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Metric of the Month: Chat Metrics

By Jeff Rumburg

Every month, in the Industry Insider, I highlight one key performance indicator (KPI) for the service desk or desktop support. I define the KPI, provide recent benchmarking data for the metric, and discuss key correlations and cause/effect relationships for the metric. The purpose of the column is to familiarize you with the KPIs that really matter to your support organization, and to provide actionable insight on how to leverage these KPIs to improve your performance.

This month we depart from our usual format, and instead of discussing a single metric, I will introduce and discuss a number of metrics that are unique to chat.

The Chat Channel

If you're like most consumers, you've probably experienced a chat session. Perhaps you engaged in chat with an agent at your bank or insurance company to resolve a payment issue. Or perhaps you used chat to troubleshoot your new computer or a new software application you installed.

Why chat? One reason is that some people simply prefer this channel for service and support; the fact is, chat is the channel of choice for a growing number of consumers and businesses, particularly among millennials. The second reason is economics. An effective chat channel can significantly reduce the cost per transaction versus the more traditional live (voice) support model. Because of this, chat has the potential to both improve customer satisfaction (by giving customers an alternative channel choice) and reduce cost per contact.

Costs are typically lower in the chat channel because chat agents can generally handle more than one chat session at a time. These are called *concurrent sessions*, and some agents are talented and skilled enough to handle as many as four concurrent chat sessions. When agents handle more than one session at a time, cost per session decreases accordingly.

Chat Metrics

Many chat metrics simply mirror their live-agent counterparts. For example, customer satisfaction for chat is the same metric as customer satisfaction for the live (voice) channel. However, the values for the metrics in each channel are likely to be different. Customer satisfaction in the traditional voice channel might be 80 percent, while customer satisfaction for chat might be 90 percent, or vice versa.

The metrics listed below are common to both the chat and voice channels. Some names might vary slightly; for example, speed of answer in the voice channel becomes speed of response in the chat channel, and call abandonment rate becomes chat abandonment rate in the chat channel.

- **Cost Metrics**
  - » Cost per contact
  - » Cost per minute of handle time
- **Productivity Metrics**
  - » Contacts per agent per month
  - » Agent utilization
- **Service Level Metrics**
  - » Average speed of answer/average speed of response
  - » Call/chat abandonment rate
  - » Percent answered in 30 seconds
- **Contact Handling Metrics**
  - » Inbound contact handle time

- **Quality Metrics**
  - » Customer satisfaction
  - » First contact resolution rate
  - » Call/chat quality
- **Agent Metrics**
  - » Agent occupancy
  - » Annual agent turnover
  - » Daily agent absenteeism
  - » New agent training hours
  - » Annual agent training hours
  - » Agent tenure
  - » Agent job satisfaction

But there's another category of metrics that are unique to chat, including:

- **Percentage of contacts originating in chat:** As the name suggests, this is the percentage of all contacts coming into the service desk that originate in the chat channel. As a chat channel matures, this metric normally increases.
- **Percentage of contacts resolved in chat:** This number will be less than or equal to the percentage of contacts originating in chat. Once again, as the chat channel matures, this metric normally increases.
- **Failover rate from chat to voice (%):** This measures the percentage of chats that "failover" to a live agent contact. This happens when the agent or caller feels that voice communication is needed and they revert from the chat channel to the voice channel to complete the transaction.
- **Average concurrent chat sessions:** This metric indicates the average number of concurrent sessions a chat agent has open at any given time. The ability to handle concurrent chat sessions is the primary economic advantage of the chat channel.
- **Maximum concurrent chat sessions:** Most organizations limit the number of concurrent sessions an agent is allowed to handle. Newer agents might be limited to a single chat session at a time, while more experienced agents might be allowed to handle as many as four concurrent chat sessions.

Service desks that are interested in growing, improving, and optimizing chat can use these metrics to effectively manage the chat channel.

Benchmarking for Chat Metrics

Chat data from MetricNet's global benchmarking database is excerpted in the table below. Please note that only averages are shown; the range for each metric—from high to low—can be quite dramatic.

Metric Type	Chat KPIs	North American Averages
Cost	Cost per inbound chat contact	$11.20
	Cost per minute of inbound chat handle time	$0.90
Productivity	Inbound chats per technician per month	670
	Chat technician utilization	54.1%
	Chat technicians as a percentage of total headcount	84.3%
Service Level	Average chat speed of answer	3.93 min
	Chat call abandonment rate	13.1%
Quality	Chat call quality	80.2%
	Chat first contact resolution rate	70.2%
	Chat customer satisfaction	79.5%
	Chat net promoter score	63.1%
Technician	Annual chat technician turnover	22.9%
	Daily chat technician absenteeism	8.0%
	Chat technician occupancy	73.0%
	New chat technician training hours	162 hrs
	Annual chat technician training hours	30 hrs
	Chat technician tenure	52.2 months
	Chat technician job satisfaction	75.8%
Chat Handling	Inbound chat handle time	12.90 min
	Percentage of contacts originating in chat	10.9%
	Percentage of contacts resolved in chat	6.6%
	Failover rate from chat to voice	32.0%
	Average concurrent chat sessions	0.84
	Maximum concurrent chat sessions	2.75

Ideally, the chat channel should enrich the user experience by providing channel choice and high-quality transactions. However, it should be noted that the agent skillset required for chat is somewhat different than that required of a live agent. You should not automatically assume that a successful voice agent will be a successful chat agent, or vice versa.

Please join us for next month's Metric of the Month, **ratio of agents to total headcount**, a service desk and desktop support metric that yields insight into the managerial efficiency of IT service and support.

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