

# A Playbook for the Transformational BPO

4 Strategies for Augmenting Outsourced Humans With Conversational AI



# Introduction

Humans still want to interact with other humans when they need help, despite the acceleration of digital channel adoption during the pandemic. Major businesses in retail, manufacturing, healthcare, financial services, travel and hospitality, and other industries have struggled to keep pace with the volume of interactions and increasing expectations of their customers.

All of which means there's a greater need than ever for outsourced customer service and business process outsourcing (BPO). In fact, the BPO market is expected to grow 4% (compound annual growth rate (CAGR)) by 2024 to reach \$76.9 billion.<sup>1</sup> Meanwhile, the contact center portion of the global BPO industry is projected to grow by \$14 billion by 2025, at a CAGR of 3%.<sup>2</sup>

While demand is growing for BPO providers, so is the competition. Digital-first service providers — companies with digital- and analytics-based offerings as a core value proposition — are now challenging incumbent players. According to McKinsey

& Company, over the past five years, digital-first providers have grown by an estimated 22%, almost three times faster than comparable mid-tier incumbents.<sup>3</sup>

That's because forward-thinking BPOs are using technology such as conversational artificial intelligence (AI) and automation to enable their clients to achieve strategic business outcomes — such as improving customer satisfaction and loyalty, driving revenue, and supporting expansion into new markets — more effectively and efficiently than they can do themselves.

This playbook explains how conversational AI and automation combined with other advanced technologies in a conversational automation platform improve productivity and efficiency, reduce quality and compliance costs, improve the agent and customer experience, and differentiate a BPO's brand — driving measurable and sustainable business value for both the BPO and its clients.

## Double-Digit Growth for Conversational AI

The global conversational AI market is expected to grow from **\$6.8 billion** in 2021 to **\$18.4 billion** by 2026, at a CAGR of 21.8%.

Source: "Conversational AI Market by Component, Type, Technology, Business Function, Mode of Integration, Vertical and Region — Global Forecast to 2026," ReportLinker.com, November 2021

1. "Business Process Outsourcing Market by End User and Geography – Forecast and Analysis 2021-2025," Technavio, April 2021

2. "Global Call Center Outsourcing Market 2021-2025," ReportLinker, May 2021

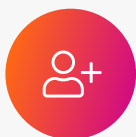
3. "Global Business-Services Sourcing Comes of Age," McKinsey & Company, September 2021

# Accelerating Digital Transformation to Overcome Growing BPO Challenges



To thrive and grow in today's market, BPO providers must embrace digital transformation to help them overcome challenging issues around workforce, performance, and economic pressures while delivering on higher client expectations than ever. If traditional BPO's don't want to cede more market share to digital-first competitors, they must find ways to accelerate their transformation.

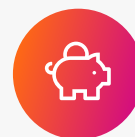
Focusing on strategic transformation will enable BPO's to deliver profitable yet cost-effective services and overcome challenges such as:



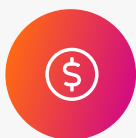
Agent attrition and talent shortages that lead to capacity shortages



Higher customer expectations and lower tolerance of long wait times and slow resolution



Growing operating costs that shrink profit margins as clients seek lower cost services



Client demand for outcome-based pricing, which means adopting a new operating model



Increasing quality assurance and compliance costs



Competitors who successfully make customer experience a differentiator

# Augmenting Human Agents and Optimizing Conversations



For complex issues, humans still prefer to talk to humans. **In a survey conducted by Uniphore in 2020, nearly 80% of people polled wanted to speak with an agent.** Yet over 33% of callers waited for more than 30 minutes and 72% of respondents ended the call while still waiting to speak with an agent.

This is the crux of the problem that BPOs can help their clients solve: deliver personalized, empathetic service for customers who want and need to interact with humans to resolve their issues — and do so cost effectively.

By augmenting and enhancing humans in the contact center through conversational understanding, AI helps agents focus on the interaction with the customer, resolve issues more quickly and effectively, and minimize the amount of time they spend on tedious, repetitive tasks that take time away from helping other customers.

