

Customer experience horizons



Preface

“Customer experience horizons” is an MIT Technology Review Insights report sponsored by Genesys. To produce the report, MIT Technology Review Insights interviewed a global group of cross-industry customer experience and technology executives, analysts, and experts. Ross O’Brien was the author of the report, Teresa Elsey was the editor, and Nicola Crepaldi was the publisher. The research is editorially independent, and the views expressed are those of MIT Technology Review Insights.

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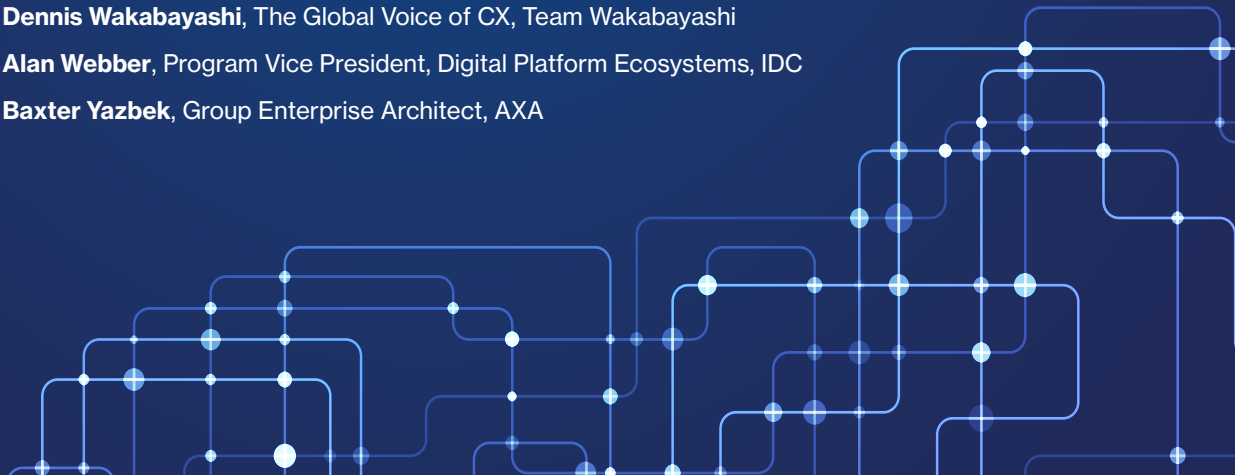
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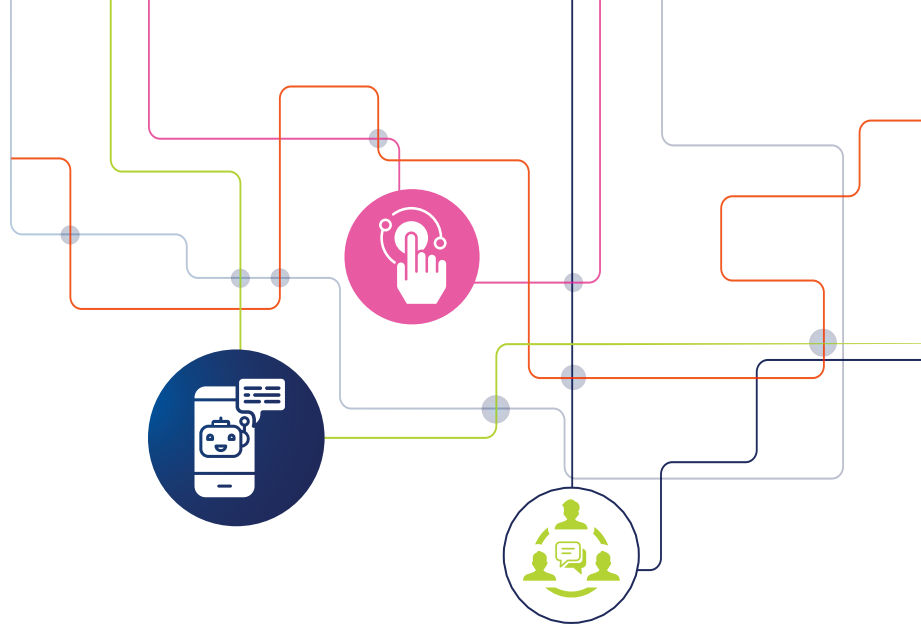


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01 Executive summary



Customer experience (CX) is a leading driver of brand loyalty and organizational performance. According to NTT's State of CX 2023 report, 92% of CEOs believe improvements in CX directly impact their bottom line, with the key benefits being business growth, improved productivity, and customer brand advocacy (see Figure 1).¹ They also recognize that the quality of their employee experience (EX) is critical to success. The real potential for transforming the business, according to 95% of CEOs, is bringing customer and employee experience improvements together into one end-to-end strategy. This, they anticipate, will deliver revenue growth, business agility, and resilience.

To succeed, organizations need to reimagine what's possible with customer and employee experience and understand horizon trends that will affect their business. This MIT Technology Review Insights report explores the strategies and technologies that will transform customer

experience and contact center employee experience in the years ahead. It is based on nearly two dozen interviews with customer experience leaders, conducted between December 2022 and April 2023. The interviews explored the future of customer experience and employee experience and the role of the contact center as a strategic driver of business value.

The main findings of this report are as follows:

- **Richly contextualized experiences will create mutual value for customers and brands.** Organizations will grow long-term loyalty by intelligently using customer data to contextualize every interaction. They'll gather data that serves a meaningful purpose past the point of sale, and then use that information to deliver future experiences that are more personalized than any competitor could provide. The value of data sharing will be evident to the customer, building trust and securing the relationship between individual and brand.

Figure 1: Customer and employee experience drive business success

92%

of CEOs say that CX improvements will directly affect net profit.

95%

of CEOs say blended CX and EX efforts will positively affect growth.

81%

of organizations have an EX strategy.

