AI & The Contact Center: 5 Predictions

WRITTEN BY: BROOKE LYNCH

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Featuring Insights From

Jeff Mortlock
VP Global CXM Solutions
Sutherland

Introduction

2023 was a pivotal year in the CX space. From new technology to rising expectations, companies strived to reach new experience heights this year. To keep customers engaged and satisfied, companies worked to implement more effective digital interactions, enhance personalization and deliver meaningful support throughout the end-to-end journey.

AI played a major role in many of the innovations that took place in 2023. Although it has been a trend in the contact center space for the past few years, the introduction of generative AI forced leaders to reassess their goals for improvement and keep their eyes set on the next-generation of contact center innovation.

When looking to the future of the contact center, there is no doubt that AI will continue to power better experiences and optimize operations. In fact, 78% of leaders are prioritizing AI for improving their agents' workflow and eliminating repetitive tasks in the next 1-2 years.

As customer expectations continue to rise, and AI becomes a growing piece of their own personal lives, it will become non-negotiable in powering future experiences. Customers are already seeking out more sophisticated and personalized interactions, so the future hinges upon brands that can effectively leverage AI to offer this level of support.

This report will cover five predictions for AI in the contact center in 2024 and beyond. As organizations work to continuously innovate and improve with AI, it is important to look to the future to understand key initiatives, challenges and trends that will guide the next steps.

Covering the implications of AI in CX, strategies for success and key next steps for the year ahead, this comprehensive report will dive into predictions for everything you need to know about AI.

"AI has incredible promise in the CX environment. Not only does it have a wide range of applications but will have the single biggest impact on the ecosystem this decade."

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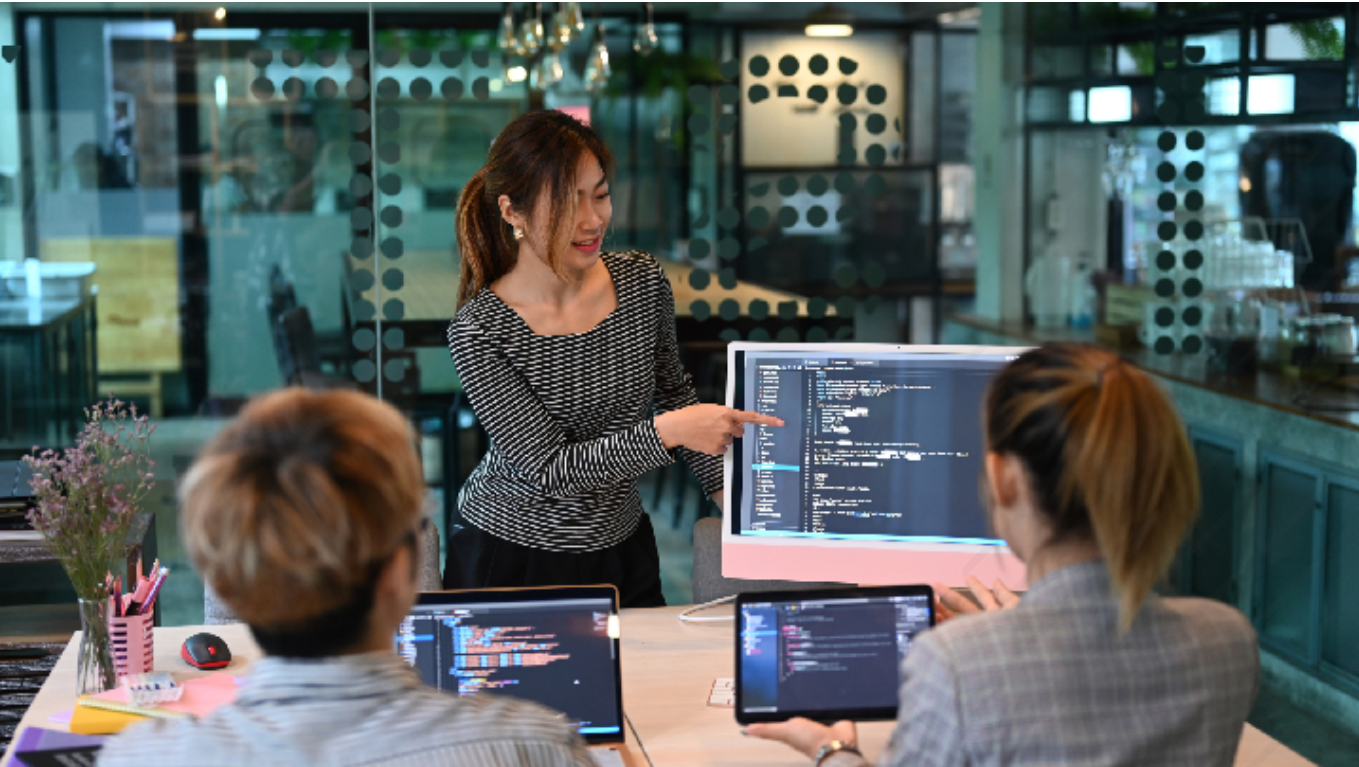
1. Digital Experiences Will Be As Conversational As the Phone

