

# Text chat becoming useful customer service

May 30 2006

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Though it's long been thought that customer service by means of online text chat is too expensive and inefficient to deploy, it's starting to become a useful business tool, according to new research.

Zachary McGeary, associate analyst for Jupiter Research, notes in his recent report, "Customer Service Through Text Chat: Balancing Availability and Value for Customers," that from 2001 to 2005, not only did the amount of users who made use of text chat when available rise, but the amount of text-chat users who were satisfied with it went from 45 percent in 2001 to 58 percent last year.

McGeary said that while universal text chat is still too expensive, making it available in specific areas makes it worth the cost.

"Since about 2000, our initial thoughts remained relatively true, that you're not going to be able to deploy text chat on a widespread basis," McGeary told UPI.

"Text chatting in general is not well suited to managing high volume," he said, noting that agents manning text chats are often doing other unrelated work at the same time.

However, he said, 2003 brought the advent of proactive chat, with the idea being to provide an avenue of interaction with the customer in situations where there is revenue at stake.

"With proactive chat, text chatting becomes available when consumers

are in the midst of a particular transaction," he said. "It's still expensive to provide text chat, but there's an actual money amount added for the service."

Another effective use of text chat according to McGeary's research is automated chat with a built-in knowledge base that engages in a conversation with the customer.

"There's a low cost associated with automation that allows companies to apply text chat nearly universally," he said.

McGeary said that this type of text chat is an option for larger companies with products or services that are confusing to novice users, such as the broadband service providers that have already begun adopting automated chat.

"It's good for companies with a certain set of very common inquiries, simple troubleshooting stuff," he said.

More useful than automated chat might be blended automation, or agent-assisted text chat, McGeary said. With agent-assisted chat, the automation handles everything it can, and passes the chat on to a real employee when the automation is unable to provide what the customer wants.

"Where automation fails, companies can bring in a real person to finish an individual case," he said.

McGeary noted that businesses can use text chat in conjunction with the business intelligence they already have, such as what a customer has previously purchased, to create a better interactivity between the company and customer.

Doing so provides greater service for one group of users but is of no help to a majority of consumers, he said.

"These solutions are actually servicing a smaller and smaller subset of customers," McGeary said. "Text chat is less and less of a universally available service option."

McGeary said that in all, the lesson that should be learned from his research is that text chat is efficient enough to use for customer service only in situations where it's actually leading to new purchases or customer maintenance.

"Automated chat works for larger companies that are able to afford to make the investment to get it started," he said. "Proactive chat works for the sales and marketing realm, for customers who are researching a purchase or ready to make a purchase."

"Proactive chat can work at that point, so the interaction can convert to a purchase."

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Citation: Text chat becoming useful customer service (2006, May 30) retrieved 30 April 2024 from <https://phys.org/news/2006-05-text-chat-customer.html>

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