Best Practices:
How to Implement Live Chat

Netop presents a set-by-step guide to bringing live chat to your organization's website. In this report, you’ll find an overview of strategic considerations, the challenges to expect along the way, and tips for managing your new chat channel. During the report, Netop will draw from our experience as a market-leading chat provider and share the real-world experiences of our customers. Our hope is to help your organization implement a smooth launch of online chat on your website, for improved conversions, increased online sales and more efficient customer service.
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Best Practices: How to Implement Live Chat

It’s easy to bring online chat to your website. With web-based SaaS solutions such as Netop Live Guide and others, you can start engaging visitors in just a few clicks.

The challenge is to do it well. By implementing chat, you open a new channel for communication, a channel whose success depends on identifying strategic goals in advance, anticipating organizational challenges, delegating channel ownership and determining how to monitor and evaluate the results.

In this report we provide an overview of strategic considerations, some challenges to expect along the way, and also a few tips for managing your new chat channel. Along the way, we’ll draw from our experience as a market-leading chat provider, and also relay the real-world experiences of our customers. Our hope is to help your organization implement a smooth launch and a more productive use of online chat.

Big Picture: How Clear is Your Strategy?

The clarity of your strategy is a fundamental component of your success. To start, consider these three high-level questions below; this will help you identify and allocate the resources you’ll need for a successful implementation.

**WHAT IS YOUR CORE GOAL?**

Will you be using chat to increase website conversion rates? To decrease shopping cart abandonment? To stand out from your competition? We know live chat can do these things. Research shows it can increase conversion by more than 20%, and e-shop performance by 30%\(^2\). It can also increase average purchase value, put your employees face-to-face with online customers, provide more efficient service, and do so in a way that’s better appreciated. Our customers report a fourfold increase in the number of inbound inquiries handled, as well as improved first-call resolution\(^3\).

The benefits are many, and over time you can take advantage of a variety of opportunities as your use of chat evolves. But, when getting started, you’ll be most successful if you choose one core goal and focus your efforts there.

Thus, the first decision to make for your organization is, Which benefit is most important?

**WHO WILL OWN THE CHANNEL?**

In many organizations, numerous individuals and groups have a voice and hold a stake in web-related decisions. Marketing, product, operations, sales, dedicated site teams, cross-departmental site teams... there are lots of cooks in most web kitchens.

From extensive experience, we recommend choosing one group or individual (depending on the size and dynamics of your organization) to be responsible for your online chat channel. In fact, this is another fundamental component of success.

Why? It probably goes without saying that whoever owns the channel will already have certain performance objectives to fulfill, based on their existing
role in the organization. Whatever those objectives are, your core goal for online chat should be among them.

For example, if you plan to use chat as a customer service tool, your customer service or tech support department should own the channel. If your goal is increased conversions or sales, your marketing and sales leaders would be the most appropriate owners.

The chat channel owner will have the tools and vantage point to fulfill their responsibility and meet your core goal for chat. They’ll be able to track the multi-variable metrics on chat performance, gaining insight into how individual campaigns, operators and departments are performing. They’ll have the information to make adjustments to optimize results. They’ll be able to adjust, too, pre-selected messages, forms and the messages that introduce visitors to chat. They’ll be able to control how proactive chat sessions are initiated.

As you choose your channel owner, bear in mind that most fully-hosted chat solutions such as Live Guide do not require intensive technical expertise to set up, administer or adjust. That said, the owner of your chat channel will need access to your content management system (CMS) to deploy the lines of code on your web pages that allow chat buttons to appear, visitors to be tracked, proactive chats to be initiated and analytics to be employed. However, this process should not be technically rigorous. For example, in Live Guide, the code to accomplish all of the above is automatically generated with a few clicks in the Administration Console, and can be easily pasted into your pages.

**HOW WILL YOU MEASURE SUCCESS?**

There are many reasons to bring chat to your site; there are even more ways to define success:

- Converting visitors to registrations
- Converting visitors to customers
- Persuading customers to spend more time on specific pages
- Driving web traffic to your sales funnel more quickly
- Helping registered users log in successfully
- Improving your IT help desk’s first-call resolution rates
- Deflecting phone or email traffic into chat

Once you’ve decided what success means to your organization, the next step is to plan how you’ll measure the results.

