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The AI and CX Connection for Modern Tech Companies

How AI will drive positive customer experience outcomes and business improvements in 2024 and beyond

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Conversation Intelligence For Customer Service

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In 2024, many in the tech sector remain optimistic about recovering from a few years of economic turbulence, which resulted in constricting budgets and resources. The end of the Zero Interest Rate Policy (**ZIRP**) era tightened lending and VC investments, leading many companies to shift from a "growth at all costs" model to one of sustainable, profitable growth. In many cases, that meant a laser focus on ideal customer profile (ICP) and increased emphasis on customer retention and success.

As a result, the importance of customer experience (CX) has only increased. With the right focus and execution, positive CX can be the driver for overall company success – from product improvements to marketing and brand experience, to employee experience and beyond. The good news is, a wealth of customer interaction data is helping tech organizations inform their CX strategies, and enabling teams to do more with less.

Unsurprisingly, many tech companies have turned to AI to help them scale their CX operations and effectively. But there is still room for improvement as the tech sector works to embrace emerging technology to transform how their operations act on customer data and leverage it to achieve powerful business results.

Let's dive into some of the top CX and AI trends impacting tech companies in 2024, and how you can navigate them.
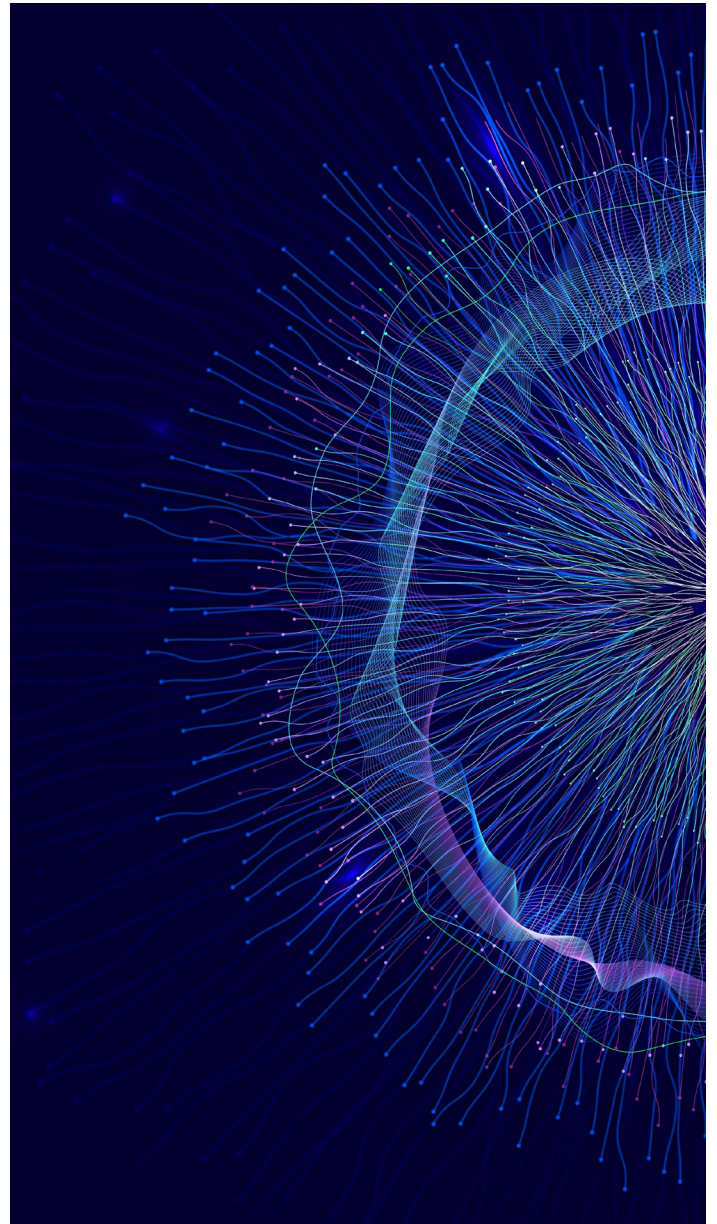
Embracing a cautious – yet optimistic – economic outlook

The tech sector was among the hardest hit by the '22-23 economic turbulence. According to **Crunchbase**, there were only four tech IPOs in 2023. M&A activity dropped to 1,600 deals, versus nearly 2,500 deals in 2022 and more than 3,100 that were finalized in 2021. In addition, 90,000 U.S. tech workers were laid off in job cuts in 2023, as global venture dollar volume steadily declined.

