

eBook

Reimagining Digital Transformation in 2021 and Beyond

ABBYY

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Tiny virus, enormous impact

Marked by a near-constant flow of bizarre, unpredictable events, 2020 will go down as one of the most disruption-laden years in modern history. As the COVID-19 pandemic swept the world and government leaders reacted to contain the spread of the virus, nearly every aspect of business and personal life was impacted. Businesses in every industry scrambled to adjust to stay-at-home orders, and unprecedented restrictions on personal interactions were implemented worldwide.

As these adjustments became part of their new reality, many organizations advanced to a new level of digital transformation, whether they had intended to or not. Tapping into intelligent automation enabled businesses to adapt to the new rules of a pandemic-stricken world and achieve new levels of efficiency, productivity, and customer service that will yield benefits for years to come.



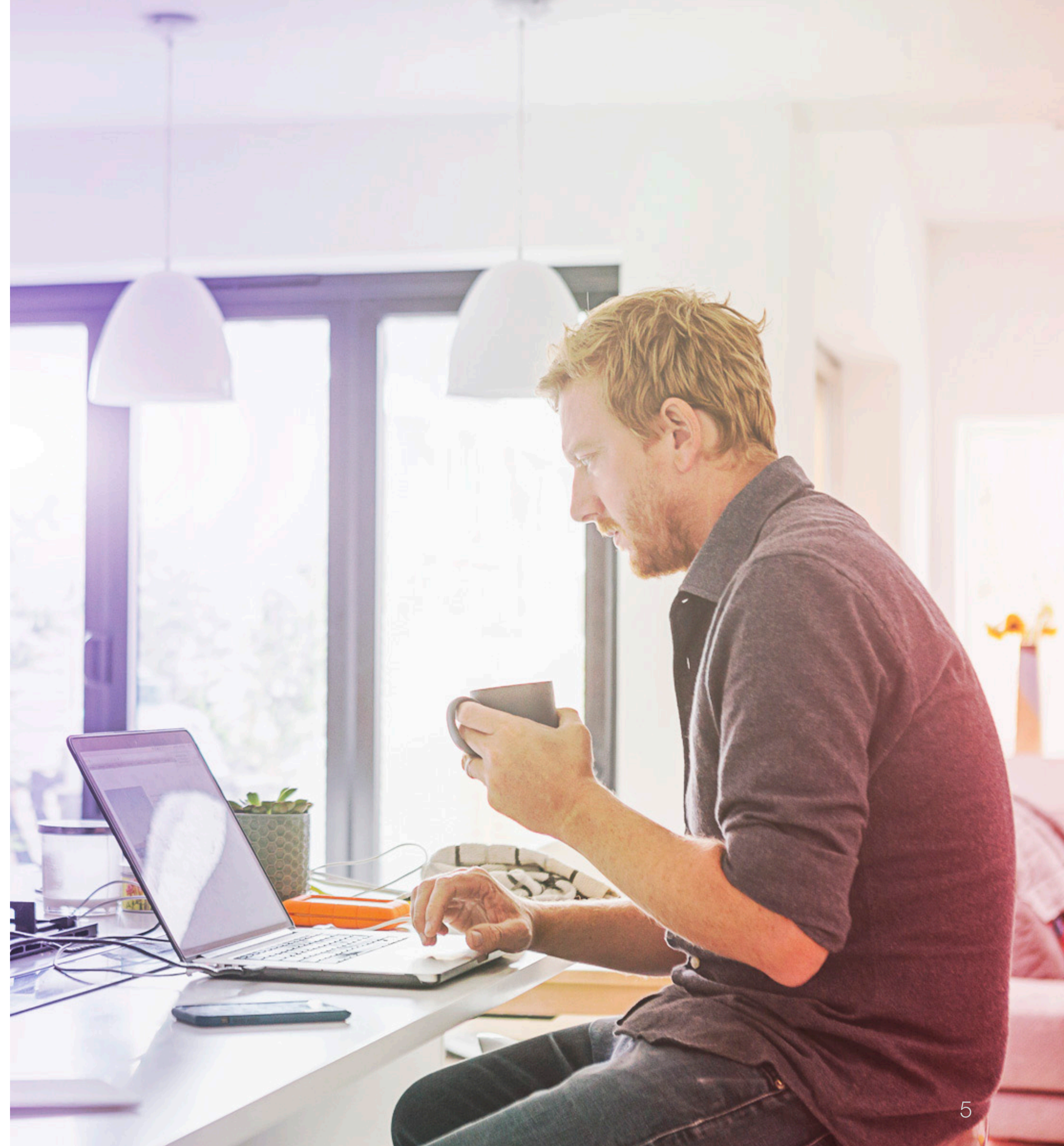


Transitioning to work-from-home workforces

As state and local authorities imposed stay-at-home restrictions to slow the spread of the virus, businesses suddenly found themselves having to manage remote workforces. In a [survey of workers taken in May 2020](#), more than one third—37 percent—responded that they had switched from commuting to a workplace to working at home.

