MAKING A CHANGE

5 Reasons Why the Retail Industry is Ripe for Disruption

Retailers are pivoting to customer-focused, omni-channel experiences.

The rise of mobile devices and the mandate of digital transformation continues to have profound effects on the global retail industry, with online shopping becoming a table stakes experience.

"48% of customers prefer on-demand, personalized online (as opposed to in-store) promotions from retail brands."

IBM
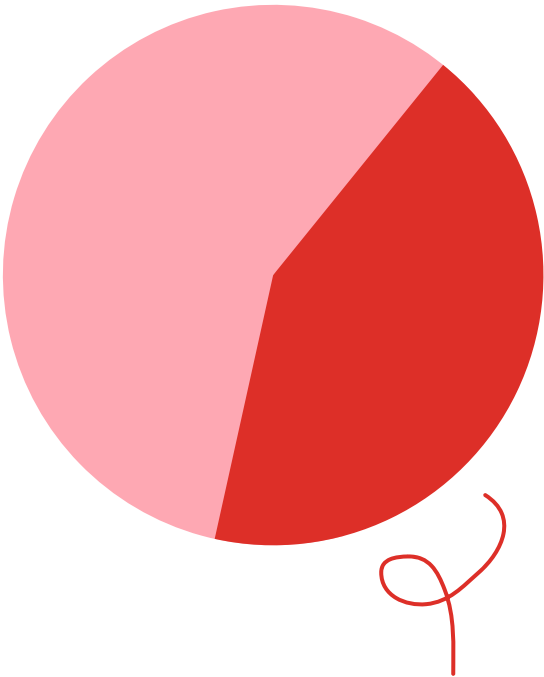
In fact, a study by IBM revealed that 48% of customers prefer on-demand, personalized online (as opposed to in-store) promotions from retail brands.

Increased customer satisfaction, driven by the improved support and access that automation delivers, can be a material driver of profit through greater customer retention and customer lifetime value (LTV).

As competition in the industry continues to grow, the quality of customer support will become core to retail differentiation. In fact, in many cases, this expectation already exists: according to Forrester Research, 63% of customers will leave a company after just one poor experience, and almost two-thirds will no longer wait more than 2 minutes for support.

As customers seek out 24/7 self-service across their desktop and mobile devices, the traditional customer service will no longer suffice. To stay competitive, retailers must meet their customers' need for instant assistance. That will require disrupting their own bricks and mortar industry through a digital transformation to powerful, personalized automation.

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Don't just take our word for it, though. Here are the five reasons why the retail industry is ripe for AI disruption:
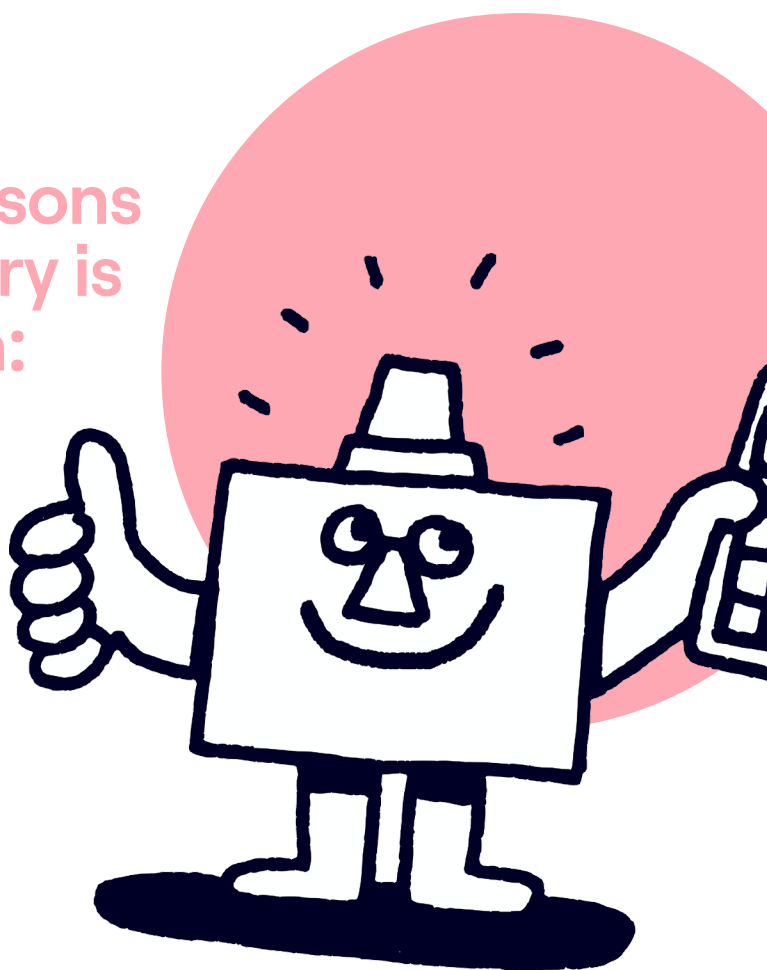
1. Customers are seeking out retailers that let them self-serve across all channels

