

2023

10 CUSTOMER SERVICE BENCHMARKS



TABLE OF CONTENTS

- 1 First Contact Resolution (FCR)
- 2 Customer Satisfaction Score (CSAT)
- 3 Net Promoter Score (NPS)
- 4 Average Handle Time (AHT)
- 5 Customer Effort Score (CES)
- 6 Customer Survey Response Rate
- 7 Agent Utilization
- 8 Agent Turnover
- 9 Service Level
- 10 Escalations



World-class
benchmark



Important



Best practice



Recommended
reading



Introduction

This document offers a comprehensive exploration of key performance metrics that drive excellence in customer service. As businesses strive to enhance their customer service operations, benchmarks serve as invaluable resources for measuring success.

However, it's important to recognize that benchmarks can greatly vary based on the industry and unique attributes of each business. Thus, they should be used with thoughtful consideration and adapted to individual contexts. It's also important to remember that **no single metric alone can fully explain the complex landscape of the customer experience.**

In this report, we present benchmarks thoughtfully curated by authoritative figures in the field, including industry leaders like Qualtrics, Zendesk, and SQM Group. Their insights and expertise ensure that the benchmarks provided are both relevant and insightful, offering a balanced perspective on achieving superior customer service in diverse landscapes.

1 FCR

First Contact Resolution (FCR) refers to the percentage of customers' issues or inquiries resolved during their initial interaction with customer support, without the need for the customer to follow up again.

It indicates the efficiency and effectiveness of a support system in addressing customers' needs promptly and comprehensively. FCR is crucial because it directly impacts customer satisfaction, loyalty, and overall customer experience.



A world-class FCR rate is 80% or higher

The standard for a good FCR rate is 70% to 79%. The FCR average across all industries for 2023 is 68%, ranging from 39% to 91%.^[1]

Fast resolution to their inquiries or problems is the number one thing customers expect when they contact support. If your FCR rate falls below 70%, it's essential to implement measures to improve it.



[The Benefits of Improving First Contact Resolution Rates](#)

2 CSAT

Customer Satisfaction Score (CSAT) measures the level of satisfaction customers have with a product, service, or interaction. It is typically assessed through surveys or feedback forms, where customers are asked to rate their experience on a scale.

CSAT provides valuable insights into how well a company is meeting its customers' expectations and needs.



A world-class CSAT is 85% or higher

The standard for a good CSAT is 75% to 84%. The CSAT benchmark across all industries for 2023 is 77%.^[2]

A high CSAT score signifies happy customers who are more likely to remain loyal, spread positive word-of-mouth, and contribute to a company's growth and success. A CSAT below 75% requires attention.



[The Importance of Customer Satisfaction](#)

3 NPS

Net Promoter Score (NPS) is used to assess customer loyalty and measure the likelihood of customers recommending a company's products or services to others.

Customers are asked how likely they are to recommend a company on a scale of 0 to 10. Based on their responses, they are categorized into three groups: Promoters (9-10), Passives (7-8), and Detractors (0-6). NPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters.



A world-class NPS is above 80

Any score over 0 could be considered favorable as there are more Promoters than Detractors. However, a good NPS is greater than 50. ^[3]

An NPS score below 20 highlights that there are areas that need improvement in order to enhance customer experience, and foster long-term growth.



[What's your Net Promoter Score?](#)

4 AHT

Average Handle Time (AHT) measures the average time it takes for a customer service representative to handle a customer interaction from start to finish. This includes the time spent talking to the customer, researching solutions, and completing any necessary follow-up tasks.

AHT is important because it reflects the efficiency and productivity of a customer support team.

The standard for a good AHT is between 5 to 7 minutes. The AHT benchmark across all industries is around 10 minutes. ^[4]

While AHT is a valuable metric, it should not be the main focus. Sometimes, longer AHT might be necessary to provide thorough and effective support, particularly for complex issues.

Some experts recommend using **Median Handle Time** instead of AHT. Unlike the average, which can be skewed by extreme outliers, the median represents the middle value in a dataset, offering a more balanced view of actual interaction durations.



[Your Guide to Average Handle Time](#)

5 CES

Customer Effort Score (CES) measures the ease or difficulty customers experience when interacting with a company's products, services, or support. It typically involves asking customers a question like "How easy was it to resolve your issue?" and allowing them to rate their experience on a scale.

A low CES score indicates that customers find it easy to resolve their issues, which is linked to higher satisfaction and loyalty.

A good CES is 1-2 on a 5-point scale, or 1-3 on a 7-point scale. The average across industries is 4.1. ^[5]

CES offers valuable insights for optimizing support strategies and ensuring that customers have a smooth and hassle-free journey when interacting with the company.

Many companies are shifting their customer service strategy to **prioritize reducing customer effort** rather than aiming to exceed customer expectations. This strategic shift is prompted by the recognition that minimizing customer effort has a more substantial impact than exceeding expectations.



