



REPORT

The True Cost of Player Support

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Contents

Introduction	3
The ROI of Player Support	4
Investments and Metrics for Delivering Memorable Player Support	5
The Hidden Costs	11
Case Studies	13
Conclusion	16



Introduction

Customer service has long been recognized as an incredibly important revenue driver. And, delivering an excellent customer experience, according to [Gartner](#), is what 89% of companies believe they compete on to differentiate their offering.

Still, many businesses erroneously view customer support as simply a cost center and fail to make the right investments as they build their support teams. This results in challenges as they attempt to deliver memorable customer support experiences.

A well-trained support team can transform the experience for your players. We hope this report helps you better understand why and how to achieve this.

In this report, we will focus on why it's a best practice to invest in customer support in the video gaming sector and what this investment entails. As our focus is on video game support, you will see customer service referred to as player support.

We'll discuss the following topics:

- The ROI of Player Support
- Investments and Metrics for Delivering Memorable Player Support
- The Hidden Costs
- Player Support Case Studies

The ROI of Player Support

When it comes to doing business, it is common knowledge that acquiring new customers costs much more than retaining existing ones. Businesses allocate a budget of about [five times more](#) for customer acquisition compared to customer retention strategies.

The budget goes to marketing and sales initiatives, such as advertising, branding, prospecting, lead tracking, and sales meetings. After all that, acquisition does not always yield the best ROI when it comes to profit.

Meanwhile, a slight improvement in customer retention can provide more than 25% in additional profits according to [Fred Reichheld of Bain & Company](#). In this research, Reichheld discusses how loyal relationships impact cost savings and overall ROI for a business.

Returning customers buy more from your business over time. Plus, they will often pay extra to support your game over your competitors. If your company is a consistent source of satisfaction, they will refer their friends and family to you, too. [Murphy & Murphy](#) estimates that a 2% increase in customer retention has the same effect on profits as cutting costs by 10%. Therefore, for many companies, improved customer retention often provides the rationale for making customer experience improvements.

Another study conducted by [Forrester](#) in 2016 compared ten companies that invest in customer experience (CX) versus those that don't and calculated their compound annual growth rates (CAGR) from 2010 to 2015. They were able to identify that companies with a higher commitment to customer experience, known as CX leaders, outperformed the businesses with limited investment by 24%.

In addition to retaining loyal customers, these CX leaders also increased new customers within the span of five years. Thus, investing in enhanced customer experience heavily impacts a business' overall revenue.

This is why Keywords Studios believes that *happy players play more, spend more, and are ambassadors for your game and your brand*. Outstanding customer service is a vital component of creating loyalty through customer satisfaction.



25%+

A slight improvement in customer retention can provide 25%+ additional profit



2%

It's estimated that a 2% increase in customer retention has the same effect on profits as cutting costs by 10%



24%

Companies with good customer experience, called CX leaders, outperformed the companies with limited investment by 24%

Investments and Metrics for Delivering Memorable Player Support

If you do not invest in quality customer experiences, does that mean you will lose revenue? No, customer experience has multiple factors.

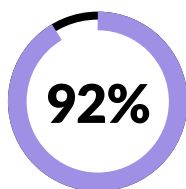
What we do know is that [unhappy customers cost more](#) to serve because they require more time and resources to recover from a bad experience. According to a [2018 Oracle Survey](#), 77% of consumers felt that poor customer experiences detracted from their quality of life. Another 68% of those said that they would buy more from businesses who strive to put the “service” back in “customer service.”

This is how *player support* affects the overall *player experience*. Offering outstanding support adds to your player’s overall game experience. In the 2017 State of Global Customer Support report, Microsoft explained that, on average, [96% of customers](#) cite customer service as a factor in choosing and staying with a brand or business.

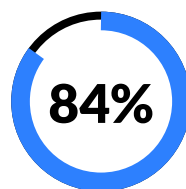
Most players start playing your games because of the quality—art, story, gameplay, and the like. Most of them stop playing or leave, more often than not, when you can no longer deliver the service they came to expect. So, the idea is to achieve the player support “sweet spot” so that you can deliver memorable CX, yield the ideal ROI, and protect your investment in customer support.

