How established companies win with digital transformation
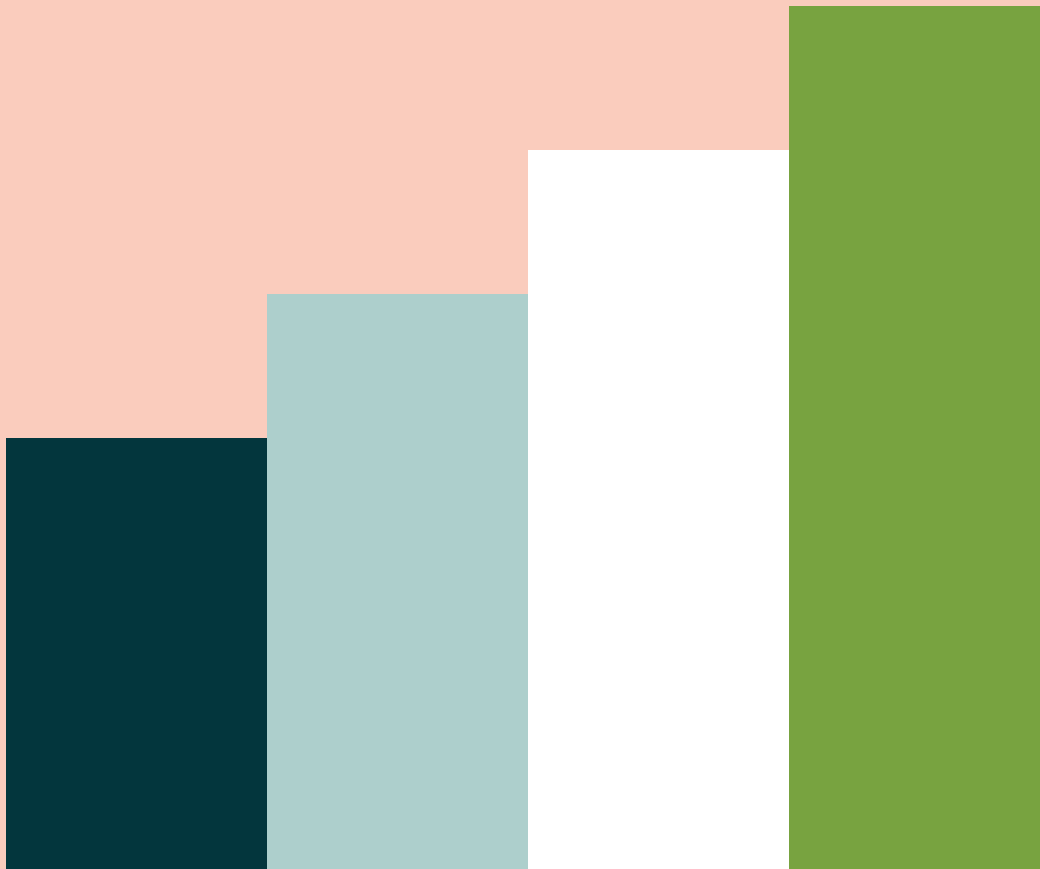
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Executive summary

For large companies looking to undergo a digital transformation where their customer experience is concerned, the stakes have never been higher.

Digital disruption threatens to upend how legacy companies do business. Incumbents face competition from emerging players that have mastered the quickly evolving digital landscape. Customers now expect an effortless experience, and they want to be able to take advantage of the same digital channels they use to communicate with friends and family to speak to companies.

At Zendesk, we talk a lot about making customer experience better. This can be especially daunting for large companies that are just starting out on the path to digital transformation, with a diverse customer base, specialized teams scattered across the globe, and existing systems that have been layered on top of each other to compound complexity over time.

We designed this guide to help enterprise companies in the early stages of their digital transformation— organizations we'll call **Digital Transformers**— understand the best next steps based on their unique profiles and to help them benchmark against their peers.

With data from the Zendesk Benchmark, our crowdsourced index of customer service interactions from more than 45,000 companies using Zendesk across the globe, we identified what separates customer experience leaders from the rest to pinpoint best practices for large companies starting down the path to modernize how they engage with customers.

Key findings

01

Deliver consistency across the customer experience

High Performers don't let a single metric suffer at the expense of another, providing reliable support from start to finish. They resolve customer requests five times faster and boast a CSAT rating that's five percentage points higher than that of their peers.

02

Be proactive about deflecting tickets

Leading support teams actually deal with 50 percent more tickets and use optimized workflows and advanced features to allow each agent to do more. They are also much more proactive about investing in self-service, though still not at the level of companies that are more digitally savvy.

03

View your support solution as a platform

Your support solution can't stand alone. High Performers push data into and out of their support software using apps, integrations, and APIs, so agents have all the information they need and don't have to repeatedly switch contexts.

04

Align on path toward innovation

To effectively implement changes, identify an executive sponsor, define responsibilities within the organization, and make sure support operations map to the customer journey and business goals.

05

Established B2C companies risk getting left behind

Mature enterprise companies serving consumers have the most worrying metrics across the board: the highest volume of requests, lowest CSAT, and slowest reply times. Most established B2C companies fall below the median across key metrics, implying that undertaking a digital transformation is urgently needed.

