



White Paper
AI in the Contact Center:
Strategies to Optimize the Mix of Automation and Assisted Service

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Executive Summary

Artificial Intelligence seems to be everywhere now, and as enterprises start to see business value, the contact center quickly becomes part of the conversation. The associated technologies are evolving rapidly, and while that creates a sense of urgency to leverage AI, it remains poorly understood. Not only do decision-makers lack basic knowledge about AI, but there are often unrealistic expectations around its capabilities as well as the outcomes once deployed.

Most contact centers now struggle with a fundamental dilemma to provide good customer experiences both with live agents and self-service options. No contact center can afford to provide assisted service with their agents for every inquiry, and existing self-service capabilities are limited and often ineffective. There is a clear need for better forms of automation, and this is where the promise of AI really resonates.

This white paper has been written to help contact center decision-makers better understand AI's potential value, and more specifically, how chatbots can help address this fundamental dilemma. The key lies in developing a holistic strategy for using chatbots to strike a balance between improving the

self-service experience and optimizing the use of agents to provide assisted service. Along with outlining such a strategy, this white paper reviews industry-based best practices for developing a chatbot project, along with what to look for in choosing a chatbot provider partner.

AI Overview

The Basics

Artificial Intelligence is one of the most important technology trends in 2018, and it holds tremendous promise for the contact center. While this field of computer science has been active for decades, only recently has it evolved to provide value in the enterprise. Our view is that AI can be particularly effective for improving the customer experience – CX – especially for helping contact centers optimize the mix between automated self-service and assisted service from live agents.

With so much changing so quickly, our research shows both a sense of urgency and anxiety among contact center decision-makers to deploy AI. Expectations are high, but so is the risk for jumping into projects with emerging technology that is not well understood. To mitigate that, the following is a basic outline of AI's building blocks, and a summary of the current environment surrounding AI.

Artificial Intelligence

AI is a computer science discipline focused on emulating human intelligence and behavior with machines, namely computers. Contact centers can use these capabilities to automate various forms of customer service, as well as to make agents more productive, and ultimately provide a better CX. The term "AI" may sound like a solution, but it's really a framework supported by several technologies, along with applications that build on these technologies. Aside from there being many supporting pieces, they are often inter-related, making it difficult to clearly define AI. In terms of this white paper, however, the following three are the most relevant.

1. Natural Language Processing

This branch of AI focuses on using human language to interact with computers – both with voice and text. The key challenge is to address the ambiguity of language so computers can understand the context of the communication and the intent of the speaker to determine the right meaning. NLP is based on software algorithms that continuously analyze human speech samples until patterns are recognized to minimize ambiguity and produce highly accurate results that can be used to develop other AI applications such as chatbots.

2. Machine Learning

As a different but related branch of AI, this is a form of learning theory based on using the computational power of computers to process large volumes of data, recognize patterns, and from that make statistically-driven predictions. ML represents a highly scientific approach to learning where computers can continue refining these statistical models without external programming. In theory, the more data there is to work with, the more accurate these models and their predictions become. The recent advent of cloud-based networks has been a boon to ML, and by analyzing large volumes of customer data, contact centers can benefit by enabling agents to make better decisions that match customer needs.

3. Chatbots

As the term implies, this application is about enabling interactions between people and computers to automate tasks and streamline business processes. Similar to NLP, there are both voice-based and text-based chatbots, but despite being software-based, they are not always fully automated. Current capabilities are still rather limited, and chatbot interactions often require some degree of human involvement that customers may or may not know about.

The value of chatbots is largely determined by AI, but it should be noted that chatbots are not always AI-based. In terms of the contact center, however, the above AI elements do play a key role. First, NLP enables more conversational interactions so customers can get better self-service outcomes, and building on that, ML enables chatbots to make better choices when handing self-service inquiries off to live agents, as well as anticipating customer needs with greater accuracy. While AI provides the overall framework for these capabilities, chatbots are the applications that contact centers will deploy, and hence serves as the focus for this white paper.

