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PRESENTATION

Operator

Greetings. Welcome to Domo's fourth-quarter fiscal 2026 earnings call. (Operator Instructions) Please note this conference is being recorded.

I will now turn the conference over to Cory Edwards, Vice President of Corporate Communications. Thank you. You may begin.

Cory Edwards - Domo Inc - Vice President - Corporate Communications

Good afternoon. On the call today, we are joined by Josh James, our Founder and CEO; and Todd Crane, our Chief Financial Officer. I'll begin with our safe harbor statement. Our press release was issued after the market close and is available on the Investor Relations section of our website. Please note that today's call contains forward-looking statements about our business as defined under federal securities laws.

These statements involve risks, uncertainties and assumptions, including, but not limited to, statements and projections about our future financial performance, growth prospects, cash position, sales efforts, technology developments, new business opportunities, transactions and initiatives, the potential impact of artificial intelligence, and macroeconomic factors on our business.

For a detailed discussion of these risks and uncertainties, please refer to our public filings, including today's press release, our most recent annual report on Form 10-K and our quarterly report on Form 10-Q all available on the SEC website. These documents outline important risk factors that may cause actual results to differ materially from our forward-looking statements.

We will also discuss non-GAAP financial measures during the call, which we use as supplemental indicators of Domo's performance. Unless otherwise stated, all results discussed today other than revenue, are on a non-GAAP basis. These measures should be viewed as complements to not substitutes for our GAAP results. A reconciliation of our non-GAAP results to the most directly comparable GAAP measures can be found in today's earnings release, and on our Investor Relations website at domoinvestors.com.

With that, I'll turn it over to Josh. Josh?

Joshua James - Domo Inc - Chief Executive Officer

Thank you, Cory. Hello, everyone, and thank you for joining us on the call today. As we close out the year, I want to begin by highlighting some important achievements for the fourth quarter. We achieved record quarterly billings, delivered the strongest gross retention in three years posted the highest operating margin and best EPS in company history, and recorded our best ever full year free cash flow result. Now let me get into the details behind these accomplishments.

We achieved our highest quarterly billings ever, totaling \$111.2 million, which represents 8% year-over-year growth, the strongest we've seen in three years and also exceeding our billing guidance for the quarter. This performance was driven by higher retention, accelerating adoption of our consumption model, and expanding partner ecosystem activity.

Increasingly, customers are using Domo, not just for analytics but as the operational layer that powers data products and AI-driven workflows across their organizations, which naturally expands consumption over time. We also achieved our highest gross retention rate in over three years coming in at over 88%, underscoring the durability of our customer relationships, particularly as multiyear consumption contracts continue to deepen.

Net retention also improved by over 4 percentage points year over year and is now over 96%, making the sixth straight quarter of sequential improvement in this metric. Notably, the cohort of customers who started on consumption contracts, representing over \$24 million in ARR achieved an impressive net revenue retention of 111% in Q4, highlighting the value our customers are getting from our consumption model.

Our operating margin for the quarter was over 10%. And reflecting disciplined execution and efficiency improvements that lay the groundwork for durable profitability. Importantly, this translated into an all-time high for quarterly earnings per share. The heart of Domo's opportunity is an innovative cloud data platform, which is already driving nearly \$300 million in recurring revenue.

Our platform is well positioned to benefit from the rapid adoption of AI in the market. Although it was often viewed as just a dashboarding and reporting tool, to be frank, that is laughable. In reality, Domo's a modern AI-first data platform designed for today's enterprise challenges.

Domo's platform was built with AI in mind from day one, our very first product that's 15 years ago, highlighting machine learning and predictive modeling capabilities in AI informed apps, the early predecessors to today's AI. This long-term vision has guided our architecture and investment decisions, ensuring we're not just reacting to AI trends, but enabling our customers to harness these powerful technologies at scale.

The next wave of enterprise AI will be less about models and more about coordinating data decisions and workflows. What makes a lot different is that our platform doesn't stop at insight. It unifies data, provides AI-driven intelligence via our AI service layer, and with Agent Catalyst enables Agentic workflows in a single system, allowing organizations to move from analysis to automated action without stitching together disconnected tools.

