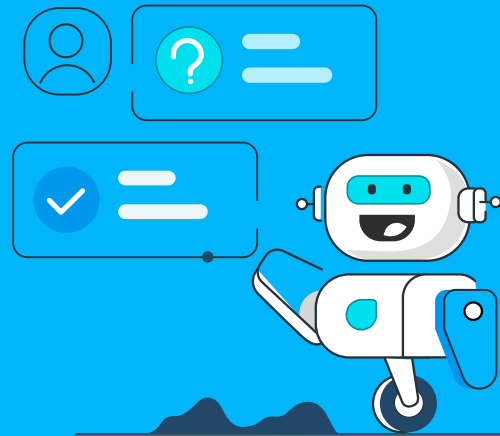
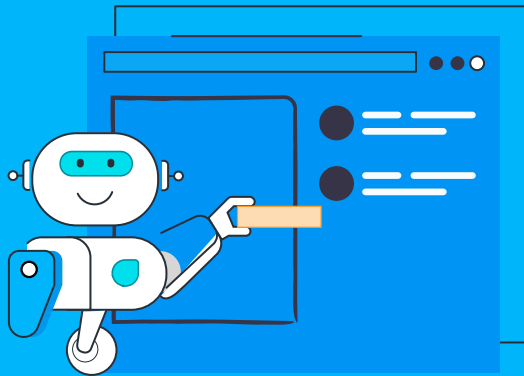


The Ultimate Guide to AI in Customer Service



Deliver contextual and effortless experiences at scale



Introduction

Customer expectations are higher than ever before. Our recent survey of 3,000 global customers shows that 47% of them want more from brands than they did just two years ago. Delivering on these expectations can be a challenge, especially if your business is growing. If you're facing this problem, artificial intelligence (AI) may be the answer to your most pressing customer service needs. AI can help in providing intelligent, convenient and informed customer service at the time and channel of your customers' choice.

A lot has already been written about how AI can transform virtually every aspect of doing business today, including customer service. In a nutshell, these are some of the benefits you can reap by incorporating AI into your customer service.

For customers, AI can:

- Offer 24*7 self-service
- Reduce wait times and deliver faster resolution
- Reduce the effort required from the customer end, especially for simple queries
- Personalize interactions by ingesting customer data from multiple sources and bringing it up in real-time

For businesses, AI can:

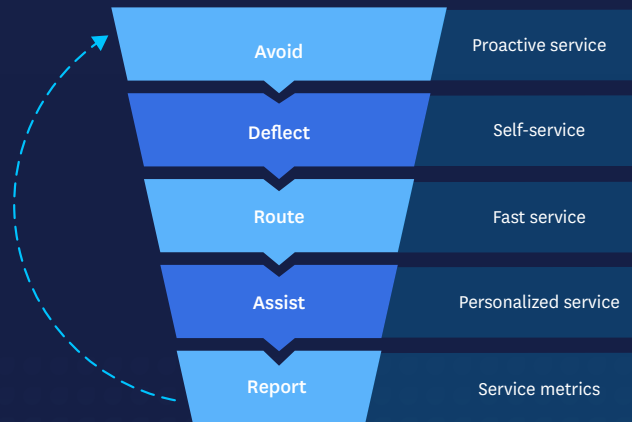
- Scale customer service without increasing headcount
- Avoid human error or loss of patience while solving queries
- Lower the cost per service request
- Increase agent productivity by deflecting simple queries

In the following sections, we'll take a look at how AI can be implemented at various stages of your customers' journey.



Implementing AI across the customer lifecycle

You can only reap benefits from AI if you know the outcomes you want from it. AI for AI's sake will only burn a hole in your pocket without yielding any results. This simple framework can help you chart out your customer service lifecycle. In the following sections, we will dive deeper into the application of AI for each of these layers.

