

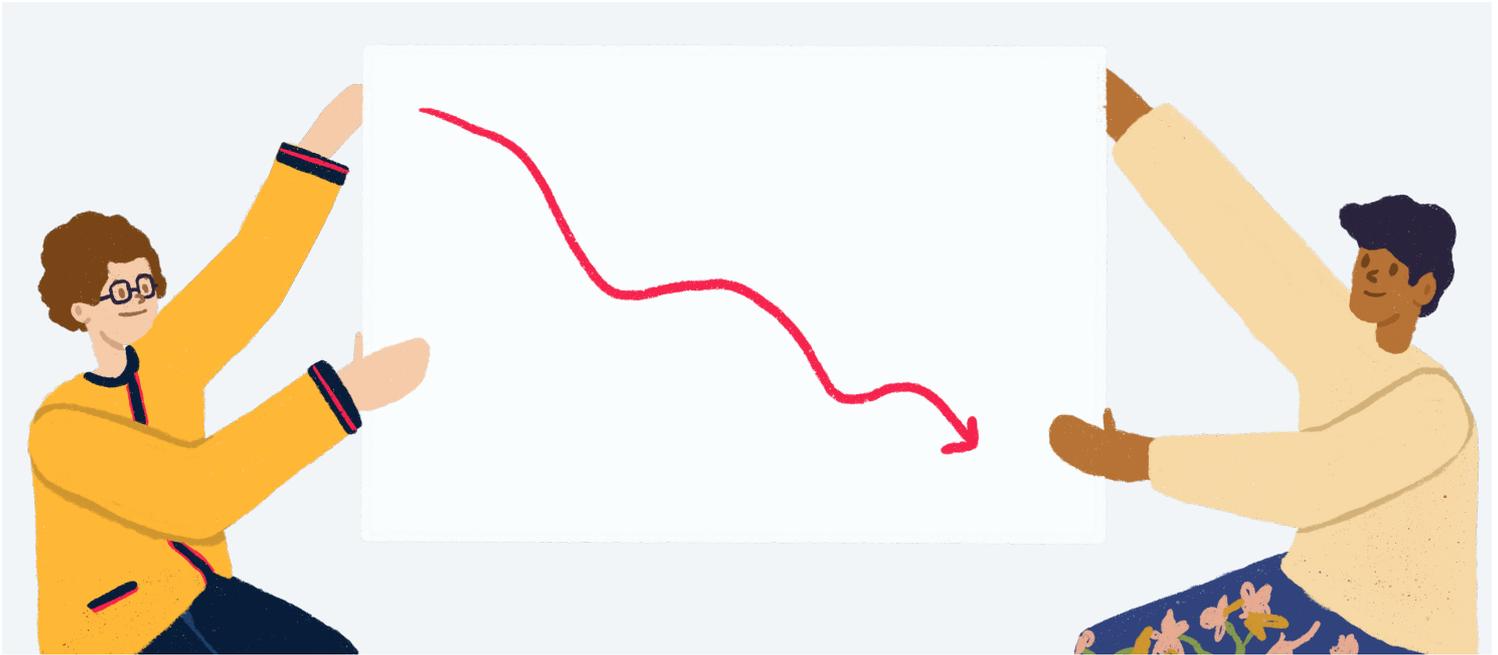


Introducing the Automated Customer Experience (ACX) Department

How to overcome ROI challenges and plan for AI success

Introduction:

AI: Promise vs. reality



In today's fast-paced digital world, customers are demanding omnichannel self-service that's personalized, instant, and always available. And this trend is not slowing down anytime soon—in fact, it's on the rise. While just a few years ago many consumers were wary of AI and automation, 70% now expect to use messaging apps when talking to a business and over 60% prefer to use automated self-service, such as a website or mobile app, for simple customer service tasks. This expectation gives businesses small and large an opportunity to improve the customer experience, while also driving efficiency. The trouble is, most organizations are failing to deliver.

In 2018, CX performance was flat and more than 50% of digital transformations efforts stalled

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One of the biggest problems is ROI. While AI-powered assistants hold the promise of greatly improving CX, companies are struggling to determine AI's actual ROI. Despite the rising pressure to increase digital capabilities and enhance the digital experience, a Gartner survey of service leaders revealed a low level of preparedness when it came to addressing customer-facing AI. It seems that while many companies know what they need to do, they don't know how to do it.

