

Reimagining the Power of Self-Service

How to Deliver CX to the Digital Doorstep

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A Frost & Sullivan White Paper
Powering clients to a future shaped by growth

F R O S T  S U L L I V A N

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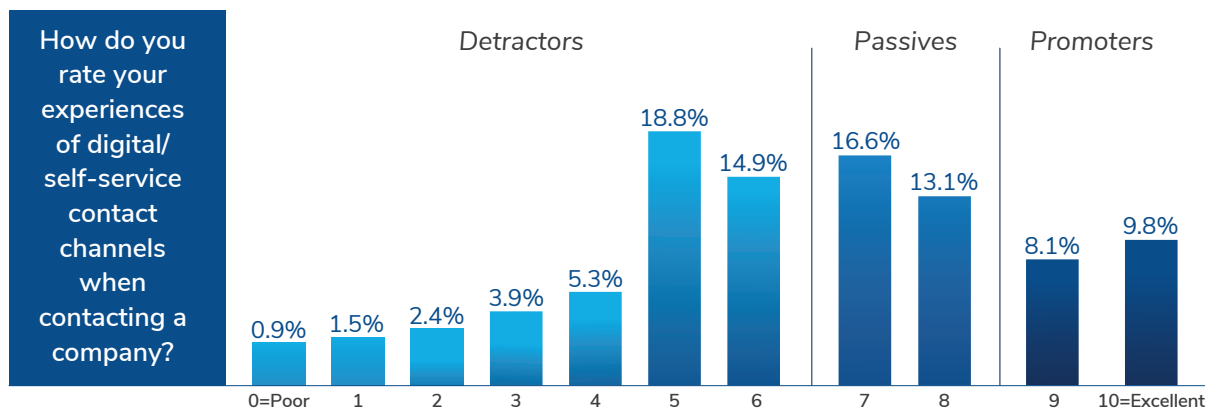
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Introduction

The world of customer experience (CX) has shifted, with most customers now preferring self-service to live agent assistance. The pandemic has accelerated this process, creating an urgent need for companies to accommodate their customers with quick and effective interaction options. As customer expectations for instant gratification become the norm, digital transformation is imperative for brands to stay competitive.

However, self-service channels often lack the technologies needed to meet customers where they want in the digital world. As shown in Figure 1 below, only 18% of customers rate digital/self-service CXs as events they would promote, which is much lower than how they rated robotics (41.2%) and artificial intelligence (AI) (34.8%) as promoters. Many of today's self-service solutions are not meeting customer expectations because of limited capabilities, misunderstanding inquiries, sending customers to the wrong place, and lacking personalization.

FIGURE 1: Customer Ratings of Digital/Self-service Contact Channels



Source: NTT's 2021 Global Experience Benchmarking Report n=1402

Early adopters of AI-powered self-service solutions will have the opportunity to improve customer satisfaction (CSAT) rates and gain a competitive edge. State-of-the-art self-service solutions improve CX with an optimal blend of support for live agent interactions and omnichannel customer self-service. It is not only about bots handling customer queries to take the load off live agents but also about how AI can continually learn, train, and build on the insights needed to automate tasks and organize information to make self-service more effective. These rich-data-driven and AI-empowered insights make self-service work. Smarter self-service addresses today's customers' needs and allows agents to focus on complex tasks and deliver a better CX.

Why is the Shift to Intelligent, AI-powered Self-service Essential for CX Organizations?

Keeping up with the changing CX frontier is more complicated than ever. Seamlessly integrating touchpoints along the customer journey has become the main component driving CSAT. One common component of mastering this digital mix, called deflection, is a way to accelerate issue resolution and reduce costs. Live interactions can cost companies 24 to 48 times that of self-service.¹ While cost reduction is desirable, the benefits of intelligent self-service are two-fold: increasing CSAT and improving CX. No longer just the preferred choice of millennials and younger digital natives, self-service that works has become the baseline expectation for almost all customers. Events, such as the COVID-19 pandemic, have forced businesses globally—particularly healthcare, travel, and retail—to change how they interact with customers. All age groups now embrace digital technologies.

