Creating Seamless and Efficient Customer Experience Processes with Generative AI

How will Chat GPT and other Gen AI platforms change the CX game?
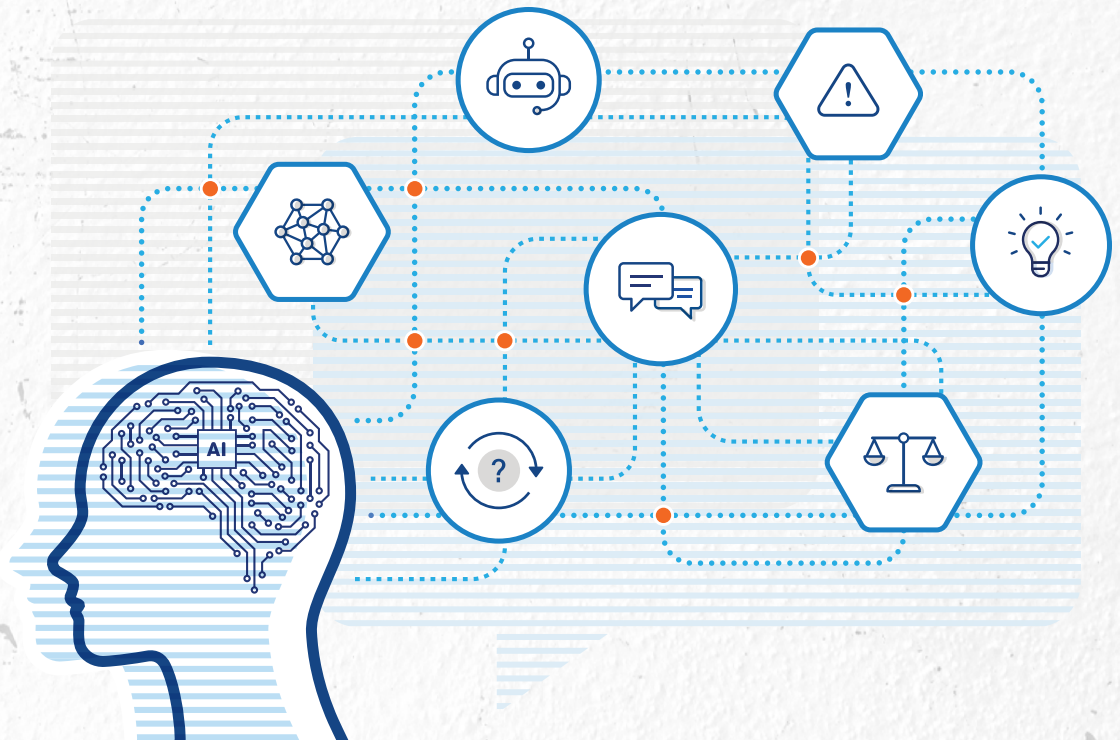
FROST & SULLIVAN THOUGHT LEADERSHIP ARTICLE

frost.com

CONTENTS

Every company that wants to thrive needs to step up its CX game. It is an undeniable condition of today's business world. Generative AI can significantly enhance a myriad of customer-oriented processes. Keep on reading if you want to find out how you can leverage it.

The Clock Is Ticking: Customers Demand Faster Times to Serve!

Companies always try to meet customers' expectations because they know that providing a differentiating **customer experience (CX) is the definitive competitive edge, more important than product or price. Yet, this is not an easy task**. Almost 20 years ago, Bain Company theorized about the "delivery gap": while 80% of companies believe they provide a superior CX, only 8% of customers feel organizations differentiate through experience[1]. More recently, another survey states that 82% of marketers believe they meet customer expectations regarding customer experience. Still, only 10% of consumers strongly believe that most brands satisfy their CX needs[2].

The gap hasn't narrowed at all as customer expectations continue to grow at an unparalleled rate. Customers want personalized, efficient, and effortless experiences when dealing with brands. Not being up to the challenge can have catastrophic results for a company, including elevated customer churn, deceleration of revenue growth, and a reduction in profit margins. The democratization of knowledge and connectivity has made it easier for consumers to switch products or service providers: they are just one click away. And a bad CX can lead to precisely that: customers leaving.[3, 4, 5]

64%
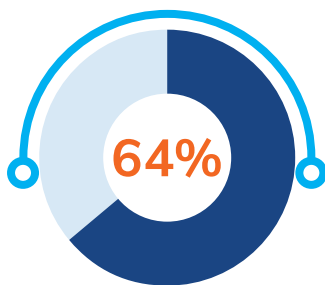
of customers have jumped to a competitor following a poor CX

