

# Cablefax Daily™

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What the Industry Reads First

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## Bot Talk: AI Could Change MVPDs' Customer Service Efforts Dramatically

Large MVPDs are embracing artificial intelligence as a means to streamline customer service and support. In fact, **Comcast** and business services provider **Amdocs** believe bots could soon handle the bulk of customer service requests and help human agents more capably navigate the rest. The Missouri-based business services company, whose clients include MVPDs like **Altice USA**, **Charter** and **DISH**, hosted a panel Monday around the **Mobile World Congress Americas** focused on the use of AI in customer service. The takeaway: communications service providers are moving toward a model in which bots serve as a first point of customer contact and handle simple requests. In the event a customer's request is too complex for a bot, the goal is to facilitate a seamless handoff to a human agent equipped with AI-based tools. "AI has the power to completely upend the service models that we use today," said **Forrester** vp and principal analyst **Kate Leggett**. "With service providers, there's so much legacy technology that's embedded in these organizations that may take a decade or more to get there, but ultimately all the simple stuff is going to be picked off by AI-infused digital technologies." Currently, Comcast's use of consumer-facing AI is limited to a virtual assistant within its Xfinity My Account app. That, however, seems likely to change soon. **Eric Burton**, the company's vp, customer and employee tools, estimated 80% of inbound requests are simple enough for bots to take care of. Similarly, Amdocs gm/CMO **Gary Miles** asserted bots will handle 85% of customer service interactions by 2020. In addition to their potential as a cost-saving measure, AI bots allow customers to solve small issues more quickly without sitting on hold. Consumer sentiment still favors live agents over virtual ones by a wide margin (83% according to an Amdocs-commissioned Forrester study), but 66% of respondents said the most important aspect of customer service is that the company value their time. Leggett forecasted a near future in which companies have dramatically slashed their minimum-wage call center work forces in exchange for fewer, more-skilled replacements. Burton also said Comcast is moving toward having its human agents only handle issues too complex for bots. "More and more, our agents are handling the more complicated things," Burton said. "As we automate more and do more self-service across channels, they're left with that more complicated interaction to deal with." In addition to bots that directly correspond with customers, the panelists said agent-facing platforms that leverage AI technology will allow human employees to better assist with issues. It's a strategy Leggett called "agent empowerment." Comcast has



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begun experimenting with agent-facing toolsets to help make person-to-person interactions more efficient. "The average interaction when you reach a contact center agent today really relies pretty heavily on the agent to know how to navigate the systems and the tools that we've put in front of them, training, legacy knowledge, etc.," Burton said. "What we're really excited about is putting that AI capability on top of that existing knowledge base, on top of all of that rich data that we're sitting on, and using that to help serve up next best action, recommendations to the agents, riding along on the call during the chat with the agent, making recommendations in real time based on what's actually happening in the conversation." Burton also pointed to the handoff from bot to human agent as a critical step in the process, particularly with the technology in its nascent stages. "You have to make sure in these early implementations that you are very aware when the bot is no longer able to assist the customer or is highly unlikely to be able to assist the customer and immediately, seamlessly transition them to an agent," Burton said. The recent introduction of Xfinity Mobile has left Comcast with at least one short-term inefficiency, as it currently has separate customer service agents for the wireless service than for its legacy products. Operators are likely to turn to AI-based technology to help agents grasp new product offerings in a more effective manner.

**Comcast's Reassurance:** Last week, investors were rattled by **Comcast's** remarks at an investor conference that the company could lose 100-150K video subs this quarter because of competition as well as hurricanes. On Tuesday, Comcast chief *Brian Roberts* tried to settle those nerves at a **Goldman Sachs** conference, declaring the company's in great shape. "We hit a competitive patch this quarter in our opinion that was compounded by these two storms," he said. "And that's had an impact on our subscriber numbers a bit, even though, as we said, our overall customer relationships increased." Roberts' message was that the business ebbs and flows, and strategy shouldn't change mid-quarter because of "a couple of bad weeks." Longer term trends show "customer relationships will go up. Our cash flows go up. Our revenues up. We don't really see any change to that," he said. **Charter CEO Tom Rutledge** also spoke at the event, not expressing much concern about video competition. As for the hurricanes that recently hit the US, he put the number of people in Florida without power in Charter territories at 1.2m, estimating that 200-300K subs may need to receive a credit for a period of time. In Texas, there are still 15K customers without service and about 300 miles of infrastructure that may need to be replaced. As for virtual MVPDs, Comcast's Roberts reiterated that **NBC** would be doing deals with all, but Comcast still hasn't seen a model that makes sense for setting up its own such offering. The WSJ reported this week that an entertainment-focused streaming service for less than \$20/month is on its way from **Philo**, with channels from **Discovery Comm, AMC Nets** and **Scripps Nets** to be included. Charter's Rutledge said he didn't see the value in replicating its video service via OTT, but the MSO is a believer in making direct-to-consumer offerings out there available on its platform. Charter is experimenting with some niche OTT offerings for data-only customers, according to Rutledge, who said the group is extremely motivated by price and thus an easy target for bundles with video.

