

# Are Abandoned Calls Important?

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Concerned about long wait times experienced by callers, call center managers often ask about the “industry standard” or “industry average” for abandoned calls. While the urge to reduce wait time is undoubtedly important, many call center planners and managers focus on meeting elusive “standard” benchmarks and fail to answer a simple but important question: why are abandoned calls so important, and, consequently, how much should they invest in adding resources to reduce the number of abandoned calls?

The obvious answer is customer dissatisfaction and the negative impact it has on customer loyalty. When considering the lifetime value of satisfied customers and the high cost of losing and re-acquiring customers, reducing the number of dissatisfied customers is instead a top priority

Another reason is the fact that each abandoned call represents a missed opportunity not only to provide a customer with excellent service but also to generate additional revenue.

While it is generally true that satisfied customers exhibit greater brand loyalty and that dissatisfied customers defect, it is not always the case. When given a choice, an unhappy customer is more likely to switch to another service provider or buy the same merchandise from another retailer, but if the service or product is available from only one source, customers are far less likely to defect. For example, Microsoft is the company that everyone loves to hate, and is subject to endless complains about unstable software and draconian licensing terms. But Microsoft’s ubiquitous software and the cost of replacing it with different enterprise software makes for many loyal, if sometimes dissatisfied, customers. So under such circumstances, longer wait times and even higher abandonment rates may be acceptable.

Recognizing the differences in customer expectations and services offered, one must appreciate that there can be no single “gold standard” for an “acceptable” level of abandoned calls. Similarly, there is no magic formula to determine the hold time that most callers find acceptable. Factors that influence the willingness of callers to wait are:

- **Degree of motivation.** Callers will wait longer to receive technical support for critical service or equipment, buy a unique product, or for a special promotion.
- **Availability of substitutes.** If the caller can buy the same product or service from another source, or if a temporary replacement for the failed equipment is available, they will search for an alternative solution instead of waiting.
- **Availability of alternate Channels.** If the desired information can be obtained using an alternative channel, such as the Web, the caller may be inclined to try them.
- **Competition’s service level.** If a competitor offers better level of service on a similar service product, callers, knowing that they have an alternative, will be less patient.
- **Level of expectation.** The reputation of a service and the caller’s previous experience with that service influence the caller’s expectation and behavior during the current call.
- **Time availability.** Busy individuals are unwilling to be kept waiting for service, but others, such as retirees calling the same call center and receiving the same level of service may have time to chat and do not mind the wait.
- **Who’s paying for the call?** Callers are usually more tolerant when the call is free. This factor is less of an issue as in the past, where many help desks provides only toll numbers.
- **Human behavior.** The mood and patience of the caller, the wait time for a response, the level of frustration with a new product that has failed multiple times, and similar factors influence the caller’s behavior.

The design of the call center should reflect the organization’s view concerning abandoned calls. It should have a balanced view of resources and performance metrics and the potential damage to the brand or loss of business due to high rate of abandoned calls. Moreover, the specific metrics call center planners use to determine service levels and acceptable level of abandoned calls must be tuned to reflect the organizations’ strategy; there are no “standard” or “acceptable” metrics that can be used.

## Further Reading

- [The Origin of the 80/20 Rule](#)
- [Are Abandoned Calls Important?](#)
- [Service Level Calculations](#)
- [Advanced Topics in Call Center Staffing](#)
- [Introduction to Traffic Modeling and Resource Allocation in Call Centers](#)
- [Benchmarking in Call Centers](#)
- [Does Self-Help Really Help?](#)
- [Service Level Elasticity](#)
- [An Alternative to the Erlang Traffic Model](#)