Improving customer onboarding in a B2B SaaS company

Case Company: Leadoo Marketing Technologies

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Abstract

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Title of the thesis

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Abstract

The topic of the thesis is customer onboarding as a personal and real-time service. Previous research, customer success frameworks and key subjects are presented as the theoretical framework. The main objective of the thesis is to investigate why customer onboarding is important and how it affects the profitability of a B2B company. The secondary objective is to present improvement ideas to the commissioner of the thesis, which is Leadoo Marketing Technologies, referred to as Leadoo. The research question for the thesis is *How could Leadoo improve the customer onboarding process?* The chosen research method was qualitative interviews. Interviews were carried out with Leadoo's three Onboarding Managers during October 2022. Interviews were conducted to gain insight about the employees' perspective of the current customer onboarding process. Research showed that the average grade for Leadoo's customer onboarding process was 3,8 on a scale from 1 to 5. Need for improvements were distinguished within areas of client preparation, level of client engagement, resource management, data tracking and use of tools and software. Suggested improvements were increasing the amount of material to customers, implementing automations to the process and workflows, tracking completed activities, collecting more data, improving the level of customer engagement, and taking on a project management software. Further research could focus on personalizing the customer onboarding process and developing a deeper understanding of the customers' experience of Leadoo's customer onboarding process.

Keywords

customer onboarding, customer success, customer journey, product adoption, software as a service

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1 Introduction

1.1 Research background

Mistakes made during the customer's first weeks with a product can have a tremendous impact on product implementation, product usage and gained value. Missing the importance of customer onboarding can result in losing the customer, which leads to lost customer acquisition cost (CAC), also known as the amount of resources invested in acquiring a paying customer. (Weber 2021a, 4-5, 11, 17.) This is important since gaining new paying customers can be six times more expensive than keeping existing ones (Van der Kooij & Pizarro 2017, 34).

According to John (2022), bad experiences with a product or service will lead to customer loss, also known as churn, sooner or later. Succeeding in early customer engagement will result in higher retention, sustainable growth, higher customer satisfaction and reduced churn (Weber 2021a, 13, 119). Weber's thoughts resonate with John's, and according to Weber, clients who experience proactive and guided customer onboarding are 50-150% more likely to renew their subscription. Acknowledging customer onboarding as the most important step of the customer journey will result in successful and happy customers (Weber 2021a, 4-9).

1.2 Presentation of case company

The thesis is commissioned by Leadoo Marketing Technologies, referred to from now on as Leadoo, which is a SaaS company founded in Finland in 2018. Leadoo offers a conversion optimization software, designed to help companies generate more leads through their website. The three different pricing packages include the following: Conversion Kit (tools), Conversion Insights (analytics) and Conversion Experts (client managers). Regardless the pricing package, each client begins the user journey by completing the customer onboarding process, coordinated by one of Leadoo's Onboarding Managers. Currently Leadoo is focusing on the Finnish, Swedish and UK markets, with approximately 80 employees based in several countries.

1.3 Introduction to research methodology

Qualitative interviews were carried out with Leadoo's three Finnish speaking Onboarding Managers. The aim was to gain information on the employees' experience of Leadoo's customer onboarding process. The research question *How could Leadoo improve the customer onboarding process?* was answered using the theoretical framework and research material.

The main objective with the thesis is to research why customer onboarding is important to a business. The secondary objective is to develop improvement ideas for Leadoo.

The thesis is focused on real time and personal customer onboarding, also known as *concierge onboarding*. This delimitation excludes automated or self-taught customer onboarding, which are not covered in the thesis. Another delimitation is that the thesis has an internal focus which includes process design and thinking. The conducted research only covers the employees’ perspective on customer onboarding.

2 Background

2.1 Description of the customer onboarding process at Leadoo

The author of the thesis is currently working for Leadoo and can therefore present insights about the customer onboarding process and role of Onboarding Manager in this chapter.

Leadoo offers customer onboarding as a service to all new customers, regardless of where the client is based or in what market. There are three customer onboarding teams operating in Finland, UK, and Sweden. Each team takes care of the represented country's clients.

Uniting for all customer onboarding teams is the standardized customer onboarding process, designed to help new customers take on the conversion platform and start gaining value from it. Having a streamlined customer onboarding process ensures efficiency and shortens the time-to-value for the customers (Jemmi 2021). The different subscription packages essentials, pro and custom follow the same customer onboarding framework, but additional meetings are often scheduled for custom clients. Custom and pro clients usually take longer to onboard due to more complex and customized solutions and integrations.

Leadoo solely offers concierge onboarding as a service for all new clients. This is a common approach among start-up companies because customer success service brings a lot of value for both the client and the company. For the client, the value of guided, real-time customer onboarding is that they are never left alone with questions and problems. The client can outsource decisions and best practices to experts, and trust that they will be guided to gain value with the product. The expert will educate the client on how to use the software, as well as plan and guide the client to gain value as fast as possible. From the company's perspective, concierge customer onboarding provides valuable insights and feedback directly from clients. This means that the company gains better understanding on how clients use the product, what they wish from it and what they expect of it. (Henshall 2018.)

Image 1 captures Leadoo's customer onboarding process. The six phases are covered during an average of two to eight weeks, depending on the subscription package.

