



## Understanding the ROI of Enterprise Bots

See the potential revenue growth and cost reduction potential with bots at work for your customers and workforce

**24%**

increased  
revenue  
potential

**5x**

improved repeat  
transaction  
potential

**15%**

reduced  
support cost  
potential



# An enterprise bot strategy offers advantages for customers and workforces alike

## The Urgency for Change

Revenue lost from poor customer service

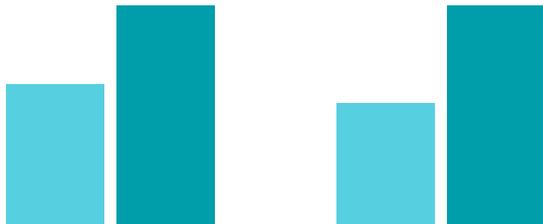
**+\$20B**

up from 3 years ago<sup>1</sup>

Revenue potential from eCommerce in 2020

**\$632B**

up 40% from 2016<sup>2</sup>

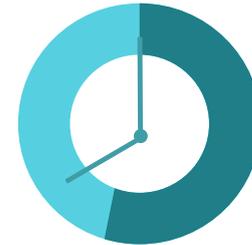


Your customers

Bots solve the friction points common in today's customer service, digital, and mobile experiences, thereby positively influencing service experiences, additional sales, and net new business.

Time wasted on admin tasks and disruptions<sup>3</sup>

**55%**



Your employees

Bots solve the friction points in workplace productivity lags due to systems and technology overload. Bots free revenue-generating staff of mundane administrative tasks to focus on customers and growing the business.

## Customer service: companies at a crossroads

Customers want to connect and engage with their brands. Yet, brands that provide customers with great sales and service experiences are in the minority, which leaves the vast majority of customers yearning for something more.

Notably:

- **Only 5%** of customers report their sales and service experiences exceed expectations.<sup>4</sup>
- **30%** of customers indicate their attempts at self-service fail.<sup>5</sup>
- **50%** or more will abandon an online purchase if they cannot find a quick answer to a question.<sup>6</sup>
- **82%** of customers are likely to stop spending with a company due to a bad service experience.<sup>7</sup>
- **89%** switch providers if they feel their time isn't valued or encounter rude or multiple agents or don't get answers.<sup>8</sup>

**Poor service isn't just inconvenient. It costs companies \$62B per year.<sup>9</sup> Despite added technology and resources, that's up \$20B from three years ago.**



**Top performing companies are acquiring new customers at a rate over 3.5x that of their competition.<sup>10</sup>**

## Engaged customers drive revenue

For companies that are customer engagement leaders, there are tangible returns. Engagement “magnets” see measurably higher profit margins and increased rates of advocacy and loyalty than companies outside of the leadership quadrant.

Engagement customers are big business<sup>11</sup>:

- **90%** more likely to make more frequent purchases
- Spending **300%** more than non-engaged customers each year
- **5x** more likely to choose brands for future purchases
- **7x** more likely to respond to a brand’s promotional offers
- Spending **60%** more on each transaction
- Have **3x** higher annual customer lifetime value
- **6x** more likely to try a new product

The essence of customer engagement is personalization - humanized interactions that make customers feel like they're doing business with a real person instead of a company. Often times, you'll hear customers refer to great customer service as "old-fashioned" or "the way things used to be." What they really mean is the desire for the days before companies ditched conversational engagement for automation and self-service.

The personification of commercial interactions has been dubbed "conversational commerce." Indeed, because of the maturation and coalescence of technologies such as Natural Language Processing (NLP), cloud services, and machine learning, many believe 2016 was the inaugural year of conversational commerce.

**Grasping the importance of connection gives businesses a major competitive advantage.**

**Gartner predicts that brands offering personalization will outperform competitive brands by 15% by 2018.<sup>12</sup>**

## How bots elevate customer experiences

Bots are here and a reality for enterprises everywhere. By offering a closed-loop approach to better customer engagement, bots offer new advantages for businesses looking to get ahead of the competition to capture new, repeat, and referral business, and even reduce operational spend in doing so.

Bots turn the traditional, frustrating digital experiences your customers are used to into conversational, personalized, and instantly gratifying engagements, resulting in smarter, higher-value purchase and service interactions.

