

2021 Customer Success Compensation Survey

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II. Major Findings

1. Only **37% of Customer Success Managers** earn less than $75,000 annually, while 34.21% of CSM earn between $75,000 to $99,999.

2. **65.79% of CSM respondents are women**, as are 65% of all respondents who work in CS.

3. 76% of respondents across all roles counted **Adoption** as part of their Top 5 list of responsibilities.

4. Over 80% of people who ask for a raise **actually get it**.

5. Only **38% of all Customer Success employees feel fairly compensated**, with 62% either unhappy or unsure about their pay.

6. **88.9% of Customer Success employees** who are dissatisfied with their pay are either looking for a new role or open to opportunities.

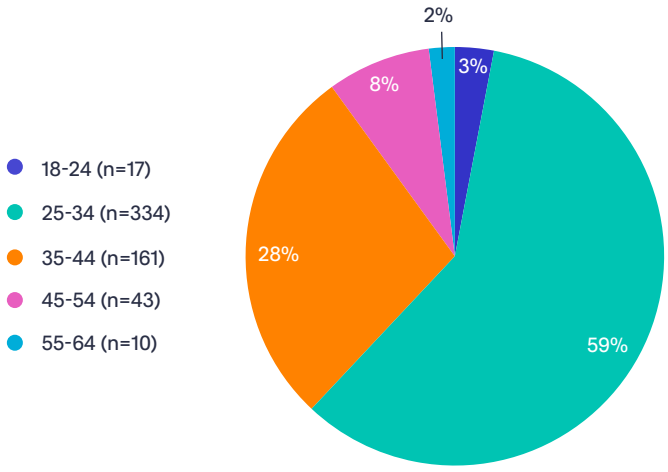
7. 75% of participating companies are granting employees the ability to **permanently work remotely**.

8. **Employees tend to earn more on variable compensation** than they do with fixed compensation. This is true across all roles in Customer Success.

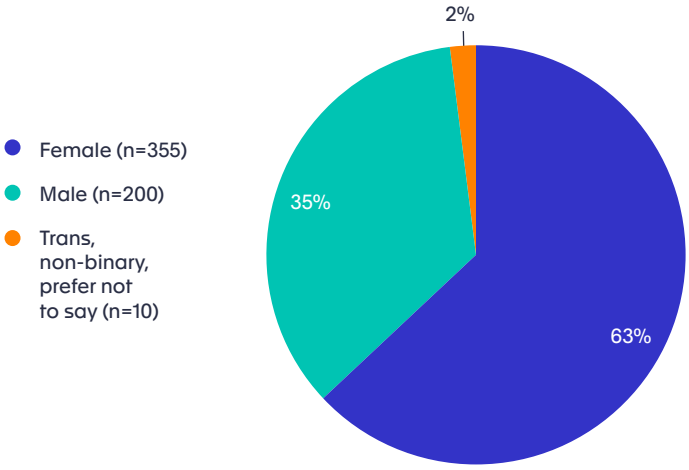
III. Meet the Respondents

For this survey, we reached out to Customer Success professionals across different backgrounds, genders, locations, and organizations. All answers have been anonymized for the privacy of our respondents.

Age Range

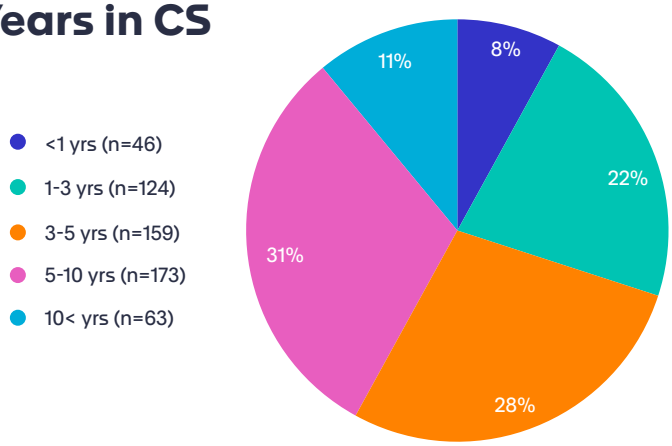


Gender Identity*

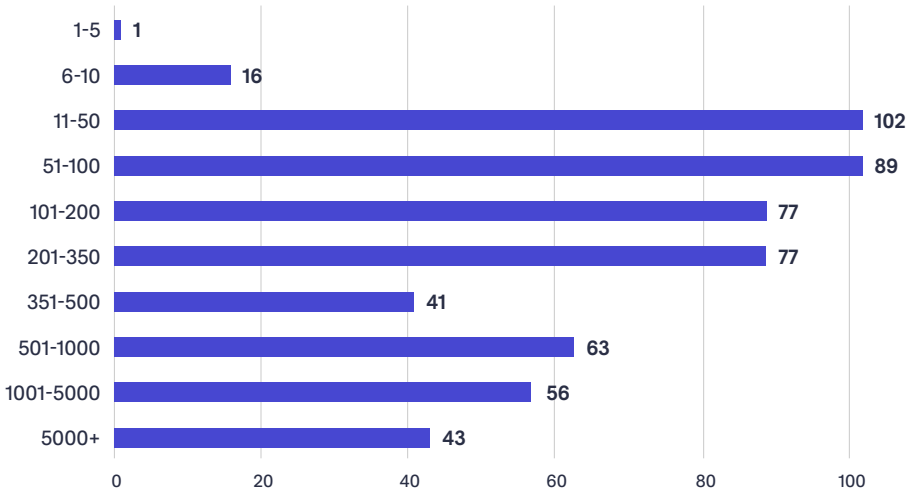


**While we recognize that 'trans' and 'non-binary' are unique identities from each other, the sample size of each was too small to properly display in this graph, so we have grouped them together along with 'prefer not to say' for display purposes only. This will be the case for all other graphs mentioning gender identity.*

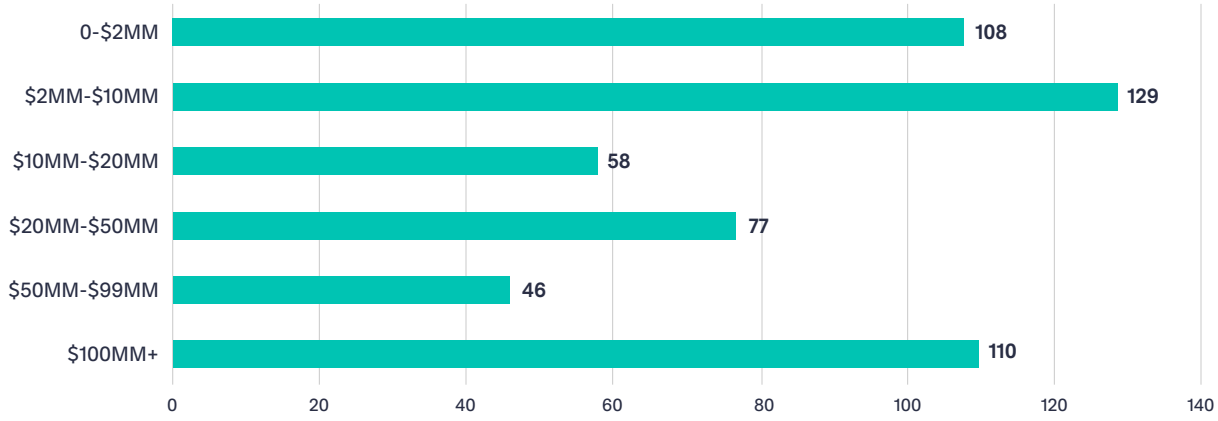
Number of Years in CS



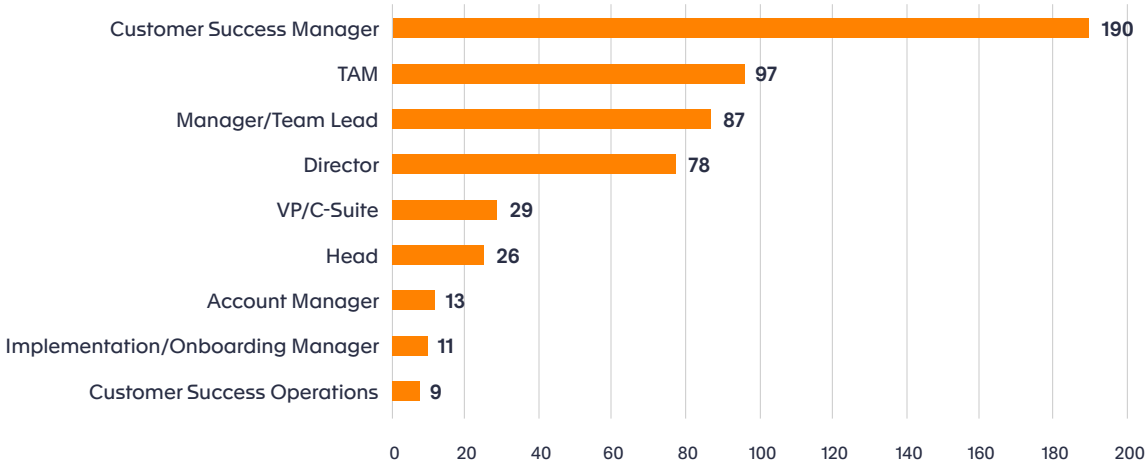
Company Size



Company ARR Range



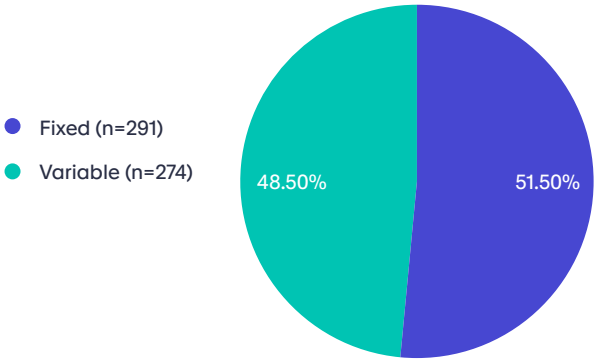
Job Title



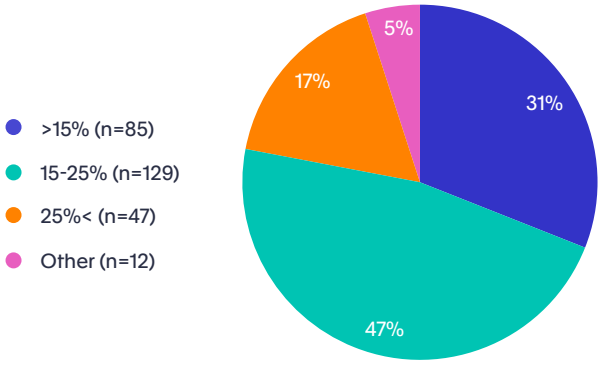
IV. Industry Compensation Structures

Variable Compensation

Are you on a fixed or variable compensation?



