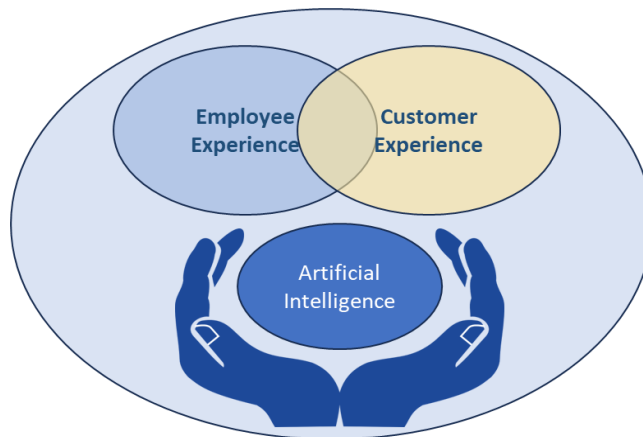


ICXI -POST newsbriefing

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Introduction From The President

in almost every sector Artificial Intelligence(AI) is certainly the hottest topic in town. It promises to resolve or improve so many issues in so many categories from medicine to manufacturing and marketing to mining. In many areas the early results are already impressive, but what impact could it have on the mutually beneficial symbiotic relationship between the employee experience and the customer experience?



Perhaps the best starting point is to put the question to artificial intelligence itself. ChatGTP was asked the question

How can AI improve the mutual experience of customers and employees?

The answer was fairly full and is summarised as

AI can significantly improve the mutual experience of both customers and employees in a variety of ways. Here's how:

1. Enhanced Customer Experience

AI technologies can help businesses understand, anticipate, and fulfil customer needs more efficiently. Here are some key ways AI contributes to customer experience:

- **Personalization:** *AI can analyze vast amounts of customer data to tailor experiences, from product recommendations to targeted marketing, ensuring that customers receive relevant and personalized interactions.*
- **24/7 Availability:** *AI-driven chatbots and virtual assistants allow customers to get support anytime, reducing waiting times and improving satisfaction. For example, AI-powered systems like chatbots can handle routine queries while escalating complex issues to human agents.*

- **Faster Resolutions:** AI can quickly analyze customer behavior, purchase history, and preferences, allowing support teams to resolve issues faster and with more relevant solutions. Predictive algorithms can anticipate customer needs and resolve problems before they escalate.
- **Seamless Omnichannel Experience:** AI integrates various customer touchpoints (social media, website, email, etc.) to provide a consistent and fluid experience across platforms, enhancing customer engagement and loyalty.

2. Improved Employee Experience

AI not only benefits customers but also significantly enhances the work experience for employees:

- **Automation of Repetitive Tasks:** AI can take over mundane and repetitive tasks like data entry, appointment scheduling, or answering FAQs, freeing up employees to focus on more meaningful, strategic work.
- **Better Decision-Making:** AI can provide employees with insights based on real-time data, helping them make informed decisions faster. For example, AI-powered dashboards can guide employees in customer service to suggest solutions or offer promotions tailored to the customer's profile.
- **Training and Development:** AI can be used to provide personalized training and skill development based on the individual needs of employees. AI-based learning platforms can adapt to an employee's learning pace, helping them develop skills more efficiently.
- **Improved Collaboration:** AI tools like natural language processing (NLP) can analyze internal communications, streamline workflows, and help teams collaborate more effectively, reducing silos and improving productivity.
- **Employee Well-being:** AI systems can monitor workload and productivity, suggesting breaks or changes in tasks to prevent burnout. Some AI-driven platforms can also provide wellness support, offering insights on how employees can manage their work-life balance better.

3. Bridging the Gap Between Customers and Employees

AI can serve as a bridge that aligns the interests of both customers and employees, enhancing mutual experiences:

- **Customer Insights for Employees:** AI can provide customer-facing employees with detailed insights into customer preferences and behaviors, enabling more meaningful and empathetic interactions. This helps employees feel more empowered in their roles, while customers benefit from personalized service.
- **Feedback Loops:** AI-powered tools can analyze customer feedback in real-time, allowing businesses to quickly adjust and improve services. This helps employees feel more in control of the service experience and enables quick action to improve customer satisfaction.

•**Dynamic Workflows:** AI can optimize workflows in real-time based on customer demand, ensuring employees are assigned to the right tasks. For example, during peak times, AI systems can redirect resources or flag priority customer interactions, ensuring smoother operations.

•**Customer Empathy through AI Insights:** By using sentiment analysis, AI can help employees gauge customer emotions during interactions, enabling them to respond with more empathy and understanding, thus improving the quality of service.

4. Continuous Learning and Adaptation

AI systems continually learn from customer and employee interactions, allowing businesses to adapt to changing behaviors and preferences. This not only benefits customers by improving services over time but also enables employees to keep pace with evolving expectations.

Conclusion

By automating routine tasks, delivering insights, and providing personalized support to both customers and employees, AI can create a more satisfying and efficient environment for everyone. Customers receive better, faster, and more tailored services, while employees benefit from tools that make their jobs easier, more enjoyable, and impactful. As AI continues to evolve, these mutual benefits will likely expand, driving higher satisfaction and loyalty on both sides.

Opinion

There is a great deal of “Can Do” in that output but not much “Is Doing” so what is going on in the real world?

In the GENESYS blog *How AI is Redefining Customer Experiences and Employee Satisfaction* of April 24 David Norrie explains

Now is the time for businesses to progress their AI blueprints to provide the unmatched experiences their employees and customers desire. In taking on this role, I thought it would be fitting to share some of my thoughts about AI’s impact on the future of CX and EX as well as some best practices for how businesses should approach their evolution.

One of the biggest obstacles business leaders face when adopting and deploying AI for CX/EX is inadequate scoping of AI projects. Without clear, well-defined objectives, AI initiatives often fail to address the specific needs and challenges of the business, leading to suboptimal outcomes. Many businesses also struggle with data siloes, inconsistent data formats and incomplete data sets that undermine the accuracy and reliability of AI models.

