22.10 NA SWEB - Why Now Is the Time To Double Down On Proactive Support

## **Judy Platz**

Hello everyone. Hi, I'm Judy Platz, Chief Customer Officer for SupportLogic and I am so delighted and honored to be joined by a good friend in the industry.

Someone many of Steve Blaz, Vice President of support from Palo Alto Networks. Hi Steve, how are you?

## **Steve Blaz**

Hey Judy, it's so good to see you. So glad to be here. I'm glad we get a chance to chat a little bit today about what's happening between our two companies and hopefully we can expel a little bit of knowledge to this crowd and help them understand what we're doing.

## **Judy Platz**

That's right. We've done it before. I think we can do it again. Absolutely thrilled to have you here and certainly thrilled to have Palo Alto Networks as a customer of SupportLogic.

Our theme today that we think is really important given everything that's going on in the industry is why now is the time to double down on proactive support and why it makes great financial fiscal sense to do so.

A little bit about SupportLogic before we go too far into our question and answers. SupportLogic for those of you that don't know and all in one support experience solution for B2B companies, we are an insights layer that lays on top of your current case management system.

One of the things we do best is escalation management, predictive and proactive. We do case assignment agent, case agent coaching and retention and sentiment and health score.

One of the things that we absolutely love about our model, it's ai, machine learning, natural language processing, our ability to help customers reduce escalations by 40%.

Think of that if you even reduce by 2%, 5%, but we have customers reducing by 40. Time to review cases for managers and engineers alike.

We can provide up to 60% reduction in time there. And of course one of the metrics that we all know and love when you're in support your time to resolution, what if you could cut that in half?

And that's an amazing statistic. The other is of course, holding onto our customers and being able to reduce churn and many of our customers have seen a 25% or more reduction in customer churn.

There on the right you see some of our customers. I'm joining SupportLogic having come from a customer myself, which was Mulesoft and Salesforce and I'm pleased to be here in this new role.

So Steve, how about we jump in and you give us a little bit of introduction about Palo Alto?

## **Steve Blaz**

You bet. Thanks Judy. Yeah, so I've got responsibility for all post- sale support for our company. I've been with the company about six years now and seen a dramatic amount of change.

It's been a very exciting time at Palo Alto Networks, especially with a lot of the macro environment situations going on and cybersecurity is more important than ever.

For me, I oversee a large organization, I've seen it grow exponentially probably six or seven over when I started six years ago.

So it's quite an expansion of the organization in terms of number of agents and the locations and it's very important for us to as a company in terms of income and revenue for our company.

And so it's a large responsibility. I hold a lot of pride in having a very good team that is doing very well for our customers.

So a little bit about the challenges we have, that pace of growth that we've had both from a company standpoint and organizationally, it's how do you find a talent?

Where are the talent? And quite frankly, cybersecurity talent is some of the hardest talent to find on the planet because it's so cutting edge and there's not a lot of experience out there that is available.

So we're continually looking for new talent in a lot of different places. I talked about a little bit about the macro environment and the situations that the world has brought upon us and you read about the breaches and problems with things that are coming out of the Ukraine, Russia crisis.

There's a lot more activity than there ever has been and it continues to grow every day. So we have a lot of urgency from our customers and we need to match that urgency of what the situation they're in so that we can help them out in the best possible way.

A little bit about the vision for proactive support. As much fun and exciting as an escalation is, and all of you have been in that situation, you could think of better things that you could spend your time.

So if we can predict and reduce the number of escalations in some fashion that is good for us. But more importantly that is more important for our customer because they are impacted, their day is impacted, they've already had a rough day as many support professionals have and they've got to find a way to get around that so they can bring their company back into a safe and secure position.

So if we can reduce that frustration, we're doing a great service to them and if we can reduce time to resolution, we can make a big difference as well.

And I came up the saying a while ago, the best escalation we've ever had is one we have never had. So think about that for a second, that'll make your day a little better.

