



AI readiness:

Contact Centers are at the bleeding edge of AI's business impact

icmiTM

AI is revolutionizing the contact center industry, bringing about new ways of working, improved agent and customer experiences, and increased value for organizations. This report will dive into how to utilize AI to maximize value and productivity.

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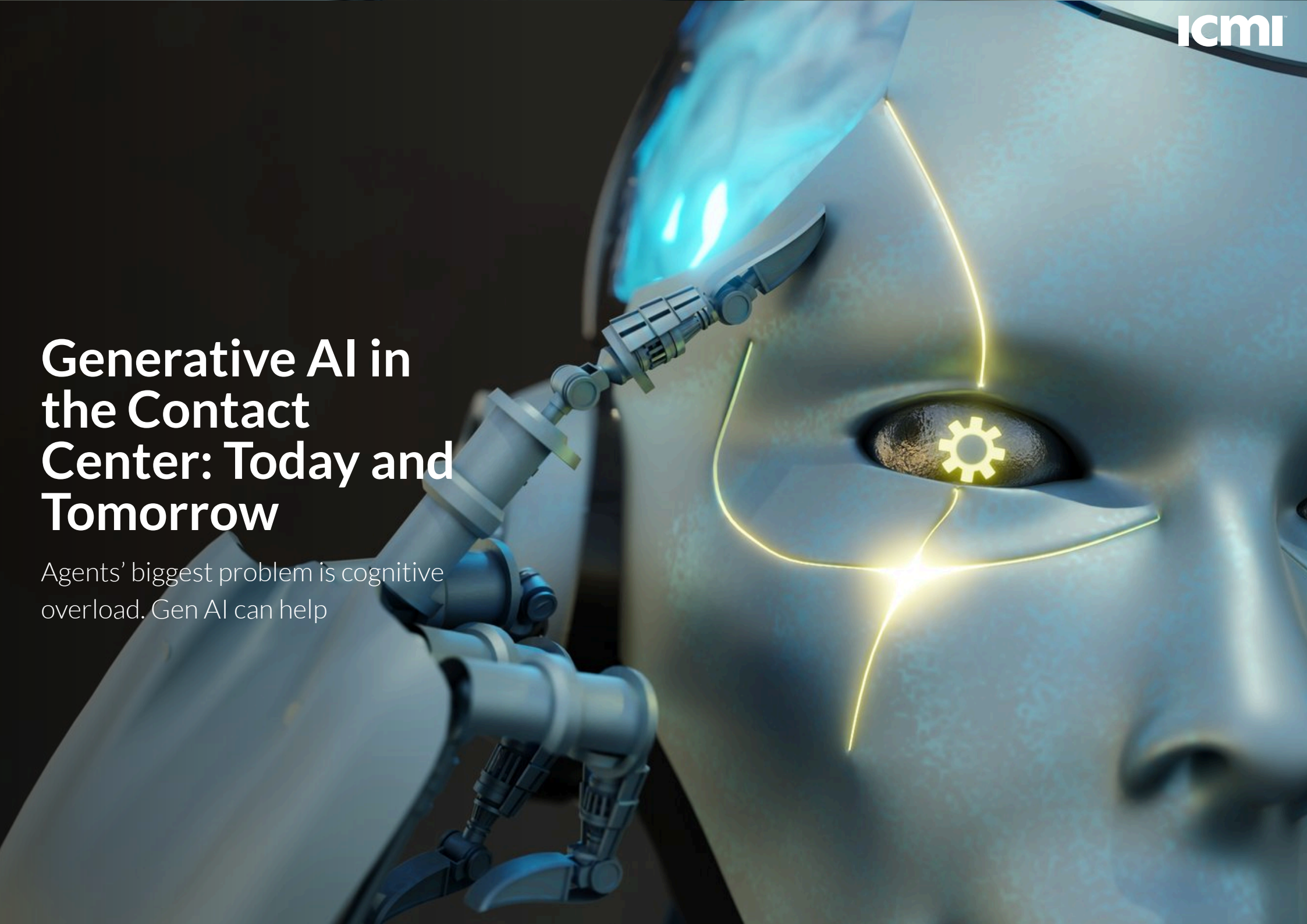
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Generative AI in the Contact Center: Today and Tomorrow

Agents' biggest problem is cognitive
overload. Gen AI can help



Generative AI in the Contact Center: Today and Tomorrow

Generative AI is already being used in contact centers today, with more use cases emerging rapidly. For now, at least, these use cases seem weighted toward assisting agents, rather than customer-facing scenarios. Still, the lure of agent replacement may be too strong to resist, according to one contact center consultant I spoke with earlier this month.

To start with the current use cases, the big winner at the moment is abstract summarization, according to analyst Dave Michels of TalkingPointz. In a No Jitter webinar last week sponsored by Five9, Michels called summarization “the killer app” right now. Showing how such a feature works, Richard Dumas of Five9 described a use case where the contact center system generates a transcript of a customer call, which it then presents to GPT-3—the large language model (LLM) that preceded the latest-generation GPT-4, which powers the now-famous ChatGPT chatbot.

In the use case, the system tells GPT-3 to “summarize the call, making note of key information collected from the agent, such as customer name, address, and products mentioned.” The agent can opt to edit or approve the summary.

The LLM is “extremely good at summarization. It gets the salient points, it does it very quickly,” Michels said, adding, “Just having generative AI do the agent wrap-up in a contact center can offer a pretty significant time savings.” Dumas noted that saving even 1 minute from a 5 minute call means a 20% cost savings to the contact center.

The summarization feature is already in general availability in Five9’s offering. Other features in beta or coming soon include:

Intent Classification: Contact centers already use natural language processing (NLP) engines in

conversational AI to provide intent classification—understanding what the caller is asking for. This function could shift to generative AI. “It turns out that LLMs are great classifiers,” Dumas said. “We are experimenting with the idea that you could use GPT-3 as an alternative to one of the NLP models to do intent detection and classification.”

Entity Extraction: Using generative AI to, for example, break down an address that’s spoken into the system by a caller. Instead of having to prompt the caller, in succession, for street address, city, state, zip code, the LLM-powered system can simply ask for the whole address, and then the generative AI can produce code that separates these elements out.