[What's Your Customer Effort Score?](#)

6 CUSTOMER SURVEY RESPONSE RATE

Customer Survey Response Rate refers to the number of customers who complete your survey compared to the total number of people who have received it. The response rate of your surveys directly influences the validity and reliability of your customer feedback insights.

High response rates ensure a representative sample of customer opinions, enhancing the accuracy of data-driven decision-making. Low response rates can lead to skewed results, potentially overlooking valuable insights or misrepresenting customer sentiments.



A world-class response rate is above 50%

The standard for a good Customer Survey Response Rate is between 5% and 30%. The average survey response rates range from 6% to 16%.^[6]

While surveys have been the standard for collecting customer feedback for many years, technologies like **SurveyPal** now enable you to comprehend customer feedback from every customer interaction.

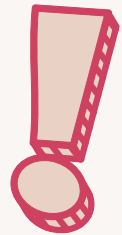
7 AGENT UTILIZATION

Agent Utilization refers to the proportion of time that customer service agents spend handling customer interactions or tasks compared to the total available time. It's a critical metric in customer service as it measures the efficiency of agents and their capacity to effectively contribute to customer support.

High agent utilization indicates that agents are consistently engaged and productive, which can lead to improved customer service outcomes and better operational efficiency.

The standard for a good Agent Utilization rate is 81%. High agent utilization rates (above 85%) are not sustainable for long periods.^[7]

When it comes to agent utilization, it's important to strike a balance – **excessively high agent utilization might result in burnout and decreased service quality.** Conversely, low utilization could indicate underutilized resources. Optimal agent utilization ensures that customers' needs are promptly addressed while maintaining agent well-being.



8 AGENT TURNOVER

Agent Turnover directly impacts operational effectiveness and customer satisfaction. High agent turnover rates can be disruptive and result in inconsistent service quality and longer response times. High agent turnover also leads to increased recruitment and training costs, loss of institutional knowledge, and decreased team morale.

A stable and well-trained team contributes to smoother operations, better rapport with customers, and higher service quality.

The standard for a good Agent Turnover rate is below 30%. The agent turnover benchmark across all industries in 2023 is 38%.^[8]

By addressing agent turnover, businesses can ensure a consistent customer experience, reduce costs associated with recruitment and training, and foster a positive work environment that translates into improved customer satisfaction.



[Agent Performance Metrics Explained](#)

9 SERVICE LEVEL

Service Level is a crucial metric in customer service that measures the percentage of customer interactions that are resolved or answered within a specified timeframe. It reflects the speed and efficiency of a customer support team in meeting customer demands promptly.

Service level is vital because it directly impacts customer satisfaction and experience. It also helps manage customer expectations and portrays a company's commitment to responsiveness.

The standard for good Service Level is 90%. The service level benchmark across all industries in 2023 is 80%.^[9]

Maintaining balance is essential, as overly aggressive service level goals might compromise the quality of interactions. Striking the right balance between quick response times and quality resolutions is paramount in providing exceptional customer service.



[Everything you Need to Know About Customer Service SLAs](#)

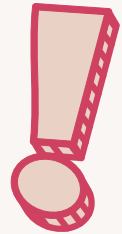
10 ESCALATIONS

Escalation Rates help identify trends and patterns in customer inquiries that require higher-level intervention, indicating potential areas for improvement in training, resources, or knowledge management.

High escalation rates could signify gaps in agent expertise or process complexity, leading to extended resolution times and potentially dissatisfied customers. Conversely, low escalation rates suggest a robust frontline support team and streamlined processes.

The standard for a good Escalation Rate is below 10%.^[10]

Escalation Rates alone may not provide enough context to identify the **root cause of escalations**. Organizations should analyze the reasons for escalations to identify patterns, trends and optimize support workflows in order to ultimately provide faster, more accurate solutions to customers.



REFERENCES

- [1] [2] [7] [8] [9] [The Call Center Industry 2023 Benchmark Results for the Top Metrics and KPIs \(SQM Group\)](#)
- [3] [What is a good Net Promoter Score? \(Qualtrics\)](#)
- [4] [What is average handle time? \(Zendesk\)](#)
- [5] [The Customer Effort Score \(CES\): A Key Metric for Assessing Customer Satisfaction and Loyalty \(RevOS\)](#)
- [6] [What is a good survey response rate for online customer surveys? \(Qualtrics\)](#)
- [10] [Understanding the Escalation Rate KPI to Improve Ticket Management \(Invgate\)](#)





SurveyPal is a trusted solution with **16+ years of experience** and used by over 600 companies worldwide. It offers hassle-free integration with Zendesk, making it a seamless addition to your customer service toolkit.

SurveyPal integrates real-time and historical data from all your support channels to identify trends, patterns, anomalies, and possible issues in your day-to-day service desk operations and sends you notifications to keep you in the loop.

Our AI engine digs into your structured and unstructured customer service data to identify customer pain points, efficiency bottlenecks and cost centers and transforms the findings into insights you can use to drive meaningful change.



Ready to elevate your customer service operations?

Let's talk



Ruoholahdenkatu 21, Helsinki Finland