

# Annual Contract Strategy

## [Homecare SaaS Co]

# Best Practices for Shifting to Annual Contracts

## Goal:

Move 80% of clients to annual contracts  
(currently at 12%)

## Proactive Account Management

- Regular check-ins to assess satisfaction and identify issues early
- Monitor support tickets, usage and other risk indicators

## Systematic Approach

- Use [system] to track the lifecycle, contract terms, and renewals
- Keep customer data up to date in real time

## Contract Negotiation

- Emphasize pricing stability, discounts, and additional training benefits of annual contracts
- Negotiations begin 3 to 6 months prior to the contract expiration

# Identifying Triggering Events

## Key Moments for Annual Contract Discussions or Business Reviews

### Renewal Dates

- Know your upcoming renewals going into the quarter
- If they're on a monthly rolling contract, know when their [Company] anniversary is and include them as part of your renewal list
- 30 days prior to the renewal date the contract auto-renews (unless client has redlined). If a customer does not renew, they get auto-renewed at list pricing

### Growth Milestones

- Use increased usage to propose the stability of annual contracts

### One-Year Hand-Off

- Transition from onboarding CSM to a new CSM for ongoing account management after the first year

### Pricing Increases

- Annual contracts can lock in current rates

### Change Management

- New leadership poses both a risk and opportunity for [Company]. Always book a training, introduction or business review with new leadership to influence a positive experience

# Proactive Management of Renewals

## Quarterly Business Reviews

Review upcoming renewals each quarter; include accounts with triggering events in your renewal strategy

## Early Customer Engagement

Proactively engage customers to ensure value and identify churn risks

## Executive Involvement

Involve leadership by flagging at-risk accounts to strengthen retention efforts

# Processes

## Options & Pricing Review

- Customer selects their preferred contract option
- Always review pricing live with the customer; only send documents reviewed together

## Ensure Contract Accuracy

- *End Date* - one day before the anniversary
- *Renewal Date* - one year after the start date

## Send for Execution

- Send the executed contract to the customer via [System]

## Post-Execution Updates

- Upon execution, update new terms in [System]

## Upload Executed Contract

- Save under the Docs tab on the Account
- Use this format to name:
  - [Customer Name][Contract Type][Date] (e.g., "ABC\_Care Agency\_Annual\_Contract\_2024")