

THE CX REVOLUTION: AN INTERVIEW ON GENERATIVE AI LEADERSHIP



CX TEAMS NEED TO TAKE A LEADERSHIP ROLE IN THEIR COMPANY'S GENERATIVE AI STRATEGY



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DIGITAL, DATA, AND AI BUSINESS LEADER



PRINCIPAL MARTECH STRATEGIST, CUSTOMER DATA & AI Generative AI (gen AI) represents the next evolution of AI systems – characterized by its ability to learn, adapt, and collaborate in ways once reserved for human intelligence. It has emerged as a game-changing technology that promises to reshape all industries and redefine the way people interact with organizations. The potential benefits are staggering, but businesses must understand that harnessing gen AI's full potential is contingent upon careful preparation.

In its report <u>Harnessing the value of generative</u> <u>AI</u>, the Capgemini Research Institute noted 96 percent of the executives surveyed have put the technology on their boardroom agenda. That said, many leaders are unsure how to get started.

Capgemini's Ollie East, Shawn Goodin, and Pranav Kumar recommend customer experience as an area in which the technology can make a profound difference. Here, they describe the enormous positive impact gen AI can bring to CX. But they also caution that ensuring the enterprise is ready for gen AI is not merely an option. It's a strategic imperative that necessitates a fundamental shift in how organizations approach data, infrastructure, and their overall business strategy. **CUSTOMER EXPERIENCE IS A FUNDAMENTAL DRIVER OF BRAND** LOYALTY AND **COMPANY GROWTH. HOW WILL GENERATIVE AI HELP** WITH THIS?



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Creating excellent customer experiences is about putting the right message, in the right context, in front of the right customer. Until now, companies with strong data foundations have been able to automate some of this marketing by using rulesbased solutions to push pre-written content to defined segments.

But imagine a world in which every single customer touch point is truly personalized, with contextually relevant messages crafted in real time just for them. Generative AI makes this possible. It can synthesize new text, audio, and visual assets tailored to each customer's unique needs, interests, and emotions. Gen AI enables companies to speak to customers as individuals.

CAN YOU PROVIDE SOME EXAMPLES OF WHAT THAT MIGHT LOOK LIKE?



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Sure. A website header image could reflect the customer's hometown. Product recommendations could include niche hobbies. Email subject lines would resonate with timely, personal events. This real-time synthesis creates marketing that feels like a natural, human-to-human conversation.

HOW WILL GENERATIVE AI CHANGE THE NATURE OF CX WORK WITHIN A COMPANY?



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Most importantly, generative AI will not replace human creativity. But it can remove friction, enabling companies to unlock customer experiences with a personal touch that we could only dream of previously. Everything about running customer experience and marketing campaigns is a Herculean task. In-house teams and outside suppliers have to collaborate to create content, which then has to be turned into campaign components – customized for email. social media, website, in-store, paid advertising, text messaging, chat, and so on. That involves lots of people and other resources, requires many steps and processes, and can take three to four months from idea to execution.

Generative AI greatly accelerates the process. Even if it gets the marketing department 80 percent of the way there, so they just need to edit the material, that's going to save huge amounts of content-creation time. But this is about more than efficiency, because that acceleration means organizations will be able to create more personalized and relevant content at scale. This will help them deliver more memorable, positive customer experiences in real time, so they can capitalize on opportunities and respond to challenges that previously would've been impossible to address - because by the time the messaging has been created and approved, the opportunity is long gone.

THAT SOUNDS LIKE A POWERFUL ENHANCEMENT FOR CX OPERATIONS, BUT YOU'VE DESCRIBED EMBRACING GENERATIVE AI AS ESSENTIAL – A STRATEGIC IMPERATIVE, IN FACT. WHY IS THAT?



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Companies already operate in the age of artificial intelligence. Capgemini's <u>data-driven customer experience</u> offering applies AI algorithms to analyze data and make predictions that enable better customer targeting. But today, most enterprise-class organizations are leveraging these types of solutions. So gen AI is a strategic leap companies need to make if they want to stay ahead of their competitors.

However, there's another pressure forcing companies to embrace gen AI, and this one truly is revolutionary. "Revolution" is an interesting word because I've lived through many hype cycles in technology consulting and the term gets applied to so many things. But it's the right term to describe gen AI simply because of how consumers engage with it.