## **Judy Platz**

That's so true. If we had the time and money back from all of the escalations that we've worked over the years, just the two of us together, but collectively the organizations that we've represented and truly the stress footprint that an escalation puts on you from the top down and across and on your customers.

And I think today a lot of organizations kind of have that mindset of escalations just natural part of our business and they take for granted that they're going to have escalations.

And I would say in today's world we have to lose that thinking and we have to actually try to get rid of those escalations before they even happen. But more importantly, don't just accept status quo of escalations are a natural part of our world because they don't have to be.

So Steve, I'm going to be gentle on my questions, but I do have a few for you. Okay, well there's a lot that goes into purchasing a solution and I think as you said, you had some challenges in front of you and you've really made the decision that we talked about in the beginning of the title of this doubling down and you're going to spend some money now and you're going to remove this problem.

So I want to walk through that buyer journey with you just a little bit and what went on. So when you identified SupportLogic is something that you wanted to bring into your organization, can you tell me just a little bit, how did you find us?

That's number one. That's a great question.

## **Steve Blaz**

Yeah, interesting way it came about. It's one of our frontline managers discovered SupportLogic, actually the TSI event and started exploring it, looking into it, trying to figure out what it meant, how we could leverage it, what use we could have for it.

And that spawned a lot of discussion and that kind of snowballed a bit and they took the time to come and present. We had a lot of showcases for our individual managers and individuals, individual contributors as well to say, I've got this idea and I want to float it.

Well there's sometimes ideas but typically we have some really good ideas come through and if we can find something in the organization that someone has taken a look at, we won't take a look at it.

And that's exactly how we found SupportLogic and one thing led to another and that snowball grew and got a lot of attention. So anyway, yeah, that's kind of how we found it.

## **Judy Platz**

Awesome. Great to know and love the fact that you're letting your support managers come forward with those ideas. I think that's so important in today's world. They want to have that voice and they want to be heard, so wonderful.

So as you identified, you could have gone anywhere really with an escalation prediction tool, prevention tool. Since you're the vice president of support, we're going to make the assumption you said let's start here in support.

Can you tell me a little bit about the project as it went on and who were some of the key players you had to involve on your side?

## **Steve Blaz**

Well, with any tool, you got to get IT involved and IT likes to get involved when there's, because there's a cool thing that you're doing or they need to be involved because it's interfacing with a lot of other aspects of in your company, other tools, you also have to think about how do you pay for it.

So what we did was we really started to look at what we could avoid in terms of escalations and how we could reduce TTR.

And we did some studies on that. We did some piloting with SupportLogic, which was very fruitful. It was a huge success for us. And so that gave us a lot of ammunition, if you will, in order to be able to take that to the right folks that we could get approval.

Can we get it into the IT roadmap? Do we have funding for it and it will pay for itself if you will in the X amount of time? What's the ROI on that tool?

Which we do quite heavily across any of our tools that we're bringing into the company. So the pilot was successful, we garnered a lot of following and then we started showcasing some of the results that we're getting out of it and people were said, yeah, this is the right thing for us to do.

And it took a little bit of time, but I think the gathering that feedback showing that it is worthwhile in terms of helping customers and can save is goodness.

So that's where all that came about.

## **Judy Platz**

That's great. We're going to talk about some of those metrics hopefully in a few minutes because you have had some success and I know you're driving for even more success in the coming months, so we'll definitely come back to that.

I too had a pilot when I was a customer and I'll never forget the proof of concept and pilot when they showed the results and it was one of those moments where you can't unsee what they showed you as they're looking at your cases and showing you the various sentiments and the various comments because you have thousands and thousands of cases and it was a needle in a haystack to be able to find those things.

But once SupportLogic showed up and showed you went, oh, I better start adjusting a lot of this. But you touched on something, and this is a common, I won't say problem, we'll say challenge for support leaders, it's the finance piece and one of the most solid partnerships you have to have is with your chief financial officer or your person driving your budget and such.

Because sometimes in support, especially if you're a cost center, but even other times to bring in a tool and such, how did you gain the buy in?

