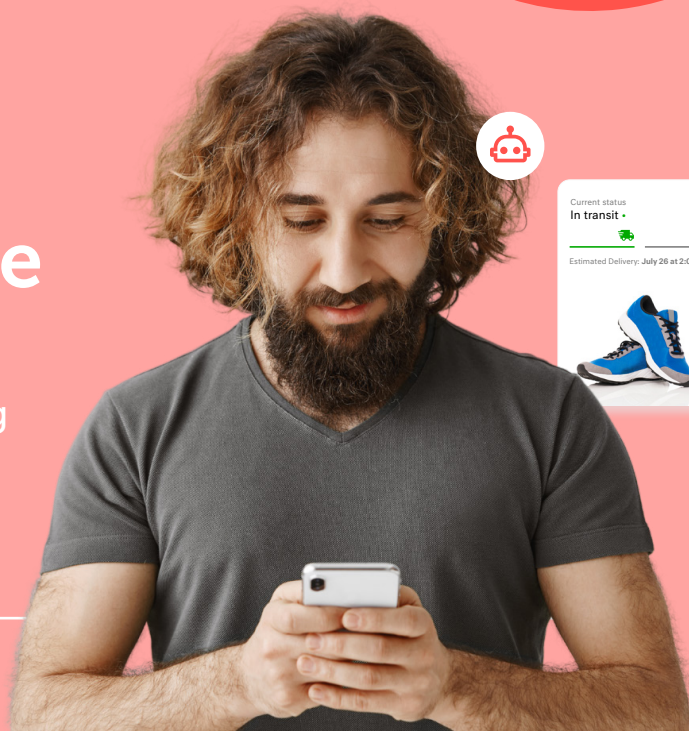# How to Use AI for Intelligent Customer Service

Unlocking efficient and effective customer experiences by combining human and machine intelligence

Kustomer

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Introduction

Modern customer needs and preferences have changed dramatically in recent years. They demand seamless and instantaneous communication across any channel, at any time. In fact, recent Kustomer research revealed customers get frustrated after waiting only two minutes for a response from customer service, and **93% expect customer service to be more convenient**.

Most of today's customers interact with brands digitally — not occasionally, but exclusively. And as this trend continues to grow, cracks in legacy customer service systems have only been magnified. Just as it has become easier for customers to get in touch with companies across an array of channels, it is also becoming more difficult for companies to understand and speak directly to the specific needs of their customers, at scale. Luckily, artificial intelligence (AI) can help companies meet customer demands and deliver superior service, without overwhelming agents.

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Demystifying Technology Buzzwords

The terms are inescapable, but what do they actually mean?

AI

Artificial Intelligence (AI) is a computer program that simulates human intelligence

ML

Machine Learning (ML) is AI that will alter itself based on data without programming

PA

Predictive Analytics (PA) uses data mining and statistical modeling, combined with AI and ML, to forecast future events

NLP

Natural Language Processing (NLP) is a branch of AI focused on helping computers understand and manipulate human language

RPA

Robotic Process Automation (RPA) is a computer program that is programmed to simulate human actions to complete tasks and processes

Chatbots

Chatbots are automated tools that use AI to create a smarter, guided customer service experience 24/7, 365 days a year

The Rise of AI for Customer Support

With 90% of companies now planning to deploy AI within the next three years, it's predicted that 40% of all customer interactions will be automated by 2023. The importance of AI for customer service cannot be ignored. While some individuals are still suspicious or nervous about AI and its implication for their business, they don't have to be.

Most companies can't afford to have unlimited agents working 24 hours a day, seven days a week. Fortunately intelligent automation can enable customer service teams to work more efficiently and focus on the customers who need the most help. But this also means that the role of a customer service agent will change.

Instead of wasting time on low level, menial tasks and information gathering, customer service agents will now have a hugely important job: building lifelong relationships with customers, and delivering consultative support. Technology will largely take over the tedious tasks, while agents can help solve the harder problems, nurture customer relationships and engage in proactive outreach.