According to Forrester, AI is failing due to:

- Lack of organizational readiness
- Poor data governance
- Lack of strategy in place to invest in new technologies to drive efficiencies
- Fear that digital disruption will interrupt or impact quarterly performance

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Chatbots Magazine, 2017: "5 Chatbots for Small Businesses to Increase Competitive Advantage"

American Express, 2017: "#WellActually, Americans Say Customer Service is Better Than Ever"

Gartner, 2019: "Gartner Identifies Four Imperatives That Customer Service and Support Leaders Must Address to Deliver Digital Customer Service in 2019"

Why AI-powered assistants aren't measuring up

Every business is different and there's no "one-size-fits-all" solution when it comes to automating customer support. However, there are some common mistakes many businesses are making which can result in a considerable gap between what they expect to achieve with AI and the results they're actually seeing.

Band-aid solutions

Companies that add a plug-and-play chatbot to their customer support stack without thinking about the long-term strategy are not likely to get the results they want. Yes, it allows them to give their customers a self-service option. But if that support is inaccurate or frustrating in any way, it's taking value away from the CX instead of improving it. Real results require real planning.

"Brands just aren't doing what they need to do in order to make big gains. If their CX programs were home improvement projects, we'd say they were redecorating, not renovating."

Harvey Manning, Vice President Research Director, Gartner
Forbes 2018, "Customer Experience Comes Under Fire"

No one owns automation

When companies rush to invest in AI without preparing at an organizational level, ROI is easily lost. Who's in charge of planning, implementing, and managing automated customer engagement? In many cases these questions are going unanswered, with predictable results—

You wouldn't invest in a new IT infrastructure without assigning clear roles and responsibilities to ensure you get the most out of your investment. The same rules apply to any AI investment.

Pressure to invest

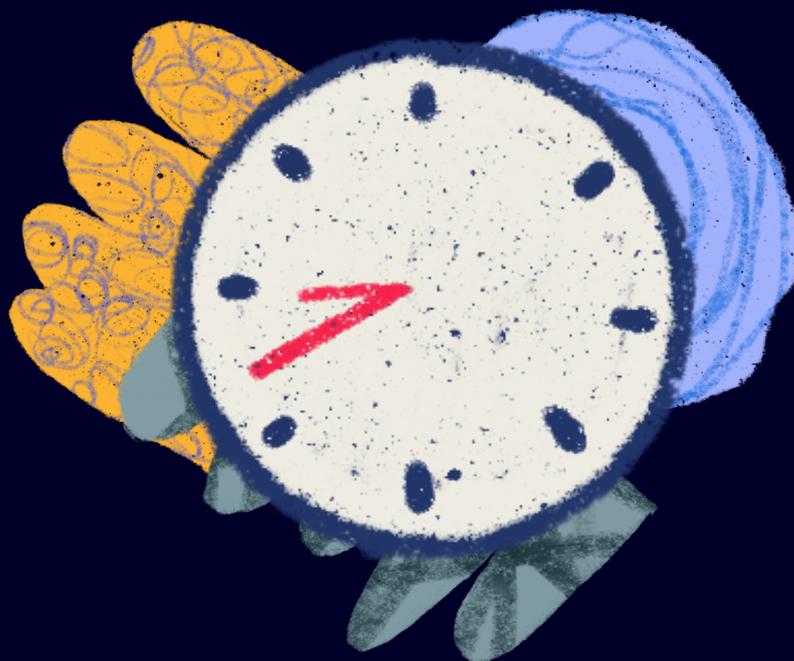
With all the hype around AI, companies are looking for a way to drive rapid ROI. In response, service providers are creating "quick-fix" chatbots that actually do more harm than good—they are band-aid solutions that no one owns. Rushing to invest in order to please the C-suite without a long-term strategy will not deliver the ROI they're looking for.

Service leaders are adopting digital technologies to help alleviate pressure from leadership to scale resources. While these technologies, including automation, are geared to improving the customer experience, many service leaders report they struggle with managing technology.

Gartner, 2019: "Gartner Identifies Four Imperatives That Customer Service and Support Leaders Must Address to Deliver Digital Customer Service in 2019"



Solution: Play the long game



To drive true CX transformation and real ROI, brands need to stop thinking about AI as a quick fix and get strategic, planning for the long haul. This means taking into account that adding AI to customer support may impact the company's bottom line in the beginning, and riding that out for the long-term gain. It means understanding that some must be designated to manage the technology—right now, and down the line. And it means making the business case to the C-suite and shareholders for an organizational shift to change the focus from immediate gain to ongoing success.

