

IDC ExpertROI® SPOTLIGHT

Mediaocean Empowers Better Customer Support Teams and Content with Zendesk

Sponsored by: Zendesk

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OVERVIEW

Mediaocean is an advertising service and software company, headquartered in New York City, with 1,000 employees serving more than 80,000 clients in over 77 markets and a global media spend of over \$140 billion. The company was founded in 2012 through the merger of two advertising technology firms.

Through the combination of its traditional and digital media platforms, the company enables agencies and brands to manage and coordinate their entire advertising workflow globally – from planning and buying to analyzing and optimizing to invoicing and payments. Its clients include advertising agencies, direct advertisers, and sellers.

Supporting this global activity is a distributed team of 120 customer service specialists headed by Stephanie Dorman, senior vice president of Client Services. The specialists provide multilingual, cross-platform, and technical support 24 hours a day, 5 days a week, from 14 offices around the globe. Each quarter they handle an average of 26,000 tickets, half of which are submitted by email, which requires a robust customer support platform.

After its founding, the company evaluated 10 customer service vendors before choosing the Zendesk Support platform to manage its global support activities. Three years later, however, a private equity firm acquired a majority share of the company and mandated switching to an alternative platform. When the new platform began causing problems, Mediaocean reverted to the Zendesk solution to the delight of both employees and clients. "When the decision in favor of Zendesk was announced, everyone cheered," said Dorman.

After the redeployment, customer satisfaction scores rose to 98% and the adoption rate of its client portal surged by 354% within a month. Employee satisfaction, which had dropped by 20 points when the company moved away from Zendesk, improved to its original state after its new deployment.

Business Value Highlights

Organization: Mediaocean

Location: New York City, New York

Challenge: To enable better customer support agent and content development teams

Solution: Zendesk Suite

Five-year cumulative benefits:

- ROI of 170%
- \$732,000 in gross benefits per year
- Payback: 5.9 months

Other benefits:

- 800+ hours of customer support time freed up per month
- 20% increase in customer support-related content produced

Zendesk has also enabled productivity savings in customer support and administration and has greatly streamlined content creation for the website.

To quantify the business benefits from the Zendesk redeployment, IDC interviewed Dorman and asked a series of questions on the investment involved and the various benefits realized. IDC forecasts Mediaocean will realize a five-year return on investment (ROI) of 170%, with a payback period of just under six months.

Implementation

Before being acquired in 2012, Mediaocean began looking for an effective, affordable, and easy-to-implement customer support solution that would blend the support teams of the two companies.

"We evaluated 10 options before choosing the Zendesk Support customer service software and support ticket system," Dorman said. "We believed the software would provide substantial savings and productivity improvements, and we liked its clean user interface."

Internal users and clients loved the product, but a changeover in ownership meant that Mediaocean had to switch vendors. While the new system had some strengths, it turned out to be more complicated than the Zendesk solution and more expensive, according to Dorman. "We needed to hire a dedicated administrator to manage the tool full time," she said. "Web portal usage dropped by 75%, which meant the support desk had to handle more calls, and our agents were less productive because of the more complex process."

Recognizing that it had a problem, the company spent three months collecting feedback internally and externally. "We came up with a list of 80+ problem areas," Dorman said. "More than 60% were due to system limitations, which could be avoided with Zendesk's out-of-the-box or configurable capabilities."

Mediaocean realized it needed to switch back to Zendesk, even though the company had spent a lot of money implementing the new system and had two years left on its contract with the existing supplier.

"We had to absorb the cost of the licenses for that period," Dorman said. "Even so, we were able to justify the move because of the productivity and adoption gains we anticipated and the savings from not needing the dedicated administrator. There were also qualitative and employee satisfaction benefits."

Implementation of the Zendesk platform took two months. "That was somewhat lengthy, but we chose to go slowly to build in the custom elements we required," Dorman said. The company was able to use existing staff for the deployment since most of the Zendesk function comes out of the box, but Zendesk provided a project manager for the custom work.

Of the four people involved with the deployment, three spent half their time on the project. The fourth acted as a consultant, which required only 10% of his time.

"We went live without a hitch," Dorman said. Mediaocean used the fresh start to improve its previous configuration and processes, including a revamped knowledge base powered by Zendesk Guide that is used by both clients and internal agents.

