



RESEARCH REPORT:  
MULTI-CHANNEL CONTACT CENTER BENCHMARKS  
FOR RETAIL 2009

**Improving the Customer Experience  
While Reducing Operating Costs**

## EXECUTIVE SUMMARY

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How does your contact center performance compare to other retailers? The comparison is an important measure of the health and efficiency of your contact center, so simply measuring and tracking KPIs internally is not enough. To really gauge your success, you need to benchmark your metrics and KPIs against organizations both within and outside of your industry.

The RightNow Multi-channel Contact Center Survey consists of 42 unique data points across multiple communication channels. More than 100 retailers around the globe answered, not all of them were RightNow customers.

*Some high-level findings from our respondents:*

- The average cost per call is \$6 or less.
- More than half of the contact centers were able to handle four to nine calls per hour.
- More than half state that their average email response time is 12 hours or less.
- The average cost per email is \$3 or less.
- The majority says their chat agents handle one to three chats simultaneously.
- The majority of agents are compensated by a straight hourly wage.

*And some surprises:*

- 77% do not offer chat on their website.
- While the cost to bring a new contact center agent on board is low (69% can bring an agent on board for \$3000 or less), 53% report that it takes 30 to 60 days to train them.
- 44% say they do not have a way to handle up-sell/cross-sell opportunities.
- 44% do not have a formal mechanism for collecting feedback on their call center.
- Most have only one person developing self-service content.

### THE SOURCE:

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**100**

Retailers responded

**GLOBAL**

75% from North America  
25% from EMEA and APAC

### THE RESULTS:

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**77%**

of respondents do not offer live chat on their website (page 4)

**1 to 2**

60% of respondents say their agents can handle one to two chats simultaneously (page 40)

**\$6 or less**

67% of respondents have a cost per inbound call of \$6 or less (page 22)

**1 to 3**

23% of respondents reports that their email agents can only handle 1 to 3 emails per hour (page 31)

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## RETAIL INSIGHTS

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For retailers doing business online, offering customers a choice of communication channels is key. And making sure experiences across those communications channels are seamless is just as important as offering choices. A customer needs to be able to start a communication in one channel, such as chat, and then move seamlessly to another communication channel with all previous interactions recorded.

### **Chat is gaining customer acceptance**

Chat is immediate and agents can make sure the customer's problem is resolved. More and more customers prefer using chat over other channels. Further, chat can increase shopping cart conversion from 10 - 40%. Leading retailers are branding their chat as "Ask the Experts," giving customers confidence they are getting the help they need.

### **Email still used**

Retailers typically offer email because it is a less expensive channel to manage. However, email can become a source of customer dissatisfaction unless emails are managed, acknowledged quickly (under 3 hours), and answered thoroughly. Retailers need to closely track and manage the email channel to ensure it doesn't deliver a bad experience.

### **Web self-service needs to come out of hiding**

When web self-service and FAQ tools are placed only on a customer service page, they are more difficult to find and under-utilized. Consider putting FAQs on pages where questions arise. For example, FAQs about shipping costs, returns and warranties should appear on the check-out pages.

### **Gathering feedback is important - responding is critical**

Listening to the voice of your customers across all channels is important, but to really close the feedback loop, you need to both capture and quickly respond to your customers' feedback. Nothing creates greater customer loyalty than to say "we heard you."

Source: Harris Poll Research, 2008, 2007 & 2006



**87%**

of consumers have  
**BOYCOTTED** companies after  
**ONE** negative experience

**80% in 2007**

**68% in 2006**



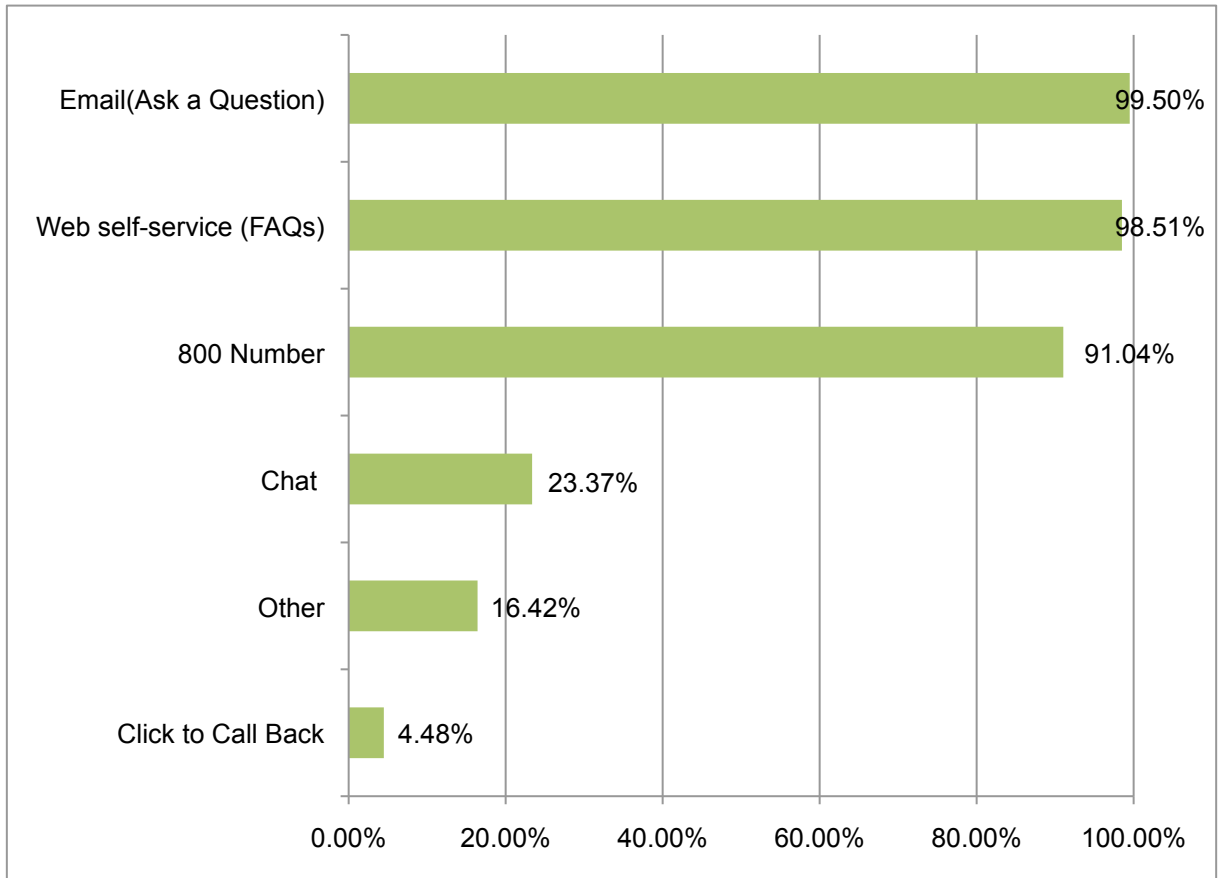
**58%**

of consumers say  
**OUTSTANDING SERVICE** is the  
**#1** reason to **RECOMMEND** a  
company

**51% in 2007**

## COMMUNICATIONS CHANNELS OFFERED ON WEBSITE

### Features Offered on Your Website



**Question:** Which features do you currently offer on your organization's website?

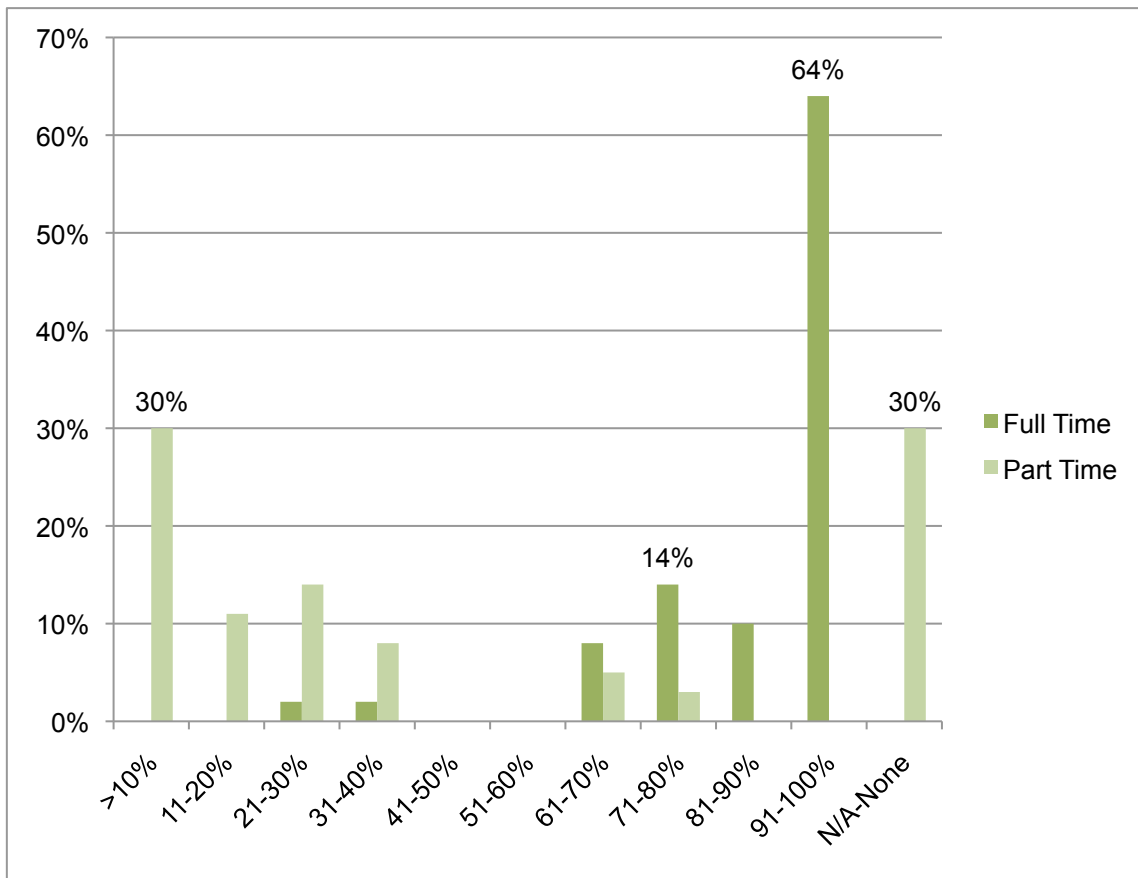
**Finding:** Most retailers offer a toll free number, email and an web self-service or FAQ option.

**Interpretation:** Only 23% of the organizations that responded to this survey stated that they have a chat option on their website.

**Insight:** Over the year we expect to see the number of retailers offering chat to approach 100%. Chat is rapidly becoming the consumer's favorite communication channel.

## AGENT INFORMATION

### Agent Breakdown



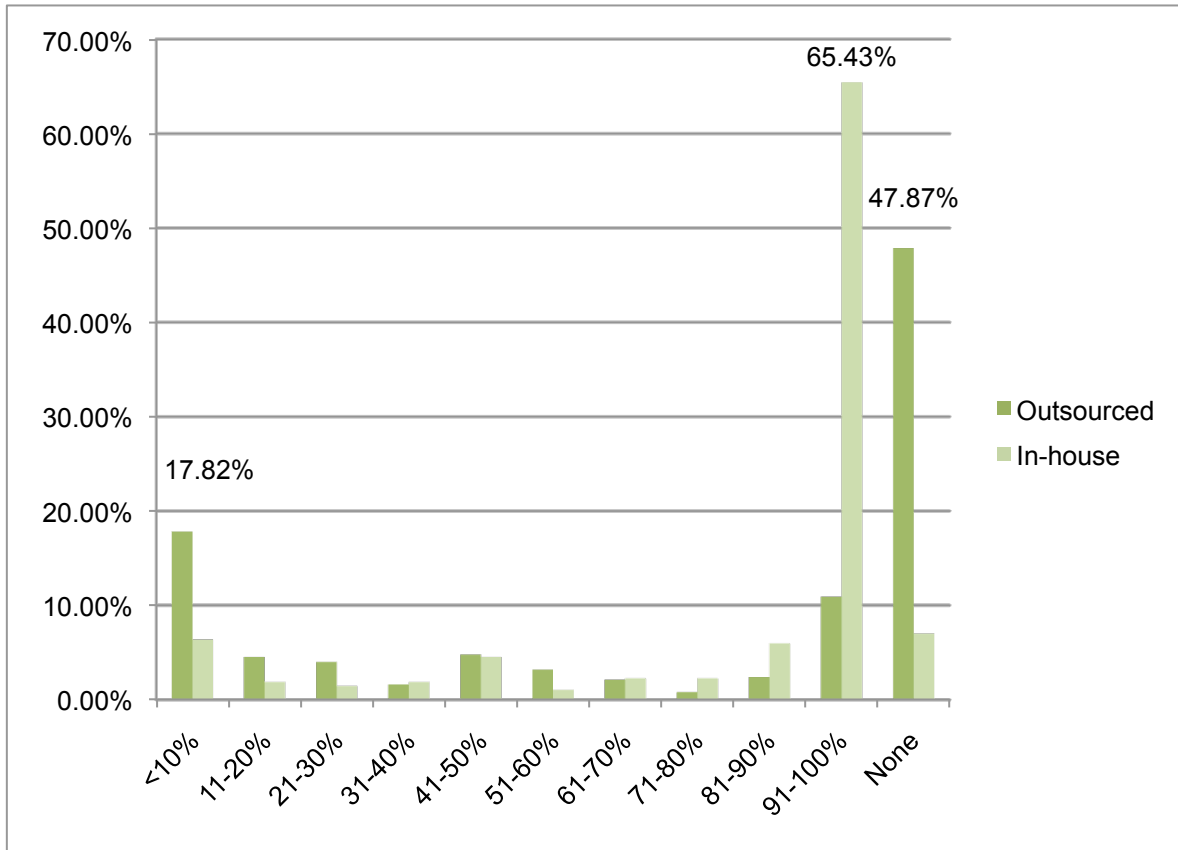
**Question:** Of your total number of agents how many are full-time? Part-time?

**Finding:** The majority of respondents from this survey staff between 91-100% of their agents in full-time positions in the contact center.

**Interpretation:** Part-time and work-at-home agents represent a small percentage of the overall staff of the contact centers that responded to this survey. Part-time and work-at-home agents are primarily used to staff during peak periods to supplement the existing full-time agent staff.

## AGENT INFORMATION

### Agent Breakdown



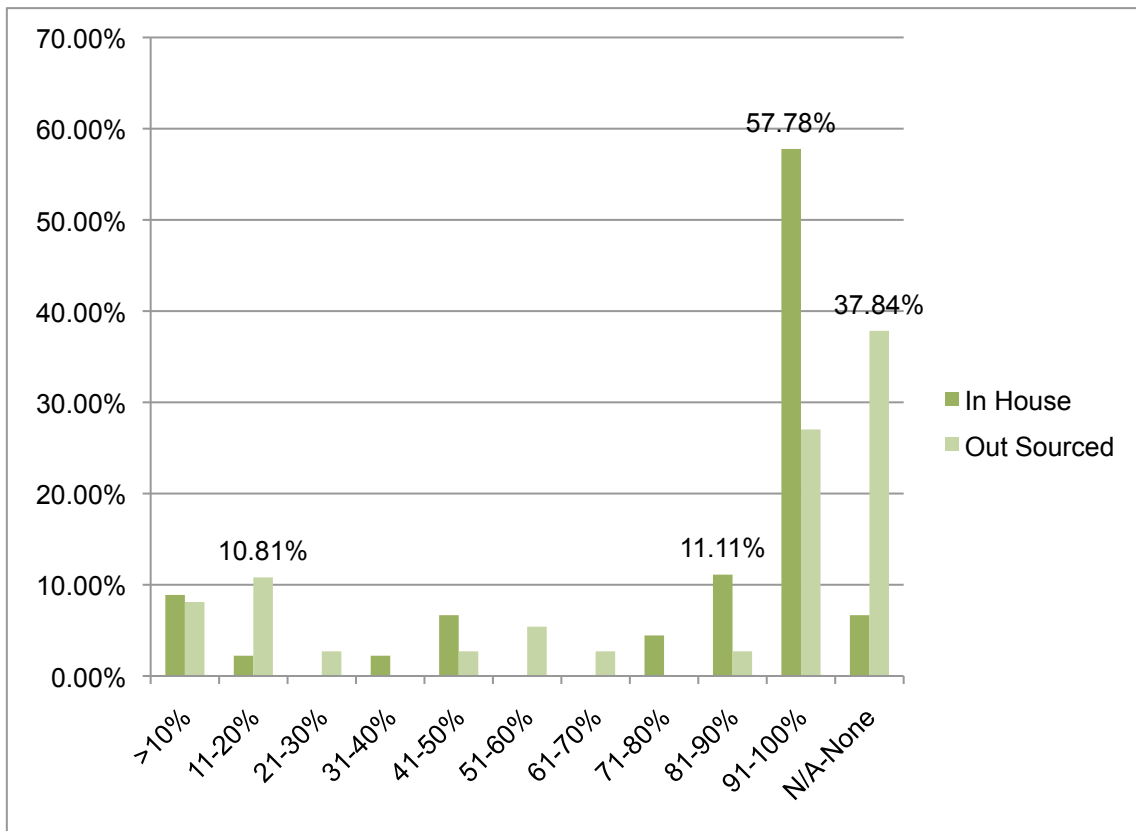
**Question:** Of your total number of agents, how many are in-sourced? Outsourced?

**Finding:** Of the total responses to this survey, it is found that a majority of the contact center's staff are in-house staff. Almost half have no outsourced agents.

**Defined:** An *Outsourced Agent* is an agent that works for an outside organization whose services are contracted to work for your organization. Outsourced agents are typically located at an outsourcer's facility and not in the organization's contact center.

