Powering clients to a future shaped by growth

Unleashing the Power of AI and Super Agents to Transform Customer Experience

FROST & SULLIVAN

Table of Contents

The Quest for an Optimal Balance of Live Agents and Self-Service

Customer demands are at an all-time high as visionary companies embrace the technologies that help them stand out in crowded markets. Today's customers expect businesses to meet them in their preferred channel and at the time of their choice. They want the companies they do business with to serve not only on their current needs, but to anticipate the ones they don't even yet know about. They can be quickly agitated when those needs are not immediately met, whether through a human contact or digital channel.

Companies are racing to adopt the right solutions for their business to stay ahead of customer expectations—to not only satisfy customers, but delight them.

In many industries, the number of customer interactions skyrocketed when COVID-19 hit. The pandemic created major challenges for businesses that were not set up to handle disasters. It accelerated the need for both work-from-home (WFH) agent models and self-service technologies, to handle rising call volumes. As a result of the sudden changes, companies had to rethink the balance of self-service and live agents; a challenge that businesses have been grappling with for decades since the first self-service channel was introduced. Now, with the right tools, it's possible to achieve this balance and improve customer satisfaction today. Artificial intelligence, machine learning, and natural language technologies enable both self-service solutions and agent performance to substantially improve customer satisfaction (CSAT).

Companies are becoming increasingly aware of these benefits. Frost & Sullivan's recent survey of IT decision makers[1] revealed that there are twice as many companies increasing their investments in digital transformation as reducing them due to the pandemic. CX solutions emerged as the top priority amongst all digital transformation technologies. Specifically, companies want to use digital solutions to adapt to new work modes, accelerate self-service, and enhance e-commerce capabilities. This paper will share best practices on leveraging digital solutions such as artificial intelligence (AI) and machine learning (ML) to create a CX environment that will win customer loyalty in a digital world.

Chapter 1: Driving Customer Self Service through AI

Brand Loyalty in a Digital World

It should come as no surprise that consumers who feel connected to a brand tend to remain loyal. Yet, customer retention has become a daunting task with the competition just a click away. Consumers have become much more comfortable with self-service and hold businesses to the same level of service they used to get with face-to-face interaction. This has only been exacerbated by a pandemic that forced customers to use digital channels when the number of calls skyrocketed and agent availability declined, in some cases for the first time.

As the world moves to digital transactions, how can companies bond with customers and keep them loyal to their brand? While the tremendous cost savings derived from deflecting calls has driven businesses to move to automation for many years, the pandemic has augmented their need for self-service capabilities to ensure business continuity and disaster recovery. The good news is that many customers already prefer digital channels. And let's just concur that the rest got tired of waiting in long queues, gave self-service a try, and liked it.

With improvements in the latest technologies (such as AI, machine learning, and natural language understanding), companies can shift their focus from using automation to reduce costs to a higher hanging fruit—improving brand loyalty.

According to Frost & Sullivan's 2021 Contact Center Survey, 92% of contact centers have invested in virtual agents to reduce costs. However, not all of them will be successful in capturing loyal customers without a carefully considered plan to implement these solutions.

The Power of AI

Having customers take care of matters on their own relieves agents of dealing with monotonous tasks. But how do you get customers to use self-service channels? Many customers are already using digital channels first, but often need to reach a live agent because their issues were not resolved. AI-infused chatbots can increase self-service by engaging with customers at a moment of need and quickly and accurately handling inquiries.

The Latest in Bots

Bots come in various forms to help contact centers achieve unique goals. **Bots** or **virtual agents** are computer programs built to engage with an individual that emulate humans using either web chat or speech interfaces. Bots range from basic applications that answer simple queries or seek to entertain to fully conversational apps with intelligence embedded and integrated with back-end databases.

- **Voicebots** are designed to interact conversationally with users in a natural manner via **voice** channels. A voicebot can understand a spoken demand or query of a user and structure and express a fitting audio reply. Voicebots are powered by AI technologies, and enable an individual to engage with an interactive voice response (IVR) system with their voice, in a simplified simulation of a conversation with a human agent.