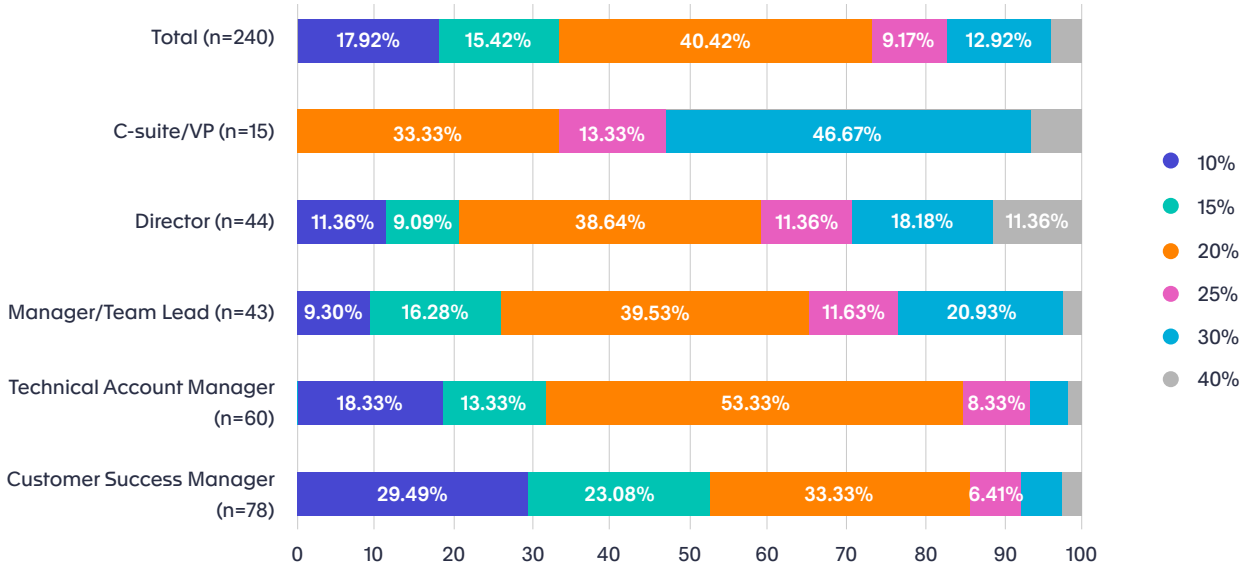
What percentage of your compensation is variable?



While fixed compensation is still prevalent in Customer Success positions (51.5% of respondents), a similarly large number of companies have adopted variable compensation models (48.5% of respondents). For those who have variable compensation, it's a significant portion of their earnings: more than 60% of respondents who reported having variable comp said that over 15% of their income is variable.

Of those who are receiving variable compensation, the ratio of variable to base increases sharply as they rise in seniority within the company. Note that the chart below only displays the roles that have the largest sample size in order to provide the most meaningful results.

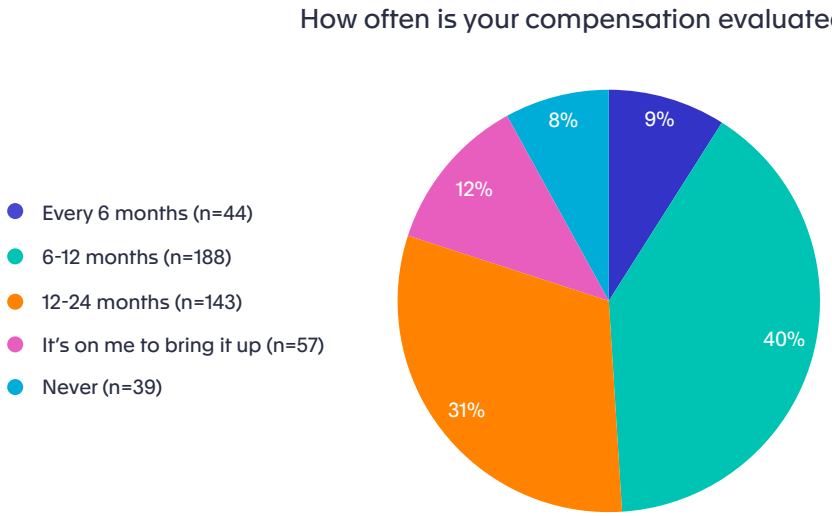
What % of your compensation is variable?



Testimony from CS leaders around the industry indicate that variable compensation models are preferable over fixed compensation due to the following factors:

- It improves team morale
- Incentivizes good customer service
- Variable compensation based on overachievement of revenue goals means it costs the business nothing to reward employees

Revisiting Compensation

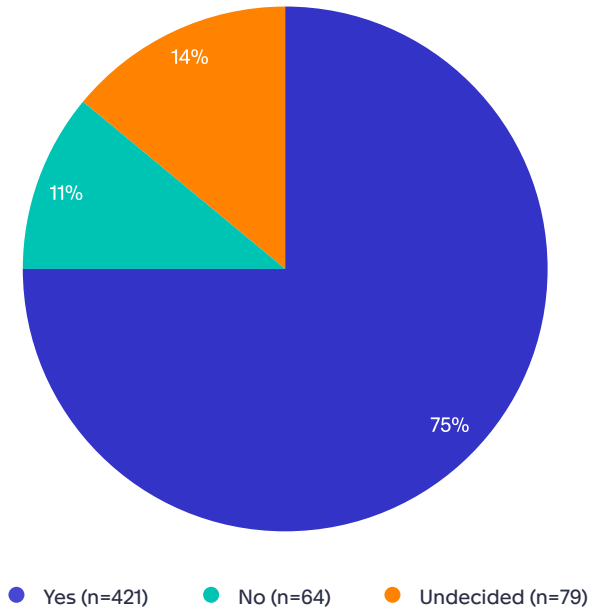


According to the data we collected, 80% of CS organizations are actively revisiting compensation for their employees on at least once a year, which bodes well for employees as it encourages them to stay in an organization and grow with their employer, thus gaining experience and building long-term client and internal team relationships.

Remote work

Since the pandemic began, people have placed a higher importance on the ability to work remotely, and are making it more of a point of negotiation when discussing compensation. While most tech companies have allowed remote work during the duration of the COVID-19 crisis, questions are now being raised on whether it will stay that way from here on.

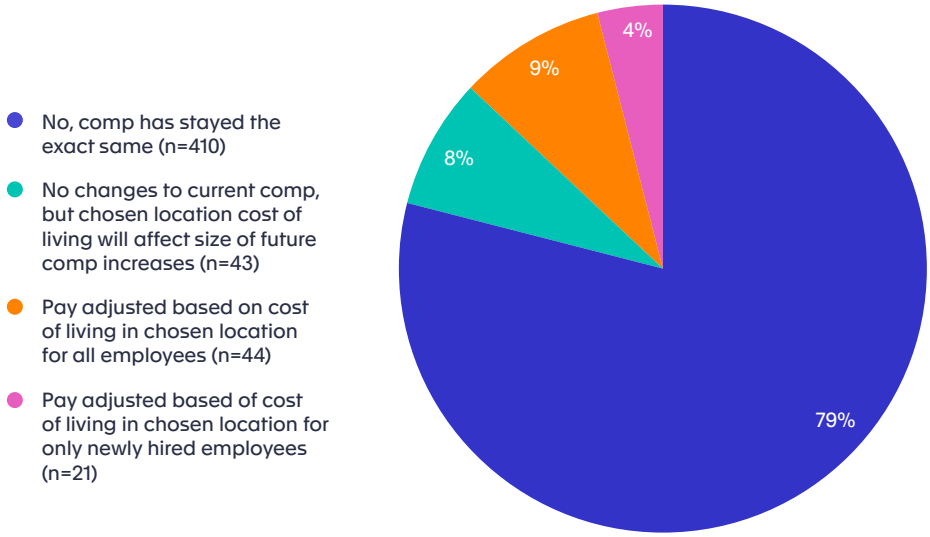
Is your company permanently allowing remote work?



According to our research, 75% of participating SaaS companies are now permanently allowing remote work for the Customer Success team. We can't say whether or not they are allowing the same for other members of their workforce, but it stands to reason that it would apply universally to most, if not all, of their employees.

The question now becomes whether or not companies would adjust the remote employee's pay based on their current location. Companies like Google and Apple are still in the midst of heated discussions on this topic, but for our respondents the direction is pretty clear. 79% of respondents said their compensation has remained the same despite employees working remotely, and only a total of 17% of companies adjusting current or future pay.

Did your company alter compensation plans/structure for remote workers?