06

Age isn't everything

We found that a company's age isn't the primary factor linked to its approach to customer support. In fact, plenty of younger companies are still working to modernize their support operations, while several established companies have already mastered the digital landscape.

How enterprise companies approach customer support

With data from a sample of 170 leading enterprise companies using Zendesk, including support teams like those at Fossil and The Salvation Army, we applied machine learning to identify distinct approaches to customer experience. We grouped companies based on how they tackle support across their channel mix, CSAT, response speed, use of apps and integrations, and more.

We found that large companies fall along a spectrum of increasing efficiency and sophistication. Companies in the early stages of their digital transformation tend to take a simpler approach to customer support, with fewer agents, customers, channels, and integrations.

Our analysis identified two primary groups of companies based on how they have configured their customer support operations rather than:

Digital Transformers: Home to most large companies in the early stages of their digital transformations, this group relies almost entirely on standard channels like email and webform. Most Digital Transformers haven't yet begun to dabble in using live digital channels or social media, and if they allow customers to self-serve, these offerings are on a smaller scale than those of companies in other groups. They typically see a lower volume of customer requests and are slower to respond than support teams with a more varied channel mix. And a relatively large share of them, nearly 50 percent, use help desk software to provide support internally.

Digital Natives: These digital-first enterprise companies handle massive ticket volumes and boast the most complex and optimized workflows. They use self-service to deflect incoming tickets and have integrated a host of advanced capabilities, including apps to extend the agent experience, integrations and targets to connect to other systems, customer lists to power personalized support, and macros, triggers, and automations to drive agent efficiency. Digital Natives look for agility and economy in their support solutions and are more inclined to view their support software as a platform that can be built out as needed to keep up with their rapid growth.

In addition to these two main groups, we also identified a third group connecting Digital Transformers to Digital Natives. We'll call these companies **Digital Upstarts**, organizations that fall into an intermediate stage, differing from Digital Transformers due to their increased use of live channels like phone and chat. These companies are in the process of transitioning to a diversified channel mix that is more likely to allow customers to self-serve and to lean on apps and integrations that extend the functionality of their support solution.

Are you a Digital Transformer?

In this report, we'll focus on best practices for Digital Transformers, organizations in the process of modernizing their customer support.

Here are a few questions to confirm that your organization is a Digital Transformer.

How many support channels do you offer?

Digital Transformers rely almost exclusively on standard support options like email, webform, and web widgets, and haven't yet begun to offer social media or live channels like phone or chat.

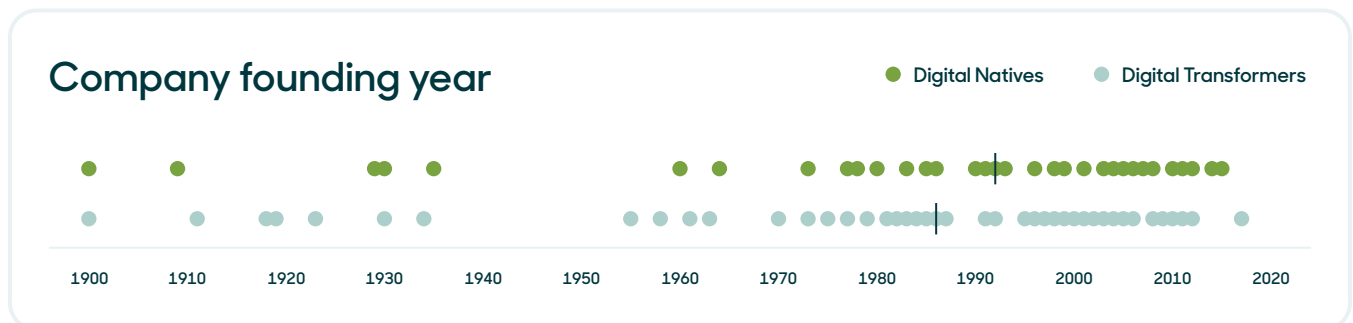### How many tickets do you handle per month?

Support teams should benchmark against other teams that handle a comparable quantity of tickets. The median for Digital Transformers is roughly 7,000 tickets per month, and support teams falling into this group tend to handle fewer tickets than Digital Upstarts or Digital Natives.

How well-integrated is your support solution?

Digital Transformers are less far along in adding apps and integrations to extend their support software, with most using fewer than 10.

How many years has your company been around?

Digital Transformers tend to be more mature companies and have a median founding year of 1986. However, founding year isn't the primary factor linked to a company's approach to customer support, and a significant share of Digital Transformers were founded in the last 10 years.