- **Chatbots** are designed to interact conversationally with human beings in a natural manner through **digital** channels. Text messages are the most common form of input and output, but more sophisticated chatbots can also use interactive forms, visual and rich media content. Chatbots range from basic apps that answer simple queries or seek to entertain, to fully conversational bots with intelligence embedded into the app and integrated with back-end databases.

- **Informational bots** can automate interactions where the customer simply needs the right answer to a question. Informational bots can be deployed in a week if the organization has knowledge base content that can address frequently asked questions.

- **Transactional bots** can automate interactions where the customer needs guidance to complete a transaction. Each transactional journey requires the design of multi-turn conversations that follow business rules and integrate with backend systems. By identifying, prioritizing, and then implementing transactional journeys, overall containment rates will increase over time.

- **Deep learning technology** uses machine learning (ML) to apply a class of computing that enables machines to analyze data to predict outcomes. ML is a process by which a computer is trained to identify patterns in new inputs or data sets, based on the patterns it has been "taught" with prior data. Once trained, the ML system can be expected to reliably find predictions in subsequent data sets. ML applications can be self-trained, human-trained, or a combination of both.

Solution in Action

Company Description: A leading global hotel provider with 34 million guests annually

Goal: Increase bookings online to reduce costs while improving customer loyalty

Solutions: [24]7.ai's Conversational AI platform provides its customers with AI-powered virtual agents, which allows them to engage with customers naturally as they would with a live agent. In addition, this platform can be deployed on digital and voice channels easily, and its self-learning model helps businesses to continually reduce costs and improve a company's ability to resolve customer issues on their first attempt. Lastly, it is capable of performing a sentiment analysis so that when things go awry with a bot (i.e., the visitor/caller shows anger, sadness, or other negative emotions), the technology understands that it's time to escalate to an agent and prioritize the customer to obtain extraordinary services.

[24]7.ai's platform can more accurately predict customer behavior and respond to customer queries. The solution continually learns from its interactions between customers, chatbots, and human agents, enabling it to optimize customer intent models.

In Action: [24]7 Answers™ uses advanced algorithms to allow customers to handle frequently asked questions, policies, and product information in an interactive fashion. The solution is easy to implement as it provides all the tools needed to manage FAQ knowledge bases and the capacity to escalate issues to human agents.

The hotel's customers first engage with [24]7 Answers™, a chatbot, to obtain answers to frequently asked questions associated with booking rooms (i.e., amenities such as a swimming pool, pillow types, or restaurant on-site). Once they have done the research, they book the desired room. Drawing on rich information about the guest's journey, [24]7.ai initiates a live chat with customers who seem to need help to complete their booking. The hotel reservation specialist can share rich media such as photos of the property or room type to help the customer make a decision. The beauty of this is that both the automated and live chat exists within a single conversation thread, eliminating the guest's frustration of repeating all of the information.

The hotel deployed [24]7.ai's conversational AI technology to deflect call and email volumes by handling service-based inquiries like "how many points do I have." If queries are not resolved by the virtual agent, they are seamlessly transferred to a chat agent. The full context of the conversation is provided to the chat agent, preventing guests from having to repeat their inquiry or re-authenticate their identity. By knowing what the consumer is looking for, the agent can take the role of a trusted advisor, or a super agent.

Success Story: The [24]7.ai solutions increased reservations made on its own website vs. third-party travel sites. The hotel achieved the following results:

- Three times the conversion rate

- Agents gave Conversations a 97% CSAT rating[1]

- Over 112,000 guests engaged with the virtual agent resulting in an 18% containment rate.[1]

- Improved customer loyalty and guest experience

Successful Implementation of AI Technologies

The benefits derived from an AI technology implementation in contact centers depend on the ease of use of the solution experienced by customers, the ease of integration for the IT department, the ability to handle queries faster than a voice call, and conversational AI to make any customer comfortable with using self-service.