Current State of AI

Before considering the business case for chatbots, along with developing a strategy to deploy them in the contact center, some context is needed around the current state of AI. Interest has never been higher, and realistic expectations are needed to ensure the broad hype around AI doesn't lead to hasty decisions or poorly planned implementations for chatbots. To provide that context, here are six reality checks to consider.

- 1. While some of the hype around AI is warranted, it should not be viewed as a game-changing silver bullet to solve all your contact center challenges.**

AI can – and will – be used to reduce costs and drive smart automation, but be wary of messaging focused on reducing or eliminating the need for agents.

2. Another aspect around AI hype is the growing adoption of digital assistants, both on smartphones and in the home.

Industry giants such as Amazon, Google and Apple are quickly scaling consumer demand for intelligent chatbots, and those expectations are now carrying over into the contact center. Rapid innovation here is transforming the customer experience, and contact centers need to respond.

3. Contact centers *do* need automation in today's digital world, but AI has a long way to go to completely automate operations and/or replace agents.

The underlying technologies are rapidly improving, but you need to understand what chatbots are currently capable of and where they can truly add value. When considering chatbots for the first time, small successes are more important than trying to get to the finish line right away.

4. Reducing cost is important – and AI can deliver that - but only in a tactical manner by replacing agents with automated forms of service.

The strategic value of AI, however, pertains to improving the customer experience, from which longer-term, sustainable benefits are realized. This outcome requires more effort and better planning, and serves as a key driver for this white paper.

5. Be mindful when associating automation with labor savings.

IVR has provided self-service options for decades, but agent headcounts have not gone down as a result. The outcome with AI will be no different if you take a strategic approach. If the rationale for chatbots is to improve CX and drive engagement, automation will create *more* customer touch points, and the need for agents may even *increase*. Customer-centric businesses actually embrace this, and for them, automation is about having more engagement rather than less operational expense.

6. Contact center decision-makers need to understand AI is a broad discipline, especially if management has made it a business priority.

To whatever extent *they* understand AI, the contact center needs an informed perspective to develop and justify their business case. This entails understanding how AI can improve existing processes, and not just replace them. Replacing agents with chatbots to save money is not a realistic plan for AI right now, but they *can* be used today to bring some new automation capabilities that will also improve CX. By getting executive management to see this bigger picture, the contact center will have a much longer runway to leverage chatbots in the areas that really matter.



The Case for AI in the Contact Center

A basic understanding of what AI is - *and is not* - provides the foundation for moving forward with chatbots, and the next step in your journey is building the business case. This section breaks that down into three core elements from which you can develop a successful strategy. The first element is understanding the drivers for chatbots, and two sets are presented below – drivers for the contact center and drivers for your customers. Building on this will be a summary of use cases for how chatbots can add value, followed by an overview of the chatbot ecosystem to help identify the right type of partners for your needs.

Key Drivers for Chatbots

There are many reasons why chatbots are coming of age now for the contact center, and while this analysis is not intended to be comprehensive, it provides a strong set of factors than any contact center could build a business case around. Whatever mix of drivers aligns best with your situation, the case will be stronger when the challenges facing both the contact center and customers are considered.

Chatbot Drivers in the Contact Center

- AI has matured and there's now a rich ecosystem for the contact center, with plenty of innovation yet to come
- There is an ongoing need to reduce operational costs, and with this maturity, AI's automation capabilities are drawing strong interest for the contact center
- Countering the need to reduce costs – especially agent staffing - contact centers face growing demands from customers, not just for the rising volume of inquiries on a 24/7 basis, but also supporting them over a wide range of channels
- While web chat may be the preferred channel for automating customer service, traffic volumes are rising and agents must multi-task to keep pace, with the result being *poorer* performance overall – to improve self-service CX, contact centers need a better form of automation
- Aside from needing to streamline operations, contact centers need agents to be productive, high-performing and satisfied in their work – without the right tools, all of these suffer, leading to agent turnover, higher training costs, and poor CX

