

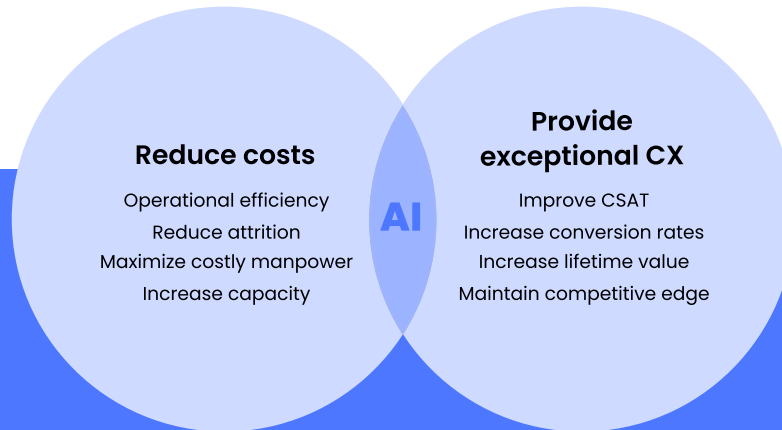


How to Leverage AI for Cost Savings in Customer Service

Historic Challenges in Customer Service

The customer engagement space is historically fraught with business challenges, but arguably the most difficult to reconcile is the tension between the brands' need to both reduce costs and deliver exceptional customer service in a competitive market. This is a tricky balance to achieve, and especially in 2023 where customer expectations have surged dramatically and economic uncertainty has driven brands to seek cost savings.

Customer expectations continue to challenge organizations to deliver higher levels of customer service and experiences. Per McKinsey 2023 report, 67% of millennials expect real-time customer service and 75% of all customers expect a consistent cross-channel experience. Meanwhile, with economic uncertainty in the market, businesses are looking to cut costs, increase efficiency and streamline processes – not to invest in adding new, robust solutions to overhaul their customer service.



75% of all customers

expect a consistent cross-channel
experience, and 67% of millennials expect
real-time customer service.”

McKinsey 2023 report



AI as the Tipping Point for CX Efficiency

Brands looking to up their customer service games and increase CSAT rates traditionally hire additional, well-trained employees to meet customer service demands. This approach is often not a feasible solution for organizations in our 2023 market.

Generative AI has arrived just in time to revolutionize customer service for brands without inflating their costs. In an age of soaring customer expectations, generative AI technology has provided a much-needed solution.

With generative AI, brands can now deliver personalized interactions that resonate with each customer across many channels, all while maintaining efficiency and cost-effectiveness. It's a game-changer, allowing businesses to enhance their service standards without breaking the bank.

In a digital world where customer satisfaction is paramount, leveraging generative AI is the key to achieving more with less, ensuring that brands stay competitive while minimizing costs.

Generative AI has arrived just in time to revolutionize customer service for brands without inflating their cost