Other data-focused technologies – such

as machine learning – enhance consumer satisfaction through being able to deliver better, more targeted experiences. But consumers never see or touch the technology itself. They know nothing of the deeper requirements such as parameter tuning and the highly skilled work that data scientists and programmers perform behind the scenes.

With generative AI, it's completely different. Anybody with a laptop or smart phone can engage with ChatGPT and gain first-hand experience with the technology. What's interesting is that so many people have already done that: generative AI has become mainstream much faster than I think anybody predicted.

Earlier this year, the Capgemini Research Institute investigated consumer attitudes towards gen AI. In its report, Why consumers love generative AI, 51 percent of those surveyed said they are not only aware of the technology, but have also explored specific tools such as ChatGPT. Researchers also discovered consumers have high levels of satisfaction and trust in the technology.

And that's the big reason why this is a strategic imperative for companies: people understand that with gen AI, they can have a real conversation with an artificial intelligence. And if they can do that on their laptop, they'll want the same experience when they ask a chat bot for help on a company's website, or when they phone the company and talk to an interactive voice response system.

IT SOUNDS LIKE COMPANIES NEED TO MOVE QUICKLY TO EMBRACE GEN AI. HOW DO THEY GET STARTED?



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Generative AI makes hyperpersonalized CX absolutely possible – but realizing it at scale will require strategic thinking, a focus on responsible AI use, and a systems mindset to connect the technology across the marketing stack. As companies embark on this journey, they will need to build the necessary capabilities and execute generative AI effectively. Having an experienced partner to help guide the way and avoid pitfalls will be key.



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Preparing for gen AI starts by recognizing that data is the lifeblood of these advanced systems. Gen AI algorithms are voracious learners. Businesses must invest in collecting, curating, and storing vast amounts of highquality data to fuel these intelligent systems. The ability to harness structured and unstructured data from various sources and formats will determine the effectiveness of gen AI solutions in delivering real business value. At the same time, companies must ensure they have established robust data governance, privacy safeguards, and ethical AI guardrails attuned to marketing's priorities.



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The challenge is complicated by the fact that AI continues to rapidly evolve, making it daunting to chart a roadmap, identify safe bets, and build organizational fluency. However, taking interim first steps is key.

We recommend companies focus on targeted pilots that solve discrete business problems, learn how to build thoughtful AI use cases, and learn the strengths and weaknesses of gen AI's foundational models. As they do this, enterprises should plan for more structural long-term investments. Smart organizations will establish a cross-functional task force around AI for customer experience that fosters a culture of experimentation and learning, monitors advances in AI safety, and partners with experienced vendors to complement internal capabilities.

Initiatives undertaken today will enable organizations to nurture foundational skills and build use cases. This will give them the knowledge and infrastructure required to expand their AI capabilities with more confidence over time.

WHAT ABOUT AT THE TOP OF THE **ORGANIZATION:** WHAT DO LEADERS NEED TO DO TO **GUIDE THEIR ENTERPRISES THROUGH THIS TRANSFORMATION?**



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It's important the company's CX leader occupies a prime position to shape the organization's AI strategy. CMOs are the stewards of customer experience. They manage complex ecosystems of technical CX platforms brimming with behavioral insights. This gives CMOs an intimate understanding of customer journeys, frustrations, and desires.

Yet surprisingly, CMOs often find themselves excluded from strategic enterprise discussions on data and AI. While the CDO logically focuses on data infrastructure and the CFO on risk management, marketing remains sidelined – yet it's the very function best equipped to guide AI to boost growth.

CX leaders must assert bold leadership. They need to do more than demand a seat at the table: they need to assume their rightful position to lead the company's CX AI vision. With their granular knowledge of customer psychology and their mandate to drive revenue, marketing leaders can steer AI implementations to delight customers in ways even the most brilliant algorithm might overlook.

The CMO's human-centered perspective is indispensable for providing innovations such as generative AI with strategic purpose and creative soul. When it comes to realizing AI's promise to revolutionize customer experience, CMOs hold the missing link. Their wisdom and foresight remain critical to ensuring AI delivers meaningful value, not just technical fanfare. The future beckons marketing leaders to embrace their rightful role as AI catalysts.



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