



Freshdesk Customer Happiness Benchmark Report 2019



Introduction

“What cannot be measured, cannot be managed.”

At the end of every customer interaction, there is one question that keeps coming back — how good was the customer’s experience; did we match the expectation? And, if you, as a customer support agent, manager, or even the chief customer officer, are blind guessing the answer to this question, then there is no way you can scale or improve your customer support team or strategy.

Quantify your efforts

What you need is a set of metrics that can be quantified so that the decisions and efforts you take towards improving your customer service are always data-driven. You need benchmarks that you can measure these metrics against. To help you do that, we anonymously aggregated behavior and data of 5000 companies, 210,000 agents, and 182 million unique tickets in the last 12 months.

We used this base dataset to identify benchmarks and draw insight in the following key areas.

- Industry-wise benchmarks
- Region-specific benchmarks
- Company size based benchmarks
- Impact of self service and AI on customer service metrics

If there is something specific that you’d like for us to explore or dig into, let us know by tweeting to us at [@freshdesk](https://twitter.com/freshdesk) with [#csbenchmark](https://twitter.com/freshdesk)

Based on Data from

99

Countries

5000

Companies

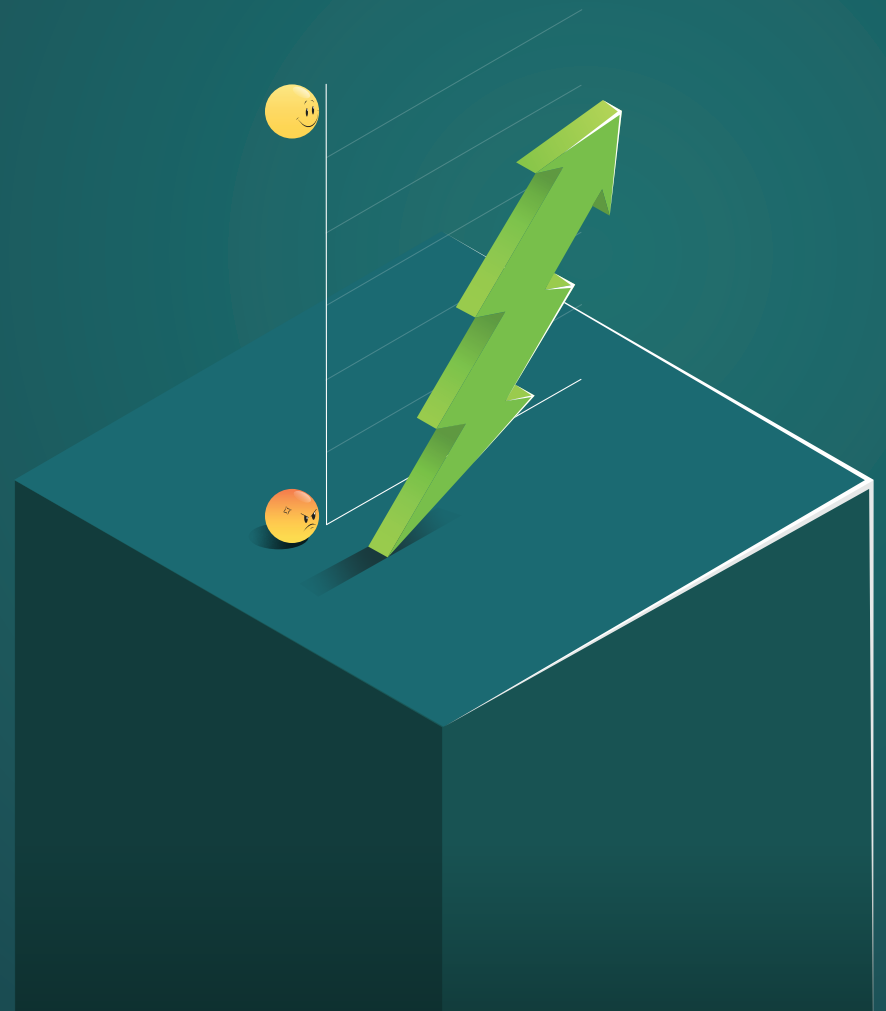
182,000,000

Unique tickets

Table of Contents

Global customer happiness benchmark	4
Benchmark by industry	8
Benchmark by region	12
Benchmark by company size	18
Impact of self service	20
Impact of bots	24
• Bot adoption by industry	27
• Bot adoption by region	28
Email is not dead	29
Impact of ticket volume	31
Closing thoughts	33

Global Customer Happiness benchmark



Global Customer Happiness Benchmark




Customer service has evolved from being just a contact center. Customers now contact businesses on more than one channel — phone, email, chat, social media.

Support agents have become more efficient in handling customer queries through multiple channels, thanks to automations and the assistance from chatbots.

Customer experience is taking center stage and it is the competitive differentiator today. In fact, there is a direct correlation between customer experience and revenue.

Businesses, on the other hand, are looking for ways to delight their customers by constantly reinventing their customer support strategy. Boundaries are being pushed with recent updates like proactive and omnichannel support.

A Direct relationship between CX and Revenue

Revenue potential and CX scores move in lockstep.	Increases in revenue potential get progressively smaller with higher CX scores.	Increases in revenue potential get progressively bigger with higher CX scores.
		
<ul style="list-style-type: none">• TV service providers• Internet service providers• Big-box retailers• Rental car providers• Auto and home insurance providers	<ul style="list-style-type: none">• Wireless service providers• Airlines• Credit card providers	<ul style="list-style-type: none">• Traditional retail banks• Direct banks• Hotels: upscale• Auto manufacturers: mass market• Auto manufacturers: luxury

forrester.com/cxindex

To truly determine whether or not customer service affects the overall business outcomes, you need to quantify your efforts.

Let's get you started, with these seven key customer service metrics.