Insights: Generative AI can be used to more quickly and easily glean business insights from a set of conversational data, for example analyzing reasons for calls (e.g., requesting an exchange or refund) against data like average handle time, average hold time, and average queue time.

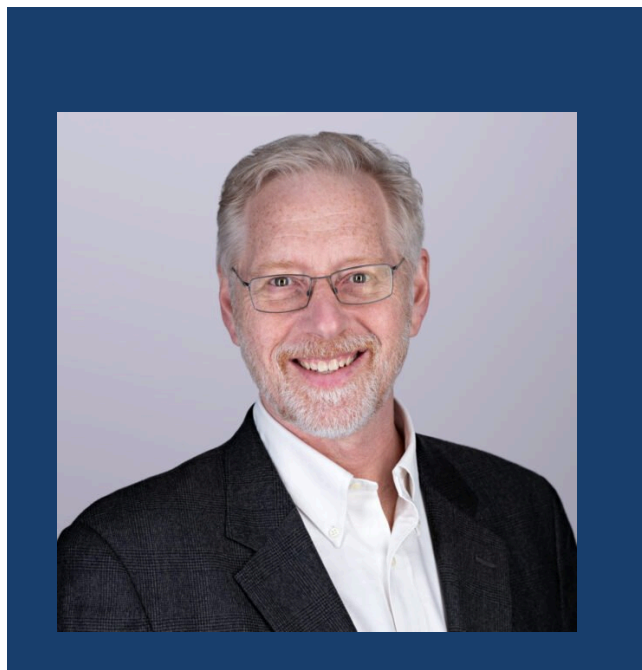
Michels and Dumas emphasized these use cases as ways of freeing up the agent to spend time and be more empathetic and responsive to the caller. “The agent is now focused on the conversation,” Dumas said. “All of this transcription, the note-taking, eventually even the dispositioning will be happening in the background, with the AI assisting the agent.”

In our conversation, Tenumah expressed the concern that contact centers will look to generative AI to provide faster, cheaper customer service, which he believes will lead too many contact centers to see generative AI as just a way to build a better chatbot—in spite of the fact that, as he put it, “Your customers have not asked you for another chatbot.”

He sees huge potential for generative AI in improving the agent experience. “We have largely ignored the most important human, which is the contact center agent,” he said. The agent’s biggest problem is cognitive overload, which generative AI is well positioned to alleviate. A generative AI system that listens to what the caller is saying and instantly provides the agent with supporting information gives the agent a “superpower,” he said.

“If we point this tool at the right humans, and not all this consumer-facing stuff, I think our consumers will be happy, and I think our shareholders will be happier because it will deliver on the ROI,” Tenumah said.

So if technology providers like Five9 are leading with back-end capabilities, and experts like Tenumah are there to remind the industry of the critical role of the agent experience, might some contact center decision-makers resist the temptation to see generative AI first and foremost as a customer self-service, cost-cutting tool? There’s always hope.



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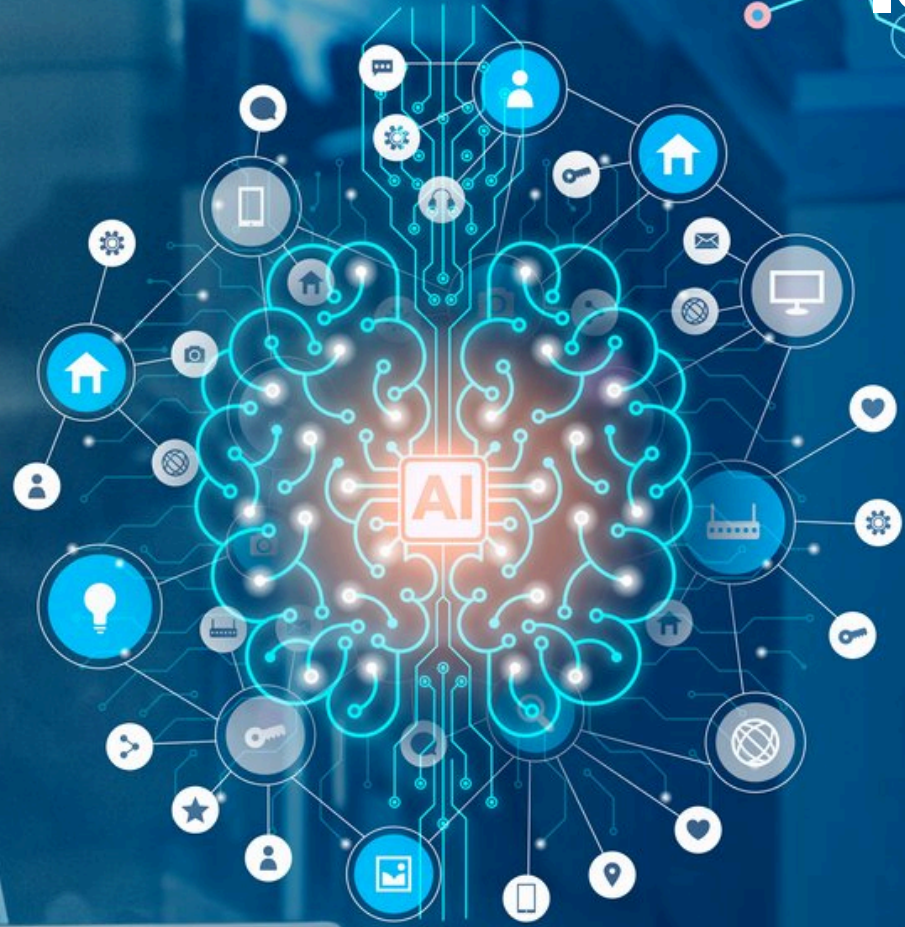
Eric served as editor of No Jitter from its founding in 2007 until taking over as publisher in 2015. From 1996 to 2004, Eric was managing editor of

Business Communications Review (BCR) magazine, and from 2004 to 2007, he was the magazine.s editor. BCR was a highly respected journal of the business technology and communications industry.

