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The Customer Feedback Benchmark

How Leading B2B SaaS Companies Drive Growth
Through Systematic Customer Feedback.

What we learned from 150+ SaaS leaders

This research report reveals a clear and compelling connection between customer feedback practices and business performance in B2B SaaS companies. Based on a survey of over 150 SaaS businesses leaders, we found that organizations with mature customer feedback systems consistently outperform their peers across every critical business metric:

6.5x
Competitive positioning

Organizations with Expert feedback loops are 6.5x more likely to significantly outperform competitors

66.7%
Customer satisfaction

66.7% of companies with Expert feedback systems report improved satisfaction scores versus just 28.1% of companies with Basic approaches

83.3%
Upsell success

83.3% of companies with Expert feedback practices report increased upsells

Our research identified four distinct maturity stages in how companies collect and act on customer feedback, creating a roadmap any organization can follow to improve performance.

This report provides both a compelling business case for investing in customer feedback systems and practical guidance for progressing through the maturity curve to unlock competitive advantage in today's challenging SaaS landscape.
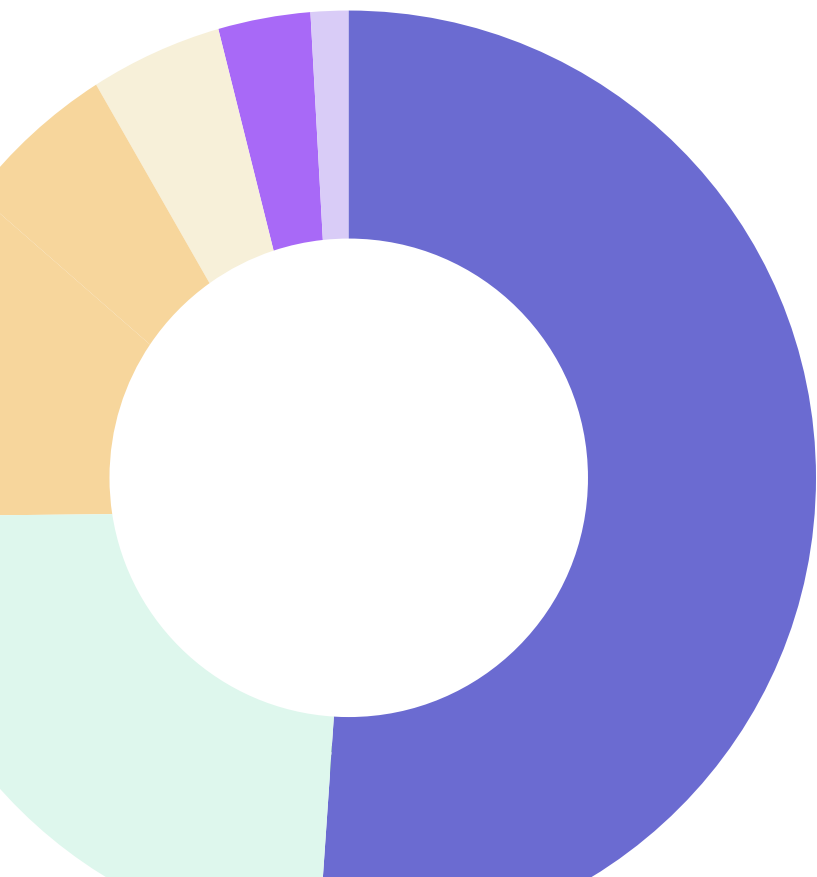
The Customer Feedback Crisis in B2B SaaS

Despite widespread recognition of customer feedback's importance, our research uncovered a concerning reality: most SaaS companies lack systematic approaches to collecting, sharing, and acting on customer insights.
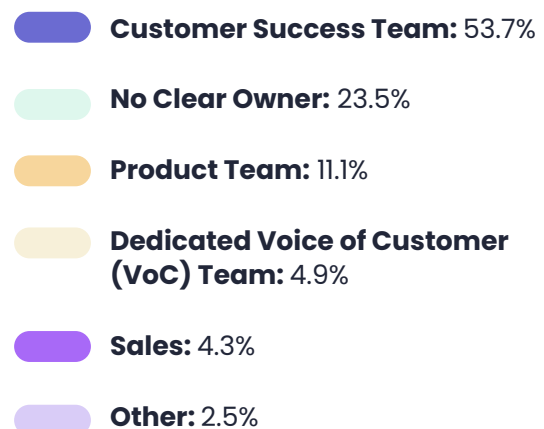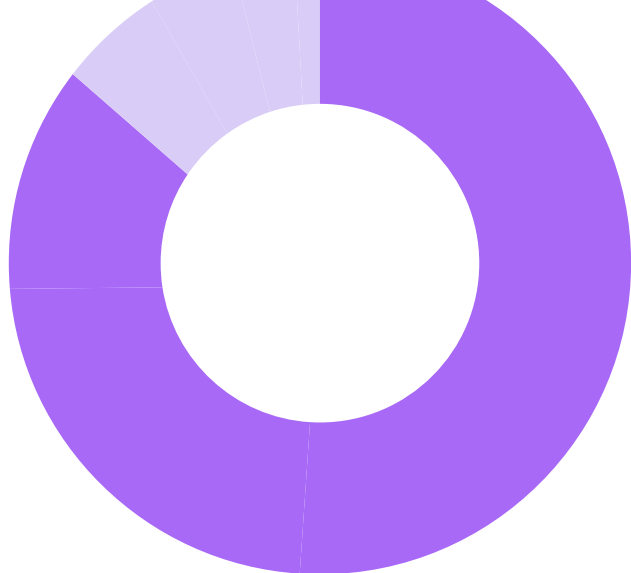
The Current State: Ad Hoc and Fragmented

Our survey revealed several troubling patterns:

- **Ownership confusion:** In 23.5% of companies, no one clearly owns customer feedback; Customer Success teams own it 53.7% of the time.

