



EBOOK

The Future of CX

Navigating
an AI-Driven
Landscape
for Mid-Market
Operations
Directors

broadvoice



How AI is Transforming the CX Landscape

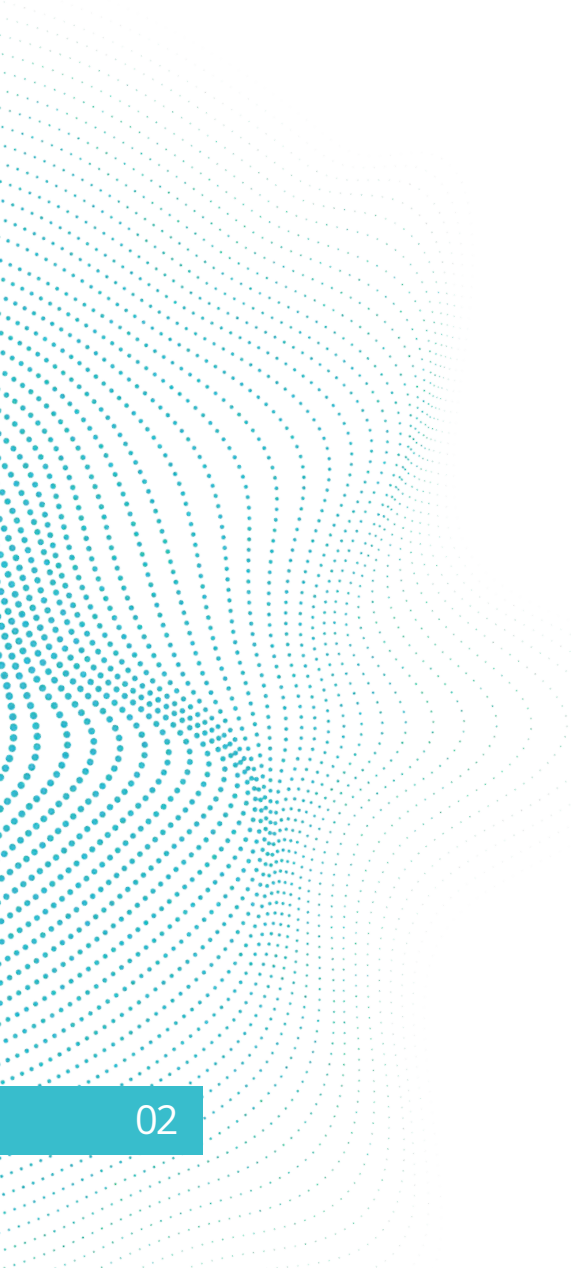
Customer expectations are at an all-time high. Buyers want answers *before* they ask a question, and they expect a route to resolution without a stint on hold. But resources are limited, and employee hours are finite. So, what can a mid-market company do to improve its operational efficiency and meet high customer expectations?

Digital transformation remains the linchpin of making (or breaking) the customer experience. Technology is changing how we conduct business. There's pressure for companies to deliver highly customized and personalized service, immediately respond to customers, elevate convenience through clean omnichannel operations, and stay technologically relevant.

Adding to the pressure, the rise of artificial intelligence over the last two years has revamped every customer and employee experience expectation. In fact, [57% of leaders](#) plan to increase their AI investment by at least 25% over the next year, showing that AI will become a key differentiator in customer service.

Amid the excitement surrounding AI, companies can't lose sight of what creates a quality customer experience — establishing authentic, human connections with customers. It's increasingly important for companies to balance an AI-driven customer experience and the human touch. But sitting on the sidelines and ignoring AI may not be an option for mid-market companies that want to get ahead.

As you consider how to meet customer expectations with your CX strategy, it is essential to understand the impact AI can have on your CX. Read on to learn how an AI-driven CX strategy can help level the playing field and transform your business, letting you support rising customer expectations, sustain operational efficiency at scale, and stay ahead of the competition.



Understanding AI in the Customer Experience

Before we get too far in the weeds with AI and your customer experience, let's establish a baseline of what AI is (and what it isn't).

What is Artificial Intelligence (*Really*)?