Chatbot Drivers for the Customer

- For many companies, the current CX is poor, with key pain points being too many points of contact, too much repetition of basic information and disjointed handoffs during the session – all of which could be mitigated with intelligent automation such as using chatbots
- With today's global, always-on economy, many consumers like the convenience of shopping 24/7, either online or in-store, and increasingly expect the same for customer service – even if that means using self-service options to get a resolution in the moment rather than waiting the next day to call a live agent
- Self-service is a cornerstone of our digital world, and Millennials in particular have a growing preference for this given today's technologies – and this extends to their consumer lives, both for how purchases are made as well as getting customer support
- Related to self-service, Millennials also show a growing receptiveness to engage with chatbots – and a comfort level with AI in general – so long as their needs can be met
- Another important trend among this younger customer demographic is the emergence of messaging as a preferred communication channel – this channel is well-suited for chatbots, and for contact centers to be effective today, support needs to be provided in their native environment

How Chatbots Add Value

The drivers outlined above help explain why there's a case to be made for chatbots now, and this section applies that specifically to the contact center. Table 1 below summarizes key use cases, along with how each provides value both for the contact center and for improving CX.

Table 1 – Key Uses Cases Where Chatbots Add Value

| Contact center challenge | Impact on contact center | How chatbots add value |
|---|---|---|
| Customers still relying on legacy channels to reach contact center | Channels not well integrated, with poor forms of self-service that slow down the process and put more demands on live agents | By delivering better self-service options, chatbots can help migrate customers to digital channels to both improve CX and the use of contact center resources |
| Consumers are now multi-channel, and can engage across many endpoints – smart phone, landline, PC, Echo, etc. | Limited ability to support all these channels with existing technology, as well as providing a consistent CX across them | If developed to support multi-channel, chatbots can provide better self-service, regardless of channel used by customer |
| When customers shift from self-service to live agents, CX is usually poor and feels disjointed | Legacy systems provide no context when handing off to agents, so time is wasted repeating everything, driving costs up and customers away | AI capabilities for chatbots can provide continuous context, so agents can seamlessly continue the session as it shifts over from self-service |
| Providing a good CX around the clock, not just from 9-5 | Poor self-service options drive up cost to provide more agents, and when overworked, their performance declines along with job satisfaction | Chatbots can provide better self-service options, which helps optimize the use of agents, plus, chatbots work 24/7, and don't behave badly under stress |
| Improving overall CX and meeting expectations of today's customers | Legacy systems constrain ability of agents to meet these expectations and get beyond IVR for self-service | Chatbots can help provide faster answers and better answers to improve CX, and they are always learning, so can keep pace with changing needs |

The Chatbot Ecosystem

To some extent, this white paper outlines the buyer's journey for chatbots, initially for understanding AI, and then for the role chatbots can play in the contact center. Once those needs have been addressed, and the business case is well-defined, the next step is to understand the chatbot landscape, especially if this is your first foray into the world of AI.

There is no single model that defines the chatbot ecosystem, and this white paper can only break down the basic segments. Aside from being very new, this landscape is quite fluid, with a constant stream of start-up entries, along with larger players entering the market with their own chatbot applications.

When considering a chatbot for the first time, choosing the right type of partner is essential, and the starting point is understanding the basic varieties. Tables 2 and 3 below summarize two ways of segmenting the market – by type of platform and by type of developer - but this taxonomy is by no means definitive. However, it provides a basic compass for direction in terms of aligning with the type of chatbot application needed for your contact center.

