AJ (Adam Joseph): Can you tell us more about your background?

MS (Marc Sason): I've been in Customer Success for about 12 years. I grew up in the Bay area and lived through the dot.com "boom and bust" in the late 90's and early 00's; that's when I started realising that these start-ups which pop up overnight have products and services that needed customers and had to take care of them. I went from a Customer Service focussed career into Customer Success which was more proactive and relationship building verses sitting in a call-centre and picking up the phone reactively and it's been really good ever since.

Customer Success is still in its infancy and it's a new feature within most organisations, so it's an exciting time as a CSM, you can take it and run with it, find out how it works best for you and your organisation. I absolutely love Customer Success and it definitely "flows through my veins" and I will always advocate about to others who are thinking about becoming CSMs.

AJ: What do you think are the key points at which you think early-stage businesses need to start thinking about investing in Customer Success?

MS: **I had a great manager at a previous position and one of his favourite lines was "*don't wait until you have the need to fill the need*"**. Whilst I was in a consultant role I was working with start-ups which can literally be two guys working in a garage who were starting a company from scratch and doing everything from creating the product, to getting funding and finding (and taking care of) new customers. Eventually as you scale up there are only so many hours in a day so you need to start hiring additional headcount to take care of some of those primary duties. **My advice is when you are ready to hire somebody in Sales to acquire customers you need to hire at least one Customer Success Manager**. Eventually as you scale, it does not need to be a one-to-one, but you find that Sales folks are good at what they do (*e.g. prospecting, bringing in new business*) and once they do, they need someone to pass it over to and then get right back in the field and continue to their prospecting.

When you have these two colleagues working together there is a seamless transition. You have Sales bringing in a customer and then passing them over to their CSM who will then take care of them and ensuring that the relationship is fruitful and that it makes sense to continue year-after-year and "*take you by the hand*" and not just train you on how to use the product but help you fine-tune (*i.e. what you're doing well, what you could do better, what other customers are doing that you can try and find success with*).

AJ: In a Customer Success role at an early stage business, do you think that it should be multi-faceted (i.e. also take on first-level support, Account Management, etc.) or solely about increasing customer value proactively?

MS: That's a great question; as I mentioned earlier, Customer Success is so new (less than 20 years ago, when Salesforce first started it) and you can't take a "one size fits all" approach verses "traditional" company functions such as Sales or Marketing. With smaller companies and the nature of start-ups, with a small group of folks (with a few customers) all having to wear "many hats" it totally makes sense to have multi-faceted roles.

Obviously as you scale, you should divide up the duties (*e.g. between Account Management and Support*) and you should have Customer Success run the gamut and owning the whole relationship which is usually post-sales which would involve building the relationship over time but also training, on-boarding, support (especially as new customers). This way as a CSM, you get a nice 360-degree view of your relationship and when it's time to divide up those duties you have got so much more knowledge of what the other departments are doing.

AJ: Regarding your earlier comment "*don't wait until you have the need to fill the need?*", how do you know when you need to hire more people in a Customer Success role?

MS: That's a question that gets asked a lot – **what's the optimal ratio of a CSM to the number of customers that they support? There's no right answer to this, especially when you're scaling up; it's about keeping that close relationship between a customer and the CSM**. In previous positions, I have reported to the Head of Customer Success, sometimes to Sales or the CEO, and I would talk to my boss regularly to review how things were going to see how I felt (*i.e. was I overwhelmed?*), it's not too difficult to see that your CSM is over-stretched.

For me, it's all about communication and that I was comfortable going to my boss and saying "*I'm swamped – I don't think I can take any more customers on right now*", and it's also up-to your manager to pick up on the signs (*e.g. sending emails late or over a weekend*) and saying "*are you overwhelmed?"*. It's also about talking to your customers and as a good CSM don't be afraid to ask them whether they are getting the support that they need and most of them will give you very frank feedback about your levels of responsiveness.

AJ: You mentioned that in your previous roles Customer Success has reported into different functions of an organisation, in your opinion what is the best model?

MS: **Every position that I have held has had a slightly different structure and in my experience and belief, people are either wired for Sales or Support – everyone should work to their strengths, interests and experience**. What I have noticed is that if I was going to create a Customer Success function from scratch, my key metrics would be engagement, retention and the renewal every year which all comes organically from building the relationship with your customers and showing them value. This is verses Sales-led metrics such as up-sells; these opportunities do present themselves (typically organically) and a CSM should ideally pass these to the Sales Team.

For me, the optimal situation would be to have those two divisions (*i.e. Sales and Customer Success*) be very separated. Customer Success takes care of customers and in charge of them renewing every year, and Sales taking responsibility for any up-sell for additional products and services. I have worked for companies previously where my duties included both and the targets were aggressive – 95% retention + $ upsell every month. What I started realising was that you tended to spend a lot of your time on either one or the other. For example, one month I was working with some customers who were having issues which would mean I would have to get on the phone with them and take a few hours (which was a huge chunk of time that I needed to invest) to ensure that they were successful. This meant my retention rate for the month was fantastic but I didn't have enough time to focus on up-sells so I would get my "hand slapped". The next month I would try to do the opposite and my up-sells would increase but retention would suffer so I quickly realised that these are two different jobs and I was more hard-wired for the Support function and that's how I went in that direction.

AJ: How can you quantify the importance of Customer Success and help ensure continued investment from your business?

MS: You bring up a good point; **I've worked for at least three companies that have eliminated Customer Success. All but one of them brought it back about a year later and two of them reached out to me and ask if I wanted to come back**. Some companies are very Sales focussed which is the traditional mindset before SaaS became big (*i.e. you have customers who sign contracts and then you can forget about them aside from providing basic Support details and then come back to them when they are due to renew*). Today, a lot of companies still have this mindset where it is all "*Sales, Sales, Sales*", and forget that there is a value to maintaining the existing business. This is especially true if you are a start-up who wants to go public; one of the questions that I hear Investors are curious about is a company's retention rate.

With all of this comes a change of mindset, where you say that new business is important; you want to keep your pipeline healthy and full but don't forget about all of the time and effort it took to prospect, demo and negotiate the contract. You don't want to waste all of that money if they don't see value and walk out of the door next year and go to your competitor. **Up until SaaS, your existing business was pretty much untapped and to show statistics that demonstrate that customers who love you will stay with you, buy additional products and services and be references and tell all their friends that they have to work with you. It's a domino effect – if you take care of them, they'll take care of you**.

AJ: Any final Customer Success "words of wisdom?"

MS: The advice that I always give is to stay enthusiastic about your product, what you're doing, how it adds value and always be learning. As Customer Success is such a new part of an organisation, it's malleable and I tell a lot of folks who are wanting to get into it to not be afraid to "run with it". Find out what works, what doesn't and adjust accordingly.

A big thing is to try and soak up as much information as you can; especially here in the Bay area Customer Success is a very tight-knit group. There are Customer Success meet-ups that you can attend every month, or get together with other CSMs and bounce ideas off each other (which is great for networking). Also, don't be afraid to learn on your own as well; what worked well for me was to go onto social media (*e.g. Twitter, LinkedIn, etc.*) and put in "#CustomerSuccess" or "#CSM" and you will see a wealth of articles written by fellow CSMs that you can learn from.