

An Inside Look Into How Groupon Does Support

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Introduction

Many experts predict that 2011 will be the year that customer experience becomes the most critical part of an organization's support strategy. And with good reason: 90 percent of executives surveyed say customer experience is either very important or critical to their future plans, according to Forrester's 2010 State of the Customer Experience report.

Customer satisfaction is how organizations can grow their customer base and bolster customer retention and brand loyalty. But what makes a customer experience satisfactory? Most times it comes down to how fast and efficiently a customer felt an interaction with an agent went, and whether that interaction felt personal and human. The increase in organizations integrating social media channels into its customer support platforms also highlights the importance of today's customer experience. Social media channels such as Twitter and Facebook have been leveraged by a number of companies to deliver fast, personal responses to customers needing help. Customers now expect a similar experience with phone, web, and email channels, all of which have traditionally struggled to deliver efficiency and customer satisfaction.

The conundrum most companies find themselves in is sacrificing a personal customer experience for the sake of agent efficiency, or sacrificing agent efficiency for the sake of offering a personal customer experience. Zendesk lets organizations achieve both agent efficiency and a personal customer experience. The web-based help desk software has helped thousands of companies, including Groupon, deliver customer support that is easy to use, efficient, and able to deliver the kind of personalized support that's fiercely desired in today's marketplace. What's more, Zendesk can be up and running within days, or hours, which is the very reason why Groupon chose it for its help desk solution.

For a company that has resolved a whopping 2 million tickets, having an agile, scalable help desk solution is crucial. This paper illustrates how Groupon's implementation of Zendesk has helped the company offer top-notch customer support, which has led to immense customer growth, retention, and loyalty.

History of Groupon

Groupon is a daily coupon website that offers city-specific deals on a wide range of activities. Every day, Groupon subscribers are emailed deals on everything from a meal at a local restaurant to laser hair removal, all at a discounted price. What makes it a "groupon," versus a traditional online coupon, is enough people have to buy in to get the deal. It's what Groupon calls the "tipping point." For instance, 50 people might be required buy into a deal for it to be made available. If not enough people buy in, the deal is canceled and no one is charged.

Andrew Mason, Groupon's CEO, founded the company in November 2008. In its relatively short existence, the company has seen tremendous growth.

In 2010, the company had 2.5 million subscribers; today the company totals 25 million subscribers in North America and 50 million worldwide. At the start of 2011 the company raised \$950 million in venture capital, the largest amount ever raised by a start-up to date. It has expanded to 35 countries and more than 500 markets. Whereas in 2009 the company was supporting only a few deals per day, now it supports more than 200 deals a day.

Size of Groupon

- *25 million subscribers in North America*
- *50 million subscribers worldwide*
- *Available in 35 countries and more than 500*

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At the heart of the company is its customers, whose numbers not only grow each day, but have demonstrated intense loyalty. To get an inside look into how the company manages its support requests, we interviewed Joe Harrow, Groupon's director of customer support.

Groupon's Customer Support Team

As an organization, Groupon has experienced exponential growth. In November 2009, the organization employed 8 customer service agents. In January 2011, Groupon's customer service team totals more than 150 agents offering 24/5 support. By the end of 2011, the company aims to offer full 24-hour support on the weekends. Groupon support is also available on iPhone, BlackBerry, and Android.

On average, Groupon's agents field 15,000 tickets per day. Groupon's agents resolve 50 percent of its tickets in less than four hours and respond to everything in less than 24. Each agent solves 90 tickets per day.

Most tickets are basic and deal with questions regarding account activation, resetting a password, or trying to add a new credit card. Other tickets might field questions or issues that are deal-specific. The vast majority of tickets are handled by either phone or email.

"It's crazy. Our volume of tickets never plateaus," Harrow says. "Every month we are resetting our expectations."

Groupon's Support at a Glance

- *150+ agents*
- *15,000 tickets handled per day*
- *50% of tickets resolved in less than 4 hours*
- *Each agent solves 90 tickets per day*

When Email Stopped Being Enough

In its first five months, Groupon was able to handle all of its support needs through email, which Harrow notes is "kind of like using nothing." At that time, Harrow was the only person on staff responding to customers.

"All of a sudden things got crazy and it was time to have more than just me doing customer service," Harrow says. "We needed something real here."