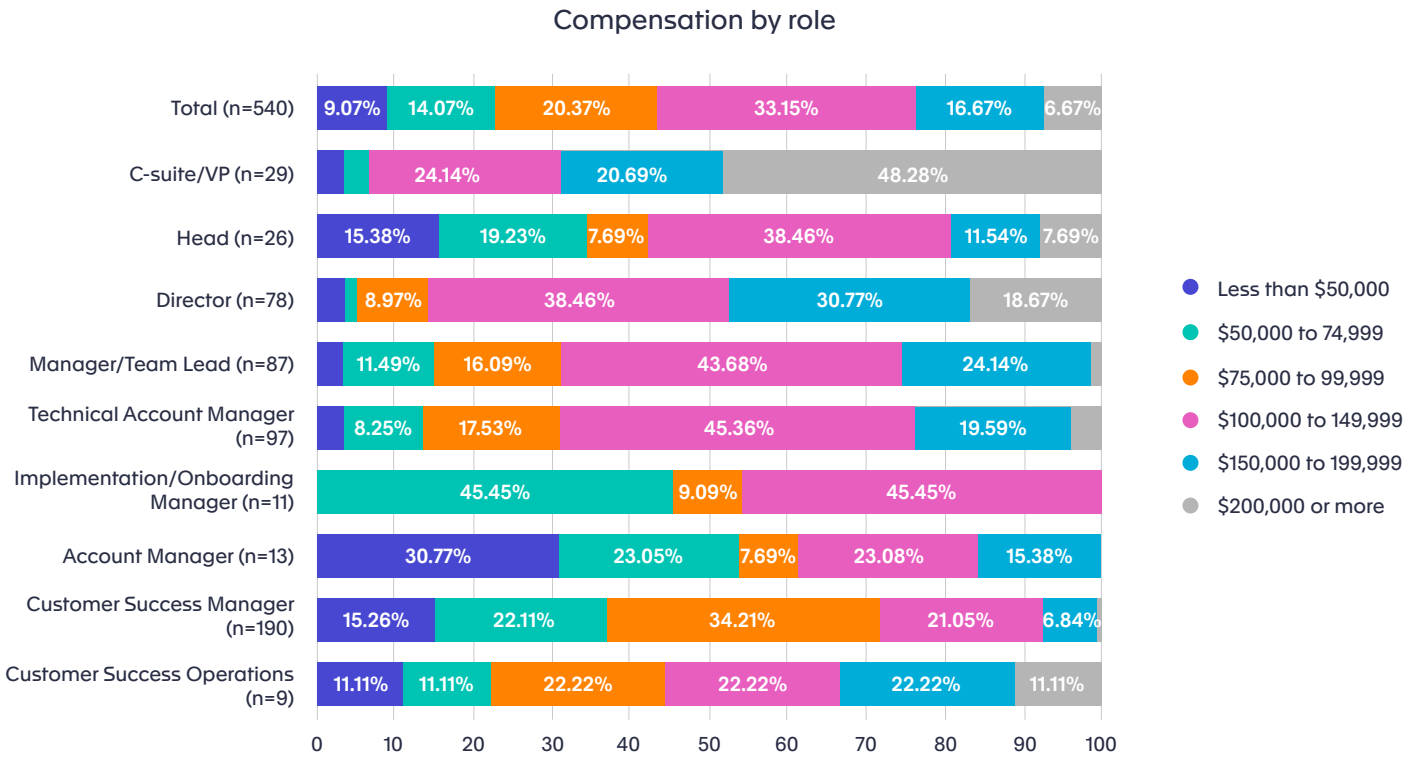


How Much Does Each Role Pay?

There is a surprising amount of variation in how much each Customer Success position is compensated, from Customer Success Managers all the way up to Senior Management. For example, 15% of all Department Heads surveyed earn $50,000 a year or less, while around 28% of Customer Success Managers are earning more than $100,000 a year.

This may be attributed to the different company sizes, ARR ranges, amount of equity, and funding stages represented in our data. Each company will have their own views on the importance of Customer Success and what constitutes appropriate wages, as well as their own willingness and ability to pay for top talent.

Also consider the fact that Customer Success as a business function is still relatively young compared to other more established departments like sales, marketing, and engineering. This may indicate that the salary bands have yet to solidify into a true "industry standard."



Quick Facts

- 49% of VPs of Customer Success earn over $200,00/year
- 35% of CSMs earn between $75,000 and $100,000, with 27% earning over $100,000
- 67% of managers and CS team leads earn at least $100,00/year

Is Variable Compensation Better than Fixed Compensation?

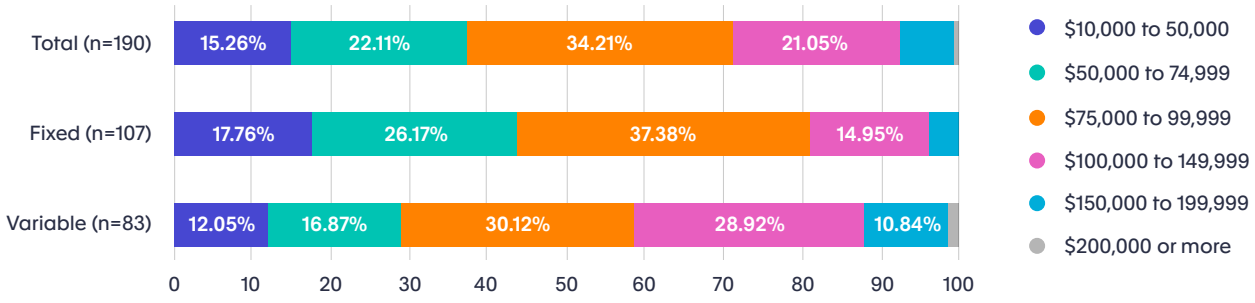
We segregated the salaries for each role into two groups. In the first group, we tallied the salaries per role of those respondents that had fixed compensation, while the second group was composed of those that had variable compensation. The differences were quite dramatic.

All Customer Success roles among those we surveyed earn more overall through variable compensation as opposed to fixed compensation.

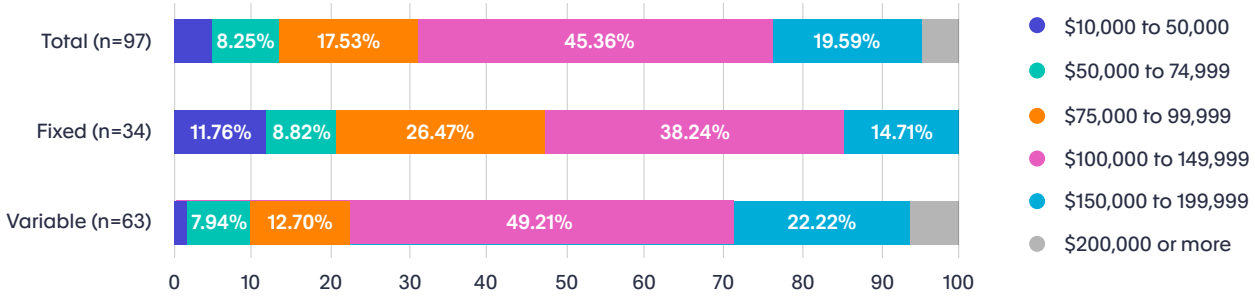
Quick stats

- Only 42% of all respondents across all roles on fixed compensation earn more than $100,000
- 63% of Customer Success Managers that have variable compensation earn $75,000 and higher compared to only 54% of those that don't.
- 75% of C-suites/VPs with variable compensation earn more than $200,000
- 67% of Account Managers that have fixed compensation earn less than $75,000 annual

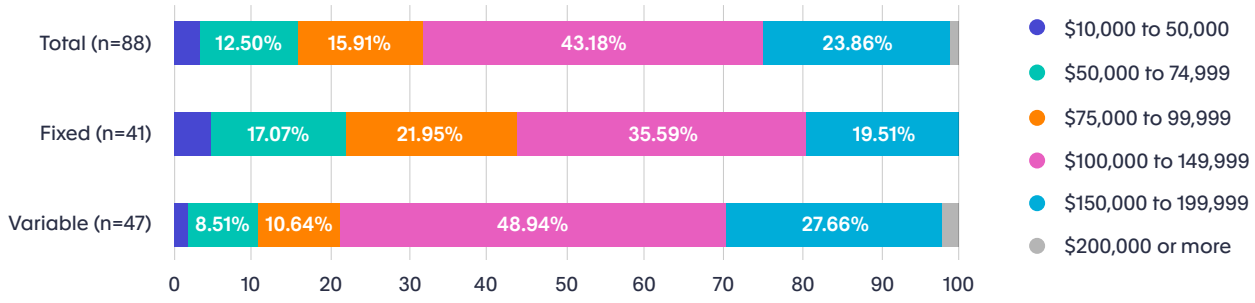
Fixed vs. Variable: Customer Manager Salaries



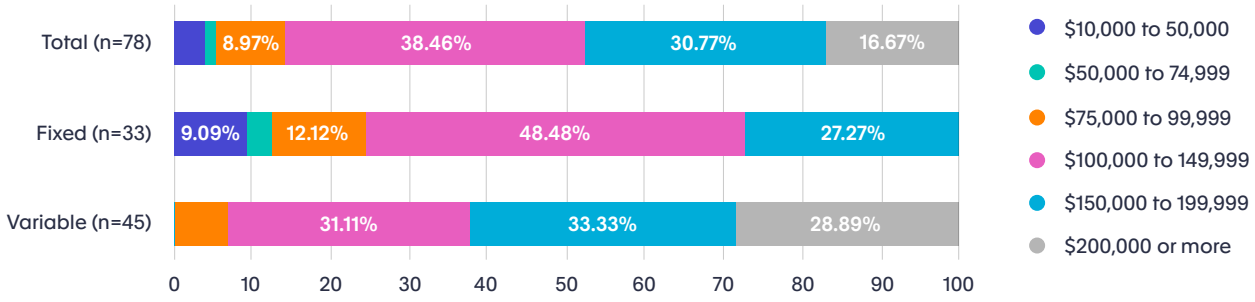
Fixed vs. Variable: Technical Account Manager Salaries



