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# Could VR, AI improve customer engagement for telcos?

By Mark De Groot

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Unfortunately for telecoms companies, there are only a handful of times when they are front of mind for their customers – when their core service is delivering a poor user experience (especially when friends on other networks have full reception or 4G in the same spot), when their operator is offering deals or promotions, when they receive a high monthly bill, or when they are coming to the end of their contract and can trade up to the latest state-of-the-art handset.



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These interactions all have something in common – they provide moments for reflection on whether or not the users are getting a good deal from their current operator, and whether there's a better deal on offer elsewhere.

### The emergence of VR and AI

Traditionally, telecoms companies have struggled to build an ongoing relationship with their customers, but all that could be set to change with the emergence of new technologies and platforms for interaction - like VR (virtual reality) to delight and excite customers and AI (artificial intelligence) or chatbots to resolve issues quickly and smoothly.

Oracle research found that telecoms companies want to take advantage of these technologies as quickly as possible. By 2020, 80% will use technologies like VR, chatbots and mobile apps in their interactions with customers. Indeed, more than a third (34%) are already using chatbots to some extent.

#### Expanding customer engagement

In general, telecoms companies have it harder than other industries when it comes to building strong relationships with customers. Most of us only hear from our provider when it's trying to upsell additional contracts or when our contract is up for renewal.

Opportunities for contact on a more regular basis are limited, which is why some operators put energy into ongoing offers and deals only available to their customers such as O2 Priority Moments in the UK or Vodafone's entertainment bundles with Spotify, Sky Sports and NOW TV.

The bottom line across all customer interactions (regardless of which technologies are being used) is that telecoms operators need to focus on improving the ongoing relationship they have with individual customers.

#### **Grabbing attention**

Technologies like AI and VR clearly open new avenues in the scramble for customers' attention. Telecoms companies are absolutely right to want to use these technologies, and I personally can't wait for my network provider to start using VR to create immersive entertainment experiences. Just imagine witnessing in a live gig or sporting event through your smartphone and a VR headset.

With the likes of O2 sponsoring music venues and EE partnering with Wembley stadium, it seems some operators are already well placed to provide this kind of experience for customers.

Or how about a chatbot that provides a fast and accurate way to resolve issues? Not only will this be a benefit for customers, but it will also mean customer service staff can be freed up to work on more complex problems customers may be having.

But all the bright, shiny, new technology in the world won't help a company engage with its customers unless that technology is able to maximise the insights gained from customer data. If services enabled by new technology aren't informed by customer data, they could potentially frustrate customers rather than delight them.

#### Overcoming the data mismatch

While telcos might collect copious amounts of information about their customers, Oracle research suggests they don't always make the best use of it. Only 37% regularly look at customer data to gain a better understanding of their audience. Yet 54% said they have a deep understanding of customer behaviour and personalise their approach to match individual needs.

There's a clear mismatch, and it points to the need for telcos to look again at how they handle customer data, and at what data they use.

For example, we found that 61% of telcos don't include social or CRM data in their customer analytics. Yet the savviest companies understand that bringing together marketing, sales and service functions ensures that customers have a positive customer journey.

It is the data that's the difference between launching a great VR-enabled customer experience and a poor one, and between a chatbot that can answer specific questions with a clear understanding of a client's account history and previous preferences, and one that can't.

If telcos can get to grips with their customer data, they can use emerging technologies to take the relationship they have with customers to a whole new level.

#### ABOUT THE AUTHOR

Mark De Groot, Marketing Director EVEA - Digital Customer Experience.

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