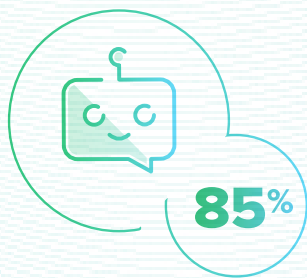


# AI for the Right Time in Your Customer's Journey

AI has come a long way from the early days when Alan Turing’s “Turing Test” in the 1950s evaluated a machine’s ability to behave like a human. AI is now playing pivotal roles across technology from big data processing to self-driving cars to—what brings us here today—customer engagement.



85% of businesses believe that immediate online help would improve online sales conversion rates.<sup>1</sup>

With hyper growth of the underlying technology, having evolved way beyond the if-X-then-Y scripted “chatbots” (if such basic technology can even be called that) from the not-so-distant past, AI can now be used to solve the problems that most need addressing in the customer journey. It can personalize a shopping experience with helpful guidance, support every customer looking for assistance with self-service support and smart escalations, and super-power the service teams working behind the scenes.

In a perfect world, AI can be used across the entire customer journey to unify disparate silos and create a consistent customer experience across consideration, acquisition, support, and loyalty. But for many organizations, jumping into that perfect-world state is too big of a leap at the outset. If that’s you, don’t worry. Going all in with AI isn’t a requirement. You can pick and choose where AI will have the biggest impact on your business and start there.

How? Get to know your customer journey. Understand where your customers (and employees, for that matter) are experiencing the most friction and pain points, and where you’re seeing the most loss of potential business value. This inside-out exploration will help you identify where you can get the most value from AI augmentation.

In this paper, we’ll look at the four telltale symptoms that can point you in the right direction for implementing AI to return real value. But first, it’s important to bust through some potentially wrong assumptions on where you think you should be implementing AI so that we can clear the path for uncovering your best AI opportunities.

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## Challenge your assumptions.

Assumptions can be dangerous, or at the very least, useless. Don't assume that you need to use AI bots to solve a problem based on past conventions or in ways you've encountered AI as a consumer. And as tempting as it might be, there's no need to keep up with the corporate Joneses. Just because you see a competitor using AI in a certain area doesn't mean that's where you can get the most value.



Keep reading for some commonly-mistaken assumptions.

## Myth No. 1: Chatbots are only suited for customer support experiences like smart routing and problem triage.



77% of users believe that immediate online help would increase the likelihood of completing online transactions more often

This is a myth that stems from our past experiences as consumers. The first few generations of bots were implemented as an Interactive Voice Response (IVR) replacement. The automated telephony system would collect information and then put you into the appropriate queue to talk to an agent. This technology evolved to offer very scripted problem-solving responses based on FAQs. At the time, that technology served its purpose the best it could.

Now AI is much more dynamic and nimble. Consumers can ask questions, get advice, and understand options before they make a purchase. 77% of users believe that immediate online help would increase the likelihood of completing online transactions more often, and 85% of businesses believe that immediate online help would improve online sales conversion rates.<sup>1</sup>

AI-powered messaging makes this possible without forcing consumers to make an unwanted phone call or visit a store. Consumers can easily get the information and confidence they need to make purchases directly in the online channels they're already using every day. It keeps consumers digital while delivering a personalized experience at scale.



## Myth No. 2: It's better to invest more on customer acquisition than customer retention.

# 5X

Costs of acquiring a new customer are, at minimum, 5X higher than the costs of retaining an existing customer.

# 20%

On the average, B2C businesses are only spending 20% of their marketing budgets on customer retention.

Many companies fall prey to this assumption. In a recent Forrester survey, B2C marketing decision-makers indicated that 37% of their marketing program budget is spent on new customer acquisition, while in contrast, only 20% of their marketing budget is spent on driving retention of existing customers or upselling to them.<sup>2</sup>

Here's why this assumption is flawed. First, costs. Acquiring a new customer costs, at a minimum, 5X more than the cost of retaining an existing one.<sup>2</sup> So, unless you are retaining every single one of your customers, it makes more sense to spend \$5 retaining 5 existing customers than it does to spend \$5 acquiring 1 new customer.