According to Dimension Data's [annual CX benchmarking report](#), 81% of organizations cite CX as a competitive differentiator, with companies reporting benefits associated with improving CX like:

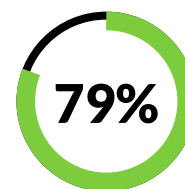
- Increased Customer Loyalty (92%)
- An Uplift in Revenue (84%)
- Cost Savings (79%)



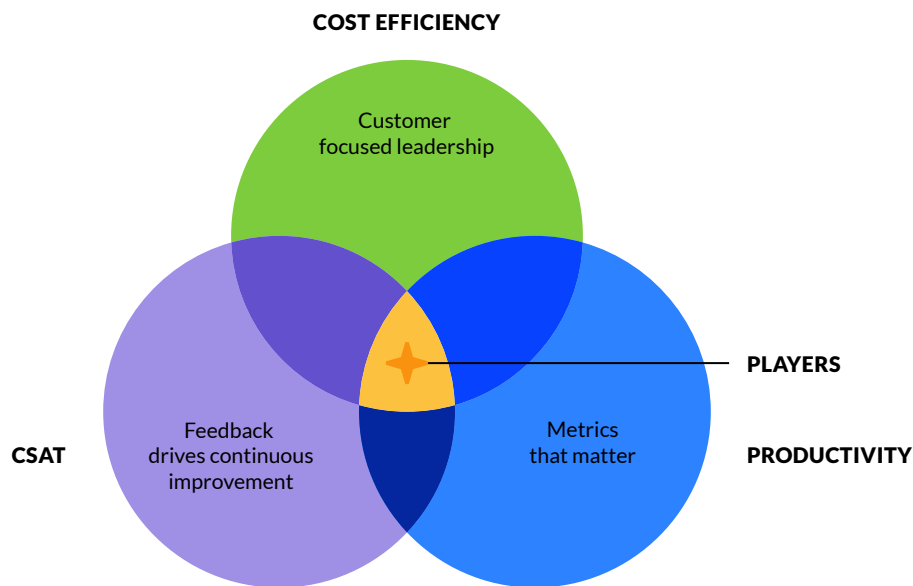
Increased customer loyalty



Uplift in revenue



Cost savings



The Sweet Spot (or Golden Triangle) of Player Support

Your player support team should be just as important as your other teams. After all, it is the obvious connection between your players and your game. At the same time, we know that there is not an unlimited budget available, often the opposite, and support teams are usually not the priority, as other departments compete for the available funds and resources.

To prove the value of player support, investing intelligently is necessary, and we show this by balancing what we call the “Golden Triangle,” to achieve the sweet spot of player support. The Golden Triangle covers managing how satisfied your players are (CSAT), how productive your player support team is, and how cost efficiently you can get this all done.

There is a trade off or compromise between these three factors and it is impossible to have them all operating at their highest levels, so it is a balancing act to maximize each factor without compromising the other factors. For example, the highest level of player satisfaction would cost more and lead to less productivity.

On the other hand, extremely high productivity levels cause a drop in player satisfaction as your team rushes to get through more incidents, not spending enough time to make players happy. Finally, cutting costs could mean you do not have the resources to deliver the player support required, which would, again, lower player satisfaction.

Key Performance Indicators

Start by considering some of the following metrics (if available):

- **Net Promoter Score (NPS):** Indicates how likely your customers are to recommend you
- **Customer Satisfaction (CSAT):** Measures player satisfaction
- **Cost per Contact:** Quantifies how much it costs to answer each customer, broken down by channel
- **Customer Lifetime Value:** Indicates how much a typical player spends, over time, as your customer
- **Retention Rates:** Equates to the percentage of active customers last month that are still active this month
- **Contact Rates:** Specifies the percentage of active customers who need to contact support (about any issue) in a typical month
- **First Contact Resolution (FCR):** Quantifies the percentage of issues that are resolved with the first contact
- **Escalation Rate:** Represents instances when more complex issues get escalated from a less expensive source to a more expensive source

Measuring and reporting on these metrics will give you the insight into how well you are managing and balancing the Golden Triangle and show you where to invest to improve the areas most needed.

