



Enghouse
Interactive

EnghouseAI

A Practical Guide to Applying Artificial Intelligence in Customer Service

Key Considerations - an Enghouse Interactive eGuide



Introduction

Today's CX landscape is increasingly digital and fluid; organizations are constantly seeking ways to enhance the customer experience in order to meet heightened customer expectations and business needs. Artificial Intelligence (AI) has emerged as a powerful CX tool, revolutionizing the way companies interact with their customers or clientele, as well as the way they support their own teams.

The power of AI can be fully realized, however, only if it is practically applied. Adding AI to a solution without mindfully applying it can actually have a negative impact on branding and ROI and lead to less than desirable results.

In this eGuide, we look at the growing intersection of AI and customer service and the best approaches for adding it to a call center or contact center. Whether you're a digital native, process improvement expert, or a customer support professional – if you're seeking to learn about improving customer engagement, this guide is for you.





What You'll Discover in this eGuide

- 1. Where and how AI can be applied in Customer Experience:**
We detail some examples or use cases of how AI can improve your customer engagement.
- 2. The ROI of AI:**
We'll explain where you might look for returns when your business invests in AI for your CX operation.
- 3. Steps to Implement AI:**
If you're thinking about getting started with AI in your contact center, we can guide you on where to start.
- 4. Checklist for Successful AI Implementations:**
What are some recommended factors for success – and what are some of the things to avoid?

Let's explore how AI can elevate your customer service and help build customer loyalty while improving staff engagement.

Common Use Cases for AI-enabled Customer Experience (CX) and Employee Experience (EX)

Many people still mistakenly believe that using AI in a CX environment means using an avatar or digital talking head to front all your customer interactions. This is in fact a very specific, sophisticated, and relatively unusual use case!

Even externally visible chatbots are still underused, although research shows that adoption is definitely growing. Salesforce reports that 61% of customers¹ would rather use self-service when feasible, and that does put the pressure on businesses to deliver: “Customers are open to artificial intelligence when it’s transparent, secure, and improves their experiences”.

That said, NTT Data found that 67% of operational CX managers² say they now attach more significance to customer effort than to customer satisfaction, with more than 2 in 3 organizations reportedly replacing “traditional CX performance indicators with new success metrics”.



Making it easy for your customers to engage has become a focus.

In this section we investigate seven common CX and EX challenges that AI can solve.

¹Salesforce State of the Connected Customer

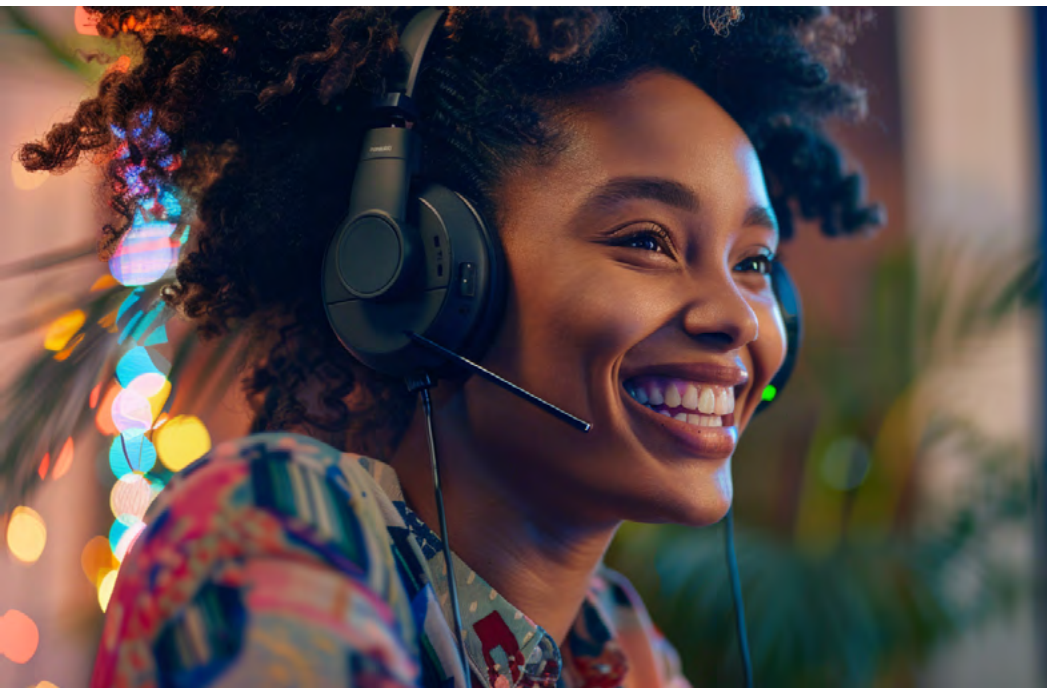
²NTT Global Customer Experience Report

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Accessible, Quality Information

