LIVE CHAT CUSTOMER HAPPINESS REPORT

How to make customers happy
through online chat.

Brought to you by LiveChat

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INTRODUCTION

Customer Happiness Report was created to measure the satisfaction of the consumers using online chat software. The results are to be shared with people who consider using live chat in their business.

Online customers tend to use chat because it is a dedicated tool for online service and something they easily get used to. With instant messaging software used daily by millions of people and live chat software becoming more and more popular on business websites, text communication in real-time is blooming.

Another reason for creating this report was lack of valuable information about customer happiness of the visitors using chat on ecommerce websites. The market misses data that could be used to compare live chat software with other customer service tools such as phone, email and ticketing systems.

02 | DATA

Businesses that use LiveChat measure satisfaction of their customers using a dedicated feature – customers click on 'thumb up' or 'thumb down' button and rate their experience during a chat session.

600 BUSINESSES | **1.76M** CHATS | **4** MONTHS

To create this report, we used the data collected from a sample of roughly 600 businesses and 1.76 mln chats they produced over a period of four months, from January to April 2012.

The size of the sample is a result of the limitations we applied for the need of this report:

- For different reasons, not all companies that use online chat software on their website wish to have their agents rated by the visitors. In other words, some chat windows have the rating buttons disabled.
- Even if the rating feature is enabled and visible in the chat window, not all customers care about rating the operator they chat with. Some of the customers might not notice the rating buttons, while others simply ignore them. It means that only a part of the chats is rated by the customers.
- For quality purposes, we filtered out all companies with less than 10 rated chats in the selected period of time.
- Data from trial accounts was not used while creating this report.

Even after applying the limitations described above, we still managed to collect the data from **180,000** chats rated by the customers. All these conversations were actual business chats between operators and website visitors, what makes the data they provided a valuable source of knowledge about customer activity and their satisfaction.

Basing on the gathered information, we will later try to present a potentially ideal and perfect example of a live chat software implementation that results in the best customer service experience for the end users.

03 | KEY RESULTS

The general results for a live chat implementation in the 4 main areas are as follows:

:) 85.6%

CUSTOMER SATISFACTION

The most important part; it tells you how happy the people are with customer service you offer. Average result of 86% is good.

722 / MONTH

AVERAGE NUMBER OF CHATS

Gives an idea of how busy the agents are. Customers in certain industries are more likely to use chat than in others. This figure also depends on the size of the business.

14 MINUTES 10 SECONDS

CHAT DURATION

How much time on average does each chat take. It might be used to measure the efficiency of support agents, however, it needs to be remembered that multiple chats can be handled at the same time.

1 MINUTE 10 SECONDS

TIME OF FIRST ANSWER

The first impression really counts. Customers who have their chat unanswered for too long will rate their experience as bad, leave and never come back.
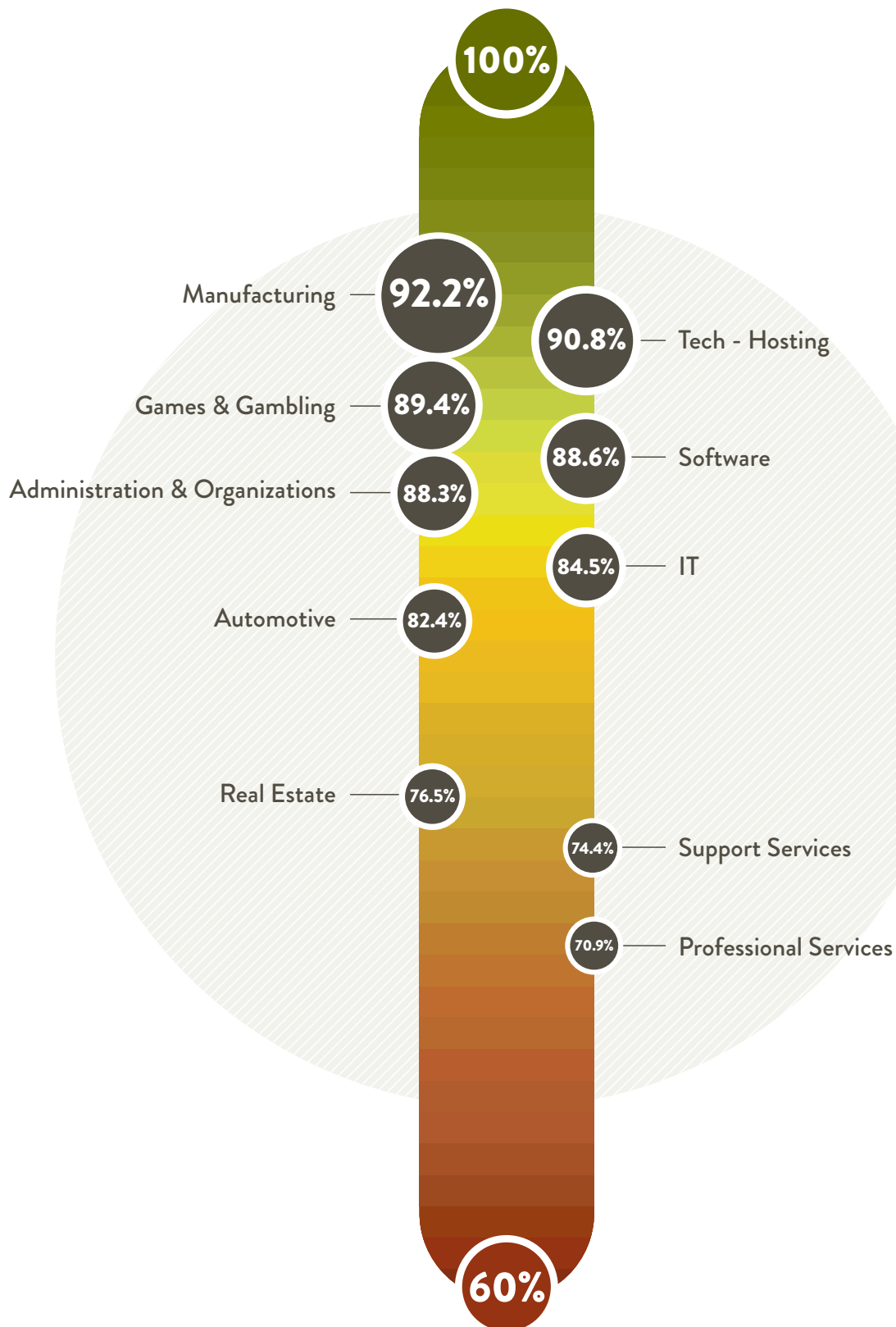
04

