

# CUSTOMER ONBOARDING BENCHMARK REPORT 2021

PRECURSIVE



# FORWARD

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Customer Success is the key growth engine for companies where it forms a core tenet of their strategy and go-to-market capability. The best companies obsess about driving value for customers and recognize that Customer Onboarding plays a critical role beyond simply getting your customers started. The third annual Customer Onboarding Benchmark Survey undertaken by Precursive (formerly Taskfeed) unpacks the dynamics of how companies approach this discipline and the impact of this phase of the customer journey. Through the data captured, we want to contextualize the world of the onboarding professional today and provide insight on what has changed over previous years, alongside the key trends and metrics that matter. This benchmark provides an opportunity to see how your organization compares to your peers as well as what the future holds.

## CUSTOMER SUCCESS STARTS WITH CUSTOMER ONBOARDING

36% of businesses still believe that Customer Success is actually customer service\*. Why? All too often Customer Success teams are playing defence because the onboarding phase has not delivered the *outcome* that the customer was looking for. A failed implementation means that Customer Success teams can be left scrambling to fix issues and in turn the relationship with the customer. The best companies focus on delivering more value, more quickly leading to customers for life. **You only get one chance to make a good impression.**

\*<https://www.superoffice.com/blog/customer-success-customer-support/>

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## ABOUT THE 2021 REPORT

We believe that the best companies help their customers to see Time-to-Value (TTV) faster, leading to customers for life.

The importance of the first step in the customer journey is widely understood by companies of all sizes.

The challenge to build the organizational muscle for Customer Onboarding is less understood and this report provides tangible data as well as insight to inform decisions that can help you deliver a great onboarding experience every time.



Percentage of participants, segmented by company size

# WHO'S IN THE 2021 REPORT?

Customer Onboarding (CO) benchmark data and insight from some of the world's most innovative and success-led companies

## Who took part

Regions: Global

Industries: SaaS, FinTech, HealthTech, Digital Consultancy, IT Services

Company annual revenues: \$1 million - \$25+ billion

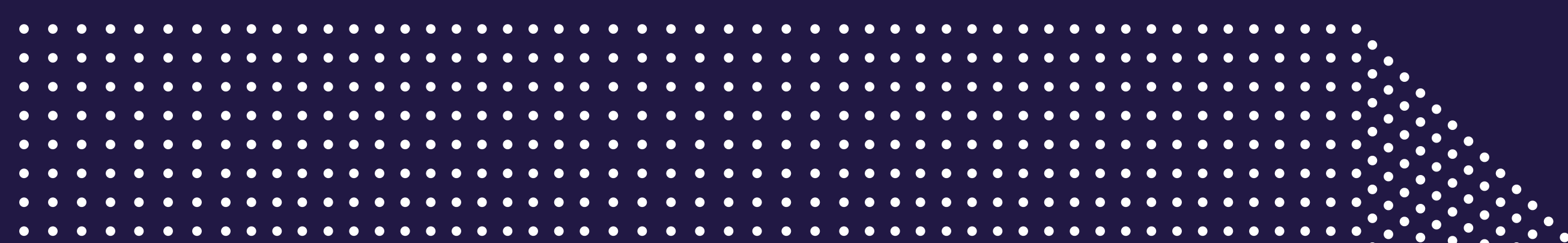
## Functions:

Professional Services (PS) - typically implementation is more complex and chargeable.

Customer Onboarding (CO) - your customer's relationship with your business at the point of inception.

Customer Success (CS) - the methodology by which customers realize their desired outcomes using a product or service.

A snapshot of participants:



# CUSTOMER ONBOARDING MATURITY MODEL

Our Customer Onboarding Maturity Model shows the evolution of Onboarding across different business criteria. CO is the cornerstone of an organizational culture that champions Customer Success, right from the start. This model will help you understand the key components for world-class Customer Onboarding.

	Survival	Stepping Up	Smarter	Hyper Smart
Business Alignment	Onboarding is an ad-hoc, means to an end	Process is standardised but not outcome focussed	Scaled onboarding for customer success, not just configuration	Proactive outcome focussed processes. Delivery is table stakes
Process	<ul style="list-style-type: none"> <li>- Ad hoc</li> <li>- Each customer has a different experience</li> <li>- Learnings are not folded back into process</li> <li>- Everything is urgent</li> </ul>	<ul style="list-style-type: none"> <li>- Repeatable and standardised process used for all customers</li> <li>- Process exists</li> <li>- Understanding of the work required is clear</li> </ul>	<ul style="list-style-type: none"> <li>- Onboarding framework defined for customer segments and/or products and services</li> <li>- Onboarding focussed on delivering outcomes not configurations</li> </ul>	<ul style="list-style-type: none"> <li>- Predictable model based on customer outcomes</li> <li>- Tailored onboarding plans for each customer based on expected outcomes of their products and services</li> </ul>
Culture and people	<ul style="list-style-type: none"> <li>- Onboarding has been given little consideration</li> <li>- Skill and experience mismatch, onboarding is just one part of someone's role</li> </ul>	<ul style="list-style-type: none"> <li>- Onboarding customers effectively is recognised as important, but not top priority</li> <li>- CS or support team do the onboarding</li> </ul>	<ul style="list-style-type: none"> <li>- Customer Onboarding regarded as key to Customer Success</li> <li>- Specific job titles 'Onboarding Manager' or 'Implementation Manager'</li> </ul>	<ul style="list-style-type: none"> <li>- Customer Onboarding is a cornerstone of company culture and success</li> <li>- VP ownership of onboarding</li> </ul>
Collaboration (Internal and External)	<ul style="list-style-type: none"> <li>- Disconnected teams and tools</li> <li>- People working individually</li> </ul>	<ul style="list-style-type: none"> <li>- Cross functional teams handing off from one to another</li> <li>- Collaboration with customers is handled over email, shared docs and offline plans</li> </ul>	<ul style="list-style-type: none"> <li>- Cross functional teams working collaboratively together</li> <li>- Customer and partners are included in the onboarding process</li> </ul>	<ul style="list-style-type: none"> <li>- Cross functional teams working together incorporating the customer</li> </ul>
Technology	<ul style="list-style-type: none"> <li>- Basic tools, with little integration</li> <li>- Nothing more than spreadsheets and/or status fields in CRM</li> </ul>	<ul style="list-style-type: none"> <li>- Tools are task based, but not integrated organisation-wide</li> <li>- Collaboration with customers is handled over email, shared docs and offline plans</li> </ul>	<ul style="list-style-type: none"> <li>- Technology supports real-time collaboration across business, customers and partners</li> <li>- Integration of onboarding tools into business-wide platforms</li> </ul>	<ul style="list-style-type: none"> <li>- Real-time customer collaboration platforms</li> <li>- Customer Onboarding integrated with education and user onboarding</li> </ul>

# BENCHMARK YOUR APPROACH

Precursive's on-going annual research program reveals that there is a maturity gap between companies of all sizes including those across Enterprise, SMB and Hyper-Growth.

Using data from the survey over multiple years alongside industry best practices, Precursive helps companies to benchmark any organization to see where it sits against others.

Based on the survey results we have created best practices, separated into 4 categories where specific people, process and technology innovations exist.

## SURVIVAL

Onboarding has been given little consideration and has no representation at a senior level.

## STEPPING-UP

Customer Onboarding is key to Success, but is not top priority, with some effort into improving onboarding processes across a few customer segments.