Source: Compiled by MIT Technology Review Insights, based on data from "2023 Global Customer Experience Report," NTT, 2023²

- **Brands will view every touchpoint as a relationship-building opportunity.** Rather than view customer interactions as queries to be resolved as quickly and efficiently as possible, brands will increasingly view every touchpoint as an opportunity to deepen the relationship and grow lifetime value. Organizations will proactively share knowledge and anticipate customer issues; they'll become trusted advisors and advocate on behalf of the customer. Both digital and human engagement will be critical to building loyal ongoing relationships.
- **AI will create a predictive “world without questions.”** In the future, brands will have to fulfill customer needs preemptively, using contextual and real-time data to reduce or eliminate the need to ask repetitive questions. Surveys will also become less relevant, as sentiment analysis and generative AI provide deep insights into the quality of customer experiences and areas for improvement. Leading organizations will develop robust AI roadmaps that include conversational, generative, and predictive AI across both the customer and employee experience.
- **Work becomes personalized.** Brands will recognize that humans have the same needs, whether as a customer or an employee. Those include being known,

understood, and helped – in other words, treated with empathy. One size does not fit all, and leading organizations will empower employees to work in a way that meets their personal and professional objectives. Employees will have control over their hours and schedule; be routed interactions where they are best able to succeed; and receive personalized training and coaching recommendations. Their knowledge, experiences, and interests will benefit customers as they resolve complex issues, influence purchase decisions, or discuss shared values such as sustainability. This will increase engagement, reduce attrition, and manage costs.

- **The contact center will be a hub for customer advocacy and engagement.** Offering the richest sources of real-time customer data, the contact center becomes an organization's eyes and ears to provide a single source of truth for customer insights. Having a complete perspective of experience across the entire journey, the contact center will increasingly advocate for the customer across the enterprise. For many organizations, the contact center is already an innovation test bed. This trend will accelerate, as technologies like generative AI rapidly find application across a variety of use cases to transform productivity and strategic decision-making.

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02 A new model for customer engagement

Across every industry, organizations are facing rapidly rising customer expectations for fast, convenient, and personalized experiences. Buoyed by their experiences with world-leading brands, consumers now have little patience for interactions that don't respect their time or value as a customer. "The customer today has become very demanding in terms of how they interact with brands," says Nick Parmar, global vice president of collaboration services at Tata Communications. "Gone are the days where you get flipped between agents and communication channels or are asked the same thing over and over. Customers want brands to be relevant, contextualized, and available 24/7."

The rapid digitalization of customer experience (CX) during the covid-19 pandemic paved the way for more efficient, self-service interactions that are now table stakes for every organization. But to differentiate their brand and increase customer loyalty, organizations need to significantly improve their ability to personalize and use every interaction to create superior mutual value. This requires a shift toward new models of engagement.

Leading organizations will increasingly focus on developing what Ross Dawson, chairman of Future

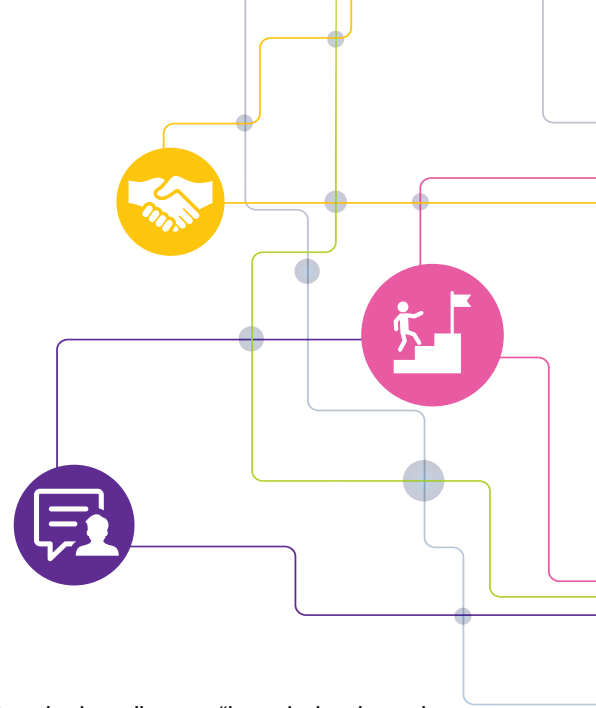
Exploration Network, describes as "knowledge-based relationships." In these relationships, deep reciprocal knowledge of customer and company creates binding loyalty. "With this deep knowledge, companies create such mutual value it results in a switching cost for customers – a lock-in for this knowledge-based relationship," he says. To switch from a preferred brand, a customer would need to start over – investing time and sharing data until a new company learns their preferences and meets their needs as well as the brand they've just left.

Knowledge-based relationships create mutual ongoing value

Creating mutual ongoing value requires gathering information that is useful for the relationship past the point of sale, says Alan Webber, program vice president for digital platform ecosystems at IDC. For example, a car dealership knows that a customer with a family of five will need a loaner vehicle of a certain size. But using that existing data for future contextualization is something that "99.9% of companies [currently] do horribly," he says. "Organizations are gathering more data than ever before," he adds, "but I'm not sure they actually understand their customers any better."

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The purpose of contextualizing interactions is to create emotional attachment, says Archer Li, vice president for digital ventures at cosmetics retailer Sephora China. “My vision for the coming future of digital commerce is really about the engagement experience,” he says. Where the retail industry has typically focused on removing friction and increasing conversion at the bottom of the sales funnel (for example, product selection and payment gateways), there is a shift toward engaging customers at the top of the funnel. This involves customer service “before they decide what to buy, what they can explore, how they can try it on, how they feel,” says Li.

In the new model of engagement, customers are initiating interactions that are less “Where is my order?” and more “Can you give me some advice?” By becoming trusted advisors, brands can transform their business model and create radically new relationships that generate loyalty for the long term.

Rightsizing and right channeling

A customer engagement model architected to drive loyalty uses every interaction to advance the brand-customer relationship. Traditional KPIs focused on controlling costs by completing customer transactions quickly and deflecting them away from contact center employees. This approach came from the mindset that customer inquiries are complaints. “Don’t leave customers waiting’ and ‘reduce post-sale inquiries’ – these were the KPIs,” says Li. In the shift toward engagement, Sephora now encourages more inquiries and engages proactively. “We’re finding that actually the more proactive engagements, the better the understanding of the consumer,” he says. “The higher chance you have of finding the consumer’s potential needs or understanding their requests better.”

While increased productive time with a customer can yield greater satisfaction and business performance, “it isn’t necessarily a good thing that all customer interactions become longer,” says Dawson. When contemplating strategies to extend interactions, he says, companies should ask themselves, “Is this to create more value for the customer? Or is it just to sell more to them, or so they spend more time with us than others?”

