

An abstract graphic consisting of several thin, light blue lines that form a complex, organic shape, resembling a stylized human figure or a network of connections. It is positioned in the center of the page, overlapping the white horizontal line.

**REDUCING OPERATING COSTS  
AND INCREASING REVENUES  
USING CONVERSATIONAL AI:  
3 CRITICAL SUCCESS FACTORS**

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The logo for OpenDialog, featuring a stylized blue speech bubble with a white outline, set against a dark blue circular background. It is centered on the white horizontal line.

**OpenDialog**

OPENDIALOG.AI

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# CONVERSATIONAL AI : CRITICAL SUCCESS FACTORS

Conversational AI promises to reduce customer support costs, increase sales and improve brand loyalty. Successfully deploying Conversational AI projects, however, can be very challenging. Without the right technological platform and design and development methodology, the upfront effort can be enormous and the final product often does not deliver on expected outcomes.

Over the next few pages we look into the Conversational AI promises and the critical success factors that enterprises need to be considering. Finally, we explain how OpenDialog, through its Conversational AI platform and the accompanying methodology, will reduce upfront development costs and reduce risk of project failure, while providing conversational experiences that grow with your business.

## CONVERSATIONAL AI?

Conversational AI is an umbrella term to describe a broad range of technologies that enable software to have conversations with humans. This might take the form of a chat on a website, an interaction through an Alexa-enabled device or an exchange of messages on WhatsApp or SMS.

The core goal of these technologies is to take a phrase that a person says, analyse it, identify the underlying meaning and intent, so that we can then retrieve an appropriate response and in turn perform a relevant action. These conversational AI capabilities have matured significantly in recent years, primarily through advances in machine learning technologies that can understand words, phrases and dialogue, to process natural language.

## THE CONVERSATIONAL AI PROMISE

*Conversations are at the heart of everything in an enterprise. We converse with our clients and customers, partners and suppliers and internally with our employees. Each conversation is a chance to improve relationships, enhance business performance and increase sales. History has proven that the better an enterprise is at managing and scaling these conversations the more likely it is to thrive.*

Great conversations, however, can come at a cost. Particularly in the current economic environment, where the strain on all types of service departments is palpable and the need to reduce costs is critical.

Conversational AI promises a way through this challenge by enabling business to automate and seamlessly scale a significant portion of the conversations and underlying business processes they have. This in turn enables people within the organisation to spend more time on more demanding and value-additive tasks. It is not surprising, therefore, that Conversational AI is consistently mentioned as the top use of AI in enterprises.<sup>(1)</sup>

(1) <https://www.forbes.com/sites/louiscolumbus/2020/10/04/whats-new-in-gartners-hype-cycle-for-ai-2020>

The letters 'AI' are rendered in a large, bold, sans-serif font with a glowing blue outline. They are centered within a circular frame that also has a glowing blue outline. The background is a dark blue with a complex, glowing circuitry pattern of lines and dots.

## WHAT ARE THE BENEFITS? ♡



The successful deployment of conversational AI technologies can bring three key benefits to any enterprise.

### REDUCED SUPPORT COST

By automating the handling of requests coming into support channels an enterprise reduces costs and frees up people to deal with just the more demanding and higher-value cases. It also enables an enterprise to better deal with unexpected events (such as the COVID-19 pandemic) since it can handle changes in demand and availability of employees much more resiliently.



### INCREASED SALES

Sales processes fail when the customer is not able to get an immediate response to a query. Conversational automation can provide that support seamlessly and increase completion rates. An automated virtual assistant can accompany the user through the sales process, proactively provide suggestions and ensure that any queries are dealt with instantly and around the clock. All with the goal of getting the user as seamlessly as possible to checkout.

### IMPROVED CUSTOMER EXPERIENCE

The ability to resolve issues through any channel, 24-hours a day through conversation creates a lasting, positive experience for your customers. This leads to enhanced brand loyalty that creates a virtuous feedback loop.

## WHAT DO I NEED TO SUCCEED?

Conversational AI can solve some very thorny issues for enterprises and create amazing new opportunities. In order to fully take advantage of it, however, we need to be cognizant of the challenges and potential pitfalls. Research from 2020 shows that as many as 53% of conversational AI projects were discontinued within 15 months of release.<sup>(2)</sup> In a technology space that is relatively new some degree of discontinuation can be expected. Nevertheless, the high level of failure is also indicative of enterprises not carefully considering what are the critical success factors.

