

7 Myths About Contact Center Automation

...and the Truth Behind the Myths



Cynicism often reigns on both sides of customer service. Consumers are weary, worn down by poor automation that led to repeated requests, confusing menu trees, and long agent queues.

For contact centers, those long wait times often exist, in part, because businesses expected automation tools to perform better so they cut contact center budgets. Now, the c-suite demands an end to “doom loops” where agents are hidden behind confusing menus and dialogs, but staffing budgets remain stagnant.

These bad experiences have transformed into pervasive myths about the state of contact center automation and AI. However, modern Intelligent Virtual Assistants (IVAs) have come a long way, shedding the challenges that have frustrated consumers in the past. Today’s best-in-class IVAs have human-like interactions that ease self-service, help contact centers save money, and build retention.

In this ebook, we’ll bust several common IVA myths, while exploring how today’s IVAs can revolutionize customer experiences and agent efficiency.





Myth #1:

High containment equals successful automation

When Containment is your key metric for measuring contact center automation success, it can present a skewed picture. Every hang-up or closed chat regardless of issue resolution can be considered contained. But that doesn't answer critical questions: Was the customer's issue resolved? Was it a good experience? Will they want to do business with you in the future?

Instead of relying on Containment to measure the value of your current system, track [Customer Effort Score](#). This is as simple as asking customers to rank the ease of their interaction directly after they have finished and it can be 40% more accurate for predicting loyalty than CSAT scores, according to Gartner.¹

¹ <https://www.gartner.com/smarterwithgartner/unveiling-the-new-and-improved-customer-effort-score>

HOW CAN YOU TELL IF YOUR IVA IS TRULY GOOD ENOUGH?

Here are a few more ways to evaluate the value and efficacy of your current customer service automation.

- **Number of automated tasks.** If your customers still need to visit your site or talk to a live agent to conduct common transactions like bill payments, appointment setting, or shipping update requests, then your IVA could be doing much more for both your business and your customers.
- **Intent accuracy.** Subpar understanding and low accuracy can force customers to repeat themselves, be routed to the wrong person, or just hang up in frustration.
- **Personalization.** When a customer calls or opens a chat and it immediately references their recent order or an upcoming appointment, it shows that you've invested in a system that can anticipate their needs and that you value ease-filled support interactions.

Myth #2:

A best-in-class IVA is too expensive, especially for a cost center like customer service

Here, we've got a twofer: 1) That top-of-the-line IVAs are not worth their cost, and 2) that contact centers are money pits, rather than sources of value. It's true that a best-in-class IVA may cost more than an off-the-shelf solution. However, spending less on a system that doesn't deliver real value or ROI isn't saving money at all.

Best-in-class IVAs provide a partner for success, not just a technology solution. The IVA team can help you optimize the solution for your specific needs. They dig into your business, industry, and analytics to handle your most common intents. That information is then paired with elegant dialog designs and fine-tuned AI that eases every call, chat, and customer service exchange. The team stays with you for the long-term: As your business changes and as customer needs evolve, the IVA provider will ensure your solution keeps pace and enjoys continued success.

This evolves your contact center from cost center to value generator through customer loyalty, ease, retention, and even upselling.



SUCCESS-BASED PRICING

When evaluating IVA solutions, consider the pricing model. Subscription-based IVAs that also include variable costs based on volume, data storage, and computational resources charge you regardless of the value you are receiving. Instead, consider success-based pricing where the platform provider is only paid for successfully completed calls. This shared fate means they are just as invested in the success of your IVA as you are.



Myth #3:

Phones are a dying channel.

Why invest in call automation?

While many believe that phones are a dying channel—and particularly that digital natives like Gen Z and Millennials will always choose a digital channel over voice—the reality is that customer service preferences for all generations have become truly omnichannel.

Take a look at the numbers: Gen Z, Millennials, and Gen X do prefer email and chat over phone. However, the difference is minor. And while calling is Baby Boomers' favorite channel, email and chat aren't far behind.



	PHONE	CHAT/ MESSAGING	EMAIL	SOCIAL MEDIA
Gen Z	71%	74%	75%	57%
Millennials	81%	82%	84%	59%
Gen X	86%	81%	87%	34%
Baby Boomers	94%	76%	86%	19%

[McKinsey. Customer Service Survey, May 2024](#)

Channel preference can change based on circumstance, device, mood, or even a text or email that triggers a reminder about the business. Therefore, IVAs must provide a consistent experience across all channels and be able to carry customer context from contact to contact across channels, rather than treating each like a silo.



