BOLDCHAT by LogMeIn

LIVE CHAT PERFORMANCE BENCHMARKS 2015

Background

Top Findings

The 2015 Live Chat Performance Benchmarks research report reveals the following:

- **Chatters are worth 4.5 times as much as website visitors who do not chat.**

- **Elite chat practitioners typically see 2.5 times the conversion rates of average practitioners.**

- **Proactive chat invitations on mobile devices are increasing engagement rates by 400%.**

Continue reading to learn more about these and other findings.

In the fall of 2009, we published our first benchmarking report, which queried the data across our entire customer base in order to produce statistics related to live chat usage. Prospective customers, members of the media, analysts, and existing clients had asked for data from the vantage point of Internet retailers, e-service providers, and other website owners who use live chat software for sales and services engagements. The initial publication marked the first time a leading live chat provider openly shared statistically relevant benchmarking data and, as expected, the report was immediately popular. We prepared a follow-up version in 2012 that included some additional measures. The document, entitled Live Chat Performance Benchmarks: A Statistical Analysis remains one of our most popular research pieces. This third edition builds on the previous versions but has expanded to include comparisons between desktop visitors and mobile visitors.

Because our products are provided through a software-as-a-service model, our infrastructure includes aggregated data from thousands and thousands of live chat customers. With tens of millions of chat records, hundreds of millions of website visit records, and billions of unique page-URL recorded visits, we have access to one of the largest live chat user communities in existence. This massive base of real-world data has enabled us to extract the findings presented in both of the original reports, and this third version. While many of the goals of this analysis remain consistent with the previous versions, the significant addition is the behavior comparison of desktop and mobile visitors.

Original goals:

1. Present benchmarks for a wide variety of live chat operational practices
2. Uncover implementation differences affecting key live chat operational issues
3. Test the statistical causality of live chat operational best practices
4. Calculate benchmarks for higher traffic sites
5. Identify and present benchmarks for "elite" users of live chat
6. Monitor and report on changes to key benchmarks since the previous report(s)

The additional goal in this updated version is:

7. Differentiate between mobile and desktop visitors/chatters.

One of the main goals for this new benchmark study was to compare mobile visitor behavior to desktop visitor behavior. In many cases they are similar, but we did see differences and will highlight them throughout the report. The most striking statistic, surprising maybe, is that 35% of visitors were mobile. Mobile is no longer a fringe group or a future trend. Mobile browsing is happening now in great numbers. Websites and chat implementations must be mobile friendly to reach this growing segment.

Many of the benchmark ranges presented in this type of analysis are, by their nature, very wide. In many engagements with customers and others familiar with our benchmarking report, we've had conversations that began mostly like this: "Thanks for providing these benchmarks; it's helpful for us to understand the ranges one could expect on average. But, we don't want to be average. We want to be exceptional! If we apply best practices and rigorously test things as you suggest, then what can we expect?"

As a result, in several sections throughout the report, we analyze the "best of the best" – smaller groups of customers achieving exceptional results – so that readers can discover not only what average is, but also what's superlative. Whenever possible, we try to shed some light on what these exceptional websites are doing differently to stand out from the average.

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A NOTE ABOUT PRIVACY

BoldChat takes the privacy of its customers seriously. We are bound by our privacy policy and as such, protect our customers' information. In accordance with this policy, the data presented in this report is entirely summative. Unless we have a customer's specific and written permission, we do not reveal individual statistics or information.

TERMINOLOGY

For those unfamiliar with live chat technology, some key terms are defined here which will help readers better understand the data in this report. Other terms related to customer groupings are also defined.

Conversion: The BoldChat system includes a conversion tracking mechanism, allowing customers to specify and report on customized conversion types. For this analysis, only financial conversion types were considered (i.e., purchases).

Pre-Chat Form: A set of questions posed to a potential chatter before the chat starts but after they click a chat button or accept a proactive invitation.

Unavailable Email Form: A form presented to the website visitor after they click on a chat button during a time in which no chat operator is available to answer the chat.

Reactive Chat: Chats initiated by website visitors by clicking on a chat button.

Proactive Chat: Chats which occurred due to a website visitor's acceptance of an invitation to engage in a chat.

Unavailable Chat: An attempt by a website visitor to initiate a reactive chat during a time in which the website's agent is not available to answer the chat.

Abandoned Chat: A chat that makes it to the pre-chat form but never actually starts.