Enter Zendesk

Harrow conducted a quick evaluation of the web-based help desk support software in May 2009. He had it up and running in one day. For Harrow, the biggest benefits for using Zendesk include:

- Ease of implementation. Ability to add new agents immediately.
- Customizable macros that enable personalized, yet quick responses to FAQs.
- Real-time reporting and advanced analytics.
- Setting up triggers. Triggers are business rules that are automatically executed in response to certain events that have occurred on a particular ticket. If you want to send an automatic email to a customer when you solve their ticket, you can set up a trigger to do that.

"For our type of growth, it's been useful in how simple it is; how easy it is to quickly create a new trigger or a view, or just generally to set it up to use it," Harrow says.

Another benefit is the ability to easily deploy Zendesk across various departments.

More Than a Help Desk

Originally, Zendesk was only used as a customer service tool at Groupon, but now it is being implemented in different ways across a number of different departments. Groupon's editorial team uses Zendesk to handle edit requests, its legal team uses it to handle internal questions, support engineers use it to handle bugs and other requests, while IT is using it to handle all IT-related requests.

The more people who know how to use a tool that's been deployed within your organization, the easier it is to maximize its usability. It's also important to remember how implementing a one-stop, multi-purpose solution makes it much easier to train existing employees and new hires.

The key is finding a help desk solution that is agile, scalable, and easy to use. The solution must allow an organization to seamlessly transition between one solution and the next takes months or weeks to smooth over. The ideal solution is one that can be up and running within a few days.

Groupon's Customer Support Philosophy: Defenders of the Customer Experience

Groupon's support team subscribes to an unwritten rule that all of its support agents are "defenders of the customer experience." Instead of simply selling a great deal, all support agents' actions connect to serving the customer experience.

"Our philosophy is not just, 'here get this cheap,' but here's a really great business that you should know, that you should try," Harrow says. "Here's a restaurant maybe you've never heard of before that has really great reviews and you should get to know it, and we're going to make that easy for you by offering you this great discount."

In that respect, Groupon has a significant competitive edge since only 11 percent of businesses have a very disciplined approach to customer experience, according to a 2010 Forrester report on the State of Customer Experience.

Selling an experience, as opposed to a tangible product, requires a lot of trust from the customer.

Unlike a product that a customer can check out before they make a final purchase, Groupon's customers take a risk, albeit an inexpensive one, when they agree to purchase a coupon and try out a new business. Therefore it is crucial that Groupon's support agents create relationships that feel personal, sincere, and convey trust from the very first interaction. And if any part of the experience fails the customer in anyway, Groupon is prepared to make it up to them.

One-Touch Resolution

One of the most frustrating experiences for a customer is when they are bounced around from agent to agent, or are put on hold for long periods of time. If customers forced to navigate multi-level phone trees or who are passed around to various agents, who don't have answers, they'll feel frustrated. Organizations need to create efficient support channels for customers.

For this reason, Groupon's customer support team aims to solve the far majority of its problems with a single communication.

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“We try and think of the customer experience that we would want to have. And nobody likes Interactive Voice Response [IVR]; Press “1” for this Press “2” for this. Maybe if you only have to press two buttons then you don’t care because it gets you exactly where you need to be. But when you get stuck in that IVR loop, by the time you get someone, you’re already angry,” Harrow says.

At Groupon, anyone who calls the main number is asked to press 1 for customer service and 2 for sales. If a caller presses 1, they are immediately connected to an agent.

Groupon also trains and empowers agents to be able to resolve the majority of issues sent their way.

“The person that answers the phone should be able to solve your problem. And so that means it’s a lot of personal responsibility for each individual representative.”

–JOE HARROW,
DIRECTOR OF CUSTOMER
SUPPORT, GROUPON

Empowering Agents With Flexible Support Policies

Organizations that can adopt a flexible support policy can reduce response and resolution times. It also means a better experience for the customer who is made to feel that their issue is important when they are able to solve their problem immediately. Moreover, knowledgeable agents who can help customers solve their issues will earn their trust and their loyalty.

At Groupon, agents are trained to solve the majority of problems a customer might experience. Agents are also empowered to decide the best course of action based on each customer’s inquiry and are essentially deciding Groupon’s support policy on a case-by-case basis. Agents are expected to take care of most issues on their own, without requiring escalation.

“Every agent is trained so they are comfortable picking any questions about any topic as opposed to, ‘I only learned to answer these 5 types of questions,’” Harrow says.

What’s more, empowering agents to make decisions has proven to be an effective way of keeping agent morale high.

