



How AI Propelled Bob's Discount Furniture to Industry-Leading CX and Operational Efficiency

Execs in the Know Shop Talk
March 14, 2024

Meet the Speakers



David Levin

SVP, CX and Digital Transformation
Bob's Discount Furniture

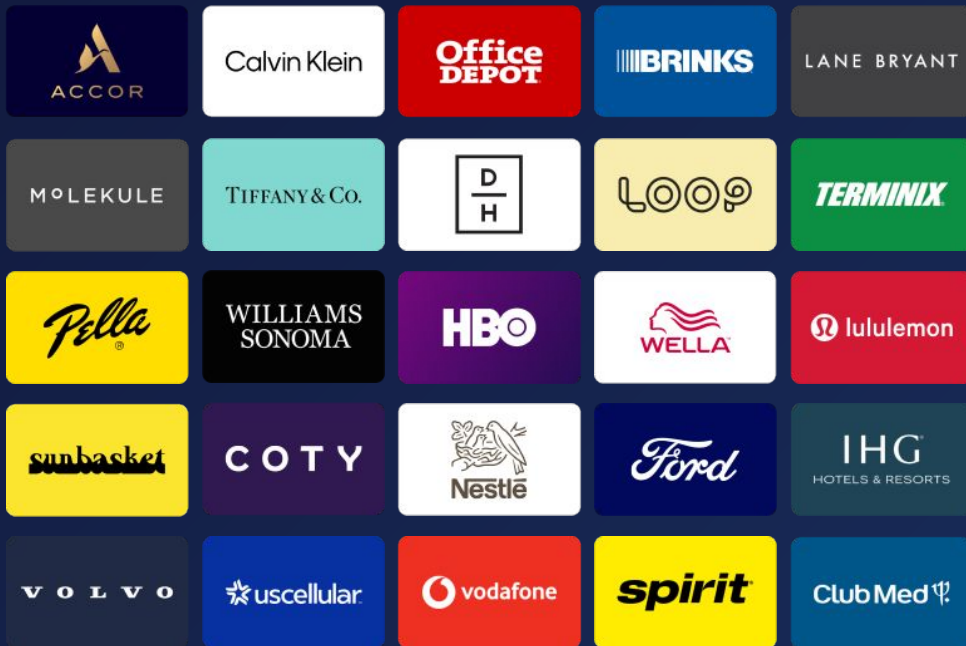


Christian Brucculeri

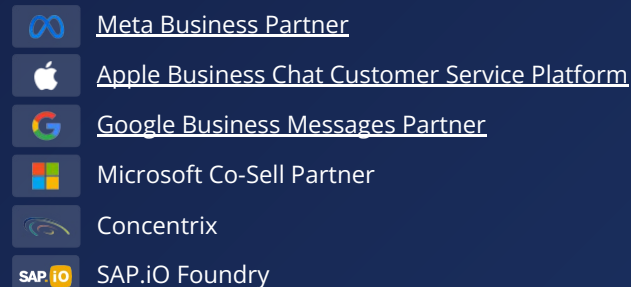
SVP, Sales and Customer Success
Qiiq

Qiiq intro

Our enterprise customers



Our partners



Our team

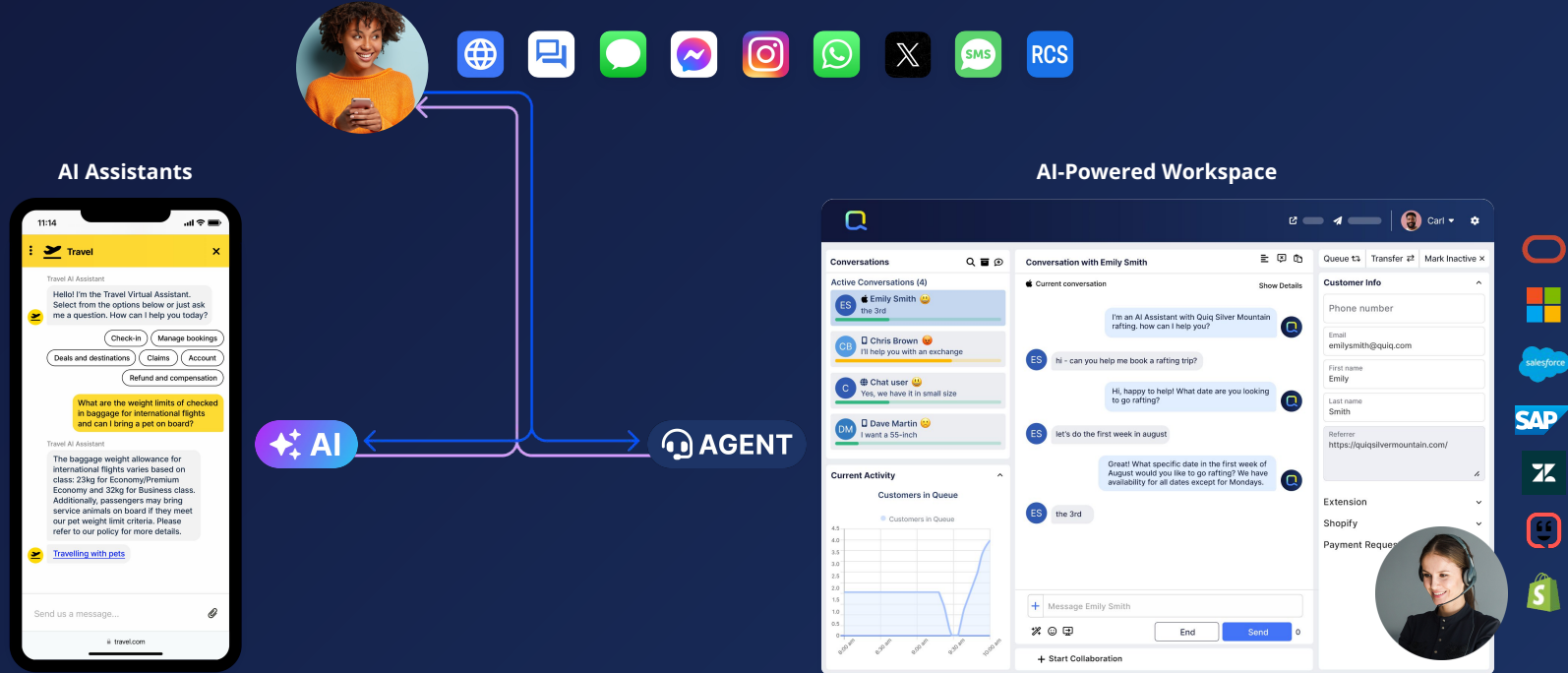
Mike Myer, CEO. Former Oracle Service Cloud CTO, previously RightNow CTO.

