NUANCE

Rethinking digital transformation.

A survival guide for customer experience leaders

A survival guide for customer experience leaders.

Epic CX challenges put transformation top of the agenda

In 2019, only 15% of enterprises prioritised digital transformation[1]. In 2020, that changed forever.

The COVID-19 pandemic forced every business to make digital transformation a critical priority. Five-year digital implementation timelines were shortened to five weeks. New digital platforms— like virtual assistance and live assistance through asynchronous messaging channels—were deployed at speed to enable remote workforces to collaborate and work efficiently and productively. And AI and automation took centre stage in the race to respond to consumer needs and expectations brought on by the enormous disruption and uncertainty created by the pandemic.

For customer experience leaders, there was a radical shift in the number of support requests that began pouring in from customers. Massive surges in contact volumes led to lengthy queues, overwhelmed contact centre agents, and frustrated customers. To add to the disruption, agents suddenly had to work securely and efficiently from home—something they weren't fully equipped to do and that demanded a tremendous adjustment in how they serviced customers.

Alongside this epic upheaval in the contact centre, most enterprises saw a dramatic rise in the number of digital engagements offered by organisations and initiated by customers. And that growth in digital is here to stay—Forrester predicts a 40% rise in digital customer service interactions in 2021[2].

To cope with these changes, CX leaders have used a variety of technologies to quickly transform their operations and their digital capabilities. But what's next? How can you ride this wave of digital transformation to deliver the experiences customers demand today—and the experiences they'll expect in the future?

In this guide:

☑ Why digital transformation is so critical for brands that want to **differentiate on experience**.

☑ How conversational AI helps you **turn ambitious digital visions into operational realities**.

☑ **Five steps every CX leader must take** for a successful digital transformation.

☑ **Stories from pioneering enterprises** that are transforming CX to build competitive advantage.

CX digital transformation has begun – where will it go next?

In the heat of a crisis, CX leaders had to deploy digital solutions quickly just to stop things from falling apart and keep up with surging demand. And for organisations that implemented AI and automation tools to relieve the pressure on their operations, it didn't take long for them to see the true business benefits of digital transformation:

- **Queues shortened** as automated experiences deflected calls.

- **Resolutions were faster** because routine enquiries were handled automatically, and agents were better equipped with tools to handle more complex cases.

- **Customers were happier** because engagements had less friction, and they could self-serve and easily engage with an agent through their preferred channel.

- **Agent productivity increased** as they increased their ability to serve more customers simultaneously while reducing average handle time (AHT) per customer.

- **And contact centre costs shrank** as customers turned to the new-and-improved self-service options.

With the evidence stacking up, CX leaders no longer have to convince the board that digital transformation makes sense—COVID-19 has already made the business case.

Now it's time for CX leaders to move beyond crisis response towards a more proactive and thoughtful CX service model that will help guide them to the next level of their transformation. So, as you begin to plan your own path to future CX success, look for ways that you can provide the experiences customers are looking for:

- **Create compelling self-service experiences** in every channel to meet customers where they are, while also reducing costs.

- **Provide personalisation interactions and journeys** that build customer satisfaction, trust, and loyalty.

- **Offer proactive service** that eliminates customer effort while increasing revenue.

"Shifting from reactive to proactive conversations is a game-changer, delivering nearly effortless experiences, reducing cost and increasing customer lifetime value."

— John Quaglietta, Senior Director Analyst, Gartner[3]

Prioritise the agent experience

As you ramp up AI and automation throughout your customers' journeys, you'll need to prepare your agents for the new demands of their role. With automation resolving routine enquiries, agents must have the skills, tools, and real-time insights to take on more complex edge-case scenarios to adhere compliance and improve sales with upsell/cross-sell recommendations.

Your contact centre chat agents are your organisation's frontline in fostering customer relationships, and AI empowers them to support customers quickly, effectively, and accurately. AI-powered agent tools can help accelerate agent training and ramp up, ensure agents follow compliance protocols, and increase sales with relevant upsell and cross-sell recommendations.

