Live Chat Benchmark Report

2018

Comm100

CCW CUSTOMER CONTACT WEEK DIGITAL

Live chat is rapidly maturing as a communication channel for its convenience for customers and operational efficiencies.

Discover the latest customer service trends, industry expert analysis, and live chat metrics to inform your CX strategy in 2018.

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Foreword

Some are looking for the best of both worlds. Others are hoping to have their cake and eat it too. For us in the customer contact community, the aim is to simultaneously do right by the business and customer.

That ambition is more than a strategic priority. It speaks to the very essence of why we do what we do. It serves as the primary lens through which we evaluate performance, contemplate strategies and source technologies.

Our relentless pursuit of initiatives that are "good for the customer and good for the business" explains the eruption of live chat. Live chat, after all, is one of those rare endeavors that can satisfy immediate customer demands and optimize business results.

It promises customers the opportunity to connect using concise, text-based language in the digital channels they have come to embrace. They, moreover, can multi-task during the engagement process, thus limiting their time and effort exertion.

Businesses, meanwhile, gain the ability to more efficiently satisfy customers. Agents can handle several interactions at once and can even use automated, pre-populated messages to decrease their handle time and increase their consistency.

Chat offers a win-win scenario, and both parties know it. Customers are increasingly turning to chat as their initial, preferred service destination, while businesses are increasingly investing in chat. Eighty-nine percent view chat as an investment priority, with nearly 50% calling it an urgent focus.

Increased chat adoption does, however, come with an important consequence: a heightened standard for service. Customers are no longer rewarding companies for merely offering chat. They demand legitimate, meaningful engagement that yields valuable resolutions. They expect businesses to take chat as seriously as they do "conventional" channels like voice.

Unfortunately, not all companies are rising to that challenge. Fixated on the efficiency benefits, they view chat as a way to deflect calls rather than as a platform for customer centricity. They ignore the voice of the customer, and their chat initiatives become sources of strife rather than delight.

That strife, in an ironic yet wholly warranted consequence, ends up costing the business. Mindful of the missteps yet unflinchingly confident in the value of chat, I am excited to introduce this report. While walking through proprietary market research, it reveals specific steps that can ensure your chat initiative truly does right by customers.

That degree of customer centricity will coincide with – not bottleneck – game-changing business results.

By **Brian Cantor,**
Principal Analyst & CCW Digital Director

Data and Methodology

We gathered the data for this report from the 1st of January 2017 to the 31st of December 2017.

The data sample covers 40,149,888 chat conversations from companies all over the world and represents 13 industries which use live chat either for customer service and support or online sales.

The criteria for selection within the report were:

• Only customers with established live chat services were included. We filtered out trial accounts that aren't representative of normal business-customer interactions.

• Only customers with 30 chats or more per month were included. We filtered out customers with fewer chats than this, again as they may not have represented normal interactions.

This approach has allowed us to produce a report with comprehensive and accurate insights to help you create a stronger, more successful live chat strategy for 2018.

Key Trends

Customer Satisfaction Rate

Decreased 3.38% from 84.06% in 2016

▼ 80.68%

While customer expectations are continuing to rise – it seems that organizations are missing the mark in meeting and exceeding these expectations to ensure customer satisfaction.

This fall in customer satisfaction represents a trend that has continued from our 2015 data (our benchmark customer satisfaction rate in 2015 was 85.39%, and the fall from 2015 to 2016 was a less significant 1.33%.)

This new fall of 3.38% from 2016 to 2017 represents a clear and accelerating trend, and a significant drop in satisfaction rate that is larger than we have seen before.

> "
> The customer is smarter than ever when it comes to customer service. They don't just compare you to your competitor, but to any company that delivers an excellent customer service experience. The bar has been raised, and companies must work harder to meet and exceed their customer's expectations.
>
> Shep Hyken
> Customer service expert & New York Times bestselling author

Wait Time

8s faster than 45s in 2016

▲ 37s

Companies are responding even faster to customer queries in 2017 – and this trend has continued from 2015 to 2016, where we saw a 3-second decrease in wait time.

We found an interesting insight when looking at customers who use our auto accept chats function to connect automatically with customers so that they don't have to queue. These companies saw an average satisfaction rate of 72.14%, which is 8.54% lower than the average.

Fast interactions don't always make for quality, satisfactory interactions. These findings show that customers are willing to wait for quality service. Companies who prioritize reducing handle times need to be careful that this isn't at the expense of providing considered interactions that truly fulfill the needs of their customers.

"

Let's face it: No one likes waiting in line. And it's also not OK to arrive at a website only to find that 'Live Chat is not available.'

So just like in the telephone channel, companies absolutely must hire and train enough chat agents to handle the volume, including peaks. Otherwise, a channel that should improve the customer experience will instead ruin it.