Here are some insights and ideas that can help ensure you have a great support setup and generate the greatest ROI for player support:

NPS Referrals to Drive New Business

Satisfied customers tell their friends and family about your products and services, but unhappy ones do the same. There is, therefore, a strong link between advocates and new business, hence the use of metrics such as NPS. It's best to use NPS to demonstrate satisfaction and its impact on revenue, based on customer feedback, as often as possible.

CSAT - Higher Satisfaction Drives Loyalty and Repeat Business

Clearly happy players tend to remain loyal and continue to play the game, boosting your revenues. If you can identify pain-points in the player journey that lead to dissatisfaction, you can take action to fix them. Then you can measure increases in satisfaction, through CSAT scores, around this change and the resulting boost in revenues.

Contact Reduction

Identify the top reasons why customers contact you. Determine whether there is a problem you can solve that would prevent customers from needing help. Estimate the number of contacts that could be reduced by solving that problem and calculate the potential savings by multiplying that number by your cost per contact.

First Contact Resolution

Every time a customer contacts you it costs money. So, as an example, let us say a single contact costs you \$10. If a customer resolves their issue with the first contact, the cost of that solution is \$10. If they must contact you three times about the same issue, the cost is \$30, plus the opportunity cost from that agent spending time re-addressing an issue rather than solving a new one. Improving FCR means reducing wasteful contacts. Set a target for FCR improvement and use your cost per contact to calculate the projected savings.

Self-Help, FAQs, and Deflection - CX Improvements Can Drive Higher Revenues and Lower Costs

Providing self-service is less costly than in-person answering. Therefore, providing players with ways of self-serving whilst interacting with you, will lower your costs and enable live resources to be better allocated. However, you need to ensure that this approach does not happen at the expense of the player experience. Any changes should benefit players as well as your bottom line. Otherwise, they will simply stick with contacting live channels, or leave, making your investment worthless. Create a realistic figure for the percentage likely to switch to calculate potential savings and the ROI.

Escalation Rate

Complex contacts often get escalated from a less expensive source to a more expensive source. For example, escalating an issue from self-service to email or chat, or internally escalating from a low-level support team to a gamemaster or high-level tech support, costs extra money. Start by identifying the number and type of escalations for a specific time (week, month, quarter, etc.). Next, multiply this figure by your cost per contact for the more expensive channel. Finally, estimate the potential savings you could achieve from reducing escalations by a reasonable amount.

Employee Attrition

Player support agents do not like to play for a losing team. Turnover often improves when employees feel they are empowered to help their customers. Calculate the cost of turnover (including recruitment, training, and lost productivity costs). Estimate the savings you could achieve from reducing turnover by a reasonable amount.

Omni-Channel Customer Feedback

Most businesses have upped convenience by implementing omnichannel customer journeys, giving customers the freedom to choose how they want to connect, from social media to own-brand apps. While the intention is sound, omnichannel has widened the gaps for poor service to occur, fueling customer churn and losses. This option should only be implemented if there is a serious investment in a platform that allows you to centralize and manage an omnichannel setup. Common complaints include companies ignoring requests, complaints on Twitter and Facebook, and service inconsistencies between channels.

Increasing Agent Productivity by Lowering Average Handle Time

Similarly, if you can reduce the time it takes to solve an issue, you automatically increase your agent's productivity. If an issue once took 10 minutes to resolve and implementing customer support software reduces that time to 8 minutes, you have increased efficiency by 20%. Multiply that across the number of agents and the volume of issues they handle and you will see a significant decrease in cost.

Increasing Self-Service/Ticket Deflection/Knowledge Base Efficiency/FAQs and Reducing Agent-Related Support Costs

The more your customers can serve themselves, the less time your agents will spend resolving simple and repeat issues. Increase your customer self-service options, make use of ticket deflection, and improve the knowledge base that supports your agents and your customers. Also, make sure your FAQs are comprehensive, so you can reduce your agent-related support costs.

Reducing Time/Cost of Agent Training

Using collaborative customer support software can greatly reduce the amount of agent training needed, and that's great because training is one of the largest (and least recognized) expenses in any company. Internal collaboration and group-based ticket management allow new agents to learn from their peers while addressing customer issues quickly and efficiently.