You may have a picture in your head of what artificial intelligence looks like from the movies. Maybe it's a big talking computer like HAL 9000 from *2001: A Space Odyssey*, a human-like robot like Ava from *Ex Machina*, or a network cloud-based villain like the Entity from the latest *Mission Impossible*.

But despite Hollywood's many depictions of AI, at its most fundamental, artificial intelligence is a collection of computer systems and algorithms designed to perform tasks that humans typically do. By mining data and tracking patterns, AI can learn, solve problems, understand language, and make decisions. It lets machines simulate human-like cognitive processes to adapt, learn from data, and perform tasks autonomously using Natural Language Processing (NLP) and Machine Learning.

Natural Language Processing (NLP) refers to AI's ability to comprehend, interpret, and generate human language in a meaningful way. It enables AI systems to understand, process, and respond to natural language inputs from people using text or speech.

Machine Learning, on the other hand, is a subset of AI that empowers systems to learn from data and improve over time without any explicit programming. It enables algorithms to make predictions or take actions based on patterns and insights from the data they've been trained on.

So, there's no need to fret. AI isn't some villainous robot trying to take over our world. In reality, with AI technology in your operational toolbox, you can

make significant strides to transform your customer experience, improve customer satisfaction, and drive sustainable revenue.

How AI Fits into Your Customer Experience

As AI technology advances, maintaining a human connection with your customers is vital for success. But that's not to say AI can't play an important role in creating a better customer experience. The challenge for companies in the coming years will be to identify what kind of relationship they want to have with AI. What tasks can AI tackle? Where does it improve efficiency? And when is it better for a human agent to handle the task?

Here's the thing: customers today aren't *quite* ready to have a robot or algorithm run their lives. That being said, a survey by Qualtrics XM found that as many as [73% of consumers](#) expressed that they're comfortable with AI and automation in more simple, transactional, or routine processes like checking an order status or searching a knowledge base.

When used strategically, AI can play a crucial role in enhancing CX and keeping up with the competition. AI can streamline how you interact with and serve your customers, helping your brand stand out. Here are some of the ways AI can improve your customer experience.

- **Scale personalized interactions.** AI analyzes customer data to understand preferences, behaviors, and past interactions so you can offer more personalized recommendations, tailor your marketing, and reach customers on a personal level.
- **Enhance efficiency.** AI-powered bots can handle routine inquiries and support requests. Using NLP, AI interprets customer queries and provides quick, accurate responses 24/7, improving response times and overall efficiency.



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- **Anticipate needs and demands.** Machine Learning algorithms analyze large amounts of data to predict customer behavior, trends, and preferences so companies can anticipate needs, forecast demand, and proactively offer relevant products or services.
- **Streamline operations.** AI automates repetitive tasks like data entry, scheduling, and basic customer support, freeing up employees to focus on complex, high-value tasks. This streamlines operations and reduces manual errors.
- **Learn from interactions.** Through iterative learning, AI systems improve over time. They analyze feedback, interactions, and outcomes to refine their algorithms, ensuring better accuracy, efficiency, and relevance in delivering customer-centric solutions.

By improving customer experience across various touchpoints in the customer journey, AI helps enhance customer satisfaction and loyalty. With the help of AI, businesses can deliver more relevant, timely, and valuable interactions. And that impact and value is huge — especially for small and mid-market companies.

The Impact of AI on Small and Mid-Market Companies

Enterprise-size businesses often have the upper hand in crafting a seamless customer experience. They have more resources to invest in state-of-the-art software, more contact center employees to help their customer base, and more data at their fingertips to help them learn about their customers. On the other hand, small and mid-market competitors face cost constraints and haven't been able to keep up. Then, AI technologies came along.





Leveling the Playing Field: The Power of AI for Mid-Market Businesses

As more cloud-based software services have entered the market, digital transformation has become possible for small and mid-market companies. And with the addition of more AI-powered technology, mid-market companies can become more competitive with their customer experiences.

As mid-market companies adopt software solutions, they're increasingly using AI. A recent study from Deloitte found that [80% of mid-size companies](#) intend to increase their annual AI investments whereas only 57% of enterprises plan to do the same.

Why is that?

AI technology levels the playing field, letting smaller companies offer efficient and streamlined customer experiences much like their larger competitors. Gone are the days when you must employ hundreds of employees to support hundreds of customers. With AI, mid-market companies can handle more tasks, more customer queries, and more data.

