

7 KPIs of world-class ITSM

Freshservice Service Management
Benchmark Report 2024



Table of contents

1	Executive summary and key findings	03	6	Provide unified, engaging employee experiences	23
	1.1 Key takeaways from the FBR 2024	05		6.1 Omnichannel support	24
				6.2 Knowledge base	25
				6.3 Service catalog	27
2	Data set and methodology	06			
3	The 7 KPIs of service management	08	7	Global benchmarks and industry snapshots	28
4	Delight employees and empower agents with gen-AI-powered experiences	10		7.1 Benchmarks by industry	29
	4.1 Generative-AI-powered self-service	11		7.2 Benchmarks by region	33
	4.2 Generative-AI-powered assistance	12		7.3 Benchmarks by country	35
				7.4 Benchmarks by company size	39
5	Achieve operational excellence through scalability and extensibility	16	8	Closing thoughts	40
	5.1 Workflow automation	17			
	5.2 Scenario automation	18	9	Appendix	42
	5.3 Service desk integrations	19		10.1 Service management terms and definitions	43
	5.4 Priority matrix	22		10.2 Benchmark your IT team	46
			10	About Freshworks	47



CHAPTER ONE

Executive summary and key findings

[◀ BACK TO CONTENTS](#)

In a challenging economic landscape, business leaders rely on tech experts to optimize processes and maximize digital investments for efficiency and returns. CIOs are at the forefront of driving digital transformation, implementing intelligent tools and achieving more with fewer resources.

Crucial for business growth and better service is selecting and deploying effective tools. This requires shedding redundant software and adopting solutions that are user-friendly, efficient, and truly beneficial for the business.

Against this backdrop, we introduce the annual Freshservice IT Service Management Benchmark Report (FBR 2024). The core aim of the FBR is to establish a benchmark index for Key Performance Indicators (KPIs), encouraging organizations to measure their performance against this index. Through this process, technology leaders are equipped to leverage solutions that are not only swift and robust but also demonstrably add value to the business. It's crucial for CIOs to align the metrics with executive inquiries, crafting a compelling narrative on the business value of IT. Communicating IT's influence on critical business objectives and aligning with leadership priorities is key to constructing a more impactful business IT narrative.

In its fourth edition, the FBR 2024 has meticulously aggregated anonymized data from over 100 countries, 9,400+ organizations of various sizes, and more than 167 million unique tickets between January to December 2023. The report delineates seven critical KPIs for service management leaders, providing a detailed analysis across different industries, geographies, and organizational scales.

This year's report places a special emphasis on the transformative role of generative AI in 2023, highlighting its disruptive impact on the IT landscape. For CIOs and IT organizations, the advent of generative AI signifies a paradigm shift, offering unprecedented opportunities for innovation, efficiency, and strategic advantage.



Enhancing employee experience remains a pivotal focus for IT leaders globally. The deployment and adoption of generative AI capabilities, including self-service options and agent assistance tools, represents a significant opportunity to enrich employee interactions with their ITSM solution and sets a new standard for operational excellence within IT services.



Ashwin Ballal
CIO of Freshworks

1.1 Key takeaways from the FBR 2024

- 1 Automation accelerates efficiency**

Organizations automating business processes using workflows witness a significant **26.63%** reduction in average resolution time (ART), enabling faster resolution of employee queries within the first interaction (FCR **77%**).
- 2 Gen AI transforms self-service experience**

Generative-AI-powered self-service drives significant ticket deflection rates of about **53%**, enabling organizations to mitigate commonly recurring issues and empower agents to focus on critical business tasks.
- 3 Gen AI assistance streamlines service delivery**

Smart assistance streamlines service delivery by automating repetitive, low-value tasks and promoting consistency across teams. With generative-AI-powered assistance, agents experience a **26.55%** improvement in response time and achieve **34.58%** faster ticket resolutions.
- 4 Chat leads the way in swift solutions**

Chat and collaboration channels such as Microsoft Teams and Slack offer swift solutions with minimal wait times. On average, assignments occur within six minutes, and tickets are resolved **45%** faster than our benchmark. Additionally, they maintain **100%** resolution and first response SLAs, with a first contact resolution rate of **91.7%**.
- 5 Integrations augment service desk performance**

Organizations leveraging third-party integrations to extend their service desk functionalities see a **23.07%** improvement in average resolution time, while the first contact resolution rate rises to **77%**. Continued integration with third-party applications correlates with improvements across various KPIs.

77%

First contact resolution (FCR)

53%

Ticket deflection

34.58%

Drop in average resolution time (ART)

100%

first response SLA%

23.07%

Drop in average resolution time (ART)



CHAPTER TWO

Data set and methodology

[◀ BACK TO CONTENTS](#)

The FBR 2024 collected customer data from over 167 million unique tickets from 9,442 organizations of all sizes across 111 countries from January to December 2023. The data set was chosen to create an adequate representation of Freshworks customers' experiences across industry, region, and organization size—and, most importantly, to maintain the anonymity of data.

Based on data from



14 industries



100+ countries



9400+ organizations



167M+ tickets



CHAPTER THREE

The 7 KPIs of service management

[◀ BACK TO CONTENTS](#)

Service management leaders need to quantify efforts to truly understand the performance of service desk processes and how they're impacting overall business goals. With endless metrics available for leaders to track and measure, service management leaders need to know which ones are critical to track, measure, and benchmark against.

The FBR 2024 considers seven KPIs that are widely used in the industry to measure the efficiency and effectiveness of an organization's service delivery. The benchmark was determined by taking the median across industries, regions, and organizations to create a composite index.

Table 1: The 7 key performance indicators of IT service management

#	Metrics (KPIs)	Freshservice Benchmark 2024	Direction of positive change/impact	Definition
1	Customer satisfaction (CSAT)	97.4%	Higher the better	An assessment of how satisfied end users/customers are with the quality of IT services provided.
2	Average first response time (AFRT)*	10.82 hours	Lower the better	The time taken for an agent to provide an initial response after an end user reports an incident or requests a service.
3	Average resolution time (ART)*	24.15 hours	Lower the better	The time taken by the service desk team to completely resolve end-user requests and/or issues.
4	Average first assign time (AFAT)*	17.47 hours	Lower the better	Also known as in-queue time, this is the time taken for incoming tickets to be assigned to an agent or a group after its initial creation.
5	First contact resolution (FCR)	73.9%	Higher the better	The percentage of incoming tickets that are resolved within the first interaction with the end user.
6	Resolution SLA rate	95.7%	Higher the better	The percentage of all tickets that have been resolved within the service-level agreement.
7	First response SLA rate	95.5%	Higher the better	The percentage of tickets for which agents have initiated a first response within the service-level agreement.

*All hours are in business hours except for the average first assign time (AFAT), which is in calendar hours. AFAT is calculated as the difference between the time a ticket was created and the time it was first assigned to an agent or group.



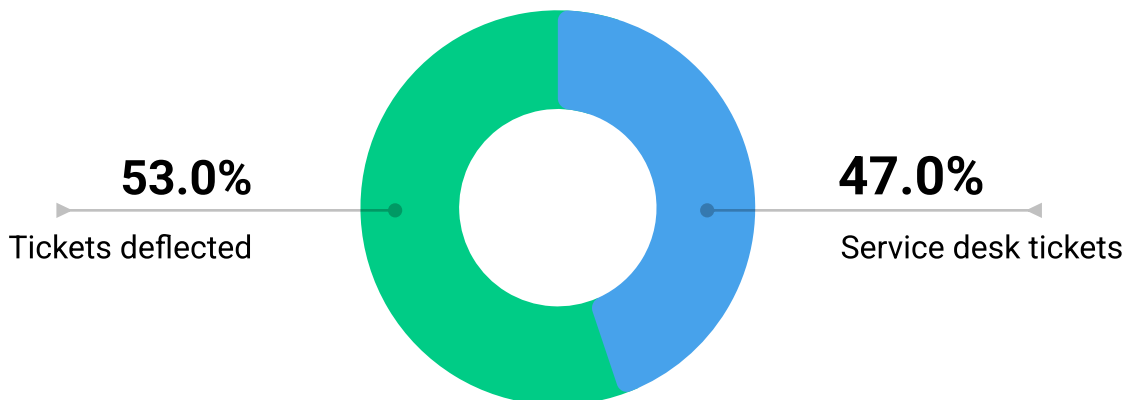
CHAPTER FOUR

Delight employees and empower agents with gen-AI-powered experiences

4.1 Generative-AI-powered self-service

Generative-AI-powered self-service enables near-instant conversational support for employees in channels they frequent such as Microsoft Teams and Slack. Unlike traditional form-based and ticket-based systems, AI agents can learn from interactions, adapt to new inquiries, and generate human-like responses. Freddy AI Agents utilize advanced AI models to provide assistance to employees/end users in the language of their choice, leading to an accessible and inclusive service experience for employees. By integrating generative AI into self-service tools, organizations can offer 24/7 support, effectively resolve queries, and free up agents to focus on high-value, complex tasks—fostering a high-performing, empowered workforce.