- **Manual processes dominate:** 11.1% of companies use AI to analyze customer communications for content and sentiment.

- **Lackluster Customer Feedback Quality:** 41% of companies said they miss a lot of useful insights, and only 11% said they have a deep understanding of customer needs.

- **Limited executive visibility:** Only 33% of executives review customer feedback monthly or more frequently.

Who Owns Customer Feedback Responsibility?

- **Customer Success Team:** 53.7%
- **No Clear Owner:** 23.5%
- **Product Team:** 11.1%
- **Dedicated Voice of Customer (VoC) Team:** 4.9%
- **Sales:** 4.3%
- **Other:** 2.5%

Companies That Record Calls vs. Don't Record Calls

🟣 **Record Calls (Any Method):** 85.2%

🟣 **Don't Record Calls:** 14.8%

The Consequences of Fragmented Feedback

Our research shows poor customer feedback systems create significant business risks:

- **Strategic missteps:** Executive decisions lack ground-truth from customers

- **Preventable churn:** Problems are discovered too late to address

- **Wasted resources:** Teams build features with limited customer value

- **Missed growth:** Expansion opportunities are identified reactively

Organizations with immature feedback practices don't just miss opportunities—they create competitive disadvantages that impact overall business performance.

What Has Changed That Makes This Critical Now?

Today's SaaS landscape requires excellent customer feedback systems for three key reasons:

Increased Competition: Lower barriers to entry mean customers have multiple viable alternatives for any B2B software need. With free trials and easier data portability, switching costs have decreased.

Economic Pressures: Capital has become more expensive, investors demand sustainable unit economics, and CFOs require clear ROI justification for every software purchase.

Need for Measurable Approaches: This environment demands more than theoretical "customer-centricity" — it requires systematic, data-driven feedback processes.

Our research provides the concrete metrics companies need to justify investments in feedback systems and identify the most impactful approaches. In today's competitive landscape, how well you collect and act on customer feedback often determines which companies thrive and which struggle to survive.

The Customer Feedback Loop Maturity Model

Our research revealed distinct patterns in how companies handle customer feedback, leading to a four-stage maturity model that serves as both assessment framework and improvement roadmap. Companies at higher maturity levels consistently outperform their peers across all key business metrics. Let's examine each stage.

Stage 1: Basic

Organizations at the Basic stage collect customer feedback informally and sporadically. They typically rely on anecdotal evidence rather than systematic processes. Customer feedback tends to be gathered reactively during escalations or renewal conversations, rather than proactively.

Characteristics of Basic organizations include:

- No consistent cadence for collecting feedback (e.g., occasional NPS surveys)

- Heavy reliance on anecdotes from customer-facing teams

- Feedback remains siloed within specific departments

- No central repository for customer insights

- Limited or no analysis of feedback trends

- Action on feedback is reactive and case-by-case

"It's always easier to get the negative feedback. What's not working? Where is the problem? But if it's positive feedback, that's where it's always challenging."

-

Vivek Kumar,
SaaS Executive

Key Metrics

26.8%
of companies with NRR ≥ 100%

22.0%
reporting improved customer satisfaction from prior year

26.9%
reporting improved competitive positioning from prior year

Stage 2: Intermediate

Intermediate organizations recognize the importance of customer feedback and have begun implementing formal collection methods. While they regularly gather feedback, they still struggle with consistent analysis and cross-functional action.

Characteristics of Intermediate organizations include:

● Regular NPS or CSAT surveys on a consistent schedule

● Some recording of customer calls, but limited systematic review

● Feedback beginning to be shared outside of customer-facing teams

● Basic dashboards or reports to track customer sentiment

● Ad-hoc sharing of insights via email or Slack

● Inconsistent follow-up on identified issues

Key Metrics

"We found that people might be collecting feedback but not circulating it. It's sitting in siloes. Customer Success has one view of what's happening, Sales has another, Product has a different take… but there's no common understanding." Joanne Higginson, Head of Sales & Marketing."

-

Joanne Higginson, Head of Sales & Marketing

42.4%
of companies with NRR ≥ 100%

52.5%
reporting improved customer satisfaction from prior year

30.2%
reporting improved competitive positioning from prior year

Stage 3: Advanced

Advanced organizations implement comprehensive feedback systems that span the entire customer lifecycle. They have clearly defined processes for collecting, analyzing, sharing, and acting on customer insights across the organization.

Characteristics of Advanced organizations include:

- Multichannel feedback collection (surveys, calls, support tickets, etc.)
- Regular cross-functional meetings to discuss customer insights
- Centralized repository for feedback accessible to all teams
- Systematic analysis of trends and patterns
- Clear ownership and accountability for addressing feedback
- Integration of feedback into product roadmap and company strategy

Key Metrics

47.4%
of companies with NRR ≥ 100%

63.2%
reporting improved customer satisfaction from prior year

45.7%
reporting improved competitive positioning from prior year

"The most important part is really to show that we're taking certain actions based on the feedback that we're receiving. If you're taking your customers' attention, their time that they're investing, you want to show that it's really valuable and they're being heard. So taking action is a big part of the feedback loop."

