



KUGAMON

How Kugamon Subscription Management Helped
CEI Improve Forecasting and Reduce Attrition





The Customer



Company

CEI

Industry

Pressure vessel design & welding software

Location

Blue Springs, MO

About

Founded in 1986, CEI is a pioneer in the pressure vessel design and welding software industry

Website

thinkcei.com



The Key Challenges

- Struggled to handle scale
- Struggled to handle the quantity of their data
- Time consuming manual renewal process
- Unnecessary overheads
- Difficulties with visibility and forecasting
- Unable to track or manage customer attrition

The Kugamon Subscription Billing Solution

- Native Quoting with CPQ
 - Native Order Management with E-sign
 - Native Invoice Management
 - Native Subscription Billing
 - Native Renewal Management
 - Payments Processing
 - Kugamon Business Process Review
 - Kugamon Technical Advisory Service
- } *Kugamon
Businesses
Enablement*



“We’re still growing into seeing the ultimate benefits with contracts but I think that will be the center of our world moving forward when it comes to working with the data in Salesforce.”

Ryan Witt, CEI COO

CEI is shaping the future of the pressure vessel design and welding software industry by providing innovative tools to enable their clients to excel. The company is focused on customer satisfaction and transparency and takes pride in working with clients to determine exactly which products fit their needs, rather than overselling anything they don’t want or won’t use.

CEI has over 1,100 customers on a subscription basis. Prior to implementing Kugamon Subscription Management, their biggest challenge was handling scale. They had to deal with the arduous process of tracking customers down, sending renewal quotes and manually following up with customers. The entitlement licensing they release to customers every time they buy further added to the time consuming process. In addition,

because of the sheer quantity of data they had to deal with versus the small size of their team, they were unable to track or manage customer attrition.

CEI had been happily using Kugamon Quote to Cash for over 5 years to provide structure around their quotation process, order management and invoicing. “Initially that was our primary goal with Kugamon. We didn’t see the need for Subscription Management until we made the shift from cash based accounting to accrual based accounting in 2017”, explains CEI COO, Ryan Witt. “Up until that point we didn’t treat Kugamon as our source of truth for what the customer owned so we had a lot of unnecessary overheads. We had one guy who had to manually review our entitlement database and review all of the renewals that had to go out. We did have an automa-

tion that would feed renewal opportunities into our database but every time we changed what we sold we would have to modify every single one of them—which took a long time!”

Though CEI implemented Kugamon Subscription Management under a year ago, they’re already seeing major benefits. They’ve driven down their attrition numbers and have shifted all of their customers over to a contract basis with auto renewal. Unlike the painstaking manual process of the past, with contract based renewal automation through Kugamon Subscription Management, whenever CEI takes an order the following year is already ready to go and an invoice will automatically be sent out when due. This frees up significant time to focus on customer relationships and staying in touch with



“Kugamon Subscription Management has standardized the way we track everything, the way we manage our data. We can forecast revenue and forecast cash by when renewals are coming in and going out.”

existing customers, even before the renewal is sent.

CEI now has a combination of customers that have subscribed for 1-year or 3-year terms, and in some cases 3-year pre-paid. “We love the multi-year ability of the subscription. We’ve been signing people to multi-year agreements and already we can really see the benefit of this coming”, explains Ryan. “We’re still growing into it but I think contracts will be the center of our world moving forward when it comes to working with the data in Salesforce”, Ryan notes. “Being able to see at a glance what our customers have had as well as what’s renewing,

when and by how much. It’s an evolution, a better way for us to track our business.”

One of the biggest benefits CEI has seen since the implementation of Kugamon Subscription Management is the ability to buy off future labor by clarifying exactly what activity and what price they will come in at the next renewal opportunity. Through the data Kugamon provides they can analyze their Monthly Recurring Revenue as well as forecasting cash based on when renewals are coming in and going out. “Basically we know if we don’t sell another piece of software for the rest of the year we’ve got 85% of our year’s revenue already locked in and collected”.

Another benefit CEI have experienced with Kugamon Subscription Management is uplift. The company recently moved to a system wide default increase of 6% which has already made an impact. As Ryan elaborates, “Already this year we’re tracking 11% organic growth and a large percentage of that is through uplifting”.

Kugamon Subscription Management has improved efficiency across the CEI team. Team members who once spent a lot of time on their manual renewals process have had the time freed up to handle other tasks and, as Ryan explains, “The biggest thing is a common understanding. Employees can see the data they need at a glance and if one team member is out of the office, another can handle their customer transactions without any questions or confusion. It’s so simple.”

“We will save almost \$100k per year by automating our renewal process with Kugamon.”



The Benefits With Kugamon



- Automation of manual tasks



- Significant time savings freeing up time to engage with customers



- Improved control over data and forecasting



- Increased visibility leading to better planning



- Increased revenue through uplifting



- Improved efficiency company wide



“Being able to see at a glance what our customers have had as well as what’s renewing, when and by how much. It’s an evolution, a better way for us to track our business.”

Ryan Witt, CEI COO

Kugamon LLC.
San Francisco, CA

info@kugamon.com
+1 (415)868.4711