



# ZENDESK ADROLL

## ANALYSTS

Rebecca Wettemann, Barbara Peck

## THE BOTTOM LINE

**AdRoll deployed Zendesk to unify 13 individually siloed support channels into a centralized contact platform for customer-facing support and account management.** Nucleus found that moving to Zendesk eliminated the necessity for additional hires that would have been needed to maintain and support the in-house system, increased customer satisfaction, and increased personnel productivity across all channels.

ROI: **812%**

Payback: **2 months**

Average annual benefit: **\$ 187,880**

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## THE COMPANY

AdRoll's goal is to map the world's intent data and put it to work for every advertiser on the planet. The company specializes in performance marketing for several verticals including e-commerce, business-to-business, finance, travel, education, and media, and analyzes data on more than 1 billion user profiles across desktop, mobile, and tablet devices through its proprietary technology. Partnering with media and tech companies including Google, Facebook, Twitter, Instagram, and Apple, along with millions of Web sites and mobile applications, the company has more than 25,000 clients worldwide.

AdRoll is headquartered in San Francisco, with offices in New York, Tokyo, London, Dublin, and Sydney. It is backed by investors including Foundation Capital, IVP, Accel Partners, Merus Capital, and Peter Thiel.

## THE CHALLENGE

Prior to deployment of Zendesk, AdRoll had 13 siloed support channels that were not capable of sharing data. AdRoll identified the need to develop a centralized customer support system for client services that allowed employees in different departments to have access to comprehensive customer information. The platform had to be scalable to meet AdRoll's continued growth, and flexible to meet the changing needs of the retargeting market. Additionally, AdRoll wanted to retain administrative control in-house with the ability to create customized views, macros, and reports, empowering users to be more proactive and innovative.

Cost : Benefit  
Ratio | **1 : 1.6**

## THE STRATEGY

In April of 2015 AdRoll began the process of creating a unified process across all channels. The company began its due diligence and looked at several supporting technology options including Salesforce.com, Zendesk, Desk, and Google. Management ultimately selected Zendesk for a number of reasons including:

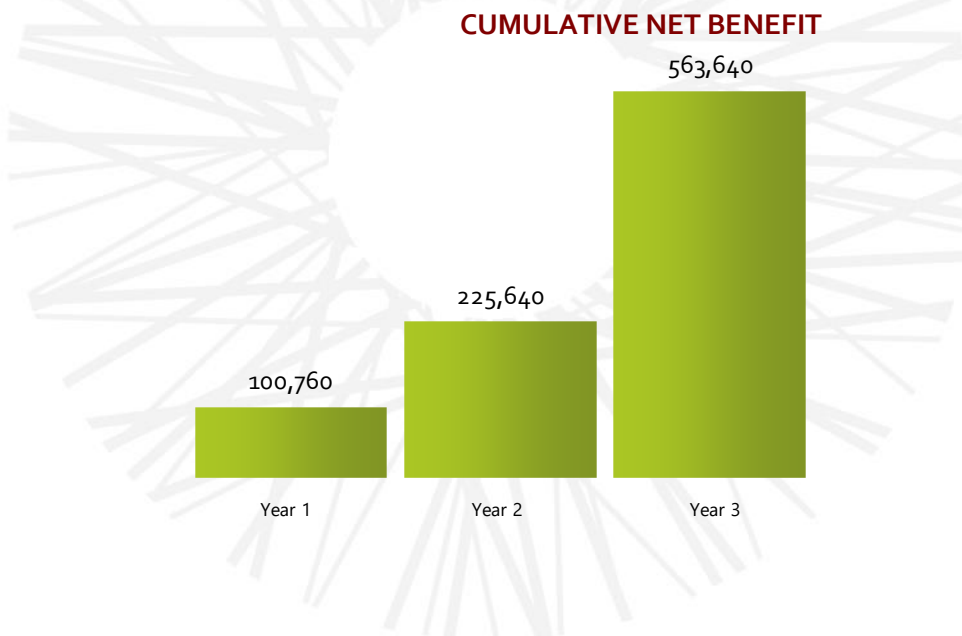
- **Control.** AdRoll found that the Zendesk system was administration-centric and would allow the company to analyze and segment data in order to produce custom macros, views, and reporting.
- **Transparency.** AdRoll identified that the Zendesk solution would provide cross-silo exchange of information and produce comprehensive customer profiles for sales and service.
- **Functionality.** AdRoll believed that the Zendesk solution had the flexibility and functionality to support the volume of integrated data from all 13 siloes, reduce the potential for human error inherent to manual processing, and create relevant reporting.

- Usability. Adroll determined that Zendesk was intuitive, requiring minimal training and improved report visibility for both customer service and account managers.
- Ease of integration. AdRoll understood that the Zendesk application was easily installed and integrated with existing software such as Salesforce.com, and did not require infrastructure modifications.

### TYPES OF BENEFITS



The process took eight months, including design, development, and testing, and was completed in February of 2016. Training was minimal due to the intuitive nature of the application and was completed in less than two hours per user.