Before coming to BCR, he was managing editor and senior editor of America.s Network magazine, covering the public telecommunications industry. Prior to working in high-tech journalism, he was a reporter and editor at newspapers in Connecticut and Texas.

The Promise of Generative AI: New, Flexible Customer Experiences

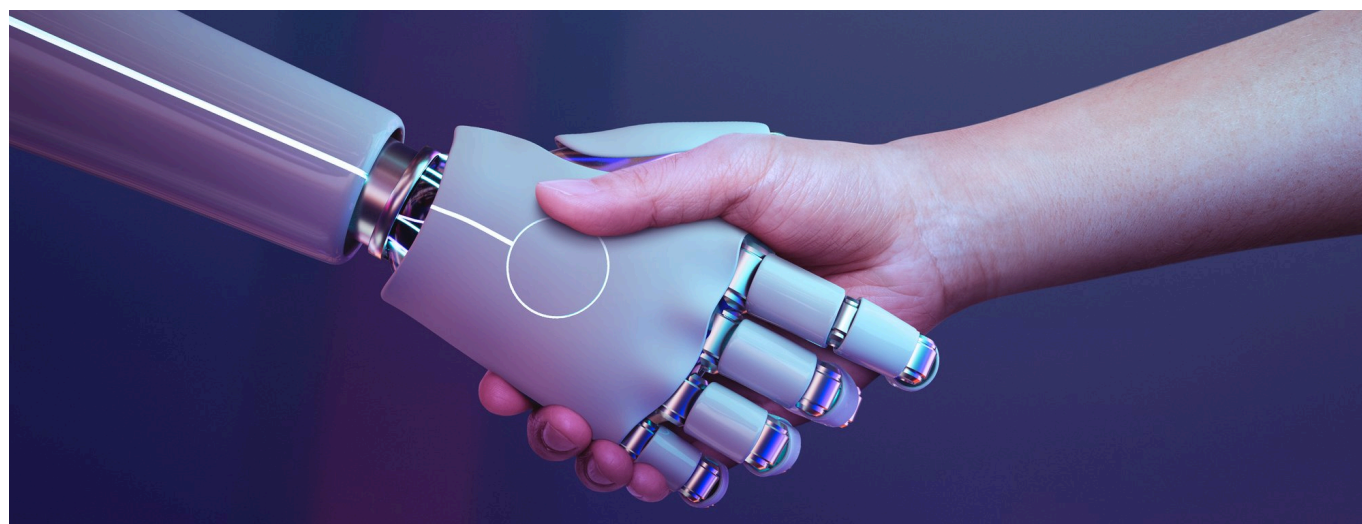
Continuously learning genAI
empowers contact centers [and
agents?] to adapt and improve



The Promise of Generative AI: New, Flexible Customer Experiences

Traditional contact centers have long been at the forefront of answering customer requests and challenges. These contact centers have relied mainly on inflexible scripts to direct client interactions, leaving little room for individualized or empathic responses. As a result, clients often find themselves navigating through a labyrinth of predetermined terms, leading to frustration and discontent.

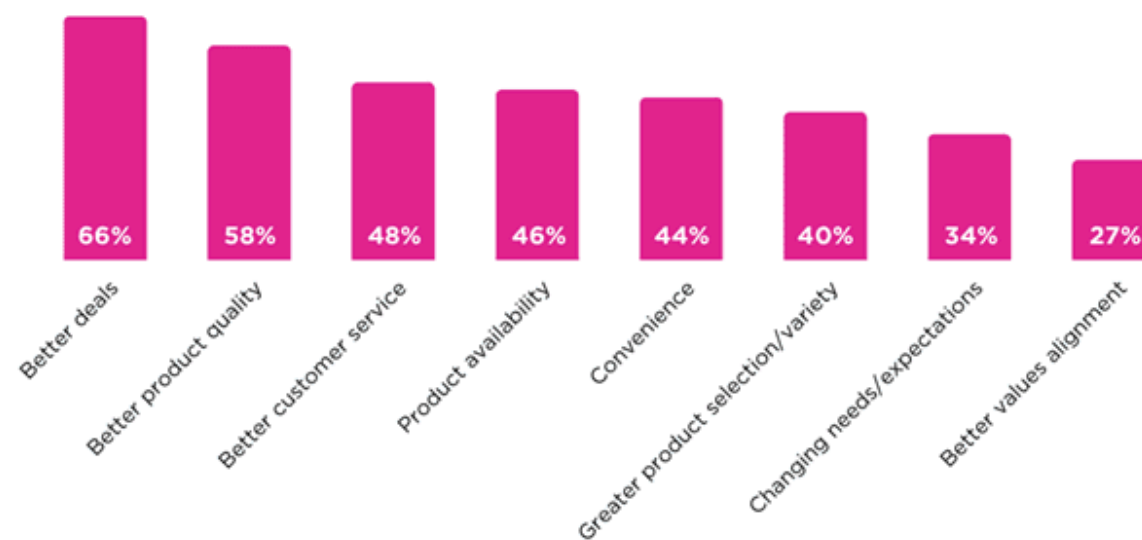
There's real potential for a new era of customer service with generative AI. The technology powered by natural language processing (NLP) and deep learning promises to transform interactions. It enables organizations to engage in authentic and dynamic discussions with customers, encouraging previously unlikely levels of customization.



Research from Plum Voice found that 60% of customers will hang up if they wait more than a minute on hold. Furthermore, 83% of customers want a resolution on their first call, and 48% say they would switch brands if they think they could get better service elsewhere.

Generative AI excels in providing efficient and personalized experiences. But how will it and should it impact the contact center? Let's break it down.

Reasons Consumers Switched Brands in the Past Year



Understanding Generative AI in Contact Centers

Generative AI offers an exciting approach to customer care that goes beyond the limited scripts typically used in contact centers. This technology boosts customer interactions to new heights by leveraging NLP and deep learning.

Instead of giving the same canned response, generative AI learns from vast datasets and adjusts its output based on context, tone, and behavior. Contact center staff can respond empathetically and deliver appropriate solutions, ultimately resulting in happier and more loyal customers.

According to [McKinsey](#), how a client is treated significantly impacts their overall satisfaction with their purchase. Customers' opinions of a brand can be influenced by the brand's use of generative AI because of the technology's capacity to create individualized and sympathetic interactions.