By empowering your agents to make the best decisions in each case, they can become trusted customer advocates and valuable assets to your brand.

From cost of doing business to profit generator

It's important to hit short-term goals (and making small changes fast is certainly a priority), but it also pays to keep one eye on the long-term impact of your digital transformation investments.

By using conversational AI to offer personalised, proactive digital engagements, you can reduce costs while increasing sales and customer lifetime value, turning customer service from a cost centre into a profit centre.

"By 2025,

40%

of customer service organisations will become profit centres by becoming de facto leaders in digital customer engagement."

Gartner[4]

Transform CX at every touchpoint with conversational AI

Modern enterprises have a broad range of touchpoints to communicate with their customers. But it's critical to engage in their channel of choice, and ensure that they can move seamlessly between any channels. The key to making this happen is conversational AI.

Conversational AI transforms the customer experience by predicting, interacting, and analysing, using a balance of cognitive engines and human assistance. By taking an AI-first approach that combines automated and human-assisted service, you can drive customer loyalty, enable personalised and contextual engagements, and make predictions based on consumer behaviour.

These AI capabilities can come into play throughout the customer service lifecycle, and can be used:

| Before contact	At contact	During interaction	During transfer	During agent interaction	After contact
> to predict customers' needs using data	> to deliver a personalised, contextual engagement	> to validate the user and collect even more information	> to ensure all the information is transferred to the new channel	> to provide the agent with relevant information and next best action suggestions	> to use insights to continuously optimise and to predict future customer intent

CX transformation in action

A major global telco combines our conversational IVR, live assist, and voice biometrics technologies to direct customers to over 400 destinations and identify them securely using just their voice. Customers get faster access to the service they need, whether it's a self-service option or a live agent, and agents have more time to spend on complex cases.
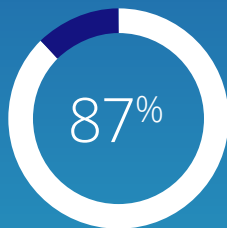
87%
recognition of intents in the IVR
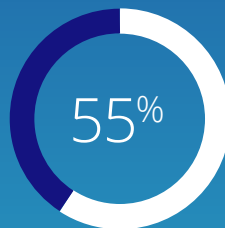
55%
choose live assist and virtual assistant over voice
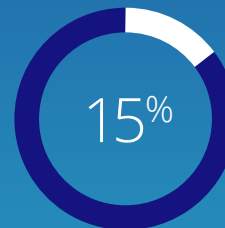
15%
increase in customer satisfaction

" The change we've seen moving from our legacy infrastructure to the new system has been huge. We're better equipped to handle our customers' problems, and we're now providing a more seamless contact experience."

Customer experience leader, major telecommunications company

NUANCE

Customer engagement is a journey AND a destination

Let's look at an example of how this customer journey might look.

Meet Mark. While watching his favourite show, he sees an offer that gets his attention. Best Brands will enable many channels and devices for digital engagement to target, convert, onboard, collect, support and retain Mark as a happy, satisfied and loyal customer.

Start here

❶ Target

TV
Mark sees an offer from Best Brands on TV and sends a text to get more information.

Retain ❻

IoT
Mark asks Alexa to check how much data he has left for the month. Alexa provides options for upgrades.
Upsell / cross-sell

❷ Convert

Messaging
When Mark sends the text, a virtual assistant (VA) provides a targeted offer based on keywords used or customer intent. The VA offers additional information on their website.
Intent prediction

Support ❺

Messaging
BestBrands sends Mark a text confirming his payment and offers a link to set up auto-payments. He taps the link and sets it up.
Outbound confirmations

Collect ❹

Mobile app
Mark gets an in-app reminder that his payment is due. He authenticates using facial recognition and makes the payment with the help of the virtual assistant.
Proactive alerts, authentication by facial recognition

Social
Mark asks his friends and family about BestBrands products and services.