Forrester predicts that in 2019 “efforts to make the business case for CX transformation will surge” as CEOs of companies already on that path face pressure from shareholders more interested in short-term gains than long-term growth. To secure ongoing support, CX pros will need to get smart, and strategic. The first step is to invest in understanding the resources, right model, and scope of an AI investment—and beware of the hype.

“Projects will only succeed where there is significant resource investment, and probabilistic model depend on significant investment in data authority and scope.”

Whit Andrews, Distinguished VP Analyst, Gartner Research

While introducing AI can bring instant engagement across digital channels, to ensure long-term success and ROI, it must be integrated as part of a larger digital strategy. At the same time, AI-powered assistance requires its own plan. That's where the automated customer experience (ACX) department comes into play.

Strategy: Introducing the ACX department

While AI is failing many businesses, there are also many that are reaping its rewards. Leading-edge organizations are driving the results and ROI they want by introducing some of the world's first ACX departments, which are dedicated to implementing, building, managing, and tracking the AI experience across the customer journey.

“Ada’s clients are introducing many of the world’s first automated experience departments, and we’re excited to be part of this change. Just as we now see digital teams in nearly every organization, we predict the ACX team will soon be table stakes for customer service leaders.”

Mike Murchison, Ada CEO

ACX, explained

Let’s start with the basics. ACX is the strategy of introducing AI-powered automation across the customer experience. Just as the evolution of the Internet, social media, and even email marketing gave rise to new departments and roles, the rise of automation brings with it the need for new roles comprising a brand-new ACX department.

This team sits under the VP of Customer Success or similar role (customer engagement, happiness, etc.) and owns AI from end to end. They determine how, where and when AI is introduced across the customer journey. They build and monitor the content. They decide how to track it and measure outcomes. And they’re in charge of figuring out how to best leverage AI to drive new ROI, including raising CSAT scores, lowering costs, and driving new revenue.

Adding an ACX department to a company’s customer support strategy provides value for everyone involved. The business wins because a successful AI strategy drives costs savings through increased efficiencies and additional revenue through proactive engagement that encourages upsells. Plus, AI can drive sales without requiring input from a live agent. At the same time, ACX empowers agents by identifying opportunities to introduce new self-service efficiencies that take repetitive tasks off the agents’ plates and frees them up to focus on more complex, proactive, and high-value inquiries—which are also more rewarding. And it’s good for customers because they’re focused on introducing new strategies that improve CX quality rather than impeding it, saving customers time and effort.

ACX is the strategy of introducing AI-powered automation across the customer experience. The ACX department lives under the VP of Customer Success and owns AI from end to end.



ACX team: Starting lineup



While it may seem logical that the ACX team should be an extension of the IT team, this isn't the case. The best AI experiences have less to do with technology and more to do with empathy. To create truly authentic AI experiences, they need to be built by the people who know the business, and its customers, best—and those people are not necessarily the most technical. The customer-facing folks are the ones who really understand what customers want and what will make them happy.

“It’s true that the people who know a business best are often those who deal with customers every day. They aren’t necessarily very technical, which is why the move to make AI more accessible will have such a lasting impact.”

Mike Murchison, Ada CEO

To maximize its impact, the ACX department should not be made up of developers or IT experts, but rather the customer-centric professionals who know best how to shape automated experiences. And while some may wonder how these people will bridge the tech gap, don't worry—with an easy-to-use

AI-powered platform, customer support experts can build, manage, and monitor the ACX even if they don't have technical skills. As AI evolves, it's becoming more and more accessible—which means companies can make it more and more human.

In 2019, firms will put more potent building blocks in place to accelerate their ability to meet AI's extraordinary promise.

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By enabling those who know a business best to build the automation, companies can build ACX departments with diverse, customer-centric professionals across the business—including sales reps. The right team will create a strong foundation for overall ACX strategy, and lay the groundwork for long-term success.

Three key roles for launching AI

To integrate AI-powered automation into a company's customer support stack, these three roles must be filled (at a minimum) to ensure a successful launch and meaningful impact.



ACX Director

The team leader, the ACX director reports directly to the VP of Customer Experiences and is charged with defining, presenting, and owning both the short- and long-term strategy for AI implementation. The director also manages the team, sets and measures KPIs, and owns the AI vendor relationship.

For this role companies should choose a senior leader with experience heading up cross-functional teams, introducing and tracking CX strategies with a focus on innovation, managing budgets, and presenting plans to leadership.

ACX Producer

The manager is next in line and reports back to the ACX director. This person is in charge of building the chatbot experience and creating AI content, as well as measuring and enhancing chatbot performance, and leveraging analytics to drive content strategy.