## SMART

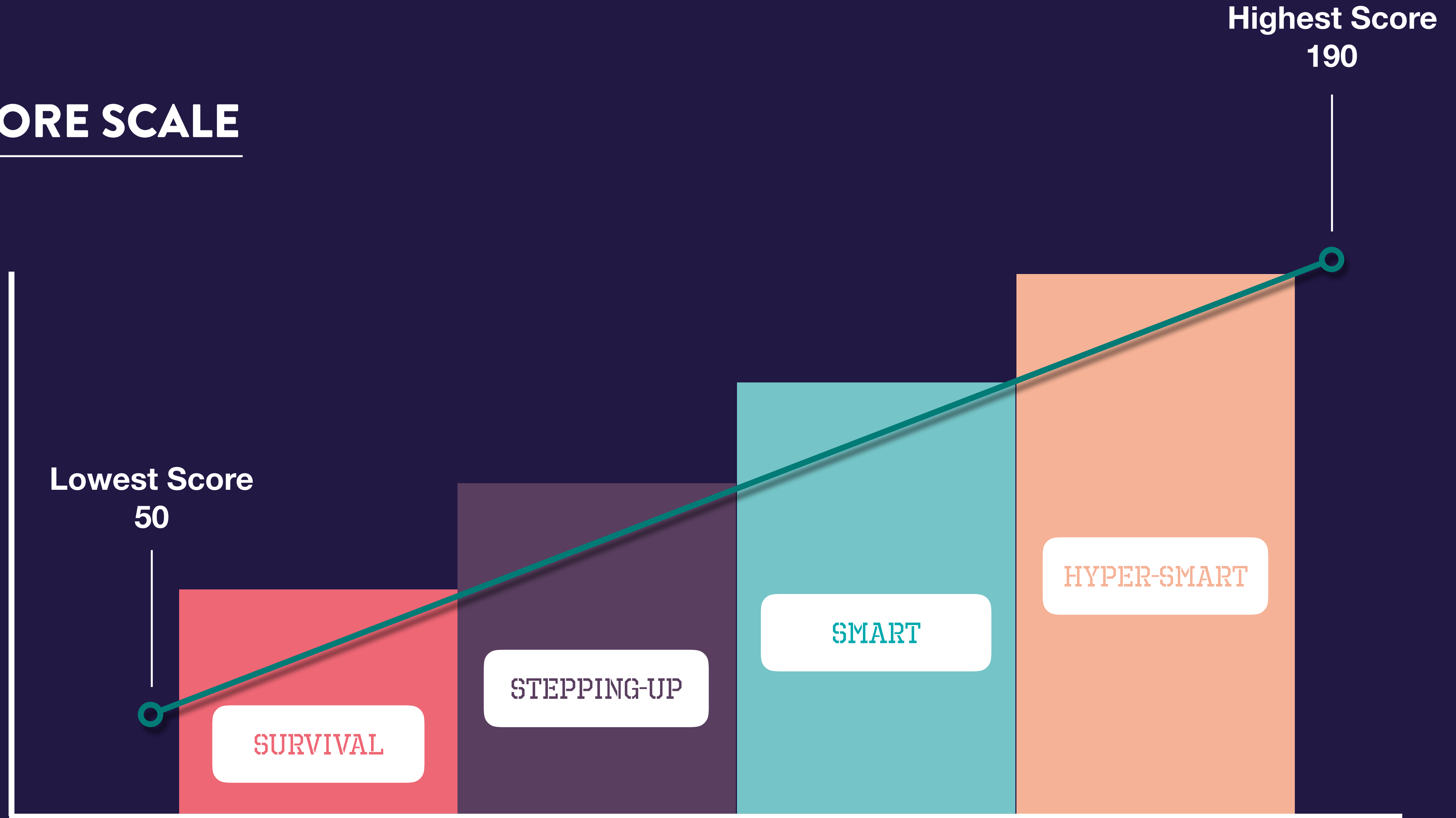
Customer Onboarding is a cornerstone of Customer Success culture with a concerted effort to improve onboarding.

## HYPER-SMART

Companies with specialist onboarding teams and long term commitment to continually improve across a range of value and outcomes metrics.

# MATURITY SCORE SCALE

2019's report introduced the Customer Onboarding Maturity Model to provide a benchmark for the onboarding function. This year we were able to score this model so you can truly benchmark your own Customer Onboarding.





# CUSTOMER ONBOARDING FOR ENTERPRISE

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## *You are never too big to improve your process*

More than half of all enterprise companies surveyed want to improve their onboarding process, with every company believing that in doing so would result in the biggest impact on the performance of Customer Onboarding. Enterprise companies are wary of what customer success means to their partner ecosystems and as the volumes and diversity of Customer Onboarding projects increases, companies are looking for ways to use technology to enable a human touch at a greater scale.

**MATURITY  
SCORE**

**155**

**100%** of Enterprise organizations have a Customer Success Department

**74%** have a dedicated Customer Onboarding team

**82%** of Enterprise organisations rate their onboarding approach as a key driver of value

# CUSTOMER ONBOARDING FOR HYPER-GROWTH

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**MATURITY  
SCORE**

**143**

## *Scaling with confidence*

The majority of hyper-growth companies surveyed are not charging for Customer Onboarding but are now considering developing chargeable Professional Services. There has been a shift in responses from previous years away from a growth-at-any-cost mentality to *'responsible growth'* (growth that doesn't aggressively sacrifice profitability with no consideration of the long term consequences). This cohort recognizes the connection between poor onboarding and churn and are investing in specialist technologies that promote more efficient ways of working. These include consumption monitoring, customer experience analytics, and Customer Onboarding apps.

**79%** are offering Professional Services (or are considering it)

**76%** also have a dedicated Customer Onboarding team

# CUSTOMER ONBOARDING FOR SMB

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## *Onboarding acting as a revenue generator*

The survey highlights that SMB companies are the most likely to charge for Customer Onboarding and many need Professional Services to enable product adoption. Every respondent stated that they see process improvement and investing in technology as key to unlocking future growth. Whilst the vast majority of companies have adopted Customer Success as a part of their strategy, less than half have a dedicated onboarding function meaning Customer Success are engaged in both Customer Onboarding and in-life enablement.

**MATURITY  
SCORE**

**115**

SMBs are most likely to charge for onboarding at **54%**

SMBs are mostly likely to offer Professional Services at **91%**

Only **13%** are using Customer Success software

# CUSTOMER ONBOARDING FOR EARLY STAGE

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## *Early Stage seeking repeatable processes*

Early stage have the biggest interest in adopting Customer Onboarding to deliver more value, with most companies rating their capabilities as poor. The majority of companies stated that developing more tailored and repeatable processes would have the biggest impact on their onboarding performance. Whilst many are developing Customer Success organizations, less than half have invested in technology to support this function.

**MATURITY  
SCORE**

**121**

**33%** have configured Salesforce to meet their Customer Success requirements

**13%** have a Customer Onboarding solution but mostly use spreadsheets

***“We have some great success stories with customers who have increased their usage of GoCardless once they have been onboarded because they are so happy with the product and the way it fits the business.”***

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**Katie Gouyette / HEAD OF GLOBAL CUSTOMER ONBOARDING  
GOCARDLESS**