[Salesforce](#) found that 58% of customers found it most aggravating when customer support representatives could not address their concerns.



With the help of generative AI's extensive knowledge base and real-time learning capabilities, agents can effectively respond to inquiries, reducing wait times and maximizing satisfaction.

Generative AI offers the benefit of addressing problems before they even become problems. AI models can anticipate issues and intervene before

they escalate by continuously learning from past interactions. This not only exhibits an exceptional level of care for customers, but it also saves time for both customers and agents.

Personalized Interactions and Empathy

Personalization has emerged as a strategy for boosting customer satisfaction and retention in the contact center. With the help of generative AI, contact centers can provide customers with unique, meaningful interactions every time.

The revolutionary power of generative AI lies in its capacity to instantly process massive volumes of data. AI helps agents provide better customer service by analyzing purchase history, preferences, browsing behavior, and past interactions. The level of customization shows that the company cares about customers and their requirements, which builds trust and loyalty.

Incorporating sympathetic language production gives AI-powered interactions a more human quality. Emotional indicators in customer queries can be recognized and addressed by generative AI models. This capacity is invaluable when dealing with disgruntled, confused, or angry consumers.

Empathy is sometimes lacking in traditional scripted encounters, but generative AI can provide responses that respect the customer's emotions.

Care, compassion, and satisfaction weave into the customer experience's grand fabric through individualized interactions and empathy. Generative AI's data processing, emotion recognition, and response customization capabilities position it as the driving force that transforms contact centers from robotic exchanges to heartfelt encounters.

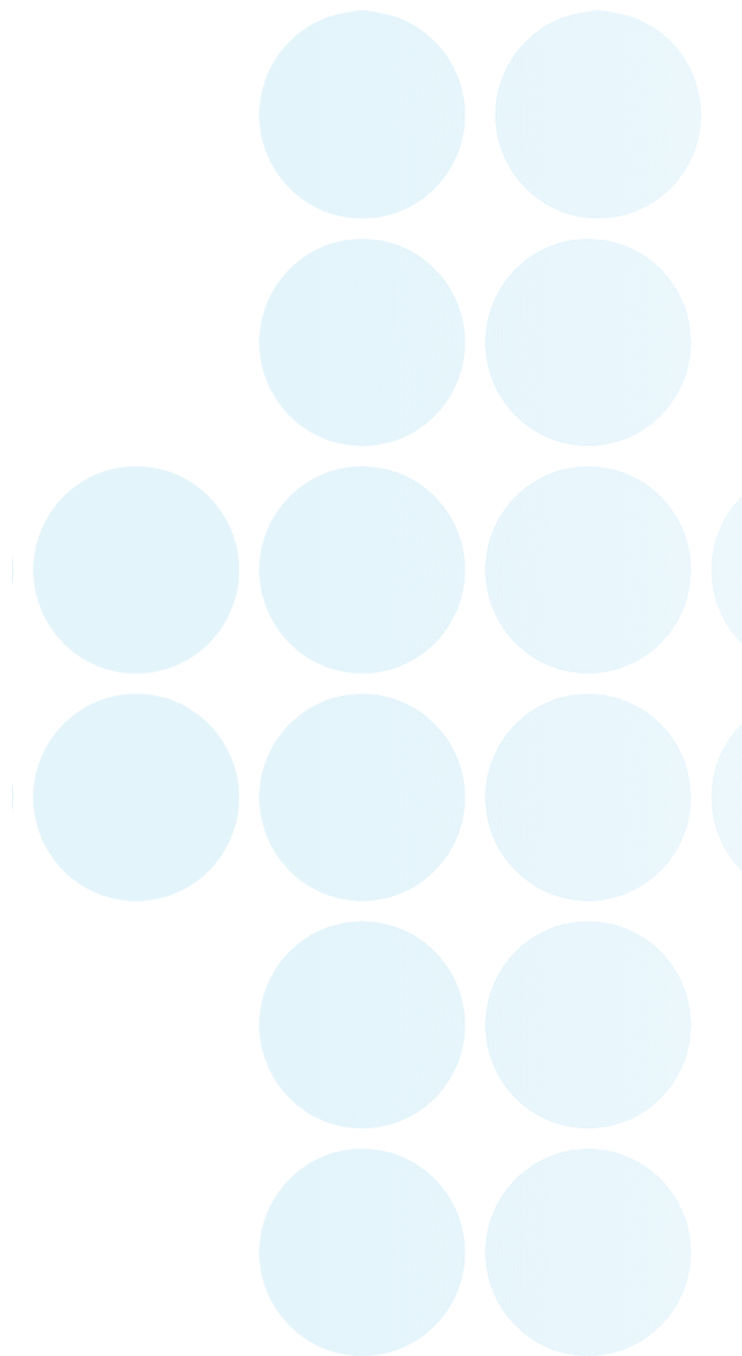
Case Study: Bouygues Telecom

A European telecommunications company, [Bouygues Telecom](#), teamed up with IBM Consulting to use generative AI to change how their contact center operations work.

Before using generative AI, Bouygues Telecom had trouble getting the most out of the 8 million conversations between customers and agents. Even though there was a lot of helpful information, it was hard for human agents to pull out and use all of the details in their customer relationship management (CRM) tools. Because of time limits, automatic transcriptions of past calls were often unread. IBM Consulting developed base models to help with automatic call summarization and topic extraction.

This new idea changed everything. IBM's generative AI technology-enabled instant, accurate, and actionable insights from interactions with customers, which led to significant changes in operations. Workers could make personalized

suggestions and solutions. Because of this, Bouygues Telecom saved over \$5 million on operations and cut both pre- and post-call operations by 30%.



Reducing Wait Times and Queue Lengths

Long wait times can make customers angry and unhappy, and even stop returning. [One study found](#) that more than 60% of customers are prepared to wait less than two minutes in a phone queue, while 13% will not wait at all.

Integrating chatbots and virtual assistants powered by generative AI represents a paradigm shift for contact centers, particularly in addressing the persistent problem of wait times. Businesses can substantially improve customer experiences, streamline operations, and cultivate long-lasting relationships by leveraging these solutions.

