

Customer experience gets conversational

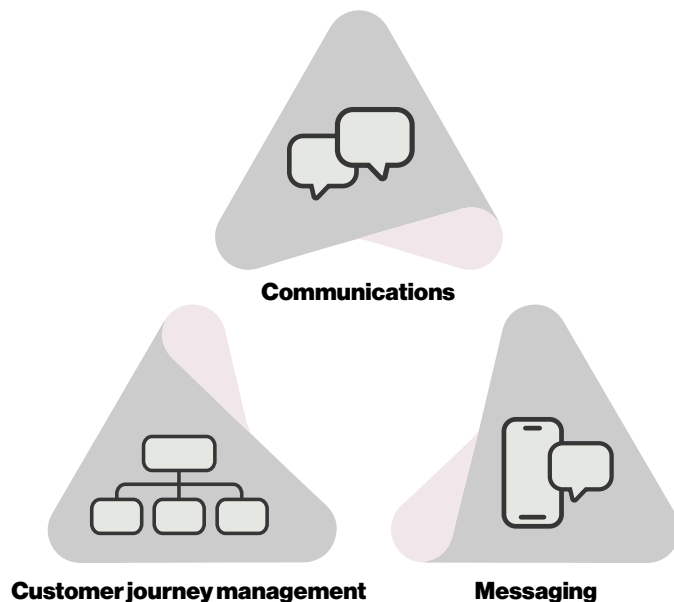
How AI and messaging are changing the customer experience game



Superior customer experience can spell the difference between success and failure in the digital business era. It seems simple: Companies that deliver highly personalized (and more valuable) interactions to their customers on a large scale can gain a step up on competitors.

However, the expectation of omnichannel customer interactions across channels – including mobile, web, social, and email – combined with purchaser demands for responsive, in-depth experiences,

CX gets conversational



have raised the stakes for customer experience. Organizations face significant challenges due to incompatible legacy systems that are stuck in application silos. Because they can't track customer interactions across different systems, they can't optimize customer experience. Meeting the demands of regulatory compliance adds further complexity.

Fortunately, there is a way out of this conundrum. Companies can consolidate and modernize customer communications onto a single customer experience platform (CXP) that incorporates communications, messaging, and customer journey management. Doing so enables conversational commerce, which IDC calls "a two-way engagement that enables enterprises to elevate their business value by quantifying customer response and feedback."¹ When these conversational encounters take place across multiple channels on a large scale, businesses can engender deep customer loyalty and sharply increase sales.

1 IDC Market Note, "Unifying the Customer Experience: The Power of Omni-Channel Collaboration," by Swathi Arunaa and Nikhil Batra, June 7, 2023.

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Omnichannel: mobile-first, with GenAI

Customer interactions have advanced markedly from the days of mass mailings. Communication across multiple digital channels is now table stakes for businesses competing for today’s customers. As people in every part of the globe adopt a mobile lifestyle, mobile devices have emerged as the most important customer channel. Worldwide, according to IDC, well over a billion smartphones are shipped annually, a rate that will continue through 2027.²

To build a personalized mobile-first, omnichannel experience, businesses must engage with customers through email, short message service (SMS), rich communication services (RCS), push notifications, web portals, and messaging apps such as WhatsApp. And increasingly, businesses should augment these interactions with generative AI (GenAI) capabilities to automatically create timely and relevant content. A recent survey found that chief marketing officers (CMOs) are well on their way to doing so: 70% are already using GenAI, and 19% are testing it.³

Silos stand in the way

What’s holding businesses back from delivering a highly personalized omnichannel customer experience that resonates with the recipients? The drawbacks of outmoded, siloed systems. For example, a bank offers online banking yet mails out paper marketing materials indiscriminately.

2 IDC Worldwide Smartphone Forecast Update, 2023–2027, December 2023.

3 Boston Consulting Group, “How CMOs Are Succeeding with Generative AI,” June 15, 2023.

Or an insurance company mails out bills for premiums with late charges yet does not send text message reminders when payments are due. The reason: The systems that perform these tasks are isolated in silos and can't communicate.

The stakes are high: Customers who get the impression that a business regards them as anonymous entities are unlikely to have fond memories of their dealings or be inclined to increase their business with it.

Breaking down silos, however, is innately challenging. It can require writing costly custom software to build a data pathway between silos and programming events in one application to trigger actions in another. Further, isolated systems yield business insights only with difficulty. Although the processes of a single application can be evaluated statistically, determining the meaning of those numbers relative to data in other applications might require painstaking programming work. Many companies don't build those connections, because they can't justify the cost of doing so.

An added difficulty posed by siloed systems: the challenge of maintaining regulatory compliance. Each application must be kept up to date with the latest regulations, whether PCI DSS, HIPAA, GDPR, or some other industry-specific set of guidelines. For GDPR, data sovereignty – in what geopolitical location data resides – must be scrupulously managed. The more data silos there are, however, the more often compliance tasks must be performed on data with differing formats.

