

2023 Customer Communication Benchmark Report: Logistics

Research and analysis of the top metrics for measuring customer relationships in the logistics industry



Executive summary

KEY RESULTS AT A GLANCE

3 most top-of-mind* customer communication metrics across industries:

Team resolution time

83%



Handle time

81%



CSAT

79%



*The combined percentage of people who responded, “Yes I can track this metric,” and the people who said, “I can’t track this, but would if I could.”

These metrics — especially team resolution time — will increasingly become industry-standard for assessing the effectiveness of teams’ communication strategy in any customer interaction.

93% of respondents expect their teams to achieve team resolution times of less than 24 hours.

7.71 hours is the median team resolution time of Front customers.

SURVEY METHODOLOGY

We surveyed ~1000 decision makers and operational leaders of customer-facing teams across 4 industries (professional services, financial services, logistics, and B2B tech), to understand:

- What customer communication metrics they currently use as barometers for the health of their customer relationships overall
- What their expectations for performance are, to establish industry benchmark ranges for each metric
- What other metrics they would be interested in measuring if it were possible

Data values for Front customers were derived anonymously from product usage data.

Abstract

In logistics, the speed and accuracy of service is what differentiates a company, and the most successful ones have used their advantage to cement long-term client relationships.

Because of the nature of the logistics business, a large chunk of their customer interactions are uniquely complex compared to low-touch ones. Complex conversations generally have this DNA:

1. An inbound customer request
2. It requires a personal response
3. The outcome could define the business relationship

Metrics for team performance in customer conversations like these aren't nearly as widespread as general relationship health metrics — like product usage data and feedback data.

Both have drawbacks.

Usage data can be tough or expensive to track, and it's not useful for non-software companies. Feedback data relies on customer responses, which can be rare and skewed when a minority of outliers (either positive or negative) speak for a majority of the base.

Most importantly, neither metric makes use of the largest set of objective, quantitative data available — a set that doesn't require data pulled out of your product and doesn't require voluntary action from your customers:

Customer communication data.

As our work in [this study](#) shows, customer conversations that require internal collaboration and a personalized response are overwhelmingly happening in email. Most email clients aren't capable of easily displaying quantitative data about customer communication. Of course, dedicated customer service and support tools like ticketing systems do have metrics and benchmarks, but typically only for high volumes of low-stakes interactions. In some cases, they lack the right metrics entirely.

It's clear logistic leaders are becoming more aware of that gap. They're searching for — and finding — new and better ways to understand and benchmark client communication. Companies that invest in measuring and improving those benchmarks will be the most successful at differentiating based on the strength of their customer service, and will beat out less customer-focused competition.

3 most top-of-mind customer communication metrics across industries



Team resolution time

Measures both internal efficiency and customer experience

Customers are always more satisfied by faster team resolution times. Likewise, faster team resolution allows your team to resolve more issues per day. It's a true leading indicator for both team performance and customer relationship health.



Handle time

Measures internal efficiency

Handle time is the delta between reaction time and team resolution time. It's invaluable in helping companies improve knowledge access, collaboration bottlenecks, and friction in crafting responses.



CSAT

Measures customer experience

CSAT is generally speaking a lagging indicator. It's useful for identifying which interactions have led to positive or negative experiences after the fact.

Why team resolution time is the highest priority

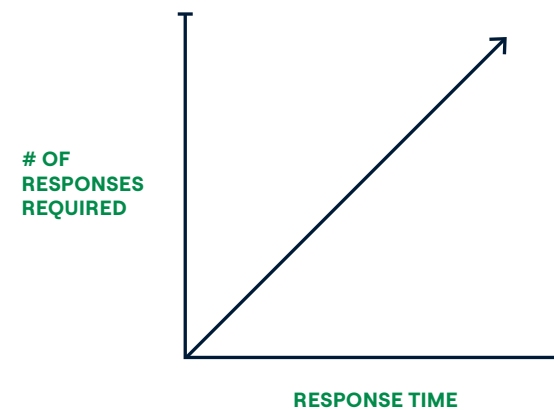
Team resolution time was clearly the number-one metric for many respondents. Of all the metrics we asked about, it was both the most-often measured, and for the companies not measuring it, it was the one they were the most avid for.

But why? Team resolution time is unique for several reasons.