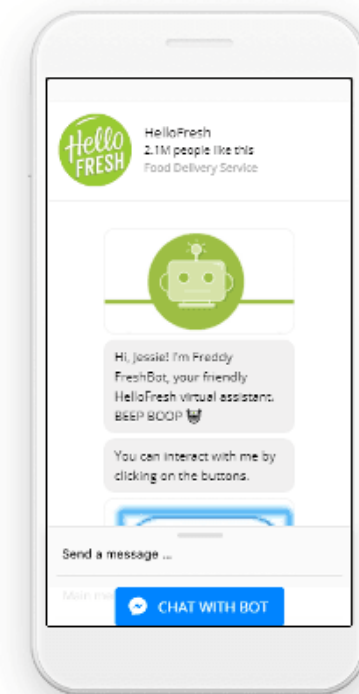
Generative AI-powered chatbots and virtual assistants have the remarkable capacity to manage an abundance of customers simultaneously. In contrast to conventional contact centers, where limited human agents frequently result in lengthy wait periods, AI interacts with multiple customers simultaneously. Chatbots and virtual assistants

deliver prompt and effective responses, whether addressing routine questions, providing product information, or guiding users through troubleshooting steps.

The significance of shortened wait periods cannot be overstated. An expeditious and seamless customer service interaction directly correlates to increased customer satisfaction. In today's fast-paced society, where time is of the essence, consumers place a premium on timely resolutions. Businesses can provide near-immediate assistance through generative AI, increasing customer satisfaction and, consequently, higher customer retention rates.

An illustration of an effective customer service chatbot is HelloFresh's creation, [Freddy](#).

HelloFresh introduced Freddy to administer surveys and quizzes to Facebook users. Beyond its



conversational scope, Freddy efficiently delivered automated deals and recipe suggestions to users who correctly engaged with the quizzes. Despite not excelling in complex conversations, Freddy demonstrated remarkable outcomes by decreasing response time by 76% and boosting incoming messages by 47%. This success stemmed from Freddy's adeptness at promptly addressing multiple queries, significantly lowering the average response time.

Continuous Learning and Improvement

With every customer interaction, generative AI models gather a wealth of data. These models assess nuances in communication, client preferences, and issue resolutions, allowing them to modify their replies over time. This ongoing learning process ensures that subsequent encounters become more accurate, relevant, and matched to specific customers' demands.

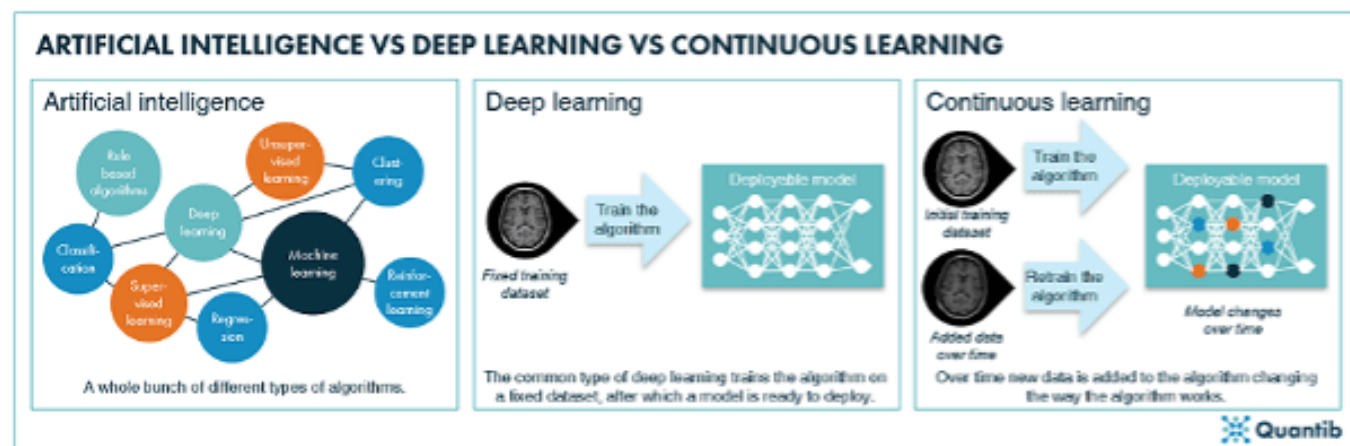
It is impossible to overestimate the significance of continual model training and refining. As human agents require ongoing training to stay current and enhance their skills, generative AI models need continuing care. Regular updates of models, driven by new data, industry trends, and customer feedback, ensure that AI aligns with changing customer expectations.

Furthermore, continuous model upgrades are critical for sustaining peak performance. As contact center interactions become more complex and diversified, AI models must be adjusted to handle a wider range of requests and

circumstances. Continuous enhancement efforts ensure that generative AI can answer complicated questions, effectively resolve challenges, and foster meaningful relationships.

Several studies emphasize the importance of AI's learning capabilities. According to [Gartner](#), by 2023, 40% of customer support tasks that require the involvement of front-office staff will be done

by AI, up from 7% in 2019. This projection emphasizes the expanding relevance of generative AI in customer interactions and the importance of investing in continuous learning and improvement.



Generative AI is a disruptive force in customer service. Its capacity to build personalized engagements and foster empathy establishes a new norm that resonates with customers. AI-powered chatbots and virtual assistants significantly minimize wait times, increasing customer satisfaction and retention.

Continuous learning is essential for generative AI, allowing contact centers to adapt and improve. Businesses ensure optimal performance and proactive customer service by leveraging data from each contact and implementing regular model training. Rising customer expectations for quick query resolution highlight the importance of such a strategy.

The potential of generative AI is not speculative; current statistics and trends support it. As the role of AI in customer service develops, including generative AI becomes a strategic priority to create outstanding experiences that encourage loyalty and long-term success. In this changing world, generative AI is more than an option; it is the path to a future where customer experiences are truly revolutionary.