Average CSAT **79%**

If there's one metric that any business should be tracking to understand the success of its customer service, then it is CSAT. Businesses gather this information by asking customers to rate their experience on a scale ranging from good to bad.

Measurement: The higher your CSAT, the better.

Average Monthly Tickets **566 tickets**

It is indicative of how broken your product is. However it is important to keep the number of incoming tickets low.

Measurement: The lower the number of tickets, the better.

Average First Response Time **7.3 hours***

This metric tells how long it takes for you to respond to your customer once you receive a support request from them. In other words, how long does your customer have to wait before they receive an acknowledgement from you.

Measurement: The quicker you respond, the better.

* The average first response time can vary from one support channel to another.

“A lack of response is a response. It's a response that says, 'We don't care about you very much.'”



Jay Baer

President of Convince and Convert, Keynote Speaker

Average Resolution Time **24.8 hours**

This is the time taken by your support agent to fully resolve a customer query/ticket. The average resolution time tells you how strong your team's product knowledge is, how well you're staffed, and whether you are providing your team with the right tools to help them close tickets faster.

Measurement: The quicker you resolve tickets, the better.

In-queue time **8 hours**

This metric tells how long it takes for a customer request to be assigned to a support agent to handle or resolve it. A good helpdesk takes the manual effort out of the process with the use of automations that let you assign tickets to agents based on their availability, skills, and expertise.

Measurement: The sooner tickets get assigned, the better.

First call resolution (FCR) **78%**

FCR showcases the ability of your support team to resolve your customer's issue in a single interaction. This is calculated by dividing the number of tickets resolved on first contact by the

total number of tickets, multiplied by 100. [Data](#) shows that for every **1% increase** in FCR, there is 1% increase in CSAT.

Measurement: The higher the percentage, the better.

Resolution SLA **93%**

Resolution SLA tells you what percentage of tickets your team has resolved within the SLA that you have promised your customers. This number is a reflection of your customer support team's efficiency.

Measurement: The higher the percentage, the better.

“Any customer that walks away, disrespected and defeated, represents tens of thousands of dollars out the door, in addition to the failure of a promise the brand made in the first place. You can't see it but it's happening, daily.”



Seth Godin

Bestselling author, entrepreneur and agent of change

Benchmark by Industry



Industry-wise Breakdown

This year, we've considered data from 15 industries. Here is a comparison of the key customer support metrics broken down by industry.

Key Observations



Logistics/Transportation is quick to respond to customer queries

Logistics/Transportation has an average first response time of 6 hours and first assign time of 5.5 hours. It does not have a positive correlation to the average CSAT which is the least at 66.3%.



Construction/Real Estate customers are the happiest customers

Construction/Real Estate has the least resolution SLA of 89.7%, however it has the highest CSAT of 87.4%.



Energy resolves customer queries in the first call/response

Energy has the longest wait time at 12.4 hours but the highest first call resolution rate at 83.8%.



Food & Beverage is the quickest to resolve customer queries

Food and Beverage has the longest wait time of 4 hours but also the shortest resolution time of 18.7 hours.



IT/Software takes the longest time to resolve customer queries

IT/Software has the longest average resolution time of 31.8 hours.

Customer service metrics by industry

Industry	CSAT	Avg. First Response Time (hrs)	Avg. Resolution Time (hrs)	First Assign Time (hrs)	First Call Resolution	Resolution SLA
Business Services	82%	7.2	25	7.4	79.1%	93.7%
Construction / Real Estate	87.4%	8.6	25.4	7.3	77.1%	89.7%
Consumer Products/Services	72.6%	6.8	21.2	7.8	82.1%	92.2%
Education / Government / Non-profit	85.7%	9.5	25.3	7.4	76.6%	92%
Energy	71.6%	12.4	24.6	6.8	83.8%	91.6%
Finance / Banking / Insurance	76.1%	7.8	22.5	7	77.5%	91.4%
Food & Beverage	85.8%	8.1	18.7	14	81.9%	92.7%

■ Best/Highest ■ Worst/Least

Industry	CSAT	Avg. First Response Time (hrs)	Avg. Resolution Time (hrs)	First Assign Time (hrs)	First Call Resolution	Resolution SLA
Healthcare	76.8%	9.3	24.9	7.6	81.5%	92.2%
IT / Software	81.7%	6.8	31.8	6.5	76.7%	93.2%
Logistics / Transportation	66.3%	6	23.7	5.5	77.2%	90.5%
Manufacturing	75.9%	8.3	26.2	6.3	80.2%	91.9%
Media / Internet	80.4%	7	24.2	11.6	80.3%	92.1%
Retail	73.6%	7	22.4	10.4	78%	93.5%
Telecommunications	75%	6.6	26.7	5.9	80.2%	93.5%
Travel / Leisure / Hospitality	75%	7.7	24.3	8.3	79.7%	89.8%

 Best/Highest
  Worst/Least

Benchmark by Region



Country-wise Breakdown

In the Customer Happiness Benchmark Report 2018, we had discussed how customer expectations vary from one region to another due to their cultural influences and how this has a direct effect on the customer satisfaction scores. Let's look at how different countries have fared this year.

Key Observations



Belgium takes the longest time to begin working on customer requests

The average first assign time of Belgium is 110.8 hours. However, this has not dragged any of the other metrics down drastically.



China is slow to respond and resolve customer requests

Though China's average first response time is at 43.9 hours and their average resolution time is 208 hours, they have managed to adhere to the resolution SLAs by 86.3%.



India delivers on its service level agreements

India has the top resolution SLA at 98.5% but it is interesting to note that despite such a good record they have poor CSAT.



Italy isn't good at one-touch resolutions

The average first call resolution for Italy is 67.7%. Similar to Belgium, this has not impacted any of the other metrics greatly.



Qatar leads the way in customer satisfaction

The average CSAT for Qatar is 99.6% and they are able to provide resolution in the first contact itself. Their first call resolution is at 94.1%.



