Let's Talk Conversational Technology

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Driven by customer demand and expectations, innovation is emerging from a familiar set of technologies that we call conversational technologies. As the use of this technology continues to gain momentum, it is energizing the customer experience across every sector.

Conversational technologies are a category of customer-facing technologies with some type of conversational interface. Examples you've likely seen or used include various forms of live chat, chatbot, and text bot. The category also includes Interactive Voice Response (IVR), Intelligent Virtual Assistants (IVA), and Voice technologies (e.g., Alexa, Google, or Siri).

While distinctions can be made for each specific technology, we believe considering them together under the umbrella of conversational technologies helps companies think about the application of these tools in the context of their customers' needs.

LIVE CHAT
Leveraging an existing call center

CHATBOT
Automating tasks for self-serving

TEXTBOT
Casual & intermittent interactions

IVR AUTOMATION
Smart routing & self-service

VOICE / NLP
Full automation of a core set of intents

Conversational technologies have historically been afterthoughts in customer engagement strategies, often serving as the channel of last resort. However, leading companies see these channels as more than mere cost management tools. Optimizing these channels and appreciating the value they can create as customer touchpoints can increase efficiencies and conversion rates, and drive customer loyalty and retention.

Recently, one of our clients partnered with us to user test its IVR experience and, through this effort, we introduced efficiencies that reduced call center demand, increased single-call resolutions, and, most importantly, increased customer satisfaction. Another client partnered with us to deploy a conversational chatbot, and through this effort, we were able to deflect 30% of ticket volume and reduce service time from weeks to minutes.

KEY VALUE LEVERS

INCREASED EFFICIENCY

IMPROVED CUSTOMER LOYALTY & RETENTION

REDUCED CALL VOLUME

INCREASED BUSINESS OPPORTUNITIES

IMPROVED STRUCTURAL COSTS

CONVERSATIONAL TECHNOLOGY HAS EVOLVED

These technology solutions simultaneously represent some of the oldest technologies available (e.g., IVR and text bot) and some of the newest (e.g., IVA and Voice). Due to more recent innovations, many companies have outdated strategies for this entire category of technologies, resulting in missed opportunities to enhance customer success and satisfaction.

There are two specific trends driving increased interest in conversational technologies, both loosely related to the pandemic. First, the need – even demand – for contactless customer interactions drove companies to explore new channels for connecting with customers. Live chat and chatbot technologies rocketed from novel and new to extremely viable, relevant channels for real-time customer conversations. Second, because many contact centers experienced overrun during the pandemic, leading companies quickly recognized they had to improve their IVR experience and looked for ways to automate or shift call volume to other channels.

In 2020, we partnered with several retail clients to implement textbot capabilities for queuing applications and to utilize chat in retail purchase processes to increase sales conversions. However, the pandemic wasn't the sole driver of the shift toward conversational technology innovation and optimization. Rather, it was an accelerator for trends we've been monitoring for several years.
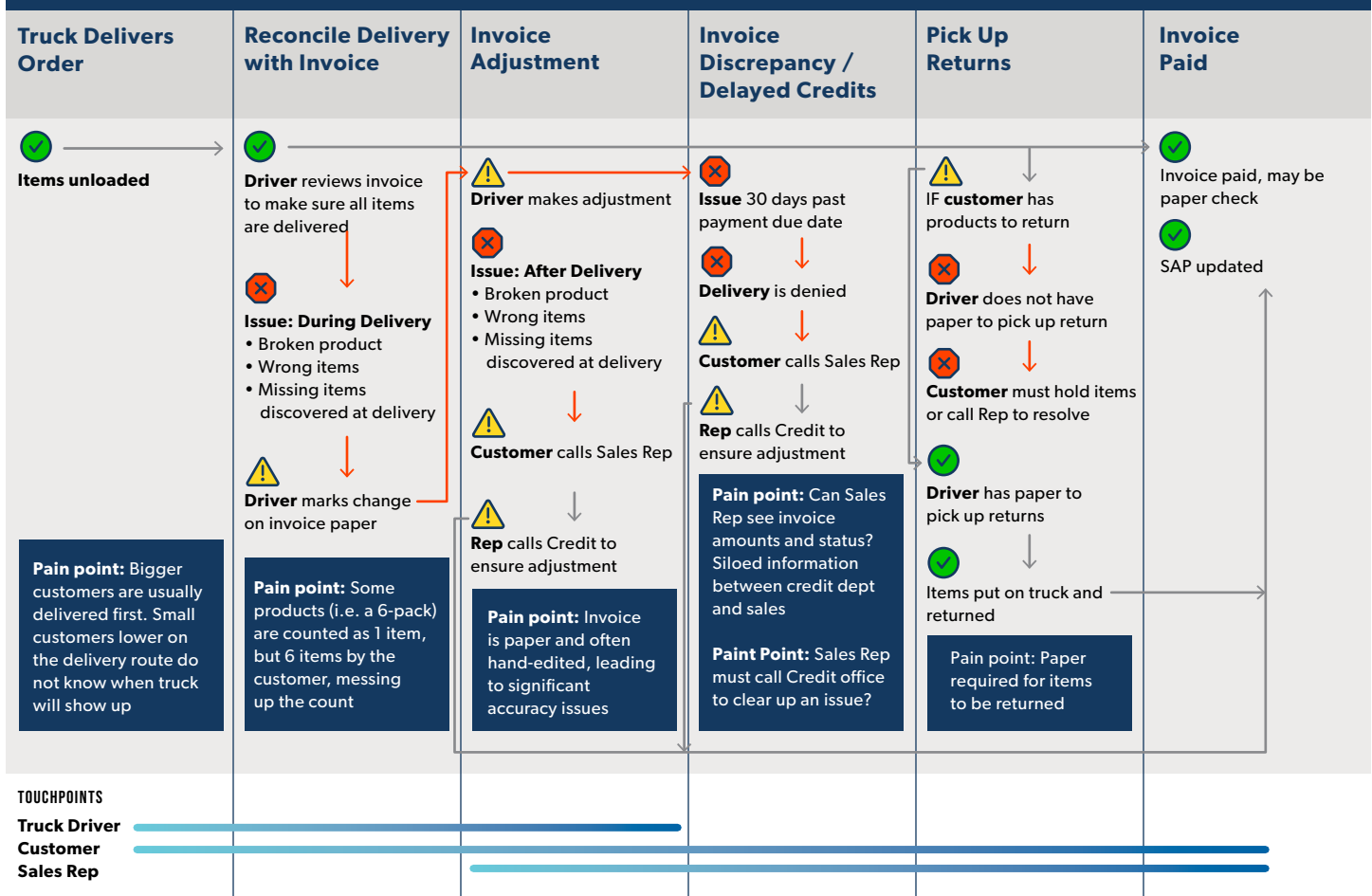
As we've noted in other consumer trends throughout the pandemic, we expect many behaviors to stick. Consumers are building an affinity for these conversational interactions, which should sustain – and boost – adoption moving forward. We believe conversational technologies will continue to be leveraged well beyond retail pickup and delivery scenarios.