Firstly, there's the primary benefit: Improvements in team resolution time correlate to improvements in customer satisfaction, which correlate strongly to customer loyalty. Ultimately, team resolution time is a lever for protecting and growing recurring revenue.

Then there's the secondary benefit: Faster team resolution times also indicate better internal efficiency. You can resolve more requests in the same amount of time. That means lower costs and more resource flexibility in a labor-constrained market.

Thirdly, since team resolution time accounts for both the speed and quality of responses, it gives even more value as a benchmark. It's helpful to think of team resolution time as the intersection of **response time** and the **number of responses required to resolve** the customer inquiry.



By tracking those metrics independently, you can get much more targeted in improving team resolution time. Maybe your response time is quick, but it takes way too many responses to resolve. That suggests you have a problem with the quality of your team responses. On the other hand,

maybe you only need one or two responses before team resolution, but it takes a long time to get there. You may have an internal collaboration issue or a routing problem.

Furthermore, team resolution time can also be examined through the lens of the **number of collaborators required to resolve** an inquiry. The more collaborators, the more friction there may be between response and team resolution. Plus, this metric also impacts the continuity of service, which is especially important in pooled service org structures.

Lastly, team resolution time is a true leading indicator for customer satisfaction. And it's one that doesn't require any active or subjective feedback from the customer. You don't need to send out a survey, and you don't need to worry about it self-selecting for extreme outliers either positive or negative. **Team resolution time is fully within your control to both measure and improve.**

Customer communication metrics currently being measured by logistics companies

Team resolution time

78%

Response time

72%

Handle time

70%

SLA coverage

53%

CSAT

46%

of people collaborating on a single message

46%

of responses required to resolve an inquiry

45%

% of emails collaborated on

34%

% of inbound emails requiring a response

33%

Number of accounts/clients per teammate

17%

INSIGHT

There's a clear gap between the top 3 metrics for logistics and every other measurement. It's not surprising that speed is everything in logistics, but what is surprising is the lack of understanding of the upstream numbers that create bottlenecks. Likewise, there's a huge opportunity for logistics companies to get more sophisticated around CSAT and SLA coverage.

Of those *not* measuring, how many would if they could

of people collaborating on a single message

67%

of responses required to resolve an inquiry

66%

CSAT

65%

Team resolution time

57%

Handle time

57%

% of inbound emails requiring a response

53%

% of emails collaborated on

52%

Number of accounts/clients per teammate

47%

SLA coverage

43%

Response time

36%

INSIGHT

Here's more proof that logistics leaders want more insight into the collaboration friction that's slowing down resolution as well as sentiment data like CSAT. Companies may feel they don't have an easy or cost-effective way to get access to these measurements.

Top-of-mind metrics

(can measure + would like to measure)

Team resolution time

91%

Handle time

87%

Response time

82%

of people collaborating on a single message

82%

CSAT

81%

of responses required to resolved an inquiry

81%

SLA coverage

74%

% of emails collaborated on

69%

% of inbound emails requiring a response

69%

Number of accounts/clients per teammate

56%

INSIGHT

9 out of 10 logistics companies are thinking about resolution time. But two thirds or more have almost all of them on their minds. Logistics is a data-driven industry, so if you're not currently measuring these communication metrics, chances are your competition already is — or will be soon.

