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The Guide to Generative Al Mastery:

Elevating Customer Experience in Retail Contact Centres

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The retail landscape is incredibly dynamic and rapidly evolving. Retailers must navigate changing consumer habits, anticipate future consumer demands, manage seasonal fluctuations, deliver hyper-personalised experiences, and maintain a level of 'always-on' customer experience (CX).

Generative AI (Gen AI) presents innovative solutions to these challenges, enabling retail contact centres to enhance efficiency, personalisation, and customer satisfaction.

Onecom understands the unique challenges and nuances that retailers face in delivering exceptional customer experiences and is here to support and empower them in leveraging generative Al technology to drive business success.

Changing Consumer Habits

One of the most pressing challenges facing retail contact centres is adapting to the rapid shift towards online shopping (e-commerce). The COVID-19 pandemic has accelerated the growth of e-commerce, with online retail sales accounting for 27.7% of total retail sales in 2020, a 45% increase from the previous year. This surge in online shopping has fundamentally altered consumer purchasing behaviours, requiring retailers to adapt their service strategies to meet the changing demands of customers.

Generative AI can help retailers by providing a powerful solution to address these challenges, enabling them to automate routine inquiries, reduce response times, and allow human agents to focus on more complex issues. By leveraging AI-powered chatbots, retailers can deliver a seamless and personalised experience across all channels, meeting the demand for speed and efficiency that consumers now expect.

Preparing for Consumers of the Future

Anticipating future consumer needs is a critical imperative for retail contact centres seeking to maintain a competitive edge. The rise of digital natives is redefining consumer expectations, with a growing preference for seamless, personalised digital experiences. In fact, **40% of UK consumers encountered issues when interacting with customer service on digital channels**, highlighting the need for improved digital interactions.

Generative AI can help retailers stay ahead of the curve by analysing vast amounts of data to predict trends and personalise interactions. By leveraging this technology, contact centres can ensure that customers receive tailored responses, recommendations, and offers that meet their evolving needs. This capability not only enhances customer satisfaction but also streamlines service operations, freeing up human agents to focus on more complex issues.

Seasonal Peaks & Changes in Consumer Behaviour

Retail contact centres face a unique challenge during peak periods, such as holidays and special events, when demand surges and wait times increase. This can lead to a decline in service quality and has a consequently negative impact on customer experience and satisfaction. However, Al-driven solutions can help mitigate this issue by dynamically allocating resources and managing workloads more efficiently.

54% of consumers altered their Christmas shopping habits between 2022 and 2023, with price being the latest factor influencing this shift at 89%. This significant shift in consumer behaviour highlights the importance of managing not only seasonal fluctuations in retail contact centres but also changes in demand as a result of wider economic circumstances.

In this instance, AI-driven solutions can predict call volumes and optimise staffing levels, ensuring that customer experience remains consistent regardless of seasonal/external fluctuations. By leveraging AI-driven solutions, contact centres can anticipate demand and plan accordingly, deploying resources more effectively to maintain service quality. This enables retailers to provide exceptional customer experiences during peak periods, even when demand is at its highest. By optimising resource allocation and workload management, AI can help retailers deliver seamless service, leading to increased customer satisfaction and loyalty.

Driving Hyper-Personalised Experiences

In today's digital landscape, where consumers are bombarded with endless choices and constant distractions, hyper-personalised experiences are no longer a luxury, but a necessity. Retailers who fail to deliver tailored interactions risk losing customers to competitors who can provide more personalised experiences. Al-powered systems can analyse vast amounts of data, including customer interaction history, to provide tailored interactions that cater to individual preferences. This not only boosts customer loyalty but also increases conversion rates. In fact, **75% of consumers are more likely to purchase from a retailer that offers personalised experiences**.

By leveraging Al-powered speech and text analytics, retailers can improve agent productivity and enhance customer experiences. These systems can summarise call content, uncover intent, and suggest topic outcomes and next steps, enabling agents to quickly troubleshoot problems and provide effective solutions. This not only improves customer satisfaction but also **drives cost savings of up to 30% and customer satisfaction score improvements of over 10%**.