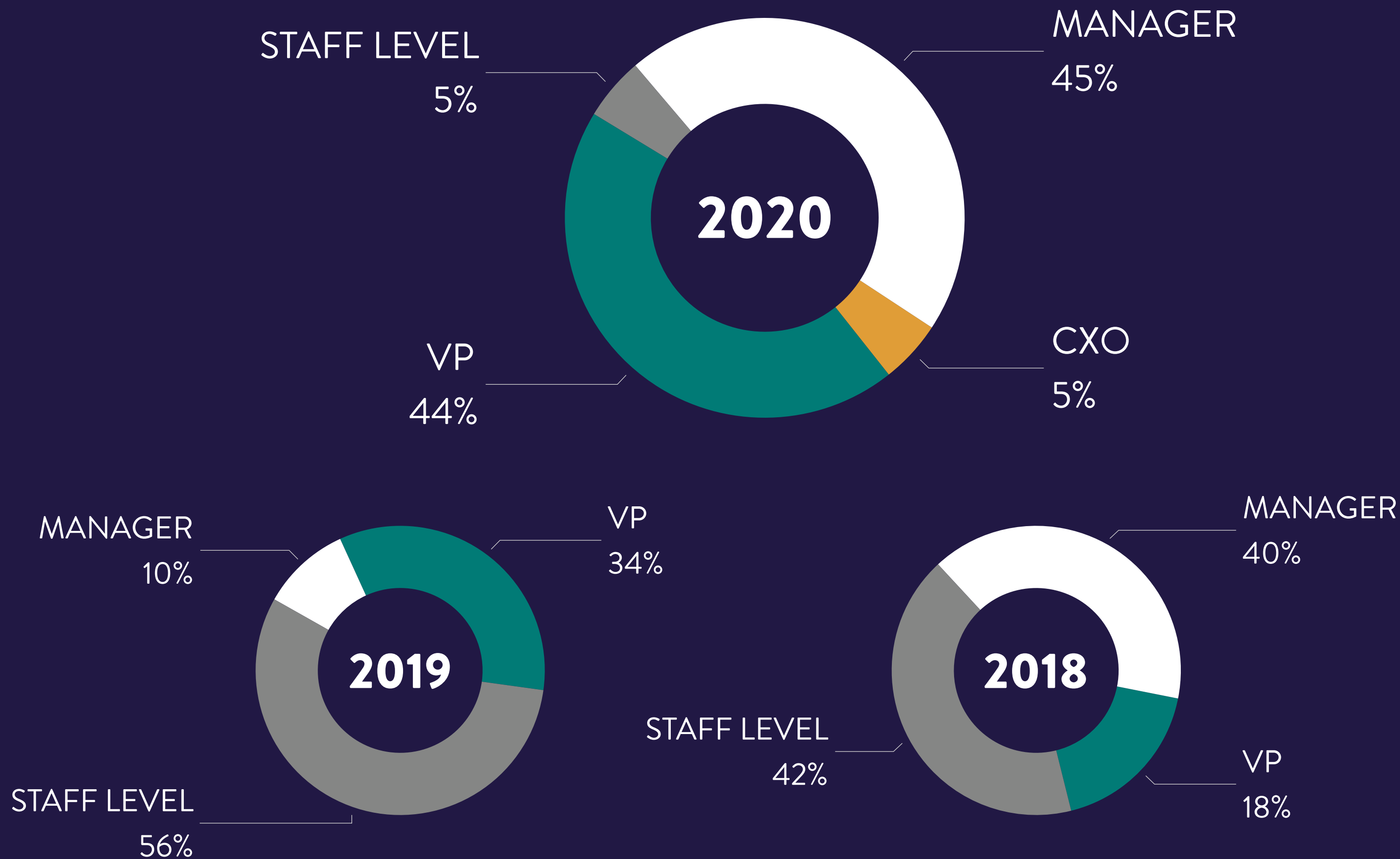


**PEOPLE**

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# WHO TOOK PART?



## Insight

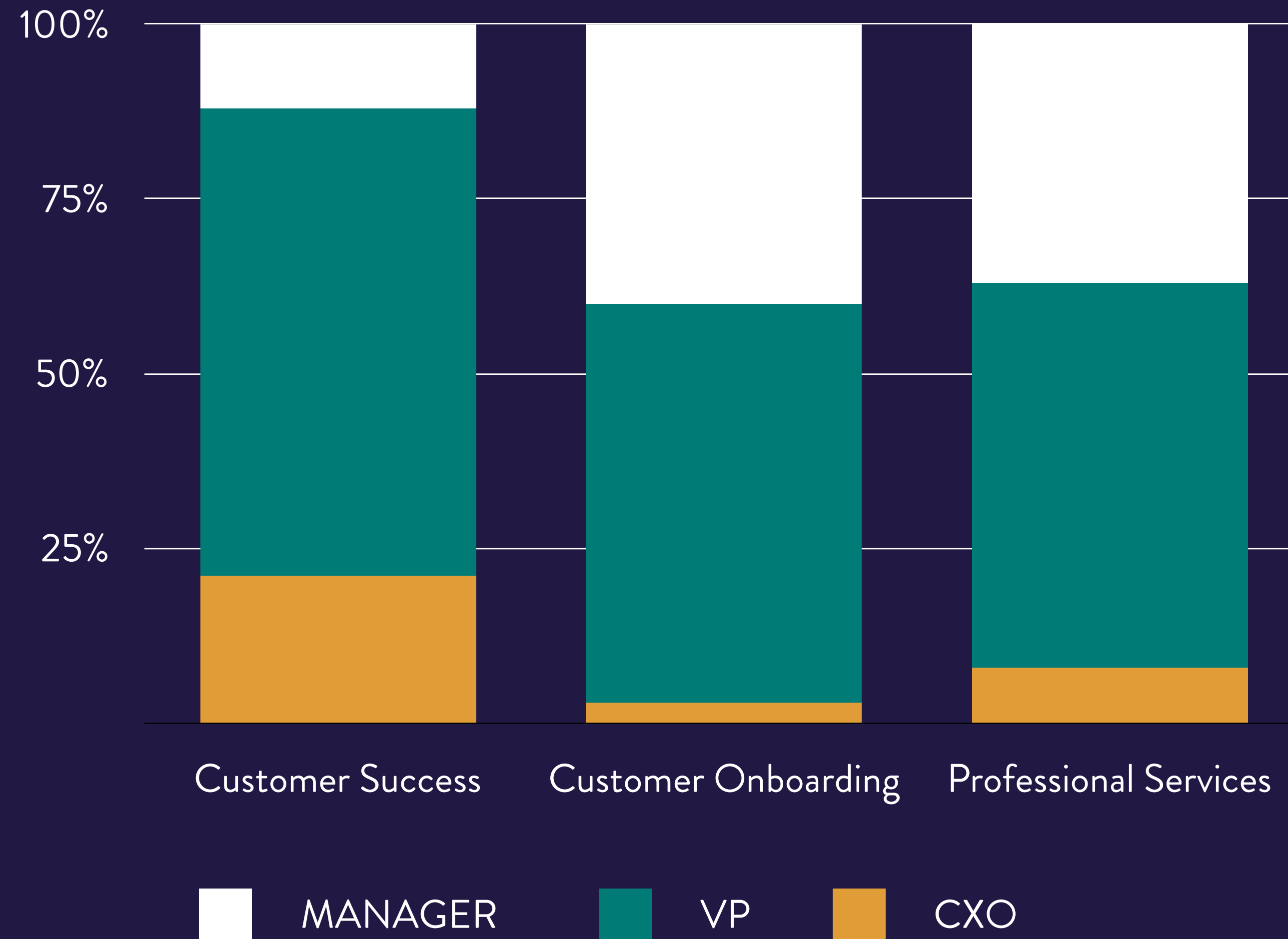
Over the last two years there has been a demonstrable rise in seniority in the Customer Success department.

In 2020, near 50% of respondents sat at the VP or CXO levels compared to 34% in 2019 and 18% in 2018.

As customers consistently demand outcomes and value, Customer Success is rising in importance, with a corresponding seat at the table.

# A SEAT AT THE TABLE

Q. What is the most senior role responsible for each function in your business?



## Results

- More than 20% of companies now have executive level representation for Customer Success.
- Less than 10% of companies have executive representation for Professional Services.
- Customer Onboarding teams most likely to be led by a more junior member of staff.