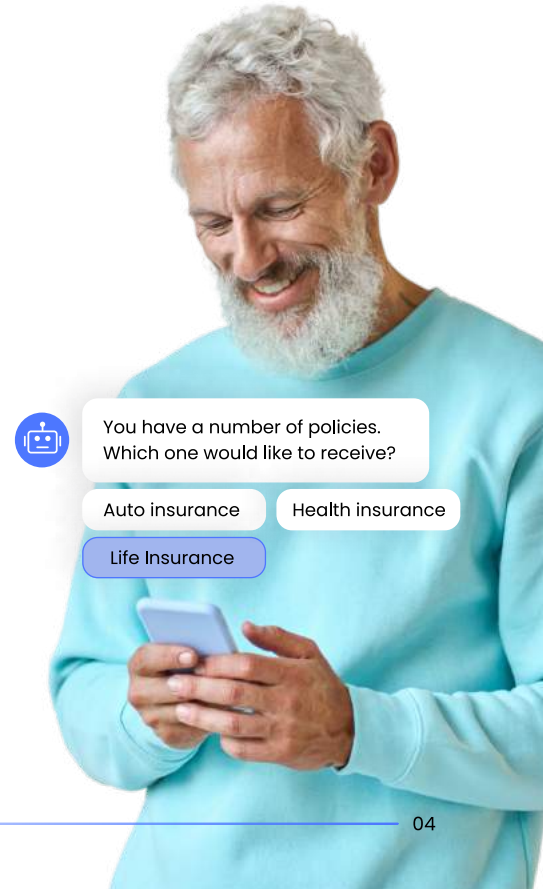
How AI is being leveraged in CX

By leveraging advanced algorithms and machine learning, Generative AI and ChatGPT, AI-powered customer service systems can deliver proactive, personalized support to customers, while automating a large percentage of incoming common inquiries with AI bots – often over 50% – and give agents the ability to automate menial tasks making their time more productive and efficient.

In fact, containment rates in contact centers – the percentage of customer calls that are successfully handled by automations without the need for human intervention – are soaring, freeing up a significant amount of agent time.

Offering customers self-service not only enhances the overall customer experience, but also leads to higher levels of engagement and satisfaction. Meanwhile brands benefit from the ability to not only maintain agent headcount while delivering better service, but can even reduce agent headcount if needed.

Agents are also now being empowered with an array of AI-powered tools that provide instant knowledge and improved responses at their fingertips. Often these tools can be found right inside the agent workspace for maximum adoption.



Gartner released a clear breakdown of the top ways AI is improving CX:

Reduce average handle times (AHT) through employee and agent productivity.

Improve CSAT with the increase of quality and accuracy of interactions using standardized knowledge content.

Increase self-service containment rates through better automated conversational experiences, allowing brands to reduce/leverage headcount strategically.

Bottom line, when your agents can answer questions more quickly and learn more easily about the evolving services your brand offers as well as its customer service approach, everyone wins.

Gartner, "How Can Generative AI Be Used to Improve Customer Service and Support?" by Pri Rathnayake (May 24th, 2023)



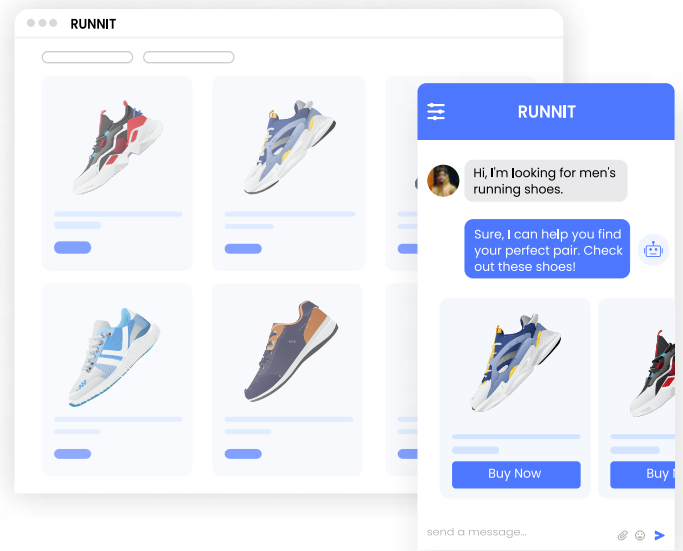
Wonderful, please rate your experience.



From Customer Service to Sales

This AI-driven transformation in customer service not only boosts customer engagement but also opens up opportunities for cross-selling and upselling and the creation of new revenue streams all while reducing the cost of providing service. Besides for handling customer service inquiries, Generative AI is now being used in contact centers for lead generation, upsell opportunities, and more.

For instance, in the global banking sector, research conducted by McKinsey in 2020 suggests that AI technologies could potentially add up to \$1 trillion in additional value each year, with a significant portion of this value coming from improved customer service but not exclusively as sales and internal support adds to cost savings.



“AI technologies could potentially add up to \$1 trillion in additional value each year.”

