

## AI IN CUSTOMER EXPERIENCE- REVOLUTIONIZING INTERACTIONS, PERSONALIZATION, AND LOYALTY

### Abstract

The objective of any business is to attract and retain customers. This has become extremely difficult in a market where customers have so many brands vying for their attention. The kind of experience the brand offers its customers has become a key factor in determining whether customers will remain loyal to a brand. The demands of customers have increased and they expect hyper personalised experience. Providing a personalised experience is a tough task with its unique challenges. AI (Artificial intelligence) based tools have emerged as a powerful solution for brands to create personalised customer experiences.



CX (Customer experience) is the crux of all business operations. All activities a business performs like the products/ services they offer, how the product is delivered, how the brand interacts with the customer, and the marketing strategies they adopt, are centred around their customers.

This quote by Michael LeBouef says it all!

*"A satisfied customer is the best business strategy of all."* - Michael LeBouef

Customer experience has become of paramount importance in a highly competitive market where brands are competing with each other to attract the attention of their customers. And,

customer experience has emerged as a key differentiator that sets brands apart. It enables a brand to promote loyalty and retain customers. Great customer experience helps boost sales, gain repeat business, word-of-mouth referrals, brand loyalty, and more. Besides, it also reduces negative reviews, product returns, customer complaints, and churn rates.

## What do customers expect from a brand?

### Personalised experience

First and foremost they want an experience that is tailored to their needs. Data reveals that 80% of customers prefer to work with brands that offer them a personalised experience. However, they have multiple options available to them and they are quick to switch brands if they are not happy with the experience it provides.

### Prompt resolution of issues

Customers want easy access to support. It could be through phone, email, chat, etc. They want support to be available as and when they need it. They expect timely resolution of queries. They will not like to wait for days or hold for long periods and be transferred to multiple agents.

### Consistent experience

Customers prefer consistency in their experience with the brand across multiple touch points. In other words, they expect the same level of service when they interact with you through a website, social media, or any other channel.

### Desire empathy

Customers like a brand that is empathetic, understands them and truly cares for them. They feel valued and trust the brand.

### Transparency in transactions

Customers will trust a brand and be loyal to it if they have the confidence that they are not being tricked or misled. Hence, they

expect transparency in pricing, processes, policies, etc.

### Knowledgeable agents

Customers expect to interact with agents who are knowledgeable about the brand and can provide them with authentic information.

Attracting new customers and retaining existing customers has become extremely difficult because customers of today expect a hyper personalised experience. Let us dig a little deeper into customer experience challenges!

## Customer experience challenges

### Lack of clarity about the customers

To offer personalised experiences, businesses need to get an in-depth understanding of their customers. They need information about customer demographics, buying patterns, their pain points, how they interact with your brand, and more. Many businesses do not have robust methods for gathering relevant data. The lack of data makes it difficult for the brand to cater to the needs of its customers.

### Inability to address CX issues

Many businesses do not spend enough time to analyse customer behaviour. Hence, they cannot identify the real issues that their customers face and address them. This leads to poor customer experience.

### Inconsistent interactions

Brands often lose their customers to competitors because they fail to offer consistent omnichannel experiences to their customers. Inconsistent behaviour across different channels confuses the customer and they do not trust the brand.

### Inadequate training of employees

Customers expect agents to be knowledgeable about the products/ services the brand offers. However, many businesses do not prioritise training and consequently, agents may not be able to have meaningful conversations with customers. In such cases, customers lose trust in the brand and are likely to switch brands.

