

LivePerson, IBM Watson Announce New Offering to Transform Customer Care

Combined platform for AI, bots and messaging advances customer care for large brands from analog voice calls to intelligent digital interactions

NEW YORK CITY - 15 Jun 2017: LivePerson, Inc. (Nasdaq: LPSN), a leading provider of cloud mobile and online business messaging solutions, and IBM (NYSE: [IBM](#)) have announced LiveEngage with Watson, the first global, enterprise-scale, out-of-the-box integration of Watson-powered bots with human agents. The new offering combines IBM's Watson Virtual Agent technology with LivePerson's LiveEngage platform, allowing brands to rapidly and easily deploy conversational bots that get smarter with each interaction, and lets consumers message those brands from their smartphone - via the brand's app, SMS, Facebook Messenger, or even the brand's mobile site - instead of having to call an 800 number.

The customer care sector has lagged behind consumers in terms of technology adoption, still requiring most interactions to be conducted by analog voice call. In fact, customers make more than 270 billion phone calls to customer support lines each year^[1].

This legacy approach has not kept pace with the consumer move to smartphones and messaging apps, now the dominant way consumers communicate digitally. Forrester's 2017 Customer Service Trends report revealed that "Customers of all ages are moving away from using the phone to using self-service — web and mobile self-service, communities, virtual agents, automated chat dialogs, or chatbots — as a first point of contact with a company" and, according to Dimension Data, while there has been a 12 percent decline in phone volume, there has been growth in every digital channel^[2].

LiveEngage with Watson helps meet that demand - allowing consumers to message large brands from their smartphones and instantly get answers from AI-powered bots, with human care representatives brought in seamlessly, in real-time, if a bot is not able to resolve an issue satisfactorily.

The move will help enable millions of consumers to avoid the frustrating experience of legacy, voice-based customer support, which requires them to dial an 800 number, wait on hold, then talk to an agent, and often multiple agents over multiple phone calls.

LiveEngage with Watson gives brands the ability to customize bots based on their own unique corpuses of data - from product manuals to customer service guidelines - creating a personalized interaction that can be up and running as quickly as in a few days. These bots can be informational, personalized, and transactional - quickly addressing the most commonly raised customer service issues such as taking bill payments and finding contact information - while bringing in human expertise when necessary to drive effective customer engagement.

"Providing customer care over 800 numbers is not just extremely costly — it is a poor and antiquated experience for consumers," says Robert LoCascio, founder and CEO of LivePerson. "Nobody likes waiting on hold. This partnership between IBM and LivePerson marries the technology and services to solve the problem at scale. We're working with top brands in the telecoms and banking space right now to get this done, moving customer care away from costly, analog voice calls with frustrating hold times and toward consumer-friendly

mobile messaging. We're thrilled to form this partnership. No other company but IBM brings this sophistication of cognitive technology and breadth of supporting consulting and implementation services."

"LiveEngage with Watson is designed to meet the needs of today's 'always on' consumers and deliver the sort of timely, high quality brand experience that they expect," says David Kenny, senior vice president, IBM Watson and Cloud Platform. "By combining the power of IBM Watson and LivePerson's LiveEngage platform, we are expecting to accelerate customer service as we know it today by leaps and bounds. This is yet another powerful example of how cognitive technologies like Watson are helping professionals improve and enhance how they interact with customers."

As business decisions continue to be made with the help of AI, customer care will be no different. IBM Global Business Services, the company's consulting unit, is providing a set of strategy and implementation services to help companies integrate LiveEngage with Watson as part of their broader business transformation. By building experiences that learn, and adapt, into core processes, companies can deliver better engagement with customers. Together with LivePerson, IBM plans to operate a Cognitive Care Center of Excellence to help enable brands to drive this change at scale.

About IBM Watson: Pioneering a New Era of Computing

Watson represents a new era in computing called cognitive computing, where systems understand the world in a way more similar to humans: 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. Join the conversation at #ibmwatson.

About IBM Global Business Service

For more information, visit <http://www.ibm.com/services/gbs>.

About LivePerson

LivePerson, Inc. (NASDAQ: LPSN) is the leading provider of mobile and online messaging business solutions, enabling a meaningful connection between brands and consumers. LiveEngage, the Company's enterprise-class, cloud-based platform, empowers consumers to stop wasting time on hold with 1-800 numbers, and instead message their favorite brands, just as they do with friends and family. More than 18,000 businesses, including Adobe, Citibank, HSBC, EE, IBM, L'Oréal, PNC, and The Home Depot, rely on the unparalleled intelligence, security, and scalability of LiveEngage to reduce costs, increase lifetime value, and create meaningful connections with consumers. For more information, please visit www.liveperson.com. To view

other global press releases about LivePerson, please visit pr.liveperson.com.

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