-

Ori Lotan, Customer Success Leader

Stage 4: Expert

Expert organizations fully integrate customer feedback into their company DNA. They leverage sophisticated tools and AI to analyze all customer touchpoints, enabling proactive identification of issues and opportunities. Feedback directly drives company strategy and product development.

Characteristics of Expert organizations include:

- AI-powered analysis of all customer communications (emails, calls, chats)

- Continuous in-product feedback collection

- Real-time alerting for emerging issues or opportunities

- Predictive analytics to identify potential churn risks

- Feedback directly tied to company KPIs and executive compensation

- Culture of customer obsession across all departments

"Customer feedback helps you course correct to make sure you're on the right track and to help plan for the future. You can also uncover hidden things – even though you might have good usage, people are not happy with your UI, or they're not happy with other aspects of it."

–

Mike Kowal, EVP
Customer Experience

Key Metrics

62.5%
of companies with NRR ≥ 100%

66.7%
reporting improved customer satisfaction from prior year

70.8%
reporting improved competitive positioning from prior year

MATURITY MODEL OVERVIEW

Stage 1 BASIC	Stage 2 INTERMEDIATE	Stage 3 ADVANCED	Stage 4 EXPERT

Stage 1 BASIC
- AD-hoc Collection
- Siloed Information
- Reactive Response

Stage 2 INTERMEDIATE
- Regular Surveys
- Some Sharing
- Inconsistent Follow-up

Stage 3 ADVANCED
- Multi-channel Collection
- Cross-functional Meetings
- Systematic Analysis

Stage 4 EXPERT
- AI-Powered Analysis
- Real-time Alerting
- Predictive Analytics

Legend:
- Companies with NRR ≥ 100%
- Reporting improved customer satisfaction from prior year
- Reporting improved competitive positioning from prior year

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Maturity Independent of Company Size

An important finding from our research is that feedback maturity is not simply a function of company scale. Across our survey of 150 businesses, each maturity stage includes companies spanning the full revenue spectrum—from startups generating less than $10M to enterprises with over $500M in annual revenue.

The differences in feedback practices we've documented are driven by strategic focus and investment, not by company size. Organizations of all scales can achieve customer feedback excellence.

The Relationship Between Maturity and Business Outcomes

Looking at the data across all four stages of customer feedback maturity, there's a clear and compelling story about how companies benefit as they advance their customer feedback practices.
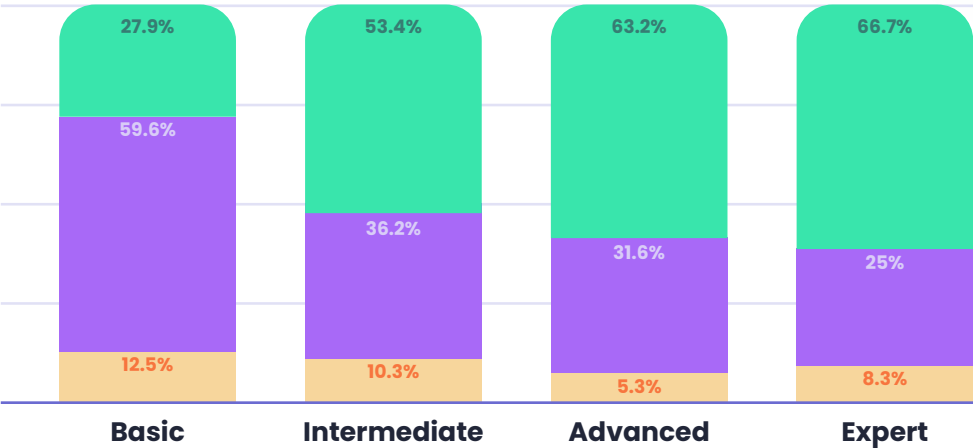
Throughout this report, when we refer to metrics as having "increased," "decreased," or "stayed the same," we are comparing year-over-year performance from 2024 to 2025. Survey respondents were specifically asked to indicate how these key performance indicators changed over the past year.

Customer Satisfaction Scores

Customer satisfaction improves dramatically with feedback maturity. While only 28% of stage 1 companies report increased satisfaction scores, this jumps to 67% for stage 4 companies. The ratio of companies seeing improvements versus declines grows from 2.25:1 to 8:1 as maturity increases, showing that better feedback practices lead directly to happier customers.