Company founding year

● Digital Natives   ● Digital Transformers

1900   1910   1920   1930   1940   1950   1960   1970   1980   1990   2000   2010   2020

Benchmarks for Digital Transformers

Looking to benchmark against other large companies beginning to modernize their customer experience? Start here.
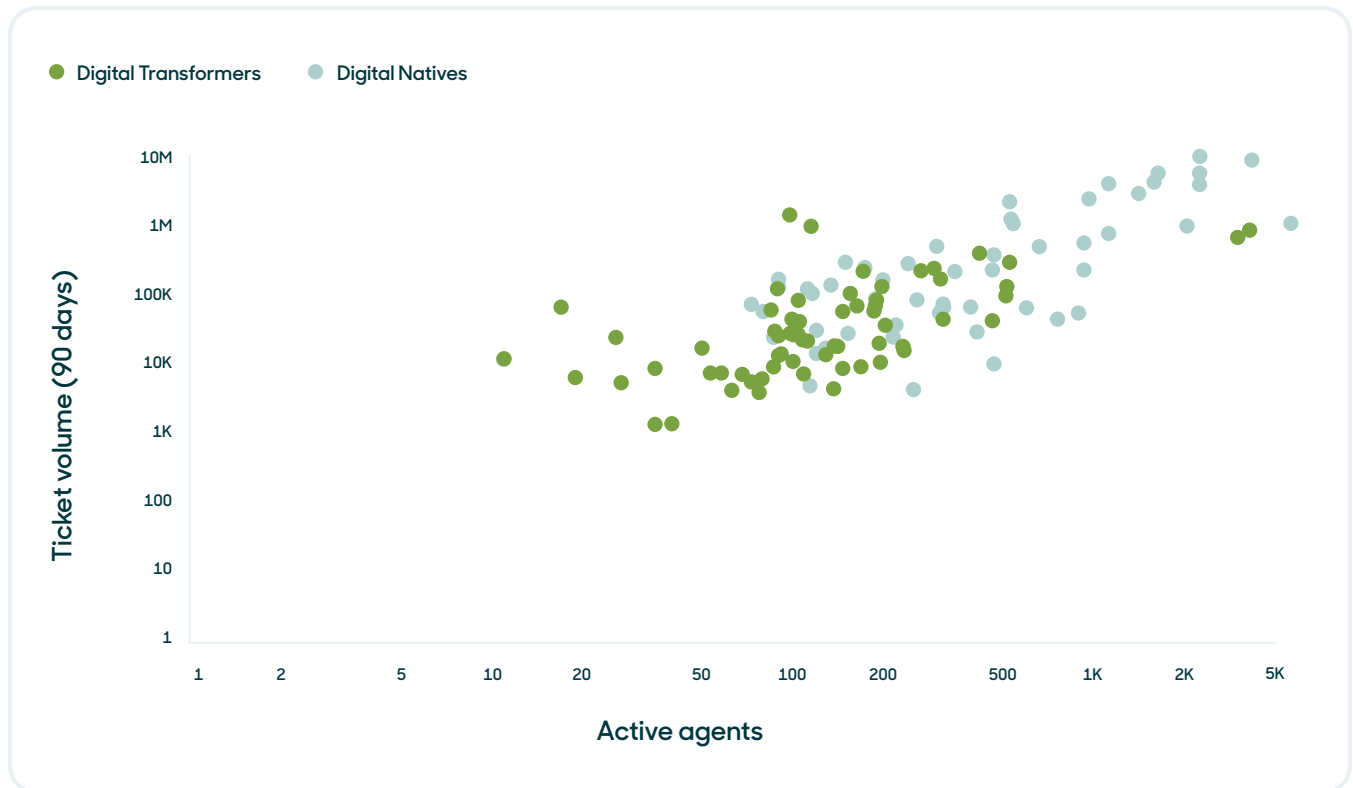

Next, we looked more closely at our Digital Transformers group. Within that group, we identified leaders by examining performance across five key success metrics for a healthy help desk: CSAT, First Reply Time, Requester Wait Time, Resolution Time, and Ticket Volume.

High Performers are companies that fall above the median for at least four out of five metrics. Roughly one-third of companies are High Performers, and the rest are Low Performers.

See how your team stacks up against other Digital Transformers.

CSAT

CSAT helps your team understand how customers have rated their support experience. Factors contributing to CSAT include reply time, the quality and accuracy of responses, and a customer's overall perception of your brand.

High performers: 97.8%   Low performers: 92.5%

60   70   80   90   100
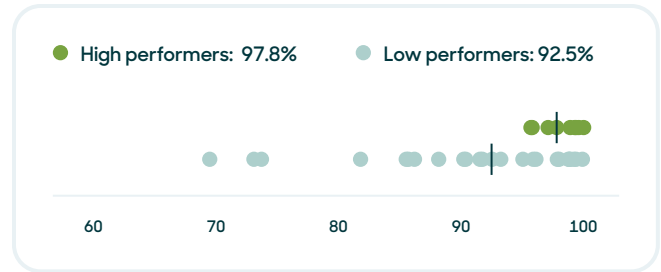
Monthly tickets

Support teams should benchmark against other teams that handle a comparable quantity of tickets. High Performers deal with nearly 50 percent more tickets than Low Performers.

High performers: 9,000   Low performers: 6,333

0K   50K   100K   150K   200K   250K   300K
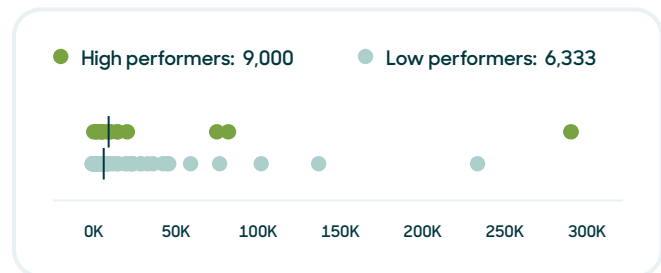
First reply time (minutes)

First Reply Time is the time it takes for a support agent to respond to a request. Our research indicates a lower First Reply Time tends to be linked to higher customer satisfaction.