**YouTube for X1:** Comcast announced a deal to launch a **YouTube** app on X1, with YouTube videos also to be integrated into Xfinity On Demand. Last year, the MSO launched **Netflix** on the platform. It also offers up apps from **CBS Fantasy Football, Watchable** and **Pandora**. More details at **Cablefax.com**.

**FCC Chair Preaches Deregulation:** During his **Mobile World Congress** keynote Tuesday, **FCC** chmn **Ajit Pai**

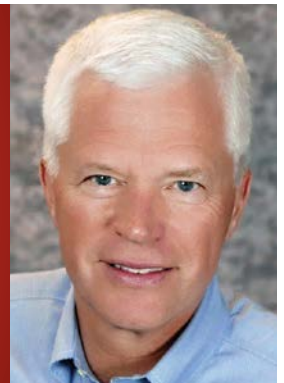
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maintained his image as a steward of growth in the wireless industry and reiterated his mission to foster private investment in high-speed network infrastructure. In addition to his effort to repeal Title II classification of ISPs, Pai cited the efficient distribution of spectrum and exploration of pole-attachment reform as ways to spur deployment to close the digital divide. “The plain reality is that the more difficult government makes the business case for deployment, the less likely it is that broadband providers, big and small, will invest the billions of dollars needed to connect consumers,” he said. “Too often, unnecessary rules make it more expensive to construct these networks than it needs to be.” **CTIA** pres *Meredith Attwell Baker* in her introduction of Pai called him “the right leader at the right time.” Pai kept his remarks on Title II and net neutrality brief, noting the Commission remains in the process of reviewing public comments as it moves toward a decision. CTIA is among those against the Commission’s Title II response, with Pai citing its belief that the regulations enacted in 2015 “hinder network investment.” Freeing up spectrum was also a hot topic, with Pai addressing a number of different bands. On the high end, he intends to present his fellow commissioners with an order to make more high-band spectrum available for commercial use. For low-band spectrum, Pai said the FCC has granted about 90% of applications for wireless licenses in the 600 MHz band in the wake of the incentive auction. The next step is working together with the wireless industry to ensure a smooth transition in the wake of the recent broadcast incentive auction. While Pai lamented rural communities’ ongoing lack of connectivity, he said there are “clear indicators that the marketplace is effectively competitive.” He specifically cited consumer choice, increased speeds, lower prices and greater consumer usage.

**LPTV Must Carry Complaint:** The **FCC** Media Bureau granted one must carry complaint by Mississippi broadcaster **Ellington** against **Cable One**, while denying the other. As a result of additional testing, the companies both agreed that low-power station **WPRQ** of Clarksdale, MS, fails to meet the requirements for carriage. The companies agreed however that Cleveland, MS, low-power station **WHCQ** does satisfy the requirements, with Cable One to begin carrying it on or before Sept 22 on its Clarksdale system. There’s a but here, though. WHCQ’s signal will end up being delivered to other communities, including Batesville and Courtland, because the system headend is not equipped to segregate signals by community. Thus, the Bureau ruled that if Ellington wants the station carried by Cable One, it will be required to indemnify the operator for any actual increased copyright liability for where it will have a distant signal.

**More Smith for NAB:** **NAB** announced a contract extension that will keep *Gordon Smith* in place as pres/CEO until May 31, 2023. The former US senator joined the broadcaster trade group in November 2009.

**FuboTV Fandom:** **FuboTV** is launching its first national ad campaign to promote the recent launch of “Fubo Premier,” a package of more than 65 channels. The campaign is set to include three 15-second commercials starring “Fubo Chávez: World’s Greatest Fan,” airing during the NFL season on top cable networks, RSNs in key markets, CBS, Fox and NBC. Additional spots have been created exclusively for social media. These ads are being introduced in conjunction with the company’s latest promotion, offering Fubo Premier to new subscribers for \$19.99 per month for the first two months.

**Ratings:** The latest installment of **FX’s** “American Horror Story” drew 4.56mln 18-49s and 6.91mln total viewers (L+3) for its premiere telecast Sept 5. “AHS: Cult” notched 9.01mln total viewers when two encore telecasts are added. It goes down as the 2nd most-watched cable program of the year for 18-49s and P2+ behind **AMC’s** “The Walking Dead.”

**Viacom Overhaul:** **Viacom** continues to shuffle the deck, moving a trio of execs into new and expanded roles for the upcoming **Paramount Network** launching next year. *Karen Cummins* will serve as svp, marketing partnerships for Paramount Net and **TV Land**, while continuing to oversee off-channel marketing for original series at TV Land. *Scott Gregory* was upped to the new role of svp, programming, media planning & acquisitions for the two nets, while *Deva Newman* will serve as svp, creative for Paramount. The shakeup sees Spike programming head *Tom Zappala* departing. **CMT** programming head *Jayson Dinsmore* also is exiting.

**People:** **AMC Networks** is elevating *Joshua Reader* to svp of distribution and new content partnerships. His new responsibilities will include managing licensing and affiliate marketing for its national networks. He’ll also be honing in on possible distribution and partnership opportunities for the company’s content on emerging digital platforms. -- **Comedy Central** upped *Shawn Silverman* to svp, brand marketing. This places Silverman at the head of strategic development for all non-channel paid ad campaigns as well as consumer and industry promotional events.