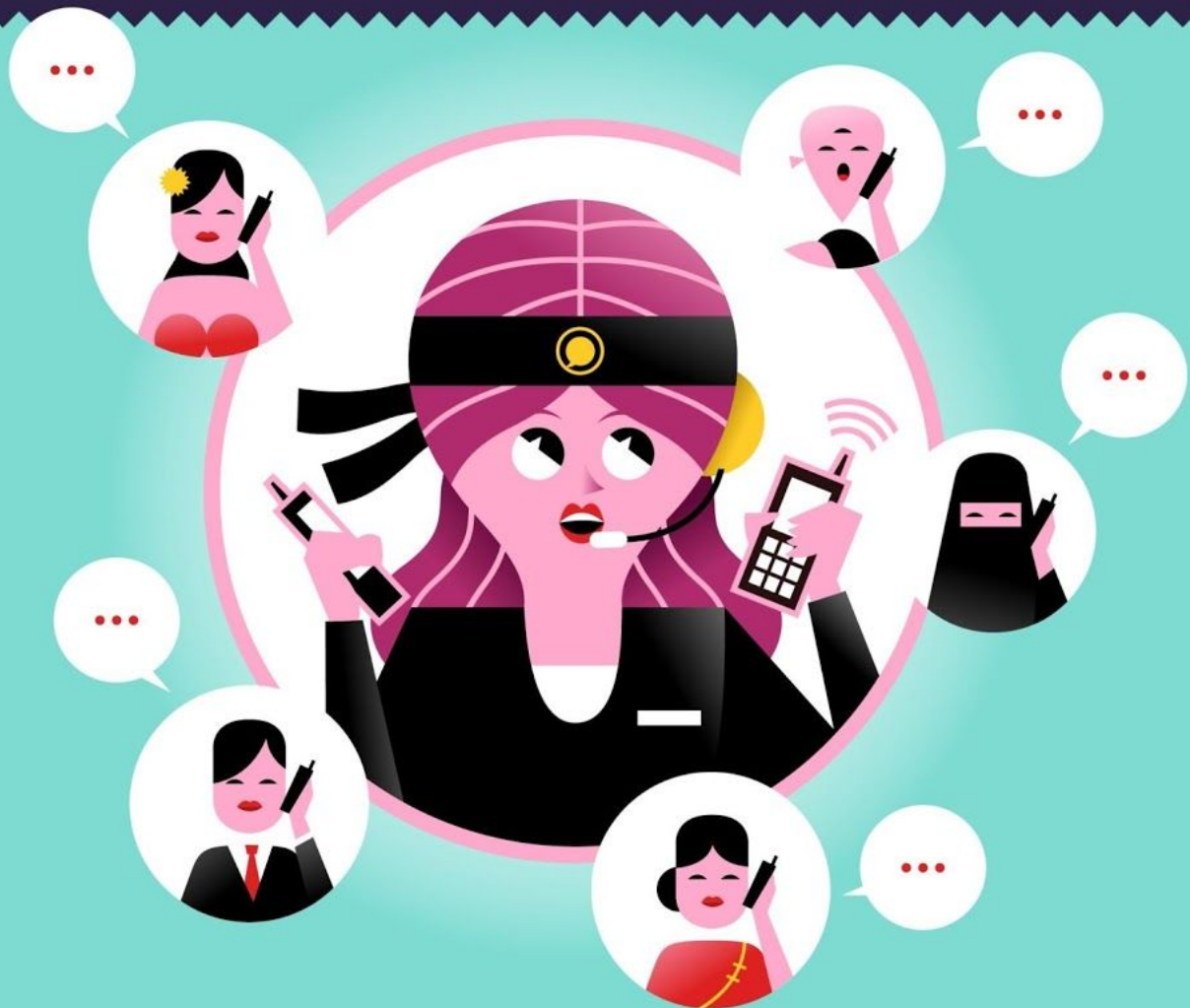


WHAT IS

LIVE CHAT

SUPPORT



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History and Evolution of Live Chat

Today, call centers have morphed into contact centers which offer multiple channels of service ranging from phone, email, fax, live chat and of course social media such as blogs and forums. Live chat has become a key part of the cross-sell and up-sell initiatives of an organization, not to mention its role in offering support related services.