Singapore lags behind in customer satisfaction

The average CSAT for Singapore is the lowest at 58.2% but their first call resolution and first response rate are not worrisome at all.



Switzerland resolves customer queries the fastest

Switzerland provides resolution in 10.5 hours but this doesn't seem to have a great impact on its CSAT.



UAE has the least resolution SLA

The average resolution SLA for UAE is at 55.6% though they have the shortest assign time at 1.6 hours.



The United States is quick to respond to new customer requests

The average response time for United States is just 2.8 hours.

“Sometimes what looks like a clear difference in satisfaction is not. What you might be seeing is a cultural difference that skews how people respond to a survey. And surface similarities in consumer responses may be hiding important underlying distinctions.”



Dawn Iacobucci


Professor of Marketing, Vanderbilt University

Customer service metrics by region

Country	CSAT	Avg. First Response Time (hrs)	Avg. Resolution Time (hrs)	First Assign Time (hrs)	First Call Resolution	Resolution SLA
Australia	82.3%	9.8	36.9	10.3	71.4%	94.2%
Belgium	78.6%	15.2	61.9	110.8	70.5%	96.8%
Brazil	78.1%	7.9	46.5	9.1	72.3%	92.3%
Canada	82.5%	6.3	23.4	9.1	77.7%	93.1%
China	75.0%	43.9	208.0	62.0	69.3%	86.3%
France	72.6%	9.1	30.1	7.2	75.2%	93.5%
Germany	81.1%	3.8	30.0	11.1	74.6%	94.6%
India	58.7%	4.1	20.5	8.6	80.4%	98.5%

■ Best/Highest ■ Worst/Least

Country	CSAT	Avg. First Response Time (hrs)	Avg. Resolution Time (hrs)	First Assign Time (hrs)	First Call Resolution	Resolution SLA
Ireland	81.8%	8.5	32.2	4.1	90.6%	89.9%
Israel	73.8%	17.5	96.8	1.7	86.5%	79.1%
Italy	79.4%	7.7	23.9	7.7	67.7%	85.6%
Mexico	78.2%	10.0	21.7	9.5	79.1%	93.0%
Netherlands	77.9%	9.0	25.3	8.7	80.0%	91.9%
New Zealand	84.8%	6.9	29.8	15.2	70.7%	91.6%
Norway	82.0%	8.3	23.4	8.0	77.9%	92.7%
Poland	80.0%	6.8	37.2	7.7	77.0%	95.2%

 Best/Highest
  Worst/Least

Country	CSAT	Avg. First Response Time (hrs)	Avg. Resolution Time (hrs)	First Assign Time (hrs)	First Call Resolution	Resolution SLA
Qatar	99.6%	6.9	11.7	17.6	94.1%	89.1%
Singapore	58.2%	8.0	28.5	6.7	82.3%	89.5%
South Africa	81.6%	4.0	11.8	5.2	77.2%	94.6%
Spain	72.7%	8.1	17.7	10.5	79.9%	96.2%
Sweden	85.7%	5.6	17.2	10.8	72.2%	92.4%
Switzerland	70.1%	4.9	10.5	11.0	92.5%	98.3%
United Arab Emirates	66.5%	20.9	114.2	1.6	85.7%	55.6%
United Kingdom	82.8%	10.1	18.7	7.8	77.6%	94.6%
United States	84.3%	2.8	17.9	8.8	69.9%	97.4%

■ Best/Highest
 ■ Worst/Least

Benchmark by Company Size



Company Size Breakdown

Smaller companies, particularly those with an employee count of 11-100, are better at delivering customer service than the bigger companies. However, once companies reach a certain scale, their customer service tends to take a hit. This is evident from the metrics for 1001-5000+ companies.

Customer service metrics by company size

Company Size (by employee count)	CSAT	Avg. First Response Time (hrs)	Avg. Resolution Time (hrs)	First Assign Time (hrs)	First Call Resolution	Resolution SLA
Less than 10	79.40%	6.7	21.8	10.5	81.70%	93.50%
11-100	78.20%	6.8	23.9	7.9	78.50%	93.20%
101-500	79.30%	8.1	26.5	7.2	78.10%	91.80%
501-1000	82.60%	7.8	25.3	7.6	76.30%	93.40%
1001-5000	75.70%	8.7	29.7	9	76.40%	90.30%
5000+	72.60%	8.4	29.8	5.9	75.10%	90.90%

■ Best/Highest ■ Worst/Least

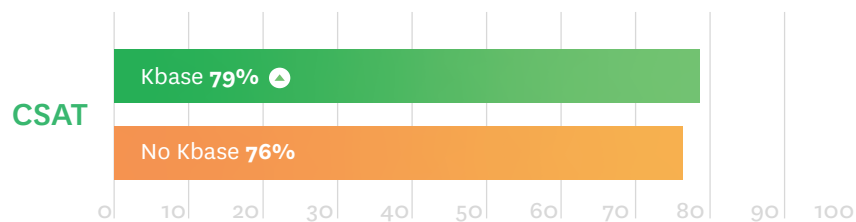
Impact of Self Service



Impact of Self Service

Customers expect on-demand customer service. They want information to be available anytime, anywhere they need it. And over the last year, we have often stressed on the importance of self service (that includes knowledge base, community, forums, bots, etc.) because we have been observing a shift in customer preferences from [traditional one-on-one support channels to self service](#).

In this section, we'll be focusing on one key aspect of self service — the knowledge base. We've noticed that all key customer happiness metrics are better for companies who have adopted this into their support strategy.



If customers weren't able to find the information they were looking for, here are some of the key issues you need to fix.

- Insufficient information
- Disorganized information
- Not search optimized
- Excess information
- Outdated information

“Self-service customer service is not only acceptable, it's expected.”



