

AI in Marketing
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Week 5

Lec 22-Customer Experience: Meaning & Characteristics

Welcome to this NPTEL online certification course on Artificial Intelligence and Marketing. And now we are talking about module 22. So, as you can see from this slide, now we will talk about the customer experience, what does it mean and the characteristics of customer experience. So now let us quickly look at what are the things that will be covered in this module. So how AI facilitates in designing a dynamic customer experience that is one and how does AI transform the customer experience. That is the second thing that we will do.

So let us start with understanding what is customer experience. Experience takes place as a result of encountering, undergoing or living through things. So, these are the three important components. Encountering, undergoing or living through things.

Accordingly customer experience has been referred to as internal and subjective consumer responses when in contact with a company. Internal and subjective consumer responses when they come in contact with a company. So, customers will likely undergo radically new experiences due to new technologies in the future. So, one impact of this technology is that they will go through a radically new experience because of this technology. A futuristic shopping customer experience.

Imagine a customer would like to buy some new clothing items for themselves. So when customers walk into a store and look at different clothing items, RFID chips, internet of things technology will enable them to find any relevant product information including One where and how it was made. Two where the material was sourced from. Three how to wash the product and how it can be delivered to your home. When customer try on the item in a changing room, smart mirrors which have a screen behind it that is connected to your digital world can provide them with customized information such as how well does the item they are trying fits.

Second on what future occasions they can wear it. And the third is how it blends or supplements their wardrobe. The above futuristic shopping example illustrates how radically new technologies and associated software, and hardware can transform the customer experience. And it is not just in retail. The customer experience in almost any business will change.

Along the customer journey that is the complete stages of customer goes through from pre-purchase to purchase to post-purchase, new touch points will be created and existing ones will be reconfigured. Now let us look at the dynamics of artificial intelligence and customer experience. Customer experience and artificial intelligence. Marketer should know that every tech decision should return to the core foundation of customer experience. With the massive growth in data comes opportunity to utilize the data for machine learning and AI that can improve everyday experience for customers.

AI promises meaningful return for customer experience. To make the customer experience better, artificial intelligence can integrate two marketing tactics. One is getting the right offers to customer at the right time. And the second is delivering great post-sales service. So that is the why getting the right offers to customers at the right time and delivering great post-sales service important.

For every brand helping customers make purchase decisions by delivering on their needs is the top priority. But that is not as easy as it sounds. A surge in digital channels and hybrid online-offline journeys along with heightened customer expectations have complicated brands' desire to create and deliver dynamic experiences that equips customers with the right information and incentives when they need it the most. As per the Deloitte survey, consumers found most of these two tactics as most helpful while making purchase decisions across a variety of products and services categories. So, they are timely offers, knowledgeable customer service.

So these two dimensions routinely outperform customized recommendations, free trials and samples no-hazel return and cancellation policies and augmented technology. So, these are the two most important things. So, these are the timely offers and knowledgeable customer service help lead to more purchases. So, the question was did any of the following help you make your purchase decisions? So, these are the various industries, auto, travel, apparel and footwear, beauty and personal care, household equipment, furniture, electronics, banking products and services. And these are timely offers and customized service.

The other options were no-hazel return or cancellation policy. Technology made it easier to learn more customized recommendations, free sample trials. Now you see that the minimum here is 32% in banking products and services and maximum is 41% in household equipment. So, it is just about 8- or 9-point differences between the household to the banking and product services. So, you see how important this is across the industry.

The second is knowledgeable customer service. Again, that varies from 21% to 39% and

that is again across industry. So, everyone wants to have the knowledgeable customer service. While here you see the difference is from 13 to 30% or from 13 to 31%. So all these things they are not so important as these two are very important and not so important.

They may be important somewhere. For example, customized recommendations are important in banking products and services, furniture and auto while they may not be of much importance in apparel and footwear. So building on that, marketers and customer experience leaders should be asking how can we get the best offer in front of our customers when they needed most and equip service agents with the right information to offer those customers a level of service that helps them make the best purchase decisions. The answer is to optimize artificial intelligence within the customer experience achieving harmony between human task and machine capabilities. So, this harmony has to be achieved.

Designing a dynamic customer experience. A dynamic experience for customers means delivering the assistance and information they need whenever, wherever and however they want it. One prong of this is the utilization of AI that has enabled brands to deliver more personalized and creative marketing material and helped predict customer behavior. Designing and deploying an AI strategy that assist consumers in their moment of need may be the most effective way to ensure the right offers meet the customers at any point in their customer journey. However, AI will not be enough.

