

An **InstantService** White Paper

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Proactive Chat

Best Practices to Energize
Your Business

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THE POWER OF PROACTIVE CHAT

Proactive chat is a powerful tool. By initiating chat sessions with your customers at critical points as they browse your website, you can significantly boost top-line revenue and customer satisfaction.

Businesses around the world have successfully implemented proactive chat to increase sales, boost order values, and build customer loyalty. Consider the following:

- *Dymo* saw a 15% decrease in shopping cart abandonment.
- *Golfsmith* saved 40 shopping cart abandons within the first three hours of using proactive chat, resulting in over \$25,000 in net new revenue.
- *Ritz Interactive* discovered that Internet customers who chatted were three times more likely to purchase *and* had an average order value 40-50% higher than customers who did not chat.
- *REI* reported that 58% of their customers chat prior to purchasing.

To help you realize the full potential of this amazing chat tool, InstantService has identified best practices that, once implemented, will have an immediate and positive effect on your company's bottom line.

We're confident that by applying proactive chat and following these best practices, you can propel your business to even greater success.

1 INTEGRATE WITH WEBSITE ANALYTICS

Although many companies have powerful analytics engines already in place, they are often underutilized. We suggest using your existing applications to identify problem areas on your website, and then applying proactive chat to solve those problems.

Proactive chat events can be tracked just like any other website event. Before deploying chat rules and invitations, take time to integrate your proactive chat events into your website analytics so that proactive offers, acceptances, declines, sessions, and agents can be included in your existing online marketing campaign and conversion reports. Proactive chat events can then be included in reports to measure the effect on bounces, errors, abandonments, customer satisfaction, conversions, and average order values.

Although InstantService provides a highly capable visitor and conversion tracking module that can be implemented within your website code, you may find that it cannot match the capabilities of a proper website analytics system (for example, Omniture, Coremetrics, WebTrends, and Google Analytics).

2 ESTABLISH A/B COMPARISON AND CONTROL GROUP TESTING

Monitoring proactive chat is important not only to recognize its general effectiveness, but also to analyze your techniques for attracting customers to use chat. We recommend using short-term comparison and control groups to test the effectiveness of your techniques.

The most useful proactive chat rules contain a segmentation condition that allows you to easily define and target different segments of your visitor audience. For example, you can design a pair of rules with identical qualifying conditions where Rule A applies to 80% of the visitors (who receive Chat Invitation A), and Rule B applies to the remaining 20% (who receive Chat Invitation B). Because both visitor groups meet the same conditions, you can easily compare the effectiveness of your two different invitations.

Alternatively, you can designate the second visitor group as a control group. In this case, Group A visitors would receive a chat invitation, while Group B would not. You should see a higher conversion rate and average order value for Group A than for Group B.

Note that segmentation is not limited to only two groups. You can easily segment your audience into multiple comparison and control groups by varying the percentages. Comparison testing of proactive

chat can also be managed by integrating it with your content management system (if it has this capability).

3 MATCH THE PROACTIVE MESSAGE TO THE BEHAVIOR AND THE BRAND

It's important to carefully consider the design and content of each chat invitation you offer. Ideally, each invitation should contain a rule that is specific to the visitor's behavior.

For example, you can design a proactive rule to offer assistance to visitors after a product search returns zero results. The chat invitation for this rule should present a clear and pertinent message, such as: "Hi! Would you like help with your search? A product expert is standing by to chat now." Visitors will understand, trust, and accept this message much more readily than a generic message, such as: "Need help? Click here to chat."

By anticipating your visitors' precise needs and providing appropriate chat invitations, you will increase their confidence that your *product expert* (not *sales agent*) can provide helpful advice and save valuable time. Once the invitation is accepted, chat becomes an integral part of the visitor's positive website experience.

It's also important to match the design of your chat invitation with the look and feel of your website. If your invitation has a generic look that's inconsistent with your website's branding, your visitors are less likely to trust it as a service specific to your company.

4 PRESENT YOUR INVITATIONS AT THE RIGHT TIME

Timing is everything! To maximize your sales and customer service potential, it's vital to identify the *magic moment* for launching a chat invitation: that perfect combination of page positioning and customer intent to buy. This moment is the ideal time to encourage your customers to press on to the finish, perhaps by providing added incentives to complete the sale.

What should you keep in mind when identifying the magic moment?

First, be sure to allow a sufficient time threshold before presenting your chat invitation. A ten- or twenty-second threshold, for example, is usually too short. It *may* be sufficient if your visitor has already qualified for a chat invitation via other rule conditions (such as, arriving at your site via a hot keyword,

following a certain click stream, abandoning a process, or experiencing an error); however, if time on-page is your *only* condition for launching an invitation, it's wise to wait a bit longer.

If you want to offer a chat invitation while a customer is on your billing information page, be sure to allow sufficient time to pass *before* making the invitation. Remember that most people spend at least one minute filling out and reviewing their billing details. If your time threshold is too short—only 20 or 30 seconds— you're likely to wind up inviting *every* customer to chat, instead of focusing on those who may require help. A premature invitation can interrupt your customer's purchasing activity, which is both annoying and counterproductive. Instead, try increasing your invitation threshold to 80 or 90 seconds. To help you gauge the ideal threshold, use your website analytics to identify how long visitors usually spend on this page; then add 20 or 30 seconds before greeting those who are taking longer than average and may need assistance.

