services? Can I give you premium support.

Those things technically. Yes, all cost money. But on paper do they impact your air? Our number? Probably not. They're typically on a different line. Item.

But there's other ways that you can have gifts right. You can do co-marketing. You can give them sponsorship for advance upcoming. If you're running an event where you wanna you have a customer base they want to get into.

and you can do some quin pro quo stuff

I don't love it, but it's here because it it matters right now.

You can agree. Hey? Our procurement team will talk to your team about potentially buying your software right. Everybody's trying to figure out how to build pipeline right now, and I just want to give you permission to think creatively about what are things that we can do.

even if they're slightly unpalatable, we wouldn't love doing them most of the time. What are things that we can do in order to not impact the err line, and to not take that down.

The other thing is you can technically borrow from yourself in the future. And this is a little bit of Steph's point right you can make gives that Don't impact error today.

It's future error in theory. So free seats in the future, less price increase in the future free products in the future like grandfathering. If you sign now, we'll give you this new products that's coming out in 2 quarters for free for infinity, potentially right.

So there's ways that you could say, how do I just protect the current err and make sure that doesn't go down. I would really.

You know your company, and you know how your company does math, and you're going to know which metric is the most important to your company, and many of these Sas B Tob companies I've worked at is err, and we're trying to do everything creatively to not impact that err number on the account. Right?

So one red flag warning to you. Continue. Consider the term and expiration of free status, even grandfathering right it's free for 2 quarters.

It's one service for this quarter. It's co-

Now, if you're doing something like a free edition, you can always pair it with an ask if we do this I want

right. I want a multi here. I want a testimonial I want logo use, so you can start to pull in your better outcomes and mix them with some of these least desirable outcomes to make it to, to make it make sense for both you and the customer.

I've seen very creative free editions over the years. If you have some some ideas

share with the team

all right. beyond something free is a one time discount.

and this works best often for customers that need to give in order to sign.

So this is like you Get down in the wire often, and it's a procurement person on the phone, and they're going. I have a 10% room it I have to cut, or whatever.

Now, Oftentimes, when we think about discounting, and i'll call this out because it isn't always obvious. We think that it's a perpetual discount. It does not have to be a perpetual discount. You can technically discount without impact in the AR depending upon how creative to our finance team is at math.

So giving one time discounts can impact you now. But you can recover the error in the future. It would look something like, hey, You're getting 2 months of free service, and that's valued at 10 K.

So we're gonna minus 10 K. Discount off of this contract next year. You're going back up

right. You're at your full service line. Item, you could wave certain costs. We're gonna wave platform costs this year, or we're going to extend the term from 12 to 14 months and no charge. I've done this with customers, too, that are trying to Co. Term agreements or line them up or figure out. Hey? We make all of our buying decisions in December, and we want the contract to be a December alignment, or things like that

so you can. You can move around the contract terms here to say, hey, how do I give something for one time for this term of this contract, right? But it doesn't continue into perpetuity in the future.

And again, anytime you're doing a give, Can you get something in exchange? Is there anything you can get in exchange as well.

Now, beyond this is recurring discounts, and this is when literally the customer is paying less for this same product and services.

So I I oftentimes my my teams historically, when I was working with Csm. This is the first stop that they would make on the renewal ladder as well. Let's just cut the per seat price, right? And i'd say, okay, is there anything else we can do? Can we get creative? Can we give something one time. So the Percy price doesn't get

degraded in the future. So this is important, because recurring discounts will hit your err, or they will hit your average seat price or your average service fee or a Cv.

Those metrics get hit by these recurrent discounts, and so again, based on how your priced and contracted. It's really important that you think. Through. What am I willing to do here

if i'm thinking through recurring discounts? I'm trying to think through. Are there ways we can maintain our footprint right? How do we maintain the footprint of seats or products or usage that we have? Can I just lower the per seat price, but keep all the seats

can. I like wave seat costs for some of the users, and say those seeds are free for a period of time. Can I lower our rate right from 5 to, you know? 55 cents to 4, point 5 cents in order to keep the same package or something like that.

right? Or can I give a discount on the contract price for the premium package instead of downgrading them to the base package? The goal here is saying, Can I keep you looking about the same so that then I can negotiate you back up to full price in the future, or I can just success the heck out of you this year.

right, and make sure that you're getting value out of this, so that we can have the right to say, yeah, you're using the full premium package. I want to keep you here right

If you don't make this customer successful through this next term, and they don't see results in value. They'll become a down sell. They will start sliding down this renewal ladder even further at your next renewal.

This this is a hard pl. This is a typically like where I see customers that that don't see results, and Don't have adoption. This is where you know

we start to negotiate is somewhere around a recurring discount, and then actually getting into a down cell.

So I call them down sells separately. This is like right, sizing the contract to protect the logo. It's not just downgrading sea price, but it's actually like reducing either the products or the seats. Right? We're making the contract essentially smaller, and I brought back some turn 0 data here that's really interesting

that their data actually yielded the customers that have ever downsold. So at some point in their lifetime as a customer, They've right size their contract to the renewal. They've either reduced seats, or they've downgraded to a cheaper alternative within your packaging right premium package to base package.

Those actually have a longer lifespan as a customer by about double.

And what I infer from this is customers that are that are down selling right. There's a couple of ways they could have gotten into this situation one they could have just bought too much. and now they're right sizing. That's a reality of what happens.

2: They could be trying to figure out how to keep your product for the future. They could have cut their team they could have cut their budget, and they're going. Okay, I really want to keep this, but I have to make the contract smaller in a meaningful way in order to keep it. But the goal there is, They're trying to figure out how to keep it.

And then the third thing is customers that that never down so right. But they become at risk. There's a good chance. They just jump straight to churn to full logo churn, and they're gone completely right at that point.