Chart 1: Impact of Freddy AI Agents



There is 53.0% ticket deflection with Freddy AI Agents



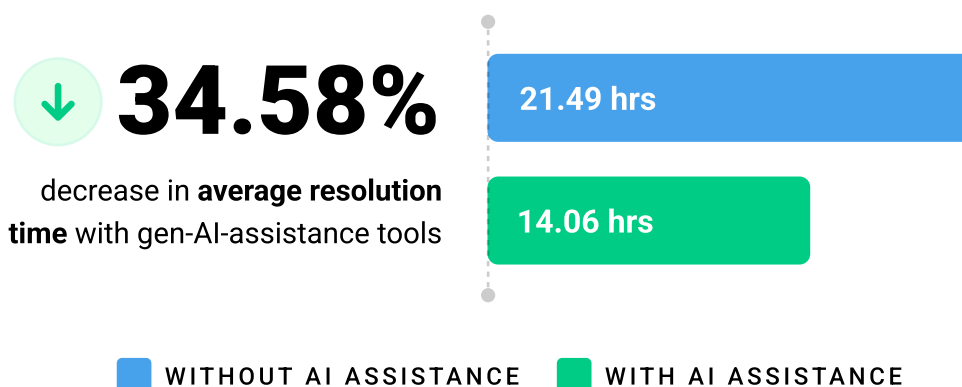
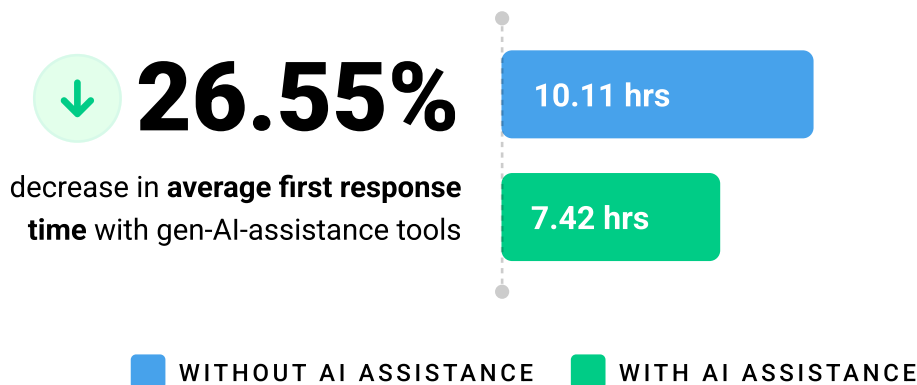
Key observations

- 1 Ticket deflection:** Organizations using generative-AI-powered self-service experience ticket deflection rates as high as **53%**, which means that over half of the employee or end-user interactions have been resolved solely by Freddy AI Agents.

- 2 **Agent productivity:** Ticket deflection reduces the workload on IT agents by handling routine or common queries. This allows agents to focus on more complex issues that require human intervention, improving their efficiency and productivity.
- 3 **Employee satisfaction:** Rapid, accurate resolutions improve the overall employee/end-user experience, contributing to higher job satisfaction and retention.

4.2 Generative-AI-powered assistance

AI assistance equips agents with intelligent tools that automate repetitive, low-value tasks and standardize service delivery across teams. The goal is to reduce low-value tasks and alleviate the overwhelming expectations placed on service quality, enabling agents to concentrate on work that is critical to the business. With generative AI assistance, businesses can drive high-quality ticket responses, craft concise ticket summaries, develop informative help articles, and more—all while being scalable and maintaining a high standard of service delivery.

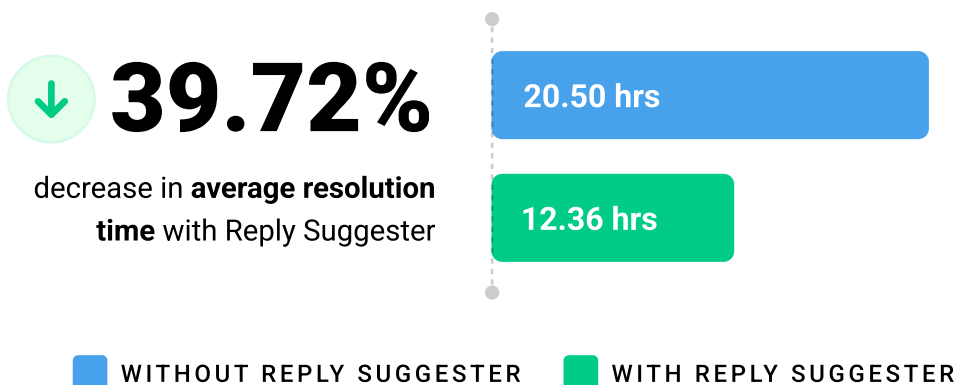
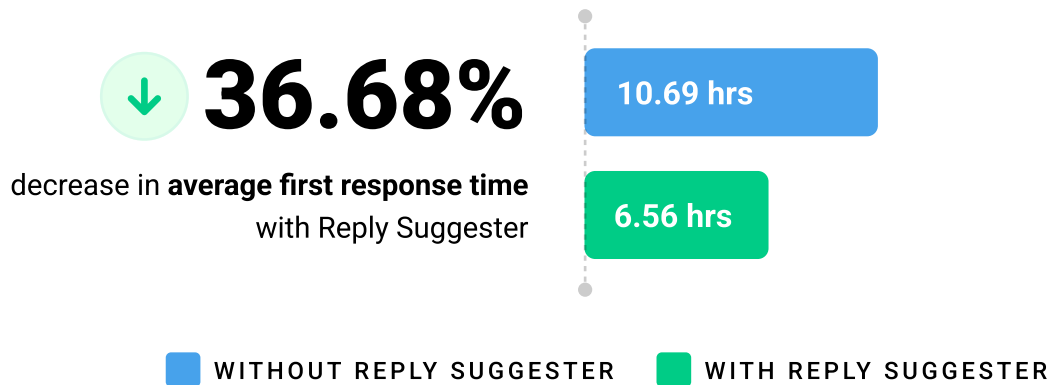




Key observations

- 1 When IT agents use a combination of any of the generative-AI-assistance tools, including Ticket Summary Generator, Help Article Generator, or Reply Suggester, it has a significant impact on service desk operations. The collective use of these tools has led to notable improvements in first response time—**26.55%**—and average resolution time: **34.58%**.

