

VMWARE'S (RLG) RENEWALS LED GROWTH STRATEGY

VMware (NYSE: VMW) is a \$14 billion leader in multi-cloud services, driving digital innovation with enterprise control. With hundreds of thousands of sub-\$100,000 customer license agreements renewed annually, VMware wanted a scalable digital solution to retain, renew, and expand these customers



OBJECTIVES

VMware sought to enhance engagement with sub-\$100,000 renewals customers. They wanted to reduce churn, gain better visibility and explore opportunities for renewals, conversions, and expansion (both cross-sell and upsell) in order to meet renewal revenue and margin expectations. VMware wanted to achieve this whilst also optimizing human capital and improving overall efficiency.

SOLUTION

The pilot started in two countries and quickly expanded to 52 countries. In this program, VMware partnered with Renewtrak to capitalize on the renewal events to engage customers. They did so by automating renewals notifications and interactive quotes that allowed their customers lots of flexibility and reduced friction.

This allowed them to transform renewals into expansion opportunities, utilizing the "Propensity to Renew" scores provided by Renewtrak to identify churn risks. These insights were available to sales, customer success, and field sales to allocate the right human capital to mitigate churn.

BENEFITS

- Expanded from a 2-country pilot to 52 countries globally.
- Managing \$400M in annual renewals with automation.
- AI "Propensity to Renew" accuracy proven to 99.3% at 120 days prior to expiry.
- Achieved +5.9 percentage points higher renewal rate with Renewtrak-managed opportunities
- Perpetual-to-subscription conversions match high-touch enterprise level rates.

AT A GLANCE CHALLENGES

- Address churn risks, boost renewal conversions.
- Increase expansion opportunities while optimizing human capital and investments to meet margin and revenue goals.

BENEFITS

- \$400M ARR managed
- +5.9 percentage points higher renewal rate with Renewtrak-managed opportunities
- 99.3% accurate AI "propensity to renew"
- New business conversions match high touch enterprise level rates through renewtrak.
- 10,000 partners onboarded

DAVID PINTO

Strategy, Planning and Operations

"By partnering with Renewtrak and adopting its automation platform, we were able to future-proof our highly transactional renewals business with an out-of-the-box, AI powered platform to improve productivity, cost efficiencies and global scale capabilities"