



Customer experience in the
age of AI

Go beyond the hype and turn AI
into a competitive advantage

Making AI work for CX

Forward-thinking organizations have been reaping the benefits of artificial intelligence (AI) for years, enhancing customer experiences, streamlining operations and empowering employees with the necessary technology to be more productive. The recent buzz around generative AI has opened everyone's eyes to even more possibilities — especially when it comes to the vast potential in the world of customer experience (CX).

From predictive analytics to natural language processing, to machine learning and computer vision, there are countless ways AI can make your customer experience faster, smoother and more personalized. Your customers not only want this experience — they're increasingly expecting it. And they're not alone. More than two-thirds of CX employees globally say **they expect a supportive work environment**. This includes being provided with the tools — many of them AI-powered — they need to successfully resolve issues and deliver more personalized interactions.

AI is no longer optional for CX leaders. It's a crucial piece of technology that will help organizations remain competitive in an ever-evolving landscape.

"When I talk to organizations the question never is if they should adopt AI, but how," said Peter Graf, SVP of Strategy at Genesys. "Even with all the advances we've made in AI over the last years, we only stand at the beginning of the journey."

AI has been seemingly inescapable for the past couple of years, leading many to fear that they're already behind. The good news? No matter where you are in your AI journey, there's still time to gain a competitive edge.

In our survey of 1,000 CX leaders worldwide, 70% report that AI is a business imperative: 27% say it's already critical to their CX operations today and 43% expect it to be critical within the next two to three years. This means there's still an opportunity to lead — but also a very real risk: Wait too long, and you'll fall far behind your competition.

Whether you're just starting out with AI or looking to expand your existing AI capabilities, this report provides insights and guidance from experts and CX leaders globally. Backed by data from your peers, it will help you quickly figure out how to use AI to improve your customer and employee experience, so you can effectively integrate AI into your CX strategy.



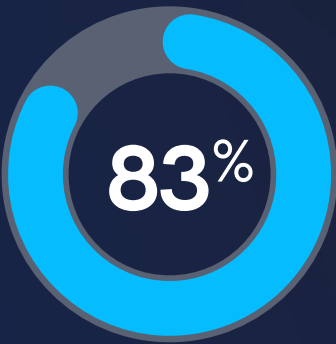
Let's move beyond the hype and explore how AI can work for your organization, your employees and your customers.

CX leaders are betting big on AI

If the data is clear on one thing, it's this: Customer experience continues to rise in strategic importance for businesses, and AI is quickly becoming an indispensable part of a successful CX strategy. Our findings show that 83% of CX leaders worldwide believe AI will be a clear differentiator for them in the future.

What's driving this rapid adoption? Simply put, CX leaders are optimistic about the impact AI will have on their businesses. They see the potential benefits to their customer experience, their employee experience and their organizations as a whole.

In the next five years, 59% of CX leaders say adopting AI in customer experience will lead to increased customer loyalty and lifetime value. Additionally, 57% anticipate improved financial performance, while 49% believe AI will help them out-innovate the competition.



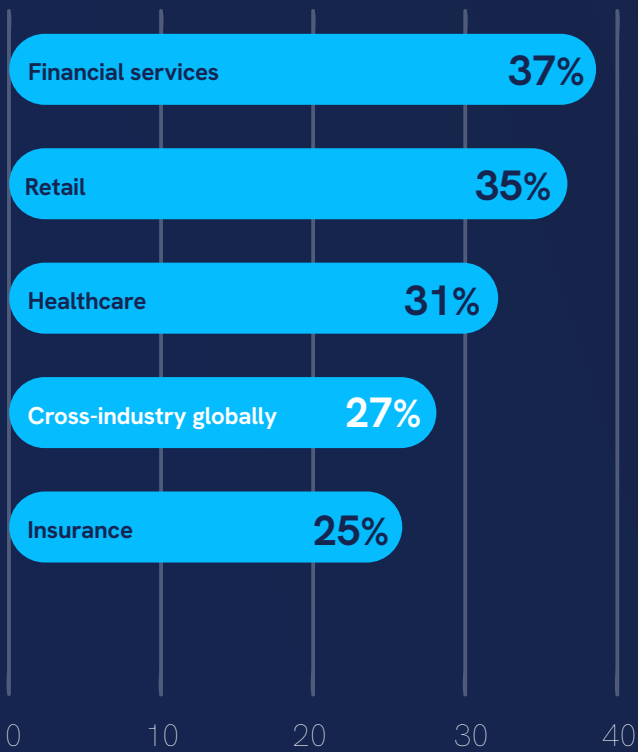
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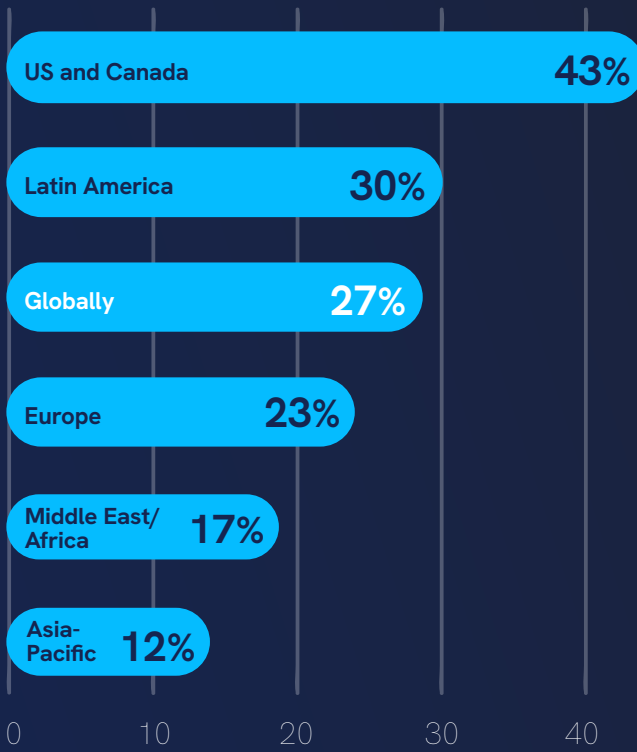
AI's impact across industries

Percentage of CX leaders who expect AI to help them become industry leaders



Regional perspectives

CX leaders expecting AI to help retain market leadership



These projections are based on tangible results that organizations are already seeing from their AI investments. For instance, 70% of CX leaders report that AI is helping their customer journeys feel more empathetic to the customer — a crucial factor in building loyalty and driving repeat business.

“If we can get our customers in a better place and leaving happier than when they started a service interaction, then we’re achieving our objectives from an experience standpoint,” said Aron Meyer, Solution Architect, Digital Workplace Solutions at Unisys.