4.2.1 Reply Suggester

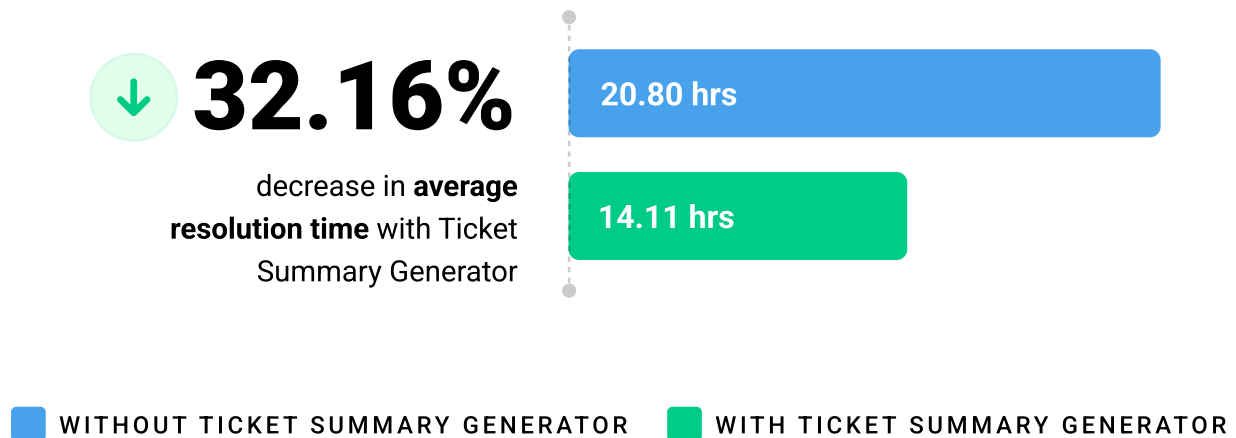




Key observations

- 1 With Reply Suggester, agents can quickly respond to tickets with auto-generated replies that are sourced from help articles maintained in the knowledge base. Agents using Reply Suggester experience a notable reduction in the first response time: **38.68%**. On average, agents now provide a response within 6.56 hours of ticket submission. Furthermore, the average ticket resolution improves by nearly **40%** as agents utilize suggested replies.

4.2.2 Ticket Summary Generator



Key observations

- 1 By providing agents with quick, clear insights into the core issues and discussion points of a ticket, Ticket Summary Generator eliminates the need for agents to navigate through extensive communication threads. This is why agents using Ticket Summary Generator notice a substantial improvement in the average resolution time: **32.16%**. This is an indication that these generative-AI-assistance tools not only aid in quicker comprehension of tickets but also contribute to a more efficient resolution process overall.

4.2.3 Help Article Generator



15.48%

decrease in **average resolution time** when articles are created with help article generator

27.72 hrs

23.43 hrs

- ARTICLES CREATED WITHOUT HELP ARTICLE GENERATOR
- ARTICLES CREATED WITH HELP ARTICLE GENERATOR



Key observations

- 1 The Help Article Generator auto-generates help articles using the context of existing tickets and information from public sources and streamlines the creation of a comprehensive knowledge base. IT teams employing the Help Article Generator observed an improvement in resolution efficiency (**15.48%**). The ability to rapidly produce solution articles in combination with a broader knowledge base improves self-service and allows for quicker issue identification and resolution using existing articles.



CHAPTER FIVE

Achieve operational excellence through scalability and extensibility

[◀ BACK TO CONTENTS](#)

5.1 Workflow automation

Workflow automation transforms service delivery and operations by replacing mundane, routine tasks with efficient processes. This not only frees up agents' time for higher-value work but also enhances service desk efficiency and supports business scaling. By focusing automation on time-consuming and lower-value tasks, organizations can optimize time management and concentrate on core objectives, allowing IT personnel to utilize their unique skills more effectively.

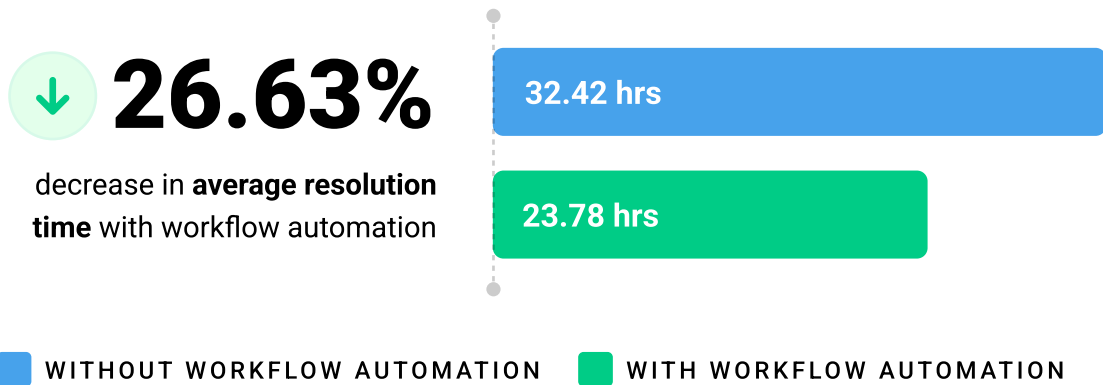


Table 2: Impact of the number of workflows on KPIs

■ HIGHEST ■ LOWEST

Number of workflows	Average resolution time (in hours)	First contact resolution %
Freshservice Benchmark	24.15	73.9
1 to 10 workflows	24.21	72.4
11 to 50 workflows	23.44	73.6
50+ workflows	23.67	77.0

Note: Match the workflow count to the KPIs to assess impact.



Key observations

- Over **91%** of organizations have enabled workflow automations and see an improvement of **26.63%** in the average resolution time.

- 2 When service desks continue to automate using workflows (11-50 workflows) the first contact resolution increases to **77%**.

5.2 Scenario automation

Automating frequent, repetitive, and straightforward manual tasks is key to boosting agents' productivity and ensuring they focus on high-priority activities. Scenario automation enhances the service desk experience by simplifying the automation of multiple actions within tickets with a single click. It streamlines tasks like ticket assignment, categorization, and status updates, empowering agents to handle recurring scenarios swiftly and efficiently.

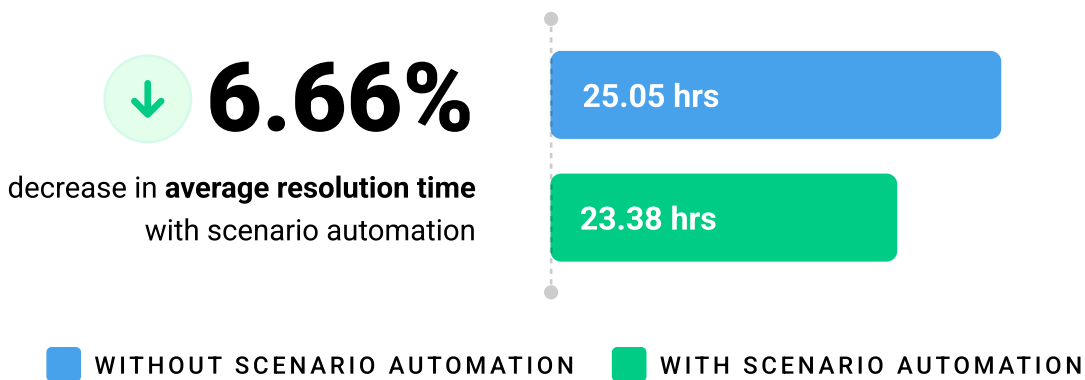


Table 3: Impact of the number of scenarios on KPIs

■ HIGHEST ■ LOWEST

Number of scenarios	Average resolution time (in hrs)	First contact resolution %	Resolution SLA%	First response SLA%
Freshservice Benchmark	24.15	24.15	24.15	73.9
0	25.05	73.3	95.7	95.5
1 to 10 scenarios	23.39	73.8	95.5	95.4
11 to 50 scenarios	22.89	77.6	95.9	95.7
50+ scenarios	24.46	83.8	96.6	95.8

Note: Match the scenario count to the KPIs to assess impact.



Key observations

- 1 Over **43%** of organizations are using scenario automation for time-consuming and repetitive ticket-related tasks.
- 2 Ticket resolution is faster when scenario automations are set up. Tickets are resolved within **22.89 hours** on average (11-50 scenarios).
- 3 When recurring tasks continue to be automated, there is a steady improvement in the first contact resolution (FCR). FCR peaks (**83.8%**) when service desks have automated 50+ scenarios—this also results in an improvement in fulfilling SLAs.

5.3 Service desk integrations

Connecting with third-party applications enables service desks to facilitate smooth data flow and foster collaboration throughout the organization. These integrations break down silos, accelerate resolution times, increase visibility, and lower costs. As organizations expand, integrating with external applications enables agents to easily incorporate essential functionalities into their existing service desks, thereby enriching the scope of solutions and enhancing the overall end-user experience.

