

Manage costs, support growth, and drive retention during an economic slowdown

A guide for CX leaders
to adapt your customer
service when facing
uncertainty.



Table of contents

06

Challenge 1

Cut operational costs



08

Challenge 2

Slow spending growth



LUSH

10

Challenge 3

Grow revenue



12

Challenge 4

Turn agents into inside sales reps



14

Challenge 5

Retain your customers



Introduction

“

The only constant
in life is change.

Heraclitus,
Greek philosopher

Businesses across every sector around the world can identify with this ancient observation. Change is as much of a driving force today as it ever was.

Whether it's a looming recession, sky-high inflation, supply chain disruptions, or geopolitical tension, no company is immune from changes in the marketplace. Challenges like these will never stop interfering with even the most airtight business plans; it remains an uphill battle to run a business.

And yet we do it anyway. With fearlessness, ingenuity, and resilience.

The most successful businesses stay low to the ground, nimble enough to adapt to change, humble enough to try new things, courageous enough to persevere.

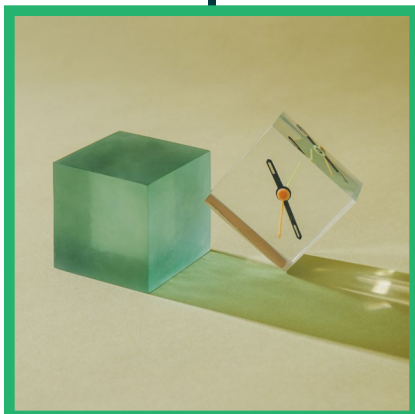
Companies that are willing to adjust business practices and figure out a new way forward survive. Many even thrive.

Agility at work

- When explosive growth threatened to derail the customer support function of [Unity Technologies](#), the company optimized the way it used its support platform to provide a viable self-service option. The results? Unity saved \$1.3 million and earned a 93% CSAT score.
- When [Spartan Race](#), the world's largest obstacle race and endurance brand, had to reduce headcount during the pandemic, its remaining agents couldn't keep up with the volume on live chat support. The company upgraded its support platform to offer support through other channels, increasing help center views by 40% and boosting its CSAT score. While at it, Spartan Race added an ecommerce integration with Shopify that resulted in a 27% increase in sales.
- When [Dorm Room Movers](#) consolidated its systems into Zendesk Suite and the unified Agent Workspace, it was able to provide a seamless omnichannel experience that leaned on real-time and asynchronous messaging for faster and more personalized service, leading to a 79% increase in lead conversion rate.

Good customer experience moves the needle

Today, all eyes are on customer experience (CX) as a powerful lever that helps companies manage costs, achieve growth, and drive retention. When CX teams have a seat in the C-suite, it propels companies to take a more competitive position, no matter what's happening in the global or local marketplace.



In our [CX Trends 2022 report](#), 61 percent of respondents said they will leave a competitor after just one bad experience, up from 22 percent from 2021. And if you give them two bad experiences? You'll never hear from them again.

Over 60 percent of consumers say that the previous year's pandemic crisis raised the standard for customer service, but 54 percent feel that organizations still treat it as an afterthought. Growth depends on building better customer experiences.