## AGENT INFORMATION

### Agent Breakdown



**Question:** Of your total part-time agents how many work onshore? Offshore?

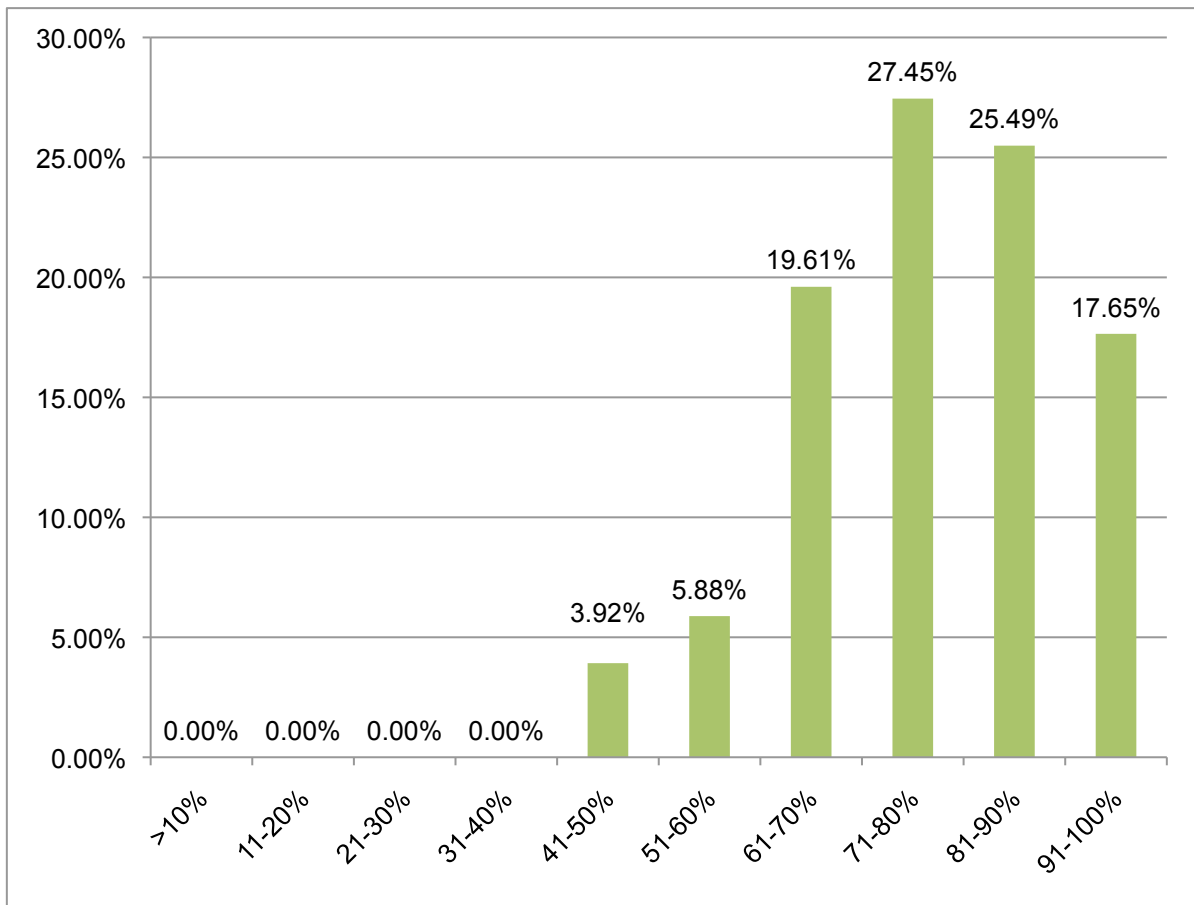
**Finding:** Nearly 60% of the respondents to this survey currently do not staff any of their agents offshore.

**Defined:** *Onshore* is defined as agents that work in the same country as the organization headquarters. *Offshore* agent is defined as an agent that works in a country other than where the organization is headquartered.

**Insight:** In the past couple years there has been a shift in the outsourcing model. We are seeing a trend in organizations moving their phone agents back onshore and out-sourcing their chat and email agents.

## CONTACT CENTER KPIS

### Occupancy Rate



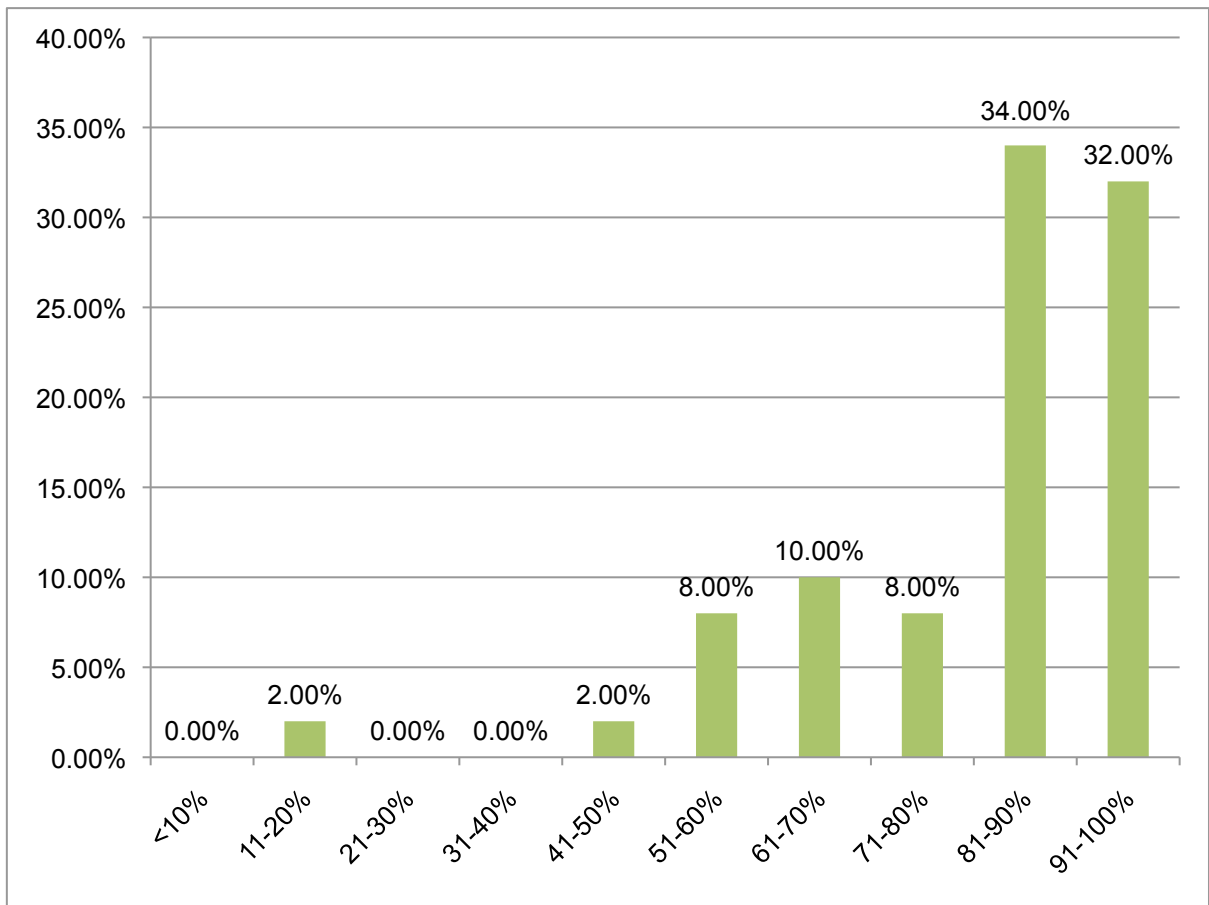
**Question:** What is your current agent occupancy rate?

**Finding:** 71% of respondents to this survey have an agent occupancy rate of greater than 70%. Having a high agent occupancy rate typically means that a contact center is operating efficiently.

**Defined:** *Occupancy* is sometimes referred to as agent utilization or percent utilization. *Occupancy* is the percentage of time that agents are actually taking calls versus waiting for an inbound call.

## CONTACT CENTER KPIS

### Adherence to Schedule



**Question:** What is your current adherence to schedule?

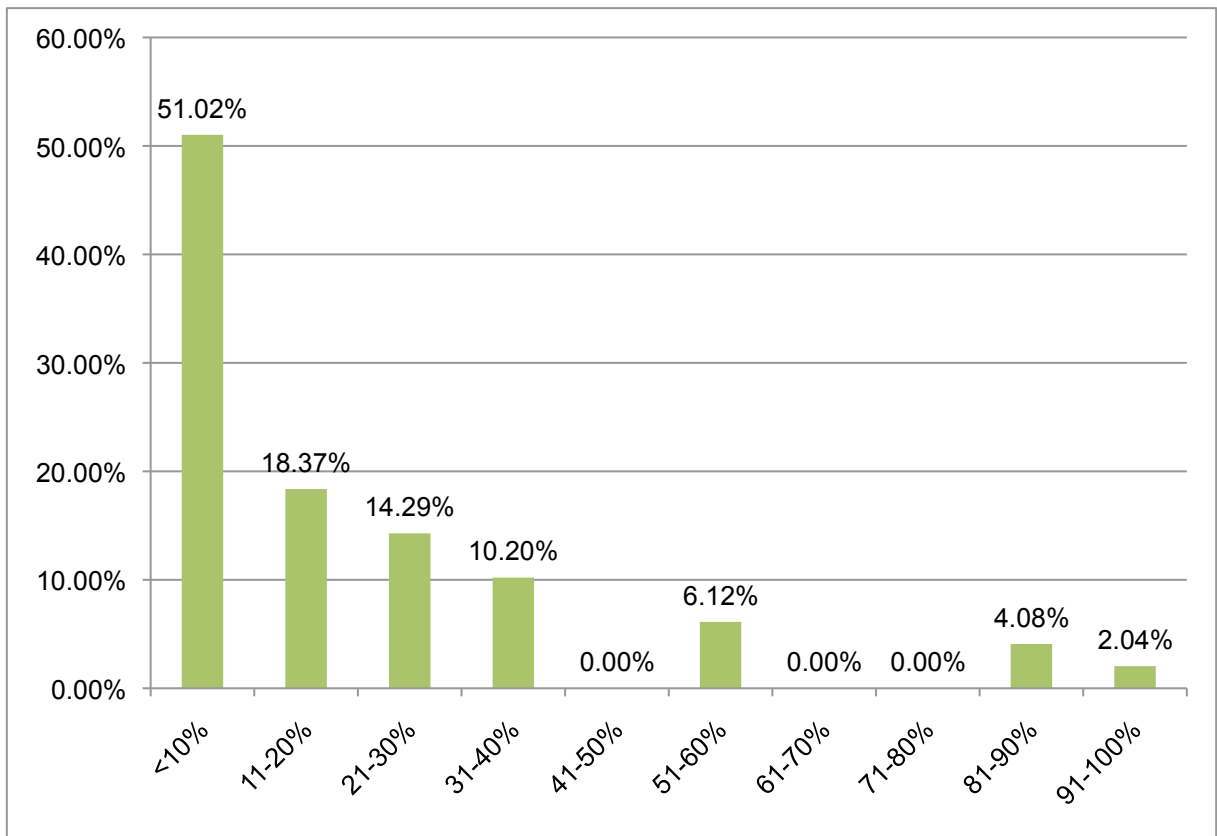
**Finding:** 66% of respondents to this survey have an agent occupancy rate greater than 80%.

**Defined:** *Adherence to Schedule* typically refers to how well an agent follows and adheres to their scheduled work time. This KPI is generally measured by logged on time including time spent waiting for calls or transactions to arrive.

**Insight:** Adherence to Schedule is a good KPI to use to measure how efficiently and effectively agents are using their time while on shift.

## CONTACT CENTER KPIS

### Agent Turnover Rate



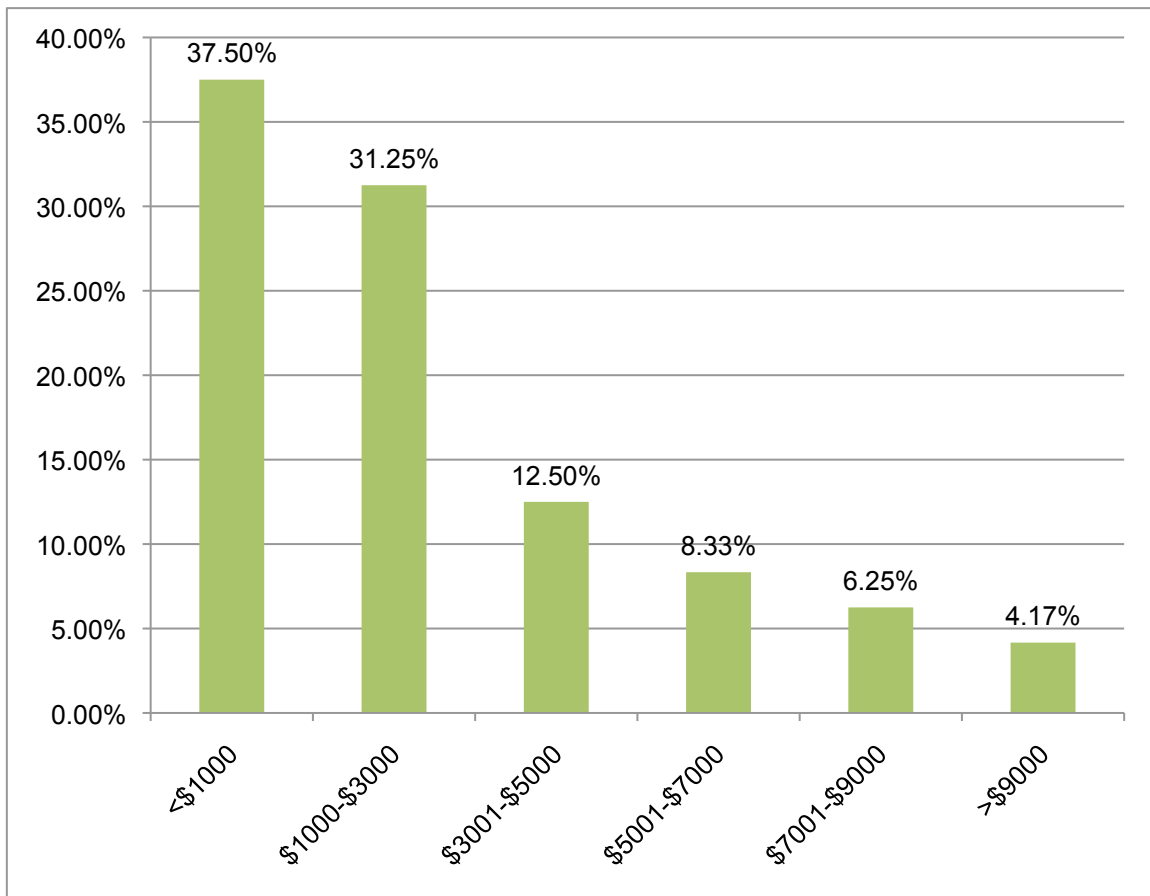
**Question:** What is your current Agent Turnover Rate?

**Finding:** Half the respondents to this survey have an agent turnover rate less than 10%. 70% have less than 20% agent turnover. Agent turnover is costly to an organization.

**Defined:** *Turnover Rate* is the percentage of agents that leave the call center whether voluntarily or involuntarily. It is typically calculated by dividing the number of agents leaving the call center divided by total agents during the period times twelve divided by the number of months in this period.

## CONTACT CENTER KPIS

### Cost to Hire



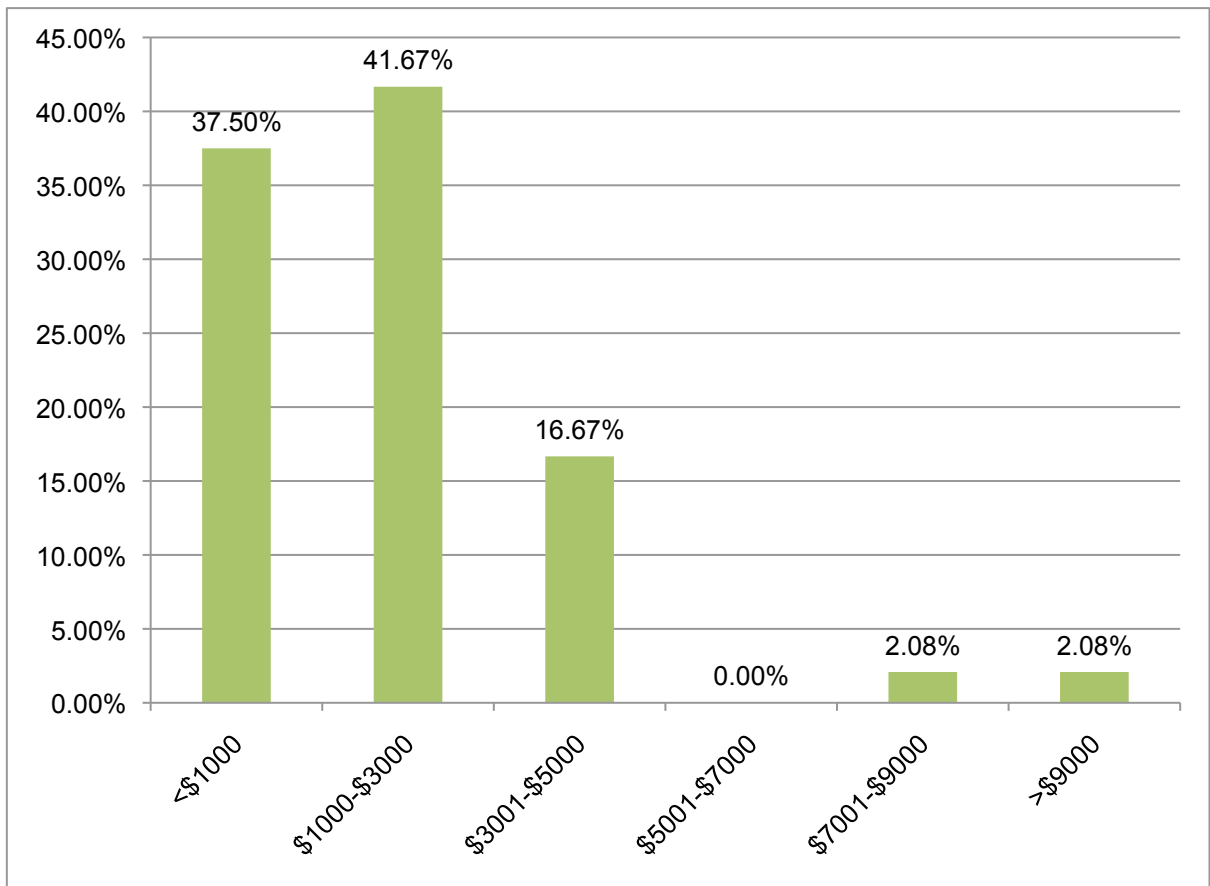
**Question:** What is your current cost to hire a new agent?