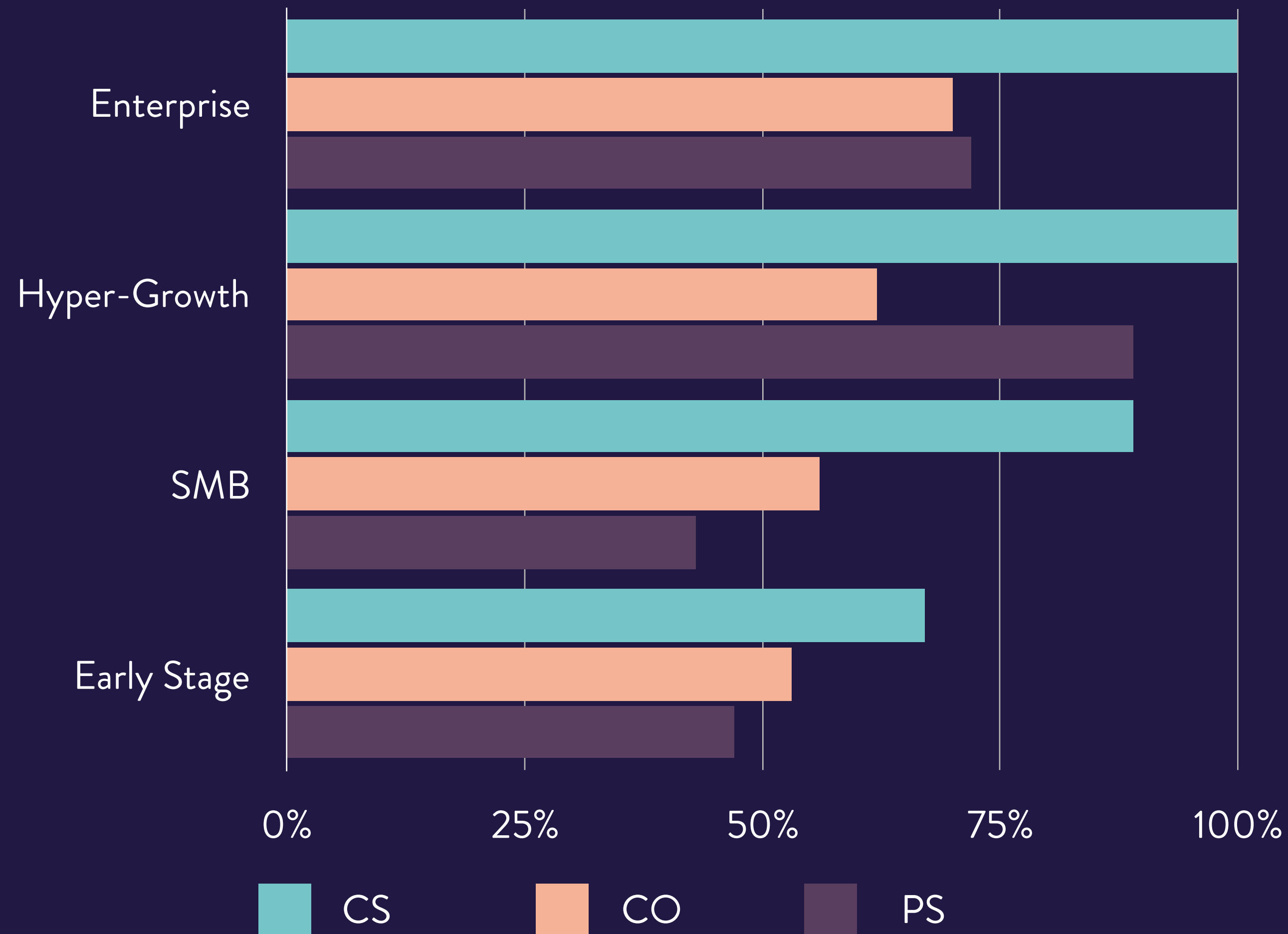
## Precursive View

Customer Success is becoming a more established, yet we are starting to see the emergence of senior stakeholders in CO who have responsibility for the onboarding process, along with budget for headcount and technology.



# SENIORITY FOR CO LEADERSHIP

Q. Do you have VP and above representation for customer success, customer onboarding and professional services ?



## Results

- Seniority in Customer Success increases in-line with company size.
- More than 50% of companies across all segments have VP representation now for Customer Onboarding.

## Precursive View

The rise in seniority of Customer Onboarding leadership evidences the recognition of the importance of this function and how it contributes to overall customer success.

Contrast this to some companies where a junior manager owns the function; this illustrates the disparity in thinking between participants surveyed in their understanding of the critical role CO plays.

*“The more I talked to other people in customer success, the more I feel like everybody does it differently depending on their company. There’s so many factors, like how big your customers are and what stage the company is at.”*

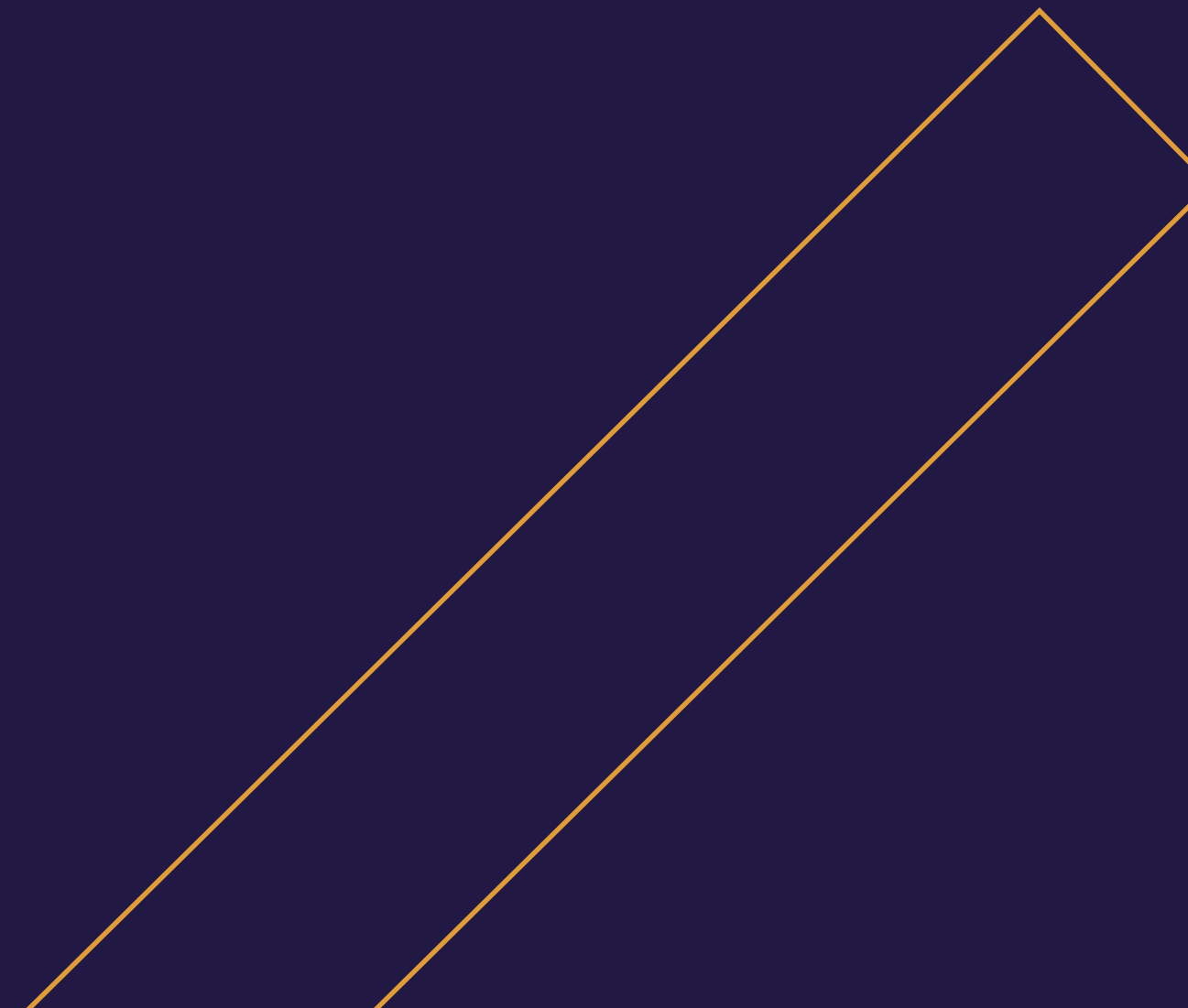
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**Sam Smith / SENIOR CUSTOMER SUCCESS SPECIALIST**  
**LINODE**



