

Disruptive Co-Browsing Solution for Digital Customer Relationship Improvement



Bud Albers
CEO

CEOCFO: *Mr. Albers, what is the concept for Recursive Labs™?*

Mr. Albers: At Recursive Labs we focus on helping companies re-humanize their online channel. We see that as business continues to move increasingly online, companies tend to lose the human element in the customer relationship. If you look at most organizations they will tell you their number one asset is their people. We are all about allowing people to reconnect, to use technology to enable them to reconnect with their customers. We do it through a series of technologies that we believe are both the easiest and the safest way to share the web. We are building out a platform in this space. The space we live in is something that Gartner calls the collaborative customer interface. It really positions us where businesses, their business models, their technology, their service organizations and their customers all meet. We live at that intersection. As we work with those organizations our Realtime product allows companies to interact with their customers and to see exactly what their customer is seeing in their browser in real time without the need for any kind of a download and in a way that completely protects the PII or the personal health information of the consumer. We have struck a very nice balance there and we have recently launched our Replay technology, which is extremely revolutionary. We can actually allow people to record what they are seeing on the web and to do a voiceover narration at the same time. We do this without the need for any installed software at all on the part of the person doing the recording.

CEOCFO: *How does the voice part work?*

Mr. Albers: We have a no download voice combined with the video. Let's talk about it first in a customer service use case. If I am getting up in the morning and checking my bank, I look at it and I see that I am charged the service charge. Then the first thing you do, if you are me, is say something inappropriate because I'm upset. The second thing that I do is say, "Okay, now I have got to figure out how I am going to get this corrected." In a standard situation you have got one of two choices. Either you spend a fair amount of time trying to get to get through to the call center, wading through all of the silicon people who are trying to prevent you from doing the one thing that you want to do, which is tell another human being about your problem, or you use the less satisfying version of doing it via email. In the latter case, you are never quite sure, "Did I get my point across, did they get everything they need," and so on. With our new Replay technology and integrated voice, you are actually able to, if the bank is using our technology, click on a link and start a recording session. Now I can actually both show you what's going on and speak directly to what I am showing you. For example, as I circle the transaction on the screen, I can say "I am a platinum customer; I should not have a service charge. If you look right here on the fifteenth of June, I am circling your charge number on the screen. Would you guys please correct this for me and let me know? Thank you." Click and send. Now, instead of wading through all of that or trying to write out the long email, I have actually taken about fifteen or twenty seconds, I have been able to communicate verbally, which is, from the re-humanization part, what you want to do as a person. It's much more natural for us. In this case, I have been able to communicate my frustration or my anger or my emotion or my concern. With Replay, we will take all of your voice and screen session input and merge it into a video. Again, the consumer did not have to download anything or use any preinstalled software. We were able to just click and go – turning their session into a video and integrating the voice track right in along with the visual. We also do it in a way that is wickedly efficient in terms of the video size. Since I used to work for Disney as CTO, I refer to it as adding a little "Disney Magic" to the process. We are at a point with the way we create the video where we are actually able to produce two minutes of video in a file size that is smaller than a standard iPhone photo.

CEOCFO: *However, how do you know people are comfortable with that?*

Mr. Albers: We aren't doing anything that should make anyone uncomfortable. Yes, people will have to learn that they can actually do this, but what we are doing is presenting another option. Another way for them to communicate. When you think about omni channel kind of interactions and the customer experience you definitely want to provide options. Some

people are absolutely going to want to interact with a person. That is where our Realtime product comes in so that you can see the exact same thing that your customer is talking about over the phone. We can service the live online channel that way. Then there is this time shifted notion. We are in a hugely busy time in the world and everyone is heading in a million different directions and you do not always have time to do interact live. Therefore, today we rely on email and email is fine in some cases. In other cases it is a lot less than satisfying. What we are trying to do is provide our customers with choice. If they want to talk to a person we can deal with that. If they want to be able to convey a richer set of emotions and actually see and say and talk about what is going on or if they just want to describe it in email; that channel already exists. We are trying to make it better.

