IBM Watson's New Conversational Capabilities Bring Brands and Consumers Closer

Watson Virtual Agent extends conversational capabilities for novice users and experienced developers alike, enhancing how businesses and customers communicate

LAS VEGAS - 25 Oct 2016: IBM (NYSE: IBM) today introduced Watson Virtual Agent, a cognitive conversational technology that allows businesses to simply build and deploy conversational agents. These agents, or "bots," have emerged as businesses look to improve customer engagement, offering customers quick responses to queries and addressing potential issues in real time.

Watson Virtual Agent allows users – from startups and small businesses to enterprise – to easily and quickly build and train engagement bots from the cloud, harnessing the power of cognitive technologies. Companies like Staples and Autodesk are embracing services that go beyond simple, narrowly focused tools to sophisticated full-blown virtual agents, relying on deep natural language processing capabilities that can be used to assist consumers.

The established model of creating a digital or virtual agent requires experienced developers with a highly specific skill set to create complex systems that rely on custom – and often cumbersome – rules. Watson Virtual Agent helps accelerate users' ability to deploy bots, including pre-trained cross-industry content, with minimal configuration, simplifying the process for both seasoned developers or users without formal technical training.

According to the latest research by Gartner, "by 2020, at least 80 percent of new enterprise applications will make strong use of chatbots." That same research indicates that, "by 2021, 'conversational AI-first' will be adopted by the majority of enterprise IT organizations as the most important new platform paradigm. The 'conversational AI-first' meme will supersede 'cloud first, mobile first' by 2021."

IBM's conversational capabilities enable users to build solutions that can be easily deployed across platforms – whether on social media, SMS, mobile app, embedded within a website or even in other form factors, like robotics.

"Our platform continues to evolve as we tap IBM's science and research capabilities to enhance our services," said David Kenny, general manager, IBM Watson. "IBM is advancing the technologies on the platform in the area of conversation, all with a mission of helping brands transform their customer experience, empowering users to create solutions that deepen engagement and facilitate stronger, more positive interactions."

Companies like Staples, Autodesk and the Weather Company are now creating applications and services embedded with IBM's conversational technologies, allowing the companies to streamline business operations,

enhance customer service and create a more personalized experience. For example:

- **Staples**, the business solutions provider, is using Watson Conversation in their "Easy System" bringing the on-demand world to customers, allowing them to order anytime, anywhere, from any device they prefer. By tapping into Watson, Staples will now offer a seamless ordering interface for customers across their ecosystem whether it's via their Easy Button, through the app, over Facebook Messenger or with a Slackbot. The interface simplifies the customers' shopping experience, allowing them to quickly reorder supplies, track shipments or chat about customer service needs.

- **Autodesk**, a leader in cloud-based design and engineering software, is using Watson to provide an improved experience for its customers and partners globally. Autodesk's use of Watson comes at the same time as the company's shift to a fully subscription-based delivery model, where there is a higher level of expectations from customers for real-time customer service and support. Autodesk is deploying Otto with Watson to deliver anytime, anywhere, any channel service, support and information to customers and partners globally. In the pilot testing phase, Otto enabled Autodesk to increase its ticket resolution time by 99 percent and significantly improve customer satisfaction. The time it takes to resolve an issue can be as fast as it takes a customer to enter the required information as opposed to a day and a half without Watson.

- **The Weather Company** has created a bot for Facebook Messenger that serves up personalized weather content. Users can receive specific weather information based on individual interests and news preferences, creating a personalized weather experience based on call and response interactions within Messenger.

Watson services, like Watson Virtual Agent and the Watson Conversation API, draw on advances in natural language processing, machine learning and deep learning, gained from IBM Research innovations and strategic acquisitions. These conversational capabilities join existing Watson services such as IBM Watson Tone Analyzer, Watson Speech to Text and Watson Text to Speech, offering users a full suite of cognitive capabilities to build conversational agents and other solutions.

Both Watson Virtual Agent and Watson Conversation are offered as cloud-based services, which allows for ongoing enhancements to content and capabilities. The services are available on the IBM Marketplace; and via the Watson Developer Cloud on Bluemix where a growing number of enterprise users, small and medium sized businesses, as well as developers, students, entrepreneurs and tech enthusiasts, are tapping into cognitive capabilities to pilot, test and deploy new business ideas.

About IBM Watson: Pioneering a New Era of Computing

Watson represents a new era in computing called cognitive computing, where systems understand the world the way humans do: through senses, learning, and experience. Watson continuously learns from previous interactions, gaining in value and knowledge over time. With the help of Watson, organizations are harnessing the power of cognitive computing to transform industries, help professionals do their jobs better, and solve important challenges.

As part of IBM's strategy to accelerate the growth of cognitive computing, Watson is open to the world, allowing a growing community of developers, students, entrepreneurs and tech enthusiasts to easily tap into the most advanced and diverse cognitive computing platform available today. Watson solutions are being built, used and deployed in more than 45 countries and across 20 different industries.

For more information on IBM Watson, visit: ibm.com/Watson and ibm.com/press/watson. Join the conversation at #ibmwatson.

Gartner: 'Conversational AI to Shake Up your Technical and Business Worlds.' 30 September 2016 (https://www.gartner.com/doc/3463317/conversational-ai-shake-technical-business)