One innovation I'm particularly excited about is that catalyst, our AI-powered app builder that allows customers to quickly create production rate governed applications simply by describing what they need in natural language. Unlike early AI tools focused just on rapid code generation, our Catalyst provides a secure scalable foundation that connects directly to customers' existing data platforms without duplication. It gives teams true optionality to build, iterate, and extend applications for real-world enterprise use, and is poised to be a significant driver of increased consumption and deeper adoption.

Put simply, Domo is far more than just a BI tool. It's a strategic data and AI platform built for the demands of modern business. The growing need for AI is clear. The topic is coming up on nearly 70% of our costs with current and prospective customers. As companies across industries, pushed embed AI at the core of their operations, they need a platform that scales is governed and stay secure, and can grow as their AI ambitions to. We believe Domo is the platform that can deliver on these ambitions, turning complex data into clear, actionable intelligence, and making it easy for customers to apply AI across immense amounts of data to quickly generate summaries sentiment analysis and many other use cases.

That's why we see significant opportunity ahead. And while we firmly believe the market has yet to recognize the full value of our platform and ecosystem are delivering. Our customers aren't just experimenting with AI. They're driving real large-scale production deployments and the impact is already visible.

Here are 15 examples of AI agents that are actively being deployed in Domo's customer base. This is a small sampling. One, a national restaurant brand worked with Domo to deploy an AI-powered vendor onboarding workflow that automatically scans W-9 documents, extracts key information from unstructured files, validates vendor records against internal data, and routes approvals via a governed audit trail. This end-to-end automation replaced a fully manual process drastically reducing administrative hours while enhancing compliance and control.

Two, a leading global home improvement retailer is deploying an AI-powered product sign-off workflow to replace a traditionally manual approval process that took weeks or months. Using Domo, an AI agent analyzes product specifications, customer sentiment imagery and testing data to evaluate market readiness. This scalable solution expands product reviews from dozens to thousands annually, accelerating innovation, while reducing risks of recalls, rework and legal exposure. It integrates governing data, external sentiment, and custom apps with a unified platform to operationalize AI at an enterprise scale.

Three, a global financial services organization deployed an AI-driven invoice processing workflow to replace a manual e-mail-based system. Using Domo, coordinated AI agents automatically ingest invoices, determine extraction methods, translate content when needed, and extract key financial data. The system routes information into accounting and management review processes, reducing delays, errors, and providing scalable global operational visibility through governed AI orchestration.

Four, a global customer experience provider deployed a Domo-hosted AI knowledge assistant that gives employees a single interface to answer operational and platform questions without navigating multiple systems or submitting tickets. The solution searches internal documents and secondary knowledge basis using confidence scoring to ensure accurate responses. By combining document retrieval, text generation and text to SQL within Domo workflows, it delivers faster answers and reduces manual support efforts. Continuous feedback logging ensures ongoing improvement at scale.

Five, a global private aviation company is developing an AI-powered executive flight deck that provides leadership with real-time visibility into sales, lead generation, operational margins, and client experience, eliminating the need for analysts to interpret data. This custom global application combines live KPI dashboards with AI-generated insights to explain trends and context dynamically, helping executives quickly understand performance, and make informed decisions.

Six, a national compliance technology provider is developing an AI-driven reporting system for state emission inspection program to automate the creation of 17 regulatory appendix reports. Previously, manually compiled into massive static files, the new Domo-powered pro-code solution uses specialized AI agents to generate interactive report tables in smaller, more easily distributed PDFs. This deployment demonstrates how governed orchestrated AI agents accelerate production-grade application development, while enhancing transparency and efficiency in regulated public sector programs.

Seven, a global pharmaceutical company deployed an AI-powered analytics agent that automatically generates monthly insights across marketing spend, brands and channels, previously relying on manual agency reports, the AI agent scans governed marketing data to identify campaign trends and spend allocation, enabling faster data-driven decisions, and reducing costs.