Customer Satisfaction Scores - Distribution by Stage

Same
Increased
Decreased

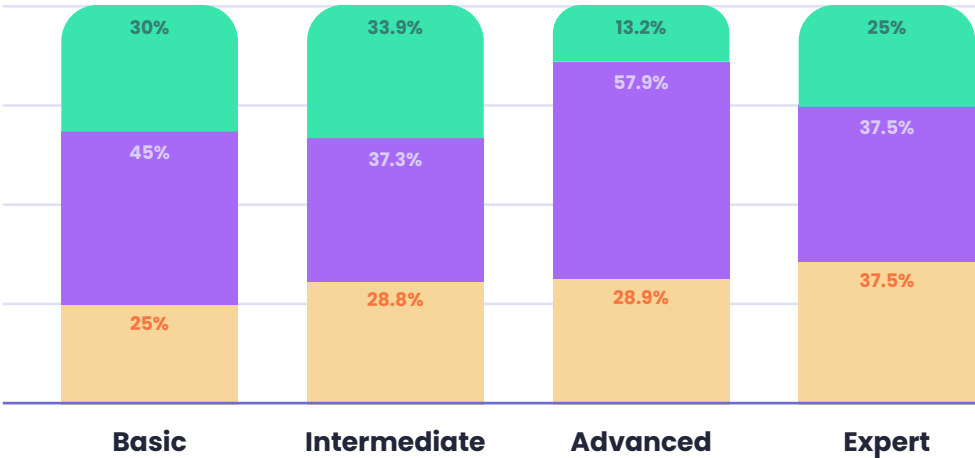|	Basic	Intermediate	Advanced	Expert
Increased	27.9%	53.4%	63.2%	66.7%
Same	59.6%	36.2%	31.6%	25%
Decreased	12.5%	10.3%	5.3%	8.3%

Customer Churn

Companies with mature feedback systems are better at preventing customer loss. The data shows a clear pattern: as feedback maturity increases, more companies report decreased churn rates and fewer report increases.
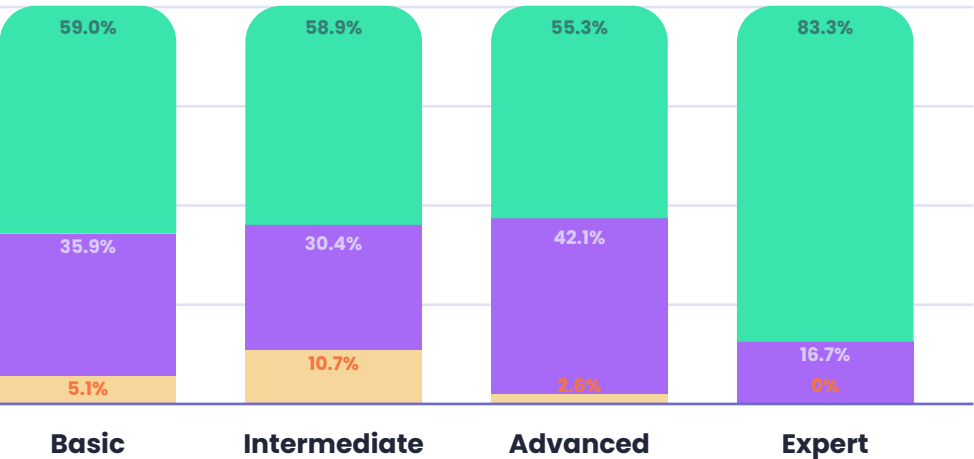
Customer Churn - Distribution by stage

Same

Increased

Decreased

	Basic	Intermediate	Advanced	Expert
Increased	30%	33.9%	13.2%	25%
Same	45%	37.3%	57.9%	37.5%
Decreased	25%	28.8%	28.9%	37.5%

**All changes represent year-over-year comparison (2024-2025)

Customer Upsells

Better feedback practices dramatically improve upsell success. While 59% of stage 1 companies report increased upsells, this jumps to 83% for stage 4 companies. Most impressively, no stage 4 companies reported decreased upsells. This shows that mature feedback systems help companies spot and act on expansion opportunities within their existing customer base.
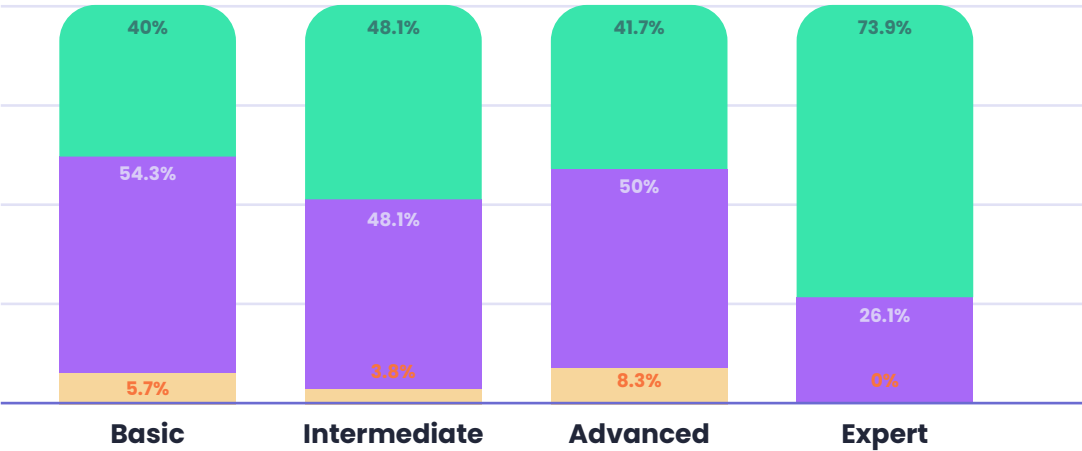
	Basic	Intermediate	Advanced	Expert
Increased	59.0%	58.9%	55.3%	83.3%
Same	35.9%	30.4%	42.1%	16.7%
Decreased	5.1%	10.7%	2.6%	0%