AI Makes for Happier Agents, Happier Customers

Companies that have turned to artificial intelligence (AI) to provide proactive and personalized customer service, are already reaping the benefits – lowering headcount, increasing agent and operational efficiency to overall reduce costs, slashing onboarding times and more.

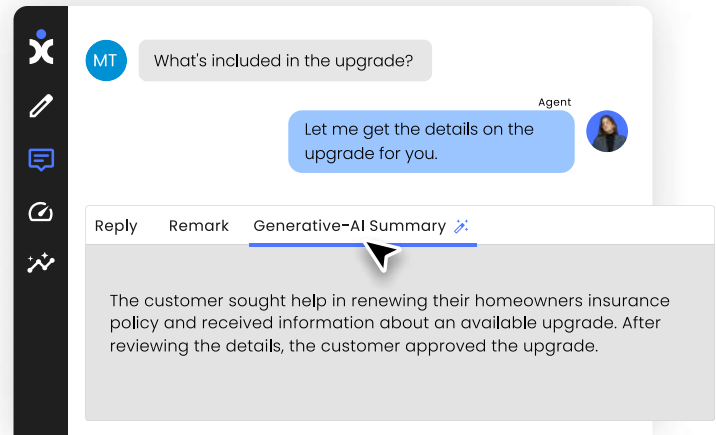
Ikea, a CommBox customer, now receives 50% of common inquiries through digital channels (non-phone communication), closing most of those inquiries using AI bot. Similarly, a leading logistics company, HFD not only reduced labor costs by 35%, but also doubled the productivity of their agents and **increased their average agent retention from 6 months to 18 months** thanks to higher agent satisfaction through reduced workloads and the ability to offer more fulfilling work – as all menial tasks are resolved through automations.

Because AI has the capacity to streamline and automate routine tasks, human customer service agents are able to focus on more complex and emotionally nuanced interactions, such as new sales opportunities or not losing a disgruntled customer. This has proven to be a win-win as agent retention increases with overall happier, more satisfied agents, and more resourceful and knowledgeable agents create happier customers.

How Much Do Brands Really Save?

Overall, AI in customer service represents a transformative shift in how businesses engage with their customers, offering both savings and the potential to drive revenue growth through improved customer relationships and loyalty.

Leading experts in the field of how technology usage affects the economy along with researchers from Stanford University and MIT, conducted a study on the impact of AI tools in organizations based on 5,000 customer-support agents employed by a large enterprise-software company. These agents were introduced to an AI tool based on the sophisticated language models developed by OpenAI and observed the agents in their natural work environment.



Inquiry Volume, Task Automation, Onboarding & More

The study was able to gauge the impact of the AI tool because it was gradually introduced to different agents over time, allowing for a comparison between those using the AI tool and those sticking to traditional methods. The study found convincing stats, including:



Agents using an AI tool handle 13.8% more customer inquiries per hour.



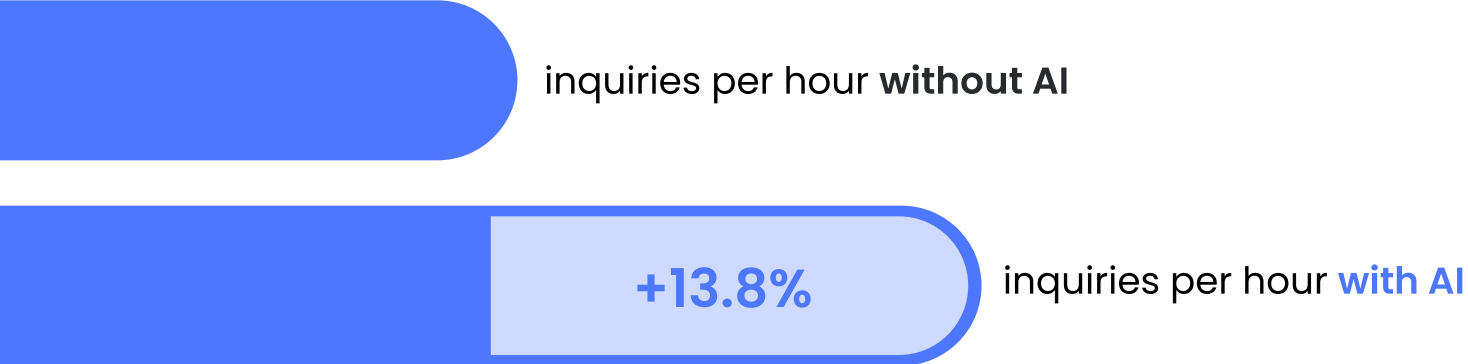
AI assistance increases task output of less-experienced agents by 35%.