Dan Gingiss
Author of *Winning at Social Customer Care* & co-host of *Experience This!*

Chat Duration

14.5% faster than 14m 25s in 2016

▲ 12min 20s

Just like wait time, chat duration is also falling. This year's drop of 14.5% (compared to a drop of just 1.4% shown in our last report) shows that over the last year, companies have matured in their live chat operations and have made significant strides in optimizing their live chat service KPIs.

Handling queries more quickly and efficiently sounds great on paper, as 14.5% less time spent on chats should free up 14.5% more resource, with obvious cost implications that can make live chat usage compelling.

But for organizations looking to pursue these cost savings, it will be increasingly important to consider the needs of their customers when making changes to their live chat strategy. Balancing service efficiency with service quality will be central in ensuring that improvements made to speed-related operational KPIs don't happen at the expense of quality or decreased customer effort.

Chats Per Month

1.8x increase from 2956 in 2016

▲ 5268

Organizations received more chat queries than ever in 2017 – showing that consumer preference and demand for live chat continues to grow.

It's increasingly clear, as live chat becomes more widespread, that more customers are choosing live chat as a preferred channel of communication – and our data has proven this in three consecutive years.

This statistic also demonstrates potential increased return on investment from live chat implementation, since investment by organizations into live chat continues to be rewarded with an increasing amount of adoption by their customer base.

"

It's exciting to see an increase in average chats per month, as this shows that consumer demand for live chat is growing. I believe live chat truly is the customer communication channel of the future - not just because it's great for customers to get their queries answered in a low-effort and immediate way, but also because there's significant benefits for organizations looking to reduce the cost and resource burden of expensive or asynchronous channels through implementing live chat.

Quite simply, live chat helps organizations to become leaner and more sophisticated in their customer communications, and an increase in live chat numbers shows that even more businesses are now benefiting.

Kaye Chapman
Customer Experience Writer & Trainer at Comm100

Chat-to-Visit Ratio

On average, the percentage of website visitors versus chat users for 2017 is 3.48%. However, as chat to visit ratio is affected significantly by the level of website traffic that a company receives, this average may not be useful for companies looking to benchmark against their service levels.

Because of this, we've split our customer base into seven segments, defined by number of monthly website visits ranging from 0-5K to 500K+.

CHAT-TO-VISIT RATIO COMPARISON   ○ 2015   ○ 2016   ○ 2017
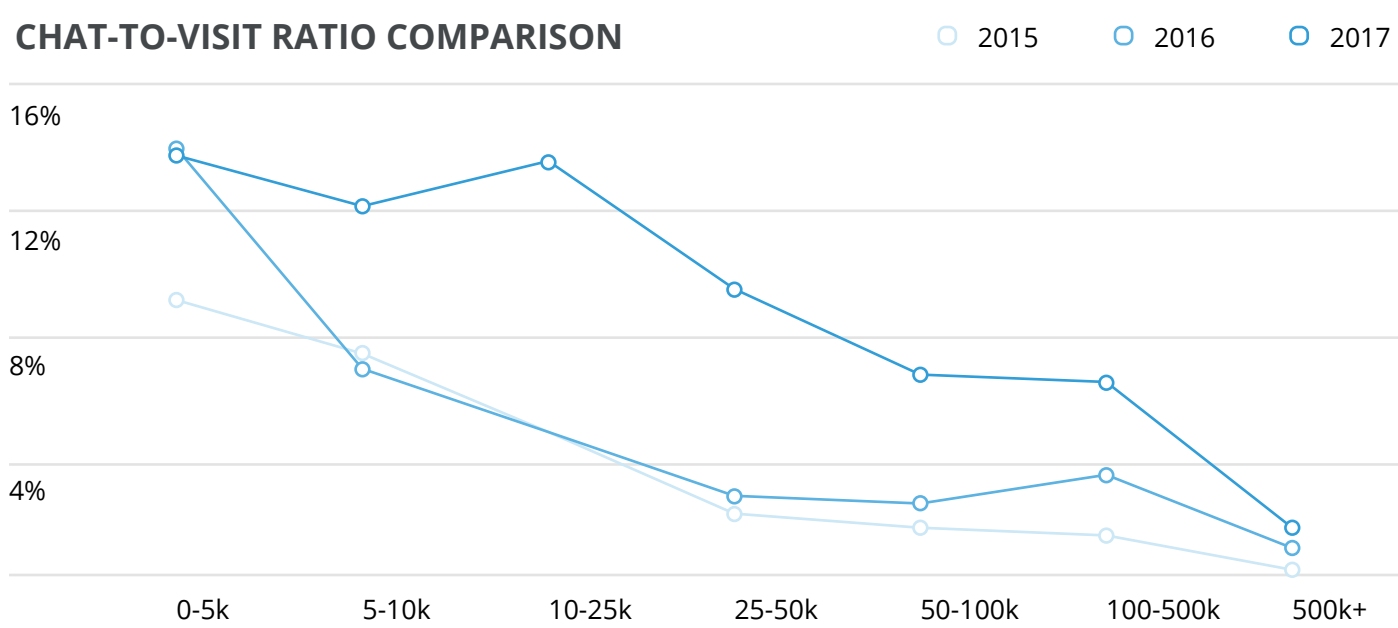
This data shows a couple of interesting insights.

