



IPSOS VIEWS

AI AND THE FUTURE OF CX

Designing empathetic and
meaningful experiences

Helen Bywater-Smith
Jean-Francois Damais
Tristina Keith



At Ipsos, we champion the unique blend of Human Intelligence (HI) and Artificial Intelligence (AI) to propel innovation and deliver impactful, human-centric insights for our clients.

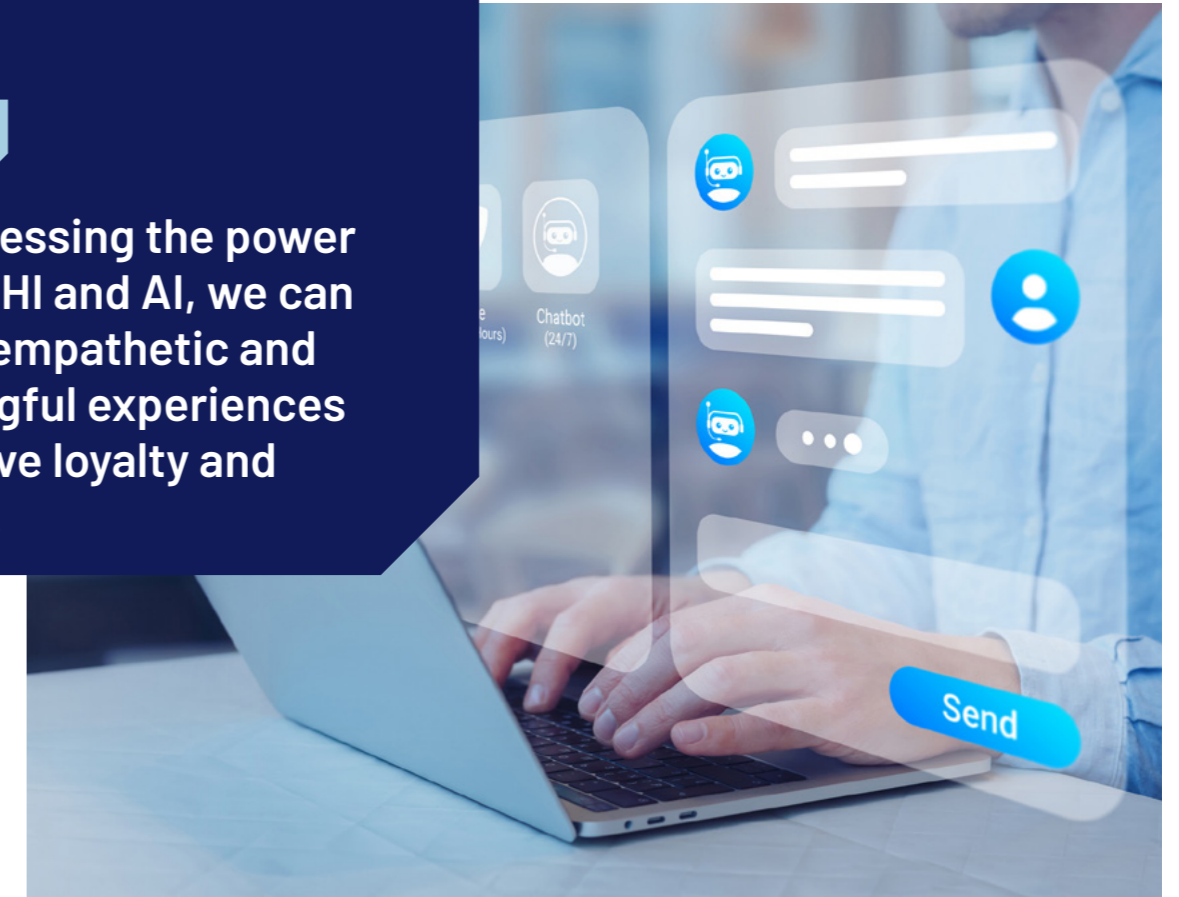
Our Human Intelligence stems from our expertise in prompt engineering, data science, and our unique, high quality data sets – which embeds creativity, curiosity, ethics, and rigor into our AI solutions, powered by our Ipsos Facto Gen AI platform. Our clients benefit from insights that are safer, faster and grounded in the human context.

Let's unlock the potential of HI+AI!

#IpsosHiAi



By harnessing the power of both HI and AI, we can create empathetic and meaningful experiences that drive loyalty and growth.



Introduction

In today's competitive landscape, exceptional customer experiences are no longer a luxury, but a necessity for building brand loyalty and driving growth.