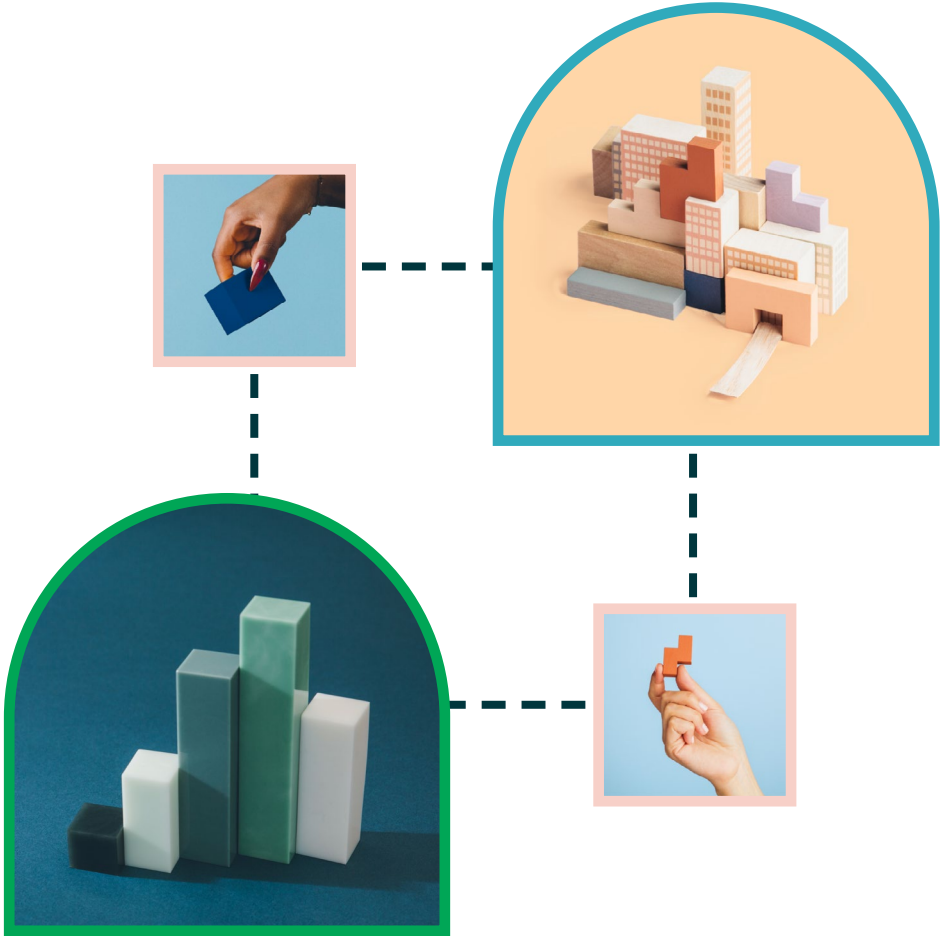
From our survey respondents, we found that:

- 64% of companies say that customer service has a direct impact on their business performance
- 60% said customer service impacts customer retention
- 49% said that customer service impacts cross-sell revenues

Providing a high-quality customer experience isn't easy in an uncertain marketplace, even for the most adaptable companies. The most innovative and successful organizations are meeting the moment they're living in by prioritizing spend or optimizing existing customer support technology that allows them to achieve operational efficiency and cost savings while providing extraordinary customer experiences.

In this guide, we break down five distinct challenges CX teams are experiencing in the face of economic slowdowns or even recession, and some meaningful strategies to weather the storm.

We'll show you how to be vigilant with every resource—people, budget, time—without sacrificing the quality of the customer experience. We'll also share stories of how some of our customers have remained adaptable and unflappable as they faced change—and how you can, too.



CHALLENGE

01 Cut operational costs

Now is not a time to stand still. CX leaders must push forward with courage and creativity as you balance customer expectations against the pressure to rein in budgets.

One of the most effective ways to cut operational costs is by making smart investments into automation. Combining artificial intelligence (AI) and automated solutions with personalized, human customer support can help give customers what they need, precisely when they need it. It can also help you improve efficiency from the inside, and reduce operational costs by reserving human talent for higher-value tasks.

The right customer support software also democratizes the flow of information by enabling smart workflows for agents and by hosting knowledge libraries, community forums, and collaboration tools that give agents at-their-fingertips access to answers. Solutions like these make for more personalized customer service and faster, more satisfactory resolutions.

Action to take

Invest in or optimize automated customer support technology to improve employee productivity and operational efficiency.

How Zendesk can help

- Reduce operational costs and eliminate redundant, low-value tasks by **building time-saving workflows** for agents and **enabling automations** that deflect inbound interactions without investing in additional tools, training, or staff.
- Build robust **knowledge bases** and **community forums**, with **bots built into workflows**, so customers can help themselves, saving both time and money.
- Connect agents with back-office teams through **collaboration tools** (i.e. Teams, Slack) so they can interact with the right teams to help solve customer inquiries faster.

CUSTOMER STORIES



Veyo hired fewer admins and agents, saving \$450,000 annually

[Veyo](#) provides non-emergency medical transportation (NEMT) to Medicaid and Medicare patients who need to access essential healthcare services, providing as many as 35,000 rides per day. As it scaled, the organization needed a centralized ticketing system, the ability to manage multiple lines of business, and a digital workflow to improve efficiency.

With Zendesk, Veyo and its customers save 2,000 hours a year by having quick and easy access to the historical context of every ticket, reducing wasted time, resources, and duplicative work. Even better, the company saves \$450,000 annually on additional employees while achieving a customer satisfaction (CSAT) score of 87 percent.



Unity Technologies reduced operational costs, saving \$1.3M

[Unity](#) is the world's leading platform for interactive, real-time 3D content, supporting creators across the gaming, animation, automotive, and architecture industries. After experiencing explosive growth from 2019 to 2020, it decided to optimize the way it used Zendesk to scale support without taking on more staff.