Improving Existing Processes or Eliminating Redundant Processes/Steps

By spending the time and money to improve your customer service, you will naturally identify inefficient or outdated processes and redundancies. The right customer service software should also help you improve these, thereby increasing efficiency and improving ROI. In fact, we honestly believe that choosing the right customer support software pays for itself.

It is also important to remember, on the flip side, the cost of poor player support is significant. According to Microsoft's Global Customer Service Report, **62%** of consumers have stopped doing business with a brand this year due to a single poor experience.

Measuring the impact of customer experience in ROI terms is a vital part of proving the worth of CX, and particularly CS, to the business and therefore unlocking further investment. Look at ensuring that you have the right metrics in place, along with ways of measuring them accurately, and can turn this data into business-relevant insights to prove your case.

62%



According to Microsoft's Global Customer Service Report, 62% of consumers have stopped doing business with a brand this year due to a single poor experience

The Hidden Costs

Total Cost of Customer Service. This includes technology, employees, managers, office space, equipment, travel, training—everything.

- **Human Resources:** Salary, Benefits (i.e., HMO, Allowances), State Taxes, Recruitment Costs, Training Costs
- **Equipment:** PCs, Internet, VOIP, VPN, Security Tools, Software, Ticketing CRM
- **Infrastructure:** Office Space, Desks, Chairs, Phones, Office Structure (i.e., Printers, etc.)
- **Security:** Insurance, Physical Security Equipment (i.e., ID Access Cards, etc.)
- **Quality Control:** Quality Control System, Coaching/Process Time, Calibration, Language Support/Localization
- **Project Management:** Resources Related to Managing a Project

It's critical that these costs are equally considered when you start building your customer service program.

The Benefits of Using a CRM for Customer Service Support

Today, perhaps more than ever, service and support departments are at the forefront of a company's success. Customer success depends on synergizing customer service representatives with the rest of the company. Generating valuable customer data is integral to this process.

A customer relationship management (CRM) system, with unique and dedicated service and support features, helps guarantee a customer's experience is amazing at every brand touchpoint.

CRMs have proven themselves to be highly valuable in addressing five key issues that many customer support departments face, including:

- Scaling with the business efficiently.
- Sharing data in real time with all team members.
- Automating data entry for consistent, accurate information.
- Using analytics to verify processes and increase accountability.
- Reducing costs to make customer service more efficient.

A CRM is primarily a tool to make work more efficient. By broadening the channels of communication, customers can get quicker and more convenient access to help—any time, any place. When service reps have all the necessary information about the customer, and the issue, they'll waste much less time fixing the problem. Repeated issues can lead to re-usable solutions, and workflows can automate common tasks. Great platforms also have a mobile app, so reps can always be available to assist.

In addition to the above factors, two additional important points need to be quantified and included in managing your player support investment:

Quality Control Procedures

The mission of the Quality Control Department is to ensure that all agents meet your quality standards. An internal quality control process includes the daily monitoring and analysis of randomly selected content from every agent, such as incidents, tickets, posts, sanctions (warnings, bans, etc.), reports, and in-game chats.

Security & GDPR/COPPA Compliance Initiatives (and Any Other Relative Privacy Compliance)

You will have to follow these and other necessary regulations regarding security compliance and privacy laws. This adds cost that is often not calculated as part of player support, but it should be understood and factored into your planning.

Case Studies

The names of the games and studios featured in this report have been anonymized, but these are real player support set-ups who have, over the last year, made investments in their player support systems by introducing technology and automation/bots.

