

CHATBOT AND CONVERSATIONAL A.I. FOR CUSTOMER CARE

“By innovating technology for good we make life better, whether through connecting people in new ways or building technologies for industries in transformation.”

Introduction

Businesses continue to evolve their models to meet customers and today an important part of providing good services is being available to **help customers on their preferred channels, at the time of their choosing, and at their pace.** This has led forward-thinking customer service companies to explore Chatbots and AI for customer care.

Chatbot technology represents an enormous potential for enhancing the customer journey; it is becoming part of daily digital life, as it proliferates on messaging platforms and is launched as a digital assistant by the largest technology companies.

Innovation technologies led businesses towards a huge competitive advantage by allowing customers to interact with brands through conversational interfaces. Instead of requiring customers to do all the heavy lifting, brands can meet them where they already are and **communicate with them on their terms.**

Chatbot and AI integration in Customer Service experience

According to a recent Accenture study, Chatbots are a combination of 3 different components:

- **UI (interface):** the interface between the Chatbot and the (human) users.
- **AI (intelligence):** it allows the Chatbot to understand and solve customer queries and to learn from each interaction. Artificial Intelligence is the key to machines understanding human languages and is the foundation on which our self-service, customer service and support products are designed and integrated for businesses worldwide.
- **SI (integration):** it covers integration with other systems and platforms, including workforce management systems to access human agents. It is through these interactions that the Chatbot can access information from multiple sources, complete transactions and escalate more complex customer queries to human agents.

The big role of Knowledge Base and AI

The Knowledge Base can be considered as an electronic brain that's able to efficiently organise content to answer all the questions a human being might ask. Companies are adopting these kind of solutions not only to speed up their answers to customers, but also to make them more efficient and consistent.

AI powered Chatbot can react to customer responses, provide real-time, context-based, answers and make the experience of the interaction feel more human. By using machine learning diagnostic tools, it is possible to predict the likely benefits of a customer service Chatbot before a single line of code is written. These tools analyse existing chat histories using Natural Language Processing (NLP) to identify customer problem types and how they were resolved.

Having **an updated database of knowledge is crucial** since answers to customer queries majorly rely on that data. A robust source of curated answers ensures that customers receive personalised and relevant responses. Apart from the basic technology elements, it is knowledge management that drives a Chatbot to the best of its purpose.

Business impact

Conversational interfaces have become more and more mainstream, and their support by AI and bots has become widespread. **Chatbots provide a tangible way for companies to understand how the rules of digital customer service change** as we move into the AI computing era. Digital services are becoming more sophisticated and contextually aware, making it possible to anticipate and respond to individual customer needs.

Today, most customer service functions are measured by how well they can reduce the number of customer calls and average handling time (AHT). This is to reduce the cost of customer care. Yet for intelligent Chatbot, the marginal cost of handling more conversations and taking more time with customers falls to almost zero.

According to Microsoft, 9 out of 10 consumers expect every company to offer 24/7 online self-service. With that statistic in mind, companies can plan where and in which way Chatbots could make the biggest impact.

Chatbots should form a part of the digital customer service strategy, both helping to better serve customers today and positioning the company for the future.

Practical applications

Emerging technologies such as Chatbots are rapidly becoming more sophisticated, developing the ability to engage with consumers to accomplish more complex tasks. Chatbots can accept payments, send shipping alerts, and answer any questions that come up, all



within the same interface the customer is already using.

NLP technology allows businesses to create custom bots that take on the brand's personality by leveraging existing communication systems and knowledge bases, to connect directly with customers in their everyday informal language.

Chatbot technology can be applied to different fields, such as insurance and utilities: in the insurance field it allows actions such as policy suspension and reactivation, processing claims, passing information to estimates in a structured way, requests for price quotes, and sending documents (integration).

As an example, a customer could move the insurance of a means of transport to another vehicle simply through the contact center of their insurance company: the ChatBot would talk in a human-like way, use clear language with the customer, and carry out all the actions requested by itself. If a customer asks for data and documents, they can be exchanged securely through the chat session.

Providing customers with a personalised chat experience does not only help the customer, but the

agent too. As long as the Chatbot continues to be supported by a learning system, it "learns" from ongoing conversations and therefore can solve problems of increasing complexity.

Conclusions

Chatbots will, and are going to, work as assistants to customer service agents. The real strength of Chatbots in Customer Service would be to filter out the routinely generic requests, those which do not require a human interaction. When a more complex issue arrives, the AI-powered bot can then transfer the issue to an agent. This would greatly increase the efficiency of the agents who can deal with more complex situations and not have to worry about answering every request from every customer.

With artificial and contextual intelligence developed in bot technologies, **the way to help customers is an integrated, intelligent, efficient service** offering the information that they want with minimal effort on their side.