Now, before we dive into the top 3 success factors it is worth saying that a Conversational AI project is similar to any digital transformation or IT project. Developing a solid business case, putting in place appropriate resources for the lifetime of the project and using appropriate project management are all critical factors as they would be for any project. What we focus on here are the top 3 success factors that are specific to Conversational AI projects:

- **Solid conversation design**
- **Ensure the ability to scale and adapt over time**
- **Enable cross-team collaboration**

(2) Janssen, Antje & Grützner, Lukas & Breitner, Michael. (2021). Why do Chatbots fail? A Critical Success Factors Analysis. International Conference on Information Systems, Austin, Texas.



# 1 SOLID CONVERSATION DESIGN

## People are expert conversationalists!

It is what we do all the time. As such we always have high expectations about any conversation - whether with a human or a machine. Automated experiences that are overly rigid and force people down very specific exchanges will not meet the user's expectations and will disappoint, annoy and cause the user to drop out. Conversational exchanges that force people to repeat themselves or repeat the entire process because just one phrase was not understood will not only fail, they will produce a negative feeling towards a brand.

Conversation design needs to cater for people changing their minds, asking a variety of questions and for making mistakes. We need to take into account the user's specific context and react appropriately to it and even personalise our response. Overall, your conversation design needs to support natural and fluid exchanges and never force the user to "work" hard for a result.



### **Key takeaway:**

The weight is on the machine to understand the user's needs, not on the user to understand how to use the machine.

## 2 ENSURE THE ABILITY TO SCALE AND ADAPT OVER TIME

Nothing stays the same.

We all know that well enough by now. The same goes for your Conversational AI project.

While you might have worked very hard towards an initial release, that is not the end of the road. Your business needs are going to change and you will learn more about what your users want out of those initial conversations.

This means that you need to think in advance about how adaptive and scalable the final experience is.

Carefully consider the architecture of the project and stress test it. Think about what would happen if a requirement changed. Would it be back to the drawing board or could you introduce additional capabilities in the existing design?

Experience has shown us that a common stumbling block for Conversational AI projects is the difficulty in maintaining and scaling them. Even if an initial release is successful the longevity of the project will depend on its ability to adapt.



### **Key takeaway:**

You set yourself up for success by designing for an experience that is adaptable and scalable from the get-go.



# 3 ENABLE CROSS-TEAM COLLABORATION

It takes a village for a conversational experience to thrive.

Different people and roles involved will have different considerations and perspectives into the project.

Collaboration starts by outlining what the business needs are and what the end-user needs are and ensuring the two are connected and aligned through a positive conversational experience.

It can then grow to encompass all the different skills from experience management, tone of voice, brand, legal, sales, engineering and customer support.

Careful consideration of how a conversational experience fits into and enhances a broader user interaction is crucial.

You should be able to move with a certain degree of certainty that a real user pain point is being addressed and a conversational experience is the best way to address it.

A conversation is an incredibly powerful way of interacting with users but it is not the only one.



## Key takeaway:

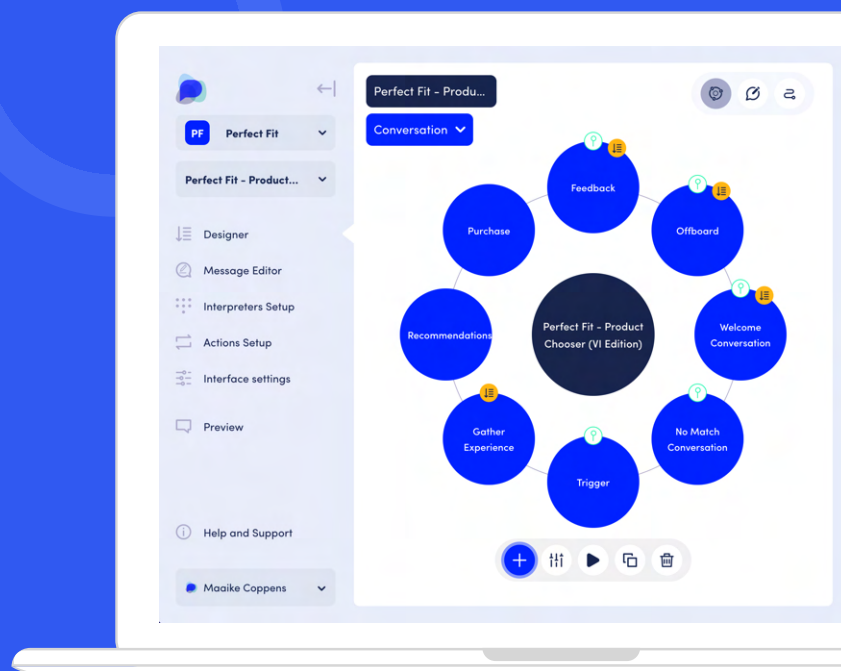
Involving all the right people in the project will ensure early buy-in, set clear expectations and enable you to establish well-defined metrics and check-ins to set your project up for success.