Chat solutions like Live Guide provide tools for your channel owner to evaluate how chat is performing across multiple variables, and generate full reports to guide decisions. Statistics like these impart a deeper understanding of how visitors are interacting with your site than can analytics platforms alone. For example, you’ll learn where visitors are most apt to see or respond to offers of help. You’ll also learn what time of day your most active users visit your site, so you can staff accordingly.

There’s another prerequisite to measuring success, which is to determine your current performance baseline. To raise the bar, it’s important to know where it’s currently set. Measuring improvement on your goal metrics is impossible without a sense of how you’re doing currently. Please have your baseline in place before implementing chat.
GETTING STARTED - OLD POINT NATIONAL BANK

Old Point National Bank has 21 branches in Hampton Roads, Virginia, and a history of exceptional service. As part of a continuing effort to improve their sales and service, they decided to add chat to their website.

The goal. “We wanted to provide an immediate outlet for web visitors, to ask questions about products and services,” said Martin Cross, senior vice president for account services at Old Point. “We anticipated that most of these inquiries would come from non-customers, and we envisioned using chat primarily for sales.”

The channel owner. As the director of the bank’s contact center, Cross claimed responsibility for chat. “Because chat is handled by our call center, I took ownership of it,” he said. “But throughout the process – from implementation to the present day – I’ve involved our marketing and electronic banking teams. They’re stakeholders in the channel, as well.”

The operators. Unlike some organizations, which dedicate certain operators to chat and others to phone, Old Point assigned their operators to both at the same time. “Our operators come from our phone center,” Cross said. “They handle online chats and phone calls simultaneously. It works really well for them to transition between phone and chat. At any given time, we have agents logged in to Live Guide, and they can balance the two very well.”

Implementation. The technical launch went smoothly for Old Point. “We were able to add chat to our site quickly. We took the time to create the look we wanted for the chat button and plan where we wanted those buttons to appear. It was very easy to train our operators and get ready,” Cross said.

First results. With implementation, operators began answering questions from non-customers online, then referring inquiries to the nearest branch so they could open an account. “When we got our first referral through chat, within 20 minutes we received confirmation from our branch that the account had been opened. The customer was happy with their chat experience, their transition to the branch and their branch experience,” Cross said. “To see that kind of communication between our back office operations and the branch has been great. Being able to send chat transcripts to the branch, and to track the rate of accounts opened on those referrals, has been a real positive.”

Later results. After implementation and the initial success, Old Point noticed an unanticipated potential for their new channel: customer service. “We’ve found that chats are coming in more often from existing customers than non-customers,” Cross said. “Launching chat opened a door to existing customers too, whose goals for chat were different from ours. We weren’t expecting this volume of service-related chats; we weren’t fully prepared for it. We’re now evaluating how best to provide support to them, as well.”

Continual improvement. Cross keeps a close eye on how, when and where chats are initiated at Old Point, how many chats are lost, and how many offline chat requests they receive, to make sure their channel catches as much traffic as possible. He’s also investigating how best to use chat to respond to online service requests, without compromising security. As with every successful implementation of online live chat, the process is continually evolving.

“When we got our first referral through chat, within 20 minutes we received confirmation from our branch that the account had been opened. The customer was happy with their chat experience, their transition to the branch and their branch experience.”

Martin Cross
SENIOR V. P. FOR ACCOUNT SERVICES
Operators, Departments, Campaigns: the Many Sides to Implementation

Once you’ve chosen your core goal, focused your strategy, decided who’s responsible for the success of your chat channel and determined how to measure the results, it’s time to sketch an implementation plan. In short:

- Who will staff your chat service?
- How will they be organized and supported?
- What sort of campaigns will you use to connect operators with web visitors?

**OPERATORS: HOW MANY WILL YOU NEED?**

We hear this question at Netop on an almost daily basis, and for good reason. Working out the details around staffing is a big part of the early stages of implementation. The two biggest variables in this equation are (1) how will you be using live chat? and (2) what volume of traffic do you want to direct to this channel?

