



# Generative AI

## The Future of Customer Support

Get the complete lowdown on Generative AI - trends, capabilities, and Haptik's Generative AI-first platform.



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# Executive Summary

Generative Artificial Intelligence (AI) represents the pinnacle of AI evolution. It's similar to the technology marvels and innovations like driverless cars, GPS navigation, and smart homes that have transcended lives beyond imagination.

For starters, Generative AI has the potential to fundamentally change the way businesses operate. It will also be a key differentiator for those early to adopt and maximize its potential. This could mean offering better customer experiences, hyper-personalization, and being able to drive the entire customer journey.

Generative AI (or Gen AI) has an enormous role to play in delivering exceptional customer support that brings greater empathy to automated customer interactions, expedites issue resolution, and fosters lasting customer relationships.

**“Generative AI: The Future of Customer Support”**, an eBook by Jio Haptik, is a deep dive into Gen AI as a versatile tool, its wide-ranging applications, and its transformative capabilities in customer support.

It is dedicated to product folks and leaders in customer experience, and customer support to help understand the transition to Generative AI.



## SECTION 1

# State of Generative AI

- A New Wave of AI Revolution
- Generative AI Ushers a New Era of Possibilities
- Key Concepts in Generative AI





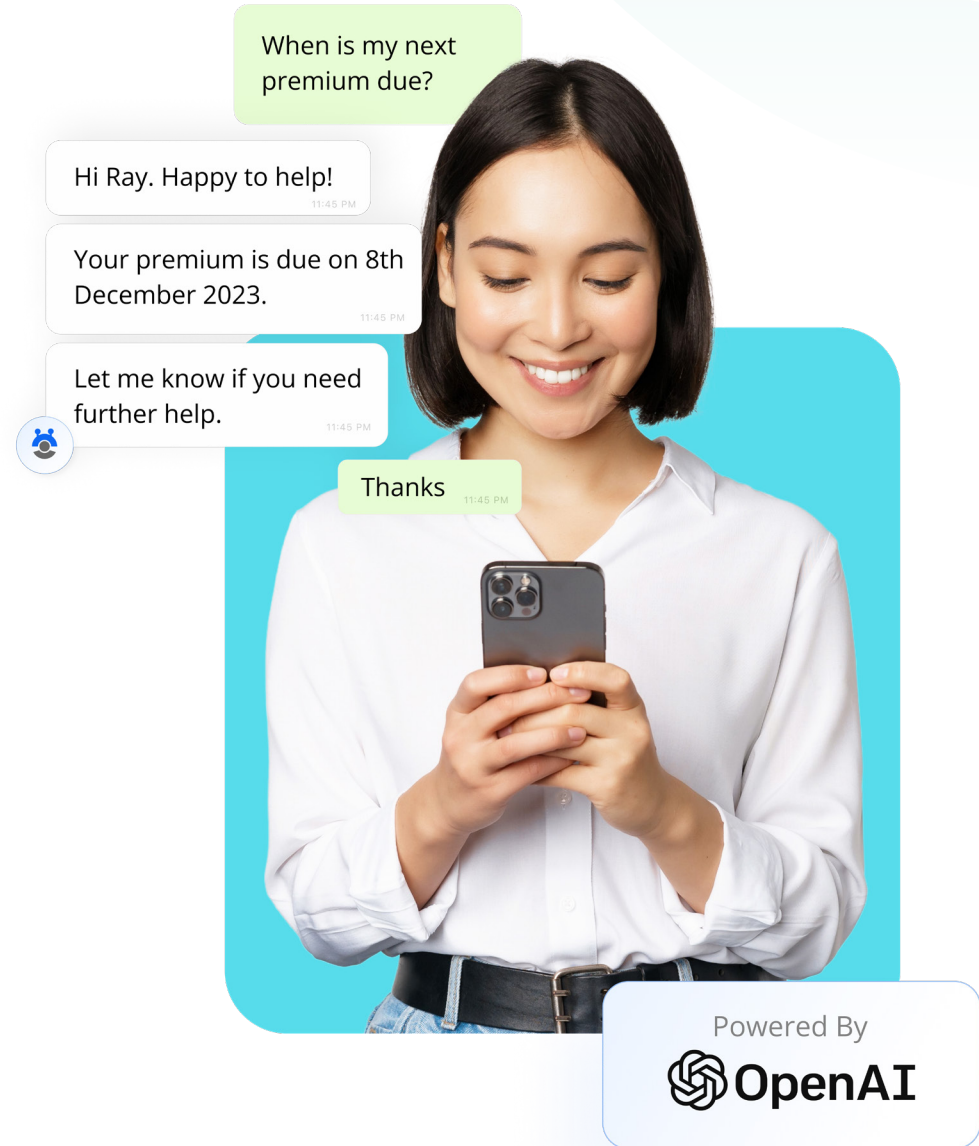
# A New Wave of AI Revolution

We now live in a world where AI has the potential to generate relevant answers to virtually anything it's asked.

Built on large language models [LLMs], Generative AI models have been trained on vast amounts of data and can now generate unique text, images, and other content types with a level of accuracy that mimics humans.

The introduction of ChatGPT marked a significant turning point. It's no longer about *if* you should be using AI, but *how* and on *what* scale. With AI, there's a tremendous potential for business leaders to drive innovation, streamline operations, automate repetitive tasks, and boost efficiency.

We're in the early stages of a major AI revolution that will reshape every industry, and customer support is set to be among the very first spaces to be positively impacted.



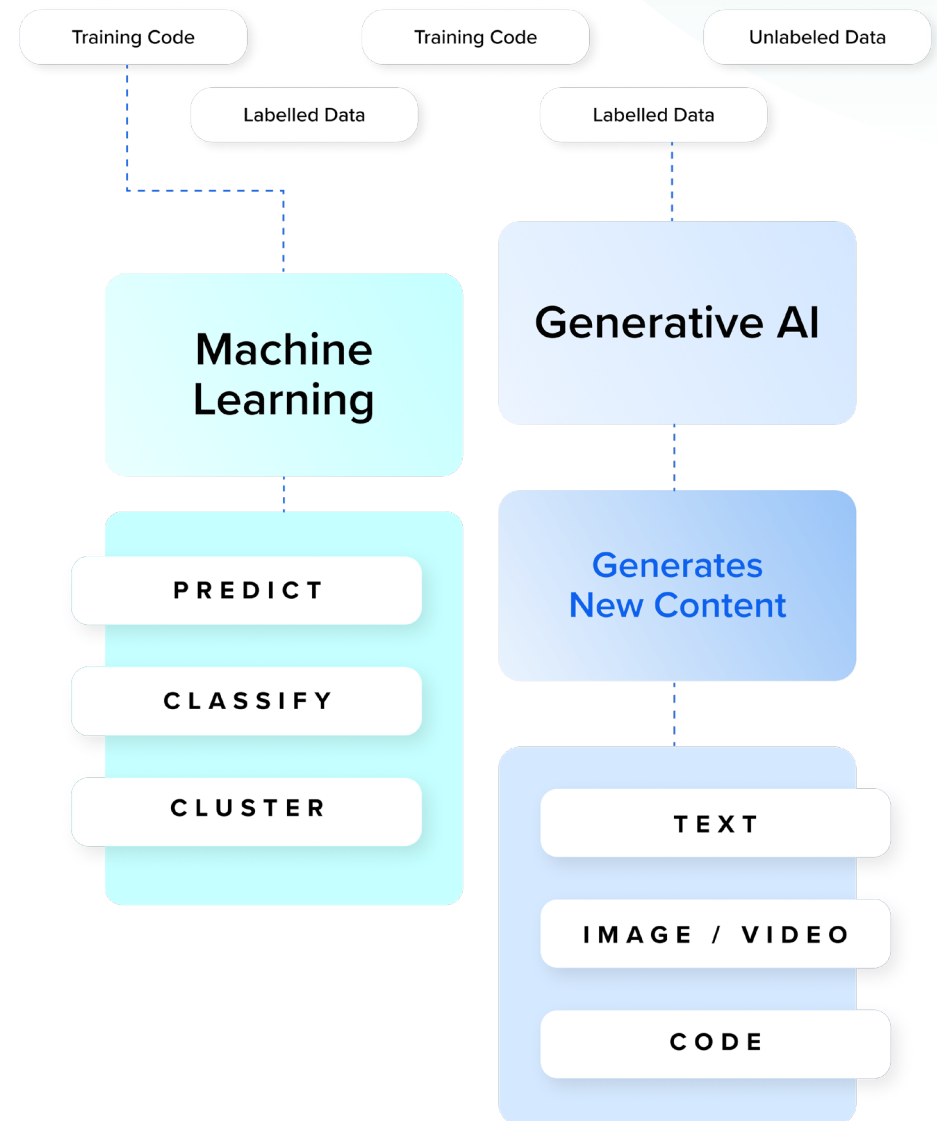
# Generative AI Ushers a New Era of Possibilities

