Customer Health Score & Churn Prevention Framework

Revenue Operations · Proposed Q2 FY26 Initiative

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1. Executive Summary

Northstar's reported net revenue retention of 105% masks significant disparity across account segments. Analysis of FY25 cohort data reveals that top-quartile accounts expand at 140% NRR while bottom-quartile accounts churn at a 72% gross retention rate, representing $3.2M in preventable annual revenue loss.

Currently, Customer Success Managers rely on ad hoc signals and institutional knowledge to identify at-risk accounts. No standardized health scoring model exists across the organization. This framework proposes a weighted composite health score drawing from six data sources, integrated into Salesforce and Looker, with automated alert workflows and prescriptive playbooks for each risk tier. Target outcome: reduce gross churn by 30% within two quarters of implementation.

2. Health Score Architecture

The composite health score is calculated as a weighted average of six input signals, each normalized to a 0–100 scale. Signal weights reflect predictive power based on retrospective analysis of FY25 churn events.

Signal	Data Source	Weight	Scoring Logic
Product Usage	Looker + Amplitude	25%	DAU/MAU ratio (>0.4 = 100, <0.1 = 0), feature adoption breadth (% of licensed features used), login frequency trend (30d vs 90d). Composite: 40/30/30 sub-weight.
Support Ticket Velocity	Zendesk	20%	90-day ticket volume trend (declining = 100, stable = 70, rising = 20), severity mix (>30% P1/P2 = penalty of -20), CSAT on resolved tickets (>4.5 = 100, <3.0 = 0).
NPS / CSAT	Delighted	15%	Latest NPS score normalized (promoter = 100, passive = 60, detractor = 20). Trend modifier: +10 if improving quarter-over-quarter, -15 if declining.
Billing Health	Stripe + Salesforce	15%	Payment failure rate (0 = 100, >2/qtr = 20), days past due (0 = 100, >30 = 0), discount level vs. contracted (at or below = 100, >15% above = 30).
Stakeholder Engagement	Salesforce + Gong	15%	Exec sponsor activity in last 90d (meetings/emails), meeting frequency vs. baseline, champion job change risk (LinkedIn signal). Low activity + champion departure = score of 10.
Contract Signals	Salesforce CPQ	10%	Days to renewal (<180 with no expansion discussion = 40, active expansion = 100), competitive mentions in Gong calls (>2 in 90d = penalty of -25), multi-year vs. annual (multi-year = +10 bonus).

3. Risk Tiers & Automated Response Framework

Accounts are automatically classified into four tiers based on composite health score. Each tier triggers specific workflows in Salesforce and Slack, with escalation paths and SLA-bound response times.

Tier	Score Range	Classification	Response SLA	Assigned Owner	Required Actions
Tier 1	80 - 100	**Healthy**	Quarterly	CSM	Quarterly Business Review / Expansion opportunity assessment / Reference & case study candidacy / Monitor for score regression
Tier 2	60 - 79	**Watch**	5 business days	CSM	Proactive outreach call / Signal decomposition review / Usage enablement session if product scores low / Stakeholder mapping refresh
Tier 3	40 - 59	**At-Risk**	48 hours	CS Manager	Escalation to CS Manager / Save playbook activated / Executive sponsor engagement / Custom success plan creation / Weekly internal review until score >60
Tier 4	0 - 39	**Critical**	24 hours	VP of CS	VP Customer Success direct involvement / Concession authority unlocked (up to 20% discount) / Retention offer framework / Cross-functional war room (CS + Product + Exec) / Daily internal standups

4. Sample Account Health Scores · March 2026 Snapshot

The following accounts represent a cross-section of Northstar's customer base with composite health scores calculated using the proposed model. Note Account #5 (Meridian Corp) — high product usage masks a critical stakeholder engagement gap following their VP Engineering's departure in February.

Account	ARR	Usage (25%)	Support (20%)	NPS (15%)	Billing (15%)	Stakeholder (15%)	Contract (10%)	Composite	Tier
Cloudvault Inc.	$420K	92	85	90	95	88	82	**89.3**	**Healthy**
TechNova Group	$185K	78	82	75	90	70	68	**78.0**	**Watch**
Apex Industries	$310K	45	38	35	85	52	40	**48.1**	**At-Risk**
Cascade Health	$95K	88	72	80	70	85	90	**81.3**	**Healthy**
Meridian Corp	$275K	85	65	70	88	**15**	45	**63.8**	**Watch**
Summit Analytics	$520K	22	25	20	60	30	35	**30.2**	**Critical**
Basecamp Digital	$140K	60	55	65	45	58	70	**58.1**	**At-Risk**
Prism Dynamics	$680K	95	90	88	98	92	95	**93.4**	**Healthy**

5. Implementation Roadmap

Implementation follows an 8-week sprint model with a Week 12 calibration checkpoint. All work is scoped for the existing RevOps team (2 FTEs) with support from the Data Engineering team for API integrations.

Phase	Timeline	Key Deliverables	Owner	Dependencies
Data Source Audit	Weeks 1-2	API connection inventory / Data quality assessment for all 6 signals / Gap analysis document / Stakeholder sign-off on signal weights	RevOps Lead	Access to Zendesk, Amplitude, Delighted, Gong APIs
Score Model Build	Weeks 3-4	Salesforce custom object: Account_Health_Score__c / Looker derived table with scoring logic / Historical backfill for FY25 accounts / Score validation against known churned accounts	RevOps + Data Eng	Phase 1 completion / Salesforce admin access
Workflow Activation	Weeks 5-6	Slack alert channels (#cs-watch, #cs-escalation) / Salesforce Process Builder flows for tier transitions / CSM dashboard in Looker / Playbook documentation in Notion	RevOps + CS Ops	Phase 2 completion / CS team availability for UAT
Training & Launch	Weeks 7-8	CSM training sessions (2x 90-min) / First scored account review with CS leadership / Feedback collection form / Score override request process	CS Manager + RevOps	Phase 3 completion
Calibration	Week 12	Model accuracy review (predicted vs. actual churn) / Weight adjustment recommendations / Exec readout on impact metrics / V2 feature scoping	RevOps Lead	30 days of live scoring data