Firstly, lower website traffic tends to correlate with a higher ratio of chats. Overall, websites with lower traffic experience a higher chat to visit ratio than websites with a much higher traffic level.

Secondly, more visits are turning to chats year on year. Looking at the data from 2015 and 2016 versus 2017, we can see that the chat to visit ratio is increasing year by year. 2017 showed increased uptake of live chat from website visitors, indicating that more customers recognize live chat as a channel of their choice.

Chat Volume Distribution by Month

While individual businesses and industries often see their own service peaks and troughs, it can be useful to gain a wider understanding of how seasonal fluctuations generally can affect live chat volume.

We studied customers who have been using Comm100 Live Chat for the entire year of 2017 to calculate monthly chat volume averages.

CHAT DISTRIBUTION BY MONTH

○ 2016   ○ 2017
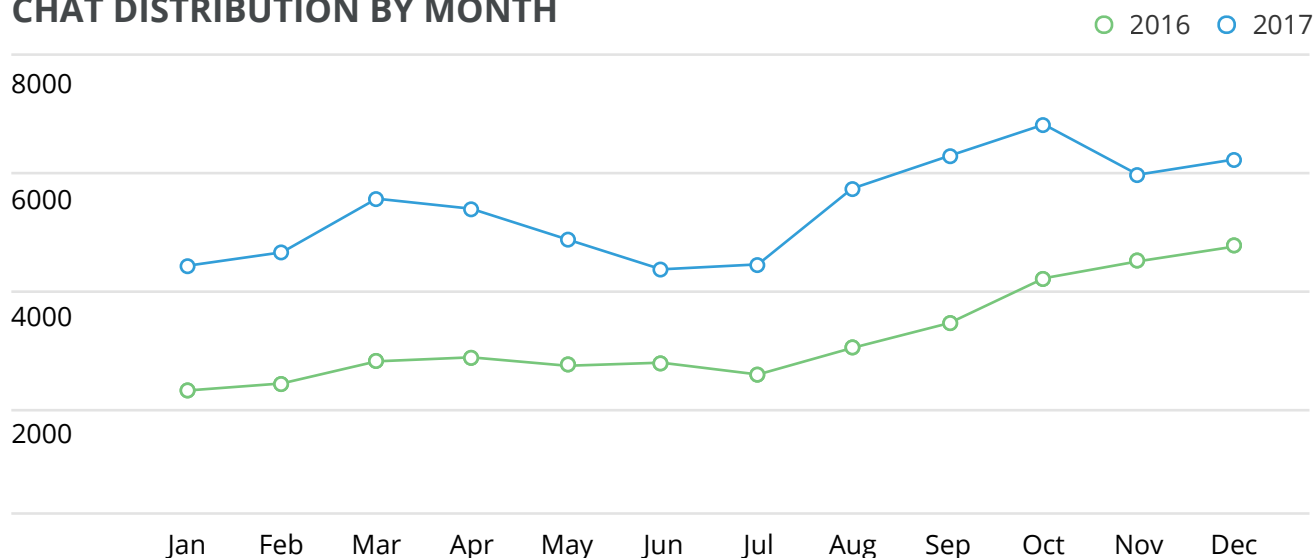
Our data shows that October is the busiest time of year for live chat volume, with a definite seasonal dip occurring in June and July.

With this in mind, many live chat managers will turn to temporary seasonal hires to meet customer demand during these busy periods. For these managers, giving new hires adequate onboarding time and support from a strong knowledge base system is vital to ensure that customer satisfaction doesn't take a hit.

Chats Per Agent Per Month

85% more than 2016

▲ 721

Given that we've seen such a huge increase in chats per month, we wanted to see how this impacted the number of chats per agent each month. Our data for this year's report shows that this statistic has increased by 85%, from 395 in 2016.

As chat volumes are increasing across all countries and industries, this statistic tells us that chat agents everywhere are busier than they were last year. Considering that we've also seen a 180% increase in average chats per month, it seems at first glance that agents may be overworked.

However, because multiple live chats can be taken at once, rising workload often isn't such an issue as with other channels. We calculated that for full time agents handling this amount of chats per month with 3 average length chats occurring at any one time, there's still ample time in their day for breaks.

