

Make experiences *flow*

## Customer-Centric AI That Encompasses the Entire Business for CX

Transforming Contact Centers  
with Predictive Insights and  
Proactive Automation

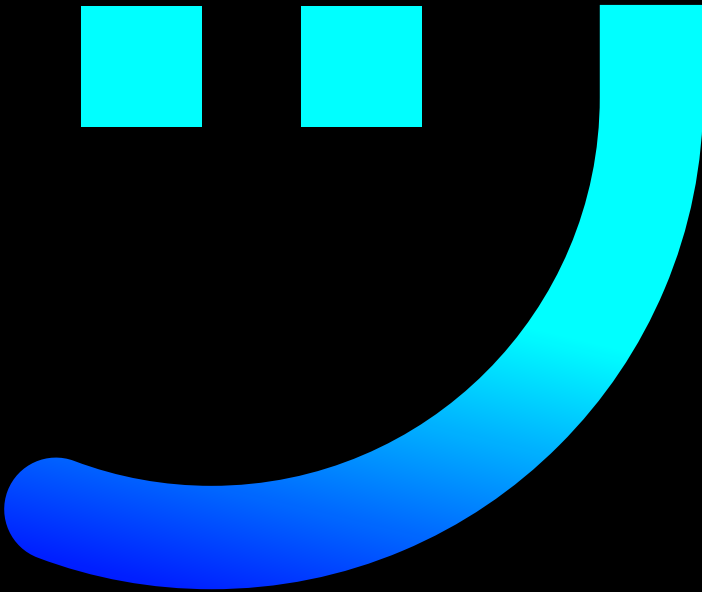
WHITE PAPER

### About NICE

With NICE (Nasdaq: NICE), it's never been easier for organizations of all sizes around the globe to create extraordinary customer experiences while meeting key business metrics. Featuring the world's #1 cloud native customer experience platform, CXone, NICE is a worldwide leader in AI-powered self-service and agent-assisted CX software for the contact center—and beyond. Over 25,000 organizations in more than 150 countries, including over 85 of the Fortune 100 companies, partner with NICE to transform—and elevate—every customer interaction.



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# Executive Summary

Customer expectations have never been higher, and contact centers need to adopt new technologies to avoid falling further behind. AI's rapid evolution can go a long way to raising the bar for customer service – especially with new forms of automation – but technology advances alone will not be the answer. Contact center leaders must also think differently about how to improve customer service, otherwise AI will be applied in ways that don't lead to the outcomes that matter most to customers.

There are many approaches for deploying AI in the contact center, but if only applied operationally, those outcomes will not be achieved. This white paper identifies the perception divide between customers and brands as a root cause for customer experience (CX) shortcomings, especially for how contact centers have only a fragmented view of the collective experiences that drive customer satisfaction. Addressing this divide requires a more complete, customer-centric view, and this is where the choices for deploying AI really matter.

NICE has built their customer service value proposition around this issue, based on a very specific approach with AI to address this perception divide. This approach is a combination of providing a holistic view of the customer, along with an advanced set of automation capabilities that are new for contact centers. Only by understanding the full set of experiences that comprise the customer experience can agents be in a position to provide great customer service; not just by reacting to specific inquiries, but by being proactive with personalized responses that go beyond what customers are expecting.

This is the essence of CXone Mpower, a set of advanced AI capabilities from NICE that takes both agent performance and automated customer service to the next level. Aside from representing a leading-edge path forward to close the perception divide, Mpower also provides a roadmap for a new breed of AI agents that can work autonomously as well in concert with human agents. The latter represents a new form of automation where human and AI agents can work in harmony, and truly elevate the operational performance of the contact center. This white paper explores NICE's vision for CXone Mpower, along with how contact center leaders need to be thinking to realize these new possibilities.

# How CX Leaders Need to Think About AI

To understand what AI can bring here, contact center leaders must understand that AI itself is not a solution; rather, it's an umbrella term for a family of technologies that can be deployed in an infinite variety of ways. In terms of emulating human experience, AI brings speed and scale that contact centers have never had before. These are the underlying capabilities that can draw from a customer's entire history, and process all of that data in real-time.