AI isn't a new kid on the block; brands have dabbled with it for years. However, what's changing the game today is its uncanny ability to mimic human responses with an accuracy we've never seen before.

Traditional AI can analyze data and predict what comes next with great accuracy, but generative AI can use that same training data to create something entirely new that previously didn't exist.

Traditional AI relies on rule-based methods, wherein explicit rules and predefined logic are programmed to enable the model to perform very specific tasks. Generative AI, on the other hand, is trained on very large datasets using powerful machine learning techniques like deep neural networks.

Generative AI, when put to use in customer support applications and tools, paves the way for various possibilities. It empowers customer support teams to handle scenarios that demand nuanced understanding and offer fast, personalized responses. It excels at automating routine tasks such as appointment scheduling, order tracking, and invoice generation, to name a few. What's more, it can analyze customer sentiment wherein it recognizes emotional cues from customer conversations and responds empathetically.



# Key Concepts in Generative AI

## Large Language Models (LLM)

A large language model is a general purpose foundation model that creates new content based on what it has learned from existing content.

## Fine-Tuning

Fine-tuning involves pre-trained models being customized to perform specific tasks or actions. Fine-tuned models often outperform general-purpose larger models.

## Few-Shot Learning

Few-shot learning is prompting pre-trained large language models by providing a few examples of the task or action you want the model to perform.

## Prompt Design

Prompt design is about creating prompts that generate the desired response from large language models. Writing well-designed prompts produces accurate, high-quality responses.

## Prompt Chaining

Prompt chaining refers to combining two or more LLM prompts to perform a task. Prompt chaining results in more dynamic and contextually-aware responses.

## Hallucinations

Hallucinations occur when models are “confidently wrong” and generate factually or logically inconsistent information. Models “hallucinate” information that they have not been explicitly trained on.



## SECTION 2

# Key Generative AI Trends in Customer Support

- Transformation of the Contact Center landscape
- Chatbots Turn into Trusted Personal Assistants
- A New Age of Personalization Driven by LLMs



# Transformation of the Contact Center Landscape

Contact center landscape is on the cusp of a Generative AI revolution. Every interaction, every touchpoint, every user journey—about to be rewritten. It's the next big thing, set to redefine every user experience as we know it today.

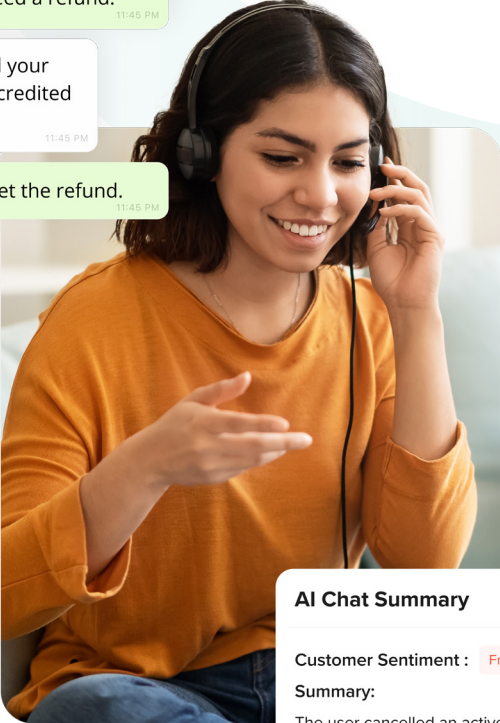
As the digital world keeps growing, customers expect more and more. Personalization and convenience are at the forefront of customers' minds.