Logistics

Top trackable metrics *n=159	Industry benchmarks		Front customer comparison										
<p>Team resolution time 78%</p>	<p>68% of Logistics respondents expect team resolution time to take less than 12 hours.</p>	<table border="1"> <tr><td>40%</td><td>< 6 hrs</td></tr> <tr><td>28%</td><td>6 - 12 hrs</td></tr> <tr><td>26%</td><td>12 - 24 hrs</td></tr> <tr><td>5%</td><td>24 - 36 hrs</td></tr> <tr><td>1%</td><td>36+ hrs</td></tr> </table>	40%	< 6 hrs	28%	6 - 12 hrs	26%	12 - 24 hrs	5%	24 - 36 hrs	1%	36+ hrs	<p>81% of Front Logistics customers achieve a team resolution time of less than 12 hours, with the median at 4.75 hours.</p>
40%	< 6 hrs												
28%	6 - 12 hrs												
26%	12 - 24 hrs												
5%	24 - 36 hrs												
1%	36+ hrs												
<p>Response time 72%</p>	<p>72% of Logistics respondents expect response time to be less than 6 hours.</p>	<table border="1"> <tr><td>50%</td><td>< 3 hrs</td></tr> <tr><td>22%</td><td>3 - 6 hrs</td></tr> <tr><td>25%</td><td>6 - 12 hrs</td></tr> <tr><td>2%</td><td>12 - 24 hrs</td></tr> <tr><td>1%</td><td>24+ hrs</td></tr> </table>	50%	< 3 hrs	22%	3 - 6 hrs	25%	6 - 12 hrs	2%	12 - 24 hrs	1%	24+ hrs	<p>79% of Front Logistics customers achieve a response time of less than 6 hours, with a median of 3 hours.</p>
50%	< 3 hrs												
22%	3 - 6 hrs												
25%	6 - 12 hrs												
2%	12 - 24 hrs												
1%	24+ hrs												
<p>Handle time 70%</p>	<p>69% of Logistics respondents expect handle times between 3 and 15 minutes per response.</p> <p>Only 25% have handle times of less than 3 minutes.</p>	<table border="1"> <tr><td>25%</td><td>< 3 mins</td></tr> <tr><td>30%</td><td>3 - 6 mins</td></tr> <tr><td>39%</td><td>6 - 15 mins</td></tr> <tr><td>4%</td><td>15 - 30 mins</td></tr> <tr><td>1%</td><td>30+ mins</td></tr> </table>	25%	< 3 mins	30%	3 - 6 mins	39%	6 - 15 mins	4%	15 - 30 mins	1%	30+ mins	<p>Most Front Logistics customers (69%) are able to achieve handle times of less than 3 minutes (with an average of 2.5 minutes).</p> <p>Virtually all customers see handle times of less than 15 minutes.</p>
25%	< 3 mins												
30%	3 - 6 mins												
39%	6 - 15 mins												
4%	15 - 30 mins												
1%	30+ mins												

Logistics

TOP 3 METRICS RESPONDENTS WOULD TRACK IF THEY COULD

of accounts/clients per teammate

67%

of responses required to resolve an inquiry

66%

CSAT

65%

ANALYSIS

Responses are often standardized or less complex, but may require internal collaboration. Response time, team resolution time, and handle time are all important to measure for Logistics companies where speed and accuracy are key differentiators.

Team resolutions should only require a couple of responses. In Logistics, minutes count — not hours — so teams should never spend too much time handling any given message.

Customer service is a big differentiator for logistics companies because the service is so commoditized. Fast and accurate customer communication sets them apart from their competitors, and every minute makes a difference.

Logistics companies care most about speed and efficiency. Interactions that are purely for relationship building aren't nearly as important in this industry. Companies want to resolve an issue in as few messages as possible so they can move on to the next one.



The customer communication dashboard

From the smallest regional carrier to the largest global freight operation, communicating with clients is comprised of three distinct operations:

1. Aggregating and routing inbound messages
2. Responding to and resolving customer requests
3. Measuring and improving customer communication

Too many logistics companies only consider the second operation — at least until the volume and complexity of the inbound messages becomes unmanageable without serious strategic thinking and some kind of technical solution.

This research shows, however, that the major opportunity for improvement is in the third operation. In an industry where even one minute can make or break a relationship, there's a huge need for the capacity to measure exactly where those minutes are being lost.

It's clear that customer service leaders in the logistics industry know that any given customer interaction could be a high-stakes interaction, and are thinking deeply about these metrics.

We expect to see these metrics — especially the top three metrics (resolution time, handle time, and CSAT) — increasingly benchmarked across all industries. Resolution time specifically ought to become THE core metric for customer communication. As more companies buy into the value of these metrics, benchmarks will become more widely available and more statistically significant. Companies will implement customer communication dashboards tailor-made to their industry and business model.

One barrier to adopting a customer communication dashboard is the reality that many companies don't currently have the technological capability to measure things like resolution time and handle time — let alone improve them.

Front customers consistently beat the expectations leaders reported for their teams. Each metric is easily trackable and the product itself is purpose-built to improve all three operations of customer communication.

Our experts at Front can provide you with a personalized customer communication consultation so you can start measuring the metrics that matter most for your business, and more importantly: improving them. Front was built to be a one-stop solution to each of the three customer communication operations for logistics companies, and can transform them for you in days or weeks. Schedule your consultation today at front.com/#get-started.

