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Business Chat and Digital Transformation (and Why Should You Care)

The digital transformation of customer service is changing the game for both businesses and consumers. As more and more customers prefer to self-serve, social media platforms have gained popularity for customer service—in some cases overtaking chat, email, and website interactions. Many customers prefer to use Twitter Direct Message (DM) and Facebook Messenger for quick, easy responses in a channel they're already using anyway. And a key new player is entering the field, with the potential to disrupt the market: Apple.

Earlier this year the consumer tech giant announced plans to launch Business Chat as part of its iMessage application available for iPhone, iPad, and Apple Watch. According to the Apple Developer website, "Business Chat is a powerful new way for businesses to connect with customers directly in Messages." Customers will be able to start a Business Chat conversation from Safari, Maps, Spotlight, and Siri, to ask questions, resolve issues, and complete transactions.

So how does Business Chat fit into the progression of digital transformation? How does it differ from other self-service channels? And how can businesses looking to adopt Business Chat get the most out of this new offering and provide a frictionless customer service experience? Let's start by looking at the evolution of customer service—which is really the evolution of self-service.

Customer Service: From Call Centers to Chatbots (and Beyond)

In the last two decades customer service has come a long way, with technological advances driving huge leaps forward. Prior to the mid-90s, the only option for customers needing anything from answers to a simple question to help completing a complex transaction was to pick up the phone and speak to a live agent. Next came email, and every business built a website and customers were able to find help online. After that came chat, followed by mobile. Most recently, starting about 2010, many customers have preferred using social media for customer service, because they're already using it and they get rapid responses. Now conversational artificial intelligence (AI) is on the rise, with companies leveraging chatbots or virtual agents (VAs) across devices and channels to engage customers in smart two-way conversations as effective as, if not better than, the best live agents for a seamless, connected journey.

Where does Business Chat fit into this picture? Messaging use is on the rise, now overtaking voice as the preferred means of communication. By 2018 active messaging users are expected to pass one billion worldwide. Messaging is a logical next step in the customer service evolution, but must go hand-in-hand with conversational AI to take self-service to the next level.

"Conversational AI has the power to transform the evolution of customer service going forward by making it much more intelligent and transcending the traditional single-channel customer journey to create a superior experience."

—*Vijai Shankar, [24]7.ai Senior Director Industry Marketing*

The Evolution of Customer Service

Business Chat: What's the Difference?

With so many messaging platforms available, what makes Business Chat different from Facebook Messenger and other popular apps? Why should businesses consider adding yet another channel to their customer service arsenal?

Business Chat offers some key benefits for both consumers and businesses. Anyone using iPhone, iPad, or Apple Watch can search and discover businesses using native apps. The same way Apple apps offer an icon to connect users directly to the company's website or telephone number when they search for a business, they will soon offer a direct connection to the company's Business Chat in iMessage—which the customer is probably already using to chat with friends.

Unlike some other messaging app providers, Apple is well known for protecting privacy and maintaining security, and conversing with a business in iMessage instead of on a social media messaging platform allows consumers to keep personal information off public forums. Plus, there's no need for businesses to maintain a social presence to support this customer service channel—another key differentiator from Twitter and Facebook Messenger.

Business Chat has the added benefit of an integrated payment solution—ApplePay. This will make it even easier, and more secure, for customers to complete transactions within the app. While Business Chat alone can't support complex transactions, companies with an intelligent back-end platform in place can combine customer service and shopping in a preferred channel to reduce friction even further. With proactive notifications like order status, shipping, and fraud alerts, businesses will be able to use rich templates and layouts to ensure a consistent brand experience.

The Best of Both Worlds: Conversational AI + Business Chat

Business Chat will enable companies to deliver direct, personal support in a single thread. But alone, it may not deliver the seamless, superior customer experience you and your customers require. To make Business Chat the next logical step in customer service, businesses will need to integrate it with an intelligent, predictive analytics platform with a backend that can drive a superior experience for today's customers.

For example, Business Chat could be integrated with an intelligent chatbot to facilitate a natural language conversation and provide customer service in the simplest form possible (i.e., answering questions) while also improving self-service rates. As questions get more complex, it could be integrated with live chat (human agent) to provide direct, personal support and retain the full context of the interaction in the same screen for speedier resolution. Not having to repeat yourself when you escalate from a chatbot to a live agent eliminates friction and creates a holistic, continuous experience.