Customer Upsells - Distribution by stage

Same

Increased

Decreased

Product Launch Success Rate

Stage 4 feedback maturity creates a breakthrough in product launch success. While stages 1-3 show similar results (40-48% reporting improved launches), stage 4 companies see dramatically better outcomes with 74% reporting increased success. Notably, no stage 4 companies reported decreased launch performance. Advanced feedback practices clearly provide critical insights that improve product development and virtually eliminate launch failures.
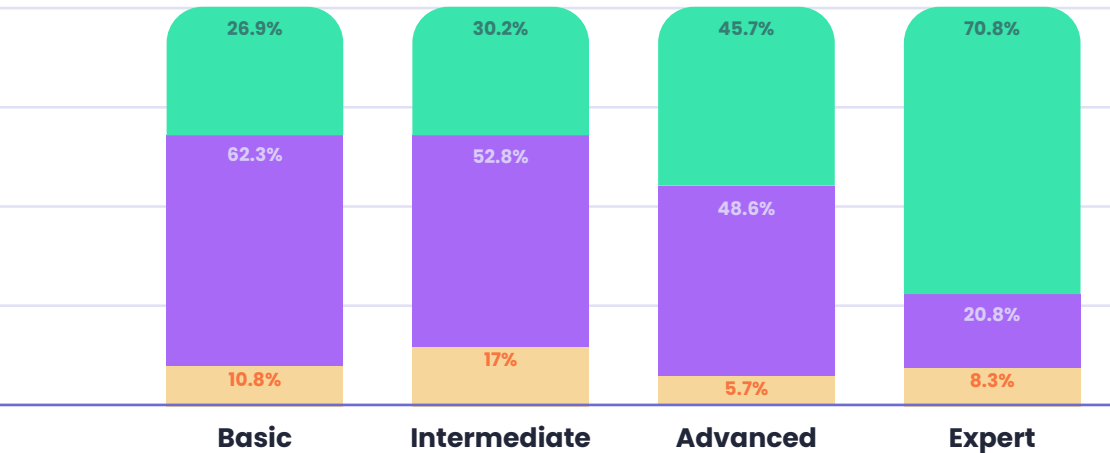
Product Launch Success Rate - Distribution by stage

■ Same

■ Increased

■ Decreased

Stage	Basic	Intermediate	Advanced	Expert
Increased	40%	48.1%	41.7%	73.9%
Same	54.3%	48.1%	50%	26.1%
Decreased	5.7%	2.8%	8.3%	0%

**All changes represent year-over-year comparison (2024-2025)

Competitive Win Rates

Mature feedback practices create substantial competitive advantages. Only 27% of stage 1 companies report improved competitive positioning, compared to 71% of stage 4 companies. The ratio of companies seeing competitive gains versus losses grows dramatically from 2.5:1 to 8.5:1 across this spectrum. This suggests that better customer understanding directly translates to marketplace success.

Stage	Basic	Intermediate	Advanced	Expert
Increased	26.9%	30.2%	45.7%	70.8%
Same	62.3%	52.8%	48.6%	20.8%
Decreased	10.8%	17%	5.7%	8.3%

Competitive Win Rates - Distribution by stage

■ Same

■ Increased

■ Decreased

The Overall Pattern

Across all metrics, we see a consistent pattern where:

- Even at lower maturity levels (stages 1-2), companies tend to see more increases than decreases in performance

- The middle stages (2-3) show moderate improvements in outcomes

- The highest maturity level (stage 4) represents a significant inflection point where companies see dramatically better outcomes

This suggests that while any level of customer feedback practice provides some benefit, companies that reach the highest levels of maturity unlock disproportionate returns on their investment in feedback systems and processes.

The data makes a compelling case that advancing along the customer feedback maturity curve is not just about better understanding customers—it translates directly into measurable business outcomes including stronger customer relationships, more successful products, increased revenue from existing customers, and improved competitive positioning.

PERFORMANCE BENEFITS BY MATURITY LEVEL

67%
Customer Satisfaction
67% of Expert companies report improvements vs. 28% for Basic

38%
Churn Prevention
38% of Expert companies reduced churn vs. 25% for Basic

83%
Upsell Success
83% of Expert companies increased upsells with ZERO reporting decreases

74%
Product Launch Success
74% of Expert companies improved launch results vs. 40% for Basic

2.6x
Competitive Position
Expert companies are 2.6x more likely to report competitive win gains **than Basic**

Economic Impact by Maturity Stage

The data indicates striking economic differences between companies at different maturity levels in their customer feedback systems:

Performance Relative to Competitors

One of the most revealing analyses examined how companies at different maturity stages rated their performance relative to competitors:

Significantly Underperforming:

- In stage 1 (lowest maturity), nearly 10% of companies report significantly underperforming compared to competitors

- This percentage drops to about 5% in stage 2

- Most striking: No companies in stages 3 and 4 report significant underperformance

Significantly Outperforming:

- Starting at less than 5% in stage 1, the percentage steadily increases through each stage

- In stage 4, an impressive 33% of companies report significantly outperforming their competitors

- This means one-third of the highest maturity companies achieve significant competitive advantages