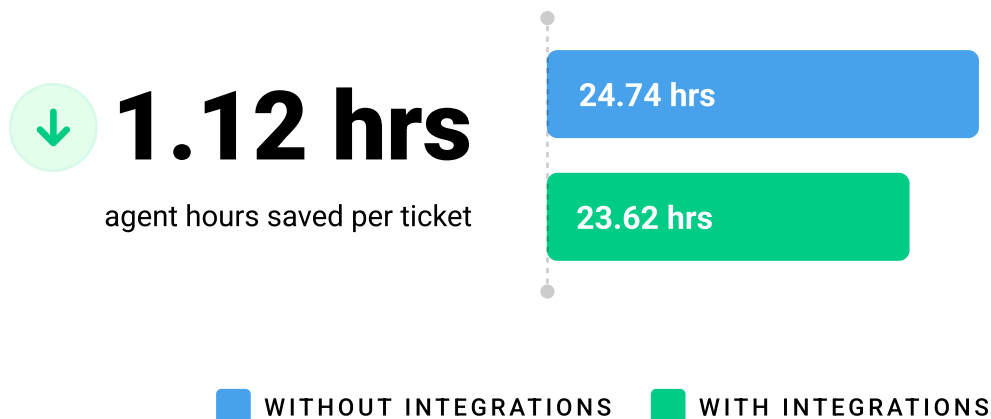


Table 4: Impact of the number of integrations on KPIs

■ HIGHEST ■ LOWEST

Number of Integrations	Average resolution time (in hours)	First contact resolution %
Freshservice Benchmark	24.15	73.9
0	24.74	73.5
1 to 5 integrations	23.86	74.3
6 to 10 integrations	21.87	74.4
11+ integrations	19.03	77.0

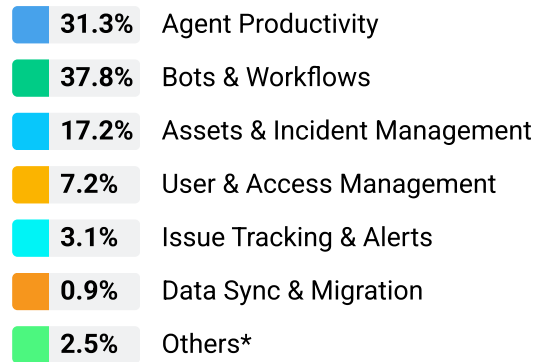
Note: Match the integrations count to the KPIs to assess impact.



Key observations

- 1 About **43%** of organizations have leveraged third-party application integrations to enhance their service desk functionalities. These organizations were able to save agents time spent working on a ticket by **1.12 hours**.
- 2 Continued integration with third-party applications correlates with improvements across various KPIs.
- 3 Organizations integrating with more than 11 app integrations witnessed a significant **23.07%** improvement in average resolution time, reducing it to **19.03 hours**, while first contact resolution rate rises to **77%**.

5.3.1 Integration categories



*Others include Chat, Video & Telephony, CRM, Sales & Marketing, Field Service Management, File Sharing & Collaboration, Knowledge & Content Management, Reporting & Analytics, Surveys & Feedback, Time Tracking, Accounting & Billing, and Security, Risk, & Governance

Chart 2: Representation of various marketplace application categories



Key observations

1

Task to triumph with automation

A substantial **37.8%** of integrations fall under the Bots & Workflows category, highlighting the growing importance of automation. By implementing workflows, service desks witness tangible benefits, resolving tickets faster and adding value through the automation of recurring processes using third-party software integrations.

2

Boosting agent superpowers with productivity power-ups

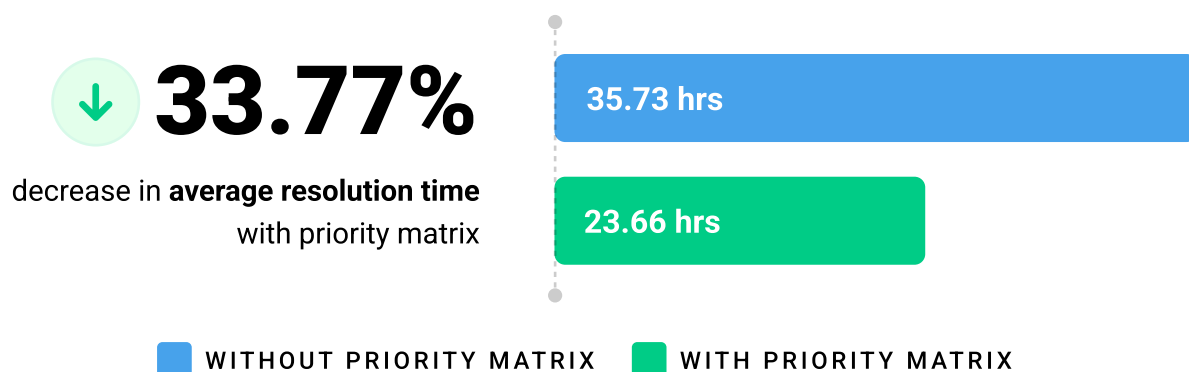
As per the FBR 2024 findings, the trend of integrating applications geared toward enhancing agent productivity continues. Notably, **31.3%** of integrated applications within service desks fall under the Agent Productivity category. Agent shortcuts and quick tricks play a crucial role in simplifying operational processes. By utilizing productivity apps like Google Calendar, Microsoft 365, GitHub, and others, agents can effectively manage their workload, foster collaboration, and deliver swift resolutions.

3 Optimizing operations for uninterrupted business

To maximize the value derived from IT investments and minimize downtime, it's crucial to enhance visibility and control over IT inventory—encompassing hardware, software, and supporting servers—and align it with employee needs. Notably, over **17%** of applications categorized under Assets & Incident Management have been integrated with service desks. By fully integrating and automating incident response processes, organizations can effectively reduce downtime and mitigate costs associated with outages, ensuring uninterrupted business operations.

5.4 Priority matrix

The priority matrix serves as a crucial tool for service desk teams, aiding in the swift assessment and resolution of incidents based on their urgency and impact. By automatically categorizing incidents, this matrix establishes clear expectations with end users regarding resolution timing. Moreover, it empowers IT teams to prioritize tasks objectively, fostering transparency between IT and the business.



Key observations

- 1 More than **92%** of organizations have adopted a priority matrix. The implementation of this matrix results in a notable decrease in the average resolution time: **33.77%**. The significant drop in resolution time indicates that priority matrices enable agents to manage their ticket workload with more focus on critical and time-bound incidents



CHAPTER SIX

Provide unified, engaging employee experiences

[◀ BACK TO CONTENTS](#)

6.1 Omnichannel support

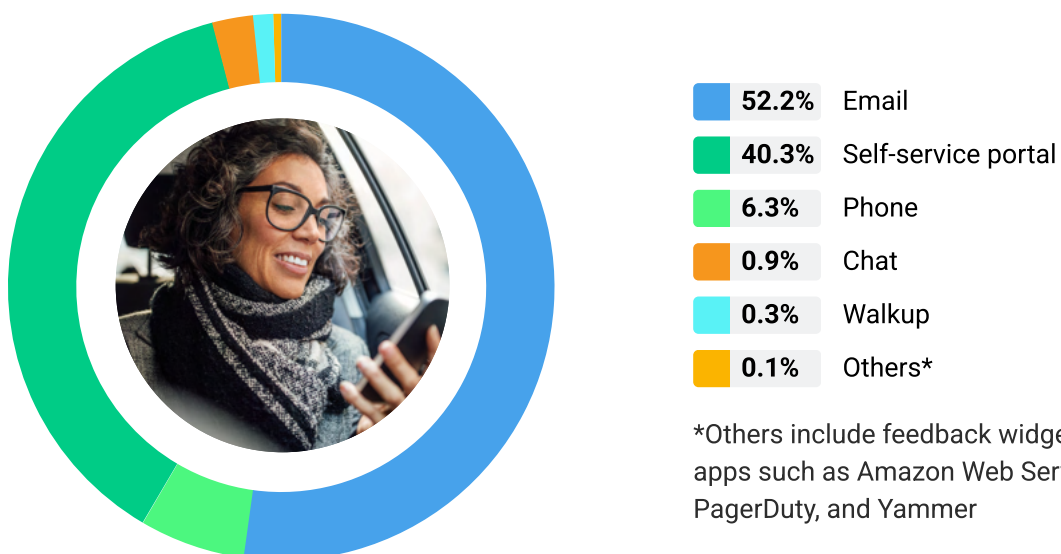
Employees today are navigating an increasingly diverse array of communication channels—from emails and phone calls to chats and beyond—to engage with IT support. The imperative for organizations is not just to meet employees where they are but to ensure a consistently high-quality service experience across all these channels. While the effectiveness of each channel may vary, the goal remains the same: to deliver seamless, engaging, and empowering support that enhances productivity and satisfaction.

