

The 2024 Guide to Key Performance Indicators

For Customer Service

A Complete Guide with Benchmark Data for the Most Important KPIs in Email, Chat, and Phone Support

Key Performance Indicators for Customer Service

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Introduction

Customer expectations are on the rise. In 2023, more than <u>60% of customers</u> said they'd leave after a single bad support experience up 22% from 2021. That means, there's a huge opportunity for businesses to differentiate themselves by offering an amazing support experience.

But what is great customer service?

It's easy to know exactly what you expect from a company as a consumer. As a customer service lead, it's hard to create that type of experience on a bigger scale.

That's why KPIs are essential in customer support. They provide a blueprint to follow that translates the abstract notion of quality into measurable, trackable targets.

But how do you know which metrics to track? How can you improve them? Do you even need to improve them? Or are you already doing pretty well?



Too often, outdated "rules of thumb" are used to identify targets, even though these "rules" were developed based on limited data, decades ago, when customer support was completely different than it is today.

And searching for benchmarks online can be a long and frustrating experience.

This short e-book includes the most important KPIs for email, chat, and phone support. For each metric, we've gathered all available benchmarks, so you can see what companies are actually achieving in real life. We've also tapped our network to obtain private data from customer service agents working in different fields. We've used more than 300 data points from more than 150 different sources and aggregated that data to provide you with the benchmarks in this report.

What's the average CSAT score? How can you get better insight into negative customer reviews? How can you improve Average Handle Time without negatively impacting quality?

You'll find answers to all of these questions and more here.

About the data

To compile this white paper, we spent many hours looking for every publicly available data source we could find. It's possible we reached the bottom of the Internet. In total, the data in this report represent thousands of companies across many industries.

The sources vary significantly. In some cases, the sources we found pulled out individual metrics for specific companies. In others, they averaged dozens, hundreds, or thousands of data points. We did our best to pull the most useful, accurate, and recent information we could find.

While we've tried to gather a balanced list of sources, your mileage may vary when using these benchmarks for your own business. You know your customers and your business best. Maybe your customers are willing to wait a little longer for more technical support. Or perhaps you want to excel beyond our recommended targets. Use these benchmarks as guidelines, instead of hard and fast rules of what "good" customer service looks like.

A complete list of sources is included at the end for your reference.

Using Benchmarks in Customer Service

When it comes to KPIs, one size does not fit all. To determine your own targets, start by comparing your own metrics to the benchmarks listed for each KPI.

Do you fall within the range of the top performers? External benchmarks can provide a valuable perspective in showing you where there might be opportunities for improvement. If you want to work on a particular KPI, use the linked resources below to help you build a strategy for meeting (or exceeding!) those benchmarks.

And if you want to ramp up your team while taking your customer service to the next level, consider outsourcing with a partner like Peak Support.

Peak Support is a customer service outsourcing company that provides exceptional quality and high-touch client management for the world's most innovative brands. We have 2,000 global employees serving clients in all industries, on teams ranging from 1 person to hundreds. We specialize in serving emerging or growing brands who need a high level of support.

Our services include customer support, technical support, content moderation, trust & safety, and back-office support. We deliver service from the Philippines, Colombia, Eastern Europe, and the United States. In addition, we partner with best-in-class CX software tools. Our Tech & Al Solutions department works closely with clients to optimize their existing tech stack or implement new technology.

Want to talk more about the examples in this e-book? Contact us today.



Customer Satisfaction Rate

What it is and why it matters:

Customer Satisfaction Rate (CSAT) measures how satisfied your customers are after interacting with your team. It's typically determined by sending a survey after an interaction is resolved, and calculating the positive responses. Some companies prefer Net Promoter Score (NPS), but NPS scores tend to rate the product or brand as a whole, rather than focusing on customer support quality.

Benchmarks	
Best	100%
Average	80%
Median	86%
Worst	64%

Quick tips

Ol Separate "actionable" and "unactionable" reviews.

Some customers' CSAT reviews reflect how they feel about the product, rather than the support experience. Try to focus on reviews that are "actionable" - meaning they are tied to support agent behavior. If you're getting a lot of product feedback, make sure to pass it on to the product team.

O2 Aim for a fast response time.