CEOCFO: *What allows you to do this without downloading or effort on the customer or on the company's part?*

Mr. Albers: Our patent pending technology allows us to work with companies and their customers in this way. If you were talking about a bank or a financial institution they would implement our technology with a single line of JavaScript code in their web environment. It's really that simple. Once they have embedded our code, they have the ability to interact in either that Replay time shifted mode or the Realtime mode. Once this is done, there is nothing required on the part of the customer in terms of downloading or installing software. Support however is only one channel for us. We are also releasing our Replay Enterprise technology, which enables things like online training to occur in a very similar way. From a training perspective, one of the problems we often see is with the pace of change today, how to do you keep everyone in a large corporation with a global footprint up to speed on what's going on. If you make changes to a website and now you have thousands of call center representatives and you are now able to create a quick vignette about exactly what changes were made on the website, we can show you visually. We can walk through the site and if you use our APIs at any point through the video you can jump out of video and actually go to the exact page in your browser, frame accurate to the second with what you are seeing in the video player. You can create this experience for a fraction of the cost of what it might take otherwise.

"Increasingly companies are seeing digital as a rapidly expanding part of their value chain. We enable companies to bring people together in that digital experience. We enable you to link consumer to consumer or customer to enterprise. For companies that are looking to get an advantage, that are looking to lean forward and figure out what the next generation of consumer experience is and for companies that think their people actually make a difference interacting with their customers; I think we are the perfect fit." - Bud Albers

CEOCFO: *That seems awfully disruptive! Have people been trying to come up with a solution like this?*

Mr. Albers: There have been some early attempts at this. Like everything it takes time to reach the right answer. There have been some early attempts at using some of the same techniques you would use the data center to get there or to use some awkward pieces that, again, have been less than fulfilling. From that standpoint, what we have come up with is really a revolutionary new way to do this and our patent actually enables it to be an extremely light touch. We were on the phone yesterday with a Fortune 100 organization and the wow factor, when you show them what they are able to do, is really terrific. You are right; I think it is a game changer. That is why I got involved. Our technology works in a way that heretofore has not been possible. Another key element of our technology is it's secure core. For example, if you are working in the healthcare space, we come out of the box HIPAA HiTech compliant. While there is nothing inherently vertical about our application, our founder came up with the idea working on one of the early healthcare exchanges under the Affordable Care Act. Because it really started in the HIPAA high tech realm, the very first implementation that we ever did, we had to pass HIPAA high tech. Foundationally, this forced us into a world of making sure that privacy and security were at the foundations of everything we do. In fact, there are many collaboration technologies out there that start with a lightweight, easy to use interface for collaboration. However, when you get into highly secure environments these types of approaches are not secure enough to meet the requirements. That is because it is a very different set of tenants and principals that underlie what you are trying to do. Therefore, we actually started from the premise of it had to be incredibly secure and pass all of the stringent requirements presented by a highly regulated industry. From there, the task was going back to making it easy to use, which we've done. With these capabilities, we are actually able to protect information at the field level during the share, without ever having to change any of the underlying site code or architecture in our customer's environment. This means if for example, you are creating a Replay video, we can dynamically redact a social security number so that it appears as bullets or is blanked out in the video. The person creating the video sees it, but all those they are sharing with do not. Protections like this are part of the configuration we work through with our customers.

CEOCFO: *Where are you today? Is it still in development? If it is in the marketplace, who is using or who is looking?*

Mr. Albers: For confidentiality reasons, based on our agreements, I cannot really speak to exactly the brands that are using our technology today – but I can say we are in process with several names that are very recognizable. From a

product perspective, in terms of what is available, first off, is our Realtime product is generally available and installed in several places. We have just released our Replay recording technologies into beta. We are working with several groups on the beta including a major retailer, one of the largest insurance companies and several technology companies. We are also bringing a handful of technology channel partnerships to market. Overall, we are gaining some real traction in healthcare, financial services and telecom and following closely with several key technology companies as well as travel and hospitality.

CEOCFO: *Is it easy to get an audience? Do people respond because the idea is so good or is there a lot of skepticism before you are even able to show someone what you have?*

Mr. Albers: We have not found a lot of skepticism. Occasionally, you do, sure. However, what we have found is that companies are hungry for innovation. They are looking for ways to innovate in their customer experience. They are looking for ways to improve their overall customer experience. We have been really, really pleased with the fact that we have been able to continue to make progress with many of the Fortune 1000 institutions. They are looking ways to get better and that is really encouraging. That keeps us going here every day.