AI Solution: AI-Enhanced Knowledge Base

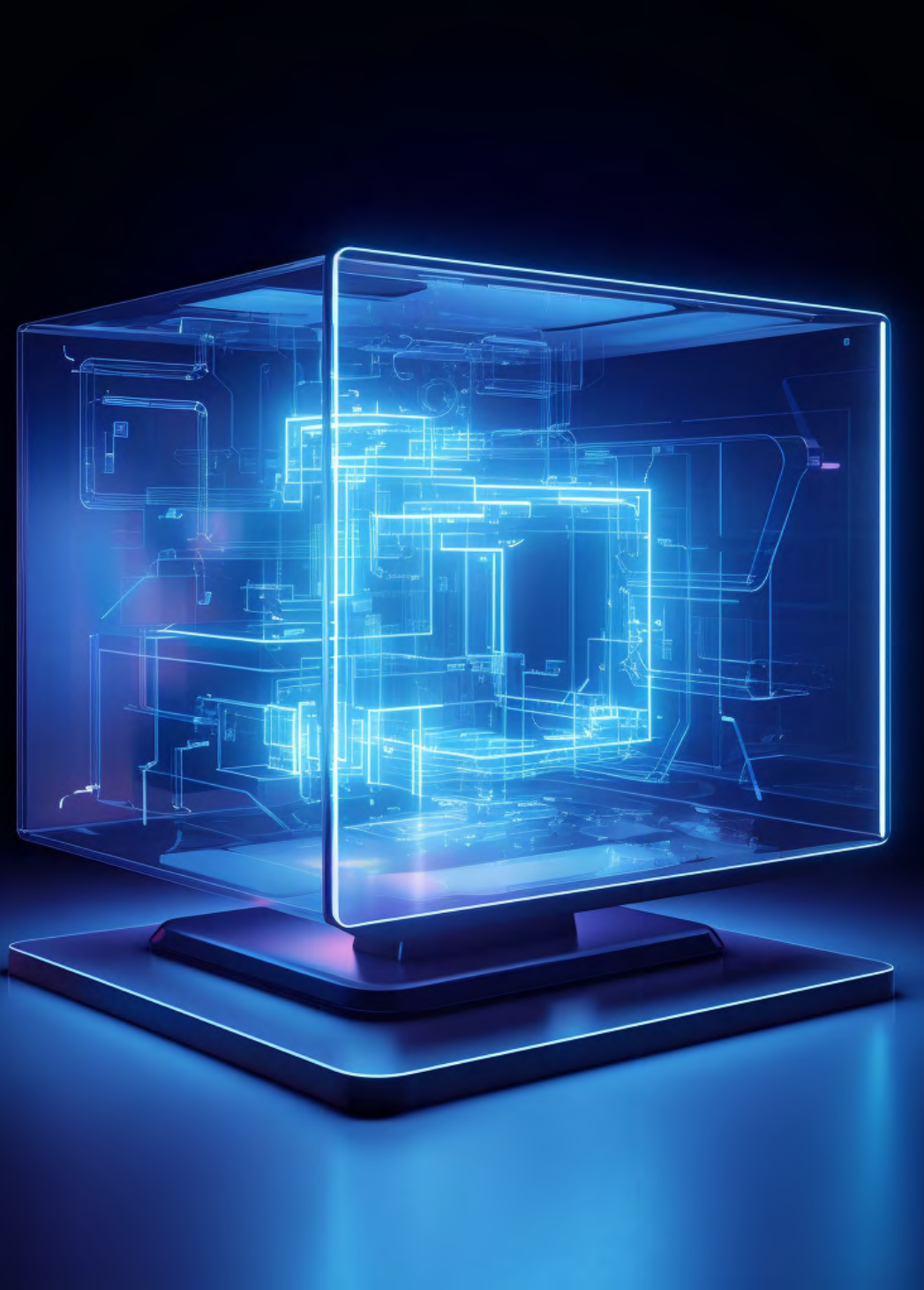
One of the continuing challenges for any customer service operation is to provide prompt, consistent and accurate responses to inquiries – with minimum effort involved. Chat and email responses should deliver the same information as your phone conversations, and all responses should reflect the latest updates on your website. Agents should not have to consult on standard enquiries, put calls on hold, or search their email inbox for the latest update!