How did you, beyond the proof of concept, because sometimes the CFOs not so interested in that, right. What was the partnership like there for you and your CFO?

## **Steve Blaz**

It was twofold and I touched on it a little bit earlier from a customer experience perspective and reducing friction for customers, getting ahead of things, getting ahead of an escalation or something looks like it's going to come into an escalation and avoiding that helps us really in case resolution time.

So time to resolution is a couple fold. One internal to the support organization, you got processes and things that you do and escalation pass within the organization in order to resolve the customer situation as quickly as possible.

But also then you take into engineering when it gets past the capabilities or it gets into more of a scenario where it's a bug or maybe a hardware issue and all that comes at a cost.

The cost of a case can be significant depending on how deep that you need to go within the organization and how many resources you have to be involved with that.

Well, we do a good job of understanding all of that. We are not a cost center, so we take profit very seriously and if I can inch closer to making a little more profit as a byproduct of all the things I just talked about, customer focus is number one for us.

If we're making money at it, that's definitely a bonus. But with the CFO, I've got to show that I can make the customer experience better and I can save some money for the company.

So that's how we get through that.

## **Judy Platz**

Great, okay. I appreciate that. I know that sometimes, like I said, pushing that through can be a little difficult. So anybody in the need, they're often trying to figure out the right angles to approach, especially when it's something similar to SupportLogic, which is a new tool in the space if you will.

It's six years old, but that's a young in today's industry as far as tools go. So let's move over and start talking about a bit about the payoff discussion.

And so we figured out how to get it in there and let's talk about some of the benefits. And so I talked to your customer success manager this morning and wanted to hear directly from him what he saw the benefits, because if we're doing it right, your customer success manager should be highly engaged in providing you that value but helping you see the value and the outcomes that you're hoping for.

So one of the items that he mentioned, and I want to quote it directly, so I'm going to look at my notes, " 37% fewer escalations for your power users".

And so you have kind of your standard users or no users because you're early in your adoption, but pointing to a 37% fewer escalation. So we didn't quite hit the 40 that we hope for yet, but 37 is pretty amazing.

Can you tell me about those power users and what you specifically are doing with them to help them be power users?

## **Steve Blaz**

Absolutely. We are concentrated in our power users in our JPAC site. This is where the person found the tool and of course big spokes model across the JPAC theater.

And so they all jumped in on this thing. They felt a great opportunity in order to really not just pilot the tool but use it, make it part of their daily activities.

And so it's concentrated in the site and that's spreading across the planet as we hear more of the great stories about that, we know we've got folks in all of our sites that are using the tool.

Our adoption is still coming up to speed as we get more and more good stories. But I'll tell you even were talking about earlier, if we even avoided a couple escalations because those escalations could have been the really bad ones, it's hard to see when you're, we've got a situation if this escalation is going to be the one that brings a house down or is this the one that you can, it got escalated and you solved it in a short amount of time, you can never tell.

We've got a concentration of folks of our power users in one of our sites, our JPAC site and located in Singapore. And this is where the person that actually found SupportLogic resides.

But as the story gets out to more and more of our support organization and we do have people within all of our support organizations, we've asked to be the power users and continue to garner that usage of the stories get out of, oh my gosh, I solved this case and avoided it in escalation before it ever happened.

And if you think about a third, 37% is more than a third obviously, but even if I was able to solve one out of my day or one out of my week, but 37% of them, that's huge.

That's huge. And those stories go around the organization fast. It's hard to tell which one is the one that's going to be the one that brings the house down. But certainly if we are knocking down that amount, those stories are going around quickly.

And I tell that story a lot across the organization and actually quite frankly this morning I had an all hands and we talked about it and we need to continue to move towards more adoption of the tools so we can in fact increase that amount because more adoption across the organization is going to help increase that.

But then as we know, it's going to learn more about what is a real escalation isn't all the built in AI and ML that your tool has, we get smarter and that will help even more.

So it's a great self- fulfilling snowball effect if you will.