### Data management issues

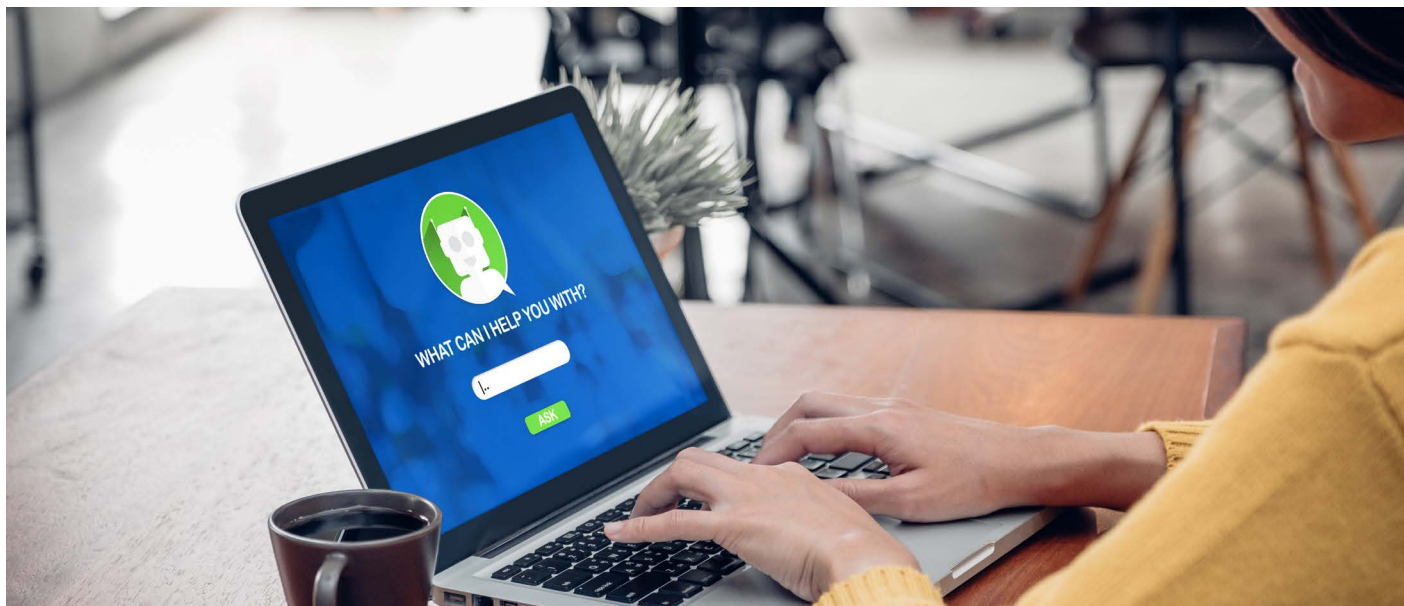
Many businesses do not have the right data management tools and strategies.

This leads to ineffective use of data leading to erroneous information about their customers. This negatively impacts the customer experience strategies they develop leading to unhappy customers.

### Improper technological tools

In the digital era, it is important to have the right technologies in place to streamline processes. Many businesses are unable to provide a great customer experience because they do not invest in the right tools.

The most effective way to overcome all these challenges is investing in the right technologies. AI (Artificial Intelligence) is a technology that has revolutionised the approach a business takes to enhance customer experience.



## Customer experience transformation with AI

### Data analysis

AI tools can gather data from a myriad of sources including social media, email, etc. AI gathers, stores, and analyses customer data and provides actionable insights to the marketing teams.

### Chatbots

AI-based chatbots and virtual assistants are highly effective in resolving customer queries. These bots work 24/7 and can address customer queries as and when needed. Bots can be programmed for

personalised interactions. Generative AI-powered chatbots are more advanced and can understand human language and respond to customers just like a human would.

### Predicting customer needs

ML (Machine Learning), which is a subset of AI is a self-learning technology that can make accurate predictions based on existing datasets. It can make forecasts about the customers. And, marketers can use this data to create personalised experiences for their customers. Forecasts also enable brands to address the needs of their customers proactively leading to better customer experiences.

### Sentiment analysis

AI tools not only understand details about the customers like their age,

preferences, behaviour, etc. but they can also understand how a customer perceives the brand and what they feel about the brand. This information helps connect with customers on an emotional level and offers experiences aligned with the emotions of their customers.

### Customer segmentation

AI can segregate customers based on different characteristics of the customers. Customer segmentation helps brands build customer experiences that are aligned with specific categories of customers. For

instance, they can send customised emails to interact with customers based on what stage they are in their customer journey.

### Faster processes

AI-powered bots automate processes to increase speeds and minimise errors. This enhances outcomes leading to better customer experience.

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## In Conclusion

In a highly competitive marketplace, businesses are trying to attract the attention of their customers and build

long-lasting relationships. AI-powered tools help businesses to personalise customer experience with the brand by

facilitating data-based decision-making.

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## How can Infosys BPM help?

Infosys BPM's [customer service solutions](#) offer a personalised experience to your customers. We have in-depth experience across all kinds of support requirements.

We efficiently manage interactions across all customer touchpoints consistently to offer a great customer experience. Our cost-effective services can be customised

according to the unique needs of various businesses.

For more information, contact [infosysbpm@infosys.com](mailto:infosysbpm@infosys.com)



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