

2025 Public Market Pulse

Tracking the Impact of Customer Success and Net Revenue Retention on Publicly Traded Professional Services Companies

certinia



Foreword

Professional Services Organizations (PSOs) are not immune to navigating shifting economic and industry forces.

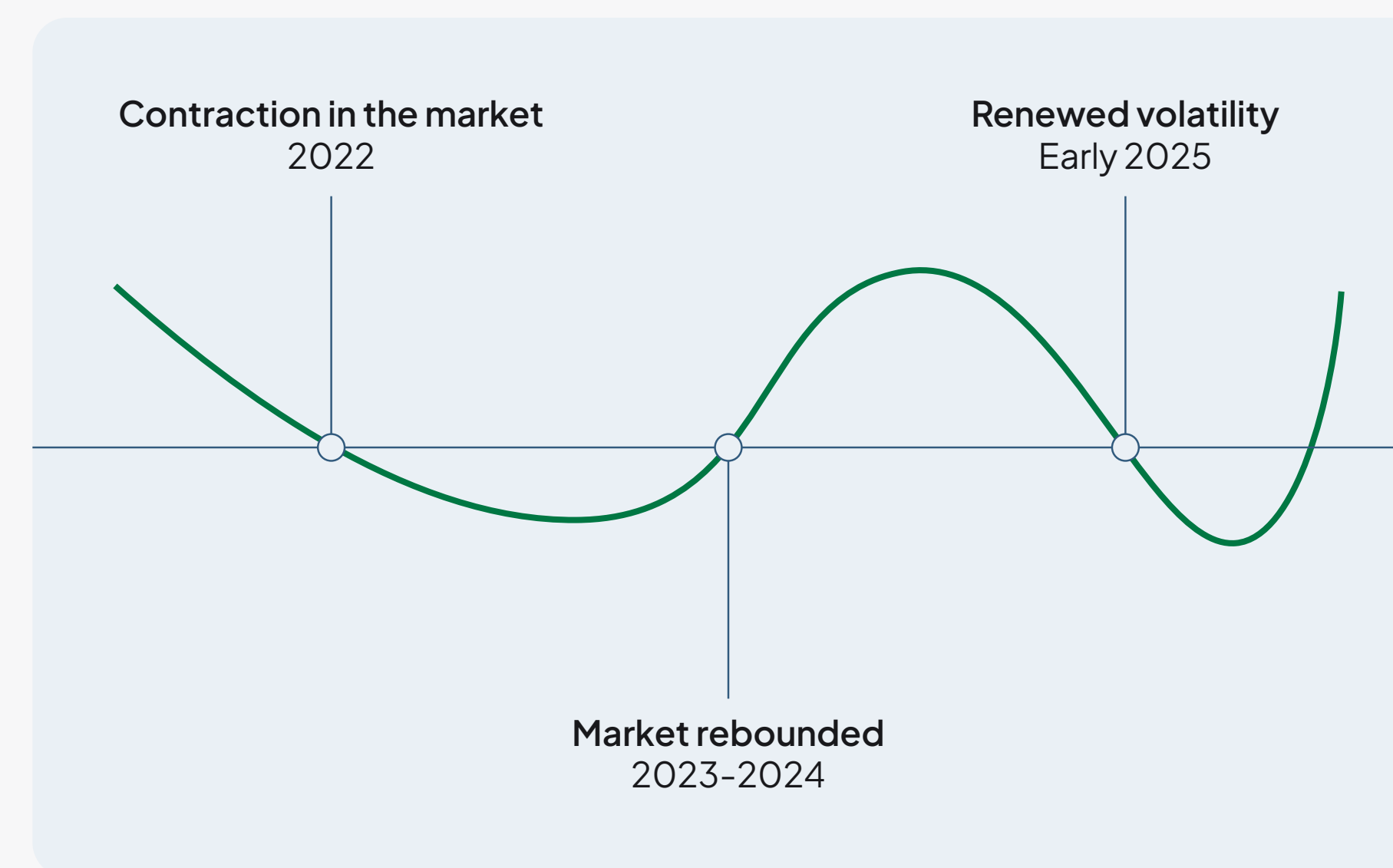
After contracting in 2022, the market rebounded in 2023 and 2024 before encountering renewed volatility in early 2025. In this environment, firms need predictable, repeatable outcomes to sustain growth and investor confidence.