While chat volumes are increasing, and even with this rise in chats per agent, our statistics don't indicate that agents are overworked. This indicates that organizations are, overall, making well-balanced resourcing decisions when planning how to staff their live chat channels.

New Insights

Canned Message Utilization

Clients are cautious in their use of canned messages, with less than half of them having used any canned messages in their chats.

Canned messages get a bad rap when agents don't use them in appropriate situations, or take the time to personalize them to their customer. But when used appropriately, canned messages can be a great way to improve service efficiency, ensure consistency between agents, reinforce compliance measures, or even act as a knowledge repository to help new agents train.

Of those who used canned messages, most used between 2-5 messages within a chat. It seems for those clients who've implemented canned messages thoughtfully, they have ended up being helpful enough to lead clients to drive their use extensively throughout chats.

> "
>
> Canned messages can be useful in small doses, but they can never take the place of real human interaction. Make sure that the customer feels like your agent is actually listening to them and their problem, not trying to finish the chat quickly with a canned message that addresses some other problem.
>
> Dan Gingiss
> Author of *Winning at Social Customer Care* and
> co-host of *Experience This!*

Proactive Chat Acceptance Rate

Proactive chat continues to be used by companies across countries and industries to reach out to their browsing website visitors.

Overall proactive chat acceptance rates sit at around 7%. However, there's significant variation over industries: Government & Nonprofits had the highest acceptance rate of 26.46%, followed by 22.98% of the eCommerce industry and 9.92% of the Telecoms industry.

Meanwhile, the Healthcare industry has the lowest acceptance rate at 1.69%.

PROACTIVE ACCEPTANCE RATE BY INDUSTRY
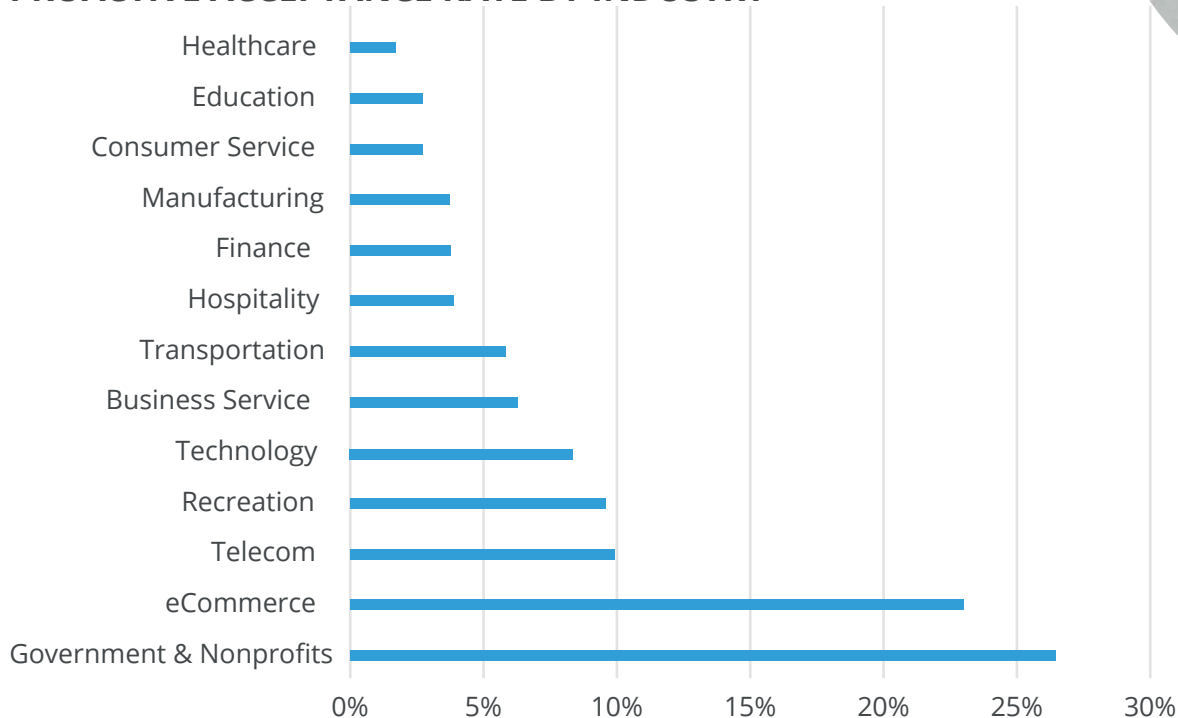
> " Industries with the lowest proactive chat acceptance rates could benefit from assessing how to make the most of this feature to boost engagement and provide a more welcoming approach to their customers. In Healthcare, for example, proactive chat could play a part in engaging disadvantaged patients who are cut off from accessing traditional services. There's much potential for proactive chat to help organizations of all kinds make access to their services easier, resulting in better outcomes for customers and companies alike.
>
> **Kaye Chapman**
> Customer Experience Writer & Trainer at Comm100

Mobility Matters: Mobile Chats

Mobile technology has changed the world and transformed how customers interact with businesses, and our data shows that the trend to mobile is continuing.

