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WHITEPAPER

The transformation of customer experience: the impact of automation and AI

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ABOUT INTELEPEER

IntelPeer delivers rapidly deployable communications solutions for an always-connected world. Powered by AI and analytics, our omnichannel platform instantly improves your customers' communications experience. IntelPeer provides industry-leading time-to-value with solutions that work seamlessly with existing business software and infrastructure. Our no-code templates and low-code, co-creation options provide customers with easy-to-use tools that can be utilized by anyone and are also accessible through developer APIs. For more information, visit intelepeer.ai.

Introduction

Contact centers have traditionally been characterized by their reliance on human agents managing high volumes of customer inquiries, often constrained by time-consuming processes and resource limitations. However, customer experience (CX) has emerged as a pivotal battleground, driving contact centers to transform their technology, operations, and more importantly, their customer interactions.

Generative artificial intelligence (AI) is spearheading a revolution that is reshaping contact centers as we know them. The profound changes that these technologies have brought to this critical domain of business have automated workflows, increased customer interactions, streamlined productivity, and driven operational efficiencies at lower costs.

In this whitepaper, delve into how automation has transformed the contact center industry, and how generative AI can turbocharge automation and offer personalized customer experiences.

Current CX contact center pain points

Contact centers face several pain points and challenges in today's fast-paced and technology-driven environment. While businesses have historically assumed that human agents deliver greater adaptability to customer interactions, the absence of AI-based tech implementations created issues such as scalability, cost, service consistency, and the ability to meet evolving customer expectations.

At the top of contact center pain points is the ever-increasing expectations of customers. In the age of instant gratification, customers demand quick, personalized, and efficient service. Therefore, contact centers must gather and utilize customer data effectively to tailor interactions, whether through personalized greetings, product recommendations, or issue resolution. Failure to meet their expectations often leads to dissatisfaction and customer churn.

Fluctuating customer demand is another critical challenge. In day-to-day operations, contact centers can struggle to scale up or down quickly to tackle spikes or drops in calls; hiring, training, and onboarding new agents can be time-consuming and expensive. Agents also represent a significant portion of contact center expenses, with costs including salaries, benefits, training, and office space.

Due to call spikes, call resolution times have increased in recent years. The prolonged authentication of callers, saturated or poorly prepared employees, and the usability of management systems are factors that contribute to an increase in Average Handling Time (AHT). The longer the AHT, the higher the abandonment rates and customer churn, and the lower first-contact resolution (FCR), customer satisfaction, and efficiency.

In particular, the lack of access to customer data is one of the causes of low FCR. Agents are less likely to address the issue on the first try when they are unable to access clients' histories. Lack of authority to address specific client inquiries is another factor. Calls rise because customer service representatives are either unqualified to handle the issue at hand or lack the knowledge to do so. A company policy or procedure, for instance, might forbid agents from processing refunds. These calls must be escalated to a manager, which has an adverse effect on FCR.

The persistence of manual processes, specifically those relating to data management, has also become a critical pain point. Manually extracting information from disparate systems makes operations exceedingly inefficient and ultimately causes visibility to be delayed while analysis and aggregation take place. Most contact centers need to assess contact-specific data from an Interactive Voice Response (IVR), customer purchasing information from a CRM, agent performance data from QM and WFM systems, and more.

The AI revolution

AI has dramatically changed the contact center industry through the automation of back-office tasks, call routing and queuing, and IVR systems. The disruptive nature of AI has changed the rules of technology, processes, and staffing, with the ultimate objective of enhancing customer experience.

Today, contact center channels are not limited to solving routine questions, but rather allow enriching and contextually relevant interactions. This has significantly improved the service by providing accurate responses tailored to users' needs and emotions — it is no longer just about the average service time, but about understanding the customer journey and guiding them towards more effective and satisfactory issue resolutions.