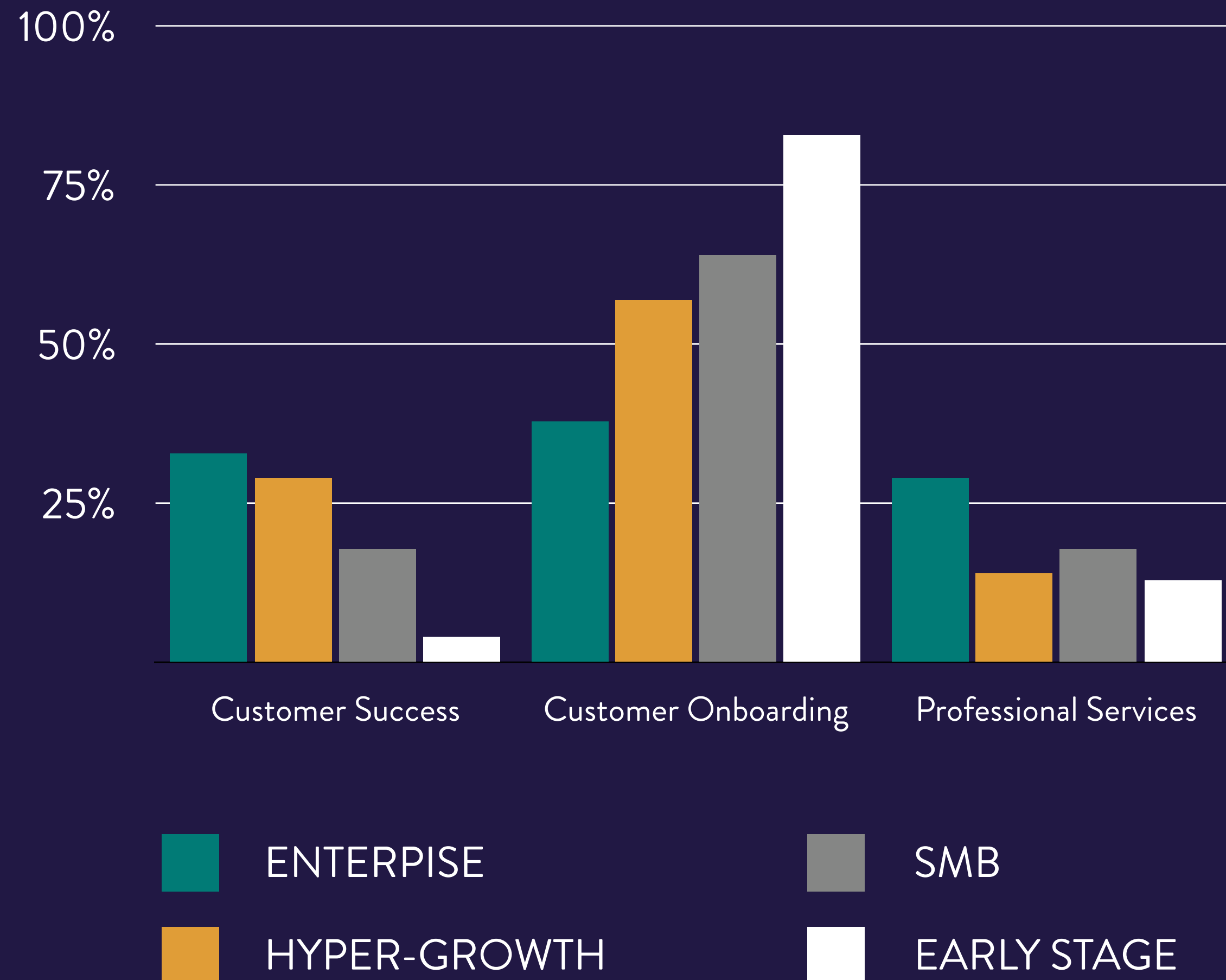
# PROCESS

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# ACCOUNTABILITY

Q. Which team is responsible for the post-sales stage of the customer journey?



## Results

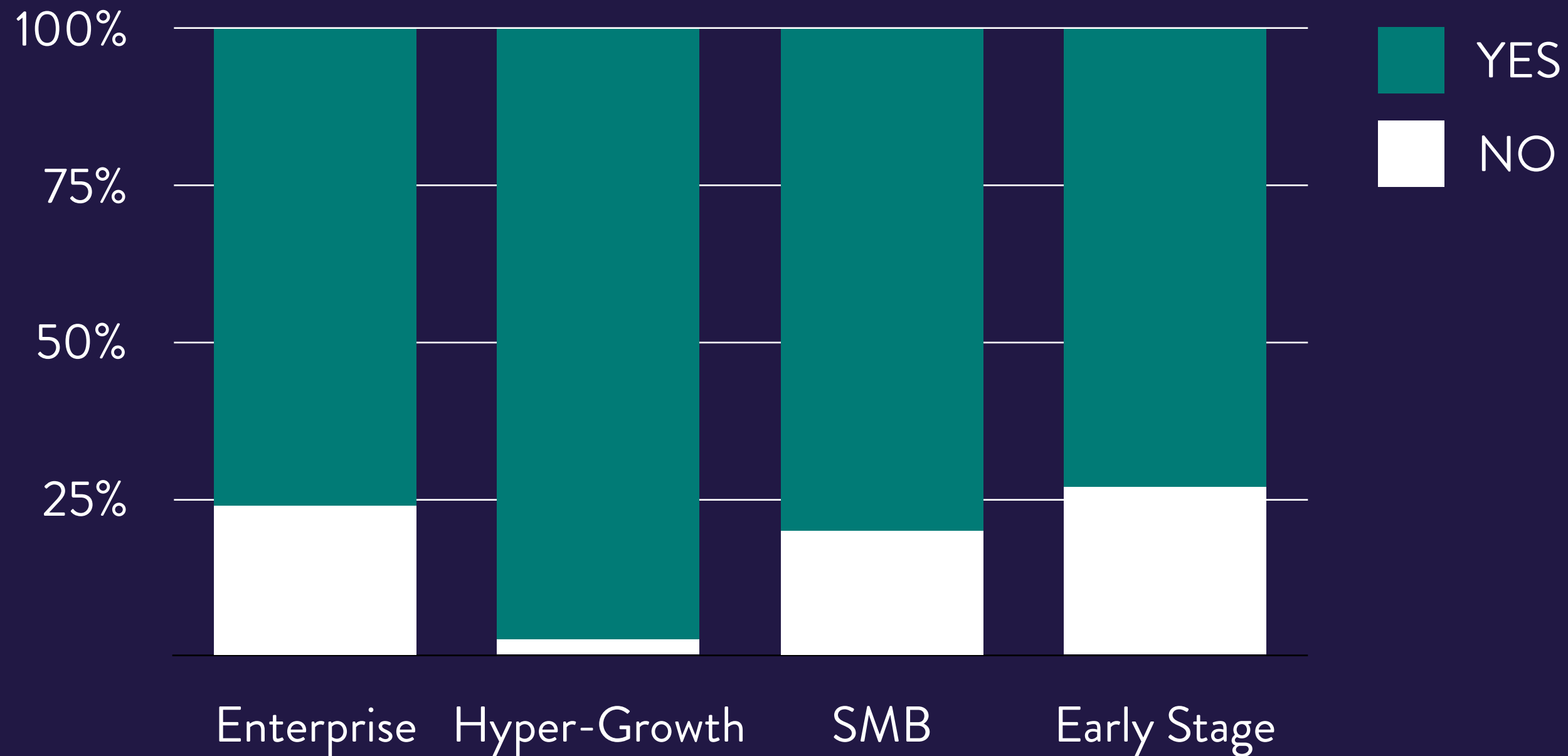
- The prevalence of PS in Enterprise illustrates the complexity of implementations in this segment.
- Early stage businesses are using CSMs for onboarding.
- Customer Onboarding is used by  $\frac{1}{3}$  of respondents across Enterprise and Hyper-growth.

## Insight

The rise in prevalence of Customer Onboarding and the displacement of Professional Services speaks to a wider trend with companies investing in making their products easier to install and configure with customers and the relentless focus on time-to-value as key to growth.

# REPEATABLE PROCESS

Q. Do you have a repeatable process for high-touch customers?

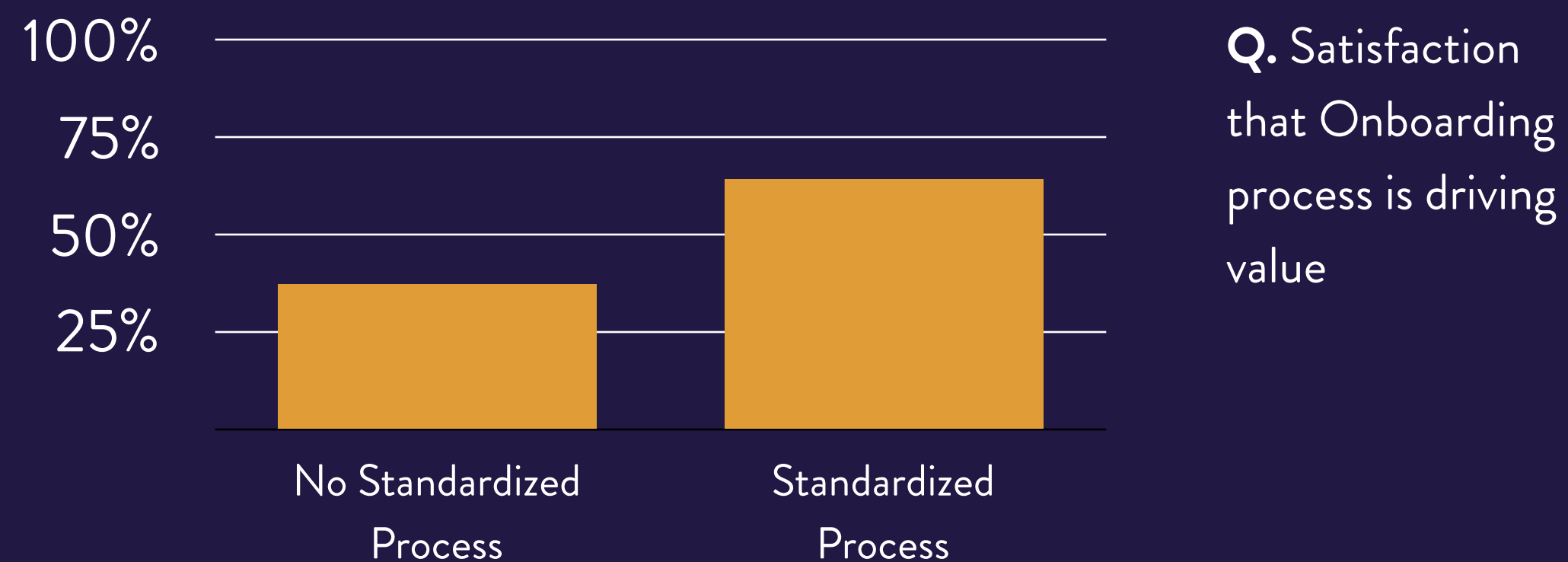


## Results

- All segments report a high use of repeatable process for high touch Customer Onboarding.
- Hyper-Growth companies have the highest proportion of repeatable process.