Eight, a large industrial manufacturer deployed a Domo-powered operations that automates welding job assignments across its production floor. The system analyzes job requirements, worker certifications, and capacity constraints to dynamically scheduled tasks, ensuring qualified welders are matched to the right jobs at the right time. This improves production flow and provides supervisors with real-time visibility into workforce capacity and scheduling.

Nine, a luxury home goods brand deployed an AI-powered returns categorization engine that automatically classifies 100- to 200-daily product returns analyzing unstructured customer feedback and mapping issues like size, quality and comfort into a standardized taxonomy. The AI agent assigns confidence scores and routes uncertain cases for human review continuously improving accuracy. Operating at over

95% voided accuracy, the system delivers scalable insights into product quality and customer sentiment, enabling faster quality alerts and smarter product decisions.

Ten, a K-12 education technology provider is developing an AI-driven reporting engine that enables educators to generate up to 100 professional student reports at once. Previously constrained by manual one of the time downloads with inconsistent formatting, this Domo powered solution integrates student data from Snowflake and delivers well-formatted consistent reports asynchronously. This scalable workflow improves educator efficiency and strengthens the customers' long-term investment in the platform.

Eleven, a global workforce management platform serving enterprise retailers partnered with Domo to build an automated multi-environment deployment pipeline powered by Domo APIs and Agenic AI. Well, once required multiple engineering sprints was delivered in days through human AI collaboration, enabling automated promotion of code and assets across development, QA, and production with built-in version control and rollback safeguards. The solution accelerates development cycles and maintains enterprise-grade governance, providing a scalable foundation for faster innovation and reduced operational overhead.

Twelve, a national female services operator partner with Domo to replace a manual spreadsheet-based bonus process with a government enterprise application largely built through Agentic AI code generation. This solution provides multilevel approvals, real-time budget controls, payroll exports, and immutable audit trails within a single workflow. By leveraging human AI collaboration, development time was reduced by an estimated 60% to 70% resulting in a scalable compliance-ready application that accelerates time to value.

Thirteen, a national behavioral health organization deployed an AI-powered contract intelligence system to replace a manual process for reviewing and tracking hundreds of complex agreements. The AI agent automatically ingests contracts, extracts key data, and monitors critical milestones, like renewals and expirations. A conversational interface enables natural language queries providing faster access to important information, reducing administrative burden, and enhancing compliance visibility across the organization.

Fourteen, a global accounts receivable firm deployed an AI-powered skip tracing agent to automate the research process that prepares collection agents before contacting debtors. Previously relied on manual searches across business ratings, websites, and regulatory filings, the AI agent now compiles and structures enriched business intelligence from multiple sources based on company identifiers. This solution dramatically reduces research time per account and improves agent preparedness and call effectiveness, transforming a manual bottleneck into a scalable intelligence-driven workflow.

Fifteen, a national wealth management platform is developing a self-learning AI system to automate user provisioning and eliminate manual onboarding delays. The AI agent analyzes job titles from identified identity management data, classifies users into appropriate access rules with confidence scoring and continuously refine its logic as data evolves. Low confidence cases and sensitive financial access requests are routed through human approval to ensure compliance. This solution aims to reduce manual provisioning by up to 75%, improving operational efficiency and platform adoption across thousands upon thousands of employees.

Clearly, the vision for Domo is coming to fruition, and we're just getting started. Domo's also garnered significant recognition from industry analysts and the media, further validating our leadership position in the data and AI space. Most notably, Domo is recognized by Dresner Advisory Services as a winner in six categories of the 2025 Technology Innovation Awards, including several categories related to Agentic AI.

In addition, Domo was recognized as an overall leader in ISG's AI analytics Buyer's Guide 2025 market report. Domo announced that it was ranked as a top vendor in Dresner's Wisdom of the Crowds analytical data report. This recognition reinforces what we consistently hear from customers. The Domo is delivering a modern unified platform that bridges data, analytics, AI, and action in a way that drives measurable business impact.