This is where Generative AI can be a game-changer for contact centers.

They can unlock new levels of efficiency by automating routine customer interactions while improving customer experience through personalization. Seamless multilingual support can be provided as Generative AI excels at understanding languages. Real-time customer sentiment can also be analyzed using Generative AI algorithms by interpreting text, tone, and voice. This helps contact centers to identify and address customer concerns to drive better retention and loyalty.

**Generative AI is estimated to reduce the volume of human-serviced contacts by upto 50% based on an organization's level of automation.**

*Source: McKinsey*



I want to cancel my order since it won't be delivered on time. Also, need a refund. 11:45 PM

Sure, I have canceled your order. The refund is credited back to your wallet. 11:45 PM

I didn't get the refund. 11:45 PM

**AI Chat Summary** [AI](#)

**Customer Sentiment :** Frustrated 😡

**Summary:**  
The user cancelled an active order because of delay in delivery. However, post cancellation, the refund amount is not reflecting in the wallet.

**Tags:** Order Cancellation Refund





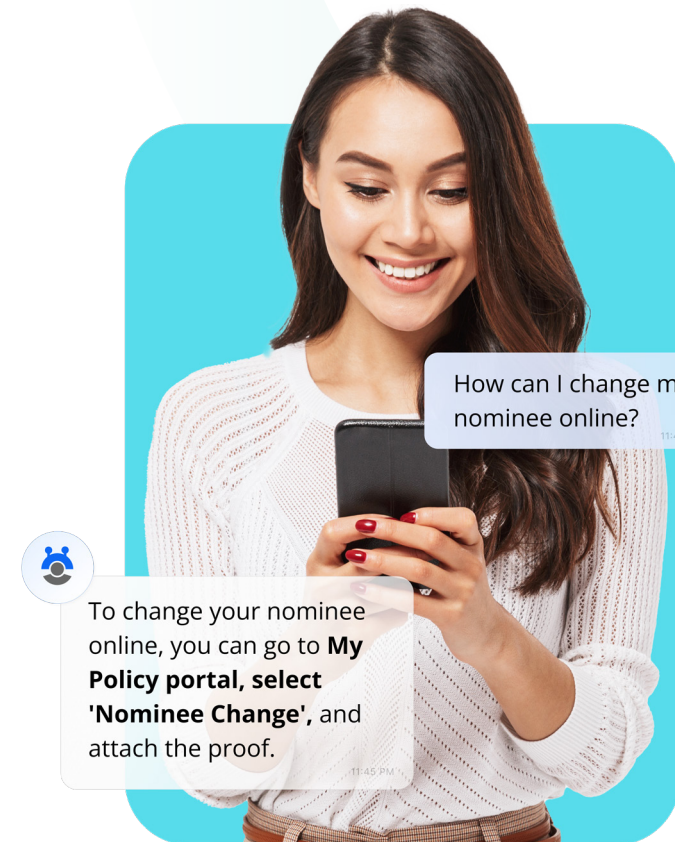
# Chatbots Turn into Trusted Personal Assistants

Historically, chatbots have had their constraints due to their limited use of artificial intelligence, cognitive understanding, and machine learning. Chatbots have been tied down to a fixed decision tree model without any chance for pre-training, struggling to discern emotional cues and address unique customer challenges.