Generative Artificial Intelligence (Gen AI) offers a unique opportunity to revolutionise Customer Experience, by bridging the gap between digital efficiency and interacting with real people.

We need to be aware of customers' needs and expectations: 88% of US consumers¹ say they prefer human interaction for customer service. But Gen AI, when designed and managed well, can understand and respond to customer requests with real precision.

Here we explore the transformative potential of Gen AI in enhancing Customer Experience measurement, management, design and delivery, while also addressing the risks of neglecting the need to balance Gen AI and Human Intelligence (HI).

By harnessing the power of both, we can create empathetic and meaningful experiences that drive loyalty and growth.

Gen AI transformation

Gen AI has the potential to significantly enhance how experience is measured and managed, as well as how it impacts Customer and Employee Experience delivery.

Here are some ways it can help improve the efficiency and effectiveness of insights generation and putting them to work:

- **Improving active listening:**



Gen AI is revolutionising traditional feedback surveys, making them shorter, more conversational, and personalised to the customer's context, enhancing response rates and sample representativeness.

- **Enhancing the value of feedback data:**



Gen AI can speed up the analysis process across data sources, summarising, contextualising and providing insights.

- **Increasing engagement:**



AI insight assistants can be employed to interrogate feedback data, and respond intelligently to enquiries about the likes of key trends, pain points and strengths, thereby improving levels of data engagement.

- **Being an ideation superpower:**



Gen AI can elevate the use of insights; acting as a catalyst for ideation, aiding in designing new service concepts, action plans and customer strategies.



Gen AI, orchestrated alongside human-delivered experiences, also has the potential to deliver more nuanced, efficient and cost-effective experiences:

- **Delivering personalisation:**



Gen AI can tailor experiences to individual needs and preferences, having analysed extensive data.

- **Increasing customer lifetime values:**



Gen AI can deliver or support employees in delivering dynamic interventions, recovery initiatives, or next best actions, to maximise customer value.

- **Improving efficiency:**



Gen AI can automate various aspects of the customer journey, streamlining the process and freeing up employees for other tasks.

- **Ensuring availability:**



Gen AI can provide consistent 24/7 service, but it's crucial to mitigate potential hallucinations (incorrect or misleading data) by ensuring high-quality, up-to-date and well-organised data.

Ipsos' research reveals that, globally, people are both excited and nervous about AI. On average, 53% of people across 32 countries say they are excited for products and services that use AI, compared to 50% who say AI makes them nervous². Asia is where excitement is highest, while the Anglosphere and Europe are the most sceptical.

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Good and poor examples:



Good AI experience – personal stylist

AI-powered personal styling services are revolutionising the fashion industry, by offering a unique blend of technology and human expertise. By analysing customer feedback and preferences, these services curate personalised clothing selections that fit your style and body shape.

The online service uses Gen AI to evaluate extensive data to decipher customer needs, and skilled individual stylists who add the final touch of magic. The result? A truly personalised experience that connects with you on a deeper level.

This harmonious blend of automation and human expertise allows the brand to create genuine connections with customers, demonstrating the power of a balanced approach to AI/HL implementation.

But Gen AI experiences are not without risk if designed and managed irresponsibly and without thought and care.

Poor AI experience – travel bot

Imagine planning your dream holiday, only to be bombarded with suggestions for family-friendly resorts and cruises, despite being child-free.

This AI fail, caused by biased data or technical glitches, highlights the potential pitfalls of relying solely on algorithms. The result? Frustrated customers and damaged trust.

To avoid such disasters, companies need to:

- **De-bias their data:** Regularly audit algorithms for hidden biases and ensure data reflects the diverse needs of all customers.
- **Human oversight:** Implement a system where experts review and refine AI-generated recommendations.
- **Feedback loop:** Gather customer feedback to continuously improve the accuracy and relevance of suggestions.
- **Context is key:** Develop AI systems that understand individual customer contexts and avoid insensitive or irrelevant recommendations.

The magic of combining HI and AI

While Gen AI may be remarkable in its own right, the true success in designing memorable experiences lies in understanding people and balancing technology with humanity. The secret sauce of successful AI is grounding it in Human Intelligence (HI).

Ipsos R&D³ shows that customers are more likely to churn when the experience doesn't match the expectations set by the brand promise. Conversely, a significant Return

on CX Investment (ROCXI) is achieved when the experience transcends functional benefits and emotionally connects with customers.