“According to recent research by the Incoming Calls Management Institute (ICMI), providing agents with more authority to actually solve problems does wonders for self-esteem and raises their respect in the eyes of callers.” (*Helping Contact Center Agents Improve First Contact Resolution, The Pelorus Group, May 2008*).

Zendesk Macros Keep It Human

Personal customer experiences improve customer loyalty and gain customer trust, something that is especially important to businesses such as Groupon. But when an organization wants to resolve customer issues quickly and seamlessly, it can be a difficult task to pull off.

Zendesk’s macros help Groupon agents execute a personal, human customer interaction efficiently. Macros enable the support team to draft a number of automated responses to help with frequent issues. The support team currently uses approximately 370 macros. A big part of its customer support training is having new customer service agents read through all macro responses.

Macros at Groupon exist as living documents that are continually modified and updated. A small team is in place to make sure macros are sorted, updated, and the language is right. A macro is always specific to a particular question and a lot of emphasis is put on making sure that the tone is correct. Macros must always come across as human.

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For instance, if a macro contains a bulleted list of response options, it is the agent's responsibility to delete those options that don't apply to that ticket.

Groupon's goal is to have every macro written in a way so that any customer who sees it as a personal response from an agent and not just a canned response.

Groupon strongly believes macro responses drive efficiency, so it tracks how many people are using macros versus not using macros as a way to ensure agents are using this tool as much as possible. The company has found that agents who are most productive are those agents demonstrating the most familiarity with macros.

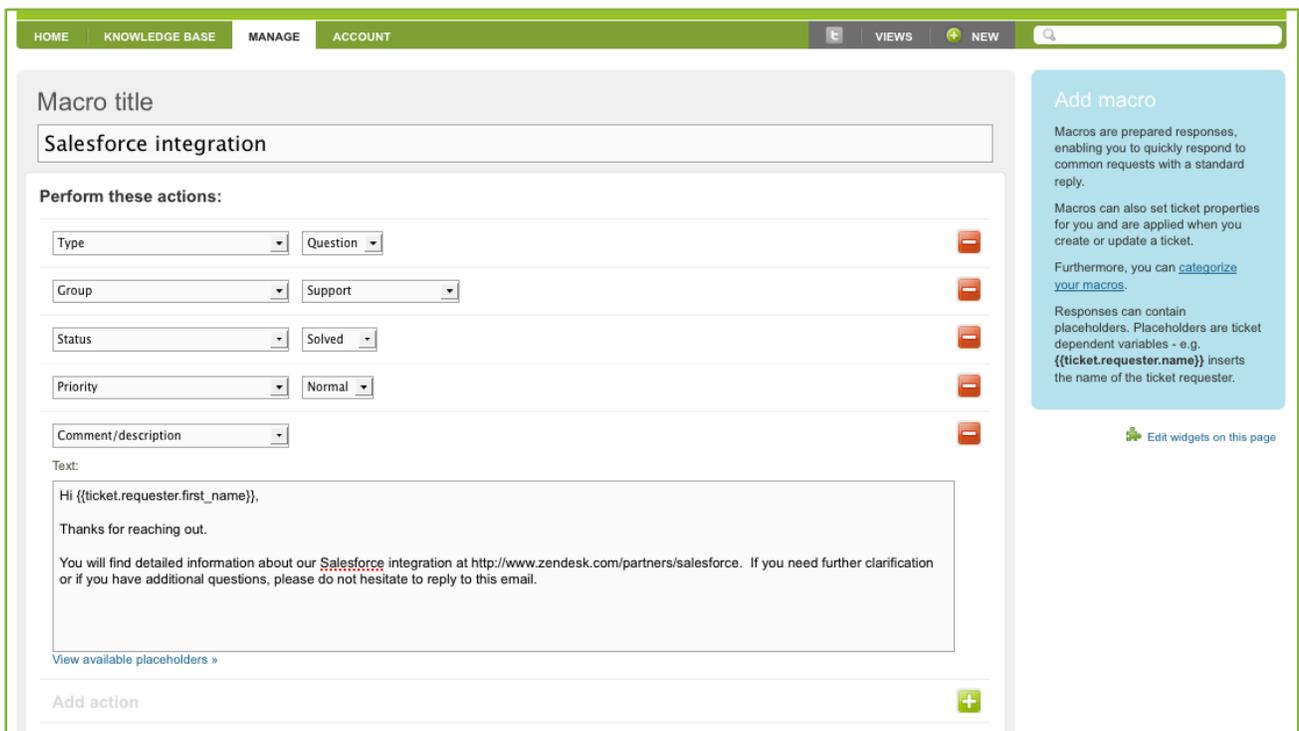


Figure 1 - Easily create personalized macros on Zendesk

Groupon's Multi-Channel Customer Support Offerings

Phone, email, web: Groupon's three main channels for customer support are phone, email, and its website.

