

How-to-Guide:

Using AI to Personalize the Customer Experience

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Using AI to Personalize the Customer Experience

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“Personalize the customer experience,” they say. It’s a daunting charge, one that requires a robust infrastructure for collecting, analyzing and acting upon data. Consequently, you’ll likely spend a lot of time laying the groundwork for personalization – ensuring your CRM system is connected to every contact channel, combing through customer data and building individualized user profiles, or even revamping an organizational culture that doesn’t regard the customer as the center of the universe.

Today’s contact centers and organizations gather far too much customer data to get away with impersonal service. Furthermore, attention scarcity means you can’t afford to bombard your customers with irrelevant emails or lose their followership on social media because they’ll churn.

Given the importance of data for personalization, you must perceive your contact center as the seat of personalization – a value creator, not a cost center. Today’s call centers handle customer interactions across an array of channels – each one an additional data source and opportunity to offer a personalized experience.

You’ll need cloud-based contact center software with built-in essentials to handle inbound and outbound interactions – from call routing and IVR to email, chat, social media, messaging, screen-sharing, self-service, workforce optimization and analytics. What’s more, all of these capabilities need to be connected to each other as well as your CRM, the lifeblood of all customer data.

How to create a framework for personalizing the customer experience

Personalization is a long-term approach – or philosophy, some would say – to the way you treat data. If you're looking at building a CX personalization operation from scratch or improving an existing one, make sure you hit these five crucial steps.

1. Develop customer profiles

Personalized customer service requires an understanding of who your customers are. Your organization's marketing department should be able to supply demographic and/or psychographic data and customer information. However, it's more important to understand customer profiles at an actionable level: what's important to your customers, what are their pain points and unmet needs, why do they do business with you (instead of your competitor), and how do you fit into their lifestyle?

Answering these psychographic questions is essential for big-picture personalization that touches the bottom line, such as deciding what new product features to develop and which to recall, and which channels to be on. The most customer-centric organizations even use these insights to determine their overall approach to branding, advertising and marketing.

While the marketing department likely gathers data from one-off focus groups, customer interviews and isolated market research projects, your contact center amasses an immense volume of data on a daily basis. Look to your Voice of Customer data as a second layer of qualitative information for building customer profiles – this includes the things customers say in surveys or phone calls.

Meanwhile, your CRM system contains a trove of insights like purchase history, customer lifetime value and net promoter score. Never underestimate the insights your frontline staff may have to offer on the types of customers and support issues they deal with every day. Finally, use contact center metadata to make all of this information identifiable to individual customers.

Data consolidation should be your first undertaking to develop a personalization program at scale before you even consider technology stacks.

2. Generate ways to collect more customer data over time

Needless to say, the more data you collect, the more you can personalize the customer experience at a granular level. Find ways to organically insinuate data collection into the customer journey by administering surveys after service experiences like a purchase or a chat, encouraging customers to create user profiles on your website or mobile app, using cookies and heatmaps to track website behavior and collecting data on purchase activity so you can build an AI-powered recommendation engine (if you haven't already) to encourage future purchases.

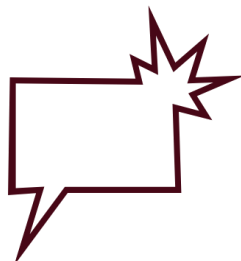
Set up your chatbot to gather context even from first-time site website visitors – if possible, ask for their name and email address or basic details like why they're visiting your site. To encourage responses, offer multiple-choice prompts for the customer to select from – this lets you more easily bucket their responses in your data while reducing the chances your chatbot misunderstands customer intent.

You can also calibrate your sitemap so that web visitors have to indicate what type of customer they are to access the site and engage with relevant content. For instance, when you arrive on the website for Thumbtack, a platform connecting creative contractors with clients, you indicate whether you're looking to hire or offering a service, and all site information is personalized to the corresponding user persona thereafter.