The only way to achieve this efficiency 100% of the time is with prepared content that is single-sourced and centrally maintained. In other words, a knowledge base.

Contact center analyst ContactBabel¹ asked survey respondents what would be “the single most important factor that would boost agent performance”. The highest-ranking response was **improved knowledge management**, easily outranking higher pay and incentives.

¹ContactBabel: The Customer Experience Decision-Makers’ Guide



AI innovations mean the development of much more effective and efficient knowledge management systems that are less time-intensive to maintain.

Enabling your knowledge base with AI offers both operational and functional benefits. AI can be used to build and maintain your knowledge base, dynamically converting verified data sources and curating information to the required, customer-facing format. In addition, **an AI-enhanced knowledge base can go beyond manual searches and prepared responses**, using generative AI to enable hyper-personalized interactions with each customer.

AI ingests the content of each customer interaction in real time. It can proactively prompt agents with accurate and consistent replies to inquiries, pulling the Information from your own verified, secure internal knowledge base.

With an AI-enhanced knowledge base in place, agents can more effortlessly deliver a quality customer experience every time, while customers are more likely to receive a consistent, accurate and timely response from your business, no matter which channel they've used to contact you.

Optimized Customer Engagement

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AI Solution: Virtual Agent (VA)

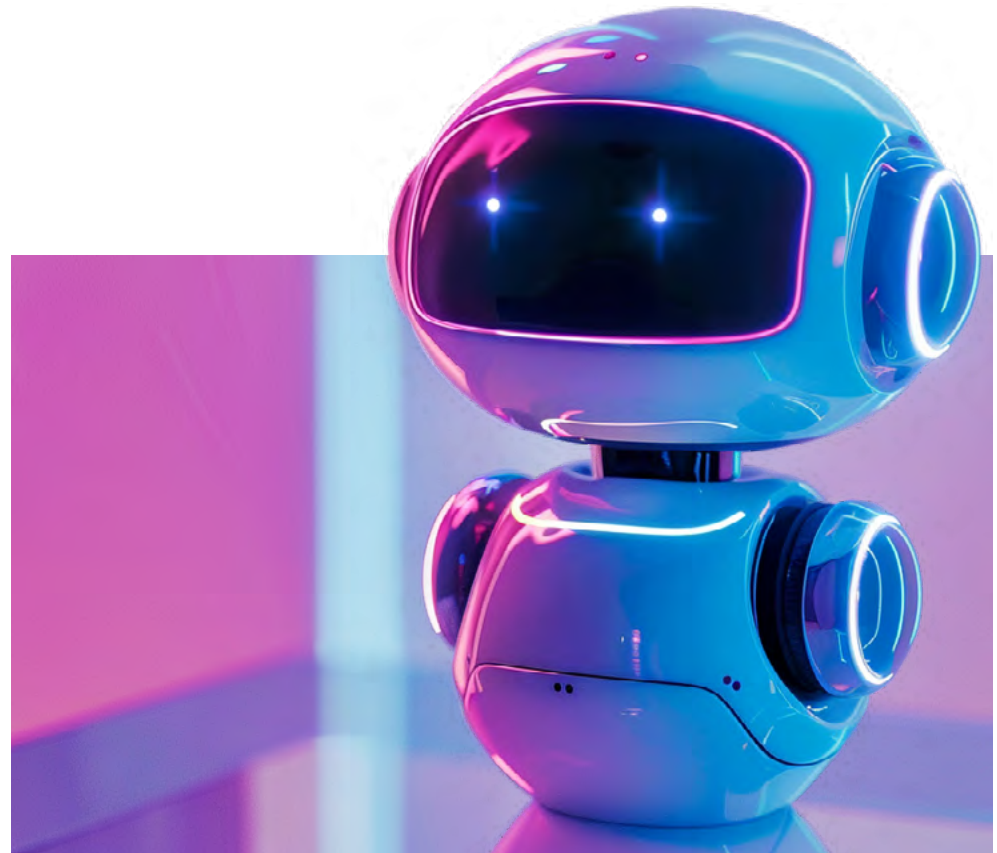
A chatbot is designed to intercept your customers' web chat inquiries, providing a standard, instant, preprogrammed response 24 hours a day, 7 days a week.

