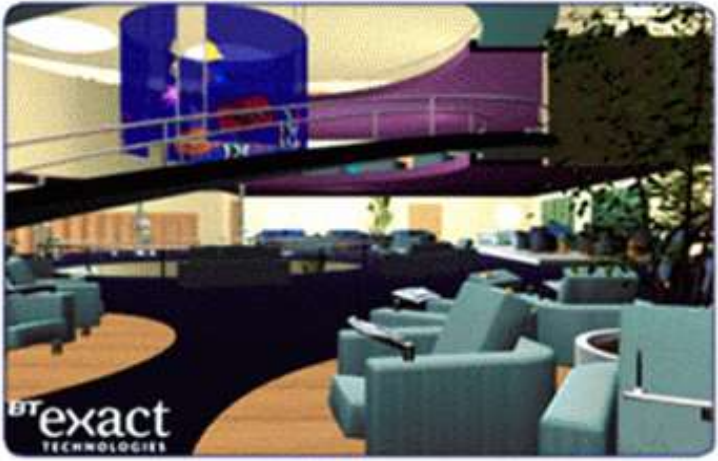# The Future of the Contact Centre:
Chatbots, cobots, and conversations

Dr Nicola J. Millard
Principal Innovation Partner at BT
nicola.millard@bt.com
@DocNicola

A vision of the future contact centre
How it started (visions from 1997)…

how it's going (2024)…

The future challenges for contact centres

- Increasing customer expectations
- Budget constraints
- Role of automation in cost reduction
- Increased complexity
- More channels to cover
- Changing advisor skills
- Difficulties in recruitment and retention

Image generated by AI

Customer expectations are high:

89%
Organisations should make **it easier to contact** them by phone, web-chat, e-mail, messaging and social media (**82%** in 2020)

80%
Consumers buy more from companies that **make it easier** to do business with them (**71%** in 2020)

80%
Consumers buy more from companies that have **excellent customer service** (**77%** in 2020)

57%
Convenience is more important than price (**58%** in 2020)

78%
It often **takes too long** to speak to an advisor in a contact centre (**69%** in 2020)

71%
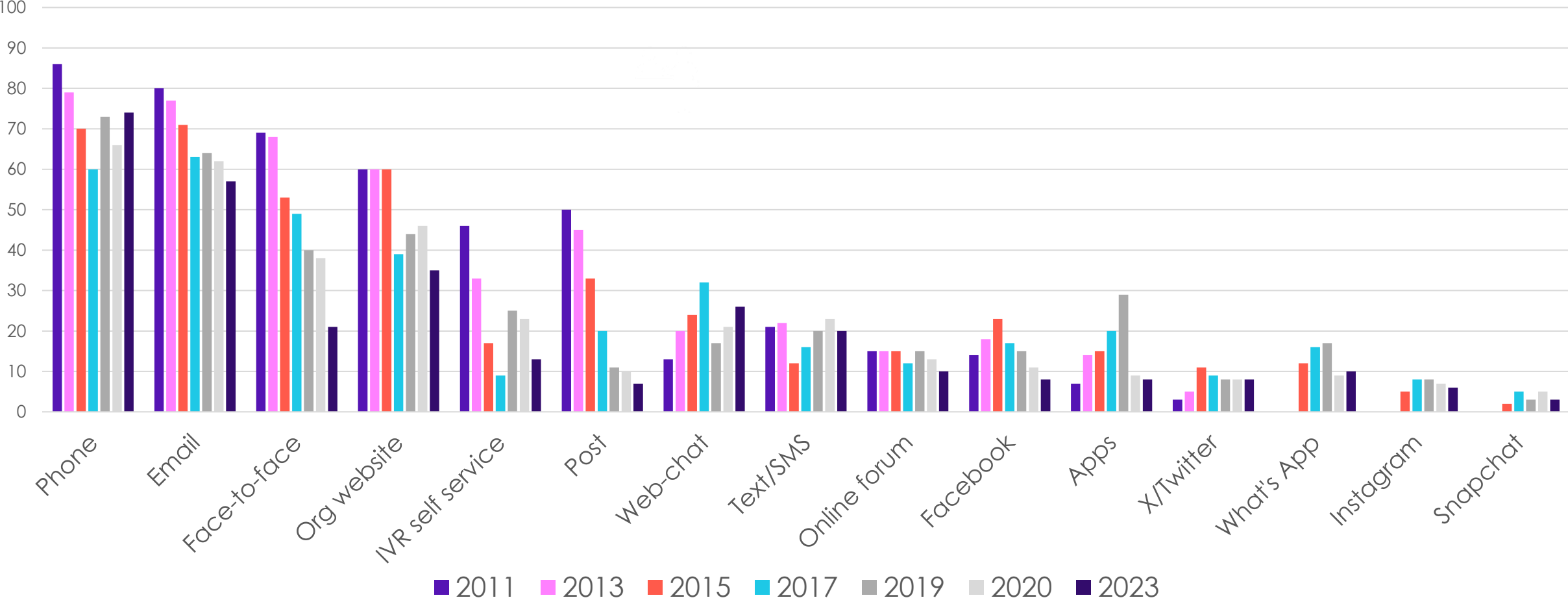Customer service should be **available 24/7** (**73%** in 2020)