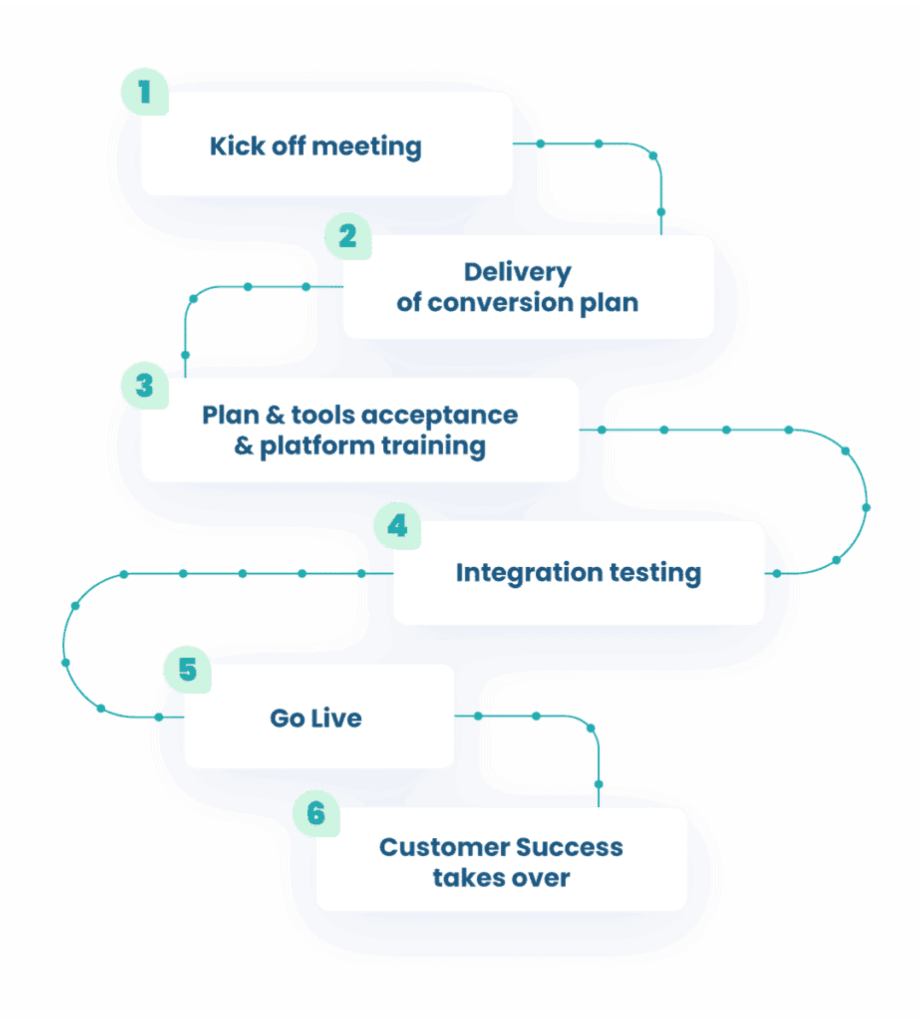

Image 1. Leadoo's customer onboarding process (Leadoo 2022)

At Leadoo, the first interactive customer onboarding activity is usually the Kick off meeting where the Onboarding Manager meets the client for the first time. Prior to this, an internal handover is shared from the salesperson to the Onboarding Manager, and a welcoming email is sent out to the client when scheduling the Kick off meeting. (Jemmi 2021)

The customer onboarding includes counselling, guidance, integrations, and platform training by Leadoo's team of Conversion Experts (Jemmi 2021). Depending on the client's needs and wishes, the customer onboarding process might differ a bit from the standard model.

3 Theoretical framework

3.1 Software as a service

The Software as a Service (SaaS) business model originally evolved as a new way of providing software services (Apostolov 2020, 3-4). It is a subscription-based model in which the software is hosted, developed, and operated by the SaaS vendor (Benlian et al. 2010, 2; Apostolov 2020, 4). Cloud computing is the most important technology behind the SaaS product or service (Wang 2020, 5.) From a technical point of view, the most relevant customer benefits are connected to limited concern about storage, servers, and operating systems (Bhardwaj et al. 2010).

The SaaS model provides several other benefits for the customer. The key success factors of SaaS were originally mapped out as reduction in cost, easy implementation, dynamic operations, and fast upgrade possibilities. However, an increasing driving factor for choosing SaaS is *service quality*, which includes reaching or exceeding the customer's expectations. (Benlian et al. 2010, 2.) From the customer's point of view, using SaaS provides fast strategic value, multiple features and solutions, and agile fixes and improvements (Schiff & Kidd 2021). Overall benefits of SaaS can be marked as cost reduction, operational flexibility, and rapid growth (Benlian et. al 2010, 2; Bhardwaj et al. 2010, 40-41).

The number of SaaS providers has grown rapidly, and SaaS businesses are expected to cover 81% of the enterprise software market in 2030 (Wang 2020). A larger interest for subscription-based products and customized solutions can be recognized, and currently the SaaS market is growing by 18% per year (Shiff & Kidd 2021). This leads to an increasing number of SaaS competitors and higher competition for long term customer relationships. Switching between SaaS providers is easy, and switching is often due to pricing, service, and provided value. (Apostolov 2020, 3-4.)

The reason why many companies change their business model into SaaS is due to the increasing income from subscription renewals after the first year (Weber 2021a, 18). According to Shiff & Kidd (2021), the amount of SaaS businesses continued to grow despite the overall hard economic times due to the COVID-19 pandemic. The high demand for flexible and affordable software solutions, like most SaaS offerings, has converted several well-established enterprises to the SaaS model (Shiff & Kidd 2021).

3.2 Customer success

Customer success is a service model commonly used in SaaS businesses. In practice it usually means that the client has one or many Customer Success Managers (CSM) as their main point of contact. The CSM's responsibility is to consult and guide the client to reaching their goals, succeed with the product, continue their subscription, and eventually buy more. (Adams 2020, 2-3)

The very core of customer success is that customers gain return on investment from a company's product or service by helping the client reach their unique goals (Adams 2020, 1; Totango b). While customer support is reactive and problem solving, customer success includes problem prevention and active, value focused way of working (Totango b). The CSM engages with clients so that they can realize and get the most value out of a product or service (Adams 2020, 2). Customer success becomes a must-have when the provided service or product is complex, or when customers need guidance to get the best value of a product or service (Process Street 2016).

Long-term growth and customer retention are the main goals of customer success (Totango b). Several studies show that service quality, usefulness of software, and customer satisfaction are the main influencing factors for customer retention and SaaS continuance (Benlian et al. 2010, 12). However, customer success is not only about keeping customers happy. It is about making the customer and their business successful, with the help of the provided product or service. (Adams 2020, 2.)

While Weber (2021a) emphasizes product implementation and strategic onboarding as success factors for long term customer relationships and subscription renewal, Wangenheim et al.'s (2017) study show somewhat deviating results. According to their study on contract renewal, the most influential factors were not the level of product usage nor experiencing the product as easy to use. Instead, a summary of several factors impacted positively on customer retention. These factors were length of customer relationship, diverse use of service, and experiencing the product as useful.

Pricing is another factor that plays a role between subscription renewal and service quality. If the pricing does not correlate with the experienced value of a product, it will take a lot more than good customer service to retain the customer. (Ranaweera & Neely 2003.)

3.2.1 The Practical Customer Success Management framework

Image 2 describes the Practical Customer Success Management framework (Practical CSM 2019), which consists of seven phases that reflect the whole customer journey.