AI takes that up another notch.

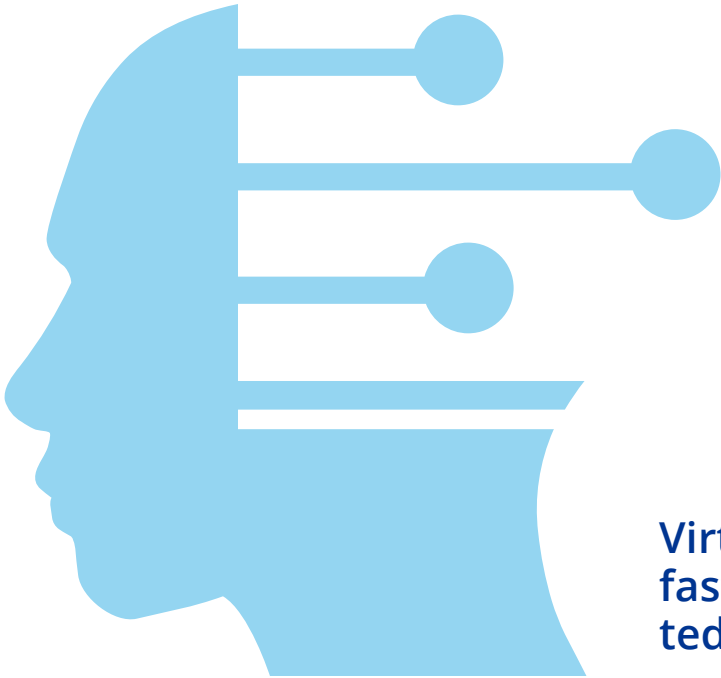
Virtual agents are basically non-human agents that are key members of your customer services team.

They use natural language processing (NLP) to converse in natural language just as well as an agent can. A well-prepped VA will be able to handle certain interactions with the same level of care and understanding as human agents.

The key function of a VA is to free up your valuable human resources, typically allowing them to concentrate on more complex and/or higher-value interactions. VAs are also designed to support your human agents in various ways.



Three key tasks that VAs can perform for your operation are:

- 
- **Fronting your website inquiries.** Because they are NLP-enabled, VAs understand standard human inquiries, so these don't have to be phrased like a search term. For example, a VA can answer “can you please tell me what your library hours are for this coming Tuesday” just as well as “Tuesdays library hours”, whereas natural language can sometimes confuse a plain bot.
 - **Supporting agents with inquiries.** VAs can read inbound chats directed to agents and provide suggested chat responses. Agents can act as moderator, choosing to send the response as is, or further embellish.
 - **Automating processes.** VAs can also automate your standard business processes, performing tasks such as checking an account balance, updating a delivery location or adding product item descriptions or disclaimers.

Virtual Agents allow CX operations to work smarter, faster – and with less effort, performing the most tedious, repetitive tasks efficiently and expertly.

3

Minimize Handling Time and Improve Service Level

One of the traditional metrics in the contact center is Average Handle Time (AHT): the length of time, averaged across the contact center, that your agents spend handling each customer interaction. Reducing the time agents spend on each interaction has a flow-on effect for call wait time, service level, and customer satisfaction. AHT typically includes after-call work time, which includes the time agents spend writing up the details and outcome of the call (or chat, email, etc).

Accuracy, as well as time, is an important factor in any post-interaction summary. Agents can spend too much time on making accurate summaries, or not enough time on writeups that don't adequately reflect the outcome or include the necessary details. Automatic summarization can stop the agent misreporting a call.

Another factor is consistency. It is inevitable that numerous factors make these details variable – different agents, different skill sets or experience, different language capabilities. Different customers, different products, and so on. Even different days of the week or personal circumstances will impact the efficiency and accuracy of the task.

AI-enabled summarization can automatically distill any conversation in seconds, creating a concise, accurate summary, highlighting key points, and identifying next actions – eliminating the time and manual effort that agents normally need to spend on this task and freeing them up to be available for the next engagement.

AI's natural language processing (NLP) capabilities allow it to understand the key elements of the conversation and convert it to the main points.