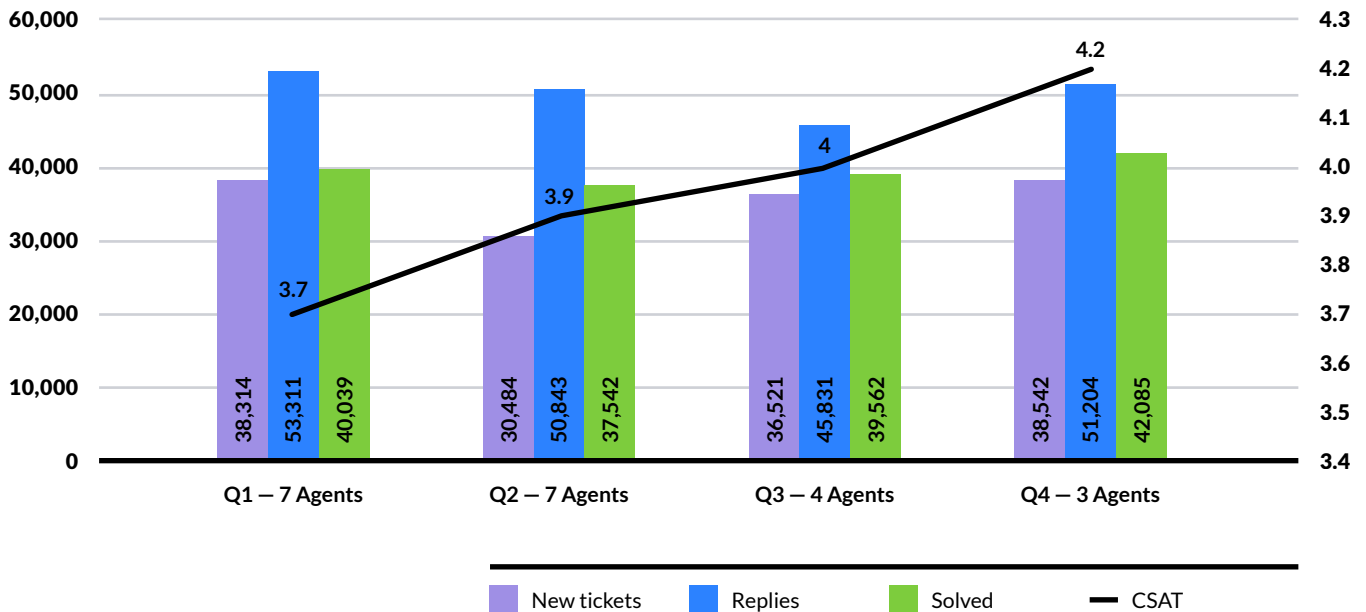
They have all experienced a decrease in costs, an increase in customer satisfaction, and an increase in productivity by leveraging automation and optimization, thus delivering an optimal return on their support investment.

Game Genre: Puzzle	Type of Game: Casual	Monetization: Ads, paid app
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Success Factors:

- Automation and bots used in Q2 resulted in higher productivity and CSAT scores in Q3.
- By Q4, costs were down based on the need for fewer agents.
- CSAT scores increased as more and more players got the answers they needed via their preferred service channel.