Before we move on, I would like to invite all of our customers and strategic partners currently in perspective to join us at the upcoming Domopalooza user conference. He's an excellent chance to connect and explore the latest innovations across the Domo platform. Finally, thank you to our employees whose dedication and passion fuel everything we do. I'm proud of what we're achieving together.

And with that, I'll hand the call over to our Chief Financial Officer, Tod Crane.

Tod Crane - Domo Inc - Chief Financial Officer

Thanks, Josh, and thanks, everyone, for joining us today. We delivered strong financial results in Q4, exceeding our billings guidance with our highest ever result of \$111.2 million representing year-over-year growth of 8%, the highest we've seen in three years. For the full fiscal year, we achieved billings of \$318.7 million, representing a 3% increase over the prior year, marking our first full year billings growth since fiscal '23.

Our gross retention rate improved to over 88%, marking the highest level in 12 quarters and reflects the strength of our customer relationships, as well as the progress we've made on moving to a consumption pricing model, expanding our ecosystem partnerships, and landing more multiyear contracts.

ARR net retention was over 96%, up sequentially for the sixth straight quarter, and a year-over-year improvement of over 4 percentage points. One of the key factors contributing to this improvement is the retention profile of customers on the consumption model, which continues to be well above that of our seat-based customers. ARR net retention for the customer cohort that began on consumption continues to be well above 100%, coming in at 111% in Q4.

One of our most significant achievements in the past few years has been the monumental effort of moving from a traditional seat-based model to a consumption-based model. We ended fiscal '26 with 84% of our annual recurring revenue on consumption pricing, a major accomplishment. Now that we have the vast majority of our ARR on consumption, we will no longer be providing regular updates on this metric.

Our operating margin for the quarter was a record high 10%, which contributed to the highest full year operating margin in company history at over 6%. We also achieved our best ever EPS result, which was the third consecutive quarter of positive EPS and led to our strongest full year EPS to date.

Adjusted free cash flow for the full year was near breakeven, an improvement of over \$12 million from the prior year, representing our best ever full year cash flow result. These results reinforce our ongoing commitment to operational efficiency.

Turning to our recurring revenue metrics. Current subscription RPO grew 1% year over year to \$227 million, and our total subscription RPO grew 8% to \$437.9 million. This growth underscores the strength of our customer relationships, highlighted by the prevalence of multiyear contracts and the longest average contract duration we've ever seen.

Total revenue was above the high end of our guidance range at \$79.6 million. Gross margin was 78.2%, an improvement of over 2 percentage points year over year. Over the near term, our gross margins may fluctuate from period to period. But as we drive more consumption revenue, we expect gross margin to improve over the long term.

Our non-GAAP net income was \$1.2 million and non-GAAP diluted net income per share was \$0.03 based on 44.4 million diluted weighted average shares outstanding. We've made great progress on delivering profitable growth and we continue to carefully evaluate opportunities to improve efficiencies within our go-to-market operations. Our goal is to optimize spend thoughtfully, while continuing to invest in key growth areas such as AI innovation and ecosystem partnerships.

Internally, AI is playing a significant role in boosting our engineering productivity. During the month of February, nearly 30% of our entire code base was edited using AI and many of our engineers report that they are increasingly interacting with AI-driven interfaces at times going weeks without opening traditional code editing tools. We plan to continue leaning in on internal AI use cases across all areas of the business to optimize productivity.

Given the ongoing evaluation of strategic alternatives, we will not be providing specific forward-looking guidance at this time. That said, to provide some high-level color on the upcoming fiscal year, we expect GAAP revenue to remain relatively flat, modest improvement in non-GAAP EPS and positive adjusted free cash flow.

In closing, we finished Q4 with the highest quarterly billings ever, the strongest gross retention in three years the highest operating margin and EPS ever and record full year free cash flow. Our focus remains on executing our strategy, supporting our customers and partners and positioning Domo for sustained success.

With that, we will open the call for questions. Operator?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Derek Wood, TD Cowen.