A recent Frost & Sullivan survey of contact center solution buyers found that 93% of organizations will have conversational AI and virtual assistants/bots in place before 2023, with financial services, travel and hospitality, and manufacturing sectors taking the lead. This means investments in cutting-edge self-service capabilities are essential for all companies, not just visionaries, to stay competitive.

Moving toward self-service tools that reduce costs is essential for survival. However, only a 3rd of customers feel fully satisfied with digital or automated CX solutions,² highlighting a disconnect between self-service for cost reduction and improved CX. Therefore, success requires moving beyond deflecting calls to using self-service capabilities that enhance the CX through omnichannel service strategies and data-driven insights. Omnichannel service delivery provides a seamless, contextually aware customer journey that combines and utilizes all interaction data as the customer engages with a business.

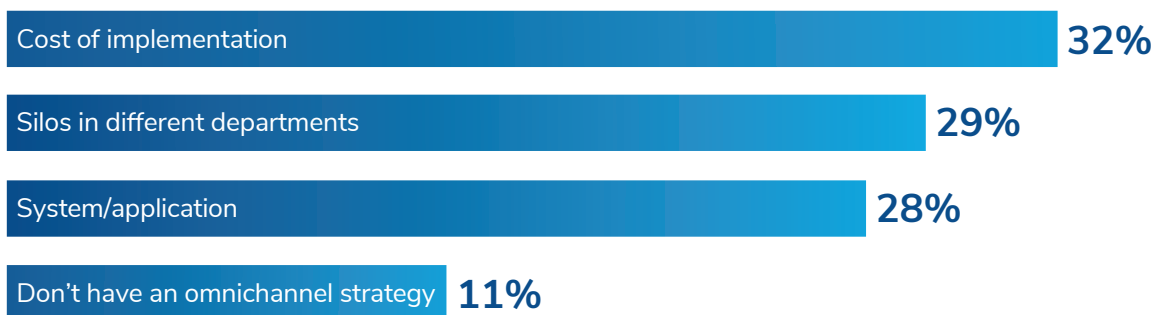
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Seamless Omnichannel Service Everywhere

While most organizations have long been striving to deliver omnichannel customer care, in 2021, only 29% of them had fully integrated channels. As shown in Figure 2 below, while the promise of omnichannel is substantial, in reality, siloes with varying capabilities and different development environments often develop and deploy individual components, such as robotic process automation (RPA) and intelligent virtual agents. Having to create integrations with other applications and back-end systems further hampers organizational goals to deliver on omnichannel.

FIGURE 2: Factors Preventing Organizations from Delivering an Omnichannel Experience, Global 2020-2021



Source: Frost & Sullivan

The inability to deliver omnichannel CXs creates tension between customers and businesses. Nothing irks customers more than repeating themselves as they shift to different channels, departments, or agents. What pleases them most is a swift resolution at first contact.

To wow customers, companies must not only know their histories, preferences, and nuances throughout their journeys (across digital and voice channels) but also must predict their needs; make personalized, spot-on recommendations; and solve their issues. The most valuable and effective channels can extract data from multiple sources to provide insight into the CX journey and enhance the CX experience.³

At the core of seamless CX is data. Self-service tools must be intelligent and able to handle a large percentage of repetitive tasks and inquiries and quickly discover relevant information to feed continuous, ongoing improvement cycles. AI can take this further by continually expanding the scope of queries and agent tasks that do not need human intervention to accomplish. If a live agent must step in at any point in the journey, the self-service tool can fluently hand off relevant, contextually important data. This way, agents have all the information they need readily available to ensure customers move swiftly along their journey without repeating information.

Delivering Frictionless Omnichannel CXs

On average, companies provide customers with a choice of 9 customer interaction channels.³ Top of the list are AI web bots and voice-activated interfaces because these technologies can extract multiple data points. Although companies offer lots of customer communication options, it is more valuable for them to serve different customer segments where they want to meet, reduce their effort, and ensure consistent CX across their journey.

