

Case Study Series: What's Working in Marketing & Selling Professional Services

Strong Brand and Strategic Advertising Help Software Maker Grow Business

By M. Sharon Baker

Overview

Tracking what customers say about your business has become a growing problem as the ways people interact online and through mobile applications has grown exponentially. It's a problem that San Francisco-based Zendesk Inc. solves with its web-based help desk software.

The three-year old company has grown primarily by word of mouth, says Jacob Meltzer, online marketing manager. Its software, written in the popular programming language Ruby on Rails, has received a lot of attention from developers who are more than happy to spread the word about cool applications. "We get a fair amount of write ups about the beauty of the product and how elegant it is," said Meltzer, explaining that customers don't have to install the software as it is hosted by Zendesk, and companies of any size can use it.

Zendesk wanted to step up its marketing efforts in order to grow beyond word of mouth. The company pursued a marketing strategy that included online and display advertising, search engine optimization, and paid search in order to shorten the sales cycle, stand out in what is a very crowded segment of the technology industry, and generate more leads.

Situation

Meltzer and his team recognized that despite the moderate monthly subscription price tag of \$9 to \$59, purchasing the software was a big decision. They were asking customers to run their entire help desk on Zendesk software. Because people don't make such critical decisions in a day, potential buyers came back to their web site many times before signing up for a free trial, which was required before purchase, Meltzer said. When faced with more than 320 competitors – the number of help desk solutions one could find on a site seeking to help you narrow your choice – standing out and building brand awareness was challenging.

Approach

Go with a Brand Name and Logo that Says It All

Luckily for Meltzer, the company founders chose to incorporate "Zen" into their name, a word that's not only easy to remember, but one that conjured up terms like simple, quiet, stress-free and harmonious – all things one hopes to find in a help desk. Zendesk clearly was memorable when pitted against its highly technical sounding or obscure competitor names like Citrix Online, LegendSoft, and Kayako.

Brand awareness was augmented by a memorable logo, Zendesk's smiling Buddha. "That character is incredibly sticky," Meltzer said. "It's a strong image, something you don't see every day." From a brand perspective, he added, "We're very happy that people think of us as the Buddha help desk."

Stay in the Minds of Potential Buyers

Meltzer incorporated several search engine optimization tools to help increase the company's leads, including Google's AdWords. But one tool in particular, he said, helped the company increase leads measurably. Knowing that it took buyers a long time to decide to purchase Zendesk software, Meltzer wanted a way to stay in the minds of potential customers. He wanted to remind them that their software could help.

"The goal was figuring out what's the best way to engage people after they already have Zendesk on their radar," he said. "We get plenty of searches for our brand, but the question was how do you engage with the broader web, those who were typing in broad ideas like 'help desk software.'"

One tool he used to do that was ReTargeter, an online advertising service that allowed companies to continue marketing to their website's visitors by reminding them of their original visit with display ads after they left the company's website. "We wanted a way to jog people's memory," Meltzer said. "ReTargeter has a great reach, and we're keeping Zendesk fresh in the visitor's memory."

Google AdWords is limited to the DoubleClick network, an online advertising network. ReTargeter also uses DoubleClick for advertising but works with other sites and companies too, Meltzer said. The Zendesk ads carried the smiling Buddha, which helped build brand awareness as the little guy was hard to miss.

"Being sensitive to how people feel about targeted ads on the Internet, I knew the messages pushed through the ReTargeter system need to be non-invasive," said Metzler. "We didn't want banner ads that say, 'You came to Zendesk on October 31, what are you waiting for, come back!'"

Results

It's an approach that's working, says Metzler, and the monthly service fee has already paid for itself. "We're clearly in the black," he said. "We've seen an 11 percent to 12 percent increase in the number of trials per month." Those trials typically convert to customers at a high rate as Zendesk has a very low cancellation rate from its trial service offering.

"It's been a challenge to break through the noise with a lot of companies doing the same thing," Metzler said. "But our strong branding is memorable and retargeting is helping us get out into the broader Internet."

Additional Insights from Jacob Meltzer:

- **Create Something Memorable.** Make sure you are not generic. If nothing catches your potential customer's eye about your product, you're going to get lost in all the noise. A smiling Buddha or Mail Chimp's Curious George-looking monkey gets noticed.

- **Get comfortable with data.** If you aren't spending 20 percent of your day looking at your metrics, you really don't know how people are engaging with your web site. You can track everything online, and small changes can make a difference. For instance, Metzler noticed a 10 percent increase in sales when a firm he previously worked for changed its online shopping cart from one that involved several steps to another streamlined cart that didn't ask too much of the buyer. It does take a scientific mind, he admits, but the payoff is large.
- **Replace your online ads frequently.** If you do a lot of online advertising, know that your ads have an expiration date, often one that expires more quickly than display advertisements. Online ads can quickly become background noise or wallpaper if they aren't changed. Dive into your online statistics to see how quickly you need to change.
- **Check out your competitors.** If you don't know where to start with online advertising, check out what your competitors are doing. Look at where they are putting their keyword tags on their web pages so that search engines can find them better and where their links are. Take a look at their source code (via your Internet browser). The reason your competitor ranks high is that the search engines like their site. They can be a good source of information.

Resources

www.zendesk.com
www.retargeter.com