Table 5: Impact of popular support channels on KPIs

■ HIGHEST ■ LOWEST

Service desk ticket sources	CSAT%	Average first response time (in hours)	Average resolution time (in hours)	Average first assign time (in hours)	First contact resolution %	Resolution SLA%	First response SLA%
Freshservice Benchmark	97.4	10.82	24.15	17.47	73.9	95.7	95.5
Chat	97.6	6.45	13.25	0.1	91.7	100.0	100.0
Email	97.4	9.28	20.59	15.49	74.1	97.0	97.0
Phone	97.4	13.29	27.11	5.43	91.0	97.5	97.1
Self-service portal	97.4	10.85	24.26	15.75	72.6	95.5	95.2

Chart 3: Popular channels of incoming service desk tickets



*Others include feedback widget and apps such as Amazon Web Services, PagerDuty, and Yammer



Key observations

1

Chat reigns supreme: The speedy support channel

Throughout the years, we've consistently observed that end users experience faster issue resolution when utilizing chat and collaboration apps such as Microsoft Teams and Slack. That trend persisted in 2023, with chat-raised tickets being resolved **45%** faster compared to our benchmark. Additionally, these channels boast impressive first interaction resolution rates (**91.7%**) and maintain resolution SLA and first response SLA adherence at **100%** on average.

2

Email endures: Inboxes are indispensable

Despite the rise of alternative communication channels, email remains the preferred method for end users to engage with IT support. Over the past four years, email support has remained the most utilized channel, with **52.2%** of IT tickets originating from email inquiries. End users favor email due to its simplicity, familiarity, and professional appeal, nurturing expectations of swift resolutions. However, there's a noticeable decline in email's popularity—from **61%** in 2022 to **52%** in 2023—as organizations gradually embrace more modern communication channels, signaling a broader shift in end-user preferences and IT support strategies.

3

Optimizing self-service portals: Balancing convenience and efficiency

In 2023, there was a notable uptick in ticket submissions through self-service portals, marking a **17%** increase from 2022. However, despite the convenience offered by self-service options, end users experienced longer wait times (averaging **27+ hours**) for issue resolution. While **72.6%** of tickets were resolved in the first interaction, there's a clear call for enhanced and optimized self-service portals that prioritize familiarity, convenience, and efficiency across various devices. Despite these challenges, SLAs remain aligned with our benchmark standards.

6.2 Knowledge base

By offering self-service solutions through a dedicated knowledge management portal, organizations empower end users to resolve issues independently. With quick access to insights and solutions, both employees and agents can redirect their energies toward driving innovation and pursuing high-impact business initiatives.

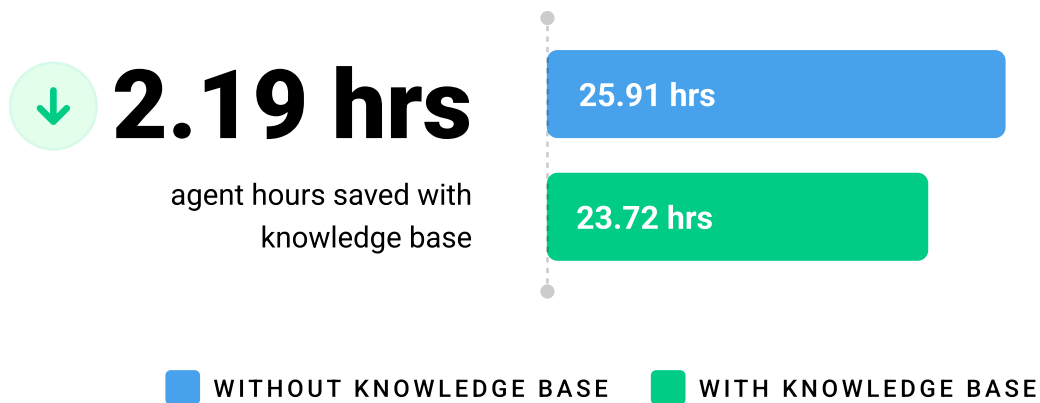


Table 6: Impact of the number of solution articles on average resolution time

Number of solution articles	Average resolution time (in hours)
Freshservice Benchmark	24.15
0	25.91
1 to 10 articles	24.68
11 to 50 articles	22.77
50+ articles	23.61

Note: Match the solution article count to the KPIs to assess impact.



Key observations

- Over **70%** of organizations have implemented a knowledge base for Level 1 (L1) ticket resolution. On average, these organizations have reduced agents' time spent on ticket resolution by **2.19 hours**.
- The optimal range of available knowledge base articles (11 to 50) further enhances the average resolution time by **12.14%**. This efficiency gain underscores the value of leveraging templated solutions for frequently recurring issues.
- Small to medium-sized businesses (up to 500 employees) derive significant benefits from a knowledge base, with resolution time improvements of **9% to 12%**. This performance exceeds established benchmarks, particularly due to the frequency of L1 tickets that can be effectively addressed with targeted solution articles.

6.3 Service catalog

A thoughtfully curated service catalog emerges as a pivotal self-service gateway, empowering employees and end users with a seamless, unified portal for all service requests. This innovative approach not only simplifies access to services but also streamlines the delivery process, enhancing overall efficiency and end-user satisfaction. By serving as the definitive source of precise, up-to-date information on the full spectrum of IT services, the service catalog elevates the IT department's role to a strategic partner across the organization and fosters empowerment and self-reliance among end users.

Table 7: Impact of the number of service items on first contact resolution

Number of service items	First contact resolution %
Freshservice Benchmark	73.9
0	73.7
1 to 10 service items	73.3
11 to 50 service items	74.2
50+ service items	76.7

Note: Match the service item count to the KPIs to assess impact.



Key observations

- 1 About **59%** of organizations have implemented a service catalog to enhance self-service capabilities for end users submitting service requests.
- 2 Providing end users with a wide range of service options (over 50 service items) significantly reduces the need for follow-up interactions, as evidenced by a high first contact resolution rate of **76.7%**.
- 3 Large enterprises (over 1,000 employees) derive the greatest advantage from employing a comprehensive service catalog featuring more than 50 service items. In these organizations, IT agents report a notable reduction in ticket resolution time, saving an average of **1.11 hours per ticket** and achieving a first contact resolution rate of **78.9%**, which surpasses our benchmark.



CHAPTER SEVEN

Global benchmarks and industry snapshots

[◀ BACK TO CONTENTS](#)

7.1 Benchmarks by industries

The FBR 2024 analyzed data across 14 industries to draw insights and understand how they compare with each other. The key metrics discussed in section 3 (The 7 KPIs of service management) are broken down by industry in the table below.