69%
Dealing with organisations around customer service issues is **exhausting** (**73%** in 2020)

40%
Something goes wrong when using online self-service apps two times out of five

BT

Omni-channel adds complexity and cost

Which of these methods of contacting organisations do you use currently? (UK)

Legend: ■ 2011 ■ 2013 ■ 2015 ■ 2017 ■ 2019 ■ 2020 ■ 2023

Categories: Phone, Email, Face-to-face, Org website, IVR self service, Post, Web-chat, Text/SMS, Online forum, Facebook, Apps, X/Twitter, What's App, Instagram, Snapchat

Proactive is a strategy not a notification

On what occasions would instant updates from an organisation you deal with be very useful to you?

I get the right amount of these notifications	I get too few of these notifications

I get the right amount of these notifications
1. Parcel delivery notifications
2. Appointment reminders
3. Bill generation alerts
4. Reschedule deliveries or appointments
5. A large amount is paid into or out of an account

I get too few of these notifications
1. There is a problem with my product or service
2. They have a better deal available
3. Prices for on-going services are changing
4. Returns management
5. My contract or tie in period is coming to an end

If organisations you deal with become aware of issues or problems (e.g. delays, faults) how would you like them to share that information with you?

65% Email

46% Text Message

38% Phone
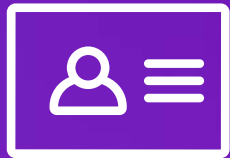
29% WhatsApp

12% Facebook Messenger

6% Twitter/X

Use Artificial Intelligence to make things easier

Customer identification

59%

Like the idea of organisations using AI to identify customers and save time on the call (2020 57%, 2019 55%)

Customer feedback

70%

Like the idea of organisations using AI to assess how happy customers are during a service interaction so customers don't need to complete a satisfaction survey

The customer journey

Advisor experience

76%

Like the idea of organisations using AI to analyse call recordings and improve customer service

73% Say chatbots should help webchat advisors to process simple queries

Customer resolution

71%

Like the idea of organisations using text-based AI (such as ChatGPT) to provide an immediate answer to my queries

