



SAP Leonardo Live

Not just another business conference

Conversational AI: Giving Voice to the Enterprise

Piyush Chandra, SAP

PUBLIC

SAP Leonardo **Digital Innovation System**

SAP Leonardo

Digital innovation system

Design Thinking
Services

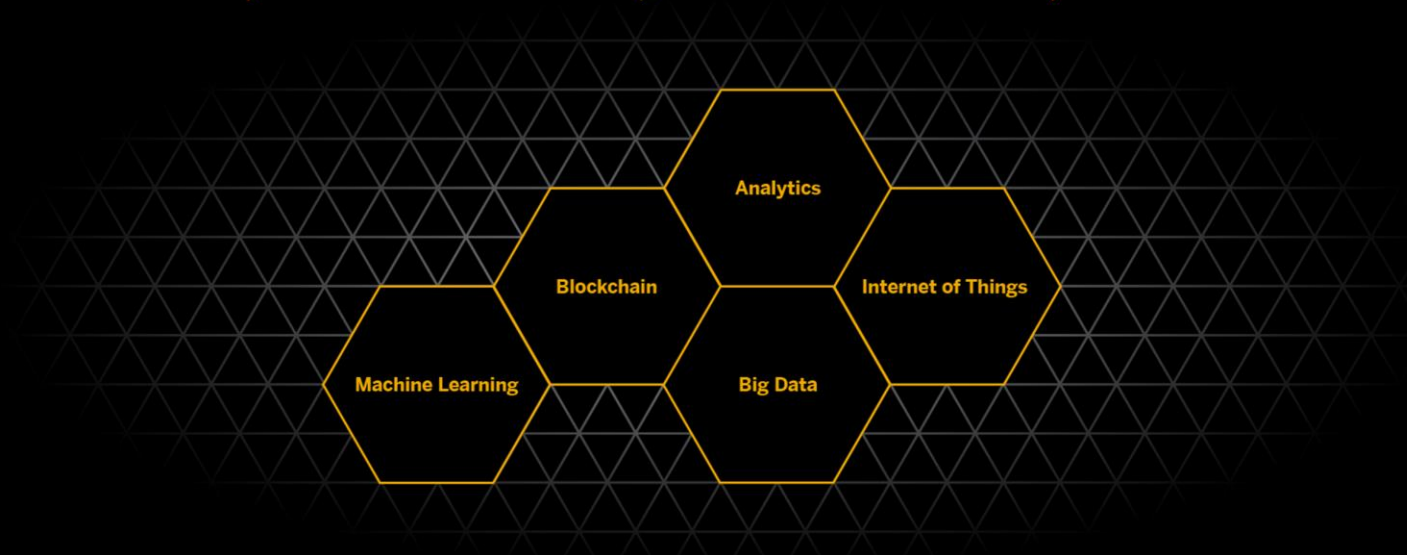
Solution Ideation
& Vision

Rapid
Prototyping

Business Case
Development

Technology
Blueprint

SAP Leonardo
Capabilities



SAP Cloud Platform

Microservices | Open APIs | Flexible Runtimes | Integration

Multi-Cloud Infrastructure

SAP Data Center

 Google Cloud Platform

Microsoft Azure

 amazon
web services

Conversational AI Ecosystem

Natural language processing (NLP) capabilities will enable a huge market

US\$11B

Global market size 2019¹

Messaging is the new platform

3 billion

monthly active users on the Big 4 messaging platforms²

Sources:

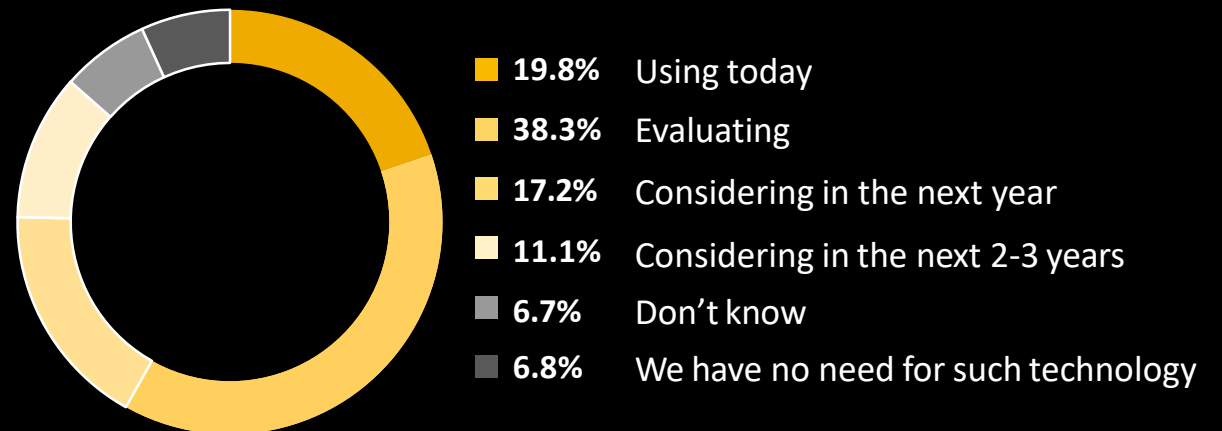
1: "Technavio Expects the Global Natural Language Processing Market to Exceed USD 11 Billion by 2019," Business Wire, February 2016.

2: "The Chatbots Explainer," Business Insider Intelligence, July 2016.

Almost **20%** of companies use virtual digital assistants today, and over **65%** are actively evaluating or considering them for the next 2 to 3 years.

Q: What is the state of your organization in using virtual digital assistants for client or employee interactions?

% of respondents



Conversational AI **at SAP**

What, Why, and How: Conversational AI and SAP

What



Deep natural language understanding

- Using voice and chat to interact with business software and get the job done
- SAP CoPilot digital assistant serving as the main user interface

Why



Simplified, natural user experience

- Computers learn how users work, not vice versa
- Faster task execution
- Less frustration