**Finding:** 69% of the respondents to this survey stated that their average cost to hire was less than \$3000.

**Defined:** The *Cost to Hire* an agent is the cost to acquire a new agent including recruiting and training costs.

## CONTACT CENTER KPIS

### Cost to Train



**Question:** What is your current cost to train a new agent?

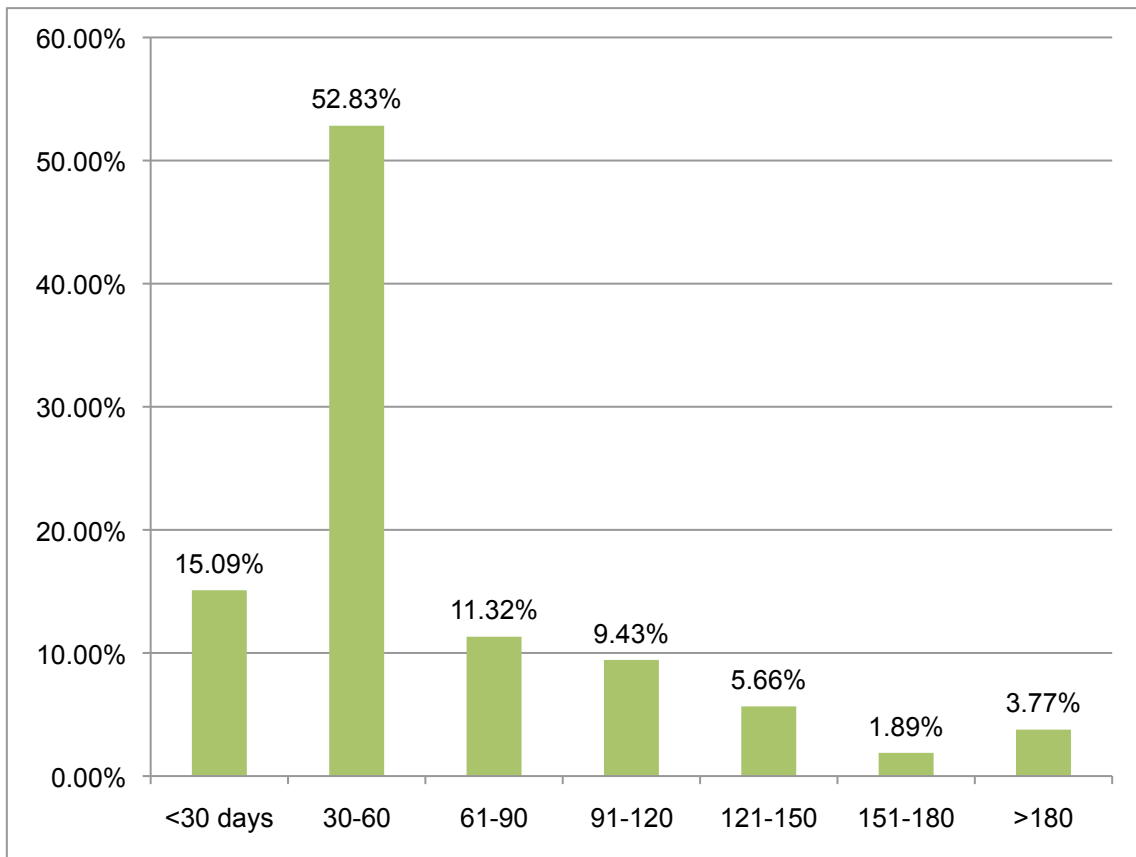
**Finding:** 80% of respondents to this survey have an average cost of \$3000 or less to train an agent.

**Defined:** The *Cost to Train* an agent is the cost to train an agent to perform their job functions. This number does not include costs associated with recruitment.

**Insight:** Today's contact center agents are required to perform a multitude of skills from cross-selling to handling customer complaints to taking orders or even trouble shooting technical issues. A streamlined agent desktop with all applications integrated and significantly reduce the time can cost to train an agent.

## CONTACT CENTER KPIS

### Training Time



**Question:** On average how many days does it take to train an agent?

**Finding:** Over half of the respondents to this survey state that their average ramp up time for an agent is 30 - 60 days. Only 15% of respondents were able to train agents in under 30 days.

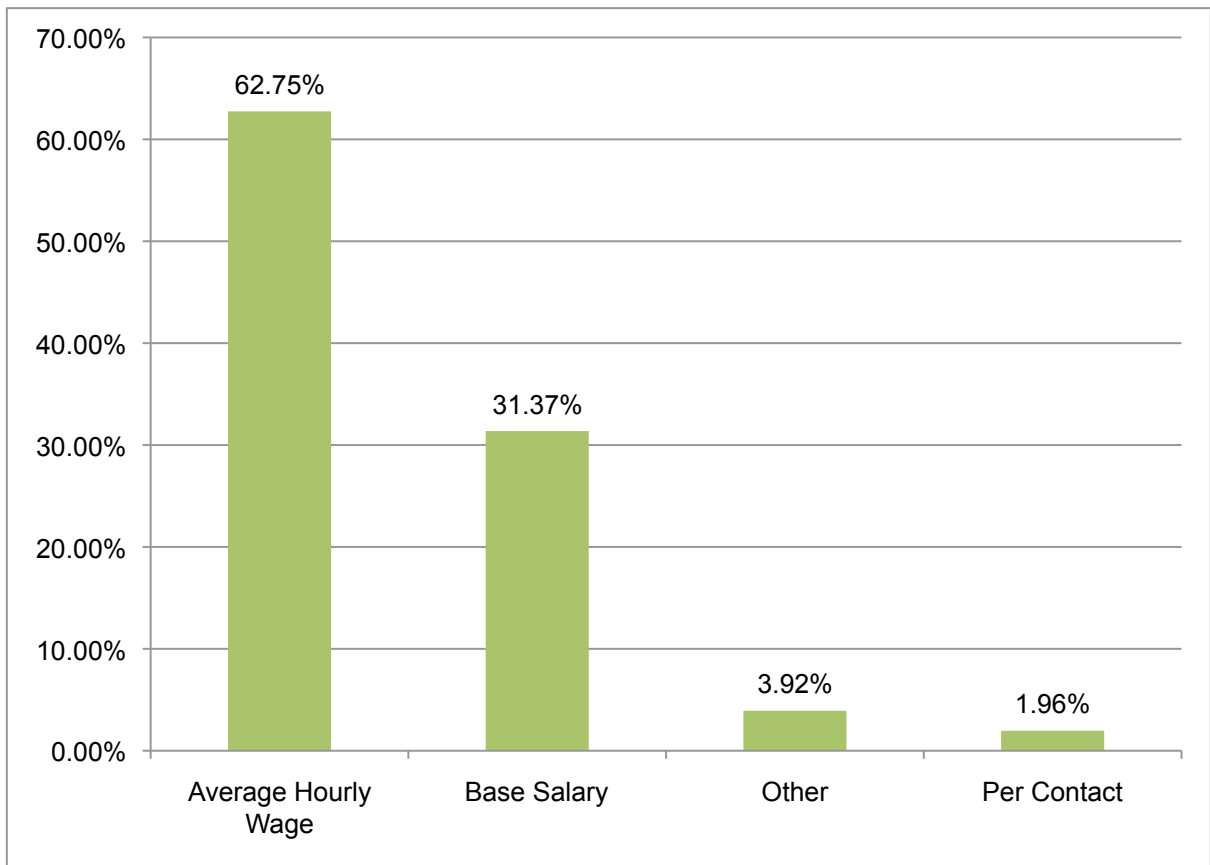
**Defined:** *Training Time* is the time that it takes a new agent to fully ramp up and perform at an average level, and includes in class training time plus ramp up time.

**Insight:** Many contact centers handle a variety of complex issues and questions from their customers. A lot of information is tribal knowledge that is not easily accessible or available to newer agents. It is important to put in place a method to collect and share information across all agents. Having access to this type of tribal knowledge typically enables new hires to ramp up more quickly.

## AGENT INFORMATION

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### Compensation



**Question:** How do you compensate your agents?

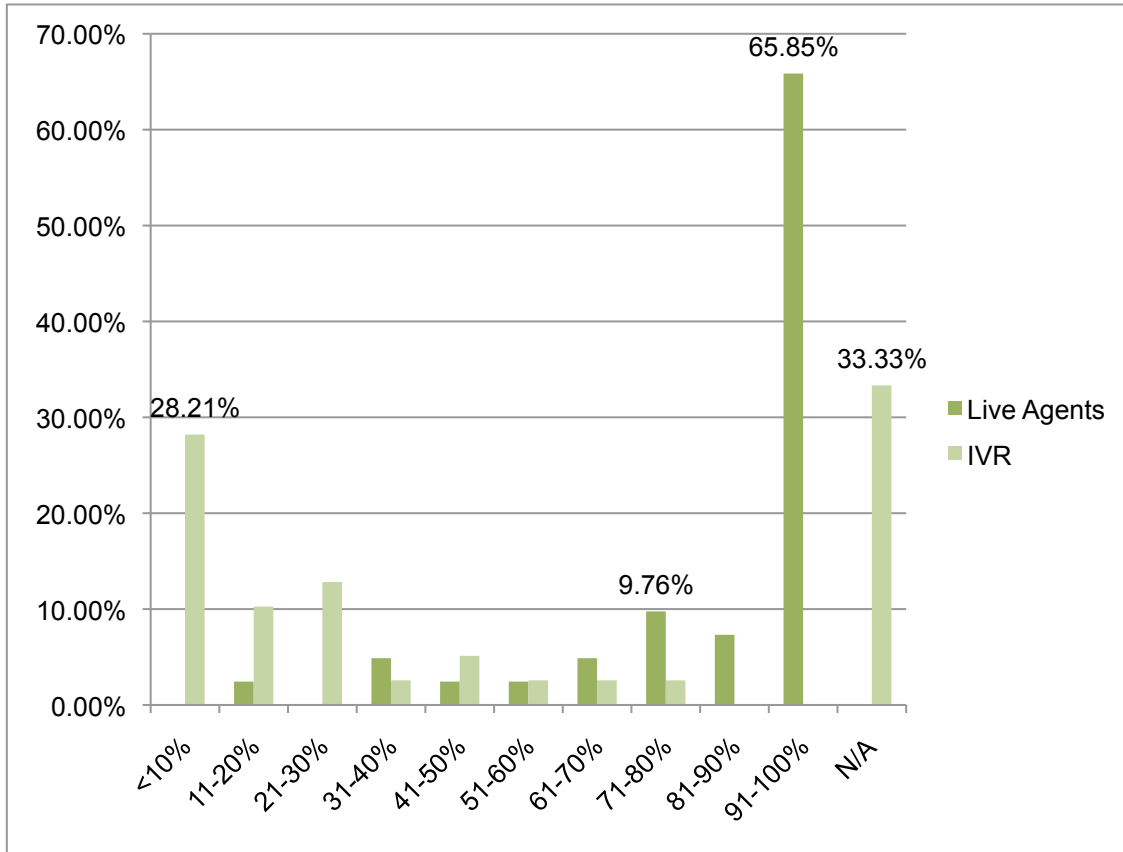
**Finding:** 63% of respondents to this survey pay their agents a strict hourly wage.

**Interpretation:** *Compensation* is comprised of three components: base pay, incentives or rewards and benefits.

**Insight:** We are seeing a trend for agent compensation to be partly tied to customer satisfaction.

## PHONE CHANNEL

### Inbound Call Breakdown



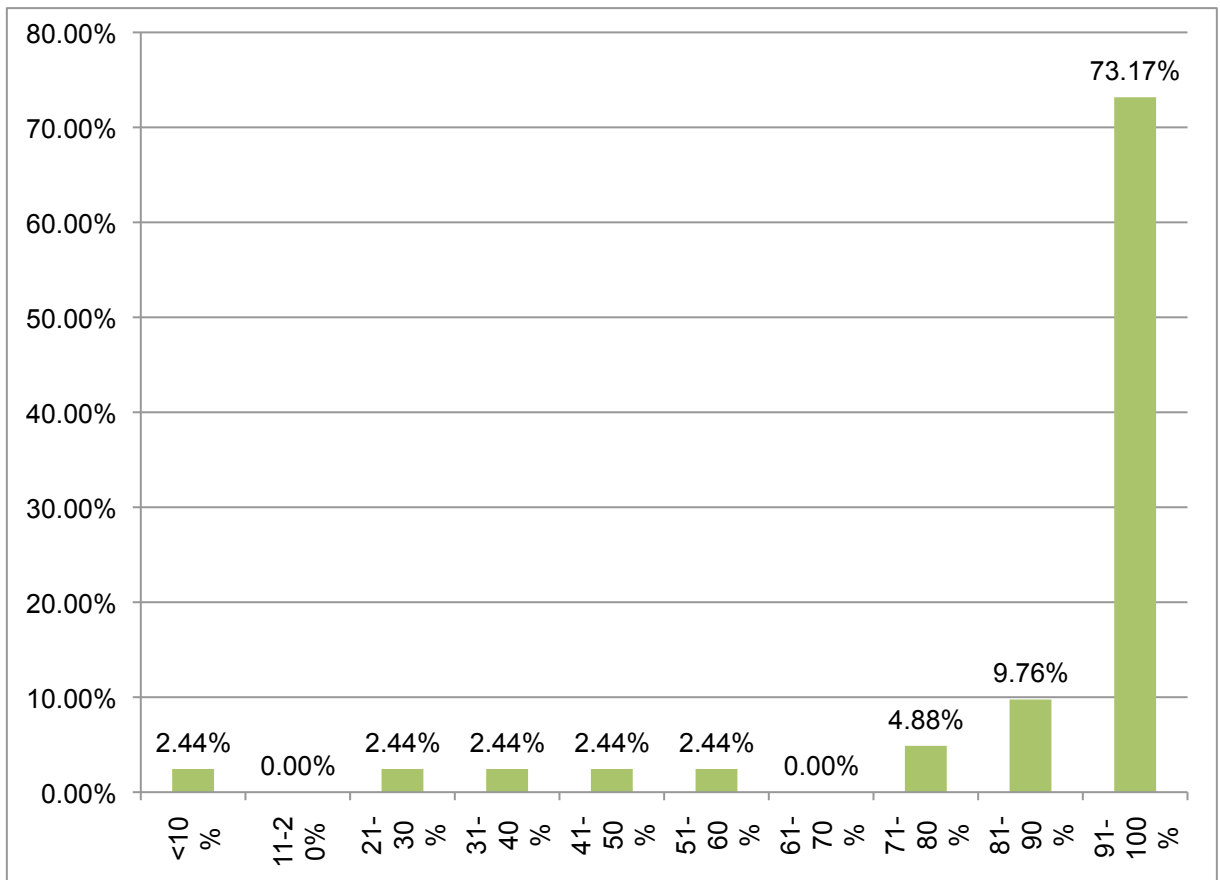
**Question:** Of your total inbound call volume, what percentage are handled by agents? By an IVR?

**Finding:** Two-thirds or respondents to this survey use full time agents to handle incoming calls.

**Interpretation:** *Inbound Call* is a call in to a contact center that is initiated by a customer. Most inbound calls into a contact center are for customer service, technical support or billing questions.

## PHONE CHANNEL

### Inbound Call Breakdown



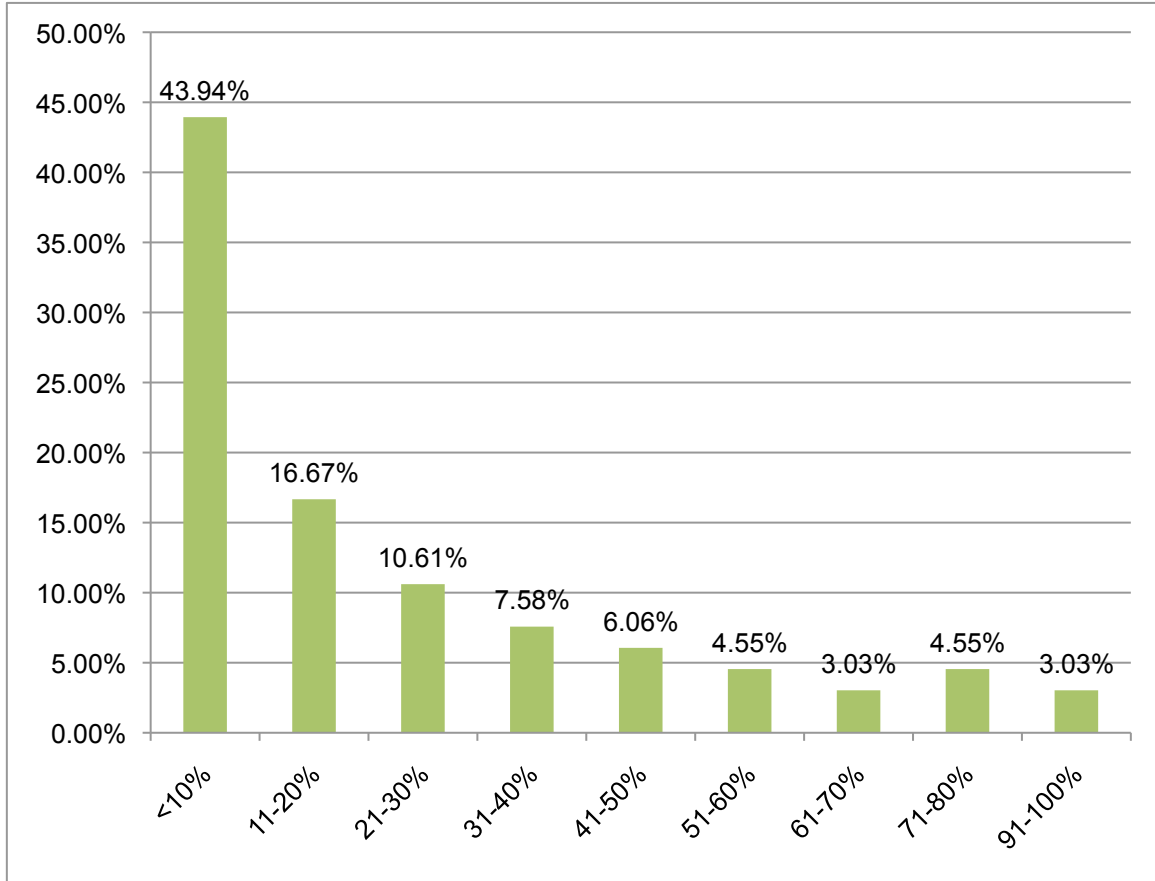
**Question:** Of your total inbound call volume what percent are handled by full-time agents?

