

Tech Retailer Reaps Rewards of Going All In on [24]7.ai Chat and Agent Services

Retailer Rapidly Triples Chat Capacity to Meet Exploding Demand

COMPANY

Large Consumer Tech Retailer

OVERVIEW

A leading provider of consumer technology products and services with 1,000+ stores and over \$40 billion in annual revenue

[24]7.ai PRODUCTS & SERVICES

- [24]7 Conversations—chatbots
- [24]7 Agent Services—chat and voice

CX ENVIRONMENT

- Chat agents spanning three different core areas of the retailer's business: sales, service, and "care"
- BPO contact centers in India with near-shore agents in Colombia
- 1,000 in-store jobs converted to chat agents during the 2020 pandemic

CHALLENGES AND GOALS

- Quickly adjust to increased online sales driven by dramatically reduced in-store traffic in 2020
- Respond to increased demand for online chat to support sales interactions
- Ramp up chat capabilities and agents to meet huge spike in Black Friday and Cyber Monday shopping in 2020

RESULTS

- 300%+ growth in digital interactions handled through [24]7chat
- 290% year-over-year growth in digital interactions on Black Friday 2020
- 3 times more concurrent agents in holiday 2020 than in previous year

Digital Transformation is Retailer's Key to Success

In the early 2010s, as e-commerce gained a larger and larger share of the consumer's wallet, retailers looked for ways to interact with customers online. These digital interactions would replace the face-to-face experience of a consumer speaking with a salesperson at the moment of purchase.

Heading into the pandemic of 2020, one major technology retailer was better positioned than many others to weather an extraordinarily challenging year. The company's strength and resilience was due in large part to its multi-year focus on digital transformation.

On its journey of transformation from pure brick-and-mortar retailer to leader in e-commerce, this company worked closely with [24]7.ai on digital strategy and execution.

That investment proved its value during the Black Friday week of 2020. During that most-important of all shopping weeks, the retailer shattered its previous records for digital sales and interactions. While some retailers reported disappointing results, this one prospered.

Challenges

Sensing the evolution in shopping, this technology retailer knew it would need to beef up its e-commerce capabilities and the overall efficiency of its online sales and support.

Goals

The company believed that using chat on its website would be an effective way to enhance the sales process. Customers shopping online could resolve concerns at the point of purchase, which would reduce abandoned carts and increase sales.

Solution

In 2013 the retailer began working with [24]7.ai to deploy predictive chat on product, cart, and checkout web pages. The addition of predictive chat resulted in 42% conversion lift and a 50% increase in average order value. The strategy also prepared the retailer for 2020 when stay-at-home orders dramatically reduced foot-traffic in physical stores.

QUICK STATS

500,000
chats handled in
1 week

A Global Downturn in 2020 Proves the Value of Online Chat

In the early 2010s, this company knew it needed to improve e-commerce capabilities and overall efficiency to compete with other online retailers looking for ways to interact with customers online—both to provide a faster resolution to customer inquiries and to reduce the high cost of voice interactions.

In 2013 the retailer began working with [24]7.ai to deploy predictive chat on product, cart, and checkout pages. The company also encouraged customers on its website to choose chat over its toll-free phone number, believing that chat would enhance the purchase process. Customers shopping online could ask questions in a chat window and resolve concerns at the point of purchase, reducing abandoned carts and increasing sales.

The addition of predictive chat resulted in 42% conversion lift over simple chat and a 50% increase in average order value for chat-assisted purchases. This strong foundation gave the retailer the ability to pivot quickly to digital during the global pandemic when stay-at-home orders dramatically reduced in-store traffic.

Validating the Model and Building the Foundation

The retailer soon realized chat not only reduced costs; it also boosted online sales and CSAT. This ultimately drove the retailer's digital strategy going forward and provided the groundwork for a more significant pivot to e-commerce later.

From 2015 to 2016 the retailer expanded its [24]7 chat technology to new channels, including iOS and Android. It also began deflecting email inquiries by sending dynamic links for customers to get answers faster with chat.

The retailer expanded the number of chat agents so it could provide even faster response times. To increase the pool of chat agents, the retailer contracted with [24]7.ai Agent Services. Proven experience and intimate knowledge of the retailer's chat process made [24]7.ai an ideal partner. In 2017, the retailer launched the [24]7.ai BPO service with 180 agents in Hyderabad and Bangalore, expanding to 300 for the holidays. These numbers grew steadily 2017-2020.

The pandemic brought on a rapid increase in digital interactions, driven by an accelerated demand from online shoppers as foot traffic declined.

Fortunately, this retailer was ready.

Accelerating a Digital Strategy at a Critical Time

By the beginning of 2020, the retailer had expanded its chat program, ramped the number of agents, and contracted with [24]7.ai to provide agents for voice as well. The retailer expanded its chat service to Canada and deployed near-shore voice agents in Colombia to reduce costs and improve performance. It also began using [24]7 chatbots for its "Care" division, a post-sales program that helps customers with product support, such as questions about warranty.