A recent Gartner survey analyzing the keys to successful AI implementations and the impact of generative AI revealed that businesses are continuing to face challenges on this front. The survey stated, “AI projects are difficult. On average, only 48% of AI prototypes make it into production, which is lower than in the 2021 AI in Organizations Survey (54%). Similarly, it takes longer to go from AI prototype to production — on average 8.2 months, versus 7.3 months in 2021.”[1]

Empowered Employees Are the Foundation of Exceptional CX

I believe AI will increasingly be instrumental in improving CX but will also prove revolutionary for EX in the next decade. Historically, many businesses have chronically underinvested in their employee experience. But this mindset is finally shifting as organizations recognize the critical impact of employee satisfaction on overall business performance. One of the most transformative developments is the introduction of intuitive, consumer-grade user interfaces in AI-powered tools for employees. These interfaces, which are already becoming standard, drastically improve usability and engagement, making work processes more efficient and less painful for employees.

Products like the Genesys Cloud™ platform are leading the charge and enabling organizations to shift numerous impactful changes into the realm of configuration rather than custom builds. This flexibility allows companies to move away from clunky, cumbersome systems that have plagued employees for years — essentially eliminating the “death by a thousand paper cuts” scenario that has been all too common. As a result, employees can experience a dramatic reduction in friction and frustration in their daily tasks. Holistic improvements in the workplace lead to higher productivity and better job satisfaction, empowering employees to deliver exceptional customer experiences. This creates a virtuous cycle of enhanced performance and satisfaction for both employees and customers.

Intentional Experience Orchestration Will Win Customer Loyalty

After years of adding channels and complexity, businesses are realizing that offering a lesser experience across every channel is not sustainable. Instead, intentional orchestration of experiences tailored to each channel’s strengths is becoming the new standard..AI and machine learning are key to enabling hyper-personalized experiences and predictive customer interactions that anticipate customer needs; proactively resolve issues; and deliver seamless, consistent experiences across all touchpoints. However, the real opportunity for businesses to differentiate today is to thoughtfully design these interactions to match the specific context and preferences of their customers.

While the transformation in EX will be revolutionary, the ongoing evolution in CX will be characterized by consistent enhancements in personalization, efficiency and intentional design. Together, these advancements will reinvent how businesses approach both the employee and customer experience — fostering a more connected, efficient and satisfying environment for all.

The Dual Impact of AI

AI is driving a new age of efficiency and personalization throughout all experiences. This dual transformation is ushering in a new era of experience orchestration through a synergistic environment where satisfied employees deliver exceptional customer experiences.

Another viewpoint is put by Annette Franz of CX Journey in her article of June 2024

HOW AI IS CHANGING EMPLOYEE AND CUSTOMER EXPERIENCES



I wrote today's post for [RingCentral](#). It covers a joint research study they conducted in partnership with Metrigy about the impact that AI is having on both the employee experience and the customer experience.

I feel like I keep saying this: "Artificial Intelligence (AI) is the hottest topic in employee experience and customer experience right now." I've been saying it for a while now, but it's true! The conversations range from how to best use AI to improve the employee experience and the customer experience to how it will impact employees (job loss?) and customers (creepiness?). In the end, I think the results speak for themselves – the outcomes have thus far been positive.

There is a growing acceptance and reliance on AI, according to a study published by Metrigy and RingCentral titled, [How AI is Changing Employee and Customer Experiences](#). There were certainly some interesting findings in the research. For starters, almost half of the 700 companies included in the study already use AI for customer and/or employee interactions. And, apparently, the commitment to using AI to improve either experience isn't just lip service; the average annual AI tech spend on employee experience and customer experience, according to the study, is \$3.3 million, with spending increases planned. The good news is that about half of these companies are already seeing a return on their AI investments.

How is it impacting both employee and customer experiences?

Let's start with the employee experience – especially because we know that the employee experience drives the customer experience. It has to. Without employees, we have no one to design, build, sell, implement, install, deliver, service, or support our products. Without employees, there is no need for customers. (Ed. Something of a chicken and egg point)

For employees, AI can help to reduce burnout and increase efficiency, productivity, and satisfaction levels. Some of the ways it can do that are by:

Automating routine, menial, repetitive tasks

Managing workloads, scheduling meetings, and setting reminders

Assisting on calls to streamline and speed up issue resolution

Summarizing calls or meetings to save time

Analyzing data and gleaning insights from vast amounts of data

Personalizing learning and training modules and programs

Trust me. There are a lot of other ways that AI can be used to benefit employees and their experiences. Metrigy's study found that 40% of companies reported that AI reduces the number of customer interactions requiring live support, shortens the time of interactions, reduces the time for after-call work, helps with re/scheduling appointments, gives agents advice to meet sales quotas, and gives agents advice to meet service KPIs.

For customers, AI can help to increase satisfaction by simplifying interactions and personalizing experiences. Just a few of the ways it can do that are by:

Creating and delivering content based on individual customer preferences and behaviors

Orchestrating journeys and being there when and where they need you with next best actions to ensure they achieve their desired outcomes

Providing multi-language customer support

Being available 24/7 for customer support

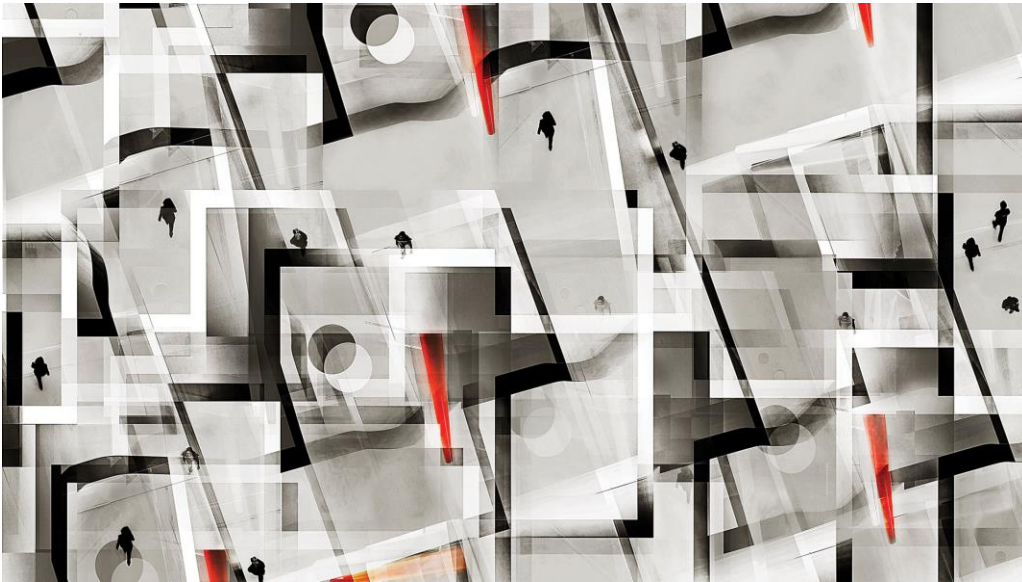
Predicting future behaviors to engage proactively and prescribe personalized offers and content

