THE FUTURE OF CUSTOMER EXPERIENCE:
4 WAYS YOUR BUSINESS CAN PREPARE

# ARE YOU PREPARED FOR THE FUTURE OF CUSTOMER EXPERIENCE?

Next-generation service is personalized, consistent and, most importantly, cutting-edge. How do businesses ready themselves for ever-changing customer expectations, and prepare for future technologies and channels?

READ AND LEARN HOW TO:

- Change the customer experience game with the Internet of Things (IoT)

- Deliver smarter customer service with artificial intelligence (AI)

- Help customers more quickly with virtual assistants

- Prepare to deliver next-gen customer experience with the latest technologies

# FUTURE-PROOF CUSTOMER EXPERIENCE WITH TECHNOLOGY

The world of customer service is an ever-shifting landscape. There will always be new channels or technologies that businesses need to incorporate. To prepare, companies need to future-proof their contact centers and enlist today's most effective customer service tools. Unlike the old ways of delivering customer service, next-gen customer service will:
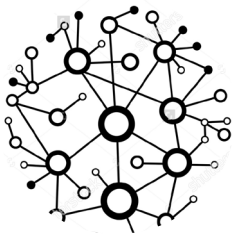
PROVIDE A SEAMLESS OMNICHANNEL EXPERIENCE across all the touchpoints where customers interact with your business. These touchpoints will increase as technologies expand.
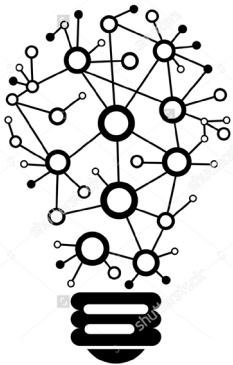
UNIFY SOURCES OF KNOWLEDGE, moving away from siloed information to create a knowledge-driven experience for both agents and customers. This will also allow you to better understand customer interactions and find and fill knowledge gaps.
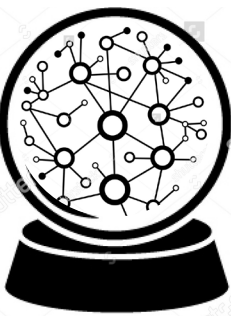
AUTOMATE AND PREDICT DECISIONS, using technology to understand what customers need before they need it. This will provide more personalized interactions and more efficient customer service.

> *Consumers expect data to be at companies' fingertips – from accurate stock information to delivery dates and customer records. And with this wealth of data and the technology to support it, consumers often feel like there's no excuse for getting it wrong.*
>
> **– ICMI**[1]

1. http://www.icmi.com/Resources/Customer-Experience/2015/07/10-Trends-Changing-Customer-Expectations

3 KEY TECHNOLOGIES FOR NEXT-GEN CUSTOMER EXPERIENCE

To build a strong platform for excellent customer service in the future, there are three key technologies you need to understand:

1. The **INTERNET OF THINGS** (IoT), which allows devices to send and receive information and data via the internet.

2. **ARTIFICIAL INTELLIGENCE** (AI), where machines simulate human intelligence, gaining knowledge, working out solutions, and continuing to learn.

3. **VIRTUAL ASSISTANTS,** which use computer-generated characters to deliver information to customers via voice or text chat, or chatbots (small programs integrated into apps and platforms which allow for automated interaction with customers through natural language) using web, mobile, and kiosk interfaces.

LET'S LOOK AT HOW THESE TECHNOLOGIES WILL AFFECT CUSTOMER SERVICE IN THE FUTURE AND HOW YOUR BUSINESS CAN INTEGRATE THEM TO DELIVER THE BEST CUSTOMER EXPERIENCE.

1

DRIVE STELLAR CUSTOMER EXPERIENCE WITH IoT

IoT and the rise of connected devices is a huge game changer for customer service and customer experience.

With IoT, customer service of the future will include:

PROACTIVE CUSTOMER SUPPORT.
IoT allows devices to self-diagnose and communicate in real time with companies' support systems. That means:

- With "predictive maintenance," service errors can be diagnosed in advance so agents can be proactive rather than reactive in supporting their customers. That means customer service can happen before customers report a problem.