Customer Success (CS) and Net Revenue Retention (NRR) have become essential to delivering those outcomes. Our analysis shows that market leaders reference CS and NRR more frequently and frame them as evidence of a mature,

operationalized strategy driving results today. In contrast, lagging firms tend to position them as future priorities, underscoring the growing divide between organizations that have embedded CS as a discipline and those still treating it aspirationally.

This Public Market Pulse underscores a clear takeaway: professional services organizations that prioritize CS and NRR build stronger customer relationships, greater resilience, and more consistent growth in any economic climate.

S&P global market performance



After contracting in 2022, the market rebounded in 2023 and 2024 before encountering renewed volatility in early 2025

About This Report

The Public Market Pulse presents findings from the analysis of more than 4,000 quarterly earnings reports from January 2022 through June 2025.

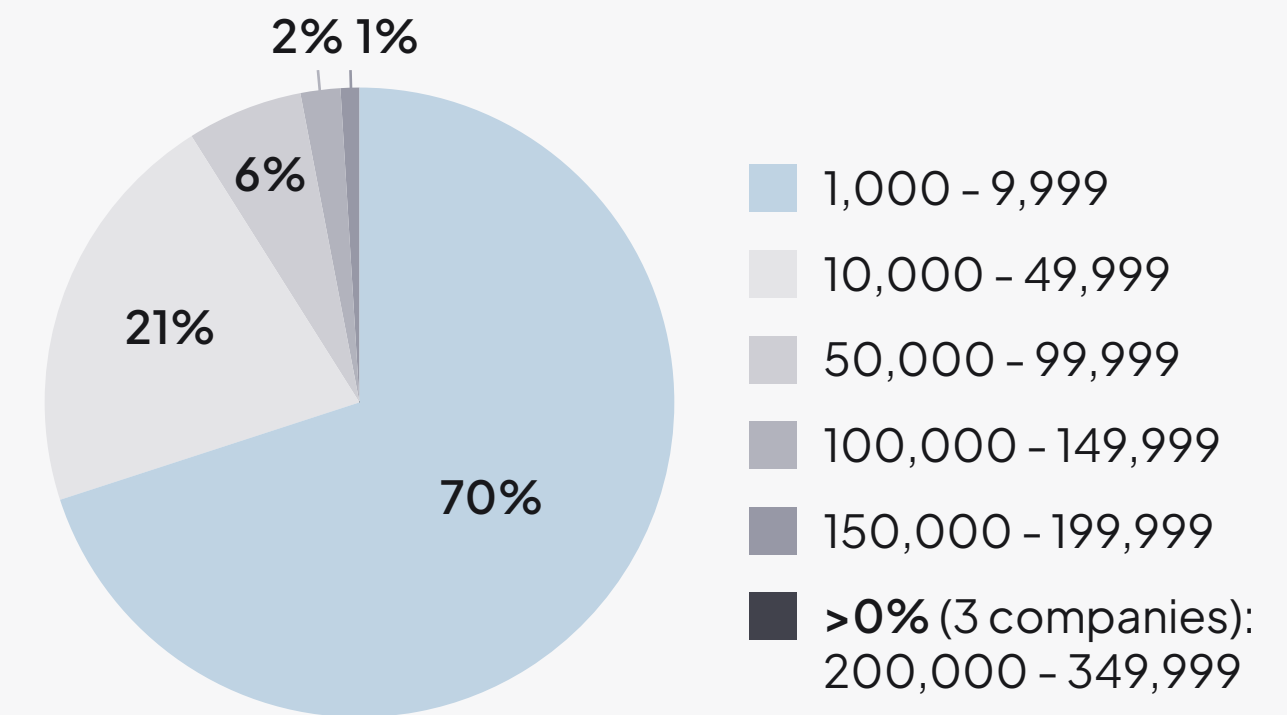
These reports represent more than 430 public professional services firms and organizations with large Professional Services (PS) teams, including companies with embedded PS teams from the business consulting, IT (software/hardware), IT services, marketing/advertising, retail/trade, finance, insurance, manufacturing, accounting/tax, architecture/engineering, and clinical research industries. Each company represented has over 1,000 employees.