When deployed successfully, automation allows customers to resolve their needs quickly and alleviates agents of many monotonous/boring tasks. Self-service tools that have a deep understanding of the customer profile, needs, and intents help businesses keep customers loyal to their brand.
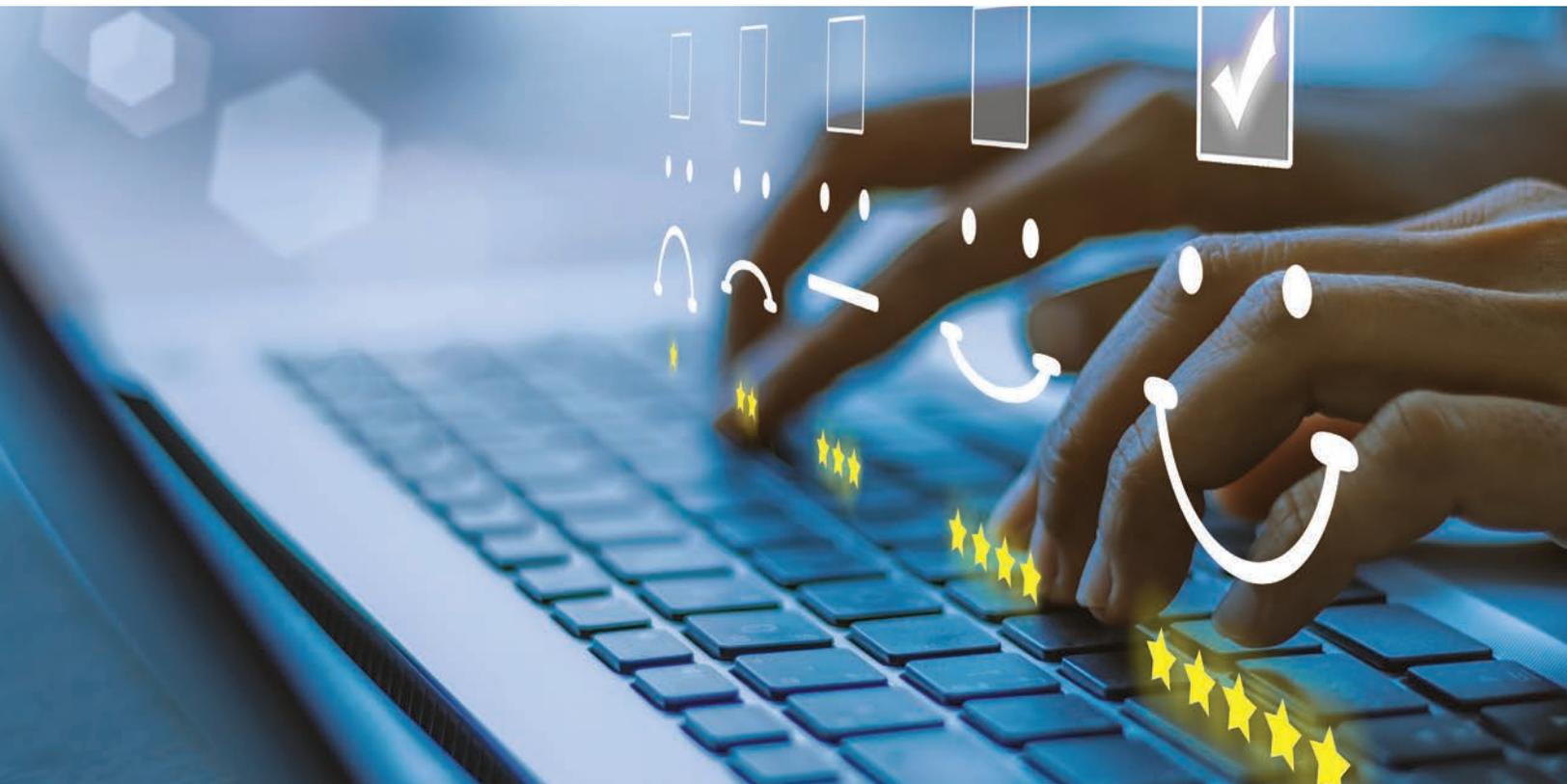
Chapter 2: Redefining the Agent Experience

Since agents are the front line for handling emotions, they play a huge role in delivering excellent customer care. While the addition of digital self-service channels is thriving, the human touch is a steadfast requirement for a superior CX. In fact, 38% of businesses expect to *add* agents over the next year[2]. Agents are buoyed with proper training, the most relevant information, and a supportive and collaborative environment; their positive energy undeniably impacts how customers feel about a brand.