Another key advantage to integrating an intelligent back-end platform is the ability to gather deep data analytics and predictive insights. Applying advanced text-mining in Business Chat and voice-of-customer analysis for chat and VAs can help continually improve the experience for future customers.

Digital Transformation: Taking a Holistic Approach

An equally important question is how this fits into the bigger picture of digital transformation. While many organizations are focusing their efforts on funneling customer service contacts into digital channels, many are still facing challenges keeping them there.

When customers go into digital channels to try and self-serve but can't find the information they're looking for easily or the interaction is not to their liking, they're quick to abandon the channel and pick up the phone. This is a real problem for businesses that have invested a lot into digital channels thinking they'll not only improve customer service but also reduce costs.

Digital Transformation Troubles

65%
failed first
contact resolution

68%
abandoned
digital channels

64%
no visibility to combine
data from all channels

To increase channel containment, control customer service costs and drive the evolution of self-service forward, companies must understand the holistic customer journey. Providing the best possible customer experience in any channel is the only way to achieve true digital transformation and prevent abandonment.

Customer journeys are complex, and rarely involve a single interaction on a single channel. To create a seamless, continuous experience across channels, devices, and time, channels must be connected and integrated. Companies need to let customers choose how and when to connect with their brand.

It's all about making it easy for customers to do business with you. For companies planning to adopt Business Chat, it's important to consider how it fits into the complete customer journey.

Leveraging natural language technology enables companies to understand the conversation—what a customer means, not just what they say. But this can't happen in a single-channel vacuum. To enable a satisfying, two-way conversation, you need additional context from other channels to provide the best service and help them resolve their issue. Integrating iMessage with an intelligent chatbot, for example, will inform the conversation about who the customer is and what they're trying to do. Leveraging data and chatbots will help companies keep customers in the digital channel, and keep them happy. With this approach, you can improve net promoter scores (NPS) and customer satisfaction while also reducing costs by delivering an optimal self-service experience. Everyone wins.

Age of Intent

Smart companies are moving away from channel-centric engagement, where each interaction is viewed and managed independently, and customer behavior is isolated. Intent-driven engagement enables companies to anticipate consumers' needs, create a holistic, smooth experience across channels, and deliver memorable moments. The key is leveraging data and tying experiences together to create the best experience possible.

Here are some simple steps companies can take right now towards achieving Digital Transformation:

1   ### Understand what they mean, not just what they say
Leverage natural language technology to enable natural, open conversations in text or speech. This reduces customer frustration and helps you understand the problem so you can resolve it faster. Use data from your systems combined with artificial intelligence to accurately predict customer intent and deliver personalized, contextual engagement. For iMessage, integrating an intelligent chatbot as well as live chat when required will enable you to provide the best customer experience and get the most out of this channel.

2   ### Focus on contextual journeys, not channels
Let customers decide how and when to interact with your brand by offering omnichannel presence across multiple devices, over voice and text. Stitch interactions together and provide seamless navigation and a channel-agnostic experience. Integrating iMessage is easy if you already have the platform to support it—it's just one more way customers can choose to contact you.

3   ### Automate customer interactions
Fact: Consumers today like to self-serve. Companies need to make automated interactions smarter and more accurate. Plus, automating more interactions lowers customer service costs. So how do you make them better? By leverage your long history of customer interactions (data), using artificial intelligence and machine learning to continuously improve and evolve, and choosing a future-ready, unified, scalable platform.

4   ### Optimize the digital experience
Engage customers at the right time with the right message. Increase self-service rates and integrate escalation to a live agent to complete the transaction when needed. Achieving digital transformation also enables companies to reduce handling time for live agents by transferring context of escalated calls, further lowering customer service costs.

Get Ready to Make the Most of Business Chat

Digital transformation is the future of customer service, and it's happening now. To deliver a superior customer experience, businesses need to be channel agnostic and offer a consistent experience wherever customers prefer to engage. Business Chat is a great new channel and may become the channel of choice for many consumers because it protects their security and privacy, they can search and discover businesses easily, and it offers an integrated payment option. But it can't succeed in a silo. To make the most of this new opportunity, companies need to integrate intelligent and predictive technology and integrate customer service channels to support and deliver the seamless, superior experience today's consumers demand.

To learn more about taking a holistic approach to customer service, download The Digital Transformation in Customer Service eBook.

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About [24]7.ai

[24]7.ai is a customer experience software and services company that is redefining the way companies interact with consumers. We help businesses attract and retain customers, and make it possible to create a personalized, predictive, and effortless customer experience.

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