## From the BPO perspective, conversational AI and automation can:



Reduce average handle time (AHT) and improve first call resolution (FCR) by helping agents resolve issues faster



Improve quality and performance management while reducing costs by automatically monitoring and analyzing 100% of interactions



Enable multimodal customer service for an omnichannel experience



Automate feedback to help agents improve their performance

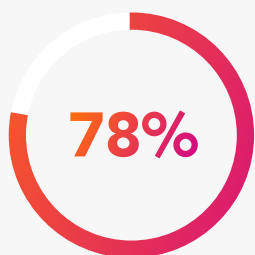


Reduce after-call work (ACW) and other manual efforts to free agents for the next call



Use predictive analytics to improve sales effectiveness as well as gain insight into trends and points of friction

## Three-Quarters of U.S. Contact Centers Plan to Deploy AI

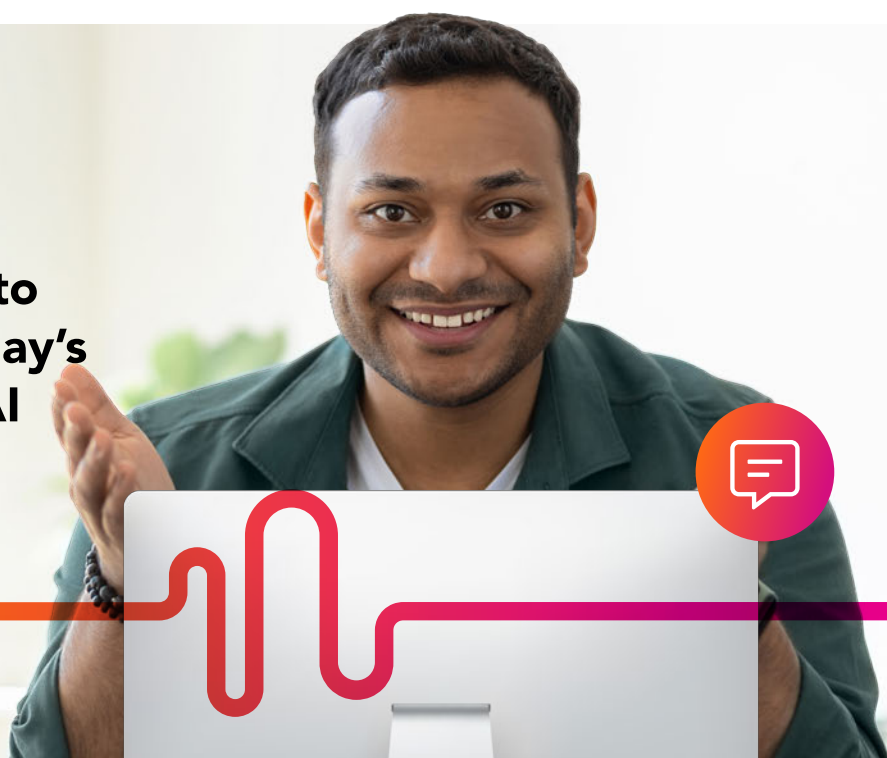


of contact centers in the U.S. now intend to deploy AI in the next three years, with an overwhelming number (**97%**) planning to use AI to support agents, as opposed to **7%** who plan to use AI to replace some or all of their current contact center staff.

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Source: "2020 Contact Center AI Benchmark Trend Report," Canam Research, April 2020

## What You Need to Know About Today's Conversational AI Capabilities



Conversational AI technology specifically developed for the contact center is much different than early products and solutions adopted by BPOs in the past, which only delivered rudimentary AI functionality. Until now, superficial or point AI solutions did not span the entire customer conversation, leading to disappointing outcomes.

That's because, while most solutions claim they are based on conversational AI, in reality they are limited in their ability to understand human-to-human conversations and instead are trained to recognize certain keywords and little else. Any success with these types of solutions often came at the expense of the customer and agent experience.

In comparison, domain-specific (in this case, contact center-specific) conversational AI has experienced tremendous leaps in sophistication to deliver transformative business value. Choosing a conversational automation platform gives BPOs access to a rich combination of AI-powered technologies:



### **Conversational AI:**

A set of advanced AI technologies that combines computer vision, voice AI and tonal emotion to recognize and comprehend human language in multiple languages. These technologies use language, sentiment, intent, and emotion to optimize and analyze conversations in and across multiple channels.



### **Natural language processing and understanding (NLP/NLU):**

NLP and NLU are components of conversational AI that help computers understand and interpret human language.



### **Attended and unattended robotic process automation (RPA):**

RPA is software that can emulate the actions of a human interacting with digital systems to automate repetitive tasks and end-to-end business processes. RPA can work alongside humans as attended automation or execute tasks without human involvement in unattended mode.



### **AI analytics/intelligent decision support:**

Intelligent decision support uses machine learning and reasoning to discover insights, find patterns, and uncover relationships in data, automating the steps that humans would take if they could exhaustively analyze large datasets.



