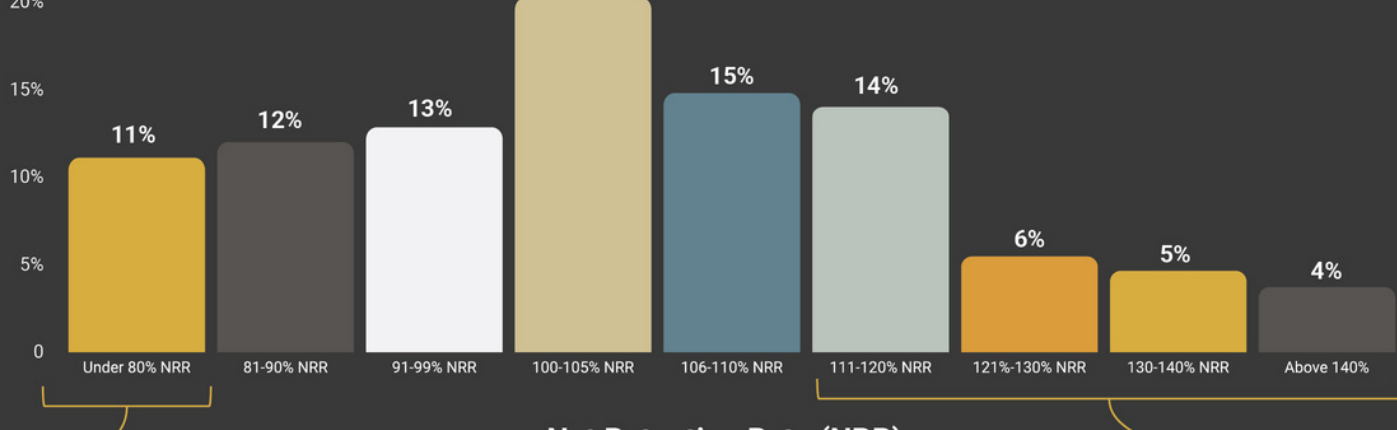




# 2022 GLOBAL CUSTOMER SUCCESS MARKET TRENDS

Infographic based on the Global Market Research conducted by CSM Practice in March 2022.

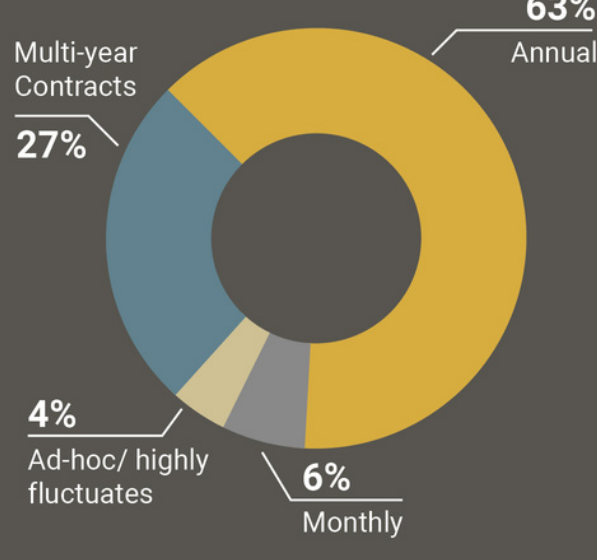


Net Retention Rate (NRR)

A third of seed funding-round companies have a NRR of less than **80%**

**29%** of organizations will have a Net Retention Rate of **111%** and above

Annual subscription agreements are **37 percentage** points more common than multi-year contract



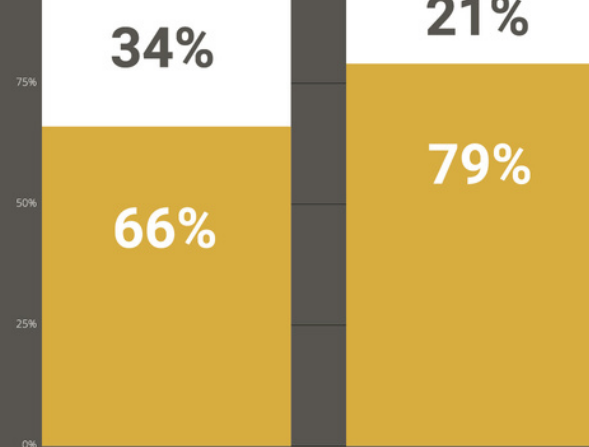
CONTRACT LENGTH

Which contract length do you work with most often?

