

How gen AI is revolutionizing customer service

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Greetings intrepid AI explorer, I'm James Dodkins and at Pega I like to think of myself as the "Chief Content Officer"... I'm not that... They'll never give me the title... I've asked...repeatedly. But seriously, I've been lucky enough to work with some of the world's most successful companies to help their teams think differently about the delivery of experiences to their customers – brands like Lego, Amex, Mercedes, and even Nike. I've also dedicated a lot of my time to helping the next generation of customer experience professionals learn how the world's top brands create such iconic relationships with their customers. I've been named #1 Customer Experience Influencer on many occasions, published four books on customer experience, and even had a weekly show on Amazon Prime called "This Week in CX."

At Pega, I spend most of my time taking sometimes very complex ideas and creating content to explain them to people in fun and interesting ways. Hopefully, that's what I'll do for you in this eBook.



"As we peer into the future of customer service, we're not just evolving; we're revolutionizing the way businesses connect with their customers. Generative AI is the compass guiding us towards a world where every interaction is an opportunity to amaze, anticipate, and assist, creating a seamless symphony of customer delight."

Dr. Olivia Stratton

Founder & CEO of SynthoAI Technologies

What is gen AI?

Good question! You should probably already know what generative AI is, but I'll tell you anyway because it might help you explain it to someone who doesn't.

So... Let's break it down. What is AI? AI, or artificial intelligence, is all about teaching computers to think like humans – minus the messy emotions and need for coffee breaks.

Next, what does “generative” mean? The word “generative” is derived from the root word “generate,” which means to produce, create, or bring into existence – it's practically magic.

So together, generative AI is a branch of artificial intelligence focused on creating systems and algorithms that autonomously produce new content, such as text, images, video, or audio, based on patterns and data it has learned. Abracadabra.

ChatGPT has popularized generative AI and taken it mainstream. To put that into perspective, according to Pew Research, 41% of 18–29 year olds in the U.S. have used it – and it was only released in November 2022.¹

¹ <https://www.pewresearch.org/short-reads/2023/08/28/most-americans-havent-used-chatgpt-few-think-it-will-have-a-major-impact-on-their-job/>

How can gen AI improve leadership experience?

Chances are, if you're reading this (yes, you), you're a leader of some sort in your organization. Maybe you're interested in how gen AI can help improve the experience of your agents and your customers, but you might not have considered the ways it can help YOU. So, here are 10 ways gen AI could make your life a little easier.

- 1. Data-driven insights:** Gen AI can analyze vast amounts of data to provide leaders with valuable insights. It can identify trends, patterns, and correlations that may not be immediately apparent, helping leaders make more informed decisions.
- 2. Personalized coaching:** Gen AI can offer personalized leadership coaching by analyzing a leader's communication style, strengths, and areas for improvement. It can provide tailored advice and recommendations for professional development.
- 3. Automated reporting:** Gen AI can automate the creation of reports and dashboards, saving leaders time on administrative tasks. This allows leaders to focus on strategic thinking and decision-making rather than data compilation.
- 4. Natural language processing (NLP):** Gen AI equipped with NLP can assist in better understanding employee sentiment and feedback, enabling leaders to address concerns and improve workplace morale more effectively.
- 5. Predictive analytics:** Gen AI can use historical data to predict future trends and potential challenges, allowing leaders to proactively address issues and plan for the future.
- 6. Streamlined communication:** Gen AI-powered chatbots can facilitate more efficient and responsive communication within organizations, ensuring that leaders can stay connected with their teams and address inquiries promptly.
- 7. Training and development:** Gen AI can create customized training materials and simulations for leadership development, providing leaders with opportunities to enhance their skills in a virtual environment.
- 8. Diversity and inclusion:** Gen AI can help identify areas where diversity and inclusion efforts may be falling short and provide recommendations for improvement, promoting a more inclusive leadership culture. I will point out that not all AI is good at this. In fact, most AI is ingrained with social and cultural biases, so you need to use AI that has been trained to be neutral – like Pega's.
- 9. Crisis management:** Gen AI can assist leaders in crisis management by rapidly analyzing information and suggesting appropriate responses during challenging situations.
- 10. Strategic planning:** Gen AI can assist in the formulation of strategic plans by analyzing market data, competitor information, and internal capabilities – helping leaders make more data-driven decisions.

