How live chat helps businesses and consumers
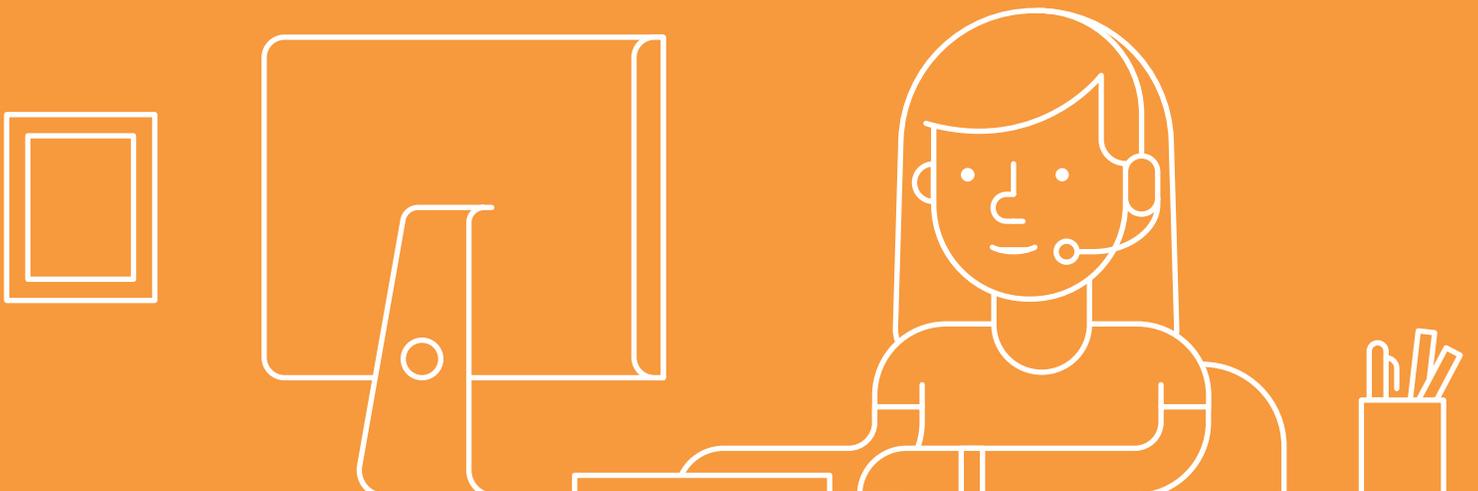
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Shopping, paying bills, looking for information, getting advice, answering questions: If you do almost anything online these days, you've probably encountered—and maybe used—live chat to communicate with a company. If so, you're not alone. Use of live chat has soared from 30% in 2009 to 52% in 2013 and continues to climb. In fact, nearly a third of consumers expect live chat to be available when they come into contact with a brand. Customers have also reported the highest satisfaction rates on live chat (73%) as compared to traditional platforms like email (61%) or phone (44%).

Most organizations now provide service and support across multiple channels including email, phone, social media, and live chat. Why? Because today's customers expect an array of options when it comes to service, but more fundamentally, because businesses are fueled by the whims of their customers. Their purchases, satisfaction, ongoing engagement, and loyalty are what drives a company's growth—and live chat can help with all of these.

If you're busy running a company while looking for new ways to make your employees more productive and efficient—all while holding the line on expenses—then live chat is the perfect candidate. No matter what your company's business or story may be, now's the time to seriously consider adding live chat to your customer service arsenal.

Let's look at the value of live chat first from the customer's point of view and then from a business standpoint. These viewpoints are closely tied together, because when customers are truly satisfied, your bottom line inevitably grows as well. Convenience, speed, and the ability to multitask are the main reasons customers prefer live chat. Making it easier for people to do business with you creates better customer experiences and keeps people coming back for more.

Here are the five key benefits for customers using live chat.

Why customers love chat

1. It's convenient

Customers today expect real-time responsiveness and favor businesses that provide them with what they want, right when they want it. One survey reported that 44% of respondents said that having a live person answer questions while they were in the middle of an online purchase was one of the most important features a website could offer. However, while customers may want answers in real time, many would prefer to avoid waiting on hold on the phone, making chat an attractive alternative.

Another convenient aspect of live chat is that it doesn't require the customer's full attention. While chatting, they're still free to read their emails, talk to a co-worker, or even get up and walk away without worrying about behaving rudely. Just as telecommuting allows you to work in your pajamas and still close deals, live chat lets you get on with life and receive help when you need it.

"Previously customers were limited to either calling or emailing us, and international customers didn't want to wait for email or call a US-based phone number. Providing these customers with an easy live chat option greatly increased their interaction with us and also increased their overall customer satisfaction."