Additionally, many organizations are implementing AI-powered technologies like sentiment and empathy analysis to pinpoint specific coaching needs among their workforces. For example, Unisys is using sentiment analysis to identify specific knowledge gaps. Armed with these insights, Unisys is now able

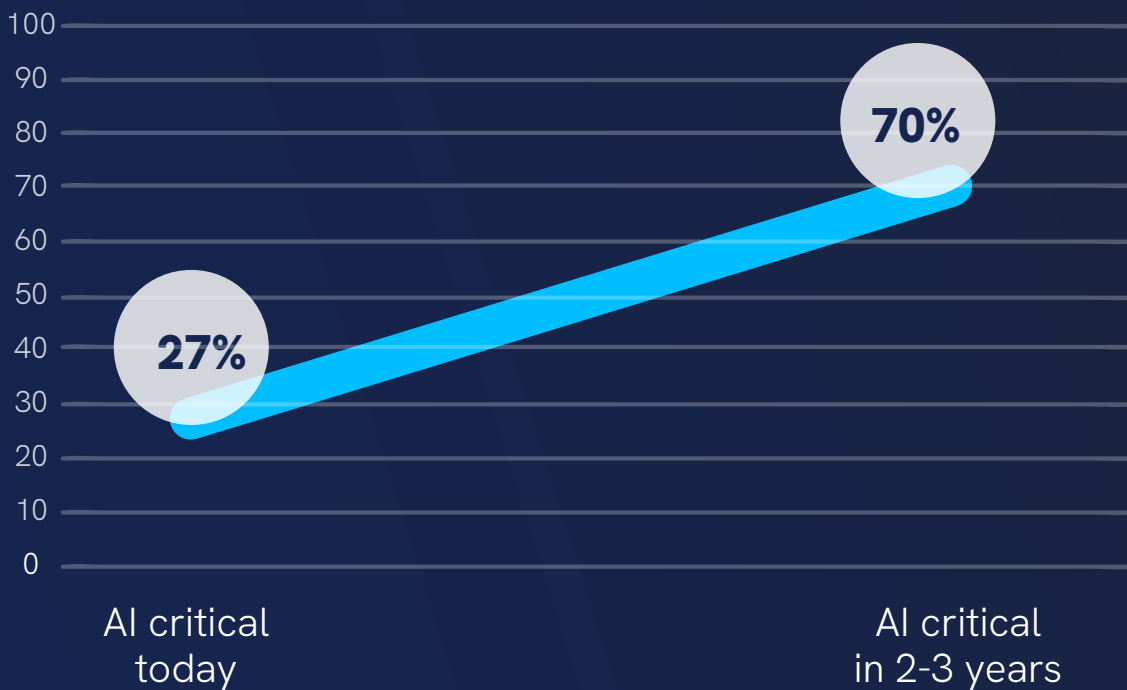
to empower human agents with the right knowledge, ensuring excellent customer experiences at every turn and across every channel. As Meyer puts it, “Using AI to help surface knowledge and bring it to agents helps them get up to speed faster.”

AI-powered automation can also significantly reduce operational costs, while improved **personalization and customer understanding** lead to higher conversion rates and average order values. Enabling more proactive and efficient service also helps companies increase customer retention.

Peter Graf, SVP of Strategy at Genesys, reminds us: “Many organizations initially use AI to automate conversations to reduce the cost of serving customers. AI, however, can also drive long-term revenue by creating more personalized and empathetic conversations that improve customer trust and loyalty.”

AI adoption timeline

There’s still time to figure out your AI strategy, but the time to start is now.



We’re not just trying to create financial efficiency and scale; we’re trying to create a better experience.

Peter Graf
EVP Chief Strategy and Operations Officer
Genesys

AI adoption in customer experience

As AI technologies mature and become more accessible, CX leaders are increasingly integrating them into their strategies. Two areas where AI is making significant inroads are **personalization and customer journey analysis**. These applications are becoming fundamental to how organizations understand and serve their customers. According to our survey, 76% of CX leaders are using or piloting AI to personalize their customer experience, and 72% are using it to understand pain points in the customer journey.



These findings show that CX leaders recognize AI’s potential to tailor interactions based on individual customer preferences and behaviors. Using AI in this way can result in more targeted content and messaging, more relevant next-best-action recommendations and highly personalized service experiences. Similarly, with 65% of CX leaders already using or piloting AI to streamline the customer journey across channels, the findings also show a strong focus on proactively identifying and resolving issues within the existing customer journey. This allows companies to fix issues quickly, streamline processes and better connect channels — improving customer satisfaction as a result.

“Cutting down complexity in every possible way will be the biggest boon for AI in the customer experience,” said Christina “CK” Kerley, a global speaker and consultant on AI and technology.

AI’s impact varies based on company size

Our research suggests that while AI is universally recognized as important, its specific applications and expected benefits differ based on organizational size. Smaller companies often see AI as a tool for immediate financial gains, while larger organizations leverage it for long-term competitive advantage.

Financial performance improvement expected from AI



AI helping to out-innovate competition



Opportunities abound: AI is more than a chatbot

While 88% of CX leaders are using chatbots to support customer experiences, far fewer are leveraging AI's capabilities across other areas of CX. To support customer experiences, less than a quarter of CX leaders are using customer journey management (23%), sentiment analysis (22%) or coaching/training (22%). Even fewer are using empathy analysis (20%), forecasting/scheduling for frontline employees (18%) or agent assistance during interactions (11%).

The adoption of AI-powered versions of these capabilities varies significantly. Among the 88% of CX leaders using chatbots,

92% say their chatbots are AI-powered. But for sentiment analysis, only 52% of users have AI-powered solutions. In coaching and training, the AI adoption rate is even lower at 44%.

Empathy analysis sees slightly higher AI integration at 51%, while AI adoption for forecasting and scheduling of frontline employees stands at 67%. Agent assistance during interactions, despite its low overall adoption, has an AI integration rate of 55%. This presents a substantial opportunity for organizations ready to take the next step in their AI journey.

Adoption, AI integration and perceived value of AI in CX technologies

Technology	Organizations using this technology (%)	Of those using each technology, the % that are AI-powered	Considered most valuable AI for CX (%)
Chatbots	88	92	50
Voicebots	49	79	13
Forecasting/scheduling employees	18	67	11
Predictive analytics	47	66	30
Predictive digital engagement	14	56	11
Agent assistance during interactions	11	55	9
Sentiment analysis	22	52	10
Customer journey management	23	51	15
Post-interaction analysis and QA	13	51	10
Empathy analysis	20	51	9
Next-best action	20	49	12
Routing	19	47	9
Coaching/training	22	44	9

Note: The second column shows the percentage of all organizations using each technology. The third column indicates what percentage of those users have AI-powered versions of that technology. The final column shows the percentage of all respondents who consider this AI application most valuable for CX.