The placement of your invitation on the webpage is also crucial. Be sure to configure its appearance appropriately, so that form fields remain clear as your visitor completes them.

5 FOLLOW-UP YOUR PROACTIVE INVITATION WITH A REACTIVE CHAT BUTTON

At times, it's impossible to know exactly when your visitors need assistance, so you may wish to offer customers not only proactive invitations but also a reactive chat option that allows *them* to initiate chat sessions.

Remember that some visitors may not be ready to chat at your first invitation. If they need help later on, however, providing a reactive chat link will demonstrate your readiness to provide assistance at their convenience. Be sure to place this link where visitors can easily find it.

If you wish, the reactive chat link can be programmed to appear on the webpage only *after* a visitor has qualified for a proactive rule. You can then offer reactive chat via an invitation with a message such as, "You can chat with us at any time by clicking the **Chat Now** button in the right sidebar." This is a win-win scenario for you and the visitor: qualified visitors can chat if and when they choose, while your agents continue to concentrate on their hottest leads.

The decision to offer reactive chat depends largely on your agent resources. If chat volumes expand beyond what your agents can handle, it may be impractical to present a reactive chat link, which can

flood your queues with unqualified visitors. If you have limited agent resources, use your proactive chat rules to qualify visitors before offering chat.

6 AUTOMATICALLY PASS VISITOR DETAILS TO YOUR AGENTS

Your first contact with customers is crucial; make the most of it! Once a visitor accepts your chat invitation, your goal is to provide the most helpful and efficient service possible. One way to do this is by automatically passing visitor details (current webpage, product category, cart contents, selected form fields, errors, etc.) to your agents. This information allows agents to quickly engage visitors and provide them with specific assistance, instead of bombarding with them with needless information-gathering activities.

Avoid post-invitation forms. Don't require visitors to complete a pre-chat form. Your invitation is perceived as an offer of immediate assistance; considerable drop-off occurs if the visitor clicks an invitation only to be faced with a long information form.

Avoid requesting visitor information during a chat session. The chief goal of proactive chat is to establish communication with your visitor. Customer information should be requested only if absolutely necessary.

It's also possible to pass more detailed information along to your agents through integrating with your authentication process. This information could include the visitor's full name, account number, membership level, email address, and phone number, and so on. Although gathering these details may require additional development work, it will pay off in high customer satisfaction.

7 LIMIT THE NUMBER OF INVITATIONS OFFERED

An invitation offered at the wrong moment can be distracting to customers; offering it over and over again will almost certainly annoy them. To improve customer satisfaction, limit your invitations to one or two per browser session, and limit their frequency by requiring a few minutes to elapse between them.

When creating your rules, use a combination of invitation conditions to control how many times they're offered – for example, if the customer has:

- Not previously declined this rule's invitation or any other
- Been offered this rule's invitation or any other a certain number of times
- Not been offered this rule's invitation or any other within a certain amount of time

8 PROVIDE TIME FOR INVITATIONS TO BE READ AND UNDERSTOOD

When designing your invitations, it's a good idea to select an option to make the invitation automatically dismiss itself after a specific amount of time. In most cases, this should not be less than 20 seconds. The appearance of an invitation can be jarring to a visitor, and he may initially ignore it or fail to recognize its purpose. If you have allowed only 10 or 20 seconds for the invitation to be read, it may fly off the screen just as the customer is about to click it. Therefore, you should show your invitation for 30 seconds or more.

An auto-dismiss threshold also means that if a visitor leaves his computer and returns an hour later, he won't find your invitation still on the screen. If he were to accept the invitation at this point, he would likely find your agents busy with other customers or even logged off for the day. Auto-dismiss saves your customers from this kind of frustration and boosts their opinion of your customer service.

9 APPLYING INVITATIONS BEYOND CHAT

Invitations need not be limited to chat activity. They can also be configured to take your visitors to any web location you choose once they've accepted the invitation. This allows you to support special promotions and provide customized content based on a visitor's behavior.

For example, you may want to design a rule that detects when *Product X* has been added to the cart. You know that when *Product X* is purchased, *Product Y* is a possible cross-sell opportunity, so the rule triggers an invitation offering to show your customer the product details page for *Product Y*.

10 MAKE CHANGES OFTEN

A fully optimized, proactive chat campaign takes time to build. Visitor behaviors change frequently and can be difficult to target and interpret. To take full advantage of proactive chat's capabilities, your rules

should be modified weekly, daily, or even more frequently. We highly recommend that you base your adjustments on the results of your website analytics.

FINAL THOUGHTS

Proactive chat is a powerful tool that can make the difference between completing a sale and losing one. It brings a new level of interactivity and maturity to your website, and the positive customer relationships you subsequently build will set you apart from your competition. The potential benefits of chat are limited only by your imagination—let it go to work for you!

ABOUT INSTANTSERVICE, INC.

InstantService is a leading software-as-a-service (SaaS) provider of proactive chat and email management solutions. Since 1998, our technology and expertise have increased sales, reduced costs, and improved customer service for companies and contact centers worldwide.