Remember, your answers can change down the road, as your initial adoption of chat will evolve. The nice thing about most web-based, SaaS chat solutions is that they’re easy to scale.

That said, generally speaking, large contact centers start by committing 5-20% of their operators to handle incoming chats. It is possible to begin with a dedicated chat team, but in most cases, customer service representatives and other agents split time between phone, email and chat. Small and medium businesses – especially those without dedicated contact center personnel – generally start with five to ten operators from throughout their organization.

Organizations that adopt chat discover quickly that each operator can handle a greater volume of concurrent inbound inquiries than with telephone or other channels. Scandinavian Airlines, a Live Guide client, reported an immediate doubling in customer service efficiency for agents that were dedicated to chat. Recent research indicates that chat operators can handle between four and five concurrent contacts. This gain in efficiency means that chat can be added as an additional communication channel, without a corresponding increase in head count.

**OPERATORS: WHO WILL THEY BE?**

The profiles of your chat operators should correspond to your core goal for live chat. For example, if your goal is to improve support resolution rates, your support department should comprise the majority of your operators.

However, when you roll out chat, you will find that visitors may have different ideas – the campaign you set up to target support will get some sales inquiries; sales campaigns will face support questions. It’s good to include a few operators from outside your original focus area.

Depending on which chat solution you choose, you may be able to help visitors self-direct to the appropriate operator, simplifying some of your concerns around staffing coordination. Live Guide, for example, lets you create departments and prompt your visitors to choose which one they’d like to connect to when chat is initiated. Also, operators from one department can easily connect with operators from another, either to ask offline questions or to transfer inquiries to the right area.

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**KEY TAKEAWAY:**

Start with 5-10 operators

Staff agents whose organizational roles coincide with your core goal for live chat, but include some operators from other departments as well.
DEPARTMENTS: HOW SHOULD WE DEFINE DEPARTMENTS FOR CHAT?

For the most part, your chat campaign departments will mirror those within your organization. Live Guide defaults to “support” and “sales” departments; those are the ones we see using chat most frequently, and in most companies they’re already included in the organizational structure.

One consideration that many companies don’t anticipate is language. Some chat solutions, Live Guide among them, do support multiple languages. This is a valuable feature, as you may get online traffic from around the globe. If and when you do, it’s important to have defined your chat departments with your visitors’ language needs in mind.

Make sure your operators include in their profiles any language skills they have. When visitors accept a chat request, you can let them select their language of choice; you can also create departmental presets to ensure they’ll have a chat interaction in their native tongue. With your operators’ language abilities clearly designated, your agents can forward chats to someone with proficiency in the appropriate language.

DEPARTMENTS: PREPARING MESSAGES AND FORMS

To get the most from online chat, choose a solution with a robust set of tools. It’s important to be able to create and customize pre-written messages, forms, links and campaign behavior for each of your departments. (Live Guide provides this, along with some basic default messages that can be edited in the Administration Console.) These are the tools that make your operators faster and more efficient at answering questions, resolving end-user issues, closing sales and providing service.

As such, the time you spend crafting, evaluating, editing and improving these messages is an investment in the success of your online channel; in fact it’s another fundamental component of success.

Key takeaway: Take the time, early and often, to prepare, evaluate and adjust the messages and forms you use in each department.

CAMPAIGNS: LAUNCHING YOUR FIRST CAMPAIGN

To be honest, the preparation – setting up messages and forms, and doing all the other advanced work and planning that goes into a successful chat implantation – is not nearly as fun as seeing chat live on your site, and trying it out for the first time.

Choose a logical place on your website for your first campaign. Many companies start with their “Contact” page. Each solution will have its own process for placing the chat button on the page; with Live Guide, you’ll create the lines of code in the Administration Console, then paste them into the page where you’d like the button to appear. Live Guide also lets you customize the graphics of your chat button to mirror the style of your site.

Once your campaign is live and your operators are signed in, you can test the interface. We recommend testing all the pre-written messages, forms and links that you’ve configured for a department, every time you launch a new campaign. As you might imagine, the testing process for a complex campaign is more intensive than for a simple one. Your first time, we recommend keeping it simple.