Outside of office environments, employees relied more heavily on technology—particularly cloud-based digital services—to attend meetings and to complete their daily tasks. In March 2020, [Microsoft was forced to throttle](#) some of its cloud-based Office 365 services to maintain performance amid surging demand. By the end of April, teleconferencing company Zoom reported having about [265,400 customers with more than 10 employees](#), up 354 percent from the same quarter in the previous year.

In a post-pandemic world, not all employees who previously worked on-site will be returning to the office. According to a [Gartner survey of CFOs and finance leaders](#), 74 percent of respondents said they would transition at least 5 percent of their previously on-site workforce to permanently remote positions post-COVID-19.



Accelerating the shift from in-person to digital

The shift toward digital services was well underway before 2020. E-commerce, telehealth, and mobile banking, to cite just a few examples, have been transforming the consumer landscape for years...for certain demographics.

With the onset of the pandemic and the ensuing stay-at-home orders, consumers who had been reluctant to embrace digital services, e.g. older demographics, were left with no choice but to make the leap—and fast. Today, many 70-year-olds are as likely as 25-year-olds to recognize the convenience of doing business online, realizing that relying on technology for low-touch/low-value interactions can free up time for more meaningful experiences. Not having to drive across town for a follow-up doctor's appointment or stand in line at the bank means more time for the enjoyable things in life. The pandemic may have dragged these consumers kicking and screaming into the digital age, but today they're pretty comfortable there, and chances are they're going to stay.

Shifting the last of the laggards into the digital world has hit the accelerator on the trend toward online services. In April 2020, [new mobile banking registrations increased by 200 percent](#), while mobile banking traffic rose 85 percent. On the healthcare front, between February and May, the percentage of [patients saying they have used telemedicine services](#) increased from 11 to 23 percent. And as of late April 2020, [retailers saw a 146 percent year-over-year growth](#) in online orders.

It remains to be seen what the balance of in-person-versus-online services will look like once COVID is in the rearview mirror, but the results of a September 2020 consumer poll provide some strong indications:

45%

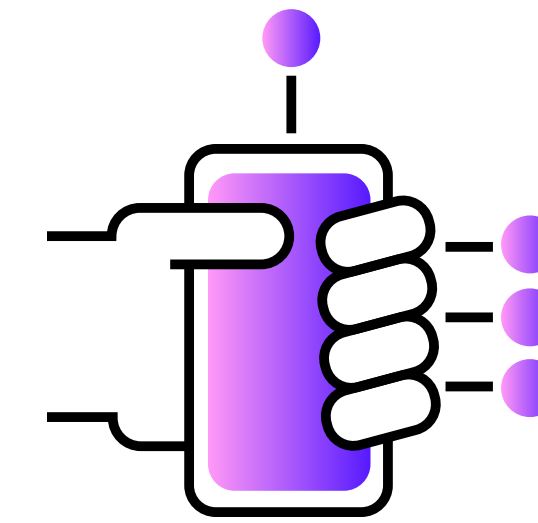
of respondents said they would use more online services after the pandemic than before it began.

31%

of respondents age 65 and over said they planned to shop only online after stay-at-home orders were lifted.