BT

Chatbots vs. Cobots/Copilots
Agents are now AI; Humans are Advisors

- According to Contact Babel human advisors comprise about **two thirds** of contact centre costs.
- Gartner predicted that, by 2026, investment in generative AI will have reduced the number of customer-service agents by **20-30 percent.**
- FinTech company, Klarna, announced that they had automated out the equivalent of **700 FTE** in their contact centre by implementing AI at the front end.
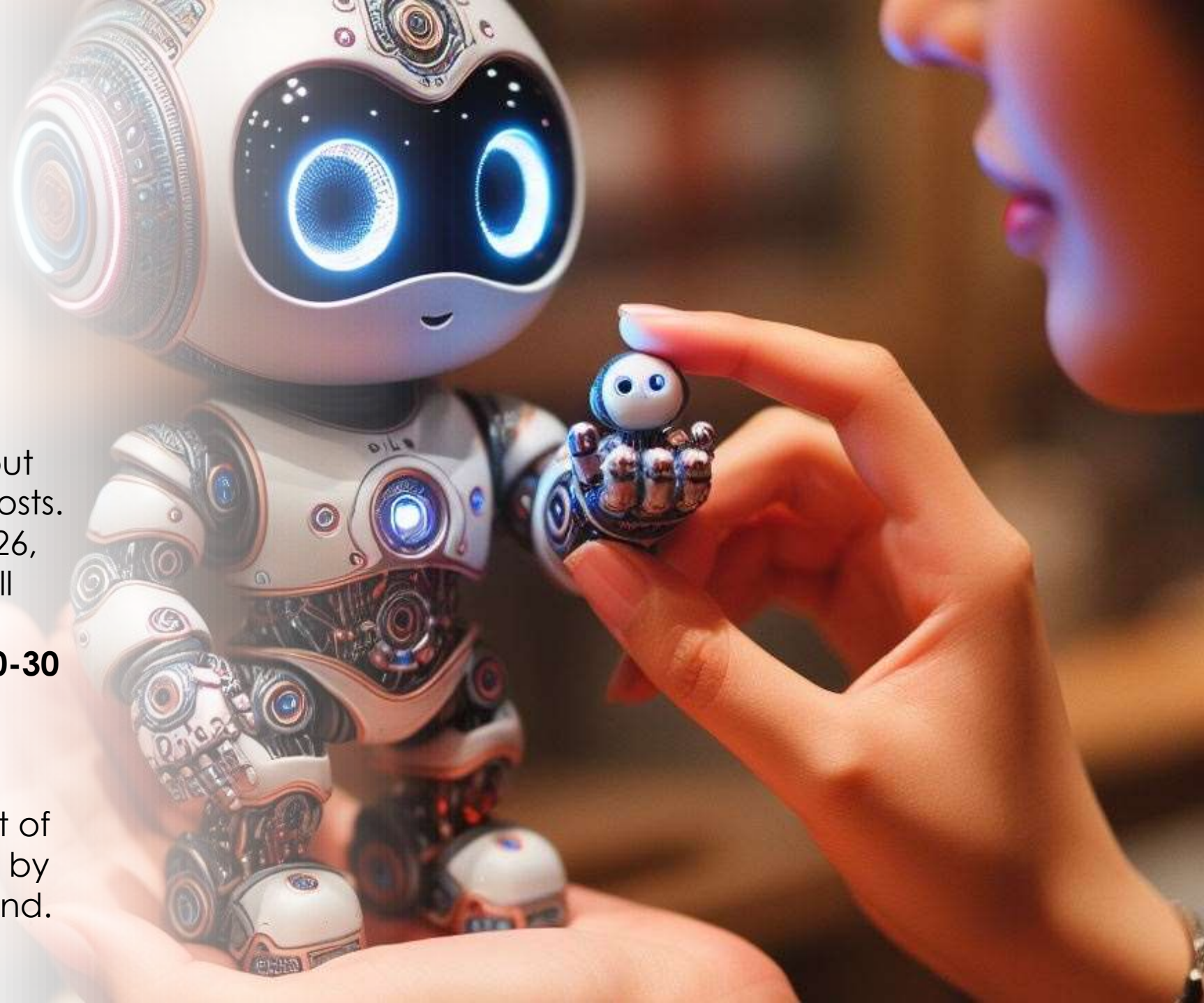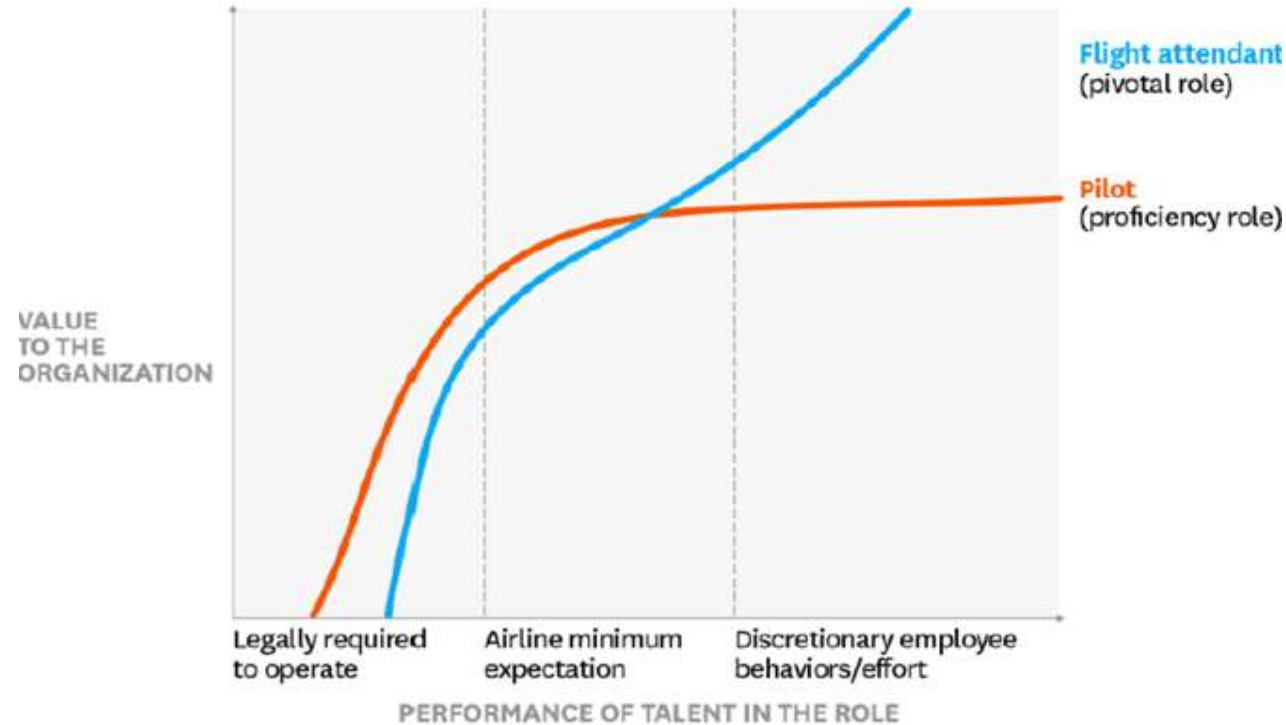
Where does value lie?
Just because you *can* automate, doesn't mean you *should*