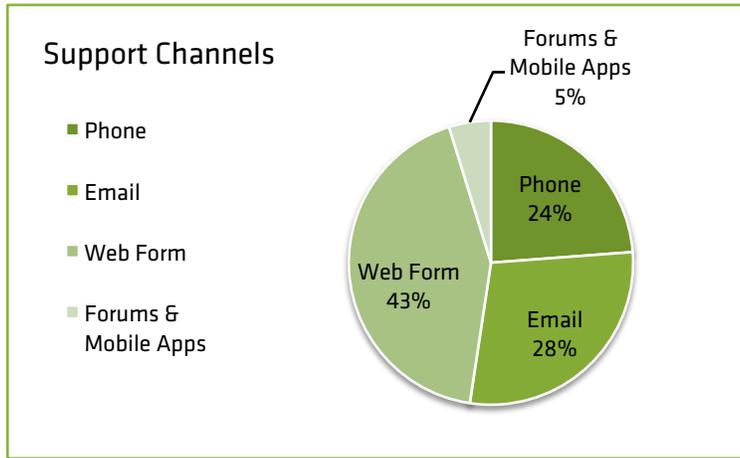


Figure 2 - Breakdown of Groupon customer support channels

Contact Us

The easiest way to contact us is to simply fill out the form below. Or for any specific questions/requests give us a call.

Name *(Please enter your full name)

Email address *(So we can get back to you)

City

Reason for contacting *

Description * Please enter the details of your request – we'll respond as quickly as possible.

This is regarding a Groupon I am planning to use today.

* - Required fields

Question about today's deal?
We can try to help, but you should probably try the business first - you can find a link to their website on the main deal page.
Or just check out today's discussion board for the deal!

Trouble accessing your Groupons?
Click on "Sign in" on the right side of the page near the top. Sign in using your email address and password, or if you originally used Facebook connect when you made the purchase, sign in that way. Once you are signed in, you will see your name at the top right of the page. Click on your name and your account menu will drop down. Click on the "My Groupons" link to access your Groupons. Any Groupon that you've purchased will always show up here, so come back as often as you'd like!

Having trouble using Groupon?
Email Groupon at support@groupon.com or call 1 (877) 788-7858 (during normal business hours, central time)

If you're a business owner

Figure 3 - Groupon's web form

Community forums and knowledge base: The types of questions that agents address, in most cases, need to be taken offline and resolved via email. So agents keep an eye out for any customer service issues that appear and route those issues to support@groupon.com. Groupon's agents can then link to their account and see exactly what's going on in real time.

The strength of the forums is it allows the vendors behind the site's daily deals to interact first-hand with customers. When there are questions regarding whether a venue is family-friendly or if a restaurant has a kids' menu, the vendor can reply directly to the inquiry. It's a great opportunity for customers engage directly with the vendor, which further increases customer trust.

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Mobile applications (iPhone, Android, BlackBerry, etc.): If any issues arise through a mobile application those issues are directed to Groupon's normal support channels (phone/email). Most tickets, however, are not resolved through mobile applications. Rather, support management uses the mobile apps to check or review its support queue, allowing them manage away from their desk and stay more in touch with customers.

Groupon's plan to scale its use of more innovative customer service channels includes evaluating Zendesk Chat in 2011.

Measuring Agent Success

Groupon also measures the quality of each customer service rep by reading over samples of their work. They also look at survey data for overall team quality.

Benchmarking an organization's customer service is a way to see whether your organization is reaching its goals and how its current performance compares to past performance.

Another benefit of Zendesk is its numerous integrations, including GoodData, to enable companies to measure the performance of their help desk. The GoodData for Zendesk integration allows organizations the ability to visualize:

- Ticket creation
- Resolution
- Backlog
- Agent performance
- Average wait times
- Time to first reply
- Number of replies
- Reopens per ticket

Empower Support Agents

Support agents must be equipped with the right tools, resources, and to offer flawless support.