Table 2 – Chatbot Ecosystem – Type of Platform

| Platform type: | Query-based | Learning-based |
|---------------------------|---|---|
| Basic description: | Like IVR, these chatbots are rules-based, and respond to commands from customer inquiries. There is no conversational capability or context to clarify ambiguities. This can be an efficient form of self-service, but it won't feel very personal. | Being more AI-driven, these chatbots understand both commands and language. By using NLP, they can engage with customers in a conversational manner. They also use ML to get better over time to handle more complex inquiries. |
| Main benefit: | Can be developed fairly quickly and inexpensively, and if well-planned, will perform fairly predictably. This only applies, however, within the parameters it "knows". | Able to manage both closed and open-ended queries, and build up deep domain or vertical market expertise. These chatbots take longer to build, and best if developer knows your market. |
| Prime use case: | FAQ forms of self-service where customers are looking for basic information. That may be a limited range of queries, but can be a great way to start using chatbots. | Best for complex forms of self-service, but can also take automated service further by helping customers define their issue, and "knows" the best time to hand off to an agent. |

Table 3 – Chatbot Ecosystem – Type of Developer

| Developer type: | Self-serve | Full-serve |
|---------------------------|---|--|
| Basic description: | Built from off-the-shelf software and existing APIs, these chatbots can largely be created by your IT team, with minimal involvement from the developer. To be effective, though, IT needs to prioritize resources needed to build it, test it, create a good UX and manage the integrations with your contact center platform. | These developers handle end-to-end projects, including integrations with your network and contact center platform. One type would be third party developers who can customize for your platform and/or needs of your customers. Another type would be developers who build chatbots that are native to a particular AI platform such as Alexa or Siri. |
| Main benefit: | Contact center gets chatbots built quickly and cheaply, but only for basic applications. Self-service capabilities will be limited, and note that these developers won't have much contact center expertise. | Contact center can leverage state-of-the-art AI to greatly enhance service automation and optimize the use and performance of agents. That said, these projects are complex and costly, with no guarantees of success. |
| Prime use case: | Ideal for SMBs with limited budget and resources, but wants or needs chatbots now, and feels the project can be done largely in-house. | Conversational chatbots to support both text and voice-based self-service, and when needed, provide a seamless handoff to agents for a better CX. |

Developing a Successful Chatbot Strategy

The analysis to this point lays a foundation of understanding, and is especially important for emerging technologies like chatbots that have great potential but a short track record. Not only do you need to select the right type of partner for a chatbot deployment, but you need to be doing it for the right reasons.

These two factors are closely related, and for them to mesh, you need a chatbot strategy. Based on our industry research on AI in general, and chatbots in particular, we have distilled the process for developing this strategy into three basic building blocks:

1. Setting objectives
2. Managing the process
3. Seeing the bigger picture

Building Block #1 - Setting Objectives

This drives the rationale for using chatbots, but given the silver bullet hype surrounding AI, your objectives need to be carefully considered. Here are five questions to help clarify your thinking, along with our perspective based on current industry trends.

1. What is your overall, driving objective for using chatbots in the contact center?

The common, almost knee-jerk response to this question is for saving money. Since AI and chatbots are largely about automation, this is a natural association to make. More than ever, contact centers are under pressure to reduce costs, and AI's appeal is undeniable. That said, this thinking reflects a lack of understanding of what chatbots can do, as well as just how customer-centric your operation is - or is not.

Our view is that your overall objective should be about improving the customer experience. Cost savings are important, but if that's the driver for a chatbot project – especially your first one – the results will likely fall short. Even if you achieve that, the benefit will be one-dimensional, and if corners are cut along the way, CX may suffer. Building your chatbot project around CX, however, reflects a more holistic approach to what's most important for the contact center, and by extension, the business overall.

2. What part of the contact center or customer care process are you trying to improve?

Part of understanding chatbots includes recognizing there is no singular bot that is universal for all contact center use cases. Across the full spectrum of CX, there is a multitude of touchpoints that represent moments of truth, and each one can benefit from having some degree of automation. The more purpose-built the chatbot, the more effective it can be, so identifying a specific need or application should be a key part of your chatbot strategy.

If your overall objective with chatbots is to improve CX, you'll need to consider how best to strike a balance between self-service and live agents. AI may never be able to fully automate customer service, but agents can't handle every inquiry either. In that context, a strategic use case would be developing a chatbot that can comfortably handle a specific set of inquiries, but can then seamlessly extend the session to a live agent when human interaction is needed.

