Press contact:
Sam Connatty
Tel.: +44 370 904 3601
Email: sam.connatty@capgemini.com

Consumers are embracing AI and will reward organizations that offer more human-like AI experiences

While consumers prefer engaging with organizations through a mix of AI and humans, they would like AI to have more human-like qualities

Paris, July 9, 2018 – New research from Capgemini's Digital Transformation Institute has revealed that artificial intelligence (AI) is no longer alien to consumers, with close to three-quarters (73%) indicating they have interacted via AI, and 69% of those who have used AI being satisfied with those interactions. The report, "The Secret to Winning Customers' Hearts with Artificial Intelligence: Add Human Intelligence" reveals that 55% of consumers prefer interactions enabled by a mix of AI and humans, and 64% want AI to be more human-like. These human-like qualities can generate significant goodwill and drive a greater propensity to spend for nearly half (48%) of consumers. However, many organizations are failing to take consumer pain points and preferences into account when applying AI technology to their customer experience (CX), focusing more on traditional metrics such as the cost of implementation and expected return on investment (ROI).

The report, which surveyed 10,000 consumers and over 500 companies across 10 countries, found that 63% of AI-aware consumers like AI because of its 24/7 availability and how it provides greater control over their interactions. Consumers are also opening up to the possibility of digital alter egos - 48% say the opportunity to be able to delegate tasks to an electronic personal assistant is exciting, with another 46% believing it will enhance their quality of life.

Consumers want human-like, not human-looking AI
Consumers' growing comfort in using AI is also increasing their reassurance in AI having human-like attributes. More than three in five consumers (62%) are comfortable with human-like intellect. Nearly half (49%) say they would have a higher affiliation to a company if their interactions enabled by AI were more human-like. Surprisingly, this preference transcends the generations. Across all age groups between 18 and 55+ years, consumers prefer interactions to be enabled by a mixture of human and AI.

However, customers want their AI to be heard, and experienced, but not seen. While they are keen for AI to have a human-like voice (62%) and the ability to understand human emotions (57%), physical features are deemed 'creepy'. Over half (52%) of customers are not comfortable when AI is set up to look like a person. The report also finds that two-thirds of consumers (66%) would like to be made aware when companies are enabling interactions via AI.

Businesses fail to prioritize customer experience when implementing AI
Despite consumer appetite for AI-powered customer experiences, businesses are prioritizing traditional metrics over customer preferences. The report found that 62% of organizations are prioritizing cost and 59% of organizations are prioritizing ROI as the most important factors when implementing AI technology. Just 7% of organizations rank solving known consumer pain points, and 10% rank impact on customer

experience as important factors in implementing AI-enabled use cases. That is a clear oversight, details the report, given that consumers are willing to spend more when the experience is positive. The report found that 38% of shoppers have purchased more following a good AI-enabled experience, with a quarter increasing their spend by up to 10%. In addition, AI-enabled interactions also foster more loyalty to and higher trust in the company.

Mark Taylor, Chief Experience Officer, Digital Customer Experience Practice, at Capgemini said, *"It is somewhat ironic that natural language processing and machine learning provides organizations with the opportunity to build deeper, more human relationships with their customers. By focusing their AI implementations to reimagine, streamline and simplify customer interactions, organizations can boost customer spend and loyalty. To see the biggest bottom-line boost, firms need to make both artificial intelligence and customer experience a strategic priority."*

Research Methodology
This research surveyed 10,000 consumers and over 500 executives at leading organizations across 10 global markets. All organizations had revenue above $1 billion in FY17. The global survey took place in May 2018 and was supplemented with three virtual focus group discussions with 8-10 consumers per focus group in USA, France, and Germany. The research also included interviews with several key industry stakeholders and academics.

About Capgemini
A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

Visit us at www.capgemini.com. *People matter, results count.*

About the Digital Transformation Institute
The Digital Transformation Institute is Capgemini's in-house think-tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, the United Kingdom and the United States.