So this is why the latter matters is: you want to be able to move down the ladder and not have somebody pas go go straight to turn right. We want to figure out. Are there ways in the interim that we can work with you

right to keep this logo for the future, although you don't have is when you can't expand or retain. So giving your your team and yourself a lot of retreat. Points can help get creative when you get into situations where you see risk, and you've got to be the contract the right size for the future. Yeah, behind the scenes curtain. For For years in a company I worked at. We didn't have. We had one sea price, and it was the premium product. It was expensive in the market. We had one seat price and we had a special skew. We would pull out in certain situations, and we'd say, okay.

you're gonna move to the special skew. It's actually a cheaper alternative. We'll be able to strip you down. It'll still get you what you need for this next year right? And we would use that as our final negotiating tactic to keep our clause in an account. Did that skew exist nowhere but on paper.

No product change no actual deliverable change. That's he was an on paper skew, and it was intended specifically to say it's. Our last and final retreat point is to take them down to that skew when we have to.

So I want you to be creative this year. I'll go back. Let's let's stop and pause and ask questions. But i'm going to bring up the full

renewal ladder while we talk here and make sure that you know we've answered some of the questions of Sam's come in, but i'd love to hear from you all To what are things that have been working for you when you're thinking through negotiating with customers.

I'm looking here.

I I put in the chat, but the 2 months is usually my go to that works really well for low, like low engagement customers, and you want to give them a path to get back up to where they need to be.

Yeah, why do you think that works well?

You from the customer perspective or from finance teams perspective.

Yeah, I I I I always, you know the roles of recurring revenue are never my favorite things to discuss, but the finance team usually likes

it, affecting the current

contracts and not the the next one, and it seems like if you just extending out the contract. It's not downgrading the ars the way it's been explained to me again dimly with white bulb going over my head on some of this stuff, but

I think for the customer it's a it's a really good I mean it's a good barter right if they're saying like, look, we have low engagement, or a we had X, Y and Z. And you saying, okay, like, let's come in.

What's what's say? We'll give you an extra 2 months. But in order to do that. What really works is, we say we kind of. We kick it off. What are the things that you're trying to do

and get them to meet you in the middle, like you've got to help your team get engaged as well, too, and sort of set out a roadmap saying, You

Okay, we're going to meet every week, or, you know, or twice a twice a month, and we're going to make sure that we're getting these key objectives, and we're getting these people ramped up, and we're willing to put in the 2 months extra if you're willing to, you know, have your team become more engaged with this as well, too.

Okay, that's a great call out.

Well, one I'll emphasize that the dimly lit light bulb over here, too. When I realized I was like, oh, okay, like I'm trying to protect a Cv. Or our average seat price. And I can create gifts that Don't impact that and preserve those metrics that you know. I I agree, like they're hard to talk about, but they matter for fundraising. They They matter for how the company is valued.

So it's really important that we, you know, respect it, and it's realistic. But that's such a great call out to Jeff about like, if you're agreeing to something for free. How are you getting commitment from that customer to say it's not just 2 months of what we've been doing? Because what we've been doing didn't work.

So how are we going to create like partnership? Real true partnership with commitment through those 2 months, so I think that's an awesome call out for sure.

Yes, Melissa, define success. Upfront forgives, and the timeline. That is absolutely true if you give things, and then we all sign the contract and high 5 each other, but we don't actually follow through. There's a really good likelihood. We end up in the same situation.

right?

Any other questions or thoughts.

Well hide her today. Okay.

All right. I'm gonna flip back through these slides.

Okay.

we're wrapping up but 2 things I want you to think about this week.

One

do a risk factor analysis of your upcoming renewals using the data right from? Have they expanded?

Did they see value right, and then start to draft up your renewal ladder. There's a good chance you already have some committed gives that You've worked with your finance team on

like draft up your best case scenarios, too.

and figure out how you're going to incentivize and motivate people to move beyond that flat renewal.

A couple of people each week have been sending me some of their homework via slack. I am more than happy to brainstorm with you and spit ball ideas, or give feedback, as we're going through different situations. So as you start to draft it up, even if it's totally like chicken scratch on a napkin, send me a picture and let's talk about. Okay, what are you thinking makes sense

for? Gives? And to Melissa and Jeff's really great point. What commitments are you getting for those gifts? And how are you making sure that you don't end up in the same
and a couple of months.
Lera also put the feedback survey in the chat. Please. Please. Please complete the feedback survey.
This helps us make sure we're on the right track, because next week is our last week again talking about Qpis and metrics. So any feedback heading into that any burning questions let us know in advance, so that we can prep the best material possible.
All right. I'll stay on for a few minutes since we're actually ending early. You guys, I did not take you up to the 30 min mark out of breath and coughing, which is really exciting, but i'll. I'll stay on if you want to chat or have more questions, but otherwise thanks for the great engagement, and for talking about risk on such a fun week.
Appreciate you all.
Laura. Do you have the poll results?
Oh, yes, I do.

Class 4
text
Yeah, to tell this story
so really important.
First, every effective retention story needs to start with an exact summary, and this is because humans have terrible attention spans. So you need to write off the back, Hit the punchline right narrow down all the data from the analysis and share your top takeaways and insights right at the front
of your story.
When we're in school we are taught to write like a pyramid right like. Here's what my hypothesis. Here's all my supporting evidence. Here's my findings, and you have to like kind of read through all of that, and that makes sense. When you're thinking about. You know science, right? But when we're talking to an executive team you need to completely flip that.
and you need to hit the punchline first, because you don't want them to make a different conclusion than you have made right. If you start walking them through a bunch of data points, there's a chance you end up in a different place. So it's really important, you say. Hey, here's what I saw in this data that I think is important. And now i'm going to go through the results. I'm going to take you through the details. How is it going? And You're i'm not going to hide the bad news.
I strongly encourage you to share bad news, and as part of the retention story to call that out, you do not want to be caught trying to cover anything in the metrics right and of the skate. I've not ever.
you know. We we've talked a lot last week in a risk meeting about promoting a culture of where it's safe to bring up risk, right, and people share with you bad news along the way. And as a leader, if you're hiding bad news. It is really hard to get that kind of transparency and honesty from your team. They see it model from you.
Third, you share results. You've got the summary you need to hit action. So now, what are you doing about the results? Especially if there's bad news in there. How are you gonna close that

gap right? What are you gonna do in the near term or the long term future right to make a change or to maintain pace?