**Finding:** Respondents from this survey have an average of 91-100% of full-time agents staffed in their contact center today. These full-time agents are handling between 91-100% of all inbound calls to the contact center.

**Defined:** A *Full-time Agent* is defined as someone who works a full workweek of 40 hours.

## PHONE CHANNEL

### Up-sell/Cross-Sell



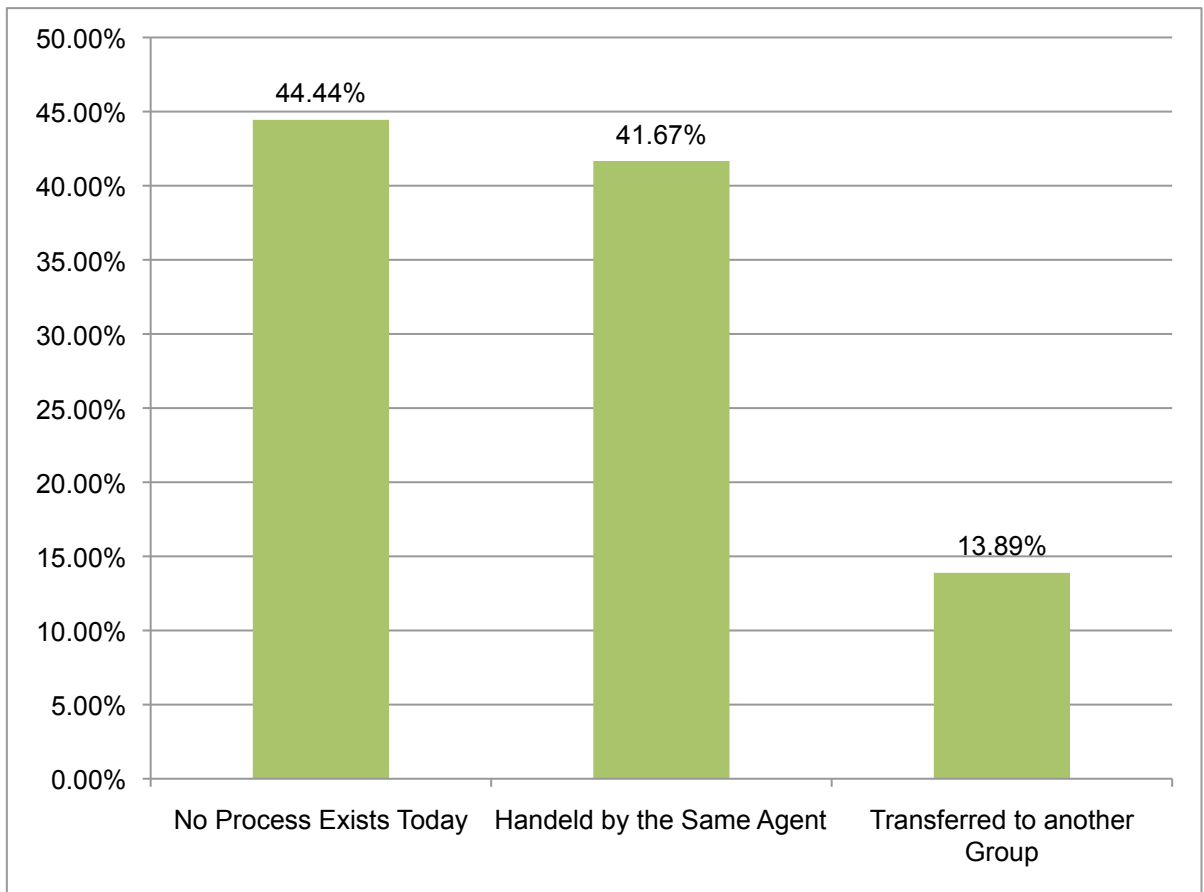
**Question:** What percentage of your total inbound call volume represents a cross-sell/up-sell opportunity?

**Finding:** It was found that less than 10% of calls into the contact center present an opportunity for an agent to up-sell or cross-sell.

**Defined:** *Up-sell* or *Cross-Sell* is a selling technique of offering additional or more expensive products or services to a customer during an interaction with the contact center.

## PHONE CHANNEL

### Up-Sell/Cross-Sell



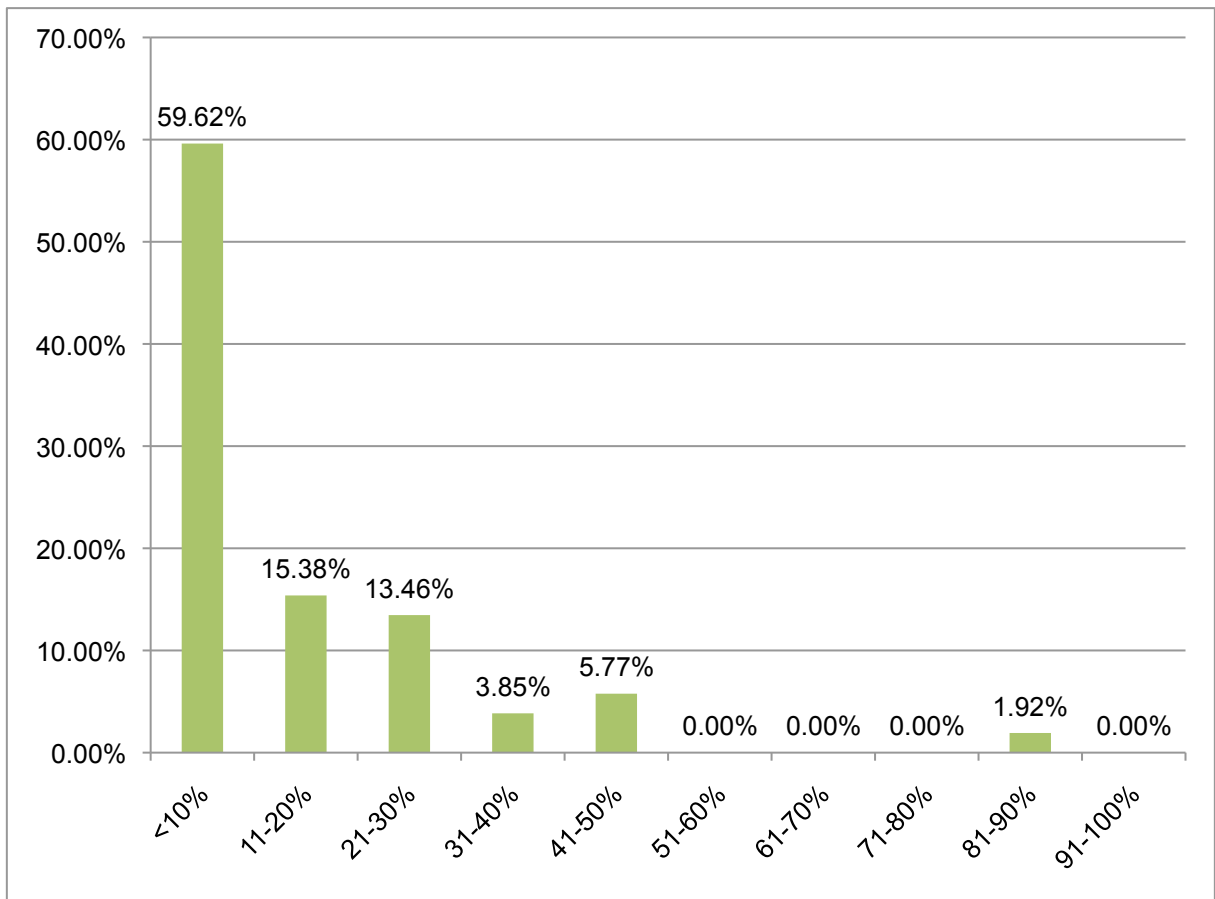
**Question:** What is the process of handling up-sell/cross-sell opportunities?

**Finding:** 44% of respondents to this survey do not have a process to handle cross-sell and up-sell opportunities. Of the respondents that do have a process, 42% re handled by the same agent.

**Defined:** *Up-sell* or *Cross-Sell* is a selling technique of offering additional or more expensive products or services to a customer during an interaction with the contact center.

## PHONE CHANNEL

### Up-Sell/Cross-Sell



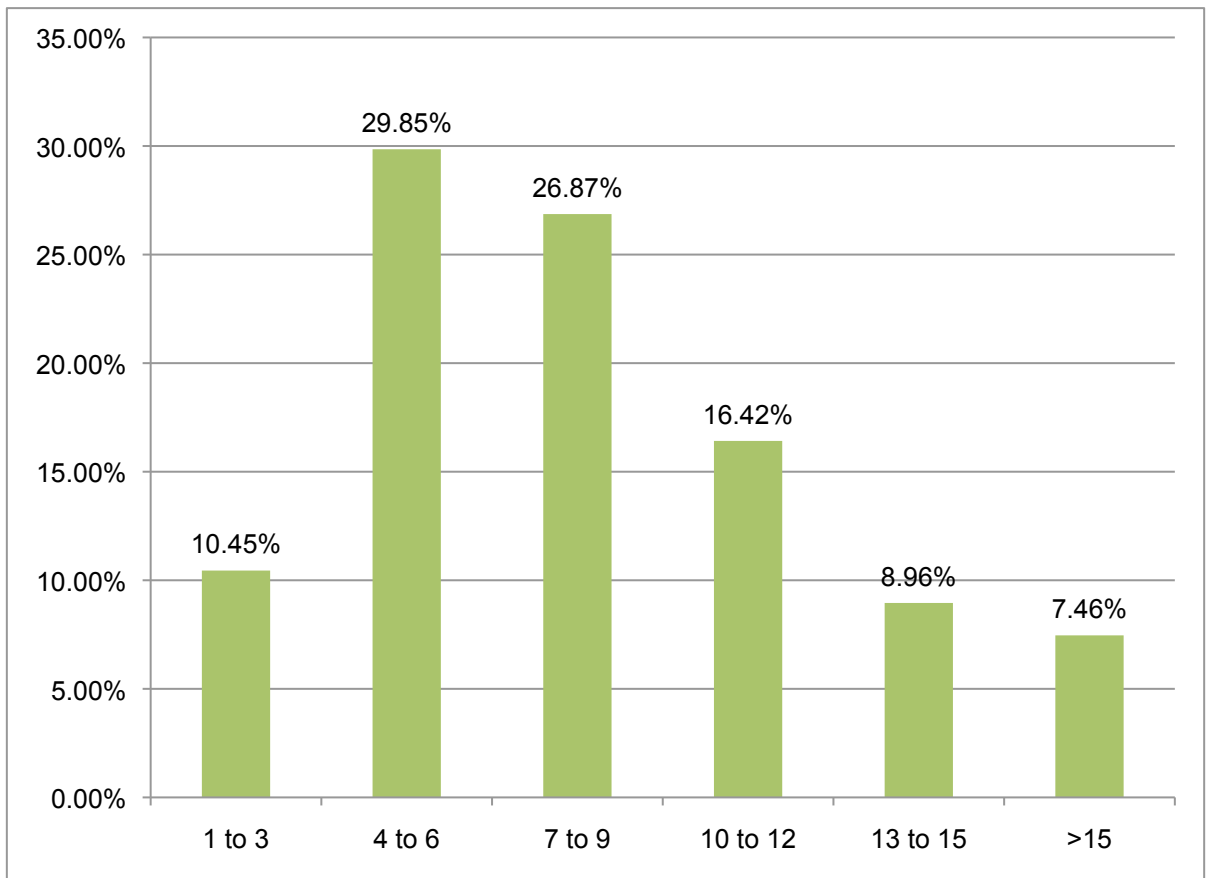
**Question:** What is your average up-sell/cross-sell rate?

**Finding:** Of the total number of opportunities for a contact center to cross-sell or up-sell a product, less than 10% of these offers are accepted by the customer in a majority of the respondents contact center.

**Defined:** The *Up-sell/Cross-sell Rate or Ratio* is defined as the percentage of attempts to up-sell or cross-sell that are successfully accepted by the customer. It is calculating by dividing the number of successful attempts by total attempts multiplied by 100%.

## PHONE CHANNEL

### Calls Handled



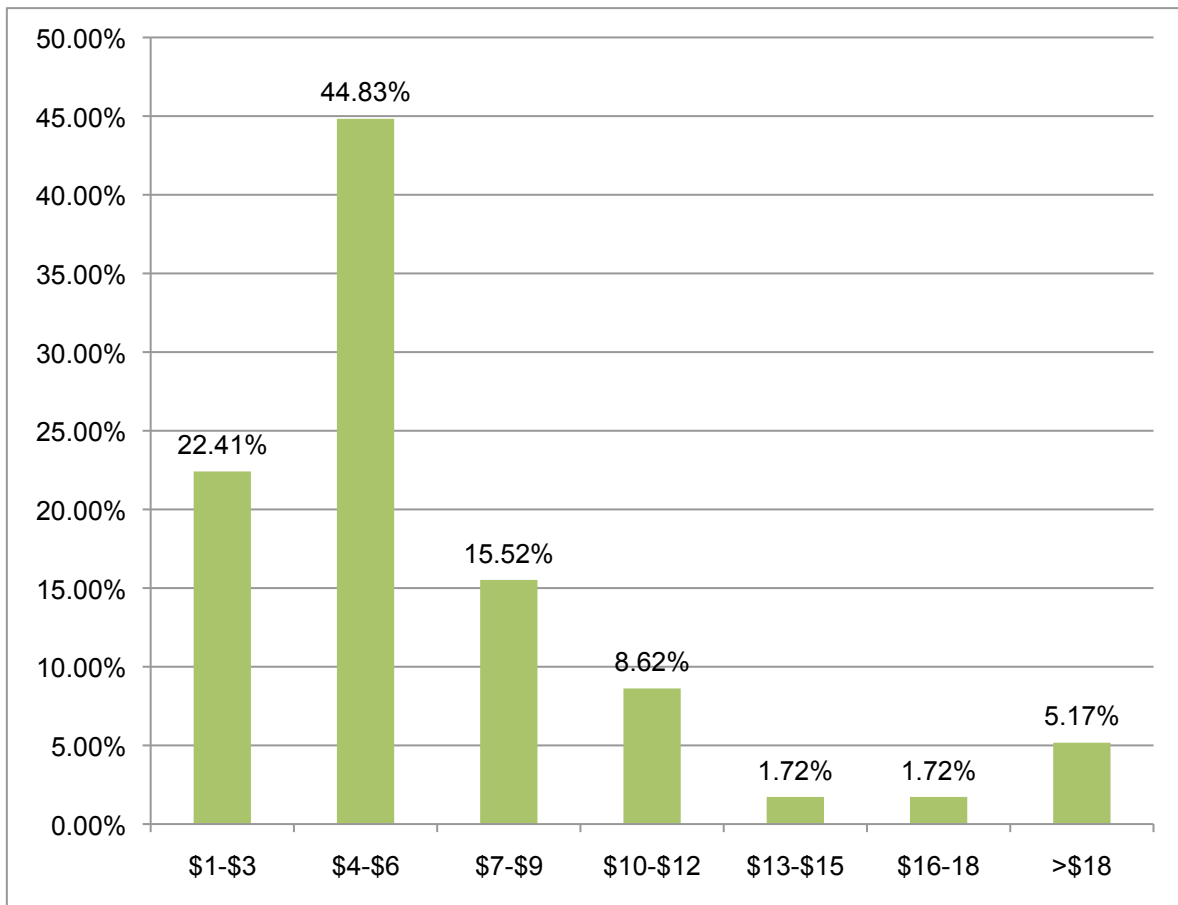
**Question:** What is the average number of phone calls an agent handles per hour?

**Finding:** 57% of respondents to this survey state that their contact center agents typically handle 4 to 9 calls per hour. 10% are only able to handle 1 - 3 calls per hour.

**Defined:** In a traditional call center, agents typically handle calls one after another with little down time or after call work. This number represents the average number of calls that an agent works to completion in one hour.