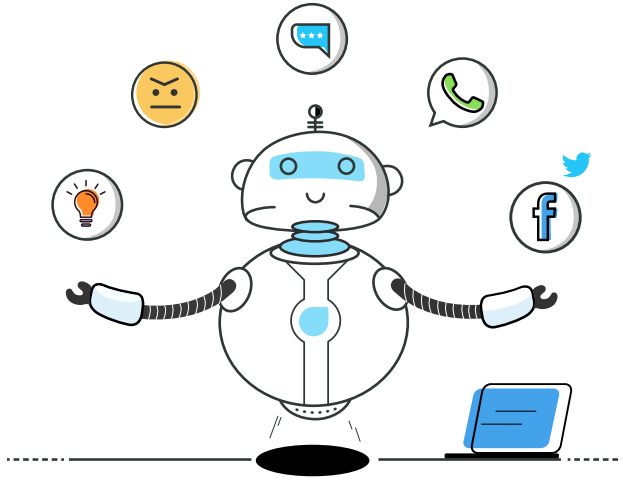


Avoid

As per our survey, 69% of customers today prefer brands that offer proactive service. Proactive service not only delights customers but can also reduce your contact volumes and customer service costs. Here are a few use cases to get you started.

- Proactive communication
- Customer feedback
- Frustration detection
- Social signals





Proactive communication

You don't have to wait for customers to reach out to you before sharing information. Tools such as Freshdesk's proactive outreach can help you keep your customers informed about unpleasant situations such as shipping delays and website outages. You can also throw in a sweetener such as a coupon or a free month of subscription to minimize customer displeasure and reduce the likelihood of losing them. Brands like AT&T go further with proactive service and include a personalized video along with the first bill to mitigate "bill shock" by explaining to customers why their bill may have been higher than they expected, thereby reducing the volume of incoming service requests related to this issue.

Proactive communication need not just be to avoid customer queries. It can also be an opportunity to go the extra mile for your customers. For example, many brands send out personalized wishes to customers on their important dates along with a goodie to make their day even more special.

Customer feedback

Instead of waiting for customers to submit a review on your website or voice their opinions on social media, you can use AI to trigger a post-purchase feedback survey a day or two after the customers' purchase to gauge their experience and act proactively on any negative feedback that they might provide.

Frustration detection

AI can replay multiple customer sessions in real-time and help you track frustration signals such as rage clicks (multiple clicks in a short duration), dead clicks (clicks that don't have any effect), thrashed cursor (up and down movement when the site isn't responding) or form abandonment, to identify points of friction in the customer experience and help you solve them.

Social signals

At times, your customers need not even be on your website to be miffed with you. They can express dissatisfaction on social media (and amplify it to their entire network) before reaching out to you through specific channels. AI-based solutions like Freshdesk's Social Signals can save you a lot of pain by helping you detect relevant brand mentions and reach out to customers before they reach out to you.



Deflect

Self-service is not just nice to have, but a necessity in today's times. According to Forrester, 70% of customers prefer to use a company's website to get answers to their questions rather than use phone or email. Here's how you can implement a self-service mechanism that will delight your customers and save you money!

- Knowledge Base management
- Chatbots
- Seamless handover to a human agent





Knowledge Base management

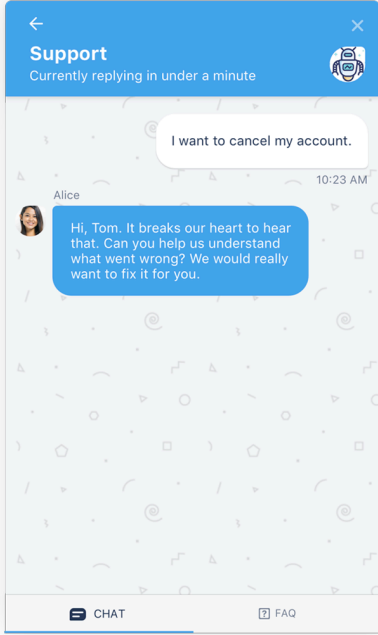
The first step towards self-service is a comprehensive knowledge base or FAQ management system. Using AI-based KBase, you can look at incoming search queries and recommend relevant articles to your customers in real-time, thereby reducing the time taken to search and navigate the system. AI-based analytics can also help you identify new articles that need to be a part of your kbase, and the updates needed to existing articles including titles, content and search tags.