To determine which types of interactions genuinely create customer value, organizations need to understand their customers’ context and intent in real time, intelligently

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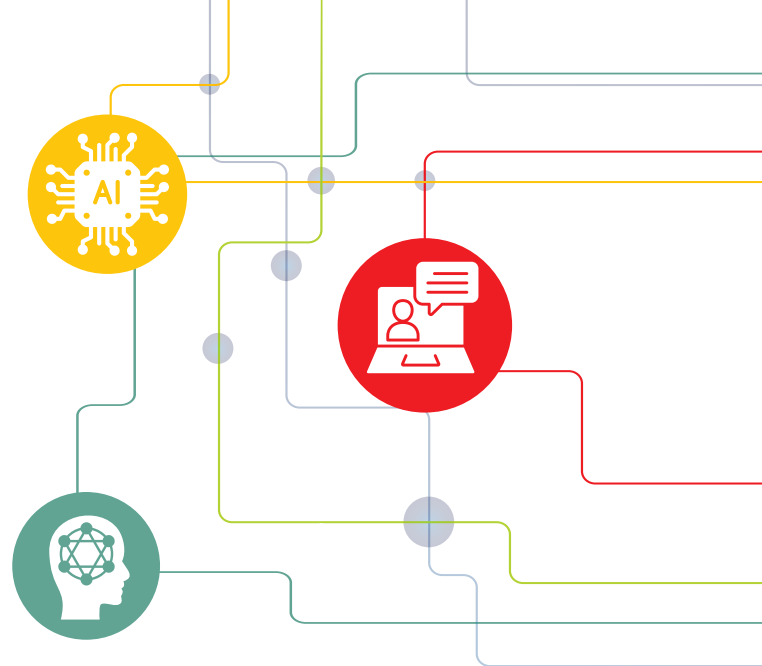
Blake Morgan, Author, Speaker,
CX Futurist

delivering the experience that will create most value in that moment. Dounia Senawi, chief commercial officer at Deloitte, describes this approach as “right channeling.” Rather than shunting inquiries to company-preferred channels, brands can identify and build out the most effective and efficient channels to serve customers or, more importantly, the channels where a customer can achieve the most frictionless service.

Realizing this vision for the future, however, will first require fundamental CX capabilities many organizations still lack. “Customer experience is hard to do,” says CX futurist Blake Morgan. “Just the table stakes of knowing who a customer is, where they’ve been, what’s happening with them right now, what they need in the future – even just doing that is extremely complicated.”

Simply to begin a CX transformation, companies must shore up legacy systems, unify disconnected digital channels, and connect millions of siloed data points into a comprehensive view of each customer’s journey. This will allow organizations to unlock the potential of personalization and deploy AI technology, which will increasingly separate the leaders from the laggards in customer experience.

AI and a world without questions



For customer experiences to grow into lasting relationships, brands must become proactive – anticipating and meeting customers’ known and unknown needs. Shirley Hung, a partner at the global research firm Everest Group, describes the future of CX as one “where customer needs will be fulfilled preemptively, as businesses build a deeper understanding of customers individually.” Leading organizations are envisioning intelligent customer engagement that altogether avoids asking basic questions, like who the customer is and why they are making contact.

Kirti Singh, chief analytics and insights officer at consumer goods company Procter & Gamble (P&G), describes a vision for customer experience as “a world without questions.” “It’s not just about how much data an organization has,” he says. “It’s figuring out how to use it effectively to drive growth by better serving the customer – rather than continually tapping the customer for more information.”

Organizations also have myriad opportunities to gather customer satisfaction metrics using event data and sentiment analysis tools, without the need for

direct questions. “We used to ask a lot of questions,” Singh says. “Now we look to the data that is already available – what consumers are already saying, on our own brand sites or elsewhere – and try and leverage it to answer these questions.”

Katherine McDermott, executive director of digital services for Service NSW, an Australian government agency, shares a similar goal. “Our vision was to go from a digital environment where customers ‘told us once,’ to one where they don’t have to tell us at all,” she says. “We’ll tell you and give you what you need.”

Service NSW is “obsessed” with customer feedback, McDermott says – with designers, engineers, product managers, and even the government minister able to access real-time customer sentiment analysis via a mobile app. This gives the organization a “special way” of connecting with customers, allowing them to quickly uncover challenges and improve the customer experience.

AI technology will make this vision a reality, say executives interviewed for this report, powering previously unachievable levels of personalized service at scale.

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The AI trifecta: conversational, generative, predictive

A suite of complementary AI technologies will be critical to transforming CX for customer intimacy and engagement (see Figure 2). Conversational AI tools, such as natural-language processing and understanding, are creating ever-more human-like interactions for chatbots and voice assistants. This technology also transcribes voice calls in real time, which will accelerate the performance of predictive analytics, agent-assist tools, sentiment analysis, and quality management – improving customer satisfaction and business performance. Analyzing customer data such as sentiment analysis at scale can also provide powerful insights to shape business strategy.


Predictive AI – learning to better anticipate what the customer wants to achieve and which approach has the greatest potential for success – is another powerful capability in the AI suite. From engaging with customers proactively on websites to increase conversion or answer questions, through to predictive routing and agent assist, these technologies make experiences much faster and more personalized.

And generative AI – using large language models to process huge quantities of unstructured data and generate novel content – will herald another leap forward for CX, particularly in empowering contact center employees. Generative AI can collect, organize, and summarize customer details and transaction history for employees to review and use, reducing or even


eliminating the need for fact-finding questions. It will develop and suggest possible responses to inquiries, customized in real time for each unique scenario and customer’s context.

“Each agent will soon be able to augment their own capabilities with AI, allowing them to craft personalized experiences that are unique to each customer,” says customer experience consultant Dennis Wakabayashi. “For example, an employee can simply type, ‘What is the engine part for a 1996 Toyota Corolla that makes a weird sound when turning left?’ The AI can go into the owner’s manual, the forum posts, all your internal documentation, and pull it out and say, ‘It’s probably this bolt right here, and this is where you can get one.’” AI-generated prompts and curated customer information like this will allow employees to connect with each customer as an individual, he says.


Figure 2: Three key AI technologies



Conversational AI refers to the use of AI technologies to communicate. Relying on the use of natural-language processing and natural-language understanding, powered by machine learning and data, conversational AI enables chatbots and voice assistants to have increasingly human-like interactions.



Generative AI technologies can produce novel text or media via the use of large language models or other generative models. These tools can summarize large collections of text and other data and can produce new content in response to unique customer needs, such as a specific customer inquiry.



Predictive AI uses machine learning, statistical models, and historic data to make predictions about the future. It can be employed to anticipate customer needs and wants and to offer proactive solutions.