Unanswered Chat: A reactive or proactive chat that has begun, but either the website visitor or agent never responded or stops responding.

Higher Traffic Sites: The group of websites in our customer base that are well trafficked. These sites, on average, experience almost four times the website traffic as our average customer.

Elite Customer Segments: A smaller group of websites for which traffic is significant and for which all the sites in the segment exhibit benchmark performance at the highest level.

Mobile Visitor or Chatter: Visitor or chatter using a mobile browser. Mobile browsers are optimized to display web content most effectively for small screens on wireless computing devices, such as smartphones and tablets, rather than desktop or laptop computers.

BENCHMARKS VS. BEST PRACTICES

While the data provided in this report is certainly aimed at making customers more successful, they cannot themselves be called best practices. Certainly, part of this project aims to uncover areas that can positively influence a live chat implementation, but best practices are not only derived mathematically. There is a human component – an expert human component – necessary for any best practice to yield results. So, while the data in this report may inform best practices and even uncover new areas that can become best practices, they cannot be labeled as such.

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While "benchmarks" is not an entirely accurate term either, it does more correctly describe the statistics presented herein. A benchmark is a snapshot of data against which progress can be measured over time. Using aggregated metrics of thousands of customers should give new and existing live chat users alike something against which they can compare their own performance.

APPROACH

To create this report, we employed three tactics iteratively.

Common Questions

During sales and professional services engagements, our staff is frequently asked a similar set of questions. Again, we are able to answer these questions based on expertise developed over years of firsthand experience, but the questions themselves were directionally useful as we crafted specific queries to our vast databases of information. Some of the most influential questions posed to us are:

- What kind of chat traffic can our company expect?
- Does proactive chat positively influence conversion?
- What percent of chatters will convert to sales?
- What is the best time to engage a visitor proactively?
- Should we start with chat for support or chat for sales?
- Where should we put the chat button?

Known Best Practices

By working directly with customers over the years, our professional services team has developed a playbook of implementation standards that seem to work time after time. This project afforded us the opportunity to statistically verify or refute the observed efficacy of many of these practices.

Data Interrogation

Many people inside our organization, because of the nature of their jobs, have an intimate knowledge of our data structure. The insight brought to bear on this project by our database administrators, developers, professional services personnel, quality assurance team members, and many others proved an invaluable resource. Their understanding of the interdependence between seemingly disjunctive data points coupled with a dogged curiosity for discovery often led us in new and important directions.

STATISTICS METHODOLOGY

This section includes a discussion of the statistical decisions made during this project.

Median vs. Mean

Many of the benchmark statistics presented in this analysis utilize the median rather than the mean. The median, distinct from the arithmetic mean, is the middle value of the data. Half of the data set is less than or equal to the median and half is greater than or equal to the median. The median is still a type of average, however, so it is appropriate for a given benchmark to say that, "the average BoldChat customer…"

We decided to use the median because it corrects for outlying data while an arithmetic mean does not.

Confidence Interval

Where appropriate, we also provide statistical ranges within a 95% confidence interval. Ranges allow people to see the upper and lower boundaries that can be expected. Intervals also allow us to make the following types of statements: "We can be 95% confident that the average BoldChat customer will experience between X and Y…"

LIVE CHAT BENCHMARK STATISTICS

This section of the report, divided into sub-sections, shows and explains the findings from this research effort.

With an average of 60% larger purchases and being 2.8 times more likely to convert, a chatter is worth 4.5 times as much as a non-chat visitor.

Live Chat & Conversions

In this section's analysis, we examined tens of thousands of individual purchase conversions. It supports the previous reports' finding – chat increases the number and value of conversions.

- Chatters spend 60% more per purchase than non-chatters. Chatting has a bigger impact on mobile with mobile chatters spending 68% more than mobile non-chatters.
- Chatters are 2.8x more likely to convert than visitors who don't chat.
- Chatters buy, on average, 12% of the time. For desktop chatters that number is 14% and 7% for mobile chatters. This mirrors the lower buying percentage of mobile non-chatters versus desktop non-chatters.
- Repeat mobile visitors who chatted had the highest conversion rates at 21%. For desktop repeat visitors who chatted, the rate jumps to 25%.