While chatbots are crucial entry point, let's be clear: They're just one application of what's possible when it comes to AI in CX. AI's true potential lies in its ability to transform business models and reshape how companies compete. Part of that potential lies in the opportunity for organizations to not just adopt technologies like customer journey management that improve CX, but to make a "quantum leap" by adopting AI-powered versions of these technologies.

As Joe Wheeler, CEO of CX/Digital and author of "The Digital-First Customer Experience," says: "Digital-first leading companies deliver a great immersive AI-based experience

because up front, they invested in the core platforms....You really have to make investments in the operational aspects of your company before you can change the front end of the experience in a way that's robust."

Those core platforms underlie the connected data and technology that enable the channel-less experiences that customers crave — and that AI can then personalize. This is a reminder that for organizations that have yet to move to a modern, cloud-based CX platform, AI provides a clarion call: There's no practical way to take advantage of advanced AI-powered features without the cloud.



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Joe Wheeler
CEO
CX/Digital

The takeaway is obvious: To remain competitive, you need to look beyond basic AI applications. Companies that will lead in the coming years are those investing now in comprehensive AI strategies and robust, secure AI technologies. These strategies enhance the entire customer and employee experience, provide insights through AI solutions like predictive analytics and sentiment analysis, and empower employees through agent assistance and AI-driven training and development.

For Coca-Cola Bottlers' Sales and Services Company, voicebots offered several advantages and served as an entry point to further adopting AI. "Our voicebots have been a huge win as they've helped us to better evaluate our equipment by doing initial triage of possible issues. Now, our agents spend less time on the phone and resolve more queries during the first contact," said Nicole Thomas, Vice President, Customer Care Center, Coca-Cola Bottlers' Sales and Services Company.

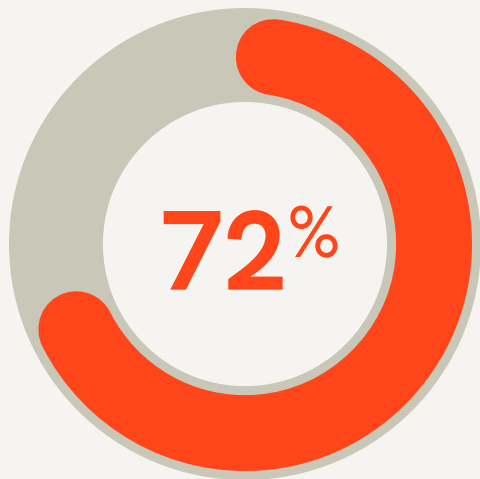
CX leaders envision nascent AI capabilities becoming commonplace. Their wish list includes using AI to customize user interfaces based on customer behavior and preferences; recognize and respond to human emotions to provide more empathetic support; and speed up the analysis of everything from predicting customer lifetime value to intelligent workflows that enhance productivity.

"Most impactful to me right now is sentiment analysis. When it's applied well it helps to drive the analysis of the customer experience," said Meyer of Unisys. "It enables our quality and delivery managers to really drill down on interactions and see what did or didn't go well for a customer."

"With AI, we can now up-level information that empowers agents to deliver exceptional experiences," said Liz Miller, VP and Principal Analyst at Constellation Research.

AI's dual impact: Empowering employees, revolutionizing service

AI is changing more than just customer interactions; it's reshaping the employee experience and transforming how service is delivered. The findings show AI's powerful impact with 66% of CX leaders saying that greater AI adoption will make employees in their CX organization more engaged, and 72% believing that in the future, AI will facilitate all proactive service outreach.



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service outreach

AI is set to shift service from primarily reactive to predominantly predictive and proactive. Organizations will prioritize consistently using AI to anticipate customer needs before they arise, and then use automated outreach at the right moment to provide tailored solutions that address customer challenges.

"We need to be obsessive about streamlining any process where a customer needs to contact a company at all," said AI consultant Kerley. "This shift will free your employees from routine tasks, allowing them to focus on complex, high-value interactions that matter the most."

The AI transformation in CX is gaining momentum. Organizations that delay their own AI evolution risk falling behind as competitors use the technology to create more meaningful, efficient and personalized experiences for both customers and employees.

The opportunity to lead is here, but it won't last indefinitely. By fully embracing AI's potential today, you're positioning your organization to be at the forefront of tomorrow's customer experience landscape.



Putting AI into action: Find the optimal opportunities

AI offers immense potential in transforming customer experiences, but many organizations are only scratching the surface. To move beyond basic implementations of the technology and truly harness AI's power in your CX strategy, consider these key actions:

1

Assess your current AI implementation

Evaluate where you're already using AI in your CX operations. Are you only using chatbots, or have you expanded to other areas? Identify gaps where AI could potentially improve customer interactions or employee efficiency.

2

Prioritize high-impact AI use cases

Figure out where AI can be most useful, such as areas requiring a lot of manual effort. Consider implementing AI for customer journey management, predictive routing, sentiment and empathy analysis, agent assistance, or employee coaching. These areas are currently underutilized by most organizations and offer significant potential for improving both customer and employee experiences (and are areas where AI can be particularly valuable).

3

Set clear goals and expectations

Define what success looks like for your AI initiatives. This could include metrics like increased customer satisfaction, reduced handle times and improved employee engagement. Consider how your metrics need to evolve to reflect both traditional CX metrics and ones that reflect how a better experience impacts the entire business. Ensure these goals align with your overall CX strategy.

4

Plan for proactive service

Given that 72% of CX leaders believe AI will drive all proactive service outreach in the future, start planning how you can use AI to anticipate customer needs and reach out proactively. This could involve analyzing customer behavior patterns or product usage data to predict when a customer might need assistance.

"Don't look at tools. Look at your tasks," said AI consultant Kerley. "Write down as many of your tasks as possible and ask: Where am I exhausting time? Where am I wasting time? Where am I not getting enough time? Where do I need the help? Then employ different levels of AI. AI can be a 'helper,' like the GPS in your car... or AI can be a 'collaborator,' as with enhancing your graphic designs."

“We need to be obsessive about streamlining any process where a customer needs to contact a company at all.”

CK Kerley
Leading AI consultant



AI growing pains are worth the effort

While AI promises to reshape customer experience, the path to implementation isn't always smooth. The wealth of information available can be overwhelming and organizations face various hurdles in their journey to AI adoption.

These obstacles have led to widening disparities in the state of AI readiness. And some organizations are finding it difficult to overcome these challenges to harness AI's opportunities. Despite challenges, the report's findings reveal a consensus among CX leaders: The benefits of AI adoption far outweigh any difficulties.

“We started off simple with AI, just trying to identify why customers called. The insights we got from that understanding quickly allowed us to drive more value and reduce touches, really improving the customer experience.”