THE CONVERSATIONAL TECH CUSTOMER JOURNEY

Before we talk more about the actual technologies, it's important to take a step back and outline the role that research and testing play in the process. Conversational technologies have interfaces that must be researched, tested, and designed, just as much as other customer-facing channels. We employ many of the same user research and journey mapping techniques we use for designing a new website or mobile experience when designing a conversational tech experience.

Creating personas and journey maps allow us to understand customers' needs and where these technologies should exist in the larger journey. New prototyping tools now enable us to user test voice prototypes before even building them – activities that inform the design and implementation, and are key to their success. For example, chat can be very helpful in certain contexts, while in others it can be a distraction. in others it can become a distraction.

REPRESENTATIVE JOURNEY MAP

Truck Delivers Order

Items unloaded

Pain point: Bigger customers are usually delivered first. Small customers lower on the delivery route do not know when truck will show up

Reconcile Delivery with Invoice

Driver reviews invoice to make sure all items are delivered

Issue: During Delivery
• Broken product
• Wrong items
• Missing items discovered at delivery

Driver marks change on invoice paper

Pain point: Some products (i.e. a 6-pack) are counted as 1 item, but 6 items by the customer, messing up the count

Invoice Adjustment

Driver makes adjustment

Issue: After Delivery
• Broken product
• Wrong items
• Missing items discovered at delivery

Customer calls Sales Rep

Rep calls Credit to ensure adjustment

Pain point: Invoice is paper and often hand-edited, leading to significant accuracy issues

Invoice Discrepancy / Delayed Credits

Issue 30 days past payment due date

Delivery is denied

Customer calls Sales Rep

Rep calls Credit to ensure adjustment

Pain point: Can Sales Rep see invoice amounts and status? Siloed information between credit dept and sales

Paint Point: Sales Rep must call Credit office to clear up an issue?

Pick Up Returns

IF **customer** has products to return

Driver does not have paper to pick up return

Customer must hold items or call Rep to resolve

Driver has paper to pick up returns

Items put on truck and returned

Pain point: Paper required for items to be returned

Invoice Paid

Invoice paid, may be paper check

SAP updated

TOUCHPOINTS
- **Truck Driver**
- **Customer**
- **Sales Rep**

START TALKING AND KEEP REFINING

As with any technology, companies should adopt a product design mindset in deploying and maintaining new channels and platforms. This approach includes developing Minimum Viable Product (MVP) solutions and then continuously testing and iterating to enhance performance. Organizations shouldn't feel pressured to roll out automation to handle 100 tasks right out of the gate. In fact, rushing a rollout often leads to mediocre bot or IVA experiences, frustrating customers instead of helping them.

Deploying automation that handles a few tasks well, then iteratively refining those tasks while introducing new ones, is a better approach. Again, testing and analytics are key, as is the mindset that these channels are works in progress – you're always enhancing performance and function. And focusing on basic and transactional user takes can free up call center staff for more complex needs.

