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AI and Automation is the Path to the Future for Contact Centers

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I. Introduction

Automating and minimizing manual activities is a top priority for contact centers, and enterprises in general, as it is the best way to reduce operating costs while improving the customer and employee experience. Three new IT sectors are ideal for helping contact centers, customer service organizations and back-office departments improve operational and cost efficiencies: analytics-enabled quality assurance (AQA), robotic process automation (RPA)/bots and intelligent virtual agents (IVAs). These IT sectors are essential for positioning companies to succeed with their digital transformations as they prepare for the artificial intelligence (AI) revolution.

II. The Challenge

Contact centers are people-intensive organizations; 60% – 70% of the cost of most contact centers in North America and Europe is people-related. Enterprises have spent years trying to deflect calls to less expensive self-service solutions. While many of these initiatives have been successful and have automated 20% – 90% of the incoming volume, inquiries and interactions that require the cognitive capabilities of people – calls, emails, chat, SMS, social media, video – keep on coming. DMG research has found that self-service is the channel of choice for all generations, as long as the solutions work well. However, when an issue is time-sensitive, emotionally charged or complex, customers are going to call, as they are looking for the human touch.

Front- and back-office operating departments need technology to improve staff productivity. For contact centers, this means reducing average handle time, which is the primary measure of agent performance. (Average handle time (AHT) = average talk or work time (ATT) + after-contact work time (ACW).) In the back office, it's about reducing the amount of time employees dedicate to processing each work item or task. After years of automating the easy inquiries using self-service solutions and encouraging employees to work faster, it's become evident that companies need new tools to enhance their performance, which is why bots and IVAs are being welcomed in many enterprise functions, and AQA is giving contact centers a competitive advantage.

III. AI and Robotics Enters the Service World

Artificial Intelligence is a game-changer for contact centers and back-office departments. Enhancing the real-world and tribal knowledge of a live agent with the intelligence of big data and automation is a powerful combination for service organizations. Given the complexity of most contact centers, it's next to impossible for agents to remember everything necessary to handle diverse inquiries. One customer may ask a basic question, while another transaction may require the agent to access 10 different systems and perform mathematical calculations. In both cases, automation can improve the customer and agent experience while substantially reducing the time it takes to locate answers and fully respond to the inquiry during the first touch. This is the kind of service that leaves both the agent and customer feeling very satisfied – the agent knows they did the best job possible, and it's great for the customer because the agent made the interaction easy and quickly provided the right answer.

While the market is in the early stages of introducing AI in service organizations and contact centers, AQA, bots and IVAs are already making quantifiable contributions even as their capabilities are being enhanced.

IV. Analytics-Enabled Quality Assurance

Quality assurance (QA) is a mission-critical function because it allows managers and supervisors to oversee what agents are saying and doing for customers, while capturing insights into why people are contacting a company. QA has been done the same way for more than 40 years. Supervisors or QA specialists listen to or read an inquiry and evaluate how it was handled by the agent. This has always been a manual task, even with traditional QA solutions that have provided a workflow for evaluators. QA is also a least-favorite activity for supervisors because it takes a great deal of time.

AQA alters monitoring and feedback practices by automating the evaluation process, and improves the benefits and contributions of QA for agents, customers and the company's bottom line. In the absence of AQA, manual QA is still a necessity, but its effectiveness is limited because most companies are able to evaluate only 2 – 10 transactions per agent, per month. (It's too expensive to assign more resources to this task.) This means that if improvement opportunities are found as a result of doing traditional QA, it is more by accident than by design.

With AQA, the solution can listen to or read as much as 100% of inquiries and identify training, system and procedural opportunities throughout the enterprise, not just for the contact center. Early and rapid problem identification can improve market perception and reduce the volume (and cost) of inquiries by allowing a company to take corrective action before a small issue becomes a large one. (AQA can also reduce the risks associated with fraud and out-of-compliance situations.) See Figure 1.

Figure 1: Analytics-Enabled QA



Source: DMG Consulting LLC, February 2018

V. Robotic Process Automation/Bots

RPA/bots are quickly capturing the imagination of executives, as these automated workflow applications can cost effectively tackle everything from mundane “cut and paste” to the completion of sophisticated work cases that previously had to be handled by employees. RPA/bots are being rolled out throughout enterprises, including:

1. Contact centers and customer service departments – automating “cut and paste” from one application to another, performing rapid look-ups of information needed to assist a client, providing agents with real-time guidance and targeted up-sell opportunities, processing transactions and completing complex cases.
2. Back-office operating departments – processing work cases, performing calculations and making recommendations for the proper handling of an item, keeping track of a work item that includes multiple activities being handled by different employees, and measuring service-level adherence.
3. Enterprise – processing and tracking invoices, obtaining data and delivering dashboards, producing the documents needed to on-board new employees, tracking inventory and notifying managers when levels are low.

