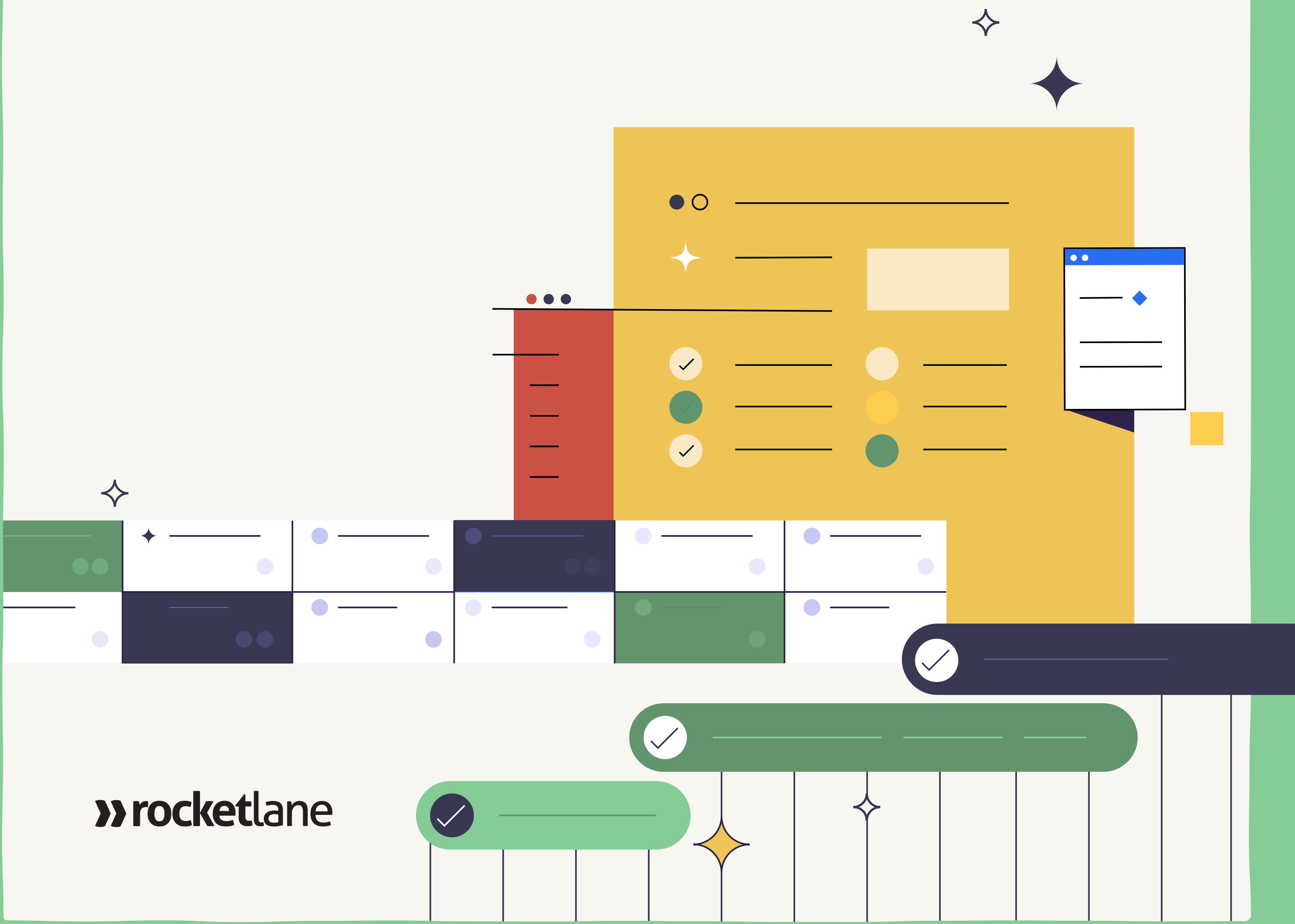
How to Design Your Customer Onboarding Methodology



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You've probably heard of Mumbai's famous dabbawalas. They are a 125-year-old network of around 5000 humans who transport lunch boxes all over the city. Uber Eats, Swiggy, and other modern era, digital-first service providers haven't been able to acquire their customer base.