## Insight

Companies that have established a repeatable process for Customer Onboarding report higher levels of customer satisfaction with the onboarding experience.



Q. Satisfaction that Onboarding process is driving value

# FAILURE TO FOCUS ON VALUE

Q. Which milestones do you use to define the customer onboarding process as complete?

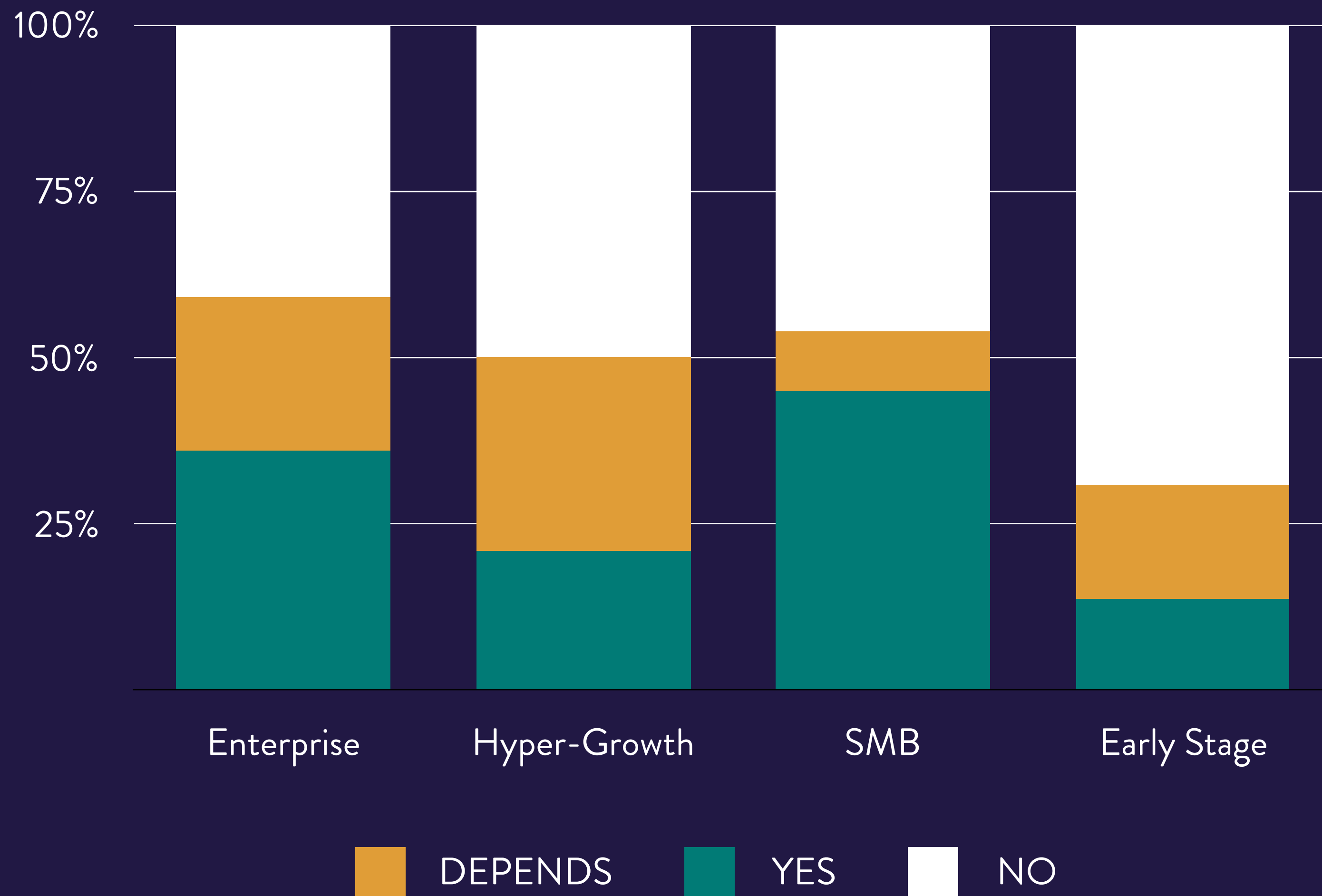


## Precursive View

The results present a vendor-centric view of the “end-of-onboarding”, with a lack of focus on outcomes or value in the survey. All these are tactical steps, none speak to alignment with a business case or a wider digital transformation agenda. A clear transition from Customer Onboarding to customer success or support is important to avoid escalating costs and unhappy customers. There should also be clear agreement between the onboarding team and customer success about what state the customer should be in at this inflection point.

# TO CHARGE OR NOT TO CHARGE?

Q. Do you charge separately for customer onboarding?



## Results

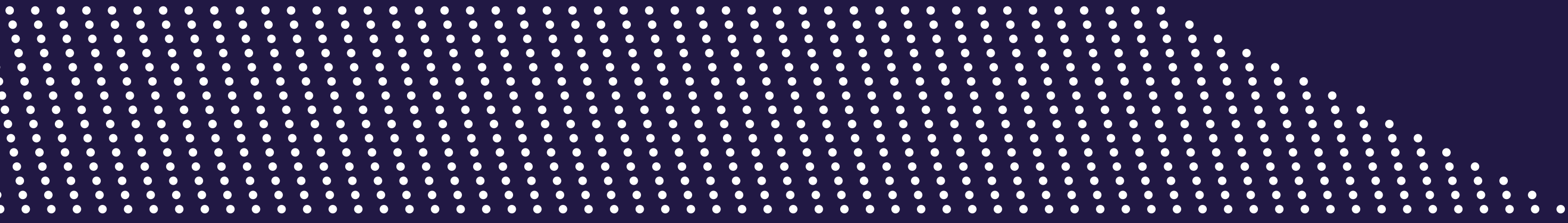
- All segments are more likely to not charge for onboarding.
- Early stage and hyper growth companies are the least likely to charge for onboarding.

## Precursive View

The lack of charging for onboarding can have a direct impact on customer engagement or lack of it. Charging for Onboarding is one way to get commitment and buy-in from a wider team of stakeholders during the post sale implementation.

# IMPACT

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# IMPACT OF CUSTOMER ONBOARDING

Customer Onboarding has a significant influence on the Customer Lifecycle with retention acknowledged as the area of greatest impact.

## Order of Impact

1. Customer Retention
2. Customer Health
3. Customer Satisfaction e.g. NPS
4. Lifetime Value
5. Up-sell

## Precursive View

CO has an impact on the whole customer lifecycle, especially in SaaS “land and expand” models where Onboarding needs to be repeated across a business to grow an account. Customer Retention and Health are closely linked impacts which all segments agree on.

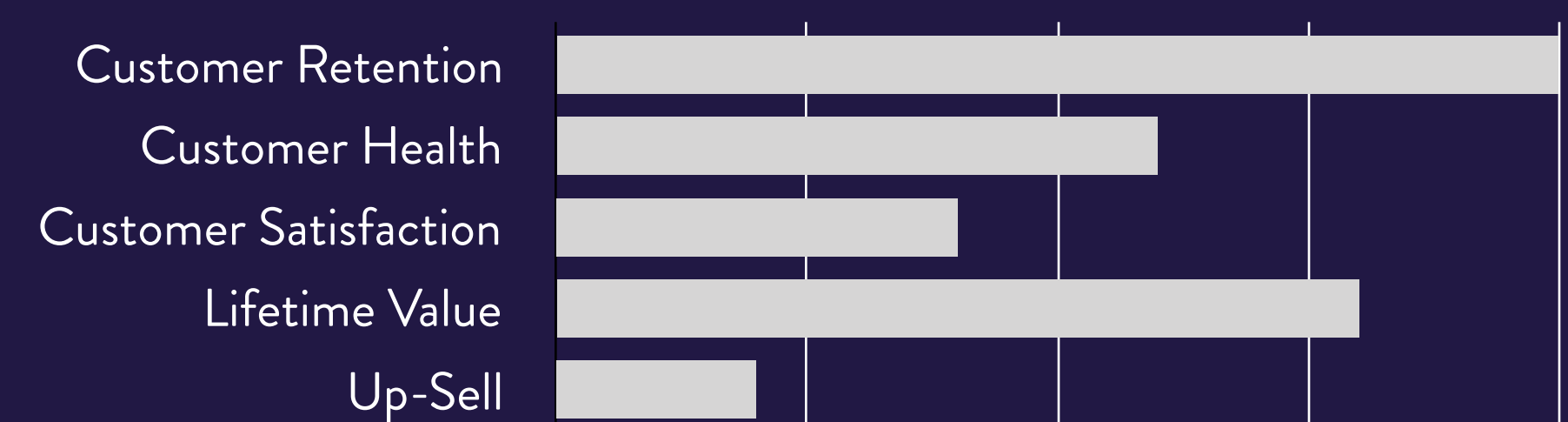
## Enterprise



## Hyper-growth



## SMB



## Early Stage



# WHAT DRIVES CHURN?

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- 1. Wrong product fit**
- 2. Lack of engagement**
- 3. Poor onboarding**
- 4. Change of management**
- 5. Not enough support**
- 6. Reduction in budgets**

## Precursive View

Every company in the survey stated that product fit has a direct impact on churn. Customer acquisition frequently includes closing deals whereby the customer isn't a great fit for your product.