# OPENDIALOG: DESIGNED FOR SUCCESS

OpenDialog was created after our team struggled to build the right sort of conversational experiences with other tools. We were frustrated that software was THE limiting factor to the success of Conversational AI becoming ubiquitous in the enterprise.

OpenDialog was designed from the ground up to support fluid, contextual, and personalised conversational experiences. It provides the building blocks and the conversational engine smarts, to enable conversation designers to create sophisticated and immediately deployable experiences through a no-code tool.

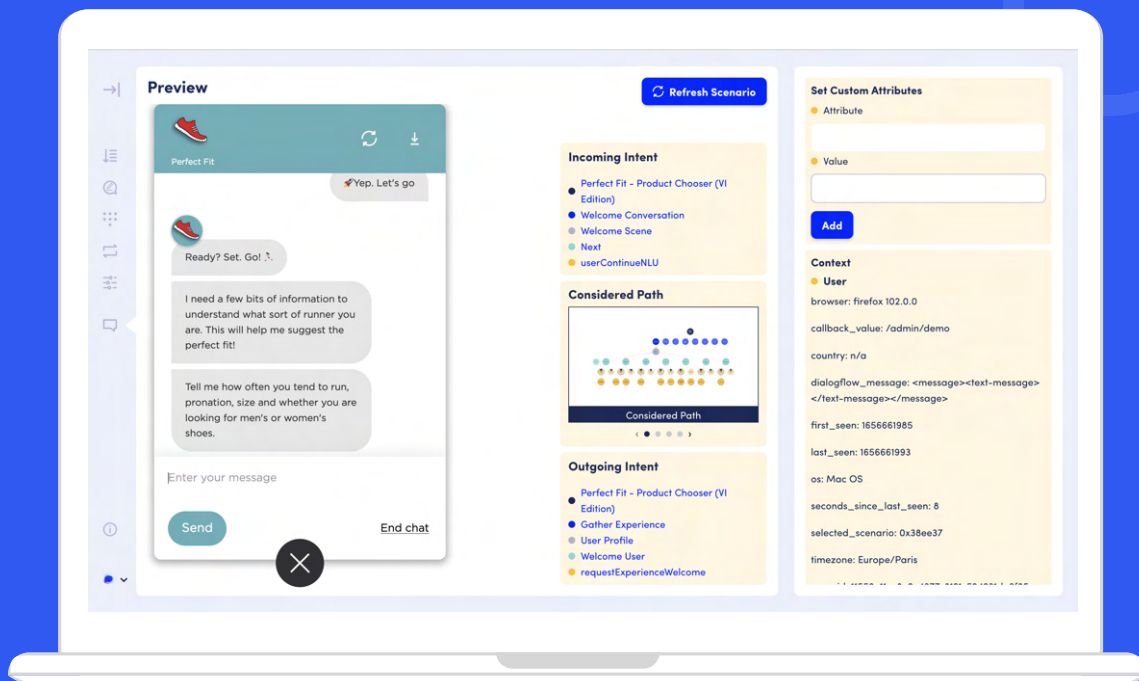
Not only do you get great experiences at the end but the cost to do so is greatly reduced as you don't need to hire expensive developers and data scientists



# DESIGNED WITH THE ENTIRE BUSINESS IN MIND

Every role has their specific space within the tool allowing them to focus on the task at hand while being able to combine everything into a unique experience.

OpenDialog is a platform that grows with your business. The unique OpenDialog model enables you to modify, expand and adapt your conversational experiences with minimal effort and the flexibility with which it integrates with underlying natural language understanding technologies means that you are never locked into the past but can evolve as the fast-paced world for AI technologies evolves.





# OpenDialog