AI-enabled summarization can potentially free up hours each month in your contact center, reducing queue wait time, improving service level, and increasing customer satisfaction.

AI is the great equalizer, replacing unintended bias with unimpeachable objectivity.

Multilingual Support

4

AI Solution: Automatic Translation

Companies often serve multiple regions, and their contact center may be required to handle interactions in more than one or two languages. Providing efficient customer support across these languages can be challenging and expensive, especially where dedicated skills are required and specialist language users may need to be on hand yet not always fully utilized.



AI can remove language barriers to enable seamless multilingual communication.

AI-enabled chat translation facilitates interactions across all channels with customers who speak languages different from your contact center staff, engaging with clients in their preferred language both asynchronously (email, SMS, etc.) and in real time (web chat, live messaging).

For example, when customers initiate a web chat in their preferred language, AI detects and identifies the language and instantly translates their messages so that the inquiry is presented to agents in their native language.

Agents can reply naturally in their own language, and AI will automatically translate the response back into each customer's language. This seamless back-and-forth allows for efficient communication and promotes a personalized experience with customers, leading to better overall satisfaction with your business.

Using AI-enabled automatic translation allows organizations to broaden their customer base while enhancing service quality for non-native speakers.

Quality Assurance and Agent Development

AI Solution: AI Interaction Evaluation

Traditional manual evaluation of contact center interactions is time-consuming and resource-intensive. It is also, for many contact centers, inadequate. Steve Morrell at ContactBabel observes: “The number of interactions typically observed as part of a traditional manual QA model do not represent a statistically valid sample set. Many contact centers score only a sample of interactions, which are then used to estimate the score for all interactions of the same type, for the same group or for the same agent.”¹



Simply adding more interactions – or relying on costly human supervision – is not a sustainable solution, as it can overwhelm evaluators. When supervisors are overloaded, they may unintentionally introduce bias during assessments, distorting performance metrics and compromising both the fair recognition of agents’ efforts and the overall quality of call analysis.

Overall, when you consider the critical role that coaching has in the development, satisfaction, and retention of employees, we can see the risks of a poor review system.

Automating the interaction evaluation process addresses these challenges effectively. AI can objectively and consistently evaluate up to 100% of engagements, using a customizable score card that is easy to modify as business needs evolve. AI can highlight issues and opportunities after evaluating the interaction, but also emphasize good outcomes, contributing to efficient management of customer relationship calls.

¹ContactBabel: The Inner Circle Guide to AI-Enabled Agent Assistance

Real-Time Agent Support

AI Solution: Real-Time Coaching

Contact center agents are your brand ambassadors, and as the public face of your company, they need to reflect your brand values consistently. This makes it essential to ensure that all communication during calls aligns with company messaging guidelines.

Real-time AI tools play a critical role in helping agents meet these high standards. By automatically monitoring conversations as they happen, AI can provide immediate guidance, helping agents stay on message and maintain quality service. For example, the system can detect engagement red flags – like participants talking over one another or speaking loudly – and flag these issues live on the call, allowing agents to adjust in the moment.

A ContactBabel survey found that over 80% of organizations supporting

frontline staff through changing customer expectations are prioritizing two strategies:

- Enhanced QA and coaching
- Increased technology investment

While post-call evaluations remain vital for agent development, in-the-moment support can make an even greater impact, especially for new agents or those handling complex or sensitive interactions. Real-time coaching builds confidence, helping agents feel supported while the call is ongoing.



Solving Supervisor Challenges with AI

Live coaching has traditionally faced two key barriers: **limited time** and **lack of technology**. AI-enabled real-time coaching addresses both.

These systems assist agents by:

- Displaying key phrases that should be used during the call and checking them off in real time as the agent includes them.
- Monitoring tone, speech volume, and pacing to detect signs of potential friction.
- Instantly notifying the agent through on-screen alerts when issues arise, helping them manage difficult calls before they escalate.

Additionally, calls can be recorded and reviewed later, giving agents and supervisors a clear path for follow-up coaching and continuous improvement.

¹ContactBabel: The Customer Experience Decision-Makers' Guide

7

Customer Insights

Every day, contact centers capture thousands of interactions across voice, email, SMS, social media, and webchat. Traditionally, the only way to extract value from these conversations is to rely on agents to share insights, or to manually review interactions.

AI changes that.