Matt Joseph, Program Administrator, VeraSafe

2. It's familiar

Part of chat's popularity can be associated with the fact that texting and instant messaging are rapidly becoming the preferred forms of communication. Articles in *The New York Times* and *USA Today* have documented how phone calls and voicemails are decreasing in popularity, while chatting and texting are swiftly on the rise. For example, one recent survey found that more than half of respondents aged 18–34 preferred live chat to phone calls.

But don't think it's just the "millennials" who choose chat over more traditional support channels—more than 45% of people aged 55 and above have used live chat. Some of the reasons they use chat include the absence of hold times and the overall convenience. The ability to conduct a real-time interaction using a familiar method (remember typewriters?) makes live chat a valuable channel for these prospects as well.
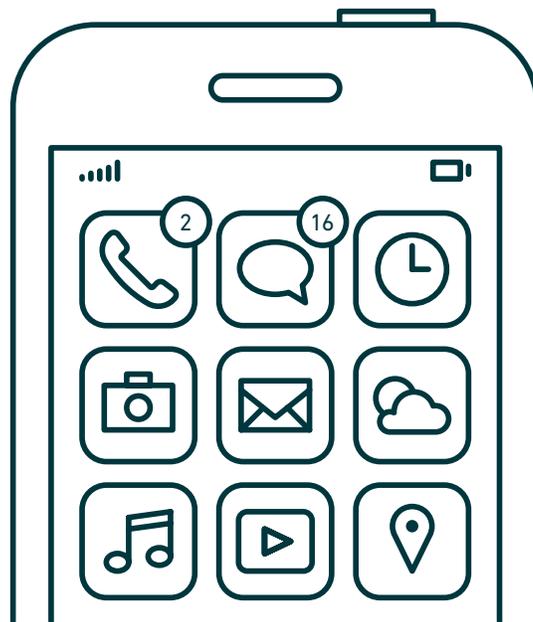
3. It's fast

You've probably heard the saying "time is money," and that's never more true than when it comes to customer service. In one study, 60% of customers said they hated waiting longer than one minute for support. With live chat, customers are never put on hold, so they avoid long wait times and get answers to their questions faster than when serviced over the phone. In fact, research shows that live chat interactions begin an average of 23 seconds after the customer first initiates the chat; looking at data from Zendesk Chat customers in 2014, the average time to resolve an issue via chat is just over 12 minutes.

The shift toward mobile computing also makes getting customer support on the phone difficult, if not impossible, since your phone and your Internet device are one and the same. Say you have a question about a particular product on a company's mobile website. If you have to call them to get help, you'll have to leave the Web browser app to make the call. Over live chat the experience becomes seamless.

" There are plenty of ways to contact and serve customers, but live chat makes it real time and relevant."

Jon Hearty, COO, Datanyze
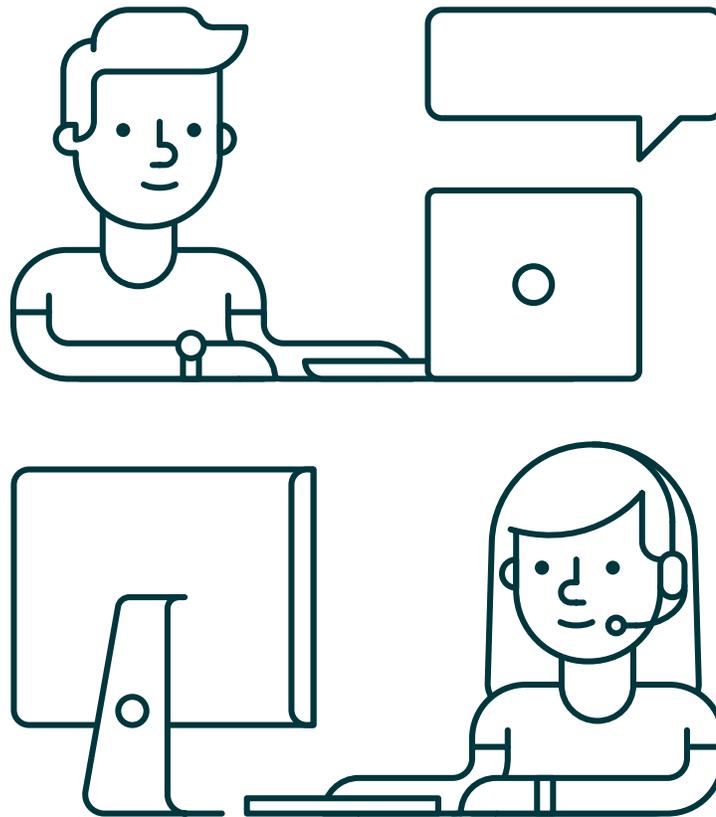
4. It's personal

If there's one thing we can probably all agree on, it's that we prefer doing business with real people. Although the Internet allows a greater level of autonomy—letting us work, shop, and be entertained whenever and however we wish—old-style self-service ecommerce websites that don't integrate interactivity into their sites can't compete anymore. Enabling chat on your website is the equivalent of staffing your brick-and-mortar store with friendly representatives who greet visitors and offer assistance. And visitors do need help: An amazing 83% of consumers will need some type of customer support while shopping online.