MAIN METRICS

Section below presents more detailed breakdowns of customer satisfaction ratings. We also added our comments on how particular results affect the business and how they can be improved.

Ⓐ INDUSTRY

Here are the results for the industries we analyzed:

INDUSTRY	:)	💬	⏱	⏱
Administration & Organizations	88.3%	679	0:13:53	1:01
Automotive	82.4%	808	0:12:17	1:19
Entertainment	89.2%	1114	0:08:56	0:57
Finance	87.9%	346	0:13:52	1:32
Games & Gambling	89.4%	2807	0:11:20	0:45
Healthcare & Pharmaceutical	87.5%	399	0:09:42	1:08
IT	84.5%	328	0:17:51	1:19
Manufacturing	92.2%	151	0:15:06	1:01
Marketing	88.0%	155	0:14:28	1:10
Professional Services	70.9%	608	0:12:57	1:42
Real Estate	76.5%	113	0:14:03	1:14
Retail	87.0%	470	0:11:35	1:15
Software	88.6%	862	0:16:23	1:13
Support Services	74.4%	429	0:18:01	2:18
Tech - Hardware	86.0%	4185	0:22:15	0:59
Tech - Hosting	90.8%	1206	0:17:35	1:05
Telecommunication	88.2%	657	0:13:18	1:09
Travel	82.7%	503	0:15:54	1:37
Universities & Education	85.9%	175	0:14:51	0:58

CUSTOMER HAPPINESS BY INDUSTRY

100%

Manufacturing — **92.2%**

90.8% — Tech - Hosting

Games & Gambling — **89.4%**

88.6% — Software

Administration & Organizations — **88.3%**

84.5% — IT

Automotive — **82.4%**

Real Estate — **76.5%**

74.4% — Support Services

70.9% — Professional Services

60%

*

It is not surprising that the best results are in the technical industries – those customers know how to properly integrate chat with a website, how to make it look nice and how to handle customers online.

On the other hand, typical offline industries like real estate or professional services have problems with handling customers through live chat. They could use some live chat adoption help and require additional education on online customer service.

ADMINISTRATION & ORGANIZATIONS

A number of various organizations: non-profit, religious, public administration units and government agencies.

ENTERTAINMENT

Businesses that aim to provide entertainment as a service. An example of such company could be a paintball course or a band.

GAMES AND GAMBLING

This group contains businesses that sell games and gaming related services. Additionally, gambling services like online bookmakers and casinos have been included in this category. An example of such business would be a game store or an online casino.

IT

Companies offering services in the wide IT sector. A web development company or a server maintenance company can be examples of IT businesses and are a part of this category.

MARKETING

Businesses responsible for the image of other companies, creating and deploying marketing campaigns. An example of such company is an advertisement agency.

REAL ESTATE

Companies offering real estate services, be it selling or buying. An example of such company would be a real estate developer or broker.

SOFTWARE

Companies that develop and then sell software of various kind.

AUTOMOTIVE

Companies that sell/rent cars or offer car parts. A car dealership could be an example of such company.

FINANCE

Companies dealing in finance sector, e.g. forex and stock trading, mortgage and credit solutions, financial advisors etc. A stock exchange bureau is an example of such company.

HEALTHCARE & PHARMACEUTICAL

Group of businesses that offer medical treatment and medicaments. Hospitals, clinics, massage parlors and pharmacies are examples of businesses that fall into this category.

MANUFACTURING

Companies that manufacture their products, however, they do not provide a direct way of buying them. A quotation or contacting a dealer is required to purchase their products. An example of such company would be a pipe manufacturer or lab equipment manufacturer.

PROFESSIONAL SERVICES

Wide range of companies offering a professional service in a given field. For example, tutoring services gift delivery and hardware repair fall into this category.

RETAIL

Businesses that sell various products directly to the end customer. An online shoe shop or an online baker can be examples of such business.

SUPPORT SERVICES

Business offering outsourcing customer support solutions to other companies, e.g. a call center.

TECH-HARDWARE

Companies offering computer hardware.

TECH-HOSTING

Companies offering domains and web hosting services.

TELECOMMUNICATION

Companies offering telecommunication services, including cellular network providers, VoIP services and broadband Internet providers.

TRAVEL

Businesses providing services related to travel, from ticket booking companies to hotels and resorts presenting their offer online.

UNIVERSITIES AND EDUCATION

Universities and colleges, language schools and educational portals offering educational resources and services.