QUARTERLY TRENDS



Game Genre:
Strategy and time-management

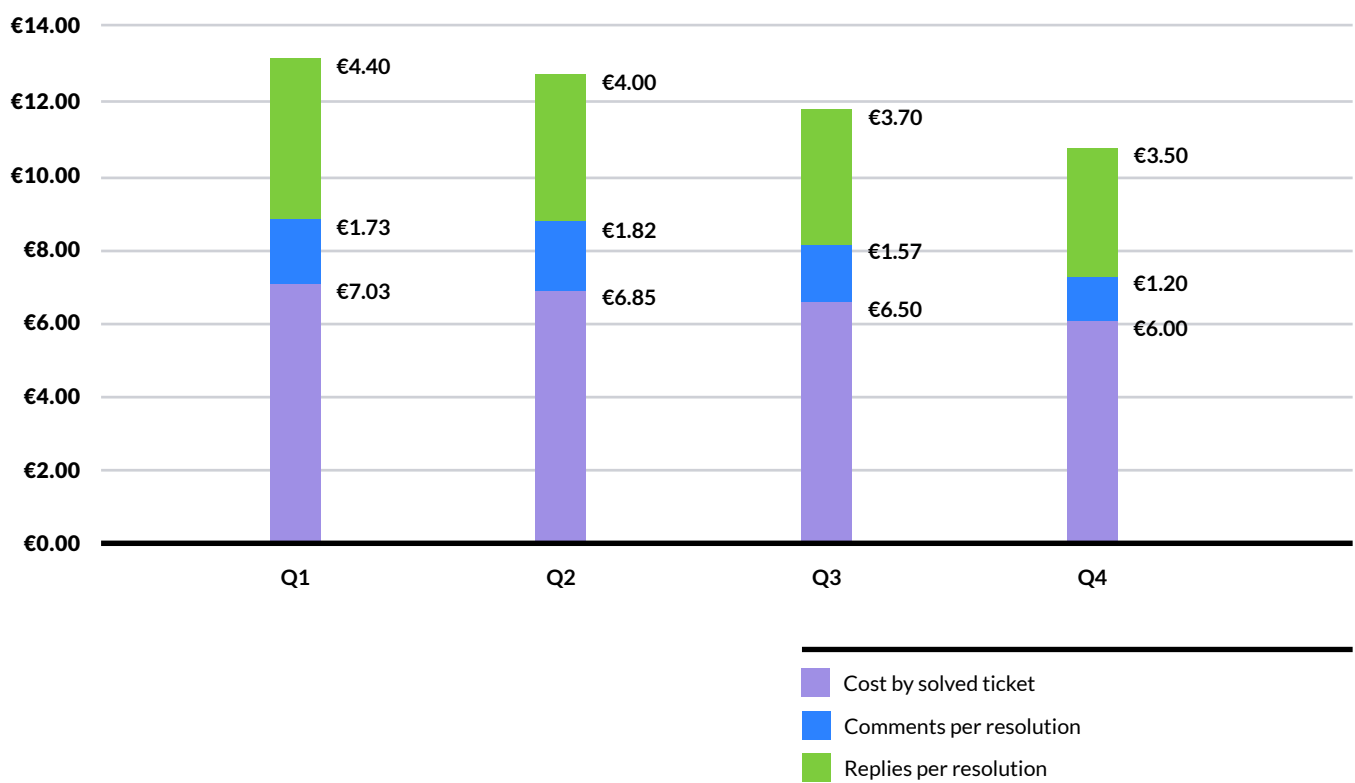
Type of Game:
Casual

Monetization:
Paid app, ads, in-game

Success Factors:

- Over time, with automation and bots, agents gained knowledge and expertise that helped them answer tickets faster and more effectively.
- Self-help and FAQs improved and helped the agents prioritize tickets that needed more time to answer.

QUARTERLY TRENDS



Game Genre:

Shooter

Type of Game:

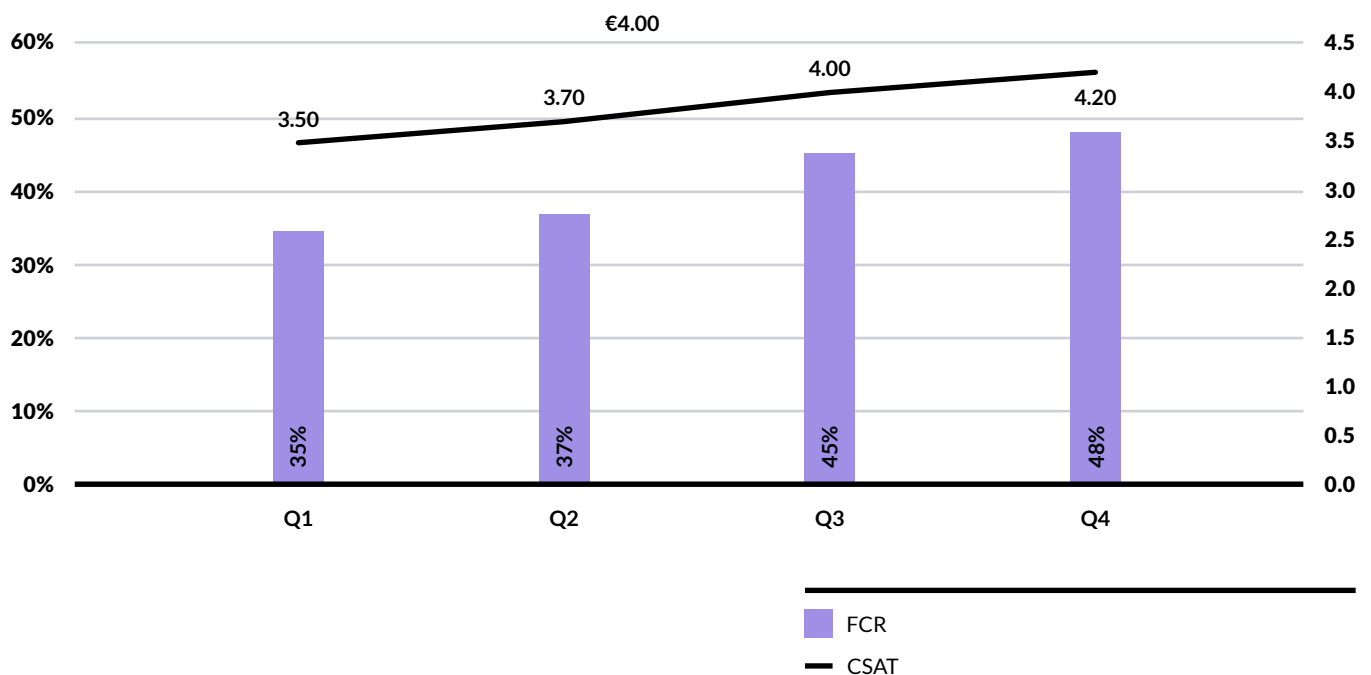
Multiplayer battle royale game

Monetization:

In-game, paid app

Success Factors:

- With bots and automation, agents were able to gain more experience handling complicated tickets.
- The team also had more time to improve the internal knowledge database.
- Aside from self-help and FAQs, community managers were able to disseminate important information more effectively, which lessened ticket touches. Agents also spent more time understanding player issues and providing the right answers.
- CSAT scores continued to increase every quarter.

QUARTERLY TRENDS

Conclusion

Your Players Should Be in the Middle of the Golden Triangle.

This is all about balancing three things: A great experience, cost efficiency, and productivity. You must have all three to justify the right mix of support if you are a company that is scaling.

When You Keep Players In-Game, You Save Money Overall.

Give your players easy-to-use, in-game self-help options and readily accessible answers to frequently asked questions. Because, when you keep them in the game and boost customer retention by just 2%, it is approximately equal to reducing support costs by 10%. Also, it costs two and a half to seven times more to acquire a new customer than it does to retain and keep servicing an existing customer.

Do Not Invest Massive Amounts in Player Support—Start Small and Spend Wisely.

Begin by talking with players, adding new support features as needed, and iterating. If you try to offer 24/7 support in 17 languages on five or six different social media channels, while keeping track of your App Store reviews, you will have way too much to manage all at once.

Never Underestimate the Hidden Costs of Managing Support Centers.

Every time a human agent touches a ticket, it costs money. With bots, you have the initial investment and then it pays for itself. Otherwise, you must think about everything beyond the customer support platform like who will train the agents (or will you outsource), are you going to support multiple languages, who is going to manage the center, etc. There are a lot of support center management costs that sometimes are not considered.

Make Your Customers' Lives Easier.

Time and again our customer research results show that where *customer effort* increases, *customer satisfaction* decreases. Reducing customer effort involves navigating the customer journey from their perspective, while asking the questions: What works well? What are the obstacles? What could be improved to make things smoother and more effortless?

Happy Players Spend More and Are Loyal Ambassadors for Your Game and Brand.

Players are five times more likely to purchase again if they are happy, and loyal customers are four times more likely to refer a friend. This is priceless.



About Keywords

At Keywords Studios, we're on a mission to be the world's leading technical and creative services platform for the video games industry and beyond, and a sustainable business that positively contributes to the environment and our communities across the globe. Our Player Support service line provides multi-lingual, cost-effective and flexible customer care services including managing communities of gamers across all forms of social media, within the games themselves and on the official game forums.

keywordsstudios.com

For more information, please contact:
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About Helpshift

Players expect support to be delivered quickly and in-app. With Helpshift, the only mobile-first customer service platform, that's what they get: immediate help—right in the app—including automated solutions to a number of common support issues. That's why many of the world's top mobile apps and games rely on Helpshift. We're dedicated to providing players with an always-on help experience that feels as natural as talking to a friend.

helpshift.com