40%
of all customer interactions will be automated by 2023

Six Ways AI Can Power Efficient and Effective Customer Service

1. Automate Low-Level Support

2. Automate Routine Tasks

3. Automate Complex Business Processes

4. Augment Agent Support

5. Predict Outcomes

6. Give Customers What They Want

1 Automate Low-Level Support

With AI, businesses now have the opportunity to provide more self-service opportunities. Think about chatbots. They are growing in popularity with both businesses and consumers, and can be used to answer simple questions like order status or business hours, and direct customers to a help center if human intervention is not needed. Conversely, chatbots can be used to gather initial information before sending a conversation to a live agent. These interventions save time for both the customer and agent, and increase the time spent on the actual issue rather than tedious, low-level support.

"

With AI, businesses now have the opportunity to provide more self-service opportunities.

Hi there! I'd like to make a return.

Hi Coco - absolutely! Here are the items that are eligible for a return. Which would you like to return?

Leather Handbag
Shoulder strap included.

Black Booties
Waterproof, 2" heel.

**Single Strap Dress**
Color: Green. Size: M.

2 Automate Routine Tasks

Oftentimes the most tedious tasks on an agent's plate are manual and repetitive, and may not require human intervention. Luckily technology can automate much of this work. Take this retail example:

A customer contacts you asking to return an item. You receive this inquiry and a ticket is created in one system. You might need to look up that customer's order history in another system using their email. Using a third system you might need to create a returns management authorization (RMA) order to return the item. And using a fourth system you might send a message to the person who handles those returns to ask to expedite the order for an important customer. With the help of AI and automation, a single button click could start the RMA process, create the shipping label and notify a team to expedite.

Additionally, intelligent automation can auto populate useful data like contact information, or tag conversations based on things like issue type or location.