How can gen AI improve employee experience?

Call center agents have one of the toughest jobs in the world, and they are the ones delivering our brand promise to customers – so anything we can do to help them be happier and more successful at work is a must! So here are 10 ways (of many, many ways) we can use gen AI to do it.

- 1. Automated responses:** Generative AI-powered chatbots can handle routine customer inquiries, allowing agents to focus on more complex and valuable tasks and reducing agent workload. Gen AI can also suggest responses in real time for the agent to use over the phone, live chat, or even email.
- 2. Data entry:** AI can listen to a conversation and then enter customer data into data fields so the agent doesn't have to. Imagine an address change or appointment setting. This frees up the agent to be present on the call and eliminates human error.
- 3. Call summaries:** AI can automatically generate conversation summaries, saving agents time on documentation and ensuring that important details are not missed. This is a biggie; our clients are super excited about this one.
- 4. Language translation:** For multilingual call centers, AI can provide instant language translation, enabling agents to communicate effectively with customers who speak different languages.
- 5. Transfer summaries:** AI can create a short, accurate, and (most importantly) useful summary of an interaction to pass onto another colleague if the call has to be transferred. This means customers don't have to repeat themselves and the agents can be more efficient and effective at helping.
- 6. Sentiment analysis:** AI can analyze customer sentiment during calls, helping agents tailor their responses to address customer emotions and improve overall satisfaction.
- 7. Training and coaching:** AI can generate training materials, customer interaction simulations, and coaching recommendations for contact center agents, enhancing their skills and performance. Imagine being able to create AI customers with different personalities that our agents can interact with. This is another one our clients are raving about.
- 8. Email bot:** I'm gonna be real with you. Emails from customers are annoying. We don't want them, but they are still the second most common contact method behind phone. AI can read the email, figure out what the customer needs, and craft a truly personalized reply – in seconds. If you're not ready to put an email bot on autopilot just yet, then you can still have an email bot queue a reply for the agent to simply review, edit if needed, and hit send – still saving the agent a ton of time. It can then notify employees of any tasks that need to happen or, better yet, pair an email bot up with some lovely automation and get some work done without having to bother anyone! (The unification of AI and automation is Pega's superpower – just sayin'.)
- 9. Quality assurance:** AI can monitor and assess conversations in real time for compliance and quality, offering agents immediate feedback to improve their performance.
- 10. Knowledge base access:** Agents can access AI-generated knowledge bases for quick answers to customer queries, ensuring they have up-to-date and accurate information at their fingertips. Gen AI can even analyze conversations and present customers with relevant knowledge articles in their moment of need.

How can gen AI improve the customer experience?

And here is the big one – how can we improve our customers' experience with gen AI? Because, in all honesty, if you're using gen AI to improve the lives of your leaders and employees and not your customers, that's just selfish. I jest, I jest, but seriously, that's the only reason any of us are here. Ultimately, it's to improve the lives of our customers. So here are two ways gen AI can help do it:

- 1. Get stuff done faster.**
- 2. Get stuff done better.**

It's as simple as that. For customers, gen AI means a realm of almost infinite possibilities when it comes to personalized, empathetic, and successful service – at scale.

Think of any customer experience, I bet you can now think of ways it could be made faster and better using gen AI. It might be shorter hold times because AI has done the wrap up summary on the last call. It might be a query answered accurately in perfect yet brief detail because AI has surfaced the exact needed knowledge to help resolve an issue. It might be an interaction with a chatbot that isn't rubbish. It might be an agent taking extra time on a call because AI has used sentiment analysis to identify a vulnerable customer and is now guiding the agent through the appropriate journey. Whatever it is, you bet gen AI is going to make customer service faster and better.



What it means for your business

Leaders, employees, and customers are all unfathomably happy because of gen AI...but so what? Well, let's get down to it. The numbers don't just make sense, they make dollars! (That was all me, gen AI could never generate a joke that good.)

Gen AI removes manual wrap-up.

On average, for each working hour, agents spend 10.2 minutes on post-call wrap-up. The average hourly salary for agents is \$17, which means that \$2.89/hr is spent on post-call wrap-up per agent. Imagine your contact center is open 12 hours a day and there are 500 agent seats filled during those 12 hours. Let's do the math: $\$2.89 \times 12 \times 500 = \$17,340$. By eliminating wrap-up time, you will save \$17,340 per day – that's over \$6,000,000 per year!