### **Bots make it easy for customers to engage, complete transactions, and come back for more, via:**

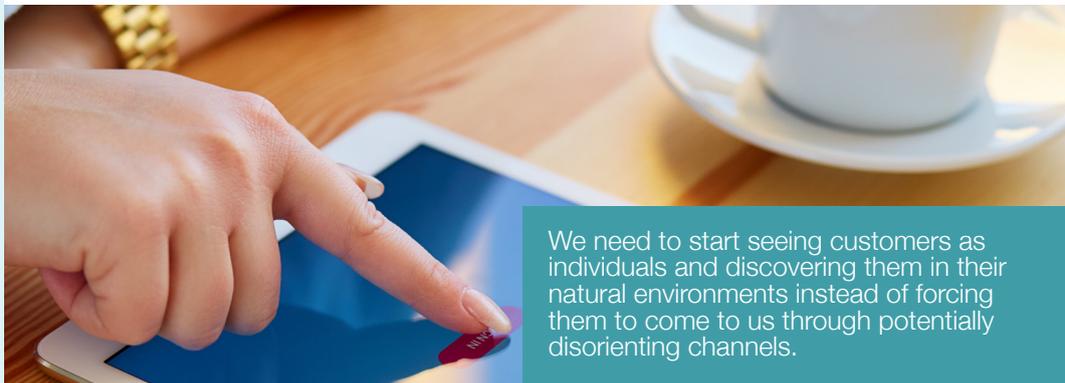
Simple text and voice features for faster answers, updates, transactions, and issue resolution

Actionable, simple response options for time-sensitive notifications

Automated intake and responses for immediate triage of 24/7 service and support requests

Sustainable 1:1 guidance if and when needed – when customers are engaged

Actionable big data for right-time, right-fit offers vs. one-size fits all



We need to start seeing customers as individuals and discovering them in their natural environments instead of forcing them to come to us through potentially disorienting channels.

# Customer-Direct ROI Study



## Direct advantages

Your brand experience comes through in a new, engaging, conversational style to win customers over

Customer data, history, and patterns captured for future cross-sale

Competitive positioning is ensured to help defend against social media channels and competitors vying for customers

Brands must get mobile, digital, and omni-channel execution right. By eliminating the friction points that impact abandonment, and by making it simpler, faster, and more convenient to engage how and when customers want, the path to conversion becomes clear and attainable.

65% of a company's business comes from its current customers.<sup>13</sup> Retention and cross-sell should rank as a key initiative, if not the primary, especially when it's 5x more costly to acquire new customers (and 10x for some industries).<sup>14</sup> Yet, many retention and cross-sell strategies are solely left to manual tactics, and often get executed as blanketed, one-size-fits-all, reactionary efforts.

With a small barrier to entry and short time to market, bots offer a cost-effective solution to rip and replace alternatives. Bots help companies get past keep-up mode to satisfy customers with sustainable and personalized service. They also turn insight into automated actionable offers for relevant, in-the-moment cross-sales.

**Self-service is up to 98% less expensive than channels requiring human intervention.**<sup>15</sup>

## Case Profile with Bots

### Large eCommerce Company

- \$1B annual sales from web and mobile
- Average transaction value: \$100

	% improvement in conversion	No. of additional transactions	Potential Revenue Increase
Year 1	1%	100,000	<b>\$10,000,000</b>
Year 2	2%	200,000	<b>\$20,000,000</b>
Year 3	4%	400,000	<b>\$40,000,000</b>
Year 4	7%	700,000	<b>\$70,000,000</b>
Year 5	10%	1,000,000	<b>\$100,000,000</b>

Potential revenue increase of  
**\$240M over 5 years**<sup>16</sup>

## Case Profile with Bots

### Large Airline Company

- \$750M annual sales from web and mobile
- Average transaction value: \$250

	% improvement in conversion	No. of additional transactions	Potential Revenue Increase
Year 1	1%	30,000	<b>\$7,500,000</b>
Year 2	2%	60,000	<b>\$15,000,000</b>
Year 3	4%	120,000	<b>\$30,000,000</b>
Year 4	7%	210,000	<b>\$52,500,000</b>
Year 5	10%	300,000	<b>\$75,000,000</b>

Potential revenue increase of  
**\$180M over 5 years**<sup>17</sup>

## Your workforce: another crossroads

Despite the investments in technology, automation, and process improvement, gaps remain. These limitations make it time-consuming for team members to coordinate efforts, provide instant, actionable account, lead, opportunity, and pipeline updates, avoid missteps all-too-common across customer touch-points, and remain productive.