By automatically analyzing every interaction, not just within your contact center but across the entire enterprise, you can uncover powerful insights. This enterprise-wide view reveals patterns, identifies emerging needs, and highlights opportunities that drive meaningful impact across your business.

Your customer engagements are gold just waiting to be mined. They are the repository of everything your customers think about you, and the opportunity to use that information to see your organization from their perspective is invaluable. To act on it is potentially game changing.

- Is a customer happy? What can you do better/what are you doing right?
- Do they think your prices/conditions are unreasonable? Your service inadequate?
- Do they feel your products are of low quality, or lack certain features?
- Can they easily find the information they need when they need it?
- What is stopping them from buying more from you?
- Have they had issues with any of your staff or processes (across the organization)?
- What else do they feel, that you should know?
- What are the overall customer conversation trends?

Analyzing customer interactions can highlight overlooked issues and pinpoint needed improvements. It will identify potential customer churn, product and logistics flaws, and so much more.

As we've discussed earlier, the overhead of manually mining this data isn't feasible. However, AI can review, analyze, and interpret everything, sorting it into takeaways that your business can act on. The right AI solution can understand context and nuance, emotion, and even sarcasm – and deliver insights that have a far-reaching positive effect on your business.

AI-enabled Voice of the Customer is one of the greatest CX game-changers that are on offer from today's smart technologies.



How Using AI Can Help your CX Return on Investment (ROI)

NTT reported that 60% of businesses surveyed reported AI automation solutions meeting or exceeding their expectations. Another study, from IDC, found that for every \$1 that businesses invest in Artificial Intelligence, they recover on average \$3.5, while 5% of organizations reported a recovery of \$8 on average¹.



60%

So how do you monetize an AI investment in Customer Experience?

Specifically, AI is about:

- Supporting CX staff and allowing them to do their jobs better.
- Meeting customer expectations by being faster, more efficient, and accurate.
- Maintaining market position as more and more competitors adopt AI.

¹Yahoo Finance

To quantify the ROI in these areas, businesses need to measure a 'before' and 'after' and then convert these to the dollar terms that are specific to their contact center. The key areas of return are detailed below. They lead directly to higher overall customer satisfaction, loyalty and retention — and they also have an impact on the employee experience.

While there is considerable outcome overlap, capturing the metrics listed in this table from before adoption to a time when you feel that your AI tools are working optimally, will clearly demonstrate the success – or otherwise – of your AI tools.

Improvement Area	AI-Powered Tools	Measure	How to Calculate ROI
Productivity	Summarization, Knowledge base, Virtual Agents	Average Handle Time (AHT); First Call Resolution (FCR)	Interaction cost per minute; cost per follow-up inquiry
Customer Satisfaction	Automatic translation, Voice of the Customer	FCR; Customer churn	Acquisition cost per customer
Agent Training	Real-time coaching and Knowledge base	AHT, FCR, downtime hours; Supervisor hours	Downtime cost per hour
Quality of Service	Summarization, Knowledge base	Customer churn and Sales	Acquisition cost per Customer; revenue
	Virtual Agents	Live call or chat volume	Cost per call
Employee Experience	Real-time coaching, Interaction evaluation	Agent attrition	Cost per new agent, include onboarding

The expectation is that AI can enhance customer service by improving efficiency, personalization, and availability along with consistency and cost-effectiveness.



Steps to Implement AI in your Contact Centre

There are many of us who can see the benefits of AI, maybe even have a business case approved – but are just not sure where to start!

Our success depends on reviewing each step below and considering both your internal and external stakeholders.

1. Identify the need (use case).
2. Understand the appetite and tolerance – both internally and externally.
3. Set clear goals and measurements.
4. Be agile: Measure performance and adapt as needed.
5. Communicate! Keep all stakeholders up-to-date and engaged all the way.

Establish your priorities and considerations as an organization, then look for a vendor partner who can take these on board and help you navigate their complexities while offering you expert guidance along the way.



1

Identify the need or use case

It's important to review the needs of your organization in order to understand your specific requirements. **Wherever possible follow the data as well as your employees' and customers' inputs.** Use the data to keep everyone on the same path.