A generative AI revolution

AI is creating a new paradigm in customer experience, unlocking unprecedented efficiency and innovation in personalization and engagement. “What we do with AI – the advancements we’ve had in the last years in the contact center – is absolutely phenomenal,” says Olivier Jouve, executive vice president and chief product officer at Genesys. “And generative AI is bringing another type of revolution.”

“Because CX interactions are language-based, there are so many ways that this technology will be accelerated by generative AI,” says Susanne Seiting, director of AI/ML product marketing at Amazon Web Services. “The next phase of machine learning is driving a transformative moment when large language models will impact every aspect of customer service.” A big shift will be toward unscripted interactions that respond to what the customer is experiencing in real time.

Deep learning has led to breakthroughs in global consistency, says Jouve. “If you want to provide the same level of experience in each country, you need the same type of capabilities independently of the language. We are reaching people in more

than a hundred countries – you cannot do that with a purely linguistic-based approach.” With a consistent approach to sentiment analysis, for example, organizations can understand whether employees are engaging with customers in the right way, asking the right questions, and showing empathy throughout the conversation.

In addition to text-based analysis, large language voice models are an emerging area of innovation that could have extensive applications in customer experience. By analyzing millions of voice interactions, generative AI voice tools can authenticate users, detect fraud and deepfake voice impersonation, recognize impairment or intoxication, and conduct sentiment analysis in real time, among many other use cases.

Generative AI will also support contact center leaders in understanding how their function is performing and identify opportunities for improvement, says Jouve. “You can ask, in natural language, why average handling time has increased over the last few months,” he says. “That’s where generative AI can really provide some very good insights.”

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Data remains a stumbling block

The predictive and personalized customer experiences envisioned in this report can only be achieved through a digital transformation that includes a 360-degree view of the customer via connected platforms and data. “Companies that are doing CX well,” says Webber, “understand that there’s an end-to-end data layer that needs to sit underneath their top-level architecture for advertising, marketing, sales, service, and customer support and loyalty.”

“A lot of customer data is captured in different systems and applications that don’t communicate with one another,” notes Hung. “A customer might go online to look for an answer, then use chat, then end up calling, and there’s no history behind what they’ve tried to do to resolve this issue. They repeat themselves over and over, and by the time they actually talk to somebody, they’re already frustrated.” To improve on this, organizations must create unified digital ecosystems that allow them to connect those separate customer contacts and to access and share customer data throughout the organization.

Dutch telecommunications company KPN is in the middle of a digital transformation that will enable a personalized, proactive customer experience with an increasingly digital-first approach. “To personalize customer interactions, you need to have one digital ecosystem,” says Martijn Franssen, KPN’s senior director for digital customer service and development.

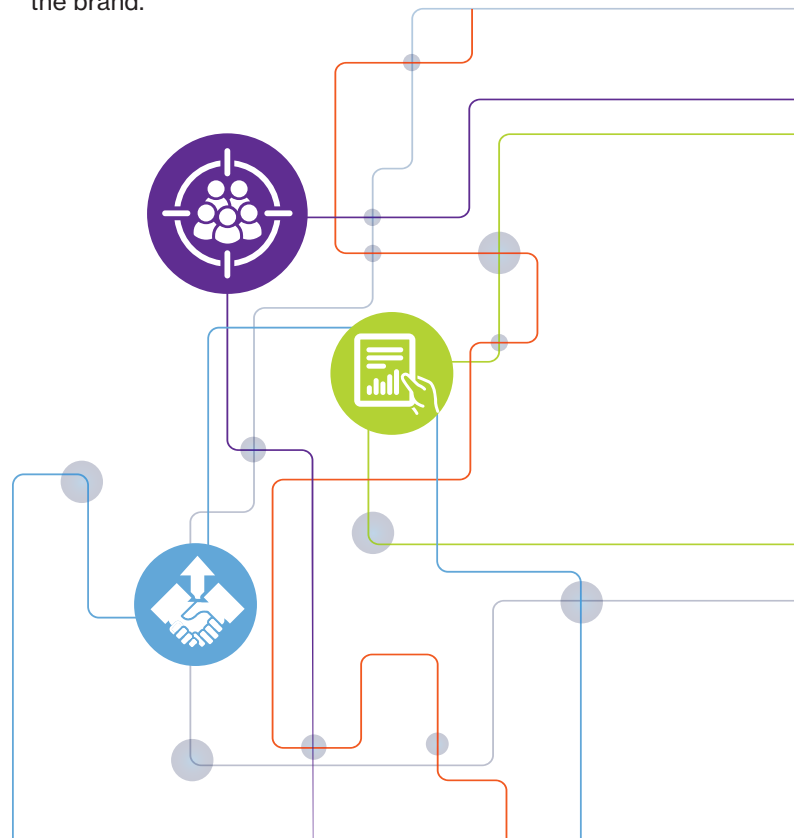
To get a better view of the customer journey, KPN is embarking on a rationalization program and moving toward bigger platforms. That will improve time to market, says Franssen, and – more importantly – make sure that they can offload richer data faster. “Getting rid of all the silos and making sure that we can follow the customer along the journey will be quite important in order to get to the next step,” he says.

The other key benefit of a single digital ecosystem with a common platform is that it better serves the support team, says Franssen. It enables an organization to have a virtual contact center that matches the customer with best agent available, and “flip things upside down” in terms of orienting work around employee preferences rather than working under the pressures of inbound volume.

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In the future, a simple architecture that allows organizations to deploy world-class AI technology quickly, or has secure AI-features built in, will be critical for creating a personalized, proactive world without questions, continually improving experiences for customers and for the employees who represent the brand.



04 Supercharging the employee experience



The proportion of customer interactions conducted through digital channels will continue to grow as organizations expand self-service capabilities and younger generations show a preference for unassisted channels. This trend does not, however, diminish the importance of contact center employees as a driver of overall customer satisfaction and engagement. In fact, executives interviewed for this report insist that contact center employees are paramount to business success as the face of their brand.

“You can’t create an excellent customer experience without empowering and engaging your first customers, which are your employees,” says Morgan. “And when employees are engaged in the work and see the impact of their efforts to help customers and meet the company’s purpose, they’re naturally more willing and able to provide a top-tier customer experience.”