Ⓑ TEAM SIZE

The more people supporting customers, the better the quality. It's hard for one-man armies to keep up with customer expectations because customer service is usually just one of the areas that the person is responsible for.

Bigger teams have no problems with providing customer support on a satisfying level.

CUSTOMER SATISFACTION BY TEAM SIZE

79.9%   **84.9%**   **86.9%**   **85.4%**   **87.7%**

🧍   🧍2–4   🧍5–9   🧍10–19   🧍20+

🧍– OPERATOR
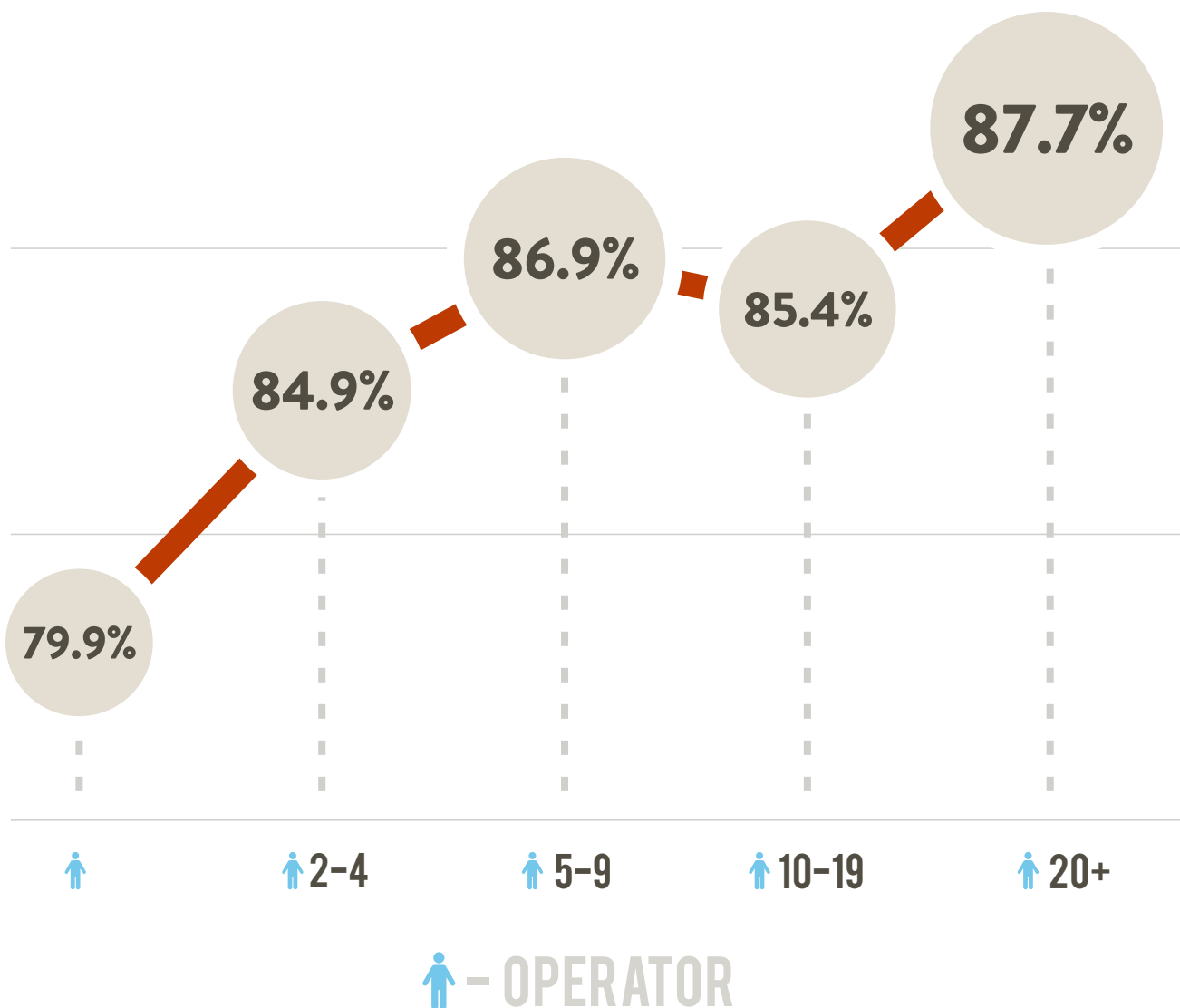
Team size is the number of people working with customers. It should not be confused with the number of employees in the entire company.

C NUMBER OF INTERACTIONS

Customers value teams that are able to solve their issues within one contact.

A need for an additional contact is reflected in the ratings as customers tend to rate the support lower in second and third contact – these are usually customers' follow ups after the previous, unsuccessful attempts on having their issues solved.