The ideal ACX Manager should have strong writing skills and experience, and be able to track, analyze, and apply data in a meaningful way. They also need to understand the role frontline agents play, and have CX experience to help shape strategy.

On-loan Customer Support Representative

To provide extra support for the ACX Producer and help identify the key support questions that are driving up inquiries, we recommend “borrowing” customer service agents. They provide the most authentic voice and can leverage their years of direct experience speaking with customers to help build the best content.

ACX Project Manager

The project manager is tasked with supporting change management and creating company-wide cohesion while a company is introducing ACX. They own the relationship with communications, IT, GTM, frontline representatives, and anyone else involved in the roll-out. After introduction, they're in charge of creating project and content strategies based on short-term business and long-term product, brand, and customer needs.

Project management experience is key, along with an understanding of how to drive change with meaningful results. Experience working and communicating with cross-company teams is also essential.



Looking ahead: ACX and AI evolution

Adding ACX to a business is not a one and done operation. As organizations continue to introduce automation across the customer journey, they'll need to deploy more than one bot to represent various brands, business units, and product streams. In the same way, as the ACX strategy evolves, they'll need to add new ACX team members to support it. Some of these roles can be dedicated to driving adoption and tracking ROI.

ACX Performance Analyst

Their job is to integrate bot analytics into company-wide strategies to further improve product information, drive efficiencies within the production process, and reduce customer pain points. They also set, measure, and track all bot performance to determine the overall automation investment ROI.

This job requires someone with a background in data analytics and the ability to measure, interpret, and act on results to improve business performance. Experience working and communicating with cross-company teams is also key.

By 2021, at least 35% of enterprises will maintain more than 50 chatbots to address a wide range of questions from their users, while presenting a user experience that minimizes the number of master chatbots that users engage with.

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ACX Adoption Manager

This person works cross-functionally to understand where AI can be further introduced across the CX. They're charged with identifying ways to better promote or position AI-powered self-service to customers in order to drive adoption, as well as advocating for ACX and driving internal awareness.

Adoption managers need experience in change management or internal communications, strong communication skills with experience crafting messaging and building marketing materials, and the ability to work cross-functionally.

Conclusion: ACX is the answer

To realize the promises of AI and automation for customer support, a strong ACX team combined with the right solution can drive meaningful change across an organization, and help overcome barriers and obstacles that are stalling AI success.

According to Forrester, three things held AI back from reaching its transformative potential in 2018:

Insufficient information architecture.

AI is data-dependent and data hungry, but most firms struggle with basic data governance issues and were not data-ready for AI.

It was too confusing.

The challenge of explaining and auditing AI limits the ability of business leader to understand (and trust) what it's doing—for both operations and CX.

It was too horizontal.

The promise of powerful efficiency gains fell short due to singular technology testing or minimal AI application to specific operations.

For companies wanting to stay on top of the customer service game, now is the time to embrace ACX and start building an ACX team. Gartner predicts that chatbots will soon power 85% of customer service interactions, and Forrester's 2019 CX predictions state: "The market is not slowing down or getting more forgiving. Customers challenge companies to deliver value to their life, the pace and diversity of technology... these continue to be consequential days for leaders seeking to retool their companies to compete in a dynamic, sometimes hostile market."

A strong ACX strategy and department can help companies keep up with customer demands, overcome the barriers to success, and drive both meaningful change and real ROI.

Here at Ada, we're excited to be part of this emerging movement and helping to shape what we know will be a game-changer for customer service around the globe. "Companies today have a real opportunity to gain a competitive edge by embracing automation, and getting in on the ground floor of ACX," say Mike Murchison, CEO of Ada. "Making AI more accessible has been a key focus for us at Ada since the very beginning, and we're excited to help lay the groundwork, shape best practices, and see what the future of ACX will hold for us all."

Ready to build your ACX team or learn more?

Let's Talk

As the market leader in Automated Customer Experience (ACX), Ada personalizes engagement across the customer journey by putting the power of AI in the hands of the people who know your business best. Ada makes it simple for non-technical teams to build an automated, enterprise-class chatbot platform that saves time, reduces costs, and improves engagement.

Ada does much more than respond to frequently asked questions – it encourages users to take action in a meaningful way, thereby solving more than 70% of customer inquiries and freeing live agents to respond to only the most mission critical interactions.

Headquartered in Toronto, Ada enables clients around the world, like TELUS, Square, and Air Asia, to provide their customers with 24/7 personalized support in more than 100 languages.

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