High performers: 56   Low performers: 339

0   500   1000   1500   2000   2500
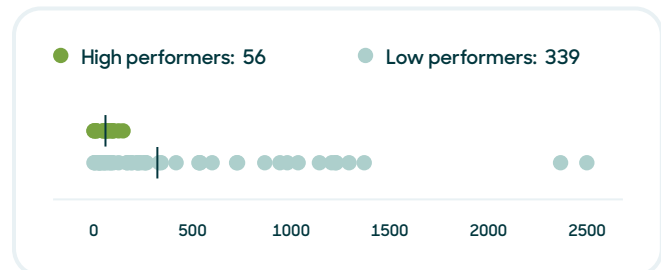
Requester wait time (minutes)

This is the time your customers spend waiting for support agents to respond. Reducing wait time can lead to happier customers

High performers: 54   Low performers: 334

0   250   500   750   1000   1250   1500
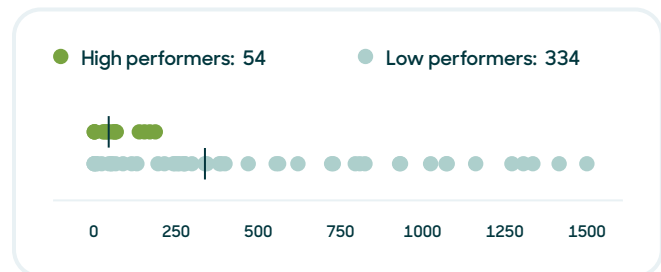
Resolution time (minutes)

The time that it takes for a ticket to be solved, this metric plays a big role in informing how satisfied customers are with any given interaction.

High performers: 93   Low performers: 858

0   2K   4K   6K   8K
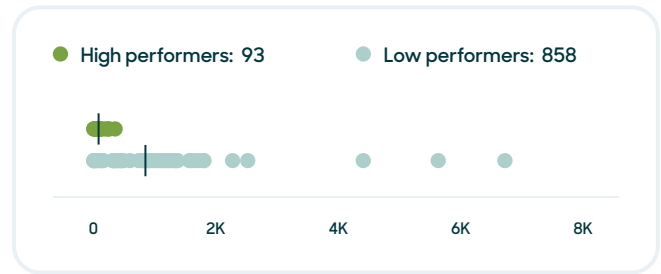
Self-service ratio

This ratio compares self-service content views to a team's total ticket volume, helping your support team understand how well your knowledge content is deflecting tickets. Companies should aim for a higher Self-Service Ratio.

High performers: 0.28   Low performers: 0.13

0.0   0.5   1.0   1.5   2.0   2.5   3.0
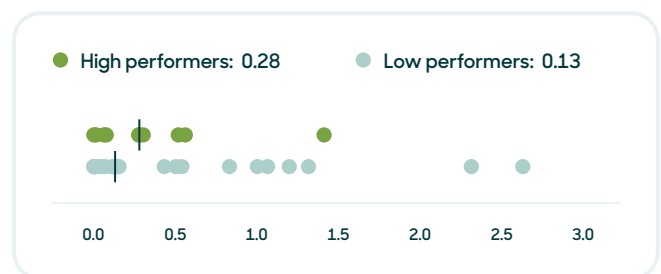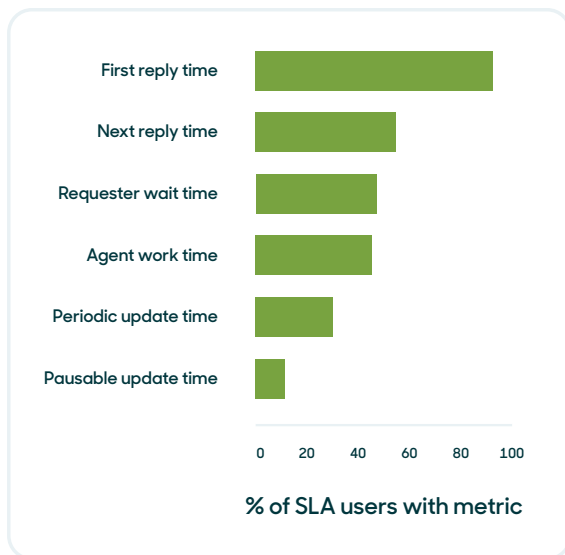
Monthly ticket-to-agent ratio

This is the monthly ratio of customer requests to agents. Support teams should seek a higher Ticket-to-Agent Ratio as they look to make each agent more productive.