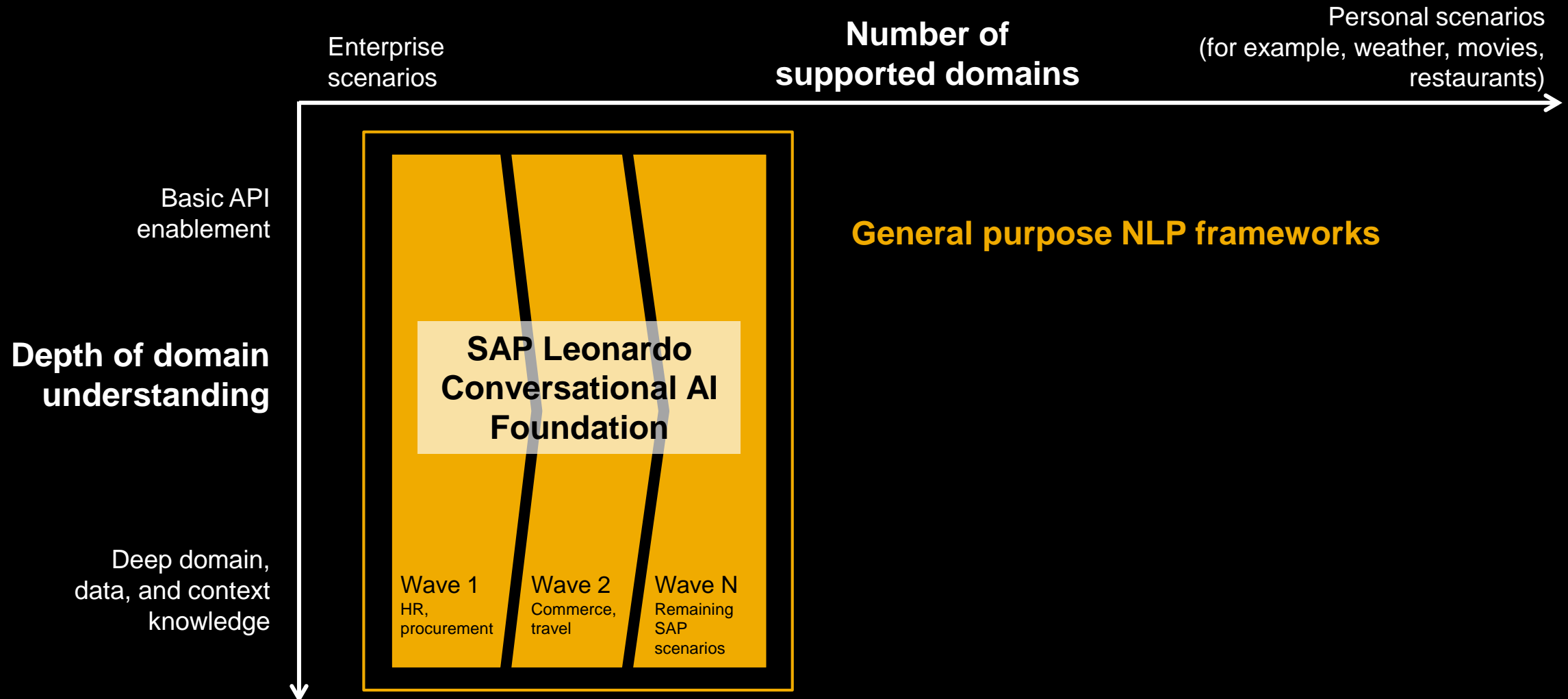
How