Benefits

To help its clients get the right support, Mediaocean has built a library of elearning videos and other learning collateral using Zendesk Guide. "In the previous system, our clients often did not have the

level of detail about a product to narrow a search," Dorman said. "Now they can easily navigate to what they need."

Because Mediaocean's products are on aggressive release cycles, the customer support content team generates numerous articles and video content as well as a wide collection of elearning. Mediaocean makes the content available through its six help centers around the world, with a seventh about to be added in China.

Creating this knowledge content requires multiple approvals. With the earlier system, each approval check required a license, so the specialists went offline for approvals and product review to avoid the expense. Instead of doing version control on the platform, they had to use PDFs and emails back and forth.

Much of the content with the earlier system had to go through Matt Barbarello, director of Knowledge, for approval. "With Zendesk, we have been able to democratize the process by allowing the content creators to apply permissions themselves on the fly," Barbarello said. "I'm no longer a bottleneck, which has been a huge benefit since we need to respond quickly to our clients. Also, I've easily saved 5-10 hours a month."

With Zendesk, the documentation specialists have also each saved from 30 to 90 minutes a month by not having to make a PDF of the content and email it to reviewers. Now that the entire company can see everything on the knowledge base, the specialist simply sends a link to the specific content and asks for feedback. Once the content is known to be accurate and up to date, it is posted where the client can see it. Over the past year, since redeploying Zendesk, the number of articles generated has increased by 20%.

After returning to the Zendesk platform, Mediaocean also witnessed a surge in the consumption of its customer support content thanks to the customer deflection features of Zendesk Guide. "When we switched from Zendesk, our client adoption rate dropped 75%, which was soul destroying when you think of the people and effort involved in creating the content," Dorman said. "On returning to Zendesk, the adoption rate increased by 354% within a month."

The ability to deflect clients from customer support agents to relevant self-service content with Zendesk paid off dividends almost immediately. The Zendesk redeployment occurred in the third quarter of 2017. In the previous quarter, there were about 7,000 web support site website hits. The number surged 17-fold in the fourth quarter of 2017 and rose another 17% in the first quarter of 2018. Videos played rose 41% and 60% in the same respective quarters.

"These increases are hugely important for us because, if people are not going to our site and looking at our content or watching our videos, they are coming to our support team," Dorman said. "Our volume continues to increase because we have lots of new users, but not nearly at the rate it would have without our knowledge base."

As clients returned to the company's portal, Mediaocean saw its client satisfaction scores rise from 95% to 98%. "In our monthly reporting, we include the negative feedback we received and what we did about it," Dorman said. "We call back on almost every single piece of negative feedback we receive, and our clients appreciate that."

With Zendesk Support's clean ticketing interface and inline editing capability, Zendesk has increased the productivity of the customer support team by allowing it to respond to tickets faster and resolve

issues more quickly. It has also streamlined the work of the 10 documentation specialists and additional support agents who create the content for the website.

Another notable impact was employee NPS scores among its customer support teams, which had dropped by 20 points when the company moved away from Zendesk and has returned to its original state since its new deployment. "Employee loyalty is an important metric because I believe happy employees makes for a happier customer," Dorman said. "Before we switched back to Zendesk, many specialists were very unhappy with their day to day." With the return to Zendesk, Mediaocean has been able to hold its agent attrition rate at less than 3% and is able to provide new hires with a knowledge base that helps speed up onboarding.

