

# Reinventing Customer Engagement

Measuring the Impact of Next-Generation Customer Communication



Front

Research sponsored by Front.

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Front provides a unique customer communications platform that drives personalized customer engagement, at scale, by reinventing a universally adopted application—email. Among other benefits, our research found that Front accelerates responses and strengthens customer connections, boosts employee productivity, and raises morale. Our report highlights the Revenue, OPEX, and Operational value drivers that generate a solid ROI for Front’s customers.

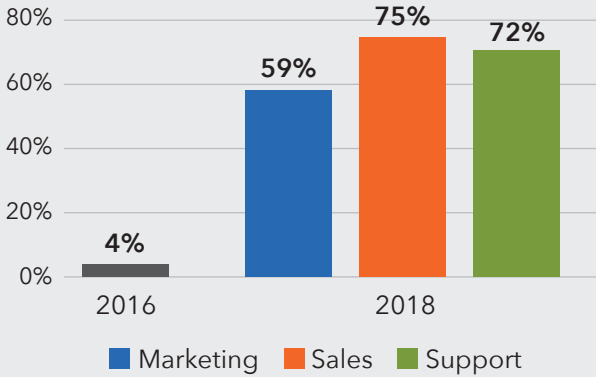
# Welcome to the Next Normal

*In the space of a few years, customer expectations have changed radically. To compete, businesses must respond faster and more personally than ever before.*

In 2020 our economy was jolted into what McKinsey has called the “Next Normal”—a transformation of our way of life on a scale not seen in recent memory.<sup>1</sup> The shock spurred a rethinking of business models and a renewed push to adopt digital technologies that better engage customers who were becoming ever more demanding.

Even before the crisis, businesses were scrambling to meet rising customer expectations. In 2016, for example, just 4% of customers said they expected an immediate response from a vendor to their emails.<sup>2</sup> Just two years later, however, 59-75% of customers expect marketing, sales and support teams to respond to inquiries in 30 minutes or less, according to a recent study by HubSpot.<sup>3</sup>

## Percentage of Customers Demanding Immediate Responses



Source: Fast Company and Hubspot Research Consumer Customer Support Survey

Front’s solution creates personalized relationships at scale, leading to revenue acceleration through better customer engagement, reduced operating costs through productivity enhancements, and improved employee morale through the enablement of more impactful work.

<sup>1</sup> <https://assets.mckinsey.com/featured-insights/the-next-normal/business-in-2020-and-beyond#>  
<sup>2</sup> "What is an appropriate response to email?" *Fast Company*.  
<sup>3</sup> Hubspot Research Consumer Customer Support Survey, Q2 2018.

# The Future of Customer Engagement

*Email is the hub of customer engagement, but too often it's a source of busywork, mixed messages, and frustration—for both customers and staff.*

Customer engagement—defined here as interactions where teams and customers meet—has been a priority of business for years. To optimize different dimensions of the customer relationship, companies have invested in enterprise systems for marketing, sales, support and customer success (renewals). But while these systems help companies manage essential business processes, they don't represent what we call the "heart of the business"—those meaningful connections between teams and customers that lead to lasting relationships.

**83%**  
of consumers prefer communications from businesses through email<sup>4</sup>

Employees spend an average of **28%** of their work week working on email<sup>4</sup>

For virtually every organization, email is what drives those vital connections and relationships. Even today, email remains the single most popular system of engagement. A recent study by Twilio, for example, found that 83% of consumers prefer to communicate with businesses through email,<sup>4</sup> and employees spend an average of 28% of their workweek—about 11 hours—working on email.<sup>5</sup>

Yet despite the central role of email, businesses have failed to take advantage of its potential. Part of the problem is that email hasn't changed much over the past 30 years. As IDC noted recently, "Email is so 1980s ... and doesn't do groups productively..."<sup>6</sup> The truth is that traditional email systems used by the vast majority of organizations are outdated and ineffective. According a recent study,<sup>7</sup> workers check email 10 times every hour, yet only 34% of their time spent using the tool is actually productive.

Too often email is a source of unproductive busywork and frustration instead of what it should be—a driver of efficient, personalized communications and collaboration. Our interviews and industry research found that the shortcomings of traditional email can lead to significant customer engagement and business challenges, including:

- Missed sales opportunities
- Lower customer satisfaction
- Lower close rates
- Higher customer churn
- Higher MTR (mean time to respond)

## Customer Engagement Business Challenge Examples

Business Challenge	Company Examples
<b>Missed Sales Opportunities</b>	Shopify and Meraki (Cisco) were finding it difficult to keep pace with growth in customer demand.
<b>Higher MTR</b>	EverCheck was challenged with providing its superior customer service levels at scale; Saucey was managing up to 12 concurrent customer conversations, hitting a breaking point for its customer service team.
<b>Lower Customer Satisfaction</b>	Lydia's legacy ticketing and collaboration solution wasn't keeping up with the business, lowering customer satisfaction.
<b>Higher Customer Churn</b>	MNX Global Logistics' legacy email system couldn't efficiently track responses or route emails to the right people, jeopardizing customer relationships.