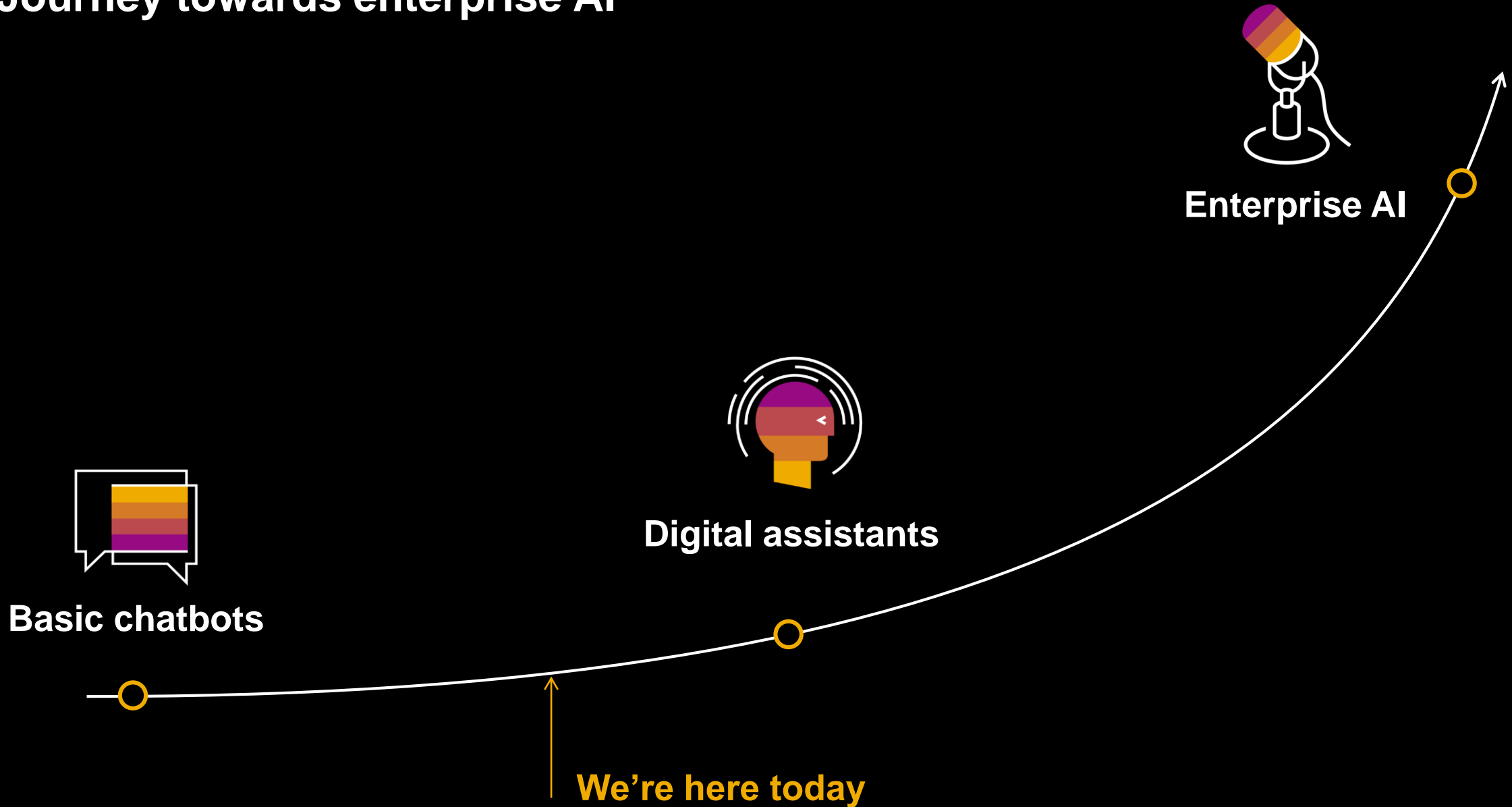
Development of Conversational Applications