Using a data-driven approach, businesses can:

- Identify channel transfers that should not occur
- Lessen customer friction and effort
- Give customers a choice of channel
- Make customer journeys seamless
- Capture, analyze, and share real-time data across the journey
- Continually address any issues and provide real-time resolutions

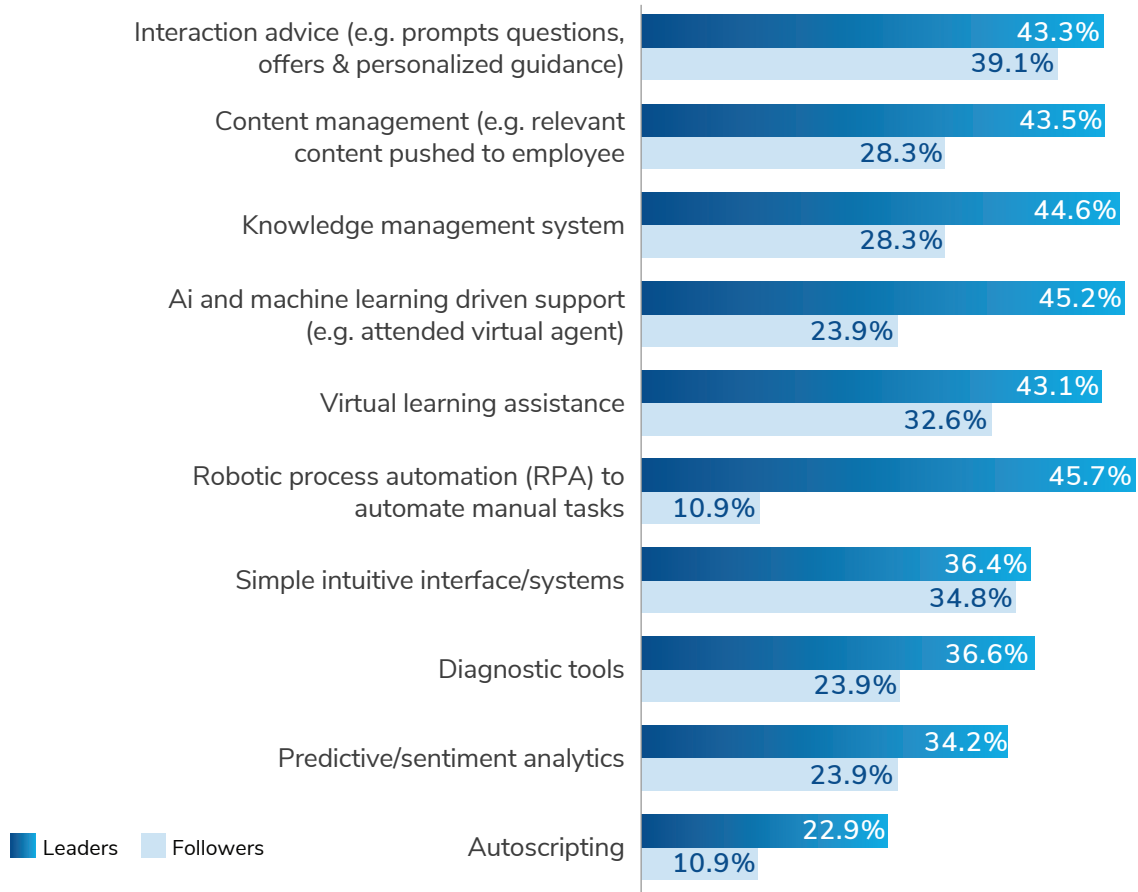


Enabling Seamless, Effortless Experiences

Convenience and ease of interaction are the top factors ensuring customer loyalty, and brands must consider this when creating processes for any channel. More importantly, they leave customers with a positive brand image by providing an effortless experience across channels during the same interaction or through multiple events. Yet, when companies rated important indicators of CX success, customer effort scores ranked at the bottom, while customer retention rates climbed to the number two position in 2021.³ Companies are not in sync with what customers want. When digital customer engagement expands, this is an opportune time to replace old-school interactive voice response and augment sophisticated self-service solutions with the power of AI.