Adding Zendesk automations and self-service options helped Unity deflect ticket volume, reduce handle time, and build time-saving workflows across its support team, including FAQs that inform Answer Bot and encourage seamless self-service. When a spike in support tickets led Unity to fraudulent activity from invalid users, it once again invested in another automated solution: an ad fraud web form via Zendesk. One agent can make a one-touch decision that handles 95 percent of those tickets.

In 2021, Unity deflected almost 8,000 tickets due to self service enabled by Zendesk, amounting to \$1.3 million in savings and a 93 percent CSAT score.

CHALLENGE

02 Slow spending growth

Market changes are requiring belt tightening across the board in many organizations. But your CX momentum doesn't have to stop if you're on a hiring freeze or your budget has been slashed. Here's where to make the most of your customer support platform.

Dig deep into the features and possibilities built into the technology solution you're already invested in to optimize your existing toolset without exceeding your budget. Can you reduce staff turnover or additional labor investments by turning on omnichannel, conversational service with fast, personalized responses on channels such as live chat, social media, and SMS?

Have you explored automations and adding to your help center to drive self service and deflect repetitive tickets? You'll need fewer agents on the front lines if customers are empowered to resolve their own issues with robust FAQs.

There are also plenty of ways to connect your current tech stack with your support platform, making it even more customized for your business. A little IT investigation can yield richly rewarding savings.

Action to take

Make the most of your existing customer support platform to help slow spending and hiring without having to sacrifice quality or scale.

How Zendesk can help

- Offer **omnichannel, conversational service** to customers while keeping interaction history and other useful context within a **unified agent workspace**, so agents can provide **personalized responses** faster.
- Enable automations like **chatbots, self-service pages**, and the ability for agents to solve similar issues in bulk to reduce the total number of daily contacts.
- Deploy an **extensible platform** that connects to your existing tech stack with APIs, webhooks and an application framework so that you can **extend the customizability** of Zendesk without spreading resources too thin.

CUSTOMER STORIES



Virgin Pulse avoided 25–30% increase in annual labor costs

As the largest global wellbeing solution provider, [Virgin Pulse](#) serves 14 million members across 190 countries. The company uses Zendesk to provide an omnichannel support experience through phone, email, chat, Answer Bot, and social channels Twitter and Facebook. To help manage its 15-20 percent growth year over year, Virgin Pulse has invested time and resources into maximizing the use of its support site, powered by Zendesk.

An e-services team created more than 2,000 FAQs and continuously reviews and updates articles so members can self-serve as much as possible. Before the support site was upgraded, the company was tracking 90,000 FAQ views each month. That number shifted to 275,000 views per month after the team created a more robust knowledge library—an astonishing 2.5X improvement.

If Virgin Pulse hadn't implemented a self-service strategy, the company estimates that it would have had to increase its support budget by 25-30 percent over what it spends today to handle the increased support volumes.

LUSH

Lush improved productivity by 50%, saved \$208,000+ in cost efficiencies in one year

UK-based ethical cosmetics retailer [Lush](#) has more than 1,000 stores in 49 countries. Continuity of customer service is a priority and keeping all 170 agents in 21 markets covering 15 languages was a job for Zendesk.

When it rolled out the platform in 2016, just before the busiest Christmas the digital team had ever experienced, the stabilizing force ensured strong, seamless customer service across the board. The company was able to identify potential customer issues in any market and make changes quickly, resulting in a 50 percent increase in productivity and a savings of \$208,387 in cost efficiency. The customer experience was also improved, earning a CSAT score of 91.8 percent.

CHALLENGE

03 Grow revenue

Here's a data point that proves what CX leaders know to be true: an [IBM and Adobe study](#) found that “organizations who elevate CX digital transformation to the status of a formal business priority reported three times higher revenue growth”.

Integrating a support platform into business operations, including sharing key customer data across the organization, opens up a new channel of revenue growth. When live agents have the historical context they need to provide personalized service, they can turn simple customer interactions into opportunities to upsell, introduce new products, and further establish brand loyalty. This has the potential to be particularly revenue-generating when applied to high-value customers who respond to feeling valued with a personal touch.

Need more proof? We asked [Forrester Consulting](#) to examine the potential return on investment (ROI) that enterprises might realize if they used Zendesk. They interviewed seven of our customers and concluded that, over three years, a composite organization could expect to earn \$31.2M at a cost of \$8.1M. This adds up to a net present value (NPV) of \$23.1M—and an ROI of 286%.

Action to take

Turn customer service into an engine for growth by integrating CX into business operations and using your customer support platform as a launchpad for growth.