- Across all 12 lines of business (LoBs) and 25 industries
- Private beta to build own conversational apps

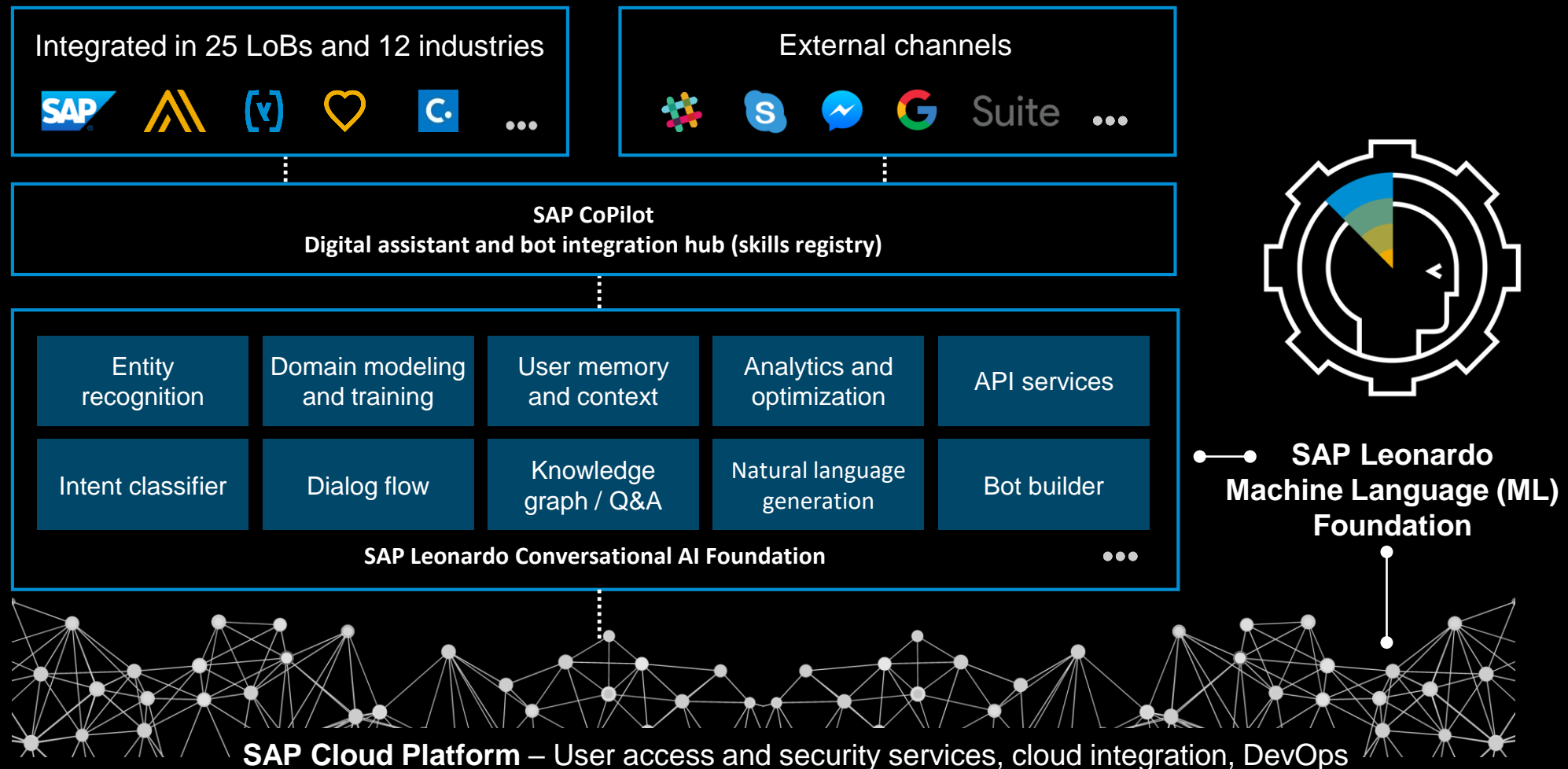
SAP's unique edge to conversational AI



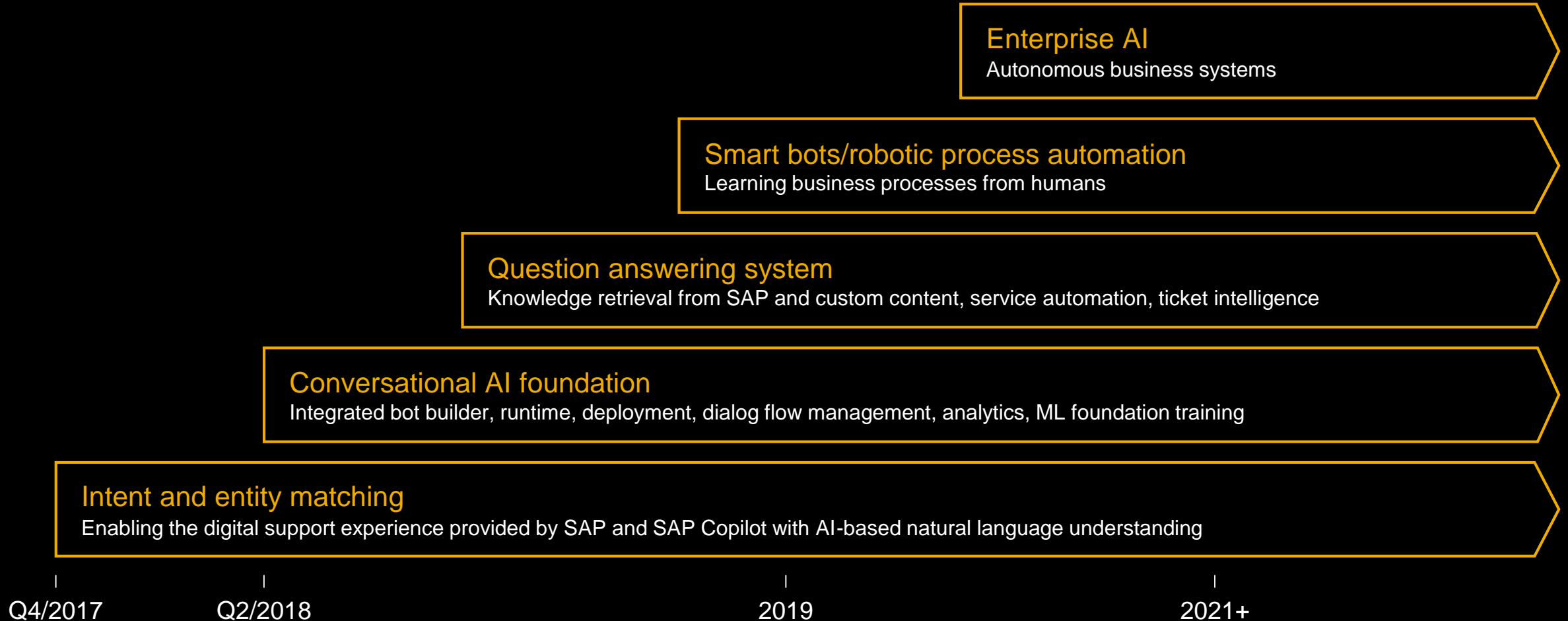
Journey towards enterprise AI



SAP Leonardo Conversational AI Foundation: **the engine for the next computing paradigm**



High-level productization road map: **from conversational AI to enterprise AI**



Industry Value and Use Cases

Industry value: **conversational customer service**

Customer experience factors

Increased adoption of AI assistants

- Billions of queries per week.

Cost of poor customer service

- Direct loss of business
- Unhappy customers.
- Customer churn

Business model factors

Companies find technology reduces ticket volumes.

- Reduced ticket volumes through knowledge base
- Reduced volumes through self-service
- **Chatbots combine these 2.**

Cheaper alternative

- Cost to call centers >> Cost of digital assistants

Potential use cases

Beneficiary

Use case

User stories

Customer

Everyday actions (reset password, pay my bill, where's my order?)

Conversational AI intent matching can identify customer inputs and return the correct intent for an automatic workflow to start.

Call center manager

Automatic answering of customer questions prior to human involvement

Conversational AI Q&A engine can attempt to answer customers' questions and preserve agents' time for more complex issues.

Industry value: **conversational finance**

Efficiency factors

Already in usage

- Mortgage advice chatbot to rate applicant's financial status
- Banking digital assistants to help with simple banking needs like bill pay

The financial industry sees chatbots as an opportunity.

- CAI as an opportunity by the FSI in industry