Creating effortless experiences for agents is equally important. Figure 3 below shows the market leaders significantly ahead of followers in leveraging AI and RPA and implementing predictive or sentiment analytics to better support agents.³

FIGURE 3: Systems and tools used to improve employee interaction with customers



What systems and/or tools, if any, do you have available to enhance and improve employee interactions with customers? n=1,359 Source: for this?

AI-enhanced solutions simplify an agent’s job by offloading manual, repetitive tasks and assisting them with the right data in real time when they talk to customers. When AI can go a step further and find opportunities to automate tasks while self-service solutions and live agents go about their business, it can significantly impact the bottom line. Even if these interactions escalate to an agent at some point in the process, the agent will be more engaged with customers because they will not have to search for information or fill out forms from scratch. Instead, AI automates the process.

Enhance the Employee Experience to Enrich the CX

When customer issues exceed self-service capabilities, agents become the architects of exceptional CX. Agents are on the front line of handling customer emotions. Often, by the time an agent answers a call, customers have already exhausted poorly designed self-service options and are frustrated. Though self-service preferences are increasing, many companies are not considering the other half of the equation—the agents. Improving the employee experience and enhancing employee engagement are the main trends in the industry. Yet, only 19% of companies say employee retention is a top corporate priority.² However, industry disruptors are ahead of the curve, with 64% agreeing that employee experience is a primary differentiator.³

When agents feel empowered and engaged, they stay with the company longer, evolving their skill sets along the way. As contact centers move into the role of profit centers, happy agents have a tremendous impact on the measurements that companies are using to measure their success—CSAT, net promoter, and customer effort scores.

Critical Success Factors When Deploying Self-Service Solutions

Cost/Benefit Analysis

An integral part of a self-service solution implementation strategy is to evaluate the costs and benefits of automating tasks—both for the agent and the customer.

As explored in a previous section, the top factor impeding omnichannel capabilities is the cost of implementation. Costs vary based on numerous factors:

- How dated are the systems in place?
- How easy will it be to integrate the solution with existing ones?
- How knowledgeable/talented is the information technology (IT) team?
- How likely are employees to adopt new technologies?
- How willing are customers to try new channels?
- Are there external challenges to address?
- What regulations should companies consider or meet?
- Are there specific security requirements?

Minimize costs by analyzing and monitoring the impact of every automated process and make sure that they remain useful on an ongoing basis. It is crucial to ensure automated interactions have checkpoints throughout to move the customer to a live chat or phone call to reduce friction. AI and machine learning enable smarter CX with every interaction by finding problems or opportunities to automate tasks, training the system on improvements, and enhancing agent performance in real time.

Although AI is continuously improving, it is still not a replacement for humans when nuances, accents, intuition, and emotions are present that obstruct a positive experience. While digital channels can tackle most customer needs, there must be an easy transition to a live agent when customers need empathy or the problem is too difficult for automation.

Incorporating Structured and Unstructured Data

When businesses view automation only from a self-service perspective, they do not attain the full picture. As CX moves to digital, companies can not only capture the structured data of the past (such as from a customer relationship management [CRM] platform) but also valuable customer information from unstructured data.

A photo of a broken device, a social media outburst, or an email that describes a customer problem are all valuable for understanding a customer issue and using data to prevent it from reoccurring in the future.



Structured data from databases, such as CRM or Statistical Package for the Social Sciences software, are more readily usable because they are available in a specified format but have limited use on their own. Unstructured data, from voicemails, calls, emails, photos, web pages, social media, or audio files, do not follow a set of structured rules, such as gathering information from a form. But unstructured data are invaluable for CX, and the ability to integrate information into a self-service framework is transformative. A photo of a broken device, a social media outburst, or an email that describes a customer issue are all valuable for understanding a customer problem and using data to prevent it from reoccurring in the future. Without AI, this process would require individuals to listen and read many interactions, find patterns, and then write code to automate them, which could take months or years. When any change occurs that a marketing campaign or viral social media post drives, the process needs to restart. Automating this system is possible.