Gen AI can significantly enhance how Customer Experience is designed, delivered and measured. To evolve AI experiences using HI principles, Ipsos has identified three overarching principles that apply to both human and digital interactions:

1. Meeting and shaping expectations via the experience

Every interaction, including those enabled by Gen AI, is an opportunity to reaffirm your brand's promise. Map your customers' expectations across touchpoints, as they act as a benchmark for measuring actual experiences (see Figure 1).

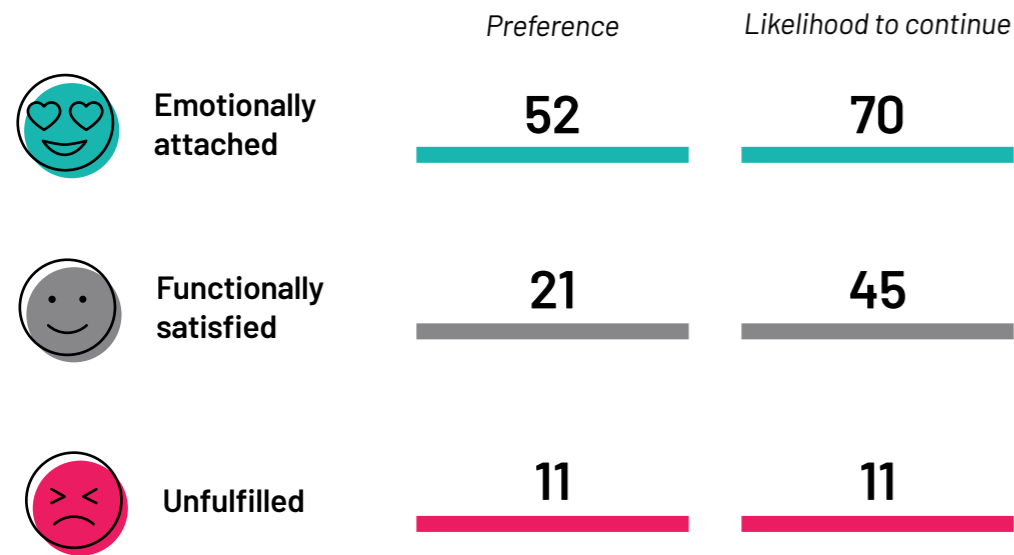
Customer expectations are constantly evolving, influenced by experiences across various sectors. Maintain a broad perspective and stay close to your customers, regularly refreshing journey maps to understand how expectations and experiences compare, and what their ideal journeys look like.

Figure 1: CX Journey framework



Source: Ipsos⁴

Figure 2: The power of emotional attachment



Source: Ipsos R&D⁵

2. Understanding and integrating context to optimise experiences

Context is crucial. While Gen AI can handle many tasks, certain situations require human interaction. Map out possible contexts across customer journeys to tune into customer needs, and train Gen AI when to transition between human and bot interaction.

3. Putting empathy at the heart of experience design and delivery

People understanding is central to experience design and delivery. Empathy means understanding the emotional needs of customers and employees across journeys to provide the best experience. The 'Forces of CX' framework⁵ ensures Human Intelligence (HI) is at the core of every experience, applied across experience management, measurement, and design, to create experiences that resonate emotionally with customers and employees (see Figure 2).

The Forces of CX

Ipsos' Forces of CX framework informs the design of experiences to ensure they are built on empathetic understanding of human needs.

Through extensive R&D we have identified six key dimensions which are validated predictors of emotional attachment and relationship strength (see Figure 3). The Forces of CX is a truly human centric framework which enables organisations to

better understand people, to create strong and mutually profitable relationships. The framework can be leveraged to drive customer understanding and embed a customer centric culture in organisations, based on empathy.

When designing any experience, the Forces of CX framework allows you to ground the design in real customer needs that have an impact on the relationship with the brand.

Figure 3: Forces of CX



Source: Ipsos R&D

How the HI Forces of CX are met with Gen AI:

Control: Customers should feel in control, with options of contact channels and the assurance that their data is safe, secure, and being used to enhance their experience.

Fair Treatment: Gen AI should understand the customer’s personal situation and act in their best interest.

Certainty: Gen AI should keep customers up-to-date and inform them of what to expect next.

Belonging: Customers should feel welcome, included and valued for their individual needs.

Status: Customers should feel important by providing personalised, tailored recommendations.

Enjoyment: Gen AI should aim to improve life by speeding up mundane tasks and facilitating experiences that feel easy and provide a sense of relief and, where appropriate, joy.