If you're doing a great job which is awesome. But we always forget, like, Sometimes we have good news, and we're like good news. It's here. Continue to share the actions. Here's how we're gonna keep this great retention. Here's what we're gonna do to continue to promote expansion. How am I going to maintain pace?

And then, for I love and ask for help in here

is to say, here's what I could use help with, and this is your opportunity to be like. I need budget. I need time. I need resources. I need your help personally. People love to help, especially the executive team. They want to get in there, and they want to support you.

So bring and ask.

So here's an example of like an anonymized and fudged actual Nr. Our slide that I've presented before, and that several folks in my network we all kind of like have use at this point together. and you can kind of see how we have the metrics and the past. I literally would have just brought this left hand part of the slide, and then, like, here are the numbers as you can see it's going up. This is good. Yes.

However, that's missing all of the context. And intel so really important that you're actually highlighting. How do I think it's going. What's my context? What am I doing about it? And then that ask for help? Right? Do I need help?

So opportunity to to rip this off

full permission for me

as you're presenting the retention story. I want you to be ready to answer these questions. I get them

almost every single time I've presented a story, especially a retention story that might be, you know. Hey, retention isn't where we want it to be, and we're making some meaningful changes to improve that.

So you need to understand. Were there any surprises? And if so, why

right? Why, Why was it a surprise? Could we have seen it coming 2. Was there anything we should have done differently and own now.

there's absolutely an opportunity here to demonstrate that you are an introspective leader that's able to grow and change, and that is so important and so healthy. So it is really important. You can look back on your work over the quarter and say, hey, there were a couple of surprises. Here's what happened in those situations. Here's what I wish we would have done differently and hopefully that lines up to what we're going to do differently in the future.

And then, finally, what do you anticipate for the upcoming quarter? And this one's not always fair.

But even if i'm presenting a quarter in review, I always ask for what's up coming, even if I was told. Oh, you don't need to present next quarter. So just like, know that it's a natural question that an executive team or a board team is gonna have is they're gonna say great the past? I I I feel like I understand it now

Tell me about the future.

right, and so not always fair to get put in that position. But I would always recommend, you know, having enough understanding about Q. 2. Right if you're in a. Q. One, you know. Wrap up

meeting next week, having enough an understanding of Q. 2 to speak about it at least at a high level. Don't get caught saying, oh, let me, you know, come back to that potentially.

So again. Learn from my pain.

All right.

I'm going to pause here before we switch into our panel. I see Jackie. Hello! Hello, Ruth! Are you here? We are right next to our okay perfect.

I know we've gone through quite a few topics, and we have some questions in the chat that could be really great for the panel as well. About exceptions. Jackie and Ruth are obviously very well qualified to talk about this, so

we're going to switch gears a little bit

and bring in to

experts to help expand the discussion today about Cs metrics and managing app for 2 people, me and dear to me, who are also phenomenal customer success leaders.

and i'll have each one of you in a minute. Introduce yourselves and tell us a little bit more about your companies, careers, products all that. So we have some context. but with franc scale, the Vp. Of customer success. It's submidable. She's been there for about 8 months, I want to say, and is graciously taking this call from maternity leave, because she needed to use her brain so deeply, appreciate that

Jackie Smith is the head of customer success. It's Beckett, where I was able to work with her through 2,022 which is really awesome.

She's taken over all of the customer success teams over there just recently. And so she's going through kind of a lot of this journey, right of figuring out. Okay, reporting up, managing the retention numbers, and so forth. So i'm super excited to have them both here. I really appreciate. If you are able to at this point, come off camera so we can see you get ready to ask questions.

But first, Ruth, i'll go to you first. Can you share a little bit more about your career, and then submitable, submitable customers product things like that. So we have some context. Yeah, absolutely. Hi guys, I am on maternity leave. If you're a baby crying, he is being taken care of downstairs, just Fyi. So I had the pleasure of working with Brooke, where we met at outreach, so I came into the tech space through the way of real estate. So I started at Red Finn.

really got a taste for Tech jumped into outreach as employee number 29. I actually hand up support, which was much more my background at the time. So Brooke and I worked really closely together. What she manage success, as many of you probably know support, is it's one of your lifelines when you're in success, and and it's it's been really fun to work with her since then. I popped around a little bit. I found a home. It's submitable last July.

So today I run account, management and customer success so much like Rick was talking about. We've got a team that manages expansions and a team that manages the value and renewals and submitables and Grants

management platform. So we work a ton with anyone who is taking in applications on any level. We also have a couple of new products that are more around volunteer and giving more in the tech space. So what's interesting about our and i'm sure we'll get into this book. But what's interesting about our product is we've really figured out how we can have a product that works when maybe the economy isn't so great, and all those grants, and those governments and those State funding, we have a ton of

customers that are states that give out money that has been given to them by the Government. We did really well during Covid, and then we've also got new products really geared toward tech companies and the ability to give employees more benefits. So if the economy is moving, we've got a platform for that as well, so really pivoting pretty well there. Our teams about 22, all up happy to dive into a little bit more of that. But

i'm really excited to be here today, and thanks for for having me

awesome. Thank you so much for joining us. All right, Jacky. Same question a little bit about you and your career, and then your team at Beckett.

Awesome! Hi! Everyone I have to say it feels very full circle to be on the panel today because I am a big pavilion fan, and I was part of the Cco school a few years ago, as part of rising exacts a few years ago. So thank you, Brooke, for asking me to be here today, I feel very honored.