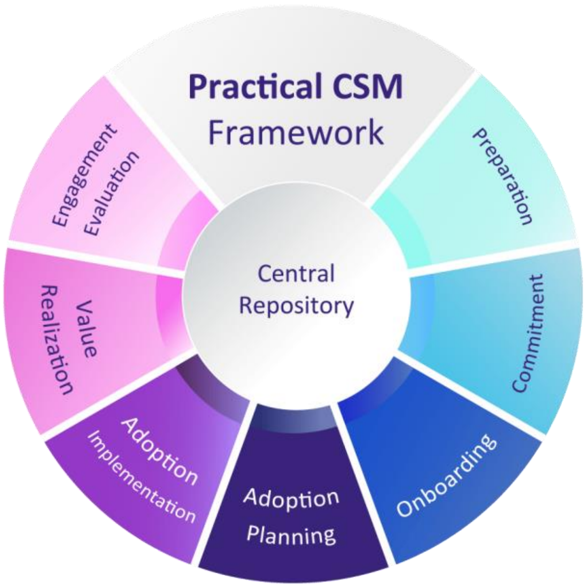

Image 2. The Practical CSM framework (Practical CSM 2019)

The framework is a proactive tool for helping CSMs understand the different touchpoints and opportunities during each customer phase. The model is cyclic and explains the ongoing, and sometimes complex, work that CSMs carry out with clients. Although there might be a clear beginning and end to some phases, it is quite uncommon that the client's progression is linear. Therefore, the CSM might need to revisit or skip some phases to make sure that the client succeeds in the best way possible. The circular framework captures the CSM's need for flexibility and understanding for what is required to continue the relationship in the best way possible. (Practical CSM 2019; Adams 2020, 37-38.)

The seven phases of the Practical CSM framework (2019) can be divided into three main stages as presented in Image 3.

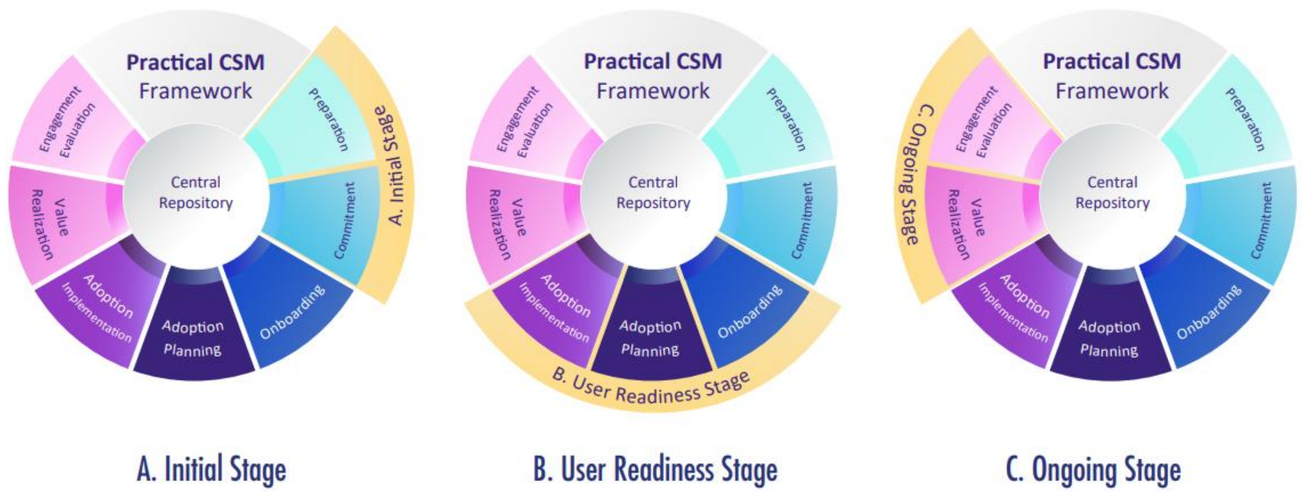

Image 3. The three stages of the Practical CSM framework (Practical CSM 2019)

The three stages are initial stage, user readiness stage and ongoing stage. The initial stage focuses on preparation and on getting ready. The CSM must understand the customer's needs and wishes to be able to plan how the customer will gain value from the product or service. The user readiness stage, on the other hand, focuses on customer onboarding and on adopting the new solution. In this stage, it is important that the CSM helps the client to prepare their users take on the product or service that has been purchased. Lastly, the ongoing stage covers the continuous co-operation with the client. This stage begins when the adoption has been completed, as a way of ensuring that the client is gaining as much value as possible. During this stage, the CSM will evaluate what has been working well and continue to map out possible improvements on a regular basis. (Practical CSM 2019.)

The key benefits of using the Practical CSM framework are ensured consistency, quality, and productivity in customer success. These benefits result from using best practices and tested steps every day when working with customers. (Practical CSM 2019.)

3.3 Customer onboarding – what is it?

Customer onboarding is the process of helping a new client start using and gaining value from a product or service as soon as possible (Adams 2020, 98-99). Customer onboarding is the first phase of the customer journey, which starts when the buyer journey ends, and the contract is signed. The first post-sale contact with the client is usually carried out by the onboarding or customer success team. During the first weeks with the client, the goal is to build a trusting relationship and map out the customer's needs and wishing for starting to use the product. Product implementations include consultation, training sessions, customer support and eventually going live with the product or service. (Weber 2021a.)

The two models of concierge customer onboarding are generic onboarding and customized onboarding. A hybrid of these models can be offered depending on the client's needs and wishes. Generic onboarding is used for products or services with very limited customization possibilities. This usually includes using templates and streamline processes, making onboarding efficient and standardized. Customized onboarding, on the other hand, is used for providing an experience that is strategically personalized to the customer's specific needs. This model is useful when the product or service is more complex, tailored and integrated to several software. Customized onboarding focuses on understanding the client's needs and wishes and on what kind of changes and value the product or service will bring to the client. Tailored onboarding is usually requested by clients with several user groups to ensure relevant and targeted value and use of the product. (Adams 2020, 99-101.)

Van Der Kooij & Pizarro (2017, 28) define customer onboarding as a period when integration, installation, and activation of a service take place. According to the authors, the customer onboarding phase is important for decreasing churn risk, but also for avoiding losing the company's investment in the client. The amount of time, investment and other resources that have been used for gaining a paying customer is commonly known as customer acquisition cost or CAC. This an important metric since taking on a new client is up to nine times more expensive than keeping an existing customer (Weber 2021a, 17).

The time it takes to onboard a new customer varies, but in most cases the time frame expands to the first 90 days with the product (Weber 2021a, 4). Others say that the customer onboarding phase spans up until the client's first aha-moment. This is when the customer realizes how the product will improve their day-to-day work. (Appcues, 4.) During customer onboarding the client is usually motivated and expects the product or service to work as explained during the sales process. This typically includes staying within the planned budget and starting to use the product by the agreed deadline or date (Adams 2020, 102).

According to Adams (2020, 99), reducing the time and effort it takes for the client to start using a product is key to successful customer onboarding. The process should be clear, informative, and wholesome, and should result in a shorter time for reaching value from the product. A good customer onboarding process is not only about teaching the customer how to operate the platform or use the product. It is about how to implement it successfully, so that the customer will meet their specific goals. (Appcues, 4; Weber 2021a.)