That being said, **tech stocks are bouncing back**, and interest rates have remained steady to slightly declining. There's cause for optimism, even though many in the sector remain cautious.

What does all of this mean for CX? Many tech companies have doubled down on customer success and CX, focusing on expansion and **net revenue retention**. Upsells and cross-sells with existing customers are sometimes more valuable than new logos – and often, easier to execute. In other words, holding onto customers is more important than ever before. An important factor in retention and customer satisfaction is understanding the voice of the customer (VoC), and effectively translating that feedback into a more positive CX – whether that's improving outcomes in customer service scenarios or delivering a better overall product.

According to the **2023 CallMiner CX Landscape Report**, technology companies are the most likely of any other industry surveyed to collect solicited feedback, with 78% of organizations in this sector collecting mostly this kind of data, followed closely by healthcare (74%), and retail (73%). However, solicited feedback mechanisms like surveys and solicited customer reviews only go so far, since they represent a small percentage of the overall customer base.
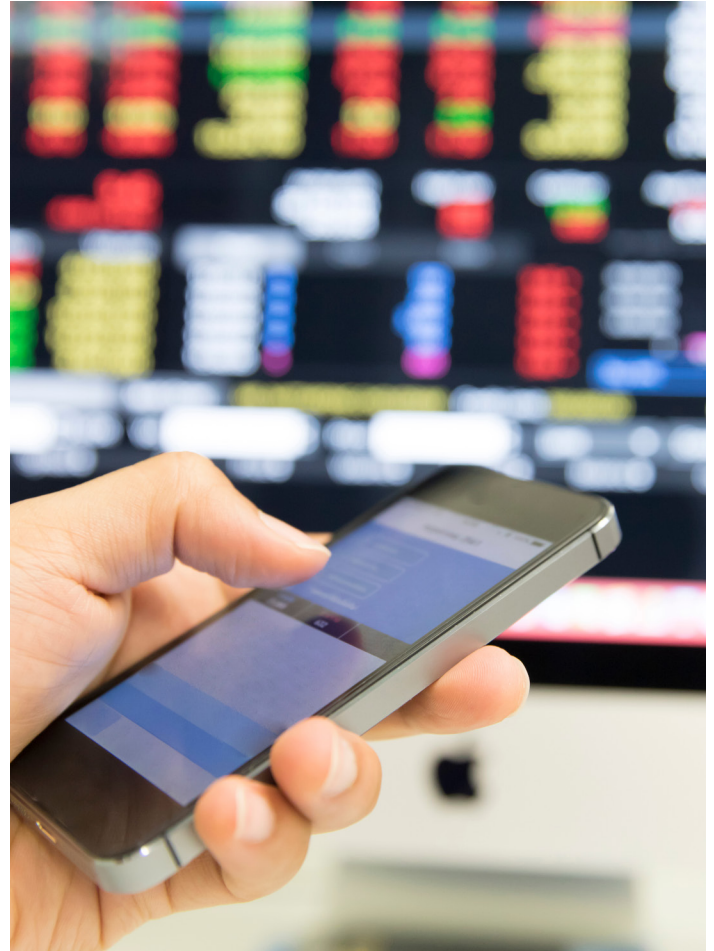
Why? In scenarios where customers are asked for their feedback directly (i.e. solicited), they tend to only convey very positive or very negative experiences. Think about your own survey experiences. This leaves a big, important middle ground of untapped, unsolicited feedback, such as the conversations that happen within a customer service center.

Unsolicited feedback is critical to gaining a truly holistic VoC. While tech companies realize that this data is at their disposal – 96% agree that digital transformation has led to a wealth of CX data ripe for analysis – as the next section shows, many teams have trouble acting on this data.

Trend 2

Acting on CX data and improving its cross-functional use

Not only is there room for improvement in the type of data tech companies collect, there's also room for improvement in how that data is used across the organization. Nearly three-quarters of organizations (72%) agree that they don't use CX data to their best advantage. Further, technology organizations are the least likely to use CX and satisfaction data to make data-driven business decisions (49%), or to uncover customer trends (35%).