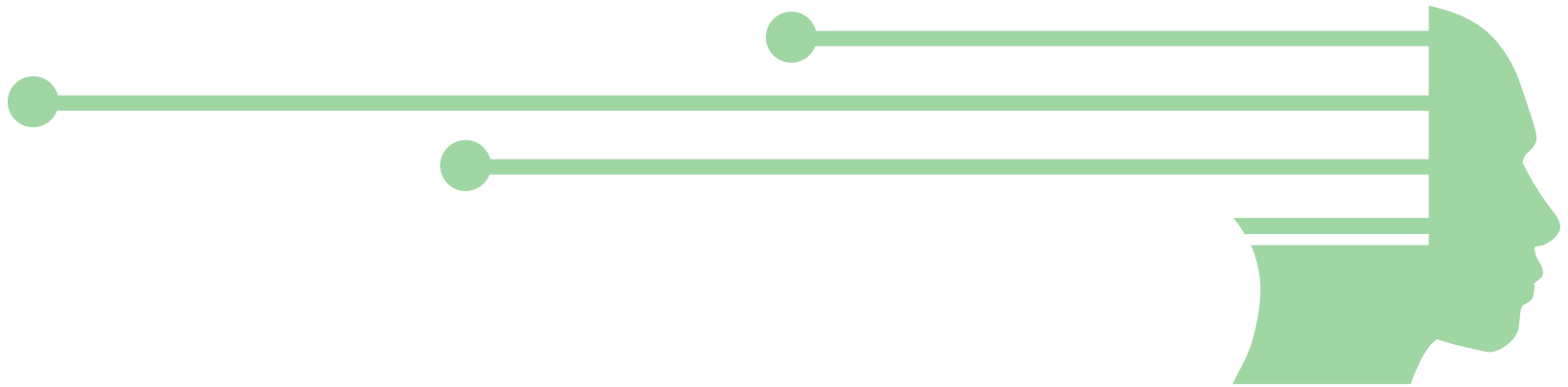
Here are some examples of use cases and solutions:

- Are most of your interactions process related, such as checking account balances or delivery status?  Consider adding a Virtual Process Agent
- Do you have a KPI showing an issue with AHT or after call work/wrap-up time?  Consider using Summarization to reduce that time – with the benefit of capturing more accurate information about every call.
- Does your business serve a multilingual customer base and you have trouble setting an agent schedule to support all languages?  Consider automatic webchat translation.
- Are you keen to understand your customers better, but surveys aren't working?  Consider a Voice of the Customer solution to provide actionable insights
- Are you worried that one of your supervisors is scoring some agents higher than others, and it is starting to impact on the team?  Consider AI Interaction Evaluation.

2

Understand the appetite and tolerance – both internally and externally

The use of AI, especially since the take-off of ChatGPT, can evoke strong reactions – both positive and negative – and these need to be considered carefully before any deployment.



- Would your customer base accept interacting with a virtual agent if it means getting a faster response that is still accurate? Or would most of your customers prefer to call and talk to a human agent?

Identify your customer demographics and their times of engagement; consider offering different services at different times.

- How do your employees feel about AI? For example, will they see the advantages of automated quality management, or mistrust AI involvement?

Change management and communication are key to a successful implementation.

3

Set clear goals and measurements

Setting goals – and then measuring progress against those goals – is essential for any successful project. It is especially true for the implementation of AI technology. You can't know you're successful unless you first define success. You may also find it takes time to agree on quantitative benchmarks.



For example, to expand somewhat on our table in the ROI section:

- **If using AI for Interaction Evaluation**, are your supervisors getting meaningful outcomes from the data? Are they covering more conversations now?
- **If using AI Summarization**, have your AHT and call wait time dropped? Is your service level improved and are your agents reporting fewer toxic conversations?
- **If using AI to extract VoC**, have you been able to make improvements that turn customer churn around, or improve revenue?
- **If using a Virtual Agent to handle customer inquiries**, did it reduce the number of calls received by human agents? Were customers escalating to live agents or calling the business later?

For each of these examples, what percentage “more” are you looking for?

4

Be agile: Measure performance and adapt as needed

Agility is another critical factor when deploying AI



- **Deploy in phases:** Start with a pilot program to gauge effectiveness and gather feedback before rolling out the solutions across your entire operation.
- **Monitor and optimize:** Continuously monitor the performance of AI tools and collect feedback from agents and customers to fine-tune and improve the solutions. Use AI Interaction Evaluation to assess the impact of the tools across 100% of interactions as opposed to sampling 3%.
- **Set regular checkpoints:** Get the right people to review results so you can make the necessary adjustments to ensure your business continues to receive the maximum benefits from your chosen solutions. Don't be afraid to move goal posts or even direction if that turns out to be necessary – it is always better to adapt and apologize than to rush your implementation and do it badly. Getting it wrong with AI can have a much greater and more permanent impact than getting behind, and you need to keep in mind that failure could mean years before you get buy-in from your stakeholders for another chance.