3. Give customers a choice of channels

Whether you're servicing customers face-to-face, by phone, email, live chat or on social media, you must offer the same level of service in each channel. If your agents can identify inbound callers without asking for their name and details, customers should expect the same level of context when they initiate a web chat while logged into your website. Make sure to collect metadata from each channel so the agent has context on the customer's previous interactions with the company in a unified dashboard, regardless of which channel they used. This way, if a customer reaches out via chat the agent sees the context of their previous interaction even if it was an email support ticket.

When interacting with a bot, the customer should have easy recourse to a "panic button" to request a live agent. Better yet, the bot should know when to proactively route the customer to a human either by inferring negative sentiment, detecting the customer's intent to complete a task that's too complex for the bot, or simply because the bot has failed to understand what the customer is asking for.



4. Create self-service channels

Self-service has emerged as the preferred contact channel of choice among today's digital-first consumers, but it's another area that must be personalized for the customer to benefit. If your customer has a user account with you, the knowledge base should display content that's consistent with their user persona when they log into your website or mobile app.

For instance, a learner signing into an MOOC provider like Coursera doesn't need to see instructor-specific content on how to upload course materials to the site. Also, the self-serve actions users can take should be contextualized. Don't offer a general FAQ page; it's confusing and doesn't account for user context. All of your FAQs, explainer videos, step-by-step solutions, whitepapers and so on should be appropriately tagged so they're displayed to the right users.

5. Create a systemic approach to collect feedback

The more feedback you collect, the more you can understand your customers in-depth, spot problem areas in the service journey and extend personalized offers and compensations. Something as simple as a pop-up window asking customers to rate a service experience like an online purchase, or checking in with a customer after their first time using your product not only helps you acquire more data but makes the customer feel that their patronage matters. Volkswagen, for instance, surveys customers 48 hours after they purchase a car, while the industry standard is 30-45 days post-purchase when it's too late to return the vehicle.

How to offer personalization at scale using machine-human interactions

Personalization is traditionally considered an expensive endeavor – without AI, that is. Personalization at scale for a large company is possible only with human-machine interaction, where transactional tasks are administered by bots while tasks requiring context, empathy and complex natural language processing are handled by humans. However, this machine-human handoff should feel seamless to the customer – so knowing when to route and transfer is important. After a bot transfers to a human agent, it's imperative that your CRM provides context to the human agent on the customer's conversation with the bot so they needn't ask the customer to repeat information.

Say a customer calls an ecommerce company asking to return pair of shoes because they're the wrong size; that transaction can be handled within a conversational IVR, but the AI should also recognize that the customer may want to search for a replacement pair of shoes, which requires the help of a human agent. After processing the refund, the bot should automatically transfer the call to an agent along with a transcript of the customer's conversation with the bot. Bots should be consistently trained on intent-based interactions using chat and email history to learn your organization's language and policies from a knowledge base.



Algorithmic website personalization also helps deliver personalization at scale. Customers don't want to be bothered with irrelevant coupons, emails or texts, but they *do* want to be informed on offers that meet their specific needs.

To personalize at scale, you must first optimize every contact channel to offer the right conversation pathways, collect metadata and analytics on each interaction, and infer customer intent and sentiment using speech and text analytics. Finally, make sure all channels integrate with your CRM to consolidate all relevant data into a unified profile for each customer.



How to get started when you don't have in-depth data

Data and analytics are key value generators for all CX personalization. Even if you don't have every channel set up to provide analytics or administer surveys on a periodic basis, start by analyzing data you already have instead of fixating on getting the perfect data stack. For instance, you can start personalized cross-selling with basic information on past behavior without needing to buy new data or connect systems.

Start with a simple dataset that combines basic demographic information with customer transaction history, product details and website data. Remember that a lot of initial data-mining is hypothesis-driven.

A closer look at how to offer personalization in each channel using AI

Chat

When a prospect is browsing your website, it may be prudent to reach out at key interaction points. This outreach can be fully automated, but it should be context-based and not just a generic “Can I help you?” greeting. Customers are more likely to ignore a generalized greeting because they may not know where to start or how to explain their problem or question in a way the chatbot will understand.