As we consider moving forward with AI, we can't ignore brands' top concerns about using it. The top three concerns are the quality of the data set, data privacy, and malicious use of technology. I'm guessing these are all customer concerns, too.

Don't get left behind when it comes to AI. There are a lot of great use cases and a lot of great benefits for employees, for customers, and for the business! If you haven't yet started using AI in your business, consider a few basics before you begin: Why do we need AI? What problems will it solve for employees, for customers, and for the business? How will we measure success? Do we have the right data to ensure that we get the most out of it? Do we have the right tools and technology, as well? And don't forget to involve employees in the decisions and then train them on how to work together with AI.

Harvard Business Review in their publication

Customer Experience in the Age of AI summarise the situation as



Companies across all industries are putting personalization at the center of their enterprise strategies. For example, Home Depot, JPMorgan Chase, Starbucks, and Nike have publicly announced that personalized and seamless omnichannel experiences are at the core of their corporate strategy. We are now at the point where competitive advantage will be based on the ability to capture, analyze, and utilize personalized customer data at scale and on how a company uses AI to understand, shape, customize, and optimize the customer journey. The obvious winners have been large tech companies, which have embedded these capabilities in their business models. But challenger brands, such as sweetgreen in restaurants and Stitch Fix in apparel, have designed transformative first-party, data-driven experiences as well. The authors explore how cutting-edge companies use what they call intelligent experience engines to assemble high-quality customer experiences. Although building one can be time-consuming, expensive, and technologically complex, the result allows companies to deliver personalization at a scale that could only have been imagined a decade ago

Personalisation of the customer proposition is at the heart of the publication which goes on to explore and explain the potential operational and competitive advantages (and thereby threats) of the use of AI. It also goes on to explain some of the potential barriers to AI implementation.

Most companies don't have the bandwidth, resources, or technical prowess to compete with the likes of Comcast or Starbucks. The best approach for challenger brands is to develop a data and tech road map with granular requirements tied to specific, customer-driven use cases. For example, a company will need to figure out which customer data elements must be used in real time to power recommendations in the app, or it must determine which systems must talk to each other after a booking is made to suggest relevant add-on services. Then it must bring together the business and tech teams to work iteratively, focusing on delivering value as they build the foundation.

In the most successful digital transformations of the past decade, we have observed what we call the **70/20/10 rule: Seventy percent of the effort of changing an organization—its processes, ways of working, key performance indicators, and incentives—involves people. Twenty percent entails getting the data right. The remaining 10% is about the technology foundation.** This breakdown stems from four impediments. First, most companies are still set up to be product-first, not customer-first, making it impossible for the dozen or so teams that cover channel, market, and product silos to collaborate. The increasingly popular role of chief customer officer was created to solve this problem, to orchestrate the people and moving parts behind the many customer touchpoints. Second, analytics is not infused throughout the business, and no single platform integrates customer data and enables advanced analytics. Third, content is created manually and not tagged for reuse. Finally, agile ways of working, even if common in IT teams, are generally not used by cross-functional teams. Without tools to facilitate teams' rapid experimentation and learning, companies end up with inconsistent, stagnant experiences across channels.

Building an Intelligent Experience Engine

To fulfill every goal the customer may have for an end-to-end experience, companies must think through how to design the flow of a given moment, the information needed to support it, and the cross-channel or cross-party connections (for instance, between in-store and online or in mid- or postexperience) required to successfully complete the interaction. This is not just an exercise in journey mapping or technology planning. It is about developing the front-end flow to the customer and the back-end fuel to drive intelligent experience engines.

Intelligent experience engines are not built just at the highest level of an end-to-end experience, such as enabling better security services at Brinks. They must also be surgically focused on microgoals—positive individual moments that compose the total experience—and ensure that all those goals get stitched together.

The fact that the perception of AI is that it is potentially the key to the resolution of many organisational issues it is interesting that there appears to be little development being done on the combined improvement of the links between the customer and employee experience as one integral issue. If the aim of AI is to provide greater personalisation of the proposition to the customer then should the experience of the employees delivering that proposition be developed in parallel? If the customer is the king at the banquet then should not the experience of those delivering the banquet be similarly enhanced to ensure the quality is sustained? Employee experience AI still appears to have an HR type feel rather than a customer experience focus.

Zendesk however do address some of the issues in their [blog](#)

What is AI for employee experience?



AI for employee experience means leveraging artificial intelligence technology to improve all aspects of the employee journey, including onboarding, performance, development, support from internal service teams and access to information to perform daily tasks.

The key to running a successful business is creating an environment that fosters an exceptional employee experience (EX). When employees are happy, customers get better service, which improves customer satisfaction (CSAT) and, ultimately, your bottom line.

11 ways to use AI to improve the employee experience

You can't deliver an excellent customer experience (CX) without an equally excellent employee experience. After all, everything starts with the people building your products and delivering your services. Here's how you can make the employee experience better by using AI.

1. Enhance agents' skills

Remember the scene in The Matrix where Neo plugs into the combat training programme and excitedly learns different kinds of fighting styles? That's what it's like when you provide your agents with AI-powered tools.

2. Manage more requests without adding headcount

When teams are struggling to keep up with customer requests, AI can help them manage them more effectively. Enhancing your IT or HR help desk software with advanced bots allows you to provide 24/7 employee support and empower employees to help themselves. Advanced bots are pre-trained to understand employee intents and common issues, so they can resolve problems with natural, conversational support – often without involving an agent. That means AI handles a portion of requests and deflects tickets with self-service options, making queues more manageable.