Aside from taking existing datasets about customer interactions at face value, AI can also generate predictive insights based on actual behaviors from that customer, along with likely behaviors derived from a broader set of similar customers across a similar set of circumstances. This represents a new form of automation that goes well beyond operational use cases where AI is deployed to automate workflows and processes.

The key for making this predictive application of AI effective is having access to a wide dataset, not just for specific customers, but all your customers. The larger – and deeper – the dataset from the full customer base, the more accurately AI can derive likely behaviors and outcomes for specific customer scenarios. This enables agents to be both reactive and proactive, with AI generating response options that go beyond the issue at the moment.

With these capabilities, contact centers can be truly CX-aware for every customer and for every interaction. Agents cannot possibly be this well-equipped with legacy technology, but for CX leaders, it's not enough to think in broad terms about AI to effectively support their agents. Providing all this requires a purpose-built solution that integrates many AI elements in a very specific way.

The thinking here also requires a view of AI that is more than using automation to drive operational efficiency. That will always be a core value driver, but equally important is to view AI-driven automation to help agents provide more human-centric forms of engagement. With this automation working in the background, agents can do their best work with personalized CX, delighting customers in ways they would not be expecting based on previous customer service experiences.

# The Starting Point for Your AI CX Journey: the Experience Perception Divide

While there are many reasons why CX needs to be better – and there are many possible approaches to this problem set – the starting point is to have a customer-centric mindset. The conventional model for contact centers has been operations-centric, where KPIs measure processes and efficiencies, not customer outcomes. Technology change has been a key driver in raising customer expectations, but that alone does not lead to better CX. To be customer-centric means walking in their shoes, and understanding what makes for good CX.

Walking in the customer’s shoes takes into account the broader context and history that shapes their CX. Not doing so creates an experience perception divide between the customer’s actual experiences, and what the contact center thinks those experiences are or should be. The limitations of legacy technology have given rise to this divide, but there is a path forward now to close it. The opportunity lies in AI-driven technologies that enable contact centers to see what the customer sees and understand what CX means to them.

This opportunity is in fact bigger than the contact center, as CX is really an extension of the brand, and how its value proposition is built around internal perceptions of customer needs and wants. When perceptions about the customer are based on singular events and interactions, the contact center will only have an incomplete view when dealing with customers. By seeing what the customer sees, not only will CX outcomes be better, but this will reflect positively on the brand as well.

In this context, the experience perception divide needs to be viewed strategically, as there is much more at stake than CSAT and NPS metrics. Customers will know when you have a singular, narrow view of them, or when you may have fragments of the whole that do not flow together in an authentic way. Only with AI, can contact centers pull together a reasonably complete dataset that provides agents with a view comparable to what the customer sees. The more that perception divide can be narrowed, the more CX-aware the contact center will become, and the greater the strategic impact of AI will be.

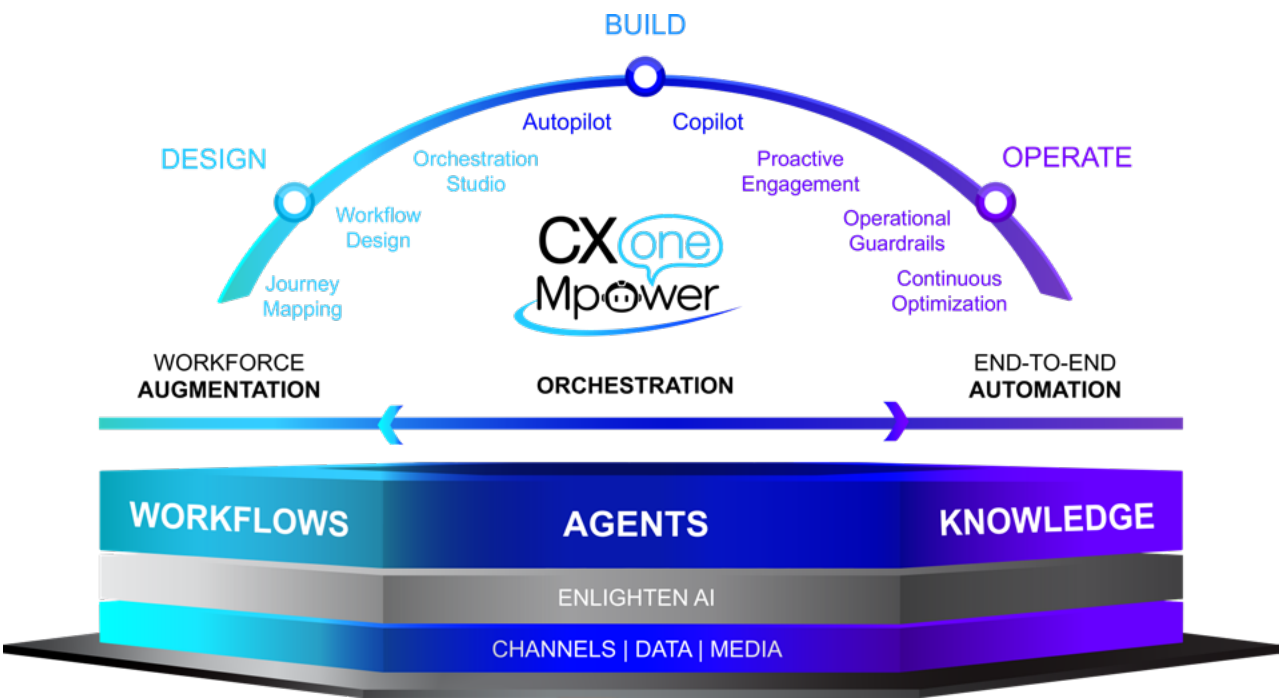
# CXone Mpower: the Next Generation of Customer Service

