Scaling Your Business Through
SUPERIOR CUSTOMER EXPERIENCE

BY PV KANNAN

Properly deployed, AI can boost your business.

In the mid-1990s, a transformation occurred. Prior to this transformation, the main ways that companies interacted with customers were analog: on the phone, in a retail location, or by mail. But with the advent of the web browser and consumer access to the Internet, companies began to create pages of information for customers.

This was transformative for the customer experience (CX) and benefited both companies and customers. It was furthered by the mobile web with the birth of apps, making it easier to answer specific questions such as "What's my bank balance?" or "Is my flight delayed?" Although the browser and mobile app interfaces remained fundamentally similar to the analog experience, they offered customers more convenience.

At the same time, however, companies did something that negatively impacted customer service, and that problem persists today. Many companies made their 1-800 numbers nearly impossible to find on their websites. They deliberately made this number difficult to find because paying agents to handle calls is expensive, and companies seek to avoid the additional expenses of having to maintain call centers at all costs. What these companies have tried to do instead is provide some sort of self-service filtering that prevents consumers from calling when they don't need to.

The problem is, sometimes they do need to call. With many items (such as a book), consumers never have to think about something going wrong with the product. Chances are that the book will arrive on time, the pages will be printed correctly, and the customer will have no problem with reading it.

But for other items, such a vacuum cleaner, what if it's defective? What if it's missing a part? Would you know what to do? Your first instinct might be to navigate to the company's help page, at which point you may be confronted with a staggering array of categories from which to choose. The drop-down lists are reminiscent of the interactive voice response (IVR) telephone systems of the 1990s—the ones that said "press one for this and two for that."

As Dan Miller, lead analyst and founder of Opus Research, put it in a June 2018 report, "Conversational Voice Response: Putting the Best Tech Forward," "an IVR is the obligatory, yet unpleasant, stopping point on each customer's journey from search and discovery to fulfillment." Who considers this a very effective way to serve customers today?

There is a much better way to engage consumers and keep them happy, even in self-service. Brands need to make it easy for the consumer to have a conversation with the company. Now, if these conversations were completely done by humans, they would be fairly onerous and would become an expensive proposition. That's why we see companies attempting to put layers of self-help everywhere. But there's a better way to do it.

BRINGING AI RESOURCES TO THE ATTENTION OF THE CUSTOMER

On the SiriusXM home page, you will see a chat window at the bottom right. That window appears on every page. Instead of having to search the site, and then search through categories, you can type in your concern using natural language and an artificial intelligence chatbot will respond with the most appropriate answer. The technology understands natural language and can determine the consumer's intent—that is, what the consumer is trying to do.

With the use of artificial intelligence, it's now possible to make sense of the tremendous amount of Big Data that businesses possess and figure out the consumer's intent. This results in faster and effortless task execution by companies on behalf of customers. AI is the underlying technology that can also make chatbots talk and think like a company's best human agent. However, today it has its limits. This is why humans will be part of the mix for the foreseeable future.

HOW TO PROPERLY HARNESS TODAY'S AI FOR CX

From a company's perspective, an AI-powered chatbot (also known as a virtual agent) is an efficient machine. Much like the web, it sits and waits for requests, ever ready to answer customers' questions. Like all automated systems, it is designed to be more efficient and less people-intensive than current ways of delivering service and information.

But for customers, virtual agents can help them avoid the frustration of poking around a website searching for answers. The virtual agent identifies what you want and gets it for you. When a technology can actually improve both corporate efficiency and customer experience, that technology is going to rapidly make its way through companies. Virtual agents are just now becoming practical, but the results they deliver are dramatic. As they spread, they will forever change the way companies and customers interact.

As with any evolving technology, however, you need to begin by clearly understanding what the new technology can or cannot achieve and when you can turn it into a business advantage. If you deploy these resources too soon and without a proper understanding of their advantages and disadvantages, you'll waste effort on an immature technology. If you deploy them too late, you'll be behind your competitors and unable to catch up.

As the CEO of a customer experience solutions company, I advise companies on how to invest in virtual assistant technology as part of their digital transformation strategies. Here are four key elements to consider in gaining a successful business advantage from this new technology:

Set clear goals. The most important step before investing in and implementing any strategy is to be very clear about

what you want to achieve. What is your ultimate goal? Are you focused on automating tasks to reduce cost, or is your ultimate goal to improve customer experience end-to-end? Virtual agents can improve the experience in both service and sales, and it's important to understand these implications before investing in this new technology and be prepared for the results to show over a period of time rather than immediately.

Don't deploy a virtual agent on its own. Virtual agents need to be part of your entire customer engagement strategy. Otherwise they will create a disjointed or dead-end experience for customers. Be sure your intelligent bot (chat and speech) is fully integrated with all your other channels so that the customer experience is consistent across touchpoints. Also, if problems arise, the virtual agent should always be able to escalate right away to a human agent who is aware of the context of the conversation.

Prepare for the future. It is vital to prepare a technology architecture that's flexible. The way we use virtual agents is still unfolding.

My advice is to develop and execute a strategy that builds in flexibility for implementation with future platforms, channels, and devices. Customer preferences can change quickly, so take into account the need to provide the right amount of resources for maintenance and regular chatbot learning to ensure it's always performing the way customers expect.

Build in human collaboration. Some companies assume that new technology will help automate customer service and replace humans. This is not true. Technology helps humans execute tasks faster by automating time-consuming or mundane tasks, and even then, it is achieved with human supervision and training. AI systems learn from training, and this is delivered by humans. So if you are expected to deliver a humanlike interaction experience, then keep humans in the loop and let the machine learn and perform under supervision.

At some point, a customer will need to engage with a human being. Late in 2016, [24]7.ai published results of research that culminated in its "Customer Engagement Index." It compiled data that shows stark but unsurprising differences between the behavior of Millennials, Gen X'ers, Baby Boomers, and the Greatest Generation. While there were differences in the level of digital device ownership, such as smartphones and tablets, there were commonalities in the sequence of channels that individuals pursued when they were shopping or carrying out other forms of digital commerce. The survey revealed that, while customer journeys most often start on a company's website (often on the mobile web), nearly a third of them turn to their phones to call a company if their initial efforts are unsuccessful.

Make sure you measure. Virtual agent systems can be scaled up in a way that human-only contact centers simply cannot, so it is important to define your metrics, then measure regularly and apply what you learn. For example, "handle time," a typical customer service metric, is no longer a clear measure of effectiveness. When human agents handle calls or text chats and handle time goes up, that could indicate a problem (and tax capacity at the contact center). But when a virtual agent's handle time goes up, that could just indicate that the customer needed more help and wanted to go at a more deliberate pace. So put a measurement program in place that has the right metrics.

These are exciting times in the customer experience space, and as virtual agent technologies evolve in both the personal and enterprise space, we will see them impact business, social, economic, and regulatory ecosystems. For any business to have a competitive advantage, it needs to understand the implications of these new technologies and start investing in them now—even if it is a small investment to start. AQ

PV Kannan is founder and CEO of [24]7.ai. Headquartered in San Jose, Calif., [24]7.ai delivers customer engagement software and services that make it simple for customers to interact with companies through the web, mobile, chat, social, and phone. [24]7.ai's cloud-based platform combines predictive analytics and real-time decisioning putting AI and big data to work to drive better customer experiences and outcomes. The company serves more than 2 billion customer interactions annually for clients across diverse industries.

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