Always-On Customer Experience (CX)

Consumers today expect seamless, 24/7 customer support, and traditional contact centres often struggle to meet this demand without incurring high operational costs. Generative Al revolutionises customer experience by providing always-on support through automated chatbots and virtual assistants. These Al-powered agents can resolve issues, provide information, and escalate complex cases to human agents when necessary, ensuring continuous and efficient service.

According to a recent study, **62% of consumers prefer to use chatbots rather than wait 15 minutes for a human response**, highlighting the importance of immediate support availability and the growing acceptance of AI-driven solutions. By leveraging AI-powered chatbots, contact centres can provide around-the-clock support without sacrificing quality or efficiency, ultimately improving customer satisfaction and loyalty.

Summary

The retail landscape is undergoing a profound transformation, driven by changing consumer habits, shifting consumer demands, and the need for always-on customer experience. Generative AI presents a powerful solution to address these challenges, enabling retailers to adapt to changing consumer habits, anticipate future demands, and deliver hyper-personalised experiences. By leveraging AI-powered chatbots, analytics, and automation, retailers can streamline their operations, improve customer satisfaction, and drive business success. With AI-driven solutions, retailers can stay ahead of the curve, anticipate seasonal fluctuations, and deliver exceptional customer experiences that meet the evolving needs of consumers.

But how does Generative Al actually work?

Cutting through the jargon

Generative AI differs significantly from other AI approaches, such as rule-based systems and machine learning algorithms, and these differences hold particular importance in the context of contact centres.

Rule-Based Systems

Traditional rule-based systems rely on fixed rules and decision trees to respond to customer queries. While they work well for simple questions, they can struggle with more complicated or unexpected situations.

Contact centres using rule-based systems may face challenges in growing and adapting as modifying rules requires manual changes and thorough testing.

Machine Learning Algorithms

Machine learning algorithms, like those based on supervised, unsupervised, and reinforcement learning, rely on labelled data to make predictions or decisions.

While they work well for tasks like sorting and forecasting, they struggle with creating responses that sound human-like or understanding complex language nuances.

Training these models also requires a lot of work in terms of labelling data, setting up features, and adjusting the model, which can be time-consuming and resource-intensive for contact centres.

So, what makes Generative AI so great?

Generative AI models, such as the Generative Pre-trained Transformer (GPT), offer a superior alternative to traditional rule-based systems and machine learning algorithms. GPT's ability to generate human-like responses and understand complex language nuances without extensive manual involvement sets it apart.

Unlike rule-based systems constrained by predefined rules, GPT's flexibility enables it to handle diverse queries, even in unpredictable scenarios. Additionally, GPT excels at natural language understanding and response generation, making it a highly efficient and effective solution for contact centres aiming to improve customer interactions and streamline operational processes.

Generative AI, with its ability to mimic human-like responses and understand natural language, offers a plethora of advantages for contact centres.

Enhancing Customer Experience

Generative AI empowers contact centres to deliver more personalised and efficient customer experiences.

Generative AI empowers financial services contact centres by enabling them to deliver more personalised and efficient customer experiences. AI-driven chatbots and virtual assistants streamline routine inquiries, delivering instant responses and allowing human agents to dedicate their expertise to handling intricate financial matters.

By leveraging advanced natural language processing (NLP) capabilities, generative Al ensures accurate interpretation and swift query resolution. This tailored approach not only enhances customer satisfaction but also boosts first-contact resolution rates, aligning with the precision and excellence expected in financial interactions.

Did you know?



With over 70% of customers now expecting conversational service when contacting businesses, there's never been a better reason to invest in Intelligent Virtual Agents (IVAs).



Five9's IVAs are revolutionising the way businesses interact with customers through automated, round-the-clock service and support. Find out how Five9's IVAs can help your business unleash its productivity potential.



Zendesk Messaging and Live Chat are transforming customer experience (CX) by meeting customers on their preferred channels – whether it's through your website, mobile app, or popular social platforms, like WhatsApp and Facebook. Find out how to integrate messaging into your existing business tools and enjoy instant support for customers, partners, and employees with a simple click.