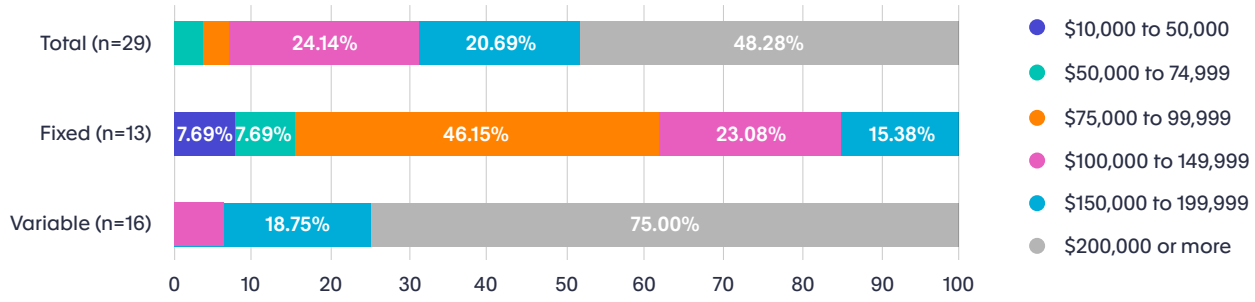
Fixed vs. Variable: Manager/Team Lead Salaries



Fixed vs. Variable: Director Salaries



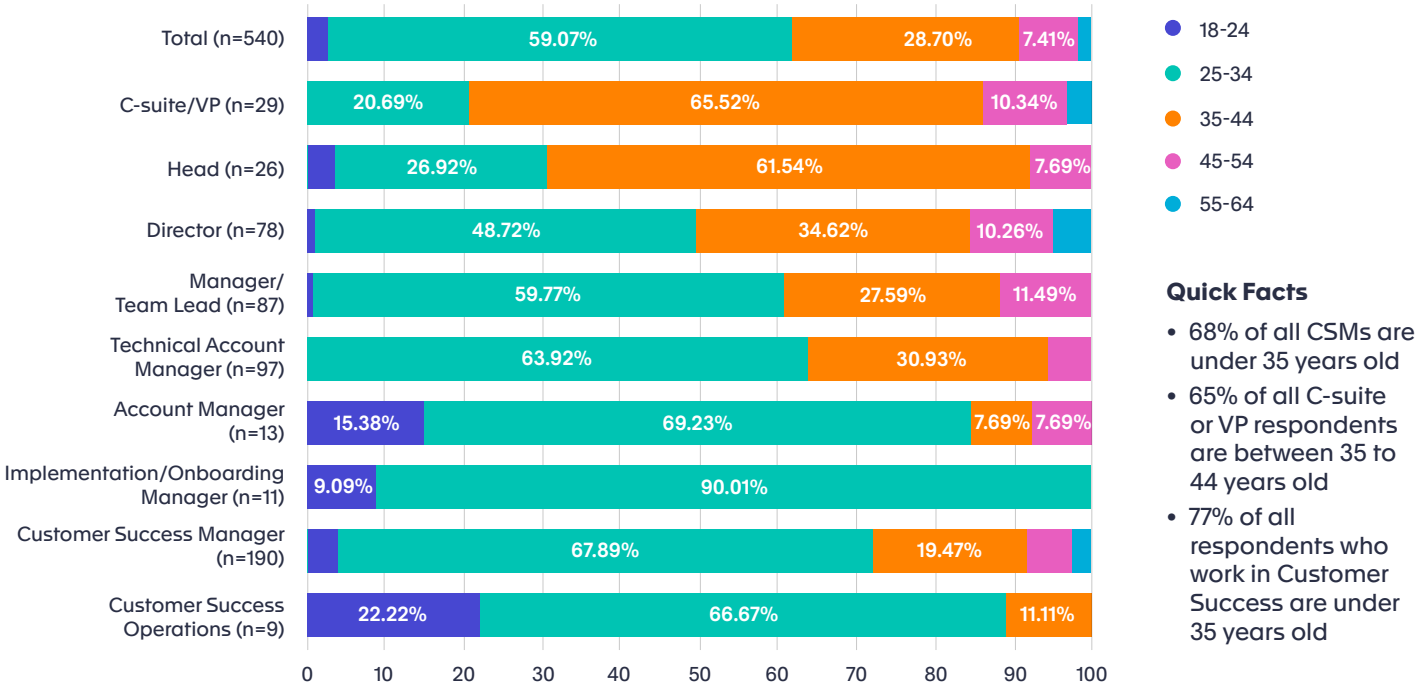
Fixed vs. Variable: C-Suite/VP Salaries



V. Impact of Age on Compensation

The relationship between age and role

Most people who work in Customer Success are on the younger side, with 59% of the total respondents 25-34 years old. Customer-facing roles like CSM and Senior CSMs have the youngest workforce by far, with a few outliers that are 45 and older and under 24. As expected, more senior roles have higher percentages of older employees, although there is a noticeably low number of employees that are older than 55, even at the executive level.

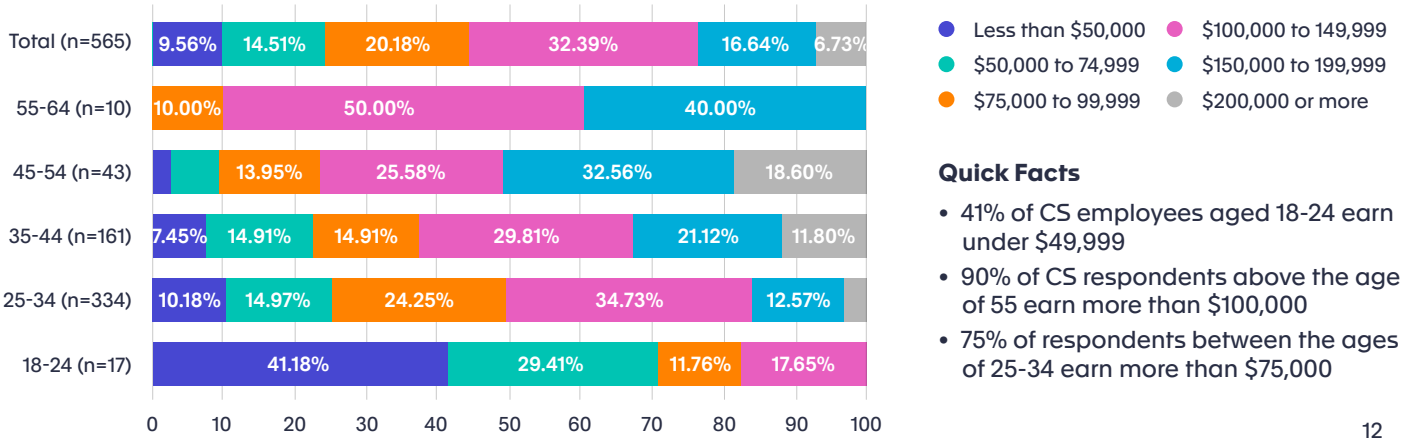


Quick Facts

- 68% of all CSMs are under 35 years old
- 65% of all C-suite or VP respondents are between 35 to 44 years old
- 77% of all respondents who work in Customer Success are under 35 years old

The relationship between age and salary

Younger employees tend to earn relatively low salaries in the beginning, with 41% of employees under 24 earning less than $50,000, but salaries can quickly scale up the older you get. 75% of employees aged 25-34 earn more than $75,000 annual, and some in that age bracket are already earning more than $200,000. The older you are, the higher your compensation will generally be.



Quick Facts

- 41% of CS employees aged 18-24 earn under $49,999
- 90% of CS respondents above the age of 55 earn more than $100,000
- 75% of respondents between the ages of 25-34 earn more than $75,000

V. The Impact of Industry Experience

As with all industries, the more years of experience you have, the higher you could potentially rise in terms of both salary level and responsibility. For this question, we wanted to see how experience scaled people's compensation, and the average levels of experience it took to achieve individual roles.

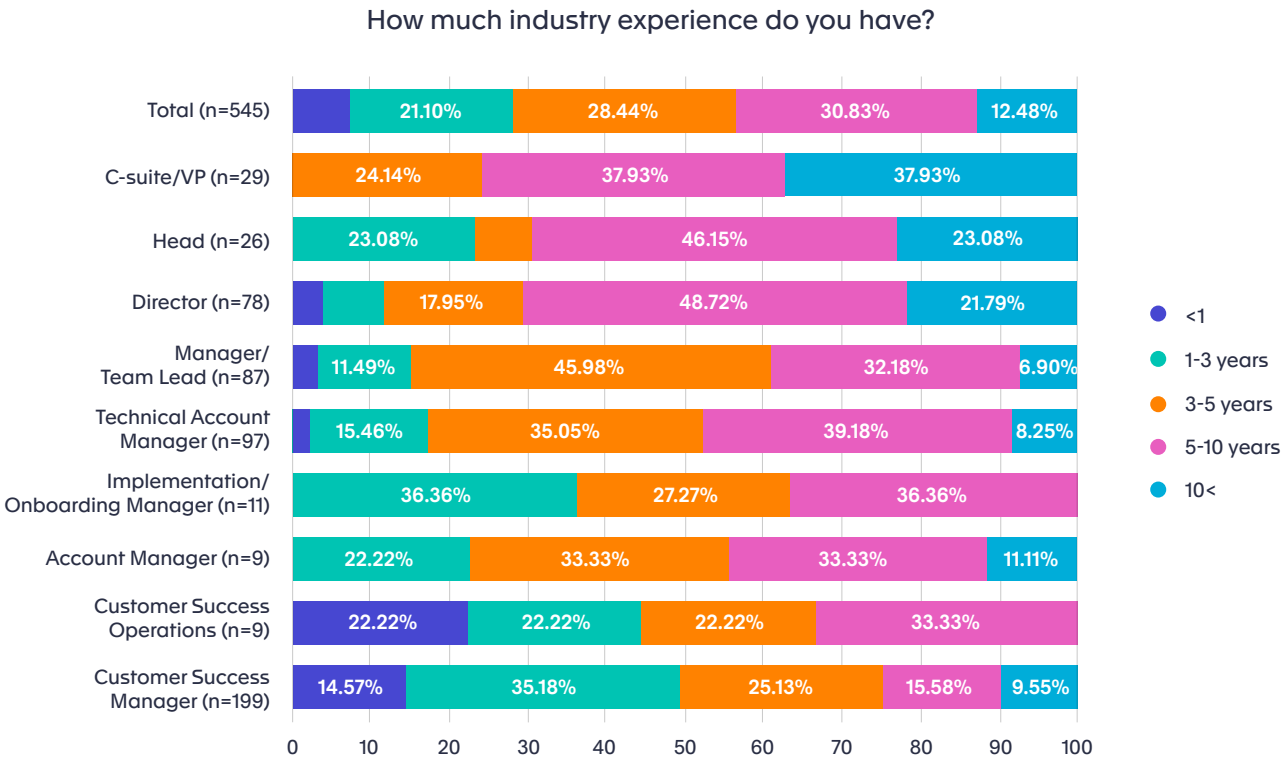
As always, outliers and edge cases may skew some numbers, but we've gathered enough data to uncover some interesting trends.