KEY TAKEAWAY:

Chat departments will in most cases reflect departments within your organization. Consider your web visitors’ language needs when defining departments.

KEY TAKEAWAY:

Take the time, early and often, to prepare, evaluate and adjust the messages and forms you use in each department.

KEY TAKEAWAY:

Keep your first campaign as simple as possible.
GETTING STARTED – APPLIANCE WAREHOUSE

Appliance Warehouse of America is the leading supplier of washers and dryers to apartment communities in the United States. Their business requires frequent contact with customers and residents, with over 3000 inbound inquiries being handled by their contact center each day.

The goal. For over 30 years, Appliance Warehouse has provided service primarily over the phone. When Customer Service Supervisor Victor Gonzales began researching chat, he was looking at the benefits to both customer service and contact center efficiency. “We wanted to engage with our customers and not required them to be on hold or waiting offline for a response from customer service,” Gonzales said. “We are a new service center and we wanted to stand out for the service we provide.”

The channel owner. As the Customer Service Supervisor, Gonzales was the lead in researching, selecting, and implementing chat for the contact center. “One of the first things I did was to attend a Netop webinar about chat.” Gonzales said, “The Netop team immediately followed up to answer my questions.” After attending a product demo and gaining some additional insight as to how chat could be implemented for their contact center, Appliance Warehouse began using chat.

The operators. There were many factors in identifying the first team members to be trained and set up as chat operators: communication skills, typing ability, technical savvy, and attendance. “Because this was a new channel, we chose operators who we knew would plan ahead, who care greatly about their work, and have great communication skills,” Gonzales said.

Implementation. Appliance Warehouse chose to gradually ramp up to chat, dedicating only two operators during their initial few months. “Since it’s web-based, it was easy to add to our site,” Gonzales said. “At first it challenged our operators, but as they learned it and began using things like canned messages it became much easier.” Rather than having chat on their front page, Appliance Warehouse deployed their first chat buttons behind their customer login form. This helped manage traffic in to the new operators as they were becoming familiar with the chat system.

First results. In their first month of using chat, Appliance Warehouse’s operators responded to about 45 inbound chats per day. This traffic was light enough to allow them time to get accustomed to using prepared responses, creating new links and materials to send to customers, and transferring chats. This also gave management the time to get familiar with the available statistics and reports and to use this information to evaluate and adjust chat campaigns. “We’re having our agents who are taking phone calls let our customers know that chat is available on the site after they sign-in,” Gonzales said. Appliance Warehouse will be looking for ways to drive more inquiries to chat - though adjustments to their existing chat campaigns and the creation of new campaigns - with a near-term goal of handling about 17% of their inquiries through the chat channel.

The Unexpected. Getting started using chat was not nearly as daunting as the team at Appliance Warehouse thought it might be. “It was all easy,” Gonzales said. “We thought we’d have to have people come in and help us or install software. It was much easier than we expected – and the features are great.” The combination of a broad feature set, intuitive interface, and simple implementation helped Appliance Warehouse quickly launch their chat channel.

“It was all easy. We thought we’d have to have people come in and help us or install software. It was much easier than we expected – and the features are great.”

Victor Gonzales
CUSTOMER SERVICE SUPERVISOR
CAMPAIGNS: CREATING SUBSEQUENT CAMPAIGNS

After you’ve created a basic campaign and familiarized yourself with the administrator and operator interfaces, it’s time to get creative.

Solutions like Live Guide let you create an unlimited number of unique campaigns. You can also create special campaigns for your email signature, social media, online advertising and electronic documents – i.e., anywhere on the web that you can post a link.

A word about proactive chat: because it’s proven to be effective in increasing online sales, we recommend you deploy it at key points of inflection for your web visitors. For example, where is purchase abandonment in your online sales process most likely? Chat analytics (and other analytics tools) can help you determine the answer. By deploying proactive chat at these points, you can interrupt the abandonment cycle and improve your online conversions.

Proactive chat is also effective at points where your visitors are concluding a service (paying off a loan, making their final lease payment, terminating a policy, etc.). By inviting your visitors to chat, you can take advantage of these opportunities to create a new sale.