Variance in the Value of Work

Where great talent makes a difference (pivotal role) and where good enough is sufficient (proficiency role).

Flight attendant (pivotal role)

Pilot (proficiency role)

VALUE TO THE ORGANIZATION

Legally required to operate | Airline minimum expectation | Discretionary employee behaviors/effort

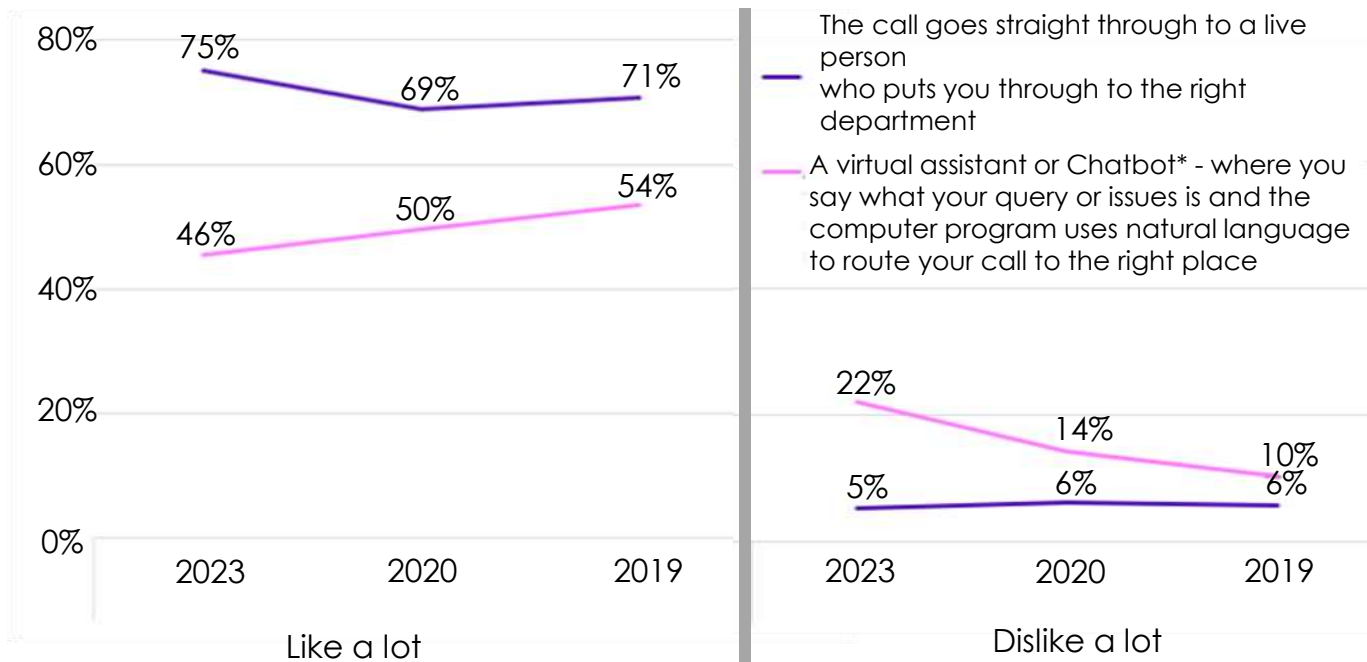PERFORMANCE OF TALENT IN THE ROLE

Proficiency role: high skill but beyond a certain standard, higher performance doesn't deliver more value

Pivotal role: higher performance yields more value, e.g. better customer service

Source: Jesuthasan, Malcolm & Zarkadakis (2016), Automation Will Make Us Rethink What a "Job" Really Is, Harvard Business Review, October 12.

Bad chatbots can damage brand reputation

When you are phoning a large organization, which of the following methods for routing your call do you prefer?

Like a lot

- The call goes straight through to a live person who puts you through to the right department
- A virtual assistant or Chatbot* - where you say what your query or issues is and the computer program uses natural language to route your call to the right place

Like a lot (The call goes straight through): 75% (2023), 69% (2020), 71% (2019)
Like a lot (Virtual assistant or Chatbot): 46% (2023), 50% (2020), 54% (2019)

Dislike a lot

Dislike a lot (Virtual assistant or Chatbot): 22% (2023), 14% (2020), 10% (2019)
Dislike a lot (The call goes straight through): 5% (2023), 6% (2020), 6% (2019)

75%
say the benefit of chatbots is getting an immediate response

75%
say the most needed improvement for chatbots is a better understanding of what I said or wrote

70%
agree bad chatbots damage an organisation's brand reputation

58%
say chatbots are getting better at delivering a good service

BT

When chatbots become badbots
(and who picks up the pieces?)

MCDONALD'S ABANDONING AI-POWERED DRIVE THRUS AFTER EMBARRASSING FAILURES

NOT LOVIN' IT.

drive-thru

ARTUR WIDAK/NURPHOTO VIA GETTY IMAGES

The Guardian

Air Canada ordered to pay customer who was misled by airline's chatbot

Company claimed its chatbot 'was responsible for its own actions' when giving wrong information about bereavement fare

📷 The judge wrote that Air Canada's customers had no way of knowing which part of its website – including its chatbot – relayed the correct information. Photograph: NurPhoto/Getty Images

THE WALL STREET JOURNAL.
TECH | FAMILY & TECH: JULIE JARGON

A Chatbot Was Designed to Help Prevent Eating Disorders. Then It Gave Dieting Tips.

The National Eating Disorders Association shut down the bot after it recommended cutting calories

One day, DPD was finally shut down,
And everyone rejoiced.
Finally, they could get the help they needed,
From a real person who knew what they were doing.