In the initial days, live chat was considered to be a cost cutting measure by call centers which wanted to avoid talking to callers. Live chat enabled to reduce agent time spent on a single customer as it allowed agents to respond to multiple customers simultaneously. As a result it was always cheaper to drive a customer to the chat window than to attend a call. However, over time, call centers or contact centers as they are known today, have realized that the true value of live chat comes from the ability to offer better quality customer interactions and not from the cost savings.

Organizations are increasingly focusing on the profile of the customer while deciding on the service delivery channels and since most organizations have customers with different preferences, they tend to offer multiple modes of service delivery. Typically, the older generation still prefer talking over the phone to a live agent as they are used to that mode of service delivery. However, the [younger generation is more demanding](#) in terms of the way technology is used to service their needs. For example, the Generation Y, who were born between 1977 and 1994, and with a population size of 72.5 million in the US alone are used to everything being digital and do not have any analog reference point of service unlike the Baby Boomers who may still prefer the traditional call center.

In recent times, chat technology has evolved to include both automated as well as live chat in a seamless flow where simple queries are handled by an automated chat engine and more complex requests are escalated to a live agent. These solutions are typically organic in nature and the decision of whether a customer gets an automated response or not depends on the situation in hand. When a customer types in a query, the automated engine provides a potential response along with a confidence factor which indicates the likelihood that the response is correct. The agent can then review it and press enter to send the message or take over the chat and respond in person.

Some live chat software also offer the ability for proactive chat where the agent starts a conversation with a user based on a rule engine which identifies when a customer may need help. Parameters in the rule engine typically include time period, number of searches, the availability of agents, the profitability or priority of the customer and so on. Such proactive chat models may be used not only for customer support, but also for effective cross selling and up selling.

When it comes to hiring agents for live chat, the skill set required may be slightly different. A fantastic phone agent may not be a great chat agent as he may not have the right typing skills needed for the role. Generation Y candidates are typically suited for this role as they are familiar with the medium and are comfortable with the nuances of chatting. However, candidates would still

need to be trained specifically to chat in a professional manner and the initial conversations must be monitored to identify areas of improvement. For example, emoticons and short forms such as 'ROFL' just cannot be used in a business chat conversation.

2 Advantages of Live Chat

There are several advantages of live chat when compared to other means of communication such as email or telephone. In the case of an email, the response is delayed and the conversational aspect of communication is lost. A telephonic conversation on the other hand ties up your agent time. Live chat allows both the customer as well as the agent to multi-task. Studies have also shown that the FCR rates of live chat are much higher than those of traditional telephone based customer service.

2.1 Assistance for Self Service Transactions

Financial services are one sector which has benefited a lot from live chat. Customers no longer prefer to go up to a physical bank branch for conducting transactions. They want the freedom to be able to do transactions from the comfort of their homes through a website. The flip side of a website though is that it cannot provide customized answers to the customers' queries. As a result, the personal touch is often missing in these transactions. This can be overcome with the use of live chat and well trained agents handling it. In fact, hand holding through live chat would help to make customers complete self-service transactions much faster, thereby helping them to gain confidence in carrying out such transactions in future. This brings down the customer handling costs in the long term.

2.2 Easy Access

The other major advantage of live chat is that it can be easily embedded into every page of your website. Thus customers can reach a live agent with a single click, unlike a call center where he would have to navigate through a complex and multi-layered IVR menu before being serviced by an agent, or an email where he has to wait to get a response.

2.3 Cost Effectiveness

Yet another advantage of live chat is that customers can perform transactions without incurring long distance telephone charges even while they are travelling from their base location. This is especially useful for busy professionals who would be globetrotting most of the time and wish to conduct their financial transactions or travel bookings while on the go.

2.4 Competitive Differentiator

Live chat also offers several intangible benefits for your website. It helps to make the website have a more personal feel and customers have often remarked that a good live chat agent can provide the same comfort as that of a real salesperson in a brick and mortar store. In addition, live chat also shows how serious the organization is in terms of customer service – offering a basket of customer touch points surely acts as a competitive differentiator in the market.

2.5 Outbound Marketing

Today proactive live chat is being used effectively in e-commerce websites to reduce shopping cart abandonment. It can also be used as an effective upselling tool to generate more revenue per customer for your website.

Live chat can also be added as a perfect complement to an outbound call center based campaign. Campaign management results can be improved by reaching out to customers browsing the company website. This would especially be useful, if the website is already attracting a high amount of traffic. The results of the campaign would improve not only because of the additional channel offered by chat, but also because live chat allows the organization to reach out to an already loyal customer of the organization. Across sectors and products, studies have shown that the effort involved in mining a customer is nearly one tenth of that of acquiring a new customer. Live chat is one of the best possible ways to mine an existing customer. It is better than email marketing as the agents would be able to reach out to customers while they are already browsing the site and hence willing to listen to a new campaign. Drop rates would be much lower and conversion rates would be much higher as a result of this.