On average, 43.78% of chat queries were received from mobile devices in 2017. It's clear that customers are shifting from a desktop experience to one that's increasingly mobile, so if you haven't already – make sure that mobile has a place in your customer experience strategy for 2018.

In terms of industries Recreation led the league, with 66.92% of chat queries being received from mobile devices.

CHATS ON MOBILE BY INDUSTRY
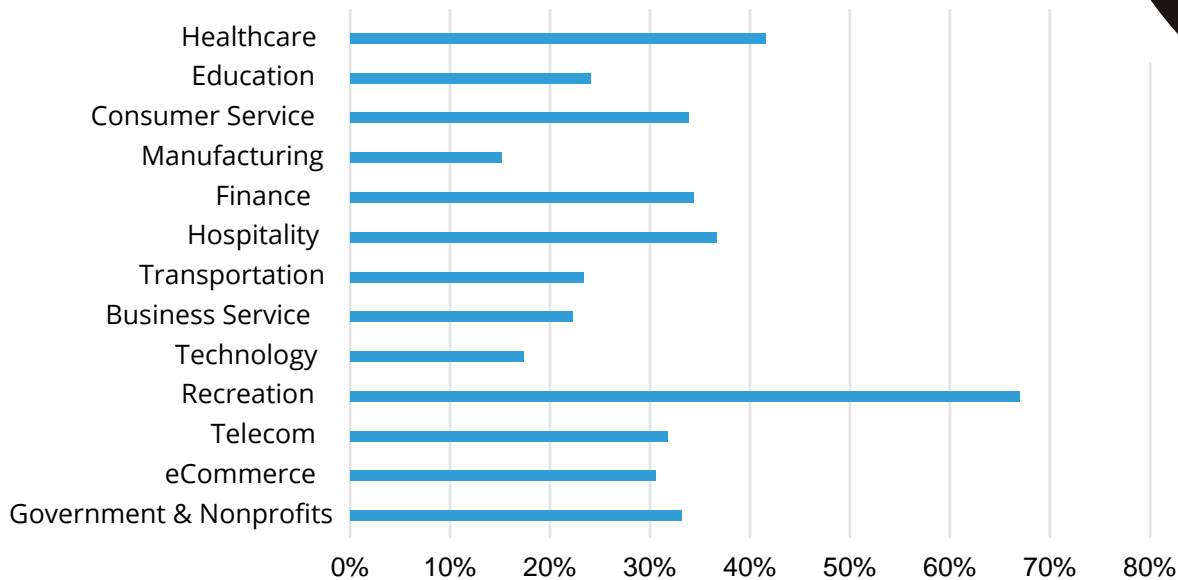
Nearly 100% of companies have chat requests from mobile devices, regardless of the country or industry. Only 6 of those companies surveyed received no chats from mobile devices.

> " The shift to customers using mobile is out of convenience. Why wait to get back to your desktop computer when you can get the information you need, when you need it, and wherever you are, by using your mobile device to connect with the company's support channel?
>
> Shep Hyken
> Customer service expert & New York Times bestselling author

AI in Live Chat: Chatbot

AI is an increasingly hot topic in customer service, and in line with other reports we predict that 2018 will be the year that organizations start to reap real improvements in operational costs through the implementation of AI.

An early adopter of customer-facing AI, Comm100 launched our own Chatbot 1.0 in 2017. Several of our clients have started testing this technology, and our data shows that our Chatbot was able to take up to 20% of their entire chat volume. This means that 20% of all of these clients' chat requests were handled without the involvement of live chat agents – representing significant resource savings on the part of these companies.

In 2018, Comm100 will be launching Bot 2.0 – a major improvement on our existing Chatbot functionality, with natural language processing, machine learning and significant enhancements to our current Chatbot model. With this more advanced and intelligent Chatbot going live in early 2018, we are excited to see how wider Chatbot adoption will impact how many routine questions are handled successfully by AI.

"
The metric that stands out most from this report is the fact that chatbots were able to handle 20% of chats from start to finish. Expect this trend to continue as companies explore the types of cases that can be solved without human assistance. That being said, keep an eye on the decrease in customer satisfaction and average handle time. Too much emphasis on reducing handle time either by overuse of canned messages that are impersonal, or encouraging agents to move faster at the risk of not fully caring for customers will most certainly impact satisfaction moving forward.

