

Key insights into customer retention discovered with InnerTrends

Retention rate driven by engagement, and not NPS





Client

A customer feedback solution for SaaS businesses



Target

B2B



Industry

Experience management

Objective

The user feedback solution provider helps CX champions find their NPS score. What about their own NPS score and retention drivers?

The marketing team wanted to understand the connection between the NPS given by their customers, the usage rate of the platform functionalities, and client retention.

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VP of Marketing, customer feedback solution for SaaS businesses



Solution

The customer feedback solution provider implemented InnerTrends.

The NPS scores that were part of the analysis had been collected by the provider directly. The customer behavior and interactions with the user feedback platform were tracked and analyzed using InnerTrends.

Insights derived from the InnerTrends analytics tool

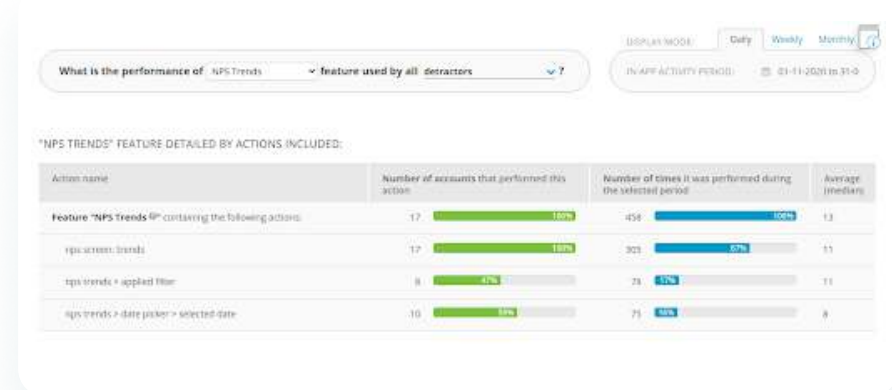


User engagement and high-frequency feature usage correlated highly with the decision to answer the survey but not with the NPS score itself.

People with high engagement are detractors as much as they are promoters. In other words, the higher the engagement, *the greater the likelihood to provide feedback* when prompted, be that positive or negative.

In terms of usage of the feedback platform features, there was no statistically significant difference between promoters and detractors.

A deeper dive into feature usage showed that detractors are more likely to use *specific* features, hinting at a possible area of frustration with the product.



InnerTrends platform insight: Detractors interact with the features of the product with the same frequency as promoters





Client retention is linked to advanced features and answering the survey, not the actual NPS score. High engagement correlates with high retention.

94% of the detractors who answered the survey were still active users of the customer feedback solution three months later.

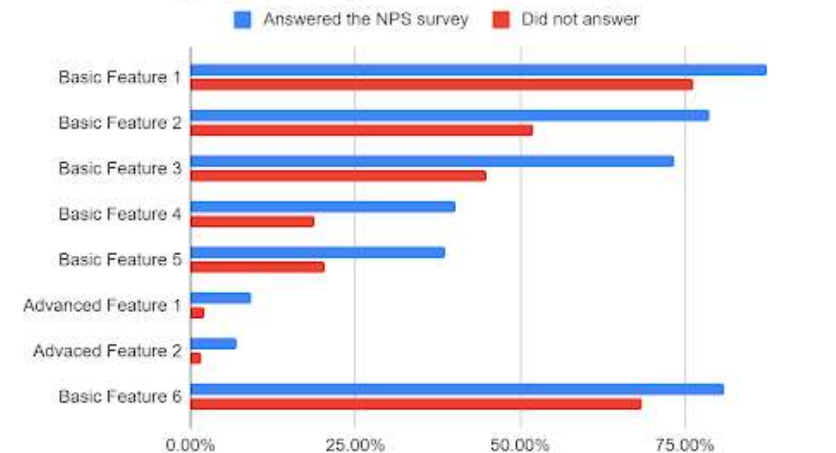
Promoters have the same retention rate of 94%. At the same time, the retention rate of the cohort that ignored the NPS survey is significantly lower.



A deep dive into feature usage revealed interesting insights regarding users' inclination to answer the NPS survey.

- People who answered the survey were using the default platform features 25% more than those that did not answer the survey
- People who answered the survey were using basic features 55% more than those that did not answer the survey
- People who answered the survey were using **advanced features** twice as much compared to those that did not answer the survey

Feature usage (percentage of active accounts)



InnerTrends platform insight: Feature usage and engagement with the platform are highly correlated with the propensity to answer the survey





Accounts with happy end customers (companies that have a high NPS score) are more likely to be promoters of the feedback platform, while those with a lower score are more likely to be detractors.

This correlation was interesting, as the NPS score that clients receive from their own end customers is not controlled in any way by the feedback platform provider. Yet, it impacted their opinion.

**NPS
IMPACT**



The pricing plan impacted neither the NPS score customers assigned to the user feedback platform nor their willingness to answer the NPS survey.

The fact that some customers are on higher plans and get access to more value from the product did not correlate to higher satisfaction. That can be explained either through generic shortcomings of the product that affects all plans or by a direct correlation between the plan they pay and the expectations they have (higher plans -> higher expectations).

**PRICING
PLAN
IMPACT**



Customers who had not finished onboarding within 30 days of account creation were not likely to answer the NPS survey.

This finding points to limited engagement and interest from customers before having the chance to experience the promise of the product.

**TIME TO
ONBOARD
IMPACT**



Conclusions

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Analytics insights showed the problem areas that needed to be addressed

This finding was related to the **features that were driving frustration** being connected to a lower NPS score. Optimizing those areas would lead to a higher NPS score and more customers recommending the solution provider to other peers. Helping clients through a faster onboarding would suggest a better experience and more engagement with the platform.



High client engagement and usage of advanced features drive higher retention rates

The most considerable insight for the feedback solution provider - the one with the highest impact on retention - was that they needed to drive more client engagement. Even more importantly, they needed to encourage clients to use the more advanced features of the platform.



About InnerTrends

InnerTrends is a product analytics tool that helps companies optimize their SaaS or online app faster, with insights from pre-built reports.

Product and marketing teams immediately understand the impact of their initiatives across the customer journey, from acquisition and activation to retention and referral.

Data experts validate each product analytics setup.

More information on www.innertrends.com



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