## PHONE CHANNEL

### Cost per Channel



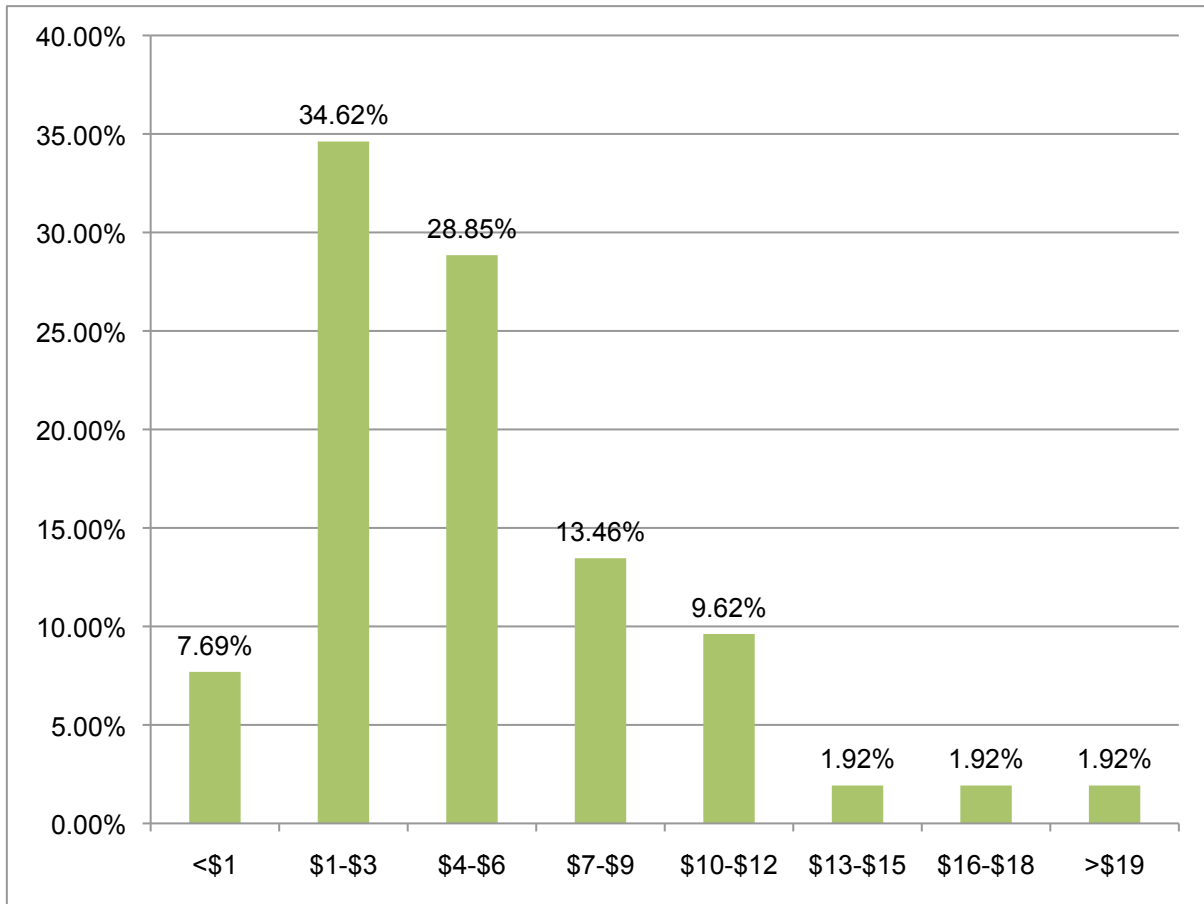
**Question:** What is your average cost per inbound call?

**Finding:** Almost half of respondents to this survey stat that their average cost per call is \$4 - \$6 per call. 17% have call costs greater than \$10.

**Defined:** *Cost Per Call* is calculating by taking total costs (fixed and variable) and dividing them by total interactions.

## PHONE CHANNEL

### Cost per Channel



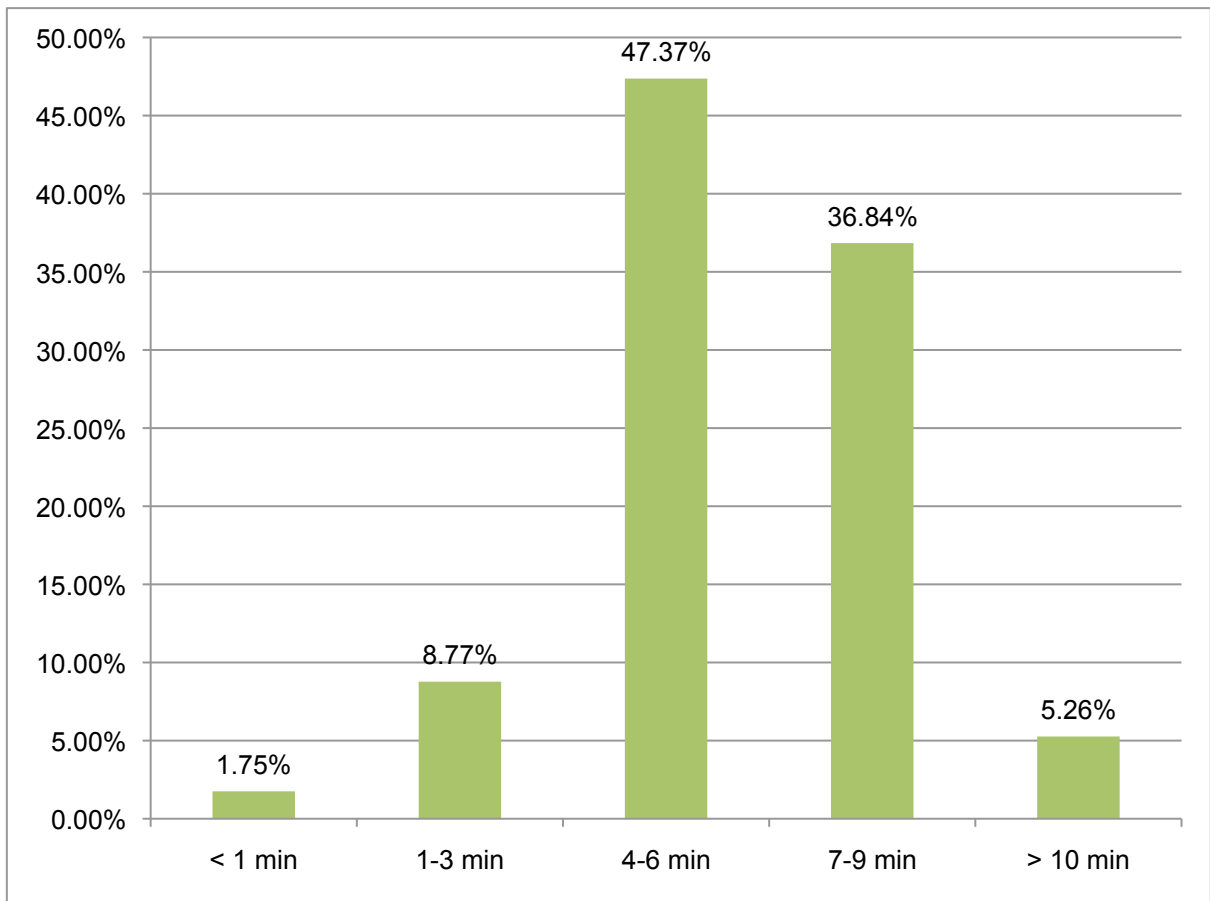
**Question:** What is your average cost per outbound call?

**Finding:** 35% of respondents to this survey state that their average cost per outbound call is \$1-\$3. 63% of respondents have costs between \$1-\$6.

**Defined:** *Cost Per Call* is calculating by taking total costs (fixed and variable) and dividing them by total interactions.

## PHONE CHANNEL

### Average Handle Time



**Question:** What is your average handle time for calls?

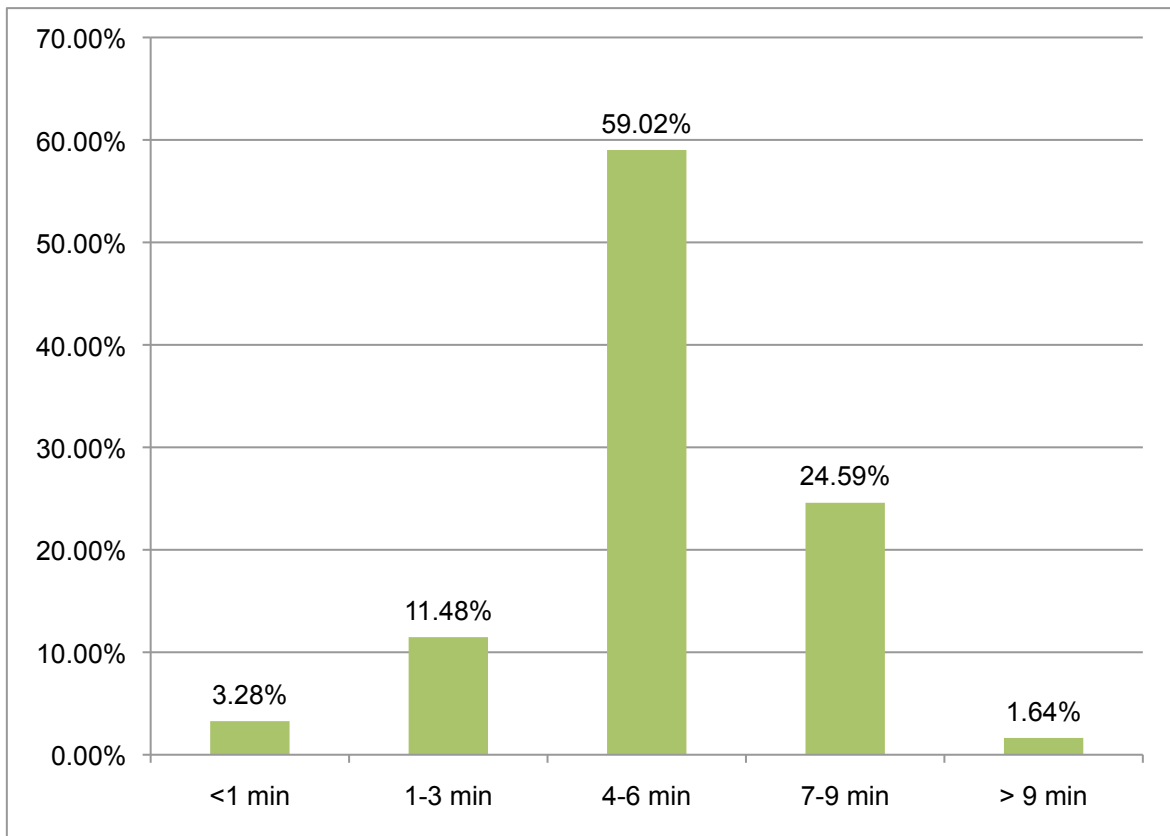
**Finding:** Almost 59% of respondents to this survey have an average handle time of 4-6 minutes per call. Only 5% of calls take greater than 10 minutes.

**Defined:** *Average Handle Time* is defined as the sum of average talk time plus average after-call work time.

**Insight:** Today AHT is increasing in some call centers as more of the routine calls are being handled by customer self-service options requiring agents to work more complex issues more often.

## PHONE CHANNEL

### Average Talk Time



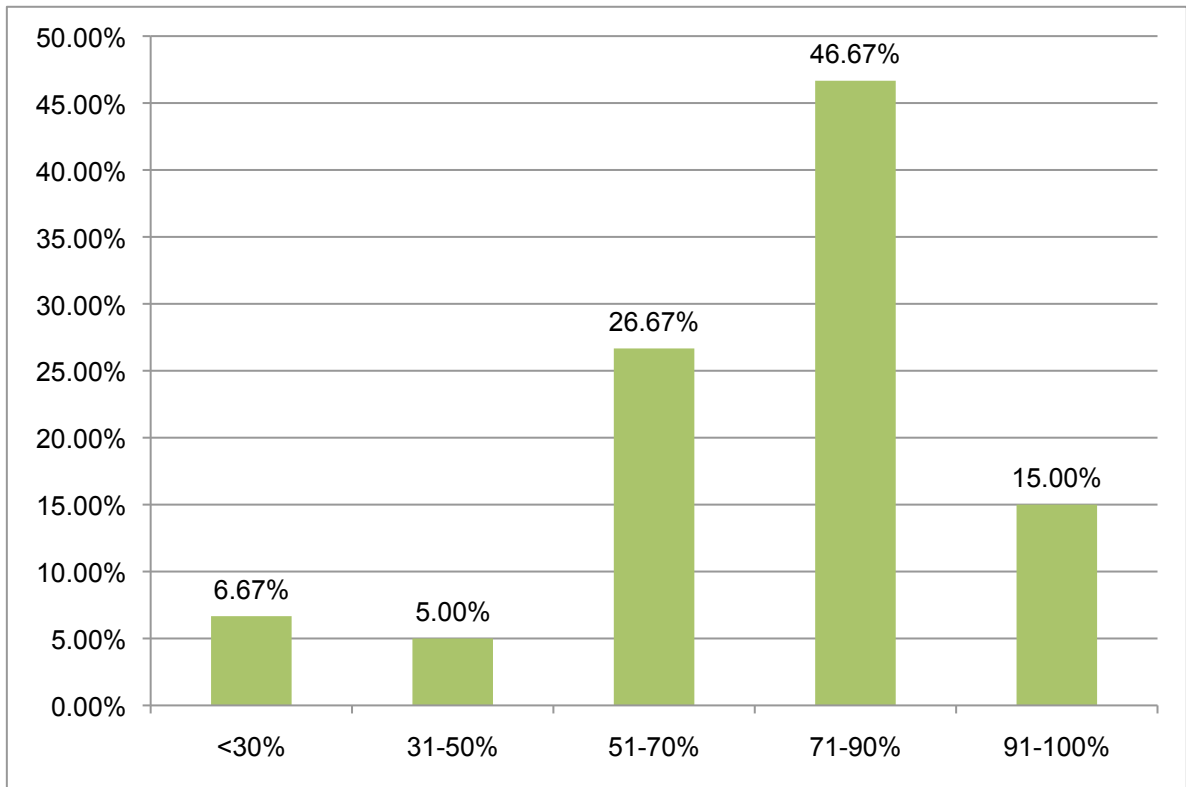
**Question:** What is your average talk time for inbound calls?

**Finding:** 74% of respondents to this survey report an average talk time of less than 6 minutes. 98% of all calls are completed in under 9 minutes.

**Defined:** *Talk Time* is defined as the total time that an agent is on the phone with a customer. *Talk time* begins when the agent picks up the phone and ends when the call is terminated.

## PHONE CHANNEL

### First Contact Resolution



**Question:** What is your First Contact Resolution (FCR) rate for inbound calls?

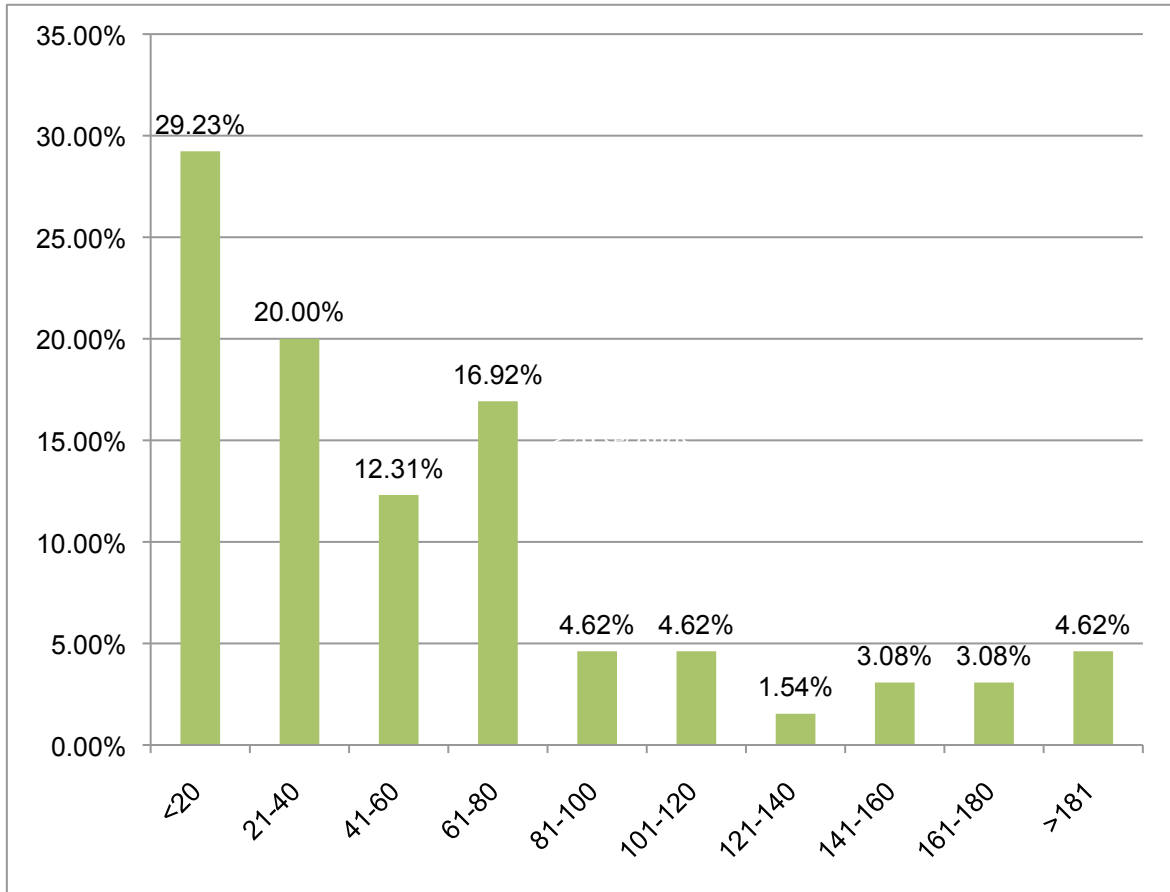
**Finding:** 62% of respondents to this survey report an average First Contact Resolution rate of 71% or greater.

**Defined:** *First Contact Resolution* is defined as the percentage of calls whose reason for calling was addressed and solved on the first contact into the contact center.

**Insight:** FCR can be used by management to improve operational efficiency and find methods to drive down costs. In the past, FCR was defined by what organizations perceive to be an adequate resolution. Today, organizations are beginning to define FCR based on whether or not the customer feels their issue has been resolved.