Qiiq is built and led by an experienced team of customer experience founders and operators from:



The only proven AI-powered enterprise CX solution

Our approach tackles your challenges through customer-facing assistants & by empowering your agents to excel in digital channels



 **Handle contact volume**

 **Enhance CX & grow revenue**

 **Improve cost savings**

 **Retain agents & make them more capable**

Leading the industry in LLM-powered AI

Qiiq has more customer-facing AI deployments than any other vendor



Hotels



Retail



Consumer
Products



Insurance



eCommerce



Gaming



Health



Transportation

Driving Measurable Outcomes With Next-Gen AI

89% CSAT score
2X intent to book



60% resolution rate
42% increase in CSAT



75% increase in resolution rate
65% positive feedback rate

Leading Office Supplies Retailer

75% CSAT score
3X self service rates



50% improvement in
qualified customers

Leading Jewelry Retailer

Technical product assistance to
improve employee efficiency

Award Winning Hearing Aid
Company

2X accurate responses in
product recommendations

Global Fashion Brand
and Retailer

33% reduction in
agent escalation



27% reduction in agent
response effort



Customer-facing assistants

Agent-facing assistants

Today we'll demonstrate how Bob's drove both operational efficiency and NPS at the same time, and now growing revenue while carefully implementing GenAI

Purpose

Review how AI propelled Bob's to industry-leading
CX and operational efficiency



Outcome

Gain insights into **techniques** to drive CX efficiency and the **outcomes** achieved

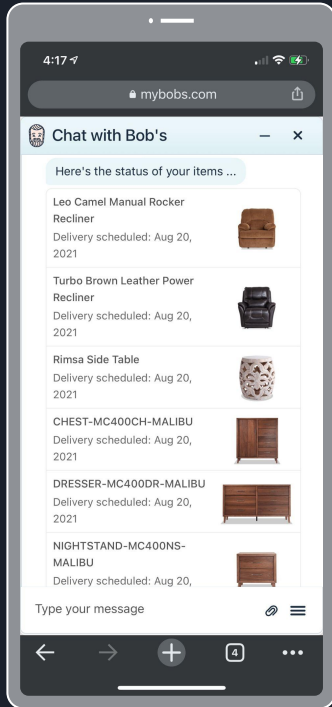
Understand the **GenAI Maturation Curve** to plan the adoption of safe GenAI

Learn how to evolve from driving efficiency into **high-value growth use cases**

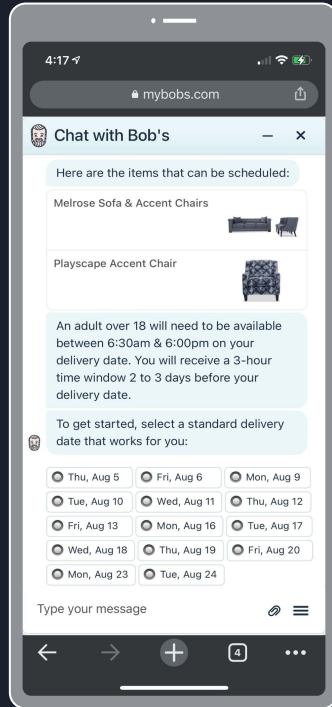
Learn ways to navigate organizational **challenges, risks & barriers** to AI

BobBot, our automated assistant, was born on Oct 7, 2020, providing self-serve to millions of contacts each year, well before the onset of GenAI