3 How Does Live Chat Work?

Typically a user who is browsing the website clicks on the Live Chat icon when he encounters a problem or cannot find an answer that he is looking for. If an agent is not available to respond to this request, then an automatic message is given to the user. The ideal scenario, of course, is that a live agent responds as soon as the chat request is received. Agents would typically respond to multiple chat requests simultaneously thereby maximizing agent utilization.

Technically, any live chat software will have two components – a client side component that is loaded along with the webpage which is typically a piece of Javascript code, and a server side component which is an application that will be used by the webmaster as well as the team of agents configured to respond to the live chat requests. Depending on the Live Chat software used, there will be a wide variety of features available, including the ability to generate utilization reports and more.

The server side software which aids live chat implementation has features similar to those of traditional [call center software](#). As in the case of a telephony ACD, the software manages the customer queues and routes them to the agents based on the priority assigned to the customer, the pre-configured business rules and skill levels of agents. Most software also have the ability to monitor the wait time of a chat request and allows an automatic response message to be flashed to the customer, in case the waiting time crosses a threshold value.

The QA or the supervisor will have access to real time metrics such as wait times, queue lengths, and agent utilizations. Most software also allow business rules to decide when live chat should be offered to customers. For example, while some websites have a live chat icon available in all its pages, others place it only in pages which indicate that a customer is close to closing a deal. Thus,

clicking on a 'May We Help You' button, may take you to a FAQ page, email page or a live chat session depending on which page you are currently browsing and also on whether your shopping cart is full or empty.

The agents also get a screen pop-up of the customer's history with the organization as soon as a call is routed to the agent. This allows the agent to service the callers in a more efficient manner.

The end users should have Java, Flash 7 or similar software installed on his computer in order to enable live chat. Otherwise, the chat window may not get initialized in the browser. It is also important that the relevant ports (usually port 43 and 143) are not disabled by a firewall at the customer's end.

While adding live chat to a website is fairly straightforward from a software point of view, the real challenge lies in offering good quality customer service. Today customers increasingly prefer to opt for self service options such as internet transactions with expert help readily available if required. Live chat fits into this equation quite well.

4 Implementation Challenges

Technically, implementation of live chat is not a challenging prospect as it can be activated by making a few additions to the Website code. However, there are several bigger challenges when it comes to live chat implementation, some of which are discussed below:

1. **Staff Scheduling:** If live chat is going to be handled by the call center agents, it will be important to schedule staff and decide on parameters such as whether staff would multitask between channels (email, telephone and live chat) and the span of control of staff (how many live chats can an agent handle at a given point in time). Multi-tasking would improve agent productivity, but would make scheduling a challenging task. It is also important to keep in mind that though the technical skills needed would remain the same, the nature of soft skills required for a telephonic conversation is very different from that required to handle live chat
2. **Automated Scripts:** It is important to identify the typical questions and service requests that are likely to be asked through live chat and formulate pre-formatted responses to these requests. In fact, some sophisticated software also allow the option of generating a standard response to a service request, which a live agent just reads for accuracy and approves instead of having to type the entire response in the chat window.
3. **Data Security and Retention:** This is a key aspect for websites that deal with sensitive customer information such as those in the areas of banking, insurance and medical. It is

important to ensure that data such as cardholder information is not compromised and that chat transcripts, if stored for training or legal purposes must be held in encrypted formats.

4. **User Adoption:** Even though an organization offers live chat as a service channel, it is necessary to encourage user adoption through the website, the call center welcome scripts as well as through newsletters.
5. **Proactive Chat or Not:** It is also important to decide whether your website would proactively engage in chat with customers either for upsell or with an offer to help. If proactive chat is used, it is necessary to identify the points during the customer interaction with the website when proactive chat would be initialized so that a fine balance is achieved between the customer getting frustrated trying to conduct a transaction and being too in the face for comfort. Research has proved that proactive chat is an effective way for e-commerce sites to reduce shopping cart abandonments.

Therefore before you decide to jump on the live chat bandwagon, you must keep in mind that it is a double edged sword. Here are some of the things to consider while evaluating your organization's readiness to offer live chat as a service channel.