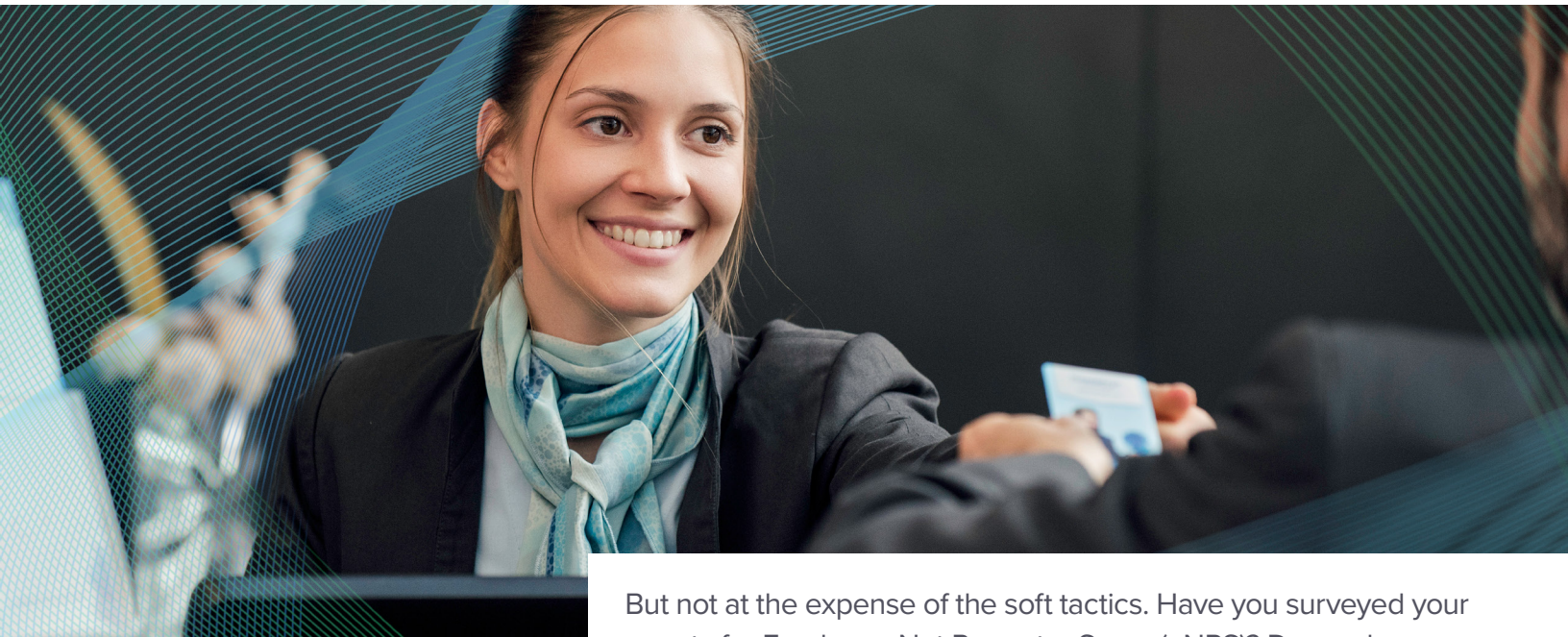
Keeping a customer happy generates revenue. Not only do existing customers tend to spend more the next time they buy from you, but they become brand advocates and encourage others to buy from you, too. Increasing customer retention rates by 5% has been shown to increase profits by 25% to 95%.<sup>3</sup> So, the true cost is losing them as a customer and having to spend more on acquisition.