<sup>4</sup> Twilio & Lawless Research—2,500 consumers in US, UK and Australia.

<sup>5</sup> McKinsey Global Institute Study & Front App Usage Reports.

<sup>6</sup> "The value of collaborative email: efficient, team-focused" IDC, June 2019.

<sup>7</sup> Shelia McClear, December 18, 2018. <https://www.theladders.com/career-advice/close-those-tabs-switching-between-applications-ruins-your-productivity>.

Faced with email's limitations, organizations have tried to shift more work and customer communications to their enterprise systems—the “spokes” surrounding the email “hub.” We believe this is a misguided strategy, and a missed strategic opportunity. As we have seen, the vast majority of customers prefer to communicate with businesses over email. It’s a familiar, personal mode of interaction that presents a unified voice to customers; and when its full potential is unlocked, email can drive responsive, high-value conversations with customers. This transformative capability is now within reach of enterprises in multiple industries.

## The Heart of Customer Engagement – Email



## Powering Customer Impact

*Harnessing Front’s next-gen communications and collaboration platform, businesses are engaging customers faster and more effectively—and reaping tangible rewards*

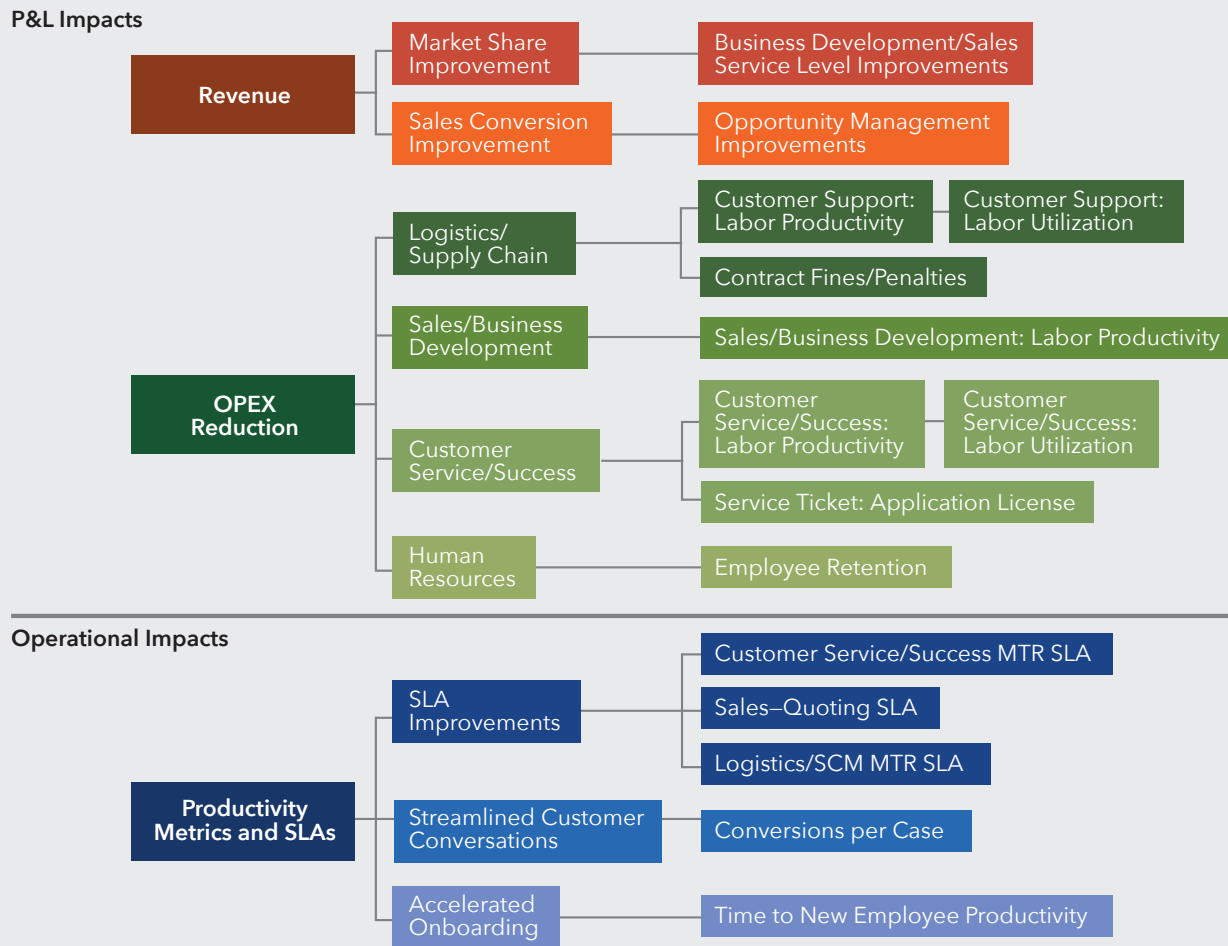
Front reinvents email by enabling organizations to intelligently prioritize, route, coordinate and respond to customer conversations at scale. Front’s comprehensive platform turns email from a static repository of customer messages to a multichannel customer communications and team collaboration hub. Key features of the platform include:

- **Automated workflows and business rules** to sort new messages, route them to the right person, and respond on time
- **Conversation assignments** that designate an owner for every message to improve accountability
- **Analytics** to gain insight into message flow and optimally deploy team resources
- **Shared inboxes and email drafts** to allow team members to have joint visibility, collaborate quickly and get back to customers faster
- **Integrated calendar** to make it easy for team members to schedule meetings and manage calendars from their inbox
- **Templated responses** to increase productivity and speed responses
- **Integrations** with more than 50 applications plus APIs and developer tools to embed email, texts, and other customer messages into core business workflows

Our analysis of the Front communications and collaboration platform, interviews with companies currently using Front, detailed a range of business impacts, including enhanced revenue generation, a reduction in operational expense (OPEX), and operational improvements such as better SLA performance, as shown in the diagram below. We’ll explore and quantify these business impacts—or “value drivers”—in the following sections.

## The Business Value Impact of Front: A Comprehensive “Value Tree”

Front is helping companies capture value across multiple areas of the business, both financial and operational. The chart below breaks out the range of benefits reported by companies in the study.



### Pilot Streamlines Financial Services for Startups

For startups and fast-growing businesses, Pilot is the go-to provider of bookkeeping, tax and CFO services. Pilot’s clients expect a fast, personalized email response to their bookkeeping questions, from a single point of contact.

Questions around COVID-19 have dramatically increased email traffic between Pilot and its clients.

Using Front, Pilot built a modern customer communications lifecycle platform spanning client onboarding to project success. With Front’s rules engine, the

company automates how it manages customer inquiries and audits customer conversations to ensure every request has been successfully addressed.

- Met 24-hour turnaround SLA
- Protects personalized relationship between bookkeeper and client while support teams work collaboratively behind the scenes
- As Pilot continues to expand, the company will use Front to scale operations to deliver new offerings

# Growing the Top Line

*More responsive and personalized customer engagement is delivering significant top-line benefits for companies, from stronger sales performance to better lead generation.*

## Closing More Deals

In our digital economy, businesses increasingly differentiate themselves with customer service. Responding quickly to inquiries, providing timely information and quotes, and following up consistently is critical to driving top-line growth and market share. Front helps companies communicate with customers in a personalized fashion to close deals faster—and internally, to accelerate transactions and improve overall customer service levels, locking in repeat business and contract renewals.

## Capturing More Opportunities

Traditional email inboxes can easily overwhelm users with confusing threads and administrative burdens, often leading to missed or mis-managed sales opportunities. Front provides a more structured and automated way of processing email flows, ensuring consistent follow-through and thus maximizing sales opportunities. Using the Front platform, companies can tag emails that might contain a promising sales opportunity, assign resources to work the lead, track and manage the customer conversation, and audit conversion performance to improve opportunity management.

# Capturing Operational Savings

*Organizations that adopt Front are reporting significant productivity improvements across multiple business functions, generating cost savings and boosting customer service.*

## More Productive Sales and Business Development Teams

Salespeople typically work in teams when they're putting together a deal, developing quotes, or responding to a customer's technical questions. This is especially true for large, complex sales contracts. Front's intelligent routing features and conversation flags help sales organizations assign sales opportunities to the right people and then research and close the deal in a timely manner.