How Zendesk can help

- Integrate with core business applications to inform your support platform of key customer data. This provides agents with the context they need to **resolve customer questions quickly, deliver proactive support, and turn interactions into revenue-generating opportunities.**
- Quickly and easily **add digital channels**, such as live chat, phone, email ticketing, and a knowledge base to deflect common questions, as you need them. Stay up to date with the latest channels by simply toggling a channel on or off, without heavy developer customizations.
- Drive **new revenue opportunities** and **accelerate company growth** through cost-effective digital technologies and strategic partnerships.

CUSTOMER STORIES



HeliosX agents convert 20% of chats into sales

[HeliosX](#) oversees the work of six brands that each provide a unique service—from personalized dermatology products to prescription delivery—and have one common goal: to make healthcare easily accessible and affordable for all.

All six HeliosX brands use Zendesk analytics to make definitive decisions using data. Within a year of streamlining all brands to Zendesk, HeliosX reduced staffing costs by more than 50 percent while also increasing efficiency, performance, and maintaining a 96 percent CSAT score.

Increased sales and more revenue followed. MedExpress has increased customer chats into sales conversions by 20 percent. ZipHealth uses SMS to generate revenue by making it easier to verify customer identify, resulting in a 20 percent increase in pending carts to a completed sale and a dramatic reduction in time handling those cases. Dermatica customers get a VIP consultation experience by being connected to a dermatologist who can provide immediate advice.



Spartan Race added a new retail channel and grew conversions 27%

[Spartan Race](#) is the world's largest obstacle race and endurance brand. More than five million participants race in events around the world and the company produces television specials, operates a gym, and sells its own clothing and athletic gear.

When the pandemic hit in 2020, Spartan Race was forced to reduce headcount and lacked the number of agents to keep up with the volume on live chat. A quick solution was to upgrade to Zendesk Suite, which allowed the brand to offer omnichannel support through email, chat, phone, bot, social media, web form, and a help center. An additional Shopify integration resulted in a 27 percent increase in sales.

Today's team of 75 support agents are well equipped to handle more than 36,000 monthly tickets. Spartan Race has increased self-service by 46 percent and help center views by 40 percent, effectively keeping operational costs down while customer satisfaction up.

CHALLENGE

04 Turn agents into inside sales reps

In times of flux, it's helpful to have an 'all hands on deck' mentality. With the right support platform, a service organization can make valuable sales of its own. In many ways, support agents are the ideal sales reps. They're in the business of resolving issues and building relationships for long-lasting customer loyalty.

With access to historical customer data and shared metrics, plus ease of collaboration with internal teams through integrated messaging tools, agents can get a complete view of the customer. This allows agents to forge strong connections that offer sales opportunities—including cross-selling, up-selling, facilitating repeat purchases, and driving revenue growth by building loyalty.

When the support platform is fully optimized, automation can get in on selling, too. Proactive product recommendations can be embedded into every self-serve customer interaction, providing a passive revenue booster that can really add up over time.

Action to take

Convert inquiries into new sales, upsells, and cross-sells from prospects.

How Zendesk can help

- **Minimize churn and increase repeat purchases** by resolving customer questions quickly and personally.
- Turn customer interactions into **revenue-generating opportunities** through integrated business data and **proactive support engagements**.
- Provide agents with **visibility into customer history** to allow them to proactively connect with site visitors to boost conversion rates and average order values.
- Drive **incremental revenue** growth through proactive **purchase recommendations** and interactions with automated bots.

CUSTOMER STORIES



Chupi agents drive €1 million in incremental sales

Dublin-based and online jewelery company [Chupi](#) specializes in solid gold heirloom pieces and a VIP customer experience. The company invested in Zendesk at the onset of the global lockdowns in 2020 to help new employees onboard remotely and quickly adapt to the platform. As the team got to know the platform, they turned on Zendesk features to meet new trends. As an example, live chat became the way to manage one-touch queries, quickly earning the team a 98.6 percent CSAT rating.

All calls, tickets, and DMs from Instagram and Facebook go straight into Zendesk, which provides agents with the full story behind each customer inquiry so Chupi can provide consistent, personalized service. It wasn't long before the company recognized how to turn customer support inquiries into sales revenue by, "selling quietly and with kindness" by escalating a ticket in Zendesk and booking a virtual jewelry consultation service where customers see individual pieces and follow up with a post-consultation package. Those sessions have a conversion rate of 65 percent.

In 2020, Chupi had a 300 percent increase in care-based sales, resulting in one million euros in sales directly from the customer care team.



Moving from tickets to conversations, sales conversions increased by 79%

[Dorm Room Movers](#) offers storage, moving, and shipping services for college students in the United States. Since its launch in 2007, the company has moved over 85,000 students and handles more than 1K messaging conversations per month.