Chatbots used to evoke a feeling of frustration for many customers. Used to inefficient, slow and non-functioning chat experiences, customers developed long standing issues with chatbots of the past.

Today, as we see the allure of tools like ChatGPT and generative AI, it is clear that the modern chatbot experience is going to change for the better. By leveraging sophisticated AI, organizations can facilitate more conversational and personalized interactions throughout the customer journey. Further, customers benefit from a chatbot that is actually enjoyable to converse with.

CCW Digital confirms that contact center leaders are prioritizing this next-generation digital experience. 55% of leaders stated that in the next few years, digital experiences will be as conversational and as personal as phone calls.

When asked specifically about the features they deem as essential to the future of chat, leaders shared that digital conversations must now be personalized and contextual. Giving customers an interaction that feels natural and informed will be essential to building relationships in the future.

What does contextual digital support look like? When customers reach out to a brand, the chatbot may be able to recognize a customer's recent interaction and follow up on the resolution, asking questions about the issue or offering updated information about the issue. The customer may be prompted with a suggestion for a product or enhancement that will improve their experience or an upgrade to their service. All of these extra steps will likely become a reality as we look to the future of self-service. 92% of CX leaders agreed with the sentiment that digital experiences should be tailored to specific customers, marking this as the next step in improving the customer journey.

Additionally, these conversations will no longer be transactional or robotic. 77% of contact center leaders share that the future chatbot will understand and communicate in natural language. Beyond contextual insight and seamless resolution, chatbots will be intuitive and easy to engage with. While chatbots cannot replace a human agent, they can deliver an entirely effective and positive experience that leaves the customer feeling satisfied and heard.

> "When you start thinking about AI as a tool that can be deployed in many different areas and manners, almost like electricity, then you can begin to understand the far-reaching impact it can have throughout your CX operations. Previous incantations of AI were often expensive and cumbersome to implement, but recent advancements have brought AI to the masses, as the technology has become within reach for many."

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2. CX Leaders will Hire AI-Savvy Employees

Conversations of AI in the contact center often jump to replacement. Individuals eager to hype up innovation immediately assume that new technology could eventually replace the human agent. However, time and time again, CX leaders refute this scenario.

In fact, 48% of contact center executives say that the introduction of generative AI has not changed their opinion about whether or not AI will replace human workers. The overwhelming sentiment is that AI will ultimately augment agent performance. It will act as a resource to power better, faster and more personalized support.

With this in mind, it seems likely that CX leaders will prioritize the next-generation of employees who are AI-savvy. Looking for individuals who can effectively leverage the technology, understand its capabilities and utilize its insight, organizations will be focused on hiring agents who can and want to work with AI.

When asked about where they see agents adding value to the experience in the future, 67% say that they are planning to create a team responsible for deploying, managing, measuring and optimizing chatbots and other AI.

MicKinsey's research team confirms this in an early view of generative AI's impact, "As organizations begin to set gen AI goals, they're also developing the need for more gen AI–literate workers. As generative and other applied AI tools begin delivering value to early adopters, the gap between supply and demand for skilled workers remains wide. To stay on top of the talent market, organizations should develop excellent talent management capabilities, delivering rewarding working experiences to the gen AI–literate workers they hire and hope to retain."