- There will be no need for customers to wait in long phone or chat queues to report service issues, increasing customer happiness.

8.4 billion connected things will be in use worldwide in 2017, up 31% from 2016, and will reach 20.4 billion by 2020.

– Gartner[2]

That's a billion more than the world's current population and approximately 3x the world's current population by 2020.

MORE ACCURATE DIAGNOSTICS.
With devices self-reporting, customers won't need to attempt to explain issues they may not fully understand. At the same time, service agents will receive accurate information, enabling them to find and implement the right solutions quickly.

BETTER USE OF AGENTS' TIME.
With simple issues being resolved automatically through innovative technologies, customer service agents will be able to focus on more complex issues, enhancing staff development and satisfaction.

2. https://www.gartner.com/newsroom/id/3598917
3. http://internetofthingsagenda.techtarget.com/blog/IoT-Agenda/Striking-a-balance-How-IoT-is-revolutionizing-customer-service

▶▶▶ **CUSTOMERS WILL EXPECT COMPANIES TO PROACTIVELY ADDRESS NOT JUST THEIR CURRENT NEEDS, BUT THEIR FUTURE NEEDS.**
IOT Agenda[3]

> *The IoT supported contact center will be a department that is joined up with the rest of the organization where IoT enabled smart devices are driving the workflows in Marketing, Sales and Support to deliver a truly joined up service offering.*
>
> **– CustomerThink[4]**

MORE PERSONALIZATION.

The data obtained from IoT-enabled devices will enhance the customer data businesses already have from other interactions, helping companies to offer customers an even more personalized service.

INCREASED COMMUNICATION WITH CUSTOMERS.

IoT turns everyday appliances into key parts of the customer communication matrix, allowing communication from the customer's device straight to the service desk, from the device to the manufacturer, and even from the device to the customer. Harnessing information across devices will allow organizations to provide exceptional customer service.

UNDERSTANDING THE FULL CUSTOMER LIFECYCLE.

Rather than having a customer funnel that ends with the sale, service agents will have information throughout the customer's use of the product, resulting in ongoing sales opportunities.

A better understanding of the customer lifecycle will also help businesses improve the sales cycle by connecting with customers at the right time. For example, by using technology that tracks when a product's warranty is about to expire, service agents are able to contact the customer ahead of time to suggest purchasing an extended warranty or the latest version of the same product.

BLENDED SERVICE AGENTS.

With sales, service, and marketing sharing data and information, each department can help the others be more successful. Marketing to the right people at the right time can drive more sales, sales can improve customer service, and excellent service can lead to future sales.

IMPROVING R&D. Having this more accurate picture of customer preferences and actions will guide future product development. If companies understand how products are being used and what's important to customers, they know where to focus research and development attention to drive product innovation.

200,000

DENON + MARANTZ,

the world's largest provider of audio and video receivers, is leveraging customer insights from more than 200,000 connected devices globally "to deliver personalized, positive and consistent customer experiences worldwide." [5]

4. http://customerthink.com/how-will-internet-of-things-impact-omni-channel-customer-service-offerings/
5. http://www.savagemarketing.io/index.php/savage-news/product-launches/216-oracle-service-cloud-unlocks-the-value-of-the-internet-of-things

POWERSMART CUSTOMER SERVICE WITH AI

Another innovative technology that customer-centric companies must harness is AI. Our research shows that 78% of businesses have already implemented or plan to implement AI into their customer service solutions.

AI offers several advantages that can take your customer service to a whole new level:

24/7 SUPPORT.
Customers are already used to interacting with AI, thanks to increased use of virtual assistants like Google Assistant, Siri, and Cortana. With AI, companies can provide round-the-clock support. The real-time learning and adaptive capabilities make AI solutions able to get smarter the more they interact with customers and the more data they get.

IMPROVED CUSTOMER RESPONSE TIMES.
An AI solution means businesses can respond to customers faster, reducing frustration. For example, when customers visit the support center, they don't have to wait for an agent to be free. Instead, companies can use AI to start a conversation about what they need and direct them to helpful resources.

