The Era of Conversational Business is Here

The CX Technology experts at Cloudlinx have identified ways contact centers can leverage customers' increased comfort level with virtual agents to improve internal business processes.

Kevin Sheehan
Founder/CX Practice Leader
Cloudlinx
ksheehan@cloudlinx.com

The explosive growth of smart speakers and other voice-activated devices in homes is changing consumers' expectations of how they interact with companies. Organizations that rely on customer service centers (CSCs) as their primary interface now have the potential to innovate with intelligent automation to transform the customer experience. In doing so, they can embrace the opportunity of a conversational-business approach to their customer interactions and interactions between internal systems and employees.

At home, consumers converse with intelligent speakers to assist with a wide range of domestic tasks; they ask their phones for directions and talk with their cars. Digital voices are everywhere and are growing in use and importance. In the five years since the introduction of voice-activated devices, the market has grown over 650%. (1)

This meteoric consumer adoption is also having an impact on how customers interact with the companies they use. In a recent survey, 90% of respondents indicated that they are comfortable using technology, such as virtual agents and chatbots, to speed up the processing of their queries. (2) Companies recognize this trend and rapidly increase the application of intelligent automation, with 80% already using or planning to use virtual agents in their customer service operations.(3)

Although that sounds positive, the reality is that most customer service operations are stuck in the past for reasons we will examine shortly.

"Your call is important to us."

Too often, the customer experience of using CSCs could be better. For example, customers contact CSCs for information — to request or cancel a service, make a billing query, or register a complaint — and the minutes start to tick by. The call may be held in a queue awaiting the next available agent. When the call is eventually answered, the operator needs a frustrating array of security information and, upon learning more about the query, may need to forward the call to another agent to process the request. Worst of all, this time and effort can still result in the original reason for the call not being adequately resolved.

Many customers complain of inconsistent follow-up or no follow-up at all and inappropriate product or service proposals that fail to fit their needs. There can be a lack of clear communication — perhaps from poor agent training. Or, some excellent agents cannot resolve a customer query the first time because they have insufficient information on their screens.

If these problems annoy customers, they can devastate the companies involved. Call centers are often a company's primary interface with its customers. Long calls aren't just costly in financial terms — they also impact the business in terms of reputation, brand, and quality. Frustrated customers walk away and find an alternative provider, perhaps even airing their grievances on social media.

Call centers are under pressure

The traditional call center operating model is no longer fit for purpose, particularly when call centers are faced with a sudden upsurge in customer interactions, resulting in the kind of message that frustrates the customer, such as "we are experiencing higher call volumes than normal at the moment."

Through our experience in this sector, the team at Cloudlinx has identified the following challenges that companies face when tackling the progressive improvement of their customer service operations:

- Deconstructing overly complex processes resulting from the different requirements of a broad portfolio of products and services, and a diverse range of customer segments — from residential consumers to small offices/home offices (also called SOHOs), subject-matter resources, and large companies

- Interacting with multiple systems, including legacy systems, that have been implemented over time and are difficult and expensive to adapt to changing business requirements
- Depending on a high number of call center agents — with vastly differing training, experience, knowledge, and skill — to manage the complex business processes and systems, resulting in overall high operating costs for call center operations.

A fragmented approach leads to a fragmented solution

Years of ad-hoc and tactical investment in technologies and outsourcing have delivered fragmented and partial automation of call center processes and operations. It's clear why the tactical investment has not been supported by effective deployment to re-engineer the underlying business processes.

Organizations need to stand back and take a clear view of the entire business, carefully analyzing where the problems are and how they impact other areas, and with clear objectives for improvements.

In other words, a strategy is needed — with technology at its heart. Technology becomes the primary enabler of the overall business transformation, which needs to encompass these four key elements:

- Review entire business processes to spot the problems and bottlenecks and identify where technology can significantly improve.
- Use data from the wealth of information available on customer interactions to identify the most efficient workflows.
- Adapt and integrate the technology to the requirements of the re-engineered business processes.
- Engage with the call center personnel throughout the transformation program, as they are the ones who will largely determine its success.

Strategy first

Technology is integral to the intelligent automation of customer service operations, but it cannot be the starting point. The first step is to define the strategy that can help deliver the radical transformation of a company's operating model. The second step is to help design and implement the appropriate technology to help enable an integrated intelligent automation solution.

Although the main objective is efficiency, other benefits, such as improved quality and customer satisfaction, lead to greater customer retention and brand preference.