Speed to answer is a huge driver of CSAT. Aim for low wait time on chat, fast response times on email, and a high service level on phone.

O3 Dig into every DSAT.

Read every comment, particularly those in the negative reviews. If they don't leave a comment, there are still ways to dig in. At Peak Support, our QA team will look at every interaction that received a poor review to deduce the reason. At a gaming client, we improved CSAT from 91% to 94% using this process.

Answer calls quickly and implement a conversational IVR system.

Answering as quickly as possible (and staffing appropriately) is essential for customer satisfaction in phone support. Conversational AI is also having an impact here—you can implement AI-powered IVR systems like Nextiva or Teneo that interact with customers in a natural way, resolving their issues or routing them intelligently to the correct team.

- Peak Support: How To Deliver Great Customer Service: 7 Proven Tips
- <u>User Pilot: 13 Ways to Improve CSAT and Ensure Customer Happiness</u>
- <u>Kayako: How to Boost Your Live Chat Customer Satisfaction</u>
- CallMiner: 25 surefire ways to improve customer satisfaction

Full Resolution Time

What it is and why it matters:

Full Resolution Time refers to the total amount of time it takes to completely resolve a customer's issue. It's counted from the moment the customer first contacts support until the ticket is closed. Sometimes it's referred to as Average Resolution Time or Time to Resolution.

Benchmark data is typically for email support.

Benchi	marks
Best	17 Hrs
Average	24 Hrs
Median	48 Hrs
Worst	13 Days

Quick tips

Ol Dig into the data.

You can only bring resolution times down when you know where the blocker is. Are certain ticket types taking too long? If so, can additional training help? Perhaps the support agents are waiting for input from another department? Even if you have unavoidable dependencies that lead to a long resolution time, design processes that ensure your customers are kept updated.

O2 Close tickets after a reasonable time.

Maybe your resolution times look long because your agents are waiting for additional info from customers. In this case, a good standard is to send an automated reminder after a few days and close the ticket if they don't get back to you. This approach also minimizes your ticket backlog.

1 Implement a better routing system.

Each time a ticket gets routed to the incorrect team or agent, it slows down your resolution time. Al-powered tools like Ultimate.ai make it easy to build out visual workflows to route tickets intelligently. Or you can use tools like MonkeyLearn to automate tagging and routing for 100% of your tickets.

Incorporate chat (and chatbots).

Try shifting more conversations to chat, using chatbots if you can't afford to staff a full chat team. Email is a tough channel for multi-part questions or questions that require a back-and-forth. At Peak Support, we've designed chatbots that resolve as many as 95% of the questions they receive. You can always redirect customers to email if the chatbot doesn't resolve their question.

- Help Scout: Time To Resolution: What It Is, Why It Matters, and How to Reduce It
- HiverHQ: How to Reduce Email Resolution Time: 9 Effective Tactics
- SentiSum: 12 Ways to Reduce Average Resolution Time With ART Benchmarks

First Response Time

What it is and why it matters:

First Response Time (FRT) is the time it takes for a customer to receive the first response from an agent after they have submitted a ticket (not counting any automated responses). FRT is often the best indication of efficiency and adequate staffing. It's also commonly called First Reply Time.

Benchi	marks
Best	<1 Hr
Average	4.5 Hrs
Median	9 Hrs
Worst	13 Hrs

Quick tips

Expand your coverage.

Typically, FRT is high because a large proportion of customers contact a company outside of business hours, like during the weekend or the evening. Even if you don't count off-hours in your FRT calculation, these tickets lead to large backups when the next day begins. In these cases, expanding your coverage, even by just a few hours, can have the largest impact.

O2 Perfect your schedule.

Coverage and scheduling are a big part of keeping FRT low. Larger teams typically use Workforce Management (WFM) software to optimize their schedules, but smaller teams can use a queueing model, which can calculate an optimal schedule based on your desired KPIs, your ticket volume, and the typical timing of incoming tickets. This is most useful for teams that handle chat and phone.

O3 Create separate queues for VIPs.

Depending on your product, you may have certain customers who spend more. By creating a separate queue, you can ensure you deliver the rapid response times they expect as VIP customers. At Peak Support, when we implemented a VIP queue for a client, we reduced the first response time for this group to an average of 1 hour.