Many of things that influence churn are outside of your control but customer onboarding is an area where you have a significant role in controlling the outcomes.

When you consider that the uncontrollable factors will likely persist and that unfortunately mis-selling may also continue in pockets, then your ability to onboard customers effectively carries an outsized importance.



*“As you expand you still want every customer to feel like they’re your only customer.”*

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Melissa Jurkoic / CHIEF CUSTOMER EXPERIENCE OFFICER  
ADDAPPTATION

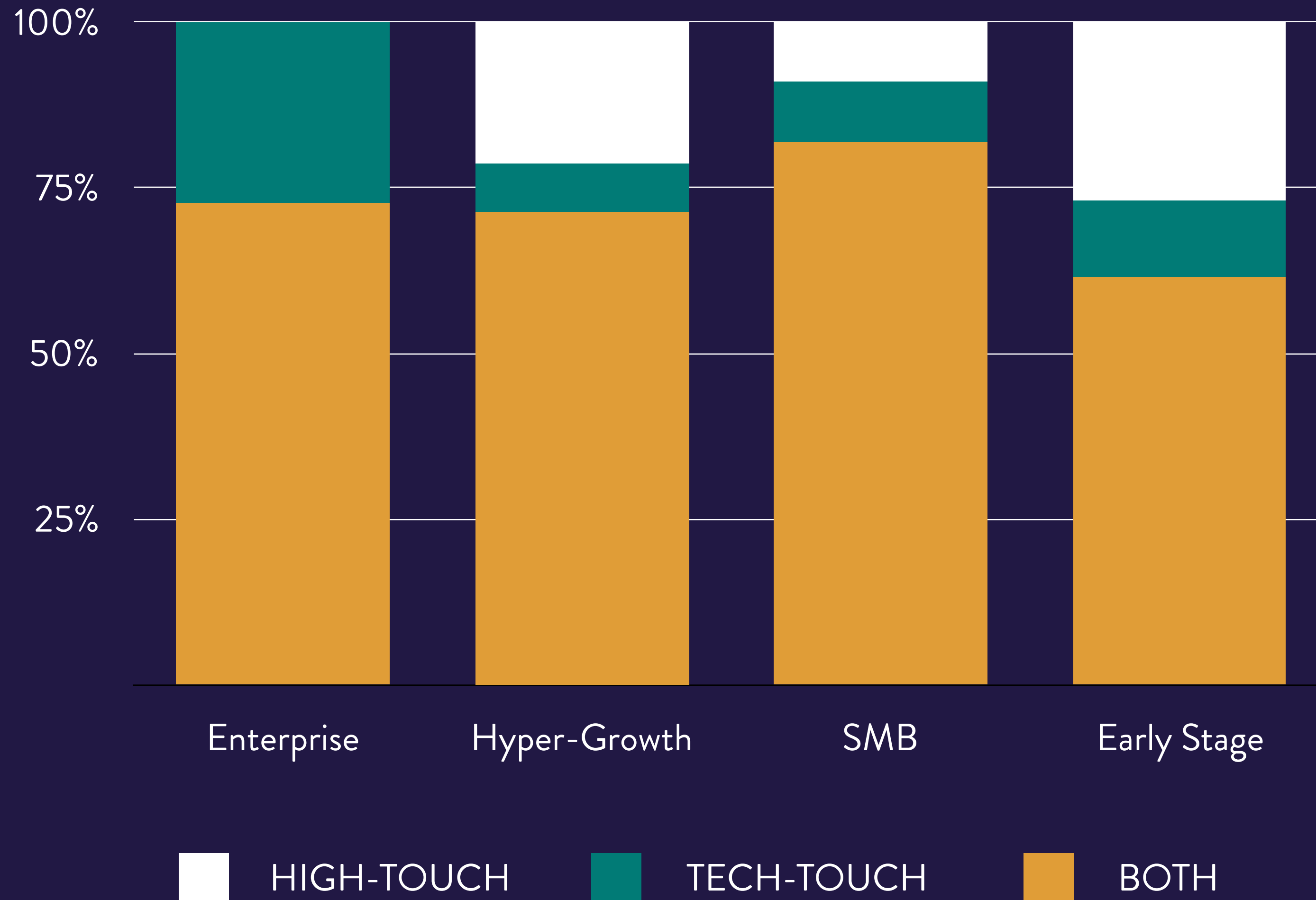


**FUTURE**

The background features a dark blue field on the left. A thick teal diagonal bar runs from the top right towards the bottom left. On the right side, there are two overlapping triangular shapes: a larger one with a white-to-yellow gradient and a smaller one with a white-to-dark blue gradient, both filled with a halftone dot pattern. A thin yellow line forms a small rectangle in the center-right area.

# LOOKING AHEAD

Q. Where will you focus your time this year for improving your onboarding approach?



## Results

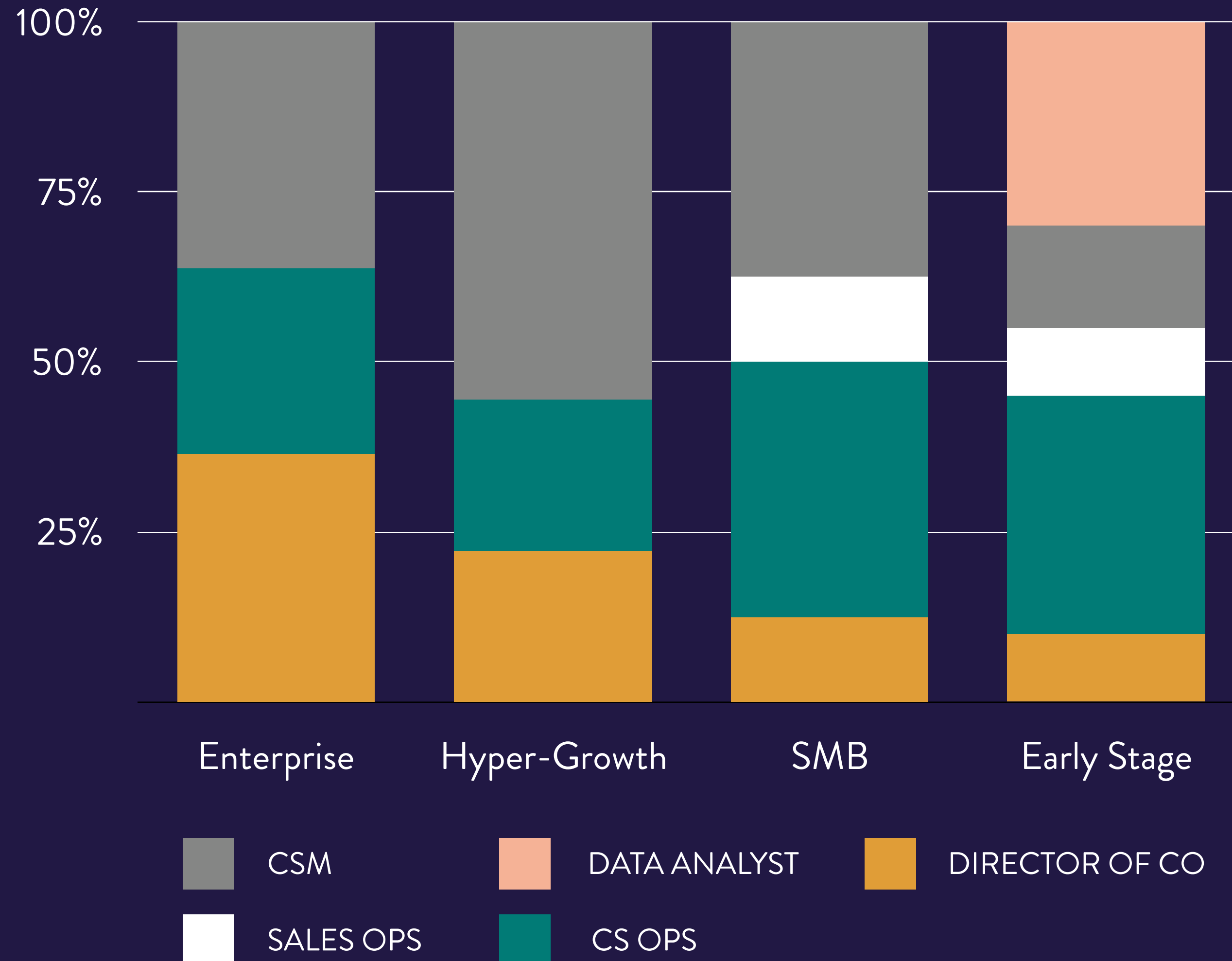
- Having the capabilities for high-touch and tech-touch is close to industry standards.
- Enterprise companies have the highest focus on tech-touch.