So yeah, I actually started my career in sales at Oracle quickly learned that

big corporate tech tech companies Weren't: exactly my jam. So I joined at Ku as a seventh employee, and was again on sales before starting the Cs program over there

I moved to the e-commerce world for a couple of years during Covid, and started an onboarding team at for V which was acquired by attentive. So if you've ever gotten

any text messages telling you about a big sale. That's what Attentive did. And then, now I've been at speck it for about a year I got to work with the lovely brook, which was such a highlight of my career, and I now lead the success team. We we work with everything post sales. So

this is I just used to do onboarding, and so this is a little bit of a new path for me, but i'm very excited to be owning everything, including retention, and reporting to the board now, so, as Brook mentioned, this has been a new journey, but very excited.

Spec. It is a. B 2 B Sas platform. We're just in time enablement tool that helps sales sales, but also go to market teams. Adopt the tools that they're already using in their in the line of work. but excited to be here today.

Awesome.

Thank you both. So much for joining us All right, folks. How is this gonna run? I have a few questions for them to kind of foster our discussion, but as we are talking, please put questions in the chat. Raise your hand. I'll monitor that as well. Okay.

So first i'll go to Jackie first on this one, but based on your last kind of few customers or months of churn data. What trends or insights are you seeing in the business?

Yeah, we're seeing a few. The economy that we're in is very, as we all know, and it seems

the businesses that are being impacted. The most in our book of business are B 2 B Sas businesses.

usually the Smb and mid market. So we've actually switched gears a little bit in terms of our go to market strategy to not target high growth sas businesses, and instead look to insurance banking health care.

the industrial because they seem to be a little bit less impacted, and we found that in companies that have more than a 1,000 employees have also been less impacted. So we've actually shifted our mark market strategy to target those specific types of companies.

In addition, some trends that we're seeing, unfortunately, is people trying to get out of their contracts earlier than

earlier than expected, and so we'll get into it a little bit with some of the follow up questions. But we've implemented a new turn forecasting system, and I've emphasized to our team that

you should always be thinking Would this customer renew tomorrow, even if their renewal is in 2,025. I want to know today what they were in new tomorrow, because we've had a lot of customers try to turn on a cycle, and that's been a fun

thing to tackle. So that's another trend that we're seeing as well.

Yeah, that is a tough one. I've seen that a couple of other businesses where we've got folks. I it's like the equivalent of quiet quinning. It's like I'm just gonna stop paying in voices.

and just like, See right what the vendor does about it, which is, which is really challenging. So that's a great honest question to ask your team for sure, Ruth. Same question based in the last few quarters of turn data like, what trends and insights are you seeing?

Yeah, I echo exactly what Doc was saying, especially about the out of cycle churns. I I chalk it up in our business to selling to customers that don't generally buy technology.

So we're selling into a lot of nonprofits a lot of companies that have been given a lot of grace just in general. And so we see people saying, 6 months. And yeah, this isn't really for us like we don't have the budget. And what are you gonna say to a nonprofit that's helping

whatever they may be helping. It's hard to say. Yes, past that $2,000 that you owe us. So our Csms really struggle with that kind of how to walk that line of making sure we're doing right by submitting, but also right by our customers.

Our numbers last quarter. Q. 4. Were really pretty poor, and I think that was because the economy was so

a unsure of itself. To some extent. Q. One has been quite a bit better, and I think that a lot of a lot of it does come down to the stability. If If people know where their their next funding is coming from, or knowing where their next grant is coming from, or or have more sureness about that, we see customers really really excited about reapping and using us. But Bro. To your point. If you can't show the value it's, it's really really hard. I mean it. It Sometimes your tech is the first tech to be cut. Maybe they don't have a relationship with you. Maybe you haven't called them. We. We run into a ton of that because our Csms are really overloaded. I say one was lost. Have you talked to this customer? And they're like they finished implementation 6 months ago, i'm like, okay, so this is might be why they're turning. So one of the things that we're really working towards is making that relationship and building that relationship and making sure

our stakeholders Boss, you know who we are.

That's been really important for us, moving into 2,023.

That's it. Great point. So I love. So. You. Said Q. 4. Not so high, not our favorite Q. One better. It's great. So how did you frame up

that? Q. 4 retention story, and how did you put that together to make sure that you demonstrated like we have a handle on this.

Yeah, it was. It was an interesting conversation. Our C suite is really close to customer success. So, just for a little background customer, success is a really new function for submitable. So previously we had one human for each account that did all the upsell, all the renewal of all of the onboarding kind of everything, and they recently split that out. So customer success is almost like a new bet

for submitable. So our CEO, our Cfo, our Co. Are all very focused on what we're doing. They're super close to top accounts, which can sometimes be a little bit of pain, but long term it's good, because then ultimately something does happen. They know about it early, and so

talking to them about Q. 4 was not super difficult, just because we are in such close contact about what's going on. I did really work to spend the conversation like Guess Q. 4 is what it is. Let's look at C one like. Let's look at all the positive things we're doing, especially because I was only 6 months in. It was really easy for me to spin out a little bit and say.

this is all kind of legacy stuff. We're working towards a new normal. So let's start to look at how we're we're

how those bets are paying off. And so that was that was something that worked really really well, Obviously not everyone has that. But if you are kind of putting together a new program or something to that effect that can be helpful to just say, this is what it is.

I will also say that I think Bro. You mentioned this, but the hardest part for me, and maybe for some of you is making sure my numbers are are rock solid.

I don't want my Cfo coming in and saying, oh, well, I got this math, or oh, did you? Did you use the tableau, did you salesforce like that's worst case scenario, because your trust is immediately broken. I've had that happen to me more than once? Unfortunately, and your Cfo is your best friend when it comes to some of this stuff.

so that the the numbers being rock solid is is more important than what the numbers could actually be in a lot of cases, because you want that trust, even if they are not as great as you'd like. You want to make sure your c suite or your boss has that trust in you that you know what you're doing.

Yeah. that's a great point. I brought up what you were talking

your I I called it mid quarter renewal update, but you can kind of massage. But for folks that are looking at the screen, this is like with shared some actual like email updates that for mid quarter. Q. One that she provides for exact team. So, Ruth, can you talk to us a little bit about how you construct this to make sure it's rock solid and telling that right story.