They rely on the Mumbai Suburban Railway system and their bicycles and nothing more to do their job (they don't even use mobile phones). They charge each household they serve <$12 per month. They've had FedEx, and Amazon representatives observe them from the sidelines to learn how they have been able to deliver with a negligible margin for error. In fact, during the 2005 Mumbai floods, they were back on their feet and operating before the rest of the city.

This has been possible because they have, over time, observed and tweaked their system and process. They put their heads together and figured out the most watertight process that will help them deliver food on time, every single time. A lot of their strategy involves being prepared well ahead of time - back up dabbawalas, a group to collect, and group to deliver, a group to paint a unique code onto each box that each person will be able to recognize with ease, etc.

Every team has its own version of delivering lunchboxes. For SaaS customer onboarding or customer success teams, the equivalent would be value delivery through consistent, tight, fast implementation.

So what are the elements that make or break an excellent customer onboarding methodology? Here are five we came up with, based on conversations we had with several customer onboarding teams:

1. Onboarding complexity
2. Timelines and stakeholder plan
3. Project blueprint: phases and activities
4. Engagement strategy and communication plan
5. Onboarding goals and value delivery

Read on to know more about each element in detail.

1. Onboarding complexity

Your customer onboarding depends a lot on what your customer expects out of your product or service. Your onboarding goals are ultimately derived from their goals. First, look at your current customer base and categorize them based on specific indicators such as their goals, business size, etc. Then, create customer segments for each category, and have an onboarding methodology tailored for each segment. A great way to go about this segmentation is to look at their maturity level:

✦ If your customer will be using a product like yours for the first time, they will need a lot more hands-on approach from you. Make sure you work quick wins into your onboarding phase to increase their confidence in you and get them to stay with you till the finish line. You will be their SME, so you will also need to recommend best practices for solving their business problems and leveraging your product's features.

✦ If your customer has used a similar product to yours or is moving to your product from a competitor, your onboarding goals for them are cut out for you. Apart from showing them why you are the best in the market, you will also need to take on a more collaborative approach to solving their business challenges. This is because this customer has already solved their use cases with a similar product and is probably picking your product for want of better outcomes.

Figuring out a customer maturity model will also help you decide on the scope of where your onboarding process should take the customer in terms of value delivered, usage, adoption, etc.

2. Timelines and stakeholder plan

You also need to have clarity on the duration of your customer onboarding phase and set clear expectations with your customer about the time it will take to go live. Here, too, it helps to tweak your timelines based on the customer's needs. Figure out an acceptable timeline for your customer and what would be an aggressive timeline, and go with the one your customer is comfortable with.

For example, onboarding enterprise customers can take at least six weeks, given their decision-making process, stakeholders, and teams involved. However, it is common for enterprise onboarding to take two to three months and, for larger projects, six to nine months. One way to de-risk such projects is to have a 30-60-90 day plan with milestones where you help your customer realize value or ROI at each point; this way, the first value delivered is also faster.

For SMB customers, the onboarding phase typically takes three to four weeks, and in some cases, it can take as little as two to three days. If your customer onboarding projects fall under the former category (three to four weeks), you might want to have milestones or deliverables per week:

- **Week 1** could be account setup, configuration, and initial training for your customer's team.
- **Week 2** could be deploying customizations, integrations, and getting your customer to use the product on their own
- **Week 3** could be getting their feedback and tweaking the setup for the customer, making advance configuration now that the customer is familiar with the product, and getting more people from the customer's team to use and test the product.
- During **Week 4**, you could provide any additional training or training for the entire team that will be using the product at the customer's end and then, finally, go live.

Here's Vishal Rana (VP - Customer Success, Snapdocs) on customer maturity models and onboarding enterprise customers and Irit Eizips (CEO, CSM Practice) providing us with a First Value Delivery framework.