EMPOWERED SERVICE AGENTS.
AI technologies can be trained to make agents' jobs easier. AI handles simple interactions automatically, such as acknowledging a customer query and getting relevant account information. It enables customer service reps to deliver even better service by suggesting the right responses to customers in different situations. This also means that agents are free to handle more complex interactions that require a personal, human response.

78%
of businesses have already implemented AI into their customer service solution

38%
of businesses are using AI in the workplace[6]

88%
of businesses are using technologies that rely on AI[6]

6. https://www.narrativescience.com/Resources/Resource-Library/Article-Detail-Page/outlook-on-artificial-intelligence-in-the-enterprise

BETTER REPORTING.

AI solutions harness data across all customer interactions and create reports to help truly understand what matters to each customer. AI can also be used to summarize service calls, and capture and analyze real-time interactions to continuously improve the quality of service. Meanwhile, agents can focus on issues that matter instead of worrying about generating reports.

SMART, OPTIMIZED SERVICE FLOW.

AI solutions help companies identify the best ways to communicate with particular customers and make sure that service cases go to the right agents, saving time for the customer service team and providing a better experience for customers.

DELIVERING INFORMATION AT THE POINT OF NEED.

In conjunction with virtual reality and augmented reality (AR), which superimposes information onto what customers are seeing via a headset, AI helps deliver information that meets customers' needs at any point of interaction. That can provide an immersive and personal service experience, but can also be used when troubleshooting issues, allowing agents to solve problems without having to make a call.

> 66 *AI can enable organizations and marketers to reach out to customers at a personal level, engage in deeper interactions and enhance their overall experience with the brand.* 99
>
> **– Entrepeneur**[7]

7.https://www.entrepreneur.com/article/277926

EMPOWER CUSTOMER KNOWLEDGE WITH VIRTUAL ASSISTANTS

Also known as virtual agents, or virtual customer assistants, virtual assistants simulate conversation to deliver information to customers - and they're increasingly being used in customer service.

For customers, virtual assistants deliver a familiar experience with no learning curve, as they're already accustomed to getting immediate answers to typed or spoken inquiries. If you've ever had Siri check the weather, you've used a virtual assistant. And if you've used Google Assistant, that's a virtual assistant, too.

Virtual assistants:

> 66 *By year-end 2018, 25% of customer service and support operations will integrate virtual customer assistant (VCA) technology across all engagement channels.* 99
>
> **– Gartner**

PROVIDE A NEW WAY IN.
Virtual assistants provide another way for customers to interact with your company, while using familiar technology.

HELP CUSTOMERS HELP THEMSELVES.
With virtual assistants, customers can access appropriate self-service resources. For example, when customers type a query into a search box they can help to locate possible suitable answers.

ENHANCE CUSTOMER EDUCATION.
Virtual assistants can answer common questions about products and services.

SPEED UP ISSUE HANDLING.
With customers able to help themselves, some issues may never need to reach an agent. But, when agents do get involved, virtual assistant technology gives them a record of previous chats to help them help customers faster.

8. https://www.tractica.com/research/virtual-digital-assistants/

BY 2021, THERE WILL BE 843 MILLION ENTERPRISE USERS OF VIRTUAL ASSISTANTS.[8]
[This is almost 3x the population of the US]

Another form of virtual assistant used to deliver customer service is the chatbot. Chatbots are applications that automate tasks and responses, and which operate within chat apps like Facebook Messenger.

Most chatbots have a single function, but rely on data to deliver a smart, personal, conversational experience to customers.

With more than one-third of customers preferring to resolve issues without having to speak to human customer service representative, chatbots could be the perfect way to deliver what they want.

1.5-2M

CHINA MERCHANT BANK HAS A BOT THAT HANDLES 1.5 TO 2 MILLION CUSTOMER CONVERSATIONS EVERY DAY, WHICH WOULD NORMALLY REQUIRE THOUSANDS MORE EMPLOYEES.[9]

Chatbots allow you to:

HANDLE MULTIPLE ISSUES SIMULTANEOUSLY.
Instead of causing long wait times as customers sit in phone or chat queues, chatbots interact with multiple customers at the same time, delivering a personal service to each.