Competitive Performance - Distribution by stage

Significantly underperforming

Significantly overperforming

10% — 8% — 0% — 0%

5% — 8% — 16% — 33%

Basic — Intermediate — Advanced — Expert
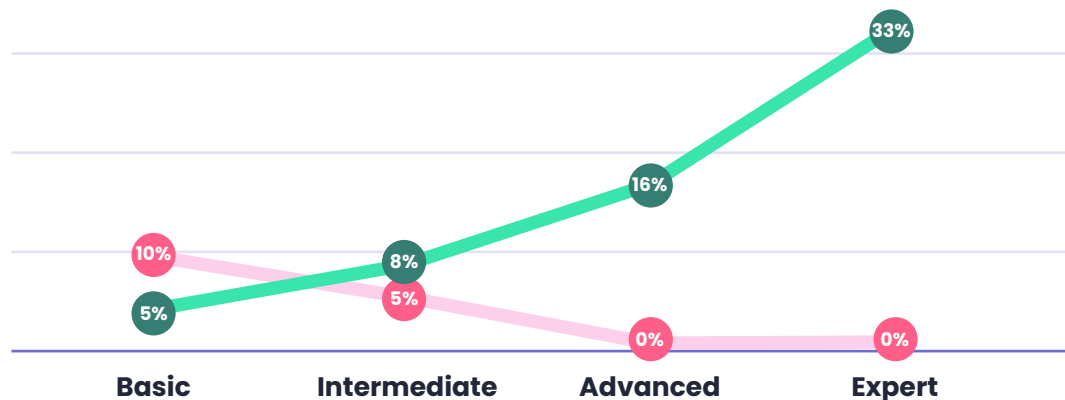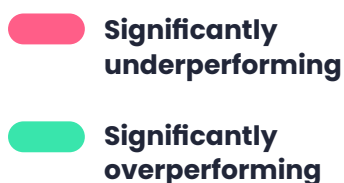
This pattern provides compelling evidence that higher maturity in customer feedback processes not only helps companies avoid falling significantly behind competitors but also substantially increases the likelihood of gaining significant competitive advantages.

The CEO-Customer Connection

One of our most compelling findings relates to CEO engagement with customers. We found a clear relationship between how frequently CEOs have direct customer interactions and how companies rate their performance against competitors:
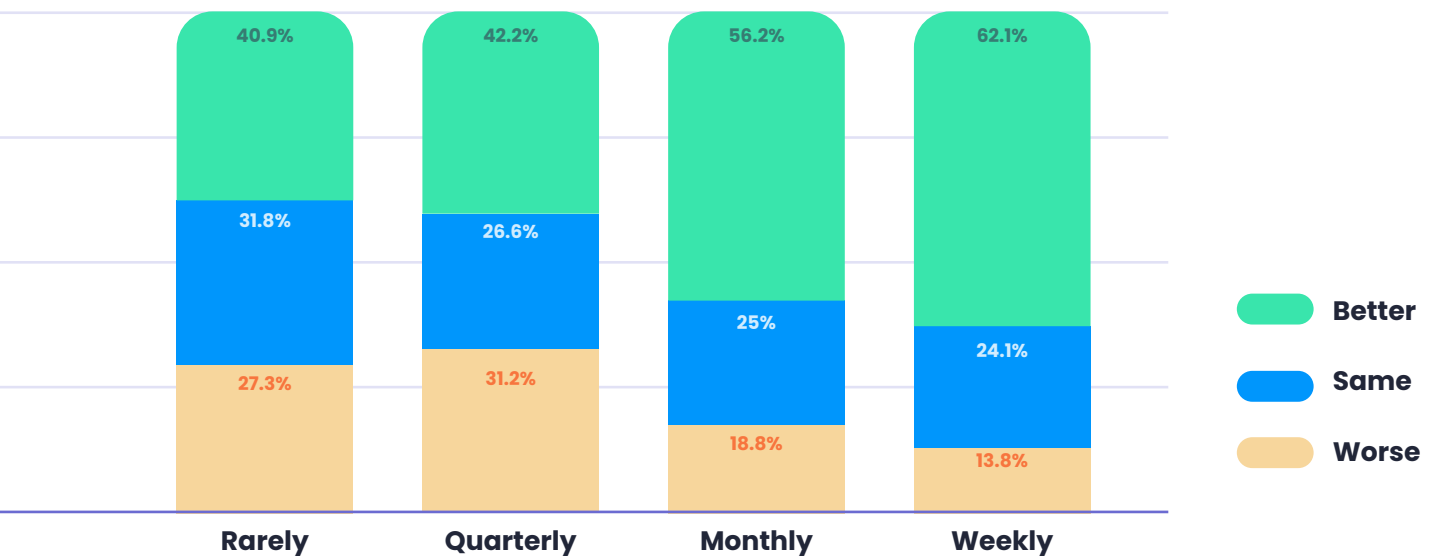
- Among companies where CEOs rarely speak with customers, only 28% outperform competitors

- When CEOs interact with customers quarterly, 37% outperform competitors

- With monthly CEO-customer interaction, 44% outperform competitors

- For companies where the CEO interacts with customers weekly, 57% outperform competitors

"It ultimately helps us grow as a company because we'll be able to sell more. It's almost crucial to the lifeline of the product itself – as customers' challenges evolve, products need to evolve. They can't be static."

–

Gina Patel: Customer Success Leader

Company Performance Relative to Competitors by CEO Interaction Frequency

	Rarely	Quarterly	Monthly	Weekly
Better	40.9%	42.2%	56.2%	62.1%
Same	31.8%	26.6%	25%	24.1%
Worse	27.3%	31.2%	18.8%	13.8%

This progression suggests that leadership's direct connection to customer feedback creates a powerful competitive advantage. CEOs who regularly engage with customers gain unfiltered insights that appear to translate into better strategic decisions and business performance.

Feedback Ownership Matters

Which team "owns" customer feedback collection and distribution also shows striking correlations with business performance:

Best performers:

- **Dedicated VOC Team:** When a dedicated Voice of Customer team owns customer feedback, 60% of companies outperform their competitors. This is the highest outperformance rate of any group.