Yeah. So we use salesforce and tableau salesforce. It's actually a newer platform. So it's been around about 10 years. But we got a new CEO just about 2 and a half years ago, so I think of submitable as 2 and a half years old, because there's just a lot it's a lot different than it was 10 years ago. We've got a whole different, c. Suite. And so we're still

somewhat a startup in a growth phase.

So salesforce is pretty new. Tableau is pretty new. We do have a bi analyst, but she supports quite a few different teams. So I do a lot of my own research. I also am super close to the vp of robots who helps me with a lot of the filters in salesforce. She's been around a long time, so she's really really helpful for some of my blind spots, and I can't.

I can't say enough how important it is to rely on your peers and people that work with you. Brooke and I became friends because of that we had to rely on each other, so the more you can build those relationships again is huge. There are people that will help you when you get into a tough spot.

So I use both of those to formulate an email or a slide that I send up to my C suite kind of quarter. I think this is what to my Cfo and my Cr. I was about to go on leave.

so I I kind of double checked all my data. I went into specific accounts. I looked at where our turn notes were, what what were examples, and push the team really hard to make sure that those things are filled out. Your data is only as good as what your team provides you in a lot of cases. So, making sure that they know what you need, and what you're looking at is really really important.

So I I use both of those I look at individual deals. I also have a manager that oversees customer, success, and manager, that oversees account management. So I lean heavily on them to understand kind of. Where's our biggest area for opportunity? What are we working on? What are we pushing with the team?

And then I I realized, like the bottom line. I I liked what somebody said in here about bottom line up front. I i'm gonna use that. I want to put that more kind of front center. But the bottom line is I wanted to show them how much money we have to save to get over 90%.

How, where do we go? Find cash and risky renewals to up our retention rate, I will say we're not close to 90, but it was a nice idea.

but show them the actual number. Show them what you'd have to do. How many accounts, what percentage of accounts would you have to save? That gives the executives a really great understanding without just saying, hey, we

we need to save 20. Okay, what is 20 like? What does that come down to in dollars and cents? So I found that really really useful for my executives, because that's how we think about new business. And that's how they think about a lot of other numbers.

Awesome.

Yeah, thank you for sharing some of the details of how this goes, how this actually gets constructed right as well as what you know it's. It's both a current state update. But you have a lot of commentary in here. It would have been really easy to just, I think, Share this top part great, and be like, okay, come to whatever conclusion you know you'd like from these numbers versus adding in the context here for sure, there's a question in the chat. R you. I I know somebody will have some really different.

But you have network, tool, renewal and net retention. How are those different?

Yeah. So 2 things. This was a very eye opening experience for me, working with my Cfo on some of these numbers, because we're in customer successful day long we're in these numbers all day long.

We expect people to know all of our stuff. We expect people to work point like you're going to ask the questions you're going to ask, because you understand my business.

They don't understand your business. They don't understand your numbers.

They don't understand a lot of your target, and that's not to say play it down or or make it easy. That's to say, explain it.

The these people care about the business, and they want. They hired you to think about it in a strategic way to explain it to them.

So I sent out of my Cfo. And I said, Why are we talking about that renewable? Why are we not talking about that retention, because they kept saying, we want to get that renewal over 100. I'm like i'm sorry I've never heard of that renewal. Can you please tell me what that rule is. I've i'm only familiar with that retention.

So we started thinking about net renewal for whatever reason as any expansion that happened in the same time. Period, so month, quarter of

the renewal. So we were actually only looking expansion for those customers that were up for renewal.

which I thought was super silly, and I said, I want to look in their attention. I want to look at that retention, and my cfo God love him! Wouldn't know it like 2 months later he was. He calls me. He's like Ruth like Yes.

Why are we looking at that retention? This number is so much better than that renewal.
I'm really happy. You're coming around. I'm super happy. This is a number we're going to start looking at. So we think of net renewal as any expansion that happens at the time of renewal. So, for instance, if we have an we have a lot of early renewals which i'm happy to talk about. But if we have a renewal

that is in September, and they're signing today, we actually count any expansion on that for Q 3. So we would not really look at that number in Q one.

However, we pay Csms out on these net numbers and making them wait 6 months for some expansion they bought in was really silly. So we started introducing that retention because that counts money as it comes in, regardless of when the renewal is so it's easier to pay Csms out every quarter.

and so it's nice to start looking at that, because it is generally over 100, so it looks better to the board it's.

I'm more familiar with it. I think it's just a more familiar customer. Success number. So again, being close to those people, but can really help you build. That trust is really really important, because I had no idea what we were doing with that renewal.

I appreciate the honesty, and also just the billiness of that. But it's such. I I cannot overstate the situations where I've literally gone to like the Sas Cfo website screenshot. And here's how I do. My math

is this: how you do your math

to folks, and especially if you are new in a role or at a job. Don't assume that you're calculating things the same way, because the time period matters and the revenue recognition matters, and that okay, well, does it the payment actually matter? And so that is a great way to immediately right end up in in a situation where your numbers are getting doubted, even if they're not wrong. We're just using different

calculations. Jacky, I love. I can bring back up slides to. I know you have some stuff prepared, but i'd love to understand a little bit about how you prepare kind of your retention story and how you're You're sharing that up this year.

Yeah. So how i'll share.

Share my retention story. Moving forward is different than how I did it last quarter. So I just moved into this role last quarter, and so, reflecting back on Q. 4 was kind of similar to Ruth, and that I was new to this role. We restructured our Cs program as well where we used to have an onboarding team and a. Cs team.

and we combine that and I quite frankly. This is not a scalable model, but in order for me to feel confident, reporting to the board for the very first time.