3.4 Customer onboarding as a churn preventor

Customer churn means the number of lost clients during a specific time, usually a month. It is measured in percentage and explains the success rate for maintaining customers and steady revenue. Terms like customer turnover or customer attrition all mean the same, a decrease or loss of paying customers. Churn is an important metric in SaaS since having a high churn rate is expensive. In most cases, it is more expensive to acquire new customers than to keep or develop existing customer relationships. (Totango a.) According to Weber (2021a, 17) gaining new customers is up to nine times more expensive than keeping existing ones. Other experts tend to agree by stating that retaining a customer is six times cheaper than acquiring a new customer (Van der Kooij & Pizarro 2017, 34).

While there are several reasons for churn, poor customer onboarding is one of the most common ones. This includes factors like having a long and tiring customer onboarding process or only offering standardized engagement plans. Clients will most likely churn if they experience negative interactions or problems using the product or service. (Totango a.)

Weber (2021a, 4, 8) goes as far as saying that the main reason for customer churn is badly executed customer onboarding. Statistics show that deficient customer onboarding and poor customer service are causing more than half of all churn cases in the US (Alex 2022). Weber (2021a) underlines that SaaS businesses only have 90 days to transform the customer into a loyal and engaged product user. As an extension of this argument, the author notes that the customer decides whether to churn or renew their subscription already during the customer onboarding process. According to Weber (2021a, 4-8), the first days with a new customer are critical for the customer's success with the product. The first days should transform the emotions of fear and doubt into trust and excitement.

Benlian et al. (2010, 2) refer to a study of 333 organizations based in the US and the UK. The top three reasons for customer churn among these companies were low-quality customer support, security issues and integration problems. To improve service quality, CSMs need to focus on all encounters both before, during and after the software implementation. While customer onboarding itself is not listed as a reason for churn, customer service quality is core in all touchpoints during the customer journey.

According to another survey, the largest group of unsubscribed clients (27%) felt like they did not achieve the results promised to them during sales. Another 17% of churned clients reported that they did not have the resources (time and personnel) to be able to reach positive results. Lastly, the third biggest reason for churn (13%) was due to bad customer service. The studied group of churned clients explained that taking on the software had been challenging and they had not been able to complete the required steps asked of them. (Apostolov 2020, 7.)

Having several active users is an effective way to reduce the risk of churn. When several team members complete the customer onboarding process, the implementation is likely to be more holistic and the product usage on a higher level. (Appcues, 9; Weber 2021a, 82-83.) Customer onboarding is all about the client's first impression of the company's professionals as well as the product. The experience provided during user onboarding will be a make-or-break event for the client. (Weber 2021a, 4-5.)

Effective, proactive consultation and guidance during customer onboarding will lead to product adoption, renewal, upsell and eventually a promoter client that speaks fondly of your business (Weber 2021a, 13).

3.5 The Orchestrated Onboarding framework

Onboarding customers in a successful manner requires a well-planned, customer-centric process and cooperation across all teams. The Orchestrated Onboarding framework, created by Donna Weber (2021b), is a strategic tool for guiding new customers to their first point of value. It is a framework that emphasizes seamless collaboration and effort between the most common SaaS teams: sales, onboarding, customer success, product, and support. Customer onboarding is a critical make it or break it point after the deal is closed, and hence, customer onboarding is pivotal when establishing trusting and long relationships with customers. (Weber 2021a)

The Orchestrated Onboarding framework is presented in Image 4, and the following chapter will present the purpose with each of the six stages.

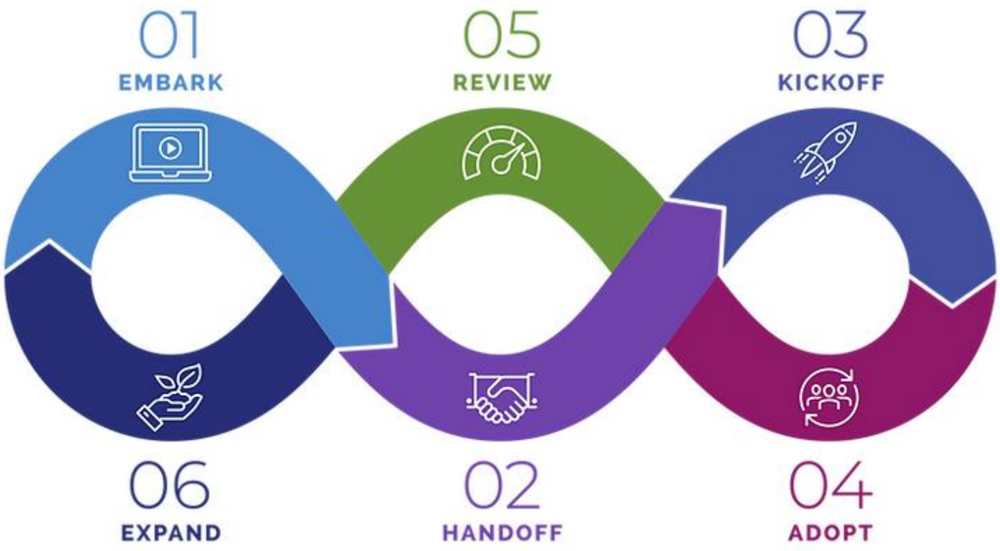

Image 4. The Orchestrated Onboarding framework (Weber 2021b)

3.5.1 Embark

The earliest and first stage of customer onboarding takes place before the deal is closed. The main outcomes of this stage are building a trusting relationship, setting realistic expectations, and providing information about the upcoming process. According to Weber (2021a, 31) embarking a customer can be pictured as building a bridge from the buyer journey to the customer journey. During this phase it is important to address and market the provided value of the client's onboarding process and customer success service. Embarking helps preventing challenges or misunderstandings connected to buyer's remorse and first impressions. Starting the customer onboarding before signing the contract will have a positive effect on the client's expectations and preparations.

Noteworthy for this phase is the importance of creating a success plan. The main objectives of the document are to address possible risks and concerns, provide solutions to problems and delegate responsibilities and roles. It also includes a plan for reaching the client's goals. The success plan is shared and created together with the client before the deal is closed. This creates an effective way of keeping the client accountable for contributing to a successful customer onboarding process. Not only will a proactive success plan ensure that important information is documented and shared, but it is also a way of ensuring that the right services or products are sold to the client. (Weber 2021a, 34-36.)