- **Customer Success:** When Customer Success owns feedback, 50.5% of companies outperform competitors, with only 17.2% underperforming - the lowest underperformance rate of any group.
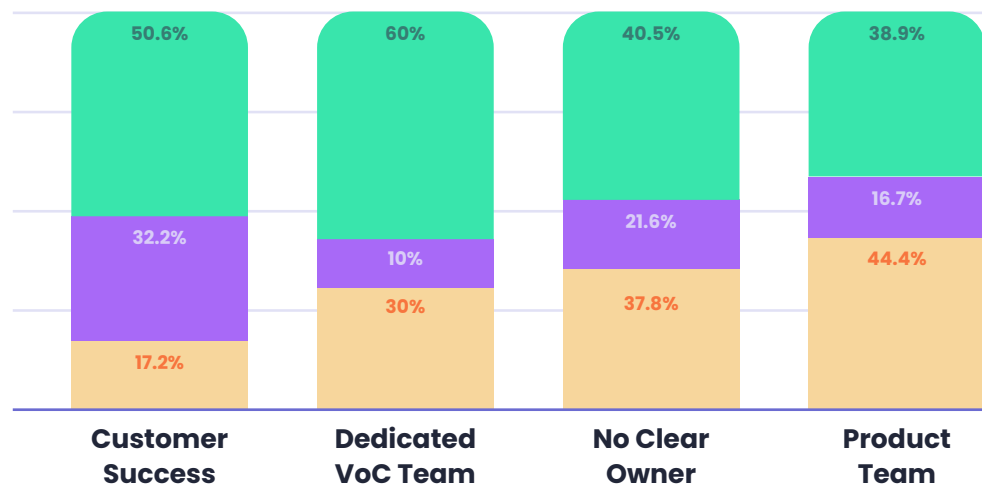
Problematic approaches:

- **No Clear Owner:** When no one clearly owns customer feedback, only 39.5% of companies outperform competitors, while 36.8% underperform.

- **Product Team:** Companies where Product owns customer feedback show a concerning pattern - only 38.9% outperform competitors (the lowest of any group), while 44.4% underperform (the highest underperformance rate).

The data reveals that companies should either have a dedicated VOC team or assign customer feedback ownership to Customer Success. Having Product own feedback or having no clear owner shows a pattern of poorer competitive performance.

This makes intuitive sense - dedicated VOC teams are specifically focused on customer feedback, while Customer Success teams regularly interact with customers and understand their needs. Product teams, while important, may be more focused on building features than gathering and acting on customer feedback.

Performance Relative to Competitors by Feedback Ownership

- **On Par**
- **Outperforming**
- **Underperforming**

	Customer Success	Dedicated VoC Team	No Clear Owner	Product Team
Outperforming	50.6%	60%	40.5%	38.9%
On Par	32.2%	10%	21.6%	16.7%
Underperforming	17.2%	30%	37.8%	44.4%

Overall, the economic impact analysis shows that investments in customer feedback systems aren't merely operational improvements—they correlate strongly with fundamental business performance. The data suggests that progressing up the maturity curve can help companies avoid significant underperformance, increase their chances of outperforming competitors, and improve critical metrics like NRR.

ECONOMIC ADVANTAGES

No Expert-level companies report significantly underperforming competitors

33% of Expert companies significantly outperform competitors vs. only 5% of Basic companies

Companies with weekly CEO-customer interaction are 2x more likely to outperform competitors

Companies with dedicated VoC teams show 60% outperformance rates

Common Implementation Challenges

Our research identified five key obstacles companies face when improving feedback processes:

1 **Internal Resistance**

Teams often believe they already understand customers sufficiently.

Solution: Start with quick wins in areas where improvement is suspected, demonstrating how structured feedback enhances existing knowledge.

2 **Getting the Right Feedback**

At-risk customers (whose feedback is most valuable) are often least willing to participate.

Solution: Create multiple feedback channels with varying commitment levels that integrate with existing touchpoints.

3 **Converting Insights to Action**

Many organizations collect feedback but fail to act on it effectively.

Solution: Implement closed-loop systems with clear ownership and accountability mechanisms. Integrate feedback directly into OKRs and product roadmaps.

4 **Balancing Requests with Strategy**

Customers often request features rather than articulating underlying needs.

Solution: Train teams to probe for the "why" behind requests and recognize patterns that reveal fundamental needs.

5 **Scaling Systems**

As companies grow, maintaining feedback quality becomes challenging.

Solution: Design modular feedback systems with distributed ownership and technology solutions that preserve direct access to customer voices.

Companies that overcome these challenges gain substantial advantages over competitors with fragmented feedback approaches.

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Tips for Scaling the Maturity Curve

Based on our research with companies that have successfully advanced their customer feedback practices, we've identified concrete steps organizations can take to progress through each stage of the maturity model:

Moving from Basic to Intermediate

At this stage, the focus is on establishing consistent feedback collection methods and beginning to spread insights beyond siloed teams:

- **Implement regular voice-of-customer surveys** with a consistent cadence (quarterly NPS or CSAT at minimum)

- **Begin recording customer calls** (with permission) for later review and insight extraction

- **Create a basic feedback repository** where insights from different channels can be collected (a simple shared document or basic database)

- **Establish a regular meeting** where customer-facing teams share key feedback themes with product and leadership

> **Quick win:**
> Set up automated NPS surveys to go out quarterly to all customers, with results shared in a company-wide email highlighting top themes.

