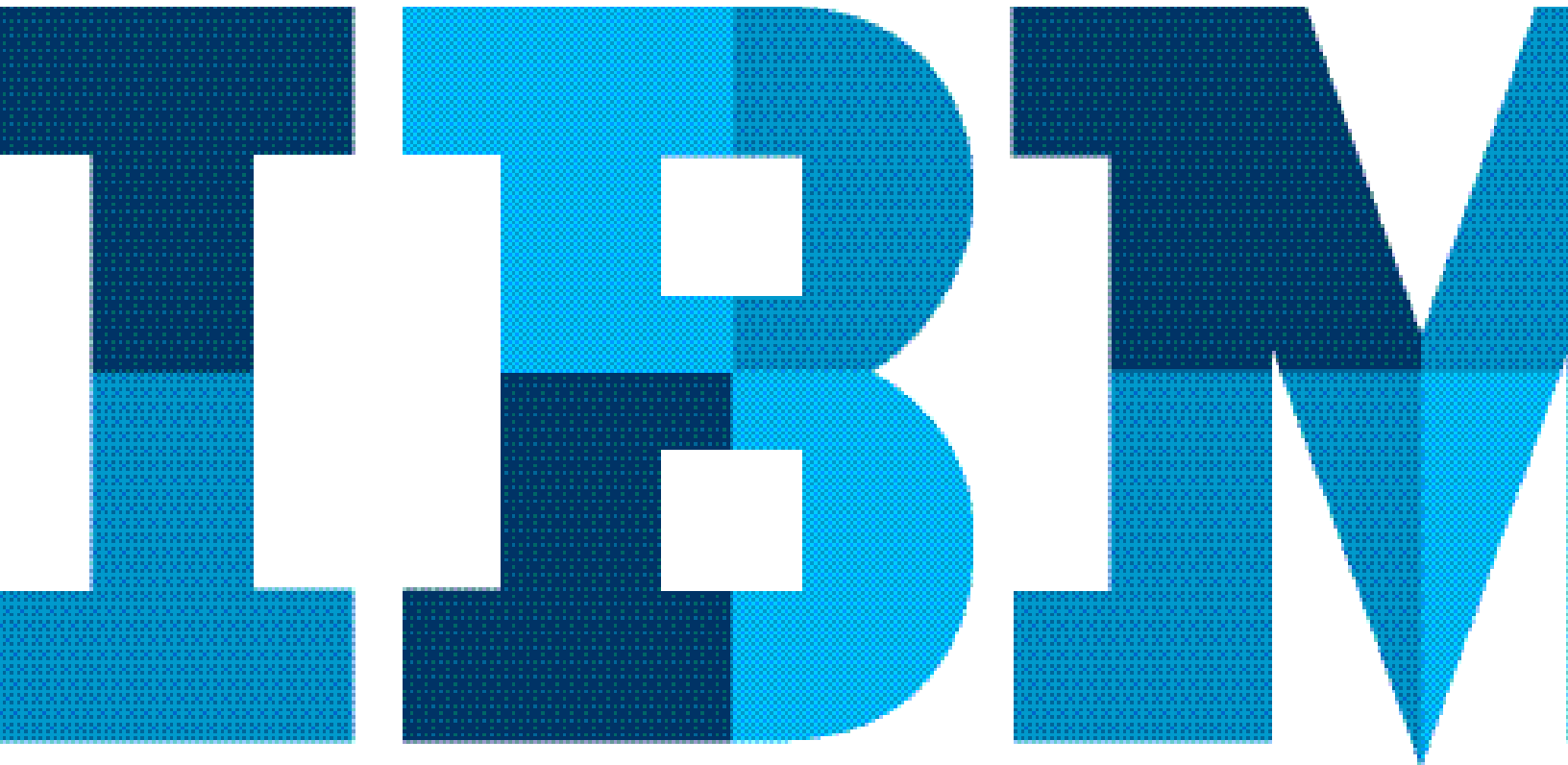


Winning the Customer Experience Battle

How IBM Watson combines the always-available service that today's customers demand with the benefits of automation.



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Introduction

In late 2014, Gartner used the term “battlefield” to describe the struggle for market share based on customer experience. In announcing a new study, the highly regarded technology research firm predicted that corporate fortunes would soon be won or lost according to how well companies served their customers.