Cole Erskine - *Cowen and Company LLC - Analyst*

Great. Thanks, guys. This is Cole Erskine on for Derek. Josh, I'll start with you. Can you just talk about what you're seeing out there in the competitive environment and if there's been any changes in win rates versus competitors? Thanks.

Joshua James - *Domo Inc - Chief Executive Officer*

Yeah. I think the biggest thing that we're seeing is just how much our customers are talking to us about AI and agentic opportunities. I think it's gone from vibe codings is cool to how do we implement actual solutions inside our organization that are governed that have the security that we need and that can be distributed in a responsible manner. And that highlights the platform that we have. So that's probably the biggest thing that we've seen.

In addition to that, definitely, we continue to be embraced by the ecosystem. So I would say, all of our ecosystem partners, we have a better relationship, substantially better relationship with them than we did six months ago even. Their field sales are getting to know us. We've got a better brand with those sales organizations.

And we're getting more introductions to our customers just recently with a big snowflake customer. They were trying to figure out how to roll out an agent solution, and they were struggling to get it done and the speed that they wanted to, and they came to us, and actually, Snowflake came to us. And we went in jointly and now we're developing a solution for them on the Domo platform in a very rapid pace.

So it's just exciting to be embraced by the ecosystem. And we think that we're set up to finally start to see some of these investments that we've made into the ecosystem start to pay off this year.

Cole Erskine - *Cowen and Company LLC - Analyst*

Super helpful. And then, Todd, just a follow-up. I know you guys aren't guiding for next year, but would love a little bit of color on where gross retention and NRR could go by the end of the year, some solid progress this year, but just wondering how that shapes out next year? Thanks.

Tod Crane - Domo Inc - Chief Financial Officer

Yeah. Thanks for the question, Cole. Yeah, as we look ahead, really encouraged by the net retention rate we saw with our consumption customers this quarter. And is that -- we continue to get further and further into that customer base and we have more time for them to be part of our adoption motion and get more technical people in front of them. We expect that things are going to gravitate upward towards that level. So it's that -- it's consumption, it's adoption.

It's also, as we go in more hand-in-hand with the CDW partners going in the front door with the CIO and being part of the global data strategy for the company that continues to really help and bolster our efforts with our customers and being -- having much stickier implementations with those customers. And then the multiyear contracts as well, right? We've continued to make a lot of progress there. And as we continue to work on extending those contracts out, that's going to all contribute towards things being up and to the right with retention.

Cole Erskine - Cowen and Company LLC - Analyst

Super helpful. Thank you.

Operator

Brett Huff, Stephens.

Brett, please check your phone's unmuted.

Brett Huff - Stephens Inc - Analyst

Oh, sorry about that. Can you guys hear me now?

Operator

Yes.

Brett Huff - Stephens Inc - Analyst

Okay. Thank you. Congrats on a nice quarter. Two quick questions for me. Josh, you talked a lot about some of the things that differentiate what you all are doing versus competitors. And it sounded like one of those -- a big one was time to value and another big one was your ability maybe leaning on your ETL routes to sort of be already a center data hub, in talking with folks and buyers these days, inability to get the data right in difficulty sort of getting these tools to produce an actual real result has been a big kind of stoppage in AI. Are you seeing and hearing that? Is that why you're winning? What is the dialogue around that?

Joshua James - Domo Inc - Chief Executive Officer

Yeah, that is why we're winning. The fact that it is a platform. People are -- they are vibe-coding or they're coming up with these ideas that they think may be achievable now. But the implementation of those ideas is where the rubber hits the road. And that's where Domo really excels.

So whether it's hydrating somebody's cloud data warehouse for our partners or stitching together data that they already have, being able to do that in an environment where they also can pull in any LLM model that they want and then having all the workflow capabilities that

we had before AI became a thing, just having all that functionality in one platform is something that does help us stand apart because the time to value, as you pointed out, is dramatically different than elsewhere.

And so we're seeing that with our CDW partners. Their customers were being brought into those deals and their customers see us as a way to be able to implement and create these agentic solutions that deliver the value that they've always been trying to get out of all the investments they've made into; storing their data and organizing their data, putting it in an environment where it can actually be utilized. And this is the win that you get all that work.