For instance, a self-service chatbot without live service may convey to the consumers that the company prioritizes cost savings over helpfulness. That is where the human side of contact centers comes in. Employing customer agents as part of a dynamic experience serves a twofold purpose for brand. One is it embeds humanity within the customer journey and creates an opportunity to expand the view of customer service beyond the point of sale. For instance, each customer interaction gives agents a captive audience to whom they can upsell where the two tactics meet, getting the right offer to the customer at the right time and delivering great post-sale service.

Companies use AI solutions to focus on a particular piece of customer service such as using data to identify timely offers. However, when AI is embedded with purpose and planning into critical parts of the entire experience producing timely offers and providing relevant insights to the company, it can create a more holistic customer service solution. So, instead of treating AI and contact centers as siloed investments, each with its narrow purpose marketers should aim to create a more integrated man-machine handoff to better serve customers and support employees. Now, what does that look like? So, that is the question. Ideally, brands would use AI to embed data insights throughout the customer

journey to produce the most relevant offers.

For an extra layer of personalization, AI can serve as an agent assist. When powered with human-centered design, AI can provide service representatives with the relevant information as they serve customers to help the latter make the right decisions. Look at this illustration typically. Take a typical customer interaction from one global travel and hospitality company with a reputation for fantastic customer service. So, these are the various stages here.

Inspire, Shop, Book 24 or 28, After Booking 48 and 24, Before Departure, Check-in, Airport, On Trip, Post Trip. And these are the various activities. Text awareness emails, peer-to-peer, frequent flyer, big data, traveler affinity, rich media. So, these are the 9 steps where they keep eye on the customers for providing a fantastic customer service. So, then they are after they inspire, they go in for shopping, then booking and then they take feedback 24, 48 hours after booking, 48-24 hours before departure, at the time of check-ins, at the airport, in-flight and post trip.

Now you see that here it ends with the next trip. AI and integrated data immediately lets the customer agents know the customer travel itinerary where they may have had trouble completing a booking on the site, what in-person experiences or outings they plan to attend during their travel and after addressing the customer's issue providing a cross-sell or up-sell opportunity if appropriate. While this company may be considered early adopters, it will not be alone for long. Results from the contact center study shows that 79% of contact center leaders plan to invest in greater AI capabilities in the next two years. Consider WM, we are a global business to business technology company.

From providing more tailored recommendations to customers around timely security updates to better equipping customer call center employees with clear guidance, AI is changing how WM where holistically delivers on the customer experience. A point to note, use of AI is meant to supplement technical advisors and customer service folks, not to replace them. So, this is how it provides more tailored recommendations to customers around timely security updates. So, this is how they are. General health checks, storage health checks, security health checks, network compute health checks and online health availability.

Now let us connect the dots. Implementing the dynamic end-to-end strategy necessitates a real understanding of current customer experience including the opportunities to improve it. To begin, brand should have a clear picture of their customers, perhaps employing a customer data platform that can integrate the vast amounts of data collected from desperate sources. Next marketer should look at how they are currently bringing

data insights to life and encouragingly they do not need to be a data scientist to bring these capabilities to their organizations. Between more enterprise software as a service platform embedding AI capabilities directly into the product suits and cloud based machine learning capabilities offered by multiple vendors, marketers can think less about the technology and more about the strategic application of it to transform a customer journey. So, technology should be thought as an application to transform the customer journey.

So we should not be worried about technology stand alone but we should be worried about only when it can be and how where it can be used to transform the customer journey. Example Australia based travel and hospitality company Crown Resorts went through a transformation. By mapping out the customer journey and understanding what points make the biggest differences in the customer experience and parts of that was helping ensure the right technology was in place to provide great personalization at scale. So this was booking, check in, check out, these are the various locations pre arrival, mid stay, post check out. The process of customer journey mapping started with getting the data in one place and overlaying it with the cloud based customer relationship management system to feed the critical parts of interaction our front of house staff needs today.

By doing so Crown Resorts is uncovering small windows such as acknowledging a loyal customers birthday when visiting any of their properties that will make quite a big difference to the experience customer will have. To better appreciate the customer experience and its potential, deficits marketer can consider these three key tasks. The first is understand the customer experience strategy. Identify each channel and touch points along the customer journey.

Make sure they are connected. The channels and touch points should create a congruent experience for customers designed with human centered factors at the forefront. So this is important. Human centered factors. Consider the entire service experience including the customers, talent and third-party service providers.