Agent Skills Needed: From the perspective of the consumer, live chat is similar to instant messaging, except that it does not require specialized software. Thus live chat is more accessible as all web surfers have access to it. From the perspective of agent skills, you could consider it as a hybrid between telephone and e-mail. Agents need to be trained on written skills (as in the case of handling e-mail) as well as on prompt response(as in the case of telephone). It is also important to educate agents not to over promise in terms of solutions to customer queries.

Volumes To be Handled: Studies have shown that the live chat volumes are typically atleast 10 times that of email volume and require a much faster response time. Your call center needs to have the infrastructure, bandwidth, technology, processes and people to handle this effectively. It is also important to use short sentences and inform the customer of your presence even when you place him/her on hold. Unless the traffic flow is handled smoothly, offering live chat can end up giving you irate customers.

Customer Expectations: One of the biggest advantages of live chat is that it makes it easier for the customer to do business with your organization. For example, if a customer needs help while browsing your site, they do not have to stop the internet session and get on to a telephonic chat. Instead they can continue doing what they were doing while being guided by a competent agent. However, one must keep in mind that customers usually opt for live chat when they are in urgent need for a quick response. As a result, as your website traffic peaks, chances of live chat volumes peaking are high. This can typically occur around the holiday season, when everyone is in a hurry to complete last minute purchases and transactions. This will also be the time when contact centers typically run on skeletal staff. Therefore, before offering live chat, this variation in call volumes must be taken into account for workforce management, especially if you plan to offer the same SLA levels as you would for your call center operations.

Work and Traffic Flow

One of the main reasons why companies still hesitate to offer live chat despite the obvious advantages is the sheer volume of chat requests and the uneven flow of traffic. Response time requirements are also quite high, making it even more difficult to satisfy your clients and their customers. Unlike placing a telephone call on hold, placing a chat request on hold creates a stronger negative impression. Thus a live chat request is a very perishable opportunity and unless you make use of the opportunity you will have done more harm than good.

The other challenge with live chat is the duration for each interaction. Due to the lag time at both ends of the communication channel, web chats typically take twice as long as a similar interaction over the telephone. This means that offering Web Chat is a more resource intensive exercise for the contact center. This is one of the reasons why contact centers ask their agents to multitask chat with email or telephone. This helps to bring down the operational costs, but care has to be taken that the quality of each interaction is maintained at an acceptable level.

Technology

In order to offer a profitable service, the contact center needs to rely on the right technology to support live chat. It is important to look at the total cost of ownership and not just the procurement costs when it comes to selecting the technology for live chat management. Other parameters to evaluate potential purchases include reliability, scalability and the ability to integrate with existing software and MIS tools. Usually web chat technology comes bundled along with the whole suite of contact management tools. Common vendors include Avaya, Aspect, Nortel, Cisco and others who are prominent in the traditional ACD and call center software space. If you already have software and hardware from a vendor, it is best to start looking for technology from the same vendor as integration with existing technology elements would be easier. Integration is important both from a work distribution perspective as well as from a reporting perspective where you may want to generate a combined SLA achievement of all incoming enquiries across different communication channels.

There are vendors who offer specialized web chat and some of the products can connect with competitor products as well. Depending on the features offered, live chat software can cost anywhere between \$50 to \$500.

Just like any key technology purchase, it is important to document the needs and do a detailed vendor evaluation exercise by comparing the products offered against the documented needs. This will help to get a product that is a good fit for your contact center without having to spend additional money for features that you may not need currently.

Technology aids may be used to prompt the responses in the chat window which the agent can then verify and send to the client. This would aid in improving service levels by minimizing typing requirements by the agent.

Chat Request Routing

Skill set requirements and quality control are two other areas that need to be focused on while offering live chat. It is more difficult to implement standard scripts for live chat than for telephonic conversations. Other key decisions include whether to have agents exclusive to handle chat or to use the same agents to handle email, chat and telephonic conversations. It is also important to decide whether agents should handle only one chat at a time or handle multiple chats simultaneously. Theoretically, it is more cost effective if a single agent can handle 3-4 chat requests simultaneously than have one agent handle just one chat request at a given time. However, there may be hidden costs such as extended time per chat, loss of quality, increase in drop rates and so on. For example, if handling multiple chat requests results in a loss of customers, then the revenue loss could be greater than the cost savings due to productivity improvements.