Website
The next day, Mark reviews the offer on the BestBrands website. A proactive VA engagement launches. Mark is ready to purchase and is transferred to a live agent. The chat agent provides a form to enable Mark to sign up quickly. The order is placed.
Personalised offers, intelligent escalation

Mobile app
Mark downloads the BestBrands app, sets up his account, activates notifications and is provided 'always on' access to personalised assistance through VA or live agents.
Personalised assistance

❸ Onboard

IVR
Mark calls BestBrands to activate his account alerts. Mark's identity is verified using his voice. NLU powers conversation interaction and speeds the process through self-service.
Authentication by voice

Digital transformation CX: 5 steps for success

Deploying quick digital fixes to plug gaps in the customer experience can be relatively simple. But implementing widespread transformation across the entire omnichannel customer experience is a complex challenge. In general, it helps to think of your transformation journey in five steps.

① **buy-in**

② **culture**

③ **assessment**

④ **plan**

⑤ **agility**
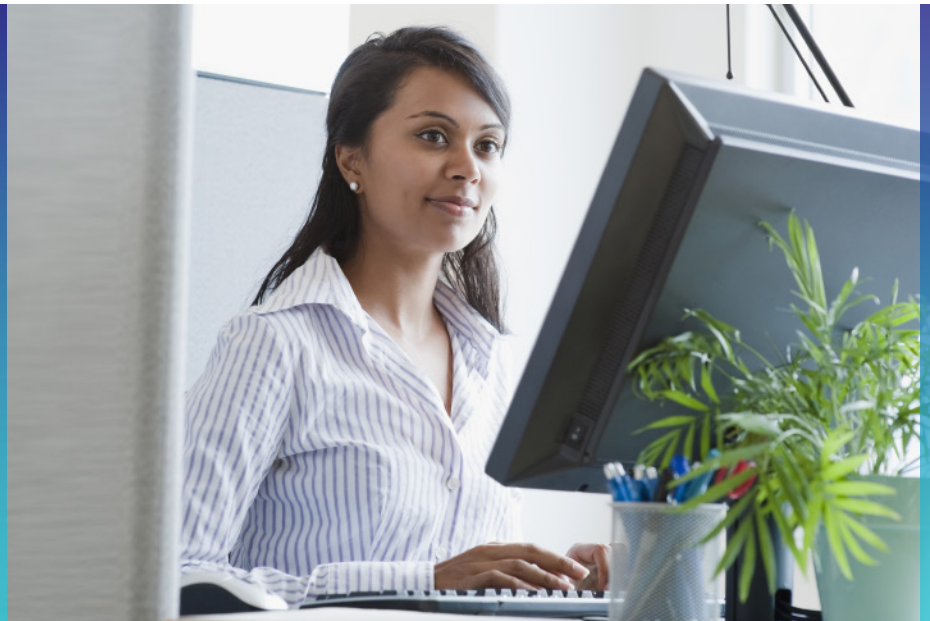
1

The buy-in

In the past, getting board-level support for CX transformation projects could be a lengthy process. But after the experience of responding rapidly to the recent global disruption, business leaders have already bought into the value of digital transformation. They had to act fast, and now they've seen the positive results of those initial choices.

Today, getting senior leadership buy-in is about building on the existing appetite for digital transformation, so you can implement more strategic initiatives around conversational AI. It's about moving away from a short-term, quick-fix mindset and getting behind a long-term strategic vision.

If you can capitalise on recent digital successes to instill this new way of thinking at the top of your organisation, you can create a team of senior champions who will generate buy-in throughout the business. Look for a group of leaders from across the organisation who:

- Have a deep knowledge of the business and its digital culture

- Can embrace customer-centricity

- Have a collaborative mindset

- Aren't afraid to take risks

5 steps for success

2 The culture

Of course, any digital transformation will have an impact on organisational culture. And when you're deploying new AI-powered capabilities to enhance the customer experience, it will certainly have an impact on the teams who deliver that experience today.
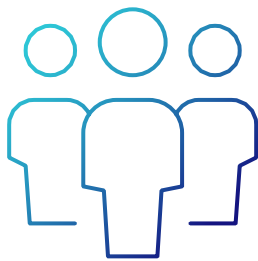
- The role of agents will change as more routine enquiries are automated. Agents will need new skills when they spend more of their time handling complex cases. They'll also need to work in harmony with their new AI co-workers, and maybe even use their expertise to help AI models.