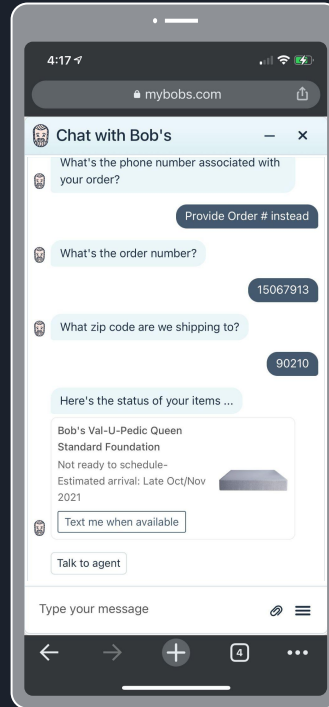
See order status



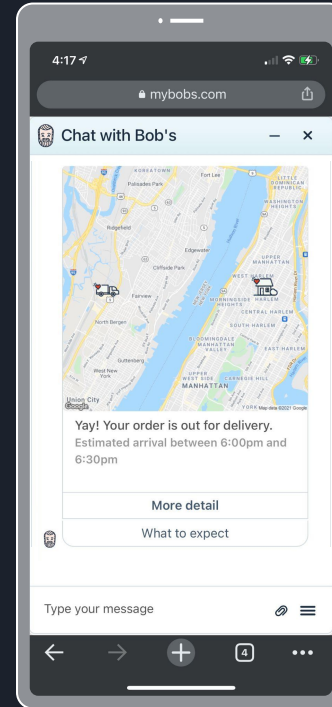
Schedule delivery



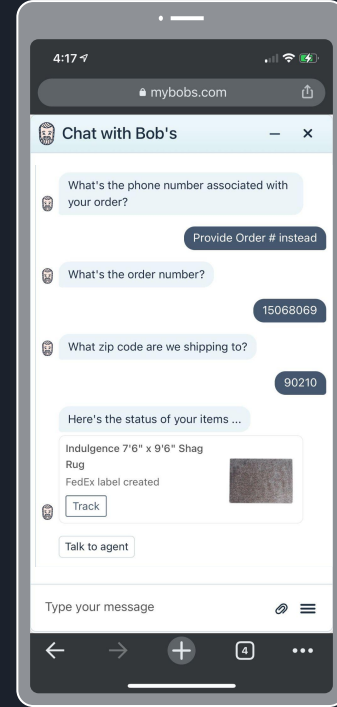
Text when item avail



Track delivery truck



Track FedEx



Step 1

Description

Goal

**Solve big
customer needs
with automation**

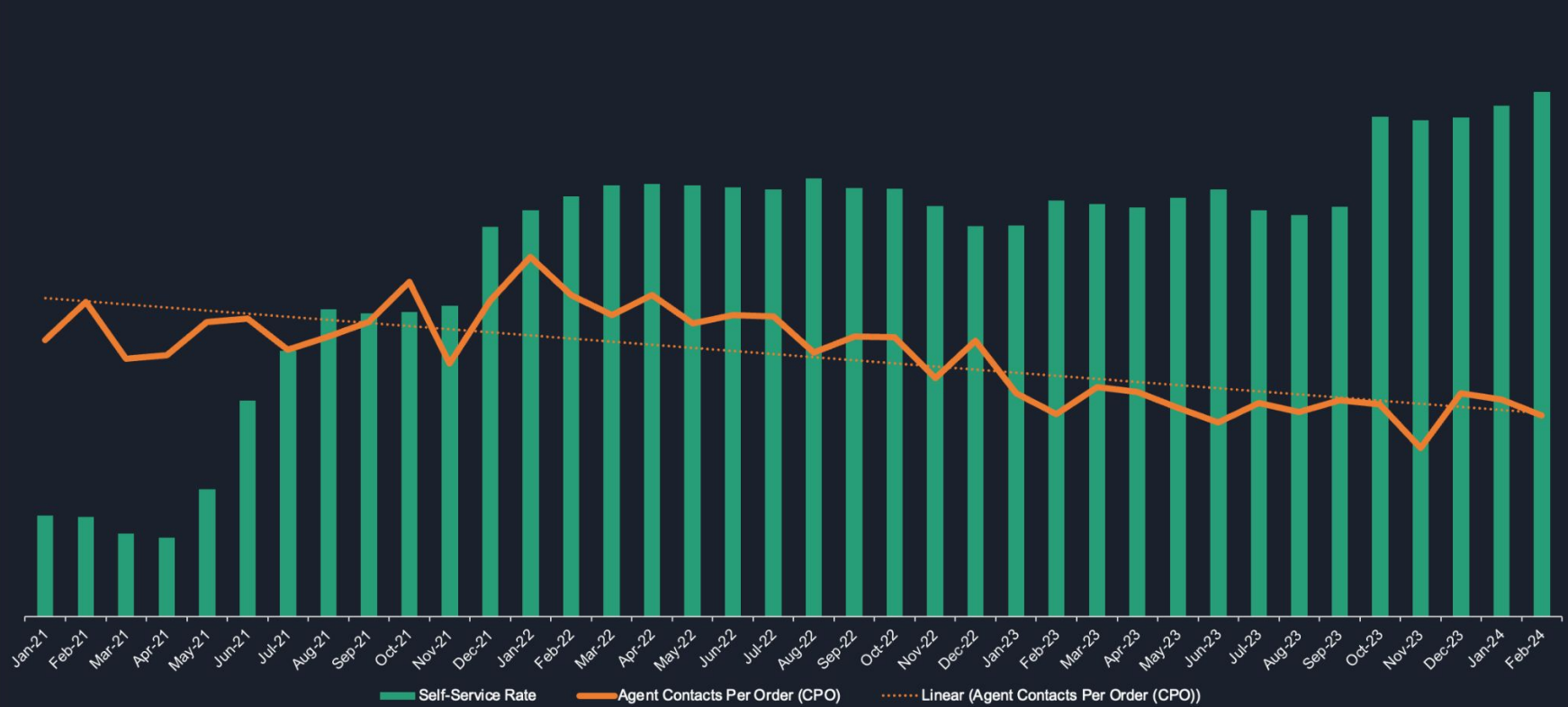
To start, we launched
self-serve tools, including delivery
scheduling & issue reporting