CUSTOMER HAPPINESS BY NUMBER OF CONTACTS

86.5%

83.4%

82.9%

83.9%

86.1%

💬 1ST   💬 2ND   💬 3RD   💬 4TH   💬 5TH +
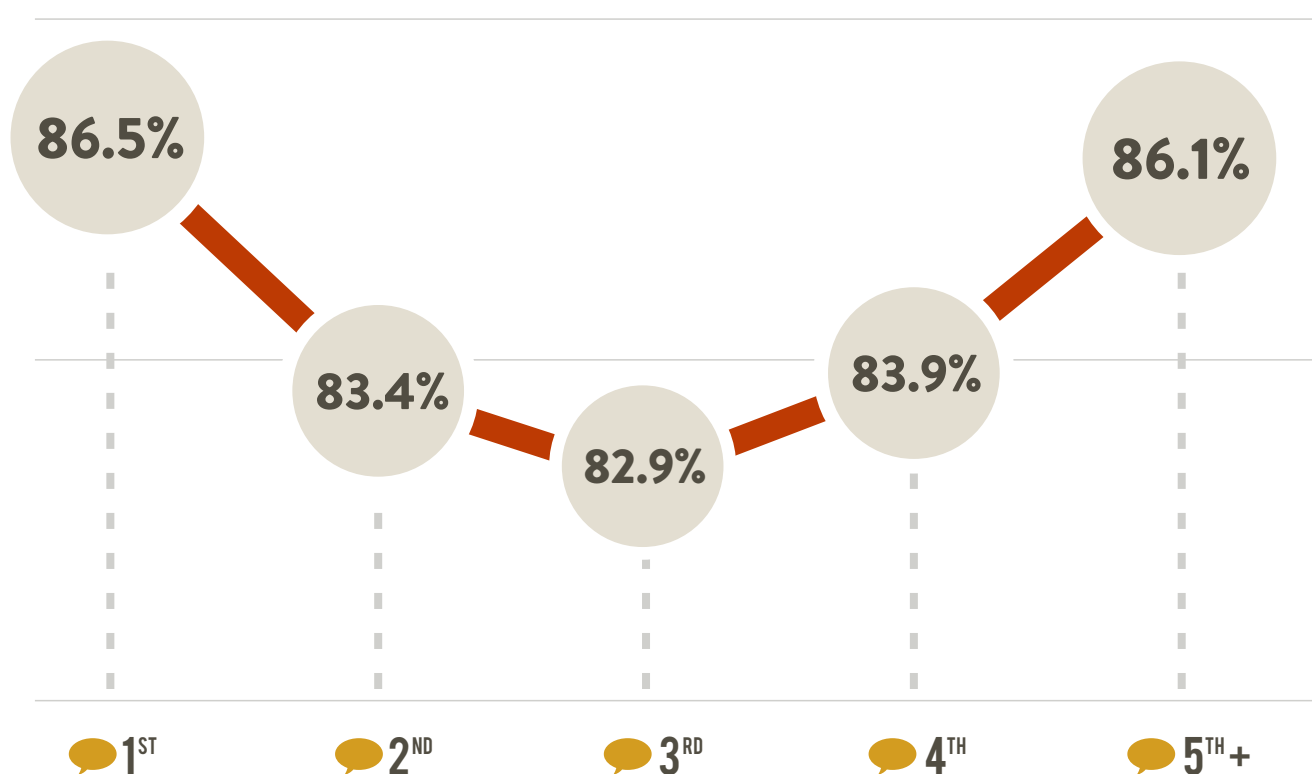
With fourth and following contacts ratings increase again, which means that a kind of relationship is being established between chat operators and customers – people already know each other, have common expectations as how to conduct a chat so its results are more satisfying for the customer.

TIME OF FIRST RESPONSE

⏱ Average time of first response is **1 min 10 sec.**

👍 For chats rated good – avg. first response time is **1 min 3 sec.**

👎 For chats rated bad – avg. first response time is **1 min 47 sec.**

Chat is synonymous to real-time communication and that is why customers expect quick response whenever they launch a chat. 1 minute and 10 seconds might seem long for a reply and making this time as short as possible is the biggest challenge for the online companies.

CHAT DURATION

Time of chatting varies. It depends on the industry and particular problem or questions the customer might have.

It is hard to find a pattern for customer satisfaction in connection with chatting time with the exception of quick chats with only a few questions that last less than 5 minutes – these chats have a very high satisfaction rating, as customers receive answers to a couple of questions and get back to browsing the website or placing the order.

Longer chats seem not to be connected with customer satisfaction ratings.

CUSTOMER HAPPINESS BY CHAT DURATION

92.1%	88.0%	80.4%	87.8%	85.9%
<5 MIN	5–10 MIN	10–15 MIN	15–30 MIN	30+ MIN

05
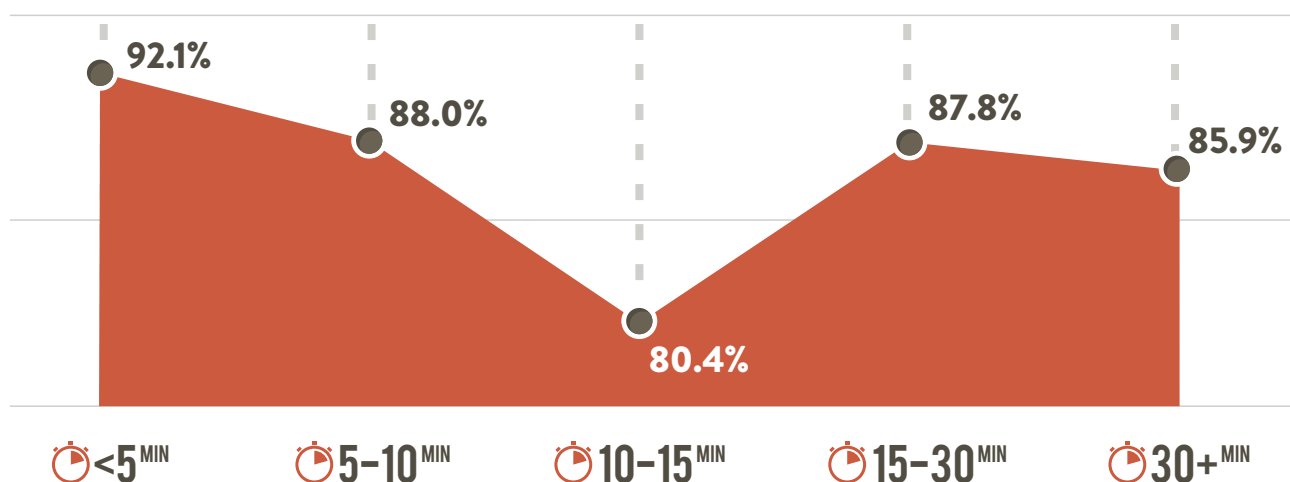
IMPACT OF CHAT SETTINGS

There are multiple settings available in chat software that might have an impact on the end-users satisfaction. We are taking a closer look at them to see which features and in what way impact the customer satisfaction ratings.