Increased Agent Productivity and Operational Efficiency

Generative AI technologies excel at swiftly scanning vast data repositories, aiding agents in resolving complex queries effectively. This real-time support ensures agents deliver prompt and accurate responses, enhancing service quality and customer satisfaction.

Further, generative AI solutions streamline order management in retail contact centres by automating repetitive tasks, such as order tracking and shipping notifications. Integrating AI-driven automation tools accelerates order processing, reduces errors, and boosts operational efficiency. This automation empowers agents to focus on delivering personalised service and addressing complex customer needs effectively.

By automating repetitive tasks, generative AI streamlines operational processes, reduces average handle time (AHT), and enhances agent productivity. This efficiency empowers agents to handle more complex customer queries while allowing customers the option to escalate issues directly with an agent through voice conversations.

Did you know?



The average agent spends anywhere from 30 seconds to a few minutes in the "after-call work" state, completing call summaries and filling in client details.

Reducing the reliance on human agents when handling routine queries allows contact centres to achieve substantial cost reductions in terms of staffing and operational expenses. Al-driven automation allows contact centres to scale their operations more efficiently, accommodating fluctuations in customer demand without incurring additional overhead costs.



Five9's Agent Assist can reduce your wrap-up in average handling time by a conservative 50%?

Five9's Agent Assist automates post-call transcription and summarisation, boosting operational efficiency and enhancing customer experiences in contact centres. With features like AI Summaries and Real-Time Transcription, Agent Assist reduces call wrap-up time, improves data accuracy, and empowers agents to deliver personalised customer interactions. Learn more about Agent Assist here.

Enhanced Scalability and Flexibility

Generative AI offers greater scalability and flexibility to adapt to changing business needs and customer requirements in the retail sector. For instance, during peak periods such as Christmas or 'Back to School', AI-powered systems can efficiently manage fluctuations in call volumes and peak traffic periods.

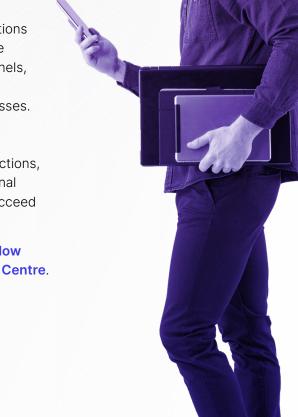
This ensures consistent service levels even amidst high demand, which allows contact centres to proactively address spikes in customer queries without manual intervention. The adaptability of AI algorithms enables swift adjustments to varying scenarios and environments, supporting retailers in scaling their operations up or down as needed.

Did you know?



The versatility of cloud contact centre solutions and the intelligence of AI technology can be combined to optimise communication channels, enhance data security, and flex to diverse operational requirements of modern businesses. By leveraging the combined flexibility and scalability of AI and cloud technologies, organisations can enhance customer interactions, streamline operations, and deliver exceptional experiences, empowering businesses to succeed in an ever-evolving digital landscape.

To find out more, **check out our guide on How AI & the Cloud Can Enhance Your Contact Centre**.





Hypersonalisation

The customer feedback loop from interactions in retail contact centres serves as a valuable source of insights for product development and service enhancement. Al-powered tools facilitate the efficient extraction of actionable insights, driving hypersonalisation and tailored customer experiences. Leveraging data analytics and customer feedback empowers retailers to meet evolving customer needs, ensuring a seamless and personalised shopping experience.

These generative AI tools and analytics help to personalise customer interactions based on preferences, past purchases, and real-time data analysis. From this, agents can provide tailored recommendations, enhancing customer experience and loyalty while boosting sales and retention. These personalised experiences improve customer satisfaction, increase repeat business, and adapt to changing market trends for long-term competitiveness.

Did you know?



70% of organisations are actively investing in technologies and tools that automatically capture and analyse intent signals.



Zendesk's cutting-edge Al technology harnesses generative Al to elevate customer experiences across voice, chat, and text channels. Through Advanced Al capabilities, Zendesk expands agent responses, adjusts tone, and measures call sentiment, all while identifying customer intent for more streamlined and productive interactions.