Reduce contacts and
customer friction

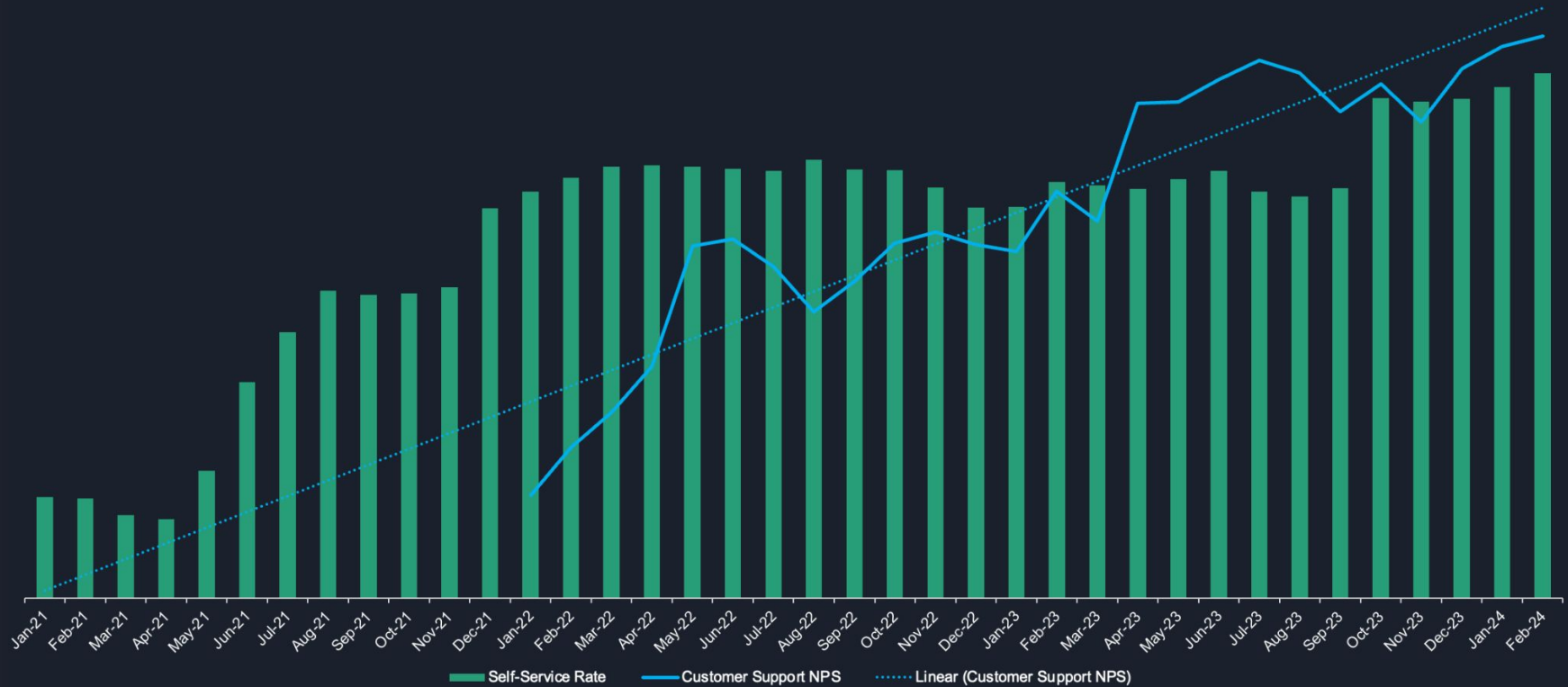
Video

<https://drive.google.com/file/d/16EZ8PBx-hTAyTn7RJMvg3xLL8vHNUsZI/view?usp=sharing>

BobBot enables 65% of all support contacts to self-serve, reducing Agent Contacts Per Order and saving \$4MM+ each year ...

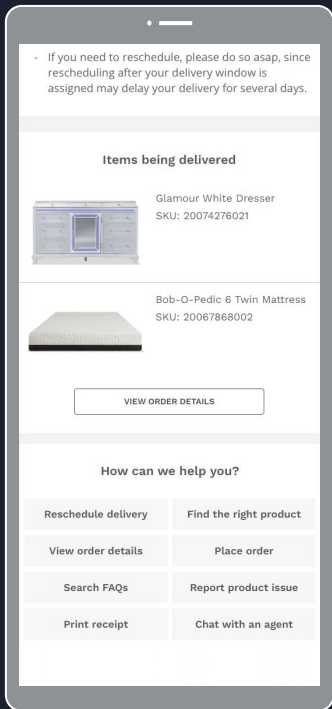
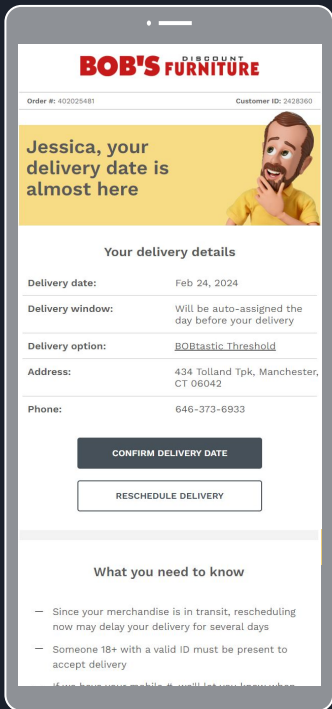