Table 8: Freshservice Benchmarks by industry

■ HIGHEST ■ LOWEST

Industry	CSAT%	Average first response time (in hours)	Average resolution time (in hours)	Average first assign time (in hours)	First contact resolution %	Resolution SLA%	First response SLA%
Freshservice Benchmark	97.4	10.82	24.15	17.47	73.9	95.7	95.5
Business services	97.3	9.34	22.54	16.02	73.0	96.5	96.2
Construction and real estate	98.0	8.82	21.52	14.70	71.0	94.9	94.5
Consumer products and services	97.3	11.53	25.86	15.52	73.8	96.2	95.2
Education	96.9	12.25	30.70	21.82	72.0	94.8	94.8
Energy	96.5	11.70	29.30	21.82	75.3	97.2	97.2
Finance	98.2	9.35	21.62	16.09	76.1	95.5	95.1
Government and nonprofit	98.2	12.77	27.51	21.03	72.3	95.5	95.3
Healthcare	97.6	11.59	24.49	18.69	73.7	95.5	95.3
Leisure and hospitality	97.4	11.89	26.03	18.23	74.7	96.1	96.1
Logistics and transportation	96.8	10.40	23.47	14.60	73.0	95.3	95.0
Manufacturing	96.5	12.52	27.37	18.99	73.2	95.3	94.9
Media and internet	98.6	8.41	19.64	14.12	75.6	95.9	95.8
Retail and e-commerce	97.4	11.64	24.03	19.41	75.4	96.8	96.6
Software	97.1	9.74	21.09	16.92	75.8	95.7	95.5



Key observations

1 **Media and internet: Speed is of the essence**

This industry leads the pack by delivering the fastest first responses to IT support inquiries, averaging **8.41 hours**. The promptness of these initial responses is a significant factor in achieving high customer satisfaction levels, as evidenced by their remarkable CSAT score of **98.6%**. Excelling in service management, the media and internet industry sets the benchmark, demonstrating a positive influence across nearly all key performance indicators.

2 **Energy: Exceeding SLA expectations**

Despite extended ticket assignment durations of **21.82 hours**, the energy sector maintains exceptional resolution SLA and first response SLA adherence at **97.2%**, surpassing industry benchmarks. This industry's commitment to service excellence is evident through consistent SLA compliance.

Tip: Automating repetitive tasks such as ticket assignment, due date modifications, and status updates can streamline operations. Implementing condition-based workflows tailored to different types of inquiries and issues not only saves time and effort but also boosts overall cost efficiency.

Tip: Employing automation and AI-powered tools can significantly reduce the load of repetitive tasks, allowing your team to focus on critical issues and adhere to SLA commitments. Consider setting up automation rules to proactively notify your team when SLAs are at risk, ensuring consistent service excellence.

2 Education: A quest to overcome resolution delays

The education sector faces challenges with prolonged resolution times, recording an average resolution time of **30.7 hours**. This delay may stem from their lengthy first assign time of **21.82 hours**.

Tip: To overcome resolution delays in education, utilize different ticket assignment methods like round robin or first-in-first-out, and automate processes. Implementing a priority matrix can streamline ticket queue management.

4 Government and nonprofit: Pacing slow, satisfying high

Organizations in this sector exhibit slower first response times (**12.77 hours**) and longer resolution times (**27.51 hours**). However, their impressive CSAT score of **98.2%** indicates high end-user satisfaction levels, surpassing Freshservice benchmark despite longer response times.

Tip: To enhance first response time (FRT) in government and nonprofit sectors, utilize workflow automations and implement a priority matrix for issue prioritization. Additionally, consider implementing gen AI-powered tools such as Reply Suggester to expedite responses to common issues.

5 Construction and real estate: Earning happy customers

Companies in property development achieve a notable customer satisfaction score of **98.0%** alongside lower assign, response, and resolution times—exceeding our benchmark. Their efficient service delivery contributes to elevated end-user satisfaction levels.

Tip: Prompt and efficient issue resolution is crucial in maintaining high customer satisfaction. Ensuring accessibility and multiple channels of communication, tailored to end user preferences, can further amplify satisfaction levels in the construction and real estate sectors.

6 Financial services: First-contact champions

Financial services leads in accurate first-contact resolutions, boasting a remarkable 76.1% first contact resolution rate. Quick first responses, ticket assignments, and resolutions contribute to their impressive CSAT score of 98.2%, highlighting their commitment to efficient service delivery and support.

Tip: This industry consistently outperforms benchmarks. To improve performance, implement a dedicated knowledge base, use chat support, adopt AI, and automate processes to reduce average resolution time and enhance first contact resolution, ensuring SLAs are met efficiently.



7.2 Benchmarks by region

As businesses expand their reach across borders, embracing remote operations and catering to international customers, the complexity of monitoring performance metrics intensifies. The perception of service quality and customer satisfaction varies significantly across different countries and regions, highlighting the diverse expectations and experiences of organizations and end-users worldwide. By aggregating customer satisfaction scores and service desk metrics from various geographic locations, leaders can gain a comprehensive view of performance, enabling them to set and compare global benchmarks.

Table 9: Freshservice Benchmarks by regions

■ HIGHEST ■ LOWEST

Region	CSAT%	Average first response time (in hours)	Average resolution time (in hours)	Average first assign time (in hours)	First contact resolution %	Resolution SLA%	First response SLA%
Freshservice Benchmark	97.4	10.82	24.15	17.47	73.9	95.7	95.5
Asia-Pacific	97.2	8.37	16.68	9.89	80.5	95.5	95.1
Australia and New Zealand	92.4	12.60	25.01	22.32	75.8	95.8	95.9
Europe	96.8	11.95	23.38	22.73	74.1	96.9	96.7
Latin America	95.0	10.86	18.84	9.85	82.9	94.1	93.9
Middle East and Africa	93.2	10.24	22.20	13.17	79.5	92.9	92.1
North America	98.3	10.15	26.59	15.66	71.2	95.2	94.9



Key observations

1 North America: Pioneering end-user bliss

North America leads in end-user satisfaction in IT support, achieving the highest customer satisfaction scores (**98.3%**) despite longer average resolution times (**26.59 hours**) and a lower first contact resolution rate (**71.2%**).

2 Asia-Pacific: Turbocharged ticket tackling

Organizations in the Asia-Pacific region excel in responsiveness, with rapid ticket assignment (**9.89 hours**), first response times (**8.37 hours**), and resolution times (**16.68 hours**). Additionally, they achieve a high first contact resolution score of **80.5%**, surpassing our benchmarks.

3 Australia and New Zealand: Balancing speed and accuracy

In Australia and New Zealand, the initial response to end-user queries tends to be slower, possibly due to longer assignment and resolution times, resulting in lower CSAT scores. However, they excel in first contact resolution, resolving **75.8%** of end-user queries within the first interaction, and maintain high resolution and response SLAs.

4 Europe: Leading by example in service excellence

Despite a longer ticket assign time (**22.73 hours**), European organizations uphold their SLAs with remarkable scores, surpassing industry benchmarks at 96.9% for resolution SLA adherence and **96.7%** for first response SLAs.

5 Latin America: Fast assignments, effective resolutions

Latin American organizations prioritize swift ticket assignments (**9.85 hours**) and maintain a high first contact resolution rate at **82.9%**. However, their SLAs fall below industry benchmarks, possibly due to longer first response times.

6 Middle East and Africa: Pursuing SLA perfection

Despite lower average resolution times (**22.2 hours**) and a high first contact resolution rate (**79.5%**), the Middle East and Africa region is striving to meet service-level commitments, aiming to improve resolution and response SLAs.