66%
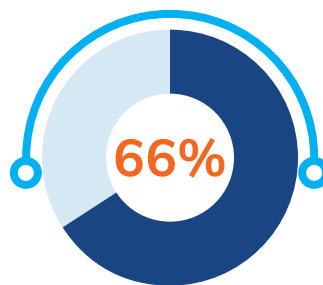
of customers say that a bad CX can ruin their day

92%
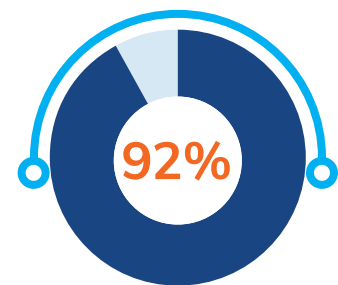
of customers will spend more if they don´t need to repeat info

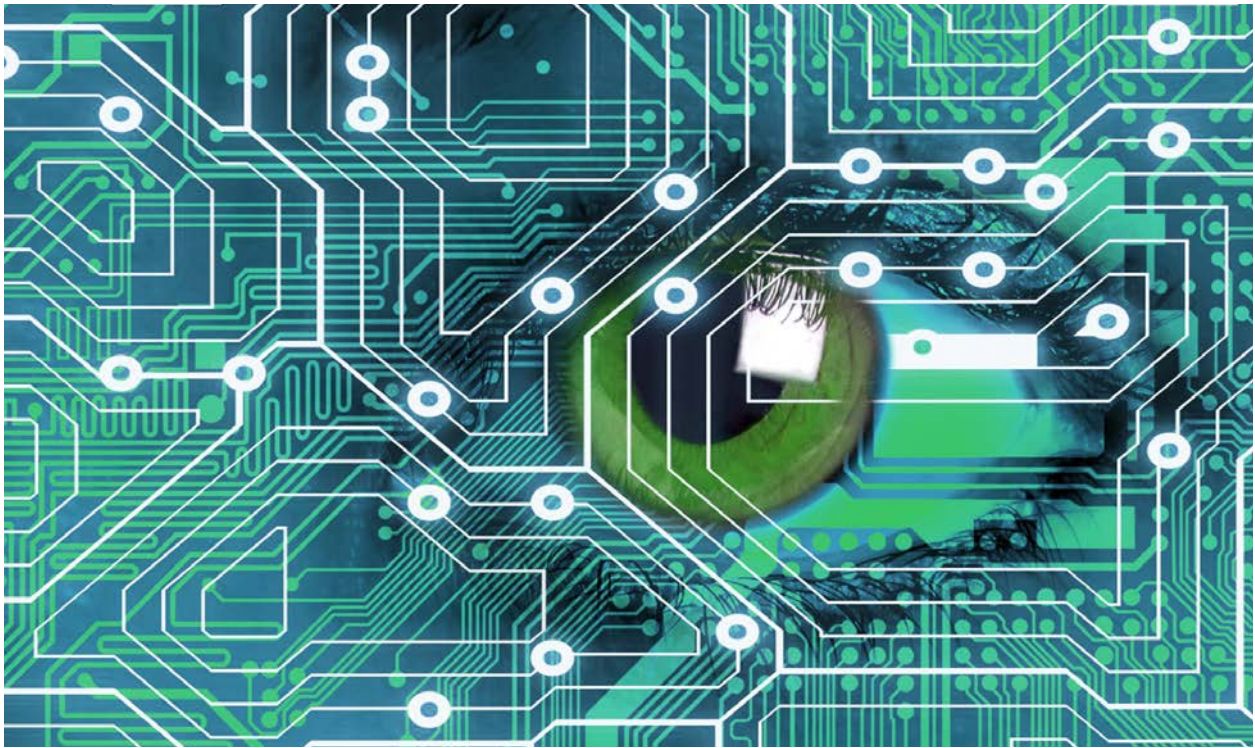The magnitude of customer contacts companies must respond to is also increasing daily. Frost & Sullivan asked over 750 contact centers how customer interactions evolved over the last year: 49% of organizations reported increased customer interactions. In contrast, 44% saw no change, and only 7% reported a decrease)[6]. The second most frequently cited reason companies fail to reach or exceed their CX goals is agent burnout, caused by the difficulty in fulfilling the growing demand[7]. However, companies have an increasing tech arsenal of solutions created to alleviate those challenges. And customers know this: 80% of them think technology should make their experiences with brands more valuable[8], and 75% that artificial intelligence (AI)-based interfaces ought to provide the same service levels as human agents[9].