3. Do you want chatbots only to automate customer service or help agents perform better?

This builds on the above question, and speaks to expectations around the role automation should play in your contact center. With these AI applications being so new, every contact center is struggling to figure this out, but you should not view this as an either/or proposition. To get strategic, business-level value from chatbots, both need to be addressed.

Building a chatbot strictly to automate one link in the CX chain may work in isolation, but will likely have unforeseen consequences that impact the performance of agents. All contact centers want customers to make more use of self-service, and chatbots make it better by being conversational and context-driven. However, that same capability for service automation will also optimize the use of live agents, allowing them to resolve problems faster, waste less time on handling routine inquiries, and provide a better overall CX. Without this holistic view, developing a chatbot just to improve one aspect of self-service is just a tactical application of new technology.

4. What customer behaviors are you trying to change?

Understanding the full spectrum of CX is challenging for any contact center, and putting yourself in the customer's shoes should be part of how you set objectives for chatbots. Doing so allows you to see their pain points, and that will help define the need for automation. Poor CX is often the result of customers relying too much on legacy applications such as email, IVR and landlines for service.

Chatbots – and AI in general – provide a fresh start, and a better set of options for self-service. Customers should only have to deal with live agents as a last resort, but that rarely happens with legacy

contact center platforms, so changing their behaviors requires a better experience, especially for self-service. When thinking this way, chatbots can provide great value, not just for improving CX, but in moving customers away from legacy channels that create so many problems before they even engage with your agents.

5. Can chatbots add value to your existing contact center environment?

This is more of an operational question, but in terms of setting objectives, you need to work within existing constraints. Most contact centers don't have the luxury of upgrading to an all-IP platform, or even migrating to the cloud. The current state of your contact center infrastructure may limit how far you can go with automation, and your chatbot strategy needs to reflect that.

Chatbot applications can support a wide range of scenarios, and you need to choose a partner that can integrate with what you have. Most contact center platforms represent major sunk costs, so another way chatbots can add value is by extending the life of your infrastructure, especially if it's going to be with you for many years to come.

Building Block #2 - Managing the Process

As with any IT-related project, success with chatbots requires a roadmap. Once you have a clear set of objectives, a process is needed to guide you through the steps along the way. That's the second building block in this analysis, and based on best practices gleaned from our research about chatbots and contact centers, here are the key elements your process should follow.

Before the project begins

As per the first building block, the more clearly your objectives are defined, the easier it will be to choose the right partner. The chatbot ecosystem is challenging to navigate, and the landscape analysis herein is really just a starting point for narrowing down the type of partner that will best align with your chatbot objectives.

Regardless of the type of partner – such as self-fulfill or full-serve – the key criterion at this stage is ensuring they understand your space and know how to support it. Many developers are project-driven and will only be inclined to build a chatbot that fits their framework rather than yours.

If your choice of partner is cost-driven, it will be easy to find generic developers who can quickly turn around a project and then hand it off to you. That model works well for them, but if you're only getting a standalone application, the broader CX benefits will not materialize. In this regard, their ability to integrate chatbots with contact center platforms – especially yours – should be table stakes.

During the project

Developing chatbots is an iterative process, and to effectively leverage AI – and elevate self-service beyond IVR – your chatbot partner needs to understand that you’re trying to create a conversational experience with customers. While self-service is driven by automation, the experience must feel natural and resonate on a human scale. Your chatbot needs to have some personality, and ideally reflect elements of your brand, such as a distinct style, or look, or attitude, etc.

This is where NLP really comes into play, as the chatbot needs to use language that customers can relate to. Furthermore, to project human-like qualities, you may want the chatbot to have a playful sense of humor, either with language or emojis.

Creating this kind of experience also means that the chatbot must be context-driven, and this is where ML capabilities add value. The more data the chatbot can draw from about the customer’s history and buying patterns, the more accurately it can address self-service queries, anticipate future problems, and hand off to the right agent at the right time. In terms of best practices, most chatbot developers won’t be articulating these needs to you, so to keep the project on track, this is the kind of guidance you need to provide.