Vincent D'Amico
Senior Director of Service Operations Support
Customer Care Center, Coca-Cola Bottlers'
Sales and Services Company



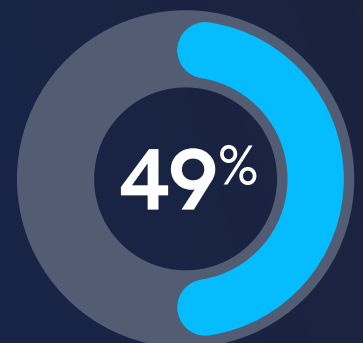
of CX leaders agree that their organization has a clear roadmap for adopting AI



of CX leaders say their organization has the knowledge and expertise to effectively adopt AI



of CX leaders say they have data privacy and security concerns



of CX leaders say their employees are concerned about AI

The state of AI readiness

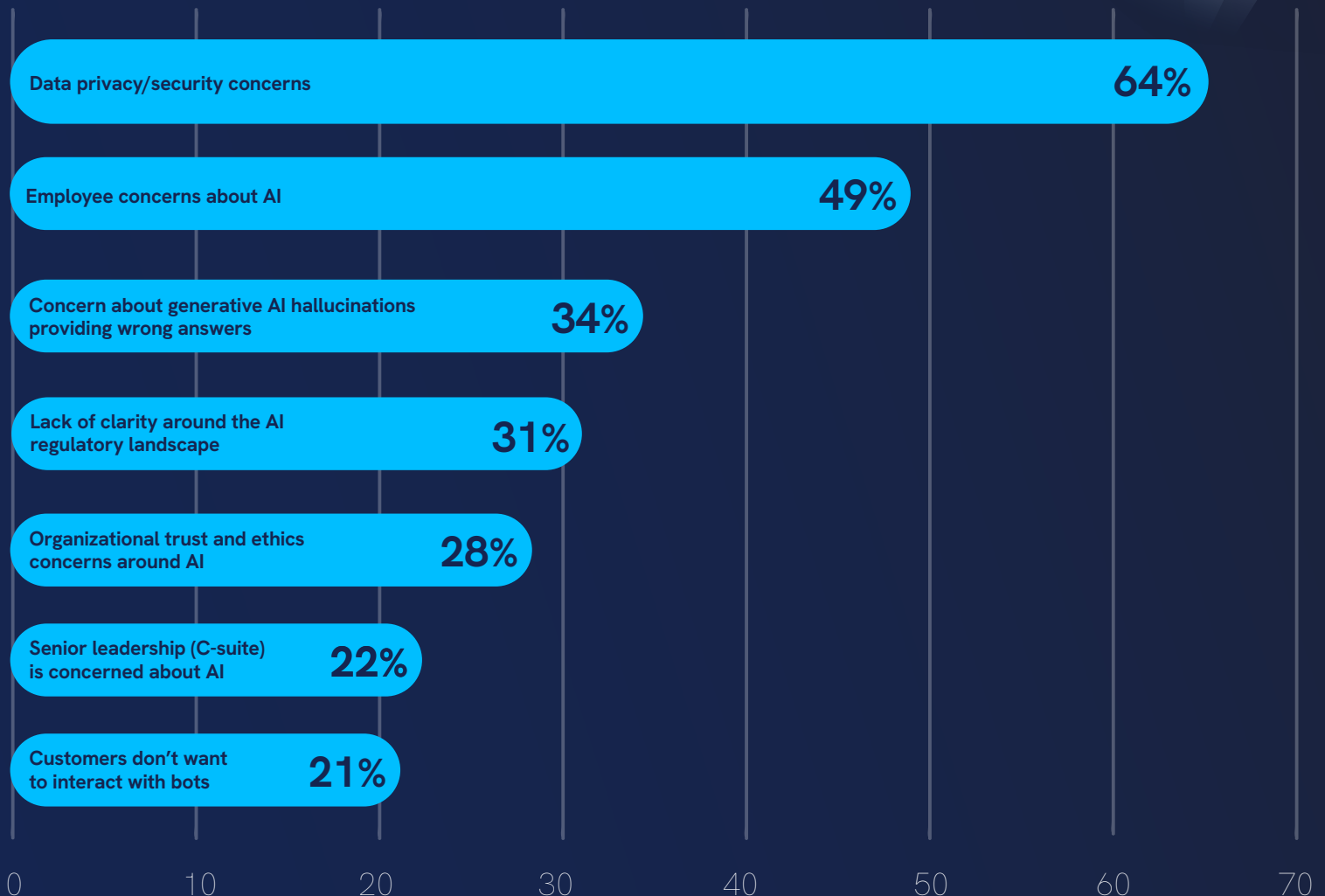
AI continues to rapidly evolve, and its promise of innovation advances with it. But many organizations are still grappling with the foundational elements necessary for successful AI implementation. Our survey highlights both the challenges and the progress CX leaders are making in AI adoption.

Even with all the hype around AI, 42% of CX leaders say gaining organizational buy-in for AI is challenging. CX leaders say their top challenges in adopting AI in the customer experience include data privacy/security concerns (64%), employees' concerns about AI (49%), concerns about the regulatory landscape (31%), and concerns that generative AI hallucinations could provide wrong answers (34%).

These concerns present a learning opportunity. "We need to understand the pros and cons of AI. It's important that we understand when it doesn't work and why," noted R "Ray" Wang, Principal Analyst and Founder at Constellation Research.

This speaks to why it's so important to continue making progress on the AI journey, to continually assess what's working and where improvements are needed. It also underscores the importance of partnering with ethical providers who prioritize data security, regulatory compliance and responsible AI practices.

Top obstacles to AI adoption in CX



But it's not all challenges. Many organizations are making significant strides in their AI readiness: 69% of CX leaders agree that their organization has the knowledge and expertise to effectively adopt AI (34% "agree," 33% "somewhat agree") and 66% report that their organization has a clear roadmap for adopting AI. Almost half of respondents report having a C-level executive overseeing AI, including 20% who report their organization has a chief AI officer.

While there's no doubt that obstacles exist, many organizations are actively working to overcome any roadblocks and are well-positioned to leverage AI's potential.

"Bring the CIO into conversations around strategic goals and intents for using AI in the customer experience early,

so they're a part of that strategic discussion," advises Miller of Constellation Research. For the 46% of organizations that have a C-level executive overseeing AI, this leadership will provide an advantage.

Taking a proactive approach is crucial because the gap between AI adopters and those who delay will likely widen over time, potentially creating significant competitive disparities. Half of CX leaders believe that adopting AI in the customer experience will enable them to out-innovate the competition. Addressing challenges directly, without delay, while leveraging available resources and expertise, is paramount to ensuring your organization stays ahead.