3. Streamline workflows with intelligent routing

Routing tickets quickly and efficiently puts issues in the hands of the right agents for faster resolutions. Intelligent routing and triage – a feature that automatically categorises incoming conversations based on customer intent, sentiment and language – reduces manual sorting and prioritisation of requests from across channels. AI includes important context with the conversation, too, so IT or HR support understands how to approach the interaction

4. Onboard new agents faster

Businesses can streamline employee onboarding by integrating AI into the process. AI chatbots guide new hires through routine customer service training programmes and provide answers to frequently asked questions in real time. They can even create personalised training paths for new employees, accelerating their learning so they can start serving customers faster.

5. Improve operational efficiency.

AI can monitor and analyse processes and data to identify patterns and trends, make predictions and suggest improvements to streamline operations. This deep reporting and analytics data allows decision-makers to provide better tools for employees that eliminate bottlenecks and make their jobs

6. Surface internal knowledge and resources for easy employee access

Enhance your knowledge base with AI-powered systems that surface internal information and resources to employees. This improves efficiency and assists with decision-making.

7. Collect feedback and boost employee engagement

Regularly connecting with your employees and collecting feedback can help you keep a pulse on employee sentiment. With AI, you can analyse how employees are feeling through surveys, chat and messaging interactions, and other types of feedback to identify areas for improvement. Use AI to create personalised training plans and career development recommendations. This enables businesses to invest in their employees and creates a positive company culture that celebrates employee value.

8. Manage and track team performance

AI-powered reporting and analytics can provide real-time data on agent performance, helping management identify strengths and improvement areas. Use AI to gain a deeper understanding of how different teams interact with each other and identify data spread across different systems. This allows you to break down data silos, improve collaboration across departments and better understand what you need to refine your internal customer service.

9. Use predictive analysis to provide proactive support

Preventing agent burnout benefits employees and your business by reducing employee turnover. With predictive analytics, HR can use AI to identify early signs of agent burnout, address the issue with proactive support and increase employee retention. Just as you can use AI to understand when a customer is stuck on your website and may need assistance, you can use AI to determine when an employee needs support.

10. Collaborate with AI-powered tools

Siloed data makes it challenging – if not impossible – for teams to provide consistent and effective support. AI-powered collaboration tools consolidate data and make it easier for teams to share knowledge and communicate with one another. These tools include virtual assistants that help schedule meetings, manage calendars and coordinate projects.

11. Accelerate content creation

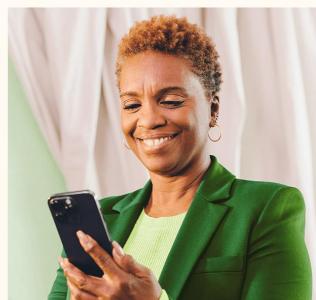
With the popularity of generative AI technology like ChatGPT, businesses are finding new ways to develop content. Generative AI can streamline the creation of new content and identify gaps in your knowledge base. AI-powered content generators can assist HR in creating employee handbooks, training materials and company policies.

Types of AI-powered tools that boost the employee experience

We're only at the dawn of discovering AI's benefits for businesses. While you may be aware of ways to use AI for customer service, you might be overlooking AI for EX. Here are a few types of AI-powered tools for employee experience.

Types of AI for EX

- Advanced bots
- AI-powered insights
- Intelligent routing and triage
- AI-powered knowledge bases
- Generative AI



One area which would appear to have a role of AI and carry a high degree of potential for the improvement of the employee experience is customer sentiment generally and customer complaints specifically where qualitative analysis often has the potential to reveal greater or more subtle insight into both customer and employee experience. Harvard Business review states

If they have the right tools to analyze the qualitative data (e.g., customer relationship management systems, social media, customer reviews, emails, call center notes, chatbots, etc.), firms could even consider ditching quantitative surveys altogether, as these make it possible to hear what customers are thinking and feeling across multiple touchpoints in real-time.

Case IQ in their article

5 Revolutionary Ways to Use AI for Customer Complaint Management Propose the following

In the past few decades, artificial intelligence (AI) has transformed the way companies do business, including handling customer complaints and questions. With new innovations popping up constantly, Gartner predicts that by next year, 85 per cent of customer interactions will be managed by some kind of AI tool. The way customers shop for products and interact with brands is changing, so your customer complaint management approach should, too. Using AI for customer service can make the complaint handling process easier and faster for workers and customers alike.



Here are five common and helpful ways to add AI to your customer service procedures.

1. Voice Analysis Aids Communication

One of the most prevalent uses for AI in customer complaint management is voice analysis. This technology analyzes both the customer service representative's and customer's voices to detect tone and emotion. This program sends agents notifications when they need to be more upbeat, when to escalate the complaint to a manager and when the customer is in "a heightened emotional state." By helping agents adjust their tone to properly address the customer's emotional needs, it boosts their chance of a successful resolution. IBM Watson's Tone Analyzer takes the technology a step further, integrating with chatbots and conducting social listening to help it predict customers' emotions

2. Self Service Chatbots

Wondering how to use AI for customer service? Because customers can be connected to the internet 24/7, many prefer faster, self-serve options for support. While some customers turn to FAQ pages or external forums for help, others are looking for reliable resolutions without human interaction. A chatbot that uses AI for customer queries is the best of both worlds.

3. Conversational Commerce with Messaging App Bots

No one likes waiting on hold for customer service. In fact, 72 per cent of millennials believe that a phone call isn't the best way to solve a complaint. Many brands have focused on social media as alternative channels for customer complaint management, but messaging apps are the way of the future. One report shows that messaging apps now have more active monthly users than top social media platforms.

