

Conversational AI Shows Promise in Contact Center, but Deployment Lags

According to Waterfield Tech's recent industry survey: Top Contact Center Trends for 2023



Gartner's "2022 CEO Survey – The Year Perspectives Changed" revealed **91.5%** of leading businesses invest in AI on an ongoing basis.



However, only **14%** of respondents to Waterfield Tech's Top Trends for 2023 Survey say they've implemented conversational AI specifically, which includes natural language processing – the ability of machines to understand what people are saying (e.g., virtual assistants such as Siri or Alexa) and respond appropriately.



These findings come as Gartner anticipates a **25%** increase in 2023 customer satisfaction scores among organizations that use AI.

Additional research findings:



The Value of Investing in the Contact Center

Respondents' primary initiatives for improving the contact center in 2023 include:

- 51%** Improve overall contact center efficiency/flexibility
- 28%** Only slightly more than a quarter of respondents mentioned "get smarter/better about workforce deployment."
- 48%** Get better data/analytics from systems

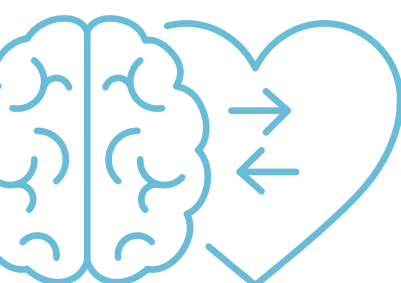
But given the potential for economic headwinds and staffing shortages in 2023, this may become a heightened priority for contact center leaders in the months ahead.

SMS and Web Chat Gaining Traction



While most customer experience leaders continue to rely on traditional technologies like email and voice, SMS and Web chat are gaining traction. When asked about the technologies used in their contact centers, respondents said:

- 87%** are using email
- 80%** are using voice
- 57%** are using SMS
- 48%** are using Web chat



People Who Need "People"

Despite a minority of customer experience leaders deploying virtual agents, they recognize the benefits of this human-centric approach to the contact center experience. These leaders report looking to virtual agents to not only improve their business outcomes but to create a more emotional connection with customers. When asked, "What is the most important task a virtual agent can accomplish for your business?" the top four responses were:

Only **28%** of customer experience leaders are deploying virtual agents

- Answer simple questions** (e.g., "Resolving the FAQ to take this communication off staff responsibility")
- Fun/Make customers happy and satisfied** (e.g., "Make the customer happy")
- Customer service/retention** (e.g., "Solve problems while discovering opportunities")
- Handle more volume/speed** (e.g., "Handle more inquiries at once")

Industry-specific Insights

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Financial services

Respondents reported the top two initiatives for improving the contact center in 2023 were overall efficiency and introducing new channels. **72%** of respondents say they're developing a strategy or getting started with regards to AI. And, **50%** indicated they "need to develop a strategy." However, none of the respondents reported having yet implemented AI.



Telecommunications

69% of respondents in the telecom industry believe conversational AI will have a major impact on customer service in the future, but **65%** have not yet begun or are in the early stages of adoption.

The Contact Center Crystal Ball

When asked what the future holds for the modern contact center, respondents noted:



- 50%** say conversational AI is the most important technology of the future
- 23%** are exploring the Metaverse/ Web 3.0



It's clear customer experience professionals not only desire, but require, the ability to address contact center effectiveness, workforce issues and business performance – and they realize conversational AI is an essential technology to help them get there. They now need to take the next step to reap the benefits.

Steve Kezirian, CEO of Waterfield Tech



Survey methodology:

In fall 2022, Waterfield Tech conducted an email survey of 118 senior leaders in roles including customer experience and technology across a variety of industries, such as telecommunications, financial services, healthcare, manufacturing, travel, utilities and others.