This highlights a major gap between simply collecting data and applying this feedback directly toward business and customer outcomes. In fact, 95% of CX and contact center professionals at technology companies said they want their organization to do more to prioritize CX. Even though CX data is reported to the board an average of twice a month, 45% of these leaders say a complete overhaul or significant improvement is needed on how the board or leadership team uses CX data.

Room for improvement in customer feedback analysis

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Many teams at technology organizations experience challenges in aligning customer feedback between departments. Why is this happening? Of those surveyed, we found many struggled with the following:

- Lack of effective communication between departments **(52%)**
- Understanding how to analyze data **(33%)**
- Sharing data seamlessly **(33%)**
- Disparate tech solutions **(33%)**
- Lack of clarity on how to act on data/insights **(31%)**

Pro tip:
Leveraging CX data to drive ROI enterprise-wide

In 2024, technology organizations will focus more on creating a more productive cross-functional collaboration and leveraging CX data to drive business improvements. AI-powered conversation intelligence is a powerful tool in the arsenal to make it happen.

Start with the baseline: Start with achievable goals. For example, at least partially automate QA to unlock immediate efficiency benefits and gain actionable insights for contact center improvements. After you've proven the value of conversation intelligence, it will be easier to convince other team leaders to expand its use to their departments.

Think about improving workflows: Technology needs effective workflows to get information to the right people at the right time. Look for a conversation intelligence solution that provides workflows for a wide range of users and cross-departmental use cases.

Work with external teams to leverage customer data: Whether it's through enriched BI-based reports shared directly with teams, or reporting on customer outcomes to the board, sharing data is a first step to driving change.

Start with a specific question and work backward: Conversation intelligence systems are easily searchable and can provide a wealth of insights.

Aggregate insights to uncover trends: When there isn't a specific question in mind, stepping back to look at aggregate data can uncover important trends.

Consider the holistic customer journey: Layering conversation intelligence insights with customer journey mapping can help your team make specific improvements that remove friction from the journey and improve bottom line business outcomes.

How are tech organizations applying customer feedback data today?

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- Quickly rectify issues with products/services befe they become critical **(38%)**
- To improve training, onboarding and coaching for CS reps **(35%)**
- To evaluate the effectiveness of brand strategy and understand brand sentiment **(35%)**
- To understand satisfaction and loyalty to proactively reduce churn and attract new customers **(34%)**
- To understand or drive the organization's product roadmap **(34%)**

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Trend 3

Moving beyond AI adoption to effective implementation

It's no surprise that organizations in the tech sector are leaders when it comes to the adoption of AI and automation, especially with the emergence of generative AI that dominated 2023. Organizations in the technology sector have embraced automated processes for CX data analysis, with their approach leaning more decisively towards automated (72% say their processes are mostly automated) rather than manual (28%). By contrast, only 48% of healthcare, 50% of financial services, and 52% of all retail organizations say their processes are mostly automated.

Many have leaned into AI to do more with less. Nearly all CX and contact center professionals (96%) at tech companies agree that AI technologies will help them be more efficient when it comes to optimizing CX under financial strain, and want their organization to do more with fewer resources in the current economy.

And many are already well on their way to more mature AI implementations, with 83% saying AI is at least partially implemented to analyze CX data. Even though they've started with AI, 99% of survey respondents agree that AI will become more important to CX in the future.

As with anything however, there is still room for improvement – 34% acknowledge that understanding and utilizing AI technology is among their top CX challenges. Accelerating AI maturity is often a matter of choosing the right technology that's purpose-built for analyzing CX data. While many tech teams are capable of building homegrown AI solutions, maintaining these solutions in addition to the organization's core products can become too costly and difficult to manage.

Read more: Build vs. Buy: Considerations for Your Conversation Intelligence Program

How do tech companies use AI for CX?

Top three ways tech companies are using AI to improve CX

- Increasing the amount of customer interactions that can be analyzed **(49%)**
- Delivering real-time guidance to employees during customer interactions **(36%)**
- Uncovering trends in customer sentiment/emotion **(34%)**

Top CX benefits for AI in the tech sector

- Identify issues with products/services and quickly fix them **(33%)**
- Identify top performing CS reps and improve training/coaching **(29%)**
- Understand what drives loyalty and use this to improve customer experience **(28%)**
- Take steps to improve employee experience **(28%)**

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Trend 4

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Coping with more complex customer scenarios

Coming out of the pandemic and entering a period of economic uncertainty has had a major impact on customers' specific situations. CX and contact center professionals in the tech sector name customer vulnerability due to health, caregiver or financial reasons as their top CX challenge (according to 43% of respondents).