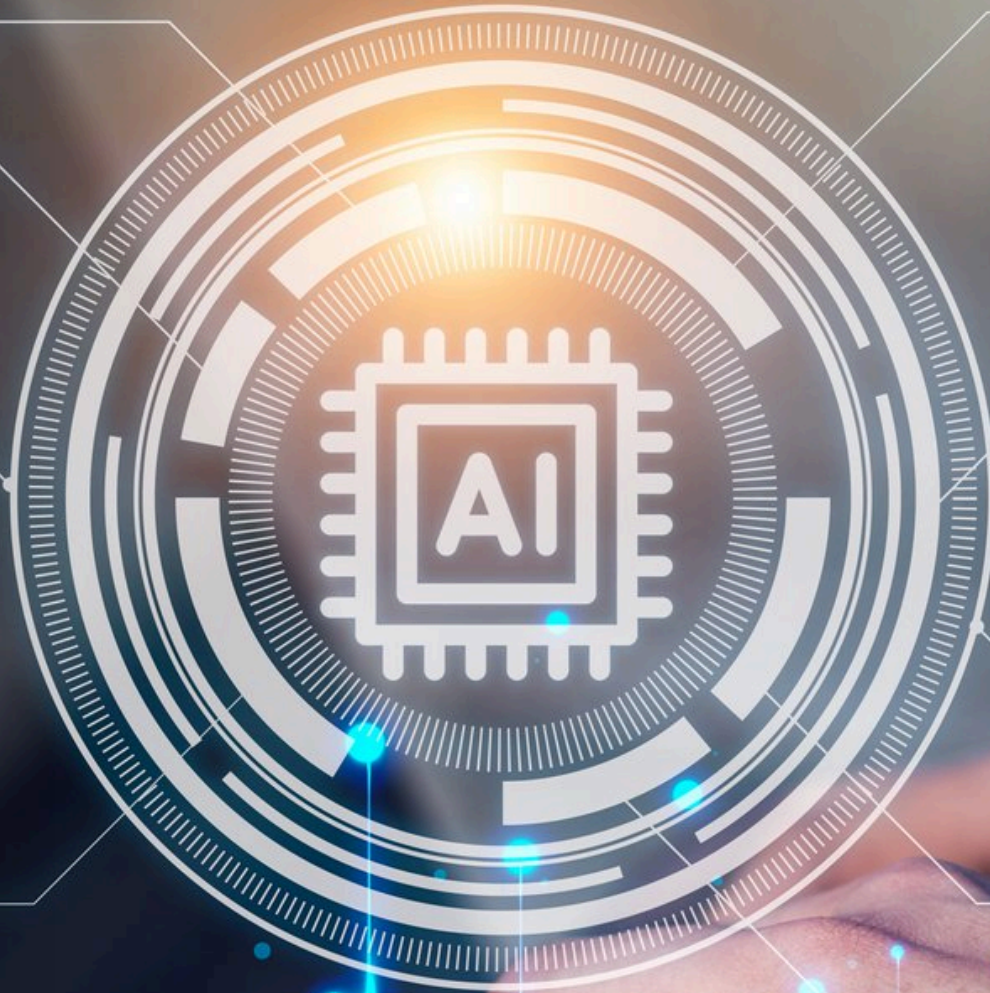


EJ Bowen is the CEO of OmniLegion Technologies, a US-based IT consultancy. He brings 20+ years of technology experience across various verticals and industries to his customers. He has built companies from the ground up, grown start-ups to profitability, delivered executive-level strategic consulting, and designed and built customer experience solutions from scratch.

Mr. Bowen currently acts as a strategic consultant for small to enterprise-level customer experience teams, helping them diagnose their current issues and define how to optimize their customer experience. His work has transformed CX organizations, giving him a unique perspective on the industry and where it is going. EJ's customer experience technology expertise includes voice, IVR, chat/chatbots, SMS, social media, artificial intelligence and machine learning.

Are You Harnessing AI in Your Customer Access Strategy?

AI is baked into the solutions you already use. Are you a passenger or in the driver's seat?



When was the last time you moved into a new apartment or house that didn't have any electrical wiring? As in, no wire, no outlets, nothing? When was the last time you worked in a contact center that didn't have a CRM or case management? The answer to both is never. Certain technologies are foundational in customer service in the literal sense. They are critical infrastructures that lay the foundation required to deliver service. AI is now one.

Here's why and what to do about it.

Critical Contact Center Infrastructure

Until recently, the pillars of the contact center were CRM, Case Management, Workforce Management and CCaaS. For clarification, with CCaaS I'm including public and private cloud as well as on-premises solutions. They're all typically the same software anyway with the difference being hosting location and pricing model.

AI Is No Longer a Nice-to-Have

These days, a customer's first touchpoint with service will be AI whether in the form of a virtual agent or Conversational IVR. And even when they're speaking to your human agents, AI will be listening in and driving the conversation in the background via agent assistance technology.

But besides that, AI is being baked into all the solutions you already use. It's simply unavoidable. So, would you rather be a passenger or hop in the driver's seat?

AI in customer service can handle a wide range of use cases including:

- Conversational IVR
- Self-service/virtual assistance
- Intelligent routing
- Agent assistance
- Ticket/case routing
- Sentiment analysis
- Automated wrap-up (ACW)
- Call scoring
- Voice analytics

How Do I Buy When Things Change Daily?

We've gone from ChatGPT in November 2022 to more new companies, models, and development than ever before in history. We have WatsonX by IBM, OpenAI's GPT 3, 3.5, and 4 along with Anthropic's Claude, Google BARD, Stability AI, xAI, META's Llama and more by the time you read this.