### KEY BENEFIT AREAS

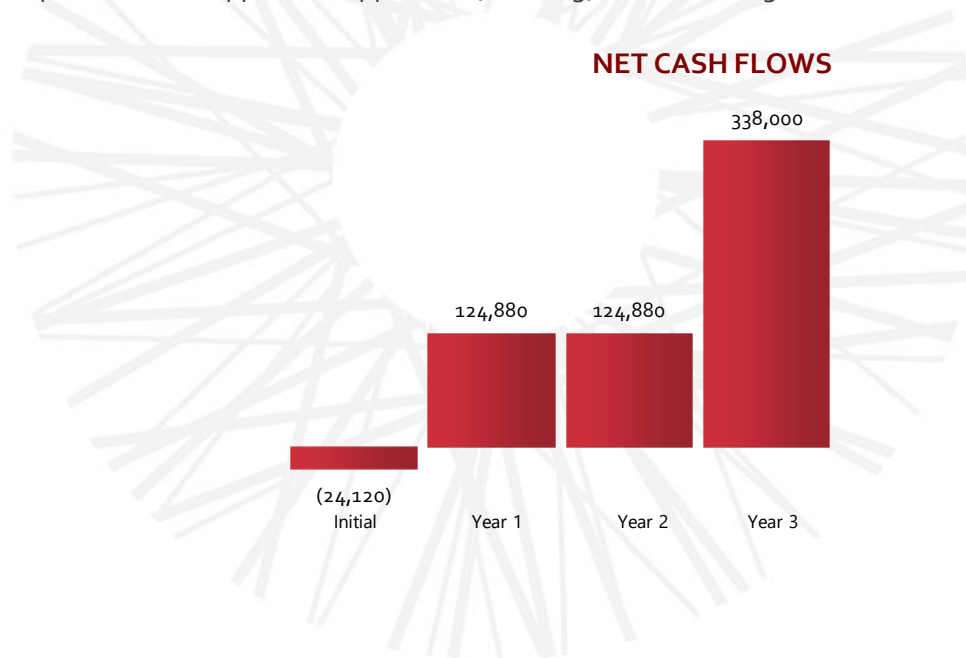
Deployment of the Zendesk application replaced an inflexible siloed system and opened access to data across all channels. Key benefits of the Zendesk project include:

- Reduced technology costs. Zendesk eliminated the need for additional hires to support and maintain the legacy system.

- Improved productivity. With Zendesk, a single manager can now do the work of three, freeing the manager to focus on performance and sales.
- Increased customer satisfaction. The transparency of the Zendesk system integrates data from all silos, delivering a complete profile of each customer, and allowing agents to better provide support and sales unique to each client's needs.
- Increased sales enablement. The data correlated by the Zendesk application allows the agents to be proactive, initiating contact and enhancing the opportunity to identify sales and revenue opportunities – to upsell and grow the company.

## KEY COST AREAS

Costs of the project include software license subscription fees, personnel time to implement and support the application, training, and consulting costs.



## BEST PRACTICES

In deploying Zendesk, AdRoll found it beneficial to develop a thorough understanding of each team's requirements, and a clear definition of the desired outcome. This allowed the company to plan the best course of action that would leverage Zendesk for full benefit. For example, each silo contained different segments of the customer profile that was not available to agents or sales personnel from a different silo. Zendesk provides comprehensive customer information,

allowing customer service and sales to best take advantage of the real-time information, deliver the most appropriate solution, and use the opportunity to upsell. As a result of the carefully planned implementation, engagement with the customer has led to increased revenue and productivity.

## CALCULATING THE ROI

Nucleus quantified the initial and ongoing costs of software subscription fees, personnel time to implement and support the application, employee training time, and project consulting to calculate the total investment in Zendesk.

Direct benefits quantified included the elimination of the need to hire two additional IT engineers to maintain and support the legacy system. These calculations used the average fully loaded annual salary of an IT engineer.

The indirect benefit quantified was increased management productivity, calculated using the fully loaded average cost of a manager with a correction factor to account for the inefficient transfer of time between time saved and additional time worked. Not quantified is the benefit of increased customer satisfaction because of shorter response times and proactive contacts by sales personnel.

# FINANCIAL ANALYSIS

Zendesk

Annual ROI: 812%

Payback period: 0.2 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	360,000	0	0	0
Indirect	0	388,000	388,000	388,000
<b>Total per period</b>	360,000	388,000	388,000	388,000

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	0	0	0	0

COSTS - DEPRECIATION SCHEDULE	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	213,120	213,120	213,120	0
Hardware	0	0	0	0
Consulting	86,077	0	0	0
Personnel	64,250	50,000	50,000	50,000
Training	20,673	0	0	0
Other	0	0	0	0
<b>Total per period</b>	384,120	263,120	263,120	50,000

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	4.5%			
Cost of capital	7.0%			
Net cash flow before taxes	(24,120)	124,880	124,880	338,000
Net cash flow after taxes	(13,266)	68,684	68,684	185,900
<b>Annual ROI - direct and indirect benefits</b>				<b>812%</b>
Annual ROI - direct benefits only				-796%
Net Present Value (NPV)				262,666
<b>Payback period</b>				<b>0.2 years</b>
Average Annual Cost of Ownership				320,120
<b>3-Year IRR</b>				<b>534%</b>

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.

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