Help your team specialize.

As your tickets grow in complexity, you'll want to introduce specialization. This is becoming even more relevant as conversational AI chatbots now often handle a large portion of common, more general requests. Specialization enables better routing of the tickets that remain. By implementing specialized roles dedicated to triaging urgent issues and certain topics, AIHR went from helping 17% to 33% of customers in under 30 minutes.

- Zendesk: First reply time: 7 tips to deliver faster customer service
- Klaus: FRT: Is Your First Response Time Fast (Enough)?
- Bolddesk: 10 Practical Tips to Improve First Response Time in Customer Service



First Contact Resolution

What it is and why it matters:

33% of consumers consider getting their issue resolved in one contact the most important aspect of a good customer service experience. First Contact Resolution (FCR) is the percentage of customer inquiries that are resolved in a single interaction. This is a metric that shows you how much effort your customers have to spend to get their issues solved. Some companies also choose to monitor the average number of replies it takes to resolve customer issues.

Benchmarks	
Best	80%
Average	72%
Worst	65%

Quick tips

Develop targeted training.

Assess which kinds of support tickets have the lowest FCR—and segment that data out by time of day, by agent, or any other relevant filters you have. This will create clarity around which issues take the most replies to resolve, and you can then develop targeted training content that addresses those areas head-on.

1 Improve your contact form, chatbot, or IVR system.

Many tickets that take multiple responses require agents to ask clarifying questions before providing an answer. You can answer those questions up front using your contact form, chatbot, or Interactive Voice Response (IVR) system.

03 Analyze outliers.

Your average FCR is probably getting dragged up by the outliers. Do you have some cases that take 10 or even 20 replies to resolve? Dive into them. They might be driven by common bugs or product issues that could be fixed. Or they might be driven by particular agents who aren't operating efficiently.

View high FCR rates as a potential for self-service.

Are your agents able to solve more than 85% of your cases in one contact? That means there's huge potential for self-service or leveraging artificial intelligence. Resolving these contacts before customers even talk to a human agent means a more scalable support team.

- Zendesk: What is first contact resolution (FCR)? Benefits + best practices
- Playvox: 6 Strategies To Improve First Contact Resolution
- SQM: Top 20 First Contact Resolution Tips for Improving Your FCR Rate



Average Chat Wait Time

What it is and why it matters:

Average Wait Time is the average time it takes for a customer to receive an initial response from a support agent after they have initiated a chat session. This is sometimes also referred to as the response time. Average Wait Time is one of the most critical KPIs in chat support because customers have extremely high expectations.

Benchmarks	
Best	15 Sec
Average	35 Sec
Median	75 Sec
Worst	25 Min
WOISE	20 IVII

Quick tips

Reduce chat volume.

<u>67% of customers</u> say they prefer to solve their problems themselves, versus contacting customer service. Make sure your knowledge base is up to date, accurate, searchable, and optimized for SEO and for Al.

O2 Leverage artificial intelligence.

If you have a thorough knowledge base, using a conversational AI chatbot can transform your live chat support. Conversational AI chatbots make the information in your knowledge base accessible, responding to customers in real-time with the most relevant bits to resolve their issues.

O3 Staff a dedicated chat team.

If your agents are handling multiple channels at once, it'll make it harder for them to respond immediately to new chats that come in. Consider dedicating certain agents to chat, which will improve efficiency. If chat volume spikes, you can always bring in additional agents from another queue.

Schedule agents strategically.

Customers expect near-instant responses on chat. You need someone available 100% of the time chat is turned on, which can be challenging if you're a small team with only one chat agent. That means offering chat only when it makes sense for you and for your customers.

- Peak Support: A Complete Guide to Reducing Hold & Chat Wait Times in Contact Centers
- Get Talkative: Live Chat Queue Best Practices: 11 Top Tips
- Wix: Cut the queue: How to reduce wait times and customer churn
- Shopify: How To Save Sales and Solve Customer Problems with Live Chat Customer Service



Al Chatbot Resolution Rate

What it is and why it matters:

Chatbots have been around for years, but they've been...less than great. Conversational AI has changed that, and this new KPI is becoming increasingly popular. Since your chatbot is typically the first touchpoint a customer will have before a human agent steps in—it's critical to know how effectively your chatbot is resolving issues.

