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Conversational AI: Is it valuable? Is it viable?

Six questions TMT companies need to ask about chatbots

Imagine you have a question about your subscription to a streaming service. As you search the company's website for a customer service number, a message box pops up to ask if you need assistance. You soon find that resolving your question can be done as easily as texting a friend—but the customer experience hadn't always been so fluid. The media company behind the service had grown through acquisition, building a vast product catalog with complex service processes. To simplify support, the firm deployed an intelligent chatbot—powered by artificial intelligence (AI)—to enable customers like you to self-serve through voice or text interactions with a computer.

This is just one example of how companies across technology, media, and telecommunications (TMT) are leveraging conversational user interfaces (UIs) to meet their unique service delivery challenges. More and more, TMT customers expect the same leading customer experience from their support interactions as is delivered by the

products themselves. These buyers are increasingly digital-native, with growing expectations for service and support to be integrated or adjacent to the services themselves. For example, wireless subscribers expect support options within the carrier's app, and software customers expect service on the same platform they are using from the provider. Moreover, TMT customers typically expect sophisticated personalization across channels, including chatbots. If their need cannot be resolved by the UI, customers generally expect to be transferred to a human with context on the issues and which products the customer uses.
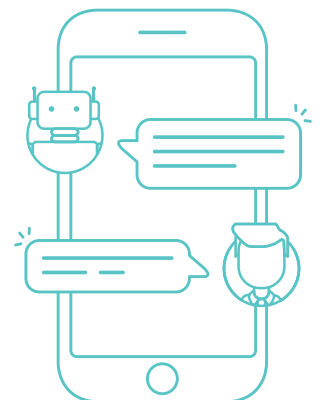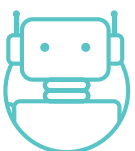
Chatbots get smart

The chatbot has evolved. Today's top chatbot platforms offer a powerful bundle of advanced cognitive technologies, including native machine learning and natural language processing and generation. Such technology can handle large data sets[1] to process, evaluate, and respond to inputs, mimicking human conversation. This enables numerous customer engagement applications, including common uses such as billing support, customer authentication, and FAQ responses, and more sophisticated applications, such as technical support.

Chatbots can integrate with back-end systems to aggregate what a company knows about a customer (e.g., products, usage, error messages) and proactively diagnose problems. For example, a wireless company can detect excessive dropped calls and proactively suggest there may be a problem in the customer's neighborhood, and a hardware manufacturer may take action based on error codes received from its hardware. Further, a chatbot can consume volumes of service records to guide a customer in troubleshooting a product.

Many TMT leaders leverage chatbot technology to address costly challenges that hurt customer satisfaction: ineffective customer handoffs, manual processes driving handle times, procedural confusion or inconsistency, etc. Others are hindered by traditional data silos that exist in TMT companies, especially relating to customer data. These firms should design cognitive programs that break silos to uncover data and insights outside their traditional IT systems, enabling them to service customers in new ways.

Take the valuable/viable test

Before investing, businesses must define how a conversational UI will drive desired customer and business impacts. Which use cases will the application solve for? How will it scale? Company priorities vary from improved customer satisfaction (e.g., NPS, service accuracy) to security and scalability to cost optimization. Well-defined goals will direct more strategic investment. Governance structures with appropriate metrics can then be established to monitor performance and inform ongoing iteration.

So, how do you know if this technology is right for your organization? First, consider how it can offer **value.** Here are three criteria:

- *Are tasks repetitive?* Consider the frequency of customer support processes and whether information exchanged is constant or evolving. For example, many TMT offerings are subscription-based, potentially creating repetitive interactions around billing cycles.

- *Can tasks be completed without human interaction?* Assess whether common interactions offer potential to meaningfully grow customer relationships (e.g., onboarding customers to a new SaaS platform) or are lower-value contacts better suited for other channels.