Gen AI accelerates training.

On average contact centers take anywhere between 1 to 3 months to onboard new staff. Couple this with a near 50% attrition rate and most centers are in a perpetual wave of hiring, training, repeat! Get agents better faster, and faster faster!

Gen AI exponentially lowers average handle time.

There are so many gen AI use cases to help agents be more effective, and every one you stack reduces average handle time (AHT) even more – agent guidance, sentiment analysis, knowledge management, data entry, and so much more. I don't want to say that your agents could kick their feet up and drink a cocktail...but they could.

The above examples are just three component examples of what is a vastly comprehensive suite of Pega gen AI offerings.

You're gonna have to use it...so here's how

As I mentioned earlier, a heck of a lot of people are now using gen AI in their daily lives and it is raising the expectation bar crazy high, crazy fast. We are going to have to adopt it, no matter what your personal feelings toward it are. Gen AI is here, and it's here to stay. So now knowing that you don't really have a choice other than to embrace the next evolution in customer service, here are 14 considerations to consider while considering your gen AI strategy. (I tried to keep it to 10 but couldn't, so sue me.)

1. **Set clear objectives:** Clearly define what you aim to achieve with gen AI in your contact center. Whether it's improving efficiency, reducing costs, or enhancing customer satisfaction, having well-defined goals is crucial.
2. **Understand the technology:** Ensure that you and your team have a good understanding of how gen AI works, its limitations, and its potential benefits. Invest in training and education to build expertise.
3. **Start small:** Begin with a pilot program or a limited deployment to test the technology's effectiveness in a controlled environment. This allows you to identify any issues and make necessary adjustments before full-scale implementation.
4. **Human-AI collaboration:** Emphasize that gen AI is a tool to assist human agents, not replace them. Encourage collaboration between AI and human agents to provide the best customer service.
5. **Customer data privacy:** Address customer data privacy concerns by implementing robust security measures and ensuring compliance with data protection regulations.
6. **Regular monitoring:** Continuously monitor gen AI's performance and gather feedback from both customers and agents. Use this feedback to make ongoing improvements.
7. **Agent training and support:** Provide training to your contact center agents on how to work effectively with gen AI. Ensure they understand how to leverage the technology to enhance their performance.
8. **Scalability:** Plan for scalability as your contact center grows. Gen AI should be flexible and adaptable to accommodate increased call volumes and changing customer needs.
9. **Customer education:** Inform customers about the use of AI in your contact center and how it benefits them. Transparency can build trust and reduce customer anxiety.
10. **Measure results:** Regularly assess the impact of gen AI on key performance indicators (KPIs), such as customer satisfaction, call resolution times, and agent productivity. Adjust your strategy based on these results.
11. **Change management:** Expect some resistance to change from both customers and employees. Implement a change management plan to address concerns and ensure a smooth transition.
12. **Ethical considerations:** Be mindful of the ethical implications of AI in customer interactions. Avoid biases, ensure fairness, and maintain empathy in customer service.
13. **Stay informed:** Keep up with the latest developments in AI technology and customer service trends. Gen AI is continually evolving. Staying informed will help you make informed decisions.
14. **Compliance:** Ensure that your gen AI system complies with relevant industry regulations and standards, especially if you operate in a highly regulated sector.

Conclusion

In a nutshell, AI is radically changing the way we live, work, and play. I even used AI to help write this eBook. It helped reword certain sentences, finish off paragraphs that were going well until they weren't, double check I actually knew what I was talking about while explaining what generative AI is, and even make up that quote at the beginning. Neither Dr. Olivia Stratton nor SynthoAI Technologies exist (that's a little warning about trusting what you read about AI).

But remember, AI didn't write the book. It assisted me. AI is all about enhancing and multiplying human effort.

So as we continue to explore the potential of AI in customer service and beyond, let's remember that the true magic lies in the collaboration between humans and AI, working together to achieve remarkable outcomes. Harry Potter would not be nearly as impactful without his magic, but his magic would be nothing without him...or something like that. I've never watched Harry Potter. I know, I know. I'll ask AI to write me a summary.