Piloting deployments of technologies to gather learnings can assist with full-scale deployments. These are just a couple ways that test and learn strategies can increase a company's chance of success in utilizing conversational technologies.

Many companies have had IVR systems in place for some period of time; however, the experiences aren't commonly designed with the customer in mind so much as just simply deployed without consideration of end users. User testing of IVR logic trees and a thorough analysis of contact center metrics can reveal quick wins that enhance the customer experience over the channel. In our experience, testing IVR trees results in identifying targeted areas for improvement that can be deployed in a reasonably short amount of time to deliver measurable customer success gains.

CONVERSATIONAL TECH IN THE WILD

As you pay closer attention to conversational technologies, you will likely begin to notice interactions elegantly woven into thoughtful customer experiences. For example, the next time you check the status of a prescription, pay attention to well-designed IVR automations that allow you to complete this type of simple task.

Existing opportunities and applications exist for utilizing these technologies as part of thoughtfully-designed customer journeys. As you send your own conversational technology applications into the wild, remember these three key activities – conduct customer research, experiment and iterate, and view every use of these technologies as an opportunity to constantly improve and evolve the total customer experience.
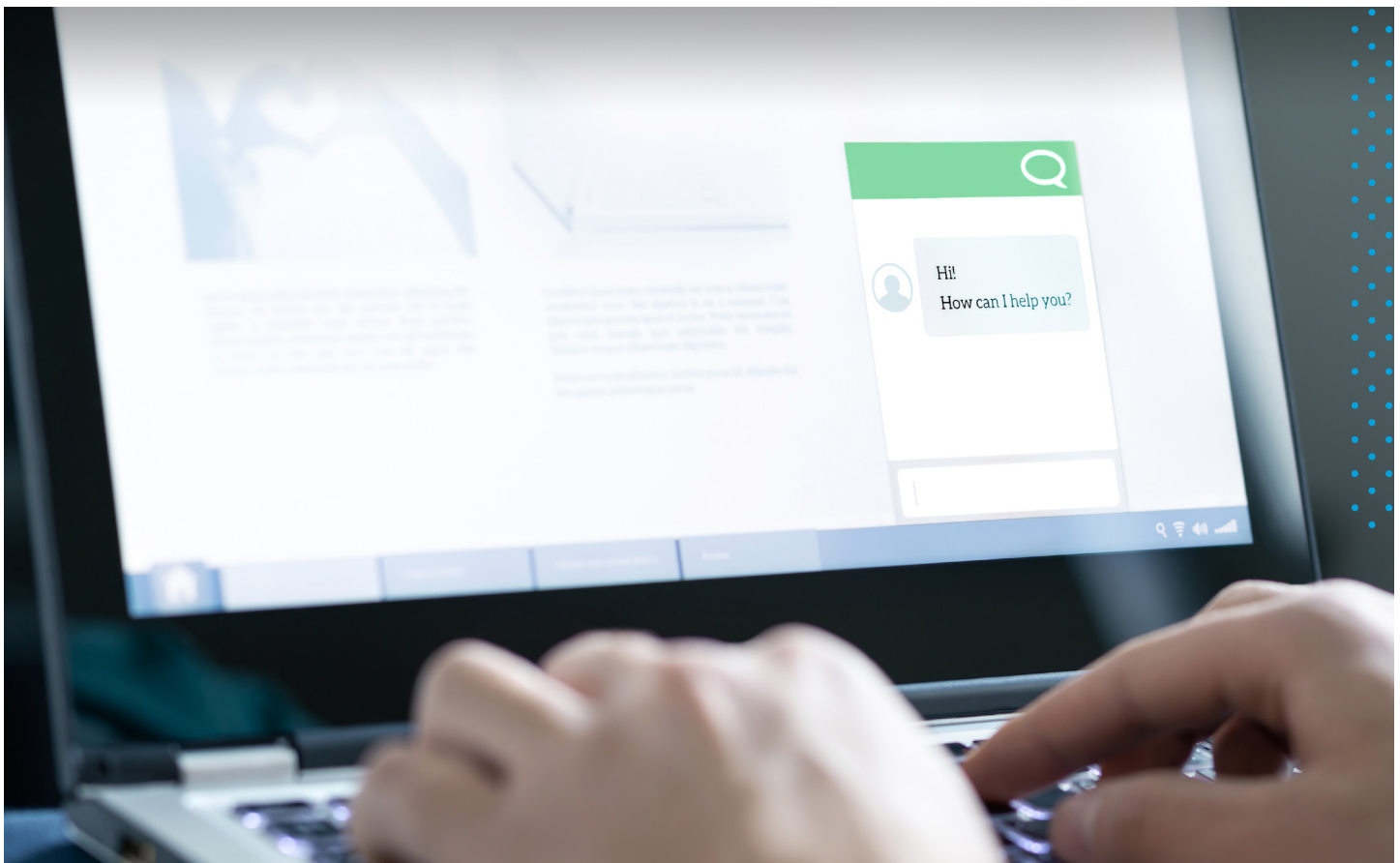
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