Looking to the future of the agent experience, contact center leaders are looking for employees who have the knowledge to handle more complex and challenging issues. They also want employees who are comfortable with new systems and technology, the ability to communicate across channels and the expertise to analyze feedback and data.

Ensuring new hires and future contact center agents are not just accepting of new technology but excited to use it to engage customers will be critical in the year ahead.

"Those companies that master AI effectively in improving customer experience will certainly increase Customer Expectations in terms of service and support. In many cases Customers will come to expect similar experiences across all brands – regardless of industry or service. This is an ongoing evolution that we have seen for years – customer expectations increasing and crossing over into every business and organization they interact with (liquid expectations). New applications and uses for AI will continue to push the envelope, early adopters will benefit the most and be able secure Customer Loyalty ahead of their competition."

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3. Agents will Take on a Consultative Role, Leading to Greater Fulfillment

In 2024, companies will be focused on enhancing the agent experience and redefining the agent role. After years of discussion on how AI would support the agent experience, the time has finally come for leaders to define a future for the agent role.

According to CCW Digital, this future has already been a part of the current strategy for many leaders. 64% of contact center executives shared that they are actively addressing the impact of a shift to more complex work and the training and compensation associated with it. Leaders are also working to guide customers to self-service for simple issues over the next 12 months, securing a space for agents to focus on more complex concerns.

With all of this in place, organizations must build out a plan for how agents will actually begin to take on more. Establishing the agent as a consultative support lead is the likely next step.

While CX leaders will certainly seek out agents who are already poised to take on this new role, they will also be responsible for reskilling and upskilling talent who are excited to build their expertise.

Giving agents the training and resources to become a jack of all trades, will empower them to handle everything from product questions to brand building. Acting as a true reflection on your organization's mission, the agent will be equipped to offer real-time recommendations, share expertise and act as a consultant for customers throughout their journey.

Today, 80% of leaders say that agents are spending too much time handling issues that could have been resolved in self-service. As many of these tasks are finally resolved in digital, agents will have the autonomy and flexibility to spend time training and upskilling to become the next-generation frontline.

However, to actually secure this future, leaders must alleviate agents of their tedious workflow. Leveraging AI to automate low level tasks and implementing self-service that empowers customers to engage digitally is the first step in rebuilding the agent role.

> "We see tremendous opportunity in the area of Agent Assist technology. Today, we are leveraging AI for Auto Summarization of Conversations, Knowledge Retrieval, and auto population of CRM fields. We've seen significant improvements in Handle Time, Resolution and Satisfaction – both Agent and Customer – by focusing AI in these areas."
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4. Customers Will Expect AI-Powered Support

We know that customer expectations are consistently on the rise — every year we see an emphasis on more personalized, effective and innovative experiences. And why shouldn't they be? Customers leverage AI in their everyday lives, they are used to receiving tailored recommendations on streaming apps, they leverage virtual assistants by asking Alexa the weather each morning and now even engage with chatbots like ChatGPT to build out grocery lists and workout routines.

Customers are becoming more and more comfortable with leveraging sophisticated technology in their day-to-day, so their bar for tech-driven experiences is getting increasingly higher. As customers come to rely on AI, they will not just appreciate it across their customer journey but expect it moving forward.

In 2024, customers will no longer put up with inefficient, disconnected experiences. They will expect brands to implement AI throughout their journey to streamline support. Currently, 40% of CX leaders deemed their existing self-service and chatbot experiences as acceptable — this will no longer cut it in the age of AI. After engaging with generative AI tools, customers will expect more conversational chatbot experiences and relevant recommendations.

Customers will also expect agents to address their every need. No longer bogged down by repetitive work, customers will expect agents to have all of the answers. With all of the data currently being collected across the customer journey, customers will now want to be met with relevant support that addresses their previous interactions and meets their deeper needs.

