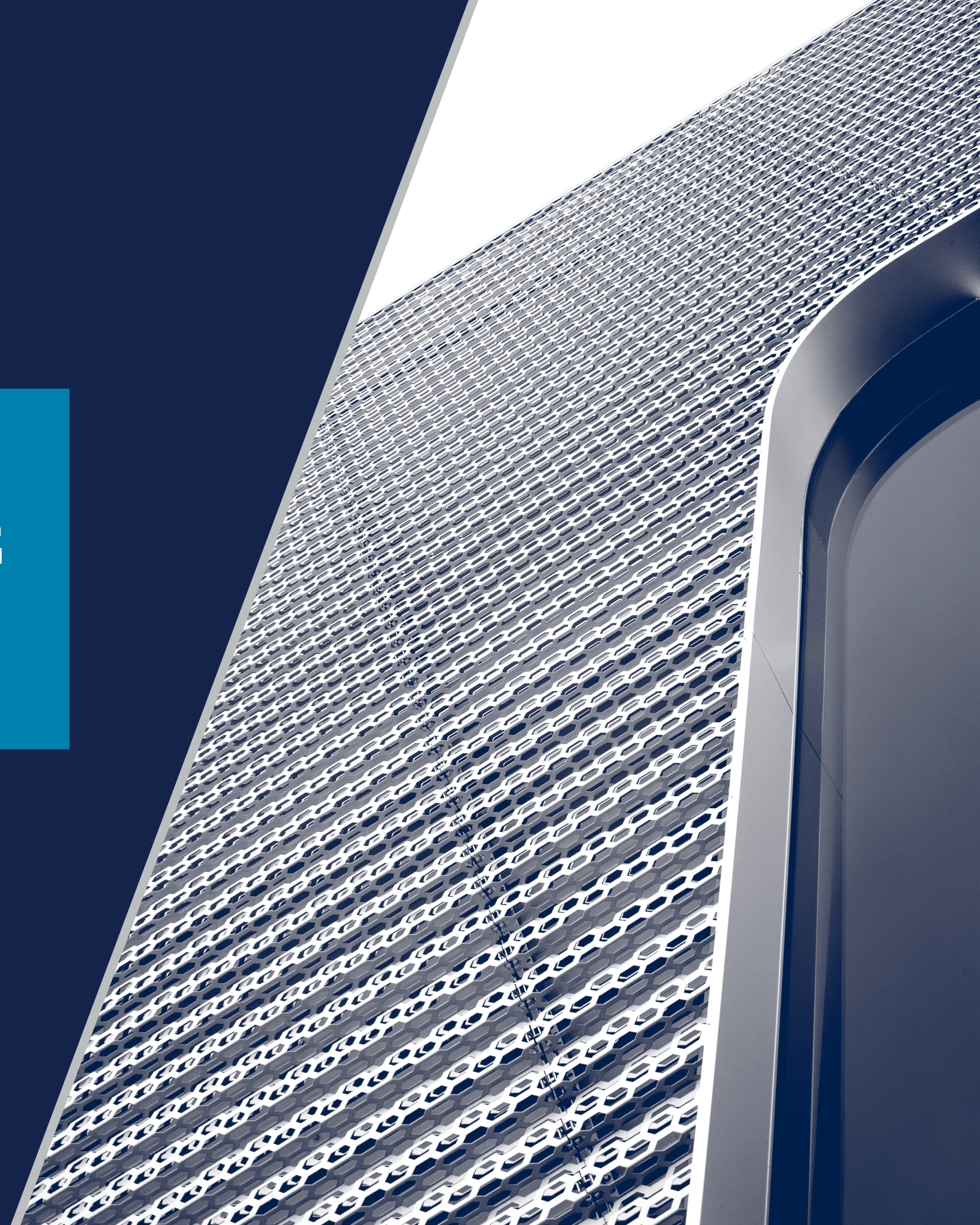




STRATEGIES FOR CUSTOMER RETENTION

Many companies believe that constant expansion of their customer base should be the top priority. Companies often undervalue customer retention strategies because retention campaigns can take longer to produce results. However, customer retention can have a bigger impact on ROI with high retention rates translating to strong brand loyalty and increased spend.

Despite the benefits of implementing retention strategies, one third of tech CEOs devote their time to customer acquisition efforts instead.



IDENTIFY CORE CUSTOMERS

One of the main reasons why companies fail is because they try to appeal to everyone and waste resources by spreading themselves too thin.

Identifying the 20% of users who have the most profit potential is key to creating a company with a scalable platform for growth. Organizations looking to identify their core audience can use data for selling metrics, customer lifetime value, and profitability. Analyzing these metrics allows an organization to create a comprehensive profile of their core customers, and focus customer retention efforts on those who are most valuable.

53%

of Chief Marketing Officers consider
consumer trends, insights, and
intelligence among their most
pressing needs



CREATE A PERSONALIZED CUSTOMER EXPERIENCE

Today's customers have high demands. According to Salesforce, 76% of customers expect companies to understand their needs. With consumer data, an organization can map their products and services to match priorities, creating an experience that feels more personal. Personalized experiences lead to deeper brand loyalty and a higher customer lifetime value.

86%

of customers base their purchasing decisions on personalized marketing



INTEGRATE RETENTION GOALS WITH ACQUISITION STRATEGIES

Many companies believe they can combat a high churn rate with customer acquisition, but continuing to churn through a high volume of consumers is not a sustainable growth strategy. Companies should adjust their acquisition strategies to concentrate on acquiring consumers that will stick with their business, as well as focusing on customer retention. Remarketing efforts that target individuals who share the same attributes as their core users will foster higher retention rates.

~44%

of SaaS companies have an
“acceptable” level of churn



CUSTOMERS REMAIN WITH COMPANIES THAT PROVIDE INDUSTRY-LEADING PRODUCTS AND SERVICES THAT MEET THEIR NEEDS. ORGANIZATIONS NEED TO CREATE A **CUSTOMER-CENTRIC BUSINESS MODEL** THAT CAN ADAPT TO CHANGING CONSUMER PRIORITIES TO KEEP USERS COMING BACK. OTHERWISE, COMPETITORS ARE LIKELY TO CAPTURE THEIR MARKET SHARE.

SOURCES

Annex Cloud, "Customer Retention in 2019: Driving Emotion with Technology," 2019

CMO Council, "2019 Outlook + Intentions," 2019

Cobloom, "Churn Rate: How High is Too High? A Meta-Analysis of Churn Studies," May 28, 2019

Gartner, "Customer Acquisition Tops 2019 Priorities for Technology CEOs," March 29, 2019

Salesforce, "State of the Connected Customer," 2018



The content of this document is for general, informational purposes. Neither Vista Equity Partners Management, nor any of its affiliates (collectively, "Vista"), makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein. Under no circumstances should the information presented be considered an offer to sell, or a solicitation to buy, any security. Such offer or solicitation may only be made pursuant to the current offering documents for the relevant Vista Fund (the "Fund") which may only be provided to accredited investors and qualified purchasers as defined under the Securities Act of 1933 and the Investment Company Act of 1940. While the information provided is believed to be accurate and reliable, Vista, its affiliates, advisors, and employees make no express warranty as to its completeness or accuracy. ©2019 Vista