I wanted to do a lot of this myself in terms of reporting on the health of the business, and it felt like for the

quarters Prior. We kept having a lot of Gotchas of turn, like I didn't expect them to turn. I didn't expect them to turn, and I wanted to get to the bottom of that. And

packets business models. We have a lot. We have a few high AR customers. So I was able to actually really dive into most of the accounts. I looked at accounts with renewals at the end of T. 4, Q. One and Q. 2. So basically through July for us. And I

personally decided, if they were healthy or not. And I did that from looking at account notes. chorus calls, or gong and product usage. Because one thing I didn't bring up in terms of

I'm. Seeing in terms of churn is that activation and usage matters more than ever, and I've talked to our Vp. Of finance about this a lot of like. How do you make decisions on

what tools are staying or going, and he's like I look at who's using what? And if somebody is not using a tool on the platform, I take them out, or we're cutting the tool, and that's what we're seeing, happen a lot with other businesses as well. And so

I really wanted to dive into customer sentiment in the product usage, and what I uncovered was quite a lot, and I I figured out some of the Csms. We had some newer Csms on the account that had come from the Bdr: world

didn't understand risk flags. So, for instance, listening back to some of the calls in the customer, saying.

Oh, yeah, we're evaluating another tool. I know it sounds really obvious, but like that's the red flag, or i'm unsure about the renewal and the Cs. I'm getting off the phone and being like great well talking to quarter. It's like No, no, no, you gotta dive into that now. And so I

created a forecasting model based on all of this research. And Bro. You can share the screen now.

and this is, I can't take credit for it. I learned this forecasting model years and years ago, working with Michael Redboard, who is a former GM. At Hubspot, and I went through 4 categories. The customer is either likely renew, likely cancel, or will renew or will cancel, and if you look to the right, you can. Where it says rate, you can apply a probability to each category. and if they were likely cancel

or will cancel. I put them at 0 AR. And so that was. That's what was forecasted. Even if there was a chance they would renew.

I aired on the side of caution of like. If I am not confident again in the question, would they renew tomorrow? Because again, we had a lot of out of cycle churn. Then I did not feel confident, reporting that to the board.

and so

I I put together a big story, and I I joined a little bit early, but around what Brook had said. Around

these are the numbers. This is what I learned, and this is what we're doing, moving forward, and that's how we presented it to the board.

I will tell you that the first time this was presented in January for the year they did not like my numbers, obviously because I went with worst case scenario in terms of turn for the year, and there was a stark difference from previous years.

But quite frankly, I just didn't feel like the health of the business was where it was at, and that needed to be represented to the board. They wanted us to go back and fix some of that. And so I we did do a worst case scenario of this turn forecasting, and then the best case scenario, where.

if I was borderline on some of the customers where I you know, I I might have not personally talked to them. Their usage was okay, but you know there was other elements at play like sentiment was good.

I changed them to likely renew. So we gave them a worst case in a best case scenario, and committed to honestly fairly high turn numbers for the year, which I was glad that the board was on board with, particularly being in this new role with the challenges ahead.

and I also got commitment from the product and sales team to be on board with retention being the number one focus for the year, and I think it's so important. So you have that partnership between other departments sales. We have a new sales leader, and she is committed to ensuring that the customers were bringing on

are going to be great customers, and there's not going to be these Gotcha in onboarding which was happening. And then, in addition, product instead of

building out all these new fancy features while our customers are sitting here and there's some of the core functionality just not working

there. They shifted their focus to these core retention plays as well, and so we had a company buy in which, as a new head of Cs, I was extremely grateful for that, this being a collective company goal rather than just a Cs problem, which is what I've seen in the past

up. Pause. There is any questions on this type of forecasting model. I I believe you all did a course with Bro already, and forecasting. But i'm happy to answer any questions on this.

Hey, Jackie? I have a quick question for you on the

prediction Scores, yellow, orange, and green and red. What factors did you use to make those determinations. I know you kind of said some of them. But

yeah, so as Ruth alluded to, we had plenty of accounts that had no contact for 6 plus months if we didn't have any contact with them. That was, that was an element of risk.

So basically, Csm. Interaction to usage, were they actually using the product?

3, we we looked at Nps. We didn't wait that all that heavily, because Nps could be biased.

but those were the big ones. Are they using the product? And they are they interacting with us? And

oftentimes the answer was, No, they're not interacting with us in 2. They're not using the product. So for those it was a likely cancel.

Thank you.

Another question for you, Jackie. Was this a manual effort or some elements of this analysis automated

It was. It was fairly manual. This was my Christmas break. Everybody wants to spend the holidays right? I know. Well, we're doing more things to get it automated. But it there was.

you know. There's always more to this story, and there's always 3 versions of the story. But with the team shifting so much. There was just a lot of learning to happen, and I didn't want to pile on this on my team.

And again I am somebody who likes to have the answers, and going into my first Board meeting, I I personally wanted to be able to address any questions that came up, and so that's why I really did want to

manually go through and understand who our customers are and where their help is at, if it's it came to that.

Yeah.

I love this, too, because this is a spreadsheet like we are all capable of doing this, and it doesn't cost anything in theory other than your Christmas break. But I I think a lot of time. So we think we need like a tool, right, or we need something really fancy to get into the weeds or to run a forecast. And so I love like the the clarity and simplicity of this, too, because anybody could pick this up and be like, okay, I basically can understand, right. You know what you think is gonna happen in the future which is really cool.