TYPICAL IMPLEMENTATION AND BEST RESULTS RECOMMENDATIONS

Most of the companies use a Facebook-like chat window attached to the bottom right of the screen. They customize it by changing colors, adding logo and links to social media profiles, however, they rarely use more advanced design customization that requires some coding knowledge. About half of businesses is queuing customers and relies on chat-facilitating canned responses. 50% of businesses also transfer customers to other operators and departments, while 2 out of 3 businesses initiate the chat automatically based on customer activity on the website.

WHAT SETTINGS ARE RECOMMENDED FOR THE BEST SATISFACTION SCORES?

	TYPICAL	FOR BEST RESULTS
CHAT WINDOW CUSTOMIZATION	YES	YES
CUSTOM LOGO	YES	YES
CUSTOM CSS	NO	YES
QUEUE ENABLED	NO	YES
TRANSFERRING CHATS	SOMETIMES	ONLY IF NEEDED
CANNED RESPONSES	SOMETIMES	YES
FACEBOOK CONNECT	NO	YES
CHAT INITIATED DUE TO CUSTOMER ACTIVITY	YES	YES
OPERATOR INITIATING CHAT	YES	RARELY
CUSTOMERS INITIATING CHAT	YES	YES
CHAT AVAILABLE ON WEEKENDS	NO	YES

CHAT SETTINGS AFFECTING CUSTOMER SATISFACTION

We've measured how tweaking LiveChat mechanics impacts the customer satisfaction and checked the customer satisfaction data in consideration of:

Ⓐ CHAT WINDOW TYPE (EMBEDDED CHAT VS POP UP)

:(**POP UP WINDOW**   **90.0%**   :)

:(**EMBEDDED CHAT**   **83,2%**   :)

7 OUT OF 10 BUSINESSES USE EMBEDDED CHAT WINDOW

Although with better customer satisfaction score, the pop up window is used only by 3 out of 10 businesses, mainly because it is perfect for support purposes on high traffic websites as it allows filtering out some of the unwanted traffic.
Smaller websites go with embedded chat window available for all visitors and still manage to achieve a very good customer satisfaction.

Due to the fact that it's easily visible and accessible, the embedded chat window generates three times more chats than the pop-up chat window on the same site.
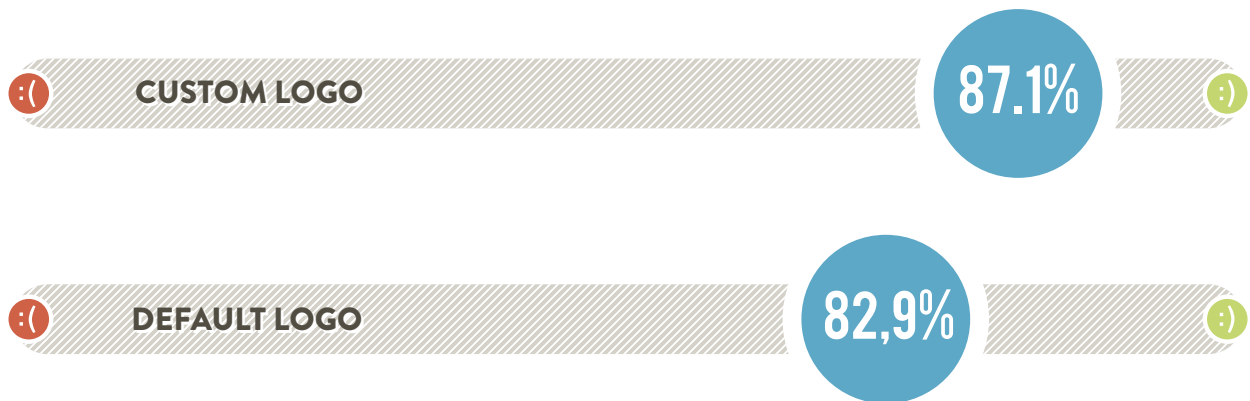
Ⓑ CHAT WINDOW CUSTOMIZATION

:(**CUSTOMIZED CHAT WINDOW**   **85.8%**   :)