The goal of the research is to uncover how businesses are changing their strategies as they face economic headwinds and how investors have responded to these actions. The research examined how Customer Success and Net Revenue Retention are trending across companies, and how they correlate with business performance and value creation.

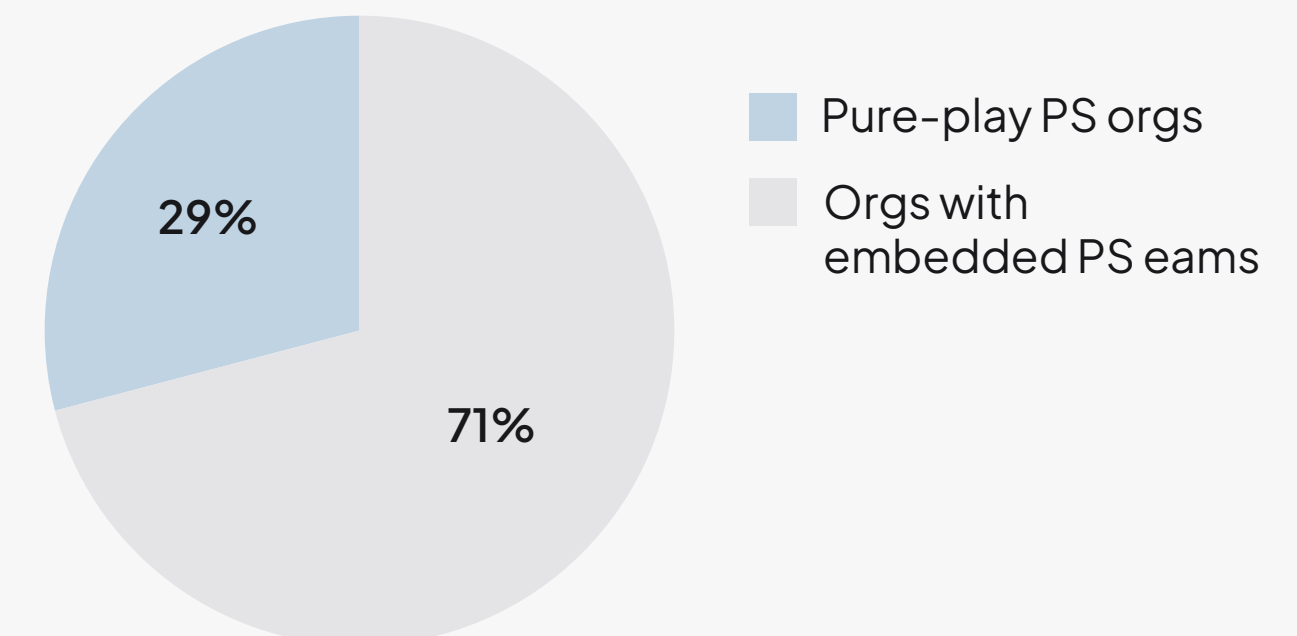
4,000+
Earnings Report

430+
Companies Analyzed

Company size based on employee count



Embedded versus pure-play Professional Services organizations

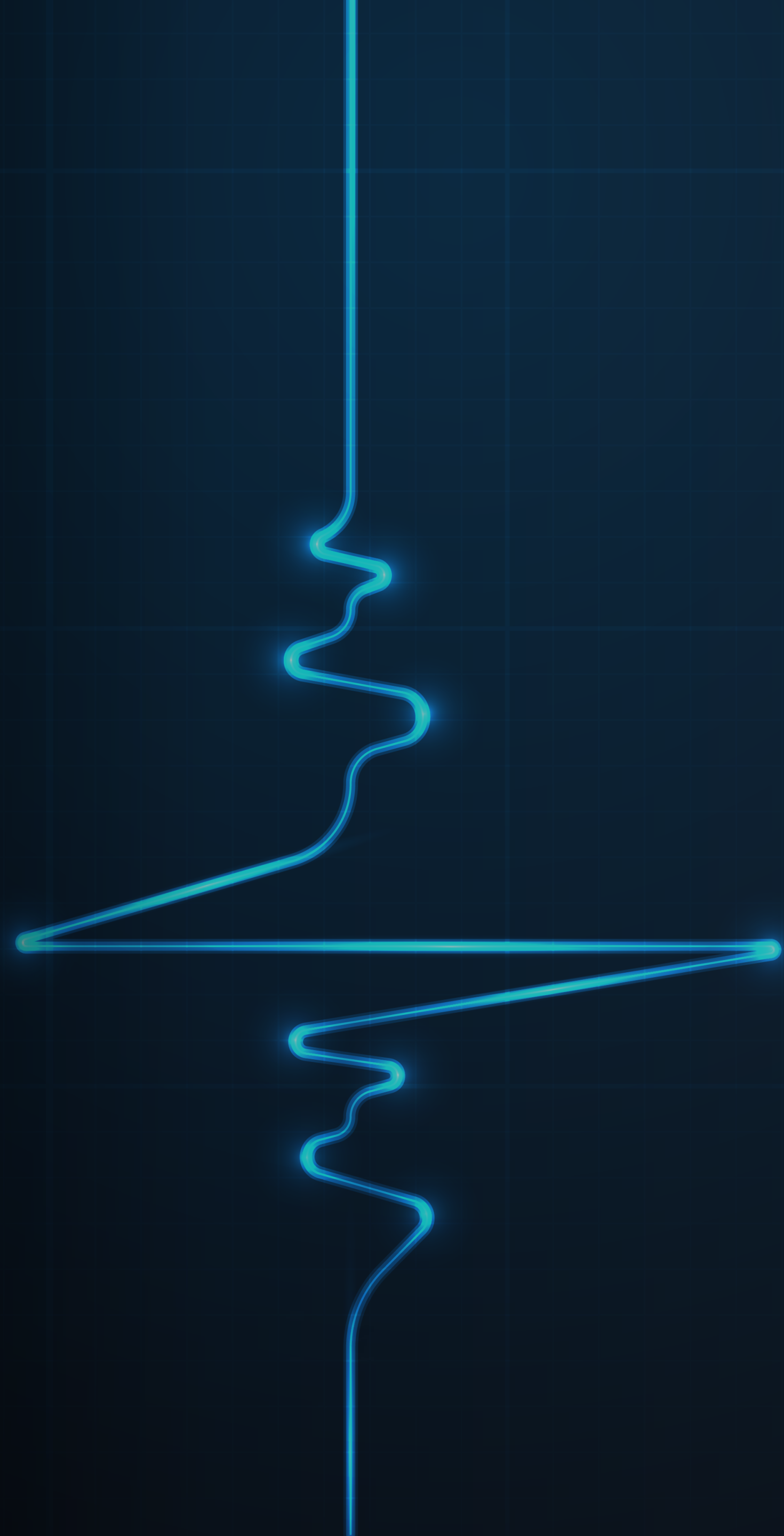


Key takeaways for Professional Services leaders.

For services organizations, these findings reinforce a few key points:

- **The industry is leaning into Customer Success:** Arguments that CS is a dying function are overexaggerated and miss the mark.
- **Strong NRR is a bellwether for top companies:** The highest-performing companies are talking frequently about their impressive NRR and crediting it for business success.
- **CS and NRR are tied at the hip:** Companies often credit their strong CS efforts for driving high NRR, or point to future CS investments as a way to reverse poor NRR.

PSOs that commit to strengthening their CS motions long term and prioritize NRR as a top corporate KPI will position themselves for steady growth in any economic climate.



Customer Success is gaining momentum, not losing it.