3.5.2 Handoff

Handoff is a way of ensuring that information flows effectively from team to team. At the same time handoffs provide natural continuity for the client. According to Weber (2021a, 41-45) the handoff stage should include two handoff meetings, one internally and one together with the client. The purpose of efficient handoffs is to align all parts: the salesperson, the client, and the customer success team. This leads to a reduced need for repetition and fewer mistakes or misunderstandings. It also prevents any part from acting alone. Instead, the handoff holds everyone accounted for the provided information.

The internal handoff is usually scheduled before or after the immediate closing of a deal. Weber (2021a, 44) argues that the main reason why companies leave out or underestimate the effect of a proper handoff is because salespersons are immediately focusing on new clients. On the other hand, it is common that the customer success members skim through the handoff only to focus on upsell opportunities, which can lead to missed information. Scheduling the internal handoff meeting is recommended to be carried out by the customer success member.

The external handoff focuses on providing loyalty and continuity towards the client who is about to start their customer journey with the customer success member. It is recommended that the external handoff is scheduled by the salesperson and that it takes place within ten days after the deal is closed. Committing to this will lead to lower experience of fear and regret, and higher level of engagement on the client's side of the process. The external handoff is of outmost important in cases where the buyer is not a user of the product. It is an effective way of making sure all parts know what is bought, why and how it is going to be used. This is ensured by going through the earlier created success plan. (Weber 2021a, 50-51.)

3.5.3 Kickoff

The following stage, kickoff, focuses on building structure for the onboarding project. This includes addressing roles and ways of working together, building a progression plan, and mapping out milestones. The meeting is usually 60 minutes. While the earlier stages have focused on big picture thinking and the whole customer journey, the kickoff stage will shift the focus towards tactics and steps for successful implementation and customer onboarding. During the kickoff meeting it is recommended to discuss how to take the previously made success plan into action. This includes setting up timelines and trainings as well as underlining that the customer also has an important role when it comes to their success with the product. Discussing openly will help the client understand that the responsibility of reaching set targets is shared. (Weber 2021a, 57-58.)

A kickoff meeting should include creating a plan and timeline for implementation and follow ups. Weber (2021a, 58) recommends using visually appealing project management tools or software for this. The outcome of the kickoff phase should be a clear framework for how to reach the client’s goals together. Structure and good communication will lead to a trusting and relaxed client.

3.5.4 Adopt

Implementation, user training, customization, integration, and launch. These are the most important parts of the adopt phase. This is the longest phase in the Orchestrated Onboarding framework and can take weeks or months, due to its many parts. However, including quick wins and milestones will ensure that the client gains value from the product or service, even though the implementation might take long. The adopt phase is when customer service and customer success becomes more important. These take place in form of consultation, trainings, support and more. The focus should be on helping the client embrace the new product or service. At the same time, creating excellent customer experience and seamless transition from phase to phase is very important. During the adopt phase it is good to keep in mind that the product is supposed to make the client’s lives better, by providing value and being customized and relevant to their needs. Each user needs to understand how to use the product and in what way it is connected to the job. (Weber 2021a, 63-64.)

End users of the product might present some resistance to changing their ways of working to be aligned with the new product or service. This is a normal reaction because changing something familiar can lead to fear and anxiety. Especially if the product or service is complex and demands much change, there might be room for the company to sell change management services like consultations, workshops, communication materials and so on. The customer handoff meeting offers a great opportunity to discuss about the plan for ensuring a wholesome and companywide enablement of the product. (Weber 2021a, 69-70.)

3.5.5 Review

The review stage is a meeting, taking place no more than 90 days after the kickoff. The agenda is to gain feedback and understanding of how the client has experienced the product and customer onboarding process so far. Staying in contact with and listening to the client is very important, also after the client has gone live with the product. After gaining insight directly from the client, the customer success expert can compare this information to the objectives and goals originally stated in the success plan. (Weber 2021a, 73-74.)

The review meeting is not an opportunity for selling more. Doing that will make the client hesitant to give any feedback and you lose trust in the relationship. However, the review meeting offers a good opportunity to listen and look back on the process. After this it is natural to continue looking forward on what the future looks like regarding features or updates. (Weber 2021a, 73-74.)

To ensure consistent customer data, it is recommended to develop a standard way for reviewing process development and success with the product. The customer success expert should prepare for the meeting with necessary data, preferably visually explained to ensure easy understanding and remembering. The questions should be designed to gain open customer feedback about the experience so far. The atmosphere should be neutral and fact-base, which is why it is not recommended to leave out any data to make the success with the product look better. (Weber 2021a, 74-75.)

3.5.6 Expand

Celebrating that a client has gone live is just the beginning of user adoption. The last phase of the Orchestrated Onboarding framework covers the way in which the company ensures ongoing product usage and engagement on the client’s side. Initially, the purpose of customer onboarding is to minimize the time it takes for the client to reach first value with the product. However, changes in the number of active users and product updates will present a need for ongoing onboarding. (Weber 2021a, 82-85.)

Ongoing onboarding includes proactive actions for continuous product adoption and new user training. This will result in increased product usage and engagement, which eventually will show as increased customer lifetime value for the company. Ideally, the beginning of onboarding has provided an intermediate level for using the product. During the expand phase it is time to focus on more mature usage of the product or service. This includes educating the client on how each user role can do their jobs more easily with the help of the product. It is recommended to focus on what the continuous value is, instead of offering another general tour of the product or service. (Weber 2021a, 82-85.)

4 Research implementation

4.1 Delimitations

Delimitations for the research scope are customer onboarding at Leadoo as a personal service within the Finnish B2B-market. The research does not cover automated or self-taught customer onboarding. The research focuses on one case company and therefore, the results and improvement ideas are not to be generalized or directly implemented into other company's customer onboarding processes. However, the findings might provide valuable insights and development ideas to similar businesses. The research also has a geographical focus which is Finland. All interviewees are based in Finland and engaging with Finnish B2B clients only. This should be considered when analysing the research findings.

4.2 Methodology

The research method used in the thesis is qualitative interviews. Qualitative research does not strive to standardize results, nor is it hypothesis based. As a matter of fact, the number of study participants is usually small, and the participants are carefully selected according to the purpose of the research. The purpose of qualitative research is to gain better understanding of a situation or case, often through subjective perceptions. The starting point is not as important as the end point that is under development. (Flick 2020,12-15; Gillham 2000, 1-2, 10.)

Interviews are carried out to find answers to a particular subject or question. Therefore, the structure of the interview varies depending on the purpose, which in this case is research. The biggest value that interviews provide is the depth and richness in the interview material. The material gives room for deep reflection in a way that charts or numbers usually do not. (Gillham 2000, 2, 10.)