For example, the typical enterprise sales rep spends only 33% of their time with customers, with the majority indicating too much of their time is spent on data entry. Though, ironically, only 15% of businesses believe they have accurate lead and pipeline information, despite the effort.

For enterprises, throwing money at cloud-based applications increases cost, application management cycles, data security threats and vendor management challenges. Developing mobile apps only simplifies a user's experience with one app. Mobile apps also can't reduce the application overload issue for employees.

**Employees on average juggle 30 apps, receive 200 emails daily, and attend 62 meetings monthly, thereby leaving most overwhelmed – forcing them to decide between critical systems requirements or revenue-generating initiatives.<sup>20</sup>**



**65% of mobile users are experiencing app fatigue<sup>18</sup>**

**“We are moving from us having to learn how to interact with computers to computers learning how to interact with us.” to interact with a machine (or a person behind a machine) using natural language.<sup>19</sup>**

# What bots can do for your workforce

Our reliance on business systems has become second nature, but we're still used to seeing technology as just a tool. Bots can breathe new life into how team members – across all internal functions such as Sales, ITSM, Service & Support, HR, Finance, and more – interact with the systems they deal with daily. Bots are poised to radically change how people connect, deals are made, and days are spent.

**Admin tasks and distractions aren't just inconvenient. They cost companies 55% of employees' time every day.<sup>21</sup>**

## Sales

**15%**

improved access and faster processes

**24%**

potential revenue growth

**500%**

improved repeat transaction potential

Results potential via bots<sup>22</sup>

## Service & Support

**300%**

improvement in automation and self-service

**50%**

improvement in agent productivity

**12%**

reduction in support personnel

Results potential via bots<sup>23</sup>

## Bots eliminate non revenue-generating bottlenecks for team members to focus on the work that matters, via:

Simple text and voice features for faster onboarding, system updates, communications, and information retrieval

Actionable, simple response options for real-time customer, cross-functional team, and management requests – without back-and-forth email

Adherence and follow-up to complex business workflows, without the need to recall each step

Data-driven insights for team members to instantly capture and convert every revenue opportunity



## How Bots Gain the Workday Back for Your Teams

### 1 Bots work with team members, so time becomes a priority again.

Instead of rote, sequenced actions to accomplish a task within the rigid frame of an app's interface, NLP-powered bots work to learn how each team member engages.

Simple statements like "Schedule a meeting with the partners" represent deceptively complex actions that bots can respond to and conduct fluidly. The bot learns their language, relays their needs between the proper systems to complete tasks, and accomplishes the tasks for them. Bots provide a streamlined service that elegantly acts on their behalf.

### 2 Bots can be everywhere, any time.

Your teams can create better customer service even when they're not able to reach customers face-to-face or over the phone. They can rely on the bot to conversationally engage customers throughout every stage of the service or sale, and can even perform live agent hand-off when sentiment scores reach specified thresholds or a customer makes a request.

Bots simplify communications and systems updates, and trigger inter-departmental workflows, even when team members are in the field. Bots go everywhere they go, elevating the communication and collaboration channels they already use: SMS, mobile, web, messaging platforms, and more.

### **3 Bots provide relevant information, at the right time.**

It's a given that NLP bots would save time by eliminating the need for team members to interface with multiple systems to accomplish a string of tasks. But that's just the start.

Systems can be updated sooner and the custom systems you build can be brought to market faster. That's because NLP allows developers to cut the time it takes to build an app in half by eliminating the time-consuming GUI element. You also save time with fewer updates to the systems your company relies on.

### **4 Business is more personal and engaging.**

Bots can form unique personalities that acclimate themselves to react – accordingly to how team members engage. From keeping up a joke to reading social cues, the bot can make tasks more enjoyable.

Through advanced approaches to NLP, bots can infuse vibrancy in day-to-day routines by providing light conversation. They assess the user's emotional state, known as sentiment analysis, to improve communications when they're feeling frustrated or annoyed. It's an evolved way to add depth to daily business, and the same experience that's extended to your customers.

