

ALIGNMENT BETWEEN
SALES & CUSTOMER SUCCESS

A FRAMEWORK DRIVEN APPROACH

Are Sales and CS really friends?

In an ideal world:



Sales

Hunts new customer accounts

Involves Customer Success towards the finalization of the Sales process

Provides a hand off to CS and transitions ownership



Customer Success

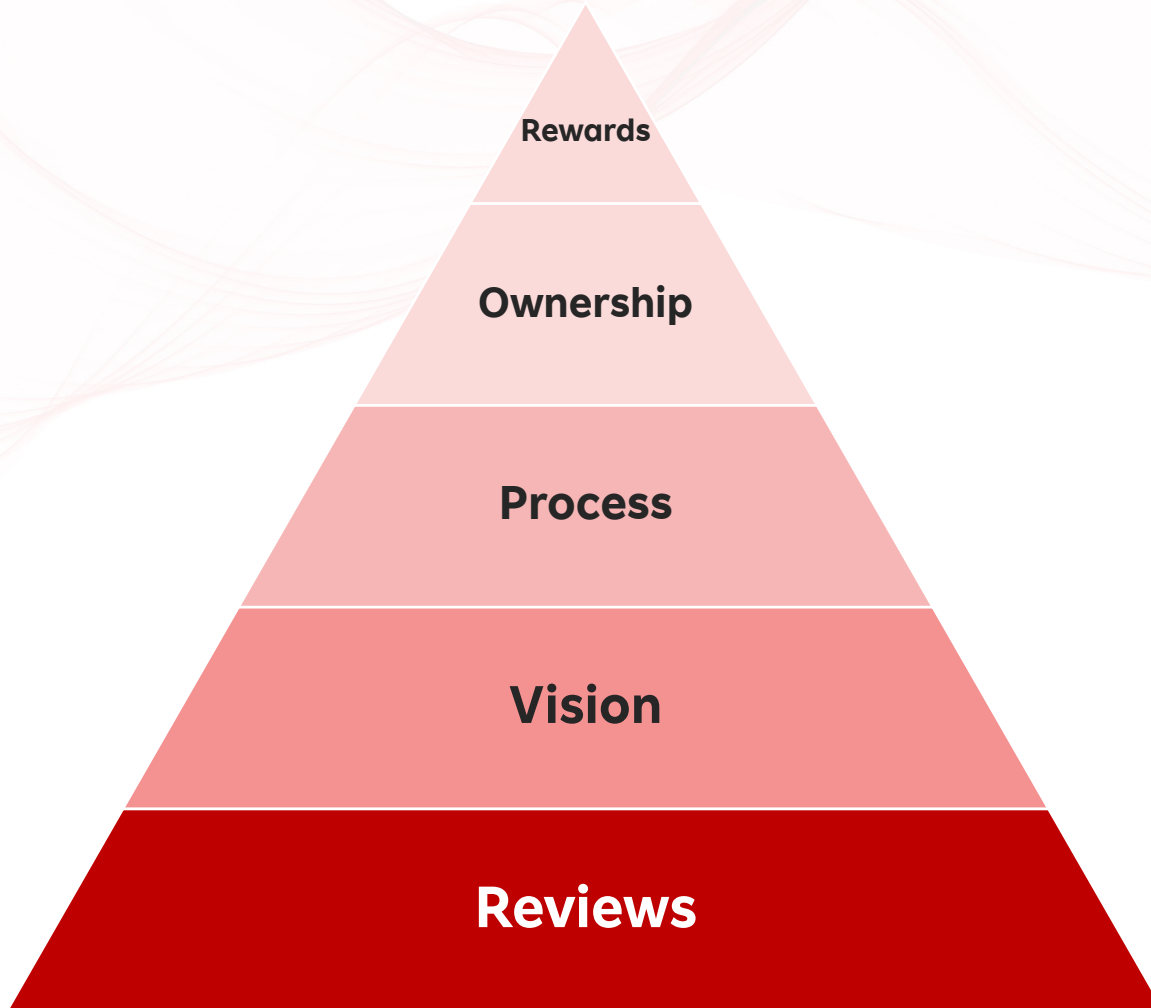
Takes over from sales with a handoff check list

Delivers on the value promised by Sales at the committed timelines

Collaborate for expansions and upsells.