Presuming the project has been managed to plan by this point, there’s an important step before live deployment. Customers will have little tolerance for self-service applications that don’t work right or provide an impersonal experience. First-time chatbot projects will rarely be flawless from the start, but to mitigate these problems, you’ll need to do adequate testing to determine how well the chatbot responds to a wide range of use cases.

If there’s any doubt about what could go wrong, a quick review of Microsoft’s experience with Tay in 2016 will keep this front and center. Furthermore, you should also use testing metrics to gauge how well the chatbot is working on your network, as well as integrating with your contact center platform. Testing vendors are an important subset of the chatbot ecosystem, and aside from vendors that your chatbot developer may recommend, there are several resources in the AI community where you can easily do your own search.

After your chatbot has been deployed

For contact centers doing their first chatbot project, customer response is impossible to predict, and managing the overall process needs to extend to this stage. The requisite testing outlined above only measures internal success, but the true test is in the field, and here are some best practices to follow.

First and foremost, you need to be transparent with customers about their engagement with the chatbot. Some customers may think this is just another web chat session, while others may not have encountered this mode of self-service before. Regardless, they need to know they're engaging with a chatbot, especially if it's totally automated and AI-driven. Depending on the type of service being offered, many other chatbot applications will have some degree of live agent involvement.

Whatever form your chatbot takes, it's critical to not misrepresent the situation. If your chatbot makes advanced use of NLP, it could engage in a highly personal manner, leading the customer to think they're interacting with a live agent. However, it just takes one tiny miss for the customer to realize they're engaging instead with a machine, and if they feel duped, you'll never get them back for self-service, and the fallout could be much worse.

Another important post-deployment best practice is the use of performance metrics. This may be the most valuable criterion for success since chatbots are not well understood, and like KPIs, numbers make the impact real for all the stakeholders involved. Keep in mind that you should be tracking performance in two ways – first, how well the chatbot is supporting self-service queries, and secondly, how it is impacting agent performance. To illustrate, here are key examples for each.

Performance metrics for self-service

- Usage frequency for each self-service category – in NLP parlance, these would be “intents”
- Efficiency of query resolution – how many steps needed, how quickly done, what percentage of queries could be handled end-to-end by the chatbot, etc.
- Accuracy – how well queries are understood, how many times questions needed repeating, etc.
- Ability to make a seamless handoff to agents – percentage of sessions that remained continuous
- Efficacy for routing calls to the right agent – percentage of queries that only need one agent
- Linking self-service outcomes to customer satisfaction ratings
- Usage reduction for other self-service options such as IVR, email or web chat

Performance metrics for live agents

- Speed and quality of query resolution after getting handoff from chatbot
- Profile of routine versus complex queries handled by agents before chatbot and then after
- Incidence of queries that come direct to agents without first trying self-service options
- Basic productivity – percentage more calls agent is able to handle with chatbot being used
- Number of agents required to handle live queries
- Impact on overall CX – ability to shorten sales cycle, CSAT, NPS, etc.

Building Block #3 – Seeing the Bigger Picture

This building block is about stepping back and viewing the overall process in the broader context of digital transformation, and how businesses must adapt to changing technology. AI is one of those transformative technologies, and deploying chatbots in the contact center is more than just a routine IT project. When contact center decision-makers reach the point of wanting chatbots, they are usually anxious for a few reasons.

First is the recognition that CX is getting worse, and they don't have the luxury of hiring more agents or totally modernizing their infrastructure. Not only is their job on the line if things don't improve, but so is the stability of the contact center for remaining an in-house operation. A second source of anxiety is the hype around AI, not just for understanding its nature, but also the false hope it offers as a panacea for everything technology-related.

To whatever extent this reflects your current situation, our research shows that contact center decision-makers are coming to chatbots with many questions and great uncertainty about how to move forward. That is a key challenge this white paper seeks to address, with the intention being for decision-makers to take a proactive stance rather than being reactive. To make this process and your over chatbot strategy successful, here are two bigger picture elements to keep in mind.