Recruiting, engaging, and retaining contact center employees is notoriously challenging. A 2022 survey of CX executives found that 96% of respondents struggle to recruit contact center agents and 62% report increased hiring costs (see Figure 3).³ And as Generation Z (those born between 1995 and 2010) becomes an ever-greater share of the contact center workforce, organizations need to create jobs that appeal to this digitally native, values-driven cohort. Gen Z employees are distinctly difficult to retain, according to 2022 McKinsey research – 77% reported they were currently looking for a new job, almost double the rate of other generations.⁴

To build an engaged and high-performing workforce, organizations need to reshape their employee value proposition to mirror their customer proposition for fast, convenient, and personalized experiences with a brand that shows leadership on sustainable business practices.

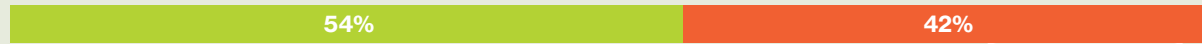
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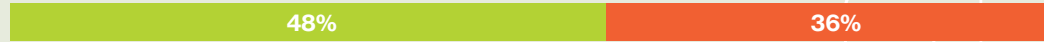
Figure 3: The most challenging issues for CX organizations

How challenging are the following issues for your organization? (% respondents)

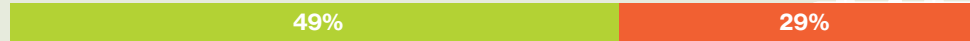
Recruiting new CX employees



Defining new hybrid home/office working models



Increasingly difficult customers/high expectations



Low morale/engagement among CX staff



Increasing costs due to employee turnover



Developing quality career paths for CX talent



Meeting employee expectations on working environment and remuneration



High turnover among CX employees



■ Challenging ■ Extremely challenging

Source: "Customer experience and the future of work," MIT Technology Review Insights, September 15, 2022⁵

Work, personalized

"We know that agent experience and customer experience are 100% tied together. Both customers and employees want us to make it easy for them, and there are lots of similarities between Gen Z employees and customers," says Stephenie Tiedens, who leads the shared services center for workforce management and quality management for Principal Financial Group's nationwide customer engagement centers.

Gen Z have high expectations for workplace technology, according to a survey by Workforce Institute. One-third of respondents expect their employer to provide modern workplace tools and 21% say they wouldn't tolerate being asked to use outdated technology.⁶

Employees, especially Gen Z, want their employers to find new and creative ways to engage with them,

says Tiedens. This can involve empowering them with insights into their own performance, as well as personalizing the experience to their preferences and needs. "It's important to both employees and customers that we know who they are, and we think about them as individuals – that our approach to them is very tailored and personalized to them," she says. Principal Financial is exploring agent-assist AI capabilities, dashboards that will help identify individual learning needs, and customized training and career path development.

Modern contact center technology should make work "easy, flexible, and fun" says Franssen. Employees "want to be empowered, want to have the freedom to organize their work, and have a lot of ambition," he adds. This means organizing work around the individual, giving them control over their schedule, and offering a broader selection of career development opportunities that will keep staff motivated to advance. Predictive

scheduling and routing tools to intelligently manage incoming inquiries and agent capacity show empathy for both customer and employee, he says.

Executives interviewed for this report stress the importance of ensuring that employees have fun at work. For example, using virtual reality to deliver more realistic training, adding gamification around KPIs and other goals, and incorporating social media platforms such as TikTok into the employee experience. For Gen Z, engagement also requires an element of entertainment and being able to connect with issues they care about.

Values-driven customer engagement

Savvy brands are actively involving customer-facing employees in how they drive a sustainable agenda across their customer base. This approach will increase in importance as Gen Z makes up more of the workforce. “More than any generation, Gen Z cares about supporting organizations and brands that do good in the world through sustainability, diversity, supporting social causes, taking a stand on certain issues,” says Morgan.

At Asia-Pacific insurance company AIA Group, the importance of health, wellness, and prevention is emphasized to both customers and employees. Customers are increasingly viewing both physical and financial wellness as part of their legacy, says Prashant Agarwal, head of digital, customer and ecosystems marketing.

This shift provides opportunities to reshape customer-advisor engagement. Advisors develop ongoing “wellness influencer” relationships with customers, often using their own social media accounts to share information. They also participate in a customer-employee community centered on health and wellbeing. By providing employees with content on wellness, AIA supports them in shifting conversations away from selling. The company aims to align its business model with its sustainability objectives, since it finds customer health and longevity drive better business results.

At OVO Energy, a UK utilities company, Richard Tucker, head of software engineering, care and operations platforms, envisions employees routinely leading conversations about finances and energy saving with customers. With transactional issues handled by self-service channels, contact center staff will focus on higher-value interactions. “It is about lowering costs, but it’s not just about that. It’s about making best use of our resources to have the higher empathy conversations, the emotional conversations,” he says. Those conversations might be complicated scenarios, sales questions, or future opportunities to reduce customers’ carbon footprints.

“We are looking at decarbonizing the UK with more products like solar energy-efficient boilers, heat pumps, and the like,” says Tucker. Enabling agents to lead conversations with customers about these products and trends allows them to connect their work with the company mission and create real value for customers.