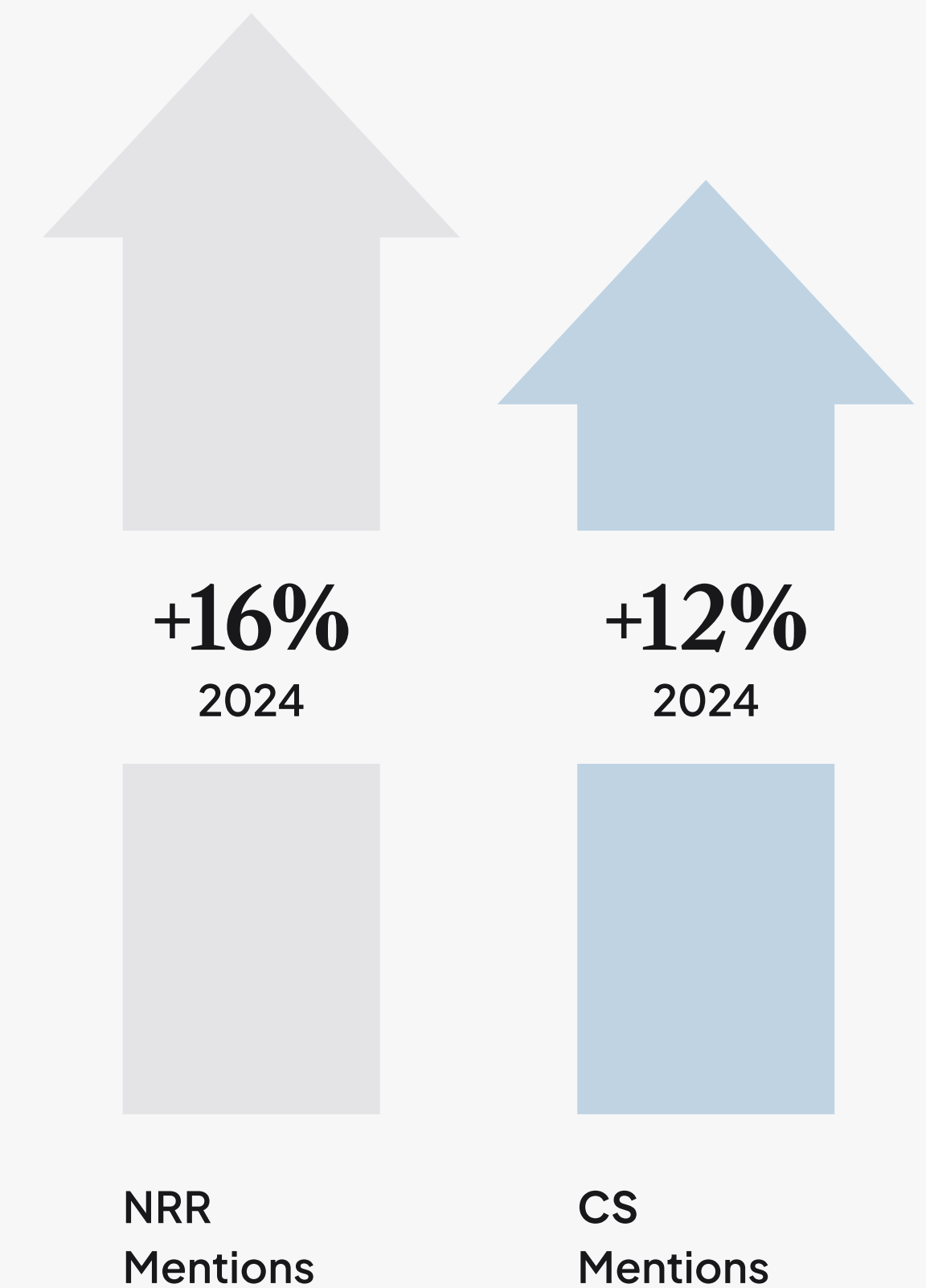
While **some leaders** have suggested that relying on dedicated CS organizations is a fad on the decline, the data tells a different story. Our analysis reveals that organizations increasingly referenced CS or NRR in earnings calls from 2022 through 2024. The number of quarterly earnings statements that mentioned CS went up 11% in 2023 and 12% in 2024. Meanwhile, mentions of NRR went up 38% in 2023 and rose another 16% in 2024. Both terms are on track for increasing use in 2025 reports.

This trend seen in investor communications also validates how we're seeing organizations structure themselves and what they prioritize. Certinia's **2025 Global Service Dynamics report** found that 69% of companies now have a dedicated CS team, separate from sales and support functions. Furthermore, 54% of PSOs list "increase customer satisfaction" as one of their company's key objectives for 2025.

As companies face longer sales cycles, they are prioritizing the retention and expansion of existing customer engagements. A strong CS function is essential to this effort, as it moves organizations from reactively solving problems to proactively delivering value. This proactive approach builds loyalty and supports upselling.

Net Revenue Retention is a critical metric because it reflects the true health of the existing customer base. NRR captures the combined revenue impact of renewals, expansions, contractions, and churn. For professional services businesses where ongoing relationships are core to profitability, a high NRR signals strong customer satisfaction and successful delivery. In fact, most mentions of NRR were either positive (43%) or neutral (44%) factual statements without negative framing.