Big picture element #1 – focus on a manageable problem set

We're a long way from AI automating everything – if ever – and for a first-time deployment, it's more important for the chatbot to perform really well than to take on the most complex customer challenges. The goal is not to be so good that agents are no longer needed; rather to effectively handle less complex queries via self-service so agents can focus on problems that only they can address.

Research shows that Millennials are generally quite receptive to engaging with chatbots, and if your current contact center platform is serving customers reasonably well, they should also be receptive to your chatbots. There is some implied goodwill here that will be validated if their initial CX is good, so getting it right the first time is crucial. This is especially true since less tech-savvy customers may not be ready to trust chatbots, so not only must the CX be effective, but it must be easy to use. Anything less will mean fewer second chances, so there's no need to be overly ambitious for the first project.

Big picture element #2 – AI is more than just self-service

Our view is that self-service is the right starting point with chatbots, not just for improving the automated side of CX, but also in optimizing the utilization of live agents for a more complete CX. Even if your initial chatbot project is small-scale, there is a much bigger scope to consider. In time, AI's impact

will be felt across our business and personal lives, and for the contact center, the same will apply across the entire customer journey.

As such, if CX is an important driver of your enterprise business strategy, then this first chatbot project should be viewed as the starting point for using AI for the rest of the customer journey. Beyond self-service, chatbots could be developed to make call routing more accurate, to enable agents to respond faster, to enable supervisors to proactively coach agents, to automate the completion applications or trouble tickets, just to name a few.

Along these lines, it's also important to keep in mind that both NLP and ML are heuristic – they are built to constantly learn, and improve as the data sets get larger and as the patterns become more established. This is a departure from the static, standalone technologies contact centers have been using for so long. Chatbots – and AI in general – represent a new model, and an investment that can improve CX, not just after the first project, but continually over time.

Conclusion – Moving Forward

Bringing AI into the contact center via chatbots is an important step for leveraging today's technology to address the needs of today's customers. However, there is more to consider than trying to automate one part of the CX, or determining whether to build a chatbot in-house or go with a partner.

Customer expectations are changing, and it's not enough to take a project-driven approach where a chatbot is built like a point solution to address a specific need. This white paper takes a broader view by presenting a strategic approach that takes a holistic view of the full CX. Our view is based on the reality that AI cannot yet fully automate CX, and since the broad range of needs for customer care cannot be addressed entirely by agents, contact centers face a fundamental challenge.

Chatbots present a viable solution by providing a better form of automation, but for the foreseeable future, contact centers will need to support a mix of automated self-service and assisted service with live agents. The strategy, then, needs to be about finding the right balance between automation and agents, with the overall goal being to improve CX. Those outcomes cannot be achieved with a narrow, tactical focus on chatbots.

To move this strategy forward, you'll need the right type of partner. This will not be easy given the complexity of the chatbot landscape, and how quickly the ecosystem is evolving. At minimum, your chatbot partner's value proposition should align with the strategy outlined herein, and one indication will be how realistic their messaging is. This white paper should provide enough background to determine the hype volume, and if too high, you need to move on.

Another indication will be how well they understand the role of chatbots for customer care, along with a demonstrated ability to integrate those chatbots with your contact center platform. Unless your platform will soon be changing, that capability will be critical, especially if you view chatbots as an ongoing journey for improving CX. Over time, customers will expect more forms of intelligent automation, and they'll expect to engage with AI across every channel. As such, no matter what your starting point is with chatbots, there will be a lot of ground to cover, and that's the big picture to keep in mind for finding the right partner.

J Arnold & Associates, an independent technology analyst practice, produced this white paper, which was sponsored by Cisco. The contents herein reflect our conclusions drawn from ongoing research about the contact center market, AI, and chatbots, along with industry-based interviews specific to this white paper. For more information, please contact us by email: jon@jarnoldassociates.com.