Chatbots

Instead of searching for the relevant help article, you can also provide the option of a chatbot where customers can type in their query. According to an Accenture study, 80% of all customer engagements can be handled by bots. AI-powered chatbots like Freddy learns from information available in the customer account like KB articles, tickets, website, chats, and emails to offer relevant answers in real-time. By recognizing the tone and intent in an incoming query, AI can also help you potentially prevent customers from leaving your brand.

Pro-tip

Customers appreciate transparency. Don't mask your bot as a human being and make sure that your customers know that they're interacting with a bot.



Seamless handover to a human agent

If the chat goes into a loop or in case the incoming query is complex or time-sensitive, AI can accept defeat and seamlessly transfer the query to a human agent along with the context of all previous interactions with the customer.



Route

Assuming proactive service or self-service doesn't work in preventing a customer ticket, the next best option is to ensure that the ticket is managed by an agent most suited to do it. 42% of customers don't want to wait for more than 1-3 minutes to speak to a customer service representative. Using machine learning, you can teach and train an algorithm to automatically sort large volumes of customer support tickets into categories, look at the current agent bandwidth and assign the right tickets to the right agents in real-time so that they can be resolved quickly and effectively. Below are a few examples.

- Skill-based routing
- Language-based routing



Skill-based routing

AI can help you auto-assign conversations and tickets to the right people in the team based on their skill levels and available bandwidth. You can leverage this feature to free up your teams and supervisors from manually picking them up or assigning them. For example, if you're an e-commerce business, your most experienced agents (Tier 2 agents) can handle complex queries such as reporting banned products or counterfeit items, while your novice agents tackle simpler issues such as tracking packages and modifying account information. You can send tickets from Twitter or Facebook to your social media experts, or tickets from your premium customers to your helpdesk specialists.

Language-based routing

If you are a global business offering multi-lingual support, AI can automatically detect the language within incoming tickets to assign it to the right person



Thanks to Freshdesk's automations, the Pearson team has been able to make sure that every support ticket got categorized, prioritized and assigned to the right support agent or author automatically; despite dealing with hundreds of publications and authors.

Matthijs Lok, Marketing Manager Online



Assist

The same AI capabilities that power a knowledge base and self-service mechanisms can be used to surface relevant information in real-time to help agents solving customer queries. AI and agents, by working together, can help offer personalized responses to customers, reduce resolution times and boost CSAT. Here are a few use cases for how you can achieve this.

- Reduce agent ramp time
- Agent FAQs and guided workflows
- Surface customer context



Reduce agent ramp time

Working as an inbound customer service representative reliably ranks as one of the highest turnover jobs in the world. With the average turnover rate in the range of 35-45%, and the average cost of training a single agent in the range of \$10,000 to \$15,000, brands end up spending a lot of money just to make agents ready to handle customer queries. AI can save you a lot of that money by playing an active role in training your agents. Instead of depending on outdated videos, AI can offer an active learning environment to agents including self-paced learning modules and ticket scenarios based on real-time data.

Agent FAQs and guided workflows

Even the most experienced agents could come across tickets that they may not have solved previously. Just like the customer FAQs, Agent FAQs can surface relevant information when the agents need it the most - while solving customer queries. AI can be used to power the keyword search to bring up information such as help articles, similar tickets or credentials of agents with relevant expertise.

Surface customer context

According to a Microsoft study, more than 75% of consumers expect customer service representatives to have visibility into previous interactions and purchases; yet nearly half of them say agents almost never or only occasionally have the context they need to most effectively and efficiently solve their issue. By ingesting data from multiple and disparate sources of customer data (CRM, billing, marketing automation, social media, etc.), AI can bring up relevant information in real-time and help your agents respond in a personalized manner to each customer query without asking them to repeat themselves at every touchpoint.



The ease of use of the Freshchat interface and the contextual information displayed in the right pane has made a huge difference to our workflow, enabling our team to provide much more personalized assistance.

Aditya Priyadarshi, Online Product Head



Report

AI engines such as Freshworks' Freddy AI can automate both insight generation and suggest corrective action in real-time. Here are some of the use cases where AI-powered reporting can help your customer service.