By applying the Forces of CX, you can design experiences, measure their effectiveness, and embed HI into your Customer Experience, setting the stage for AI and HI to coexist seamlessly to deliver superior CX (see Figure 4).



Figure 4: A reimagined AI-enabled holiday booking experience

Stage Force of CX	Need	Holly the travel bot 
INSPIRATION  Status	Give me ideas about where to go on holiday	<i>Here is a personalised list of holiday destinations based on your personal needs and tastes.</i>
RESEARCH  Control	Give me the information easily so I can make an informed decision	<i>Let me help you make your final decision. Here are three options to suit your needs and budget.</i>
BOOKING  Fair Treatment	Advise me on the best way to manage the payment	<i>Let's create a payment plan for your holiday and savings plan for your activities.</i>
PLANNING  Enjoyment	Help me to make the most of my trip	<i>Let's design a complete itinerary to make sure you have the best time.</i>
PACKING  Certainty	Create my packing list so I don't forget anything	<i>Let's make sure you have everything you need. We'll think about the activities and weather.</i>
KEY DOCUMENTS  Control	Make sure I have important documents	<i>Last minute checks before you leave. Have you got your visas, passports, insurance and vaccinations?</i>

Source:
Ipsos R&D

The roadmap to success in designing Gen AI experiences

1. Decide on your goal



Experience design requires clear focus. Analyse your data to identify the journeys and touchpoints that are the right place to start.

Determine where your experience needs to improve based on Key Performance

Indicators (KPIs) such as customer advocacy, retention, share of spend, or operational efficiency.

Choose a safe starting point to build your first AI experience, enabling careful testing and building knowledge, confidence, and ability.

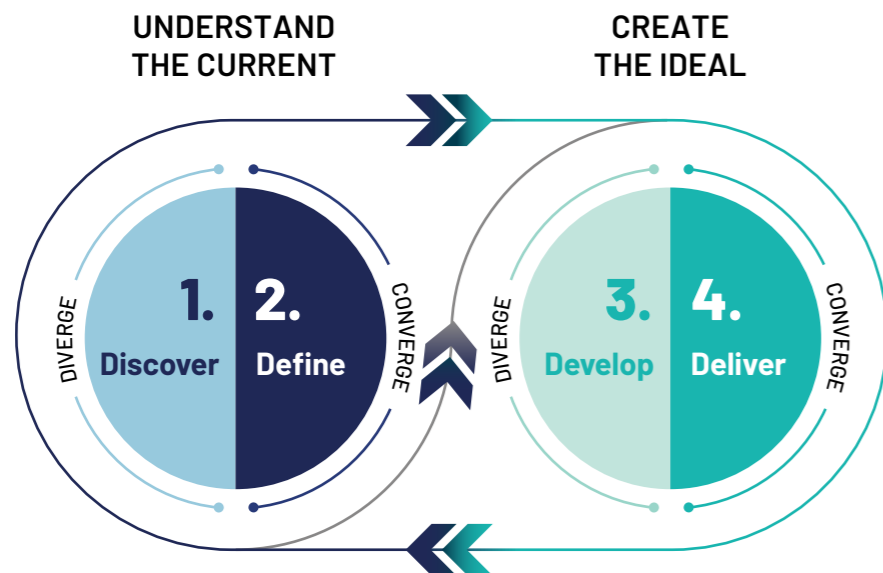
2. Use the service design approach



Build an experience design task force that collaborates across silos to deep dive into current journeys from the perspectives of customers and employees. This diverse team should include CX leaders, customer-facing staff and IT professionals.

Build empathy by mapping the current experience and understanding customer needs and expectations using Ipsos' Forces of Experience framework. Identify pain points and areas for improvement and gather inspiration from brilliant experiences across sectors.

Figure 5: Based on the Double Diamond framework



Source: The British Design Council

Ensure frontline staff are part of the design process to incorporate their knowledge and Human Intelligence, ensuring experiences are nuanced and sensitive to different customer contexts. Look for manual processes that are currently working but could be improved with Gen AI.

Bring insights to life through rich journey maps and personas, then ideate solutions, prototype new experiences, and test through agile sprints.

3. Critically assess your AI use case



Apply Ipsos' Truth, Beauty, and Justice framework⁶ to evaluate the performance of use cases and identify areas for improvement.

Assess the accuracy and reliability of Gen AI outputs (Truth), examine the explainability and transparency of the system (Beauty), and ensure alignment with ethical considerations and data protection (Justice). Data quality is crucial for reliable AI outcomes.