The number of chat requests that an agent would handle simultaneously depend upon how complex queries are likely to be, the skill levels of agents, the number of agents available and the volume of chat requests received as well as the customer satisfaction levels required.

Being People Oriented

For an organization attempting to offer live chat for its customers, it is important to test the waters first. Thus, a contact center maybe asked to manage the live chat for a single product or a single website first, before rolling it out for the entire basket of products. In this situation, the contact center needs to understand the requirements of the organization and also the apprehensions of the top management, so that the advantages of live chat can be demonstrated in such a way as to assuage the fears and help them in smoothly transitioning to the chat platform. Another key factor to remember is that live chat software and the associated applications are just enabling tools and just like a telephone interaction a live chat session is also more about the customer and the agent than the tools used.

Once live chat has been implemented in your website, it is important to constantly track the performance and improve it. One of the ways in which this can be achieved through effective data analysis of queries that flow through to the live chat platform. Live chat requests can be broadly classified into 2 groups – browsing related queries and transaction related queries. Browsing related queries would consist of customers asking information about how to perform a transaction or find information on the website. Browsing related query data can be analyzed to identify usability related improvements in your website. Transaction queries on the other hand are requests for transactions which cannot be carried out by the customer himself and requires agent intervention. These requests can be analysed to identify whether further self service transactions can be offered through the website.

5 Applications in the Call Center Industry

As e-commerce grows exponentially across the world, corporate websites are morphing from being an electronic brochure to revenue generating storefronts. In order to support this transition companies are keen on providing real time assistance to their online shoppers. In the crowded e-commerce marketplace, the success of an online business is highly dependent on the responsiveness and customer service that is offered to potential customers. This is because most customers are still wary of making an online purchase before having a chat with a live agent. In fact, studies have shown that even among top e-commerce sites, close to two-thirds of online visitors abandon their shopping carts before actually making the payment. During the holiday season this can be as high as 80% or more. The primary reason for shopping cart abandonment is an absence of real time customer service. As a result, owners of online businesses are increasingly giving importance to providing personal assistance for shoppers through live chats. This is mainly achieved by linking up corporate websites to the call centers, so that trained agents can offer assistance to shoppers on a real time. This is a huge opportunity area for call centers to tap into yet another revenue stream. Online retailers today offer multiple alternatives to web visitors for availing customer service by placing a talk to agent icon on Web pages. On clicking the button, visitors are offered options of chat, email, text, agent call back and even traditional call center numbers.

With the transformation of call centers to contact centers, the question now is no longer about whether to offer live chat support as a service, but rather about how to offer an integrated and optimized package of customer service options. Contact centers will need to focus on agent optimization by having robust routing software which can route calls as well as chat requests to a multi-skilled agent pool. In the near future, the success of a contact center would be measured no longer in terms of productivity, but in terms of how well the contact center is able to reduce call volumes without loss of customers. This will be a direct outcome of higher FCR rates at the contact center. In fact, contact centers have now begun to publish knowledge bases in the website around frequently asked questions, in an attempt to encourage customers to opt for self service. In this context, live chat support is a must have in the bouquet of services that a call center offers to organizations who wish to outsource their entire customer handling process across multiple service delivery channels.

The most obvious area where live chat can be offered is for clients who have online businesses such as an e-commerce site. However, live chat can be offered not just in e-commerce websites, but even on plain vanilla corporate websites as a service channel. For example, a mobile company's website can offer live chat services for areas such as balance enquiry, address change, tariff plan change and so on which are offered through traditional call centers as well. Live chat renders itself well for technical industries such as medical diagnostics, healthcare and legal sectors. In fact, if the call center has the ability to design websites, it can offer potential brick and mortar clients the possibility of a service website with live chat facility incorporated in it.

6 Web Enabled Call Center Technologies

For web integration, a call centre primarily has two main alternatives – circuit switch based systems and IP telephony based systems.

6.1 Circuit Switch Based Systems

Typically call centers opt to enhance existing infrastructure with Internet technology to offer integration with the Web. This involves the following activities:

1. Provide sufficient bandwidth for internet access
2. Establish a VoIP Gateway and Internet Call Manager
3. Enhance the software at the ACD, CTI and agent workstations

The Internet Call Manager allows Web callers to reach the call center agents through the existing call center technologies. These calls are known as PC to phone calls as they originate from the caller's computer terminal and terminate on a traditional telephone set of the agent sitting in the call center. The VoIP gateway converts the VoIP calls from the Web into PCM (Pulse Code Modulated) format and routes them to the ACD in the call center. The ACD then routes these calls, along with the normal calls to the various agents in the call center based on pre-defined rules.