> "What the increased adoption of AI will do is to raise the bar for what customers expect from contact centers. Organizations that do not improve their services by leveraging AI will be increasingly lose business to those that do, as the expectation of customers increases. Another dynamic that is relevant to this is the preference of younger generations for self-service and automated service options, so AI will improve the quality of customer services generally, but is also likely to drive increased adoption of intelligent automated agents. This will not just be on the supplier side, but also on the consumer side, as consumers increasingly use intelligent agents to perform tasks without them having to interact directly with human customer service agents. So, a core area of focus for any contact center should not just be improving agent services, but also on understanding how to best support 'machine customers'."

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Experiences will also be more predictive and proactive in the year ahead. 88% of contact center executives shared that this level of proactive support is one of their major priorities for 2024. With AI, companies can effectively predict customer behavior and detect sentiment to deliver real-time support that feels personalized. Predicting challenges before they arise and resolving issues in the moment will keep customers satisfied and supported.
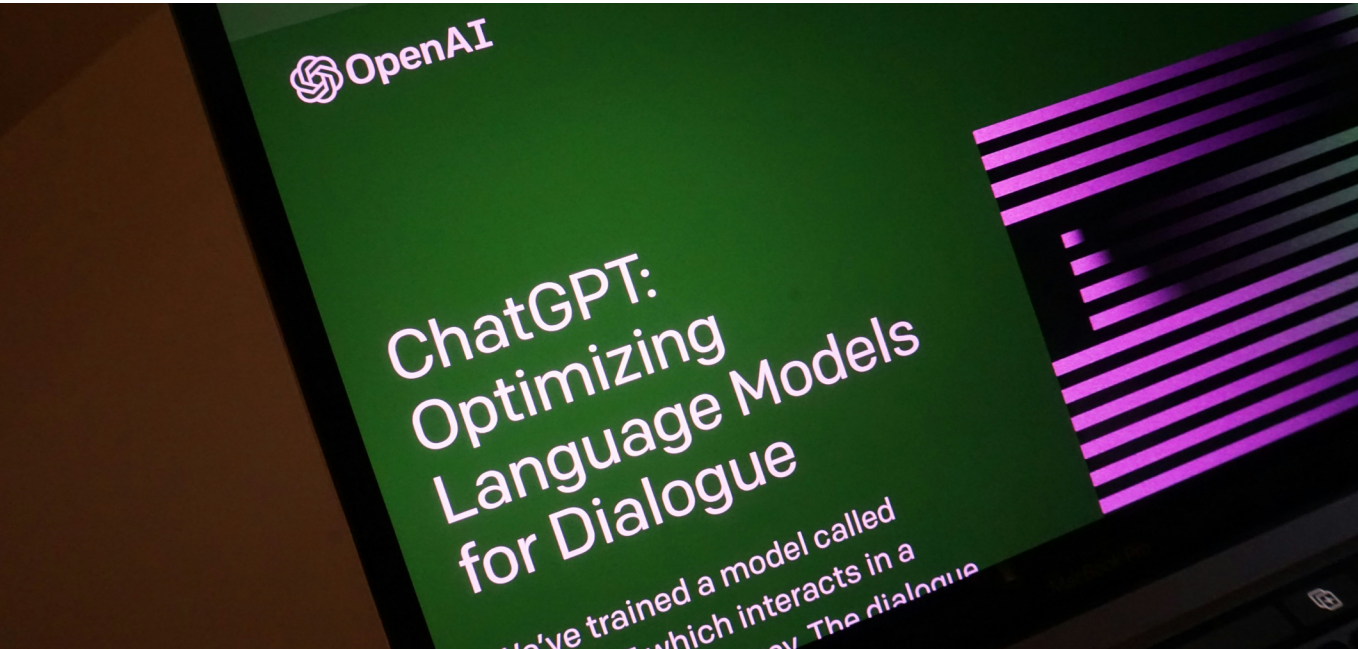
"AI has the potential to improve all areas of business but particularly in customer service. The major shift, "the quantum leap" that accelerated the development and adoption of AI solutions though was the release of ChatGPT in November 2022. What ChatGPT did was to make AI accessible and understandable by the general public. This use of AI isn't new – Amazon recommendations, Waze route finding, Social Media, Autocorrect, Search has all used AI for many years, but implementing this technology in potential projects and initiatives should start simple to reduce risk and maximize the opportunity to learn, build confidence in the business and quickly deliver benefits."