Second, tipping the scales in favor of acquisition creates a disjointed customer journey. Those early acquisition stages have a lot more resources behind them than the later ones — when your customers experience the value of what they've just paid for. If most of your organization's resources are spent on them as prospects, you could be setting them up for disappointment when they become customers.

It makes better business sense for companies to prioritize existing customers as high (or even higher) than they prioritize prospective customers. Luckily, there are many ways AI can help with customer service and support to foster these lucrative customer relationships.

## Myth No. 3: If you have the right workflow technology for your customer-facing teams, the human touch component will “come around”.

Yes, it's important to ensure that your core engagement, call center, order management, and other customer-facing teams are armed with modern technology to help them do their jobs. Tools need to be optimized to make workflows seamless and drive Key Performance Indicators (KPIs) like Average Handle Time (AHT) and First Contact Resolution (FCR).



*“Just like on the consumer side, expectations for technology to help make life better are rising.”*

But not at the expense of the soft tactics. Have you surveyed your agents for Employee Net Promoter Score (eNPS)? Do you know what drives them to delight customers? Agents' roles are becoming much more strategic in nature, and they are being tasked not only with solving problems but also with driving revenue and loyalty. It's important to empower agents with the right information to answer questions quickly and solve those complex scenarios with confidence. AI can be a game changer in this area.

Just like on the consumer side, expectations for technology to help make life better are rising among the next generation of customer-facing employees. Are you giving them access to the same type of technology they grew up with and are using as consumers? Can you afford to overlook this expectation?



## Myth No. 4: Once you've successfully deployed AI in one area of the customer journey, you're done.

Don't misunderstand. Starting somewhere to solve your most pressing issues with AI is important. In fact, that's the whole point of this paper. But once that's done, it's not time to sit back and rest on your laurels. Take the learnings from your success and see where the next best place is to drive more utilization.

There are many benefits of growing your AI implementation with a single software solution. Siloed and disjointed organizations can make contacts feel that they've started working with a different company or brand after becoming a customer. But by coordinating efforts and insights across the organization, from BDRs and sales reps to customer care and support, each contact can have a more cohesive experience as they move through the customer journey and you can take advantage of opportunities to cross-sell and upsell.

*"A single AI-powered engagement solution used across the organization ensures you deliver timely and relevant information to your prospects and customers at the moments when they really need you."*

In other words, your organization doesn't have to be divided with separate acquisition, engagement, support, and service solutions that tackle bits and pieces of the customer journey. Disconnected systems mean some departments may be reaching out to customers too much, and others too little, and none have visibility into what the others are doing. Only the customer sees all of the communications coming from your business, and it can look very jumbled from their point of view. A single AI-powered engagement solution used across the organization ensures you deliver timely and relevant information to your prospects and customers at the moments when they really need you.



## Four Symptoms That Reveal Where AI is Most Needed

Now that we've cleared the air about misconceptions around where you should implement AI, let's explore how to know where you really need AI to extract the most value for your business. If any of these symptoms sound familiar, it's a good indicator of where to put AI to work.

↓ Keep reading for some  
common symptoms



01

## Customers are browsing (a lot) but not buying.



Over half (58.6%) of online shoppers abandon a site because they are initially just browsing.

You're successfully driving prospects to your website through marketing efforts. Maybe average time spent on site is high, too. However, visitors are not converting to paid customers. They are leaving your site without attempting to purchase or abandoning their carts before completing the transaction. But is there interest there which you can capitalize on?

If you unpack the why behind these trends you learn that over half (58.6%) of online shoppers abandon a site because they are initially just browsing.<sup>4</sup> However, three-fourths of shoppers who abandoned their carts say they intend to return to buy later.<sup>5</sup> When they return, you'll want to close the deal. But how about decreasing your bounce or cart abandonment rate to begin with? How do you make the most of that initial interest?



### How AI can help.

Don't resort to contacting bounced customers with a follow-up email or a re-targeting ad. Strike while the iron is hot. It may not be humanly possible for your agents to reach out to every customer who is on your site ready to buy, but AI can—and in a personalized way. Data gathered about the customer's journey and knowledge about what's worked in the past for similar situations allows AI to predict the right solution to offer, and the right time to offer it.