:(**DEFAULT CHAT WINDOW**   **71.9%**   :)
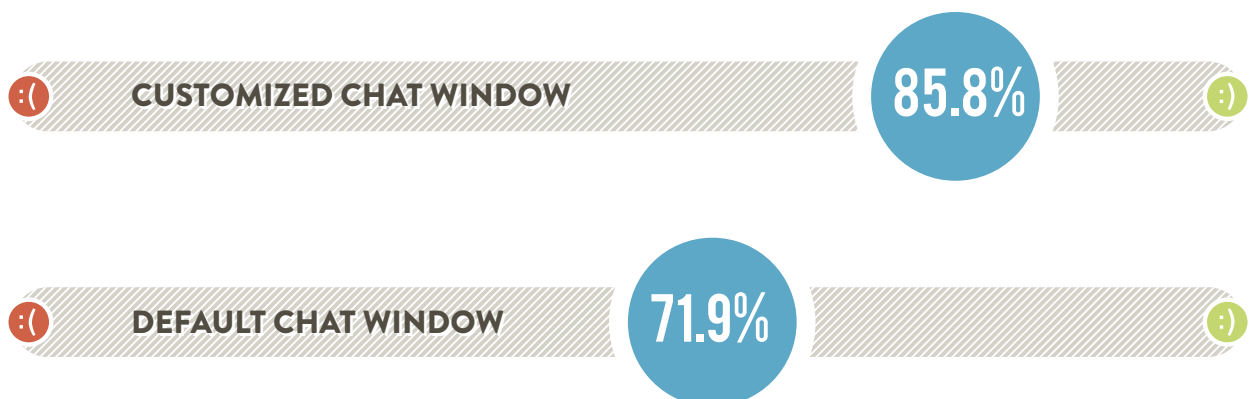
19 OUT OF 20 COMPANIES CUSTOMIZED THEIR CHAT WINDOWS.

Customization of the chat window has a big impact on the overall satisfaction of a visitor. Fortunately, almost all business owners know that using a default template will not help their business. Personalized look & feel of the chat makes their websites unique and turns chat into a source of trust for customers. Additionally, real pictures of the operators are of true value here as well.

C CUSTOM LOGO

:(**CUSTOM LOGO**   **87.1%**   :)

:(**DEFAULT LOGO**   **82,9%**   :)

7 OUT OF 10 COMPANIES ADDED THEIR LOGO TO THE CHAT WINDOW.

Custom logo in the chat window is another piece of a puzzle that creates additional customer trust. Most website owners are aware that the same logo on the page and in the chat confirms validity of the service. It might sound odd, however, for some people, it greatly increases the overall online experience.

D CANNED RESPONSES

:(**CHATS USING CANNED RESPONSES**   **91.4%**   :)

:(**CHATS USING MANUAL TYPING ONLY**   **84,4%**   :)
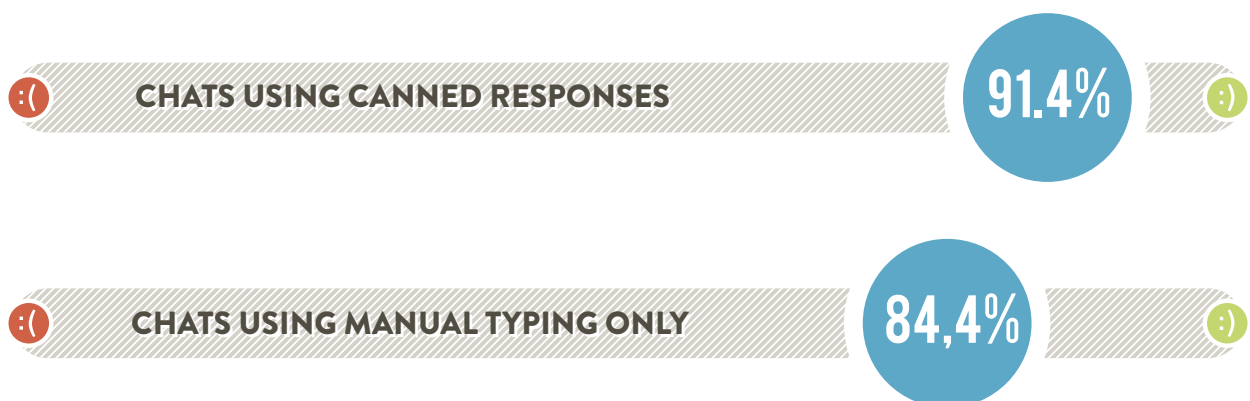
54.8% OF COMPANIES USED CANNED RESPONSES.

Usually brought up as an example of an automated service, canned responses seem to dramatically increase the customer satisfaction. Used only by a half of the businesses, they allow for quick and efficient support of multiple customers at once. If prepared correctly to look like a natural part of the chat, they are impossible to differentiate from the text that was entered manually by the operator.

