Connecting You With Real People at Real Time

Shu Z. Schiller
Wright State University - Main Campus, shu.schiller@wright.edu

Follow this and additional works at: http://corescholar.libraries.wright.edu/infosys_scm
Part of the Management Information Systems Commons, and the Operations and Supply Chain Management Commons

Repository Citation
http://corescholar.libraries.wright.edu/infosys_scm/13
LIVE CHAT ONLINE CUSTOMER SERVICE
Connecting You With Real People at Real Time
Shu Schiller, Assistant Professor, Department of Information Systems and Operations Management, Wright State University

As we all know, traditional customer services are mainly based on face-to-face in-store help, mailing catalogs, and telephone contacts such as call centers. The Internet has introduced new ways of delivering customer services on time and on target to address customers' needs. Live Chat Online Customer Service uses live text chats, an innovative tool, and advanced features, such as shared co-browsing windows, to deliver real-time help and on-demand assistance to online customers. Although happening over the Internet, customers are interacting with real people synchronously. Customers click the link on the web site to be connected with a real service representative, who can then answer questions and provide information by exchanging text messages. Some facilities go beyond simple exchange of text chat, and allow co-browsing through a web-based window. Co-browsing is an advanced feature allowing customer and representative to share the same web page while exchanging text messages. Either of them can navigate the shared web page, and the other is able to see all the activities in this page such as pointing, clicking, and resulting page loads. Co-browsing is easy to use and very useful in activities such as filling out online forms and going through check-out processes together with the representative.

Example of Live Chat Online Customer Service with Text Chat and Co-browsing Window
Since the beginning of this century, Live Chat Online Customer Service has been adopted globally by a plethora of e-commerce web sites, such as eBay, Lands' End, QVC, and US Airways, just to name a few. Live Person, the largest vendor of live chat customer service software now serves over 5,000 clients worldwide. Live chat has been incorporated to formulate one-to-one relationships between merchants and customers to increase customer satisfaction and achieve competitive advantage for corporations. This service has been reported to reduce costs, increase sales, and enhance customer service by delivering on-demand and prompt assistance to customers' inquiries. For example, a standard live chat session costs as little as $0.25 per transaction, compared with $1.25 for each phone transaction (Jupiter Communication 2004 report). According to Forrester Research, in 2003, 30% of online buyers turned to live chat for customer service or sales support. Live chat has shown the potential to reduce “shopping cart abandonment” and to convert visitors from browsers into buyers. It is estimated that installation of chat on a web site can increase consumers' visits by 50% and increase online purchases by 41% (Zinkhan, et al., 2003). One notable successful example is Land’s End (www.landsend.com), a site where “an online visitor who uses live chat is 20% more likely to make a purchase than a customer who does not” (Forbes July 2002). Another example is EarthLink, a web site where 15% of live chat conversations eventually lead to web site purchases, and 80% of customers gave the live chat a good or excellent rating (Marketing Sherpa March 2005).

Besides e-business, live chat service is also growing in popularity in libraries. Called virtual reference or live reference, live chat service has appeared on the web sites of many libraries to provide synchronous, real-time help for students, faculty, researchers, and distance learners. For instance, all libraries networked through OhioLINK provide “Ask A Librarian” service, moving the traditional front-desk referencing service virtually online. There are currently nearly three-quarters (73%) of college students that use online libraries more than the physical ones (Rona, 2003). The benefits of Live Chat Online Customer Service will continue to attract more attention in colleges in the future.

References