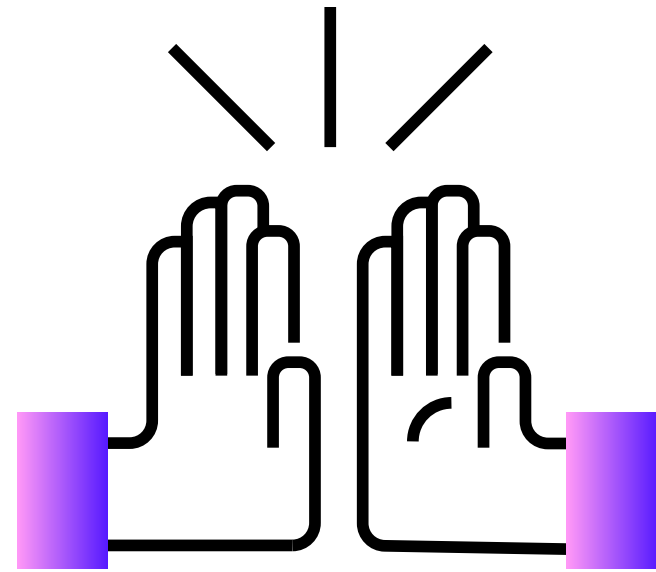
1/3

of respondents age 18–24 said they planned to continue watching sports, concerts, and movies online after the pandemic instead of going to stadiums or theaters.



The COVID-19 pandemic did not introduce these types of interactions or the supporting technologies. What it did do is force their mass adoption across demographics. Consumers who once vowed they'd never touch a smartphone app became power users overnight, requiring an equally massive shift in the way businesses approach digital transformation.

New realities in customer service



In the first few weeks of COVID lockdowns, call centers experienced a surge in traffic from customers requesting to cancel travel plans, [defer mortgage or credit-card payments](#), and check on investments. At the same time, call centers were making fundamental changes to their operating models as agents began working from home.

The result? [Wait times that often extended into multiple hours.](#)

These short-term peaks in reliance on call centers and online help forced their normalization across the demographic spectrum, thereby bringing digital interactions completely into the mainstream.

With the shortcomings of a phone-first service model made painfully obvious, call centers were forced to fast-track their digital transformation efforts—which was good news for their customers. Innovations such as AI-powered “virtual agents,” new or updated self-service capabilities, and process automation enabled organizations to adapt to the pandemic in the short term. Over the long term, these enhancements helped businesses better meet the needs of customers demanding a faster, more convenient, more personalized experience.

This realization is making its way into investment decisions for customer service organizations. In a survey of IT decision-makers,

45%

said they plan to invest in web chatbots for customer service due to the COVID-19 crisis.

42%

will invest in in-app chatbot messaging (WhatsApp, Facebook Messenger, etc.).

37%

will invest in interactive voice response (IVR).

34%

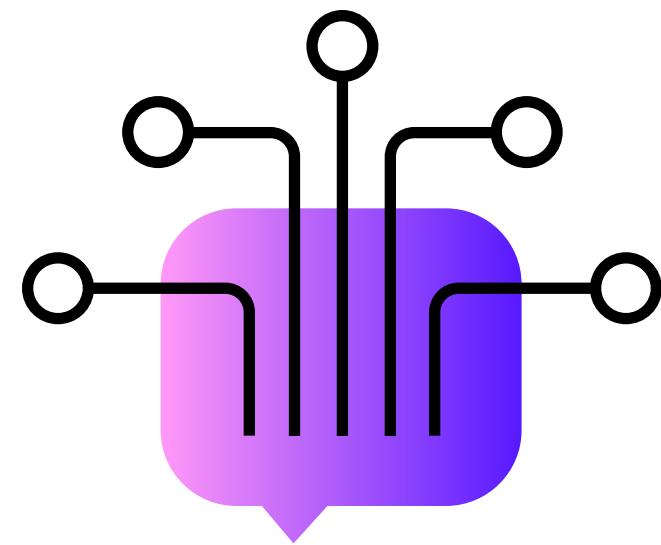
will invest in voice-based virtual agents.



Customer-facing automation now becomes an immediate opportunity for value-added service and competitive differentiation. In addition to improving and scaling processes, automation introduces opportunities for experience innovation.

↳ Brian Solis, CIO magazine, June 2020

A global recession



As the virus continued to spread and lockdowns dragged on, the contraction in goods and services purchased heralded the onset of a global economic downturn. In June 2020, [the U.S. National Bureau of Economic Research officially declared a recession](#), the first since the Great Recession of 2007–2009.

The World Bank envisioned a [5.2 percent contraction in global GDP](#) for 2020, and an October study estimated the [cost of the pandemic in the United States at \\$16 trillion](#)—an impact four times greater than that of the previous recession.

Faced with declining revenues, along with uncertainty over the duration of the pandemic, organizations were forced to do more with less, and many turned to automation as a result. [As Brookings Institution Senior Fellow Mark Muro noted in The Economist](#), “automation tends to happen in bursts, concentrated especially in bad times such as in the wake of economic shocks when humans become relatively more expensive as firms’ revenues rapidly decline.”