... while Support NPS increased significantly, since phones are answered faster and agents can focus on improving service for more complex cases

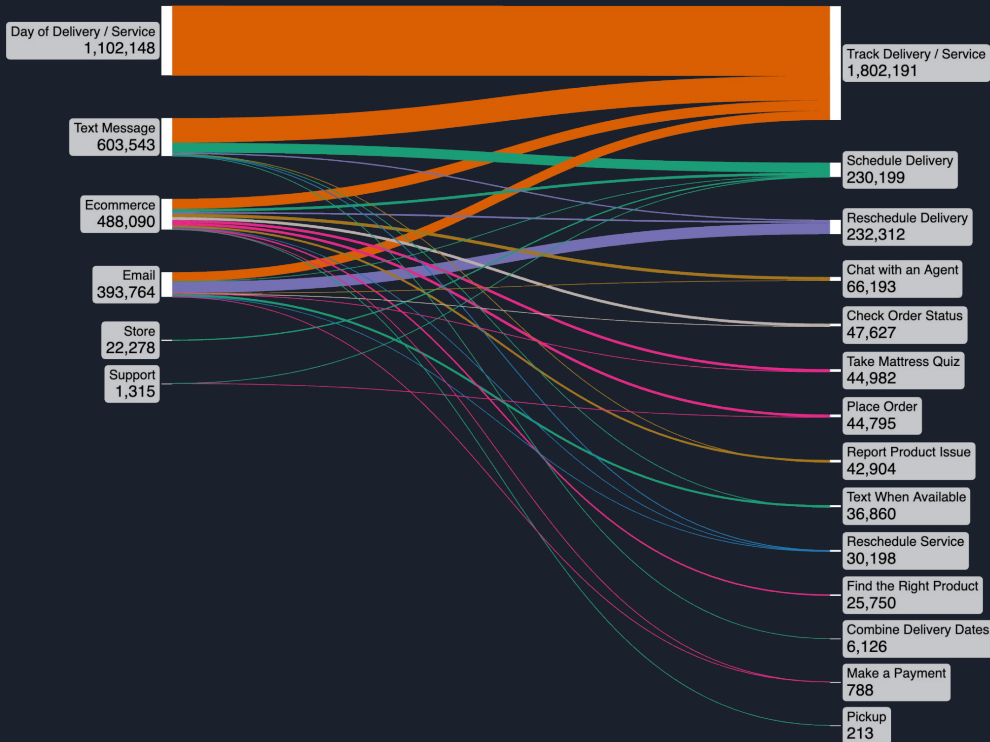


Instead of a “Build It & They Will Come” approach, we embedded self-serve, contextual links throughout all channels, driving 2.6MM bot visits annually

Email with Self-Serve Links



Annualized Self-Serve Links to BobBot



Bolstered by the bot's success, Bob's has been excited about the potential of GenAI, but as a risk-averse brand, we've been hesitant to put it in front of consumers

Hallucinations



Inappropriate Responses



Chatbots May 'Hallucinate' More Often Than Many Realize

When summarizing facts, ChatGPT technology makes things up about 3 percent of the time, according to research from a new start-up. A Google system's rate was 27 percent.

The New York Times
Nov 6, 2023

Lack of Content

(especially sales-related)



Inaccurate Responses



Ask your Bob's store associate about our July 4th & Labor Day sales.

Gen AI BobBot response to question about sales during testing

Step 2

Description

Goal

Deploy LLM to Understand But Not Create

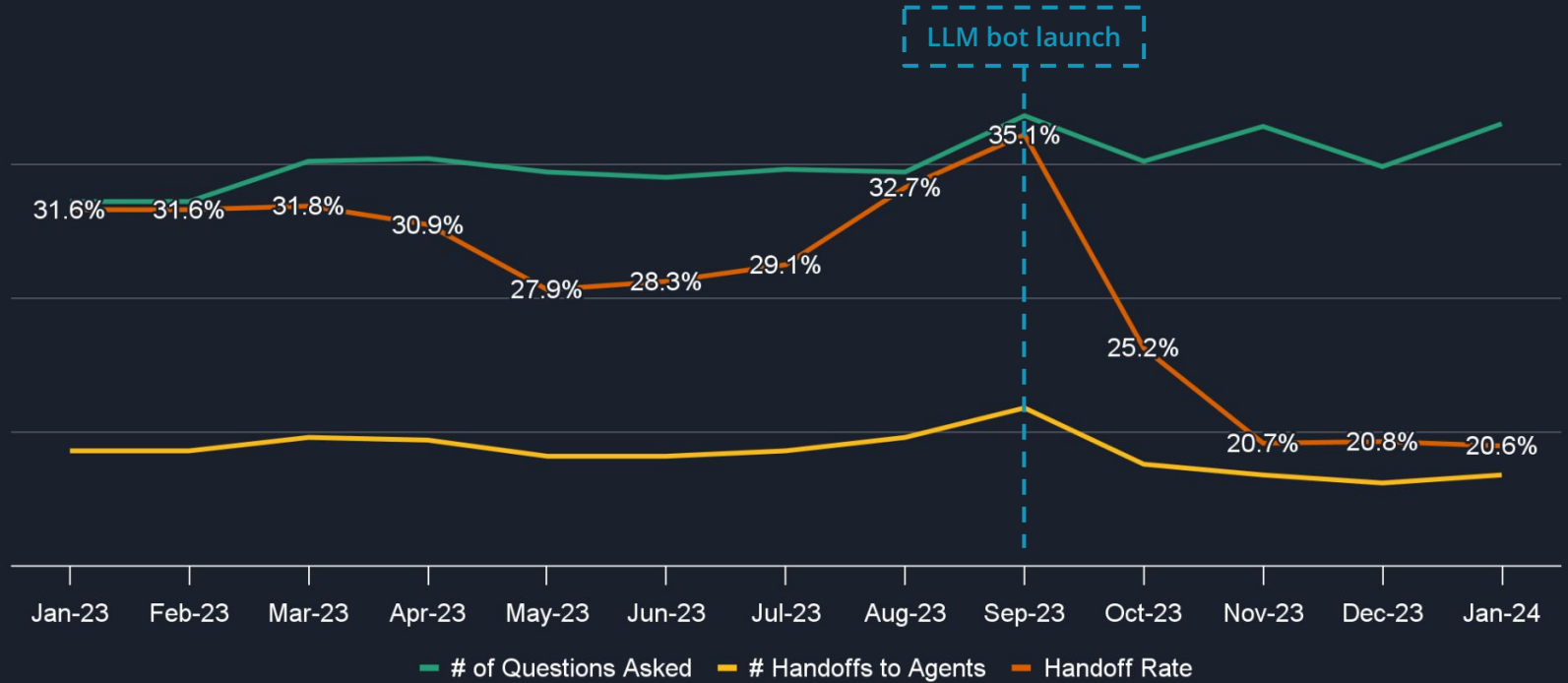
BobBot understands what customer is asking and all Bob's FAQs to display the right article