7.3 Benchmarks by country

Table 10: Freshservice Benchmarks by countries

■ HIGHEST ■ LOWEST

Country	CSAT%	Average first response time (in hours)	Average resolution time (in hours)	Average first assign time (in hours)	First contact resolution %	Resolution SLA%	First response SLA%
Freshservice Benchmark	97.4	10.82	24.15	17.47	73.9	95.7	95.5
Australia	97.4	12.60	24.43	21.73	76.2	95.9	95.9
Belgium	93.7	14.66	23.05	27.63	74.3	97.3	97.2
Brazil	94.2	9.74	15.32	13.07	82.0	96.5	96.5
Canada	99.0	10.41	27.64	16.37	71.5	94.1	93.8
Denmark	97.1	13.09	28.81	27.76	76.4	98.3	98.6
France	95.6	14.40	26.67	27.91	74.5	99.2	99.2
Germany	97.3	15.59	27.09	26.50	78.6	97.4	97.2
India	89.9	7.95	15.84	8.15	81.1	95.8	95.1
Italy	96.8	13.77	29.43	20.87	74.7	96.6	95.6
Mexico	96.4	8.01	18.69	8.49	82.6	94.2	93.5
Netherlands	95.9	14.69	24.79	27.14	77.4	99.0	99.2
New Zealand	96.6	11.93	28.91	27.23	73.6	94.6	94.8
Singapore	97.0	10.38	19.53	16.89	80.6	93.4	93.5
South Africa	96.5	8.36	18.46	10.43	78.1	93.7	93.5
Spain	94.8	12.21	24.65	15.18	75.8	98.5	98.4
Sweden	96.3	11.98	27.58	29.55	72.6	96.9	96.7
Switzerland	95.1	15.57	20.58	25.16	76.1	97.6	97.5
United Arab Emirates	90.6	13.05	34.82	20.13	79.5	93.2	92.8
United Kingdom	97.2	9.98	20.72	19.59	72.0	95.9	95.8
United States of America	98.3	10.12	26.28	15.51	71.2	95.3	95.1



Key observations



Canada: A nation of delighted end users

With an impressive CSAT score of **99.0%**, Canada stands out as a leader in end-user satisfaction. Despite being relatively slower in responding and resolving tickets compared to our benchmark, IT organizations in Canada prioritize customer happiness and consistently deliver positive experiences to their end users.



India: Speedy initiatives, swift solutions

India leads the pack in ticket assignment and first response times, initiating the first response within **7.95 hours** and assigning tickets to agents in just **8.15 hours**, on average. India also boasts a high first contact resolution rate of **81.1%**.



France and Netherlands: SLA superstars

Despite longer response and resolution times, France and the Netherlands maintain exceptional resolution and first response SLA rates—hovering around **99%**, exceeding industry standards.



Brazil: Quick fixes and happy end users

Brazil boasts the quickest resolution times for end-user queries, averaging **15.32 hours**. Service desks in Brazil excel in assignment, response, and first-contact resolution, surpassing Freshservice benchmarks with ease.



Key observations



Germany: Precision in resolution

Germany experiences longer response times, averaging **15.59 hours**, impacting overall resolution times. However, despite these delays, Germany maintains commendable resolution and response SLAs at **97.4%** and **97.2%**, respectively, ensuring efficient service delivery.



Mexico: Resolving right from the start

Mexico sets the bar high with the highest first contact resolution rate at **82.6%**, surpassing industry benchmarks and ensuring end users receive accurate resolutions right from the first interaction with the service desk.



Sweden: Slow starts, strong finishes

Despite longer ticket assignment times, averaging **29.55 hours**, Swedish service desks uphold their SLAs, demonstrating a commitment to efficient service delivery.



United Arab Emirates: Slow and steady in solutions

The United Arab Emirates experiences longer resolution times, at **34.82 hours** on average. The UAE also records the lowest resolution SLA (**93.2%**) and response SLA (**92.8**) rates.



Key observations



United States of America: Prioritizing end-user satisfaction over speed

Despite longer resolution times and a **71.2%** first contact resolution rate, US service desks maintain a high CSAT score of **98.3%**. Agents take **26.28 hours** on average to resolve tickets, but their focus on satisfaction keeps end-users pleased with IT services.



United Kingdom: Swift first responses with room for improvement

The United Kingdom delivers rapid first responses to end-users, averaging **9.98 hours**. While performing well across most KPIs compared to our benchmark, there's an opportunity for improvement in assignment times, potentially elevating their position among the top performers.



7.4 Benchmarks by company size

The level of satisfaction among end users, whether external customers or internal employees, can differ significantly based on the scale of the organization they interact with. A workforce that feels supported by its IT services exhibits higher levels of engagement, job satisfaction, and performance, contributing to the organization's overall success.

Table 11: Freshservice Benchmarks by company size

■ HIGHEST ■ LOWEST

Company size	CSAT%	Average first response time (in hours)	Average resolution time (in hours)	Average first assign time (in hours)	First contact resolution %	Resolution SLA%	First response SLA%
Freshservice Benchmark	97.4	10.82	24.15	17.47	73.9	95.7	95.5
Less than 250 employees	100.0	10.27	23.69	16.19	74.6	95.6	95.5
251 to 500 employees	97.6	10.58	24.21	15.98	71.8	95.8	95.6
501 to 1000 employees	96.6	10.94	24.00	17.84	72.5	96.2	95.7
Greater than 1000 employees	94.8	12.37	25.66	22.23	75.5	95.5	95.2



Key observations

- 1 Small organizations (up to 250 employees) are better at delivering delightful end-user service, as they are quick to respond to issues and resolve tickets faster.
- 2 When the employee count surpasses 1,000, service starts to drop. It takes many hours to assign tickets and resolve issues. As organizations scale and offer more services, there's a corresponding increase in the volume and complexity of information flowing through their systems. This influx of data can overwhelm service desks, making it challenging to effectively manage and prioritize incoming tickets.
- 3 Improving end users' access to comprehensive service offerings and relevant information enhances the efficiency and effectiveness of addressing user issues. Implementing a unified service catalog and optimizing knowledge base solutions can lead to high first contact resolution rates, reaching **75.5%**.



CHAPTER EIGHT

Closing thoughts

[◀ BACK TO CONTENTS](#)

As we reflect on the evolving landscape of IT service management in 2024, one cannot ignore the transformative impact of generative AI. This disruptive technology has ushered in a new era of efficiency and innovation, reshaping traditional service management paradigms. Technology leaders find themselves at a pivotal juncture, tasked with translating promises into tangible outcomes. The journey ahead demands a strategic approach to making use of emerging technologies, navigating shifting market landscapes, and fostering collaborative partnerships across the C-suite.

1 Strategic AI implementation

Amid the AI fervor, CIOs must chart a course grounded in practicality. Identifying genuine use cases and measuring ROI is paramount. The focus shifts from adopting AI for its own sake to leveraging AI-powered tools strategically to drive business results and optimize workflows, particularly within IT organizations.

2 Discerning AI solutions

The allure of superficial AI solutions dissipates as organizations scrutinize the efficacy of intricate SaaS add-ons. With employees and customers growing savvier about AI capabilities, the emphasis shifts to discerning genuine value. Relentless app scrutiny and rationalization are imperative, requiring tech leaders to prioritize substance over superficial features.

3 Executive-level partnerships across the enterprise

The role of the CIO extends beyond traditional IT domains, necessitating closer collaboration with counterparts in HR, sales, and finance. By cultivating cross-functional partnerships, CIOs elevate their status to trusted advisors, enriching IT decision-making and driving organizational success through streamlined operations and enhanced stakeholder experiences.

The mandate for 2024 is crystal-clear: Shift focus from the allure of emerging technologies to the pursuit of measurable outcomes. By securing data, optimizing operations, and fostering strategic partnerships, technology leaders can steer their organizations toward sustainable growth, resilience, and success in an ever-evolving digital landscape.

CHAPTER NINE

Appendix

[◀ BACK TO CONTENTS](#)

9.1 Service management terms and definitions

1 Average first assign time

This metric shows the average time taken for tickets to be assigned to an IT agent or a group after its initial creation. It is also known as the in-queue time, referring to the time a ticket is waiting in a queue to be assigned appropriately. Any delay in the assignment time adds to the ticket resolution time.

- **Measurement:** The sooner tickets get assigned, the better.
- **Tip:** Take the manual effort out of the process by leveraging AI and automations to automatically categorize and assign tickets to agent groups based on their availability, skills, and expertise. If you are not meeting your SLA for complete resolution time, this metric can be a diagnostic measure to understand how long the initial assignment takes.

2 Average first response time

This metric shows the time taken for a service desk to provide an initial response after a customer reports an incident or requests a service. In other words, it indicates how long a customer has to wait before receiving an acknowledgment.

- **Measurement:** The faster the response, the better.
- **Tip:** Also known as the first reply time, this metric is more important than the overall response time, as it is an acknowledgment to the end user that their issue is being analyzed. If your average first response time is high, setting up canned responses along with a knowledge base can help provide a quicker first response for frequently reported issues.