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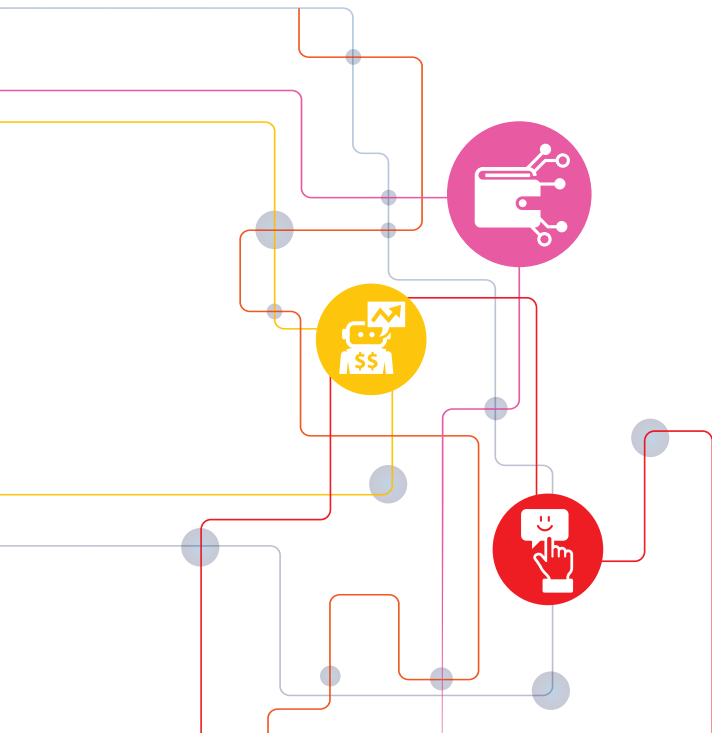
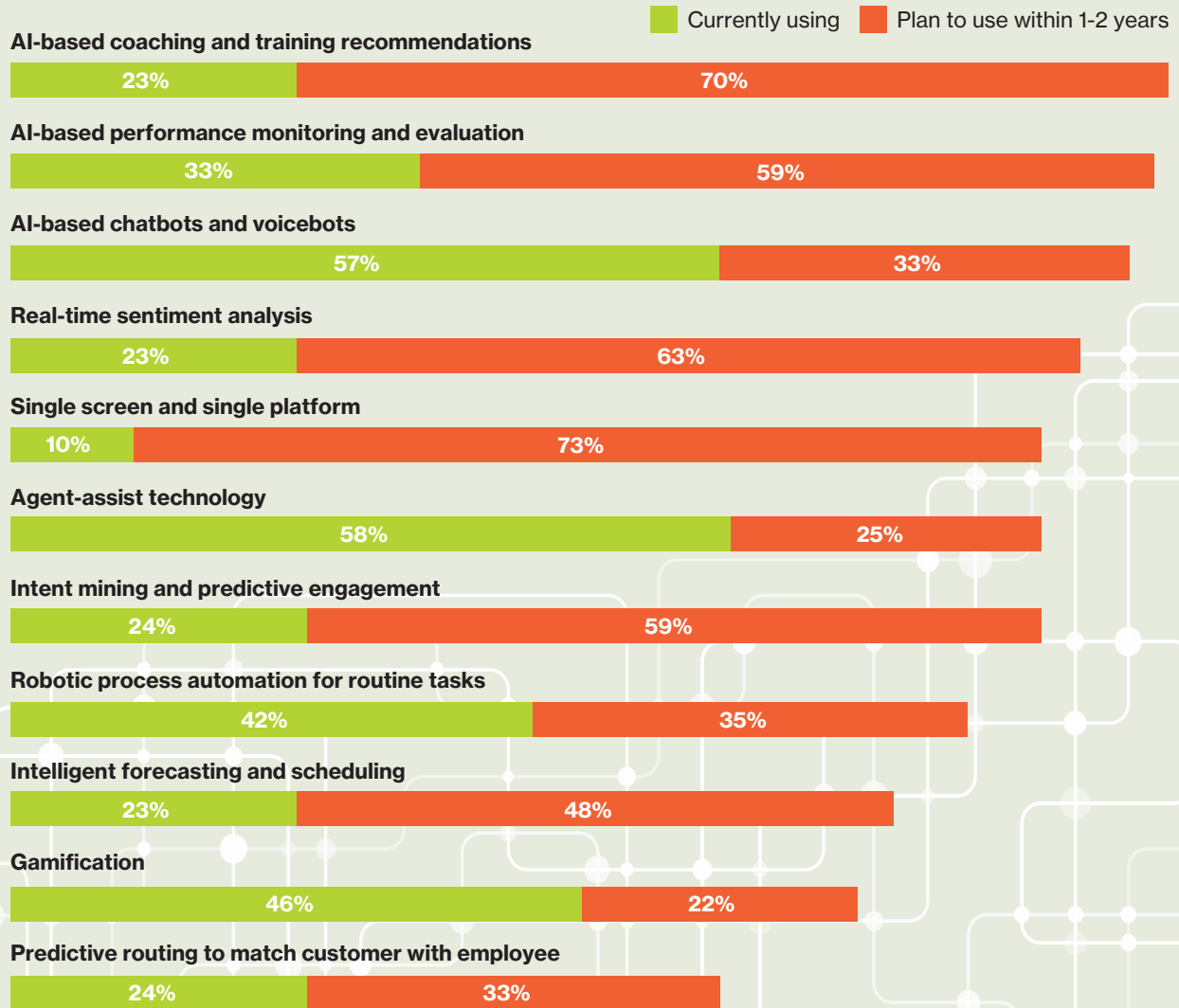


Figure 4: Contact center technology adoption

What tools and technologies are you using now or considering using in the future to improve the employee and customer experience? (% respondents)



Source: "Customer experience and the future of work," MIT Technology Review Insights, September 15, 2022⁷

AI and a better world of work

The future of employee experience involves being supported with AI technology in every aspect of daily work and career development. AI will enable contact center employees to deliver far more empathetic experiences to customers than they do today. Rather than simply following a script, AI will allow employees to meaningfully address a customer's needs, says Susanne Seitinger, director of AI/ML product marketing at Amazon Web Services.

"The most important thing is to help agents be responsive and empathetic to a customer's needs," she says. AI-driven agent assist, next best action, and summarization tools are "critical," she adds, "so agents don't feel they're on the back foot."

Generative AI also has huge potential in delivering efficiency in back-office tasks, says Seitinger. Agents spend up to 60% of their time completing post-call notes, which could be almost entirely automated with

“Using automated transcription software, then just tweaking and finalizing that, is a huge win and something that can be readily deployed today.”

Susanne Seitinger, Director of AI/ML Product Marketing, Amazon Web Services

AI. “Using automated transcription software, then just tweaking and finalizing that, is a huge win and something that can be readily deployed today,” she says. “There’s a direct impact to the bottom line that’s very immediate.”

A 2022 global survey of CX executives found them ready to deploy AI-based technologies in the contact center (see Figure 4).⁸ Nearly all (93%) said they were either already using AI-based coaching and training recommendations or planning to adopt them in the next one to two years. Respondents had similar enthusiasm for AI-based performance evaluation (92%), AI-based chatbots (90%), and real-time sentiment analysis (86%).