In qualitative interviews, the presented questions are usually few, and with open answers. This encourages participants to answer as naturally as possible, to gain new perspectives and views of the topic, case, or situation. To ensure this, the interview situation is open, and dialogue based, instead of standardized. The gathered interview material is interpreted by the researcher and used for analysing insights, improvements, and possible theories. (Flick 2020,12-15.)

Interviews were carried out with Leadoo's three Onboarding Managers during October 2022. Two interviews were held at the office in Helsinki, and one was held online via Google Meets with web cameras on. The reason for interviewing Leadoo's Onboarding Managers was to gain better understanding of Leadoo's current customer onboarding process from the employees' perspective. This included mapping out current challenges and overall experience of the customer onboarding process. The duration of each interview was approximately 20 minutes. Two of the interviewees had been working for Leadoo for two years or more, and one participant had been working for Leadoo for over a year.

The interviews were held separately with each candidate and recorded with a phone or laptop. All three participants spoke Finnish as their mother tongue, which resulted in organizing all interviews in Finnish. This decision was made to ensure natural discussions and answers, and to improve the reliability of the research. All interviewees were asked the same open questions, which were not presented in advance. However, a short introduction and orientating discussion was carried out before the interview. The interview questions can be found as Appendix 1 to the thesis report.

All interview material was transcripted to data in the same way to ensure consistency. The data was translated to English, analysed, and discussed to answer the research question *How could Leadoo improve the customer onboarding process?* The aim of the research was to find development potential and improvement ideas to Leadoo's customer onboarding process.

Qualitative data can be analysed in three different ways, depending on the focus. In the study for the thesis, data was analysed focusing on the contents, in other words, on what was said. This is called content analysis, which can be divided further into specific analysis methods. Structured content analysis was chosen for analysing the findings in this research. Structures include themes, specific topics and characteristics that are found in the research material. (Flick 2020, 276-278.)

4.3 Risks

There is a risk that the findings from the interviews are biased, as the researcher is part of the same onboarding team as the interviewees. This means that previous knowledge and subjective experience might have affected the analysis of the interview data.

The interviews were carried out and transcripted in Finnish, after which the material was translated and analysed in English. This adds a risk of misinterpretation and translation errors, which are to be kept in mind.

Two out of three interviews were carried out in person. Therefore, the presence during the interviews varied some. This may have led to some feeling more nervous than others, which may have shown as holding back on information.

The interview questions were not trialled in advance, which increases the risk of misinterpretation among the interviewees.

4.4 Analysis of the research material

The first question presented was *what do you think is good about Leadoo's onboarding process?* Common for all participants was that they all answered that the overall customer onboarding process is strategic, clear, and working well. Especially good about the process was that it is designed to be as easy and efficient as possible to the customer. According to the participants, this includes not asking a lot of effort from the customer, having clear phases, providing much support and customer service, and creating the conversion tools for the client. In addition to this, one participant answered that the current onboarding process enables a smooth process if the client trusts the process and the onboarding expert.

Two out of three participants reported that Leadoo's customer success experts have a lot of experience and knowledge, which makes it easy to consult and present best practices, suggestions, and ideas to new clients. One of the interviewees listed fast access and easy use of Leadoo's platform as good things about the customer onboarding process. In addition to this, one out of three answered that working in pairs (one Onboarding Manager and one Conversion Specialist) throughout the process has been a good thing when the workload, responsibilities and ideas have been shared.

The second question touched upon factors that are working *badly* in the current customer onboarding process. Three themes could be recognized from the participants answers. These were generic processes, use of resources, and level of commitment. One of the answers about processes was connected to problems with scalability. This was of worry because the number of bigger enterprise customers is expected to rise. The same participant explained that scalability should bring a stronger one-to-many approach in the customer onboarding process during all phases.

All participants highlighted that there is little to no difference in the onboarding process regardless of subscription package (essentials, pro or custom). Therefore, a uniting opinion for all participants was that the differences in the customer onboarding service should be made clear to all parties. The benefits with offering different onboarding service to different subscription clients were reported to be time saving and better prioritization. One participant also answered that common procedures and mutual ways of working should be agreed upon and implemented, to minimize room for improvisation and differences in ways of working.

Most participants answered that a bad thing with Leadoo's customer onboarding process is the stiffness of the process, which gives little to no room for exceptions and surprises. According to the participants, this leads to problems with scheduling, missing deadlines and overall, an increased amount of work for all parties. As an extension of this, problems with ending the onboarding phase effectively were reported, due to the delays and exceptions that might occur earlier in the onboarding process.

Two out of three answered that there are currently not enough resources to carry out the customer onboarding process. According to the participants, there is a need for saving resources with the help of supporting factors like automations and project management software. One of the participants answered that it is somewhat embarrassing to not be able to meet the customers' expectations when it comes to project planning and use of suitable software. The currently used tools and software were reported to be deficient, time consuming and difficult to use.

The last theme, commitment, included answers regarding customer engagement. A need for preparing and engaging the client before the customer onboarding process begins could be recognized from several answers. According to the participants, preparing the client before the process starts could positively affect the client's level of engagement and determination. Ideas like sending out inspiring material and automated emails were presented as ways of increasing customer engagement. One participant also expressed a concern for the adopt phase, meaning after the customer onboarding process is completed. The concern was that there is usually four to six weeks in between the customer onboarding and the customer success phase, and during this time the interaction with the client is extremely low.

The third interview question was *if you could change three things in the customer onboarding process right now, what would they be?* The answers could be divided into three themes: level of commitment, responsibilities, and use of tools and software.

Once again, the majority answered that they would implement automations to the daily tasks and workflows because that would decrease the amount of manual work. The participants answered that they would increase and improve the use of email templates, create more handouts and materials, and implement automated reminders. The vision for these improvements was that they would increase the client's level of readiness and commitment to the project. One interviewee added that frequently asked questions and answers should be created and be accessible to the customer throughout the process. The biggest reason for this was to save the time and trouble that each specific case currently demands.

Two out of three participants answered that they would improve the co-operation between teams. This included clarifying the responsibilities and tasks concerning salespersons, Conversion Specialists, Onboarding Managers, Integration Specialists, CSMs and tech support. The reasons for this were to have clear boundaries and areas of expertise, and to save time by not working on the same things.

Lastly, one Onboarding Manager answered that changing the project management software would be one of the three things to change in this moment. According to the participant, the information is currently scattered and found in notes, the CSM software, Google Drive, Slack, and emails which makes it impossible to quickly grasp the current stage of a client's progression.

When asked about the *value* customers are experiencing from Leadoo's customer onboarding process, similar answers were reported. The majority answered that the biggest value with the process is that the client starts using Leadoo and the conversion tools in an effective and successful way. This was once again connected to the fact that Leadoo's experts have experience and knowledge, based on which they can guide the client to gain specific value as quickly as possible. The fact that the conversion tools are customized to the client's specific needs was also seen as a way of providing value to the client.