### **Intelligent applications:**

AI-powered software called intelligent applications includes rules engines, user interfaces, notifications, and alerts, and other components that handle specific use cases within the contact center, such as intelligent agent assistance, multimodal conversational self-service such as voicebots and chatbots, and others.



### **Voiceprint biometrics:**

This technology recognizes voice patterns for frictionless verification of individuals such as agents, eliminating the hassle of manual authentication and protecting the business against fraud.

# AI Strategy #1: Improve Agent Performance With In-Call Guidance

Consumers aren't the only ones with high expectations for customer service. Your clients continually raise the bar on the experience and performance metrics such as FCR and AHT that they expect BPOs to reach.

Conversational AI enables your agents to be more productive and empathetic while personalizing the experience for

customers. With a conversational automation platform, BPOs can use real-time analysis of customer context including sentiment, emotion, and intent to help their agents with in-call coaching alerts, giving them the insight to be more empathetic as well as suggesting next best actions — all of which accelerates resolution and improves cross-selling and upselling.

## Questions to Ask

- Do your agents have real-time, in-call coaching to help them be more productive and effective?
- How accurate is your current in-call coaching? Does it automatically understand customer intent, sentiment, and emotion?
- Do your agents have immediate access to customer information without manually looking up information in multiple systems?
- How quickly can agents resolve customer issues?

## Action List

- Use a conversational automation platform for real-time interaction analysis and automated, in-call coaching alerts enriched with customer information that augment agents and help them resolve issues faster.
- Automatically identify patterns and changes to them to alert agents in real time about products and services that would be most relevant for specific customers, improving conversions as well as customer satisfaction.
- Deploy conversational AI capabilities to analyze and detect customer and agent-centric patterns across voice, email, text or chat to identify and eliminate points of friction in the customer journey.

### Outcomes

- Improve agent productivity and performance
- Drive agent sales effectiveness
- Reduce AHT and accelerate resolution
- Improve customer satisfaction

## AI Strategy #2: Minimize After-Call Work

Improving operational efficiency helps BPOs achieve higher margins and better profitability. Reducing the amount of time your agents spend in after-call work (ACW) is a strategic automation initiative that delivers significant reduction in operational costs while improving customer experience metrics.



Using a conversational automation platform to automatically handle ACW — including categorizing and summarizing the call, updating systems, and taking follow-up actions — improves your operational efficiency while enhancing the customer and agent experience. Because your agents no longer need to spend time on menial, repetitive tasks after the interaction, you improve AHT, call waiting times, customer satisfaction, agent productivity, and agent satisfaction.

### Questions to Ask

- How much time do agents spend summarizing the call?
- How accurate are call notations and summaries?
- How much time do your agents spend on all ACW activities?
- How long are AHT and wait times for other customers?

### Action List

- Deploy a conversational automation platform that automatically listens and transcribes calls in real time.
- Choose a solution that automatically creates and presents the call summary to the agent to edit and confirm, eliminating time-consuming manual tasks and improving accuracy.
- Automate tasks such as call disposition to ensure higher accuracy while giving agents more time to do what they do best: deliver a human, empathetic experience.
- Choose a solution that automatically updates the CRM system as well as others to further reduce or eliminate manual tasks.

### Outcomes

- Improve accuracy of call summaries and dispositions
- Reduce AHT and shorten wait times for customers
- Increase agent productivity and improve the agent experience
- Make it easier for agents to focus on the customer conversation

## AI Strategy #3: Fulfill Promises Automatically

One of the most common causes of customer dissatisfaction is the lack of a promised follow-up communication or action after the call has ended. Poor follow-through on the promises (also known as commitments) made by the agent during the call impacts customer satisfaction (CSAT) scores and Net Promoter Score (NPS) — which affect your ability to differentiate your company from other BPOs when it comes to delivering on customer expectations.

Automating promises management reduces the amount of time your agents spend on manual, time-consuming tasks to manage and fulfill promises while improving the customer experience, satisfaction, and loyalty. It also reduces the number of repeat calls due to missed commitments.

### Questions to Ask

- How are promises/commitments logged today?
- How are commitments fulfilled?
- How much time do agents spend on promises management during and after the call?
- How many repeat calls are due to missed commitments and follow-ups?
- What additional time is added to call handle times to address repeat and escalated calls due to missed commitments?

### Action List

- Choose a conversational automation platform that automates management of promises, such as ordering a replacement part, scheduling a service call, and sending follow-up emails.
- Deploy a solution that automatically logs and enriches promises and commitments made by agents in real time.
- Use automation to align expectations with customers immediately following the call to reduce repeat calls.
- Take advantage of RPA to automate fulfillment of promises after the call.

