3 Ways AI Can Help Businesses Improve Customer Relations

The power of AI can lead to better sales, improved customer service and reduced churn. By embracing AI, startups are embracing a stronger, more profitable future.

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In a world where technology is changing rapidly, it can be hard for businesses to keep up with shifting consumer demands. Take how customers interact with businesses, for instance. According to a recent study by Drift, people now prefer real-time interaction as they make their purchases, meaning that just having an online storefront is no longer enough.

For startups looking to grow a loyal customer base, the immediate needs of users can be especially intimidating and even seem, at times, insurmountable. Entrepreneurs with small employee bases would have no way of being there for every customer and anticipating each person's needs in real time.

With the advent of AI and machine learning inside of traditional businesses, however, this is beginning to change. Conversational AI has made the communication space more fluid for customers and businesses, offering consumers instant results while making it easy for businesses to provide attention to every person in need.

Dish Network has already shown that AI can successfully navigate this modern landscape. According to the company, customers rate interactions with virtual agents the same as, and sometimes even better than, interactions with their human

counterparts.

While some businesses are already getting into the AI game, it’s not anywhere near where it should be. According to a McKinsey & Co. report, only 21 percent of companies have implemented AI into multiple parts of their organizations. More startups should be looking for opportunities to harness AI and gain a competitive advantage.

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How AI could improve your business

For entrepreneurs, it’s no longer OK to sit on the sidelines and see what happens when it comes to AI. It’s time to be proactive. Here are three ways you can use AI that could be game changers for your business:

1. Provide instant responses.

The vast majority of consumers highly value customer service that provides quick responses. According to recent research from HubSpot, 90 percent of customers considered an immediate response either “important” or “very important,” and 82 percent felt the same about sales and marketing inquiries.

For a long time, immediate responses were, by and large, difficult to deliver to everybody who wanted one. With AI and automation, however, this is changing. Common questions can be answered through automation, freeing up customer service reps to focus on more complicated, high-value questions.

In 2016, for instance, Patrón launched an Echo skill that provided recipes and tequila-related fun facts. This seemingly trivial tool has 36,000 users and receives about 7,000 queries every month. Customers love the instant engagement.

Businesses should focus on developing messaging bots for apps, such as Facebook Messenger and iMessage, and creating skills and extensions for smart home speakers. According to Deloitte, smart speakers such as Google Home and Amazon Echo are poised to reach $7 billion in revenue this year. These smart speakers are quickly becoming ubiquitous, and companies that take advantage of them will achieve better customer satisfaction and engagement.

2. Understand how a consumer feels.

According to Gartner, customer relationship management is where the most spending on enterprise software happens. Cloud sales software, in particular, tends to come with a high price tag. This makes sense, of course, because sales and customer service are cornerstones of a successful company.

However, it does mean that it's vital to get the most out of this spending. It's not enough to just gather sales data and customer information. With AI, it's possible to take that data and analyze it in order to create more accurate sales objectives that can be updated in real time. And by deploying AI, it's possible to see how customers feel at an individual level and an aggregate view.

This sentiment analysis can keep more people happy and even turn a dissatisfied customer into a satisfied one. Understanding how a consumer feels can boost sales, improve customer service and change what an annual business plan looks like.

Companies are already using AI to gauge the emotions of people. The Amazon Alexa team has been working on how to detect users' feelings simply by the sound of their voice. And the company Affectiva studies facial expressions and voice to analyze emotions.

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Percent

3. Overcome language barriers.

Language is often a costly and cumbersome barrier for businesses to cut across — especially small startups. AI has the power to remove this barrier. Take this study from MIT, for example: When eBay introduced an AI-powered tool that translated listing titles and searches in 2014, sales from the U.S. to countries able to utilize this tool rose by 10.9 percent. This statistic is especially notable because before this, eBay already had a translation tool. However, it didn't have AI to help it.

For businesses, the ability to cross borders can change the trajectory of user adoption. Major businesses such as Microsoft and Google already offer AI-aided translation tools. There are also smaller companies, such as DeepL, that outperform Google in some instances. Every business now has the ability to communicate with customers all over the globe, thanks to AI and machine learning.

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The common thread that runs through all these AI-powered advantages is the vast improvement they can offer to a company's bottom line. Investing in AI is a commitment, but it's one that will offer a significant return on that investment. The power of AI is the power of better sales, improved customer service and reduced churn, both of customers and of employees. By embracing AI, startups are embracing a stronger, more profitable future.

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