Decreased onboarding times of new agents: Agents 2 months into training who used an AI tool surpassed the performance level of agents 8 months into training who did not use an AI tool.

“Agents using an AI tool handled 13.8% more inquiries per hour than agents without AI assistance. Less skilled agents benefited the most from AI. AI also accelerated learning for new agents.”

Nielsen Norman Group, MIT & Stanford University 2023



Similarly, from our own CommBox data, in the last few months we have found that brands using a single feature in our AI solution offering – our AI Assist’s conversation summary that automatically summarizes agent conversations – saved companies approximately 175 agent hours a month, or 40 hours a week. Considering the average employee works 176 hours a month, one can conclude that brands who add just one relatively small AI capability – conversation summary – can free up an entire agent headcount. Alternatively, the agent’s time can be spent on the tasks that require human touch like strategy and planning, creative work, and people management, upsells and more.

our AI Assist’s conversation summary saved companies



175 agent hours
a month

OR



40 hours
a week

Top Use Cases Using AI

When it comes down to action and implementation, many brands are eager to understand the most common ways other organizations have successfully started to use Generative AI in their day-to-day operations.

Here are the most common and often the most impactful ways customer service organizations:



Onboarding

Agent Assist cuts onboarding time by giving agents instant proficiency, improved accuracy, control over tone of voice and branding, and standardization.



Instant AI bots

Instantly create information bots based on your brand's existing information - FAQ/ website/support articles - and launch across any or all channels.



Marketing

Lead capture qualification - leveraging AI can make lead capture more precise, engaging and deliver an overall better customer journey.



Sales

Identify sale opportunities based on intents, triggers for sales and business growth.

3 steps to getting started with Generative AI

Instantly create information bots

Launch information bots based on your brand's existing knowledge - FAQs, support articles, website pages, PDFs - to instantly resolve 50% of common inquiries.

How

- Connect to or upload your brand's existing information (website pages, FAQs, PDFs)
- Route emails and calls with common inquiries on any digital channel
- Launch instant AI bots based off of information to resolve inquiries
- **No set up required**

Use case

Informative - "what are your hours?"; "how do I return an item?"

Add personalized AI bots

Connect to customer data to deliver personalized, actionable AI bots that handle end-to-end use cases. Use native integration to internal business systems and authentication to answer questions about account, history and more.

How

- Instantly connect to native CRM integration (Salesforce, SAP, Dynamic, & more).
- Use out-of-the-box intents, use cases and industry templates for the most common inquiries .

Use case

Personalization: “What is my account balance?”

Actionable: “I want to upgrade my package.”

Empower agents with on-demand knowledge

Using AI Assist, human agents are armed with the ability to automate repetitive tasks, provide more accurate responses with a standardized service level, and slash onboarding times.

How

- Automated Conversation Summary
- Improve/suggest/change tone of response
- Standardization & enhanced service level

Use case

A new, onboarding agent uses “Suggest response” to ensure accuracy and high service level.

Agents save approx 3 hours a day by automating the task of conversation summary.

Get your tailored AI experience

Instantly launch new automated experiences

Arm your agents with unlimited knowledge at their fingertips

Unlock new revenue streams

About CommBox

Leaders in automation and customer service, CommBox offers a customer service & engagement platform built with GenAI. CommBox is designed to cut CX costs and empower brands to automate at scale - freeing manpower to focus on complex tasks.

[Visit commbox.io](https://www.commbox.io)