Ⓔ QUEUING VISITORS

:(**QUEUE ENABLED**   **87.1%**   **:)**

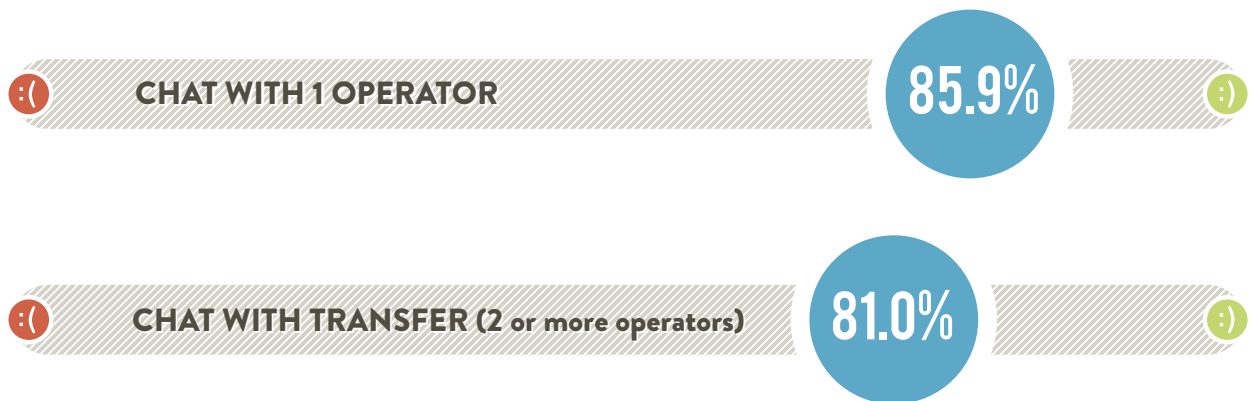**:(**   **QUEUE DISABLED**   **78.6%**   **:)**
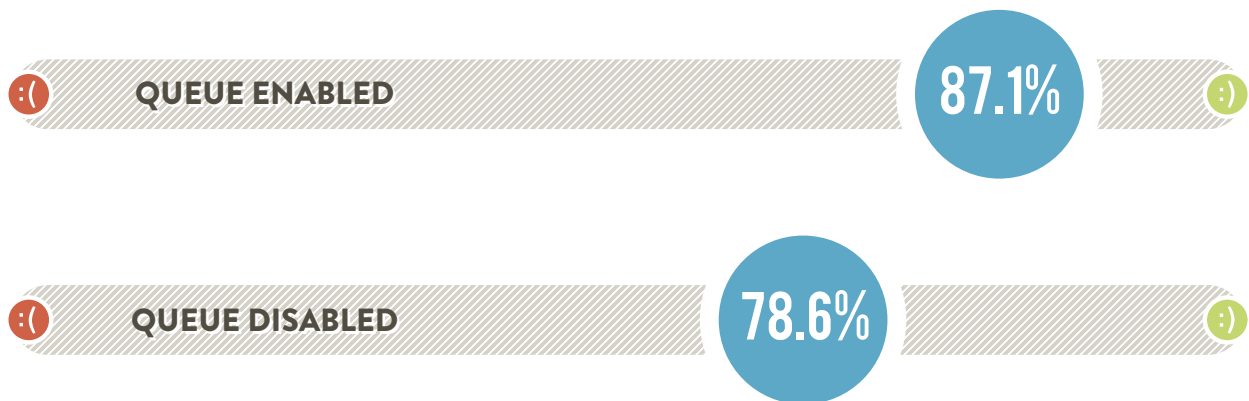
54.6% OF COMPANIES HAVE QUEUE INSTEAD OF CONTACT FORM.

People hate being put on hold. Similarly they should hate being queued in the chat, right? Well, not exactly. They can still browse other websites while waiting in the chat queue and they are notified as soon as the chat session starts.

Only half of the businesses use queue, while it is better to ask people to wait in line and later provide them with a high-level customer service, than to have them wait long in the chat for an answer to simple question. Chat queue helps!

Ⓕ TRANSFERS

:(**CHAT WITH 1 OPERATOR**   **85.9%**   **:)**

**:(**   **CHAT WITH TRANSFER (2 or more operators)**   **81.0%**   **:)**

52.1% OF COMPANIES TRANSFER THEIR CUSTOMERS BETWEEN OPERATORS

Transferring people to other operators and departments makes people unhappy – both on the phone and during the chat. For customers it means they have to explain the problem all over again, even though the transcript is being transferred along with the chat – they simply don't know about it. Transfers should only be done between tiers of support, where there are differences in access levels and specialization.

G USING FACEBOOK CONNECT

FB LOGIN 89.1%

REGULAR CHAT SURVEY 85.4%
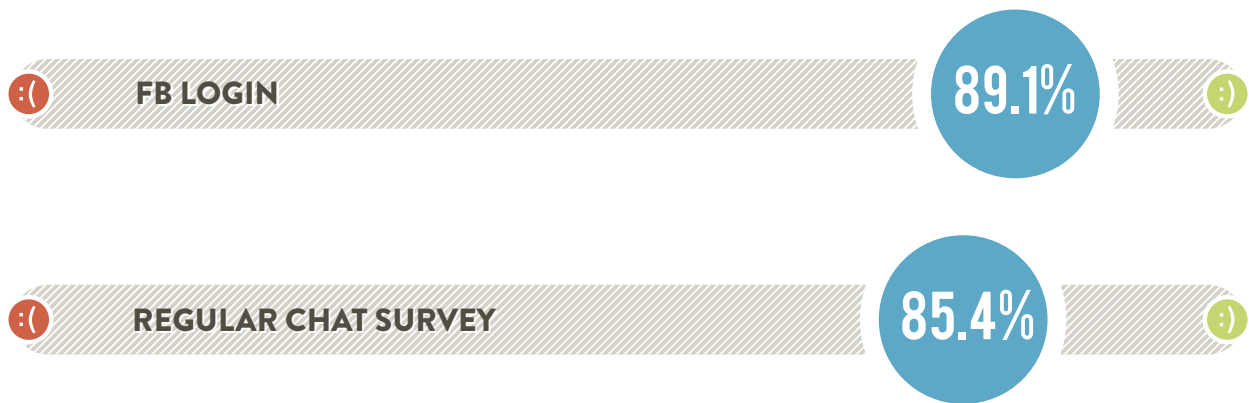
23.0% OF COMPANIES ALLOW CUSTOMERS TO USE FACEBOOK CREDENTIALS IN CHAT WINDOW.

The data provided by visitors when they enter a chat also has an effect on their satisfaction. Visitors react differently after having the option of logging in through a pre-chat survey or using the Facebook login.

According to the researched data, it seems that visitors who log in with their Facebook profiles have a higher chat satisfaction rating. This may stem from the fact that they receive more personalized contact resulting from the Facebook login. Visitors who use their real names and can be addressed by them are more satisfied than those who can enter any name in the pre-chat survey.