BT

Lessons learned:
guardrails are important

- AI depends on good quality data not magic!
- Deploy AI in the right part of the customer journey.
- More predictable rules-based/intent-based/hybrid AI models might be better than GenAI in many circumstances.
- Continuous testing and monitoring is not optional.
- If GenAI *is* the answer, make sure that guard-rails and quality controls are in place.
- If in doubt deploy the bot in less risky scenarios or internally first, rather than with customers straight away.
- All this might **INCREASE COSTS** (at least in the short term).

Image generated by AI

Human advisors have lots to cope with!
Can cobots/copilots help reduce cognitive load?

- Auto annotation and transcription
- Translation
- Wrap summaries
- Process guidance
- Real-time coaching
- Performance analysis
- Conversation optimisation
- Backend system RPA

Image generated by AI

Human advisors have lots to cope with!
Can cobots/copilots help reduce cognitive load?

- Cobots/copilots can increase productivity (measured by reduction in handling time and an increase in RFT) by **14%***.

- They can help newer advisors to be more productive, improve customer sentiment increase employee retention, and help advisors to learn new skills.

- BUT they had little to no impact on the performance of more experienced advisors (it slightly lowered performance).

* Generative AI at Work, Erik Brynjolfsson, Danielle Li, Lindsey R. Raymond, Working Paper 31161, November 2023, http://www.nber.org/papers/w31161.

Image generated by AI

The future of the contact centre beyond 2025?

- Agentic AI – my AI will deal with your AI
- AI orchestrated back-end processes
- The central intelligence hub of an organisation
- The human touch – adding brand value
- No longer seen as a cost centre
- A great place to work!
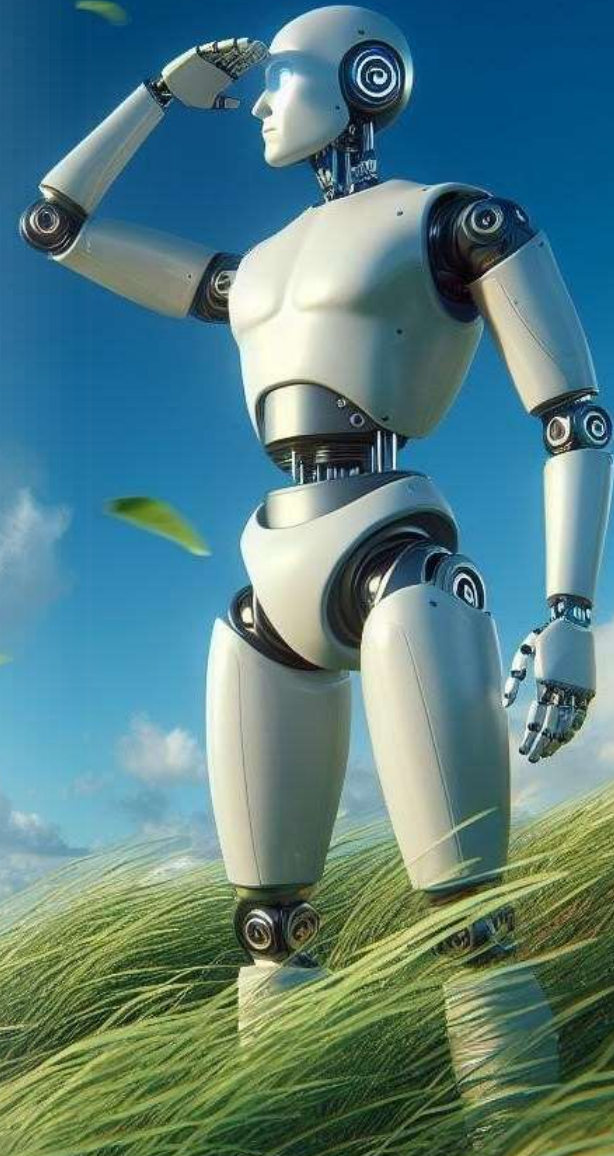
BT
Means
Business

Dr Nicola J. Millard

Principal Innovation Partner at BT

nicola.millard@bt.com
http://uk.linkedin.com/in/nmillard

@DocNicola (X), @doc_nicola (Threads),
@docnicola.bsky.social, @docnicola@mastodon.ie