To provide that strategic value for AI, NICE has taken things a step further, first with their core CX platform – CXone – and then with Enlighten – their AI suite. Together, this provides a level of CX-awareness that contact centers have not had before, and is branded as CXone Mpower. This represents a new set of purpose-built capabilities driven by CXone and Enlighten, not just to bridge the experience perception divide, but to support a new model where human agents work interchangeably with AI-driven forms of autonomous customer service.

Compared to most contact center solutions, Mpower brings a broad vision, not just for AI-based automation, but for how AI is deployed overall. Rather than being a collection of technology point solutions to address various technology-based problems, Mpower orchestrates AI to approximate a human response with a human understanding of the

customer’s problems. While this is primarily focused on helping agents provide better forms of CX, there is also a future-forward element where AI automation can be used to enable autonomous AI agents who can learn from human agents to provide more human-like forms of customer service.

To better understand Mpower, three capabilities need to be considered. Each represents a specific way that Mpower creates differentiation, further enhancing the capabilities of CXone, the underlying platform driving all of NICE’s CX solutions. First would be agent-specific capabilities, followed by how human agents and AI agents can interwork more effectively. Then, the third pillar addresses capabilities specific for AI agents, where they can function autonomously, without help from human agents.





## Differentiator 1: Agent Augmentation

Since human agents still handle the majority of customer interactions, this must be the starting point for Mpower – or any AI CX platform for that matter. Not only can human agents make the greatest impact on CX with customers, but at present, most agents have very limited capabilities to make that impact.

The constraints of legacy technology put agents at a serious disadvantage, so this is where AI can have an immediate and significant impact. Legacy systems cannot isolate specific datasets from a customer's history that are specific to the context of their inquiry. Nor can they integrate across these various datasets to provide agents with a holistic view of the customer – either in real-time or non real-time.

As such, Mpower brings CX benefit from the start, by putting agents on a level playing field with customers. Aside from having detailed, personalized insights about the customer, Mpower augments agent performance with real-time Copilot capabilities to support both reactive queries, and proactive recommendations that customers may not be expecting.

## Differentiator 2: Agent/AI Automation

This pillar shifts from augmentation to automation, where the vision is about enhancing how human agents and AI agents (chatbots) can work together. Rather than using AI agents to replace human agents, the intent here is to be complementary. As AI becomes infused into everyday interactions, customers will become more comfortable engaging with chatbots, and there will be fewer distinctions between dealing with human and AI agents.

Being an iterative technology, AI will keep improving, and this will lead to higher levels of automation, and seamless interchange between human and AI agents. This also means that each will learn from each other, representing an entirely new way of using AI.

Currently, human agents lead most customer interactions, and when help is needed, they prompt AI for help. The quality of that help is totally dependent on how well chatbots are trained, and the ability to capture a rich customer dataset is foundational to Mpower.