High performers: 80   Low performers: 75

0   200   400   600   800   1000   1200   1400
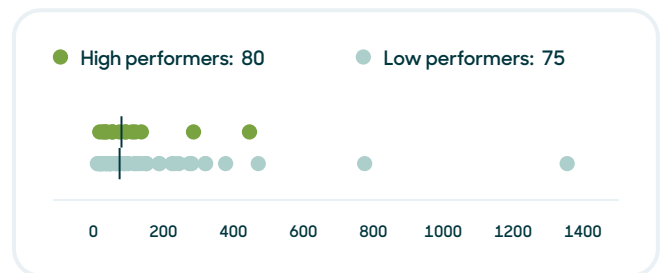
For companies in the early stages of transforming their approach to customer experience, here's how to move toward the top of the pack.

Set up your software to scale.

- **Adopt a software solution that lets your support team move quickly.** Companies face pressure not only to match customers' high expectations, but also to contain costs and minimize complexity. The best way to address these challenges is to focus on agility when choosing your software solution, setting up your team to roll out new channels quickly, keep up with evolving internal systems, and respond to competitive pressures.

- **Ensure alignment across your team with SLAs.** More than half of High Performers in our Digital Transformers group use SLAs to ensure they're delivering consistent and reliable support. Sixty percent of High Performers use SLAs, compared to less than 40 percent of Low Performers. When configuring SLAs, make sure they reflect your company's larger goals and priorities. For instance, an enterprise B2C company might set up an SLA based on First Reply Time to ensure agents are delivering speedy responses.

% of SLA users with metric

Optimize the agent workflow

- **Boost agent efficiency with improved workflows.** High Performers in this group have nearly double the Ticket-to-Agent Ratio of other companies, and their agents spend less time replying to tickets, with 14 percent fewer replies per ticket. This implies that High Performers have systems in place, including better ticket routing, allowing each agent to do more—in spite of the fact that they see nearly 50 percent more tickets. With improved routing, High Performers ensure customers are automatically directed to an agent who can help rather than being bounced between triage agents.

- **Use automations to free agents from repetitive tasks.** Regardless of a company's profile, companies that perform better tend to use more features that automate the ticket workflow. High Performers across our enterprise sample are more likely to automate reminders for tickets that slip through the cracks, use triggers to remind agents of important workflow steps, and rely on macros to handle repetitive requests.

- **Reduce context switching for agents by pushing data to external apps.** High Performers in the Digital Transformers group tend to use four times the webhooks—known as targets at Zendesk—of Low Performers. Webhooks push data to external applications, meaning you can send a text message when a ticket has been unresolved for more than 48 hours or add a notification about an urgent ticket to a Twitter stream.

Improve how you communicate with customers.

- **Be proactive about collecting key information from customers.** High-performing Digital Transformers use twice the number of ticket forms, which allow customers to share important information and agents to easily add customer data to a ticket. Lean on ticket forms to organize tickets and collect information about customers up-front, so agents save time and effort. Accurate information about your customers means more robust reporting, allowing your team to analyze trends and use data to improve operations.

High Performers can continue their progress by adding features and channels.

1. **Extend the capabilities of your support software with APIs.** APIs let you integrate with any other tools or services your team uses. Quickly update customer records, create tickets, migrate ticket data into your support software, edit users in bulk, or easily search customer records to allow agents to find the information they need. Among Digital Transformers, companies that lean on API integrations tend to have 17 percent lower requester wait times and have 2 percent higher CSAT than their peers.

2. **Add live channels to meet customer expectations.** Live channels aren't just growing quickly—they also perform better. Tickets handled through phone and chat see higher CSAT, fewer re-opens, and faster resolution times than those handled via other channels. Before turning on a live channel, your team needs a clear plan, ensuring new channels are integrated and your agents are prepared for customers to expect faster responses.

3. **Make it easier for customers to help themselves.** Self-service lowers costs, drives better CSAT, and improves agent efficiency. It's best to be proactive about building out your help center, and you should optimize knowledge management with tools that allow agents to easily add content. High Performers in our Digital Transformers group have more than double the self-service articles of Low Performers, and their help centers make it easier for customers to find what they're looking for. For High Performers, 70 percent of help center searches return a result, compared to 52 percent for Low Performers.