Net Retention Rate (NRR)	Which contract length do you work with most often?			
	Ad-hoc/ highly fluctuates	Monthly	Annual	Multi-year Contracts
Under 80% NRR	20%	5%	10%	3%
81-90% NRR	7%	14%	10%	9%
91-99% NRR	0%	14%	10%	10%
100-105% NRR	20%	18%	16%	12%
106-110% NRR	13%	14%	11%	12%
111-120% NRR	7%	0%	11%	15%
121-130% NRR	7%	0%	6%	4%
130-140% NRR	0%	0%	6%	2%
Above 140% NRR	0%	0%	4%	3%

Annual or multi-year subscription contracts are more likely to result in a net retention rate of **111%** and above

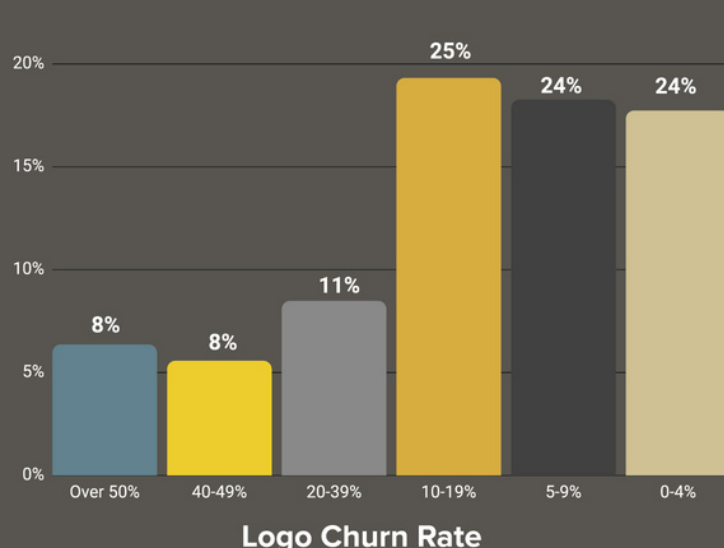
Variable Pay Fixed Salary



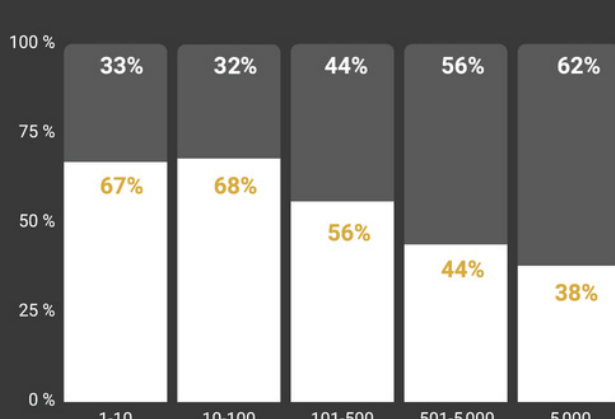
Companies who offer a Variable Pay are **13 percentage** points more likely to achieve a Net Retention Rate of above 100%

Over **73%** experience a churn rate of less than 19%

Only **24%** report a churn rate of less than 5%



## CUSTOMER SUCCESS FUNCTION REPORTING DIRECTLY TO CEO

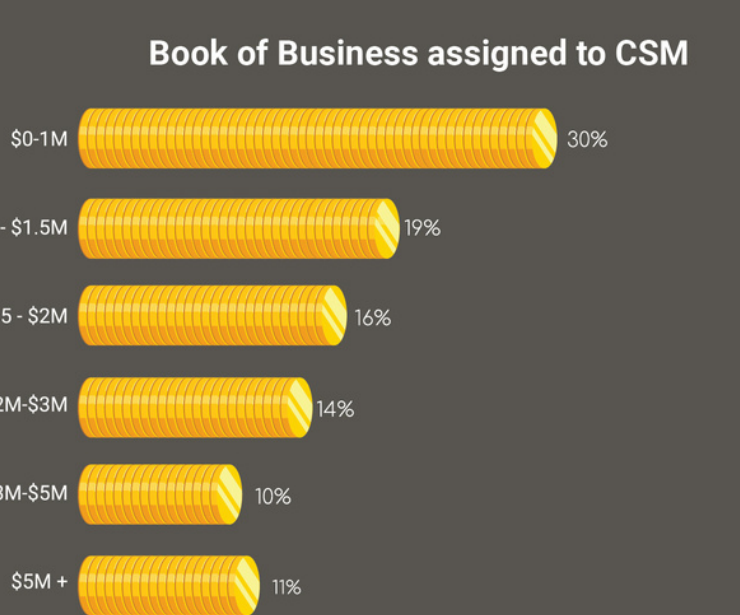


Customer success teams are **29 percentage** points more likely to report directly to the CEO when their organization has 10 employees or less, in comparison to organizations with 5,000 employees or more