Live chat puts a face on the often-impersonal online world. Instead of being fed overused, canned responses, live chat connects customers to real people. Chat offers a human connection—establishing trust and reassuring visitors that there are actual human beings who care about their customers behind the scenes of your business right now. Live chat brings the advantages of in-person human interaction to the online world.

"Because many of our clients approach us with delicate and often complicated legal issues, they can be uncomfortable with a purely automated process. But thanks to [Zendesk Chat], our potential clients can engage first with on-call experts, ask any questions, and receive assurance about our services."

Andrew Weaver, CEO, LawyerFair

5. It's private

Thanks to mobile computing and the growing popularity of handheld devices, it's harder than ever for people to separate their work and personal lives. Even when someone is physically at the office, they could be virtually navigating through hundreds of products searching for a birthday present or a new refrigerator. The truth is that many potential customers are probably at work when they check out your website. Or maybe they're on the bus or at half-time of their child's football game. That means they're not likely in a position to phone in. With live chat, you can keep all interactions within your site by allowing visitors to ask their questions and provide personal information privately.

The same distinction between personal and professional life holds true when it comes to social media, which many businesses are increasingly using to provide help and respond to customer issues. As much as your customers may love Facebook or LinkedIn, they're not always eager to vent their personal frustrations on a public forum like social media channels. Also, although live chat agents within your business may have access to a customer's previous interactions with you (or can even save, print, and share chat logs internally), the customer is assured the chat conversation is kept out of public channels.

"Not everybody has the time to discuss their requirements on the phone—it may be that they commute to work via public transport and the advice they need is sensitive, so they don't wish to discuss their needs with other people around them. Through Zendesk Chat, customers can chat in real time to our team of advisors and get the advice they need in private, even if they are in a public environment."

Steven Baker, Communications Manager, BaKare Beds

Why live chat can make
(or break) your company

Adding live chat to your company's customer service arsenal lets you optimize and personalize your customers' experiences from the minute they land on your site. Using chat to help customers move through the buying process can also boost your revenue and help identify ways to streamline the process for both your agents and your prospective clients.

Here are the five key benefits for businesses that successfully implement live chat.

1. It's proactive

Help channels such as phone or email are passive in nature—they aren't available until a customer activates them. They're the digital equivalent of a shopkeeper who doesn't say anything until you seek him out and ask a question. There's a good reason why Nordstrom is renowned for its exceptional customer service, including the fact that they train employees to greet and offer assistance to anyone entering their department.

Proactive support means you're not waiting for potential customers to ask a question before you engage them. Live chat, combined with customized triggers and real-time visitor monitoring, lets you engage with site visitors at the exact moment they're thinking about doing business with you.

Proactive support is especially helpful in guiding people through the purchase process, one step at a time. Research also shows that customers are three times more likely to make a purchase when reached out to via chat. Offering assistance via live chat to answer questions about products or the buying process will prevent people from abandoning their shopping carts due to confusion and thus increase conversions.

"Triggers can be set to pop up and introduce live chat to a visitor. There can be different triggers for a new visitor versus a previous visitor, and they really can start the conversation."

Darren Bennett, Marketing Manager, 3 Minute Angels
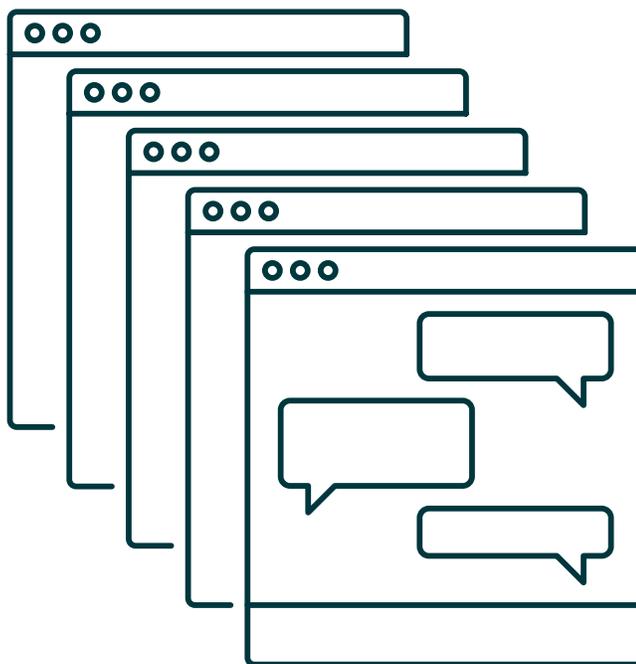
2. It's efficient