5

Communicate! Keep all stakeholders up-to-date and engaged all the way

And finally, as with most high-impact projects, communication is absolutely key when adopting AI. Get your customers on board with your reasons and desired outcomes. And bring your whole business along with you: it is not uncommon for managers to keep the inner circle informed and have the marketing team engaged in customer promotions – and yet forget to tell their workers.

Don't overlook or dismiss anxiety; give people affected a chance to communicate their concerns so that you can prepare them better. Provide comprehensive training for agents on how to use the new tools effectively, emphasizing the benefits and changes to their workflow.

Continue to communicate, and as soon as possible, demonstrate the performance improvements you are measuring. You can even use AI to help!



Checklist:

Achieving a Successful AI implementation for Customer Service



There are so many benefits that can be achieved with AI but like many new technologies it needs to be deployed with careful consideration for the unique aspects of your business.

In summary, here's a list of what to do and not do as you plan your successful AI implementation.

Success Factors

- **Stakeholder Engagement:** Successful implementations involve all relevant stakeholders from the beginning, including agents, IT staff, and management.
- **Communication:** Don't be afraid to tell your customers, and don't forget your staff!
- **Continuous Training and Support:** Provide ongoing education and support for agents to ensure they can use AI tools effectively and adapt to updates.
- **Iterative Improvement:** Regularly update AI models and knowledge bases based on new data and feedback keeps the tools effective and relevant.

Pitfalls to Avoid

- **Underestimating the Importance of Change Management:** Implementing AI requires significant changes in workflows and processes. Effective communication and training are critical to ensure buy-in from agents.
- **Setting unrealistic expectations about AI:** Don't oversell the outcomes to get buy-in. It's always better to exceed low expectations than disappoint high ones.
- **Ignoring Data Privacy:** Ensure that AI tools comply with data protection regulations, especially when dealing with sensitive customer information.
- **Overreliance on AI:** While AI can significantly enhance operations, it's essential to maintain a balance between automated and human elements to ensure the customer experience remains personal and empathetic. Humans must remain in the loop to maintain your customers' trust.

According to IDC, organizations they surveyed about AI adoption are on average realizing a return on their AI investments within 14 months¹, a significant improvement on early AI timelines.

¹VentureBeat



About EnghouseAI

When it comes to implementing AI, contact centers want to know that they are getting solutions designed to fit their specific CX needs.

Enghouse Interactive's extensive in-house expertise combined with our strategic integration of top-tier AI solutions are second to none. We don't just offer products but a true partnership that's geared towards fostering a more satisfied workforce and elevating your business to new heights.

Enghouse Interactive has a long pedigree in the customer experience automation landscape around the world, as well as years of experience with AI technology. Our teams are passionate about delivering solutions that make a difference, and can help you navigate the pitfalls and achieve a successful outcome that meets your goals to drive an improved experience for both customers and staff.

Let Enghouse's contact center and AI suite be the catalyst for the transformation of your customer experience.



About Enghouse Interactive:

Enghouse Interactive (EI), a subsidiary of Enghouse Systems Limited (TSX: ENGH), is a leading global provider of contact center software, services, and video solutions, serving thousands of customers for over 35 years. Enghouse Interactive solutions enable customers to deliver winning customer experiences by transforming the contact center from a cost center into a powerful growth engine.

Enghouse Interactive's core values – Reliability and Choice – are key differentiators in the global marketplace. Reliability speaks to Enghouse Interactive's reputation for consistently honoring its commitments to its customers, staff, partners, and investors. Choice is reflected in the unparalleled breadth of its CX portfolio, which enables customers to choose from a wide array of solutions, whether deployed on-premises, in the cloud, or on a hybrid platform. By leveraging a broad range of technologies and capabilities based on open standards, Enghouse Interactive simplifies the advanced integrations customers require.

Respecting local regulatory requirements, and supporting any telephony technology, Enghouse Interactive ensures that its customers can be reached by their customers – anytime, anywhere, and via any channel.

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