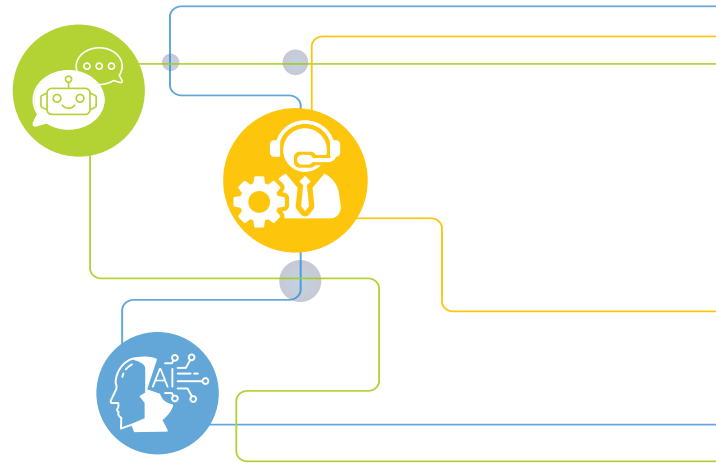
Rather than a route to reducing contact center headcount, executives interviewed for this report see AI as creating new roles and career paths. Developing conversational AI technology requires deep knowledge

of the contact center, says Baxter Yazbek, group enterprise architect at AXA. “We have new roles, like conversation designer and chatbot trainer. It’s difficult to find those people externally,” says Yazbek. “You can find UI designers, but a conversation designer needs to know how a call center works and what a customer says when he wants to make a claim. That’s a role evolution we see for CX staff, along with other roles that oversee continuous monitoring and improvement of chatbots.”

Ultimately, executives hope to make the contact center employee’s experience more efficient, effective, and engaged. Employees will be positioned as customer influencers and advocates, with next-generation tools and technologies to act as eyes and ears for opportunities to improve the customer journey. AI is a key strategic pillar in these initiatives, creating huge efficiencies across the contact center and repositioning it as a customer value hub.



05 Contact center as customer value hub



As organizations reinvent customer experience through automation and digital engagement, the contact center of the future will also have a new role. As custodian of the organization's richest data set on customer needs, preferences, and journeys, the contact center has the potential to understand the customer better than any other function. It serves as the company's eyes and ears; the place where customer loyalty is won – or lost.

If viewed that way by company leaders, the contact center can become the hub for critical insights that drive innovation and business optimization. And because of the contact center's ready access to data and customers, leading organizations are making it an innovation test bed for emerging technology, helping to pilot and adopt tools that will drive better business outcomes.

This is creating a shift in the strategic importance of the contact center, as well as in how it is organized. Increasingly, business leaders realize the importance of integrating contact center technology and insights for connected business processes and decision-making across traditionally separate functions, such as such as marketing, product development, sales, and supply chain management.

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Centers of customer excellence

"The term 'contact center' may disappear," says Dawson. He predicts it will be replaced by a "contact network," which he sees as a collection of customer-facing resources spread throughout the organization. Dawson believes that, in the future, organizations will not channel all customer transactions to a single function or set of responsibilities. Instead, "they will match the right person with the right challenge in real time – and this isn't always going to be somebody in a call center or who has a specific customer-facing role."

For other organizations, the contact center will remain a central function, reconceived as a virtual center of excellence for customer experiences. Olivier Jouve, chief product officer at Genesys, says, "In the future, we'll see a much more functional, proactive contact center with less wait and better service."

The traditional pattern of reacting to customer needs may be turned on its head – with AI at the core. "Instead of waiting for the customer to call you," he says, "you'll make the proactive right action to address something that the customer might not be aware of. The contact center has always been a playground for AI, because it is a repository of so much real-time data."

Brad Cleveland, author of *Contact Center Management on Fast Forward*, believes that contact centers will play a leading role in creating a more holistic view of the customer. Where different departments previously had separate voice of the customer programs, the contact center will increasingly create a cross-functional perspective. “Cast a wide net of listening to your customer,” says Cleveland. “So, all these sources – surveys, operational data, all of that – funnel into one program, one team that really filters this data and listens. Then have collaboration that addresses the pain points and the opportunities as an organization, not department by department. Otherwise, you have initiatives in silos.”

In the future, this connected insight could position the contact center to take a leading role in organization-wide market strategy.

An evolving landscape for customer measurement

As the role of the contact center evolves, so will the metrics that organizations use to measure contact center performance. There is a shift away from employee KPIs that focus on handle time or throughput, and toward new metrics that seek to measure the customer’s full experience. “We’ve seen the rise of the customer frustration score, which measures such things as the number of handoffs that need to happen before an issue is resolved,” says Hung. These metrics “put the company in the customer’s shoes,” she says, unlike metrics such as call deflection, which only consider a company’s costs. Other executives cite customer effort or sentiment scores becoming leading indicators for measuring the quality of experience.

The team at health and wellness company Herbalife looks at how quickly customers, who are independent business owners, can escalate or switch channels if they need to. “I’m coining a new metric which I’m calling ‘determine to transfer,’” says Joshua Haddock, director of global contact center technology at Herbalife. “It’s focused on how quickly we determine whether you can or cannot self-serve. If I’m one of the 20% of interactions that cannot self-serve, the time it takes to reach that live agent can be very frustrating.” Although many customers want to use unassisted channels, “relationships, they’re very delicate, they’re very fragile in this new space,” he says. “It’s easy to lose a customer for life and it’s easy for them to share that very publicly and very socially. Our mission is to make the self-serve experience easy, and, when needed, the transition to an agent effortless, without the need to start over.”

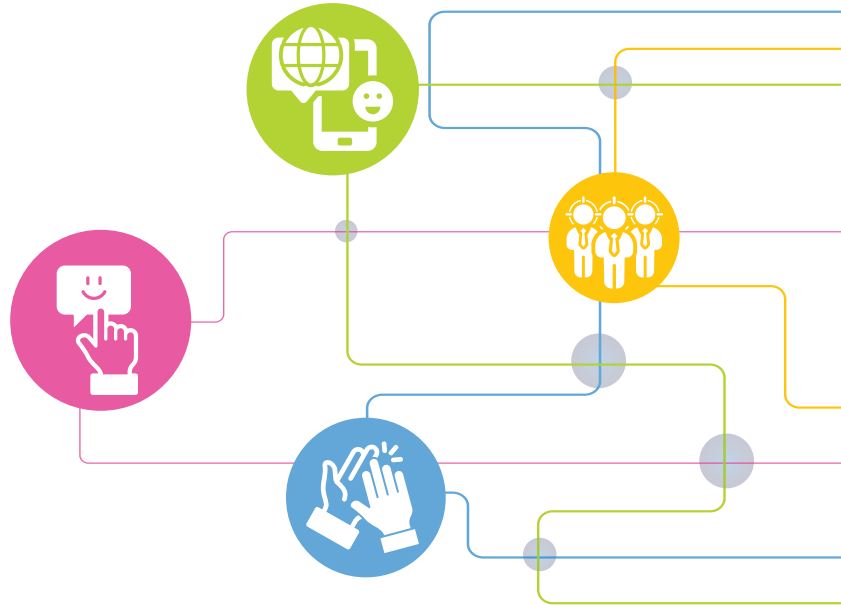
Deemphasizing cost-based metrics empowers employees to provide better service, says Tiedens. “We’re focused on the outcomes we want to achieve, so agents in some of our centers do not have average handle time goals.” Instead, they’re measured on customer experience, their own personal development, and then innovation and continuous improvement, she says. Maintaining the overall performance and efficiency of the contact center becomes the responsibility of supervisors, but not front-line staff. This allows them to focus on customer empathy and building long-term relationships.