- Designers and developers will need a new focus on customer-centricity, working alongside customers throughout the development lifecycle— from initial dialogue design to ongoing UX optimisations.

- Business leaders will need to accept that experimentation is the route to innovation, and encourage a risk-taking, test and learn approach in their teams.

3 The assessment

With your organisation on board, you're ready to get started. But a transformation only works if you know what you're transforming and what you have to work with.

So, you'll need to assess the current state of your customer experience program, including:

- The reasons why customers contact your organisation, and their expectations for service

- What customer journeys look like in your organisation

- How the customer experience flows between different engagement channels

- The data available to each channel and the extent to which it's shared across channels

- How your current engagement capabilities align with customer needs

- Performance, KPI results, and service costs for each channel

With your assessment complete, you can start to work out the gaps in your customer and agent experience, and identify your opportunities to innovate and transform.

5 steps for success

4 The plan

With opportunities identified and executive support behind you, you're ready to translate those opportunities into an actionable implementation plan.

But first, you'll need to answer some important questions to help you prioritise your transformation opportunities. That will give you a roadmap to follow—from quick wins to long-term goals—that maximises the expected benefits for your customers and your organisation.

To create your plan, review each opportunity and ask yourself:
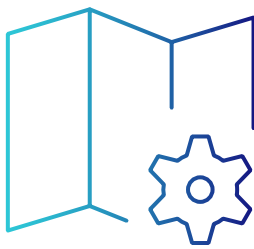
- What customer journeys and experience gaps does it support?

- What customer expectations does it meet, and what benefits does it offer customers?

- What benefits does it bring to our organisation?

- Is it a high-priority opportunity that must be deployed first?

- Is it dependent on other recommendations being deployed first?

- How complex is it to implement, and what's the expected cost?

- Are the right funding and staff resources available to support its deployment?

- What is our release schedule, and will it fit into it?

5 The agility

No digital transformation ever ends—you must constantly focus on innovation and continuous improvement to keep up with (or better, keep ahead of) customer expectations.

A new culture of rapid experimentation, testing, and optimisation must be supported by fast, flexible processes. As part of your plan, consider what platforms, tools, and training your teams will need to:
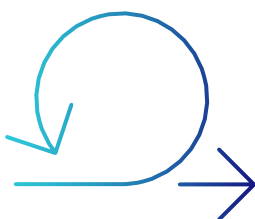
- Gain the agility to make fast changes to customer journeys

- Test new hypotheses quickly and cheaply, and pivot or scale at speed

- Anticipate emerging customer needs with predictive analytics

- Collaborate across IVR, contact centre, digital, and IT teams

NUANCE

Digital transformation success with Nuance

BNP Paribas Personal Finance optimises the customer experience with a virtual assistant
BNP Paribas Personal Finance is going through an important digital transformation, digitising processes across the customer lifecycle. As part of this transformation, the company worked with Nuance to implement a virtual assistant that could automate resolutions for routine customer enquiries.

30-40% of chat conversations
resolved by the virtual assistant

"Nuance is helping us [...] with a methodology, a way of doing things, with questions we have to resolve. We understand they have expertise and they're helping us [transform] in a way which is very comfortable for the client and not very risky form our point of view, because they tell us which steps to take."

— Mari Paz Puchol, Director of Operation Digital Transformation, BNP Paribas Personal Finance

watch video

Prioritising and protecting seniors using the sound of their voice
Global telco Telefónica uses first-of-a-kind intelligent detection capabilities in Nuance Gatekeeper to identify callers over the age of 65 and prioritise their call to give them immediate assistance.