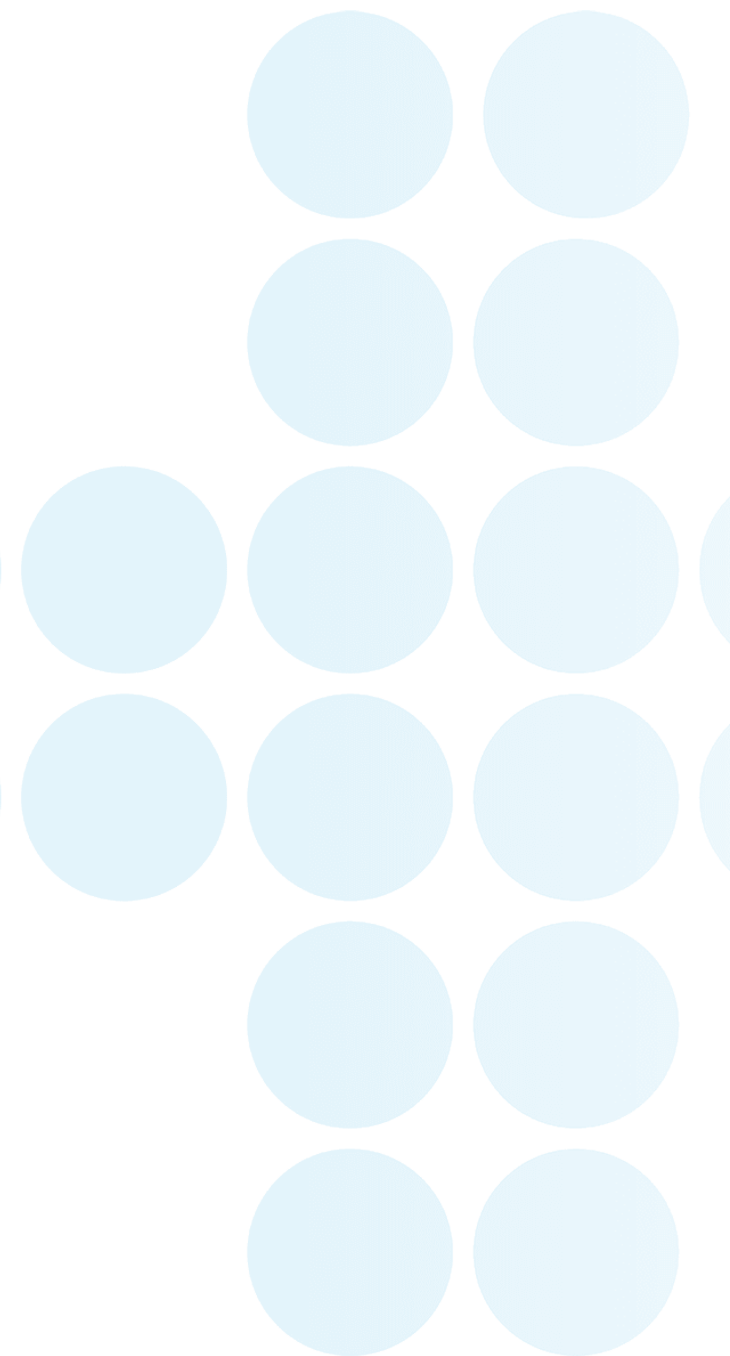
You feel the pressure to change. You see the necessity. But how can you decide with so much uncertainty? There's no perfect answer. The only way to adapt and thrive throughout change is flexibility, not lock-in, so look for a platform or solution that is:

- Technology and vendor agnostic, allowing you to mix and match providers and services on a granular level.
- Built for scale, since your business will grow, and customer needs will change. AI's capabilities will

grow too, and you'll use it for more than you expect.

- Extensible, so you can easily customize it, build your own extensions and modules, work with it via command line, open API and more.
- Natively built to use multiple types and models of AI, meaning the platform is designed to optionally use LLMs for example throughout its entire functionality, and to use different ones (e.g., not Just GPT-4).

The fact is you won't be using one type of AI in the future, just as you have different software tools suited to different tasks. Every category and model of AI will have strengths and weaknesses such as conversational AI and generative AI. You'll need the ability to use different ones individually or in combination as best suits each use-case.



Does Your Customer Access Strategy Reflect Today or the Past?

Companies' customer access strategy (CAS) has largely been driven and limited by technology in the past. A multitude of point solutions brought short-term gains at the cost of long-term problems, poor interoperability, data loss, and inflexibility.

Yet, communication technology has evolved so rapidly that consumers have typically been several steps ahead of organizations and vendors. This has frequently led to limited, out-of-date options for customers and a mix of point solutions that closely resembles the ball of cables below your desk. The result is bad for everyone.

Your CAS should be derived from your organizational goals and nothing else. Yet, technology plays the largest role in determining what your options to meet these goals are.



Jarrod's goal in life is being able to talk to multiple people in support and never having to repeat himself. When not evangelizing conversational AI, he can usually be found living in southern Germany as an American expat. He enjoys barbecuing (decently), fly fishing (poorly) and reading about history. He currently works at Cognigy in product marketing."

Do You Really Want ChatGPT Talking to Your Customers?

Your customers would like you to be able to say yes.



With the networking industry's long-held fascination with shiny new objects, it is not surprising that contact centers have latched onto fledgling artificial intelligence (AI) technology with both hands. I have every reason to believe that AI will yield significant benefits in many areas, but at this stage, I can't see any reason to believe that communicating effectively with human beings is not going to make that list of accomplishments anytime soon.

ChatGPT: A Machine to Produce Glib BS

The particular part of AI that the contact center industry has clutched to its breast is generative AI, specifically the generative pre-trained transformer (GPT) family of language models that use a probability distribution of word sequences to predict what word should come next. That's the basis of how tools like ChatGPT work.

To be able to predict what word should come next in any context, these systems have to ingest enormous amounts of written material. To be clear, this is a "probability computation," and has little to do with understanding what they're talking about or the factual content of the words that are getting delivered. ChatGPT is just telling you which word will likely come next.

Once you understand what ChatGPT is trying to accomplish, its widely reported aberrant behavior becomes a predictable outcome.