## PHONE CHANNEL

### Average Speed of Answer



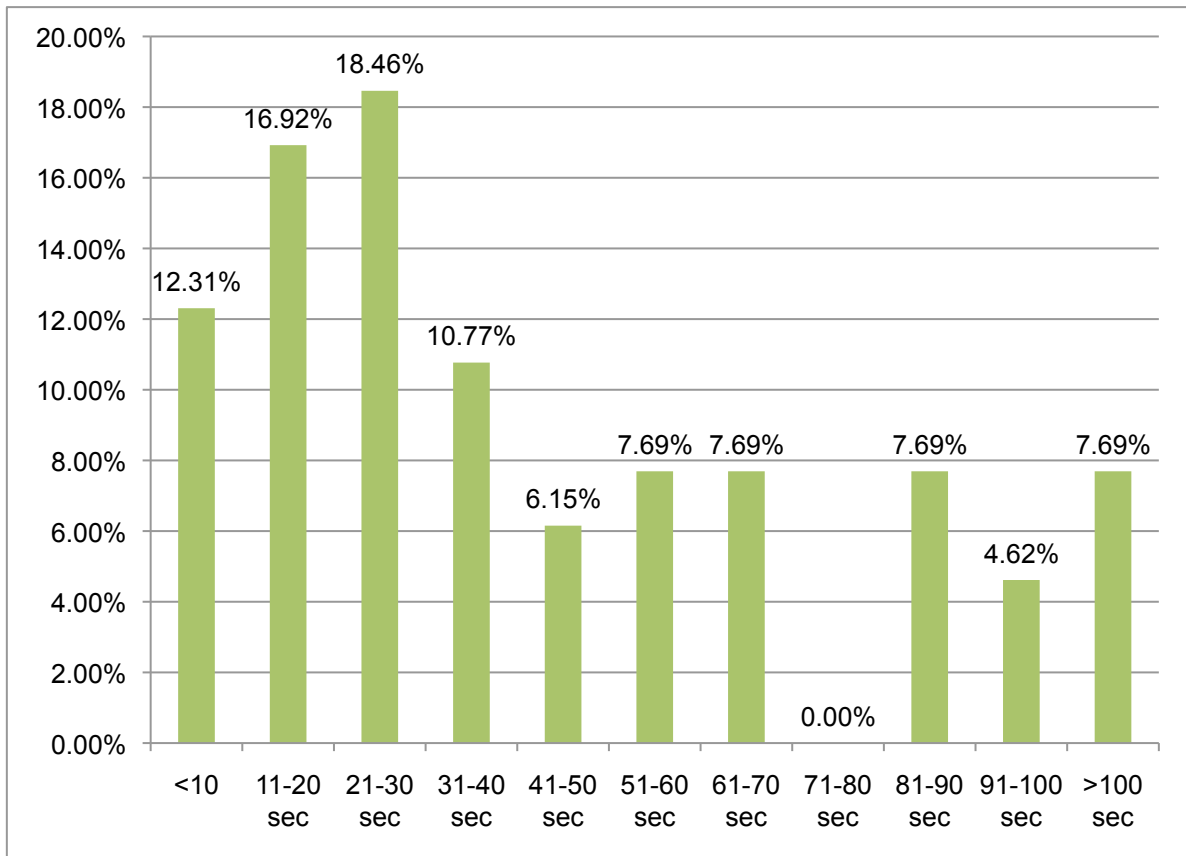
**Question:** What is your Average Speed of Answer (ASA) for inbound calls?

**Finding:** 30% of respondents to the survey picked up inbound calls in 20 seconds or less. Over half stated they have an Average Speed of Answer of 40 seconds or less. Over a third have an Average Speed of Answer greater than 60 seconds.

**Defined:** The *Average Speed of Answers* is defined as the total time that all calls have waited in the queue divided by the total number of answered calls.

## PHONE CHANNEL

### After Call Work Time



**Question:** What is your average after call work time for inbound calls?

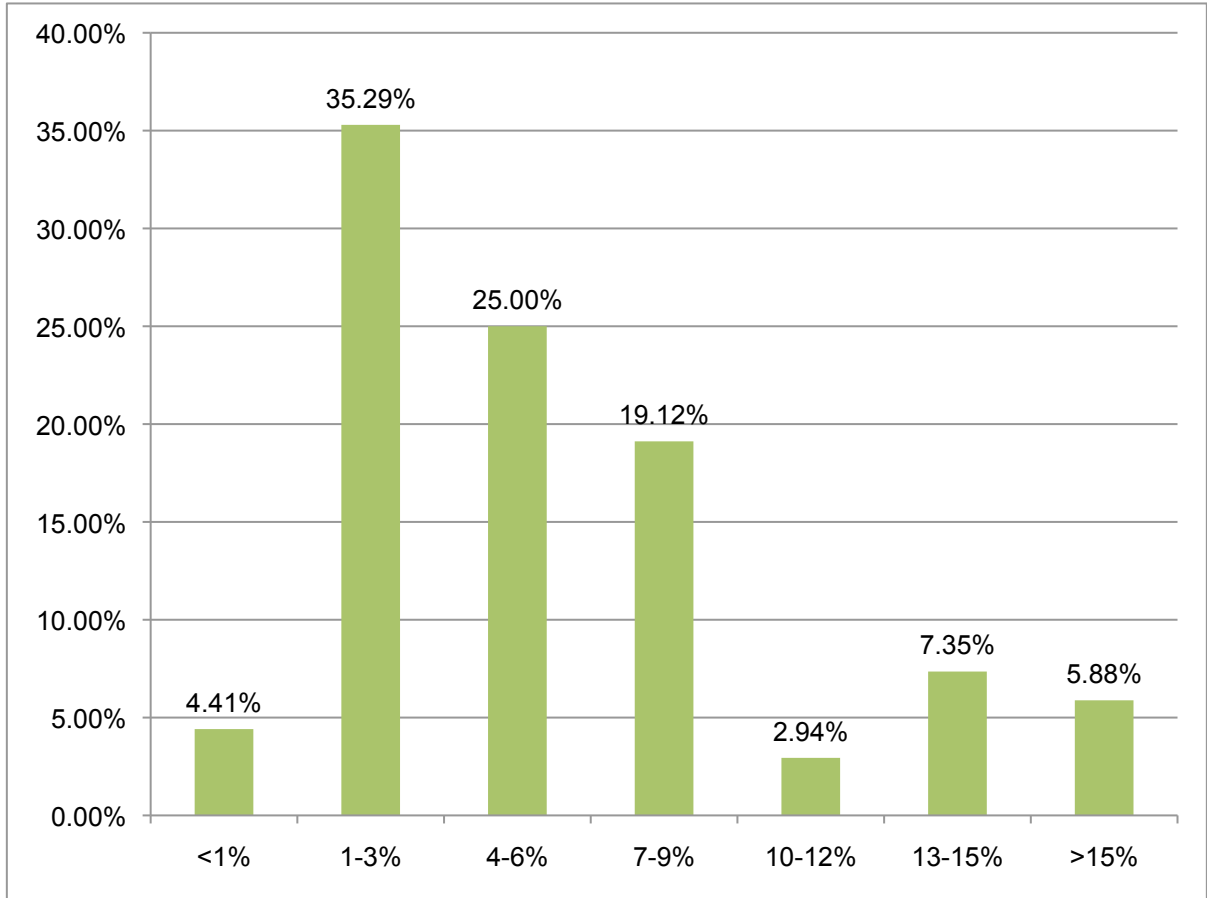
**Finding:** 30% of respondents to this survey have an Average After Call Work Time of 20 seconds or less. Almost 50% are 30 seconds or less.

**Defined:** *After Call Work* is any work that must be completed following the close of a call prior to another call being taken.

## PHONE CHANNEL

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### Average Call Abandon Rate



**Question:** What is your average call abandon rate?

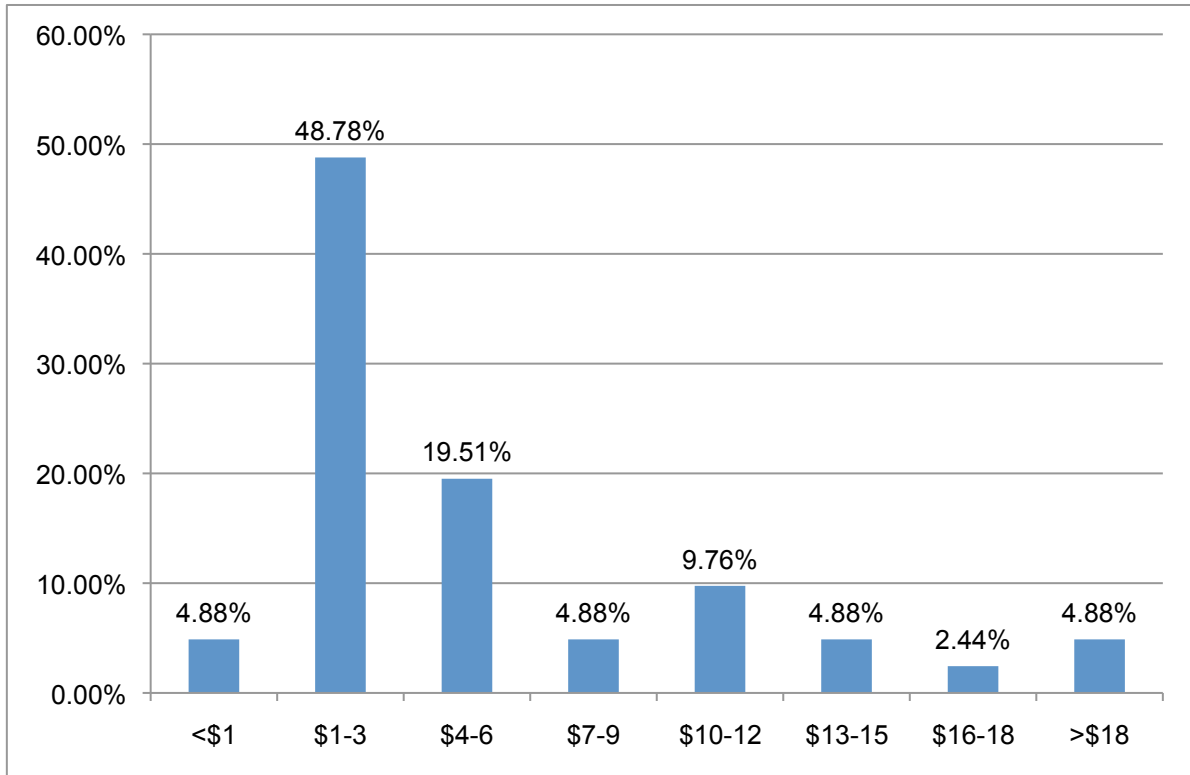
**Finding:** 40% of respondents to this survey have an average abandon rate of 3% or less. 65% have an average abandon rate of 6% or less.

**Defined:** *Call Abandon Rate* is defined as the number of calls that do not reach an agent. The caller either hangs up or the call is lost or disconnected. It is calculated by taking the total number of calls abandoned and dividing them by the total number of calls abandoned plus the total number of calls answered.

## EMAIL CHANNEL

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## Cost per Channel



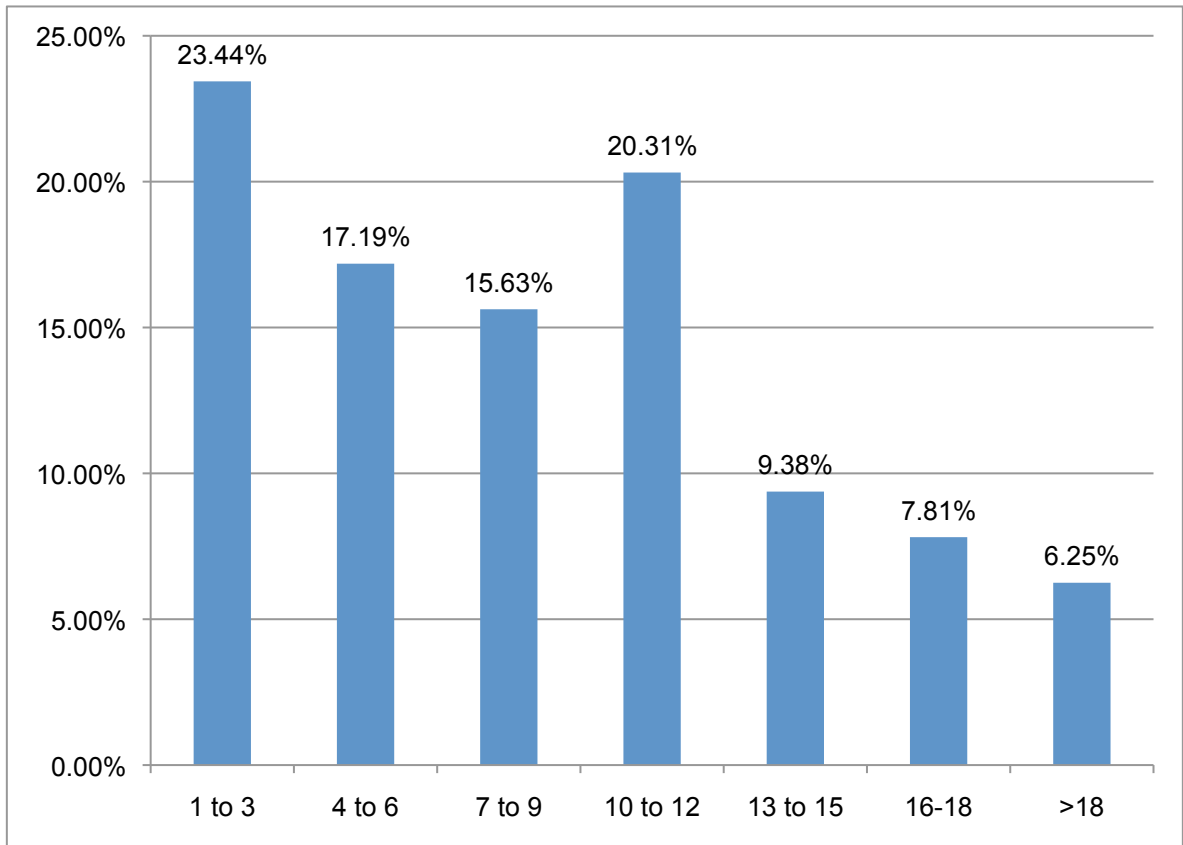
**Question:** What is your average cost per email?

**Finding:** Almost 50% of respondents to this survey have an average cost per email between \$1-3.

**Defined:** *Cost Per Email* is calculating by taking total costs (fixed and variable) and dividing them by total interactions.

## EMAIL CHANNEL

### Emails Handled



**Question:** What is the average number of emails and agent handles per hour?

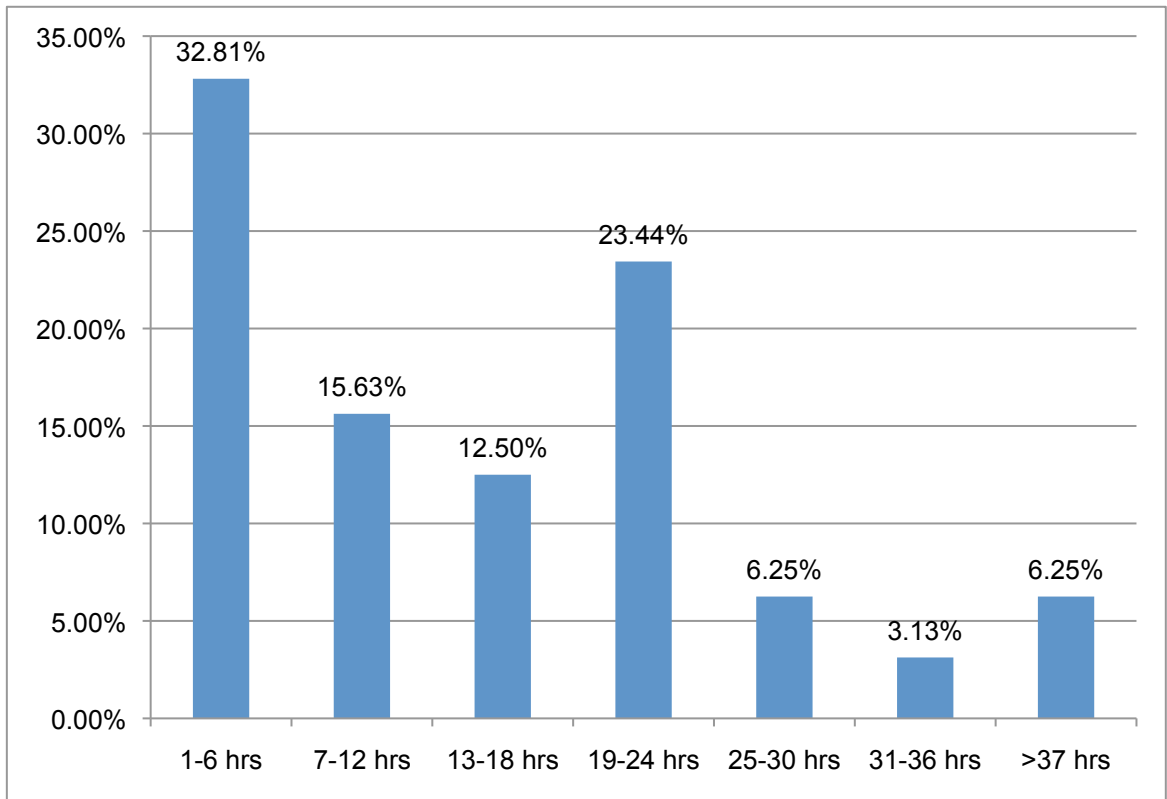
**Finding:** 40% of respondents to this survey state that their agents typically handle 6 or less emails per hour. 44% are able to handle more than 10 emails per hour.

**Defined:** *Emails Handled* represents the average number of emails that an agent works to completion in one hour.

**Insight:** Agent productivity in handling emails can be increased through more robust internal agent knowledgebase, and by Integrating disparate systems into a single agent desktop.