By utilising generative AI, Zendesk ensures that conversations are not only more effective, but also tailored to meet the unique needs of each customer.

Optimising Customer Feedback and Insights

While collecting sentiment data is valuable, its true potential lies in how businesses leverage this information to drive actionable insights and improvements.

Through Al-driven analytics, organisations can analyse customer interactions across various channels, identify emerging trends, and predict customer behaviour. Armed with these insights, contact centres can drive informed decisions, anticipate customer needs, and continuously elevate their services through data-driven strategies.

Did you know?

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Five9's Intelligent CX Platform enables you to gather real-time customer feedback, track sentiment, and enhance engagement across multiple channels. Equip your business to proactively address customer needs, strengthen relationships, and drive meaningful conversations. Find out more **here**.



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Interactive Customer Education and Training

Generative AI's ability to learn from customer interactions is a valuable asset in equipping agents with essential knowledge and enhancing self-service capabilities in contact centres. By analysing customer interactions, AI systems can identify common issues and develop automated solutions.

These automated responses can be seamlessly integrated into chatbots, allowing customers to address their queries independently without agent intervention. seamless integration of Al-generated solutions helps agents better understand customer needs and preferences while improving the efficiency of self-service options.

It also enables contact centres to build and maintain comprehensive knowledge management systems. Al-powered systems can analyse vast amounts of data, including historical interactions, customer feedback, and support documentation, to generate and organise knowledge base articles dynamically. This ensures that agents have access to upto-date and relevant information, enabling them to resolve customer queries more effectively and efficiently.

Whether it's identifying allergens in a product or checking stock availability, AI swiftly retrieves pertinent details, enabling agents to provide accurate assistance promptly.

Did you know?

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Generative AI for Knowledge Base by Zendesk utilises Open AI technology to help accelerate the creation of help centre articles.

It allows agents to quickly expand and change the tone of their articles, making them more comprehensive and friendly or formal. This feature helps increase productivity by cutting down the time it takes to create articles and ensures consistent tone and content across the knowledge base and brand.

How Generative Al Empowers Customers, Agents and Managers Alike

Empowering Customers



Enhanced Engagement and Increased Loyalty

Personalised customer interactions using Generative AI deepen engagement, build loyalty, and foster lasting relationships.



Scalable Service Excellence

The ability to seamlessly adjust to fluctuating demands ensures consistent, high-quality service to meet evolving customer needs effectively.



Actionable Customer Insights

With Generative AI analytics, contact centres can glean valuable customer insights, driving informed decisions, predicting trends, and enhancing services to exceed customer expectations.



Empowering Agents Efficiency Through Automation

Generative AI assists agents in streamlining interactions and resolving queries swiftly, leading to improved first-contact resolution rates and enhanced efficiency in issue resolution processes.



Enhanced Knowledge and Problem-Solving

By leveraging Generative AI for learning and problem-solving support, agents gain a deeper understanding of customer needs, resulting in more holistic solutions, improved issue resolution rates, and heightened proficiency in addressing complex cases.



Customer-Centric Focus

Generative AI empowers agents to prioritise customer-centric resolutions by providing real-time data insights and personalised assistance. This support helps agents seamlessly address customer issues with a focus on enhancing the overall customer experience.

How Generative AI Empowers Customers, Agents and Managers Alike

Empowering Agents

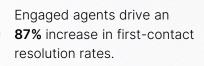
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Did you know?





Real-time communication methods reduce repeat contact by **45%**.



Cross-training agents leads to a **63%** improvement in issue resolution efficiency.



Improved agent morale results in a **72%** decrease in attrition.



Prioritising first-contact resolution over handle time boosts customer satisfaction by **56%**.

Learn more about igniting agent empowerment to drive unparalleled customer experiences, in ContactBabel's latest report, "**The Inner Circle Guide to Agent Engagement & Empowerment**", sponsored by Onecom.

How Generative Al Empowers Customers, Agents and Managers Alike

Empowering Managers



Enhanced Operational Efficiency

Generative AI streamlines tasks, boosts productivity, and optimises resource allocation, empowering contact centre managers to run operations more efficiently and effectively.