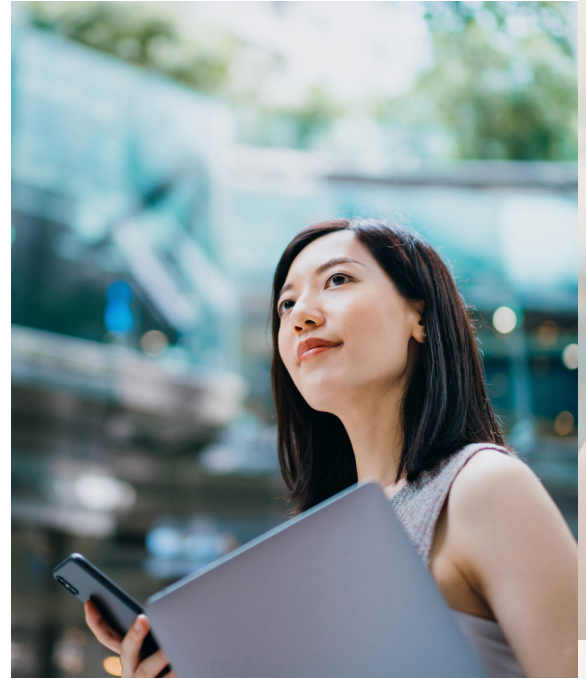
A single platform is key

Rather than attempting to stitch together multiple silos, companies should implement a single CXP. This approach leverages metadata to link information across applications so that it can be referenced and accessed as needed, whether to enrich customer experience or to fuel analytics engines. Consolidating on a single platform can help deliver conversational multichannel interactions on a large scale.

The single platform should be built on three pillars: to engage and interact with customers through effective communications, to respond to and anticipate customer needs through messaging, and to study customer behavior over time through customer journey management. Here is a closer look at each.

1. Communications

The focused, detailed interactions that customers have come to expect from the most advanced digital business platforms both respond to their preferences and anticipate their needs. The challenge is replicating that kind of great experience for large numbers of customers. To that end, the time is right to incorporate GenAI technology to enable rapid, timely interactions that require less direct input from a customer but instead understand and anticipate each customer's needs with greater comprehension and empathy than was previously possible. For example, a series of customer interactions that terminates abruptly is likely to indicate frustration on the customer's part. Subsequent communications with



that customer can leverage GenAI to summarize the unsatisfactory interactions and compose a sensitive and appropriate response.

2. Messaging

Although an omnichannel strategy that connects with customers via website, email, SMS and social media is essential, organizations should add three key capabilities to maximize personalization:

- 1.** Discover each customer's preferred channel and prioritize interactions through that channel.

2. Move beyond one-way messaging to two-way conversations – doing so dramatically increases the customer’s sense of uniqueness and empowerment.
3. Implement assured delivery – when an email is not opened, for example, an SMS message is sent to the recipient.

Implementing each aspect of this messaging strategy can increase brand loyalty, sales, and customer satisfaction across different industries. Here are a few examples:

- **Banking.** Institutions implement multifactor authentication (MFA) for secure account access, send out alerts, issue loan approvals, and extend marketing offers.
- **Insurance.** Underwriters deliver claims estimates, personalized billing messages, and MFA for secure interactions.
- **Utilities.** Power companies and telecom providers send out real-time outage alerts, automated warnings, and personalized account messages.

- **Manufacturing.** Manufacturers notify customers of warranty status, recall initiatives, maintenance reminders, and real-time performance data.
- **Retail.** Online and brick-and-mortar shopping destinations send shipping notifications, account alerts, news of deals and promotions, and abandoned-cart reminders.




3. Customer journey management

Establishing, upgrading, and maintaining customer interactions cannot be done without monitoring and managing each customer’s journey. For this, detailed tracking is vital. In fact, it could be said that communicating without tracking is like driving while blindfolded.

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In contrast, tracking during the customer interaction process enables organizations to anticipate buyer needs, based on each customer's behavior and purchase patterns. It also enables businesses to uncover insights into customer health, including indications of where proactive and prescriptive actions are needed to maintain a client's loyalty. And because managing a single customer journey is an intensive process, utilizing automation to respond to numerous customer journeys simultaneously is essential.

Journey Management Maturity

 Insights	Data collection of communication touchpoints to gather insights.
 CCM+	Connected transactional communications (statements, EOB, etc.) with their notifications and call center events.
 Journey	Managing the complete journey including web, communication, messaging, call center, payment activity and more. Orchestrating next best event based on the individual customer experience.

SOURCE: OPENTEXT

The platform for conversational, personalized customer experience

Because customers expect to communicate with businesses through multiple channels, companies must respond by building an omnichannel strategy for reaching customers. A single cloud-based customer experience platform enables businesses to leverage insights, automation, and GenAI to deliver a highly personalized experience.

The platform should deliver performance, scalability, and easy integration with existing platforms. And it should be composable, so that business users can modify prebuilt applications to meet their needs without technical expertise. Such a platform will enable organizations to gain greater economy while tightening the bonds of customer loyalty and creating conversational customer experiences of exceptional value.

[Click here](#) to learn more about OpenText's customer experience platform.

From anonymous to personalized: A single unified platform delivers results.

- **Insurance.** Underwriters need to send frequent communications and notifications to their clients, but legacy systems often make customers feel anonymous. By replacing legacy document-generation systems with a single platform that interoperates with insurance industry applications, coverage providers can respond to each customer in a personalized way, using multiple touchpoints. This creates a feeling of individual concern and involvement.
- **Financial services.** Banks offer consumer products ranging from savings accounts to business loans and mortgages, but depositors often get the impression their bank does not know how many or which products they are using. That's because these offerings are often stuck in siloed, paper-based customer communication systems. Implementing a single unified CXP enables a bank to view and analyze every customer's financial profile so that personalized communications can be tailored to each customer.
- **Government agencies.** Government entities deliver services to millions of citizens with whom they must communicate regularly. Federal, state, and local agencies better serve their constituents by moving from paper to email, online self-service, SMS, and mobile communications. Consolidating on a single cloud-based digital platform streamlines interactions, reassures individual citizens that they matter, and saves taxpayer dollars.