Considering the Impact of AI

Imagine it's the height of your company's busy season. You've just released a new product and you're managing an influx of client projects left and right. More projects come with more customer queries and requests via phone, email, and live chat. Oh, and your customer service team just lost three agents to new jobs.

In the past, this scenario would have your operations and contact center management team in a panic. How is it humanly possible to handle this kind of increase in demand without dampening the customer experience?

In short: it's not. Trying to manually tackle the influx will only lead to agent burnout, low customer satisfaction, and ultimately, churn.

Now consider this: bring AI into your service experience and keep customers and employees satisfied. Add triggered intelligence into your IVR to get answers to customer inquiries without ever tagging in an agent. Then, automate mundane tasks like inputting customer data, compiling notes, and organizing your inbox. Despite some initial growing pains, your company can offer the same level of service with fewer employees.

For growing companies, maintaining quality customer service is one of the greatest challenges to navigate. It can make — or break — a scaling business. In fact, consumers are more likely to give repeat business to companies that simplify the customer journey and provide excellent service.

Now, mid-market and growing companies can lean on technology like AI-powered bots and intelligent automation to relieve pressure on their customer service teams while simultaneously supporting their customers without any hiccups.

Key AI-Driven CX Strategies to Improve Operations

An AI-driven customer experience strategy can have a huge impact on your operations, helping you deliver a more personalized, streamlined, and effective experience.

Cultivate Personalized Customer Experiences and Services Using AI

Customers today expect personalization in their service. A recent survey by [Salesforce](#) found that [66% of consumers](#) expect companies to understand their needs and expectations. In addition, [82% of survey respondents](#) expect retailers to accommodate their preferences and meet their expectations. These high expectations leave very little wiggle room for a customer experience strategy to struggle or fail.

However, AI makes personalizing your customer experience simple. Here are a few ways.

- Using NLP technology, AI tools can help you gather and analyze user data in real-time so you can engage customer preferences and proactively offer tailored support to each customer.
- With data analysis, AI can track vast amounts of data to highlight meaningful insights about your customer base, helping you shape customer experience broadly and on an individual level.
- AI algorithms can offer recommendations for each customer using algorithms that track past purchases and browsing history. It can also use basic demographic data to generate personalized recommendations for products and services.
- AI can help you create personalized marketing campaigns by assessing customer data and locating the most effective channels, messaging, and timing to reach specific customer segments.

Companies using AI technologies can create highly personalized experiences that cater to customer's unique needs and preferences. With more customization, customer satisfaction and loyalty can improve, which ultimately boosts your revenue.

AI-powered technology in physical stores can recognize returning customers and offer them personalized shopping assistance.



Proactively Resolve Issues with AI

In addition to creating a personalized experience, AI technology can help your team proactively resolve issues, reducing customer churn and improving satisfaction. AI-powered predictive analytics help your team proactively engage customers by tracking customer behaviors. It can also signal potential churn and suggest products and services for future purchases. With predictive analytics, your team can then address possible concerns and needs before a customer abandons, offering promotions or help where it's needed to retain customers.

By anticipating problems, you'll reduce support costs and decrease agent workloads. In turn, agents won't feel as overwhelmed, which can help alleviate burnout, absenteeism, and turnover — all three of which are common among contact center employees.


Streamline Omnichannel Service with AI

Your customers expect a streamlined customer experience no matter where they are in the customer journey. An effective omnichannel service lets customers move from channel to channel — email, phone, chat, and even in-person — seamlessly.

AI technology provides an opportunity to enhance your omnichannel service by adding self-service and effortless data-sharing on every channel. This streamlines your customer service experience, ensuring your customers don't have to repeat themselves over and over while knowing that the agent (or bot) on the other end of the line has a full picture of their needs, history, and concerns.

To improve operations, add AI tools to your omnichannel strategy. Here are a few ideas about how AI can streamline your omnichannel service.