No longer do the terms 'chatbot' or 'virtual assistance' carry a negative stigma; in fact, it's what consumers are asking for. According to Forrester, 70% of consumers believe brands should invest in solutions like chatbots to reduce the time and effort it takes to resolve their inquiry. Further, a full 64% expect companies to interact with them instantly and on the channel of their choice (Salesforce).

And the more those channels can be integrated, the better, as 72% of consumers say they would rather connect with brands through multichannel marketing (Paper and Packaging Board).

This means that in order to match — and exceed — modern-day customer expectations, retailers must move beyond traditional 9-5 live support, to 24/7 instant assistance that lets customers explore return policies, locate a store, or take advantage of a promotion.

2. Live support and admin inefficiencies are draining budgets

With retailers handling millions of customer inquiries every year, a reliance on live agent assistance is no longer strengthening the customer experience or bottom line. It's actually the opposite.

At $20 a phone call and $5 an email, having agents answering repetitive and admin-heavy tasks is not only losing retailers millions, but also lessening CSAT scores, leading to greater churn and revenue loss. In addition, the volume of tedious tasks is diminishing the job satisfaction of live support agents, resulting in high churn.

Live support agents are important and at Ada,
we don't believe automation should replace them. Instead, it should enhance the agent experience and improve the tools and information available to support deeper, more meaningful conversations. That's why in our model when a customer asks to speak with an agent, as the customer is escalated, the agent receives a chat transcript including the relevant information to allow them to begin helping immediately.

3. The market has never been more competitive

The rise of e-commerce and digital connectivity has introduced a lot of disruption within the retail industry. Consumers now have more choice of stores, brands and shopping experiences, and to stay ahead, retailers must do more to differentiate their services: companies must turn to customer service.

According to KPMG, 89% of companies now compete primarily on the basis of customer experience. The right automation strategy can provide a business with the opportunity to outshine the competition by going above a simple FAQ solution, with multichannel, multilingual support that provides proactive personalized content throughout the customer journey. In fact, 72% of consumers say they have joined a company solely based on customer service reputation (G2 Crowd).

4. Multiple business units await a streamlined strategy

With many departments, teams, and responsibilities within a retail enterprise, the customer experience can quickly become disconnected. Without a streamlined approach, customers are often handed from agent to agent, changing from hold music to hold music, before reaching the department or service with the right information to support them – often in time-sensitive situations when they're trying to process a return, or track a package

At Ada we build our AI-platform to bring the benefits of automation beyond the IT team, allowing any non-technical stakeholder across a business to build an instant virtual assistant that supports their unique department needs. This removes the long timelines, training, and processes required for each team to prepare agents with the information they need to provide flyers with timely, meaningful support.

However, as individual business units across a retailer turn to automation, this could create greater confusion and complexities both inside and outside of the customer experience; and these challenges can only grow. By 2021, at least 35% of enterprises will maintain more than 50 chatbots to address a wide range of questions from their users (Forrester). With that in mind, over and above simply introducing piecemeal automation, retailers require a solution at the enterprise level, like Ada, which creates the opportunity to streamline multiple services under a single umbrella and through one automated experience.