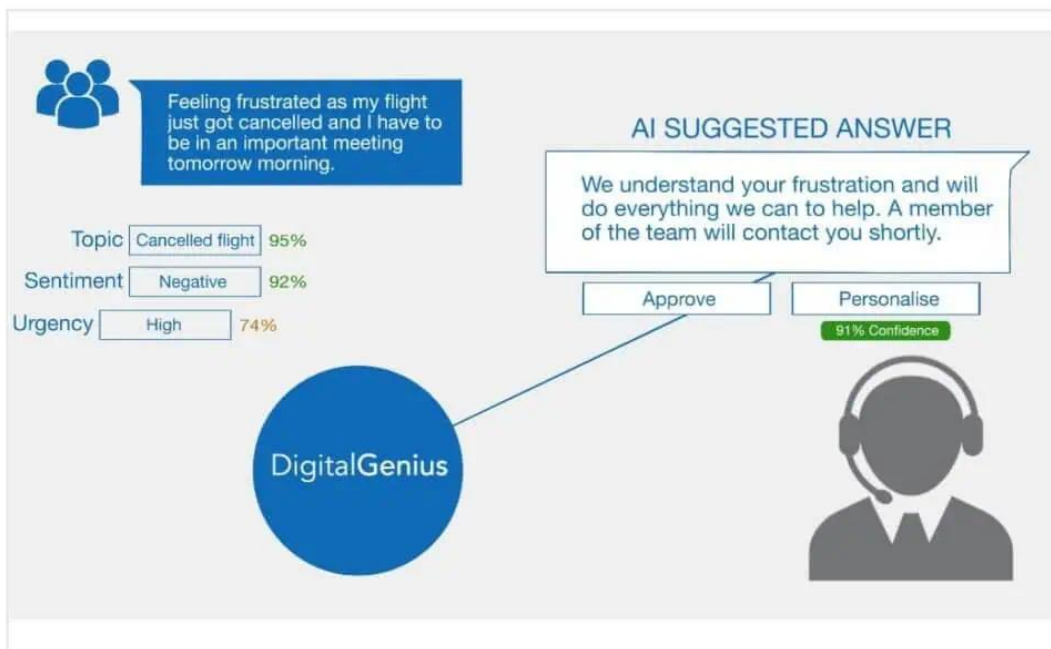
AI chatbots connected to your company's messaging app profile offer fast, casual interactions with customers. They perform in a similar way to the self-service chatbots described above, but work on commonly-used messaging and social media apps, rather than your company's website or proprietary app. For example, the Domino's chatbot will take your order when you type "pizza" into a message on Facebook Messenger and tracks your order when you ask Amazon's Alexa to do so.

Conversational commerce like this allows customers to shop or ask questions using chat or voice-based communication whenever and wherever they please. Not only is this method convenient for customers, it also opens up an entire new channel while at the same time reducing the number of agents you need. Lastly, it's a way to "meet your customers where they are," as many consumers use messaging and social media apps multiple times per day.

4. Automated Inquiry Routing Ensures Correct Inquiry Classification

Submitting a customer service inquiry often involves classifying the complaint, whether it's pushing a number on the phone or checking a box on a webform. However, customers may classify their inquiry incorrectly, especially if they are frustrated over an issue or in a hurry, or if you have numerous options to choose from. This not only prolongs their interaction with your company, but also wastes agents' time and energy.

Using AI for customer support can speed up the customer complaint management process by figuring out the customer's intent and routing them to the right agent automatically. The technology learns words and phrases commonly used in inquiries, then predicts the nature, tone, and other details of the complaint. Because agents don't have to contextualize the inquiry or direct it to someone else, response time is cut down significantly.



5. Activity Monitoring Resolves Issues Before They Arise

Wouldn't it be great if you could prevent customer issues rather than just respond to them? AI technology can make that possible by uncovering common signs that a customer has a question or concern.

AI systems can analyze website or app data, looking for "distress indicators, identifying customers experiencing issues and what those issues are," according to IBM. Then, the digital agent offers pre-emptive support by directing the customer to the FAQ page or giving advice based on their problem. Resolving customer service issues before they happen keeps customers happy and saves agents time. This process could also lower abandonment rates, as customers aren't stuck with an unresolved question that leads them to an easier purchase elsewhere. Finally, by anticipating your customers' needs, you'll earn a reputation as a company with top-tier service, which will surely bring in new and returning business.

If it all sounds too good to be true then it probably is .

Asknicely point out some advantages and words of caution in their article

The Role of AI in Utilizing Customer Feedback

AI not only streamlines the process of feedback analysis but also enhances the utilization of customer feedback across various business functions. Here are some key ways in which AI is transforming the utilization of customer feedback:

Real-time Insights: AI enables businesses to gain real-time insights from customer feedback, allowing them to identify emerging trends, issues, and opportunities as they happen. By monitoring feedback in real-time, businesses can respond promptly to customer concerns, preventing potential escalations and mitigating risks.

Personalized Experiences: AI-powered systems can analyze individual customer feedback to personalize the customer experience further. By understanding each customer's preferences, businesses can tailor their products, services, and interactions to meet their unique needs, driving satisfaction and loyalty.

Predictive Analytics: AI can leverage historical feedback data to predict future customer behavior and preferences. By analyzing patterns and trends within feedback data, AI can anticipate customer needs, identify potential churn risks, and recommend proactive interventions to mitigate them.

Feedback-driven Decision Making: AI provides businesses with data-driven insights that inform strategic decision-making. By integrating feedback analysis into business processes, AI empowers leaders to make informed decisions that are aligned with customer preferences and expectations.

Limitations of Using AI

While AI offers remarkable advancements in feedback analysis, it's not without its limitations. Some of these include:

- *AI algorithms may introduce bias, potentially skewing results and misinterpreting feedback.*
- *AI may struggle with nuanced or context-dependent language, leading to misinterpretations of customer sentiments.*
- *AI-powered systems require large volumes of high-quality data to train effectively, posing challenges for businesses with limited access to such datasets.*
- *The reliance on AI for feedback analysis may diminish the human touch and empathy, diluting the qualitative aspects of customer feedback.*

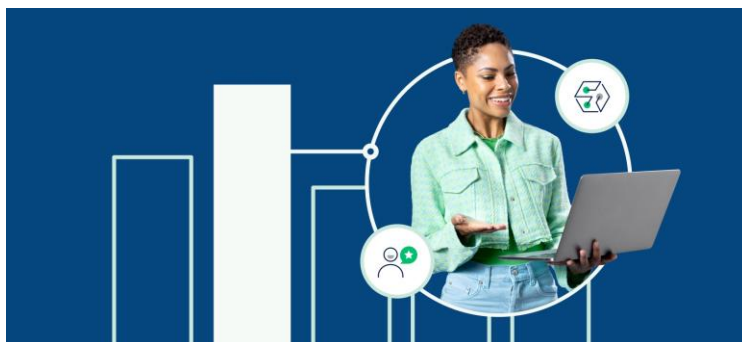


So Have the customers noticed?