Companies have a problem with customer service that confounds traditional solutions. Businesses

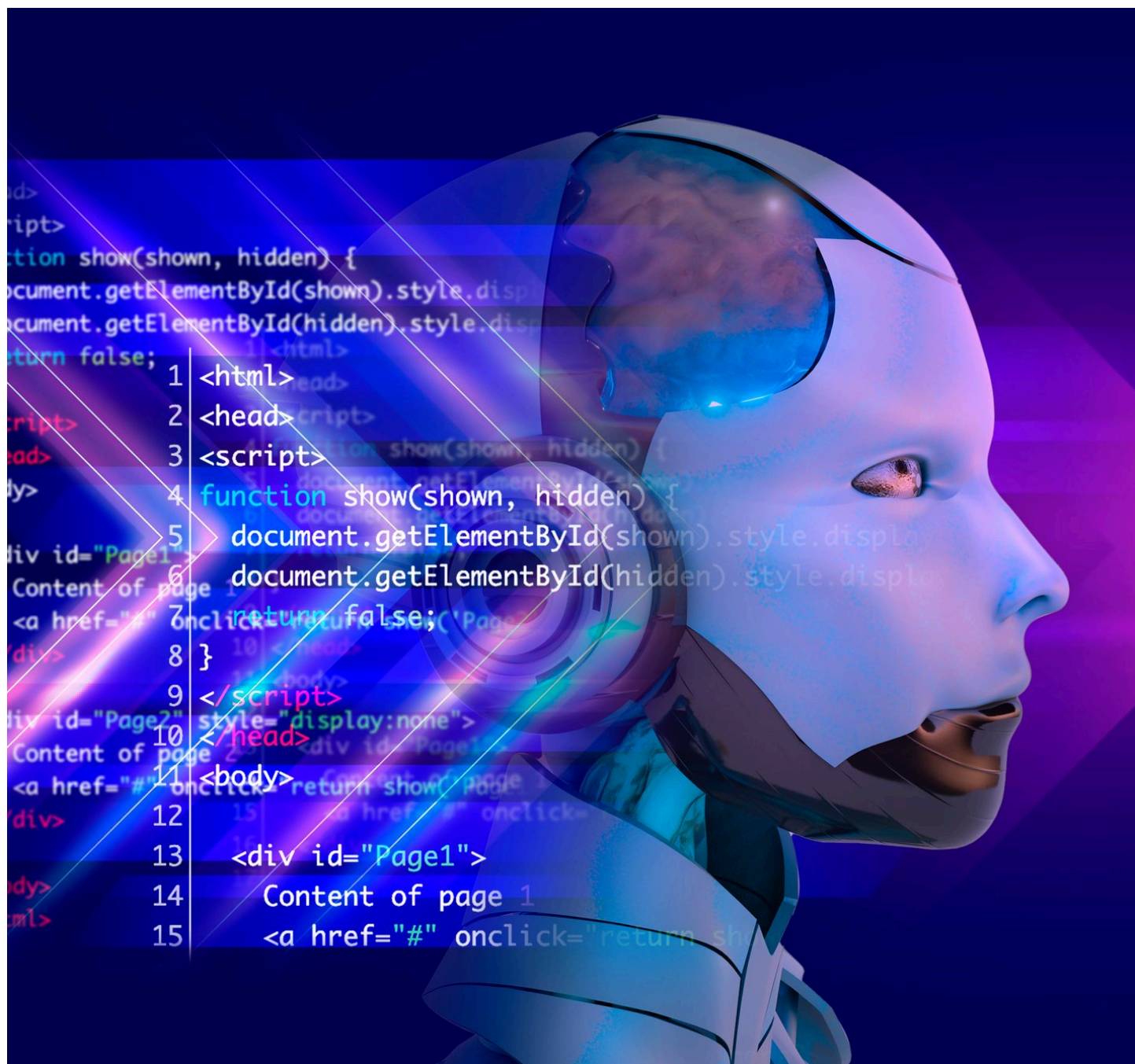
have had enormous success in producing tremendous volumes of great physical products at price points that millions of people can afford. This cornucopia is the result of giant leaps in design and manufacturing technologies, all of which could be easily quantified by energetic MBAs.

However, this great engine of continuous improvement grinds to a halt when it comes to customer service. In manufacturing we can bend metal into any shape, integrate multiple functions onto a single chip and work with suppliers to build sophisticated subcomponents to reduce our manufacturing costs. Customer service involves communicating with people, understanding their issues, (despite language and vocabulary challenges) and then determining the best way to assist them.

Now, there is a rather obvious solution to this problem: you offer enough salary that you can hire smart people with above average communication skills, and then spend more money to train them in

your products, how people use them, typical problems they encounter, and how to navigate your organization's systems and resources to make those customers happy. Then we can use all the swell contact center monitoring tools we have to ensure the process is working. I have run into a few contact centers that have made such an investment, though those are typically businesses that are in the "service business."

However, for most organizations it appears the obvious solution is off the table, so contact center managers embark on the romantic quest to use machines to solve the problem. Those attempts have included ideas like sending customers back to the company website (whose deficiencies were what got you to pick up the phone in the first place), interactive voice response (IVR) system (where most respondents are picking the "Other" option), or worse yet, conversational bots whose primary objective seems to be getting you to say words your mom told you not to say.



Maybe We Try Going Half-Way?

Like just about everyone in the tech industry, I love enormous leaps forward. Unfortunately, they don't happen very often, and almost never without multiple missteps along the way. Maybe it's time to stop trying to do the impossible and start with smaller steps to start moving the needle in the right direction.

For my money, the current generation of conversational bots fail at understanding how humans communicate. However, people very much like things to work. Maybe we should take a slow track on improving the machines and start focusing on improving people's ability to work with the crummy systems we have. Specifically, we should develop a standard vocabulary for talking to our bots more effectively and start teaching people how to use it.

Businesses have enormous reach with mass media advertising, and we can use this vehicle to show customers how to interact with these systems using as few words as possible.

For anyone who might think this is impossible, just think of all of the myriad computer skills we have imparted to the general population who now routinely point-and-click, swipe right, pinch-and-spread to enlarge an image, and so on. Those people who agree with the premise that bots suck would gladly participate in any activity that might give them a chance at getting a problem resolved through the contact center.



Michael Finneran is principal at dBrn Associates, Inc., a full-service advisory firm specializing in wireless and mobility. With over 40-years experience in networking, Michael has become a recognized expert in the field and has assisted clients in a wide range of project assignments spanning service selection, product research, policy development, purchase analysis, and security/technology assessment. The practice addresses both an industry analyst role with vendors as well as serving as a consultant to end users, a combination that provides an in-depth perspective on the industry.

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**We take great pride in
improving customer experiences
and producing optimal business
results.**

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