Indeed, 89 percent of companies surveyed by Gartner expected to stay competitive in the coming two years on the basis of outstanding customer service, more than any other factor. “As competition and buyer empowerment compounds,” summed up Gartner’s Jake Sorofman, “customer experience itself is proving to be the only truly durable competitive advantage.”¹

And it’s no wonder. Driven by high expectations for customer service set by big online retailers, customers increasingly expect every firm to provide them with a similarly excellent experience. Seemingly at odds with their desire is the parallel demand—by younger customers in particular—for access to that high quality of service anywhere, anytime and via any device.

Thus the stage has been set for a storm of competing customer desires that could swamp unprepared organizations. Fortunately, additional research points the way to a solution.

Rising to the Challenge

Responding to a survey conducted by IBM in 2015, 65 percent of 18-to-34-year-olds polled said that they prefer to get answers to their questions about a company’s products and services online.

In other words, customers are fleeing inefficient automated customer service—for example dial-by-number phone trees that don’t provide the answers they need—and going online. This presents an opportunity to provide them, and the organizations serving them, the best of both worlds: excellent customer service, combined with the economy of scale offered by online automation. That’s where cognitive computing technology comes in.

In 2011, IBM’s Watson cognitive computing system defeated two top human competitors on the NBC TV quiz show Jeopardy! In doing so, Watson demonstrated an understanding of natural language and an ability to quickly parse large amounts of both structured and unstructured data that had never before been achieved by an automated system. Since then, the technology behind Watson has continued to evolve. Now, an even more advanced version is available to customers of Watson Engagement Advisor.

Empowering People and Organizations

Watson Engagement Advisor gives organizations in fields as diverse as banking and insurance to hospitality and education the power to respond appropriately and effectively to natural language requests from their customers in real time, from anywhere, automatically. Watson is available 24/7, speaks multiple languages, never forgets a customer and is cost effective.

At the same time, Watson offers an outstanding customer experience. Using a smartphone, tablet or browser, a customer can log into his bank or hotel, ask Watson a question, and immediately get an intelligent response. This response may take the form of a direct answer or a walk-through of a process such as filing an insurance claim or reporting a fraudulent credit card transaction. Watson is even available on robots and holograms, allowing businesses to extend the same quality automated service into branches or stores.

To provide this level of customer experience, Watson trains on the specific kinds of questions, or “intents,” that are likely to be asked by an organization’s customers. Though the vast majority of customer questions are iterations of the same request, no two customers are likely to ask a question exactly the same way. So Watson learns how to recognize variations of common questions. For example, when a customer says, “I forgot my password,” she most likely has the same intent as someone who says, “I can’t log into your system.” Both of these statements may be interpreted by Watson as a request to reset the user’s password.

In order to understand the nuances and idioms of natural language, Watson has studied publicly available documents comprising some 300 million English-language words alone. In doing so, it’s learned how words relate to each other, in context. This deep knowledge enables it to correctly interpret each question asked, however the question is asked, and to map the question to the right intent.

To further advance Watson’s capabilities, the solution is evolving the ability to recognize the emotional tone behind a question—based on the syntax and words chosen—and respond accordingly.

When Watson is not confident in its ability to provide an appropriate response, perhaps in attempting to respond to a question it has not been asked before, it can quickly and efficiently transfer the user to a human agent, no extended phone trees required. In this way, customer service agents can go to work doing what they do best: handling unusual requests that require their special expertise, rather than having to spend time answering requests best handled by a thinking machine.

It all adds up to a level of customer engagement that’s never before been possible in an automated system, one that makes the human element more effective. And that could make all the difference in winning the customer service battle.

For more information

To learn more about IBM Watson Engagement Advisor and how your organization's customer service efforts can benefit from cognitive computing technology, visit

http://www.ibm.com/smarterplanet/us/en/ibmwatson/engagement_advisor.html.

References

- 1 Jake Sorofman, "Gartner Surveys Confirm Customer Experience Is the New Battlefield," Gartner (<http://blogs.gartner.com/jake-sorofman/gartner-surveys-confirm-customer-experience-new-battlefield/>)



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