Going beyond this, however, Mpower is also focused on the opposite scenario where AI agents can handle complex customer inquiries, providing levels of automation and self-service that contact centers have never had before. A key way that AI agents keep improving is their ability to flip the script and ask human agents for help – also known as reverse prompting.

Given how ambiguous human communication can be, there are endless scenarios where AI agents would prompt human agents to clarify or confirm so the inquiry can be effectively completed



in an automated fashion. This provides the contact center with the best of both worlds, where AI augments the performance of human agents, and human agents can support AI agents to broaden the range of inquiries that can be fully automated.

### Differentiator 3: Autonomous AI Agents

For most contact centers, the first two pillars would be enough in terms of modernizing their capabilities and adopting AI. There are, however, other AI frontiers for the contact center, and for businesses that are truly looking to differentiate on CX, autonomous AI agents are the next level with Mpower.

Pillars 1 and 2 reflect the current state of how contact centers have been deploying AI so far. Augmenting human agents is the logical starting point with AI; then by elevating AI agents to a comparable level as them, the contact center gets an ideal balance between human and automated forms of customer service.

That ideal balance may be mainly aspirational today, but there should be little doubt this is what the future holds as AI matures. Mpower offers that roadmap today, and it should be clear to contact center leaders that the focus is enhancing agent performance – not replacing them – and fostering collaboration between human and AI agents, not competition.

With Pillar 3, Mpower's vision extends to a time when AI agents can be equally effective as human agents, to the point where they can engage with customers autonomously. Currently, chatbots can be the first point of contact with customers, but then usually a handoff to human agents, making them only partially autonomous.

With proper orchestration, AI agents can perform at a higher level than chatbots, and potentially process all that data more effectively than human agents. Not only will they be able to handle inquiries fully autonomously, but they will be able to generate their own responses and follow ups without relying on input from human agents.

Perhaps more importantly, these AI agents will do so in a personalized manner, mainly due to a level of processing power to analyze personal customer data in ways that human agents cannot do. To reiterate, Mpower's vision here is not to take work from human agents; instead to expand the contact center's ability to handle more inquiries end-to-end, in one call.

## The Experience Continuum: Taking Both AI and CX to a Higher Level

Addressing the experience perception divide was the core problem set for this white paper, but it is also the right starting point for contact center leaders who are on a mission to improve CX. Only by seeing the world through the customer's eyes can the contact center – and ultimately the brand – truly understand what's most important and translate that into better CX.

This is the vision behind Mpower, where AI can tap into all your collective experiences with the customer, for a unified view that approximates what the customer has actually been experiencing. Only with AI can this be done, as legacy technologies cannot integrate a disparate set of experiences, and nor can they draw out the specific elements that make the biggest impact on CX for a specific customer.

In this regard, Mpower takes CX to a higher level; and by utilizing AI in a very specific manner, it also takes AI to a higher level within the contact center. With most contact centers still being new to AI, there will be many point solutions deployed, with some being successful and others being failed experiments. Whereas this reflects a tactical approach to AI, Mpower is more strategic, as it is driven by the root cause need to leverage AI to bridge the experience perception divide.

The vision for Mpower, however, has yet a higher aspiration for both CX and AI. NICE terms this as the "experience continuum", where there is a seamless interplay between human agents and AI agents – and for customers, it shouldn't matter which one