Jeremy Watkin
Director of Customer Experience at FCR,
co-founder and contributor on Customer Service Life

"
When your chatbot handles routine interactions really well your live agents will start handling a higher percentage of complicated issues. This means your old benchmarks for average chat duration will likely be too short as complex problems typically take longer to resolve. Companies that don't adjust staffing models to this new reality often experience longer than normal queue times. Agents will also need more problem-solving and de-escalation skills to effectively serve a higher volume of anxious, agitated, or upset customers.

Jeff Toister
Author of *The Service Culture Handbook*

Industry Breakdown

This year, we've surveyed customers from 13 different industries for our report.

Here is a comparison of the main live chat metrics broken down per industry, also showing year-on-year percentage changes.

INDUSTRY	SATISFACTION RATE	WAIT TIME (SECONDS)	CHATS PER MONTH	CHATS PER AGENT PER MONTH	CHAT DURATION (MINUTES: SECONDS)	CHAT-TO-VISIT RATIO	CHAT ON MOBILE
Government & Nonprofit	85.19%	33	1084	371	15:37	1.33%	33.10%
	-6.40%	-39.76%	155.66%	43.24%	-12.51%		
eCommerce	85.43%	58	1724	257	15:31	0.42%	30.56%
	-2.12%	-8.92%	-23.85%	-9.19%	-3.62%		
Telecom	88.87%	27	906	258	17:01	0.58%	31.72%
	3.55%	-47.80%	30.74%	-21.10%	14.98%		
Recreation	79.29%	23	8440	1121	08:56	7.13%	66.92%
	-2.80%	-3.12%	36.26%	75.16%	-5.13%		
Technology	70.86%	75	551	208	18:44	0.46%	17.36%
	-11.76%	32.51%	0.55%	-18.75%	0.99%		
Business Service	77.32%	57	1085	188	18:15	2.71%	22.28%
	2.03%	-45.23%	56.34%	13.94%	-16.73%		
Transportation	89.28%	19	943	477	15:37	2.51%	23.33%
	No comparative from 2017 report						
Hospitality/ Travel	75.16%	47	391	191	14:59	0.55%	36.60%
	-2.17%	6.82%	4.27%	30.82%	-8.92%		
Finance	84.94%	35	2708	726	13:34	4.35%	34.36%
	-3.63%	-17.99%	44.50%	32.97%	-9.05%		
Manufacturing	95.90%	26	348	116	14:48	0.47%	15.14%
	7.27%	-33.67%	10.83%	9.43%	-0.45%		
Consumer Service	81.70%	18	460	255	13:52	0.70%	33.83%
	-2.93%	-23.01%	93.28%	62.42%	5.58%		
Education	89.03%	67	3807	159	15:44	8.59%	24.05%
	4.29%	46.22%	50.53%	-17.62%	9.51%		
Healthcare	93.02%	32	419	152	11:48	0.79%	41.58%
	-0.36%	-29.70%	71.72%	70.79%	-10.72%		

Government Saw the Biggest Increase in Chat Volume

The average monthly chat volume of Government & Nonprofits increased by 155.66% in 2017. Consequently, each agent handled 43.24% more chats per month than in 2016.

Despite this, wait times for this sector fell by 39.76%, although satisfaction rates didn't quite hold – dropping 6.4%. These satisfaction rates, however, are still above our report average of 80.68%.

Manufacturing Gains the Most in Customer Satisfaction

The Manufacturing industry got the best customer satisfaction results in 2017. This industry reached the highest level of average customer satisfaction rate, scoring 95.90% by gaining 7.27%. At the same time, Manufacturing managed to decrease wait times by around a third, and showed modest increases in chats per agent.

Customer Satisfaction Drops by 11.76% in the Technology Sector

The Technology sector saw the biggest drop of 11.76% in customer satisfaction in 2017, reaching the lowest level among all industries at 70.86%. While chat duration and chats per month held for this industry, wait times rose by almost a third.

> "
> This is an excellent report. What it suggests, is that chat is a channel that must not be ignored. The data in the report suggests chat should be incorporated in a sensible manner, which elevates customer experience and customer satisfaction.
>
> **Sean Hawkins**
> Call Center Leader & Speaker, Cofounder of Call Center Weekly

Country Breakdown

Here is a breakdown of key live chat stats per country, with comparisons to the data we found in 2016:

COUNTRY	SATISFACTION RATE	WAIT TIME (SECONDS)	CHATS PER MONTH	CHATS PER AGENT PER MONTH	CHAT DURATION (MINUTES: SECONDS)	CHAT-TO-VISIT RATIO	CHATS ON MOBILE
Mexico	92.80%	29	565	283	20:20	1.31%	27.89%
	-0.46%	-19.44%	-70.82%	-59.28%	-4.09%		
Malaysia	90.39%	13	712	438	09:20	0.71%	59.17%
	-1.77%	-13.33%	91.40%	90.43%	-10.11%		
Canada	88.00%	29	1193	227	13:36	0.88%	34.17%
	-3.85%	31.22%	9.25%	75.97%	5.97%		
Australia	89.71%	33	16115	298	16:23	2.98%	33.29%
	-1.72%	-16.22%	70.78%	51.27%	1.13%		
UK	89.86%	70	1694	68	15:51	3.85%	35.33%
	3.16%	32.03%	61.95%	-57.23%	-12.03%		
US	84.89%	42	627	173	14:25	0.42%	26.44%
	-1.41%	4.01%	23.91%	10.19%	-5.77%		
China	83.74%	55	5953	967	12:25	3.53%	50.66%
	1.44%	-38.35%	65.96%	76.14%	-24.06%		
Turkey	77.39%	18	16728	1534	07:16	8.44%	61.63%
	-4.3%	36.16%	39.17%	51.88%	-1.80%		
Colombia	84.75%	21	484	312	08:00	4.34%	88.38%
	11.08%	17.85%	50.31%	6.12%	-23.44%		
India	55.44%	18	1990	402	14:46	1.53%	32.26%
	-10.02%	-59.82%	35.28%	22.19%	-2.96%		

Australia Leads Global Chat Volume Increase

Except for a decrease of chat volume in Mexico, all other countries had more chats to handle in 2017 than in 2016.

Australia saw an increase in chat volume of 70.78%, following a startling increase in last year's report. While this could be due to extremely high chat volume from some individual companies, even taking this into account, this increased rate shows that there has definitely been increased interest in, and adoption of live chat in Australia. This is also indicated through the comparatively high level of chats per month for Australian companies, second only to Turkey.

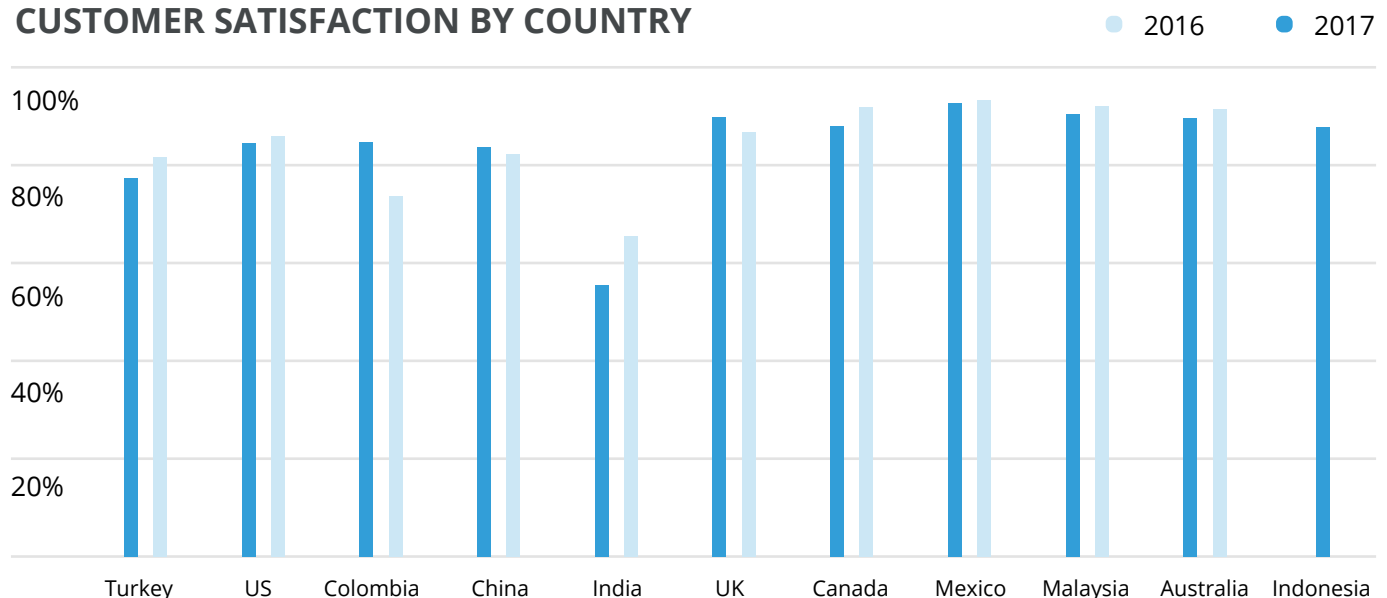# Mexico's Companies Get the Best Results in Customer Satisfaction

Despite a slight drop, Mexico's companies still lead the league in 2017 in terms of customer satisfaction, with 92.8% of their customers leaving positive ratings for the chat service they received. This continues the same trend seen in last year's report.