- Very powerful in combination with mobile banking

Top-line growth

Chatbots can provide affordable advice to consumers.

- It is costly to hire a qualified financial advisor
- Makes a top-tier service available for the masses

Chatbots can improve and increase access to advice.

- 24/7 service instead of 9:00 a.m. to 5:00 p.m.

Potential use cases

Beneficiary

Use case

User stories

Customer

Customers can reach out for service every time they want.

A customer wants to have good service, but also fast service 24/7.

Financial institute

Cost savings in combination with improved service for customer

Financial institute wants to provide good service to its customers, but without increasing its costs.

Industry value: conversational employee self-service (ESS)

Efficiency factors		Time-wasting activities – SAP employee
ESS has already reduced costs, but... <ul style="list-style-type: none">▪ Employees still waste time in their company's portal to execute certain actions.	Conversational as next step for productivity increase <ul style="list-style-type: none">▪ Employees still waste their work time doing admin tasks.▪ This could be improved with a quick chatbot.	ESS activities <ul style="list-style-type: none">▪ Leave request: 2:06 min▪ Open payroll: 00:40 min▪ Change own SAP contribution: 01:15 min

Potential use cases		
Beneficiary	Use case	User stories
Employee	Employee can access self-service tools more easily and take action faster, due to easy commands.	As an employee, I want to focus on my role-specific task and not waste time on admin tasks.
Employer	Cost is reduced on help desks, due to more accessible self-service. Employee productivity is increasing, due to saved time.	As an employer, I want my staff to be as productive as possible.



Q&A

Thank you.

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