Want a prescription based on the audience your team serves?
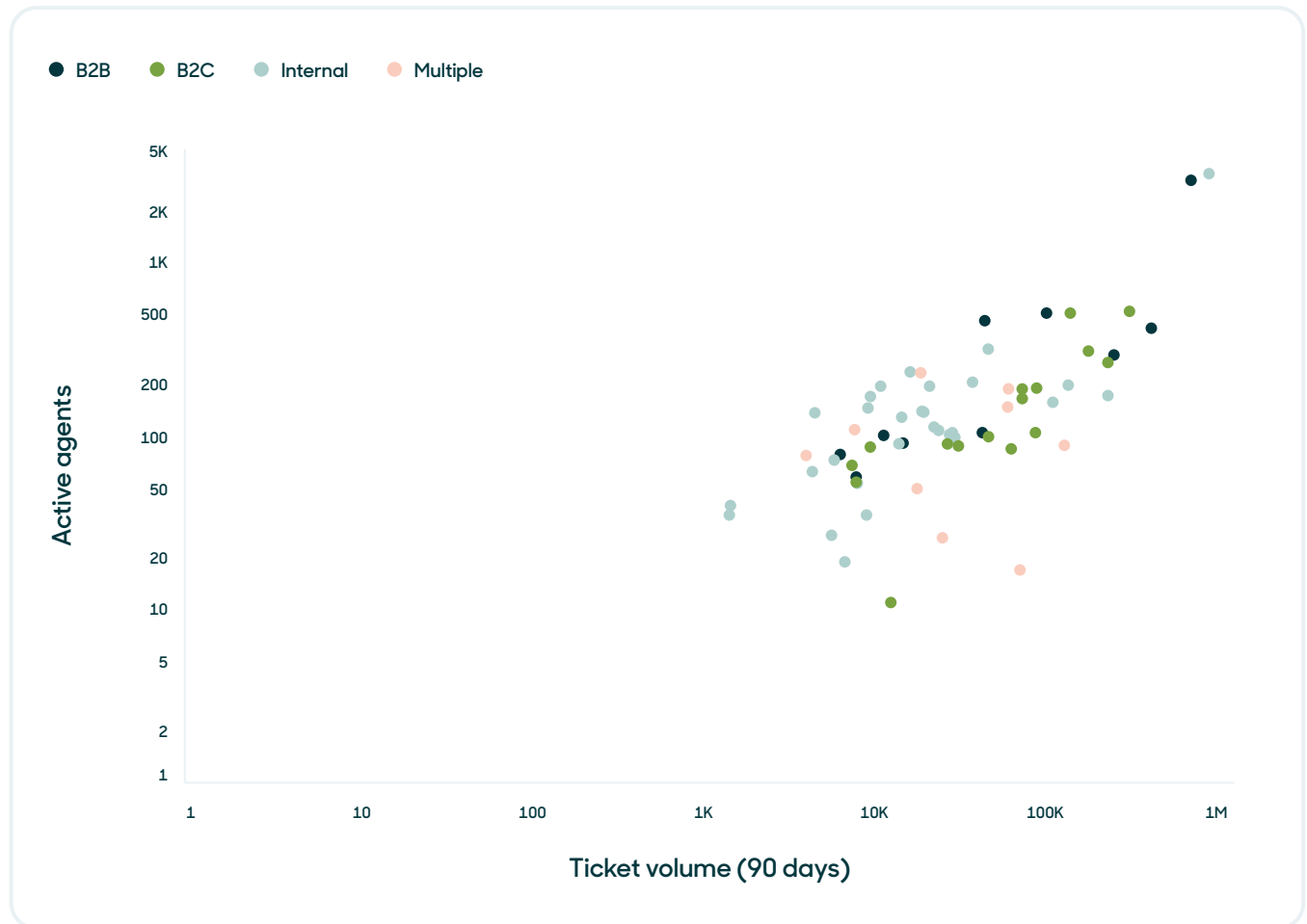
We looked at best practices for Digital Transformers across three target audiences: B2C, B2B, and internal help desks.

Target audience	The problem	How to fix it	The benchmark
B2C	B2C companies need to tame a high volume of incoming tickets. That's because they handle significantly more tickets than other types of companies.	Lean on APIs, macros, self-service, and proactive outreach where possible to manage tickets and free agents to handle the most complex and pressing requests.	As B2C companies move to increase the sophistication of their support solution, we typically see them scale from handling hundreds of tickets per day to managing thousands of tickets per day.
B2B	B2B companies need to build out their help centers to deflect tickets and ensure their team is optimized to provide fast responses to complex requests.	Encourage agents to link to knowledge base content in tickets and create new articles directly from tickets to build out help center content.	Digital Transformers that are B2B see a 5x boost in their Self-Service Ratios when they leverage Knowledge Capture, which streamlines the process for adding knowledge content.
Internal help desks	For help desks like those for HR or IT, getting honest feedback can be tough since employees are hesitant to share criticism.	Use anonymized surveys, interviews, and other feedback collection in addition to CSAT.	Among Digital Transformers, internal help desks have a median CSAT of 98%, compared to 88% for a other types of companies.

Moving toward a culture of innovation

Whether it's due to aversion to change, rigidity around existing processes, or reliance on outdated solutions, there are many reasons why companies are hesitant to shift their approach to customer experience.

We talked to Christina Libs, who has spent three years at Zendesk helping enterprise companies like Fossil and Netflix structure their customer support operations, about how companies should approach updating their mindset when it comes to innovation.

1. **Start to view CX as a core differentiator.** Leaders in customer experience tend to grow revenue five times as fast as laggards, according to [Forrester research](#), and established companies should look at customer experience as a crucial way to set themselves apart.

2. **Designate an executive sponsor for your innovation project.** It helps to have a point person in charge to guide the process. If there's a reticence to change, appoint someone to take on responsibility for guiding the team past roadblocks, communicating the value of the project to other stakeholders, and allocating resources to ensure success.

3. **Define the roles of key stakeholders.** Reach across the aisle to determine the stakeholders needed to update how your organization engages with customers. Start by identifying which parts of the organization need to be involved and who owns what to ensure effective collaboration across customer support, IT, marketing, sales, and more.

4. **Align support with the customer journey.** Map out how customers engage with your business to understand how support fits into each touchpoint. Next, identify the most important objectives for your support team, whether they are to provide seamless onboarding, alleviate challenges when using your product, improve checkout, or handle a high volume of tickets.