How to adopt AI: A progressive framework

A structured approach to AI adoption can help balance short-term value realization with long-term strategy. This **five-step AI adoption model** provides a comprehensive framework for this process:



1. Prepare

Start with basic AI capabilities, such as generative AI virtual agents that can handle simple tasks and predictive engagement to anticipate customer needs.



2. Build

Enhance AI capabilities by integrating data actions and conducting sentiment and feedback analysis.



3. Scale

Optimize processes with AI to improve knowledge management, bot flows and virtual agent performance.



4. Optimize

Increase personalization at scale by tailoring experiences based on customer behavior and history.



5. Differentiate

Achieve hyperpersonalization and advanced predictive routing to create a truly unique customer experience.

Learn more in [The Genesys Cloud AI progressive adoption model](#).

The data imperative (according to everyone)

If algorithms are the engine of AI, data is the fuel. Data quality and structure are crucial components of successful AI implementation. Industry experts unanimously agree that robust, high-quality data is the cornerstone of successful AI adoption.

“Data is foundational for AI; you can’t decouple the two. For an organization to have AI, your data foundation must be really clear,” said Sudhir Rajagopal, Research Director for Future of Customer Experience at IDC. This underscores the critical need for organizations to prioritize their data strategy as a precursor to — and ongoing element of — AI success.

“Data is foundational for AI; you can’t decouple the two.”

Sudhir Rajagopal
Research Director
Future of Customer Experience
IDC

Organizations are also adapting their strategies to leverage data more effectively. “Rather than changing our strategies to fit the data that we can use, we’re now looking to create, validate, experiment and then execute right on these very sophisticated engagement strategies based on the data that we have access to,” noted Miller of Constellation Research.

These insights underscore a crucial point: Organizations must prioritize their data strategy as a precursor to AI success. This means not just contributing your own data,

“What we’re building...is a knowledge graph, which is actually what makes [AI implementation] very successful.”

R “Ray” Wang
Principal Analyst and Founder
Constellation Research

but ensuring its quality, structuring it effectively and implementing systems that can transform raw information into actionable insights. It also means vetting any AI-powered technologies from vendors to ensure they train their AI systems on relevant and domain-specific data.

Our findings show that 57% of CX leaders agree that their organization’s data quality and structure are ready to be used with AI solutions. It’s hard to overstate how important data is to the success of AI deployments. It may be tempting to approach data strategy and data readiness with an “it’s good enough” mindset. Our discussions with experts suggest that organizations tend to overestimate their data readiness (and indeed, 17% of respondents weren’t sure if their data was ready).

Those same experts emphasize the need for being thorough when it comes to data strategy and readiness. No matter where you are on your AI journey, it’s imperative to continually revisit your data strategy and ensure the fuel of your AI engine — the quality and quantity of data — keeps flowing.

Customer concerns: Balancing AI efficiency with the human touch

Customer expectations aren't high just for personalization and seamless journeys. They also want clarity when dealing with AI.

Globally, 84% of consumers say they have a right to know when they're interacting with a bot. Only a slight majority of CX leaders recognize this: Our findings show that 52% of CX leaders think customers worry about not knowing whether they're interacting with a human or a bot.

Making it clear to customers that they're interacting with a bot is a quick-win opportunity to improve customer trust and satisfaction — and a way to stand out from competitors and meet customer expectations.

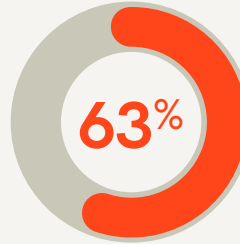
CX leaders know that customers have other reservations about AI. Fifty-four percent believe customers are concerned about the inability to reach a human agent. Additionally, 45% say customers are concerned about slower resolution times when interacting with AI. Perhaps most tellingly, 27% of CX leaders believe that adopting AI could hinder customers' human connection with their brand.

However, organizations are taking proactive steps to address these concerns. A clear majority (63%) are both making it clear whether a customer is interacting with a bot or a human and ensuring that customers can easily reach a human to address their issue. Proactively communicating how your organization is using AI-related data is another way to allay customer concerns, as 37% of CX leaders have already done.

Bot or not: Organizations are choosing transparency



think customers worry about not knowing whether they're interacting with a human or a bot.



make it clear whether a customer is interacting with a bot or a human.

Additionally, organizations can address concerns by using AI in ways that clearly improve the customer experience: for instance, by meeting consumers' expectations for fast issue resolution and personalized experiences. One example is using AI-powered intent-based routing combined with sentiment and empathy analysis. This technology helps match customers with the right agent and can even determine the appropriate wait time for the optimal experience.

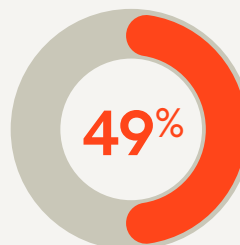
By using AI to enhance live agent interactions, coupled with being transparent when customers are interacting with AI, organizations can address customer concerns while still reaping the benefits of AI technology.

Internal resistance: Employees and leadership

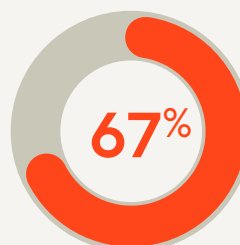
With all the hype around the possible benefits from using AI in the customer experience, along with employee concerns about AI-related job displacement, it's not surprising to see a gap when it comes to the concerns each group expresses about adopting AI.

Our survey reveals CX leaders are aware of employee concerns, with 49% citing this as one of the biggest obstacles to adopting more AI-based solutions. In contrast, only 22% say their senior leadership (C-suite) is concerned about AI. This disparity suggests that while leadership may be on board with AI adoption, there's work to be done in addressing employee concerns and ensuring buy-in at all levels of the organization.

Organizations tackle employee concerns head-on



of CX leaders cite employee concerns as one of the biggest obstacles to adopting more AI-based solutions.



of organizations have taken measures to address employee concerns or resistance to AI.

Despite employees' concerns, 66% of CX leaders expect that greater AI adoption will make their CX employees more engaged — and 73% report that their company's frontline CX employees are engaged in their current role. Only 35% of CX leaders think their employees worry that AI-powered interactions will reduce or eliminate CX employee jobs, including agents, contact center supervisors, quality managers and planners.

Employees do **see the promise of AI**, but their views vary based on factors like age and experience level. Research shows that about one-quarter of employees globally say that while AI will replace some aspects of their job, it will also create new opportunities. And 22% say it will make their job better and more efficient.

Interestingly, millennials tend to be more optimistic about AI's potential benefits in the workplace compared to other generations: 28% of millennials think AI will make their job better and more efficient, compared to 21% of Generation Z and Gen X workers.