AND THEY LIVE HAPPILY EVER AFTER? NO WAY.

Perfect Alignment: **COHUG FRAMEWORK OF ALIGNMENT**



Compensation model (C)



Ownership and Outcomes (O)



Hand off process & Checklists (H)



Unified Customer Canvas & alignment (U)



Governance model (G)

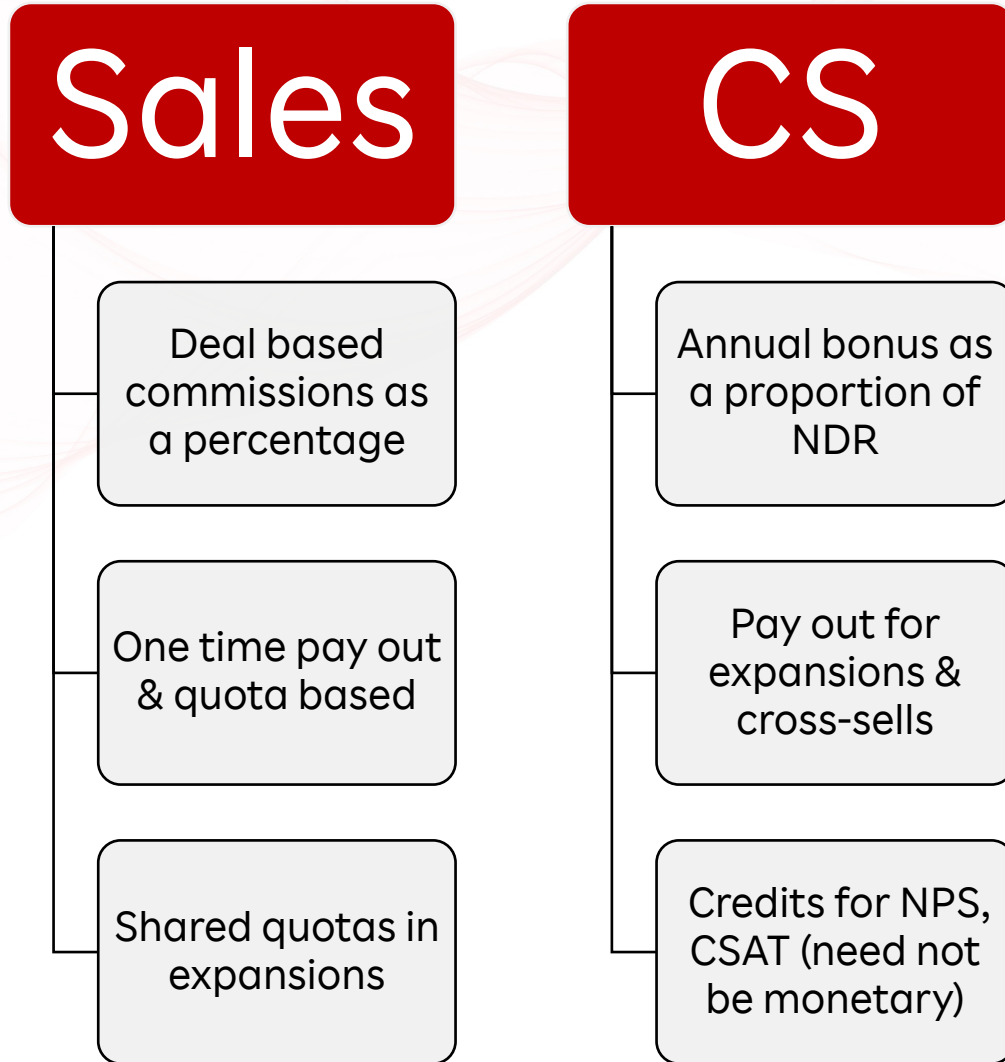
Compensation - **The fundamental Right**