Columbia Gains the Most in Customer Satisfaction, India Sees the Biggest Drop

The chart below compares customer satisfaction among countries.

CUSTOMER SATISFACTION BY COUNTRY

● 2016   ● 2017

[Bar chart showing customer satisfaction by country for 2016 and 2017, with y-axis from 20% to 100%. Countries: Turkey, US, Colombia, China, India, UK, Canada, Mexico, Malaysia, Australia, Indonesia]

Columbia has seen a big jump in customer satisfaction rates, from 73.67% to 84.75% for this year. Interestingly, this is paired with a significant decrease in chat duration, with chat length falling by a quarter – indicating that companies in Columbia are managing to balance faster resolutions with quality responses.

Columbia also sees the largest percentage of chats taking place on mobile devices, with nearly 9 out of 10 customers interacting with chat over a mobile device.

> " Customers are on the go - and particularly customers who are traveling relish the ability to easily solve problems on their phone.
>
> Blake Morgan
> Customer Experience Author & Speaker

India saw a very large decrease in customer satisfaction, falling 10.02% to 55.44% - well below our benchmark average. Another standout figure from these statistics is India's wait time decrease – falling 59.82% to 18 seconds. This could indicate Indian organizations are overprioritizing faster time to resolution at the expense of customer satisfaction.

Takeaways in 2018

Every year, we compile our benchmark report to provide you with new insights into your live chat implementation and what you should watch for in 2018.

Off the back of our data analysis, here are some of our suggestions for you to make your live chat strategy even more successful in 2018.

Customer Centricity Will Drive Customer Satisfaction

Our data shows that the live chat market is maturing. More customers are choosing live chat as a channel of their choice, shown by rising live chat adoption numbers. To meet this demand, organizations are refining their operational strategies, shown in a trend of falling chat durations and wait times.

In the midst of this though, customer satisfaction is falling – indicating that while organizations are aiming to serve live chat customers better, they're still not hitting the mark.

Customers choose live chat for very different reasons than other channels. We know that live chat is a channel of choice for customers who value the ability to get queries resolved straight away, in real time. And we know that customers value live chat because it allows them to multitask, not requiring an exclusive chunk of their time and attention. Both of these factors, along with our data, indicate a possible trend away from speed of interaction mattering most to customers.

Fast interactions don't always equate to customer satisfaction. This becomes even more true when customers value other factors more highly than speed – like comprehensively resolved interactions, or interactions dealt with in a semi-asynchronous, multitask-friendly way.

Organizations should return to their one steadfast source of information on what their customers want – their own customer base – when looking to improve customer satisfaction in their live chat strategy. It may be that traditional KPIs appropriate to other channels, such as handle time, are less important to live chat customers – and an emphasis on different operational KPIs may be needed to increase customer satisfaction through live chat.

Expect to Handle More Chats

Our data continues to show that live chat is being adopted globally by more and more companies, and customers are increasingly choosing live chat as a preferred method of communication with companies. In some industries like Government & Nonprofit, average monthly chat volume took a 150% jump, showing consumer demand within these sectors.

But just the presence of live chat doesn't necessarily drive its uptake. The way organizations promote live chat and ensure its visibility will continue to accelerate its adoption by consumers.

For businesses looking to ensure increased live chat uptake, having a customer service strategy that promotes live chat adoption will position organizations to maximize the cost and resource savings available through live chat.

Get Mobile-Ready

In 2017, 43.78% of customers accessed live chat from mobile devices. It's clear throughout the customer experience field that consumers are increasingly choosing to contact organizations through mobile devices, and organizations cannot afford to look at live chat as a desktop-only endeavor any longer.

For organizations with a live chat channel, it's crucial to ensure that service is as accessible on mobile as it is on desktop. Failing to ensure that live chat is mobile-ready means that almost half of customers could be excluded from live chat services, limiting the possibilities for successful live chat adoption.

> "
> Most customers will do anything to avoid calling you on the phone - if chat agents are actually empowered to get things done for the customer, you have a win-win. It's a cost-effective channel, and the customer loves it!
>
> **Blake Morgan**
> Customer Experience Author & Speaker

About Comm100

Comm100 Network Corporation is an award-winning global provider of enterprise live chat solution. Comm100 Live Chat is used by thousands of businesses worldwide to support their website visitors in real time so as to increase conversions, boost customer satisfaction and lower operating costs. With "100% communication, 100% success" as the company motto, Comm100 is committed to ensuring that transitioning human-to-human interactions to real-life success stories is always possible in a digital world.

Customers

Accreditations & Partnerships

Contact Us

TEL | (778) 785-0464   E-Mail | sales@comm100.com
FAX | (888) 837-2011   Web | www.comm100.com

Follow us on |

Suite 238 – 1027 Davie Street Vancouver, British Columbia V6E 4L2 Canada