In their article **25 stats about AI in customer experience that show how consumers really feel** SurveyMonkey report

We're living in a world where artificial intelligence (AI) can do anything from writing a college essay to making a reservation at a restaurant for you. As the advances come, businesses have started to incorporate this novel technology into their customer experience.

In our recent report, "AI in the customer experience: The ups, downs, and up-and-coming opportunities," we asked 2,201 consumers about their experiences with AI in CX, zeroing in on what they like, dislike, and would be interested in in the future.



Will AI replace customer service?

According to the data, the answer there is a resounding "no". Chatbots have their place, but they're a far cry from what customers really want: empathy and understanding for complex issues.

90% of people prefer to get customer service from a human rather than a chatbot. The commonly used customer satisfaction metric Net Promoter Score® (NPS) is 72 points higher for human service agents than it is for customer service chatbots.

Why this delta?

61% of consumers say humans understand their needs better than AI.

53% say it provides more thorough explanations.

52% say human customer service agents are less likely to frustrate them than chatbots.

50% say humans offer more options to address their problems.

That said, some customers do still have room for chatbots in their hearts. Among the 10% who prefer working with chatbots over humans, here are the top reasons:

Better availability (41%)

Being able to address issues faster (37%)

Access to more accurate information (30%)

As a final note, it's entirely possible that attitudes will change in the future as chatbots improve and people become more accustomed to interacting with AI. Already, the younger generations have a sunnier outlook about AI than the older ones.

Only 41% of people under 34 have negative feelings about the idea of companies using AI in CX—compared to 72% of people over 65.

Ultimately, people tend to come to customer service at times when they're already strained and looking for empathy and urgency. Humans are simply the best suited to offer those things.

How AI improves customer experience

Customer service aside, there are many types of customer experience AI that consumers are excited about.

52% of consumers are interested in AI that helps them through a product, website, feature experience.

47% of customers are interested in getting personalized deals.

42% of customers appreciate AI-driven product recommendations.

Interest and excitement about these features are especially pronounced in younger generations.

66% of Gen Zers are interested in AI that would help them through a product or website.

63% of Gen Zers like the idea of personalized deals.

56% of Gen Zers want tailored product recommendations.

People are also interested in exploring more innovative use cases for AI in customer experience, with the popularity varying depending on the use case.

65% of consumers would be comfortable using AI to order food and drinks.

59% of customers would use AI to return a purchase.

29% would turn to AI when making investment decisions.

28% said they'd be comfortable using AI to access medical advice.

There is a lot of opportunity for companies that want to use AI to set themselves ahead, and a lot to be excited about for customers who want more control over their experience.

Can people recognize AI when they see it?

AI is ever-present in the media, and yet it's also still poorly understood. The average person knows that it will have an impact on their life, but might not be sure how.

89% of people believe that it will have an impact on their lives in the next five years.

62% of people read about AI in the news at least once a week.

People also aren't sure about how AI might be present in their lives right now. The capabilities of artificial intelligence have advanced incredibly quickly, with algorithms that can create pictures, answer questions, and even write songs. Already, most people aren't confident that they can tell whether a piece of content came from a human mind.

Only 18% of consumers are "very confident" that they can tell when they're interacting with a chatbot.

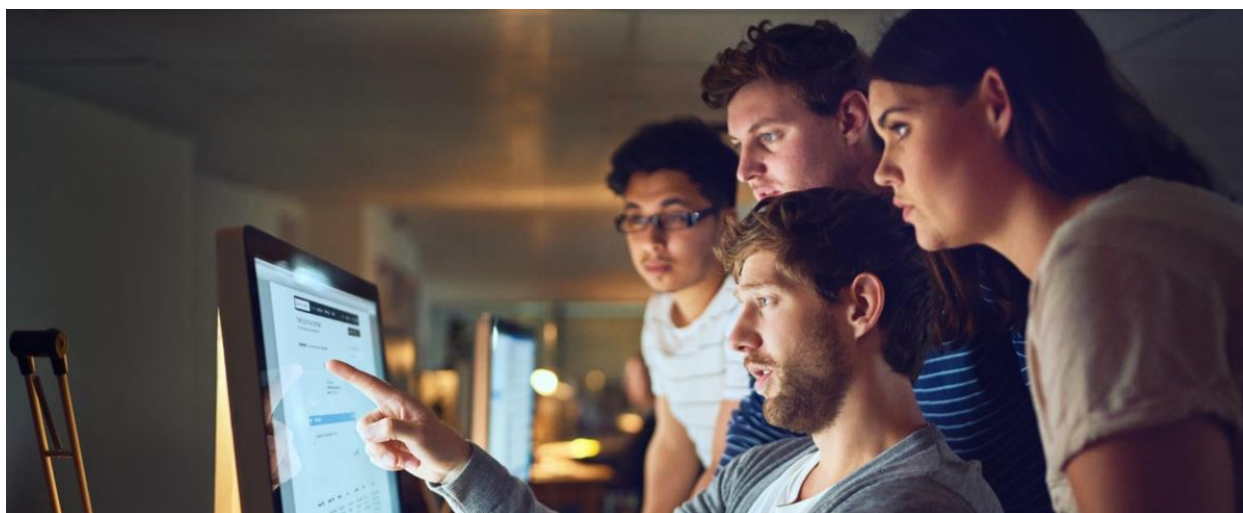
Only 14% of consumers are "very confident" that they can spot AI-generated content.

Less than half (48%) of consumers feel sure that they could identify AI-generated content at all.

Artificial intelligence is a bold new field, with many questions still to be answered. But if these statistics are any indication, the public is approaching it with both caution and optimism.