Leverage GenAI without risks inherent in content generation

Video

https://drive.google.com/file/d/1__jDkScPB74EEGGLnKWwKuG0gwJ8Fnaj/view?usp=sharing

The Large Language Model (LLM) bot provided better responses vs typical Natural Language Processing (NLP) search results, reducing handoffs to agents by 31%



Step 3

Description

Goal

**Test GenAI
with an
internal beta**

BobBot will answer questions about policies and processes from our 5k+ store associates

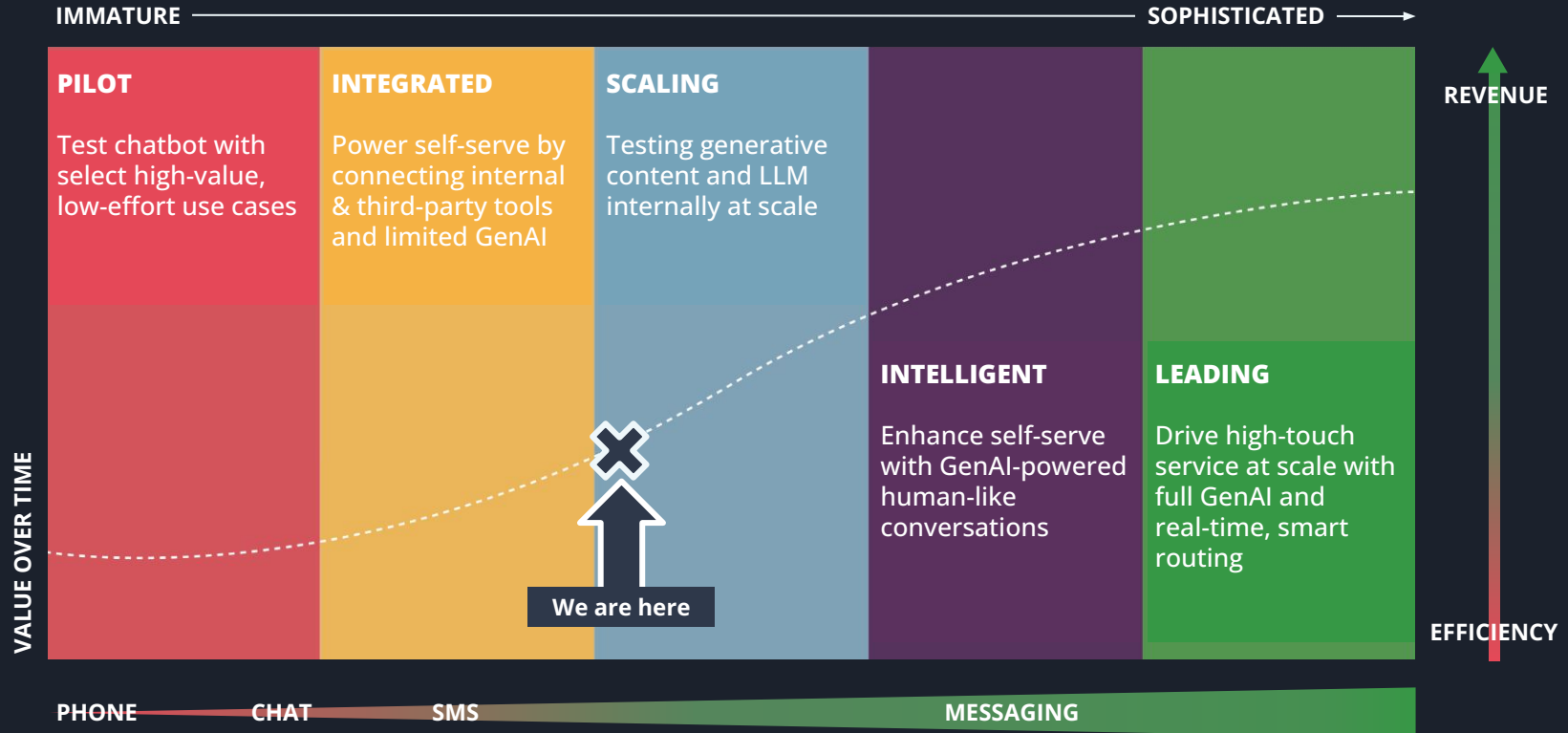
Test the efficacy of bot content and responses at scale