Actionable Insights for Improved Decision-Making

Leveraging generative AI analytics in your contact centre operations offers a wealth of data-driven insights that can significantly impact decision-making and strategic planning. By analysing customer interactions and sentiment through AI-powered tools, managers can identify emerging trends and patterns in customer behaviour. This information allows you to proactively adjust service strategies, anticipate customer needs, and enhance overall customer satisfaction.

Additionally, by tracking key performance indicators such as response times, resolution rates, and customer feedback, generative AI analytics provide actionable metrics that enable managers to fine-tune operational processes and optimise resource allocation. Ultimately, this data-driven approach empowers contact centre managers to continuously improve service delivery and adapt to evolving customer demands effectively.



Workforce Management

While much attention is given to customer-facing benefits, Generative Al also aids internal workforce management. Zendesk Tymeshift provides real-time team reporting, Al-driven workload forecasting, and automated agent scheduling, offering a quick and efficient solution for managing agent activity and schedules. **This results in up to 80% reduction in overtime costs and a 70% decrease in scheduling time**.

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Implementing Generative Al in Your Contact Centre

Identifying Contact Centre Challenges and Pain Points

Start by recognising the specific challenges and pain points your contact centre encounters. These could range from long wait times, high call volumes, agent burnout, or difficulties in handling complex queries. Identifying these obstacles will help to pinpoint the areas where generative AI can prove the most valuable to your contact centre.



Defining Use Cases and Objectives

Once the challenges are identified, define clear use cases and scenarios where your contact centre could benefit from generative Al functionalities and set objectives accordingly.

For example, use cases may include automating responses to common queries to free up agent time, providing agent assistance with real-time scripting to reduce manual inputs, or improving knowledge management systems for agent training and customer self-servicing capabilities.

Set measurable goals such as reducing average handling time, increasing first-call resolution rates or improving customer satisfaction (CSAT) scores.



Implementing Generative Al in Your Contact Centre

Data Preparation and Collection

Generative AI models rely on robust training data to learn from. Collect and prepare historical customer interactions, such as chat logs, call recordings, emails, and service tickets. It's crucial that the data covers the full spectrum of queries handled by your contact centre to learn from.

Model Selection and Customisation

Select a generative AI model that aligns with the specific use cases and objectives identified for your contact centre. Consider factors such as the model's language capabilities, scalability, and compatibility with existing your systems, such as your CRM (Customer Relationship Management) system. Customise the model as needed to fine-tune its responses and ensure relevance to your contact centre environment.

Did you know?



With Five9's latest **GenAl Studio**, refining your generative Al solution has never been easier. GenAl Studio empowers users and contact centre managers with the flexibility to specify use cases and prompts tailored to their requirements.

These configurations can be tested before deployment into the system for seamless functionality. With just a handful of use cases and prompts, the model can kickstart its operations, guiding **Five9's Agent Assist** technology for tasks like auto-summarisation, transcription, and suggesting agent responses.

Real-time updates to prompts ensure adaptability for the business, allowing contact centre managers to make swift adjustments effortlessly. Alternatively, the generative Al is intuitive, adapting with consistent use and direction. By selecting preferred response suggestions, the system learns and generates new prompts, which can be easily customized to align with your contact centre's specific needs.

Implementing Generative Al in Your Contact Centre

Integration with Contact Centre Systems

Integrate the generative AI solution seamlessly into your contact centre systems and workflows. This may involve integrating with existing CRM platforms, ticketing systems, knowledge bases, and communication channels. Ensure that the AI solution can handle omnichannel interactions to seamlessly transition between your different communication channels as needed.

Monitoring and Continuous Improvement

Track key metrics such as response accuracy, customer satisfaction ratings, and agent productivity. Gather feedback from both customers and agents to identify areas for improvement and iterate on the model and workflows accordingly. Continuously optimise the solution to adapt to changing customer needs and business requirements.

Agent Training and Collaboration

Provide comprehensive training to contact centre agents on how to effectively leverage generative AI tools in their day-to-day operations. Train agents on how to use AI-powered chatbots, virtual assistants, or real-time scripting tools to enhance their productivity and efficiency. Foster collaboration between agents and AI systems, emphasising the role of AI as a support tool rather than a replacement for human agents.