Now, the company can enable seniors to access their accounts without the frustration of pins and passwords, while ensuring others cannot easily socially engineer their way into those seniors' accounts.

"Partnering with Nuance Gatekeeper in developing together proper and agile solutions, we can best serve this group by prioritising their calls and getting their issues resolved even quicker than we already do. The system is critical to protecting our most at-risk customers while enabling an easier service experience on the phone channel, which this demographic most commonly uses to engage."

— Emilio Gayo, President of Telefónica España

learn more

# Digital transformation success with Nuance

Personalising customer experiences at one of the world's largest retailers

When a top three global apparel retailer needed to handle increasing contact volumes, improve its customer experience, and provide automated self-service options, it turned to Nuance.

Now, the retailer's virtual assistant can solve incoming enquiries or ask a chat agent for help when it's unsure of the answer. Customers get easy access to services and fast solutions to their issues, and agents have more time to focus on complex cases.

85%
of final answers provided by the virtual assistant
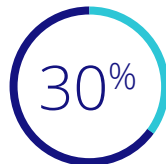
30%
containment in the virtual assistant

"We've completely transformed our customer care centre. Our agents are much better equipped to provide unique customer experiences, and our virtual assistant is helping us deal with rising contact volumes."

— Team member from a major global retailer

learn more

Nuon perfects its customer service with call steering

Nuon, part of the international energy business Vattenfall, uses Nuance Call Steering to help it reduce the number of transfers—boosting contact centre efficiency and answering customers' enquiries faster.

Call Steering enables Nuon customers to say in their own words what they want to achieve and then directs them to the right agent or self-service application.

<95% Correct Routing Rate (CRR) after just three months

25% reduction in transfers

6 points NPS increase

"We thought that we'd set the bar high and that it would be difficult to attain that quality level. The most important KPI is the Correct Routing Rate (CRR), the level to which the application manages to correctly route a question to the right destination in a single process, without any transfers. Our target was 88%, which we thought was ambitious enough. After three iterations the CRR had already gone up to 95%, which is exceptionally good. So we could have set the bar even higher."

— Arnoud Kortes, Program Manager, Nuon Business Development

learn more

NUANCE

Proven results for your digital transformation

- Improved contact centre efficiency
- Reduced costs
- Increased customer satisfaction
- Delivered high first contact resolution

Market-Leading Telco

23%
increase in CSat

75%
increase in call detection

$1.3M
in cost savings

esurance

~50%
of chats are proactive

50%
increase in conversion by adding co-browse

Leading Telco Brand

79%
resolution rate via SMS

11%
call reduction by deflecting calls to SMS

90%
of consumers respond to SMS welcome message

Swedbank

80%
first contact resolution rate

60%
increase in call deflection

10%
of total call centre traffic is handled by the VA

Jetstar

85%
first contact resolution rate

47%
customer interactions handled by Jess

9M+
conversations across web, mobile and Facebook

Let's get started.

If you're ready to push forward with your digital transformation, and create experiences that deliver more value for your customers and your business, we should talk. **Get in touch at cxexpertsemea@nuance.com.**

FOOTNOTES:
1 https://go.forrester.com/blogs/digital-business-predictions-2021/
2 https://go.forrester.com/blogs/customer-service-predictions-2021/
3 https://www.gartner.com/smarterwithgartner/how-proactive-customer-service-will-transform-customer-experience/
4 https://www.gartner.com/smarterwithgartner/top-customer-service-and-support-predictions-for-2021-and-beyond/

About Nuance Communications, Inc.
Nuance Communications (Nuance) is a technology pioneer with market leadership in conversational AI and ambient intelligence. A full-service partner trusted by 77 percent of U.S. hospitals and 85 percent of the Fortune 100 companies worldwide, Nuance creates intuitive solutions that amplify people's ability to help others.