5. Interactions create a unique opportunity to learn from customers

With thousands of conversations happening every day, having different agents handling diverse customer needs makes it difficult to identify key patterns or trends in concerns specific to policies, prices, and services.

Introducing a powerful automated solution creates opportunities to not only engage millions of monthly users, but to learn from each interaction. By tracking and analyzing data in real time, a solution like Ada provides a way to identify and solve common issues. With this information, a business is able to build more helpful self-serve content, thus reducing the number of inquiries, freeing agents' time to focus on more mission-critical conversations.
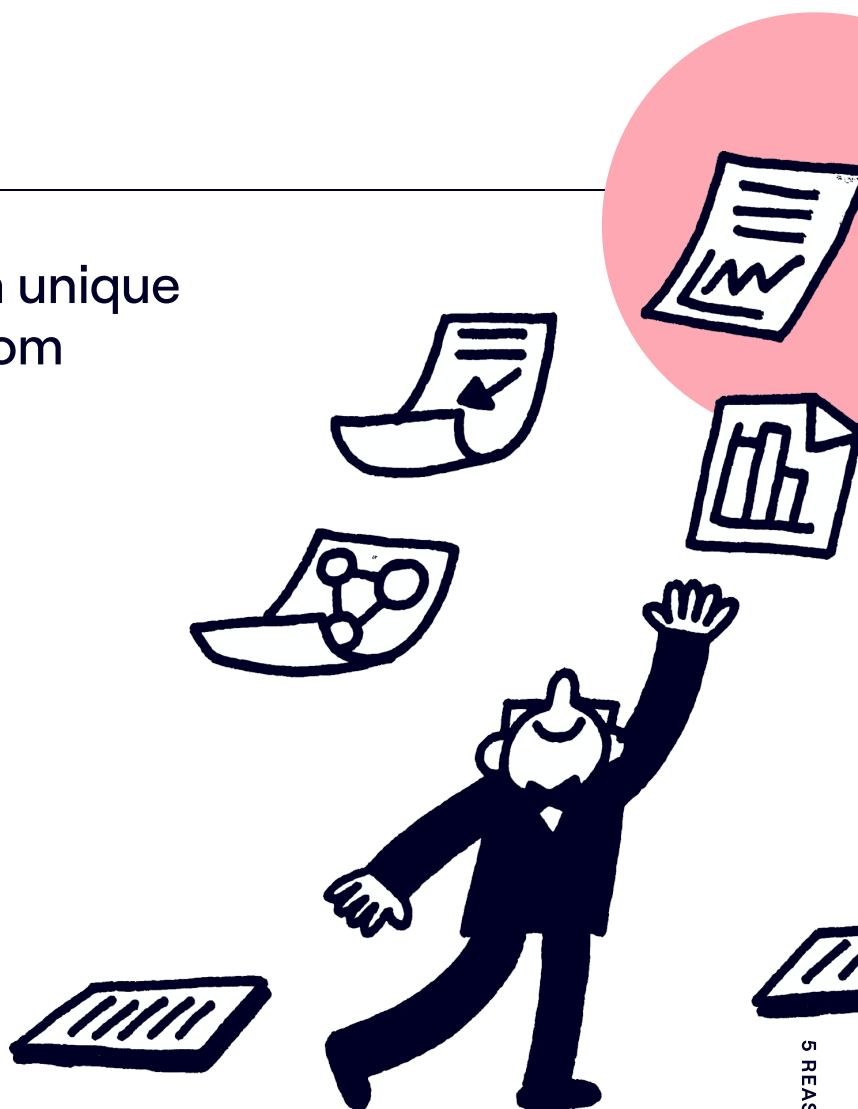
Reach out to Ada for a demo today.

By 2020, the demand for an omnichannel customer experience will be amplified by the need for nearly perfect execution.

The time is right for utility companies to introduce an automated solution that will enable them to scale an escalated level of engagement. The time is right to differentiate themselves by saving their customers' effort, their agents' time, and their overall bottom line.

As the market leader in Automated Customer Experience (ACX), Ada personalizes engagement across the customer journey by putting the power of AI in the hands of the people who know your business best. Ada makes it simple for non-technical teams to build an automated, enterprise-class chatbot platform that saves time, reduces costs, and improves engagement.

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