Building Smarter Self-service Faster and Better

As part of a holistic experience, new self-service technology can change the face and pace of CX. Each call or live agent chat that self-service replaces has tremendous cost and CX benefits:

- **First contact resolution (FCR)**—we do not need customer surveys to tell us that 100% of customers and companies consider this a top measurement for excellent CX. FCR is the home run of contact center metrics because it is the only performance metric that affects almost every other meaningful statistic and measurement in the call center.
- **24/7 availability**—as more people work remotely, have flexible times, take gig jobs, and are night owls, along with customers' ability to buy from anywhere globally, customer care is necessary around the clock. Robots do not call in sick or come in late, making them predictable. A blend of robots and agents ensures someone is readily available if needed, but fewer live agents would be on night shifts.
- **Asynchronous conversation**—self-service tools can provide companies with the opportunity to have ongoing discussions over a longer time frame than a live call, where responses to questions must be immediate. Asynchronous conversations may occur via email, social media messaging, or voicemail. It is not as urgent for agents to answer queries. The downside of asynchronous conversation is that customers still expect responses within a reasonable time, which may vary based on the product or service in question, or the customer's patience.

Automating self-service solutions resolving more calls and more customer intents relieves agents of monotonous tasks, allowing them to focus on building customer relationships.

Choosing the Right CX Partner

Organizations of all sizes globally create exceptional CXs while meeting vital business metrics. Featuring the best cloud-native CX platform around the globe, CXone, NICE is a global leader in AI- powered contact center software. More than 25,000 organizations in more than 150 countries, including more than 85 of the Fortune 100 companies, partner with NICE to transform—and elevate—every customer interaction.

Innovation that Matters: Technology-enabled Insights

Proven experience in AI matters and lends itself to tasks including applying knowledge and best practices and developing self-service capabilities. NICE brings decades of development and continuous innovation, which benefit customers using the NICE CXone cloud CX. The wealth of data accumulated over time and a deep understanding of customer behavior across channels create more robust automated solutions than those that newer market entrants offer.

At the core of NICE's approach is an understanding that building and managing data to get CXs right is necessary. With AI, organizations can drive their CX with actual conversational data to deliver the right self-service and agent-assisted interactions. NICE powers the entirety of CXone with Enlighten AI, which has hundreds of purpose-built CX models, and the full suite of business applications can use it for various use cases.

One of the largest global labeled CX data sets built Enlighten AI, leveraging all calls, email, chats, and social media interactions to gain a holistic view of CX. Combining conversational data from all channels, Enlighten AI fuels insights in both the live and virtual workforce. Enlighten XO is a set of specialized AI models that discover automation opportunities from an organization's existing CX data, allowing companies to build smarter and faster digital self-services.

With AI, the guesswork is over, and every interaction continuously contributes to making the system smarter and experiences better.

To meet the accelerating expectations of today's digital customers, Enlighten XO finds opportunities for automation and then identifies the most crucial training data, allowing contact centers to build and evolve their service channels. With AI, the guesswork is over, and every interaction continuously contributes to making the system smarter and experiences better.

Enlighten XO can seamlessly and automatically:

- Review every conversation between customers and agents across all service channels
- Identify information about customer wants and needs, eliminating guesswork around customer intent
- Capture existing conversation flows to model the most successful resolution pathways and emulate them in self-service capabilities
- Score and prioritize customer intents with the most significant return-on-investment for self-service to allow companies to get the most out of the solution quickly
- Assemble thousands of specific words and phrases needed to update digital channels on every touchpoint as new terminology emerges
- Enhance all digital channels, including chatbots, to resolve complex issues during the first contact
- Update continuously so that self-service matches changing customer wants, needs, and motivations
- Drive proactive outreach by predicting customer wants, needs, and motivations

CASE STUDY #1: LEADING HEALTHCARE COMPANY IMPROVES DIGITAL CSAT WHILE KEEPING UP WITH CHANGING BENEFIT LANDSCAPE

Business Challenge

A Fortune 100 healthcare company needed to keep up with the evolving complexity of its self-service channels associated with expanding medical, dental, and vision options, along with Health Saving Account (HSA) and Flexible Spending Account (FSA) opportunities. They needed to field benefits questions 24/7. At the same time, costs were exploding because of the pandemic, and the company needed to significantly reduce the operational load on the call center. Keeping up with the changing benefits landscape in the self-service channel became a top priority.