Reasonable goals would be improving customer satisfaction, loyalty, and retention. For example, the aim may be to deliver a consistently positive customer experience. We also want to see a reduction in costs with faster first-time call resolution and more effective use of virtual agents for both text and voice conversations.

The resultant strategy requires digital transformation that is guided by business transformation. Cloudlinx experience of working with clients on the scope for digital transformation of customer service operations identifies three areas of focus for a call center's operating model:

- Speech and advanced analytics to identify the factors and root causes that can improve the overall quality of service and improve customer satisfaction
- Intelligent automation using appropriate technologies, including robotic process automation (RPA), to reduce the average call-handling time, the manual input duplication and errors, the number of applications managed by agents, and the back-office processing burden on call center agents
- Virtual agents, such as chatbots or conversational bots to recognize and leverage the increasing consumer preference for engaging with text- and voice-based systems.

Increased technology allows us to relocate back-office processes into the front office, where we can solve problems in real time. To automate the workflow that drives customer interactions, EY teams need to conduct an in-depth analysis of the various interactions and steps for both the front and back offices, especially as many activities are interconnected. These crucial workflows enable efficient and satisfactory first-time completion for each interaction.

Artificial intelligence powers transformation

Cloudlinx teams apply artificial intelligence (AI) to all of the component technologies in an intelligent automation transformation of customer service operations to support the exchange of accurate information between all systems in the workflow:

1. Speech and advanced analytics
Assessing the content was primarily a manual process. With the previously available technology, companies could only access a small percentage of information because it was too expensive to record all calls. However, new techniques have made it cost-effective to record all calls — and speech analytics software means the data can be analyzed automatically.

Using speech analytics tools, customer service operations can mine all calls based on set parameters, providing advanced visual reporting and analysis. This gives managers instant access to large volumes of data in simple, intuitive reports.

The Cloudlinx approach to the advanced analysis of customer interactions incorporates the application of AI in voice analysis for language detection and tone, text mining and analysis (for word count and expression count per intervention and sentiment), and the EY Conversation Analyzer engine for error detection and auditing of conversation rules.

Cloudlinx's professional experience on client projects indicates that CSCs can largely automate an average of 40 business activities. These are usually related to technical issues, activation and deactivation of services, contract conditions management, or billing queries and claims.

The advanced analysis step is essential to help determine how to apply technology effectively to the automation of the processes. Adequate implementation support will shorten customer time with agents and help enable faster resolution of queries — thanks to streamlining and reduced back-office processing.

2. Robotic process automation (RPA)

The AI-driven analysis of customer interactions provides vital information that helps to identify the processes that can be improved with workflow automation using RPA.

Typically, with Cloudlinx client projects, the analysis phase can routinely identify 50% to 70% of customer interactions that can be readily automated using RPA. With the appropriate integration of AI-driven automation for some of the front-office activities, there is potential to automate 100% of the typical customer interactions identified in the analysis phase.

Automating customer interactions is complex; it requires a high level of technology maturity within the client company. It also demands a commitment and alignment of efforts across different areas of the company to address the complexity of the solution, which will be higher the more legacy systems and applications are involved.

3. Chatbots and virtual agents

As we detailed earlier, the adoption of voice-activated devices in the home has rapidly driven customers' desire to see that technology is applied to improve their interactions with businesses.

Many sectors, including telecommunications, utilities, and banks, are actively using and seeking to improve the use of virtual agents in their customer service operations.

Initially, companies implemented text-based virtual agents as instant messaging solutions to automate common customer queries — queries previously addressed with FAQs. In many cases, these first-generation virtual agents would merely point to a webpage for information or a form to submit the details required to complete the transaction.

Today's second-generation technology is very different, providing voice-activated solutions via phone. AI powers these complex solutions to help enable high-level comprehension of user inputs and retrieve the relevant information, perform the required transactions and then generate a response to the user. Indeed, many customers prefer to talk with a machine rather than wait in a queue for the next available agent.

Intelligent automation delivers service improvement.

With innovative technology applied across a customer service center's operating model, the potential to improve customer satisfaction in the call center experience is relatively high, as these process improvement metrics from Cloudlinx client projects indicate.

About Cloudlinx

Cloudlinx is one of the nation's leading CX technology consulting practices focused on helping clients make intelligent buying decisions with cloud-based contact center solutions (CCaaS). With 10+ years of experience and thousands of agents migrated to the cloud, we've seen the costly mistakes other contact centers have made and work with clients to provide them with the knowledge, leverage, and experience necessary to avoid making those same mistakes.

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