There are many types of RPA/bots, but they belong to two primary categories, attended and unattended. See Figure 2. An attended bot is used by an agent or employee to kick off a single task or group of activities. It greatly improves agent productivity and quality because the agent uses it to complement their own work. A bot may be used in the background to help an agent find a policy or guidelines they need to perform an adjustment correctly, for example. An unattended bot is typically used to automate the handling of an end-to-end process that likely includes a series of steps that previously had to be manually processed. Bots work independently and perform their work without disruption. The newer bots can be designed and implemented without the assistance of IT, as they come with visual development environments and the ability to integrate with third-party applications using screen scraping. Bots have many advantages, including improving productivity, compliance, accuracy and consistency, while decreasing the handling time of interactions. As a result, they enhance both the employee and customer experience. And they do all of this without requiring vacations, time off or lunch breaks.

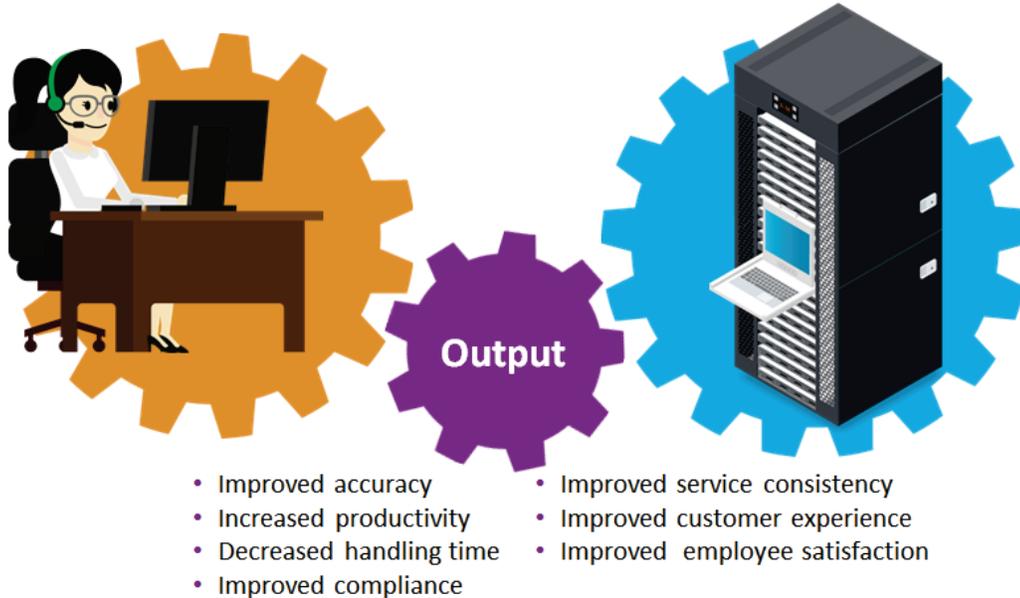
Figure 2: Robotic Process Automation/Bots

Attended Automation

Automates basic single-dimension tasks
Provides real-time process guidance/next-best action