Solution

The healthcare company deployed Enlighten XO to the largest contact center handling member inquiries on both chat and voice channels to:

- Gain insights from live conversations to identify the best place to start automation
- Identify members' questions about the new benefits and how they asked those questions
- Understand what responses were making customers happiest and ensure that was how the chatbot answered
- Apply the insights from Enlighten XO to streamline the development of new intents

Results

- Improved member satisfaction on the digital channel
- Reduced volume on HSA and FSA benefit voice calls, which were top priorities for automation
- Achieved a faster cycle time to update for a new intent in the digital channel, saving hundreds of hours per month of agent time



CASE STUDY #2: LARGE BANK IMPROVES SELF-SERVICE USING OMNICHANNEL INSIGHTS

Business Challenge

When interest rates hit record lows, customers contacted the bank to refinance their mortgages, so this bank saw increased call-handle times and associated customer frustration. Existing self-service systems could not cope with the demand.

The company's CX team tried to improve the self-service capabilities but could not identify clear improvement options. They needed to understand what customers were asking, the best resolution path, and the changes needed in the self-service system to shift calls to self-service while improving CSAT.

Solution

To learn from the voice of the customer (VoC) across all interactions, the bank's CX team partnered with NICE to gain new self-service insights from Enlighten XO. Data-driven insights helped the bank's self-service development team prioritize their efforts to improve their customers' digital experiences. The team quickly learned the most important customers' concerns and the specific phrases to add into the self-service channels to see fewer calls to an agent.

AI-empowered Enlighten XO identifies specific insights for every customer need, task, and conversation from every interaction. Using the VoC, the bank gained a new understanding of each customer's outreach during the refinance application process.

Results

By streamlining refinancing applications in self-service, the bank realized:

- Faster development time via a data-driven approach versus guesswork
- Improved self-service containment with better digital resources for customers
- Increased CSAT by enhancing customers' experiences in self-service channels



Analyst Perspective: Exceeding Customer Expectations

Frost & Sullivan's latest IT decision-maker survey² revealed that improving the CX remains a top corporate objective. CSAT scores are the primary way companies measure their digital transformation success. In addition, while most companies will accelerate IT investments during the next 6 months, for now, budgets for CX projects remain tight, making a shift to self-service increasingly attractive.

However, in a digital era where maintaining brand loyalty is difficult, moving more customer contacts through digital channels is daunting, and the mission seems impossible. Self-service tools have not always been user friendly. The solution is only as good as the data, often involving guesswork on what the customers will say or ask or their intent. This process is time-consuming and often inaccurate. Customer behavior, the competitive environment, price changes, marketing and sales campaigns, the products and services offered, and even terminology change all the time, magnifying the effort of continually updating the data.



With the latest AI technologies, it is possible to digitalize more interactions while giving customers a better experience with your company. FCR is crucial, and, if automation and digital channels can handle more queries effectively while delivering excellent CX, it is the best route to take. Companies can optimize the balance of automation and human interaction so that customers have a highly satisfactory experience regardless of the channel(s) they have chosen to engage with their business.

Imagine the agility, flexibility, and scalability of a business that can act on the gold mine of data that live in phone conversations, email, or social media sites to improve their self-service quickly and effectively. This is where you can capture emotions, language nuances, and repetitive questions to develop self-service that resolves more issues, saving live resources for more complex or lucrative ones. Add capabilities, such as continually learning from these interactions and training the automated tools to perform better, and you can gain a competitive advantage. Use agents in smarter ways, elevating employee experiences and making their jobs easier. As part of omnichannel customer care, leveraging rich data across all channels to improve self-service will create seamless CXs.

Endnotes

- 1 cxtoday.com/contact-centre/what-are-the-benefits-of-a-self-service-contact-centre/
- 2 Frost & Sullivan's 2021 Predictions—COVID-19 Accelerates CX Investments
- 3 NTT's 2021 Global Experience Benchmarking Report

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