Mentions of NRR and CS in quarterly earnings calls



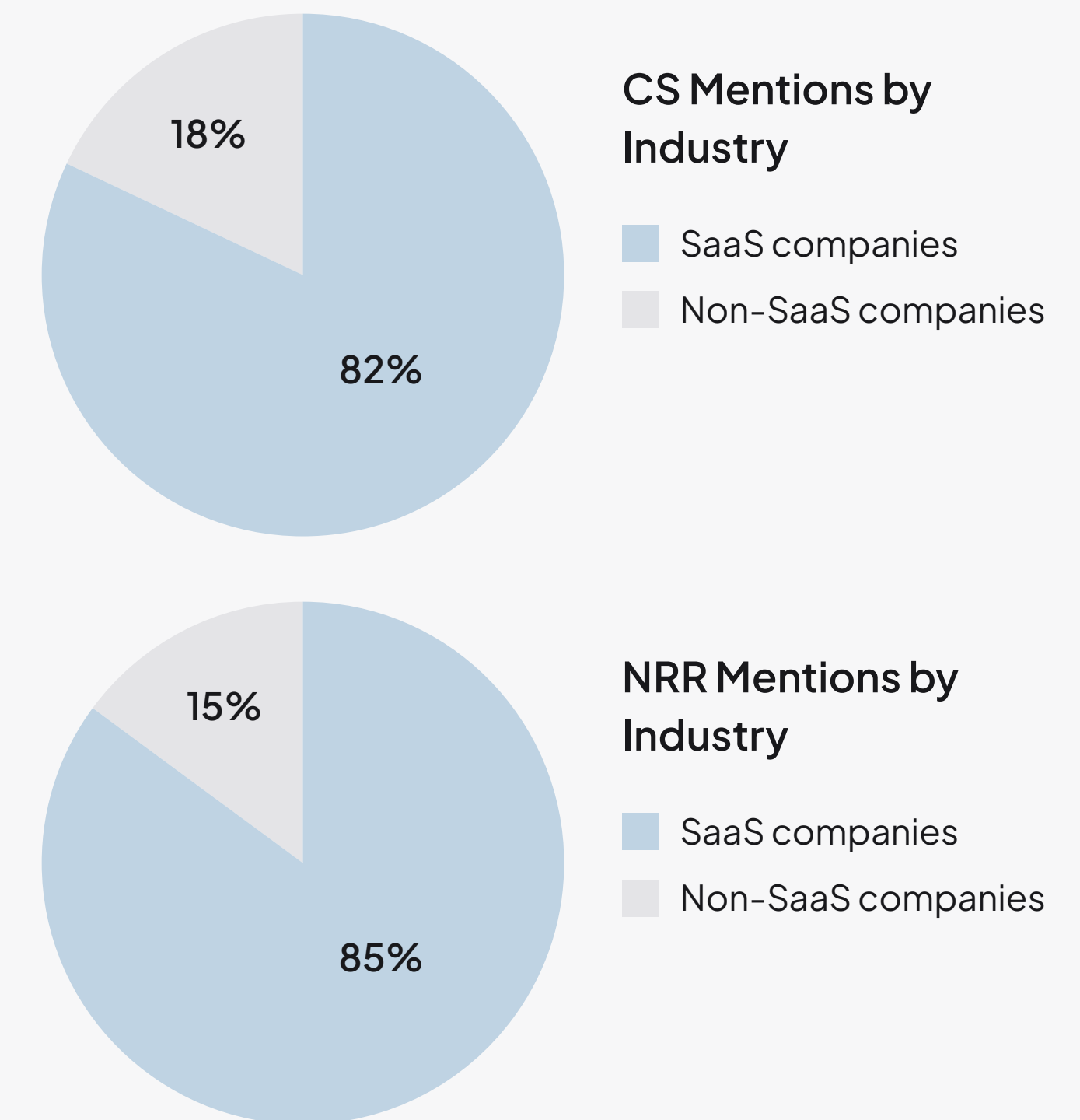
Industries beyond SaaS are prioritizing Customer Success and Net Revenue Retention.

