

Leveraging AI: Halcyon's Sustainable Scaled Growth



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Introduction

Halcyon, a leader in Anti-Ransomware and Cyber Resilience, helps businesses combat advanced cyber threats. Cathy Grim, Halcyon's VP of Customer Success, sought to move away from outdated, passive customer success strategies and towards a proactive approach that would enable her to guide clients toward success.

FunnelStory provided the solution, facilitating a shift from simply managing customer concerns to actively driving customer success and maximizing the value of the Halcyon platform.

Key Outcomes

120%+

Net Retention Rate

80%

Cut in busywork

2x

Increase in CSM capacity

66%

& growing CS Productivity

Challenge

Halcyon faced the challenge of achieving ambitious revenue goals—**95% gross retention and 120% net retention**—while scaling more than 2x year on year.

Requirements



Achieve Aggressive Retention and Expansion Goals - Maintain 95% gross retention and 120% net retention by reducing churn and driving account expansion.



Scale Customer Success Efficiently - Support a rapidly growing customer base without a proportional increase in resources.



Automate Customer Journey Insights- Gain a clear, data-driven view of customer journeys without manually calling hundreds of customers.



Increase Product Adoption - Ensure customers fully utilize Halcyon's features to maximize value and retention.



Enable Proactive Engagement - Identify at-risk accounts early and take action before renewal issues arise.



Drive Sustainable Growth with Limited Resources - Optimize customer success operations to do more with less while ensuring long-term scalability.

Solution

- Implemented FunnelStory's AI-driven churn prediction platform
- FunnelStory's AI analyzed 100K+ activities monthly across usage, support, and communications for coming up with an accurate health score
- Detected specific "needle movers" like competitor mentions and pricing concerns
- Provided AI-driven churn confidence tags highlighting which accounts needed immediate attention



From the moment we integrated our data into FunnelStory, we immediately realized value. The platform enabled us to optimize each step of our customers' journey. The platform has really helped us to identify key touchpoints and areas for improvement, ensuring that our customers receive the most value with every interaction.

~ Cathy Grim,
VP of Customer Success,
Halcyon

The Challenge: Achieving Ambitious Revenue Goals while Scaling

Halcyon set aggressive revenue targets—95% gross retention and 120% net retention - which meant they couldn't afford to lose customers and needed to drive continuous expansion within their existing accounts. However, achieving these goals became increasingly complex as the company doubled its customer base year over year. Traditional methods, like manually contacting customers to understand their experience, were no longer feasible. The team needed real-time insights into customer journeys without relying on time-consuming manual processes.

Additionally, the lack of clear visibility into customer engagement patterns made it challenging to pinpoint which accounts were truly at risk or which ones had the potential for expansion. Static health scores and automated CTAs overwhelmed the team with false alarms, making it even harder to focus on the customers who genuinely needed support.

A New Approach with FunnelStory

Cathy and her team partnered with FunnelStory to overcome the limitations of traditional analytics. FunnelStory replaced static reports and rigid rules with a dynamic, AI-powered approach that mapped customer journeys in real time.

Within a few days, FunnelStory analyzed thousands of customer interactions - both inside and outside the product - to uncover patterns that would have been impossible to detect manually. It automatically identified which activities were tied to long-term success and flagged early warning signs of disengagement. The team now had a crystal clear view of customer behavior, allowing them to shift from a reactive approach to a proactive one. Customer success managers were no longer overwhelmed with generic alerts. Instead, they had precise insights into which customers needed attention and why. They could see exactly when and where engagement was dropping, making it easier to step in before issues escalated.

The Impact: Faster Insights, Smarter Engagement

The results were game-changing and the Key Impact - Sustainable Scaled Growth

- **CS Efficiency Gains:** Halcyon reduced busywork by 80%, allowing the team to focus on real customer needs. By eliminating unnecessary tasks, they managed more customers with fewer resources, leading to projected savings of \$170K to \$340K in future CS staffing costs.
- **120%+ NRR:** FunnelStory enabled Halcyon to quickly identify at-risk accounts and use leading indicators to prevent churn. As a result, NRR improved, driving long-term customer loyalty and expansion.
- **Improved CS Productivity:** FunnelStory's AI-driven analytics enhanced team efficiency. With the introduction of Felix, the conversational analytics tool, productivity rose by 66% and continues to grow. This empowered the CS team to make smarter, faster decisions.

FunnelStory has become a vital tool for Cathy and her team's customer success strategy. By replacing static & "one-size-fits-all" approaches with FunnelStory's intelligent, predictive insights, Halcyon has redefined what it means to be proactive in customer success.