3 Average resolution time

This metric shows how long it takes the IT team to completely resolve end-user requests and issues. The average resolution time is another way to gauge how strong the support team's product knowledge is, how well the service desk is staffed, and whether the team is equipped with the right solutions to resolve tickets faster.

- **Measurement:** The quicker the team resolves tickets, the better.
- **Tip:** While there is always a need for speed, the quality of support after the request is submitted will ultimately resonate with end-users. However, this metric highlights your team's efficiency, and if your time to resolution is increasing, you know something is up.

4 Customer satisfaction (CSAT)

Employees are typically the consumers or customers of service management. End-user or customer satisfaction is an indication of customer happiness with the service provided. The CSAT score is a numerical measure of customer satisfaction and is usually calculated based on a short survey that customers/end users fill out after their ticket is resolved.

- **Measurement:** The higher the CSAT percentage, the better.
- **Tip:** A higher CSAT score not only indicates greater customer satisfaction but also correlates with increased likelihood of customers recommending your business to others. Prioritize employee engagement as it significantly impacts organizational success, leading to improved productivity, reduced turnover rates, and enhanced profitability.

5 First contact resolution (FCR)

This metric shows the ability of an IT team to meet the customers' needs completely in a single interaction. It is calculated by dividing the number of tickets resolved on the first contact by the total number of tickets, multiplied by 100.

- **Measurement:** The higher the percentage, the better.
- **Tip:** By measuring FCR, you can understand how quickly your IT teams are helping their end users. If your percentage is low, you can improve it by incentivizing your agents. FCR also has a direct impact on CSAT.

6 First response SLA rate

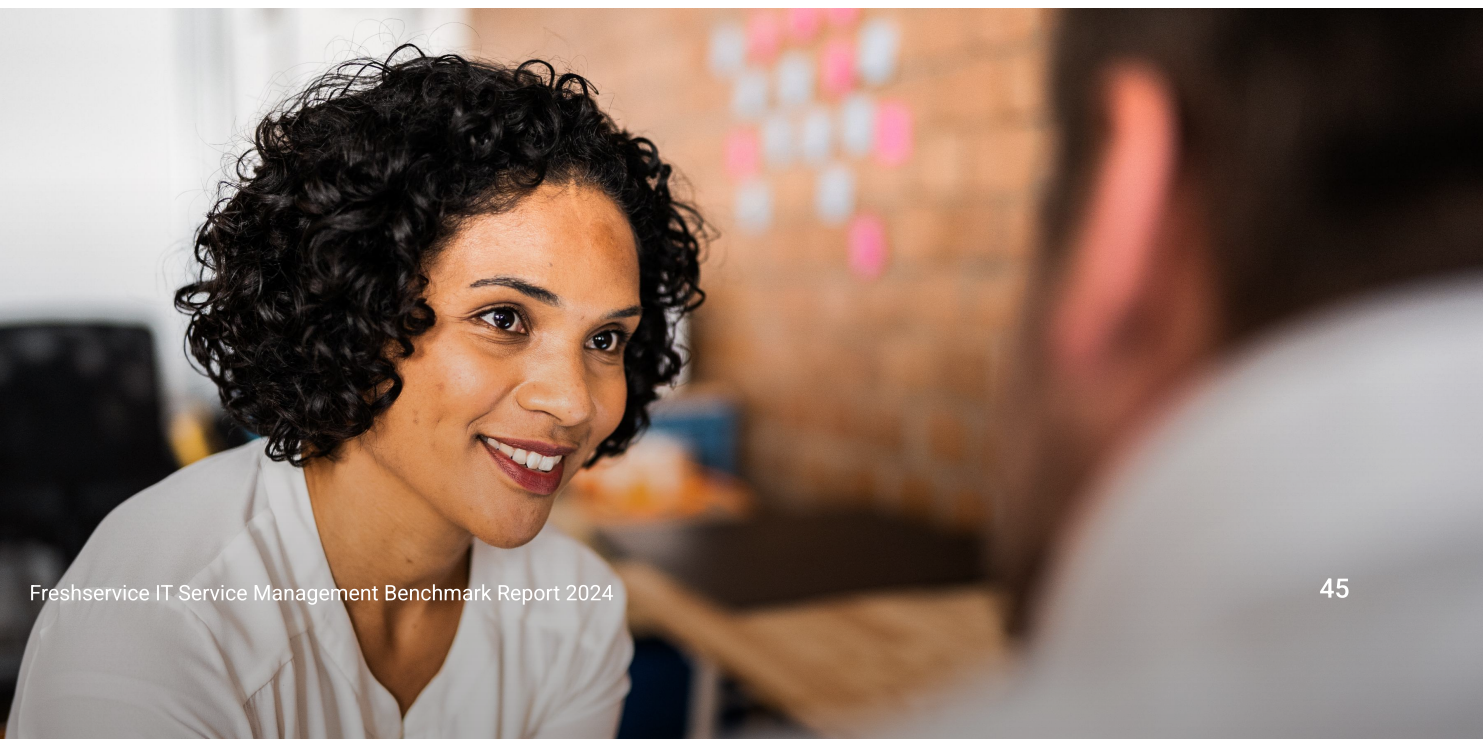
This metric tracks how quickly agents respond to a technical issue raised via phone, email, or other channels. It is calculated by tracking the percentage of the number of tickets where the first responses were sent within the service-level-agreement divided by the total number of tickets on which the first responses were sent during a time period, multiplied by 100.

- **Measurement:** The higher the percentage, the better.
- **Tip:** A mix of chatbots and AI agents—along with adequate staffing levels—is more likely to provide an answer within the first response SLA and increase your percentage.

7 Resolution SLA rate

This metric shows what percentage of tickets have been resolved within the SLA. It is a reflection of the IT support team's efficiency. This percentage is calculated by dividing the number of tickets that were resolved within the SLA by the total number of tickets during a time period, multiplied by 100.

- **Measurement:** The higher the percentage, the better.
- **Tip:** This metric can help you not only understand the efficiency of your team but also evaluate your own SLAs. Setting the right SLA is critical to motivating employees and setting end-user expectations. Setting unrealistic or unachievable SLAs can demotivate your IT support team. On the other hand, setting lenient SLA policies can have a negative impact.



9.2 Benchmark your IT team

#	Metrics (KPIs)	Freshservice Benchmark 2024	Direction of positive change/ impact	Your current KPIs	Your organization's aspirational benchmark for 2025
1	Customer satisfaction (CSAT)	97.4%	Higher the better		
2	Average first response time (AFRT)	10.82 hours	Lower the better		
3	Average resolution time (ART)	24.15 hours	Lower the better		
4	Average first assign time (AFAT)	17.47 hours	Lower the better		
5	First contact resolution (FCR)	73.9%	Higher the better		
6	Resolution SLA rate	95.7%	Higher the better		
7	First response SLA rate	95.5%	Higher the better		



10. About Freshworks

Freshworks Inc. (NASDAQ: FRSH) creates AI-boosted business software anyone can use. Purpose-built for IT, customer support, and sales and marketing teams, our products are designed to let everyone work more efficiently and deliver more value for immediate business impact. Headquartered in San Mateo, California, Freshworks operates around the world to serve more than 67,000 customers, including American Express, Blue Nile, Bridgestone, Databricks, Fila, Klarna, and OfficeMax. For the freshest company news, visit www.freshworks.com and follow us on [Facebook](#), [LinkedIn](#), and [X](#).

10.1 About Freshservice

Freshservice is an intelligent, enterprise-grade service management solution that provides long-term value with minimal complexity. It provides an enterprise-class, unified solution to manage IT and extends service management to non-IT teams as well. This all-in-one solution delivers AI-powered experiences to employees, agents, and decision-makers enabling organizations to enhance employee experience, and agent productivity, and realize greater ROI. Experience the power of AI and right-sized service management that goes beyond IT with Freshservice. To learn more about Freshservice and how it can transform your IT management, visit www.freshworks.com/freshservice/.