- ✓ **Tagging**
- ✓ **Invoices**
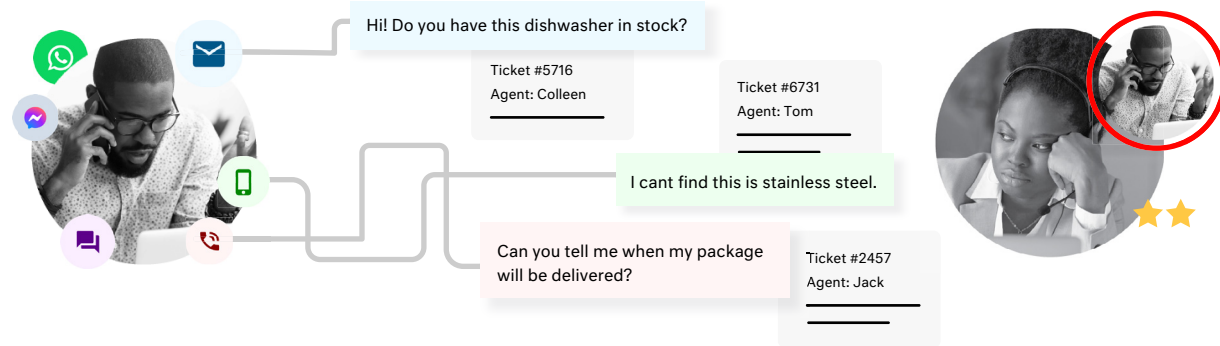- ✓ **Returns**
- ✓ **Prefill Fields**
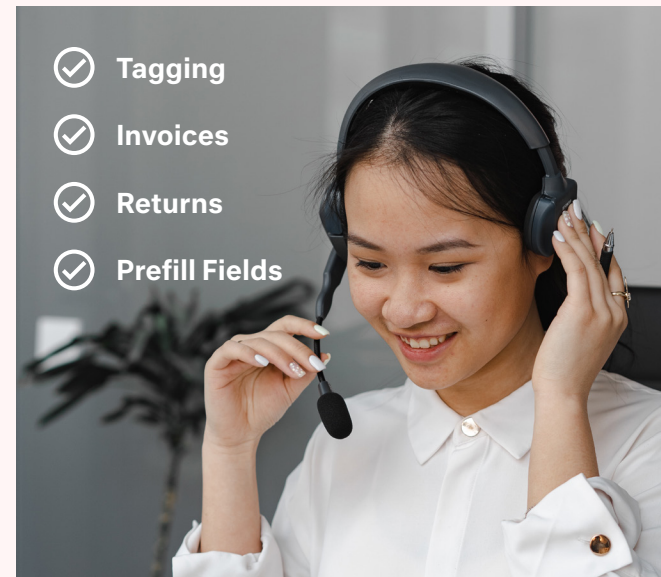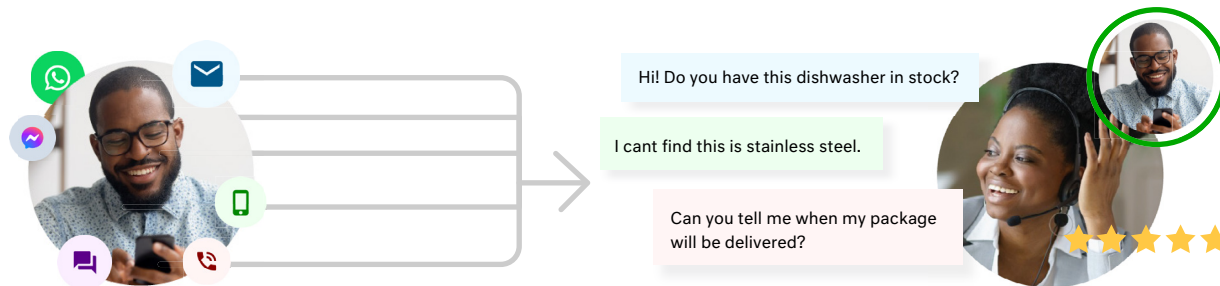
3 Automate Complex Business Processes

Through practices like queues and routing, agents don't need to waste time transferring customers and redirecting them to the right team. Conversations can be automatically classified and routed to the best and most appropriate agent for a speedy and personalized resolution. In fact, some businesses wow their customers by matching them up with a dedicated agent for each interaction, building one-to-one connections with their customers.

Businesses typically route a conversation to an agent based on channel, persona or VIP level. Think about a marketplace model, where you are not only interacting with customers, but also sellers. You may want to route certain personas to different teams based on their specific needs. Not only will this reduce wait and handle times, it will also maximize team capacity by directing real-time conversation traffic to the right person at the right time.

Without Kustomer

Hi! Do you have this dishwasher in stock?

Ticket #5716
Agent: Colleen

Ticket #6731
Agent: Tom

I cant find this is stainless steel.

Can you tell me when my package will be delivered?

Ticket #2457
Agent: Jack

With Kustomer

Hi! Do you have this dishwasher in stock?

I cant find this is stainless steel.

Can you tell me when my package will be delivered?