### Outcomes

- Shorten AHT and improve agent productivity by reducing manual tasks for agents
- Reduce call waiting time by freeing up agents
- Cut the number of repeat calls and improve customer satisfaction and NPS
- Reduce the number of screens agents need to log into to execute workflows that register and fulfill promises made

## AI Strategy #4: Automate Quality and Compliance Management



While you undoubtedly monitor a portion of your contact center customer interactions for quality, compliance, and performance purposes, what if you could monitor — and understand and analyze — all of them automatically?

Interaction analytics powered by conversational AI unlock the insights hidden in the vast amounts of unstructured data from 100% of customer conversations, helping you understand reasons for customer churn, improve sales effectiveness, drive compliance, and identify trends and patterns to inform operational improvements. Differentiate your brand by harnessing the insights and providing them as a service to clients to help them make data-driven decisions that improve their customer satisfaction and share of wallet.

The right conversational automation platform also automates quality and performance management to reduce costs and manual efforts while improving agent performance and compliance.

### Questions to Ask

- Can you analyze 100% of your customer interactions across multiple channels?
- Do you have an integrated view of intent, emotion, and sentiment across all conversations and channels?
- What percentage of conversations do you currently review for performance?
- How much time and how many people does it take to audit conversations for compliance?
- Do you have a predictive analytics capability that accurately models propensity to buy/pay?

**Action list:**

- Implement interaction analytics to monitor and analyze all customer conversations across voice, email, and chat.
- Choose a conversational automation platform that automatically tracks and scores compliance and agent performance and automates agent feedback.
- Understand sentiment, emotion, and intent to identify complaints and uncover issues impacting satisfaction.
- Identify trending topics and behavior patterns to optimize contact center operations, staffing, and training.

**Outcomes:**

- Reduce quality management costs and improve quality
- Drive 100% compliance and reduce time and costs for compliance management
- Improve sales effectiveness
- Increase CSAT and NPS
- Inform data-driven operational improvements

## Using Conversational Automation to Improve Resolution

With its work-from-home (WFH) model and a digital-first strategy, a gig economy BPO provider in the U.S. is redefining the industry's conventional brick-and-mortar approach. However, with 20,000 remote workers, the BPO faced challenges around training and proficiency that impacted quality and performance, as measured by FCR, AHT, hold times, and the frequency with which supervisors needed to become involved to resolve the customer's issue.

The BPO deployed Uniphore U-Assist and Uniphore U-Analyze — solutions that are part of the Uniphore Conversational Automation platform — for real-time agent guidance and automation, as well as interaction analytics to surface insights about trends, pain points, and agent performance.

In addition to reducing calls that escalate to supervisors by 60% and reducing hold times for customers by 30%, the BPO also automated monitoring and analysis of agent performance and behavior to improve quality and streamline quality management. The Uniphore solutions reduce the amount

of manual work that agents must perform by automating key tasks such as premium calculations while providing real-time guidance on next best actions and workflow.



## Next Steps

While the outlook for BPOs is for strong demand for their services, the challenges they face are far from trivial. They must deliver better outcomes and value for their clients, and do so more efficiently than the competition.

Augmenting and enhancing human agents with conversational AI and automation optimizes and transforms the customer and agent experience, enabling BPOs to:



Achieve higher margins and profitability through improved operational efficiency and automated scalability



Reach and exceed service level and performance agreements



Improve the agent experience and performance while reducing attrition  
Improve CSAT and NPS



Develop capabilities and value-added services that provide greater insight into the voice of the customer

[\*\*Learn More\*\*](#)

# About Uniphore

Uniphore is the global leader in Conversational Automation, which combines the power of artificial intelligence, automation technology and machine learning. Uniphore is disrupting an outdated customer service model by bridging the gap between humans and machines by focusing on conversations. We make it possible for every conversation, on every call, to be truly heard.

Uniphore delivers innovative solutions across a flexible platform to enable organizations to provide a better customer experience. This includes intelligent conversational self-service, real-time conversational analytics, versatile agent co-piloting, intent detection, agent coaching, quality assurance, regulatory compliance, and automated after-call work. With Conversational Automation, enterprises can now engage their customers to effectively build loyalty, improve customer experience and realize operational efficiencies.

For more information, please visit [www.uniphore.com](https://www.uniphore.com) and connect with us on [LinkedIn](#), [Twitter](#), [Facebook](#), and [Instagram](#).