Myth #4:

People hate talking to robots; they want to speak to humans

There is a common misperception that customers hate talking to robots and AI. Yet in our daily lives, we often ask Siri, Alexa, or Google for assistance and name our beloved robovacs as if they were pets. What people hate is talking to IVAs that are bad at their job. Customers who emphatically state “I want to talk to an agent!” at the start have likely been burned by automated interactions that wasted their time and led to frustration.

A best-in-class IVA can win them back and even recognize that the customer wants to speak to an agent but politely ask for a chance to help first. Additionally, personalization can switch off the “agent, please!” instinct. When the IVA asks if you need help with your upcoming store appointment, the shipping status on your last order, or the insurance on a particular vehicle, the customer knows this IVA is different.

Myth #5:

Our inquiries are too complex or our customers are too diverse to be served by an IVA

After experiencing poor IVR and IVA solutions, both on the business side and as a consumer yourself, it’s easy to think that no IVA will ever understand your customers as well as humans. There’s some truth here: machines don’t yet understand humans with 100% accuracy. But best-in-class IVAs are solving this challenge. First, a modern IVA should fine-tune its AI on your support calls. That way, it gets to know the unique way your customers phrase intents, as well as improves its understanding of your customers’ accents. Second—and most critically—IVAs must include humans as part of the solution.

With human-augmented understanding (HAU), agents help IVAs understand confusing requests, speakers with accents, or calls that seem to be taking place in a wind tunnel. This assistance takes place seamlessly and invisibly in the background, and results in superior accuracy from day one. And every time a human agent tells the IVA what a customer really means, that corrected utterance becomes a data point used to make the system more intelligent through machine learning.

Additionally, a best-in-class IVA can use these human agents to complete tasks the IVA can’t due to business rules, such as returns over a certain threshold or approving a new account, thereby increasing the complexity of issues that can be resolved through self-service.





Myth #6:

I can't trust AI with my customers; who knows what they're saying?

As GenAI has become mainstream, issues such as non-contextual answers and hallucinations have become serious concerns. However, this myth belies confusion around how modern IVAs employ AI, which rarely includes customer-facing GenAI.

Today's best IVAs are built with Conversational AI, which includes automated speech recognition (ASR), natural language processing (NLP), predictive AI, machine learning, and dialog management. All of the IVAs' utterances are built for your dialog flows and in your brand voice. There isn't the ability to go "off script" with hallucinations, so you can be confident your IVA is always presenting your business exactly as it should and consistently across channels, whether customers use phone, chat, or SMS.

Myth #7:

Today's IVAs are built on old technology; we need to invest in GenAI

A mirror-image myth about GenAI in the contact center is that it should be central to all new investments and that technology solutions without GenAI capabilities use “old” technology that will leave you in your competitor’s dust. While other forms of AI have been in use for decades, it doesn’t make them obsolete. Conversational AI is being continuously advanced and is remarkably fit for purpose, and many modern approaches to Conversational AI that don’t use GenAI are very effective while using far less expensive compute resources.

So where does GenAI fit in? Today, its best use is in employee-facing applications that increase contact center operational efficiency and can assist agents, helping customers get answers and solutions quickly. Here are a few use cases:

- Knowledge Extensions provide accurate and relevant in-the-moment answers to unexpected customer inquiries that agents can then readily use or modify.
- Summarization can power mission briefs that get agents up to speed on customers’ IVA self-serve journeys or previous conversations, speeding along escalated interactions.
- Editable post-call summaries save agents time while accurately and consistently capturing data for your CRM.
- Analytics can be augmented with aggregate views of frequent outreach reasons and easy-to-read summaries and suggested next steps.



CONCLUSION

At Interactions, we’ve been building customer-pleasing and service-easing IVAs for two decades. Our experience across industries and with AI gives us the insight to help our clients solve their customer support automation issues with creative, elegant solutions that increase efficiency, lower costs, and build customer loyalty.

To learn more, dive into [The Game of Conversations](#) to see how our IVAs expertly balance conversational flow with efficiency, helping you create interactions that truly resonate with customers.



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ABOUT INTERACTIONS

Interactions provides Intelligent Virtual Assistants that seamlessly assimilate Conversational AI and human understanding to enable businesses to engage with their customers in highly productive and satisfying conversations. With flexible products and solutions designed to meet the growing demand for unified, omnichannel customer care, Interactions is delivering unprecedented improvements in the customer experience and significant cost savings for some of the largest brands in the world. Founded in 2004, Interactions is headquartered in Franklin, Massachusetts with additional offices worldwide.

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