## EMAIL CHANNEL

### Average Response Time



**Question:** What is the average response time for email interactions?

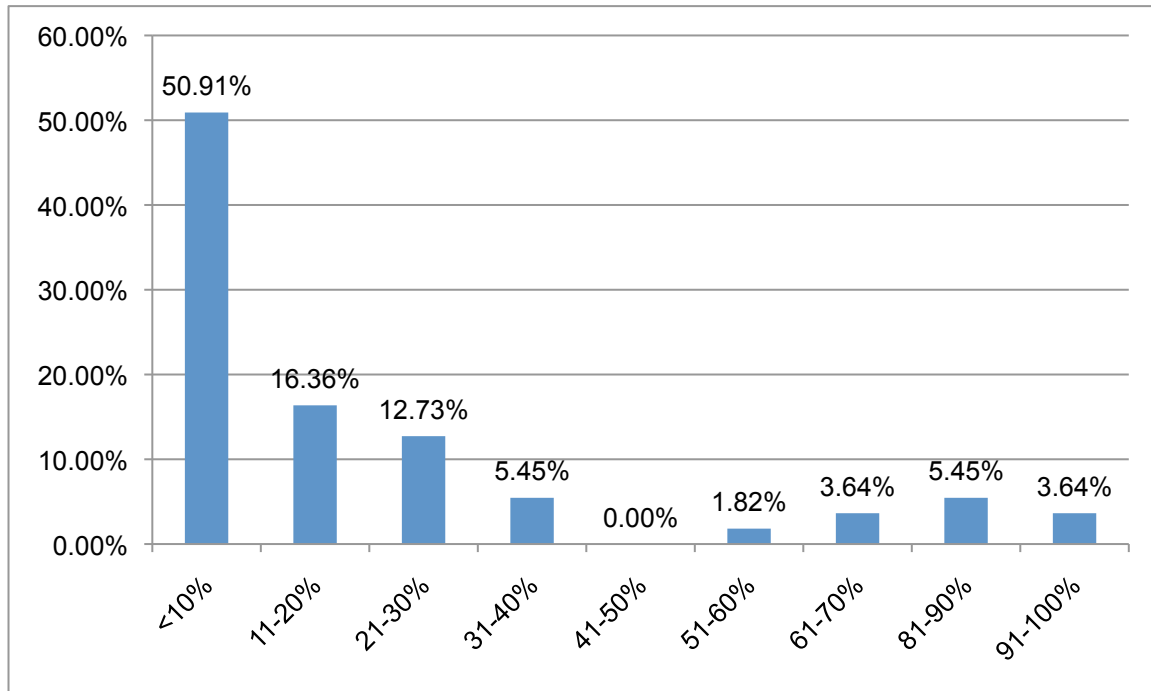
**Finding:** 33% of respondents to this survey state their average response time is under 6 hours. Almost 50% respond in under 12 hours.

**Interpretation:** *Average Response Time* is defined as the average time it takes for a customer to receive a response from your contact center via the email channel.

**Insight:** If your response time is too long you risk losing customer loyalty. Customers may ask the same questions via higher cost channels, such as phone, or purchase from a competitor.

## EMAIL CHANNEL

### Email Deflection Rate



**Question:** What percent of callers are deflected to your email channel?

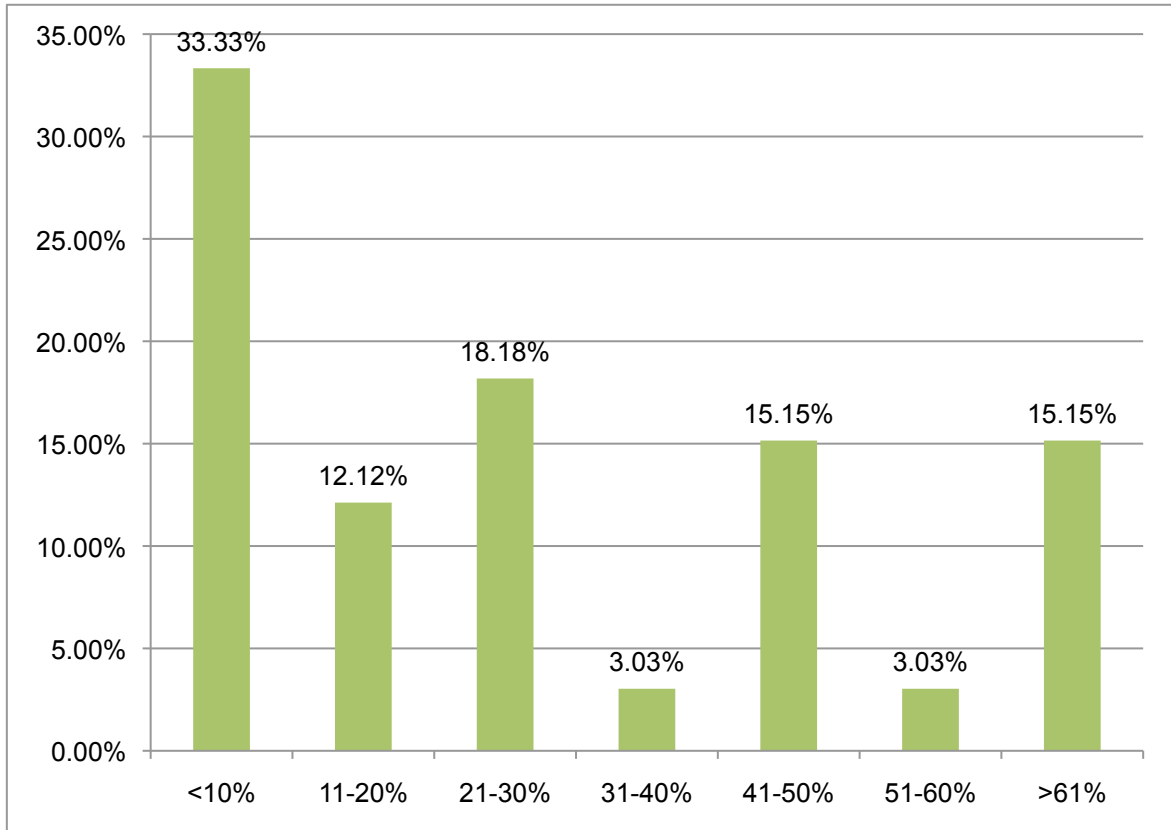
**Finding:** 51% of respondents to this survey state they have an email deflection rate of 10% or less.

**Defined:** *Email Deflection Rate* is defined as the total number of customers who chose to contact you via the email channel instead of placing a phone call.

**Insight:** Organizations with high email response times will typically find that they have a lower than average Email Deflection rate.

## WEB SELF-SERVICE CHANNEL

### Web Self-Service Deflection Rate



**Question:** What percent of callers are deflected to your web self-service channel?

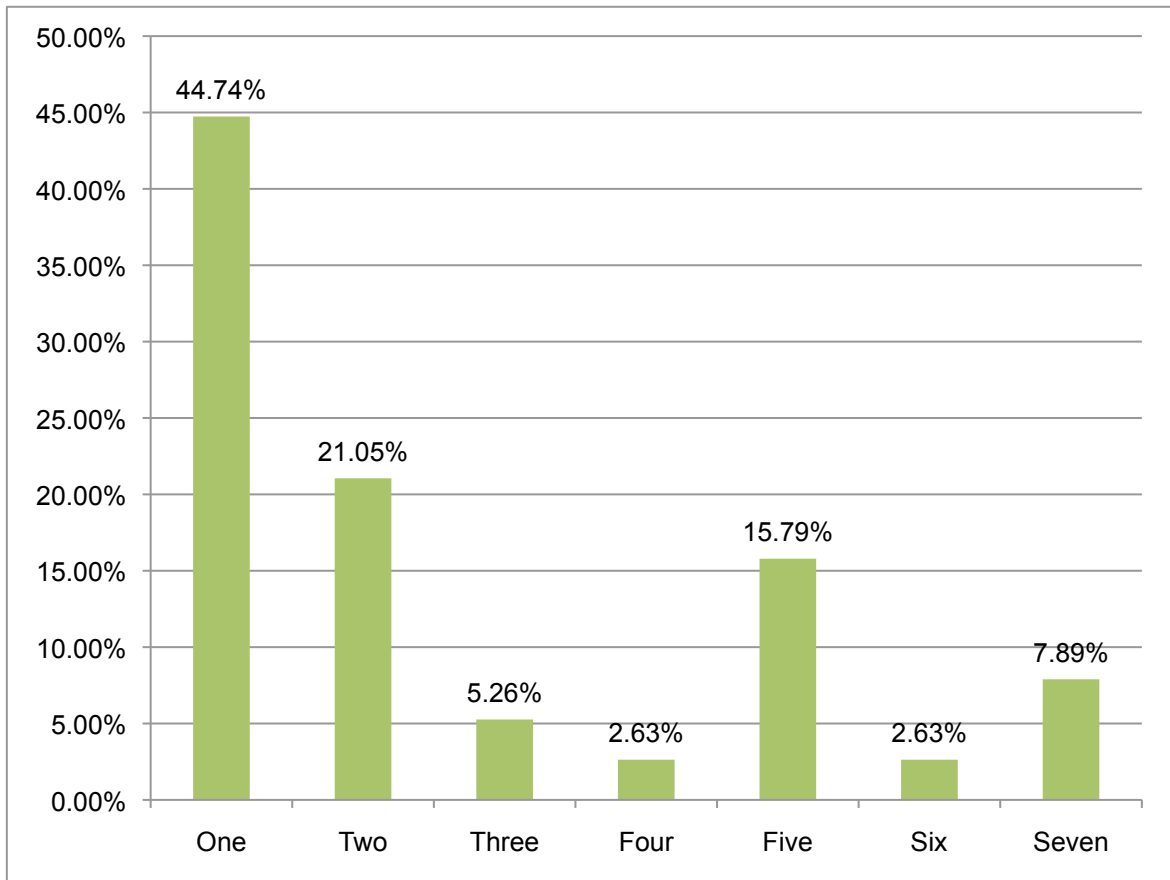
**Finding:** Almost half of the respondents to this survey deflect less than 20% of all calls to their web self-service channel.

**Defined:** *Web Self-Service Deflection Rate* is defined as the total number of customers who chose to answer their question on their own using your web-self service solution instead of placing a phone call.

**Insight:** Web self-service is typically one of the lowest cost channels in the contact center. By deflecting calls from a higher cost phone channel to a less expensive WSS channel, organizations can see a sizable return on investment

## KNOWLEDGE MANAGEMENT

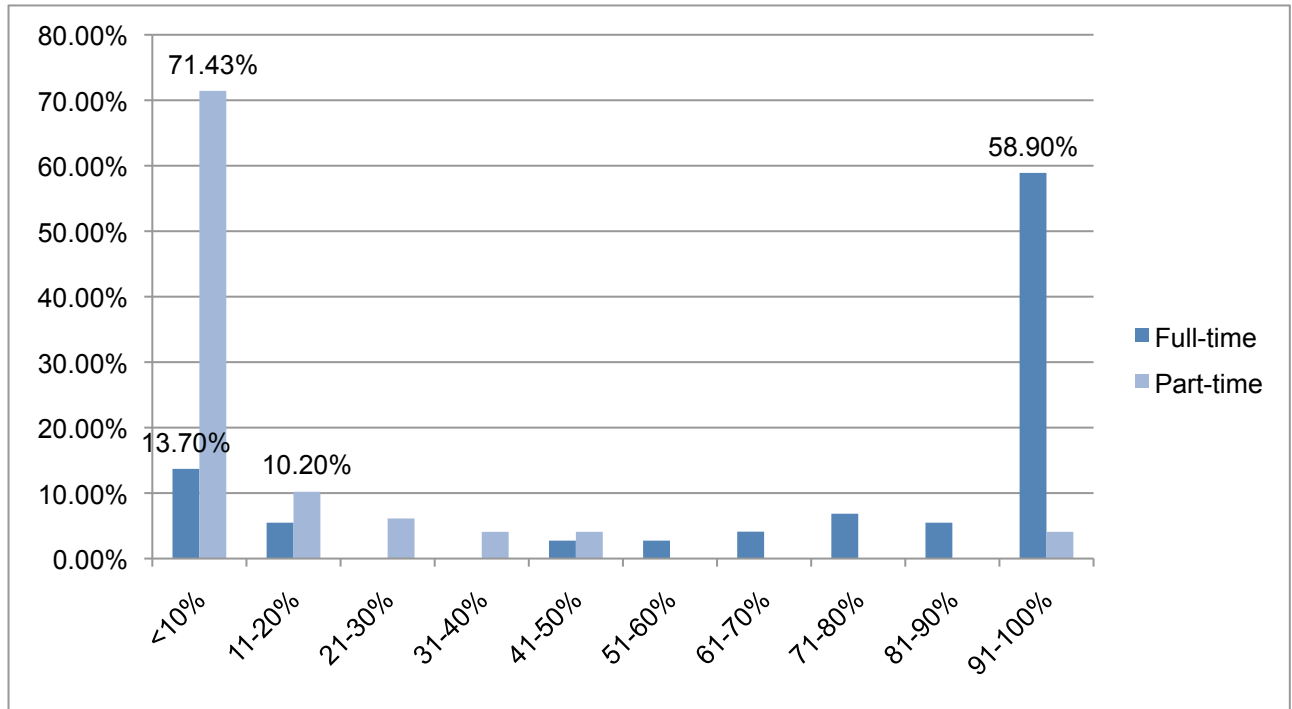
### Knowledge Contributors



- Question:** How many people contribute knowledge to your knowledgebase?
- Finding:** Almost half of respondents to the survey have only one employee contributing to their knowledgebase.
- Defined:** A knowledge contributor is someone who is responsible for creating knowledge that can be used consistently across the organization.
- Insight:** Web self-Service, site FAQs, are the least costly channel for supporting customers. Keeping the content current and relevant is key for this channel to be effective.

## CHAT CHANNEL

### Chat Volume Breakdown



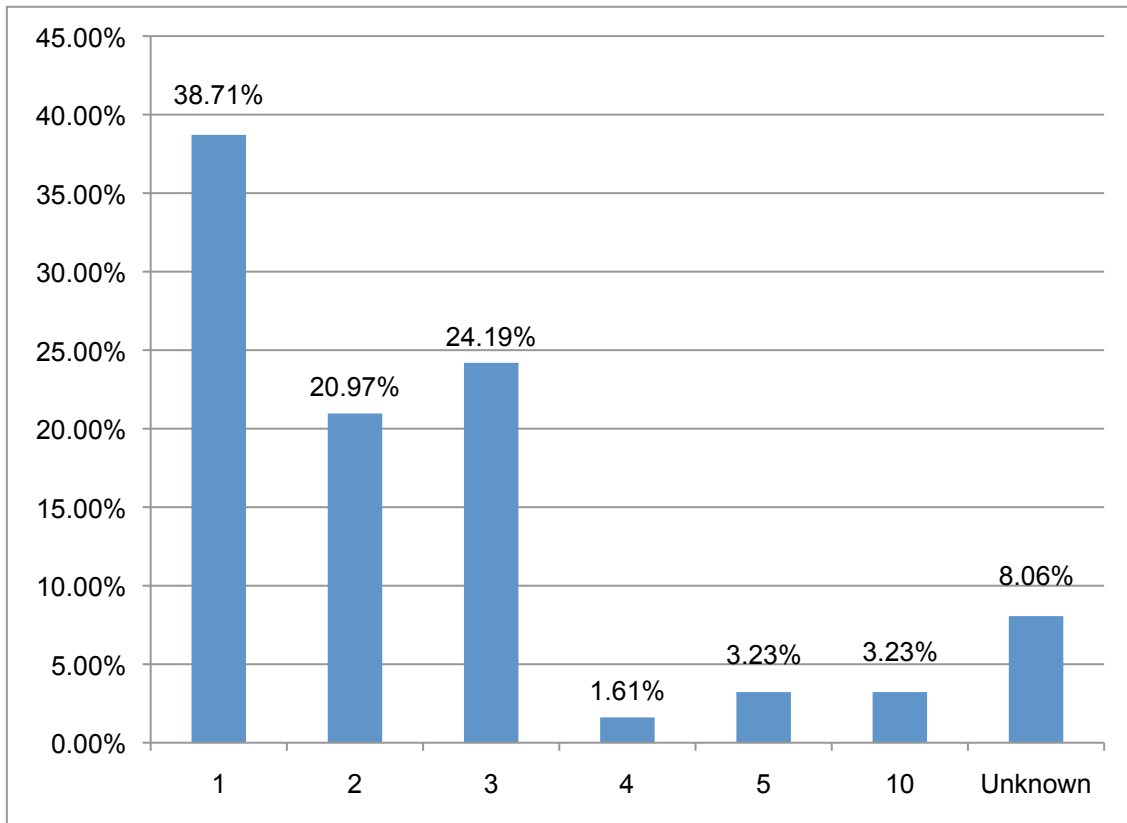
**Question:** Of your total chat volume what percent are handled by full time agents?

**Finding:** Over half of respondents to this survey staff their contact centers with full-time agents. As a result, the majority of all chat interactions are handled by full-time agents.