The Compensation Process

- Sales is for new customer wins, the rewards are for new revenue
- CS is for execution, the rewards are for customer delight
- Disparities kill motivation:
Organizations should trade-off money(reward both) for realizing growth

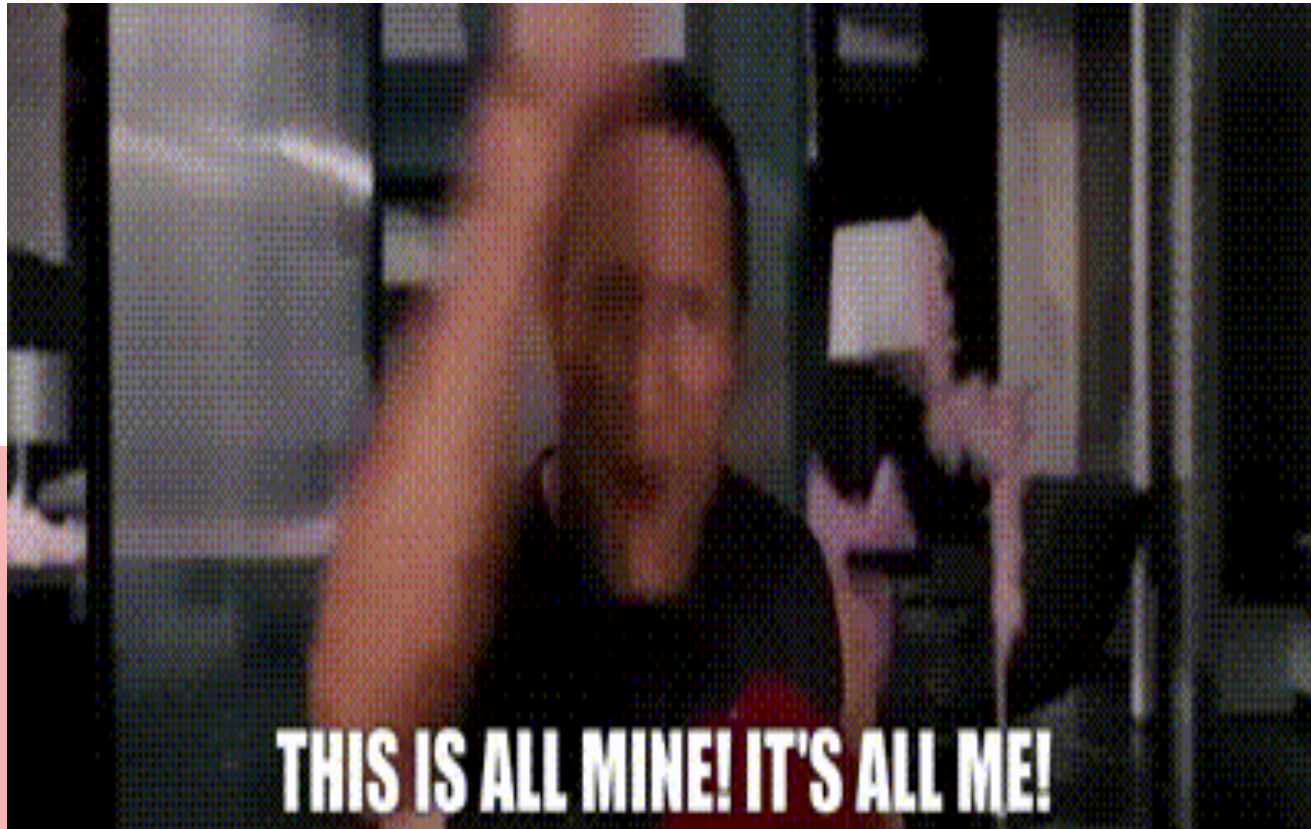
A framework for Sales-CS Comp



“

Without the good work of CS, the chance for renewals, expansions and cross sells in the same account is minimal