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5. Chronic Pain Points will be a Thing of the Past

Mistakes happen, no technology or process is perfect and customers know that things do, at times, go wrong. The role of the customer service function is to fix these mistakes and remove pain points along the way.

In 2024, however, mistakes will be treated as opportunities. Opportunities to make things right, to change the course of a customer's experience with your brand and to do better moving forward. We are now reaching a point where chronic mistakes and long standing pain points will not be acceptable.

As companies build a better understanding of their customers and gain transparency into their behaviors, they must use this information to eliminate inefficiencies. No longer a simple mistake, customers will expect brands to use their data to continuously improve and leave pain points behind.

When asked about the future of CX, 88% of leaders state that they believe the contact center will be responsible for capturing and sharing customer or operational data that informs most major business decisions.

Customer insights literally power improvement in today's experience centric environment, so using this information to implement positive change is critical this year. Giving customers the opportunity to inform interactions and using their feedback to actually improve is something that leaders must prioritize if they want to deliver better support in 2024.

AI and analytics will give organizations the opportunity to gain a line of sight across their customer's journey, identify challenges and instantly work to improve. AI will, in many ways, make chronic pain points a thing of the past — but only for organizations that choose to listen to customers and act on feedback.

> "AI can analyze every interaction and once trained, can predict with very high accuracy, results around Quality Assurance and Compliance. This enables not only an understanding of challenges at an individual agent level, but also can highlight issues within the entire Agent Population — isolating problem areas much faster and with greater accuracy than the smaller, random sample traditional process. This also leads to AI being able to evaluate every interaction for specific details and trends — Satisfaction, Churn Potential, Sentiment, Resolution — and more."

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The Future is Now

AI has the potential to change the way organizations engage with customers, empower their employees and deliver exceptional experiences. However, implementation must be guided by effective strategy to ensure a successful future. Making sure your organization is asking the right questions and taking the right steps is critical.

"AI is a powerful tool, but not without challenges. There are technical challenges for sure, but also legal, security and governance issues that customers should be aware of and should actively manage. As with any technology, the discussion should start not with the 'how', but with the 'what' and 'why'. What are the outcomes that you want? What are the customer challenges you want to solve? What would you like to offer your customers as a new service? Don't let this become a technical only discussion. It should always be customer focused on outcomes. What are the outcomes that we want to achieve – whether internal or external?"

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While it may seem daunting, the future powered by AI is certainly within reach. Focusing your implementation around specific outcomes and understanding the 'why' behind the application will ensure that the roll out is successful.

Here are some insights for ideal next steps:

- Start Small – pick an area that has good foundations to leverage AI initially – often this in the area of Agent Knowledge Support. Be very specific in the area you are targeting.

- Make sure your Foundation is Strong – Knowledge Management Process, Insight Monitoring and Discovery, Quality Assurance – all of these must be running with precision and performing well. Placing AI on an underdeveloped or weaker running process will not get results.

- Bring in the Right Expertise – don't assume that your current staff has the knowledge to pull of complex AI integrations or that there is an acceptable learning curve.

- Pilot First – allow yourself the ability to adjust and tweak so you can accurately gauge overall ROI and success.

About the Author

Brooke Lynch
Deputy Divisional Director & Principal Analyst

Brooke Lynch is an analyst and staff writer for CCW Digital. With a background in television news and production, she's worked across industries covering B2B marketing, procurement and finance events.

Her current work highlights challenges and opportunities for customer experience and contact center leaders, with a recent focus on e-commerce, retail, and technology.

Brooke studied journalism at the University of Wisconsin-Madison, and held positions at Fox Business in Development and as a college associate on Countdown to the Closing Bell.

Meet Our Analysts:

Brian Cantor
Director & Principal Analyst
CCW Digital

Wandy Ortiz
Content Analyst
CCW Digital

Get involved:

Ben McClymont
Divisional Sales Director
E: **ben.mcclymont@cmpteam.com**

Simon Copcutt
Head of Strategic Accounts
E: **simon.copcutt@cmpteam.com**