Besides contextual interaction, the incorporation of AI, machine learning (ML), and natural language processing (NLP) has allowed contact centers to automatically interpret the tone of voice and adapt their responses based on the customers' emotions. This has

added a critical element of empathy to communication channels in an era in which, according to the Aspect Consumer Experience Index, 73% of consumers prefer self-service options over contacting a live agent.¹

AI has also redefined performance metrics to understand customer needs and gauge service quality. Generative AI can continually adapt and improve, consistently delivering high-quality service. Additionally, the introduction of analytics and reporting tools enable companies to track performance, gather insights into customer interactions, and identify areas for improvement.

On the operational side, AI has opened a flexibility, efficiency, and scalability that traditional contact centers could barely envision in years past. In tandem with cloud-based solutions, contact centers are now able to adapt to any demand fluctuation without altering staff count or spending more resources. Automation is now able to manage sudden increases in call volume by deploying virtual agents quickly to reduce AHT. This scalability ensures that customer service remains consistent during peak times.

Automation has also improved contact center first-call resolution rates. Today, through automatic ticketing and routing, contact centers can automatically create service tickets and route them to the appropriate department or agent based on the nature of the issue, ensuring that customer inquiries are handled by the right personnel, with the right context, from the outset.

Automation has changed the very core of data management in the contact center, unlocking a myriad of benefits. AI-powered Communications Automation Platforms (CAP) can seamlessly integrate data from various sources, including CRM systems, call recordings, databases, web interactions, and more. This aggregation simplifies the process of accessing and analyzing data, providing a holistic view of customer information with a significant impact on customer satisfaction.

The ultimate effect is that AI can significantly improve operational efficiency, and ultimately, customer satisfaction. By automating basic customer interactions, agents' workload is reduced, allowing them to handle more complex cases that require specialized skills. This increases team productivity and streamlines the customer service process.

Generative AI

The transformation of contact centers from a customer service accessory to automated drivers of the customer journey has one fundamental cause: the emergence of capable, AI-powered automation able to offer a strategic use of generative AI.

Generative AI is a type of AI that can produce content on its own, including text imagery, audio, and synthetic data. Generative AI is a deep learning tool that learns patterns based on the data available to them and then generates new data in response. Generative AI can respond to a wider breadth of interactions, but requires guardrails created by the organization using it to maintain accuracy.

It is the strategic use of generative AI that plays the main role in contact center transformation. By understanding key uses and functionalities of generative AI, contact centers can automate routine processes to improve efficiency and reduce costs, while also humanizing and personalizing the customer experience.

One of the main applications of generative AI has been the creation of content that allows communication channels to interact with customers. These interactions can address both sales and customer service, delivering self-service features, and understanding basic customer problems, and even emotions. The benefits include increased productivity, 24/7 customer service, increased customer interaction handling, and improved customer satisfaction — thanks to faster and more effective responses.

There are various benefits of rolling out AI in the contact center:

- **Improving customer acquisition:** The seamless, humanized, and personalized omnichannel experience facilitated by AI enables businesses to attract new clients through tailored information about products, service recommendations, and pricing that adjusts to their needs — all on the channel that the prospect prefers.
- **Lower cost to serve:** The low integration costs of AI and the short payback period reduce costs significantly.
- **Reduced customer churn:** Achieving high customer satisfaction through personalized experiences and 24/7 availability has significantly lowered customer churn. Since AI algorithms can learn and constantly improve, they are able to increasingly turn prospects into loyalists.

- **Higher employee satisfaction and lower staff costs:** The automation of repetitive tasks frees workers from menial, complicated routines and allows them to focus on more meaningful work. Also, since staffing costs at contact centers can account for up to 95%, scalable automation deployment can reduce unnecessary hiring.

IntelPeer's Communications Automation Platform

With the cloud-based, AI-powered IntelPeer Communications Automation Platform (CAP), you can automate your contact center and usher in a new era of efficiency and customer satisfaction.

The result is:

- **Significant labor cost reduction** as businesses are able to use AI and automation to rethink their need for costly contact center agents.
- **In-quarter ROI** as businesses are able to experience immediate payback.
- **Improved customer satisfaction** as businesses leverage AI and automation to provide a better customer experience without the need for agent intervention.



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