- *Are tasks naturally resolved through conversation?* Examine whether customer support interactions follow a natural workflow that can be replicated, such as recovering access to a social media account.

Next, consider whether a chatbot application is **viable** given the nature of your organization. Here are three criteria:

- *Is the right data available?* Customer and product data, transcripts of human dialogue, and databases of common Q&A can provide inputs for training the AI model.

- *Will the chatbot complement existing systems?* Chatbots integrate with many enterprise systems through existing APIs.

- *Are business rules well-defined?* More straightforward business rules that follow standardized processes and procedures offer an easier integration with chatbot technology.
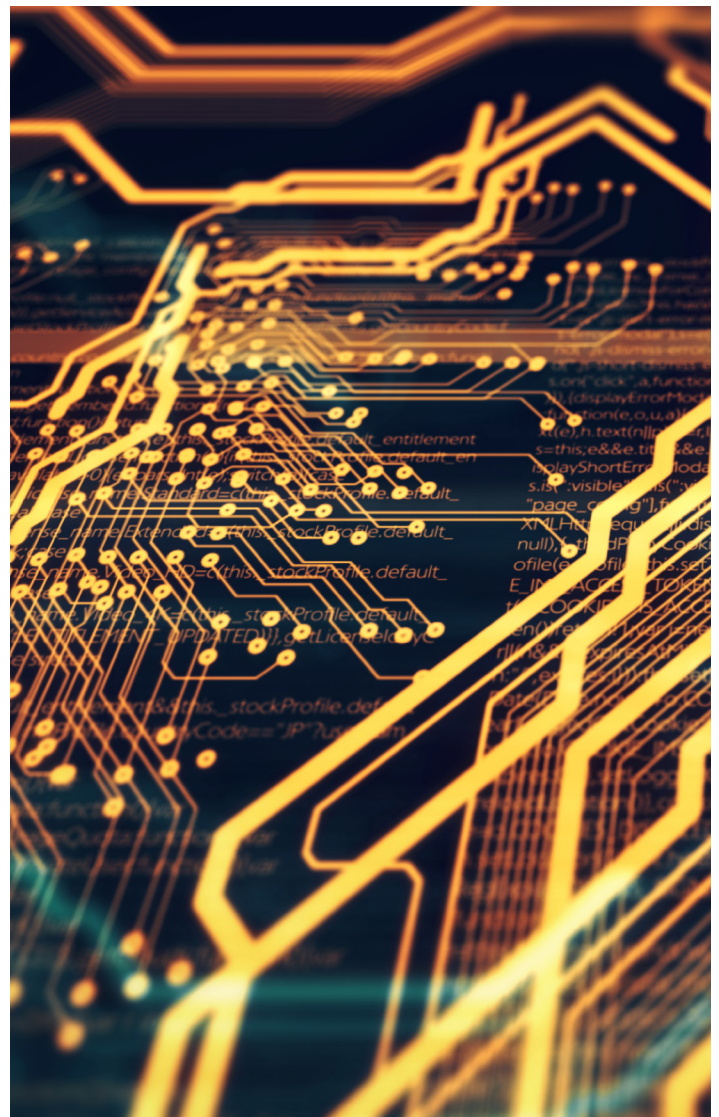
Chatbots can deliver results

Chatbots are a strategic avenue for companies to begin integrating AI into their business, and the benefits can be significant. In fact, 83 percent of respondents in Deloitte's State of AI Survey said they have achieved moderate or substantial benefits from their work with AI technologies, and 94 percent said AI is very or critically important to their success.

TMT leaders should be willing to invest to drive innovation in this space and keep pace with their customers. Companies beginning today will be better equipped to meet the demands of tomorrow. To learn more about how conversational UI and other AI-enabled technologies can help improve your customer engagement strategy, get in touch:

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Endnotes

1.   https://www2.deloitte.com/insights/us/en/focus/cognitive-technologies/AI-applications-in-technology-media-and-telecom.html

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