Traditionally, CS and NRR have been the domain of SaaS companies. The data shows that's changing, with PSOs outside of the SaaS sector mentioning both in their earnings calls. Overall, 18% of CS mentions and 15% of NRR mentions came from non-SaaS organizations. A prominent example of this was from one of the top performers analyzed in CS, clinical research organization 10x Genomics, whose CEO positively described the company as "obsessed" with CS in multiple earnings transcripts. Many marketing/advertising, business consulting, and finance/insurance professional services

organizations also regularly reported on NRR within earnings calls.

PS firms appear to be adopting the mindset of SaaS companies, recognizing the value of these metrics in their own business models and focusing on long-term client relationships and predictable revenue streams over one-off projects. The increasing mentions of CS and NRR in their earnings reports underscores that strategic shift.

PS firms appear to be adopting the mindset of SaaS companies



How Market Leaders Use Customer Success To Win

Companies with the biggest jump in stock prices post-earnings were significantly more likely to highlight their CS strategy or NRR metrics.

In the 100 highest-performing quarters analyzed, firms referenced Customer Success or Net Revenue Retention about 50% more often than the overall average (22% vs. 15%). These top-performing companies positively attributed NRR 70% of the time.

This focus on NRR as a key indicator of health is confirmed by other industry

data; the 2025 Global Service Dynamics report found that highly profitable PS teams dramatically outperform their less profitable counterparts in achieving high Net Revenue Retention rates. According to the data, highly profitable professional services organizations were nearly twice as likely to have NRR rates of 81-100% compared to average professional services organizations.