Video

<https://drive.google.com/file/d/1VrqdcXEYXgsE5VdYiXkwOHwRKSAh2xy8/view?usp=sharing>

Our “Walk, Don’t Run” GenAI maturation curve enables iterative building & testing of content, data, integrations, LLM, & guardrails, as we mitigate risk & drive value

Conversational Generative AI Maturation Model



Customers are increasingly engaging with brands that offer virtual assisted-selling on their websites for high-consideration & consultative purchases



Remote sales hit €1.3B in FY2022

Accounts for 3.3% of total sales

Goal is to grow the share to 10% in a few years

Remote sales via chat, phone & virtual "dark" store

Much higher conversion rates & AOVs than dot-com levels

In 3 months, 140K customer video chats from a virtual store location

50MM+ messages exchanged between 8K experts and 1MM+ customers

4MM product recommendations

Sources:

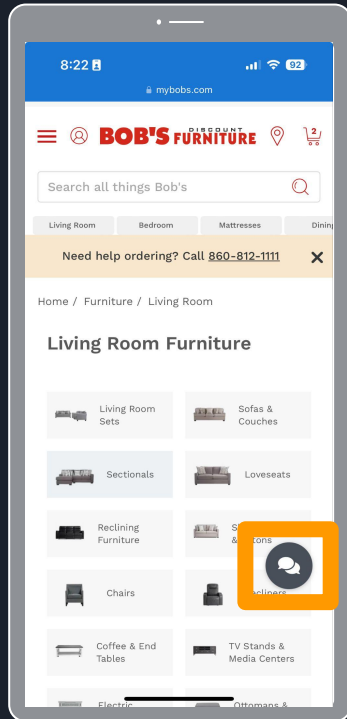
Ingka, ["AI and Remote Selling bring IKEA design expertise to the many"](#), Jun 29, 2023

Best Buy, [Q3 2024 Earnings Call Transcript](#), Nov 22, 2023

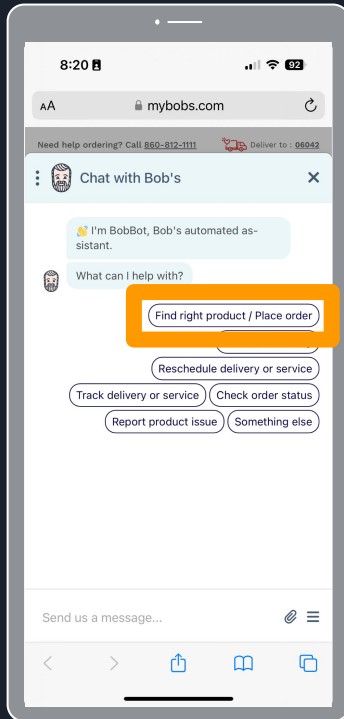
LinkedIn, ["A Co-Pilot for Curated Experts"](#), Sep 11, 2023

BobBot finds out what web guest is looking for, collects contact info to qualify, and then passes chat to Bob's Squad associate to help and close the sale