## Precursive View

Progressive organizations recognize that they want to take a *'human-first'* approach to Customer Onboarding where technology investments will remove the admin burden for staff that are naturally stretched. Technology will NOT replace the need for teams to be customer orientated, have a deeper level of product knowledge and be domain experts.

# HIRING PLANS FOR 2021

Q. Which role do you think is currently missing from your team that would impact on CO?



## Most Popular Hires for 2021

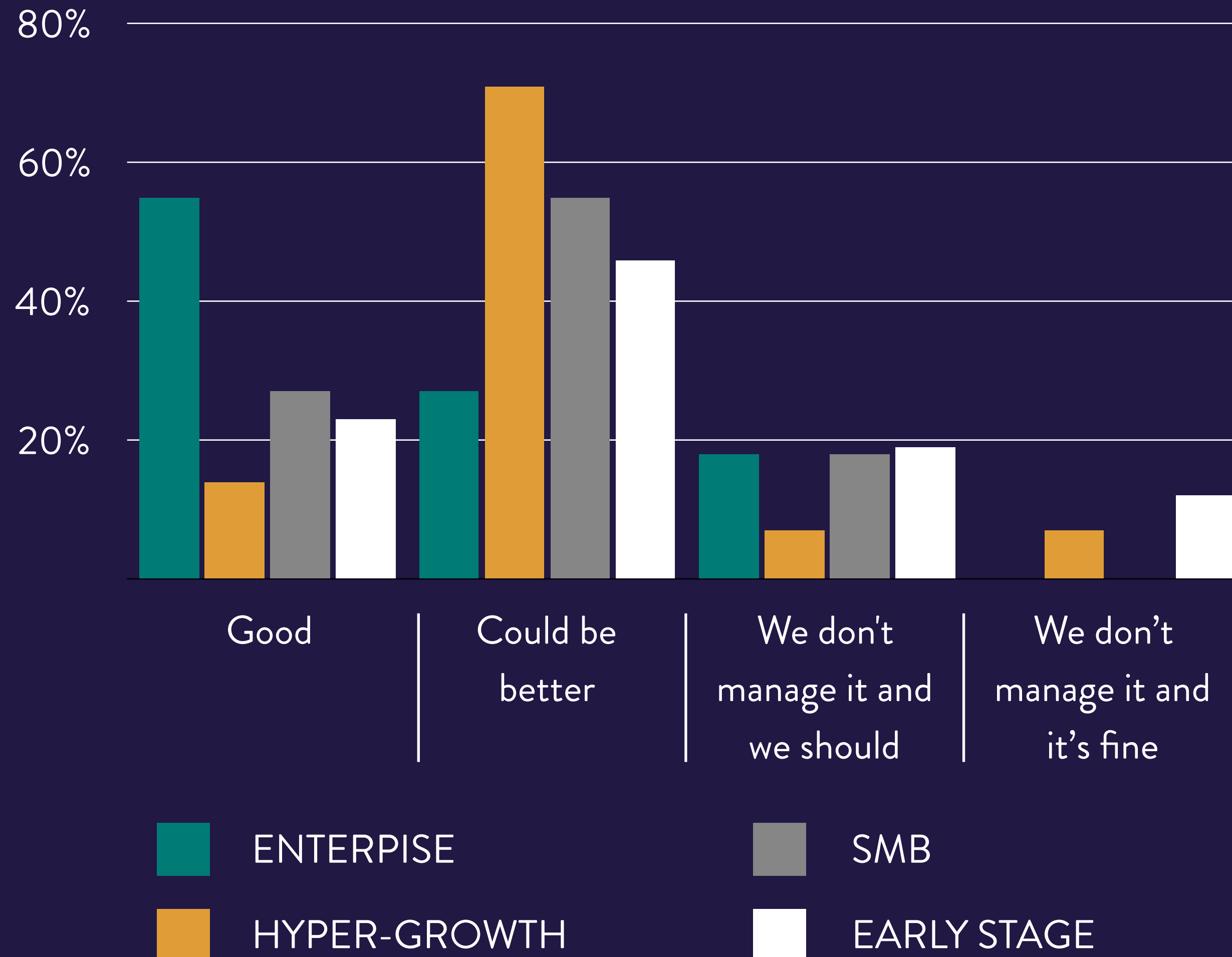
- #1 Customer Success Manager
- #2 Customer Success Operations
- #3 Director of Customer Onboarding

## Precursive View

Customer Success is undergoing the type of evolution seen previously in the sales function with the emergence of more specialist roles that reflect the growing importance of the function as well as the complexity of customer needs they support.

# AN EMERGING DISCIPLINE FOR 2021

Q. How well do you manage the capacity of your Customer Onboarding team?



## Results

- Enterprise companies feel they manage capacity the best.
- Yet the majority of companies surveyed felt that they could manage capacity better.
- Managing capacity is important, with only a handful of companies saying they don't need to worry about it.

## Insight

Capacity planning is a capability traditionally found in Professional Services teams where resource management is critical. Customer Onboarding teams have prioritized this area for improvement in 2021 with many looking to their services peers to provide insight on the best approaches.

# THE PRECURSIVE VIEW

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## **Value Milestones**

Focus your onboarding milestones on the outcomes that your customers achieve from using your product, then capture the value that is driven from these outcomes over time. Avoid vendor-centric metrics for tracking when you have completed onboarding.

## **High Velocity Services**

Align onboarding and services teams around a shared mission to drive more value, more quickly for customers. Traditional professional services is changing with a new form of “onboarding services” emerging that is capable of rapid deployments.

## **Increase Customer Engagement**

Charging for onboarding will drive more engagement with senior stakeholders. Customers will take the onboarding process more seriously when if they are paying for it, which helps to improve your delivery of outcomes, increasing expansion and reducing churn.

## **Hiring**

Reflect the maturing of the CO function as well as the rise in its importance by hiring those experienced in capacity planning and resource management. These should be core competencies for the Director of Onboarding and the Customer Success Operations roles.

## **Automate to be Human**

Use technology to automate onboarding admin tasks that suck up your team’s time, reinvest that time in collaborating with the customer. Capture insights on which repeatable processes help to improve time-to-value and increase customer satisfaction.

## **Monetize Customer Onboarding**

Think about how your onboarding experience can provide customers with a level of value that they would gladly pay for. For most technology businesses, onboarding is a cost of sale item that will impact gross margins if not monetized.



THE **PRECURSIVE** PLATFORM

**PRECURSIVE**OBX

**PRECURSIVE**RCO

**PRECURSIVE**PSX

*Customer  
Onboarding  
Experience*

*Resource &  
Capacity  
Optimization*

*Professional  
Services  
Automation*

TRUSTED BY:

**Agilisys**

Dealertrack 

**GO**CARDLESS

 **Mitel**

**omnigo**

 **Procurify**

**SIMON • KUCHER**

 **vidyard**

 **Wolters Kluwer**

# PRECURSIVE

PRECURSIVE EMPOWERS GLOBAL TEAMS TO MOBILIZE FASTER

## PLAN. TRACK. FORECAST.

Highest User Adoption  
SPRING 2019

Highest User Adoption  
Mid-Market  
SUMMER 2019

Highest User Adoption  
Mid-Market  
FALL 2019

**CUSTOMER  
SUCCESS**

ENABLING  
OUTCOMES

**SALESFORCE  
NATIVE**

100%  
LIGHTNING

**ENTERPRISE  
SECURITY**

ISO 27001  
CERTIFIED

High Performer  
SUMMER 2019

High Performer  
FALL 2019

High Performer  
WINTER 2020

salesforce registered ISV partner

★★★★★ 5.0  
Average Rating

salesforce available on AppExchange

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