Customer experience and customer support leaders are constantly grappling with the pressing demands and rising customer expectations. Given the widespread popularity and positive experiences associated with AI models like ChatGPT, customers expect the same level of sophistication, contextual awareness, and natural language understanding from every AI bot they use.

With Generative AI, bots can be fine-tuned to cater to the specific needs of every customer, mirroring a personal assistant that truly understands the customer's concern. It not only preempts their challenges but also collaborates with different systems across the company to encapsulate the entire customer experience.

The biggest advantage AI-powered Assistants have over rule-based chatbots is their ability to learn from past interactions, which allow them to improve their performance over time and, ultimately, handle more complex queries.



# 89%

of consumers who use Generative AI chatbots regularly say they have a satisfactory experience.

*Source: Capgemini*



# A New Age of Personalization Driven by LLMs

Brands have long preached the value of personalization, and now, achieving 1:1 personalization has become a tangible reality. Generative AI is redefining the boundaries of personalization.

Virtual Assistants built on Generative AI tech stack can produce contextually relevant and personalized responses to common customer queries without human intervention. This not only accelerates response times but also ensures consistent, high-quality assistance.

Moreover, Generative AI can be used to monitor and analyze customer conversations to identify their sentiment. Depending on whether the sentiment is positive, negative, or neutral, the AI engine can adapt its communication style to better suit the situation.

Another popular use case emerging in hyper-personalization with Generative AI is personalized follow-ups. After an interaction, Generative AI can generate personalized follow-up messages or emails to ensure that the customer's issue was resolved satisfactorily or offer additional support if needed.



# 67%

of executives say that Generative AI improves customer service through automated and personalized support.

Source: Capgemini



## SECTION 3

# Generative AI Applications in Customer Support

- Adept & Human-Like AI Assistants
- Amplify Agent Efficiency with Generative AI
- Proactive Support to Win Customer Loyalty



# #1 Adept & Human-Like AI Assistants

For years, chatbots have been saddled with a less-than-stellar reputation. Despite this, conversations remain a favored medium for customers when engaging with brands. The lukewarm sentiment towards chatbots is understandable. The traditional ones tend to be inflexible, based on predefined flows, and can easily become ensnared in repetitive loops, leading to frustrating customer experiences.

However, Generative AI breathes fresh life into the world of chatbots. With advancements in large language models, the capabilities in intent detection and text generation have achieved unprecedented levels of precision. This means that experiences once deemed impossible are now within reach.

AI Assistants, powered by Generative AI, can not only decipher natural language inquiries with greater acumen but can also extract pertinent, brand-specific information from unstructured data, such as a brand's own website.

However, it's also important to highlight the growing simplicity in combining these models with external APIs, thanks to the increasing number of libraries and frameworks that facilitate this. As a result, brands can now use AI not just for basic queries but also to automate complex tasks and provide action-based resolution without human oversight.



# How Haptik Can Help

## Friction-Less Support Experience with Haptik's Generative AI-Powered Assistant

The new advances in AI present an even greater opportunity for brands to increase their efficiency and delight customers. Haptik's AI Assistant uses OpenAI to understand more sophisticated customer queries and generate contextualized responses. Haptik's AI Assistant allows your brand to:

- Quickly resolve queries to reduce incoming workload
- Leverage existing help content to provide fast, accurate answers to customer queries
- Automate manual and repetitive tasks to free up time
- Create responses suited to handle emotionally complex or sensitive queries

Using the brand's website, PDFs, and other unstructured data, Haptik will create an intelligent bot that will pinpoint the exact answer without having to train the AI Assistant to do so.

