



Cognizant Conversational AI

AI-based conversational interfaces for humans



Cognizant

We're moving into an 'A.I.-first world' – Sundar Pichai, Google's CEO.

Introduction

We've come a long way since humans first started interacting with machines. From tapes and punch cards to keyboards. From mouse clicks to touch screens. And now, shaking off clumsier early attempts at speech recognition, we're back to the first principles of interaction—through human-like conversations, or as we call it—Conversational AI.

Conversational AI is a significant leap forward and has found tremendous success with consumers embracing solutions such as Siri, Alexa and Google Home. Companies are fast catching on with conversational interfaces appearing in all manner of products and services, from cars to appliances, and shopping to financial advice.

The Conversational AI imperative

Technological advances in cognitive computing and artificial intelligence (AI) are creating opportunities for enterprises to become more personal and responsive. Conversational interfaces are allowing enterprises across industries to better serve their customers as well as employees, by providing a uniquely customized and contextual transaction for each interaction. The results are seen in both top-line and bottom-line performance.

People expect more than ever before to have convenient 24x7 access to online stores, expert advice and personalized customer support. Conversational AI lets companies do just that—adding truly interactive, virtual sales and support channels.

The era of Conversational AI

- 77% users believe that immediate online help would increase likelihood of completing transactions online more often¹
- 85% of businesses believe that immediate online help would improve online sales conversion rates.¹
- 65% like messaging businesses because they are fast and convenient¹
- By 2019, 20% of brands will abandon their mobile apps²
- By 2020, 40% of all mobile interactions will be via Virtual Assistants.¹
- Intel estimates that more than 200 billion devices will be internet connected by 2020³

1. Conversational Commerce and ChatBots: Business and Consumer Usage and Attitudes, Research commissioned by Flamingo and conducted by Fifth Quadrant.

2. Top Strategic Predictions for 2017 and Beyond: Surviving the Storm Winds of Digital Disruption, October 2016 [Gartner]

3. A Guide to the Internet of Things—How billions of online objects are making the web wiser. [Intel, IDC, United Nations]

4. Conversational AI to Shake Up Your Technical and Business Worlds", September 2016 [Gartner]

"Conversational AI-first" will supersede 'cloud-first, mobile-first' as the most important, high-level imperative for the next 10 years."⁴ – Gartner

How companies are simplifying customer interactions through Conversational AI

In order to stay competitive in the present and continue to lead their industries in the future, companies have begun exploring and experimenting with Conversational AI solutions.

[Ford](#) has integrated Amazon Alexa in its newer cars, allowing drivers to do nifty things like check tire pressure, maintenance requirements, gas, etc. right from their homes. [Progressive](#) is offering insurance tips to customers via Google Home. [Starbucks unveiled](#) 'My Starbucks Barista'—AI-based app for mobile orders. [RBS](#) launched an AI based 'bot called 'Luvo', to help customers with responses to financial services questions. [Domino's](#) launched a Facebook Messenger chatbot for ordering pizzas. The fashion retailer H&M created a 'bot designed to be a 'Personal Stylist in your pocket'.

Our recommendation for clients is to look at these market shifts and future trends holistically. As a framework for moving forward, consider applying the Three M's approach, explained by Cognizant thought-leaders in the book *What To Do When Machines Do Everything!*. The three M's include:

- **Raw Material** - The data generated from conversational interfaces, IoT devices, and instrumentation of all people, places and things.
- **New Machines** - 'Systems of Intelligence' that combine hardware, AI software, data and human input to create value.
- **New Business Models** - Commercial models that monetize services and solutions based on systems of intelligence.

1. *What To Do When Machines Do Everything* [Malcolm Frank, Paul Roehrig and Ben Pring ; Wiley, 2017]

Five considerations for deploying AI solutions

When designing conversational AI solutions, evaluate how best to address the following five longer-term considerations:

Time to Value:

- How much time do you have to experiment?
- Is your industry already a fast adopter of Conversational AI?
- Can you set the benchmark for your competitors by moving quickly?

Focus for the Enterprise:

- Ecommerce channels, employee service desks, customer service centers—there are many places to begin, so start by tying your project to your most pressing needs or best chance at innovation.

Language Support:

- How many languages do you need to support initially? Long term?
- Think about the different regions, countries and even dialects that you will want to connect with.

Data Sovereignty:

- Third party or on-premise? Conversational AI generates significant data with each interaction. Will you want to own it, mine it and get smarter as it grows?

Platform Reach:

- How many (and which) platforms will you want to target—think about mobile, web, social, messaging, in-home, etc.? What platforms do your customers, employees and partners use to communicate today?

Consider working with a technology service provider who can help you envision, architect, build and manage enterprise-grade solutions that will fit your needs in the here-and-now and be flexible to adapt to future requirements.

Cognizant's approach

Your company needn't look on from the sidelines as conversational AI reshapes digital commerce and customer service. Cognizant can help you navigate the changes, one sure step at a time.

- 1. AI technology expertise and platform agnosticism.** Cognizant has invested in building Conversational AI technology expertise much ahead of the curve. We have experience and direct strategic relationships with all the leading Conversational AI software companies. This allows us to be truly technology agnostic in our solution approach while enabling clients to quickly realize value from deployed solutions.
- 2. Integrated solutions.** Rather than taking a point solution approach, we help companies integrate Conversational AI into their existing communications channels, enterprise CRM systems and contact center technologies. What's more, we're able to deliver at global scale across multiple languages while meeting or exceeding security and regulatory requirements.
- 3. Rounded capabilities.** With our unique ability to blend technology, business consulting and design expertise in our clients' industries, we're able to drive solution outcomes that our clients value.

Cognizant's Conversational AI group develops and supports chatbot, cognitive agent and related AI solutions. The practice's offerings include:

- **Advisory services:** Cognizant offers advisory services for Conversational AI, including opportunity analysis and technology benchmarking for selecting the best processes, technologies and implementation approaches.
- **Deployment services:** Cognizant offers Conversational AI deployment services including from rapid prototyping and pilots to enterprise-wide deployment.
- **Enhancements and support:** Cognizant offers enhancement, maintenance and support services to evolve and scale-up Conversational AI deployments over time.

We're passionate about helping you use Conversational AI to achieve increased sales, lowered costs and enhanced productivity. To get started, email ConversationalAI@Cognizant.com

ABOUT COGNIZANT

Cognizant (NASDAQ-100: CTSB) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 230 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us @Cognizant.



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