HARNESS TECHNOLOGY CUSTOMERS USE.
They may not realize it, but people interact with chatbots on the sites and apps they use every day, including social media sites. Facebook, which has more than two billion users, announced the introduction of chatbots for its Messenger platform in 2016.

Facebook uses chatbots to help business page owners connect more easily with customers. For example, a chatbot allows you to find customers on Messenger and chat with them there, as long as you already have their phone number.

PERSONALIZE CUSTOMER INTERACTIONS.
Chatbots enable what Gartner calls "conversational commerce." They speak to customers in languages they understand and the underlying AI gives them the information they need to personalize interactions.[10]

9. https://www.forbes.com/sites/adelynzhou/2017/02/27/how-artificial-intelligence-is-transforming-enterprise-customer-service/#7de9c3a14836
10. https://www.gartner.com/smarterwithgartner/the-art-of-conversational-commerce/

IMPROVE INFORMATION GATHERING.

Because chatbots are conversational, they help you gather information from customers who might ignore an email or on-site survey. This information collection allows you to build more complete customer profiles to deliver better service.

Like all virtual assistants, chatbots deliver an excellent blend of automation and personalization that provides the kind of customer service today's customers have come to expect.

By 2020, the average person will have more conversations with bots than with their spouse.

– Gartner[11]

80%

OF BRANDS WILL BE USING CHATBOTS FOR CUSTOMER INTERACTIONS BY 2020[12]

11. http://www.gartner.com/smarterwithgartner/gartner-predicts-a-virtual-world-of-exponential-change/
12. https://go.oracle.com/LP=43079?elqCampaignId=79575

THE BUILDING BLOCKS OF NEXT-GEN CUSTOMER EXPERIENCE

All of these technologies can be used to support agents in delivering a better customer experience while simultaneously freeing them to handle complex cases. Customer service in the future will rely on three linchpins:

KNOWLEDGE MANAGEMENT – having a unified repository of knowledge that both technologies and agents can draw on to improve the customer experience.

END-TO-END PERSONALIZATION for each individual customer, using the breadth of knowledge collected from multiple devices and technologies to create dynamic, organic, and unique interactions.

OMNICHANNEL EXPERIENCE – enabling customers to interact with you via the channel they choose to create an experience that respects their time and resolves issues quickly, often without human interaction.

NEXT STEPS: HOW YOUR BUSINESS CAN PREPARE

Technology doesn't stand still. IoT, AI, and virtual assistants will continue to become more advanced, and emerging technologies still in development will join the mix. Customer expectations will evolve alongside this expanding tech landscape, making it crucial for companies to be agile enough to learn and adapt to changing needs.

To be prepared to meet next-gen customer service expectations, companies must:

- Implement the technologies on a reliable and scalable platform that can adapt as their use becomes more widespread.

- Understand that new technologies and channels aren't just "nice to have" but an essential part of the customer relationship.

- Consider how integrating new technologies affects the customer experience, and ensure that the experience is positive.

- Know which interactions can be automated and which require live engagement.

Differentiate your brand by using these cutting-edge technologies to develop longlasting and profitable relationships with your customers by a unified approach linking web, social media, devices and all customer facing channels to deliver a seamless, excellent experience.

> *Companies need to see this in a more Darwinian sense: that you need to be in a state of hyperevolution where you have the inherent capacity and competency to evolve quickly.*
>
> **– Forrester[13]**

13. http://blogs.forrester.com/victor_milligan/17-03-23-the_disruptive_force_of_disruption

ARE YOU PREPARED TO DELIVER THE CUSTOMER EXPERIENCE OF THE FUTURE?

ENSURE YOUR CUSTOMER SERVICE OPERATIONS ARE READY TO EXCEED CUSTOMER EXPECTATIONS, ON ANY CHANNEL THE CUSTOMER CHOOSES – NOW AND IN THE FUTURE.

LEARN HOW ORACLE SERVICE CLOUD CUSTOMERS ARE BUILDING NEXT-GENERATION SERVICE ORGANIZATIONS.

TAKE A TOUR OF ORACLE SERVICE CLOUD TODAY >>