About two-thirds (67%) of organizations say they've taken measures to address employee concerns or resistance to AI. This includes using AI to improve the employee experience, quite literally demonstrating how AI provides benefits to the

workforce. For example, 62% of organizations are using or piloting AI to improve agent efficiency, including reducing training time and improving training quality. About half (52%) are using or piloting AI to help agents find answers faster in their knowledge base, and 44% are using or piloting it to reduce employee attrition.

Additionally, 60% of CX leaders expect that their organization's use of AI will enable supervisors, quality managers and planners to be more efficient and effective over the next one to three years. Further, nearly 60% expect that they'll need to create new supervisory roles to support technologies like AI.

These findings suggest that while employee concerns exist, organizations are actively working to ensure buy-in at all levels and to demonstrate the benefits of AI for employee experience. By addressing both customer and employee concerns head-on, organizations can pave the way for successful AI adoption that improves both the customer experience and employee satisfaction.

"It'll be really important for companies to go through a dramatic change and say, we need to take care of the employee just as much as we do the customer," said AI consultant Kerley.

Generational views:

"AI will make jobs better and more efficient"



Read more in the Genesys global report:
"Generational dynamics and the experience economy."

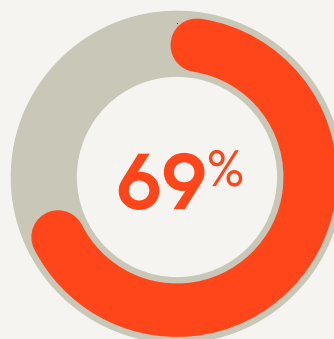


Trust, privacy and regulations: The ethics of AI

As AI becomes more prevalent, discussions of trust, privacy and regulations have also become pervasive. CX leaders are increasingly aware of the need to continue to balance personalization with privacy and to position themselves ahead of potential regulatory changes.

Three-quarters of CX leaders say concerns related to trust and privacy are an obstacle to adopting more AI-based solutions in their organization's customer experience, while nearly two-thirds (64%) cite data privacy and security concerns as a top obstacle. And nearly a third (31%) say the lack of clarity around the AI regulatory landscape is among the biggest obstacles to AI adoption at their organization.

These issues are surmountable: 69% of CX leaders say their organization already has a plan for ethically deploying AI, while 54% are either currently using or piloting AI to meet compliance and regulatory requirements. Forty-four percent are updating their privacy policies and statements, and 41% are adopting formal AI ethics policies. This proactive approach to ethical AI is crucial, as AI regulations exist or are being considered in **various jurisdictions globally**. Organizations should ensure that their approach to AI considers ethical issues such as data and algorithmic bias, transparency, and explainability.



of CX leaders say their organization has a plan for ethically deploying AI.

Forty-two percent of CX leaders acknowledge that balancing customer privacy with AI-driven personalization will become increasingly challenging. At the same time, organizations are striving to leverage AI for personalization, with 76% of CX leaders either currently using or piloting AI to personalize the customer experience. As one survey respondent noted, "Customers will be more loyal if hyperpersonalization is used to provide individualized experiences based on their preferences and previous interactions."

Organizations that successfully navigate AI implementation hurdles like employee concerns and balancing personalization and privacy stand to gain a significant competitive advantage in the evolving landscape of customer experience.

Survey respondents shared their visions for future CX initiatives enabled by AI

"Create a more... engaging experience for the customer through personalized interactions by analyzing customer data."

"AI systems will recognize and respond to customer emotions, providing empathetic support and guidance with emotional intelligence."

"Customizes the user interface based on user behavior and preferences, creating a seamless and intuitive shopping experience."



Putting AI into action: Data, employee considerations and ethics

To overcome key challenges in adopting AI and to leverage the full potential of the technology in your CX strategy, take the following steps:

1

Develop a comprehensive approach to data

Start by assessing your current data quality, structure and governance, and then create a timeline for improvement initiatives. Be rigorous in thoroughly evaluating your data readiness and taking steps to prepare it for use by AI-powered systems. Implement robust systems to ensure data privacy and security and establish protocols for ethical data usage across the organization. If external data sets are part of your strategy, extend the same considerations to data vendors. This strategy will not only prepare you for AI implementation and expansion, but also position you well for compliance with current and future regulations.

2

Address organizational concerns

Successful AI adoption requires you to address employee concerns. Develop a clear communication plan that emphasizes how AI will enhance roles rather than replace them. Create training programs to upskill employees in AI-related areas, fostering a culture of continuous learning and development. Ensure leadership buy-in and support for AI initiatives by explaining how you'll handle any obstacles, as well as sharing benchmarks that show the business benefits — a top-down commitment is crucial for overcoming resistance at all levels.

3

Identify and prioritize AI use case

Focus on areas where AI can significantly impact customer experience for your organization, such as predictive routing, sentiment analysis, agent assistance, or forecasting and scheduling. Start with pilot projects in these areas to demonstrate value and build confidence across the organization. This approach allows you to learn and adjust your strategy based on real-world results.

4

Establish an ethical AI framework

Develop clear guidelines for ethical AI use in your organization, creating processes for ongoing monitoring and adjustment of AI systems. Stay informed about pending AI regulations and be prepared to adjust your strategy accordingly. This proactive approach to ethics and compliance will help build trust with both customers and employees.

5

Evaluate vendors with an eye toward ethics and potential regulation

It's imperative to understand how potential partners are approaching AI. Not every AI-powered system is built the same way, so understanding how data is collected, how AI models are trained, how bias is minimized, and how vendors approach transparency and auditability can keep you ahead of the regulatory game. **Ask vendors about their approaches** and ensure that their standards are at least as high as your own internal standards.

6

Balance personalization and privacy

Implement transparent data collection and usage policies, clearly communicating to customers how their data is being used to improve experiences. Use AI to enhance, not replace, human interactions where appropriate, maintaining the personal touch that many customers value. Evaluate personalization not just on how it impacts your business, but also on how it improves the customer experience. Regularly assess the impact of AI-driven personalization on customer trust and privacy, iterating as needed to maintain this delicate balance.

By taking these steps, you'll create a clear path forward for your organization, helping overcome concerns, ensure ethical AI use, and align your AI initiatives with customer and employee needs (as well as business goals). Ethical AI isn't just good practice, it's a way to stand out and keep customers happy. Acting now with careful planning and a commitment to ethical practices will transform your customer experience — and keep you ahead of the curve.

“We’re going to need AI literacy for workers to become comfortable with an augmented workforce.”

CK Kerley
Leading AI consultant

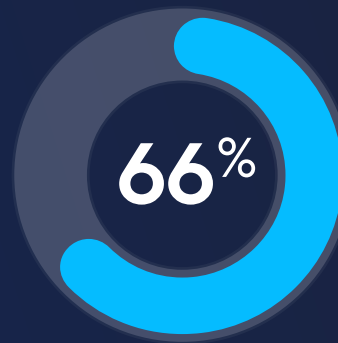
AI and empathy: The key to harmony

As AI reshapes the customer experience landscape, a critical balance emerges: How can organizations leverage AI’s capabilities while maintaining the human touch that customers expect? The answer lies in a strategic synergy between AI and human agents, where each complements the other.