Some of these results are even more true for higher traffic sites:

- Higher traffic website chatters are 4.6x more likely to convert than visitors who don't chat and mobile chatters are 6.1x more likely to convert than mobile non-chatters.
- Chatters on higher traffic websites buy, on average, 11% of the time.
- The conversion rates for chatters on high traffic sites are similar to the averages from all sites. The big difference is that visitors who do not chat on high traffic sites have 41% lower conversion rates than non-chatting visitors on average traffic sites. This fact underlines the increased effectiveness of chat on high traffic sites.

And while both result sets are impressive, here is a calculation for the "elite conversion segment" set of customers. These businesses have turned chat conversion into an art form worthy of study and accolades. Chatters within the elite segment buy, on average, 29% of the time – 51% for desktop and 20% for mobile.

Chat Engagement

These data points are focused on actual live chats occurring between a website agent and a visitor.

- The average percentage of website visitors who engage in chats is 1.6%, which is essentially unchanged from 2009 and 2012. Desktop was 1.7% while mobile was 1.4%
- Within a 95% confidence interval, the engagement rate ranges between <1% and 10%.
- For our higher traffic websites, less than 1% of visitors engaged in chats.

Readers are advised to remember that this statistic represents the middle of the data set; half the sample experiences engagement percentages equal to or above this figure and half experience engagement percentages equal to or below this number.

If a site aims to maximize engagement, we know it's possible. We know by looking at the range associated with the "elite engagement segment" of our customers — this group chats with 7-38% of their site visitors.

Proactive Chat

Proactive chat is the issuance of a form, image, or other component that generally appears as an overlay on a website and invites the visitor into a chat interaction. For sites that use proactive invitations, invitations were sent to 20% of visitors.

- The average percentage of website visitors who accept proactive invitations to chat is 6.6%, compared to 8.5% in 2012 and 6% in 2009. Mobile is slightly higher at 7.3% compared to 6.2% for desktop.

Proactive appears to be critical for higher traffic websites to improve their low chat engagement rate. Among these sites, proactive chat invitations had an average acceptance rate of 5.6% compared to less than 1% engagement for chats without a proactive invitation. Mobile chat invitation acceptance is slightly higher at 6.6% compared to 5.0% for desktop. First time visitors accept proactive invites on high traffic sites at a rate of 6.2% compared to 4.9% for return visitors.

Proactive chat is an area where many customers attempt to optimize. Looking at the "elite proactive segment" of our customer base, proactive acceptance ranges from 12% to 34%. The top two-thirds of this elite group were sending invites to 30-97% of their visitors. If you want to raise your proactive acceptance rate, you must be more aggressive with your invitations.

EXPECTED CHAT VOLUME

The possible range of the chats to visit ratio is substantially affected by the size of the website and the use of proactive invitations. The following chart gives averages on what one can expect for chat volume based on the monthly site visit volume. It appears that for larger sites, in general, it is more difficult to get the same proportion of visitors to engage in a chat compared to smaller sites. Adding proactive invitations, however, can substantially increase one's range of influence over chat. The expected chat volume for any sized site should increase as proactive chat becomes a larger part of the mix. By charting the median values of engagement, one can see the importance of proactive chat. On average, it will more than quadruple a site's engagement rate.

Fig. 1: Median Engagement Values, by Site Traffic
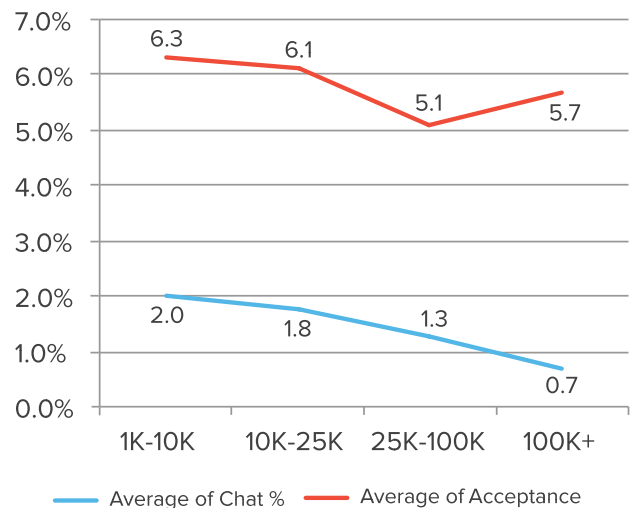
A Sample Scenario

Let's plug these numbers into a sample scenario. Using a random $100 average purchase size, a site without chat should average 43 purchases for every 1,000 visitors for a sales total of $4,300.