Let us look at an example. The health insurance company Anthem is embedding AI in all of its channels from digital sales service tools to call centers. Ultimately, AI tools are available to help marketers and customer service leaders create an end-to-end customer experience that seamlessly blends AI and human service to better serve customers and the bottom line. So now look at this screen. So here these are the email you displayed plan, email etc. and here are the plan options available to you.

You must select up to five plans to compare. You can also view top plans. So, these are

the various shopping cart and here there is a doctor. So these are medical plans and dental plans, add to cart, smart etc.

etc. So, this is how Anthem is using AI for delivering a great customer experience. So how AI is transforming the customer experience? Empowering sales service available 24 by 7, allowing for automated life assistance, providing happy customer service agents and improving personalization. Now let us look at each one of them. What does empowering sales service means? One of the aspects of AI is that it eliminates the need to wait on hold for the next available agent to help the customers with a simple problem with a customer's build product or service. AI has changed all that by allowing companies to use chatbots and virtual assistant to answer common customer service questions, allowing customers to get in and out in a jiffy.

Chatbots are not completely effective yet but chatbots are doing enough to solve little problems for the customers. They free up customer service. So this is self-checkout counter. So instead of waiting for someone to come and do the building etc.

etc. So, this lady is doing the checkout herself. So that is based on AI and it saves her a lot of time. Now here on the right-hand side, so the AI is saying how can I help you and the customer says do you have any headphone on sale right now? Yes. We have one. I have gathered them for you on the on this link.

So now this can go to see the offers directly. The second is that it is available 24 by 7. Another bonus of AI is it never needs to sleep. Like empowering customers via self-service, AI also allows customers to have 24 by 7 support. Something most companies would not be able to afford or staff in the age of old. What's more 24 by 7 support is not just good customer experience.

It is table stakes in today market. Most consumers are not willing to wait until the company opens their door to get answers to their biggest account questions. AI makes that possible. So, this is how it happens. So, the chair I ordered is missing a leg.

I can't assemble it. So, this is what the customer says at 10. I am so sorry to hear that I am happy to help. Please send your order number and we will send you the replacement part. So, and then immediately it says I need to update my method of payment. We have found some matching articles that might help, and I need to reschedule my flight for the following day.

No problem. What's the booking number? So, this is happening all across this clock. Around the clock anytime it is available. The third is allowing automated life assistance.

Most of the consumers use Alexa to turn on music or dim the lights. But more and more companies are using Alexa, Google Home and other robotic AI to make their customers life easier.

For example bank are linking with Alexa and Google Home to allow customers to schedule transfers and bill pay. Stores are allowing them to order products by voice. Alexa tell me about Amazon pay features.

Alexa pay my mobile bill. Alexa pay my electricity bill. So just on the voice command Alexa is doing all this for for the customer. Movie theatres can allow them to purchase tickets, select seats and pre-order popcorn before they even leave the driveway without even hopping on their smartphones. These are the ways AI is transforming the customer experience and these use cases will only continue to grow as AI expands outwards. The next is providing happy customer service agents. It is impossible for customer service people to be on all the time.

Most of us have had some bad encounters that probably led us to quit whatever company we are communicating with at the time. However, the benefit of AI is that it does not get upset. Although it has the power to learn emotional intelligence, it does not get bothered like we as human do. That gives companies peace of mind that their agents will always be kind and accommodating and their customers will always leave with a smile on their face. You so even if the customer is saying you are a terrible chatbot, it says that is not very nice.

Here what did we do today? What do you mean? The fifth is improving personalization. Another important way AI is transforming the customer experience is by providing personalized content. This is an era where customers rarely needs to search for products that would make their lives easier. It is so easy now to find a recommendation based on a customer's past history. For example, recommendation videos and movies on YouTube and Netflix, recommended music on Spotify, recommended TV shows on Hulu, recommended concerts and performances on bands in town, recommended products are amazing.

AI is essentially putting in the know hipsters out of business by bringing any and all content to the forefront. In addition to personalized recommendations, companies are also turning to AI service to help develop personalized contents. Customers are much more likely to buy from a company that has taken the time or has used a program to get to know them. Customers like when their marketing messages are targeted directly to them. So, customers like when these marketing messages are directed directly to them.

There are some issues with privacy, but most of them are satisfied with what they have experienced. So, we will discuss personalization in more detail in the next module. So to conclude, in this module we have understood how AI facilitates in designing a dynamic customer experience and then we have discussed how does AI transforms the customer experience. And these are the 5 sources from which the material for this module was taken. Thank you.