4. Determine the Return on CX Investment (ROCXI)



Quantify the potential return associated with improving aspects of the customer journey via Gen AI, to unlock resources, drive action, and create a compelling case for change⁷.

Prioritise issues based on their impact on customer and business outcomes and use ROCXI modelling to quantify the potential uplift that Gen AI implementations can generate within the customer journey.

5. Blueprint the system



For each Gen AI use case, blueprint the ideal system within the context of the journey.

Detail the customer's digital experience from a frontstage perspective and the support needed from Gen AI behind the scenes.

Define the permissions, access and decisions required based on the information provided.

6. Pilot and measure



Once priorities are established and potential interventions created, use experimental designs like A/B testing or test-and-learn schemes to measure effectiveness as you roll out.

Listen and track the impact on customer journeys through experience management programmes, enabling real-time understanding of what's working, what's not, and where Gen AI efforts can be improved.

Include open-ended questions and verbatim responses to identify the Forces of CX that are being met.

Towards the future of experience

As expectations and business models evolve, organisations will increasingly need to combine AI and HI to stay in tune with changing customer needs. Deploying advanced analytical mechanisms and smarter action planning tools will help predict and influence customer outcomes, providing guidance for a successful journey.

At the heart of experience remains the fundamental need for brands to understand people and their role in their

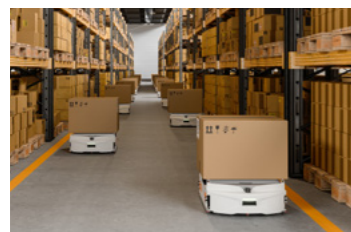
lives. By emotionally engaging customers and employees, brands can create strong, meaningful and mutually profitable relationships that drive positive business outcomes.

As experience leaders, embracing the opportunities presented by AI and data, while maintaining a commitment to understanding and empathising with customers and employees, will be key to navigating this exciting future.

In summary

The potential for Gen AI and its impact on CX is immense, but it's crucial to keep Human Intelligence at the heart of experience design.

As we navigate an exciting future, let's use technology to enhance these connections between people and create experiences that truly resonate with our customers' needs.



01

Embrace Gen AI to improve the efficiency and effectiveness of your experiences



02

Stay in touch with the evolving needs of your customers and employees



03

Design experiences with HI at the heart, ensuring deep empathy and understanding

Ipsos' CX HI+AI toolkit includes:

CX MATURITY – Let's get you AI ready

Understand how ready you are as an organisation for Gen AI. Ipsos' CX Maturity framework will evaluate your organisation to determine how you're performing and inform your future CX roadmap, providing a clear action plan of what you need to put in place to get AI ready.

CX JOURNEY – Let's identify where the opportunities are

Map your customer and employee experiences to identify where along your journeys you have opportunities to redesign, using Gen AI to improve relationships. The Forces of CX framework, at the heart of the approach, will ensure you are mapping functional and emotional needs.

CX SERVICE DESIGN – Let's design a new experience

Break down silos and pull together a

collaborative team across your business areas including CX, frontline and technology to reimagine your experiences. Identify your opportunity areas for Gen AI to enhance your CX and ideate on what might be the solutions. Prototype and take through testing to ensure you are delivering a best-in-class experience. Develop your system blueprints to ensure everything is in place for success. Pilot, test and learn.

ROCXI – Let's calculate the financial impact

Quantify the potential return on investment for new Gen AI business cases to release budgets and bring your C-Suite on board.

CX MEASUREMENT AND ANALYTICS – Let's make sure everything is working well

Measure and manage your experiences to keep them aligned with your customers' needs. Continuously listen, learn and improve.

Endnotes

- 1 [Going all in with AI? Here's how to the keep customer at the center](#) | Ipsos
- 2 [The Ipsos AI Monitor 2024](#) | Ipsos
- 3 [Mind the Gap: Why what a brand promises and what it delivers matter](#) | Ipsos
- 4 [CX Service Design: Designing experiences that create emotional attachment and drive brand growth](#) | Ipsos
- 5 [The Forces of Customer Experience](#) | Ipsos
- 6 [Exploring the Changing AI Landscape: From Analytical to Generative AI](#) | Ipsos
- 7 [Money Talks or Budget Walks](#) | Ipsos

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AUTHORS

Helen Bywater-Smith

Global Head of Service Design,
Customer Experience, Ipsos

Jean-Francois Damais

Global Chief Research Officer,
Customer Experience, Ipsos

Tristina Keith

Global Head of Alliances,
Customer Experience, Ipsos

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