



NUCLEUS
RESEARCH

ZOHODAY UPDATES 2022

ANALYST

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THE BOTTOM LINE

At the ZohoDay 2022 conference, the vendor unveiled several upcoming announcements centered around improving the experience of both end users and their customers. Zoho also revealed portions of its product roadmap moving into the later half of 2022 and early 2023. As SMBs currently leveraging various Zoho products scale, and with the vendor's plans to expand into the enterprise market, Nucleus expects Zoho to continue developing new products that broaden the capabilities of its offerings into additional business verticals. Nucleus spoke with customers at the conference, and found that primary benefits tied to the implementation of Zoho products focused on improvements in departmental efficiency, cost savings from avoided IT involvement, and ease of adoption resulting from overall ease of use of the platform.

OVERVIEW

At the ZohoDay 2022 conference, the vendor unveiled new and ongoing initiatives centered around sustainability and corporate social responsibility. The vendor also announced its plans to expand its product portfolio, with investments in further developing solutions tailored to organizations in the automotive, robotics, and health care industries.

TRANSNATIONAL LOCALISM

First introduced in early 2020, Zoho's global expansion effort centers around creating a positive economic impact for communities around the world. The vendor shared that this initiative now incorporates local hiring practices, upskilling courses, language localization, and pricing that is in line with local economies. Zoho's expansion efforts follow a hub-and-spoke model, allowing smaller offices to operate in more remote areas while being supported by larger offices. This awards Zoho employees with the opportunity to contribute and support their local economies while being a part of a technology vendor recognized around the world.

INVESTMENTS

Supporting its Transnational Localist efforts, Zoho unveiled several investments into bringing advanced technology solutions to the people and organizations that need them. These investments include:

- **Boson.** Zoho recently made an investment into Boson, a California-based electric utility vehicle manufacturer with a vision of equipping farmers around the world with a low-cost vehicle that can run custom applications to assist with farming operations.
- **Genrobotics.** To address social issues derived from hazardous working conditions in the sanitation and oil and gas industries, Zoho made an investment to assist an Indian startup called Genrobotics. The organization seeks to eliminate the practice of manual scavenging in India and provide safer environments for workers.
- **Voxelgrids.** Zoho made a significant investment to further the development of medical technology with Voxelgrids, an Indian startup with a goal of expanding the technological capabilities and intellectual property present in the country.

COMPANY EXPERIENCES

Nucleus spoke with a series of customers at ZohoDay to understand the driving factors behind the decision to move to Zoho and to determine the benefits of their deployments.

FOOD AND BEVERAGE ORDERING SERVICES

This organization provides online food and beverage ordering services for SMBs. Prior to Zoho, the organization built most of its tech stack in-house. As the organization started to grow, it struggled to scale its in-house solutions. The organization desired a full suite of technology solutions. It specifically prioritized a CRM solution with out-of-the-box functionality that could handle a high customer volume. The customer chose Zoho due to its CRM, HR, Finance, and Recruitment solutions being accessible out-of-the-box at a low price point. The deployment began with Zoho CRM, followed by Zoho Desk, with other solutions within the suite implemented after. This one-by-one strategy enabled a less disruptive transition for employees. Following the implementation of Zoho, the customer achieved several notable benefits. The organization was able to leverage Zoho's chatbot functionality to handle 80 percent of its queries, thus improving productivity for its sales representatives and enabling them to spend more time on less menial tasks. In addition, queries unresolved by the chatbot are automatically distributed and routed to the appropriate employee for more efficient handling. The organization also reported improved organizational visibility through out-of-the-box dashboarding functionality. This enabled managers to make data-driven decisions at a faster rate, with less requirement for IT professionals to facilitate insights. The customer additionally reported enhanced sales response times, and an improved interview experience for prospective employees.

HOSPITALITY TECHNOLOGY PROVIDER

This organization is a global provider of hospitality technology based in China. The organization has around 1,000 employees, with approximately \$209 million USD. Prior to Zoho, the company utilized a Chinese legacy solution. They were unhappy with the legacy system's incompatibility with English-speaking localizations, a segment of the business important for growth. Additionally, the company had been acquiring a wide variety of companies, most of which used Salesforce, Zendesk, or Freshworks; it desired to eliminate data siloes between the parent and its new subsidiaries. The organization considered Freshworks, Zendesk, and Zoho for its deployment. It chose Zoho due to its out-of-the-box functionality and integration with Zoho's range of solutions that seamlessly integrate across the Zoho Suite.

The company deployed both Zoho CRM and Zoho Desk, and connected the Zoho tools to an external project management software. Following implementation, the company

achieved multiple benefits. It reported the ability to track Service Level Agreements (SLAs), functionality not available prior. This enabled easier monitoring of response goals and external commitments for managers, improving productivity. The organization also avoided costs through ease of customization. By being able to customize the solution without extensive IT support, the company was able to avoid hiring IT professionals and consultants for its deployment. \$20,000 in consulting costs were avoided specifically. Licensing costs were also reported as reduced. Zoho additionally enabled inexpensive outsourcing to low-cost programming markets, driving down costs further for the customer.

COMMERCIAL REFRIGERATION PROVIDER

This organization specializes in eco-friendly natural refrigerants that improve cooling efficiency and energy conservation, and is one of the largest industrial refrigeration contractors in North America. The organization has been with Zoho for four years, after it identified a need for a solution that could unify its growing sales team that was spread out across multiple offices. Initially, the organization was considering Salesforce, but ultimately decided that the comparatively higher cost was not justifiable. In addition to the more attractive price point, the organization also cited Zoho's ease of use for both sales agents and its non-technical management staff as the primary factors that drove the decision. The organization was able to achieve 100% adoption within 6 weeks, and experienced a 35% increase in revenue in the first year of implementation. This increase was driven by the sales-reps ability to stay top of mind for prospects through automated nurture campaigns, and the ability to identify opportunities that stalled after previous outreach for additional contact. In addition, the organization was also able to save significant amounts of time and money from the avoidance of IT involvement as they were creating custom integrations specific to their industry.

LOOKING AHEAD

In speaking with Zoho executives and customers, getting the vendor's story told and heard by the right organizations at the right time remains one of Zoho's biggest challenges. However, as the gaps in functionality that previously set vendors apart continue to close, end users across all industries are looking for other areas of differentiation amongst vendors. Nucleus expects that in the coming months, Zoho's product roadmap and upmarket strategy, paired with its overall ease of use for all levels of an organization, will help the vendor continue its year-over-year growth and support its goal of breaking into the enterprise market.