Gainsight Report Finds Nearly Half of SaaS Companies Focused on Digital Customer Success To Drive Scale and Efficiency

New Digital Strategies Are Helping Companies Improve Customer Experience, Product Adoption, and Customer Retention

SAN FRANCISCO, CALIFORNIA, USA, October 18, 2023 /EINPresswire.com/ -- Gainsight, the world's leading Customer Success platform, today announced the results of a study on Customer Success trends. The big takeaway from the Customer Success Index (CS Index) North America 2023 report, created in partnership with Benchmarkit, a B2B SaaS research firm, is that almost half (48%) of the SaaS companies surveyed for the report have a formal Digital Customer Success program focused on adding more efficiency to their growth strategies.

Over the past decade, Customer Success has evolved from a standalone business unit focused on helping companies avoid churn and downsell to its role today as a key business strategy for driving more efficient revenue growth. Meanwhile, as SaaS companies strive to achieve these goals while reducing operating and headcount costs, Digital Customer Success, which blends human and digital touchpoints to support customers, has become more popular. According to the CS Index, Digital Customer Success is gaining ground in companies at both the lower ($1M-$10M) and higher ($100M+) end of the revenue spectrum.

The research was conducted earlier this year to benchmark Customer Success organizational structures, the presence of Digital Customer Success tools and strategies, and Key Performance Indicators (KPIs). More than 400 North American SaaS companies participated in the research across a wide range of company sizes, annual contract values, industry segments, and geographic locations. Respondents included every level of management, including C-level executives, SVPs, VPs, and Directors, both inside and outside a company's Customer Success organization.

"While most companies in the current market are trying to 'do more with less' and hope for the best, we see a much bigger opportunity to 'act differently' with a Digital-First approach to Customer Success," said Tyler McNally, SVP of Customer Experience & Customer Success Operations at Gainsight. "With automation, hyper-personalization, and self-service, Digital Customer Success allows companies to get even closer to their customers while simultaneously achieving scale and efficiency. That's why we predict that in five years, Digital Customer Success experiences will be table stakes."

As the global economic markets continue to evolve, reducing the cost to acquire, retain, and grow customers continues to be a top priority for every B2B Technology company. "Understanding which customers are best positioned for potential expansion and which are most prone to churn is a by-product of having the right Customer Success responsibilities, objectives, and measurements in place", said Ray Rike, CEO of Benchmarkit. "This research provides a detailed look at how companies are using metrics and Digital Customer Success strategies to drive more efficient customer retention and customer expansion."

Following are the main highlights from the CS Index North America 2023 report:

Customer Success Has Matured

A whopping 98% of companies are maintaining or increasing their investment in Customer Success. Companies are also recognizing the value of Customer Success operations to drive efficiency and further ROI: The number of companies with a dedicated Customer Success Operations organization has more than doubled, from 20% in 2022 to 41% this year.

Increasing Scale and Efficiency is the Top Goal for Digital Customer Success

More than half (59%) of respondents said their number one objective for Digital Customer Success is increasing Customer Success scale and efficiency, followed by improving customer experience and product adoption (19%), and customer retention (18%).

Digital Customer Success is Being Used to Drive a Wide Range of Programs

Over two-thirds (67%) of respondents said the top use of Digital Customer Success is to drive product adoption. But the data shows companies are using Digital Customer Success for many other reasons, too: 61% said it was primarily for onboarding, and 51% said advocacy/NPS.

Digital Customer Success Simplifies and Amplifies Traditional Channels

Digital events/content (webinars, conferences, etc.) were the top channels for Digital Customer Success, according to 78% of respondents, followed by marketing automation (65%), in-app guides and messages (56%), and Customer Success platforms (also 56%).

KPIs Are Still in their Infancy with Digital Customer Success

While only 27% of companies with a Digital Customer Success program have well-established KPIs, 60% said their KPIs are currently "under construction." An interesting finding: Companies that do have Digital Customer Success KPIs are using the same metrics as they do for human-led Customer Success (renewal rates, net revenue retention, logo churn).

Download the full report here.

About Gainsight

Gainsight, the world's leading Customer Success platform, helps businesses drive efficient growth by unifying the post-sales customer journey. Its innovative set of customer success, customer education, product experience, and community management products are used by companies of all sizes and industries, including nearly 200 publicly traded organizations. With Gainsight, it's never been easier to start and scale customer acquisition, retention, and expansion. Learn how leading companies such as GE Digital, SAP Concur, and Box use Gainsight at www.gainsight.com.

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