And we're seeing that with even a top five customer of ours for a long time had been resistant to looking at some of our pro-code apps. And literally, over the weekend, one of our representatives that was working with them finally convinced them to let him go and create something over the weekend that they we take a look at. And literally, over the weekend, he created something that, for several million dollar account for us, they looked at it on Monday.

We're so ecstatic about it that they started rolling out many pro-code apps and agent solutions that have made it all the way up to the CEO in that organization dramatically changing our relationship in a place where we already had a good relationship, but it's just dramatically heightened at this point. So it's really fun to see the time to value. It's fun to create all these solutions.

These solutions, we don't go and charge for the creation of the app. We go and it's a consumption business. So as these customers become familiar with the agentic solutions, they can build and that we can build for them and that our partners can build for them and they can build themselves.

As they go and make run, they end up making 10, 20 and each one of those drives consumption of our products. So we're excited to see the lift that comes over the next 24 months as our customers roll these things out and become more and more familiar with what our platform can do for them.

Brett Huff - *Stephens Inc - Analyst*

That's super helpful. And then, Tod, maybe one for you. Last quarter, you mentioned that the sales cycles were getting longer, and I don't think we were surprised by that just given there's more hoops to jump through now that you're talking to more C-suite folks and a much larger sort of use case. Can you talk about that dynamic? Maybe it's still occurring, but are you getting some value maybe quicker as well? Or tell us the pros and cons of the puts and takes on that trend?

Tod Crane - *Domo Inc - Chief Financial Officer*

Yeah. As we discussed last quarter, we had some deals sort of elongate a little bit and had some timing where we fell a little bit short of our billings guidance last quarter, but as we talked about those closed early in this quarter, which gave us a nice leg up, and we were glad to see that momentum continued throughout the quarter and be able to deliver a nice billings beat.

But in terms of the overall trend with these partner deals, it's a mix, right? There's some that are taking longer because we're part of that global data conversation, and it's it's a good thing in the end, but there's also deals that are coming through really quickly. And we've got actually got RJ here, our CRO, and he's got some other thoughts that you can add here.

RJ Tracy - *Domo Inc - Chief Revenue Officer*

Yeah. And we're making good progress on just figuring out these deals with the different ecosystem partners. And early on, we were focused more on new logo deals. They were a lot more willing to bring us into some of the new logo opportunities and we were figuring out our motion there and they still have to buy the warehouse partner and they've got to buy Domo. And so those deals do take a little bit longer.

And now we're starting to see more introductions into their current customer base as well, and those deals seem to happen quite a bit faster. So I think we'll see, hopefully, that mix will all come down. And overall, we can really give progress, and we're excited about what we're seeing with different ecosystem partners that we're selling with.

Brett Huff - *Stephens Inc - Analyst*

Great. That's what I needed. Thanks, guys.

Operator

Patrick Walravens, Citizens Bank.

Kincaid LaCorte - *Citizens JMP Securities LLC - Analyst*

Great. This Kincaid on for Patrick. So it's my understanding that if a customer has committed spend with one of your partners, they can spend those credits on Domo through that partner's marketplace. Josh, you mentioned a few customers that you guys won this quarter. I'd love for a little color on if any of those use that sort of mechanism or what you're seeing broadly across your customer wins in relation to that metric?

Joshua James - *Domo Inc - Chief Executive Officer*

Yeah, I'm going to let RJ take this one.

RJ Tracy - *Domo Inc - Chief Revenue Officer*

Yeah. So we saw in Q4, probably one of our largest quarters of customers using those MCD funds to purchase Domo. And it's a really good spot to be in. We've had customers even in the last couple of months where in talking with them, they're like, hey, we may only renew one year with you guys. And we get into the discussion further and it's because, oh, we're a Google shop or over an Amazon shop or we're a Snowflake shop.