Ownership & Outcomes



Ownership

- **The path to success needs to be separated out while goals remain same**
- **OKRs should be complimentary (E.g.,)**
 - *CS should lead customer advocacy and generate CSQLs*
 - *Sales should provide a stakeholder map to CS, drive exploratory meetings with CS*
- **CSAT, NPS should be viewed as a company wide responsibility, including Sales**
- **Lots to leverage in new accounts when collaboration is maintained**

Ownership & Outcomes

CS Goals

- Gross Revenue Retention
- Churn
- Net Revenue Retention
- Expansion Bookings
- Adoption
- Customer Health Score
- Net Promoter Score
- Advocacy and References
- Professional Services Gross Margins
- Customer Satisfaction

Sales Goals

- New growth, revenue targets
- Net/Gross margins
- ACV, CLV
- Pipeline & Conversion rate

Collaboration

Sales should involve CS in decision making process before signing up a customer

CS should involve Sales in every new opportunity

Sales taking a large stake in upsells/cross-sells

CS keeping all the rewards of upsells & cross sells

Friction

Handoff Process and Checklists



- #1 most critical element of a successful engagement
- CS should get introduced before contract win
- A good process eliminates the need for Sales to participate in meetings after hand off
- A handoff checklist capturing Sales promises, milestones and critical customer deliverables
- An official project kick off with CS presenting a project view and Sales to sign off

Key elements of a Handoff Checklist

Customer Information

What's the company size?
What industry do they operate in?
How do they make money?
What's their use case?
What pricing plan are they on?
Which team(s) are using it?
How many people are using it to start?
What was the customer's general sentiment during the exploration and buying process?

Proposed Solution

What are the pain points they're trying to fix?
(Why did they buy?) Are you replacing an existing solution?
What other solutions were considered?
What were the biggest hesitations during the exploration and buying process?
What features are they most excited to use?

Contract details

Are there unique terms for this agreement, or a custom SLA?
Who is the champion for your product or service?
Who was the final decision maker for the purchase?
Who else did you work with to make the agreement?
Who will be the point of contact going forward?
Transition Point & Accomplishments

Goals

What are their goals for the short term? Long term? (What problems are they looking to solve?)
How will they measure success?
What risks are involved?
What can a failure look like?
What's the opportunity for expansion, cross-sell, and up-sell?
Are there any previously set expectations around timelines or terms for these?
What's their expectation of current and future functionality?

Deployment timelines/Milestones

Where is the deployment size and rollout?
What team will be using this?
What's the makeup of that team?
What's the expected timeline for deploying?
If you offer a trial period, did they use it?
What components were stickiest during trial?
How will this integrate with their existing workflows? (Is it uprooting their existing workflow?) Are there any other commitments we made that
Transition Point & Accomplishments

Transition Timelines

When is transition to CS planned
What criteria have been met for CS to take over
Who are the primary SPOCs from sales
When are the reviews and acceptance for total hand off scheduled?

A Unified Customer Canvas



- Why does the customer do business with us?
- Can we serve the customer problems today?
- What problems do we aim to solve?
- Key stakeholders and their goals
- Cost to Customer Value and ROI
- Growth potential & opportunities
- Support SLAs & KPIs
- Contractual expectations

A Value Proposition Canvas is a good place to start

Value Proposition Template



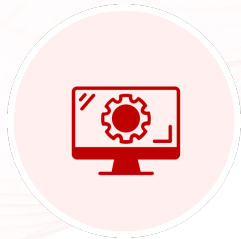
A well defined Governance Model/Joint reviews



➤ MBRs/QBRs – Take equal ownership

- CSQLs & references
- CSAT scores & improvements
- Value added services & offerings
- State of services
- New opportunities

Define an Org Structure that fosters collaboration & Governance



CSMs –
Dedicated or Shared?



Account Managers –
CSMs as AM or separate?



Solution Architects –
Do they get involved in
Solution Consulting



Revenue officer –
Does Sales and CS report into
revenue office? Who reports to who?



Financial officer –
Does the CFO track the CS expenses?
Where are these expenses accounted?



CONCLUSION

**Sales and CS jointly carry ONE goal –
GROWTH THROUGH AND FROM EXISTING CUSTOMERS**