What is customer vulnerability? **Customer vulnerability** can take many forms. **According to the UK**'s Financial Conduct Authority (FCA), a vulnerable customer is a customer who is particularly susceptible to detriment due to personal circumstances. There are four key drivers of customer vulnerability, including:

- Low capability
- Low resilience
- Suffering a negative life event
- Coping with an ongoing or chronic health condition

For example, a vulnerable customer may be coping with a loss of a job, and unable to pay their bills. Or they may be unfamiliar with digital technology and unable to navigate online customer support systems (e.g. chatbots or knowledge bases). As adoption of AI and automation accelerates across the technology sector, organizations must recognize their ethical obligation to include all customers – not just tech-savvy ones. The same conversation intelligence technology used to analyze customer interactions can help customer support teams identify vulnerable customers and treat them equitably. These solutions can help agents effectively understand customer sentiment and emotion, provide real-time guidance in difficult situations, and ensure compliance with certain regulatory requirements.

Another top CX challenge is increased customer impatience (according to 35% of respondents). This puts a lot of pressure on customer success teams and customer service representatives to resolve customer issues quickly. As we'll cover next, conversation intelligence can ease this burden on frontline employees, improving employee experience and overall CX in the process.

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Trend 5

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Emphasizing EX and retaining valuable employees

According to Forrester, both employee engagement and culture energy metrics declined between 2022 and 2023, with return-to-work mandates and job uncertainty making the employment climate difficult for many workers to predict. The research firm expects further declines in 2024 in both of these metrics.

With that said, 99% of tech sector respondents agree that CX data is important to EX. These teams understand the need to keep their frontline workforce engaged, offering the training, one-to-one coaching and reinforcement they need to exude confidence, positivity, and reassurance to customers.

The good news is that many tech organizations are already implementing CX data to improve the work lives of their frontline employees, such as customer service representatives. Here are the top three ways:

- Implementing effective real time guidance during customer interactions **(51%)**

- Implementing thorough onboarding process for CX/contact center employees **(43%)**

- Taking action on process improvements **(37%)**

This focus on EX will continue into 2024, as tech organizations see more and more value from creating a culture of continuous improvement, both internally and externally.

Pro tip: Provide frontline workers with a data-driven feedback loop

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- **Start small:** Give frontline agents a baseline from which to improve (e.g. scorecards that leverage AI-based analysis of 100% of customer conversations)

- **Implement real-time feedback**: Real-time guidance can help agents work through difficult customer conversations, avoiding escalations and speeding up resolution times. Real-time conversation intelligence can also identify and flag positive behaviors to reinforce what they're doing well and build morale

- **Provide regular data-driven coaching:** Conversation intelligence gives managers and supervisors unbiased data on areas of improvement and success, so that one-to-one feedback sessions are more productive and targeted for everyone involved

- **Encourage frontline agents to weigh in:** Discuss how these systems are working for agents and how they could be improved. Feedback is a two-way dialogue

Improving AI maturity to enhance CX

While 2024 still holds a lot of uncertainty, tech organizations stand to gain more control over both their customer and employee experience. By accelerating AI maturity, including the adoption of proven technology like AI-based conversation intelligence, these organizations can leverage 100% of customer insights to their business advantage — not just in the contact center, but cross-functionally in other departments.

AI can help build capacity in frontline agents and help organizations scale tasks that feel insurmountable. Using trusted conversation intelligence solutions, technology organizations can reduce risk and do more with their existing resources. Above all else, they can get one step closer to realizing the vision of a truly customer-centric organization.

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About CallMiner

CallMiner is the global leader in conversation intelligence to drive business performance improvement. Powered by artificial intelligence and machine learning, CallMiner delivers the industry's most comprehensive platform to analyze omnichannel customer interactions at scale, allowing organizations to interpret sentiment and identify patterns to reveal deep understanding from every conversation.

By connecting the dots between insights and action, CallMiner enables companies to identify areas of opportunity to drive business improvement, growth and transformational change more effectively than ever before. CallMiner is trusted by the world's leading organizations across retail, financial services, healthcare and insurance, travel and hospitality, and more.

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