**CUSTOMER  
PROOF**

**2X**

CleaningPros doubled deal close rates after deploying Front



**CUSTOMER  
PROOF**

**50X**

Increase in sales response time after customer metal manufacturer WizardPins accelerated team collaboration and quoting with Front



**CUSTOMER  
PROOF**

**20 hours**

Time saved by Meraki sales teams every month due to Front-driven productivity improvements

## Reduced Customer Service and Success Cost to Serve

Businesses report significant improvements in customer service using Front. The solution helps teams provide a personalized customer experience by assigning ownership of conversations to individual team members, and speeds resolution of customer concerns with better internal collaboration (fewer steps needed to complete conversations). Front's reporting and analytics helps companies match staff utilization with changing call volumes. For some companies, Front provides a simpler and more cost-effective alternative to CRM and customer service ticketing applications.

*"Front has transformed my team into a super-responsive and effective support organization. The platform's tagging capability helps us direct emails to the right audience with a single click."*

- Jules Funderburk, Head of Customer Support, Pilot

## Less Employee Churn

By optimizing internal communications and collaboration, Front helps employees build team comradery, boosting morale and reducing attrition. For example, when a customer service agent goes on vacation, Front helps team members seamlessly take over the inbox in the meantime. Thus, conversations are never dropped or assigned to the wrong person. In addition, the team-centric environment naturally allows for helpful internal conversations and coaching to bring new team members up to speed quickly.

*"Front makes it easy for agents to get help and improve their skills, even if they're not comfortable asking for it."*

- David Sefton, SVP of Operations, Altour



**CUSTOMER  
PROOF**

**\$650,000**

Customer service productivity savings reported by Morningside

**\$50,000**

Annual CRM license costs saved by Fishbowl, a restaurant consultancy, with Front plugin solution



**CUSTOMER  
PROOF**

**20%-25%**

Improvement in employee retention reported by logistics provider MNX after adopting Front

## MORNINGSIDE

**Morningside:  
Collaborating Better,  
Saving More**

Amid a rapid business expansion, this global provider of IP and translation services found its email-based collaboration process couldn't keep up. It tried ticketing systems, but they didn't work with the company's complex workflows. Today, Front helps Morningside's IP and language experts collaborate more effectively and fulfill customer requests faster. It leverages tags and rules to ensure quick, accurate handling of customer conversations and configures shared inboxes to only allow access to authorized team members, strengthening security.

- \$630,000 per year in productivity improvements (estimated)
- Saved 21,000 hours per year handling nearly 3 million customer requests
- Improved response times significantly
- Assigned a single point of contact for each account, streamlining customer conversations
- Team members onboard with Front in just five minutes; off-board with one click

## Enabling the 'Next Normal' Business

In the "Next Normal" economy, fast and informed customer conversations are essential to growth and profitability. Consider supply chain management. Logistics, warehousing and other supply chain teams are tasked with addressing complex time-sensitive customer issues, such as late shipments, wrong orders or goods arriving damaged. Close collaboration across internal teams and vendors are key to resolving problems and answering queries in a timely and accurate manner. Missing deadlines and other performance targets included in service level agreements (SLAs) can trigger fines and penalties and potentially jeopardize future sales. Front can ensure that supply chain-related conversations are correctly routed, prioritized and managed to meet stringent SLAs. The platform's analytics and reporting capabilities also help companies devise ways to improve team collaboration and SLA performance.

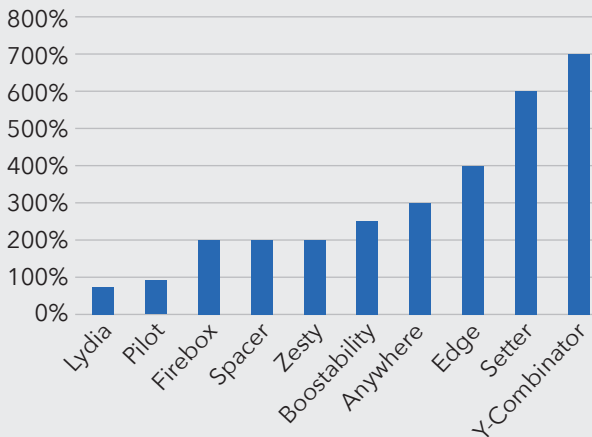
## Maximizing Customer Experience Performance

*By putting everybody on a unified, high-efficiency customer communications platform, businesses more consistently meet customer service commitments, streamline and energize business conversations, and right-size staffing levels for maximum efficiency.*

### Better SLA performance

Organizations say that Front's collaboration capabilities—such as intelligent message routing, assignment of responsibility, templated responses, email tagging—have driven faster response to customer queries and requests. Across the board, these efficiencies, combined with analytics and reporting to maintain optimal staffing levels, have led to significantly better SLA performance agreements.