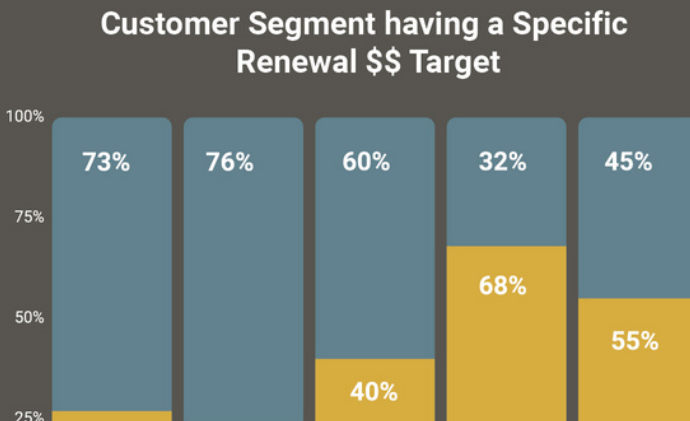
The median size of the 'Book of Business' assigned per CSM is split at **\$1.5M**

**30%** of CSMs are likely to be carrying a book of business of up to **\$1M**

Book of Business assigned to CSM



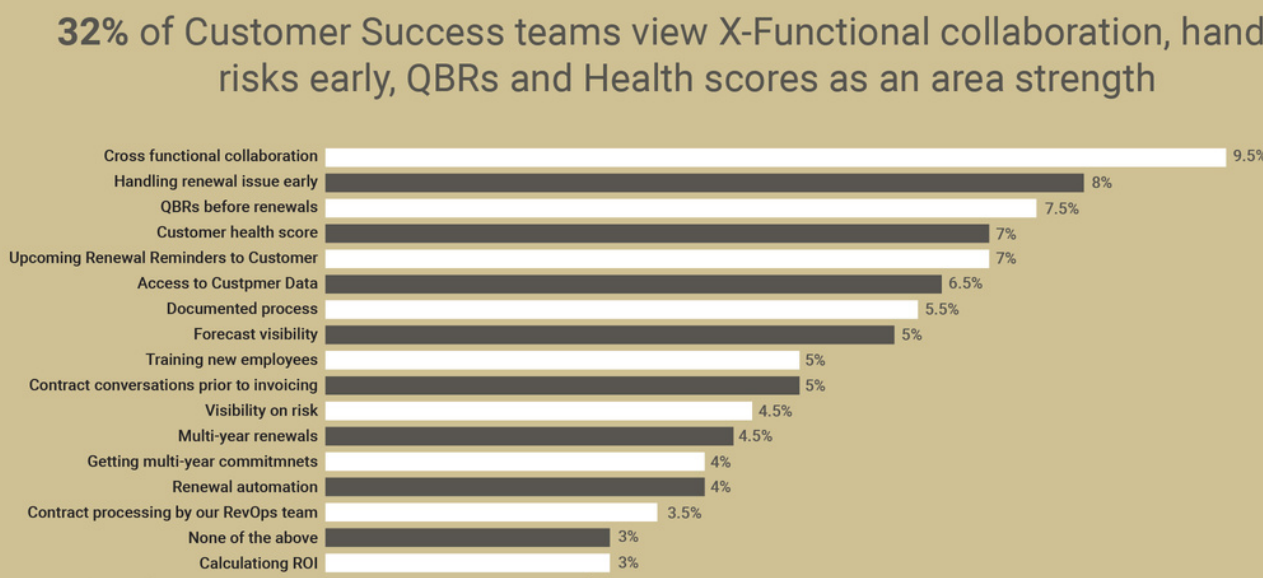
Customer Segment having a Specific Renewal \$\$ Target



Assigning a specific renewal revenue target to each customer segment is more common by **30 percentage** points when headcount is above 500 employees.

## Top aspects that work well in renewal process

**32%** of Customer Success teams view X-Functional collaboration, handling risks early, QBRs and Health scores as an area strength



**CSM PRACTICE**  
THE CUSTOMER SUCCESS STRATEGY CONSULTING FIRM