New Opportunities to Improve Agent Effectiveness

While everyone knows having happy agents is a surefire way to creating customer loyalty, less than 20% of companies are setting hiring and retaining talent as a top business goal[3]. Agent attrition is an age-old problem for contact centers and is often accepted as part of doing business. For industries such as retail and hotels, agent turnover can be 60% or higher, and for large contact centers, it averages 40%[4]. There are many issues that play a role in agent turnover, among them, improper training, lack of career growth opportunities, low wages, and an unpleasant company culture.

Automation has been one way companies have tried to reduce the ramifications of agent turnover; bots and VAs don't ask for raises, do not complain about the tasks they are given, and don't call in sick. However, in no industry can this digital workforce completely take the place of humans.

Hiring and Developing the Right People is a Winning Strategy

Great success in customer care starts with the hiring process. Seeking employees that are problem solvers, want to learn, demonstrate a corporate spirit, and have a positive attitude is a great starting point. Ensuring agents are aligned with corporate goals, giving them the tools they need to deliver excellent customer care, effectively layering on training for continuous improvement, and then trusting them to do their jobs well is a framework that is set up for success. Employing the most qualified people is a huge factor in reducing turnover.

A great agent does not necessarily make a great leader. Leaders must be able to train, motivate, and inspire their teams. One part of the process is conducting a sophisticated gap analysis to ensure that employees are targeted with the most relevant and timely training modules. Another step is to identify top performers and have them mentor a peer on a specific skillset so they can gain confidence in leadership skills while in an agent role and then transition into a supervisory role with more ease and confidence.

Collaboration is crucial for a truly successful contact center environment, with agents working as part of a team that may transpire across departments rather than solo. Businesses must invest in systems that allow peers and teams to communicate issues, share ideas, and learn from each other. As a bonus, these features help to create a community, which makes employees feel more connected to the company.

An effective agent ecosystem requires the following:

- Finding the best talent and effectively teach them the skills they need

- Providing career growth opportunities for future leaders through mentorship

- Stay motivated by creating a collaborative and fun environment

- Improving agent performance and satisfaction through targeted training based on agent needs

- Assisting agents during interactions by bringing in very relevant information from disparate databases, and relieving them of boring tasks

This strategy is effective in creating happy agents who deliver the kind of customer care needed to differentiate and keep customers loyal.

Work from Home Agents Can be Productive

As with all businesses, contact centers have faced unprecedented obstacles this past year. The rapid shift to WFH in March 2020 created a whole set of new challenges and opportunities for digital transformation in the customer contact industry. When physical stores closed, travel plans were cancelled, and healthcare needs rose, every interaction channel was buzzing.

With remote work, peer support was lost, managers couldn't walk around to see how employees were performing, and remote training proved difficult without the right technologies and software on hand. Many companies worried about productivity declines and keeping employees engaged and healthy.

Contrary to common belief, WFH does not always mean happy employees. As such, satellite or hybrid offices are growing so that employees who are not productive have an option to work in a small office near home with a few others and those who do work from home can go to micro-offices for training, events, meetings, and camaraderie.

Regardless, WFH is here to stay—38% of businesses say productivity improved and another 50% say it stayed the same—that's almost everyone[2]! This is the optimal time for companies to take advantage of this trend; the number of millennials and younger entering the contact center workforce, bored or financially tapped retirees who need a little more money, and gig jobs are growing.

To keep them engaged and healthy, contact centers are using the following community-building approaches:

- Virtual "coffee breaks" and "water coolers"—this is where friends are made

- Scheduled time each day for team collaboration—a lot of learning happens when agents use this hour to work on their backlog and ask each other questions

- "What's on your mind" meetings—this is best with smaller groups of agents and leadership to maintain a connection and raise awareness of what customers are saying.

- Marry hearts and minds—practitioners need to leverage emotional intelligence with talent and skillsets to meet various customer sets' needs

- Yoga time—to gather with others, take a mental break, and learn about wellness

The forced move to WFH proved to be successful—the majority of contact centers report an increase or the same level of productivity pre-COVID-19. This means that some portion of WFH will remain a reality for the long-term. However, issues such as keeping customer information secure, enabling agents to have the bandwidth and access to company databases, and remote monitoring and training of agents must be addressed.