CEOCFO: *Are you funded for the next steps? Are you looking for partners or investments?*

Mr. Albers: When you ask anyone who is running a young technology company you are never “not looking or considering funding opportunities”, right? However, the net is that my investors have been terrific. We are funded. We will probably be seeking some more investment at a point in the not too distant future here. We are going to have to take the next steps now that we have proven out that base line. However, for the immediate future my investors have been really stellar and have been very excited in the concept and I am pleased with the continued faith that they have shown in what we are doing.

CEOCFO: *Where does mobile come into play or does it at this point?*

Mr. Albers: Mobile absolutely comes into play! Today we not only do your desktop, we do the mobile web as well, flawlessly. We also work very well in the cross platform development world. The next steps for us are really adding the native mobile capabilities, so that you can actually embed us across any customer experience channel regardless of the technological approach. Also in our model, we do not charge separately for using the mobile endpoints. We want to be able to provide that complete 360 interactive customer experience in the online channel for our customers to support their customers. When we set up our business model, we did not look at creating per seat model, like you do in the chat world, where you charge X per person using the technology. This leads to a world where our customers are forced to carve up their call centers into specialists. We function in concert with both voice and chat so we did not want to force more silos and inefficiency into our customers’ environments. That’s not what we are about. We charge instead based on concurrent capacity, regardless of the device.

CEOCFO: *Are you ahead of the game with the rehumanizing concept or are people getting the concept these days?*

Mr. Albers: I have spent my career trying to be ahead of the game. If people really stop and think about it, particularly in retail, because we are also making some nice headway into retail, I am old enough to remember the days where you walked into the local store and whether it was clothing or whether it was hardware, the person that you worked with really knew their stuff. They really knew what was going on and they made a personal difference for you as the customer. We can enable companies to bring back that more personal touch. If you think about it that way, re-humanizing that relationship makes all kinds of sense. If you don’t do it you open yourself up to disruption. Again if you think about retail, not building that relationship and leaving it to a solitary online shopping experience, you are perfectly setup for some type of function and feature driven race to minimum margins with Amazon. Nobody wants to be there. It isn’t an attractive proposition. It’s not even a good one for Amazon. They obviously get the re-humanizing side of the equation. They have to—they bought Zappos.

CEOCFO: *What has changed from your original concept?*

Mr. Albers: The original concept that we had when I came here was that Realtime was going to be peer to peer, customers, co-browsing and co-shopping. While, eventually that may become part of the equation, the notion of coordinating everyone and getting them on in real time did not make as much sense to me as did looking at customers interacting with the contact center and our role in the overall customer experience. That was a big change for us that we started to make about a year ago as we were even looking at building out the final release versions of our product. Getting into the mode where our primary focus with Realtime was customer to call center instead of customer to customer was a big shift for us. We are returning to our consumer to consumer roots a bit with Replay Social, which is fun – but either way the consumerized start we have had has meant our technology focus has had to remain on ease of use. So our core tech

always has an easy to use, social feel to it. This means it does not have a big, high, learning curve or complex central console that requires a lot of training to get started.

CEOCFO: *Why is Recursive Labs noteworthy?*

Mr. Albers: People should pay attention to Recursive Labs because the world is increasingly all about customer experience. I read an article the other day where by end of 2015, Deloitte is saying that almost two thirds of in store interactions with customers will have had some digital component that influenced the purchase. Increasingly companies are seeing digital as a rapidly expanding part of their value chain. We enable companies to bring people together in that digital experience. We enable you to link consumer to consumer or customer to enterprise. For companies that are looking to get an advantage, that are looking to lean forward and figure out what the next generation of consumer experience is and for companies that think their people actually make a difference interacting with their customers; I think we are the perfect fit.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

recursivelabs™

Recursive Labs

For more information visit:

www.recursivelabs.io

Contact:

Bud Albers

314.266.4805

Bud@Recursivelabs.io