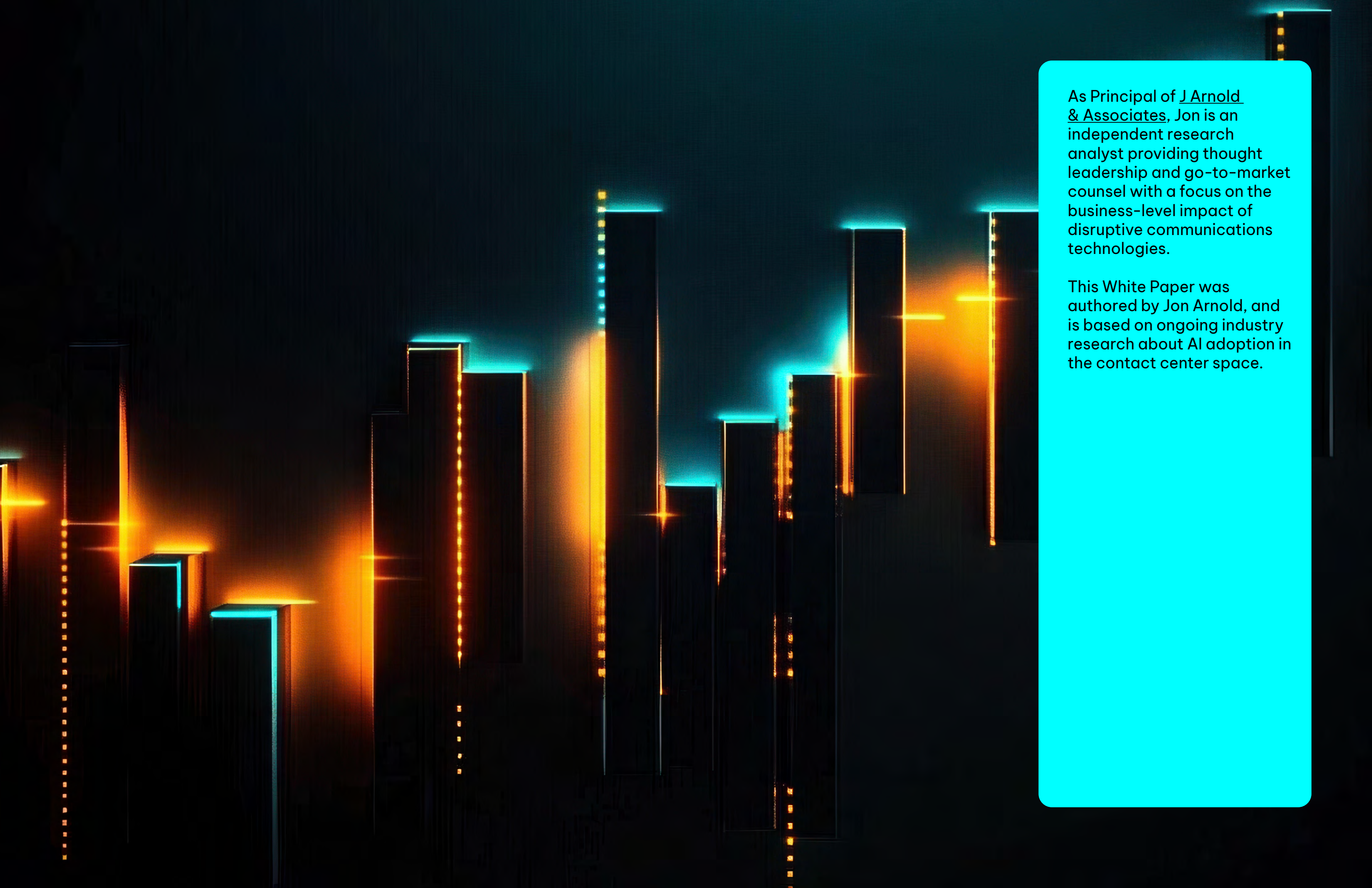
they engage with. There will be a symbiotic relationship here, with each learning from the other. This represents a collaborative approach to AI, where human agents can teach AI agents how to be more human-like when dealing with customers.

Conversely, AI agents can share customer insights and opportunities with human agents that they could not possibly identify on their own. Both are operating with the same end result in mind – to make CX better – rather than competing to see which can get better results with customers.

AI evolution has a long way to go before getting to this point, but for CX leaders who see AI as a long-term differentiator, Mpower provides a roadmap for doing more than just fixing today's CX challenges. Contact centers may not be at this level today, but the transformational potential of AI should be self-evident.

For contact centers under pressure to modernize and improve CSAT scores quickly, tactical approaches to AI can be effective. Mpower will not be the answer here, but for CX leaders who are ready to change their perspective and think more holistically about the very nature of customer service, Mpower is at the vanguard of next-level solutions.





As Principal of J Arnold & Associates, Jon is an independent research analyst providing thought leadership and go-to-market counsel with a focus on the business-level impact of disruptive communications technologies.

This White Paper was authored by Jon Arnold, and is based on ongoing industry research about AI adoption in the contact center space.