As we see technology become more like a partner and less like a utensil, both sides of the enterprise will benefit. That's the moment when you'll begin to build a stronger relationship with your business systems and see better outcomes for your employees and your customers.

# Workforce ROI Study



## Direct advantages

Actions can be taken within a message or alert and results integrated into customer-facing and internal systems

Bots can alert when leads are entered or system updates are made and even trigger workflow actions across multiple systems and people

Employees can use simple requests to get instant responses, enhancing self-service

Profitability and growth depends on whether all front-line teams involved in a customer's journey can provide end-to-end, closed-loop experiences that lead to multi-product sales, repeat business, and referrals. Team members must be agile to identify, capture, and convert opportunity – when or before it strikes.

This requires:

- Relentless coordination by team members across locations
- Instant, actionable account, opportunity, and system updates
- Eliminating missteps across customer touch-points
- Removing barriers keeping staff from the work that matters

Further, bots boost profitability by aiding internal efficiencies and reducing overhead costs. Transforming everyday functions into quick, conversational exchanges, bots are the solution businesses are looking for to unlock employee potential, reduce operational spend, and even strengthen customer relationships via more highly engaged employees.

## Case Profile with Bots

Mid-size Company Sales Team (100 reps)

**Initiative: Sales Automation**

# of Sales Opportunities closed per rep/year = **20**

Average transaction value = **\$75,000**

Average time wasted on CRM admin tasks per rep/week = **4 hours**

Net value gained (1 additional deal/rep) = **\$7.5M**

Net productivity lost = **\$1.04M**

**Total Opportunity Value = \$8.54M<sup>24</sup>**

## Case Profile with Bots

Large Manufacturing & Supply Chain Co.

**Initiative: PO Approval**

Number of Purchase Orders processed/year = **5,000**

Average number of steps for approval = **3**

Time wasted for each approval step = **15min/step**

Total time wasted / year = **3,750 man hours**

**Total Value in Time Saved = \$187,500 / year<sup>25</sup>**

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- 2 National Retail Federation estimates 8-12% US e-commerce growth in 2017. Business Insider.
- 3 The Wasted Workday. The Atlantic.
- 4 Your Last Line of Defense. Accenture.
- 5 Customer Care Transformation. WDS.
- 6 Trends 2016: The Future Of Customer Service. Forrester.
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- 8 The Ultimate Guide to Customer Service. Contextual Strategy Group.
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- 10 2015 Benchmark Report Series Ecommerce Growth. RJ Metrics.
- 11 Customer Engagement from the Consumer's Perspective. Rosetta Consulting.
- 12 Gartner Says IT Leaders Will Need to Develop a Stronger Relationship With Marketing. Gartner.
- 13 Total Customer Value Is Likely 2x What You Think It Is. Cisco.
- 14 Listen to the Voice of the Customer. CRM.com.
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- 18 The Shift from Apps to AI, Messaging, and Chat Bots. Open Market.
- 19 Chatbots, Conversational Interfaces, and the Rise of Messaging platforms. Sean Johnson, LinkedIn.
- 20 What Meetings Are Really Costing You. ReadyTalk.
- 21 The State of Enterprise Work. Workfront.



# How do you change the paradigm?

Eliminate complexity and get back to basics. Give customers and employees the most straightforward, easy, and convenient way to interact with the digital experiences you rely on to grow and the systems that run your business.

Let them converse with digital tools and systems just like they talk to people. Provide them with concierge-like service and personal assistants that work on their behalf to get stuff done – nights, weekends and holidays.

## Every Industry. Every Role: Explore Other Bot Use Cases for Your Business



Banking



Retail



Healthcare



Travel



IT



Sales



Service

### IT HELP DESK

- Password management
- Asset management
- Hardware procurement
- Network issues

### HUMAN RESOURCES

- Onboarding and training
- Time and attendance
- Announcements
- Travel and expense

### CUSTOMER SERVICE

- Account/issue resolution
- Status updates
- Account upgrades
- Service alerts

### FIELD SERVICES

- Schedule optimization
- Fleet management
- Inventory and fulfillment
- Real-time connectivity

### SALES

- Lead management
- Opportunity management
- Quote creation
- Pipeline reports

### FINANCE

- Purchase/sales orders
- Inventory management
- Vendor payments
- Expense management

Learn how bots can help your organization or schedule your personalized demo at [www.kore.ai](http://www.kore.ai).