And what are the views of employees?

Some insight into this are ais given in the Forrester recent report commissioned by Workday, *“A Human-Centered Approach to AI in the Workplace”*



Artificial intelligence, no longer just the cutting edge, is now a staple in everyday work. AI is expected to replace one-quarter of work tasks across the U.S. and Europe, signaling a productivity boom as a result of AI’s ability to improve process efficiency, accelerate analysis, and automate complex tasks, just to name a few. But reaping these benefits isn’t just about having the technology in place. It’s about how leaders enable their employees to use AI to its fullest.

Employees Are More Optimistic Than Many Leaders Think

Our study surveyed 1,124 HR technology decision-makers and 1,340 frontline and office workers from across the globe to get their take on how AI is reshaping employee development, recruiting, and more.

Global leaders in our survey agree: AI will be a fundamental component of HR operations going forward. In fact, two-thirds (70%) of technology decision-makers say AI will be a critical support to HR functions—from candidate matching to career and skills development—over the next five years. Breaking it down by region, leaders in North America responded with the highest enthusiasm for AI at 75%, while the Asia Pacific region had the lowest at 66%.

But many leaders are pessimistic about how employees feel about AI: just 31% of decision-makers think employees are excited about AI in the workplace. Yet a vast majority of employees are optimistic about the use of AI: 71% say that AI can provide easier and faster access to information. And a more telling figure: nearly three-quarters (73%) of workers want their company to explore more ways to bring AI into the organization.

While employees have bought into the use of AI as part of their jobs, our research found that employees have significant concerns about privacy and job security relative to AI, and many don’t really understand the technology.

Empower Your Employees to Use AI: 4 Must-Dos

Clearly, there's a disconnect between workers and leaders around employee perceptions of AI. Leaders may incorrectly think employees' lack of excitement in using AI is what's holding AI adoption back within an organization. But in fact, today's workers are interested, even excited, about the possibilities of AI. The caveat is that employees are concerned about how the data leveraged by AI is going to be used, potential job loss, and insufficient knowledge about the technology. Reaping these benefits isn't just about having the technology in place. It's about how leaders enable their employees to use AI to its fullest.

Leaders must be able to effectively address those concerns in order to maximize AI adoption. That's why leaders need to implement a change management approach alongside deploying new AI capabilities.

While employees' willingness to embrace transformative technology is good news, HR leaders should keep these four research-backed recommendations in mind:

1. Embrace Transparency

Employees deserve to know how and why AI may change their roles and the way their workplace operates. Consider that more than two-thirds of workers (69%) are concerned about their personal data being misused, while 53% are worried that AI could put them out of a job.

HR leaders need to acknowledge these concerns, and then detail what the organization is doing to address them. Right now there is a big opportunity gap. Just 39% of surveyed employees say their employer has been transparent about how AI is being used and how it could affect workers. This is especially true in the Asia-Pacific region: 33% of respondents in Japan noted that their organization has been transparent, a sentiment that's well below the 39% of European respondents and 40% of North American respondents who feel similarly.

Overall, 64% of workers say that clear guidelines on the use of AI in HR would alleviate their concerns and fears.

Transparency means honesty—including about cost-savings sought by the organization. While clearly a sensitive topic, HR leaders should take note of one surprising Forrester survey finding: two-thirds of employees agree that cost savings due to AI, potentially freeing up dollars to be spent elsewhere, could positively impact their work experience.

While it's impossible to know exactly how AI will reshape the workforce in the months and years to come, HR leaders should not shy away from sharing what they do know. The benefits of this approach are clear: employees who believe their organization is being transparent around AI use are more likely to feel positive about AI adoption.

2. Ramp Up Training

Naturally, the new and unknown can make people feel uneasy. And the reality is that most employees (66%) don't really understand how AI works—despite the fact that nearly two-thirds of decision-makers think they do.

Training can help bridge that disconnect. Providing adequate training to up-skill workers is the most consequential factor driving the success of AI use cases in HR. A full 75% of leaders agree that when employees are trained on AI, the technology is demystified, and concern levels drop and engagement rises.

To get there, many organizations will also need to uplevel the knowledge of their leaders. Nearly two-thirds (64%) of leaders say they haven't been given adequate training to take advantage of AI.

3. Target Communications

A cornerstone of all change management efforts is communication. But savvy HR leaders know that a one-size-fits-all approach is a recipe for disappointment, if not failure.

Managing AI-related changes is no exception. The Forrester survey spotlights four personas that leaders should tailor communications to:

AI skeptics: most common in the IT sector

AI-cautious believers: most likely to be 26–35 years old and in the healthcare sector

AI indifferent: most likely to be 36–45 years old

AI enthusiasts: most likely to be 18–25 years old, and work in sales

Survey results make it clear that each persona responds differently to various types of communication. For example, about half of AI-cautious believers say transparency regarding how AI will or will not eliminate jobs within the organization would alleviate their concerns/fears about AI in HR. Just 18% of those indifferent to AI feel the same way.

Conversely, while more than half of enthusiasts and skeptics said communication about how the organization is using AI would alleviate their concerns/fears, barely one-fifth (22%) of cautious believers feel the same way. Company leaders must demonstrate that they value employees as partners and not merely passengers on the AI journey.

Improving communications around AI use and impact to address workers' concerns can help alleviate the risk of AI resistance in the workplace. Nearly half (45%) of cautious believers and skeptics said they are more likely to leave the organization if their concerns about AI use in HR remain unaddressed.

4. Listen and Incorporate Employee Feedback

One of the simplest ways to build employee buy-in for AI-related changes is to demonstrate how the technology can improve employees' work lives. That's not as hard as it may seem. Employees are already hopeful that AI will make it easier to access information, boost productivity, and find a new role. And almost half (48%) say that AI could help advance their careers.

New HR tools incorporating AI can and should also help reduce time-consuming, repetitive tasks and improve employee self-service offerings. Going forward, HR leaders must emphasize the positives that AI can bring to the employee experience. And then they need to follow through and ensure that their use of AI supports a welcoming workplace as new capabilities are added.