Climbing Up the Corporate Ladder

Customer Success is a very stable industry, as evidenced by the length of time people have spent in their respective positions and in CS in general. While there are plenty of newcomers to Customer Success (30% of respondents with less than 3 years of experience), 42% of CS professionals have been working in CS for more than 5 years. This isn't bad for a profession that didn't exist two decades ago.

Based on the collected data, we can see that most people who have risen up to senior leadership positions (Manager and up) do so once they've hit the five-year mark.

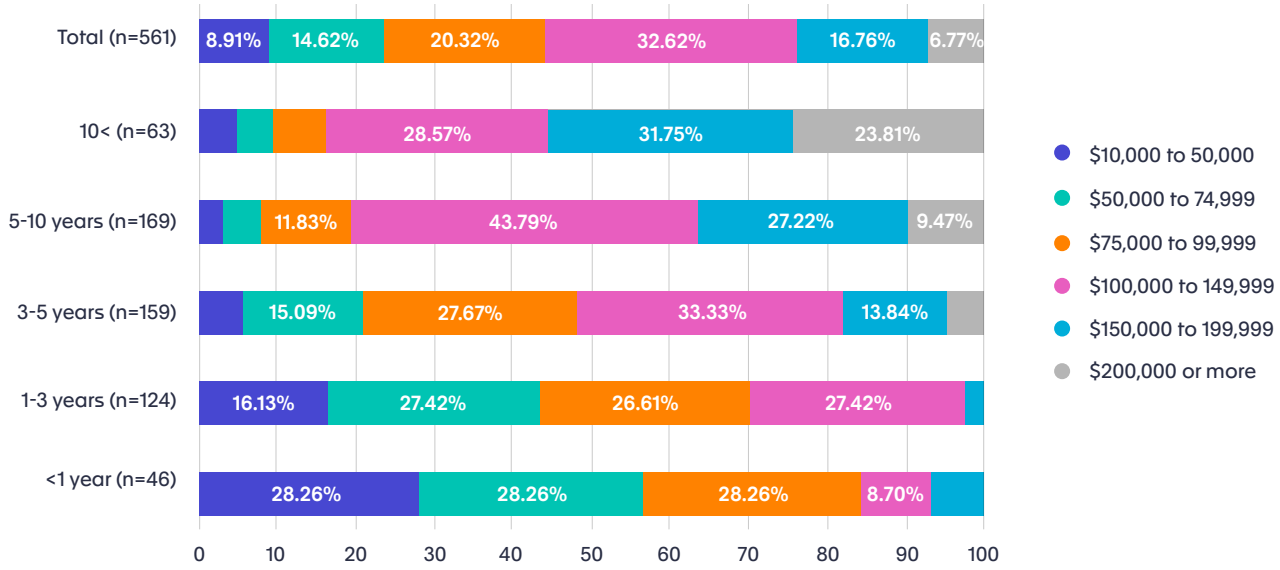
Folks wanting to break into the CS industry should use the Customer Success Manager or CS Ops positions as the entry point. These see the greatest influx of new talent, and the skill sets required are the most compatible for cross-career jumps.



Pay Scale Based on Industry Experience

If role-based compensation ranges are all over the spectrum, then compensation ranges based on industry experience follow more of a logical progression. As you can see in the chart, salary bands scale gradually as employees gain more industry experience.

From this data, there seems to be a stronger link between compensation and years of industry experience than there is between compensation and job title.



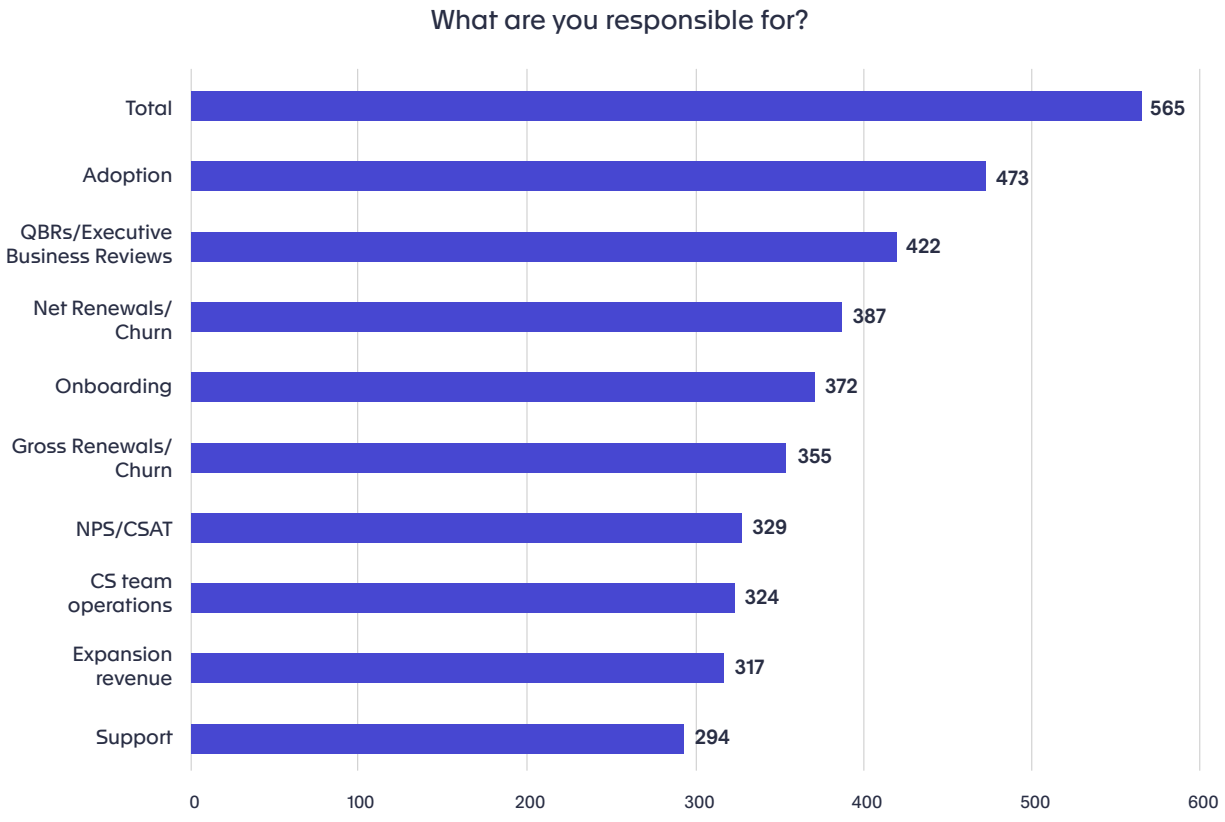
VI. Areas of Responsibility

For this section, we wanted to see how each role prioritized their responsibilities. While there is some overlap in responsibility among positions - even between CSMs and Senior Management - we can still see a distinct difference in top priorities based on individual specialties.

From the chart below, we can see that Adoption is the most common responsibility among our respondents, followed by QBRs/Executive Business Reviews and Net Renewals/Churn. This is logical, as these tasks have a high impact on customer value and retention.

Support seems to be the least among the areas of responsibility of Customer Success, likely due to both the focus on educating the user, not solving problems, and because there's a separate support function that does this task.

The same can be said for expansion. Many companies choose to offload this responsibility to sales or account managers.



Top 5 Responsibilities for Customer-facing Roles

	Customer Success Manager	Enterprise CSM/TAM	Account Manager	Customer Success Operations	Implementation/ Onboarding Manager
1	Adoption	QBRs/Executive Business Reviews	Expansion Revenue	CS team operations	Onboarding
2	QBRs/Executive Business Reviews	Adoption	Gross Renewals/ Churn	NPS/CSAT	Adoption
3	Net Renewals/ Churn	Net Renewals/ Churn	Net Renewals/ Churn	Net Renewals/ Churn	Support
4	Onboarding	Expansion Revenue	Adoption	Expansion Revenue	CS team operations
5	Gross Renewals/ Churn	Gross Renewals/ Churn	QBRs/Executive Business Reviews	Gross Renewals/ Churn	NPS/CSAT

	Senoir/Strategic CSM/TAM	Technical Account Manager	Renewals Manager	Team Lead
1	QBRs/Executive Business Reviews	Support	CS team operations	CS team operations
2	Adoption	CS team operations	Expansion Revenue	Gross Renewals/ Churn
3	Net Renewals/ Churn	Adoption	Gross Renewals/ Churn	Net Renewals/ Churn
4	NPS/CSAT	Onboarding	Net Renewals/ Churn	QBRs/Executive Business Reviews
5	Gross Renewals/ Churn	Net Renewals/ Churn	Support	NPS/CSAT

Top 5 Responsibilities for Upper Management

	VP	Director	Head	Manager
1	CS team operations	Adoption	CS team operations	Adoption
2	Adoption	Net Renewals/ Churn	Adoption	QBRs/Executive Business Reviews
3	Onboarding	QBRs/Executive Business Reviews	Onboarding	Net Renewals/ Churn
4	Gross Renewals/ Churn	Onboarding	QBRs/Executive Business Reviews	Gross Renewals/ Churn
5	QBRs/Executive Business Reviews	CS team operations	NPS/CSAT	Onboarding

VII. Customer Success and Gender Equality

Gender equality in the workforce has always been an important topic, but it's become an even more sensitive issue in tech.