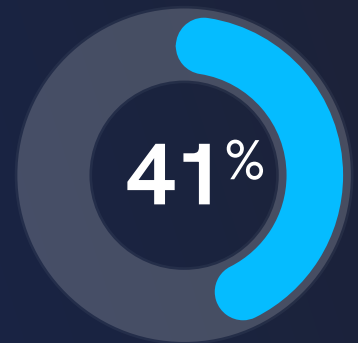
When AI makes your employees’ lives easier, it will also make your customer experience stronger. Many CX leaders recognize this: Two-thirds agree that greater adoption of AI will make employees in their organization more engaged.

“The best CX use cases I’ve seen so far is [using AI as] an intelligent assistant that directly supports employees,” said AI consultant Kerley, adding that “we’re going to need AI literacy for workers to become comfortable with an augmented workforce.”

AI’s expected impact on CX employees



make their CX employees
more engaged



elevate the role of all human
agents into professional
problem solvers

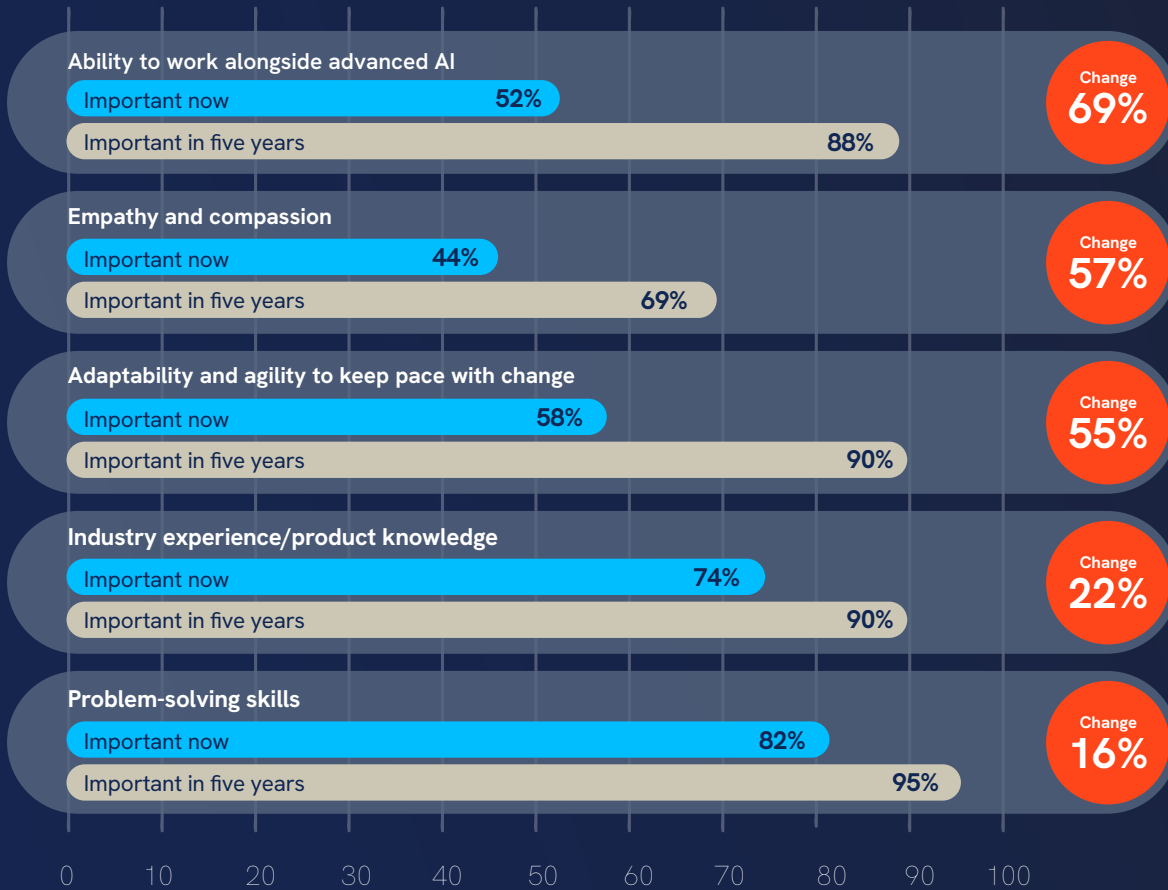
The evolving role of human agents in an AI-enhanced world

The skills valued in human customer service agents are shifting as AI becomes more prevalent in CX operations. While problem-solving skills and industry knowledge will always be crucial, the importance of empathy and compassion is being redefined.

This shift indicates that as AI takes on more routine interactions, CX leaders expect that their human agents will handle more complex, nuanced situations that require advanced problem-solving, industry-specific knowledge and the ability to work with sophisticated AI. They’ll also need the agility to adapt to change.

At the same time, the increasing importance of empathy and compassion as vital skills for human agents suggests that CX leaders acknowledge that the human touch will be as important as ever (and likely more so). After all, if people are working on more complex and potentially emotionally charged interactions, delivering an exceptional customer experience will require agents to bring even more empathy and understanding.

The most important CX agent skills



The opportunity is to create a seamless integration where both AI and human agents contribute to delivering empathetic, efficient customer experiences. Outdoing your competitors with this capability will be a significant differentiator that can also deliver business benefits both on the customer side (such as loyalty and lifetime revenue) and on the employee side (such as increased productivity and retention).

Delivering empathy through AI

As human agents focus more on analytical skills, AI is evolving to provide increasingly human-like interactions, including more emotionally intelligent responses. One survey respondent envisions a future where “AI systems will recognize and respond to customer emotions, providing empathetic support and guidance with emotional intelligence.”

The goal is to use AI to enhance the overall empathetic capacity of customer interactions. By handling routine queries with artificial emotional intelligence (rather than curt, robotic responses), AI points a way to better omnichannel experiences, enabling personalized interactions across various touchpoints. It powers intelligent self-service options, allowing customers to solve simple issues quickly while ensuring seamless handoffs to human agents for more complex matters. By empathetically and effectively handling more interactions, AI frees up human

agents to provide deeper, more nuanced problem solving where it’s most needed.

As part of an overall customer experience platform, AI can also ensure that if customers need to transition from self-service or bot-led interactions, all the context around that interaction is passed to a human agent. This not only makes it possible for the agent to resolve the issue more quickly, it also greatly reduces frustration on the customer side.

Another form of AI-led empathy is predictive routing, which improves both the customer and employee experience — especially considering that **consumers crave fast, complete issue resolution**. AI can be used to triage interactions, directing customers to the optimal channel for quick resolution or the best-skilled agent to handle a specific issue.