The move to offering support via messaging, alongside options for self-service that include automated article suggestions and thoughtful bot-to-agent hand-off, means the team can provide seamless omnichannel support across email, text, messaging, voice, and social media channels—all without writing a single line of code.

Initially, agents had to switch between dashboards to view and respond to conversations across separate email, phone, and chat systems. Once everything was consolidated into the Zendesk Suite and Agent Workspace, the company could group customer interactions as live conversations, active, or waiting on a response—thereby navigating the real-time and asynchronous landscape.

With this unified view, Dorm Room Movers can provide faster and more personalized service. Having the ability to host and manage real-time conversations across channels has been a game-changer for the company. The support team is both interacting with movers as it builds relationships with customers. During peak periods, the company can send out batched messaging instead of having to respond to customers individually, and this positioning has enabled the team to drive a significant increase in conversions.

CHALLENGE

05 Retain your customers

Is there anything more gratifying—and profitable—than customer loyalty? According to research from Bain & Company, increasing customer retention rates by 5 percent can boost profits by more than 25 percent over time. Those are significant numbers, particularly during times of market uncertainty and upheaval.

Increasing customer lifetime value (LTV) is a critical strategy for many companies looking to boost revenue while managing costs. It's much less expensive to continue to please existing customers than to acquire new ones. The key to a healthy LTV is personalized customer service that meets expectations in every interaction.

That means providing consistent, personalized service across all channels so that customers get the answers and resolutions when and how they anticipate. Integrating data throughout the organization, including customer feedback, ensures that the complete customer history is available no matter who is providing the service.

Action to take

Double down on service that feels personal to retain your customer base.

How Zendesk can help

- Increase customer LTV by providing **seamless and personalized service** across all digital channels.
- Share customer feedback and related data across the organization through **flexible platform integrations** to fuel informed, **data-driven decision-making** that will boost customer acquisition and loyalty, as well as profitability.

CUSTOMER STORIES



BlendJet uses AI to save 30% in productivity

Since creating the first portable blender in 2017, [BlendJet](#) has become the most popular brand of blenders on social media and number one in direct-to-consumer sales. The company has millions of customers in nearly every country in the world. Its ever-expanding customer experience team got a boost when it partnered with Zendesk and TypeGenie, empowering the team to respond to 30 percent more tickets and cut down on response time during the busiest periods.

Building strong customer relationships is important for BlendJet and the team wanted a customer support platform that would allow it to provide personalized, long-term service. BlendJet manages tickets through email, contact forms, phone, and social media and the customer service team uses Zendesk solutions for reporting and performance. From this data command central, it can easily monitor service levels and work to improve CX.

BlendJet integrated TypeGenie, an AI autocomplete product that enables agents to automate repetitive typing, within Zendesk during the pandemic. This integration has proven to save agents time, offer a consistent tone of voice across all messages, and maintain the same quick response times.



TV2 earns 438% ROI after 2 years of using Zendesk

As the biggest commercial TV station in Denmark, [TV2](#) broadcasts programs and news over six channels and offers a streaming service, which is partially produced in-house. When it comes to customer service, TV2's overall strategy is to stay ahead of the curve. One of the ways it does this is to help customers help themselves via AI. Using Zendesk as its support platform and data hub, TV2 has all the intelligence it needs to provide smart customer service with timely, accurate responses and an overflowing help center (think articles, videos, guides).

With 3 billion calculations daily on its customer data, TV2 has insights that helps it predict what customers are going to do next. The company can proactively act on churn, approach customers with tailored offers (e.g., TV show recommendations based on viewing history), and optimize email marketing.

With Zendesk, TV2 has boosted their CSAT score from 77 percent to 93 percent while growing its customer base by 45 percent. The ROI of Zendesk was 212 percent in its first year; after the second year, it was 438 percent.

Meeting the moment with Zendesk

When humans feel threatened, we react by fighting, fleeing, or freezing. But as organizations, we have another option: to flourish.

When faced with any kind of change, whether it's happening in real-time or on the horizon, businesses have an opportunity to pick a pathway forward that will lead you into a new era. Instead of fighting reality or clinging to dated practices, companies can choose to be curious and adapt with new and innovative strategies.

Zendesk is ideally suited to help companies manage uncertainty and forge ahead with confidence. We were born as an alternative to bloated and costly customer service software, and we have evolved to become easy to set up, learn, use, and maintain. We help manage current business challenges right away and support your longer-term with greater agility and the best total cost-of-ownership in the industry.

To learn more about how Zendesk can help your CX organization manage cost, achieve growth, and drive retention,

zendesk.com/roi