02

## You're not extracting the full value from your customer base.



Forrester shows that even a small improvement in Customer Experience (CX) scores result in revenue gains.

You should be seeing the value of customer loyalty in dollars (e.g. higher spending per transaction and repeat purchases) and brand advocacy in number of referrals. Companies that focus on building loyal relationships keep costs to a minimum and are far better positioned to remain strong in a turbulent market. Forrester shows that even a small improvement in Customer Experience (CX) scores result in revenue gains across all industries. For example, a one-point increase in CX score for auto and home insurance providers results in \$14.32 in incremental revenue per customer per year. Since that industry has an average of 15 million customers per company, that's \$215 million total revenue.<sup>6</sup> Nothing to sneeze at.

Without relationship building, you may be experiencing a high customer churn rate. It's worth examining the percentage of customers who ended their relationship with your company in a particular period. How much did it cost to acquire them, and did you recoup that amount in sales to them?



### How AI can help.

Don't let down customers. The modern, personalized, digital experience that they received as prospects can and should continue when they become customers and need support. AI-powered engagement ensures each customer is prioritized, helped right away, and pointed to the products, services, or solutions that best match their needs, before they turn their backs on your business.



03

## Your support call volumes are increasing.

68%

Over two-thirds (68%) of businesses say agents struggle with the volume of customer requests.

The struggle is real. If your business is like most others, agent are drowning in growing support queues and customers are getting frustrated with slow resolution times. Over two-thirds (68%) of businesses say agents struggle with the volume of customer requests and only 49% of customer problems are solved on the first interaction.<sup>7</sup>

A high volume of work for your agents has a downstream impact on customer satisfaction because if an agent has too many inquiries to deal with, it will impact their ability to solve issues in a timely (and friendly) manner.

49%

Only 49% of customer problems are solved on the first interaction.



### How AI can help.

Take a good look here. What questions are coming in? Are they repetitive in nature? Could they easily be answered by looking at your support site, or with the help of a chatbot?

AI-powered chatbots and search bars help customer service teams scale quickly by taking frequently asked questions off the agent's plate. Modern chatbots deftly handle customer queries in a natural, conversational way, and free up the agent's time to focus on resolving more complicated, high-value customer issues.

# 04.

## You're seeing a lot of internal escalations and agents calling out to managers for help.

Escalating issues from Level 1 to Level 2 agents in the contact center, or agents reaching out to managers, is sometimes necessary. But if this is happening a lot, it could be a symptom of poor access to policies, procedures, and documentation.

It might also be a result of high agent turnover or seasonal fluctuations in the number of agents staffed. Regardless, excessive escalations hamper internal productivity and negatively impact employee and customer satisfaction. After all, employees want to be empowered to do the job themselves, and what customer likes to be passed around like a hot potato?



### How AI can help.

An AI-powered agent augmentation tool puts the power of knowledge in the palms of your employees' hands. AI can provide proactive guidance for agents of all capabilities, drive a centralized approach to knowledge management, and collect insights to help drive additional, ongoing training.

*“Excessive escalations hamper internal productivity and negatively impact employee and customer satisfaction.”*



# It's go time.

There's no need to feel overwhelmed by everything AI and bots can do. It's a lot. By identifying the one or two areas where your business is struggling, you can start right where your customers and employees need it most. Some AI-powered customer engagement solutions are all-or-nothing affairs that necessitate big, involved implementations. But with Bold360, you have the option to take a phased approach: implement AI for one use case and see the success it brings to your business before moving on to the next area of need. From your customers' first interaction to ongoing support, whether online or at the front desk, Bold360 delivers technology that allows you to create more human experiences with immediate, proactive, and personalized service. We can help you grow your business, solve problems faster, work smarter, and make every experience matter.



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