A large part of Groupon's agents' success is due to the culture of its customer service department. Everyone understands and supports the philosophy of defending the customer experience and conveys that philosophy during every customer interaction. Agents that feel supported, empowered and work in a positive environment are more likely to have more positive, productive interactions with agents. At Groupon, agents are told on their first day of training that they must let management know right away if they do not have the tools they require to deliver a positive customer experience.

In addition to its rigorous training program, Groupon also has a style guide that's becoming a larger part of its training. It details the style and tone agents should have with customers. Those principles, not surprisingly, all advocate for a sensitive, personal, and efficient customer interaction.

Groupon's Top 5 Support Principles:

1. Be Human. Have Empathy.
2. Sensitivity to the Gravity of the Situation
3. Kill With Kindness: How to Handle Criticism With a Thank You
4. One and Done: Avoiding the Bounce-Back
5. Brevity, Brevity, Brevity, Brevity, Brevity, Brevity, Brevity, Brevity

What's on the Horizon

Looking ahead, Groupon's customer support goals are straightforward: keep pace with its steady and astounding growth. Adding 24/7 support is on the horizon, as is keeping response times down and continuing to hire and train more agents. By the end of 2011, Groupon's roster of customer support agents could climb to 500.

The company's meteoric growth has meant customer support faces new challenges almost every week. Groupon's "product" is constantly changing, updating and adding new things.

"It's getting more complicated. And at a certain point we'll have to specialize more. But we hire really smart competent people, so we've been able to handle it," Harrow says.

Because a customer service team only talks to a small fraction of any organization's actual customers, when something goes wrong, there are a huge percentage of people who could call that don't. Given Groupon's continually growing customer base, the company's vulnerability also increases at an equal rate. The company has no choice but to devise a plan scalable enough to meet the growing demands of its growing customer population, without sacrificing its trademark personal customer experiences.

Conclusion

Now, more than ever, companies are striving to deliver a support solution that can simultaneously improve resolution time and increase customer satisfaction. In addition to optimizing their help desk's traditional support channels, such as phone, web, and email, organizations must also look to newer channels, such as social media and mobile apps. It is also important that organizations select a solution that can be up and running within a few days.

Zendesk lets an organization continually improve its agent efficiency without compromising customer satisfaction or experience. Zendesk understands that customers want support at a place, mode, and time of their choosing, and that it's important that users of support software enjoy using it. The software's benchmarking tools help an organization measure its ongoing success and highlight where it can stand to improve. Most importantly, organizations can customize their Zendesk account in any number of ways to best fit their needs. For Groupon, having a large volume of macros has been key to their agent productivity. Zendesk's long list of integrations also continues to keep the product agile and scalable for any organization, whether a start-up or an enterprise-class business.

Groupon's 6 Tips for Top-Notch Customer Support

1. **Customer happiness and loyalty comes when customers are made to feel their time is valuable and their issues are important.** Don't keep customers tied up in phone trees or bounce them around to different agents. Aim to solve as many customer queries with a single interaction where possible.
2. **Allow agents to decide the company policy on a case-by-case basis.** That type of flexibility keeps processes streamlined and empowering agent morale high.
3. **Do not over look the power of macros to boost agent efficiency and customer satisfaction.** Zendesk allows its users to easily create macros which helps keep the agent-customer relationship efficient AND personal.
4. **Implement benchmarking!** The only way companies can measure performance is to employ advanced analytics and reporting. Look for solutions that will give you the tools you need to measure your organization's success.
5. **Find a solution that can help your support team accomplish both agent efficiency and customer satisfaction.** A help desk solution should never choose one over the other.
6. **Consider a solution that is scalable across multiple departments and businesses.** Zendesk is deployed across Groupon's support team, its legal and editorial teams, and its support engineers, among others.

How to Get Started

Visit us to sign up for a free 30-day trial with full access to all features at www.zendesk.com/signup. Contact Zendesk to get started at +1 (415) 418-7506 or email sales@zendesk.com.

About Zendesk

Zendesk is the proven cloud-based help desk software that is the fastest way to enable great customer service in rapidly growing companies. Zendesk is so easy to use, it's loved by support teams and their customers worldwide. More than 10,000 organizations including Adobe, MSNBC, Sony, and Groupon, trust Zendesk with their most valuable asset: their customers. Now, organizations can deliver exceptional support across the web, email, and social media. Founded in 2007, Zendesk is funded by Charles River Ventures, Benchmark Capital and Matrix Partners. Learn more at www.zendesk.com.



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