Shep Hyken

Customer service expert, keynote speaker and bestselling author

”

There is more to self service than helping your customer happiness metrics look good. Here's why you should adopt it into your support strategy if you haven't done it already.

- Self service adoption is an indicator of how customer-centric your organization is. It shows how much you understand your customers, the challenges they face and how well you design solutions that address their issues.
- Contrary to popular belief, self service doesn't weaken the role of your support agents but enables them to focus on bigger, more complex customer requests.
- It empowers customers to solve their product-related issues at their own pace. They can be sure that reliable solutions are available within arm's reach.
- It is also a great way to build customer loyalty. It encourages customers to share their product expertise

with fellow customers and helps them resolve their issues. A great example of a brand that provides support only through self service portal and their user community is [Mozilla](#).

- It instills ownership in customers/users and allows them to help you shape your product. Win-win!

Superhuman Customer Service?

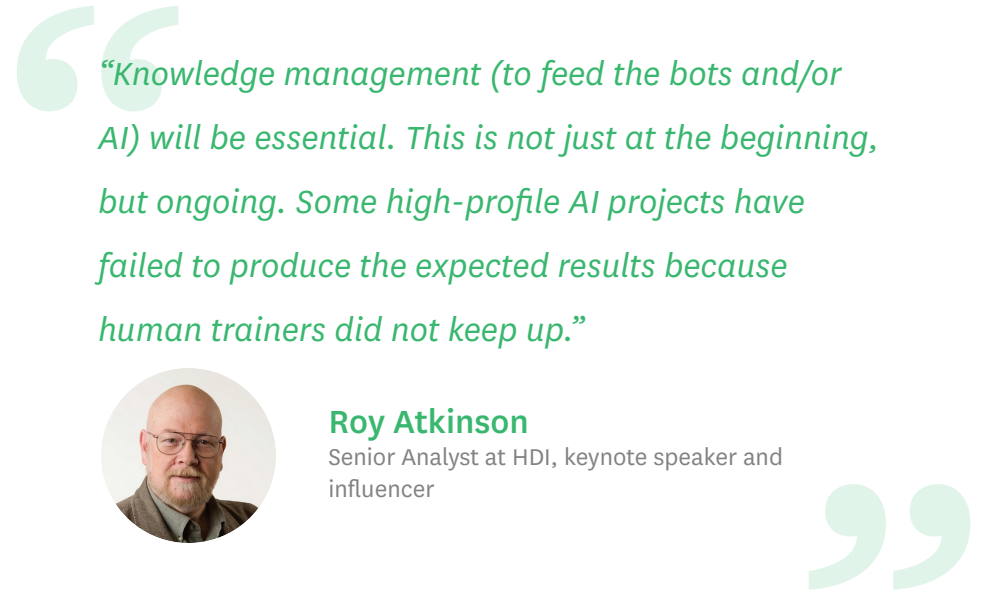
AI was expected to transform the way we do customer support, in a drastic manner. However, here are two roadblocks that held it back.

Insufficient information

AI is heavily dependent on data. The more information you feed it, the more efficient it will be. With data governance issues cropping in, most businesses were not data-ready.

Complex and confusing

The ability to explain the nitty gritty of AI and the ability to audit it is limited. This has resulted in many business leaders not being able to understand or trust AI. However, with quick advancements in AI and ML, we know things will only get better from here.



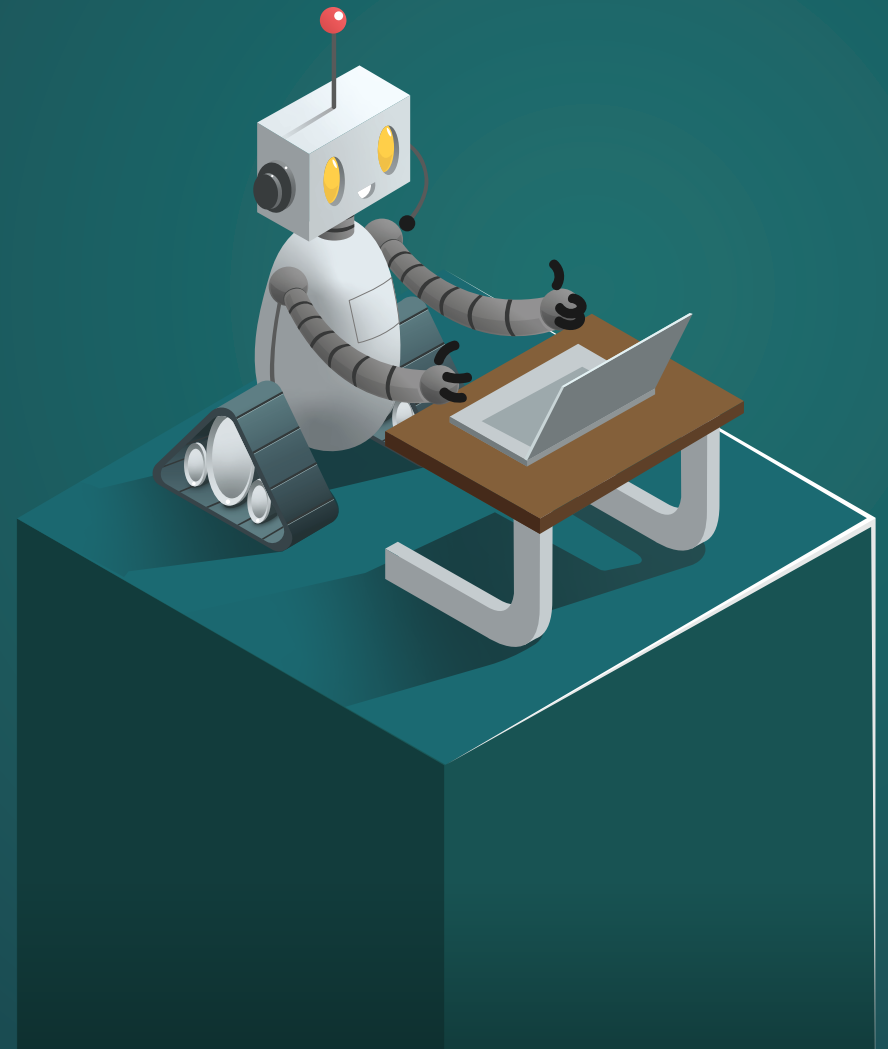
“Knowledge management (to feed the bots and/or AI) will be essential. This is not just at the beginning, but ongoing. Some high-profile AI projects have failed to produce the expected results because human trainers did not keep up.”