And now being able to come to the table with those partnerships. We had two in particular that were pretty large opportunities for us. And instead of doing a one-year renewal and potentially leaving us after a year, it turned into both of them turned into three-year renewals with upsells and we're now growing those accounts because we're part of the overall data strategy. And it's a budget that's already been spent. These customers will have to go get the new budget.

They don't have to go find more funds, they can just paper the Domo contract, we upload into the marketplace, and then we get paid from the vendor. And so it's been an awesome motion for us. And I know there's a lot of in the past that we've lost strictly because they couldn't use those MCD funds to purchase and it was a much easier effort to just use those funds with other vendors. And now we're part of those purchasing decisions.

Joshua James - *Domo Inc - Chief Executive Officer*

Right. Spectacular. Thank you so much.

Operator

Lucky Schreiner, D.A. Davidson.

Lucky Schreiner - DA Davidson - Analyst

Yeah. Great. Congrats on the quarter. I wanted to ask on the improvement in consumption customer retention that was quite significant in the quarter. Can you maybe provide a little more detail into what drove that rise in usage? And should we expect this metric to remain pretty volatile moving forward?

Joshua James - Domo Inc - Chief Executive Officer

Yeah. I mean, we continue to expand our adoption efforts with these customers. And every quarter that goes by, we get more time under our belt, kind of refining the model and refining the interface that we have with those accounts. So I'd say, just generally across the board, we're working to get technical resources in front of these customers, help them solve problems, help them stand up new use cases.

We're working on getting more of our Agentic AI capabilities front and center with customers as well and getting some of those stood up.

So -- it's really a combination of factors. And then just the ability for customers on the consumption model to be able to go and explore different components of the platform. They don't have to commit to a big upfront spend to go try some of our premium functionality. They can go and stand up a couple workflows or stand up a couple of AI models and try some of our sentiment analysis, summarization that's really easy for non-technical users to do inside the platform. And if they like it, they can lean in and do even more.

So, yeah. No, as we continue to expand these motions, we expect that there's upside to those numbers that we've been reporting for that cohort.

Lucky Schreiner - DA Davidson - Analyst

Got it. Makes a lot of sense. Last question for me then. It sounds like the business is trending really well. You had strong billings growth and retention is improving, but you still expect GAAP revenue to remain flat. So maybe can you help us understand some of the assumptions going into that outlook for the year?

Joshua James - Domo Inc - Chief Executive Officer

Yeah The way that our consumption contracts are structured, we still recognize revenue evenly over the contract period. So that makes revenue more of a lagging indicator. So it's kind of -- it roughly follows the trend in the previous year billings. It just takes a little bit longer for that revenue number to move.

Lucky Schreiner - DA Davidson - Analyst

Okay, got it. Thanks.

Operator

Max Michelis, Lake Street Capital Markets.

Maxwell Michaelis - *Lake Street Capital Markets LLC - Analyst*

Hey, guys. Just one for me. I want to go back to the consumption model, some of the customers on that. I'm not sure when the renewal cycle for the first customer contract is up. But I was wondering if you could give us an idea of some of the volume that these customers are using, and maybe they're increasing their usage with Domo, and maybe percentage around customers that have increased the consumption that they began on and now where they're at now, if they've increased that? That's it for me.

Joshua James - *Domo Inc - Chief Executive Officer*

Yeah. I think the net revenue retention numbers we've reported the last few quarters for that cohort that started on consumption is a really good indication of that level of expansion, right? We were well over 110% this quarter.

Yeah. So I mean, as we continue to -- again, as we continue to work on our motion there, I think there's upside to that. The other metrics that we talked about last quarter, we gave some usage metrics. We continue to see monthly active users up pretty significantly over the last couple of years.

We look at that trend with -- across our data set our ingestion capabilities, our ETL capabilities, our AI capabilities. And across the board, it's up and to the right in terms of the number of users that are using our functionality. So it's just great to see that our thesis with the consumption model and enabling our customers to more easily go explore the platform is playing out like we expected it to.

Operator

With no further questions, we would like to just give a final chance to reprompt (Operator Instructions)

We will just pause for a brief moment to see if there's any final questions.

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