- **In-person interactions.** AI-powered technology in physical stores can recognize returning customers and offer them personalized shopping assistance, giving recommendations and marketing promotions that are available in-store.
- **Over the phone.** Use AI bots to interact with customers on the phone within the IVR menu, gathering essential demographic data before routing them to a specific agent or department. You can also integrate AI into your phone system by having customers ask basic questions, such as tracking an order, checking a service ticket status, or starting a return.
- **Live chat and SMS.** You can use AI-powered chatbots over live chat or SMS channels to gather customer data, answer basic questions, and suggest self-service options or guides.

A middle-aged man with grey hair and a beard, wearing a dark blue suit jacket over a white shirt, is smiling and looking towards the camera. He is holding a gold-colored tablet with both hands. A large teal circle is overlaid on the image, containing white text. The background is a blurred office environment with computer monitors and desks.

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Boosting Self-Service in Your Customer Experience with AI

Your customers don't really want to talk to you — but don't take it personally. Most customers prefer to help themselves rather than pick up the phone or get stuck in a loop of live chat conversations. And can you blame them? Considering [nearly 60% of customers](#) feel that long holds and wait times are the most frustrating part of a service experience, one way to boost your CSAT is through self-service.

Providing self-service tools is essential. Customers want [consistent, 24/7 service](#), and you want to avoid extra costs and demands on your team. Adding AI in your self-service options alleviates the pressure felt by customer service teams by fielding simple questions using existing documentation and FAQs to answer customer queries.

Of course, a customer can manually search your [knowledge base](#) to find answers on their own. And in the grand scheme of things, that's a way better experience than waiting for a response via email or live chat. But, with AI, you can make the experience even easier.

AI, when integrated with your self-service knowledge base, makes finding information faster and easier for customers (and for your internal team). Bots can act as 24/7 virtual assistants to search your documentation and produce the best answers for customers far faster than if they went looking through it on their own. In addition, bots help customers by suggesting additional tools to proactively resolve issues or questions, such as guides and videos.

While AI-powered self-service can be transformational for your CX, it does require strategy. When implementing self-service AI, there are several best practices to keep in mind.

- Maintain a comprehensive, up-to-date knowledge base and documentation database.
- Create feedback loops to improve self-service offerings over time.
- Ensure responsive support channels are available so customers can seamlessly get employee support when they need it.

4 Things to Know Before Adding AI to Your CX

So, we've established that AI-driven CX can be pretty incredible. But, as with any new technology, implementing AI requires intentionality and strategy to be effective (and to avoid major disruption). Consumers and employees alike have concerns about AI. Some fear it isn't trustworthy, while others are afraid it will remove the human element from interactions and take away jobs. Before you jump head-first into adding AI to your CX strategy, here are four things to consider.

AI May Replace Some Jobs

Introducing AI into CX processes inevitably impacts the workforce. AI tools can automate tasks traditionally handled by your employees. Chatbots, for example, can handle basic customer inquiries, which reduces the need to have several employees handle these routine interactions. Automation has the potential to displace jobs or shift role responsibilities, requiring restructuring within your company.

Employees Will Need to be Upskilled to Fit New Roles

While some jobs may be displaced, that doesn't necessarily mean employees need to be let go. However, retaining employees will require training and upskilling so that current employees can fit more complex roles in the company. To effectively implement AI, operations leaders should invest in training programs that familiarize

employees with AI tools, workflows, and how AI complements their work. Encouraging collaboration between AI systems and human agents is key for a seamless CX, so emphasize the augmentation — not replacement — of human capabilities by AI.

Integrating AI Requires Extensive Security and Privacy Considerations

One of the main reasons customers are wary of AI is because it involves giving bots sensitive data. And that's a valid concern. When using AI in CX processes, AI can handle sensitive customer data. For that reason, your strategy should prioritize data security and privacy. Operations leaders should ensure compliance with regulations like GDPR, CCPA, and other industry-specific standards. Establish robust data protection measures, encryption protocols, and ethical guidelines to safeguard customer information with AI.

AI Can't Replace the Human Touch Your Customers Occasionally Want

Understanding what AI can and can't do is crucial. AI technologies like Machine Learning, NLP, and chatbots open a whole new world of CX opportunities, but they also have limitations. In a study of attitudes around AI, [Qualtrics XM](#) reports that customers still prefer to have the option to speak with a human, especially when they're dealing with more complex or emotionally charged issues. As many as [48% of customers](#) are concerned that AI will remove the human touch they desire with a brand.

