

Customer engagement, Digital & messaging

# Conversational AI: How does it fit into your customer experience strategy?

[Nuance Communications](#)

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Customer expectations are always evolving, making it challenging for organisations to constantly adjust and deliver on them. With technologies invading our day-to-day lives, consumers now expect the same type of digital experiences when they interact with businesses. As voice technologies are booming, they could be the next best addition to bring your customer experience to excellence.

With the increasing sophistication of voice technologies, organisations in Australia and New Zealand are looking to explore and understand their potential to optimise processes, costs, and revenue. [One in five Australian businesses report](#) having a formal voice strategy in place, following a report from global consultancy Cognizant, and [research from Ecosystem](#) found that 48% of CX decision-makers in ANZ are planning to deploy conversational AI in the next 12 months.

## Chatbots vs Conversational AI

In the realms of customer experience, and customer authentication and security, voice can play a major role for companies. But when looking for the best solution, companies should make sure they understand what Conversational AI is, and is not. Lured by the promise of revolutionising their customer experience, many organisations adopt generic and poorly designed chatbots solutions that can only answer a set, and limited list of questions and information requests, and quickly require human intervention to answer customers' requests.

On the other end, conversational AI offers an enhanced value proposition to build a truly conversational interface. Thanks to AI and machine learning, these solutions can drive increasingly sophisticated conversations with the audience. Designing real conversations is not easy, but is critical, and requires time, and content creation professionals to build. From there, monitoring conversations and measuring the outcomes is essential to create a feedback loop to train the AI consistently, evolve its capabilities, and ultimately move the needle in terms of customer experience and business benefits.

A great example of this is [Arlo the Koala](#), which successfully helped Australian insurer NRMA extend into another insurance category.

## The broader benefits of AI

While conversational AI solutions have a direct impact on the customer experience, there is more to it. In fact, ANZ organisations adopting conversational AI solutions rank employee experience (EX) as the number one area they would like them to benefit.

This is because customer-focused teams usually work in high pressure and fast-paced environments. Any process optimisation or automation that can ease the load on customer teams and bring them efficiencies will not only improve their day-to-day and reduce attrition, but also ultimately translate in an improved customer experience. Happy and efficient employees make for happy customers.

Cost savings is another aspect of AI's potential benefits, with automation and optimisation saving organisations and their employees critical time, and eventually money. Finally, through numerous customer interactions, a well-trained AI will be able to drive increasingly deeper and proactive engagements, potentially helping in lead generation and greater revenue.

## Choosing the right solution

While Conversational AI has the potential to generate efficiencies, when the time comes to benchmark, test and choose, the offer can be overwhelming, and making the right choice is critical. Here are a few elements to consider when assessing different solutions and providers.

### A good Conversational AI solution should:

- Resolve customer enquiries quickly and efficiently
- Clearly understand the customer intent Have high recognition rates (greater than 90%)
- Deliver high levels of automation and containment (greater than 90%)
- Drive agility and faster time to marketIntegrate with existing systems
- Operate across all channels – voice, digital, messaging, chat, mobile, video
- Operate in the authenticated and unauthenticated spaceSupport customer and agent processes seamlessly

### A good provider should:

- Be able to show a good track record
- Understand the business strategy beyond the brief
- Have the talents to design real and deep conversational structures, in multiple languages
- Be able to cover both the digital and contact centre spaces
- Provide you with the possibility to scale the solution globally
- Offer flexibility on the licensing model (on-premises, hybrid, or cloud)Be clear on the cost of implementation, and importantly, the ongoing costs for using the AI

You can find more insights and recommendations in a recent whitepaper published in partnership with Ecosystem: [State of Conversational AI Market in ANZ](#).

**Tags:** [Customer experience](#), [Intelligent virtual assistant](#)

## More Information

### **Ready for Conversational AI?**

Nuance has been building voice-based customer experiences for almost three decades. If you want to put the future of your customer experience across multiple channels in safe hands.

[Learn more](#)