Benchmarks	
Best	95%
Average	35%
Worst	0%

Quick tips

Update your knowledge base.

Chatbot tools are only as good as the data they're trained on. Update your knowledge base and optimize it for AI before you implement your chatbot. It's harder for AI to understand multi-part questions, so break out your articles so they only address one issue at a time. Also, don't provide "yes" or "no" answers; use a full sentence to explain each answer.

Update your chatbot's menu.

Make sure your chatbot's menu includes enough options, and that the options align with your users' most common questions. You should make it easy to transfer to a human agent, but you don't have to offer that option immediately. Give the chatbot a chance before you offer a transfer.

Train your chatbot with red teaming.

Red teaming essentially means having internal users work together to attempt to break your chatbot. They're testing its effectiveness and looking for opportunities to improve. This enables you to identify and fix issues long before your customers experience them.

Create new roles for your

Roles like conversation manager and Al calibration specialist are becoming vital, especially for large support teams with complex operations. Building out these roles can level up your whole team and dramatically improve the ROI of your chatbot investment.

- <u>Simplr: Metrics that Matter in Chatbot Assessments</u>
- Intercom: How customer service chatbots are redefining customer experience
- Cresta: The Aragon Research Globe™ for Conversational AI in the Intelligent Contact Center
- 29 Top Chatbot Statistics For 2023: Usage, Demographics, Trends

Missed Chats

What it is and why it matters:

Missed chats are the number of chats that are initiated by customers but don't get to an agent. Customers often abandon chats due to frustration, long wait times, or difficulties in using the chat support system. Each abandoned chat is a lost opportunity to help a customer.

arks
34%
24%
16%
1%

Quick tips

Perfect your schedule.

Coverage and scheduling are a big part of keeping FRT low. Larger teams typically use Workforce Management (WFM) software to optimize their schedules, but smaller teams can use a queueing model, which can calculate an optimal schedule based on your desired KPIs, your ticket volume, and the typical timing of incoming tickets.

O2 Don't overextend yourself.

Chat support is the exact opposite of the idiom "go big or go home." It's tempting to think that you have to offer chat support for business hours or 24/5 when you're starting out. But you can offer chat support strategically, targeting the 2-4 hour block where your customers are most active to create an amazing experience for them. You may also only offer chat to a select segment of customers.

O3 Hire multitaskers.

Chat support often requires handling multiple chats at the same time or managing chats in combination with other tasks. When you have lulls in chat volume, it's easy for agents to get absorbed in another task and miss a chat because of that. During your recruiting process, look for people who can balance multiple tasks or priorities well.

Incorporate chatbots to reduce volume.

Newer bots can resolve a majority of the tickets they receive. This makes it easier for your team to respond quickly to the smaller volume of tickets that remain. At Peak Support, we recently optimized a client's Zendesk chatbot so it could answer 95% of the tickets it received, reducing chat volume by 75%.

- Help Scout: How to Implement Live Chat With a Small Support Team
- Tawk.to: Five easy ways to avoid missed chats
- Telavox: How to make wait times online feel shorter with live chat

Average Chat Handle Time

What it is and why it matters:

Average Handle Time (AHT) on chat measures the average chat duration. In other words, it's the average amount of time from when a new chat is initiated to when the interaction is concluded.

Benchmarks	
1 Min	
11 Min	
11.5 Min	
29 Min	

Quick tips

Check your wait times.

In all likelihood, a high average handle time indicates that customers are waiting a long time, either at the start of the chat or in between responses. That might mean that your agents are handling too many chats at once, or just juggling too many tasks. The solution here is to manage the chat queue more efficiently—not pressure agents to end a chat early.

Use pre-written templates and snippets

Templates should enable your agents to provide a better experience. They should always be adapted and personalized to that customer and situation. Snippets can be an even better tool to make the chat more friendly by saving a variety of options and using them with keyboard shortcuts.

03Leverage other channels.

If a customer brings up an issue on chat that's going to take time to troubleshoot, empower your agents to let the customer know they'll need some time. They can offer to follow up via email when the troubleshooting is complete.