However, only a few organizations will be able to differentiate through CX: those that successfully orchestrate these technologies to come up with customer journeys in which every touchpoint requires the least effort from a user but creates a positive feeling, enticing customers to feel this positivity again, thus remaining loyal clients.

ChatGPT Is Not Alone: The New Wave of Generative AI Platforms

One of the technologies that promise to enhance CX processes significantly is Generative (Gen) AI. Based on neural networks and Large Language Model (LLM), Gen AI uses deep learning to process vast datasets generating digital content like text, code, images, music, and videos. The potential to disrupt several industries is immense. It might be comparable to the dawn of the internet, smartphones, or the cloud. Gen AI will change how content is produced, accessed, and displayed. That much is certain.

No technology in recent memory has captured the public's imagination like Gen AI, particularly in the form of ChatGPT. Released by OpenAI in late 2022, ChatGPT became the fastest-growing consumer application reaching 100M registered users just two months post-launch. However, numerous Gen AI platforms have been launched by companies such as Alphabet (Google), Amazon Web Services, Meta, and Anthropic, among many others.

By combining algorithms, dedicated processors, cloud computing, and large, categorized datasets, Gen AI can craft responses, essays, reports, code, marketing campaigns, and even summarize legal contracts, among other tasks. Gen AI will be integrated into tools like development environments for programmers, photography and image manipulation tools, video editors, and 3D modeling applications over the next several years. Gen AI can alleviate mundane work, and its integration into consumer applications and media creation tools will be like integrating electricity into our daily lives. It will seamlessly become a part of the software functionality, a digital assistant to create, inspire, review, and summarize digital content[10].

2023 AND BEYOND

Use Cases Develop and Enterprises Increase Adoption

▶ Image and video creation

▶ Law contracts/summaries

▶ Marketing copy

▶ Sales templates

▶ 3D objects/environments

▶ Voices from audio snippets

▶ Songs from text descriptions

▶ Blueprints for buildings

▶ Research studies

2022-2023

Generative AI Models Released

▶ OpenAI GPT2/3/4, CoPilot, DALL-E

▶ Alphabet (Google) LaMDA, PaLM

▶ Meta (Facebook) LlaMA, OPT-IML

▶ Anthropic Claude

▶ NVIDIA Megatron-Turing NLG

▶ Baidu Ernie 3.0 Titan

▶ Hugging Face BLOOM

2010-2021

Deep Learning Models/Datasets Developed

▶ GPU Revolution

▶ ImageNet Launches

▶ AlexNet Launches

▶ Generative Adversarial Networks (GANs)

Source: Frost & Sullivan[11]

Yet, the question remains: how is Gen AI transforming the CX world? To what extent will it enhance efficiencies, facilitate interactions between customers and brands, and allow companies to optimize their performance?

How Can Generative AI Streamline CX Processes?

Indeed, LLM-driven generative AI has the potential to profoundly impact and perhaps disrupt many aspects of the CX industry. One might view Gen AI as AI 2.0 for the contact center, helping organizations implement advanced AI and yield improved results. It will drastically accelerate our use of technology to empower people[12], providing new capabilities to interact with unstructured data and making it more available for organizations to leverage[13]. The productivity gains could be massive. For instance, considering just the Average Handle Time (AHT), different solutions suggest a 30% to 50% reduction, which could be a game changer in an industry that leans heavily on human input. Overall, Gen AI has the potential to truly relieve human agents from repetitive tasks and allow them to focus on where they add more value: real conversations where unique human capabilities (i.e., empathy, adjusting tone of voice, negotiation skills) are crucial.

LLM-driven generative AI promises enhanced CX through AI within reach of a broader audience. While promising, the first generation of AI was often complex, time-consuming, costly, and sometimes challenging to implement. This next AI generation promises to improve upon those factors dramatically[14]. However, a word of caution: Gen AI should not be applied across all organizational CX processes. Companies should be careful and understand the difference between the right use cases that yield significant benefits from those unsuitable for this technology. The repercussions of poor implementation can be catastrophic, especially in highly regulated spaces such as government, healthcare, and finance. Moreover, companies should also pay special attention to privacy and intellectual property issues, ensuring neither their nor their customer's information becomes publicly accessible.

