HackerRank reduces churn for at-risk customers by 50% with ChurnZero + Pendo

- 50% reduction in churn for at-risk customers

- 4x increase in account coverage

- Increased enrollment in customer advocacy programs.

HackerRank

The overview

HackerRank is a leading technical hiring platform, considered the standard for assessing developer skills. It helps companies hire skilled developers by enabling tech recruiters and hiring managers to objectively evaluate talent at every stage of the recruiting process.

Alaina Loori, director of customer success operations, oversees HackerRank's scaled Customer Success (CS), customer enablement, and technical services teams. She's responsible for their systems, processes, data analytics, and integrations.

The challenge

As HackerRank grew—today, it serves more than 3,000 customers—so did its CS team's need for an effective way to track and evaluate customer health. Without a system to capture and score product behavior, the team was unaware of what healthy usage looked like. CSMs couldn't prioritize or personalize account outreach based on immediate customer needs or churn risk.

These challenges were amplified by the fact that the CS team was only able to provide coverage to roughly 20% of its customer base. "There was no proactive support for the remaining customers," says Alaina. "They had to reach out to us."

The team also lacked a centralized, standardized way to manage customers, including those with a designated CSM. "Our CS team was very tactical," says Alaina, "logging into individual customers' systems to evaluate usage, versus having a toolset to surface the customers who needed the most support." Disparate tools made it difficult to share customer information, statuses, and communications with other customer-facing functions.

With a mostly tech-touch customer base, the CS team needed a proactive solution to identify customer needs and assess health without CS intervention. They also needed to expand their operations without adding a ton of headcount or sacrificing the quality of the customer experience.

The process

To meet their needs, HackerRank integrated ChurnZero and Pendo into a proactive customer health program. Today, they can:

- **Anticipate and act on customer needs.** The HackerRank team uses Pendo to track significant adoption indicators like login frequency, key feature usage, number of clicks, drop-off points, and more. ChurnZero then automates the CS team's follow-up based on that activity. For example, when a customer's product usage decreases by more than 25%, ChurnZero triggers an Alert to notify the CSM and a Play to engage the customer and offer personalized support.
- **Measure and forecast customer health in real-time.** The CS team created a comprehensive ChurnScore in ChurnZero, which combines data from Pendo, Zendesk, and HackerRank's product with other influential factors like CSM sentiment, product integrations, and additional purchases. This ChurnScore points the team to customers who need immediate attention and helps them keep an eye on those whose scores are trending in a specific direction. Since ChurnZero maintains a historical record of product usage data, the team can go back weeks, months, or years to determine if a spike or lull in customer activity is typical (given hiring's seasonality) or an anomaly to dig into.
- **Automate action plans based on customer health and lifecycle stage.** The HackerRank CS team uses targeted ChurnZero Alerts and Plays to engage customers who are in the red or at risk, coming up for renewal, onboarding, and more.
- **Streamline customer engagements.** The HackerRank CS team works closely with technical solution engineers and account managers on customer initiatives. Using ChurnZero as a single source of truth for customer touchpoints and tasks has helped HackerRank's internal teams to align.

The impact

Since using ChurnZero and Pendo, HackerRank has seen the following results:

- **50% decrease in churn for at-risk customers**, achieved within three months of HackerRank launching its customer health program.

- **4x increase in account coverage.** The HackerRank CS team now delivers proactive, scaled support by identifying and acting on usage dips, license utilization declines, and more.
- **Greater CS influence in product decisions and roadmap.** The CS team's increased understanding of product usage allows them to present data-driven product requests. "The data helps us determine where customers struggle with our product," says Alaina. "For instance, if there are too many clicks in a certain area of our product, is it not intuitive?"
- **More purposeful business reviews and success plans.** The CS team uses product usage data to design more strategic conversations during business reviews. By focusing on leading indicators, such as a customer's last 90 days of usage or their most-used features, the team can come prepared with high-value topics and prescriptive guidance and solutions.
- **Increased enrollment in customer advocacy programs.** The CS team uses ChurnScores to find and invite their healthiest customers into customer advocacy programs including their customer advisory board, design partner program, and customer spotlight series. "ChurnScores help us identify both at-risk customers and customers who have done exceptionally well with our tool," says Alaina.

How you can start

To find out how you can create a proactive customer health program to reduce churn risk, schedule your demo of ChurnZero today.

> "Once we identified customers who were in the red, we could reach out to them with specific messages and objectives in mind. Not just, 'Hey, how's it going?' but instead, 'We see you haven't invited any candidates yet, let's work through this together.' Reaching out with a more tailored message has significantly reduced our churn risk."

Alaina Loori
Director of customer success operations | HackerRank