When this staffing approach is carefully implemented, companies benefit from a reduction in operating costs, a larger talent pool, the ability to provide flexible schedules, the power to improve employee satisfaction and lower attrition, and last but not least, the capacity to improve CSAT and NPS scores.

Solution in Action

Company Description: One of the world's largest telecommunications, media and entertainment companies with multiple lines of business (LOBs)

Goals: To cost effectively handle customer questions, concerns, and service upgrades and maintain high voice of the customer (VOC) ratings; the pandemic created an urgent requirement to transition 500 India contact center agents to remote work in just 72 hours to maintain business continuity.

Solutions: This US telecom company selected [24]7 Agent Services™ to support the client's mobility sales and service business and its social media response to customer complaints. The client also trusts [24]7.ai with new products and services it is testing with customers. The client's Agent Services contract grew continually since 2013 due to [24]7 agents' stellar performance and now includes 13 lines of business with 1,800+ digital and voice agents in contact centers in the U.S., India, Colombia, and the Philippines. [24]7.ai handles 60 percent of the client's overall digital interactions in technical, billing, sales and social support. When the pandemic hit, the speed of setting up agents to work from home was critical for companies around the world. While many took weeks to achieve this goal, [24]7.ai set up agents for this client within 72 hours.

Within its Agent Services™ program, the company provides continuous learning through multiple platforms, including virtual learning sessions and gamified apps, often in targeted small sessions, making it easier for agents to learn and retain the training modules. [24]7.ai has numerous programs to empower supervisors and identify knowledge gaps that can improve key performance indicators (KPIs). Agents are trained across channels to make it easier to adapt to changes in customer requirements, keep them engaged and productive, and improve consistency across channels.

[24]7.ai also uses an automated performance management tool to allow virtual contact center team leaders to run everything from one application.

Success Story: [24]7.ai was continually rated as the #1 provider in 10 lines of businesses (LOBs) every month by the telecom provider. In addition to very low attrition rates resulting from the use of automation, agent assist solutions, excellent incentives, and an enjoyable work environment, it has a rigorous approach to hiring talent. The agents have a purpose and understand their role in the organization and the client's success. They maintain ownership of their work and are empowered by the technologies provided to them to allow them to perform at their best. The company takes training seriously by meeting with the client regularly to ensure its agents are able to answer questions correctly and resolve issues accurately. Great leadership is essential for maintaining a high level of quality and consistency, so [24]7.ai seeks site leaders with more than 17 years of experience. [24]7.ai shares its experience by consulting on matters such as augmenting survey forms so that they accurately assess customer perceptions or reduce the frequency of disconnected chats. Most importantly, this is all possible in a physical contact center, or WFH.

Creating a Digital Transformation Strategy Around CX

Factors to consider as companies incorporate the CX department as a core part of their digital transformation strategy include:

- Realigning agents' roles and expectations based on what customers want today to strengthen training quality and CSAT scores

- Creating an environment where agents can be moved to different functions, yet can adapt quickly, is essential in the dynamic pace of most industries

- Providing sufficient training and having a safe environment to try something new to compel agents to learn techniques and tools. This gives companies the required flexibility to handle sometimes unpredictable staffing and customer interactions week by week

- Investing in solutions that improve onboarding and training capabilities, especially now that remote work is here to stay; this is essential for continued success.