CAMPAIGNS: EVALUATING AND IMPROVING THEM

Without evaluation and adjustment, there’s no such thing as best practice. True, now and then a first shot does hit the mark, but more often, success is the result of diligent attention and responsiveness: noticing what works and what doesn’t, and fine-tuning as you go.

This is where having a dedicated chat channel owner becomes essential. In fact, in our experience, every organization that implemented live chat successfully could answer the question: “Who is the channel owner?”

The owner of your chat channel is responsible to schedule and conduct regular evaluations of your chat campaign performance. Equipped with this data, they have the vantage point to make adjustments with the various departments involved in the campaign.

Your chat solution should support them in this process by generating a variety of metrics. For instance, Live Guide tracks every campaign for multiple performance characteristics, which are easily translated into reports, charts and graphs. Your channel owner can thus identify which campaigns are generating the most traffic, the highest answer rate, the greatest content volume, the longest conversations and so on. They can also connect the data through APIs to other analytics systems to track the impact of campaigns on conversions and sales.

KEY TAKAWAY:

Include chat in your social media, email, and advertising campaigns, and consider deploying proactive chat at key points in your sales or service process.

KEY TAKAWAY:

The channel owner needs to evaluate the performance of each chat campaign regularly and make improvements based on that information.
GETTING STARTED - REDWOOD CITY POLICE DEPARTMENT

The police in Redwood City, California, serve an Internet-savvy community of 75,000 people in the heart of Silicon Valley. Knowing that their citizens were visiting the Redwood City website, the police department was looking for ways to improve online service. When they noticed Live Guide video chat on a retail website, they contacted Netop to learn more.

The goal. Redwood City Police leadership wanted to use chat to engage residents in non-emergency situations. “To us, it’s all about customer service,” said Captain Chris Cesena. “We know our residents are looking for resources online. We wanted to use the best available technology to give them better service.” To that end, they decided that video chat – rather than text chat – would create a more personal communication between citizens and officers.

The operators. Like all police departments, Redwood City has a number of light duty officers who are not on patrol; these would act as their operators. Having chosen video chat, the next step was to prepare the operators’ physical environment. “We needed to make sure the officers’ surroundings would look good during chat,” Cesena said. “We checked that the lighting was good, created a backdrop and limited ambient sounds, so video and audio chat would have as few distractions as possible.”

Implementation. The team at Netop worked with the police department’s technical liaison to add Live Guide to the website. The department chose to create a large graphic button on their home page, so visitors would be immediately presented with the option to chat. They also provided clear messaging to let the public know that chat was not intended for emergencies. “We do not intend to replace 911 with chat,” Cesena said.

First results. Consequently, non-emergency communication comprises a large amount of the department’s online traffic, and chat has proven to be an effective channel, letting officers push forms to visitors, direct them to the appropriate web page or transfer them to other departments.

Evaluation and adjustment. For Redwood City, the main measure of success is utilization: how many citizens are using chat? How much traffic does the channel generate? How much demand is there to expand it? Indeed, Redwood City citizens have responded so positively, the police department is now using the analytics tools of Live Guide to evaluate traffic patterns and determine how best to expand the hours when chat is available.

“We know our residents are looking for resources online. We wanted to use the best available technology to give them better service.”

Chris Cesena
POLICE CAPTAIN, REDWOOD CITY, CA
Final Note: Will Your Chat Provider Help with Implementation?

Now that we’ve walked through the initial, strategic steps that lead to a successful live chat launch, there’s a final consideration: what level of support can you expect from your vendor during implementation?

There are many vendors who can offer some form of chat, each with its own features and functions; the interfaces and customization options will vary from one to another. One of the most significant differentiators between vendors, however, is the service they provide, particularly when helping customers implement chat for the first time.

We recommend that you consider your chat provider’s implementation support (as well as their technical support) in your decision-making process. One of the driving benefits of online chat is the ability to provide better service. It makes sense you should expect quality service from your vendor as well.

With that, we conclude. Happy chatting! We wish you a smooth launch, and excellent results.

NOTES:
1. Netop, ITSRx Case Study, 2010
2. Jupiter Research, 2010
5. Jupiter Research, 2010