5. **Agree on a standard change management process.** It's best to have a documented process for making changes to your support solution planned from the start. A good change management process considers the best approach to maintain your team's workflow and ensure consistency, whether the team needs to manage users, grant new permissions to agents, or adjust settings.

6. **Think of your support solution as a platform.** Companies starting their digital transformations should get comfortable with viewing support as a platform that can be extended using APIs, apps, integrations, and embeddables that let you customize to fit your needs. Make sure your team and your developers are aligned on the best approach to integrate with external systems.

Why innovate?
How leaders see better results

Leading support teams are more likely to have a robust strategy involving a more diverse channel mix and advanced features that allow them to customize their support solution as needed.

High Performers across our sample see improvements from using Zendesk features.

Embedded support across channels for a consistent and connected customer experience

Zendesk feature	What it does	Improvement
Social Media Integrations	Field customer requests from social media, all while managing tickets through Zendesk.	• 50% lower requester wait times • Median Alexa ranking of 15,000, compared to 69,000 for companies without integrated social channels
Unified Web Widget	Bring support directly to customers wherever they are—whether that's embedded on your website, in your mobile app, or as part of your service.	• 35% faster reply times • 45% faster requester wait times • All while managing 2x higher ticket volume

Intelligent self-service that helps customers help themselves

Zendesk feature	What it does	Improvement
Answer Bot	Use machine learning to recommend articles that address customer issues.	• 50% reduction in resolution time for tickets
Knowledge Capture	Allow agents to create new content, link to articles in tickets, and flag content for improvements.	• 2x Self-Service Ratio improvement • 4x agents contributing to knowledge content

An agent workflow that is easy to set up, customize, and maintain

| Zendesk feature	What it does	Improvement
Guided Mode	Ensure tickets are addressed in the right order by improving how agents work through them.	• 5x improvement in Ticket-to-Agent Ratio
Side Conversations, a feature of the Collaboration Add-on	Let agents share information, request a response, or kick off processes with other teams.	• 75% of teams agreed that they were able to simplify communication, so agents resolve tickets faster*
Skills-Based Routing	Get the right ticket to the right agent, so they can efficiently navigate their workflow.	• 68% of support teams said skills-based routing enabled them to streamline workflows and boost productivity*

*Refers to results of a 2018 TechValidate survey.
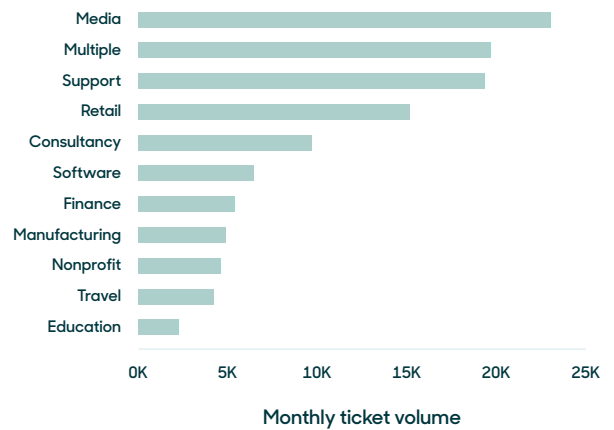
Next steps to compare your support team

Want to see how you stack up in greater detail? See our benchmark metrics for companies starting their digital transformations, broken down by industry and target audience.