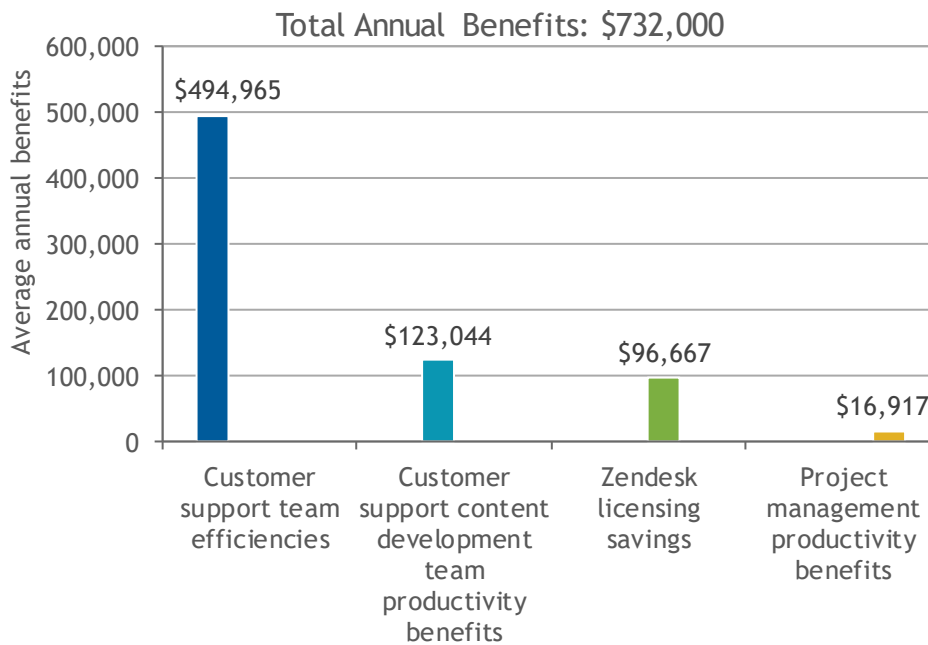
"One reason for employee satisfaction is Zendesk's ability to understand how a support person works," Dorman said. "Take case collision, for instance. Most vendors ignore the issue, so when two support agents receive the same ticket at the same time, the work is often lost or duplicated. Zendesk has good case collision detection, and our specialists appreciate that."

Quantifying the Benefits

To quantify the business benefits from the Zendesk redeployment, IDC interviewed Dorman, Barbarello, and Teena Luhadiya, director of Operations Excellence, and documented the savings in licensing costs and from productivity improvements. The total annual benefits averaged over \$732,000 when projected over five years (see Figure 1).

FIGURE 1

Average Annual Benefits for Mediaocean



Source: IDC, 2018

Customer Support Team Efficiencies

Mediaocean reports that its 120 customer support agents and administrators save collectively an average of more than 800 hours a month because of Zendesk's productivity-enhancing features. In addition, three customer success agents, who provide high-touch, hypercare service to selected customers, save about 40 hours a month. In total, IDC calculates that the customer support will benefit from higher productivity worth an average of \$494,965 annually when projected over five years.

Customer Support Content Development Team Productivity Benefits

Inside the content team, the content director saves somewhere from 5 to 10 hours a month from not having to approve much of the content. In addition, the content created by the document specialists and support agents has grown from 5,000 to 6,000 articles over the past year – a 20% increase – reflecting higher productivity levels for customer support content creators with Zendesk. Together these productivity gains equate to an average annual benefit of \$123,044 when projected over five years.

Zendesk Licensing Savings

In switching back to Zendesk, Mediaocean saved on the end-user licenses required by the previous supplier. This annual saving will amount to an average of \$96,667 when projected over five years.

Project Management Productivity Benefits

Finally, the nine members of the project management team save 40 hours a month, which would add up to an average annual saving of \$16,917 when projected over five years.

Return on Investment

IDC calculates that Mediaocean will realize discounted benefits worth about \$2.62 million over five years (2017-2021). When compared with a discounted investment of \$970,000, Mediaocean would achieve a five-year ROI of 170%. Mediaocean's payback on its investment occurred within 5.9 months (see Table 1).

TABLE 1

ROI Analysis

	Per Organization
Benefit (discounted)	\$2,615,544
Investment (discounted)	\$970,053
Net present value (NPV)	\$1,645,491
Return on investment (ROI)	170%
Payback period (months)	5.9
Discount rate	12%

Source: IDC, 2018

IDC interviewed Dorman, Luhadiya, and Barbarello to understand Mediaocean's use of and investment in Zendesk. IDC used this discussion to gather the information needed to quantify the benefits and investment associated with Mediaocean's use of Zendesk and created an ROI analysis from the results.

IDC calculates the ROI and payback period in a three-step process:

1. Measure the financial benefits directly resulting from the solution, including higher IT staff and user productivity since deployment.
2. Ascertain the total investment.
3. Project the investment and benefit over five years and calculate the ROI and payback period. The ROI is the five-year net present value (NPV) divided by the investment. Payback period (expressed in months) is the time required to pay back the initial investment and establish a positive cash flow. To account for the time value of money, IDC bases the ROI and payback period calculations on a 12% discounted cash flow.

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