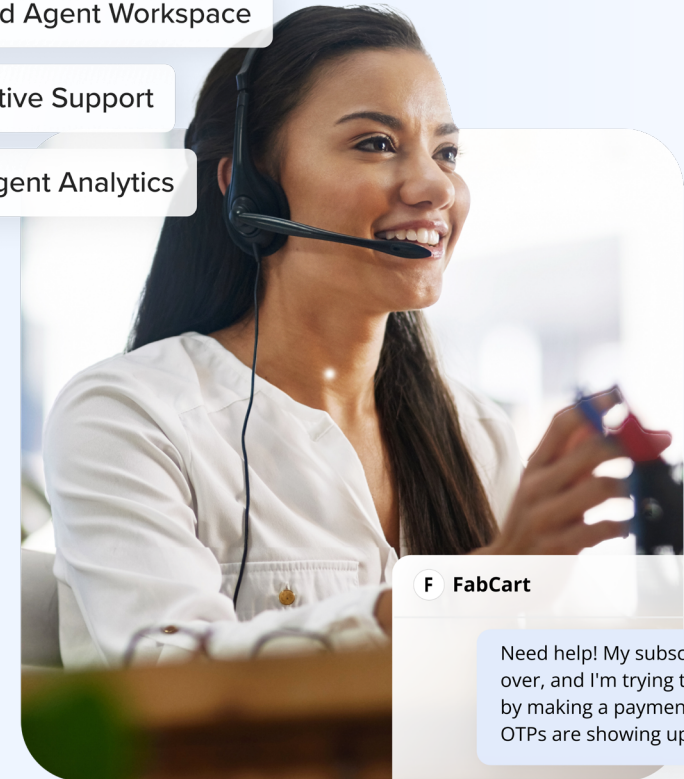
[Explore Customer Care Solutions →](#)

Self-service Chatbot

Unified Agent Workspace

Proactive Support

Intelligent Analytics



F FabCart

Need help! My subscription is over, and I'm trying to renew it by making a payment, but no OTPs are showing up.

I'm here to help you renew your subscription. I have sent a new OTP to your registered email ID [zoe.smith94@gmail.com](mailto:zoe.smith94@gmail.com). Please try with the new OTP.

Powered By  
 OpenAI





# #2 Amplify Agent Efficiency with Generative AI

The role of a customer service agent is multifaceted and demanding. These agents grapple with ever-increasing queue volumes, handle varied incoming requests, and navigate through numerous systems to resolve issues. As their responsibilities have expanded to managing vast troves of data for customer inquiries, the inherent complexity can sometimes slow response times, affecting customer satisfaction (CSAT).

Brands have leaned heavily towards optimizing customer efficiency, often at the expense of agent well-being. This oversight impacts customer experience directly. Overwhelmed by their tasks, agents might prioritize handling volume over delivering quality. Consequently, many resort to canned responses and may not be adequately equipped to address customer issues comprehensively.

However, with Generative AI, there's a new horizon for enhancing agent efficiency throughout the support journey - both pre-sales & post-sales. This technology offers myriad benefits for bolstering agent productivity. Integrating Generative AI into live agent platforms can significantly enhance their functionality. For instance, AI can quickly summarize past interactions, allowing agents to easily understand a customer's history without sifting through extensive logs.

A notable advancement in this space is the AI Co-pilot. Envisioned as a digital assistant tailored for agents, the AI Co-pilot suggests the optimal course of action and assists agents in navigating various software tools efficiently.



# How Haptik Can Help

## Help Agents Help Customers - with Haptik's Co-pilot for Agents

With Generative AI baked into the processes and agent workflows, agents now have more mindspace to focus on high-value customers. Haptik's Co-pilot for Agents is built to help the agent with the next best suggestion. Haptik's Co-pilot for Agents is capable of:

- Summarizing conversations along with tags so that the agent can see a contextual summary before engaging with the customer
- Recommending the next best response and even fetching information from fragmented siloed software
- Sentiment analysis of the conversation so agents can prioritize incoming chats based on sentiment
- AI tone suggestions to edit responses to show more empathy

Co-pilot for agents can help automate repetitive tasks, reduce response times, and improve customer satisfaction by providing contextual and personalized responses to customer queries.

**RAY FERNANDO**  
Fab Stores

Thanks, Ray. Give me a moment to connect you with our payments team.

Assigned to you | 4:31 PM, 20 Jul 23

Hi Ray, I'm Richard. I just looked into your issue. I can see the amount reflecting at our end. Your subscription renewal is successful.