The innovation ushered in by LLMs, and generative AI might not necessarily lead to a surge in novel AI contact center applications. Instead, they might dramatically expand the capabilities of existing ones, hastening their time-to-market. While we expect to see Gen AI seamlessly integrated into many internal and customer-facing processes in forthcoming years, as of today, the most significant benefits have been observed in:

Post-call summarization	Knowledge management	Text-based response	Conversational AI
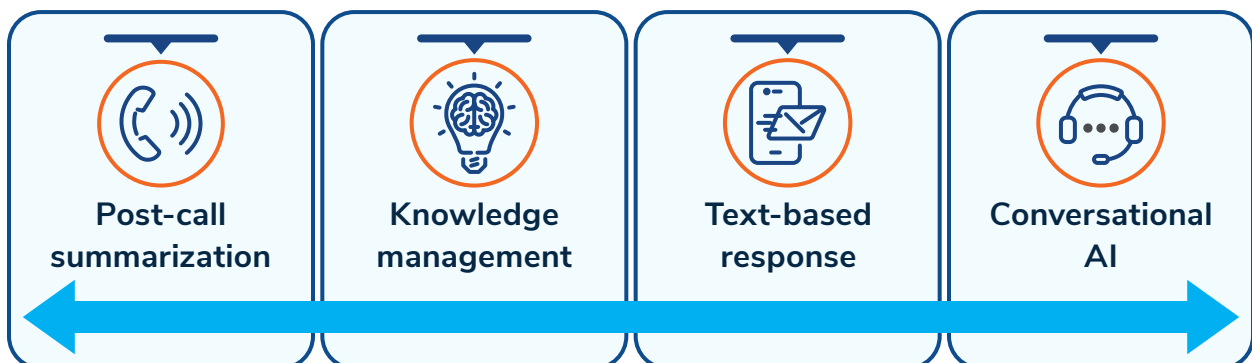
Post-call summarization

One of the fastest use cases to benefit from Gen AI integration is tasks after customer contact, such as summarizing conversations, tagging contacts, or initiating follow-ups. Many CCaaS providers now leverage solutions like Chat GPT to automate most of this workload, promising substantial process efficiencies.

Knowledge Management

Extracting pertinent data from isolated systems and presenting it in a timely manner to agents is pivotal yet intricate in a contact center. This domain is ripe for disruption by this new technology. Numerous providers are currently integrating their knowledge management systems (KMS) with Gen AI to augment their ability to compile, store, and tap searchable knowledge.

Text-based response

Think about the time it takes for an agent to read an extensive incoming email, process it, separate what is essential from what is not, and then craft a response. Now consider that Gen AI can be there to read the message, summarize it, and write an answer based on what the agent has outlined. The employee then reviews the answers and ensures the right words are there. How much agent time was saved in this second scenario?

Conversational AI

With generative AI, companies can develop, train, fine-tune, and orchestrate Conversational AI applications in less time, increasing the number and types of queries automated interfaces can answer while detecting customer intent. This technology plays a decisive role in helping customers get the help needed on time.

Endless possibilities await soon, including forecasting and trending, an employee on and offboarding, training, coaching, and custom data charting. Gen AI is bringing a massive disruption to the world of CX and only those companies which can master it will gain a competitive edge.

Atento's Vision and Roadmap

As tempting as it might be to deploy Gen AI-enabled applications for experimentation widely, recent history offers a lesson: this technology, though promising, is still in its infancy and demands oversight. There is a need for establishing a "guardrail" to shield businesses and end-users from hallucination, generating dialogues based on non-existent data, or even delivering incorrect responses.

Atento is charting its course on four parallel workstreams:

- **Creation of Atento's Global AI Governance:** the foremost task is crafting version 1.0 of our policy, principles, and guidelines. This will govern our safe and responsible experimentation and deployment of Gen AI. Several facets of our policy address ethical and legal parameters; resource allocation, success metrics, business models, etc.

- **Introduction of conversational, whether in text or voice:** These are introduced to handle transactions that do not require human-level cognition. If complete deflection is not viable, the AI aids the human agent as a co-pilot throughout the transaction, offering suggested responses, automating specific tasks via RDA capabilities, and proposing the next best action or offer based on the overall context.

- **The AI-enable Hubbie chatbot:** available at Qualistore and powered by our Azure tenant, guides Atento's agents to enhance customer experiences. It succinctly advises on the most effective approach to address customer concerns based on processes stored in our dedicated Open AI tenant (one for each client). For back-office scenarios, agents receive suggestions on resolving tickets based on the front-office typification that categorizes the ticket.