The question *Do you have any ideas on how Leadoo's customer onboarding process could become more proactive?* was hard to answer and every interviewee asked what proactivity meant. Several answers were about preparing and activating the client with inspiring material, email automations and other engaging measures. One participant shared that having more visibility on the progress of a project would increase proactivity and decrease the need for repeating and following up on tasks. Another comment was that responsibilities should be clearly stated and agreed upon so that expectations could be met more easily.

Two out of three gave Leadoo's customer onboarding process the score four, on a scale from one to five (one meaning very bad and five meaning excellent). The last participant gave the score three and a half. Overall, all three Onboarding Managers described the customer onboarding process as good and working, but with need and room for improvements and more flexibility.

The last questions of the interview were *Do you think that something is missing from the customer onboarding process? If yes, what would you add?* To these questions the interviewees answered that they would add automations, track and analyse more data, gather feedback from customers, improve the commitment level of customers and start using a better customer project software.

5 Conclusion from results

The chosen method provided relevant information about the employees' experience of Leadoo's customer onboarding process. Before presenting the first interview questions, a short introduction was shared by the interviewer. However, based on the answers it might have been good to present the interview questions in advance. One out of three participants answered that it would have been good to prepare for the interview. This could have impacted the quality of the answers in a positive way. The interview questions could also have been tested with a few test candidates before the actual interviews to ensure that all questions are clear and easy to understand.

Several questions were answered in a similar way by more than one candidate. The uniting answers are valuable because they shine light on specific issues, opportunities, and challenges that can be targeted going forward. Especially similar answers were collected from the first question regarding good things about Leadoo's customer onboarding process. All participants answered the first question with similar comments and without hesitation, which is a positive outcome for Leadoo. It seems like Leadoo's Onboarding Managers see the customer onboarding process as something to be happy about. This is of interest to Leadoo since employee experience has a direct effect on customer experience, especially when it comes to how well internal processes and tools are working (McGuire 2022).

The average grade for Leadoo's customer onboarding process was 3,8 on a scale from 1 to 5. This can be considered a good result and the similarity in the answers show that the customer onboarding process is considered a positive experience for the Onboarding Managers. However, there seems to be room for improving and developing the process to become even better, which supports the objective of the thesis.

Several improvement themes were repeated throughout the interview. These themes included key issues and areas of improvement that need attention and action for a smoother process. The next chapter will present each theme individually.

6 Summary and discussion

6.1 Improvement ideas for Leadoo's customer onboarding process

In the following chapter, improvement ideas are presented and discussed based on findings from the research and knowledge presented as part of the theoretical framework of the thesis. The improvement ideas are divided into three main categories.

6.1.1 Client preparation and level of engagement

When one compares both the Practical CSM framework (2019) and the Orchestrated Onboarding framework (Weber 2021b), some similarities can be distinguished. Both frameworks show that the first phase of the customer journey is not onboarding. There is at least one phase before that, and these pre-steps exist to prepare, inform, and ensure all parties of what the upcoming process will look like. All that comes before the actual Kick Off play an important role of preparing everyone involved and setting the tone for the upcoming process.

Looking back at Leadoo's current onboarding process, little effort is carried out to prepare and inform the client about the customer onboarding process. This was reported as a clear issue in the eyes of the Onboarding Managers. To improve this, it is suggested that Leadoo creates a strategy for preparing clients and raising the customer engagement level throughout the customer onboarding process. This could include increasing the amount of ready-made email templates, tutorial videos, handouts and guides, and frequently asked questions and answers on the website.

According to Winter (2022), early-stage activation is a key success factor that requires a fine balance between making things easy and guiding the customer down their most valuable path. When it comes to Leadoo, problems with reaching deadlines, managing unexpected situations, and ending the customer onboarding process effectively were reported by the Onboarding Managers. These problems seem to be connected to the fact that there is a lack of client preparation and information before the Kick Off. The client may not know how big the project is going to be, which persons need to be involved and what is expected of them. This can show as confusion, forgetting about tasks and prioritizing other things before the co-operation with Leadoo. It's important to remember that also the client is very busy, so preparation is key to help the client manage their calendar and resources effectively.

Leadoo could measure the level of customer engagement based on completed pre-Kick off tasks, opened emails, duration and outcome of Kick off meeting, customer satisfaction level and number of completed customer activities. Customer activities could for example be logging in to the platform, watching video material, reading emails, signing up for a customer webinar, visiting Leadoo's YouTube channel or visiting the FAQ section on Leadoo's site. Measuring the value of customer engagement could include tracking the impact it has on the time-to-value ratio and duration of the whole customer onboarding process.

One could say that in Leadoo's customer onboarding process, the client is currently falling into a gap between the welcoming email and the Kick off. Within this gap the client is left alone with little or no contact from Leadoo's side. This time of waiting for the onboarding process to start can expand up to weeks or even months, depending on the contract start date and the client's time schedule. During this time there is a high risk that the client develops worries and stress about the unknown. Another quiet or passive phase is the adopt phase that follows going live with Leadoo's products. During this phase, the client is usually on their own for four to six weeks before having their first meeting with a Customer Success Manager. To tackle these times of no interaction, it could be a good idea for Leadoo to invite the new customers to a customer community. Within the community clients could get acquainted with use cases, guides, success stories and best practices. The community could also be a place to market upcoming beginner friendly events.

It is important to consider how the customer thinks and feels during the customer onboarding. The decision maker might feel scared about the investment and might overthink and question how the decision will affect their career and the company's success. Leaving customers alone, and choosing not to address these risks, can make them feel lost and abandoned. The relationship with the customer should focus on increasing the feeling of confidence, trust, and early engagement. Left alone, the customer will jump to conclusions and quickly judge the quality of the product and the relationship, which can lead to churn already during customer onboarding. (Weber 2021a, 8.)

To turn negative feelings into good ones, it is suggested that Leadoo would have more connection with the clients by sending out automated emails and surveys regularly throughout the customer onboarding process. These emails could strive to activate the client to log into the platform, watch a tutorial, sign up for a webinar, read about best practices or remind them about the upcoming phase on their journey. The wished outcome with these emails would be to show appreciation and attention to the client, and to provide useful information and engagement with the client.

6.1.2 Process development and resource management

Customer onboarding can be designed to have different use cases (Winter 2022). From a user experience perspective, new users are craving for value from a product with as little effort as possible. Therefore, a relevant customer onboarding process could make sure that time-to-value stays short and that topics important to the client are covered, and nothing else. (Adams 2020, 97, 105-107.)

