IMPROVING CUSTOMER SERVICE WITH CHATBOTS

Customer service has long been recognized as a critical factor in business success. Unhappy customers seldom return: Surveys show that 91% of dissatisfied customers will not make a repeat purchase or access services again.¹ As a result, companies invest heavily in training their customer services representatives to provide better customer experiences.

Increasingly, consumers want round-the-clock access to product information with immediate response and minimal effort. Fortunately for companies, customers today are technologically savvy and open to using electronic and artificial intelligence (AI) applications.

Chatbots are increasingly being used to augment customer service. These technology applications use AI to process language, enabling them to understand human speech. They can decipher verbal or written questions and provide responses with appropriate information or direction. Many customers first experienced chatbots through dialogue boxes on company websites. Chatbots also interact verbally with consumers, such as Siri on the Apple iPhone or Amazon’s Alexa Voice Service.

Automated technology that recognizes and responds to speech has been around since the 1960s.² Although chatbots don’t always get things right, their accuracy today is much improved from early versions. Recent advances in AI, data processing and machine learning have made chatbots much more effective.³

Using AI to analyze customer information and similar queries, chatbots today can “think” rather than simply provide answers from a pre-selected list of responses, making interactions with them more accurate and satisfying.

GOING THE CHATBOT ROUTE

Customer interaction through chatbots is seen by many experts as the communication channel of the future. Chatbots are always “on” to provide immediate answers at any time of the day, making them quicker and easier than email or the telephone to contact a company.

The technology analyst firm Gartner estimates that by 2020, more than 85% of customer interactions will be managed without human contact.⁴ Chatbots can interact over a range of technology, including laptops, computers, tablets and smartphones. Because they are able to listen and learn, they can analyze fine details and respond quickly. Their technology has advanced to take on more challenging issues to help build customer relationships or calm down an irate customer.

Chatbots can be customized to take on a company’s brand personality and voice by linking to existing communications systems and corporate knowledge bases. They can be designed to interact with customers directly in everyday language.

A major benefit of integrating chatbots into an overall customer service framework is that they can allow human customer service representatives to have more time to address complex questions, problem issues and other “high-touch” interactions with consumers.

Chatbots aren’t the definitive answer for improving customer service, but they can go far to improve the responsiveness and efficiency of a company’s customer service function.

When deploying a chatbot for your business, technology specialists suggest following these guidelines:

- **Easy access** — Consumers are used to automation in their daily lives and they want convenience. Chatbots that are unobtrusive, easy to access and intuitive can make your customer service function seamless, timely and comprehensive.

- **Focus on engagement** — Customers respond to technology that catches their attention. Monitor customer questions and chatbot responses continuously to ensure positive customer experiences that are consistent with company values.

- **Offer options** — Chatbot effectiveness is evolving, so it may be wise to program your chatbot to offer two or three likely options to inquiries. Customers will be less frustrated if they receive viable answers quickly.

- **Personality counts** — Although customers often realize they are talking to a machine when using a chatbot, many people are more comfortable with a virtual human experience such as an avatar. Customers appreciate expressions of empathy and patience. You can program your chatbot with personality that reflects your company’s brand, style and values.

- **Provide an out** — Customers often become frustrated when they can’t access a human for customer service. To address this, add a button in the chatbot text window that a customer can click on, or provide a direct phone line, to enable them to chat with a human customer service representative at any time.

Chatbots aren’t the definitive answer for improving customer service, but they can go far to improve the responsiveness and efficiency of a company’s customer service function. Although it’s important for companies to maintain a human element, chatbots are expected to be given an ever-increasing role in creating a positive customer experience.

To discuss these topics in more detail, please contact your PNC Relationship Manager.