By implementing live chat, you could expect 1.6% of the visitors to become chatters. Those chatters are 2.8 times more likely to purchase with 60% larger purchases. That brings our sample sales figure up to $4,608, an increase of 7.2%.

If proactive chat invitations were sent to all visitors, you could expect the number of chatters to jump up to 6.6% of visitors. Factoring in the higher conversion amounts and conversion rates for chatters, the use of proactive chat invitations brings our sample sales number up to $5,571, a significant increase of 29.6%. To see this type of increase, you must be aggressive with you proactive invitations.

Fig. 2: Sample Implementation Scenario

Sample Scenario		
Visitors	1,000	
Average Purchase Price	$100	
Average Conversion Rate (non-chat websites)	4.3%	
Expected Sales (non-chat websites)	$4,300	*1,000 visitors x 4.3% conversion rate x $100 avg. purchase price*
Implementing Chat		
Chat Engagement Rate	1.6%	
Conversion Rate Increase	2.8	
Purchase Price Increase	60%	
Chat Implementation Average (chatters)	16	*1,000 visitors x 1.6% chat engagement rate*
Average Conversion Rate (chatters)	12%	*4.3% avg. conversion rate x 2.8 conversion rate increase*
Average Purchase Price (chatters)	$160	*$100 avg. purchase price + 60% purchase price increase*
Increase in Conversions with Chat	$307 **7.1%**	*16 chatters x 12% conversion rate x $160 avg. purchase price* *$307 / $4,300*
Total Site Conversions with Chat	$4,607	*$307 + $4,300*

Implementing Proactive Chat		
Proactive Engagement Rate	6.6%	
Proactive Chat Implementation Average (chatters)	66	*1,000 visitors x 6.6% proactive engagement rate*
Average Conversion Rate (chatters)	12%	*4.3% average conversion rate x 2.8 conversion rate increase*
Average Conversion Size (chatters)	$160	*$100 average purchase price + 60% purchase price increase*
Increase in Conversions with Proactive Chat	$1,267 **29.5%**	*66 chatters x 12% conversion rate x $160 avg. purchase price* *$1,267 / $4,300*
Total Site Conversions with Proactive Chat	$5,567	*$1,267 / $4,300*

UNAVAILABLE, UNANSWERED, AND ABANDONED CHATS

These data points revolve around missed chat opportunities.

Pre-Chat Survey

Before a chat begins, many customers collect some information from the visitor. They do this because it either helps them provide better service or filter out unwanted engagements.

- The average percentage of website visitors who abandon chats when a pre-chat form is presented is 55%. That's up from 47% in 2012 and 39% in 2009, which hints that visitors are becoming less willing to complete a form or provide personal information prior to receiving assistance.
- For mobile visitors, the abandon rate was significantly higher at 68% versus 52% for desktop.
- For higher volume sites, the abandon rate was 50%.

It is clear that showing certain fields and/or making fields required affects the average abandonment percentage. Selecting a department is the least likely to cause an abandonment.

Fig. 3: Pre-Chat Form Abandonment Rates

		OPTIONAL	REQUIRED
Desktop	Name	53%	39%
	Email	44%	48%
	Phone	49%	36%
	Department	N/A	34%
Mobile	Name	64%	65%
	Email	72%	65%
	Phone	81%	64%
	Department	N/A	56%

Gathering visitor information is important, but be aware that doing so in the pre-chat form will cause you to lose approximately half of your potential chatters.

Unavailable Email Form

When website operators are not available to chat, an email form can capture lead information for later follow up.

The average percentage of website visitors who will submit an email form if one is presented to them is 11%. Desktop is slightly higher at 14% compared to 6% for mobile. This is down from 17% in 2012 and 23% in 2009. This would lead us to believe that visitors are becoming more impatient and less willing to receive a follow up email, especially when using a mobile device.

CHAT SATISFACTION

Aggregated customer data confirms that live chat engagements are highly satisfactory for website visitors.

- The average percentage of chatters who will fill out a post-chat satisfaction survey when it's presented to them is 14%, down from 25% in 2012.