Most importantly, agents must be supported with the technologies that make their jobs easier and help them to perform better.
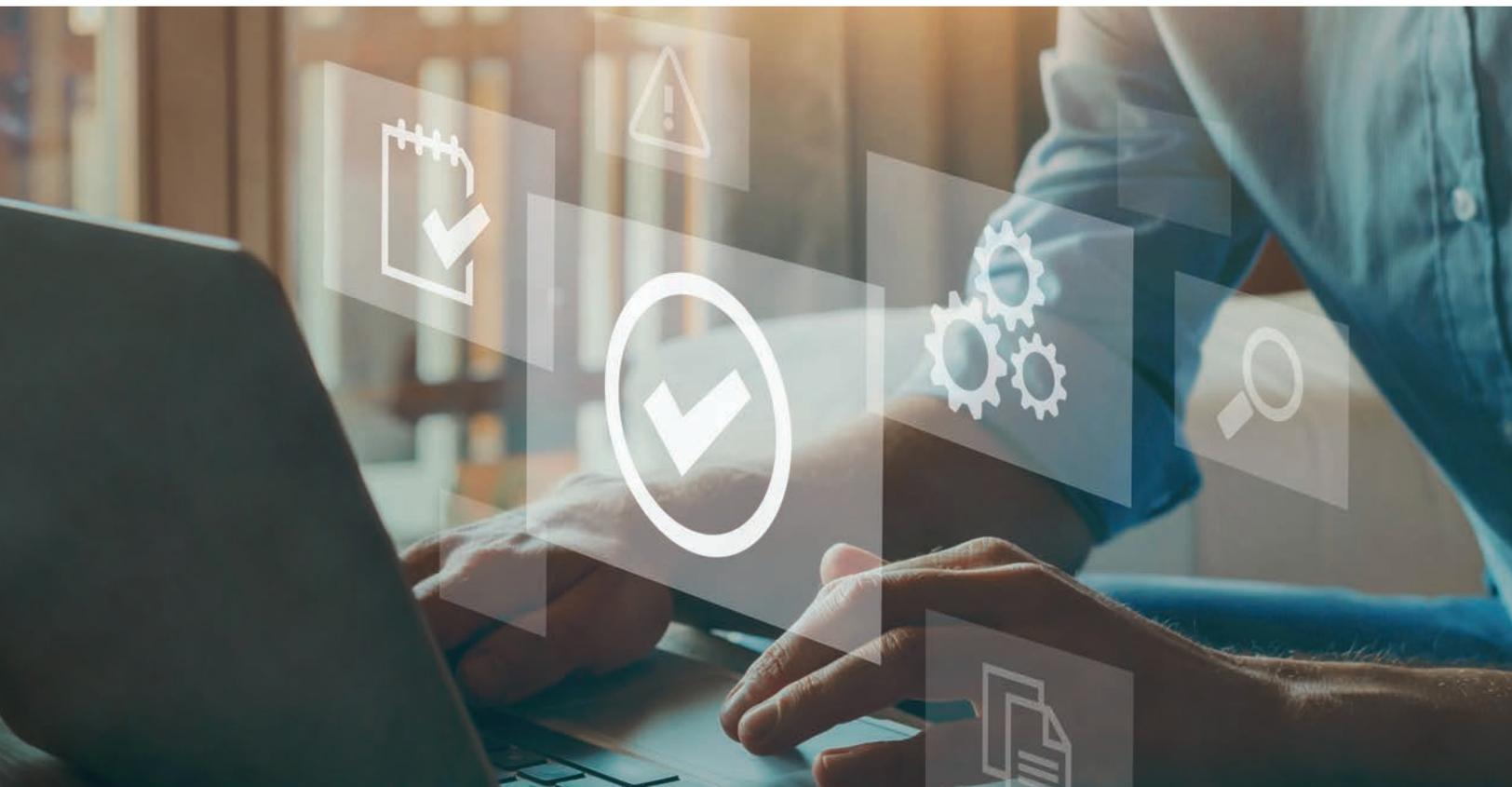
Chapter 3: Leveraging the Power of AI for Agents

Blending Live Agents with Automation to Improve EX and CX

When customers call, they are likely to have already exhausted poorly designed self-service options and are in a state of frustration by the time the agent takes the call. When the best-suited agents have the right information on-hand to quickly resolve their issues, both parties finish the call more content, perhaps even happy.

As the pursuit of an optimal balance between live interactions and automated channels continues, how can AI and humans work together to enhance CX? The latest in AI technologies provide agents with an enhanced set of capabilities that make their jobs easier, effortless, and more satisfying, ultimately impacting both employee experience (EX) and CX.

Agents should be able to work across multiple channels, enabling contact centers to more easily shift workloads on the fly. AI can help agents to handle complex issues and, in particular, exchanges where anxiety levels are high, and customers need greater levels of care.

The infusion of a broad set of maturing AI technologies into tools and applications facilitates higher levels of process automation and quicker and easier access to the right information when needed. These technologies also employ an increasing array of enhanced analytics that assist agents with customer sentiment and uncovering and resolving issues.