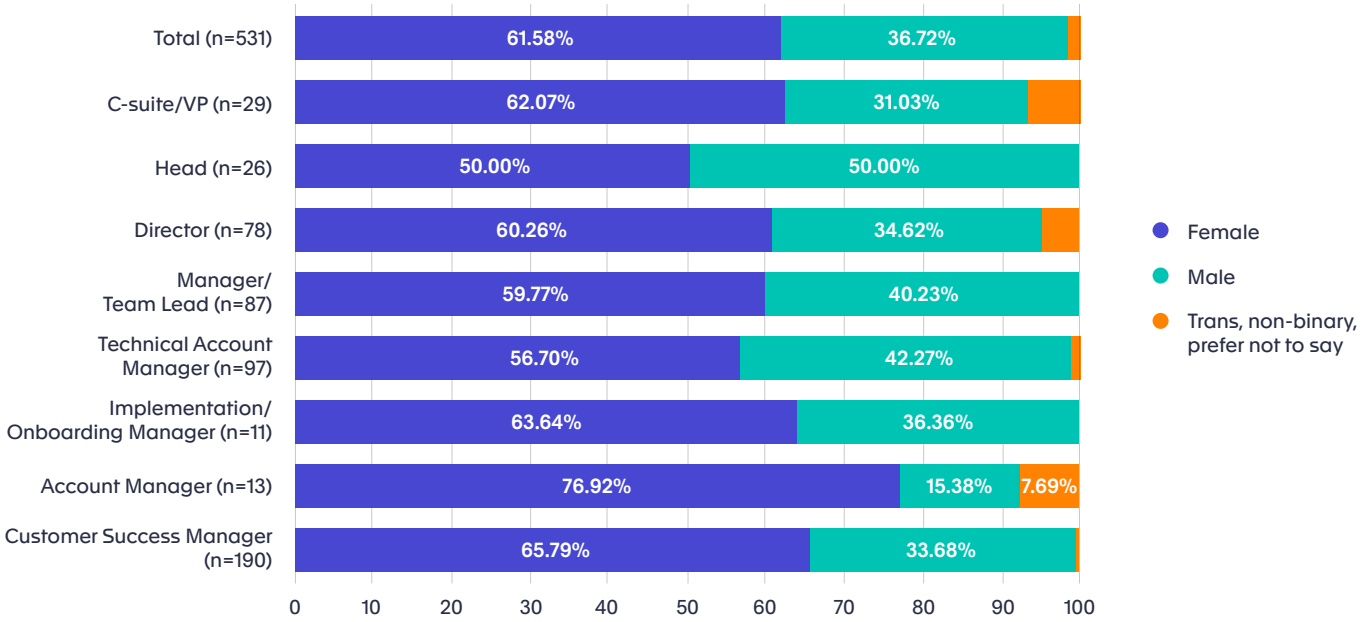
With that in mind, we sought to gain as much insight as possible into the role gender plays in the Customer Success industry.

Role by Gender

In sharp contrast to the general findings that women are vastly outnumbered in tech, we discovered that women outnumber men in the Customer Success industry by a significant margin (63% women respondents against 35% men respondents).

This majority includes representation in many key industry positions, from Customer Success Manager all the way to upper management.

If this survey data scales to the rest of the industry, then we can consider men in Customer Success to actually be underrepresented in CS--a reversal of how the gender gap in tech is usually presented.



*Disclaimers: *While we recognize that 'trans' and 'non-binary' are unique identities from each other, the sample size of each was too small to properly display in this graph, so we have grouped them together along with 'prefer not to say' for display purposes only. This will be the case for all other graphs mentioning gender identity.*

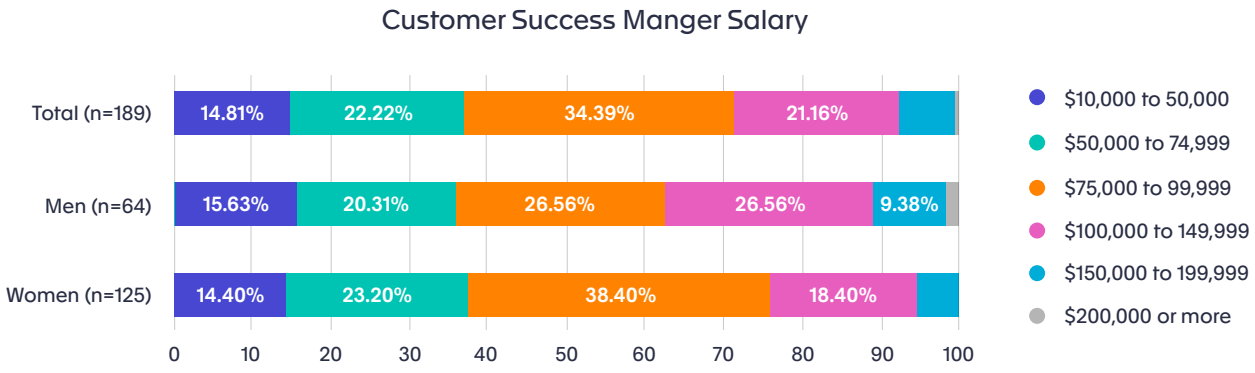
***Roles with a sample size insufficient to provide meaningful data have been excluded from this chart.*

Compensation by Gender

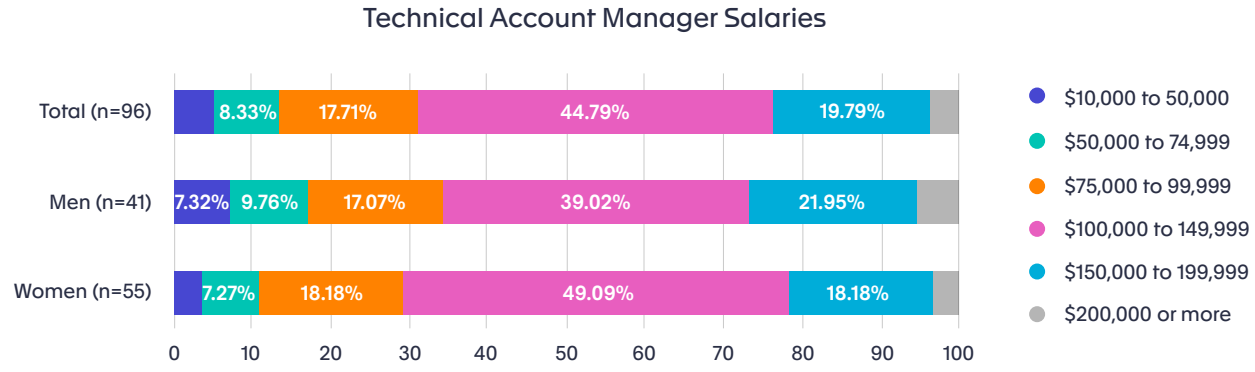
While more women are in the Customer Success workforce and hold prominent positions in organizations, men are still earning higher salaries at the upper end of the pay scale. 59% of men earn $100,000 a year or more, as opposed to 52.11% of women. This pay gap isn't as pronounced as those found in other tech positions like software development, but it still exists nonetheless despite women outnumbering men in the workforce.

We've segmented this data to highlight the most well-represented roles for greatest accuracy.

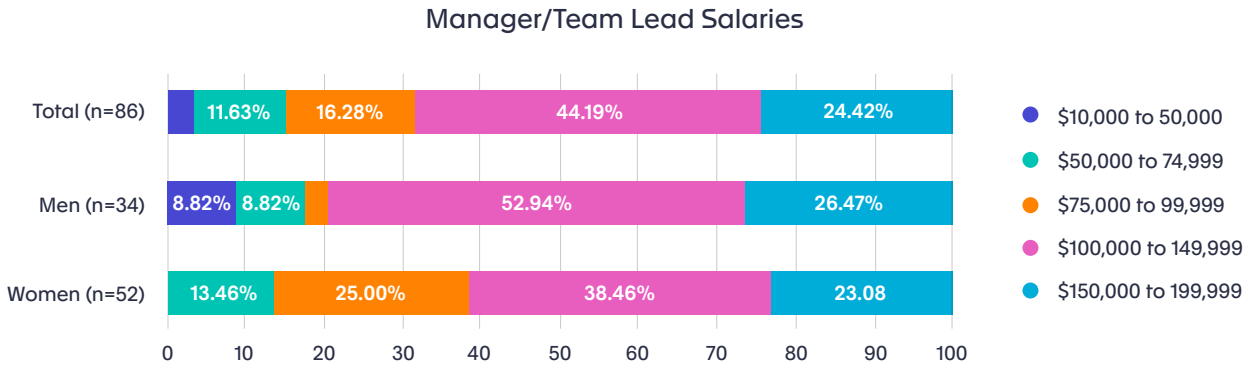
Customer Success Manager salaries are roughly equivalent at the lower edges of the pay scale, with roughly 36% of both men and women earning less than $75,000. It's when you get to the upper end of the scale that things get unbalanced, with 26% of men and 18% of women earning $100,000 to $149,999, 10% of men and 5% of women earning $150,000 to $199,999, and only men earning $200,000. This is true across nearly levels of experience for this role. The only exception is at the 3-5 year level, where 82% of women earn more than $75,000 and up compared to 66% of men.