Leaders are acutely aware of the challenges that skilled labor shortages present. AI offers an opportunity to help build the well-skilled and well-trained workforce of tomorrow. But to get there, HR leaders will need to alleviate employees' concerns around the technology and changes to the work environment. Fortunately, they're facing a more receptive audience than they may think: nearly half (42%) of employees believe AI could be an overall positive for them, while 29% are uncertain.

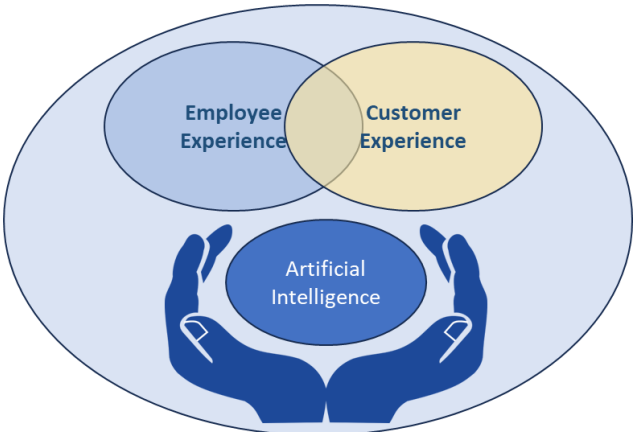
Leveraging AI to improve the employee experience is an opportunity to boost talent retention for today and attract the workers of tomorrow. The alternative—rapid change without thoughtful change management—simply isn't an option for successful organizations.

Thoughtful AI integration takes checking on how employees feel. In our Workday-sponsored report, an HR director survey respondent shared this advice for implementing AI: "Make sure to test with employees and get as much feedback as early as possible. Ensure that your leadership team is aligned before rolling it out to the broader population."

Create a Culture of Innovation with AI by Adopting a People-First Approach

We're still at the tip of the iceberg when it comes to leveraging AI in HR-related processes. As organizations continue to build out their AI infrastructure, company leaders need to also ensure that their workforce feels empowered to leverage AI in their respective roles as well. In other words, company leaders must demonstrate that they value employees as partners and not merely passengers on the AI journey. Our recommended four must-dos and additional insights from our Workday-commissioned study show how to create a successful and sustainable AI adoption strategy with what continues to remain a company's greatest asset: its people.

<https://blog.workday.com/en-us/how-employees-feel-ai-at-work.html>



This issue started by asking AI a question and it ends on the same note. AI was asked to name organisations employing AI to improve customer AND employee experience – there was no answer but it did name a few who use it for one or the other

AI Overview

Many organizations use AI to improve customer experience, including:

Amazon: Uses AI to predict customer needs, answer product questions, and improve customer service

Nike: Uses AI to help customers find the right shoe size

Hilton: Uses AI chatbots to provide travel advice

Verint: Uses AI-powered bots to help customers receive customer service

Kroger: Uses algorithms to create personalized promotions for customers

Tesco: Uses algorithms to create personalized promotions for customers

Giant Eagle: Uses gamification to reward customers with loyalty points

Netflix: Uses AI to personalize content recommendations

Zendesk: Uses AI to help businesses manage customer interactions across multiple channels

AirHelp: Uses AI to collect customer requests and assign them to the right service agents

PUMA: Uses AI to create personalized product imagery

AI can help businesses create loyal customers and increase sales by understanding customer needs and preferences, recognizing customer emotions, and predicting what customers need before they ask.

AI Overview

Many organizations use AI to improve the employee experience, including:

Salesforce Uses AI to create a talent marketplace that matches current employees with open roles, learning, and mentorship opportunities.

Walmart Uses AI to monitor employee performance metrics and ensure employees are performing their jobs efficiently and correctly.

Microsoft Uses AI and machine learning in Microsoft Viva to provide personalized recommendations for learning and well-being.

MHR Uses AI in their Service Desk to help Application Specialists locate the right knowledge to answer customer queries.

LumApps Uses AI to create personalized experiences for employees, including an AI-driven conversational partner and generative AI capabilities.

Generative AI is experimental.

Perhaps its last remark is worth bearing in mind for the time being.

The Last Word

A great deal of AI implementation is already going on in the employee and customer experience world. There appears to be a great deal of excitement around its unexplored potential as organisations (or even AI itself!) realises what it is possible to achieve. This is expressed through the views of multiple internet gurus with their “Can” and “May” views on the potential of the future of AI on the customer and employee experience.

Research reports AI projects are difficult and that the major obstacles to change are people and the ability of the organisation to address the issue holistically, it also reports that all customers, but particularly older customers are not yet as engaged or as enthused by AI. An issue that may self resolve with time!

In spite of the fact that AI is not sailing in an entirely calm sea with a strong following wind there is no doubt it is already has, and will continue to have, an increasing influence on the customer and employee experience.

Given that the rate of development, even at consumer internet interface level is so rapid, It seems that for organisations the key to reaping the full potential benefits from AI is adopt its use at a pace that ensures that it is fit for purpose and that customers and employees experience the levels of “*hyperpersonalisation*” that are appropriate in their sector of operation to the mutual benefit of all stakeholders involved.

Recommended Reading

<https://www.medallia.com/blog/how-ai-personalization-is-changing-the-customer-experience/>

<https://cx-journey.com/2024/06/how-ai-is-changing-employee-and-customer-experiences.html>

<https://www.genesys.com/blog/post/how-ai-is-redefining-customer-experiences-and-employee-satisfaction>

<https://hbr.org/2022/03/customer-experience-in-the-age-of-ai>

<https://hbr.org/2021/05/using-ai-to-track-how-customers-feel-in-real-time>

<https://www.zendesk.co.uk/blog/ai-for-employee-experience/>

<https://masterofcode.com/blog/generative-ai-for-customer-experience>

<https://www.caseiq.com/resources/5-revolutionary-ways-to-use-ai-for-customer-complaint-management/>

<https://www.asknicely.com/blog/the-role-of-ai-in-analyzing-and-acting-customer-feedback>

<https://uk.surveymonkey.com/curiosity/25-stats-about-ai-in-customer-experience-that-show-how-consumers-really-feel/>

<https://blog.workday.com/en-us/how-employees-feel-ai-at-work.html>