Natural language processing technology is still limited, which is why customers are often wary (and rightly so) of asking complicated questions of a bot. Contextualize the greeting based on the customer’s current landing page or action to up the chances of response.

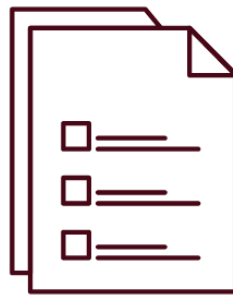
For instance, if a customer proceeds to checkout only to abandon their purchase, reach out with a context-based offer such as a discount or free shipping. For instance, if they abandoned purchase on a furniture item, reach out with an offer such as: “Did you know we offer free furniture assembly for purchases above \$60?” Offer contextualized canned prompts for the customer to respond, such as “I need help checking out” or “I have a question about beauty products,” thereby giving both the customer and the bot more context for the interaction.



This also helps the bot decide if it needs to transfer the customer to a human agent. Make sure you give the customer the option of typing their own response as well so they don't feel confined to a scripted interaction. However, the more precisely you architect these conversation pathways on the back-end while also accounting for what-if scenarios, the better the outcome of the machine-human interaction.

Website

As the flagship of your company's digital presence, your website should allow for deep personalization. If you encourage web visitors to create accounts and answer questions about their needs, you can assign them to a segment or user persona to better target information, products, emails, marketing messages and chats. Your website is the single digital touchpoint where customers are most likely to provide personal information, so treat it as the seat of your personalization efforts.



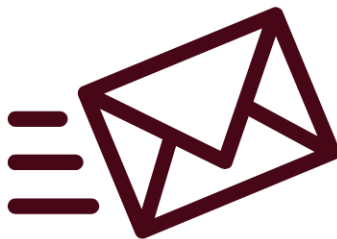
You can capture information from email subscribe forms, user account signup forms, short surveys, typeform or even guided interactions on the site where users can indicate what content is and is not relevant to them. Use this information not only to target web content but also future offers, product recommendations, emails, marketing messages and chat. Finally, be sure to use geofencing to show content that is relevant to your user's location based on the IP address of their device.

Email

It's no longer enough to send email blasts that greet the customer by first name with a promo offer based on their purchase history. The content of your emails should answer directly to *why* customers do business with you, visit your website, become a user or subscribe to their emails. Your content should be tailored towards helping the customer with whatever it is they're trying to achieve. Take a company like Grammarly, a tech company that offers an online grammar checker. Its predominant users are college students who need help proofreading essays, while another might be professional writers or business professionals who need help drafting emails and internal reports.

Each of these customer segments uses Grammarly for different projects and for distinct reasons, so email content needs to be personalized to each persona. A student might appreciate an explainer video on how to structure a persuasive essay, while the business professional might benefit from a blog post titled "10 Ways to Write More Concise Emails."

Once you provide content that caters to each user segment, upsell and cross-sell can occur more naturally based on needs you've already inferred. For instance, perhaps you offer the business professional a plug-in to proofread their emails, while the student gets a complimentary 30-minute consultation with a writing coach.



Email content should correspond to the customer's position in the purchase funnel. In other words, new email subscribers should receive radically different messaging from longtime customers. This is why automated emails triggered by certain actions such as downloading a brochure or following the brand on social media are essential steps in your personalization efforts.

They can also be triggered by inaction and used to re-engage the customer. For instance, purchase abandonment is a major qualm for online retailers, where customers add items to their cart but don't check out. Sending an email reminding the customer to complete the purchase or suggesting alternative or complementary products provides a gentle push for the customer to complete the transaction.

Lastly, remember that personalized emails are relevant, timely and come from a person, not an anonymized email address like info@corporation.com.

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Kindra Cooper is a digital writer and editor for CCW Digital, the global online community and research hub for customer contact professionals. In her role, Kindra writes daily articles and produces podcasts on customer experience, design thinking, UI/UX, brand strategy and more. Her reporting has appeared in various print and web publications covering politics, arts & entertainment, business and architecture.

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