The best way to hone in on how AI can really help agents is to better understand how they spend their time. [24]7.ai found that about half an agent's time is spent with the customer; the other half is spent finding relevant data and documenting the interaction. A good portion of the second half can be automated, but what's even more powerful is how AI supports agents when they are interacting with customers.

AI-enhanced capabilities allow businesses to:

- Provide agents with response suggestions at key points in the conversation based on AI trained from responses across the entire agent population; AI can give greater weight to more experienced and high-performing agents
- Intelligently draw relevant information from a variety of databases and information resources to help agents not only resolve issues faster, but actually have better interactions with customers by understanding their intent and predicting their behavior to improve customer satisfaction
- Assist in collecting information, pushing forms, collaborating with other departments, identifying intent and routing
- Employ AI-powered analytics to mine for relevant information from disparate databases such as CRM, legacy databases, and third-party solutions

- Use sentiment analysis to discover problems and train and enable agents to appropriately respond to emotional customers

- Surface the knowledge that agents need per customer interaction and connect them quickly to the right person or team to resolve the problems they can't handle on their own

The Road from Self-Serve to Live Agent

Blending the human experience with machine learning to take advantage of both worlds and maximize agent performance as well as boost CSAT scores is the key to a successful CX digital transformation over the next two years. Using AI to predict customer behavior, identify sentiments, and learn from interactions between customers, chatbots, and human agents to truly optimize customer intent models is the key to the kingdom.

In an ideal scenario, agents would be supported with a unified console that encompasses live chats and messaging chats, simple authoring tools, and contextual information on customers, along with the automated chat history. Based on the channel, agents can communicate with and collect information from customers using a combination of text, voice, bots, visual forms, and co-browsing.

Using AI to Enable Work-From-Home

Privacy and security have always been a top priority in customer care but have been scrutinized more with the fast adoption of WFH models. Having agents deal with sensitive data when they work from home without the security measures implemented to protect customers has been particularly problematic.

About 38% of IT leaders report that ensuring security and compliance is the most difficult task for supporting remote workers[3].

As such, some more stringent security measures are being used to ensure a high level of security in remote environments including facial recognition, multifactor authentication, the ability to lock down devices when agents are working on them so they can only use company applications, and the use of cameras to ensure data is not being captured.

Once the agent has logged in, the agent workspace is monitored for any non-compliant behavior. Video is captured at random intervals to detect the presence of mobile phones or unauthorized people in the background that triggers non-compliance and shuts the person out of the system. AI-based computer vision engines identify violations automatically and take the necessary systemic actions to ensure compliance. Desktop monitoring ensures that the agent is not distracted by other websites. Text analytics are used to ensure process and transaction compliance. Conversational AI is used to analyze voice or digital interactions to ensure policies and rules are followed.

Conversation analytics enables contact center managers to measure call quality and agent performance for a remote workforce. AI algorithms can score interactions based on various desirable agent behaviors such as friendliness, active listening, problem solving etc. The system can then identify specific events and examples to aid agent coaching.

Workforce management is also critical. Self-service tools are required for shift bidding and shift swapping. Productivity is improved with transparent bidding for overtime slots. Since no-shows can be more common in a WFH environment, SMS reminders and auto lock-out are needed when agents deviate from the schedule.

Solution in Action

Company Description: A leading provider of consumer technology products and services with 1,000+ stores and over $40 billion in annual revenue.

Goal: The company wanted to implement chat capabilities on its website to enhance the sales process. Customers shopping online could resolve concerns at the point of purchase, which would reduce voice calls and abandoned carts.

Solutions: [24]7 Conversations—chatbots and [24]7 Agent Services—chat and voice. In 2014, the retailer deployed [24]7.ai's predictive chat on product, cart, and checkout pages and saw major benefits, such as a 42% conversion rate increase over simple chat and a 50% rise in average order value for chat-assisted purchases.[1]

The retailer soon discovered that chat (with AIVA NLP, customer intent, and sentiment analysis capabilities) actually improved CSAT, and doubled down by incorporating chat into other channels, such as mobile (iOS and Android). It was also effective in deflecting email inquiries by sending dynamic links for customers to obtain answers faster with chat.