- Anomaly detection
- Unified customer profile
- Advanced insights from unstructured data
- Predictive analytics and forecasting





Anomaly detection

AI can detect and report unusual patterns in your incoming customer service data to help you act on it in a timely manner.



Unified customer profile

AI can ingest information from multiple sources and departments and create a unified customer profile and journey maps for each of your customers.



Advanced insights from unstructured data

AI can analyze thousands of incoming customer queries to help you identify patterns (frequent queries, commonly used words, CSAT trends, etc.) and optimize your customer service mechanisms.



Predictive analytics and forecasting

By looking at past trends, AI can predict metrics such as CSAT and AHT for similar tickets. You can get quantifiable insights into the future such as the agent count required during the holiday season. It can also help surface problems before they arise so that you can reach out to customers proactively.



5 pitfalls to avoid while implementing AI

- 1 Lack of clearly defined use cases
- 2 Disparate customer data
- 3 Need to do it all in-house
- 4 Need to do it all at once
- 5 Thinking AI can do everything



Lack of clearly defined use cases

Don't invest in AI until you know what you want it to achieve and how it will execute on this job. Be customer-centric and define your desired CX and the operating model, and how AI will help in achieving this.

Disparate customer data

An AI implementation is only as good or bad as the data flowing into it. Once you have the use cases defined, ensure that the processes and systems in place are capable of capturing all the necessary data needed to perform the task at hand. For example, if you want AI to bring real-time customer profiles in front of your agents, it needs to capture data from multiple systems such as marketing automation, CRM, billing, and operations.

Need to do it all in-house

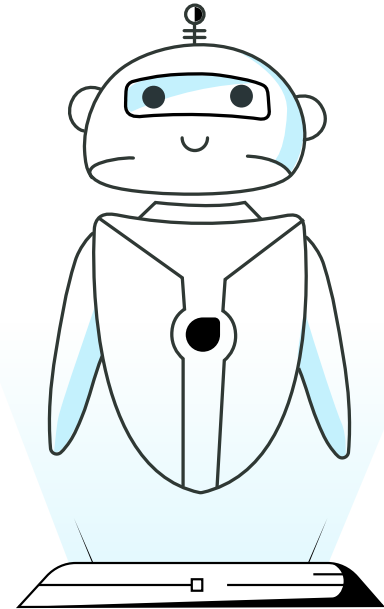
No one knows your business better than you do but AI, while still evolving, is a specialized domain. Hire a vendor or a consultant to do most of the technical heavy lifting for you while you focus on the business aspect of the implementation.

Need to do it all at once

It may sound cliché, but implementing AI is a journey and not an end in itself. While there might be a hundred avenues for you to implement AI, start with the most critical one. Build a POC and iterate until you hit the desired accuracy/efficiency rate before moving on to the next use case.

Thinking AI can do everything

Some interactions are not designed for the conversational UI (chat window). Highly visual activities like product discovery or time-sensitive ones involving multiple variables such as medical emergencies are use cases that AI can't manage well (yet).



Conclusion

Customers today are impatient and they want quick, personalized and effortless responses to all of their queries. AI can play a major role in delivering this and helping you achieve your key customer service KPIs. However, don't forget that there are human beings on both sides of these transactions. In a world where everyone is trying to get technology to solve all their problems, the human touch can set you apart.

If your customers want to speak to a human over a bot, you need to make it happen. Transition them instantly and seamlessly to a live agent with a video call or by offering to book an in-person appointment.

Remember that AI is just one of the means to achieving customer delight, and not an end goal in itself. Brands that invest in wowing customers at every stage of their journey, with every tool at their disposal, are the ones that win customers for life.

About Freshworks

Freshworks provides innovative customer engagement software for businesses of all sizes, making it easy for teams to acquire, close, and keep their customers for life. Freshworks SaaS products provide a 360 degree view of the customer, are ready to go, easy to use and offer quick return on investment. Headquartered in San Mateo, USA, Freshworks 2,500+ team members work in offices throughout the world. For more information, visit www.freshworks.com

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