Creating empathetic experiences for customers and employees is driving an end-to-end transformation in the contact center. As the primary source of customer intelligence, the contact center can create value across the entire organization and demonstrate its strategic role in driving long-term loyalty and growth.

“In the future, we’ll see a much more functional, proactive contact center with less wait and better service. Instead of waiting for the customer to call you, you’ll make the proactive right action to address something that the customer might not be aware of.”

Olivier Jouve, Executive Vice President and Chief Product Officer, Genesys

Conclusion: Winner takes all



Customers and employees expect seamless, personalized experiences that are empathetic to their needs and preferences. They expect to be known, understood, and helped – proactively.

Organizations that cannot make the required shifts – from reactive to proactive, from transactional to relational – could see business performance suffer as they struggle to retain both staff and customers.

Executives interviewed for this report believe that the purpose of a customer interaction should not simply

be to resolve a query; it should be to make a mutually valuable connection for the organization and the customer. The same standard applies whether it's a digital, self-service interaction or an encounter with a knowledgeable and highly trained employee.

Mutual value should also be created between organizations and their employees. Careers in customer experience should be personally and professionally fulfilling for employees, allowing them to advance their skillsets and develop their knowledge of customer behavior and business processes, and providing them with the tools they need to succeed.

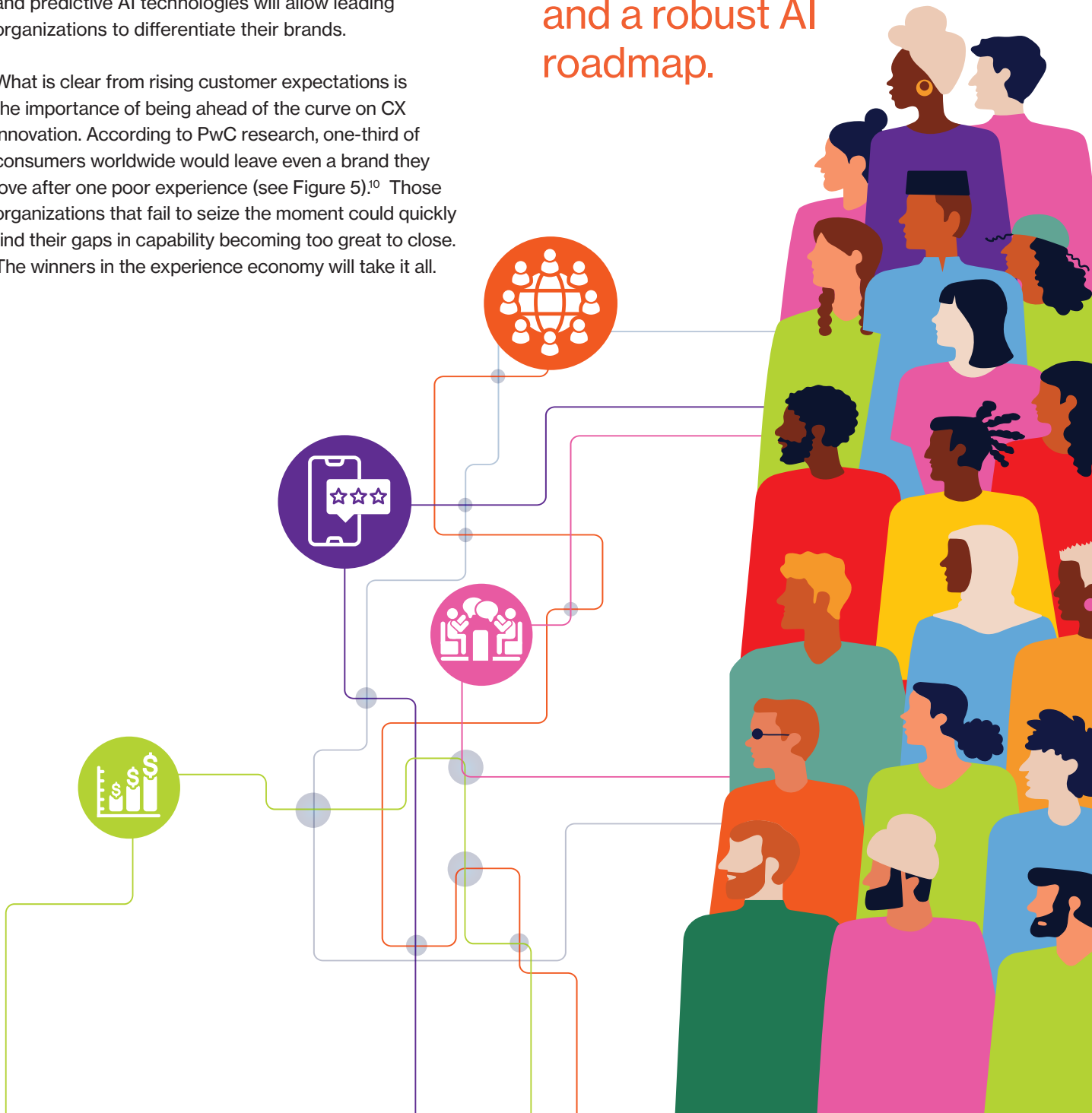
Figure 5: Customer experience stakes are high



The critical foundations for this vision of the future are a common technology ecosystem, a 360-degree view of the customer, and a robust AI roadmap. A common ecosystem creates consistency and the ability for customer experience to become a platform for enterprise growth, rather than the sole domain of the contact center. A holistic view of the customer that includes historic and real-time data ensures every interaction can be fully contextualized, allowing for meaningful, ongoing relationship-building. And the successful deployment of conversational, generative, and predictive AI technologies will allow leading organizations to differentiate their brands.

What is clear from rising customer expectations is the importance of being ahead of the curve on CX innovation. According to PwC research, one-third of consumers worldwide would leave even a brand they love after one poor experience (see Figure 5).¹⁰ Those organizations that fail to seize the moment could quickly find their gaps in capability becoming too great to close. The winners in the experience economy will take it all.

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