Optimize the transfer from chatbot to human.

If you use a chatbot, make sure it's collecting the right information from customers and passing it on to the agent. This will minimize the time it takes agents to get up to speed on the customer's issue.

- Kayako: Reducing Live Chat Handle Time Doesn't Mean More Support Agents
- Nicereply: 5 Ways to Reduce Average Handle Time Without Sacrificing Quality
- Freshworks: How to improve Average Handle Time without sacrificing CSAT

Customer Effort Score

What it is and why it matters:

Customer Effort Score (CES) measures how easy it was for a customer to resolve their issue. It's typically measured from low to high effort, most commonly on a 1-7 numerical scale (where 7 is easiest). According to Gartner, the creators of CES, the appropriate way to measure it is to look at the percentage of customers that at least somewhat agree they had an easy experience—customers that give you a 5 or above.

Our research was unable to find reliable averages for CES, but it's often best to benchmark your CES against your own company. Is your effort score today better than a year ago? Are you trending up or down?

Quick tips

O1 Explore customer pain points.

A high effort score means that your customers felt like the entire process required effort. Did they spend a lot of time looking for your chat button? Maybe they tried to solve the issue with your help documentation and couldn't. Or maybe it took them a long time to understand they were experiencing a technical issue that they couldn't solve. Pinpointing these areas of friction is the first step in improving CES.

Use technology to identify and assist the most frustrated customers.

Optimizing for a low-effort experience is getting easier than ever. Conversational Al can quickly identify customer concerns and provide relevant resources. Al Voice of the Customer tools like Level.ai or Klaus can identify frustrated customers in real-time and push them to the front of your queue or escalate them to highly skilled team members.

Proactively engage with customers.

Rather than waiting for customers to notice a problem and reach out to you, engage with them first to address their needs or issues. For example, send an automated message with an order status update. If a user is on a help center article for more than a minute, proactively offer help. Modern chat tools can identify these opportunities and pull your agents in to assist.

Focus on your systems, not just your agents.

Look for areas to remote unnecessary steps of complexity. SunCountry Airlines dramatically improved their CX by giving travelers more options to manage their flights online - without contacting support. Check out our podcast with Jeremy Hyde, Director of Customer Service at SunCountry Airlines for more details.

- Survicate: Customer Effort Score 101: A Complete Guide
- Gartner: What's Your Customer Effort Score?
- Yellow.ai: What is Customer Effort Score and how to improve CES?



Average Phone Handle Time

What it is and why it matters:

Average Handle Time (AHT) is measured the same way in phone support as in chat, from the moment a customer calls you until the call ends. In some cases, AHT also includes any required follow-up work after the call. While aiming for a short handling time makes sense, it's only smart if the customer's issue is fully resolved by the end of the call.

Benchn	narks
Best	4 Min
Average	6 Min
Median	5 Min
Worst	15 Min

Quick tips

Determine the appropriate handling time.

AHT is not a good metric to use a standardized benchmark for because it can encourage you to make changes that can worsen the customer experience. Some issues simply require more investigation. Look into the AHT for calls that lead to satisfied customers, rather than overall AHT.

03 Treat your targets as a quideline.

Long handle times could indicate opportunities—but you need to dig into those cases to know for sure. It often makes more sense to use this as a team KPI and improve your handling of specific topics, rather than an individual one for agents. Agents should always have leeway to handle customer queries in whatever way they think will lead to a happy customer in that moment.

Design a customized metric of for your business.

Another way to customize AHT is to look at agent stats. Are some agents resolving customer queries in record time-while still getting high CSAT? Or are speedy agents leaving unhappy customers in their wake? Combining two metrics can provide more meaningful insights.

Use technology to ensure agents are prepared.

Use Al-powered Interactive Voice Response (IVR) systems to gather as much information about the customer's issue up front and rout the customer to the right agent. It's frustrating to give information to an IVR, only to have to repeat it to the agent - whenever possible, ensure agents actually have the IVR info at their fingertips.