- Using the "window close prompt" offered by BoldChat increases post-chat survey responses by 17%. That's down from 39% in 2012 and 31% in 2009.
- The average satisfaction score (on a scale of 1 to 5) across all survey questions is 4.0 for desktop and mobile, which is down slightly from the 2012 and 2009 findings.
- On average, 31% of the people who submit a post-chat survey also include comments, compared to 10% in 2012 and 29% in 2009. Mobile was slightly lower than the overall average at 26%

CONCLUSIONS

The data presented herein quantitatively supports the following conclusions:

Mobile Browsing is Here and it's Different

Responsible for 35% of the traffic we measured, mobile is significant. Being portable with a smaller screen gives mobile advantages and disadvantages, which affect the behavior of these visitors. We learned that mobile visitors, on average, are less likely to convert than desktop visitors. However, chat has a bigger impact on mobile for increasing the size and number of conversions when compared to non-chatters. Mobile visitors also have a higher acceptance rate for proactive chat invitations. On the negative side, mobile chatters are less likely to complete a pre-chat form or an unavailable email form. Bottom line: mobile and desktop are different and must be treated differently.

Live Chat is an Increasingly Effective Sales Channel

For the average website, adding live chat will increase conversions and average order size. A chatter is 2.8 times more likely to convert than a regular website visitor. That, coupled with the fact that, on average, a buyer who chats will spend 60% more, indicates that live chat – and those employing it – is improving sales throughput and value. Mobile visitors have the largest increase with mobile chatters spending 68% more than mobile non-chatters.

Chat and Proactive Invites are Critical for Highly Trafficked Sites

Highly trafficked sites experience nearly half the conversion rates from non-chatters than average sized sites. However, the conversion rates for chatters are nearly identical for both traffic categories, meaning chat has a bigger impact on larger sites due to very nature of there being so many more visitors. We stated earlier that chatters for the average site convert 2.8 times more often than non-chatters. For chatters who engage in proactive chat, the conversion rate is similar at 2.9 times. This should encourage all sites to explore chat and proactive invitations with a serious intent for implementation. But, for highly trafficked sites it is even more important. Proactive invites were 25% more effective at converting for high traffic sites. Chatters engaging on those sites through proactive chat are 4 times more likely to buy. Additionally, proactive chat is a website's best tool to impact overall chat engagement. Highly trafficked sites, on average, have a 5.7% proactive invitation acceptance rate.

8 Key Benchmarks

Based on the findings presented in this document, live chat users should diligently manage chat, or seek the expertise of professionals, in order to ensure their implementations achieve the following:

1. Depending on a website's traffic, live chat engagement should be between ~1% and ~10%. Chat engagement for desktop is slightly higher than mobile. The implementation of proactive chat on top of reactive chat should increase a site's engagement rate by ~313%. For mobile, proactive invitations increase a site's engagement by ~421%. For high traffic sites, proactive invitations increase a site's engagement by ~714%.
2. Chatters ought to convert at ~2.8 times the rate of a regular website visitor – similar numbers for both mobile and desktop.

3. Chatters who convert typically spend 60% more than non-chatters, and mobile chatters spend 68% more than mobile non-chatters.
4. Repeat visitors who chat are the best converters at 21%. Desktop repeat visitors who chat convert near 25%, mobile visitors at 21%.
5. The use of a pre-chat form ought to result in ~55% abandonment – 52% for desktop, 68% for mobile.
6. Sites that use an unavailable email form, on average, capture contact data from 11% of those who are presented with it.
7. On average, a chatter is worth 4.5 times as much as a non-chat visitor.

Top Tips

Armed with the knowledge from this study, here are our recommendations:

1. If you don't currently have live chat on your site, implement it. You are losing sales and cart value.
2. Design your website and chat implementation to be mobile friendly.
3. Use proactive chat invitations to increase engagement, especially for mobile and high traffic sites.
4. Limit pre-chat forms unless absolutely necessary, especially for mobile.

B█LDCHAT by LogMeIn

BoldChat by LogMeIn is a market-leading live chat and customer engagement solution that helps businesses quickly and effectively engage customers across online, mobile and social channels. BoldChat includes integrated multichannel communications technologies like live chat, email management, SMS management, Twitter management and co-browsing, giving customer service teams a single solution for managing customer conversations. As a result, organizations can provide a better overall customer experience, improving conversions, building loyalty and boosting CSAT like never before.

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To chat with us, schedule a demo or download more resources like this one, visit **www.BoldChat.com**.

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