Intelligent automation for humans

Hyperautomation, robotic process automation (RPA), virtual assistants, and digital workforces were familiar topics on the global business scene long before COVID-19 entered the picture. In fact, [Gartner listed hyperautomation as its No. 1 technology trend for 2020](#), in a list published months before the pandemic began.

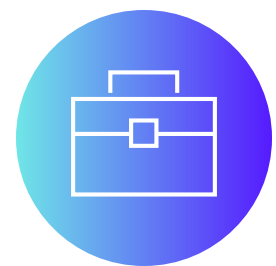
What the pandemic did do is shift the focus of intelligent automation from technology to people. COVID-fueled challenges—particularly remote workforces and consumers' need for contact-less services—necessitated a shift in perspective on the goals of automation. Instead of automating processes as a means to greater efficiency and lower risk of error, organizations recognized an opportunity to make life better and easier for customers, employees, partners, and other human stakeholders.



By October 2020, according to an [IDC study](#), initial indications of this long-term trend had started appearing across industries. For example:



In **healthcare**, nearly one-third of consumers said they were interested in having a telemedicine option post-pandemic, and providers are predicted to increase spending by 70 percent on connected health technologies by 2023.



In **hospitality**, 85 percent of brands said they would provide customers with self-service options by the end of 2021.



In **foodservice**, 30 percent of restaurants using third-party delivery platforms said they would implement native delivery options to offer home delivery without third-party fees.



In **retail**, customers' use of contactless payment options surged during the pandemic, and 85 percent of retailers said they would offer at least two contactless payment options by 2023.

Digital transformation in action

Businesses across industries turned to ABBYY technologies to help them pivot in the face of a global lockdown. Here are two examples of ways we helped organizations and individuals adapt and continue doing their best work.

Casting a lifeline to small businesses

When the U.S. government put in motion the SBA Paycheck Protection Program (PPP), businesses with fewer than 500 employees rushed to apply for SBA PPP loans. Banks were soon overwhelmed with applications as the daily demand for loans exceeded what the SBA processes in an entire year. Applicants were frustrated by the lengthy end-to-end process, which threatened to delay the receipt of funds.

ABBYY, together with Blue Prism and Lateetud, automated SBA PPP loan application processing during the two rounds of funding, which totaled \$349 billion and \$310 billion, respectively. Many banks benefitted from the solution, including First Home Bank. With the help of [ABBYY](#) and digital workers, up to 14,000 loan applications could be processed every day. Application processing times shrank to just under two minutes—30 times faster than processing applications manually.

In an unexpected crisis, ABBYY was part of the solution that helped First Home Bank and others quickly and accurately process loans, saving 85,000 jobs across the United States.

Empowering non-profit organizations

A non-profit organization based in Philadelphia, Pennsylvania, carries out important services for victims of domestic abuse. Processing stacks of paper police reports is one of the first steps in gathering details and creating a plan to help victims. As COVID-19 swept the country, the staff transitioned to work-from-home operations, and without access to an office scanner, police reports started piling up. At a time when already carefully managed budgets were stretched to the maximum, the team that handled this process had no viable solution for doing their work.

The organization discovered that ABBYY offered a complimentary subscription to [ABBYY FineReader](#) mobile app to support people and organizations throughout the pandemic. After easily downloading the app, the team got to work. They were able to scan and digitize pages, working through police reports so that victims of domestic abuse could continue to receive care and support throughout the pandemic.

Shifting the automation paradigm

In many organizations, the tendency to “automate first, ask questions later” has historically dominated conversations around driving positive change. As businesses shift their perspectives to focus on people, they are starting to ask whether automation—and even process improvement—is the answer to the most pressing questions at hand, which now include

- 1 How do we offer customer experiences that delight?
- 2 How do we stay ahead of cyber-threats?
- 3 How do we make contactless transactions work flawlessly?
- 4 How do we get people to focus on high-value interactions with others while having confidence that technology can safely manage the low-value transactions?





Redefining the rules

We are only just beginning to see the long-term impact of the events of 2020 on the global business environment. While the new realities span from internal (remote workforces) to external (changing customer needs) to global (worldwide recession), organizations find in intelligent automation a multifaceted solution that puts technology at the service of people. In a post-COVID world, those businesses that (perhaps grudgingly) embraced AI-driven technologies will be well positioned to enjoy greater productivity, happier customers, and a healthier bottom line.



For more information, visit:
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