



www.pipelinepub.com

Volume 19, Issue 5

Personalizing CX with AI

By: [Scott St. John, Pipeline](#)

Artificial intelligence (AI) isn't a new concept. In fact, [Alan Turing](#), widely known as the father of AI, first described the concept in 1935. By the 1950s, AI was capable of more complex problem-solving, playing checkers and chess, and even assisted allies in code breaking during World War II. Yet AI was seen as not much more than a contest between humans and computers—or between human and artificial intelligence. But that's changing, and it's changing fast.



Over the last 15 years, artificial intelligence has evolved into a powerful tool. Today AI enables everyday things we take for granted, like powering voice assistants and biometric recognition on our phones, or algorithms that promote recommendations on Amazon and Netflix. But AI is also opening the door to new use cases for drones, robotics, self-driving cars, self-optimizing networks, and much more. We are now at an AI tipping point, where the collective strength of artificial intelligence and human intelligence can, will, and is changing the world. You can witness these developments firsthand in research projects such as [OpenAI](#), and by using its AI model [ChatGPT](#).

Technology innovators, disruptors and global giants have all recognized the enormous potential of AI. For digital transformation, AI powers efficiency and unlocks analytic insights for greater business intelligence. Which is why, according to [recent McKinsey research](#), AI adoption has more than doubled since 2017, and the applications for AI are virtually limitless. This includes using AI for improving and personalizing the customer experience, and transforming the relationships businesses have with their customers.

AI for improving the customer experience

AI's promise extends well beyond writing code or articles, and even beyond transforming processes and driving efficiency. The right AI technology can significantly enhance and improve the customer experience by empowering humans to bring companies and customers closer together. For improving the customer experience, AI has become a key competitive differentiator, providing actionable insights, personalization, and automation that helps businesses overcome competitive pressure and service commoditization to build superior brands, win customer loyalty, and boost the bottom line. When implemented properly, automating and personalizing the customer experience with AI can be a beautiful marriage of people and technology—both functioning in harmony with each other.

Pipeline recently had the opportunity to discuss how improving the customer experience with AI can

transform customer relationships with key stakeholders at [Etiya](#). Etiya is a global software company providing customer experience-focused and AI-driven digital transformation solutions for Communications Service Providers (CSPs) around the world. Etiya is also an industry innovator and technology disruptor, notably [winning the Most Innovative CX Technology category in Pipeline's 2022 Innovation Awards](#). The discussion with Etiya centered around how automation and AI can be used for improving the customer experience, humanize BSS systems, provide greater differentiation; and personalize the customer experience to decrease churn, improve customer loyalty, and increase the lifetime value of customers.



Using AI and people for improving the customer experience

AI technology is already being used for improving the customer experience, powering an array of tools and systems including chatbots, virtual and voice assistants, call routing, predictive lead analytics, and much more. By embedding AI in CRM, OSS, and BSS systems, AI can do even more. This includes conducting complex data analysis to provide smart recommendations and predictive insights in a wide range of scenarios, from customer support calls to marketing campaigns.

This innovation rests on the fact that AI brings a capability that people simply do not have: the ability to rapidly analyze large amounts of data from different sources with great precision. It's about understanding the strengths and weaknesses of people and technology and using them as complements to each other. The AI technology can drive data analytics and predictive insights that underlie targeted offers and customer-support interactions, while people provide the human elements of caring, compassion, understanding, to better serve customers.

AI can unlock the ability to offer personalization that serves as a differentiator, enables intelligent self-service, customer service, and powers an omnichannel approach to connecting with customers when, where, and how they prefer. Bringing people and technology together with AI for improving the customer experience creates stronger customer relationships; and empowers employees, which both benefits the business and the customer.

Incorporated within Etiya's Digital Business Platforms are innovative AI-driven tools and capabilities, including natural language processing (NLP) and predictive analytics, to help CSPs transform their businesses, enrich and personalize the customer experience, and reduce costs. Etiya's AI platform Cognitus enables automation between service and operations processes to give operators the ability to offer personalized services through emotional, contextual predictions, and recommendations.

The power of AI for improving customer experience

Etiya sees the success of AI for improving the customer experience intertwined with its ability to enable companies to better know their customers. Using AI for a Know Your Customers, or KYC, approach for improving the customer experience encompasses analyzing customer data to gain actionable insights from a variety of sources including services, subscriptions, usage data, demographics, and behavior. It also incorporates social listening to reveal customer sentiment. This data has a variety of applications, from modeling churn predictions to supporting more precise segmentation and creating higher-performing marketing campaigns.