There are currently very small differences in Leadoo's customer onboarding process between essentials, pro and custom clients. A more complex product is not easy or enjoyable to cover in one session without it being overwhelming for the customer (Winter 2022). Therefore, the customer onboarding design for custom clients should differ from the standardized process and be improved in correspondence to the client's needs and higher customer onboarding fee. The benefits with having different customer onboarding processes can be seen as efficiency and possibility to invest resources in the best way possible according to the customized timeline. In addition to this, it could make prioritization easier if the clients of higher rank were more easily distinguished and cared for in the best way possible, instead of trying to fit the project to the standardized process.

The majority of Onboarding Managers reported that there are not enough resources to carry out the customer onboarding process in the best way possible. One way to battle this could be to outsource work tasks to Leadoo's tech support team or inviting more automations to the workflow. Especially if lack of resources affects the customer experience, quality, or duration of the customer onboarding process, it is suggested that Leadoo considers ways to improve the resourcing.

Improving resourcing could mean increasing the amount of available resource per customer or concentrating the use of existing resources more effectively. Increasing resources could show as hiring more personnel, while targeting the use of current resources could mean cutting down on the amount of provided service or acquainting a smaller volume of clients but with higher value. Ultimately, it is suggested that Leadoo starts solving the issue by tracking where the resources are needed and mostly spent during the customer onboarding process. Analysing the current process will reveal bottlenecks, pain points and problems to start working on (McGuire 2022).

Nowadays software users are expecting more personalized and customized experiences than ever before. Diving deeper into personalisation will bring both challenges and opportunities to the customer onboarding phase, by adding pressure on being more case by case and solution oriented. (Winter 2022.) Creating a more relevant and targeted user experience with the product is therefore something Leadoo could consider in the future. Prior to customizing the process, it is important to research what clients want and how they are going to use your product, so that you can identify different users and what it is that brings value to them (Winter 2022). The author of the thesis recommends that Leadoo would start by completing extensive customer research, for example customer surveys. Interviewing custom clients could also provide valuable information on customer onboarding expectation and improvements.

To avoid confusion, the author of the thesis recommends that Leadoo changes the term onboarding to *customer onboarding* both internally and externally. This includes everything from marketing, work titles, email signatures, and other customer onboarding material within the team and towards the clients and marketing audience. The main reason for this is that in most cases, onboarding refers to HR and new employee onboarding. Therefore, the term onboarding can easily be misinterpreted and confusing, especially when the context does not match. This was noticed as an issue when the thesis author found close to no relevant research or information when using “onboarding” as one of the search words. The search results did not cover the customer journey. Instead, most of the results were about new employee onboarding.

6.1.3 Data collection, activity tracking and use of software

According to Adams (2020, 99), customer onboarding activities are to be tracked. One of the goals during onboarding is to guide the user to their first value and confidence in using the product. When it comes to first value of a product, Weber (2021a, 105) underlines that it is important to understand what first value means to the customer and to separate the perspective of the company from the customer’s perspective. Adams (2020) also underlines that the most demanding phase, measured in time and effort, is the adoption phase. That is when the product or service should be taken into preferably daily use and start generating value to the customer.

Leadoo has a customer onboarding process designed for the customer to be as easy as possible. However, introducing a new way of working, guided by analytics, could have a huge impact on effectivity and quality for the onboarding team, and for the clients. All Onboarding Managers answered that they would add automations, data tracking, use of project management software and collect better customer feedback if they could change parts in the customer onboarding process immediately. Tracking tasks, use of resources, time to value, duration of the customer onboarding process, client engagement, NPS and other indicators are of high value and recommended to Leadoo by the thesis author.

Whenever employees are using defective or inefficient tools which prevent them from serving clients in the best way possible, these problems lead to lower service quality for customers, delays in service and an increased need for back-and-forth communication. It is important to remember that when systems are broken on the inside, they do have a huge effect on the customer's side. (McGuire 2022.)

Based on the interviews, it seems like some of the work at Leadoo is being carried out in the dark because of lack of data. Not tracking tasks and activities nor using suitable software is showing in the Onboarding Managers' interview answers. For example, not having a project management software leads to not having visibility of a customer's progression. Instead, the information is scattered in different channels like Slack, Google Drive, the CSM software, notes, and emails. This is very inefficient since it leads to searching for information, double checking, and signing in to every customer account separately to ensure that everything is under control. Therefore, it should be of Leadoo's interest to start evaluating what kind of project management software Onboarding Managers would need and then test it out.

Another improvement idea for Leadoo is to replace repetitive tasks, campaign emails, simple tasks, and reminders with automations. This would save time and effort for the Onboarding Managers. The success rate of automated emails could be tracked by number of opened emails to understand how engaging the content is. Automations could also be implemented to the product adoption phase, for example by sending out regular customer surveys and motivating clients to sign in to the platform or to take on new use cases with the product. Automated notifications about the client's activity could be implemented to notify the Onboarding Manager on sign-ups, logins, and edits so that being up to date on a project would be as effortless as possible.

6.2 Suggestions for further research

The research in the thesis focuses on the employees' perception of Leadoo's customer onboarding process. In the future, research about the customers' experience could be carried out. The data could be compared to get a better understanding for how aligned the customers' and the employees' experiences are. Further improvements could then be made to the customer onboarding process, based on the feedback and experiences that clients share.

To keep up with the personalization demand on the market, it could be of value to research Leadoo's different user groups to find out what they expect, need, and wish from the customer onboarding. A deeper understanding for the different needs could be of use for developing relevant customer onboarding processes aimed for specific purposes. This could have a positive impact on the clients' experience of customization and seeing the customer onboarding process as purposeful and targeted, with a hands-on approach.

Lastly, a trial period could be carried out, when automated and self-learned onboarding would be tested with smaller clients. It could be interesting to measure and compare differences in efficiency, level of product adoption, time to value, NPS and overall customer satisfaction if the client completes the customer onboarding on their own. In addition to this, it could be interesting to research whether there is an interest among Leadon's clients to complete some parts of the customer onboarding process on their own instead of following the standardized process.

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Appendix 1. Interview questions

1. What do you think is good about Leadoo's onboarding process?
2. Can you think of something that is not working well in our customer onboarding process?
3. If you could change three things in the customer onboarding process right now, what would they be?
4. In your opinion, what is the biggest customer value that we provide through our customer onboarding service?
5. On a scale of 1-5, what score would you give to Leadoo's customer onboarding process? Do you want to elaborate on that?
6. Do you have any ideas on how Leadoo's customer onboarding process could become more proactive?
7. Do you think that something is missing from the customer onboarding process? If yes, what would you add?