**Defined:** A *full-time agent* is defined as an agent that works a full workweek of 40 hours.

## CHAT CHANNEL

### Number Chats Handled



**Question:** What is the average number of chats an agent handles at one time?

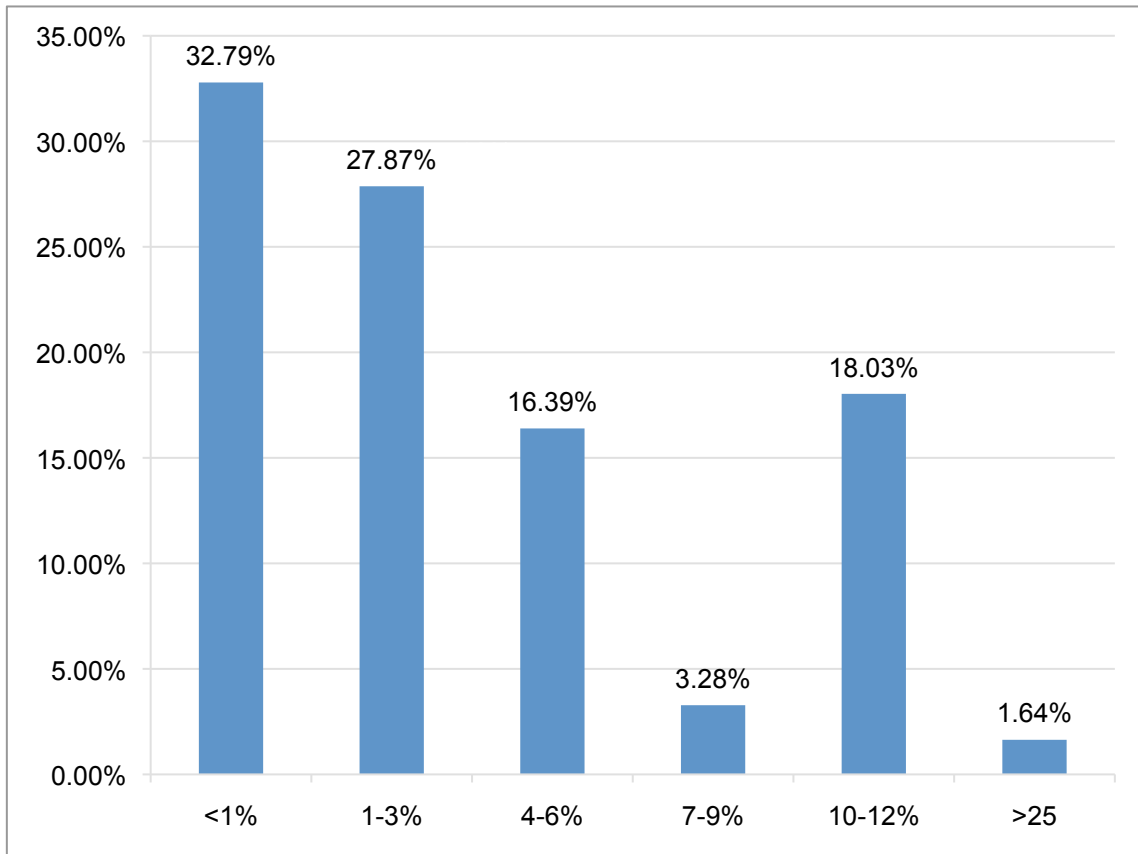
**Finding:** 84% of respondents to this survey handle 1 - 3 chats at a time.

**Defined:** *Number of Chats Handled* is the number of chats that an agent can handle simultaneously at one time.

**Insight:** In order to achieve cost savings, chat agents should have a goal of handling a minimum of 2 chats at the same time. Streamlined desktop, processes and a robust agent knowledgebase and help increase the number of chats at the same time.

## CHAT CHANNEL

### Chat Abandon Rate



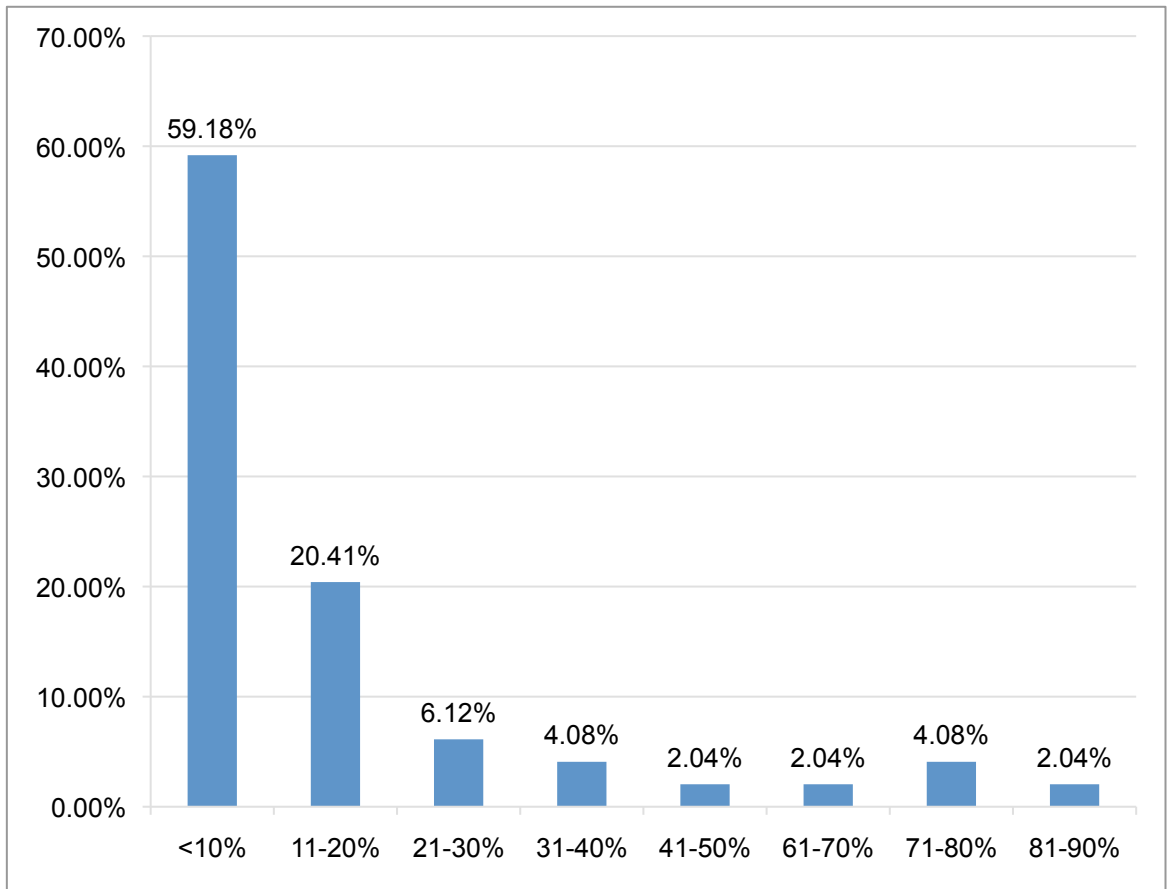
**Question:** What is your average chat abandon rate?

**Finding:** 61% of respondents to this survey state they have a chat abandon rate of less than 3%.

**Defined:** *Chat Abandon Rate* is defined as the number of chats that are abandoned, lost, or disconnected before reaching an agent. It is calculated by taking the total number of abandoned chats and dividing by the total number of abandoned chats plus the total number of answered chats times 100%.

## CHAT CHANNEL

### Chat Deflection Rate



**Question:** What percent of callers are deflected to your chat channel?

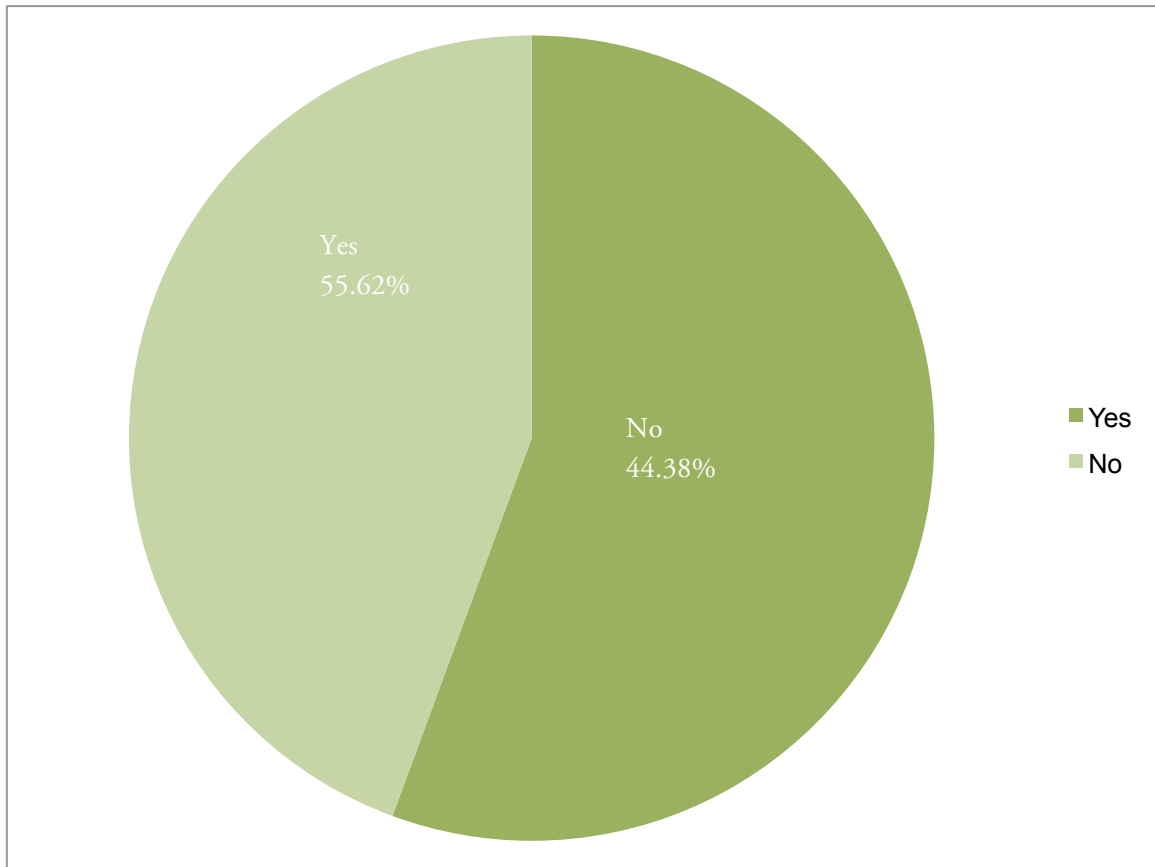
**Finding:** Almost 60% of respondents to this survey state that less than 10% of contacts into the contact center are deflected to the chat channel.

**Defined:** *Chat Deflection Rate* is defined as the total number of customers who chose to contact you via the chat channel instead of placing a phone call.

## FEEDBACK

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### Collect Feedback



**Question:** Does your call center currently have a mechanism to collect feedback?

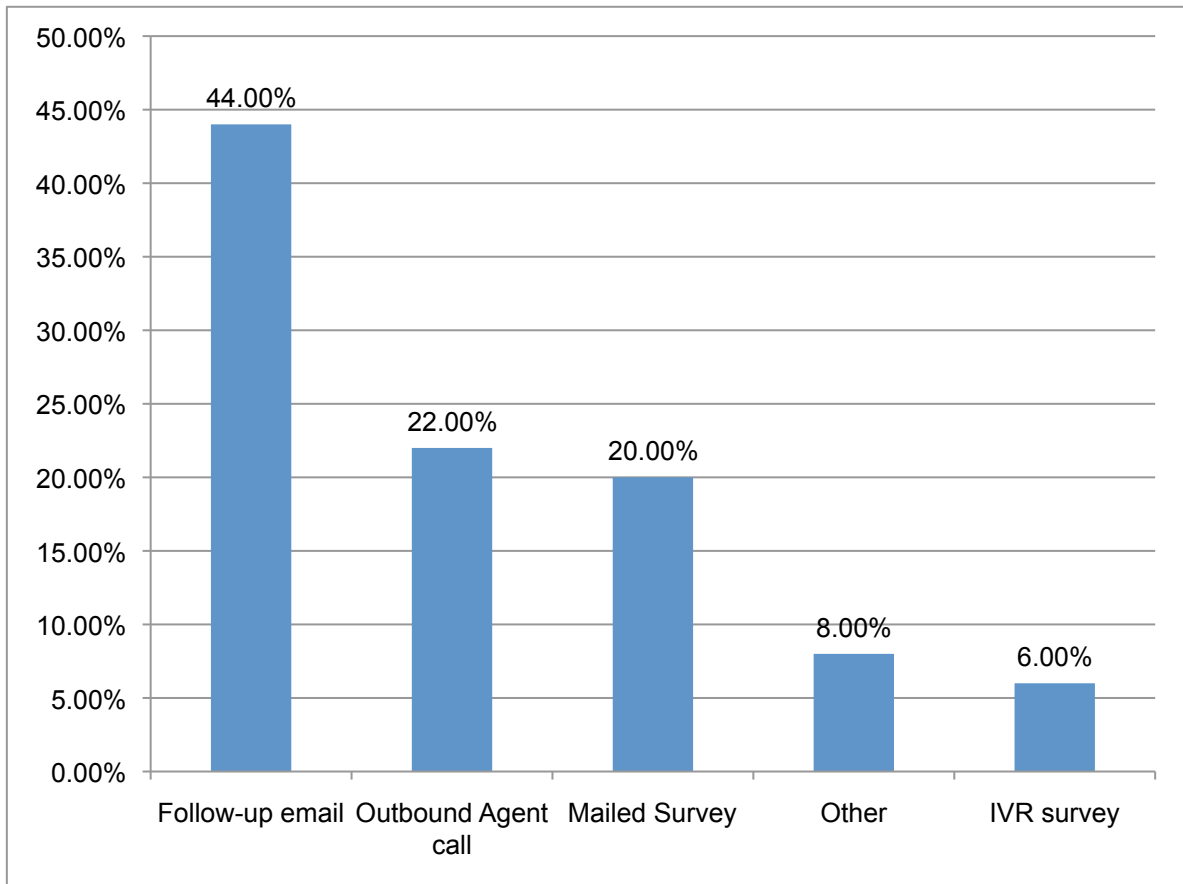
**Finding:** 44% of respondents to this survey have no mechanism to gather feedback and insight from their customers.

**Defined:** Customer feedback based on survey input.

**Insight:** This result is surprising. Collecting feedback is the only way for organizations to listen to their customers to improve customer experience and increase customer loyalty.

## FEEDBACK

### Collect Feedback



**Question:** What mechanism do you currently use to collect customer feedback?

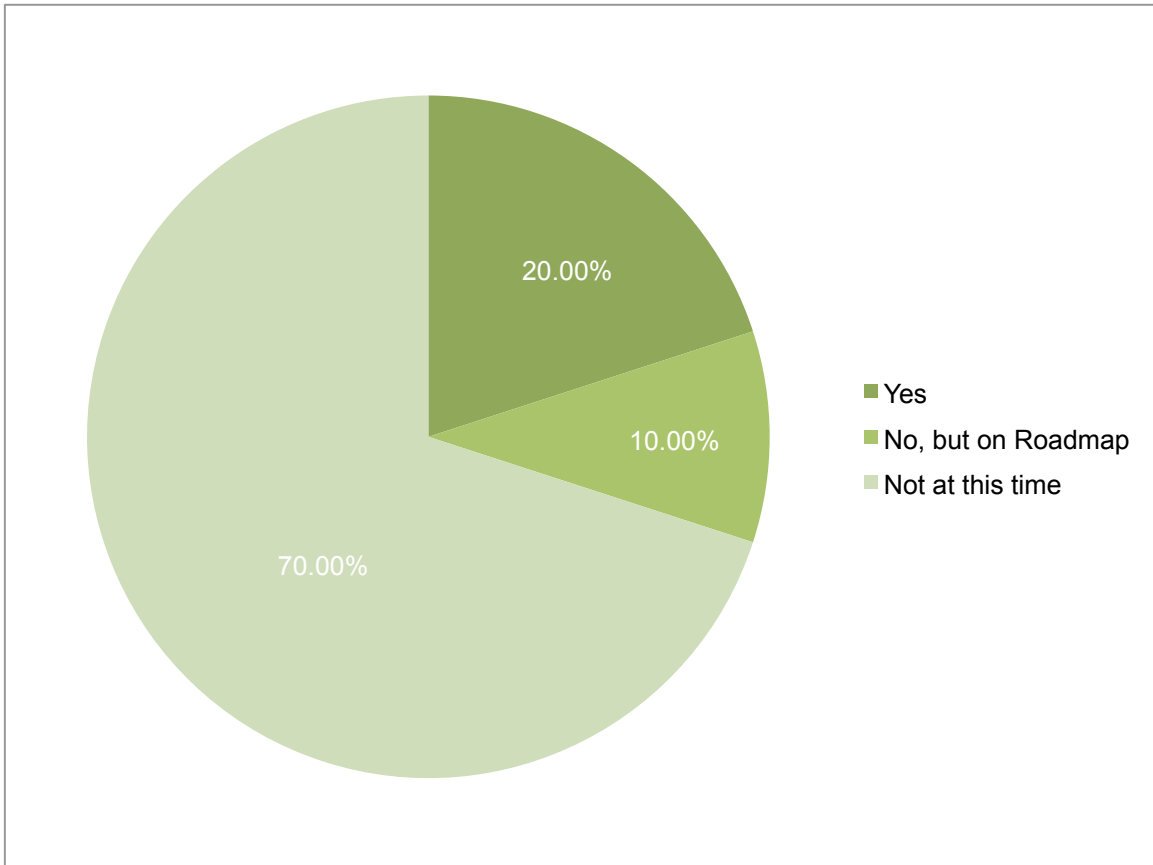
**Finding:** Of the organizations that currently have a mechanism for collecting feedback, 44% use a follow-up email.

**Insight:** Enabling multi-channel feedback is as important to the customer experience as enabling multi-channel choice for customer contact. Customers want choice in the way they communicate with an organization and they want the same choice in the way they provide feedback to your organization. Twitter and other social media sites are fast becoming popular venues for customers to provide feedback to organizations.

## FEEDBACK

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### Net Promoter Score



**Question:** Do you currently use Net Promoter Score?

**Finding:** Only 20% of respondents use Net Promoter Score today to measure customer satisfaction.

**Defined:** *Net Promoter Score* is calculated by taking your total number of promoters minus your total number of detractors times 100%. Promoters are typically customers who give you a score of 9 to 10, Passives 7 to 8 and detractors typically give you a score of 6 or less. The single question asked is How likely are you to recommend to a colleague or friend?

## ABOUT RIGHTNOW TECHNOLOGIES

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