For example, Etiya's Deep Learning Digital Twin Generator can bring AI personalization for improving the customer experience to the next level with targeted recommendations for customers on digital channels or in-store. The tool can build a digital twin based on similar customer behaviors—for specific customer segments, even microsegments or individual customers—anchored in what products or services they need, and how they have reacted to past offers. The digital twin provides predictive information that can feed into personalized offers based on contextual or behavioral patterns, to address specific customer needs, support smarter decision-making, better customer interactions, and intelligent recommendations.

Etiya's AI algorithms provide predictive and prescriptive customer service recommendations and tailored solutions to address specific customer experience issues. For example, if a customer previously had difficulty with achieving resolution through call centers, proactively offering self-service or assisted service through online channels or with chatbot tools can be a better (and automated) solution. This can both save time and alleviate customer experience friction by predicting what channel and customer service solutions the customer prefers—and by connecting it to a robust knowledge base for automated self-service or by applying a smart agent match to connect them to an empowered Customer Sales Representative (CSR) who is most skilled to solve a specific problem.

AI can also help CSPs pinpoint potential customer problems and predict churn before it happens. Intelligent insights provide CSPs with precious time to respond quickly and improve customer satisfaction, identify the best offers for cross-sell and upsell campaigns, and design tailored loyalty offers and programs—all of which can help avoid customer churn. By personalizing the customer experience with AI, CSPs can gain other benefits including increased sales, service usage, and customer loyalty. All of this is powered by enriching and improving the customer experience with AI-generated and personalized predictions and recommendations.

AI and automation for improving the customer experience

For improving customer experience, AI can be used to automate the underlying functions to proactively address issues and improve communications with customers. The ultimate goal is to create a seamless integration that aligns systems to processes and customers for better service—and better customer experience outcomes. After all, customers and CSRs don't particularly care about the underlying technologies or systems. They just want them to work, so they can effectively and efficiently address customer experience issues and provide a higher level of customer service.

Etiya sees additional business benefits of automation using AI for improving the customer experience too. Automatically orchestrated workflows and automated processes enable faster transaction

handling, quicker processes, and more rapid problem resolution. Transformation through automation also raises operational efficiency and productivity. Moreover, automation can enable self-service opportunities for customers via multiple digital channels and through such tools as chatbots, virtual assistants, voice assistants, and interactive voice responses. This can increase the number of first-call resolutions with automated self-service, as well as provide an uninterrupted, seamless, and superior customer experience across multiple integrated channels and processes.

Mutual benefits of improving the customer experience with AI

Using AI for improving customer experience provides mutual benefits to the company, and the customer. No one wins when frustrated customers must navigate interactive voice response (IVR) systems with irrelevant prompts asking for information, to only then wait on hold for an uninformed CSR who has no idea who the customer is, what issue they are experiencing, just to have to ask for the information the customer has already provided, or to recommend actions the customer has already taken. We've seen how this plays out time and again: the customer is then put on hold again and transferred to another CSR, who must ask the same questions, but may not have the appropriate tools to address the issue the customer is facing (or open a ticket that takes days or weeks to resolve).

AI can eliminate many negative customer experience touchpoints like these through proactive resolution and communications before the customer hits the call center. For customer experience issues that cannot be addressed with automation, empowering CSRs with intelligent insights into customer journeys allow CSRs to be more informed and efficient. With integrated automation in place,

CSRs have the tools they need to quickly address customer issues and robust information to provide a KYC experience in a single system, ultimately providing superior customer experience. Further fueled with additional insights, including behavior and sentiment, CSRs can better serve their customers by providing relevant recommendations for cross-sell, upsell, loyalty, and churn-reducing opportunities.

This marriage of people and technology improves both the customer experience and employee satisfaction. Enhanced employee satisfaction increases productivity, and a superior customer experience increases customer loyalty, retention, and spend. Doing this efficiently with AI and automation also decreases costs, maximizing the bottom line. It's precisely the kind of transformation Etiya helps CSPs achieve through its flexible, scalable, [AI-driven Digital Business Platforms](#).

The future application of AI for improving the customer experience

AI offers great promise in humanizing, enriching, and improving the customer experience. The many benefits of using AI for improving the customer experience are already being realized, and innovators like Etiya are helping their customers harness the power of AI and automation to provide a superior customer experience as the world accelerates its adoption of AI technologies.

As the next decades unfold, the role of AI and people will certainly evolve. But, with the help of AI technology, customers can benefit from a better experience, and workers can be more informed, efficient, and productive—allowing them to focus on their core strength: being human.