Roy Atkinson

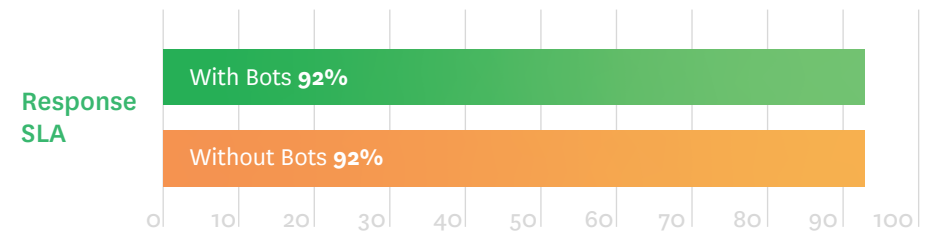
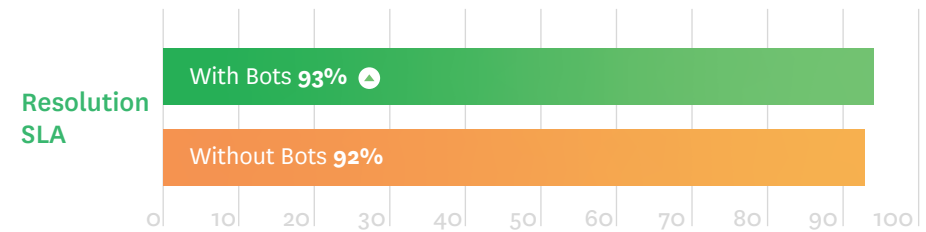
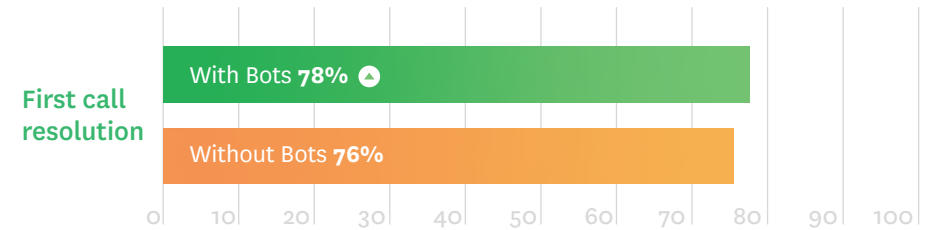
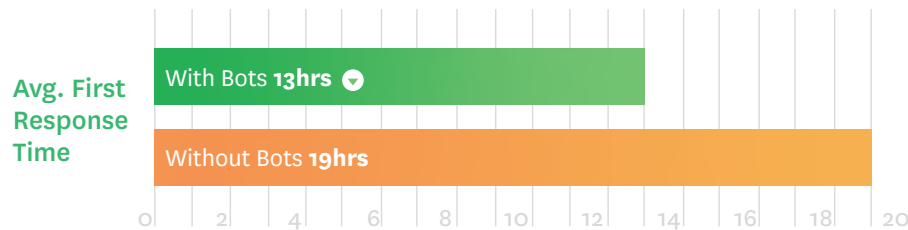
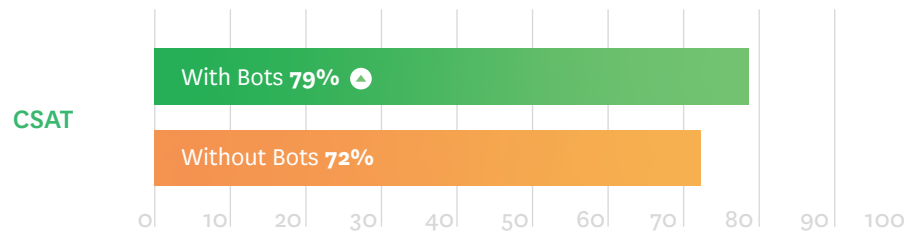
Senior Analyst at HDI, keynote speaker and influencer

Impact of Bots



Impact of Bots

AI-enabled chatbots are helping businesses of all sizes improve customer service by automating some of its functions. These include answering how-to questions (or L1 tickets) and being available round the clock to provide support



Data shows that companies that have adopted bots into their support strategy have begun to reap the benefits. Their CSAT is at par with the benchmark at 79%. The average first response time is down by 6 hours.

Will bots replace human agents?

Our answer is a definite no because you can't train a robot for all eventualities. But you can definitely train them to handle L1 tickets which make up for nearly 80% of customer requests. L1 tickets include setting appointments/demos, managing service status enquiries, or troubleshooting technical details.

Customers today are digitally connected and they expect an omnichannel approach to their interactions with businesses. They expect the convenience that comes with being able to access self service or receive help from a bot. They also want to talk to a human agent when the problem at hand is complex. Companies, thus, need to take a blended approach to customer service — bots can be the first line of defense, responding and resolving L1 tickets, while agents can take care of the more complex issues that require human intervention.

To leverage the capabilities of a bot or your AI engine for customer support, you need to ensure that your self service* is

up-to-date, well organized, and optimized for AI. At Freshworks, we revamped our knowledge base to [scale support for 150,000+ customers using AI](#).