Did you know?



Ensuring Data Privacy and Security when implementing Generative Al



While 83% of CX leaders believe their customers trust their data security efforts, six in ten consumers feel that companies are not meeting their expectations in this area.

Protecting customer data is paramount when integrating generative AI in contact centres.

It is essential to strictly adhere to data privacy regulations, such as GDPR or PCI compliance, to safeguard sensitive customer information effectively.

Contact centres should implement robust data encryption, access controls, and anonymisation practices to minimise the risk of data breaches and unauthorised access.

Did you know?



of consumers won't purchase a product or service from a company they view as having lacklustre security measures.



of consumers are concerned about potential bias and discrimination in Al algorithms and decision-making.

Ensuring Data Privacy and Security when implementing Generative Al

Maintaining Transparency and Explainability

Transparency and explainability are critical for building consumer trust and confidence in Al-driven systems.

Contact centres need to ensure that AI tools are transparent about their abilities, constraints, and decision-making processes.

Clear communication with customers regarding Al interactions and data usage is vital. Moreover, mechanisms should be in place for customers to seek explanations or clarifications on Al-generated response.

This feature could be a simple "Ask for more information" button that, when clicked, prompts the Al-chatbot to provide a more in-depth explanation or reasoning behind its answer. This mechanism empowers customers to seek clarification and enhances transparency in Al interactions.

Continuous Monitoring and Improvement

To maintain optimal performance, ongoing monitoring and refinement of generative Al systems are essential.

Contact centres should establish robust monitoring processes to track key performance metrics, identify potential issues or anomalies, and proactively address them.

Continuous training and development of Al models, incorporating new data and feedback, is vital for enhancing accuracy, relevance, and responsiveness over time.

Ensuring Ethical and Responsible Use

Ethical considerations are paramount when deploying AI technologies in retail contact centres. Upholding ethical standards, respecting customer privacy, autonomy, and dignity, and using AI systems responsibly and ethically are essential principles.

Establishing clear policies and procedures for the ethical use of AI, including guidelines for data collection, usage, and retention, can help ensure that AI technologies are deployed in a manner that aligns with regulatory requirements and best practices.

By fostering a culture of ethical AI within your organisation, retail contact centres can promote transparency, accountability, and responsible decision-making, ultimately building trust with customers and maintaining compliance with Consumer Duty regulations.

Unlocking the power of Generative Al in Contact Centre Operations

The full summary

- Generative AI technologies, such as the Generative Pre-trained Transformer (GPT), empower contact centres to automate responses, streamline operations, and enhance customer experiences.
- By leveraging generative AI, contact centres can handle a wide range of customer queries, provide personalised engagement, and improve operational efficiency.
- Implementing generative AI in contact centres requires careful planning, data preparation, model selection, integration, and continuous monitoring.
- While generative AI presents numerous benefits for contact centres, organisations must address challenges related to data privacy, bias, transparency, and ethical use to ensure responsible deployment and compliance with regulations.
- Handle a wide range of customer queries, including complex and nuanced queries, with greater efficiency and accuracy.

- Adapt to evolving customer needs and preferences without the need for manual intervention or extensive training data.
- Provide personalised and contextually relevant responses to customers, enhancing their overall experience and satisfaction.
- Streamline operations and reduce reliance on manual processes, leading to cost savings and improved productivity.

The Complete Checklist for Generative Al Deployment



Identify specific challenges and pain points faced by the contact centre



Define clear use cases and objectives for implementing generative AI functionalities



Collect and prepare historical customer interaction data for building your knowledgebase and training the AI model



Select and customise a generative AI model that aligns with the identified use cases for your business

Seamlessly integrate the Al solution into your existing contact centre systems and workflows



Provide comprehensive training to agents on leveraging generative AI tools effectively



Monitor key metrics and gather feedback for continuous improvement of the AI solution



Onecom is here to guide you on your generative Al journey.

Book a free discovery session with us today.

We'll match our expertise and solutions to your needs and take care of the heavy lifting for you.

www.onecom.co.uk