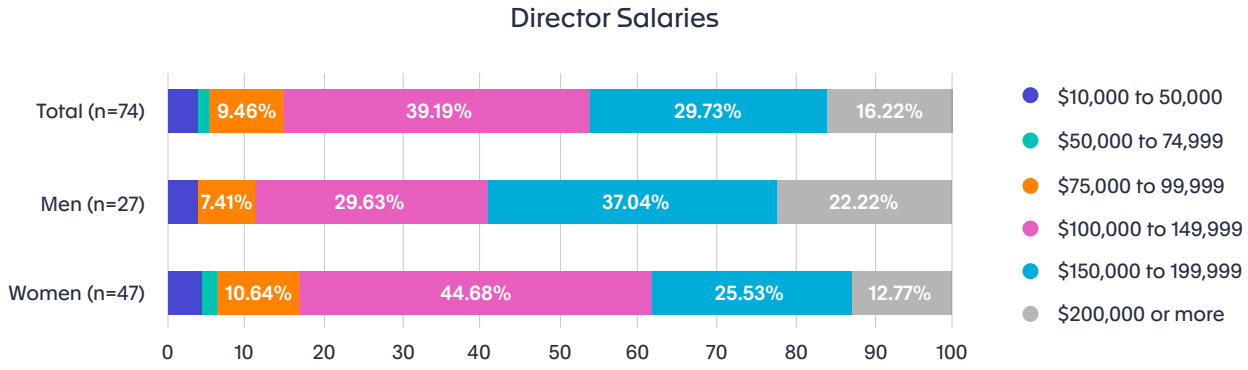
Technical Account Manager salaries follow a different pattern, where there are more men at both the lower and higher end of the salary spectrum, while most women (68% of respondents) occupy the median pay bands of $75,000 to $149,999.



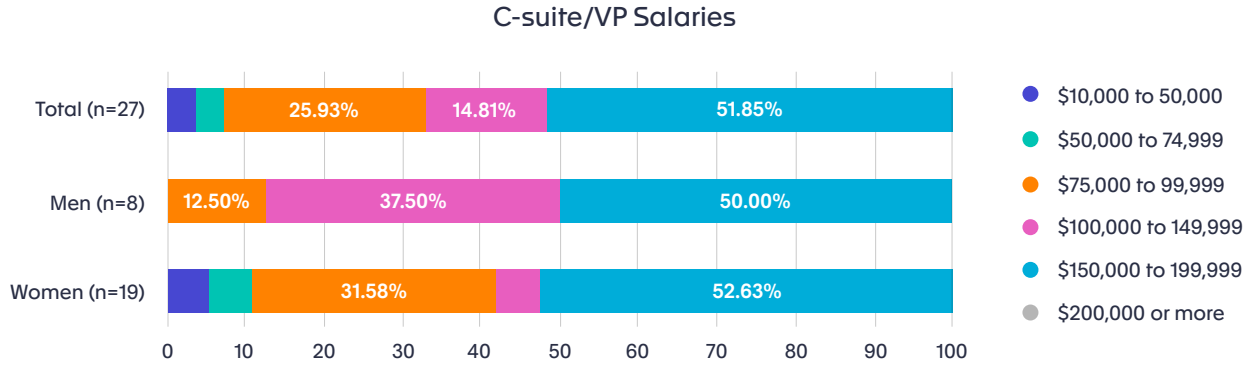
Managers follow this same trend of men being higher paid than women in an equal position. While there are men who are earning much less than women for the same role, by and large men are earning more.



Director roles are where the biggest gender discrepancies lie. As you can see, over 59% of men directors are earning higher than $150,000 while only 38% of women are earning that amount. This is shocking when you consider that women outnumber men in this position by 30%.



C-suite/Vice President salaries are similarly weighted towards men, and with nearly the same degree of bias as the Director role. As you can see, men's salaries are mostly in the $150,000 and up band while nearly half of women exist below the $150,000 line.



VII. Realizations about Raises

Raises play a crucial role in retaining your workforce. They help combat inflation and there is also the morale benefit to consider. According to a survey by Willis Towers Watson, companies are projecting an average of a 3% pay increase in 2022 across the board.

But how does that actually look in Customer Success? Moreover, what are the mechanics of this raise? Should employees have to ask, or will they be provided? Will raises be fair across genders?

Those are the questions we sought to answer.

Who asks for raises?

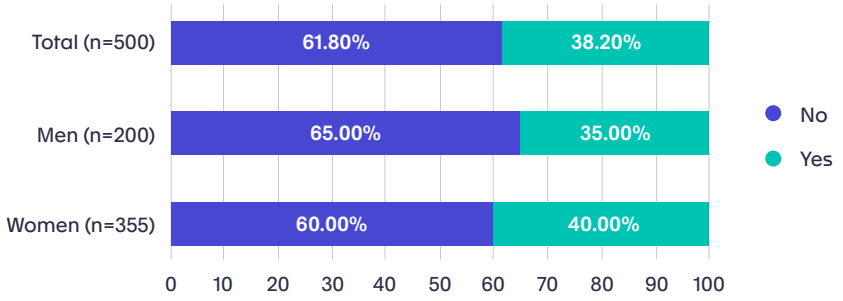
According to our data, there are roughly similar proportions of women and men who ask for raises (40% of women and 35% of men).

Interestingly, most of the respondents who asked for raises actually got them, with 81% of women and 75% of men confirming.

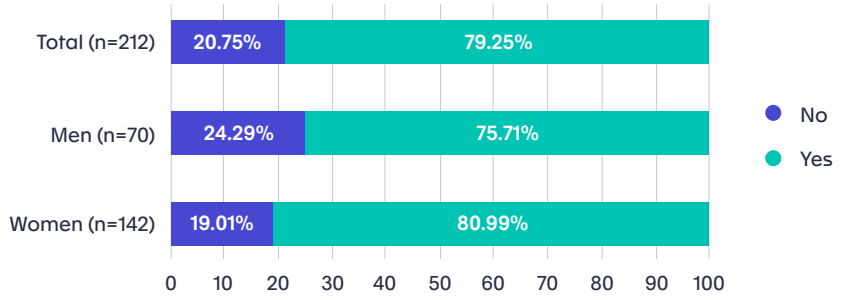
When we flipped the question around, we discovered that roughly 40% of employees across gender identities received raises even without having to ask for them.

We can reasonably infer that there are no inherent gender biases in the awarding of raises.

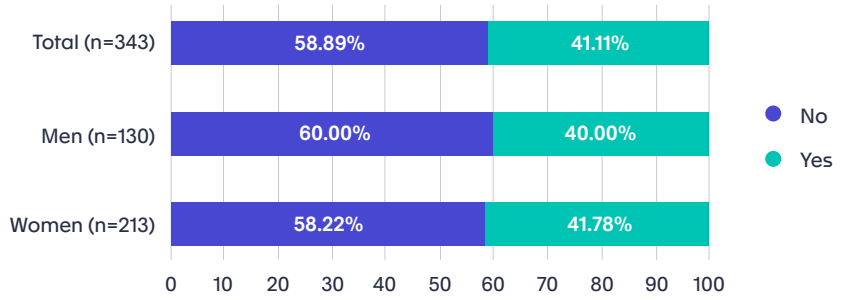
Have you asked for a raise in the past 12 months?



Did you get the raise you asked for?



Did you get a raise without asking?

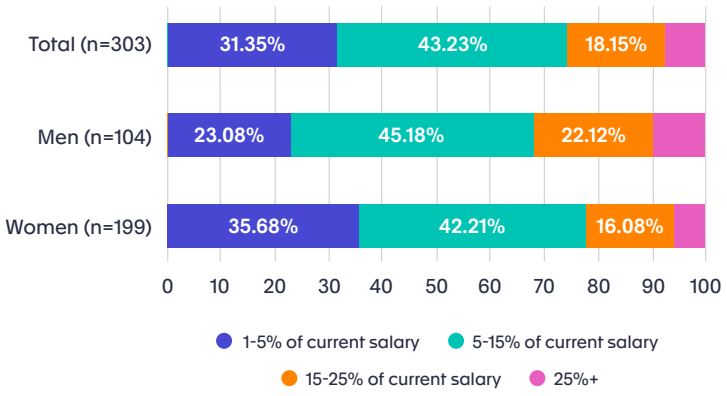


How much of a raise do you get?

While the act of asking and receiving a raise are roughly gender-neutral, there is a difference in the size of the raise that each gender gets.

Men who receive raises tend to receive bigger adjustments, with 77% of men getting a salary increase 5% or higher, while only 65% of women get a comparable raise amount.

Gender difference in raise amounts

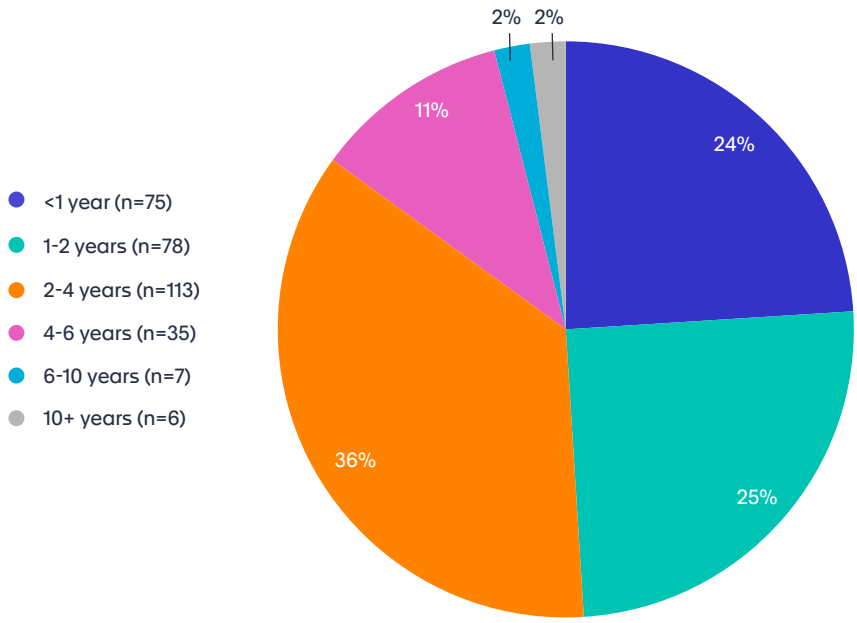


How long did it take you to get a raise?