RF: But why can't I see the confirmation on the app?

I understand this can be frustrating. Sometimes the app takes a few mins to display the status. May I request you to close and reopen the app? That should work.

I completely empathize with you. Occasionally, the app may take a few minutes to update its status. Would you mind closing and reopening the app? That should do the trick.

CSAT: 82%  
Based on 1270 responses

Top Funnels

Funnels	Users
1. Switch communi..	15.7K
2. Cancel Full Ship...	12.0K
3. Refund Related...	13.4K
4. Partial Cancellat...	10.8K
5. Switch Accounts...	10.8K



# #3 Proactive Support to Win Customer Loyalty

Proactive customer support involves anticipating and addressing customer issues before they arise, signaling a deep commitment to their success and simultaneously reducing inbound support tickets. Brands can use automation to take charge of customer issues and keep them updated beforehand.

Gartner predicts that by 2023, only 30% of customer service and support will utilize a proactive approach. However, with the emergence of advanced large language models like GPT-3.5 and GPT-4, contact centers could evolve significantly.

Furthermore, Generative AI's predictive capabilities help improve customer support by using data-driven insights to preempt customer needs and deliver personalized experiences that drive customer retention and loyalty. Increasing customer loyalty helps companies to save money that would otherwise go towards acquiring new customers.

Additionally, expansive language models can craft customized notification templates frequently utilized to engage with customers on platforms such as WhatsApp, keeping them informed about ongoing issues and support-related tasks. Leveraging large language models, brands can design notification templates that resonate with their unique requirements.



# How Haptik Can Help

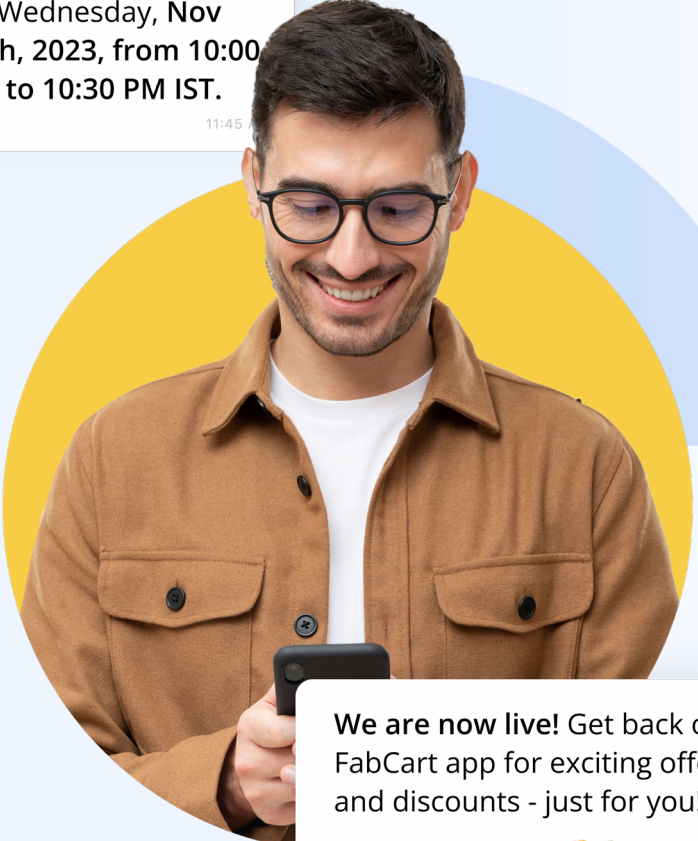
## Start Timely Conversations with Proactive Messaging

Haptik's Proactive Messaging empowers brands to deliver personalized notifications, ensuring customers stay informed about support inquiries or unresolved tickets. Using Haptik's platform, brands can harness the capabilities of OpenAI to craft tailored messages. Foresee your customers' concerns and proactively communicate regarding service interruptions, product setup progress, and more.