Leveraging our private tenant at Microsoft Azure enables access to Atento's AI Studio platform for safe use case creation and experimentation. Here are two notable examples:

- Monitoring all live calls, although technically feasible, isn't economically viable. Thus, the traditional approach uses statistical methods to watch a (small) sample of the transactions. To bypass this economic constraint, we have devised an automated pipeline that ingests nearly all voice calls, transcribes them using an automated STT (speech-to-text) platform, performs data cleaning, and then integrates it into the LLM engine. The final step enables business owners and specialized prompt engineers to query the corpus using natural language, allowing them to perform various tasks. These tasks include summarizing the most common types of interaction, conducting sentiment analysis, and listing the primary reasons for customer satisfaction and dissatisfaction. The possibilities are nearly limitless, with the outcome primarily influenced by two factors: the depth of the corpus and the user's skill in crafting meaningful prompts.

- Team leaders produce numerous weekly action plans, often written in various languages such as English, Portuguese, and Spanish. Once integrated into Atento's AI Studio, these plans become a part of an extensive dataset that management can query using natural language. The goal is to identify action plans that successfully achieve their objectives and earmark them as potential best practices, allowing them to be shared among all groups with similar aims.

Beyond Gen AI, Atento's history with "traditional" AI runs deep. Their primary AI offering includes:

1. **Attrition Prediction:** this detailed model has 100+ features and assigns a probability to each agent (with at least 90 days of tenure) of leaving the company in the upcoming months. It also outlines the top 5 likely reasons for potential departure, empowering management to act preemptively. The model boasts a 70% true positive rate.

2. **Anomaly detection:** any KPI, like NPS, expressed as a time series can benefit from this model, which:

    a. Determines a "normalcy band" from past data to help management discern significant deviations from standard fluctuations.

    b. Offers short-term forecasts for the subsequent seven observations. This output guides management to act based on potential trends.

3. **Stress-o-meter:** customizable to specific needs, this model measures customer stress levels, which can be linked to churn likelihood or escalation risks. It is available in two versions:

    a. A text analytics version using actual textual communication or transcribed voice.

    b. A voice analytics version that does not require transcription and focuses on spectral analysis to identify abnormal patterns.

In Conclusion

The customer experience (CX) landscape is on the brink of significant evolution. Businesses are aware, and consumers anticipate it. There is an urgent need to bridge the "delivery gap," harmonizing customer expectations with what brands deliver in CX terms. This alignment will differentiate customer-focused organizations and dictate business trajectories. Gen AI aims to amplify this shift. Businesses must keep pace with the CX advancements, but it's crucial to strategize wisely to avoid high costs without a clear ROI. Venturing into this terrain requires guidance from trusted experts. Remember, brand reputation hangs in the balance. As Warren Buffet wisely said, "It takes 20 years to build a reputation and five minutes to ruin it." Pursue growth with care!

Endnotes

1. Bain & Capital "Closing the delivery gap". 2005.

2. Acquia "Deliver the CX they expect: Customer Experience Trends Report". 2019.

3. Zendesk "CX Trends 2023". 2023.

4. Salesforce "State of the Connected Customer". 2022.

5. Verint "The 2022 State of Digital Customer Experience Report". 2022

6. Frost & Sullivan "Navigating Digital Transformation in Contact Centers—A Customer Perspective, Global, 2023 to 2024". 2023

7. Idem.

8. Acquia "Deliver the CX they expect: Customer Experience Trends Report". 2019.

9. Zendesk "CX Trends 2023". 2023.

10. Frost & Sullivan "How Generative AI is Transforming Digital Content Services". 2023

11. Idem.

12. National Bureau of economic research "Generative AI at work". 2023

13. CX Today "NICE launches groundbreaking generative AI solution". 2023

14. Frost & Sullivan "Beyond ChatGPT— Understanding the Impact of Large Language Model Driven Generative AI". 2023.

ABOUT ATENTO

Atento is the largest provider of customer relationship management and business process outsourcing ("CRM BPO") services in Latin America, and one of the top providers globally. Atento is also a leading provider of nearshoring CRM BPO services to companies that carry out their activities in the United States. Since 1999, the company has developed its business model in 17 countries where it employs approximately 135,000 people. Atento has over 400 clients to whom it offers a wide range of CRM BPO services through multiple channels. Atento's clients are mostly leading multinational corporations in sectors such as telecommunications, banking and financial services, health, retail, and public administration, among others.

THE GROWTH PIPELINE COMPANY

For over six decades, Frost & Sullivan has provided actionable insights to corporations, governments and investors, resulting in a stream of innovative growth opportunities that allow them to maximize their economic potential, navigate emerging Mega Trends and shape a future based on sustainable growth.

Contact us: Start the discussion →