4 Augment Agent Support

Beyond freeing up agent time, technology can also be used to arm support agents with all the information they need to quickly and accurately service their customers. AI can suggest messages to send to customers based on their intent, historical conversations and customer attributes, which can become more accurate and personalized over time in conjunction with a machine learning model. Sentiment analysis is another benefit of AI technology. By looking at the words and tone in a customer's messages, the technology can identify how satisfied, or dissatisfied, a customer is, and escalate the issue accordingly.
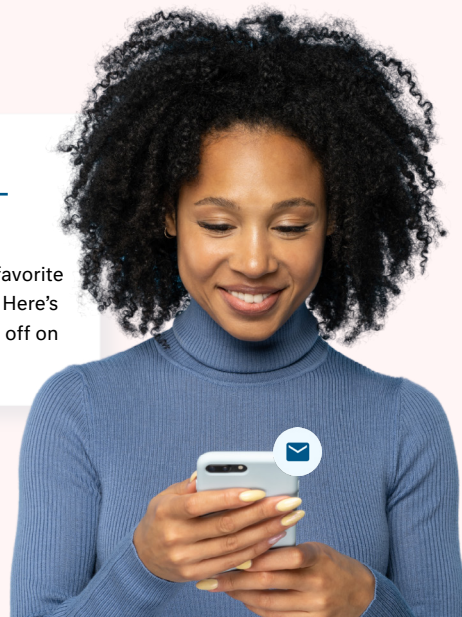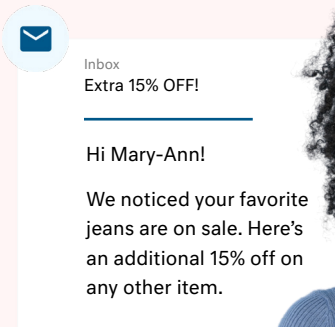
5 Predict Outcomes

The business value of great customer service can't be downplayed. According to a recent Kustomer survey, **90% of consumers would not shop with a retailer again if they provided bad customer service**. Luckily, AI can enable management to get ahead of issues and plan accordingly.

By using predictive analytics, companies can forecast future conversation volume and staffing needs based on historical data. That means agents will avoid fire drills and customers will have quick, convenient and thorough support in their times of need.

Companies can also use technology to keep customers engaged, even if they aren't actively reaching out. This type of proactive support can help companies get ahead of potential issues before customers are even aware of a problem, or even create opportunities to build loyalty and generate sales.

For example, AI can do the heavy lifting in identifying VIP customers you'd like to target with a promotion, thanking them for their loyalty.

Inbox
Extra 15% OFF!

Hi Mary-Ann!

We noticed your favorite jeans are on sale. Here's an additional 15% off on any other item.

6 Give Customers What They Want

Customers get frustrated after waiting only two minutes for businesses to respond. One of the biggest obstacles to meeting these expectations is a fragmented or incomplete view of the customer, limited support channels, and the limitations of a human-only operation.

With 77% of Gen Z consumers saying they find chatbots helpful, the appetite for speedy self-service will only grow. Brands today must leverage intelligent automation to offer always-on service, flexible contact options, and unlock insights from data to predict future needs. With intelligent chatbots, businesses can analyze customers' questions and deliver instantaneous responses that meet the needs of customers.

Hi there! Could you please tell me when my sneakers will be delivered?

Hi Molly! Sure thing. I can see that your sneakers are on their way and should be delivered in 2 days.

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Thank you so much!

The Future of Customer Service

As repetitive tasks become the job of technology and not agents, the role of agents will begin to transform:

Consultative Support

Support is already turning into a more complex role, with 48% of consumers expecting customer service agents to provide consultative support before buying a product online. Support inquiries are now split quite evenly across the buyer journey, and 82% of consumers expect online and in-store retailers to treat them the same. This means agents will now spend less time responding to inquiries and answering simple questions, and more time tackling complex or consultative conversations. This may affect the type of agent that organizations hire. Finding the right technology to help agents solve difficult problems with the least amount of friction will be essential.
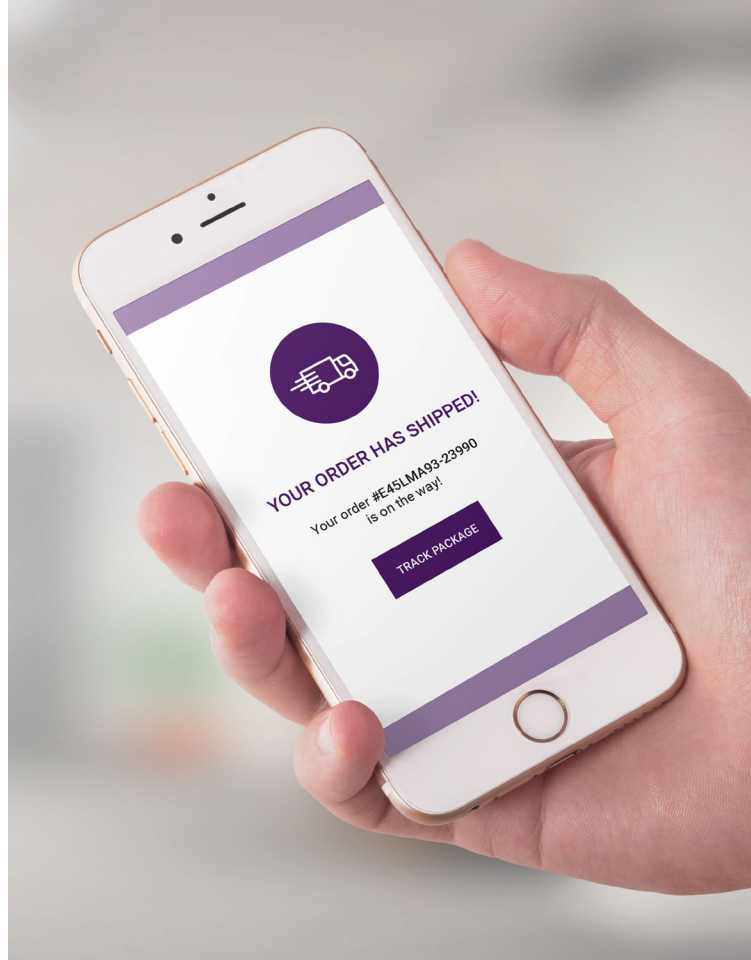
Relationship Building

Customer service agents of the future will likely spend more time building brand equity and customer relationships. It will become the customer service agent's job to reflect the company's mission and values, and act as a trusted partner for customers. The changing expectations of consumers means that customers want to do business with companies they believe in, feeling as though they are a part of the brand. Customer service agents can help do just that, through both proactive and reactive support.

Data-Driven Insights

Customer service teams will also have more time to dive into customer data and feedback, not only to plan for peak shopping periods and busy channels, but also to inform product and service decisions. The most successful brands take customer insights and feedback to heart, and optimize their business in real time. As customer service organizations spend less time on low level inquiries, they can spend more time affecting the future of the business with valuable insights. As our world becomes increasingly more digital, one-to-one interactions with customers become more rare. Make the most of those moments.

Hi Todd! We have 50% off our deluxe spa package for you and a friend that we thought might interest you. Reply if you're interested!

How Glovo Delivers Better Customer Service to Millions Using Artificial Intelligence and Omnichannel CX

The Challenge

With plans to conduct millions of conversations per month that span 13 languages and three distinct contact types (customers, couriers, and business partners), Glovo required an AI-powered customer service solution built to help agents deliver more informative support, boost operational efficiency, and scale with its global platform on the rise.

The Results With Kustomer

• Unified multiple applications into an all-in-one customer service solution that provides agents with the data and context to resolve issues quickly and accurately.

• Automatically routed inbound conversations based on native language, contact type, and lifetime order value, ensuring the right agent is always assigned and improving service level attainment by 20%.

• Engaged high-value customers in proactive efforts, empowering Glovo's support team to create repeat business and deflect up to 84% of requests on average while maintaining a high satisfaction rating worldwide.

20% improvement in SLAs

84% of requests automated using CRM-powered AI chatbots

About Kustomer

Kustomer is the customer service CRM platform helping contact centers and businesses reimagine service and support in today's customer-first world. Kustomer enables personalized, efficient and effortless customer and agent experiences by delivering unprecedented views of a customer's history, facilitating continuous omnichannel conversations and using intelligence to automate repetitive tasks and surface knowledge.

To learn how Kustomer leverages AI and automation to power exceptional customer service, visit **Kustomer.com/Demo**

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