Unattended Automation

Automates high-volume end-to-end processes
Provides alerts for anomalies



Source: DMG Consulting LLC, February 2018

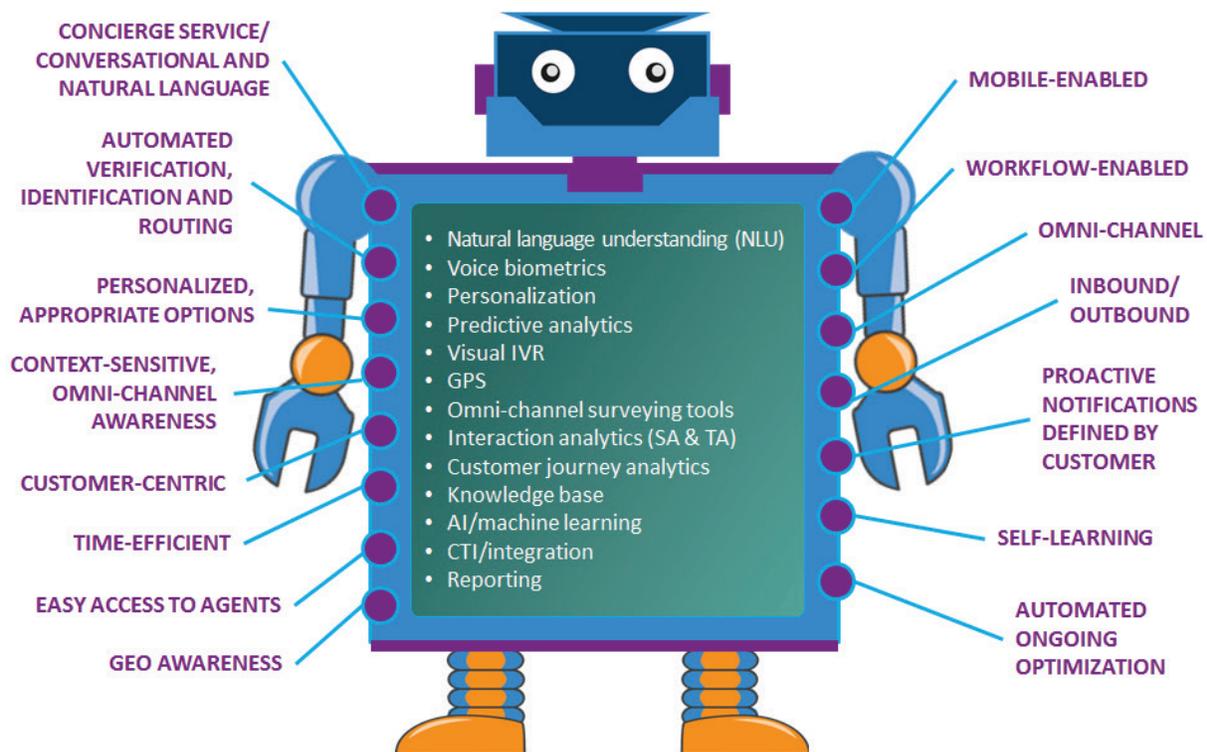
VI. Intelligent Virtual Agents

IVAs (also known as intelligent virtual assistants) are the next generation of self-service solutions, and they can't come to market soon enough. Given consumers' changing attitudes and preference for self-service and digital channels, the emergence of improved and more accurate natural language understanding and processing (NLU and NLP) technology, it's the right time for companies to update their self-service strategies and outdated interactive voice response (IVR) systems. Structured, menu-driven voice self-service solutions, which are hated by consumers, are on their way out, and are being replaced by next-gen IVAs that ask consumers "How can I help?" While there is no system that can answer or address every question, it's clear that IVAs can provide a much better experience than a traditional IVR.

Figure 3 presents the strategic vision for IVAs. This figure shows the technology that IVAs may employ, and describes the services these solutions provide. Technologically, IVAs can combine NLU, voice biometrics, personalization, predictive analytics, visual IVR, a global positioning system (GPS), omni-channel

surveying, interaction analytics (speech and text analytics), customer journey analytics, a knowledge base, AI, machine learning, computer telephony integration (CTI) and more, to process each interaction. IVAs can automatically verify callers, eliminating the need for a frustrating and costly identification and authentication process. They will be customer-centric, allowing customers to ask questions in their own words, and personalizing interactions to speed resolution. They may support omni-channel environments, so customers can start in one channel and move seamlessly to another. And IVAs will use machine learning to continuously improve their accuracy and effectiveness. This enables companies to roll out the features that are most useful to their customer base and deliver a consistent self-service experience across all of their channels.

Figure 3: IVA: The Future of Self-Service



Source: DMG Consulting LLC, February 2018

VII. Final Thoughts

It's time for change. The digital transformation is driving companies to reimagine their front- and back-office servicing strategies and operations. Companies need solutions that make it easy for their customers to conduct business and that deliver a personalized and outstanding experience, cost effectively. AQA, bots and IVAs are foundational for the AI revolution that is on the horizon.

About the Sponsor, Verint

As The Customer Engagement Company, Verint helps organizations simplify, modernize and automate the way they engage customers through their contact center, branch, back-office and marketing departments, as well as how they empower and engage employees to effectively serve them across assisted and self-service channels. Backed by the latest artificial intelligence and advanced analytics technologies, its broad portfolio of cloud and hybrid solutions deliver greater automation and shared intelligence to drive workforce engagement, customer loyalty and business impact.

Today, over 10,000 organizations in more than 180 countries—including over 80 percent of the Fortune 100—count on intelligence from Verint solutions to make more informed, effective and timely decisions. Learn more at www.verint.com/engagement.

About DMG Consulting LLC

DMG Consulting LLC is a leading independent research, advisory and consulting firm specializing in contact centers, back-office and real-time analytics. DMG provides insight and strategic guidance and tactical advice to end users, vendors and the financial community. Each year, DMG devotes more than 10,000 hours to producing primary research on IT sectors, including workforce optimization (quality management/liability recording), workforce management, performance management, speech analytics, desktop analytics, robotic process automation, text analytics, customer journey analytics, surveying/voice of the customer, voice biometrics, cloud-based contact center infrastructure, dialing, interactive voice response systems, intelligent virtual agents and proactive customer care. Our actionable solutions are proven to deliver a lasting competitive advantage, and often pay for themselves in as little as three months. Learn more at www.dmgconsult.com.

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