When the global pandemic hit, [24]7.ai implemented a work-from-home program for voice and chat agents that enabled agents to continue supporting the retailer. The company also converted approximately 1,000 in-store employees and sales specialists to chat agents using the [24]7 platform. This strategy preserved jobs that would otherwise have been eliminated.

“The advantage of partnering with [24]7.ai is that we are not afraid of a challenge. We help our clients overcome long odds. For this retailer, that meant providing flawless customer service through online chat during a pandemic in the company’s busiest week of the year—by far. And we delivered.”

JASON TENNYSON, *Customer Success Manager, [24]7.ai*

Gearing Up for a Massive Black Friday

By the middle of 2020, the company was already managing daily digital transactions that matched or exceeded its peak in 2019; in fact, the second quarter was the company’s most successful ever. Going into the holiday season, store closures had increased voice and chat volumes 2.5x.

In mid-October, with Black Friday just weeks away, the retailer and [24]7.ai began an intense, focused effort to build up the company’s chat capabilities. The retailer estimated it would need to handle a tenfold increase in its volume of digital interactions. Whereas on a normal business day, there might be 300 to 400 chat agents working, the retailer ultimately employed 2,200 agents during peak times of Thanksgiving week through Cyber Monday.

Not only would [24]7.ai need to hire and train all of these agents; it would need to ensure the technology could easily accommodate this number of users.

The criteria for success was straightforward: the system and agents would need to manage the single best shopping day (and week) with zero impact to the customer experience or agent experience.

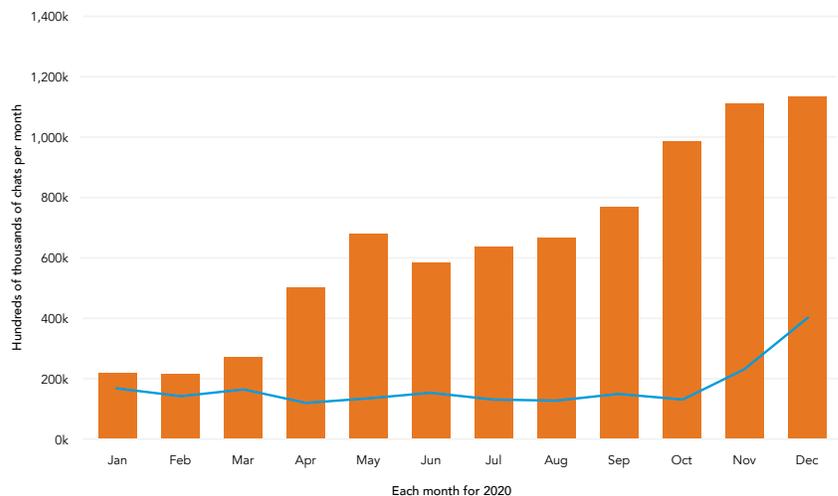
With six weeks to go, the two companies collaborated on a plan to quadruple the chat volume capability, something that had never been done before in such a short timeframe. Needless to say, the challenge was significant.

Through an around-the-clock effort involving about 115 people from both companies, the project was created and launched two weeks before Thanksgiving. When it was complete, the system was capable of handling 20,000 chats per hour. By comparison, that was the volume of chats the retailer managed in an entire day prior to 2020.

CHART: Sales, Service, Care Chats and Business Messaging Growth in 2020

— 2019

2020 saw a 300%+ growth in chat volume driven by strong demand shift from retail stores to web.



During the week that included Thanksgiving and Black Friday, [24]7.ai chat functionality processed approximately half a million chats. That's nearly three times the volume for the same week in 2019.

Looking Forward

The story for this retailer was not about how to respond to a pandemic. It was about planning digital transformation, preparing the company to handle a major change to its industry. Ultimately, that's the value the partnership with [24]7.ai delivered.

Maintaining momentum, the retailer has begun to implement other advanced capabilities such as Apple Business Chat for customer interactions.

Both [24]7.ai and its client learned a lot during the process of tripling customer service capacity in such a short timeframe. Scalability plans are in motion to offer similar capabilities to others ready to take the digital transformation plunge.

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About [24]7.ai

[24]7.ai is redefining how artificial intelligence, human insight, and deep vertical expertise can produce personalized, satisfying customer experiences across all channels. Our advanced conversational AI platform predicts consumer intent and creates frictionless interactions that help the world's largest and most recognizable brands to strengthen customer relationships and increase brand loyalty. With more than two decades of contact center operations expertise, [24]7.ai empowers companies to deliver natural, consistent conversations that increase customer satisfaction while lowering costs.

For more information visit: www.247.ai