- Scorebuddy: Contact Center Average Handle Time (AHT): Is it Important?
- Centrical: 7 Strategies for Improving Call Center Average Handle Time in 2023
- Call Centre Helper: How to Reduce Average Handling Time (AHT)

Call Abandonment Rate

What it is and why it matters:

The Call Abandonment Rate refers to the percentage of calls that are dropped before a customer reaches an agent. These could be due to a long wait time, a complicated phone menu tree (IVR), or because of technical difficulties. Abandonment often coincides with customer frustration. If you're aiming for a good customer experience, understanding why people drop out (and fixing those issues) is vital.

Benchmarks	
2%	
12%	
8%	
20%	

Quick tips

Identify when your customers abandon.

Some customers are willing to wait 5 minutes, others drop out after 30 seconds. Identify the maximum wait time for your customer base and staff your team to meet it.

Offer callback options.

Offering customers the option to request a callback instead of waiting on hold can turn the experience around. Now they can have their issue resolved at a more convenient time for both parties, rather than abandoning the call.

03 Implement automated self-service options.

Automated systems can allow customers to perform self-service actions through the phone system, like checking order status or their account balance. These are a great way to ensure a speedy, immediate resolution to a large number of calls without having them each handled by an agent.

Reduce wait times.

Call abandonment happens when customers are tired of waiting. All the typical techniques to manage the queue, ensure adequate staffing, and schedule the right number of agents at the right times are essential here too.

- Peak Support: Team Capacity Planning in Customer Service: Why and How
- Call Centre Helper: 18 Simple Ideas to Reduce Your Abandon Rate
- CX Today: 10 Brilliant Ideas to Lower Call Abandon Rates
- Aircall: 4 Quick Fixes That Reduce Call Abandonment Rates Overnight

Appendix: Data sources

2022 Digital-First Customer Experience Benchmarking Customer Effort Score: How do your CES results stack up? Report **American Customer Satisfaction Index** How to Measure and Interpret Customer The Zendesk Benchmark Effort Score (CES) CSAT Benchmarks By Industry: What's A CSAT, CES, NPS: Customer Satisfaction Good Score In 2023? Benchmarking In SaaS CSAT: Definition, Calculation & 2023 Call Center Benchmarks CSAT, NPS, and CES: Customer Satisfaction **Benchmarks** The Comprehensive Guide to CSAT Score Industry Benchmarks Benchmarks by Industry Benchmarking CSAT, NPS, and CES: What's Customer Service Quality Benchmark a Good Score to Have? Freshdesk Customer Service Benchmark Report Average Resolution Time (ART) Report 2023 12 Ways to Reduce Average Resolution Freshservice IT Service Management Time - With ART Benchmarks Benchmark Report 2023 Customer Service Metric: A Deep-dive Into Understanding benchmark-driven First Response Time customer support Average email response time per industry Customer satisfaction survey benchmarks What is an Appropriate Response Time to Customer Service Benchmark Report 2022 Customer Service Quality Customer Response Time: The Ultimate Benchmark Report 10 Call center benchmarks Guide How Fast Should a Business Respond to an The Golden Rules of Contact Center SLAs What Are the Contact Centre Service Level Email? First Contact Resolution Rate | Metric of Standards? Call center service level: Formulas, the Month What is First Contact Resolution Rate standards, sample agreement How to Measure Call Abandon Rate Call Abandonment Rate Improve First Contact Resolution With a Top-down Approach How to Reduce Call Abandonment in a Replies per Resolution Call Center Customer wait time when using live chat 2021 Talkdesk Global Contact Center KPI worldwide in 2022, by industry Benchmarking Infographic ECommerce Customer Service Experience What's a Call Abandonment Rate & How Do You Calculate It? First Call Resolution (FCR): A How Long Will Your Customers Wait For A Helpful Website Chat Response? Comprehensive Guide <u>Live Chat Benchmarks 2023 – Data You</u> <u>First Call Resolution Benchmarking by</u> Need to Improve Team Performance **Industry Results for 2021** 8 Benchmarks to Improve Your Live Chat Industry Standards For First Call Resolution Rate: What's A Good Score Metrics Report: Customer Satisfaction With Live First Call Resolution (FCR): A Chat Is On The Rise Comprehensive Guide for 2023 8 Benchmarks To Improve Your Live Chat Average customer support metrics from

Team Compare?

Live Chat Benchmarks: How Does Your

Metrics

1000 companies