



## SOLVING ECOMMERCE BUSINESS CHALLENGES THROUGH PROACTIVE CHAT

In today's global economy, businesses are doing all they can to stay relevant with expanding technology in an attempt to reach more customers. As online sales have been projected to reach \$250 billion by 2014, companies are well aware of the necessity of a high-quality website. Despite the fact that most have created streamlined, simplified web pages with excellent customer phone support, it is not enough to fight many of the common problems that are faced by those with a presence in Ecommerce. High shopping cart abandonment rates, low CSAT, high bounce rates, and frequent application abandonment are some of the most common concerns haunting online retailers. More than those issues combined though, are the fear and frustration that set in when customers abandon a business' site, only to purchase from a competitor.

Today's consumers are very technology-savvy when it comes to purchasing goods and services. They shop and interact with the rest of the world using smart phones, tablets, and laptops. Even with their own friends and families, they tend to communicate more frequently through online social networks and text messages, and less over the phone. At the same time, these online shoppers expect the same level of service as they receive in a brick-and-mortar store. According to Forrester Research, when it comes to online shopping, 22% of consumers do not want to make a phone call to have their questions answered. Even in the event that all of the information a customer needs is provided on the site, they often don't have the time or patience to search for it. Instead, they desire the convenience of having their queries—regardless of complexity—answered concisely and instantaneously. If an answer to their question isn't found quickly, 57% of customers will abandon their purchase. Luckily for companies wishing to keep in touch with and aid their evolving clientele, there's a surprisingly simple solution.

### What is Proactive Chat?

Proactive chat is a platform in which agents engage an automated chat window with potential customers based upon pre-defined rules, customer behavior metrics, or an agent's observations. Unlike the 15% return on investment reactive chat (where customers find the chat link and begin a conversation themselves) earns, proactive chat gains 105% return on investment for the businesses that use it, as discovered by Forrester Research. Proactive chat is unique in that it can be regulated so it can perfectly match up with the goals of each business using it. In combination with the agents operating it, proactive chat can serve to create or strengthen a brand image. Forrester Research found that 44% of online shoppers declared that having a real person answer their question in the middle of a purchase is one of the most important features that a website can have. This innovative platform allows your business to meet the needs of your customers in a quick, intelligent, and efficient manner.

## The Benefits of Proactive Chat

Many of the new problems facing businesses have arisen as a result in the way in which consumers have adapted to shopping on the Internet. Phone support and FAQ pages, although helpful to many, don't appeal to those who are likely to abandon their shopping carts or take their business to a competitor. On the other hand, a study conducted by Forrester Research determined that 29% of customers appreciate the option of a chat service. They continued their research to discover the exact reasons why they like it. Their findings state that 51% of shoppers enjoy proactive chat because it allows them to multitask, 46% think it to be the most efficient method of communication, 38% realized its usefulness after using it once, 29% enjoyed that they were in control of the conversation, 21% liked that they could conduct chat conversations while at work, 15% believe that they received better information than if they had called, and 29% find it to be better than an email. Not only is proactive chat popular with customers, it is actually changing the way they shop (in the favor of online retailers).

Shopping cart abandonment is one of the major issues damaging online sales. From 2009 to 2011, the rate of shopping cart abandonment increased from 68% to 72%. Even on the most important online shopping day of 2012, Cyber Monday, the rate was an astounding 78.8%. But in great part to proactive chat, it was the highest online sales day in history. Customers can abandon their cart for a number of reasons, and many site visitors are "repeat abandoners". Forrester research has found that 88% of abandonment cases occur during the checkout stage. Some of the most common questions involve shipping and tax rates, along with the forms regarding billing and shipping information. Allowing chat windows to trigger when a customer seems confused is proactive chat's greatest advantage in ending shopping cart abandonment. In fact, one of the United States' largest insurance and financial services companies reported capturing 30%-40% of clients who had previously abandoned their carts after they implemented a proactive chat program.

The most astonishing features of proactive chat are its cost effectiveness and ability to add to the bottom line. Unlike phone support, chat agents are left free to multi-task. They can handle up to four customers at a time, allowing fewer agents to assist more customers. According to the Live Chat Performance Benchmarks Report for 2012, people shopping on average websites are 8 times more likely to buy, while customers on high traffic web pages are 9.8 times more likely to buy when engaged by proactive chat. Revenue will climb because customers finish orders, and tend to buy more (especially when agents upsell over chat) as well. Higher average order values, higher ROI, greater conversion, and a shortened sales cycle are coveted metrics that are easily attainable through the use of chat.

My Plates, a young company specializing in designing and marketing custom license plates for the Texas Department of Motor Vehicles, is a strictly online retailer. Their client base is web-savvy 20-30 year olds, which made it imperative that they initiate a chat program. After setting up a proactive chat plan with Etech, their 2.5% average conversion rate jumped to 14%, and reaches near 20% most days. The implementation of proactive chat also helped My Plates achieve an ROI of 218% and an average order value of \$275—a tough feat to accomplish in the world of specialty license plates. Their agents are often able to upsell, encouraging customers to upgrade from a one year term to a five or ten year term with the plates.

## Things to Consider When Implementing Chat

While proactive chat is relatively simple to operate when put into action, merely sending out chat requests without regard to situation is a waste of the platform. Creating a set of rules is a necessity in order to create chat window triggers

that will best fit your business, engage the right customers, and accomplish your goals. Creating a cohesive business case is the best place to start to determine objectives and focus upon the needs of target customers. With a plan in mind, determining the chat triggers is a cinch. The most common triggers include the amount of time spent idle on a page, attempts to back out of a form or payment, certain pages or items that contain complex content, pages with high drop-off rates, shopping cart value, and return shoppers who have a tendency to abandon their carts.

It is important that the initiation of chat windows is not overused. Too many of those “Can I Help You?” windows can very quickly annoy and drive away customers who don’t require any assistance. At the same time, don’t keep customers waiting for a response for more than 30 seconds. For some customer service agents, operating chat windows can be more difficult than conversations over the phone. Ensure that your agents are knowledgeable, have extensive product and checkout knowledge, and that they never handle more than four customers at any one time. Keep in mind that proactive chat will support a brand image, and that the grammar and language used will reflect your business, for better or for worse.

## Summary

The rapidly evolving nature of Ecommerce customers makes it necessary for businesses to adapt their web pages to these changes. Customer support over the phone is no longer a preferred method of communication, encouraging issues such as shopping cart abandonment and low average order values, rather than preventing them. The simple, yet highly effective solution lies within the application of proactive chat. In essence, this program stops unwanted consumer behavior before it starts while promoting brand loyalty, providing excellent customer service, encouraging higher average orders, lowering costs, and adding to the bottom line.

## Who Is Etech Global Services?

Etech Global Services is a leading provider of intelligent sales and service solutions utilizing inbound and outbound voice and live chat. They have an extensive history in customer service, and they work very closely with clients to create custom solutions from software to be used in-house to closely regulated programs at onshore, offshore, or near shore locations. For years they have provided services to Fortune 50 companies, and they average 11 million live chats per year. Etech follows a very stringent QA process that ensures their clients are receiving the best service the industry has to offer.

## For More Information

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