There was another question
in the chat that, Jackie, you kind of answered a little bit, but i'll ask it again for you. And then, Ruth, I want to come to you. So when you're evaluating gross retention right to understand customer fit. How do you make sure that you're aligned with sales and product
when you're starting to see retention, take a hit because those not good fit customers are churning out. And so you mentioned You feel like you have really good alignment with your sales and product teams. But are there things that you did to promote that?
Yeah. So during the same board meeting to kick off the year, we redefined Icp, based on some of the turn trends we were seeing. So, knowing that Smb and Mid-market customers were turning at a faster rate particularly in the B Tob Saas segment, we shifted the focus to the segments I mentioned earlier
and redefined a ISP. We pulled the turn metrics accordingly to the ISP. We did have to work with our Ops team to tag their west of automation, but tag our customers based on these segments. So we we did some analysis, and so sales agreed to the Icp marketing, agreed to the Icp.
And obviously customer. Success agrees to the Icp. It's not to say that we would sell out of Icp if somebody was inbound and really eager to use back it, and for the most part it was a good use case, and it's also not to say that if we had one of our largest customers who wasn't exactly Icp want to turn. We wouldn't chase them just given the state of our business, but
overall we had a direction that we were pointing to
do. Those teams have a formal retention metric or any incentive around retaining customers. Our number one, okay, as a company is retention, and so that's the North Star for everybody, which is great and similar to Ruth. I provide a weekly update on where we're standing with retention, metrics. So everyone everyone owns that that revenue retention, number.
question for you. How are you ensuring sales and product alignment? If you're seeing churn due to to customer fit.
You know it's it's been interesting, being newer. I think it's been a little bit harder for me. We're also mostly in Missoula and Seattle and our our product officers down in San Francisco. So it's not like I get to bump into them every day.
I think again I feel like I've been harping on this a ton. I think it's about relationships. If you're not getting the traction that you need. So I had a really tight relationship with our Vp. Of sales who recently left us. So now my boss manages our entire sales team.
which is great because he gets to see kind of everything that's happening in both Org. But we're still super sales heavy organization. We are still going to do what we need to do to get either that expansion, or that that new business dollar so retention is.
I wish it was one of our top line Metrics as much stress as that can be, Jackie. I'm kind of jealous that that is one of your company's big goals. So for me it's just getting in front of them, getting them in front of customers. We had our Cpr. To product up to go down to, or I guess he's. We had to go down to a customer Hawaii.
He was on vacation. He was gonna see a few extra days, we said, go visit this customer, and he sat next to a customer and worked through some issues and brought back a ton of information to his team. So the best way I found is to get them in front of a live customer. Let them ask questions. I think we still have some work to do

on getting that alignment of kind of the Icp, and what our customers truly need. And I think a lot of that does depend on kind of your leadership. Your leadership may be much more interested in making sure that they've got things to take out to the market versus what they've got going on for customers, and I think for us being that we're 10 years old, but really pivoting

to some extent, we are way more interested in kind of those new business dollars than necessarily keeping on every single one of our legacy customers who may not fit into our Icp moving forward. So that's probably where our situation is a little bit different.

Yeah, yeah, that's a a big transition right of the the shifting. Your product you mentioned, like empathy, though right is like the relationship you have with people. And then their empathy for the customer. And I think Steph asked a question

earlier in this call right about how do we make sure that, you know, if we're hitting roadblocks with executive team members who maybe don't understand the importance of some of these kpis, or the importance of focusing on retention efforts that they develop right, that customer, empathy, and I, You know, I know we've had personal experiences, taking right those execs on the road and being like No, you sit down and you watch this team. Use the product or you get on these calls, because sometimes it helps just to hear it from a different voice.

and they're tired of us a little bit.

Yeah, and the more you can package it up and say.

here's how many dollars like it might be 4 customers. But here's how many dollars we are losing because of this one product feature, or because of this one thing. Again, that bottom line.

Ha! What are we? What are we losing because of this? Your Your executives may still say we don't care like that's, and that's totally fair for them to say. But then you can also position yourself to say great. Then here are my numbers. If we don't take that into account, or here's how I think our team should be incentivized if we're not going to care about those things, so it gives you power, regardless of what their answer is

of what they, what they want to focus on. It gives you power to say, okay, here's what I want to look at then, and here's how I want to pay my team. But here's how I want to be measured, because then at least you know it's it's not just power. So sorry, Jackie, for interrupting you. But that was my my spiel there.

No, no, not at all. I think that's great. I I just wanted to double click that our team is also investing in going to see people in person.

Just think, that's so valuable. I'm going to Virginia

for lunch from Burlington, Vermont. It's 4 flights in one day, but I think it's really important to make the investments in those relationships. And then also, Ruth to your point, having our exact levels be on customer calls. So they're invited to Qvr's right now.

and executive alignment calls, etc., and that has built a lot of empathy, and also strategy for the product as well, and making sure that people are hearing what the Cs team is hearing every single day.

but live on a call that's that's helped. Create a lot of alignment as well.

and if you can't get your execs on a call, some of them are gongs if it send them a course to it. If you want to say, here's how many dollars we're looking because of this thing.

Say that, and add snippets from calls from actual customers, saying certain things, because sometimes it is hard to get an executive on a call, or they don't care. They want to see an email that's been really useful. We do that a lot in slack. We'll take really quick snippets, whether good

or bad, and throw them in slack slack, so other people can hear exactly what a customer saying that they never would have heard if we had not pointed out to them.

That's great

change the Voice: Absolutely. Okay. I'm gonna jump around our question list in respect of time. But, Ruth, i'll start with you first on this one. So just because this is it. This is a safe space. I want you. If you're comfortable, to share a story about a bad, exact meeting

you had. What happened. What did you change or do differently? Going forward?

Are we talking internal or external, like with the customer with one of our internal execs? Let's go with internal.

The theme of today is all managing up and presenting out.

Okay. So our about one of my previous Ceos works in one of our previous Ceos

really doubled down on bringing the executives together, when there weren't a lot of distractions. so he was really intent on making sure he understood every part of the business, and this is when we were going really rapidly.

and I had that function. Bro cut it up a function. We had a couple of other kind of mid level executives heading up functions. So every Tuesday morning at 6 am. We would meet

in person. This was obviously pretty pandemic. 6 am. You had to have a slide a slide prepared for your business for the last week, and he went through every single piece of business we're talking. Hr security success support solutions. I mean literally every piece of the business.

and it was great because you were in calls you weren't getting slack, you weren't getting email. So everyone in that room was super focused, and I will never forget. One morning I did not have a reason as to why we saw an increase in support tickets.

We saw a huge job. I I talked it up to the fact that we were adding our customers. I didn't really look into it much more, but I did not have an answer as to why we're seeing more support tickets. I throw my number through my numbers up there, and said, Here you go! Here's last week, and he goes. What the hell is this?