While the odds look good given the research, simply asking for a raise isn't going to guarantee that you will get one. Things like employee performance and company finances are but two of the considerations that go into getting a raise.

Working with the data we have, we compared the number of respondents who indicated they got a raise to the amount of time they worked at their current company. We found that most successful raise requests happened after the 1 year mark, which makes sense given that asking for a raise during your first year is probably jumping the gun a bit (Interestingly enough, there are quite a few people who did get a raise on their first year.)

How long until a raise?



IX. Employee Satisfaction and Retention

There are a number of factors that influence whether or not an employee is going to stay in an organization, from compensation to work arrangements to their relationship with their boss. This section will discuss the effect that compensation and work arrangements have on employee loyalty.

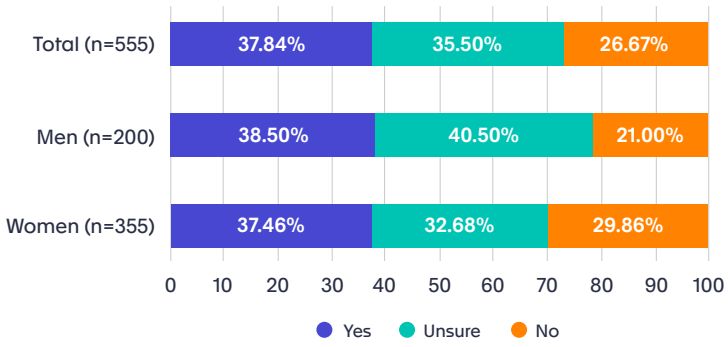
Do you feel fairly compensated?

As forward-thinking as Customer Success is in terms of gender representation and role presence, the tech industry in general needs improvement when it comes to satisfying employees' financial needs.

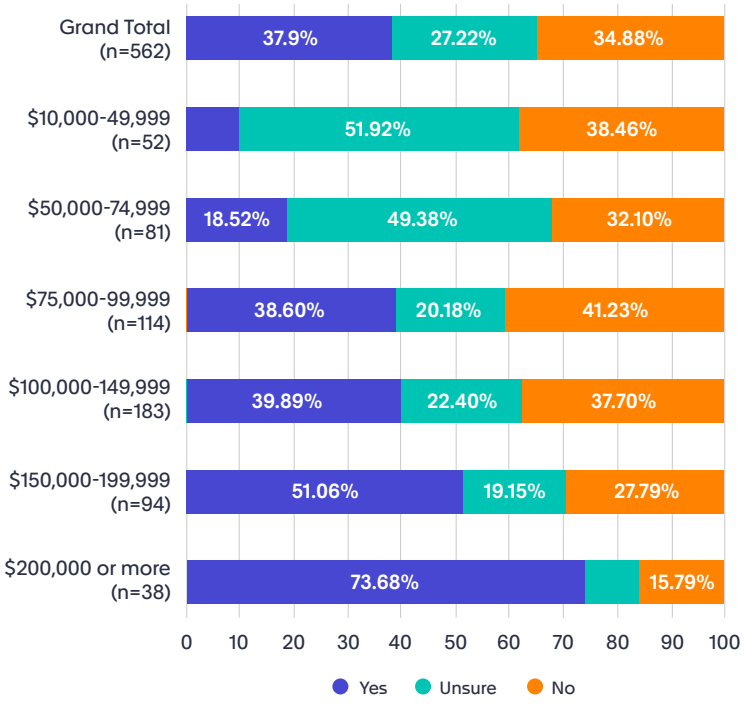
Only 38% of all employees across genders feel fairly compensated, with 62% either unhappy or unsure about their pay.

If you look at it from a salary perspective, you'll see that barely 10% of people who earn less than $50,000 are happy with their salaries. In fact, the amount of people who feel fairly compensated only break 50% starting from the $150,000 a year mark. There is, however, a sharp drop in the people who indicate "no," from 49.38% at the $50,000 to $74,999 salary band to just 20% one salary band higher at $75,000 to $99,999.

Do you feel fairly compensated?



Do you feel fairly compensated?



Are you looking for a new role?

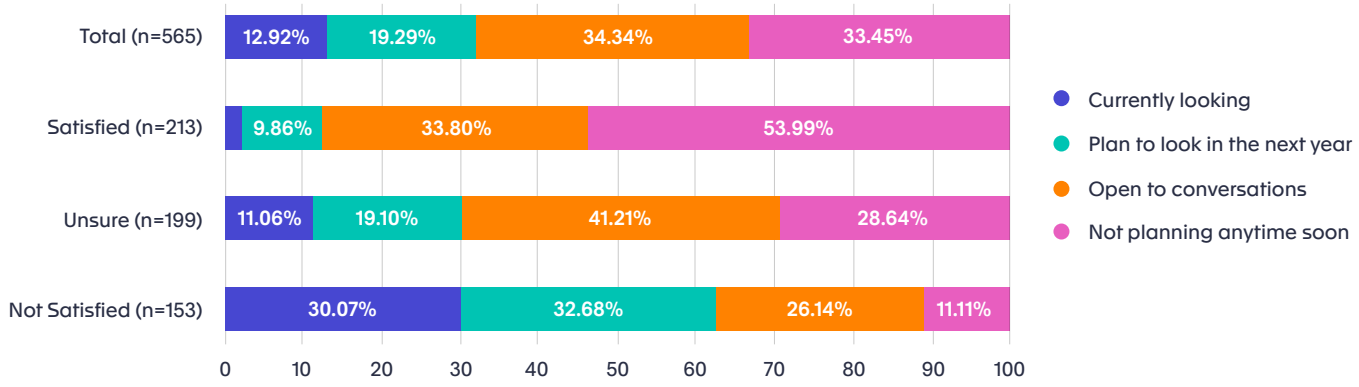
We wanted to see what factors could influence a person's decision to leave the organization. While management is usually the prime motivator for driving an employee away, there are also the financial and logistical concerns to consider.

We discovered that over 88% of employees who weren't satisfied with their pay were either actively looking or open to conversations about changing jobs. This is a stark contrast to those who were happy with their pay, of whom only 12% were actively looking, while 53.99% were willing to stick around.

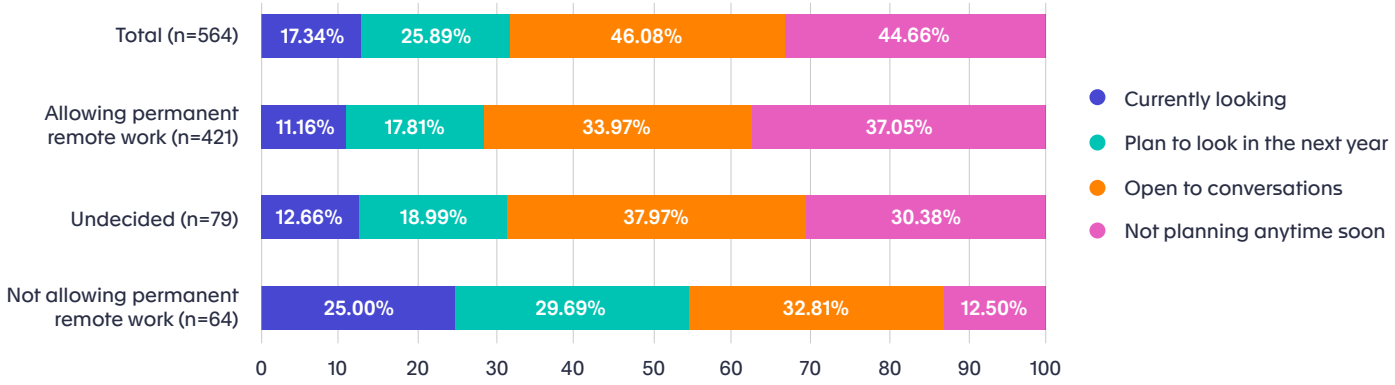
As for remote work, there is a weaker association between the ability to work remotely and employee retention, but there's a link nevertheless.

37% of employees who are able to work remotely are willing to stay with their current companies. Only 12% of employees that can't work remotely are willing to stay.

How is pay satisfaction affecting your job hunt?



How is access to remote work influencing your job hunt?



X. Key Takeaways

CS gender equality: Okay, but not perfect

More women are in the CS workforce and are well-represented in most roles, particularly in leadership positions. Men are now the underrepresented party in terms of number of people in the industry, but still earn higher than women by and large.

There's a 10% discrepancy between genders in the higher pay bands, although this could be attributed to a host of factors - both collectively and individually.

Companies value experience

Pay scales for roles and genders are all over the place, but the one consistent trend we see is that you earn steadily more pay when you have more experience in the Customer Success industry. It makes sense given that CS is such a new field and relatively few people can consider themselves long-time industry veterans.

Don't devalue yourself. Play up your experience and use it in salary negotiations whenever you can.

Ask and you shall receive (a raise)

Are you afraid to ask for a raise? Don't be!

Data shows us that up to 80% of people who ask for raises actually get it. While this of course depends on your own individual performance and standing on the team, and your manager's budget, you should at least take the chance.

Money does matter

Compensation--or specifically, how people *feel* about compensation--is a major consideration when trying to improve employee retention. Their perception of fair compensation affects their willingness to stick it out with you. You as a business owner or manager might think you're paying your Customer Success team plenty, but it's not your opinion that matters.

Have direct and unbiased conversations with employees about their pay and whether it's commensurate to what you're asking them to do.

