

The Anatomy of a Great Health Score

Your health score is more than a metric, it's the key to hitting your number. If you can't see which customers are at risk or where growth is hiding, you can't forecast accurately or take action in time. Revenue leaders are under pressure to hit bigger and bolder targets, and a health score that lags behind reality leads to surprise churn, blown forecasts, and lost revenue. To transform your retention strategy, you need a health score you can trust – one that shows you what's happening now, where to act, and how to stay on track.

What makes a great health score?

It is **performance-driven**: it accurately reflects historical trends and customer behavior over time, especially in the lead-up to key moments like renewal, expansion, or churn where subscription data plays a critical role.

- It is **accurate**: it highlights key risk factors and renewal opportunities with proven accuracy.
- It is **actionable**: it provides clear next steps for the team to implement and hit target.

What types of data go into a great health score?

A strong health score incorporates historical data. This context is essential for identifying which behaviors and trends have reliably predicted churn, retention, or growth over time, separating meaningful indicators from short-term noise.

- User Data: Adoption rates, power users, and engagement trends.
- Subscription Data: Renewal history, contract changes, and tenure.
- Product Usage Data: Integrations, feature adoption, and frequency of use.

How do you test your health score?

To ensure your health score is truly predictive, ask yourself these key questions:

- What type of data has gone into the score?
- When did you last review its accuracy? Health models should be tested against historical data every 6-12 months to stay relevant.
- Is it accurate up to 180 days out? A strong health score should maintain at least 70%+ accuracy in predicting churn up to six months in advance.

Implications of an *Inaccurate* Health Score

If your health score isn't reliable, the consequences can be costly:

- ✗ Missing those at real risk by focusing time on the wrong customers
- ✗ Wasting resources by allocating CSM effort inefficiently
- ✗ Losing revenue opportunities before you see the warning signs

How to Transform Insights into *Impact*

Start leveraging predictive intelligence to drive impact today.

- ✓ Check your current health score's accuracy using historical data
- ✓ Ensure your health model provides actionable insights, not just observations
- ✓ Adopt a predictive, machine-learning-based approach to enhance decision-making.