6.2 IP Based Call Centers

In an IP based call center, a software solution based architecture is used along with standard hardware, TCP/IP and WAN infrastructure. Here the application server, Web server and Message Server are not altered from those in a traditional call center. The ACD server, Internet Call Server and the PSTN server have new functions. For example, the ACD server will not physically switch the calls as the IP network infrastructure would handle it. Instead, the ACD server is used only to manage calls and agents and also acts as a communication channel for other servers regarding the status of calls and agents. The skill based call routing is achieved by the Internet Call Server and based on inputs from the ACD server the call is connected to the agent by the ICS.

In this technology, traditional phone calls can also be accommodated. For this the PSTN server converts the incoming calls into an IP format and also handles the IVR function for collecting basic information about the caller, which is then transferred to the ACD server. The ACD server analyses the IVR responses, DNIS and ANI in order to select the right agent for the call.

In this architecture, call center agents do not have separate telephone lines and instead use Ip phone applications on their PCs. The advantage of this model is that it allows end to end IP transmission thereby eliminating the need for circuit switch networks or PCM conversion. It also allows better management of voice calls and Web sessions without having to rely on high end CTI software.

There are several vendors who offer solutions for IP based call centers. Although each product has its own feature sets a generic call flow can be described as follows:

- 1 The Website visitor clicks on the Talk to Agent button on the Web page.
- 2 The Web Server transfers the call details to the Internet Call Manager (ICM).
- 3 The ICM requests the visitor for authentication information such as account number or authorization codes through a chat window in the website.
- 4 The ICM routes the call to the agent skill group based on the authentication information and the call originating URL.
- 5 The ICM displays the queue status to the caller on the website chat window.
- 6 As soon as an agent is available, the visitor information, URL and other details are displayed on the agent's workstation and the agent is connected to the caller.
- 7 The agent interacts with the visitor over chat, voice or both.
- 8 The chat can be terminated by either party by closing the website chat window.

Most applications also allow the ability for the agent as well as the visitor to work collaboratively by pushing Web pages to each other.

6.3 Standard Features of an IP Call Center Product

In this section we will look at some of the standard functions offered by software packages that allow for call center-web integration.

Administration of the Package

Most vendors have a friendly Windows GUI with admin features such as creating agent and supervisor profiles, skill sets and rule bases.

Standard-response library

Most packages have the ability to create a standard response library that can store standard responses as well as chat transcripts for future review and analysis. Some advanced products also offer the ability to record PC-to-agent calls for playback, quality analysis and training.

Reporting

The reporting module typically would include both real time reporting as well as historical analysis and MIS generation. Common metrics include abandoned- requests, agent performance, and URL traffic and performance. Generating metrics at a URL level allows supervisors and management to identify URLs which generate the maximum traffic and adjust staffing and skilling in such a way as to improve customer service levels. Since the Web allows better data collection, end to end data of a chat request can be tracked, including nature of call, wait time, total interaction time, use of automated scripts, and so on.

Collaboration

The software package should allow easy collaboration between agents and visitors, so that the agent can push a Web page to the visitor and vice versa in an easy manner. This is typically achieved by the agent entering a new address in the browser window which then gets reflected on the customer's desktop as well. This is a very useful feature which helps an agent to hand hold a customer during tasks such as form filling thereby making the interaction faster and more effective.

Agent desktop

The agent desktops for most standard products have a friendly GUI which allows them to multi-task among PSTN calls, VoIP calls, chat sessions and e-mail. Often agents are given the ability to customize the standard response library to create their own personal library. They are also given visibility to real time statistics of their performance on their desktop.

Supervisor desktop

The supervisor desktop will have additional monitoring and reporting capabilities when compared to the agent desktop. Most vendors offer quality management as part of the supervisor desktop, thereby eliminating the need for a separate quality management software.

7 Conclusion

As more and more clients demand that their contact center offers them end to end customer service packages, it is important for call centers to grab the opportunity and offer live chat support services. In fact, live chat can be viewed as a separate business unit with its own targets, metrics and profitability and cost measures. This would help contact centers to maximize the potential of converting web-based businesses into their clients. Contact centers should however carefully plan all aspects of service delivery such as people, process and technology prior to offering live chat. Once implemented, ongoing monitoring and tweaking is also an important factor that determines the success of live chat.

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