## **Judy Platz**

Steve, you mentioned as you were talking about driving the adoption and thank you for mentioning us in your all hands today and such, you also have a customer success team and I found one of the interesting things, and again speaking to your customer success manager is that the customer success team is looking at how they can get better, if you will, in their role that traditional time that they were spending reading cases before they would go into meetings with the customers or before they would do proactive outreach, quite frankly.

And one of the things that was mentioned, and again just making sure I don't overstate or under quote, that there were some customer success managers who saved themselves on average eight hours a week by not having to go spend all of this time reading every entry in a case to understand what was going on.

And that's huge, right? Because we pride ourselves, if you will, on this being a support tool and yet hearing a customer success usage like that is really telling because what a great initiative that support by bringing in a tool can help their peers and other organizations.

Was that by design or how did that come to be that customer success was engaging this way?

## **Steve Blaz**

It's kind of a funny story actually. It was out of envy quite frankly.

## **Judy Platz**

Okay.

## **Steve Blaz**

Yeah. Because the support organization was talking about a lot and they're like, Hey, maybe we could use that. Do you think we could have a look? And we did a small pilot internally and started them down the track and they're like, this is going to work for us.

And so that adoption is starting to take hold there as well. And they're having some really good successes as you just mentioned. So yeah, it was out of envy to start it out with, but it is spreading across all of the organization more and more.

So it's a good thing that's happening. Yeah.

## **Judy Platz**

That's great. And I have to imagine given conversations that you and I have had years ago, right? About customer success and what we need and want them to do versus being in supports business every day.

And I say that lovingly, but we all know what I mean. How great that they can take what they need to by using this tool, not have to be contacting the engineers or the managers, but I'm going to come back to that manager view for a moment, those power users.

For me in hearing the kind of savings that they have in their day too, less escalations, more time spent coaching their agents, more time spent guiding, more time spent coming into projects that you might have that you back burner simply because there was no time and no people to do it.

And now you can be pulling them into those types of efforts that you had and relocating. I'm just going to speculate and I don't know the answer to this, so it's risky, but do you see that those managers, I know you mentioned envy from CS over to support, but are you seeing those managers or generally a little more satisfied, a little happier, a little more engaged because that's a soft spot for me, right?

The employee experience. Can you talk about that a little bit?

## **Steve Blaz**

Absolutely.

## **Judy Platz**

I know it's a soft spot for you too.

## **Steve Blaz**

It is, people are most important asset and we all know that support CS is stressful.

That's part of the game and that's part of the adrenaline rush. We all get out of it as well. But too much of it is too much. This is helping reduce that tremendously.

We do employee engagement surveys to check how people are doing. We've done it more so during pandemic because the working conditions, we want to make sure folks are fine.

When Russia Ukraine crisis happened, we went through a lot of highly escalated customers, very worried about their security posture, caused a lot of stress on the organization.

We're out of that now, more normalized. And I would say because we are using this tool, the APAC team is much more at ease because they are reducing these amount of escalations.

And I'm finding that across the entire organization. We also measure, we have an internal measurement for what we call hot or at risk escalations. This is our sales engineers can escalate in based on their perception of how the customer situation is going.

And that number has dramatically reduced as well. So you combine the set of these things together and people are generally happier. Yes.

I love to be able to say that. And it continues to, I don't know if get happier is the right word, that's more like happy hour, you're going to get happier.

But it's definitely reducing the stress on the organization because there's not as many escalations as there used to be.

## **Judy Platz**

I love that and I'm so glad to hear it. I think that it's long overdue and I've always admired your focus on the teams and the people that are part of your team.

So I'm glad to hear that this joint partnership is working for both of us.

## **Steve Blaz**

Yes, definitely.

## **Judy Platz**

Great. So let's do a little bit of a, what's next? Where do you see going and what do you think that your key learnings have been through this?

So if I had a customer tomorrow who was starting and they wanted to see the results, what are those key learnings that you have found that you think are critical and you'd want to share?