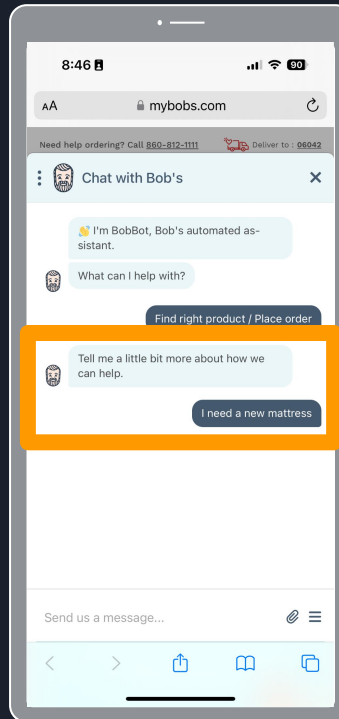
Web guest starts a chat



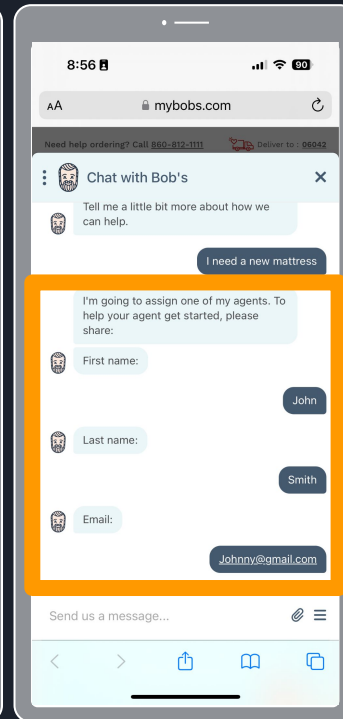
Guest needs sales assist



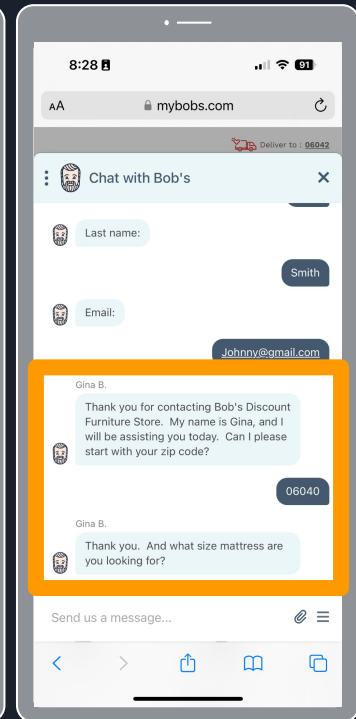
Bot asks how we can help



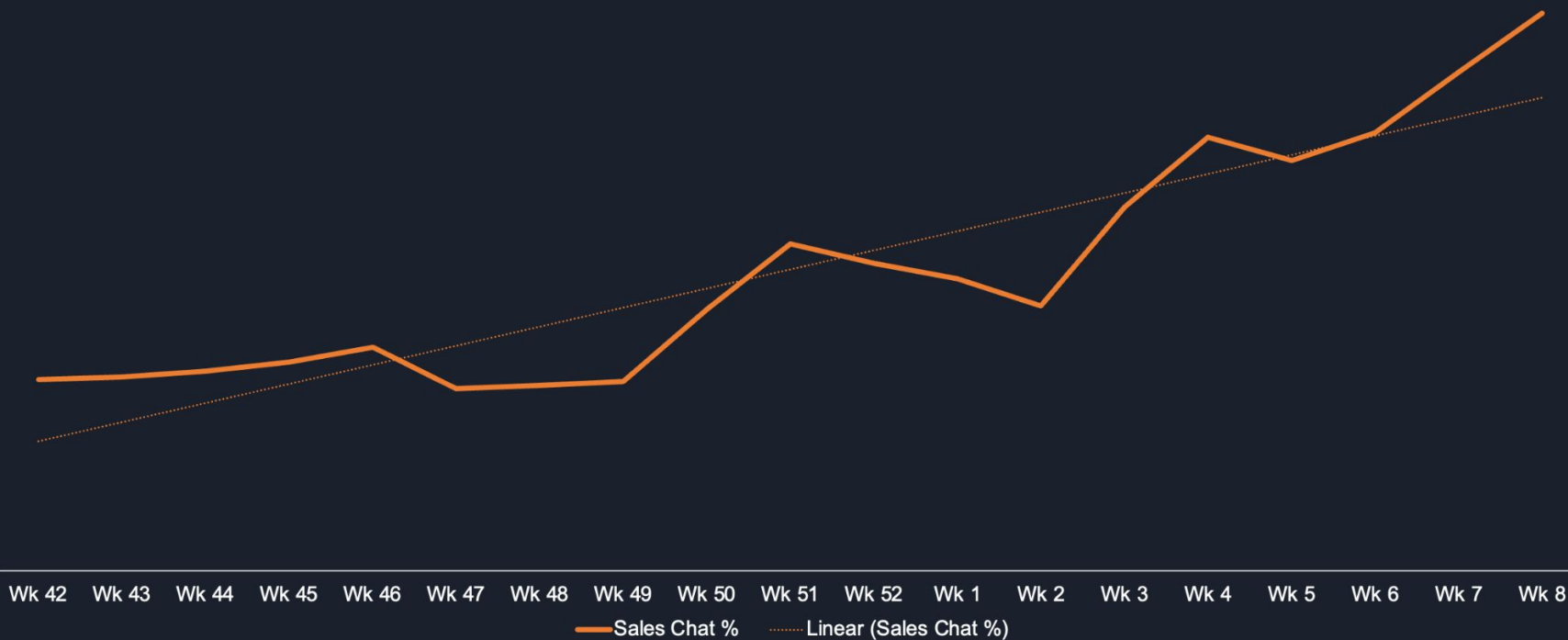
Bot collects prospect info



Squad associate joins chat



In less than 5 months, sales chat has grown to 10% of web sales with significantly higher conversion rate & higher average order value than an unassisted web sale



Step 4

Description

Goal

Offer high-touch experience with smart routing

We'll enable BobBot to answer questions, & intelligently route to agents based on skills, as needed

Provide high-touch, human-like service & reduce agent handoffs

Video

<https://drive.google.com/file/d/1HS7DsqUoNKpt5zQF0KyIx4TOeRxiEIIK/view?usp=sharing>

Address risks and barriers upfront to ensure organizational alignment

Team	Concern	How to Mitigate
IT	Data integration and SaaS platform efficacy	Invite IT in at the start to working team as a solutioning partner
Legal	Protecting customer data and risk of errors	Bring legal in early to set policies and guardrails
Marketing	Incorrect or inappropriate responses by the bot	Test internally at scale
Ecommerce	Customer interruption and UX friction	Ensure chat nudges provide utility with limited real estate and easy dismissal

Think about your high-value use cases, how to grow in to GenAI, and what is the right channel mix, plus make sure you promote the heck out of it

Area	Recommendation	Benefit	Tradeoff
Use Cases	Efficiency before Growth	Learn as you scale	Bottom- vs top-line priority
GenAI Usage	Limit initially & then scale	Lower risk	Higher build complexity
Channels	Chat then SMS & Messages	Chat adoption & faster build	Increased staffing for chat
Promotion	Proliferate self-serve links	Faster efficiency gains	Manual lift for tracking