Moving from Intermediate to Advanced

The transition to Advanced focuses on creating systematic processes for analyzing feedback and ensuring cross-functional action:

- **Implement a formal Voice of Customer program** with designated ownership and clear processes

- **Adopt multi-channel feedback collection** spanning in-product, support, sales, and customer success touchpoints

- **Develop feedback classification frameworks** to consistently categorize and prioritize customer insights

- **Create cross-functional review processes** where insights drive concrete action items with clear ownership

- **Begin measuring feedback loop effectiveness** with metrics tracking not just collection volume but action rates and time-to-resolution

> **Quick win**
> Create a simple "customer feedback digest" summarizing key insights across all channels, distributed weekly to all customer-facing teams and leadership.

Moving from Advanced to Expert

Advancing to the highest maturity level involves leveraging technology to analyze all customer touchpoints and embedding feedback deeply into company operations:

- **Implement AI-powered analysis** of customer communications to identify trends, sentiment, and early warning indicators

- **Create real-time alerting systems** that flag emerging issues or opportunities to relevant teams

- **Integrate feedback directly into executive dashboards** and key performance indicators

- **Develop predictive models** that use feedback patterns to forecast retention risks and expansion opportunities

- **Establish formal ties between customer feedback metrics and compensation** for leadership and customer-facing roles

Quick win
Implement AI-based transcription and analysis of all customer calls, with automatic categorization of feedback themes and distribution to relevant teams.

Universal Principles for Advancement

Regardless of current maturity level, several principles accelerate progress:

Executive Sponsorship

Our data shows that CEO involvement correlates strongly with feedback effectiveness. When advancing feedback systems:

- Ensure a C-level executive sponsors the initiative and regularly reviews progress
- Create opportunities for executives to engage directly with customer feedback (not just summary reports)
- Connect feedback insights explicitly to strategic priorities in leadership communications

Closed-Loop Processes

The most effective feedback systems don't just collect insights—they ensure concrete action:

- Implement formal tracking of feedback from receipt through resolution
- Create clear accountability for addressing both individual issues and systemic trends
- Establish regular reviews of feedback-driven changes and their impacts

Democratized Access with Specialized Ownership

While dedicated ownership is important, the impact multiplies when insights are widely available:

- Make curated customer feedback accessible to all employees through dashboards or regular communications
- Assign specialized teams (VoC or Customer Success) to own the process while ensuring Product, Engineering, and Sales have appropriate access
- Create feedback "champions" in each function who help translate insights into function-specific actions

By taking a methodical approach to advancing feedback practices and addressing the specific challenges of each stage, companies can rapidly progress along the maturity curve and begin seeing the measurable business benefits our research has identified.

"A lot of the stuff we were learning changed the language we used, changed the things we focused on because we had a better understanding of how people use the product and what they saw as valuable about it… And at the very end, you find that has an impact on your relationships because if you're delivering more value, then it eventually translates into the actual metrics that you want to see as a business."

-

Joanne Higginson: Head of Sales & Marketing

Conclusion:
The Feedback Advantage

Our research is clear: companies with systematic customer feedback processes outperform their peers across all business metrics.

In today's competitive SaaS landscape, customer feedback is a critical strategic capability, not just a nice-to-have insight source. As companies advance in feedback maturity, they gain significant competitive advantages, with advanced systems dramatically increasing the likelihood of outperforming competitors.

Perhaps most compelling, we found a strong correlation between executive (especially CEO) engagement with customer feedback and competitive success.

We encourage you to assess your organization's feedback maturity and address critical gaps. Each improvement will yield measurable business results in this era where systematic feedback collection has become a key differentiator between companies that survive and those that thrive.

Methodology

This research is based on a survey of 150 B2B SaaS companies conducted between January and March 2024. Participating companies ranged in size from early-stage startups to established enterprises, with annual recurring revenue (ARR) ranging from $1 million to over $1 billion.

The survey assessed feedback practices across multiple dimensions, including:

- Feedback collection methods and frequency
- Analysis approaches and tools
- Cross-functional sharing mechanisms
- Action processes and accountability
- Leadership involvement in customer feedback
- Integration with business systems and metrics

We developed a 21-point scoring system to categorize companies into four maturity stages based on their feedback practices.

Performance metrics were self-reported by survey participants comparing their current year (2025) performance to the previous year (2024). Respondents indicated whether key metrics such as customer satisfaction, churn rates, upsell success, product launch success, and competitive win rates had increased, decreased, or stayed the same over this one-year period. This year-over-year comparison provided a consistent timeframe across all companies regardless of their feedback maturity level, allowing us to analyze how different feedback practices correlated with business performance trends during the same market conditions.

For additional information on methodology or to discuss the findings in more detail, please contact research@backengine.com.

About BackEngine

BackEngine helps organizations unlock a high-velocity customer feedback loop, transforming how quickly teams can understand and act on customer needs. Instead of feedback traveling through multiple organizational layers, every team gets direct access to the customer voice. By analyzing all customer calls, emails, and messages, we help companies maintain startup-like speed and direct customer connection even as they scale.

The result? Faster decisions, better products, and stronger customer relationships driven by a direct line of sight to what customers say.

To learn more about how BackEngine can help transform your customer feedback loop, visit backengine.com or contact us at info@backengine.com.

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