What? Why, why do we have more tickets? What's going on here? I did not have the information on outage we had. I didn't have the information around new customers. We'd added that just had more platform, like I just didn't have my background information.

It was not fun to be in the hop seat. It was not fun to had have no answers like I just. I had nothing to say about it. I was frantically searching. My email is frantically looking in Sendesk.

and it's one of those situations that teaches you a ton, and you're you're happy to be over with it. And you remember in your future situations like oh, God, I never want that happen again. I'm gonna go double check my information. I'm gonna go look at this, and especially from your peers like it was just. It was not a fun scenario. I don't wish to on anyone. I don't. Necessarily. No. If it was the right format to be doing nothing. But it was it happened, and it was. It was a teaching moment, and it's something that I look back on as okay. I don't want. I don't want to be asked about a number. I don't know that I absolutely should know. So

for me I experience is the best teacher. So I bring that into my future executive meetings around. What do I think they're gonna ask, what do I think they're gonna want to know about? And what answers do I want to have

absolutely it. It is a lesson you learned and like lives in your body at some point. You're like, okay. I never want to have this this feeling again, but I think it goes back to your point earlier of like Don't. Assume that people understand your business, either. So it's really easy for us to feel

comfortable with the data, and just put it up there and you're like, okay, this is: I know what this chart is, but Don't make the assumption that other people Well, but yeah, years and years of 6 am. And I'm.

You know we're in our morning people. So we were also crankly presenting data. It was a really fun meeting. We were. We were great.

Jacky. Same question to you a lesson learned from a a not so great executive meeting in your past.

Yeah. Well, I did share the last thing about the Board meeting, which was maybe like, always have a worst case and the best case scenario, because worst case is just

daunting.

I will say that I have actually Haven't had a bad, exact meeting yet. But

things I learned quickly is how to communicate with the team around you, and everyone's a little bit different.

Our CEO likes over communication. And so when I started in the role I B. See her on every email until she told me to stop. I wanted to make sure she knew exactly what was going on, and I knew that she

likes to be in the weeds and things, and so I let her be in the leads and things, and I learned that fairly quickly. I did weekly reports of what was going on, and I shared that with the exact team, and I always ask for feedback. On what information did you like and what information was missing.

so that I wouldn't be caught off guard. and then, Ruth, to your point earlier about being really close to Cf. I'm. Really close to the Vp. Of Finance to make sure my numbers are tight because you don't want to

misrepresent the business, and people are looking at different numbers. We use catalyst as a customer success Tool and those numbers tend to be slightly different than what the Vp of finance has. So I needed to learn to speak his language fairly quickly. And so

I just built those relationships quickly

and again asking for feedback constantly, and trying to just over communicate until I'm. Told otherwise has seemed to work really well

awesome. That's great that you're able to kind of read the room and the relationships, because I think you know a lot of that is you just preparing them right for getting your numbers. So they've been along the journey with you right of Here's what's going on with the customers. And here's what's happening every week, so that when you do go to that board meeting right? There's not a surprise from you. You've prepped them, really? Well.

exactly, and I ask, what numbers do you need constantly, and so if I get asked a number I can quite frankly say, like, hey, we prepared for this.

We didn't talk about that number, but I can get it afterwards. And so that way I kind of protect myself as well.

It's great.

All right. We're up to our last few minutes. Any other questions from our attendees for Jackie and Ruth.

Fantastic

Jackie Ruth, Any final parting thoughts you want to leave with the group.

I will part with one thought. I think one thing I left out that I might be helpful if you could share your screen one more time

again. I'm an over communicator, so as part of the Board Prep. We did a Pre. Read this time, and this allowed me and other execs to get all of our thoughts on paper and tell the story ahead of time. This also allowed the Board to digest, react, and come with questions

prior to us, actually having the meeting. And then, once we had the meeting. It was very productive, because they understood the situation.

and I included the format here as well. So like the clear opening statement about the gold, the Cs team. I broke it, the rest of it into the themes that I was seeing, and then from there the learnings for them, the past 2 quarters, and what we're doing, moving forward so again over communication whenever possible, and try to

get alignment from your other leaders on your goals, because certainly can't do this alone. Absolutely. It's great thoughts, and thank you for sharing some of your thoughts around like prepping for a high stakes meeting right where you know you're potentially not giving the best news in the world.

What about you any final parting thoughts for the audience? Yeah, this is going to be a little bit of a curve ball. But we're talking through all this stuff, and we're talking through numbers, and I would say one of the most important things is. Be yourself.

If you are trying to report on somebody else's slide, or someone else's numbers, it's not going to go. Well make sure that you have your own understanding of the numbers, and you report it in a way that makes sense to you, obviously taking input from all these people.

But I I think it's a huge learning of. I want to be really familiar with my numbers. I want to report it in the way I want to report it. I obviously throw on a decent amount of humor. I want to make sure that my personality comes through, because I think that's a huge aspect of this being a little bit likeable, and so I I would just say, Be yourself like, get get

your familiarity, get your understanding, and report it the way you want to report it. I think it makes things go much smoother than trying to report on a Cfo slide, or someone else's numbers, or really trying to bend into whatever they may want. It's it's important that makes things more fun.

I love that great reminder, and on that note Thank you both so much, and that finishes up our course in these 4 weeks. I cannot thank you all enough for great participation, and questions along the way in the chat. Lera has put our final feedback survey. Please. Folks, fill out the feedback surveys. It's really helpful to me and to the team at Pavilion to understand what works, and what doesn't work.

and I will remain in the slack for a little bit of time. If you have additional questions and want to connect with me follow up items, or you can always find me on Linkedin Brooke, Simmons, or Brook Simmons consulting but serious gratitude for you all taking hours with me over the month of March to learn more about retention, and providing great feedback along the way. Laura, you want to wrap us up

absolutely. Thank you, Brooke, Ruth, Jackie, and congratulations to you all on completing the potential retention and renewals course. Have a great rest of the week.

Alright, Take care, everybody, thank you, Jackie and Ruth again.