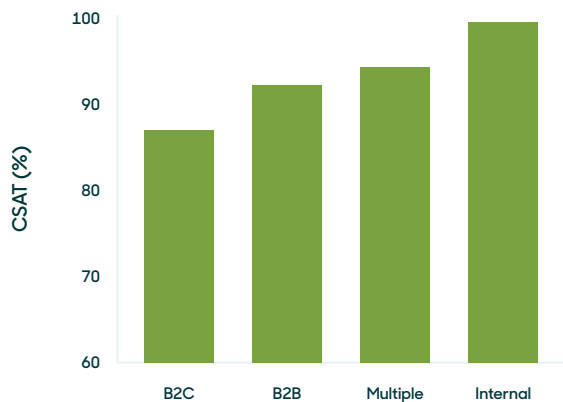## Monthly tickets

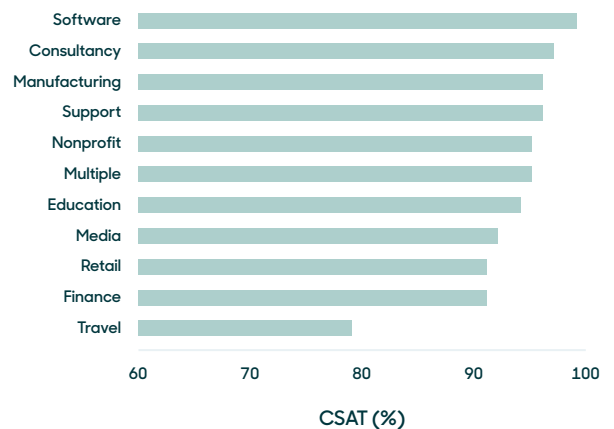### Monthly tickets by target audience
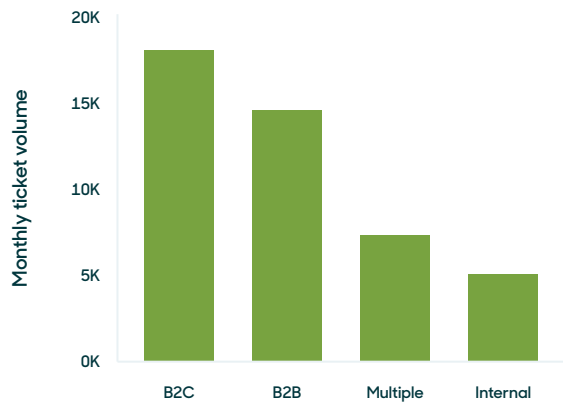
Monthly tickets by industry
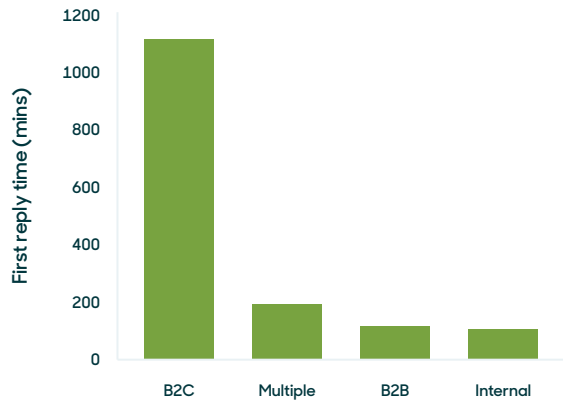

CSAT

CSAT by target audience
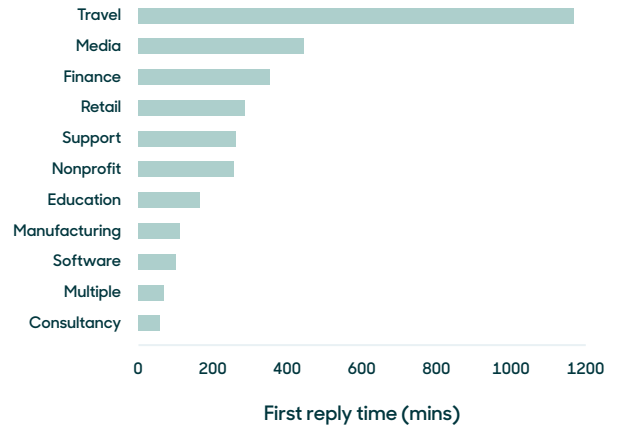

CSAT by industry

First reply time

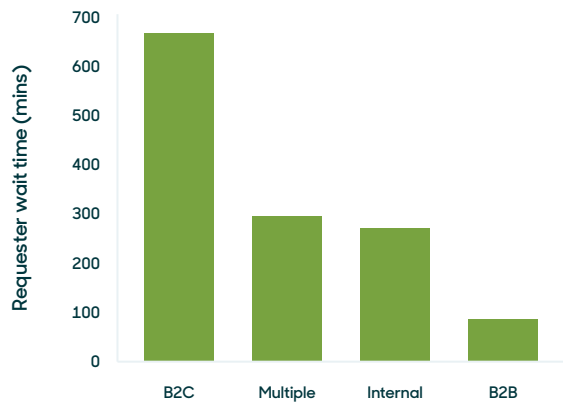## First reply time by target audience
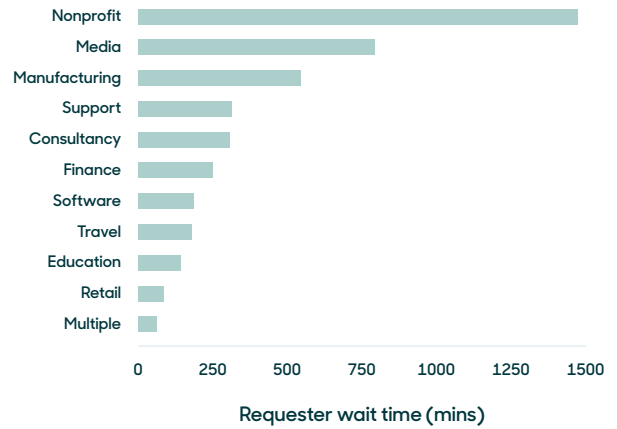

First reply time by industry

Requester wait time

Requester wait time by target audience

Requester wait time by industry

Methodology

For the purpose of this report, we defined enterprise companies as those with 1,000+ employees and 100+ agents. Looking at a sample of 170 enterprise companies that have opted into the Zendesk Benchmark, we used a dimensionality reduction technique call t-Distributed Stochastic Neighbor Embedding (t-SNE). t-SNE ensured that accounts that were close to each other in the original multi-dimensional space of our dataset remained neighbors when projected into two dimensions. Visual inspection of the resulting data showed nine well-defined clusters. We used Density-Based Spatial Clustering of Applications with Noise (DBSCAN) to formalize the cluster boundaries and tag our data. Each cluster was then analyzed for its defining traits.

Zendesk for Enterprise

Learn more about how Zendesk can be customized for large companies.

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