It's important, then, to know that AI can't replace your human agents. To use AI in CX processes effectively, you must recognize the strengths and weaknesses of your tools, set realistic expectations, plan for proper training or augmentation, and anticipate potential challenges. As you integrate AI into your customer experience strategy, highlight the importance of human touch in specific interactions. This helps your company preserve jobs that rely heavily on empathy, intuition, and a nuanced understanding of customer needs.



Future Trends in AI-Driven Customer Experience

Companies adopting AI tools within their CX are already ahead of the curve, but technology trends move and develop at lightning speed, so it helps to stay on trend to maintain your competitive edge.

Here are a few AI trends coming our way:

- [Significant advancements](#) in generative AI are expected in the coming year. Generative AI and large language models (LLMs) are advanced AI systems that understand and generate human-like text through deep learning, enabling diverse language-related tasks (think ChatGPT).
- AI systems will become increasingly more efficient and higher performing. We'll see better responses, and companies will be able to fine-tune generated messages to fit their brand identity and improve accuracy.
- AI will be integrated into e-commerce, retail, and customer service experiences more than ever. Customers will reach out to AI bots for help on all channels, making it possible to track orders, start returns, and get essential help without waiting on hold or interacting with an agent.

AI will continue to transform the customer experience. After implementing, look for ways to innovate the digital experience to stay relevant and ahead of the game.

What's Next? A Strategic AI Blueprint for Operations Directors

Now you're ready to implement AI into your CX strategy — but where do you start?

As with any new adventure, you need a map — a blueprint that outlines how to bring this strategic plan to life. **Start by developing your roadmap for implementing AI in CX.**

- This begins with a meticulous assessment of your current CX processes. Identify pain points within your operations and find where there are hiccups in your customer journey. Then, determine where AI can add value to your workflows.
- Next, it's crucial that you collaborate across departments to define clear objectives, timelines, and KPIs. Don't work in a silo, or you'll have a tough time gaining buy-in. Consider building a coalition of leaders across teams who will work together towards common goals.
- Break down the implementation into phases. Take things bit by bit, starting with pilot projects to test AI solutions before scaling to the whole company.
- Keep learning! Your roadmap should emphasize continuous learning and allow flexibility to adapt strategies based on evolving customer needs and technological advancements.

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Once you know how AI will integrate into your CX strategy, **find a vendor and partner who will help bring your strategy to life.** Selecting the right vendor and seamlessly integrating their technology is crucial. Here are a few things to consider when picking a vendor.

- Prioritize vendors with a proven track record in using AI for customer experience. Look for vendors who have experience with scalability, security, compliance, and customization.
- Find a vendor that is compatible with your existing technology infrastructure. Ease of integration is vital for a smooth transition.
- Don't just choose the first vendor who walks in your door. Conduct thorough due diligence and research. Set up demos and obtain references for each vendor.

- Ensure your vendor offers training and support. Adding new technology is expensive and daunting, so you want a partner who will walk with you through the process beyond day one of implementation.

Finally, establish how you will measure the success of your AI implementation.

Select key metrics and pre-defined KPIs to track your AI-driven CX strategy performance. Look at CSAT scores, resolution times, cost savings, and customer conversions to see whether AI is making an impact. Don't ignore your customers in the process, either. Gather feedback from customers to assess where you can improve your AI strategies.

With a roadmap, a vendor, and success metrics in place, you're on the path toward a better customer experience with the help of artificial intelligence.





It's Time to Embrace AI in Customer Experience

AI in customer experience has been revolutionary, enhancing personalization and optimizing operational efficiency in new ways. As AI continues to transform how businesses engage with their customers, operations directors have a choice: embrace a sustainable future or get left behind. When you embrace AI for your CX strategy, your processes will become more streamlined and effective, helping you deliver unparalleled customer experience and foster long-term loyalty and growth in your business.

Step into an innovative future and expand your CX strategy by proactively integrating AI technologies. In doing so, you pave the way for more agile, efficient, and customer-centric operations that far exceed the hopes and dreams of your customers.

Create memorable and efficient customer experiences when you partner with Broadvoice. Innovate your CX strategy with Broadvoice AI and boost operational efficiency while supporting customers faster than traditional customer service.

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