3. Project blueprint: Phases and activities

Logical phases

Break down your project into phases, give them logical names, arrange them in chronological order. You could name each week of the project, for example, based on the theme for the week. A typical customer onboarding project has the following phases:

- Handoff/pre-onboarding/pre-kickoff
- Kickoff
- Solutioning
- Account setup and configuration
- Implementation and integrations
- Data configuration and testing
- Training
- Go-live

For projects that take around four to six weeks, you could name each phase as Week 1, Week 2, etc., as we'd explained earlier in this post, and list the activities for each week.

Key activities

Make sure you list key activities under each of the phases you've identified. These can be added as tasks and sub-tasks under each phase. Indicate the time and effort each task/subtask will take. E.g., you could have four hours of work (effort) spread over four days (duration) because it involves multiple stakeholders from both your end and your customer's end.

Best practices

- For any task dependent on a series of activities being completed, you need to choose between listing those activities as subtasks and checklists. Checklists are lightweight and are helpful if you just need to ensure that all the items listed get done or are taken care of as part of doing the task. Subtasks are best suited for when you want to track individual items, possibly assign them to different team members, or when they have different start dates and durations that need to be planned and watched closely.

- Group some optional aspects into an "advanced set up" set of activities or tasks so that they don't jeopardize the rest of the customer onboarding journey. This will ensure that the customer can still see that doing those will deliver them more value, and also start using your product before they get to finishing those tasks.

A project charter can come in handy for this purpose. Check out our guide to creating a project charter (with a free template).

4. Engagement strategy and communication plan

For any project to be successful, communication is key. It eliminates misunderstandings and misinterpretations during the course of the onboarding process. Here are some things you can do to use communication to your advantage:

- ✦ Take the time during the kickoff phase to identify owners for different aspects of your project, and assign the relevant responsibilities to them. Ensure that everyone has clarity on which activities your team is responsible for and which ones the customer's team needs to complete. Next, figure out the teams from their end that will be involved - implementation, information security, etc. This helps align the teams involved from both sides to align and ensure people are available as required. A RACI matrix would come in handy here. Here's a handy guide on how to create one, complete with a free template.

- ✦ Have enough check-ins with the customer. Check-ins ensure things are on track and that there is accountability on both sides. These may be configuration workshops, review calls, training calls, status updates, etc. You can arrive at the periodicity and number of check-ins you'll have with your customer during the kick-off phase after consulting with the customer. Space them out, too, so your customer doesn't feel micromanaged.

- ✦ We've seen that you should have a weekly or bi-weekly check-in to review the work done for every set of activities you assign to the customer side. An interesting way to think of this while designing the methodology is to consider these activities as "homework" for the customer between your workshops or training sessions! We don't want the customers to be stuck with the work, unable to get help to complete it, so these review calls can help you course-correct and guide them to completion.

✦ Workshops are helpful for when you can actually do the work for the customer, but it is better to make them do the work with you through a training session, so they learn to handle these configurations on their own. It also helps overcome inertia and acts as a forcing function for progress in setting up their account and completing the basic configuration. When customers are stuck in putting out their day-to-day fires, it is hard to get them to zoom out and work on setting up a new solution, even if they know it will help make their day-to-day easier.

A project status report can be a helpful tool to include in your communication plan. Check out this guide to know how to create one and for a free template.

5. Onboarding goals and value delivery

Take time to create examples, best practices, and guides for each activity in your onboarding methodology. This helps your team and your customers get their work done easier.

And finally, don't stop at "go-live." Think further, and work product/feature adoption and value delivery into your onboarding methodology. Include workshops or feedback sessions on an ongoing basis so that they serve as soft deadlines to make these happen.

If you'd like to hit the ground running, we've made some onboarding templates that you can use and tweak as you go.

Further reading

Customer onboarding is a crucial part of the customer journey and can eliminate possibilities of churn if done right. Though based on our research while building Rocketlane and on our own onboarding experience, this post is not exhaustive. We intend to add more resources on this subject.

In the meanwhile, if you'd like further reading, we've gathered the wisdom and insights of experts and onboarding veterans and made them available as part of our resources:

- Implementation Stories - a monthly session on customer onboarding best practices by an expert
- The Launch Station - a weekly podcast on all things customer onboarding, implementation, and customer success