CHAT SETTINGS NOT AFFECTING CUSTOMER SATISFACTION

There are also features that, even with various settings, do not seem to affect the customer satisfaction.

Ⓐ CSS CUSTOMIZATION

:(**CUSTOM CSS**   **86.7%**   :)

:(**DEFAULT CSS**   **85.4%**   :)

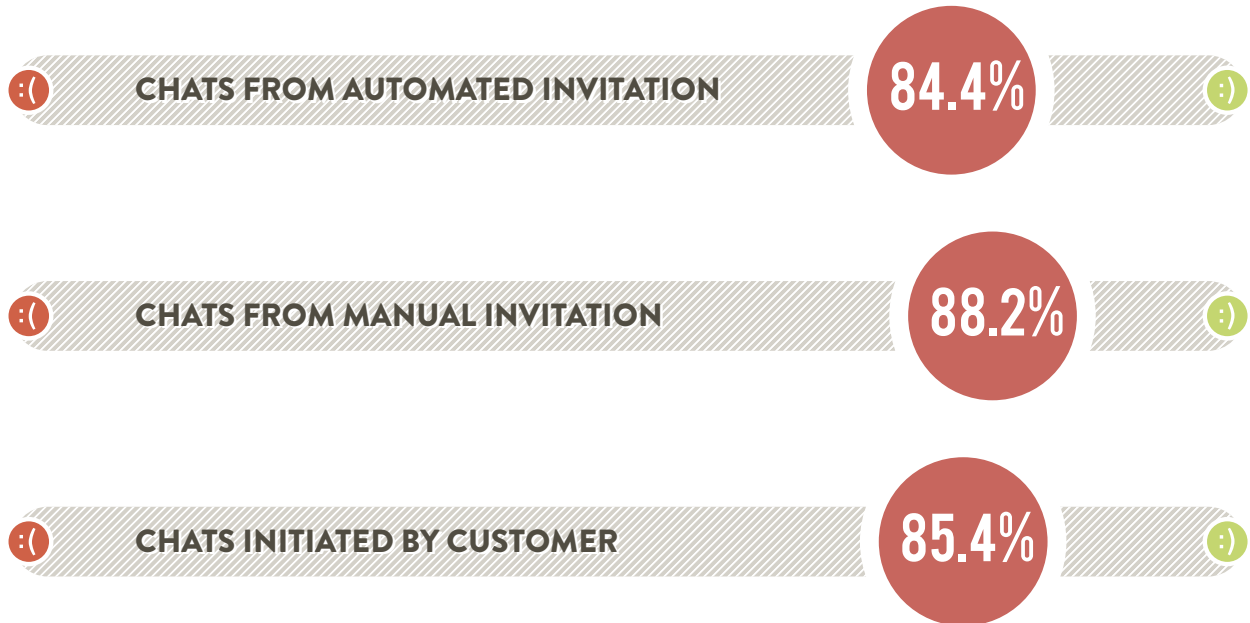### ONLY 16.3% OF BUSINESSES USE CUSTOM CSS IN THEIR CHAT WINDOWS.

There's only a slight increase of customer satisfaction on the websites using custom CSS code in the chat window. Just 1 out of 6 businesses took time to adjust the look & feel of the online chat and make it look similar to their website design – this, however, requires knowledge of the CSS. Customized chat window earns more trust from visitors since it appears as an integral part of a website's design.

Ⓑ CHAT AVAILABILITY DURING THE WEEKENDS

:(**WEEKENDS**   **86.3%**   :)

:(**WEEKDAYS**   **85.5%**   :)

3 out of 5 companies offer help through live chat during the weekends, however, it seems to be of no special interest for the customers – the satisfaction results are close to those chats that took place during the weekdays.

Ⓒ PARTY INITIATING CHAT

:(CHATS FROM AUTOMATED INVITATION **84.4%** :)

:(CHATS FROM MANUAL INVITATION **88.2%** :)

:(CHATS INITIATED BY CUSTOMER **85.4%** :)

PASSIVE AND PROACTIVE CHATS HAVE SIMILAR CUSTOMER SATISFACTION RESULTS.

65% of companies rely on automated invitations that filter the best potential leads based on their activity on the website. There's a high volume of these invitations and they result mostly in sales chats.

Only 1 in 5 companies invites customers manually by selecting them from the list of visitors browsing the website. These invitations are sent very rarely and turn into low volume of chats. They have the best customer ratings though.

According to results, almost all of the companies allow customers to initiate a chat session.

06 SUMMARY

CONCLUSIONS

Chat makes online communication easy and efficient for business use. Customers who use it are aware of its advantages and expect speedy feedback and quick solutions from specialists that they chat with.

Things to remember while setting up live chat software on a website:

- Chat team should consist of, at least, a few dedicated people
- Staff needs to know the tool and its best practices
- Quick responses are expected and required
- Proper implementation translates into better results and happier customers

ABOUT LIVECHAT

LiveChat is a real-time, live chat software tool that helps e-commerce companies create a new sales channel with superior online support. LiveChat products are simple to use, integrate and customize so companies using LiveChat can quickly start increasing sales, offering support, and monitoring website visitor behavior.

Founded in 2002, LiveChat has more than 3000 customers in more than 50 countries, serving businesses such as Cisco, Linens 'N things, Adobe, ING, ModCloth, Intuit, Better Business Bureau, and Air Asia.

For more visit www.livechatinc.com.

Author: Szymon Klimczak | szymon@livechatinc.com