** Creating intelligent conversational content is a big part of getting your chatbot strategy right. Information needs to be served in conversational units such as question-answer pairs or thread-title replies.*

For more information on how to build these conversational units, drop us an email at hello@freshworks.com

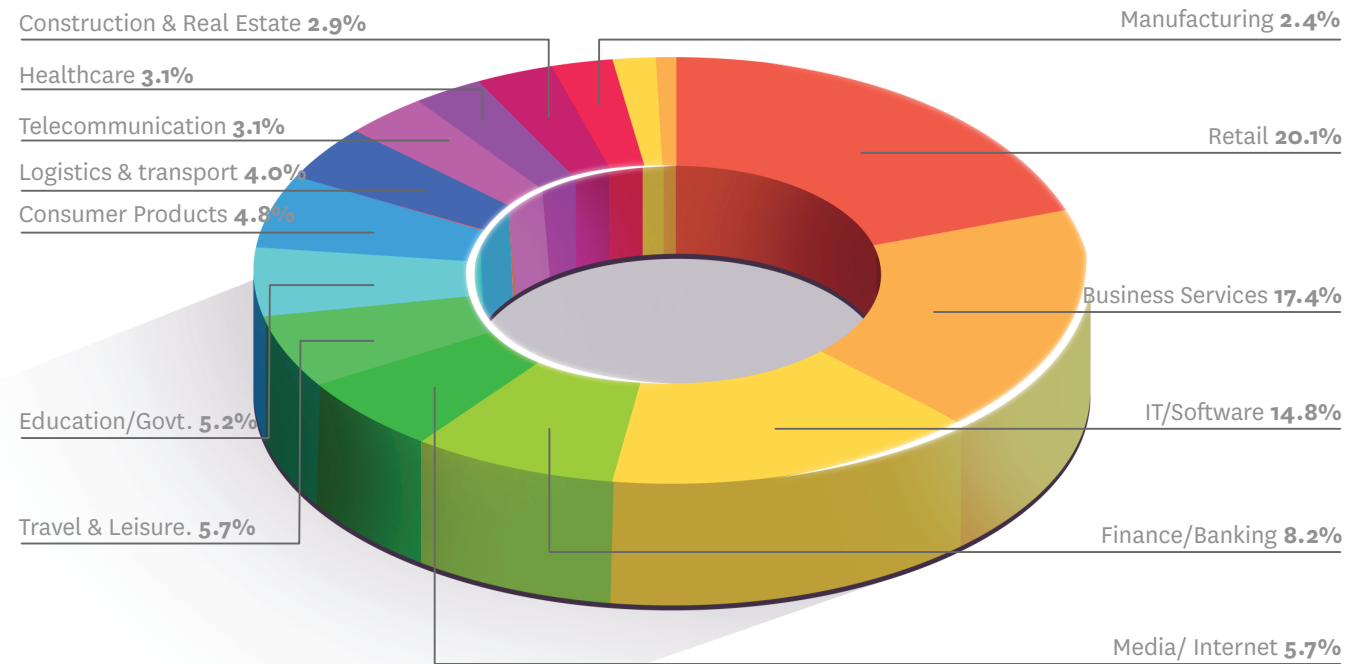
Bot adoption by industry

Leaders:

- Retail
- Business Services
- IT / Software

Laggards:

- Energy
- Food & Beverage
- Manufacturing



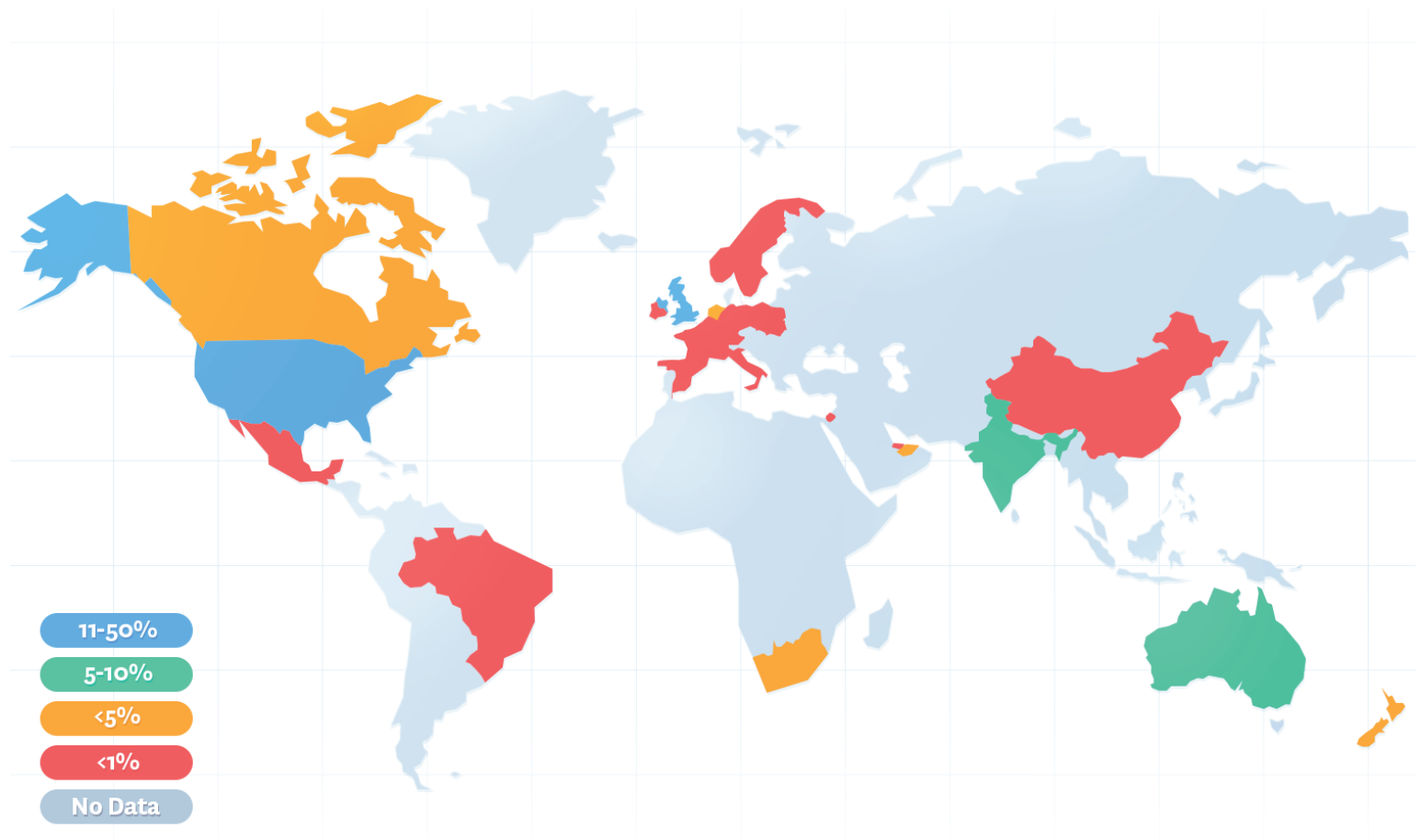
Bot adoption by region

Leaders:

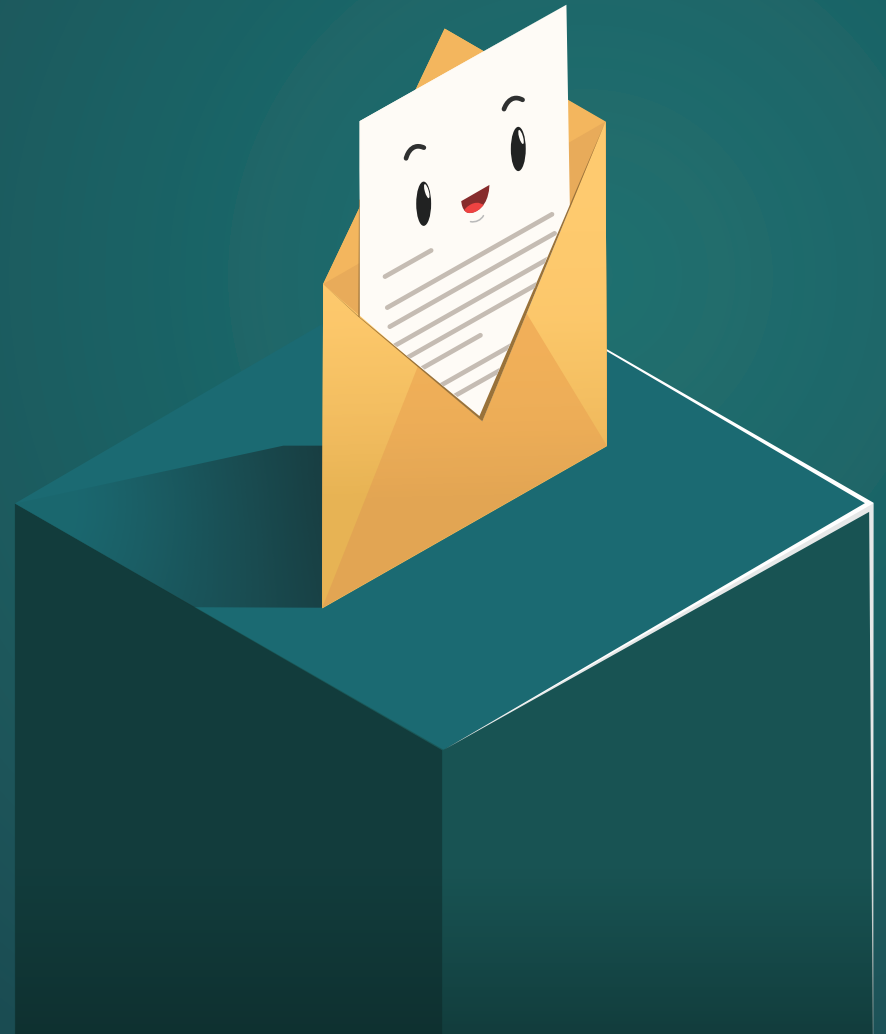
- United States
- United Kingdom
- India

Laggards:

- Mexico
- Norway
- Switzerland

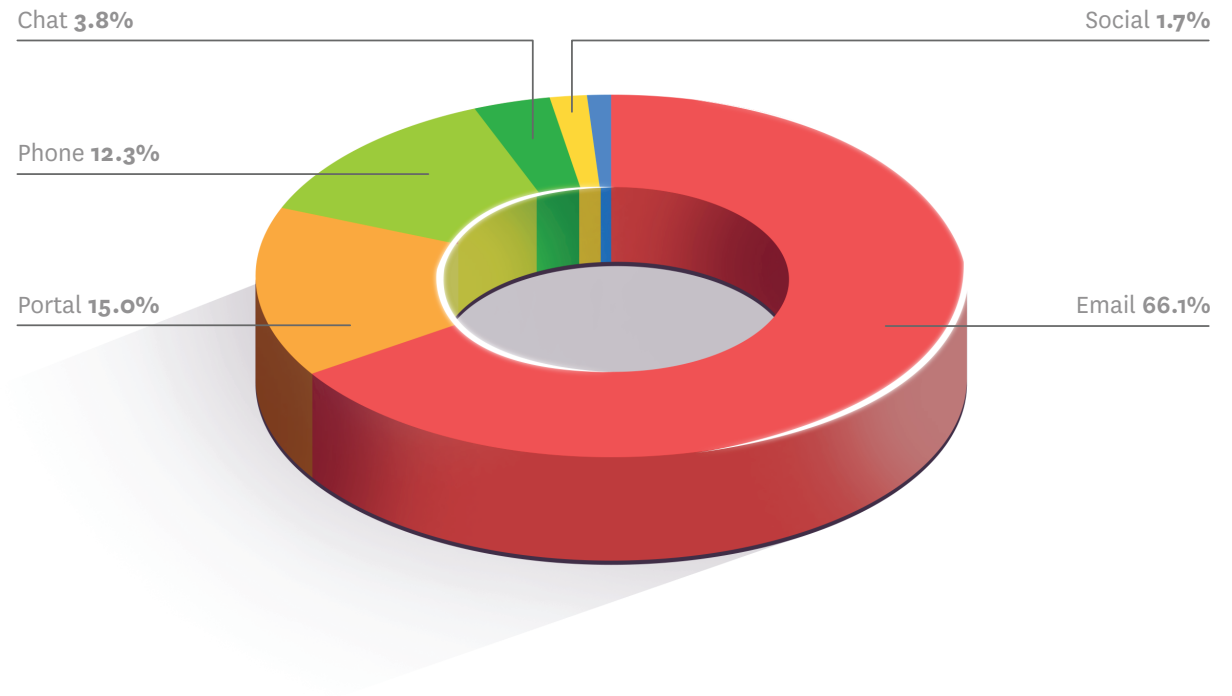


Email is Not Dead



Email is Not Dead!

Customers today interact with businesses across multiple channels. And popular belief has it that emerging support channels such as social and chat are the preferred channels of support. However, data tells us otherwise. Emails have the biggest share of the ticket volume at 66.1% and social media has the smallest share at just 1.7%.



Impact of Ticket Volume

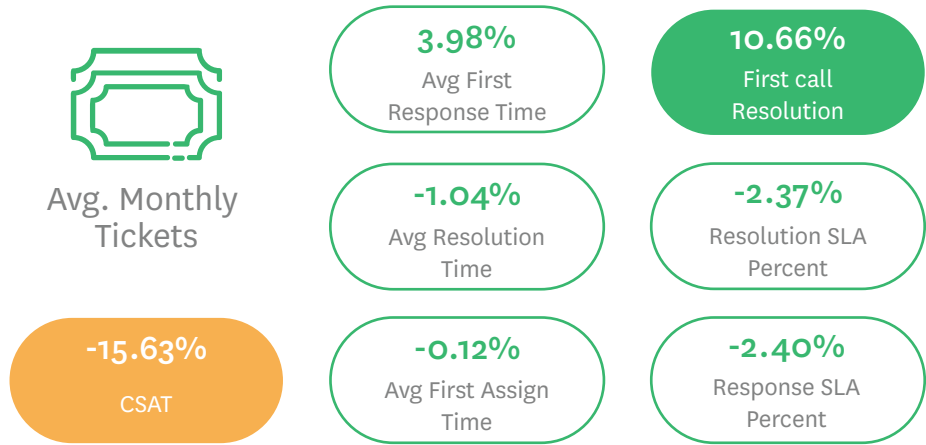


Ticket Volume Trends

More support tickets can seem like a good problem to have. It means that you are accessible on multiple support channels and customers are invested enough to reach out to you and have their issues addressed rather than switching brands. On the flip side, it also means that your product is either broken, is complex to use, or your self service portal is falling short.

But does that impact customer service metrics? We did the math and found that ticket volume is correlated to one customer service metric — first call resolution. That means the higher the ticket volume, the more difficult it gets to resolve them in the first response.

Correlations



Closing Thoughts



Closing Thoughts

While the Freshdesk Customer Happiness Benchmark Report 2019 provides a quick glance of customer preferences and expectations from across industries and countries, here are a few takeaways.

The case for customer service/experience is strong

It's proven that [customer experience has an impact on business revenue](#). Businesses that focus on customer experience have seen 17% revenue growth as opposed to only 3% revenue growth for companies that did not focus on customer service.

Culture influences customer expectations

Regions with collectivist cultures such as Asia and Americas* place higher importance on customer service than on the purchase product. These interactions also require the presence of a support person to be deemed as a positive customer experience. However, this isn't the case with individualistic cultures such as the US or Europe where product

or its attributes have higher significance in determining positive customer experience.

Make it easy for customers

Customers prefer self service. It's necessary that you have a well-designed and search optimized knowledge base. On the other hand, chatbots are heavily dependent on data. Having a good knowledge base can aid your chatbot support strategy.

Make it easier for support agents

While being multichannel is good, it's equally important that you empower your agents to receive and address all your customer queries from a single platform — [an omnichannel helpdesk](#).

Will bots replace support agents?

Chatbots will not replace human agents. But it is important that businesses invest in AI and train bots to address

how-to questions, automate tasks, engage with customers proactively, and provide round-the-clock assistance.

2019 is an exciting year for businesses have customer experience as their focal point of attention. And for those who haven't considered customer experience as vital to business operations, you need to remember that with price and product features becoming easier to compete against, your customer service will be the only differentiator that draws new customers and retains existing ones.

Contributors



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Devesh Kumar a.k.a D is a sports buff and a wildlife enthusiast. He's curious about how 'things' work be it fusion reactors or murmurations. He knows how to put 2 and 2 together, of course.



Siddharth Kandoth spends most of the day doodling, designing web pages, illustrating for ebooks, whitepapers, and blogs. He's an automobile enthusiast. When he's not thinking about cars, you can find him watching cartoons, listening to music, cooking and eating (as often as possible). Currently he's battling his addiction to Netflix.



Anand J is a software engineer at Freshworks. Be it front-end, back-end, or anything related to web architecture he can handle it with ease. In his spare time, he enjoys playing video games and playing cricket.



Omnichannel customer
support software



IT service management software



The all-in-one sales CRM



Customer messaging software



Modern phone system



Conversion optimization suite



Applicant tracking software

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