Is AI really the future of customer service? The numbers say no

There's a common misconception around brand loyalty. Customer loyalty is often attributed to how well they align with your brand values. Sure, this is important. But your brand values are a beacon to bring people in. You build connections with your customers every day through regular interactions. The shift to automated customer service threatens to undermine that connection.

Brand loyalty is built on connection, And connection has to be earned. In fact, 73% of customers fall in love with a brand and remain loyal because of <u>friendly</u> <u>customer service reps</u>.

Post lockdown, that need to connect – and feel connected – is stronger than ever. Unfortunately, in the quest for cost-cutting technologies, businesses are sidelining the power of individual interactions.

Tech companies across the world tout automation in customer service – particularly Artificial Intelligence (AI) chatbots – as the best solution to costeffective support. And while automation will play a crucial role in the future of business, AI can't offer the same meaningful connection of a real person.

What do consumers really think of AI?

To find out what consumers really think of AI in customer service, we commissioned <u>OnePoll</u> to conduct an <u>independent survey</u>. Gathering responses from 6,000 consumers across the US, UK and Canada, the survey digs deep into modern attitudes of customer service.

And while people agree there is value in AI, the survey reveals a gulf between companies' unshakable faith and the reality on the ground for consumers. While businesses' espouse the "intelligence" of automated solutions, consumers just want to feel like they're being heard.

Automated processes, not automated conversations

So what do we mean by automation? The term covers a broad range of functions within the business world, from CRM integration to email scheduling. And it's undeniable that many of these processes benefit businesses and customers. Automation can help streamline repetitive tasks, reduce costs and improve operational efficiency.

For customers, that means a more consistent experience and (often) lower prices. Consumers recognise this distinction. And while a quarter worry AI is getting too clever, the biggest concern is in its application.

Al chatbots might herald a new era of convenience for businesses, but that convenience doesn't always extend to customers.

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AI benefits businesses before consumers

So what was the biggest revelation to come out of the survey? Perhaps the most startling was that over a third of consumers say their problems are never resolved by automated services. And remember, this isn't marketing. If any other aspect of your business had a success rate of less than 62%, you'd (hopefully) be asking questions about its value.

And with so many competitors to choose from, those consumers aren't likely to stick around. Our survey found that 85% of consumers would stop using a company with poor customer service.

And while a quarter of consumers think AI is improving customer service, 45% think it's making the experience worse. The reasons for this vary by industry and even by company, but the primary arguments against AI in customer service are:

Difficulty in being understood

Limited scope of responses/solutions

Feeling ignored/underappreciated

So how do customers feel when they call your business, only to be greeted by a chatbot?

Al can't replicate real people

For anyone who has called a business only to hear an automated chatbot, then felt relieved to finally be put through to a human rep, it'll come as no surprise that 78% of people prefer to speak with a real person when contacting a business – either by phone, email or live chat.

This is partly down to comprehension; humans can understand different accents, phrasing and syntax far better than most conversational AI. But this preference also speaks to a deep psychological need to connect. When a customer calls with a complaint, they want to know their issue will be resolved. But they also want to feel heard. No surprise then, that <u>75% of people</u> are 'highly annoyed' when they can't get a live person on the phone.

That preference isn't limited to the consumer, however. Three-quarters of small businesses say they rely on the telephone to <u>create a personal rapport</u> and solve customer problems.

That's because real people bring something to a <u>conversation AI can't</u>; emotional intelligence. As Olivier Pailhes, CEO of Aircall, said in a <u>recent Forbes</u> <u>article</u>, "[B]usinesses' answer to customers' needs can't be only about tech— it needs to be a human-driven approach that deploys their full organization around the end-user benefit."

Transparency is key

Business is built on a foundation of trust. That trust is continually rewarded (or undermined) by several factors, including price, product and quality of customer service. In each of these, transparency is essential. Customers need to be able to trust that the initial price you quoted them will be the actual price. Likewise, customers want to know part of your "Top-quality customer service" will allow them to speak with a real person.

But this is increasingly rare. And as AI develops, there's an increased risk of misunderstanding. Over a third (38%) of people say they've been fooled into thinking they were speaking to a person only to realise it was actually a bot. No wonder 84% want companies to disclose when they're using AI instead of real people in their customer service.

The future of AI

Regardless of AI's application in wider business processes, the idea of AI taking the jobs of real people still provokes a strong reaction. 55% of people want to see work remain in the hands of humans rather than being passed to AI. 11% said they're worried about what future generations will do for work, while 7% are worried AI will take *their* job in the future.

This points to a wider unease around both the future value of humans in an increasingly automated world and the true nature of what it is to be human. For brands, offering real responses from real people is a great way to signal their commitment to their customers.

Connection is the glue that binds people to your brand.

As Maya Angelou said, "People will forget what you said, people will forget

what you did, but people will never forget how you made them feel."

Pledge People, Not Bots

To support the power of people in customer service, AnswerConnect – through their parent company AnywhereWorks – have made a pledge to only ever use people in customer-facing roles. And to support their pledge, AnywhereWorks created a fun video with actor, writer and comedian Sally Phillips (Smack The Pony, Miranda, Bridget Jones' Diary).

The film explores the (often hilarious) challenges of building a meaningful connection with a bot, but it also points to a much deeper truth; for real connection, you need real people.

Find out more about the Pledge, *here*.

Maddyness is a media partner of AnswerConnect

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