Every business strives to improve employee productivity because it inevitably affects the bottom line. But did you know that live chat makes multitasking easier for your support staff so they can be more productive? Chat agents can handle multiple customer conversations at once, so they're able to resolve several issues concurrently, rather than being forced to handle one call at a time. In fact, chat agents can typically engage in as many as six simultaneous chats, depending on the complexity of the issues involved.

Live chat is not only the fastest way to provide customer service, it's also less expensive than other channels. In fact, live chat is typically half the cost of a call center.

"We're now able to process requests and solve customer complaints ten times faster—a significant improvement over phone and email-based systems."

Dmitry Odintsov, Director of Sales and Business Development, TrueConf

3. It's effective

Industry analysts have noted the impact live chat can have on business. 31% of online shoppers from the US and UK say they are more likely to make a purchase after having a live chat conversation. This is likely due to the fact that live chat helps solve issues at the moment of checkout.

Let's look at an example: Imagine a customer shopping on a site after seeing an ad publicizing free shipping. The customer selects a product and begins the checkout process—only to discover that the advertised "free shipping" shows up as an additional $3.95 charge. Without live chat, there is no way for the customer to ask about the offer in real time, and she must decide whether to complete the purchase or send an email and possibly wait days for a non-automated response. At this point, the customer's frustration in not being able to quickly get the deal that was offered may result in her giving up right at the point of purchase (known as "cart abandonment"). If live chat had been available, she may have taken the opportunity to try to resolve the problem and complete her purchase with the promised free shipping.

With chat, agents can also talk to each other as well as with customers. That means your chat queue is always under control and issues are resolved more efficiently thanks to internal knowledge sharing. Just like your customers, your company also benefits from the privacy of live chat. An agent can quickly provide assistance to a disgruntled customer before the issue escalates and the customer takes to more public channels like social media.

4. It's insightful

Live chat software provides vital data in helping businesses better understand prospects and customers. Ecommerce company executives lose sleep wondering why buyers give up purchases at the checkout page—with chat, you'll understand what issues are holding people back at checkout and what steps you can take to prevent those problems in future transactions.

Chat also provides agents the opportunity to ask visitors questions to help identify the best sales approach. Effective marketing is all about knowing your customers. Businesses can put customer responses to good use by developing targeted tactics for specific demographics or even adjusting site content with customer needs and pain points in mind.

Everyone appreciates being noticed as an individual, and online shoppers are no different. Live chat can help personalize services with triggers or alerts that indicate when a VIP or repeat customer arrives on your website so advocates can respond accordingly. Also, don't overlook the use of chat as yet another channel for gathering customer feedback. Live chat offers an easy and inexpensive way for visitors to evaluate their experience and offer suggestions for improving your customer service.

5. It's sticky

Live chat provides a new channel to push out incentives and special offers. For example, trigger options let you offer discount coupons or other incentives to users who fit a predefined profile. You can also encourage visitors to engage in chat by providing special offers to all who do so. Those customers will probably end up staying longer on your site, which can result in them placing bigger orders. One study showed that live chat increased average order value by 19%. Plus, enlarging your group of chat users will help refine your understanding of target customers so you can fine-tune your marketing campaigns.

Making the move to live chat

As we've mentioned, using live chat lets you answer questions quickly, without having to respond to emails or manage a phone queue. With chat, customers easily find what they need, resolve issues or questions hindering their purchases, and linger on your site longer, which can translate to more items in the shopping cart.

Let's recap a few of the benefits of live chat.

Customers love it: For all the reasons we discussed earlier, live chat trumps other channels in terms of customer satisfaction levels. 73% of consumers are happy with their live chat experience (versus 61% with email, 48% with social media, and 44% with phone).

Companies thrive on it: As we've shown, live chat has bottom-line benefits including increased sales. 77% of online shoppers want to contact a real person before buying, and more than 50% say a lack of interaction has kept them from purchasing.

Not your mother's chat software

Today's chat technology is dramatically different from early platforms. Installation of live chat is now a simple and streamlined process. All that's needed is a subscription to a live chat product like Zendesk Chat and the installation of some lightweight code on your website—it only takes a few minutes. Plus, training videos and best-practice guidelines are available so your chat agents can quickly develop expertise in providing stellar customer service with live chat.

So… ready to chat?