This helps:

- Trim down call center tickets by informing customers of service delays, product installations, payment reminders, and more
- Make it a hassle-free customer experience while improving your brand image

By offering such anticipatory customer support, brands can bolster trust and make customers feel both recognized and gratified.



The FabCart app will undergo maintenance on Wednesday, Nov 16th, 2023, from 10:00 PM to 10:30 PM IST.

11:45 AM

We are now live! Get back on FabCart app for exciting offers and discounts - just for you! Happy Shopping! 🛍️💰

10:45 PM

[Shop Now](#)



## SECTION 4

# Ethical Recommendations for Implementing Generative AI







## Bias Mitigation

Identify and reduce systematic and unfair discrimination in the outcomes produced by AI models. Bias can occur during data collection, data preprocessing, algorithm selection, and model training stages of the AI development process.

### Recommendation

Continuously monitor AI systems for bias even after deployment. In addition, implement a feedback loop to collect user feedback and make adjustments as required.



## Transparency

When data is gathered for training and assessing models, maintain the data source's integrity and get consent for its use. Also, when content is generated autonomously, maintain transparency by indicating it is AI-generated content.

### Recommendation

Consider adding watermarks or incorporating in-app messaging to clearly indicate the source of the content.



## Security

Adopt a comprehensive security framework that includes encryption of data at rest and in transit, access control, security audits, and compliance with industry standards.

### Recommendation

Implement real-time monitoring of AI model activities and stay abreast of emerging security threats and vulnerabilities to mitigate risks associated with implementing AI systems.





## Education & Awareness

Both internal teams and users must understand how the Generative AI technology is used within your system. The whys and whats of AI implementation should also be explained to drive awareness and set the right expectations of AI's capabilities.

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### Recommendation

Conduct training programs and provide resources that educate team members and users about how Generative AI works, its capabilities, and limitations. Encourage internal team members to use AI for innovation within the organization.



## Human in the Loop

Generative AI tools, while powerful, don't always understand emotional or business context, or know when they're wrong. Having humans in the loop helps review and validate outputs for accuracy, eliminate bias, and make sure the models are working as intended.

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### Recommendation

Create clear guidelines for human reviewers to follow when reviewing AI-generated content. In addition, build diverse teams of human reviewers, and provide ongoing training to keep them updated on best practices, potential pitfalls, and more.



## Feedback

Establish a feedback mechanism where inputs from customers and internal teams are collected for responsible and sustainable deployment of AI. Feedback can be in the form of online surveys, suggestion boxes, or even AI Assistants that receive & process feedback on AI systems.

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### Recommendation

Ensure that feedback mechanisms capture diverse perspectives. Analyze the feedback for recurring themes, patterns, or specific issues related to AI ethics.



# Conclusion

Generative AI promises unprecedented levels of transformation in unlocking efficiency, driving business value, and delivering superior customer experiences.

The eBook, “**Generative AI: The Future of Customer Support**”, concludes:

- **More Than Simple Automation & Chatbots:** Generative AI is a trusted companion that is intelligent and empathetic to understand and contextualize inputs, and generate responses that mimic human ingenuity.
- **A Catalyst of Innovation:** Generative AI is reshaping the very foundations of how businesses engage with their customers, enabling them to offer a dynamic and deeply personalized approach to resolving customer issues and enhancing their experience.
- **A Win-Win:** Embracing Generative AI isn't an option but the need of the hour for businesses to secure a brighter future. It's the key to unlocking scalability, optimizing efficiency, maximizing returns, and winning customer loyalty.





# Start your Generative AI journey with Haptik today!

GET IN TOUCH WITH US AT

[enterprise@haptik.ai](mailto:enterprise@haptik.ai)

TRUSTED BY 500+ LEADING BRANDS



## ABOUT HAPTİK

At Haptik, our singular mission is to help brands streamline customer communications with our Generative AI-powered omnichannel Conversational CRM, which drives faster issue resolution, a unified support experience, and high-impact one-on-one marketing campaigns. Haptik has processed 10B+ interactions, 10M+ transactions, and the biggest brands trust us to handle scale and deliver business value.