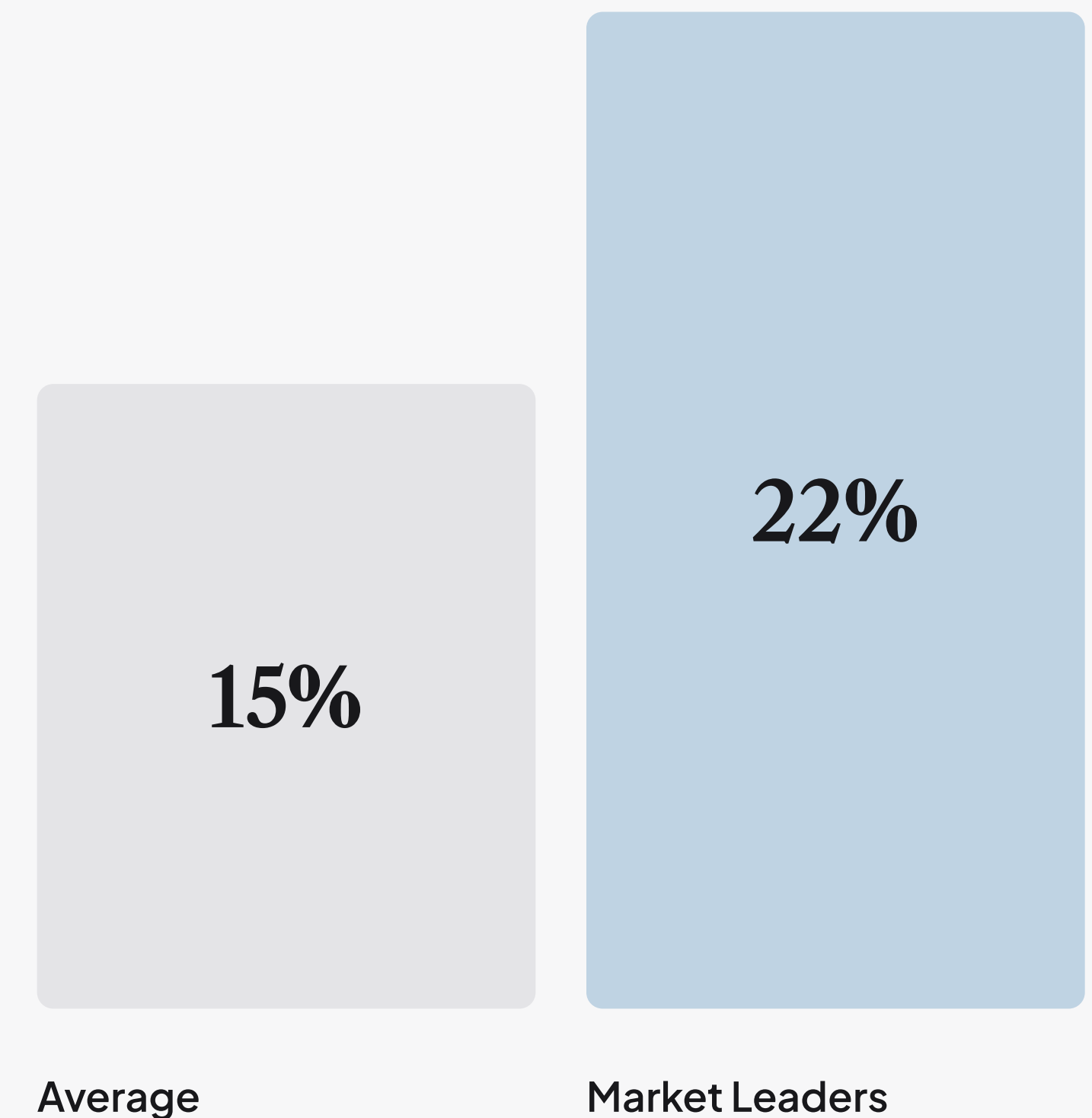
18%

Mentioned CS or NRR

77%

Optimistic about CS investment

Market leaders referenced CS/NRR 50% more often



The Customer Success maturity gap revealed.

There was a stark contrast in how high and low-performing companies positioned their Customer Success efforts. For organizations who underperformed and saw their stock prices fall, focusing on CS strategy was an approach to build investor confidence. Of the 100 quarterly reports with the biggest stock price drop, 18 mentioned either CS or NRR. These companies looked to CS as a way to improve future performance, with 77% expressing optimism about investing in their CS capabilities.

The difference is in the framing. Top performers point to CS as a reason for their positive outcomes, while the lowest performers discuss CS in aspirational terms.

“ With incredible new products in every franchise, the commercial team is primed to bring more balanced attention and focus across our portfolio as we continue to drive our mission and obsess over customer success.”

Leading biotechnology firm, Q1 2024

“ Let me start with customer success. Customer success is my #1 priority, which is why we created the one global customer experience team, putting the customer really at the center of everything we do.”

Financial software firm, Q1 2025

The Unbreakable Link: How CS Drives NRR

Professional Services Organizations recognize that Customer Success is critical to improving Net Revenue Retention.

When NRR was strong, companies often credited their effective CS efforts. When NRR fell, companies frequently discussed their intention to invest in Customer Success to help reverse that trend.

Customer Success and Net Revenue Retention were frequently mentioned together in the earnings calls. NRR was mentioned in 84% of earnings transcripts that featured positive mentions of CS. Overall, 34% of transcripts that mentioned NRR also mentioned CS, with most of these mentions referring to CS in a positive or neutral tone.

Data from the 2025 Global Service Dynamics report quantifies this further, showing that

a majority of services leaders expect that closer collaboration between their PS, CS, and sales teams would lead to direct financial improvements. However, only about one-third of PS teams say they proactively collaborate with their sales and CS counterparts (pictured on right).

This highlights a key opportunity for PSOs. A strong CS function ensures that customers achieve measurable value, which drives renewals and creates natural opportunities for expansion. The stronger and more predictable the customer outcomes, the higher the likelihood that existing accounts not only stay, but grow.

Benefits that services leaders say they expect from closer collaboration between PS, CS, and sales teams

Margins would improve



Customer retention would improve



Stronger renewal rates



CS and NRR have proven their worth for Professional Services Organizations.

The report reaffirms that far from being an outdated function, CS continues to be integral to the overall success of modern PSOs. Its role is only expanding as companies focus on long-term value creation rather than short-term wins.

Moreover, the link between effective CS strategies and NRR highlights the importance of aligning these efforts to boost

overall retention. The companies that are investing in these areas are positioning themselves not just for short-term success but for long-term sustainability, regardless of market conditions.

Focusing on these interconnected elements, professional services businesses can enhance financial performance and ultimately pave the way for more predictable and scalable growth.



Deliver Customer Value with Certainty.

Certinia is the world's leading provider of Professional Services Automation (PSA) software. We empower technology and services organizations to deliver customer value with certainty across the entire services value chain. Our solutions connect everything from opportunity to renewal, built natively on Salesforce, the world's #1 CRM platform. Infused with comprehensive predictive, generative, and agentic AI capabilities, we provide services organizations with the fastest, surest path to improved revenue, margins, and resource utilization.

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