

SUCCESS STORY

How ServiceSource Helped an Industry-Leading CRM Provider Achieve Unprecedented On-Time Renewal Rates



Overview

Demand for CRM solutions in just about every industry around the globe has skyrocketed due to the growing demand for automated engagement with customers, improving the scope of digital operations, and customer journey experiences. In 2020, the CRM market grew to \$43.7 billion and is expected to expand to \$113.46 billion by 2027. As many businesses shift their operations to the Cloud, so are their tools. Specifically, SMB (small-to-medium-sized businesses) are the key drivers of digital CRM solutions. According to a recent survey, about 44% currently use some form of cloud-based CRM.

Businesses that foster a relationship-first mentality, but specifically those who deliver a hyper-focused, value-added,

data-driven renewals strategy with their SMB customers, will not only improve customer loyalty but also have a significant impact on the bottom line. But how can businesses stand out and achieve the success they are looking for in such a competitive landscape during such an unpredictable time?

Challenges

When ServiceSource began working with this industry-leading CRM provider, they were experiencing low customer churn and relatively healthy renewal rates with their higher-tiered customers. Their long-tail customer (or SMB) segment did not share the same success. To maintain their consistent growth and strong pipeline, they needed to improve their forecasting

accuracy, on-time renewals/payments, and quoting processes. The CRM provider also did not have a clear, disciplined escalation path for customers to report and resolve inquiries and technical issues around contract renewals.

ServiceSource conducted an audit, revealing that their hands-off approach to renewals – sending out invoices without a dedicated relationship management strategy – was a barrier to ensuring timely payments. This barrier also prevented the client from sourcing critical customer feedback (i.e., a reliable voice of the customer program (VoC)), competitive data, and insights. While the company successfully maintained open lines of communication with larger customers, there were challenges in replicating that model with its diverse array of smaller customers.



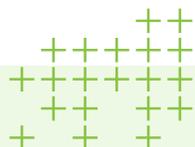
80% of B2B decision makers prefer remote human interactions or digital self-service. (McKinsey)



73% of IT leaders report pressure to reduce software spending during COVID (Bain&Co.)



82% of companies agree that customer retention is cheaper to execute than acquisition (Econsultancy)



Solutions

By shifting their renewals model to be proactive for their SMB customers, ServiceSource saw an opportunity to improve the consistency of on-time payments. The model also improved their quoting and escalation processes to deliver an exceptional customer journey experience across their entire customer community. ServiceSource implemented a global team of 42 team members to take over as the client's renewals management efforts.

ServiceSource implemented a centralized quoting team to improve quote delivery timelines (quote completion within 24 hours) and ensure that all quotes sent to clients were accurate and standardized.

For escalations, ServiceSource set clear expectations with their reps during training on the importance of avoiding customers getting locked out of their accounts. Whenever a renewals management rep was escalated for varying reasons, ServiceSource strictly adhered to their dedicated process in providing feedback and a go-forward plan.

It was also crucial for the client to capture the voice of their customers (VoC) more effectively.

ServiceSource participated in a VoC initiative to help capture attrition reasons and strengthen its capability to execute win-back campaigns. Since the implementation of the initiative, the client has improved attrition rates by 6% YoY and has acquired an invaluable understanding of their competitive landscape and changes in the market that influence their customers' decisions.

Another central goal for this client was to deliver a self-service portal to simplify the renewals process for their lower-tiered customers. ServiceSource helped to implement and manage the client's self-service renewals portal to enable a faster resolution path to any issues or questions around contract renewals. With the self-service portal, customers can update billing and contact info, access all contract details, invoices, orders, and credit memos.

ServiceSource's renewals strategy is built on over 20 years of data-driven expertise, transforming the customer relationship into a powerful asset for the organization. Due to the success of that launch, ServiceSource enabled the best on-time renewal rate in the client's history - 83.33% and improved Annual Contract Value (ACV) by 25% YoY.



83.3%

On-Cycle Renewal Rate
(6% increase YoY)



6%

Decreased attrition
by 6% YoY



10,000

10,000 new opportunities,
resulting in over 25%
increase in ACV YoY

Results

Today, ServiceSource has not only seen improvements in the client's on-time renewal rates during an unpredictable time, but the client also saw improvements across several sectors, i.e., 7% in financial services, 11% in the retail and CG, and 15% in the communications and media sectors.

The consistent success of this client's renewals program across every sector has positioned ServiceSource as the top candidate to expand its relationship-first approach to its global customer success program. ServiceSource has also won several global renewals contracts for new businesses that the client has acquired.

About Us

ServiceSource International, Inc. (NASDAQ: SREV) is a global outsourced go-to-market services provider that accelerates B2B digital sales and customer success transformation. Our expert sales professionals, data-powered insights, and proven methodologies scale and reimagine customer journey experiences (CJX®) into profitable business outcomes. Backed by more than 20 years of experience, ServiceSource drives billions of dollars in client value annually, conducting commerce in 45 languages and 170 countries.