## **Steve Blaz**

Oh, I have some key takeaways that I can talk to. And I wrote these earlier. We do spend a lot of time listening to employees and that we would've never found support.

Well, I shouldn't say that. We probably would've found SupportLogic, but we found it earlier than we would've otherwise. And that was something that was very beneficial to us.

So listening to your employees, because they're in front of customers, they're on the frontline, dealing with situations, they're learning all the time. I personally spend a lot of time in one- on- ones with people across my organization, now I've got 2000 people.

It takes a while to get through, but I find it refreshing, I find it very informative and it gives me a pulse of the organization and I know where I've got issues and where I can make things better.

And the ideation that comes out of the organization is tremendous. I get more ideas than I can deal with if that's a thing, we try to get to all of them and some of them get back burnered.

But as you said before, with reduced escalations, you're not having to deal with that. You got more time to do this other things. We also spend a lot of time socializing the outcome we want to achieve.

We wanted to reduce escalations, we wanted to get better, we wanted to be faster in terms of accelerating time to resolution. This gives us the opportunity to get some of those wins in and those quick wins start to snowball.

And then next thing you've got a really nice following behind that and you're driving adoption and you can talk more and more and more about the activities that you got, you're getting resolution to faster.

So it really matters that you start small and start to work through all of that and get some of those quick wins. And next thing you've got a nice thing going.

I don't spend a lot of time in case management or in cases. I usually get the debrief of what's happening at my level and so that I can help out with customers in a different way than a frontline manager will.

But I tried it out and I liked it. I found it very easy to use for me. I'm not one of those that are deep into that, but it was easy to use and I was able to see things that I could identify and then I saw it in action of us working with a customer, Oh, this kind of looks like it's going to be something we need to take a look at.

And then we have a manager go and directly contact with the customer or the account team and you avoid it and it works.

That's really cool to see.

## **Judy Platz**

That's awesome. That's very good. So I'm going to do one last question and then I'll let you go for today. Thank you for spending the time. We've talked so much in the industry and I mean probably for over a decade now, the buzzword became proactive support, predictive support, all of that.

Where are you taking your group when it comes to proactive support? What's next? What are the areas that you're looking at and saying, I'm going to go tackle that.

Just give us a peek into what's going on inside your head today.

## **Steve Blaz**

Sure. Well cybersecurity is unique to many of the industries I've been in, networking where bits are passing through and they can be redirected.

I've been in compute where you can go to an alternative compute, I've been in storage where you can move storage easily and all of that stuff that the data moves or it gets rerouted or switched or changed direction.

With cyber security it either goes through cyber security or it doesn't. And if it does go through and it's bad, then bad things happen.

And that becomes hyper critical. I would say this is the most critical set of work that I've ever been involved with in my career.

And so for me to get ahead of that so that I can help, because we don't have a lot of monitoring because cybersecurity customers don't want monitoring on their systems. They don't want telemetry.

We're making some inroads as a company into that to try to be more predictive. As a conversation I have with my CEO, he's like, Blaz, I'd like to put you out of business.

And I'm like, Whoa, what are you talking about? But he is right. If we were a company that could be ahead of any issues that any customer would ever have, you wouldn't need a support organization.

Now rest assured, I'm pretty confident I will be around in my job for a long time, as will any other, the support folks in the world. But we're thinking about that, how we can get ahead of that.

But the first steps are being able to understand the customer situation, get them out of it as quickly as possible. Then we're going to be moving more into what can we get from our systems, our tools, whether it's software, it's hardwares, virtual, whatever, however it manifests itself and get ahead of that so that we prevent that from ever happening.

I think that's still a direction, still a North Star for many, many companies to continue to follow and get to that nirvana, if you will.

It's definitely a journey.

## **Judy Platz**

It is a journey. There's no doubt about it. And I agree with you. I don't want your CEO putting you out of business. I think you are a voice in this industry that's refreshing.

I've enjoyed our conversation today so much, Steve. Thank you. Thank you for being our customer and for anybody who wants to know more about SupportLogic, don't hesitate to ask me, send a note directly or visit our website.