How AI implementation enhances the employee experience

Interestingly, one part of the answer to employee concerns about AI might just be more AI. Our research shows that well-implemented AI strategies dramatically improve the employee experience. In fact, 67% of organizations have already taken steps to address employee concerns or resistance to AI.

How CX leaders are using AI to help employees (and through them, customers)



Two-thirds of CX leaders whose organizations use forecasting and scheduling tools have deployed an AI-powered version so they can leverage real-time insights for additional accuracy. leading to higher first-call resolution rates, a reduction in abandoned calls and shorter call-answer times. These tools can also enable more personalized work schedules. And supervisors can use solutions like AI-powered coaching to gain richer information about an individual employee’s performance, and then provide more personalized skills development.



This would also help **meet employees’ expectations** for a supportive work environment. Nearly three quarters (73%) of millennials and 61% of Gen Z workers agree that they’re likely to stay with an employer that personalizes their job experience, such as tailoring career development and providing schedule flexibility.

The relationship between AI adoption on employee turnover rates is noteworthy: 88% of organizations that report expert-level AI use report lower CX employee turnover rates than similar organizations in their industry. In contrast, only 16% of CX leaders using AI to a limited extent report lower turnover rates.

While this correlation is striking, it’s important to note that AI adoption itself may not be the direct cause of lower turnover. Rather, it could be indicative of other factors such as a forward-thinking company culture or overall operational excellence.

Nonetheless, these statistics suggest that as organizations become more adept with AI, they’re better able to leverage it to enhance the employee experience. This often creates a positive cycle: Increased AI adoption leads to better employee support, which improves satisfaction and customer service. This, in turn, drives better business results, encouraging further AI adoption and improvements.



By seeing AI as a tool to improve the outcomes for everyone, organizations can create a situation where both employees and customers benefit from the technology.

Putting AI into action: Bring your employees along for the journey

Organizations that see AI as a tool to improve the outcomes for everyone, creating a situation where both employees and customers benefit from the technology. To maximize AI in enhancing both employee and customer experiences, take the following actions:

1

Implement AI-powered employee support tools

Introduce technologies that bolster your staff's capabilities, such as real-time coaching and knowledge prompts, AI-assisted customer interaction summaries and predictive routing to match employees with suitable customer inquiries. These tools can significantly improve job satisfaction and performance while enabling more personalized and efficient customer experiences.

2

Develop a comprehensive AI training program

Create a robust training curriculum that not only teaches employees how to use AI tools but also helps them understand the strategic importance of AI in improving customer experiences. This will help alleviate fears about job security and position AI as a partner in their work rather than a threat.

3

Redesign roles and workflow

As AI takes on more routine tasks, reassess and redesign job roles to focus on high-value activities that require human skills like complex problem-solving, emotional intelligence and strategic thinking. This could involve creating new positions that blend AI expertise with domain knowledge, ensuring that your workforce evolves alongside the technology.



By taking these steps, you'll be well-positioned to create a harmonious blend of AI efficiency and human empathy. That will lead to improved experiences for both employees and customers.

CX leaders are betting big on AI

As our research illustrates, CX leaders already view AI as a critical capability. And it's only poised to grow in importance — with 83% of CX leaders believing AI will be a major differentiator, 59% saying it will lead to increased customer loyalty and lifetime value and 57% expecting it will improve financial performance. Organizations that want to remain competitive must adopt AI across their customer and employee experience.

But tapping the transformative power of AI requires more than simply deploying a set of tools. It means seizing the opportunity AI creates to meaningfully improve the customer and employee experience — and drive better business outcomes.

Whether it's truly personalized experiences delivered at scale across channels or the ability to provide representatives and agents exactly what they need in the moment to solve a customer challenge, AI points the way to remarkable experiences.

As we mentioned at the beginning of our report, AI itself is not new. But the opportunities afforded by generative AI; by the computing power and scalability available in the cloud; and by the vast amounts of data that organizations now have available are unlocking entirely new approaches.

The organizations that seize these opportunities and **approach AI as a journey** will be best positioned to lead. The future of AI-powered customer experiences awaits. The time to start is now.

Key steps for AI adoption

As organizations move forward with AI adoption, it's crucial to approach its integration thoughtfully and strategically. Here are your key takeaways from this report to help you evaluate where you are and take the next necessary steps.

Evaluate your data readiness

Clean, structured data — and massive amounts of it — are essential for AI systems. Engage with your team (and vendors) to address any concerns, providing training and clear communication to build support and alleviate fears. Do the same with any externally sourced data.

Choose use cases that deliver meaningful improvements

Whether it's customer journey management; predictive routing; sentiment and empathy analysis; agent assistance; employee coaching; or other high-value use cases, choose the ones that make the biggest impact for your organization. For customers, this can help build loyalty, and for employees, it lets them see that AI is there to help them be better at their jobs.

Evaluate vendors with the end goal in mind

With all the hype around AI, it can be hard to sort out the right solution. Make sure the vendors you choose are aligned with your goals. Ask them about how they're approaching AI ethically and plan to keep up with a changing regulatory landscape. And make sure they grow with you, meeting not just today's needs but future needs as your AI sophistication and footprint grow.

About this survey

Genesys conducted a global survey of 1,000 director-level or higher CX leaders involved in CX strategy decisions. The Computer Assisted Telephone Interviewing (CATI) survey, prepared by Method Research and distributed by PureSpectrum, was conducted between February 23 and April 1, 2024. Here are more details on the respondents:

Respondents: 1,000 director-level or higher CX leaders

Survey Period: February 23 - April 1, 2024

Method: Computer Assisted Telephone Interviewing (CATI)

Regions: North America (28%), Latin America (20%), Europe (20%), Asia-Pacific (20%), Middle East/Africa (13%)

Top Industries: Healthcare (15%), Insurance (15%), Retail (10%), Banking (8%), Financial Services (7%), eCommerce (6%)

Company Sizes: Small (35%), Commercial (55%), Large Enterprise (10%)

AI Adoption Levels: Limited use (29%), Comfortable (36%), Expert (35%)

CX Strategy Involvement: Make/approve decisions (74%), Influence decisions (26%)



About Genesys

Genesys empowers more than 8,000 organizations in over 100 countries to improve loyalty and business outcomes by creating the best experiences for customers and employees. Through Genesys Cloud™, the #1 AI-powered experience orchestration platform, Genesys delivers the future of CX to organizations of all sizes so they can provide empathetic, personalized experience at scale.

As the trusted, all-in-one platform born in the cloud, Genesys Cloud accelerates growth for organizations by enabling them to differentiate with the right customer experience at the right time, while driving stronger workforce engagement, efficiency and operational improvements.

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