In 2017, the retailer wanted to further leverage its investments in virtual agents, so the company engaged with [24]7.ai for its Business Process Outsourcing (BPO) service with 180 agents in Hyderabad and Bangalore. These agents were able to obtain relevant information from various sources quickly using AI-assist technology to personalize their solutions for customers.

The 2020 Success Story: Its early investments in [24]7 solutions to enhance its sales and support channels for digital sales as customers moved to e-commerce helped the company to weather the pandemic far better than its competitors.

Not only did [24]7.ai successfully move agents to work-from-home when stay-at-home restrictions were put in place, the retailer also converted approximately 1,000 in-store employees and sales specialists to chat agents using the [24]7.ai platform when physical stores closed. In uncertain times when many people were scrambling to make ends meet when placed in furlough or layoff mode, this retailer was able to help its employees keep jobs.

In addition, the company had the foresight to plan for the surge during Thanksgiving week, requiring [24]7.ai BPO service organization to hire, train, and technologically set up 2,200 employees within 6 weeks to ensure that the customer experience would be the same as it would be in a physical store. [24]7.ai was set up for success since it had a system in place to hire the most qualified agents, provide training modules in small bites and as needed throughout the day, and AI technology to assist agents throughout the interaction to make their jobs easier, the resolution faster, and the customers happier.

Having a platform and strategies in place that can be flexible to allow for swift changes is highly beneficial for industries that are seasonal or need to recover from disasters quickly. [24]7.ai provided such a platform, making it easier for the company to not just survive the pandemic, but to thrive.

Making Blended Live Agent and Automation Effective

The success of a blended live agent and automated solution on contact center performance depends on the ease of use of the solution by agents, ease of integration for IT, collaboration tools that bring the most relevant staff together to solve customer issues, and conversational AI to make transition feel seamless.

A well-thought-out implementation of assisted AI and bots relieves agents of monotonous/boring tasks, maintains accuracy, helps keep agents within compliance, and allows agents to tackle more complex and interesting issues with customers. With AI by their side, agents have more knowledge on hand. The blending of automated self-service with live assistance has powerful benefits, especially when the transition is seamless, and the customer doesn't even know when a live person was called in to help. Most importantly, blending automation with live help when needed creates a happier contact center environment, lowering attrition and improving CSAT.

The Last Word

While some people may fear AI will replace humans, the fact is that there will always be interactions that require the empathy and intuitive problem-solving skills of an agent. There are numerous ways AI can be employed to address customer requirements and agent needs beyond managing basic interactions through bots. Agents will continue to handle longer, more complex calls, chat with customers via social or live chats, and answer email. Research shows that this type of work is more rewarding for agents, extending their tenure.

AI has come a long way and is no longer seen as a replacement for humans, but as a technology to improve our lives. It is possible today to make an agent's job easier, more engaging, and even enjoyable. In the CX environment, its power lies in its ability to continually inform and train agents with the most relevant and targeted data so they can thrive. The myriad features powered by AI have already proven to make a positive impact on agent satisfaction, which in turn has shown improvements in reducing agent attrition and increasing customer satisfaction.

Designing a shared purpose and providing management transparency empowers employees to perform better. They feel part of a community, know their role in the organization, understand what they need to do, and ultimately, are more likely to perform better. And they can help to drive customer interactions towards the common goal.

An agent's superpower is confidence, enabling them to excel in customer care. Super agents equipped with AI-powered solutions pave the best road to delivering excellent customer care.

Happy agents = happy customers = happy agents; the best part of this equation is that both agents and customers will be more loyal.

Endnotes

1   [24]7.ai Success Story

2   Frost & Sullivan's 2021 Contact Center Survey

3   Frost & Sullivan's 2021 CX Predictions

4   CHA International and Small Business Chronicle

FROST *&* SULLIVAN

Growth is a journey. We are your guide.

For over six decades, Frost & Sullivan has provided actionable insights to corporations, governments and investors, resulting in a stream of innovative growth opportunities that allow them to maximize their economic potential, navigate emerging Mega Trends and shape a future based on sustainable growth.

Contact us: Start the discussion