SLA Performance Improvement with Front



Source: Front customer stories; Mainstay research, 2020



**CUSTOMER PROOF**

**\$200,000**

Savings reported by MNX from supply chain productivity enhancements

**200 hours**

Estimated monthly time savings achieved by parts supplier Echo after automating over 60% of customer conversations with Front



**CUSTOMER PROOF**

**300%**

Average SLA performance improvement reported by 10 Front customers (ranging from 67% to 700%)

## Fewer Touchpoints per Conversation

The study found that Front's powerful workflow engine—which delivers the right message to the right person at the right time—reduces the number of “hops” or internal touchpoints needed to manage a given customer conversation. Front's canned response feature also helps reduce the number of interactions needed to find and draft answers to questions.

## Streamlined Employee Onboarding

Since Front's platform takes advantage of a familiar user interface—email—bringing on new employees and training them on the system is simple and quick. Also, the single unified platform lets organizations consolidate on fewer systems, so new recruits have a smaller set of legacy applications to learn and they can start being productive right away. Finally, managers use Front's reporting features to track individual performance and provide targeted training as needed.

## Analytics-driven Staff Planning

Matching staffing levels to meet the demands of fast-moving markets requires a single source of truth to track the changing volume of customer conversations and a rich analytics engine to bring valuable insights to management. Front's analytics engine provides predictive demand forecasting and visibility to help organizations optimize staffing levels and meet SLAs even during peak demand and avoid over-staffing during normal times.



**CUSTOMER  
PROOF**

**10%**

Average reduction in the number of touchpoints per case reported by online retailer Shopify



**CUSTOMER  
PROOF**

**97%**

Reduction in new-employee onboarding time reported by CleaningPros after adopting Front



### MNX Global Logistics Boosts Customer Service, Captures Savings

Serving over 160 countries, California-based MNX relies heavily on email for global customer communications. But its legacy email system couldn't efficiently track responses or route emails to the right people. The result: poor response times and suboptimal customer service.

Today with Front, MNX automatically directs customer messages to the right people and tags VIP clients for priority attention. Embedded analytics helps teams improve collaboration and

accountability and forecast volume to ensure appropriate staffing across global sites. Customer satisfaction and sales are up, and so is employee morale.

- \$200,000 per year in productivity improvements (estimated)
- Saved 9,600 hours per year on customer communications
- Maintained 15-minute response time SLA even as volume increased 4-times
- Cut employee churn by 20-25%

Front's flexibility allows companies to build their own path to full business impact. The study showed that many companies organically develop cross-functional use cases for Front as the business value and ease-of-use are proven from an initial pilot program.

## Fast, Flexible Deployments

*Companies get started quickly with Front and extend the platform easily, increasing returns.*

Because Front mimics a familiar tool—email—it's easy for users across an organization to get started with the solution. The study found that worker training usually takes just a couple hours on average. Implementing the Front platform in the enterprise is typically a simple process, with companies going from purchase to production in weeks. Once Front is installed, user setup takes just a few hours, companies report.

*"Set up the inbox, set up the users, call IT and have them point users to that inbox. As soon as they say 'okay,' it's done. We could do it from a systems perspective in an afternoon."*

*- Todd Kurgan, Vice President, Customer Excellence, MNX Global Logistics*

The Front platform is easy to extend. Many of the customers we researched started by deploying the solution in their customer support organizations. After seeing success there, companies expanded Front to customer-facing teams, such as billing, sales, service lines, and customer success. Morningside Translations, for example, initially deployed Front to teams involved in customer onboarding through to project success. Managers now say it's only a matter of time before sales teams adopt the platform.

## Making an Impact in a Fast-Changing World

In a world that seems increasingly fragmented, maintaining meaningful customer connections is more important than ever. Though email remains the business world's most popular form of customer engagement, it fails to live up to its value-producing potential. Front changes the value proposition with a transformative platform for creating and sustaining powerful, personalized customer communications. As this study showed, Front can deliver tangible value in the form of significant productivity savings, revenue enhancement, and other operational benefits ranging from better SLA performance to higher employee morale and retention.

## To Learn More

Visit [frontapp.com](https://frontapp.com).

## About Mainstay

Research and analysis for this study was conducted by Mainstay, an independent consulting firm. We help our clients quantify and communicate business value of technology investments by assessing business needs and justifying technology spend. Hundreds of Fortune 1,000 companies with more than \$2 billion in technology projects have trusted Mainstay to bring clarity to complex business value initiatives. For more information, visit [mainstaycompany.com](https://mainstaycompany.com).



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