KEY FINDINGS

THE STATE OF AI DECISION-MAKING

An Artificial Intelligence Survey
conducted by The Harris Poll
on behalf of Interactions

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INTRODUCTION

The Artificial Intelligence Survey was conducted online within the United States by The Harris Poll on behalf of Interactions from November 20 to December 9, 2019 among 151 mid-to-high level executives defined as follows:

- Age 18+
- Employed full-time
- Have a title of manager or above
- Are involved in evaluating and/or purchasing technology solutions for company's contact center
- Are familiar with artificial intelligence (AI) technology solutions

- Work for companies with revenue of $400 million+ which provide products or services to consumers (B2C) or both businesses and consumers (B2B/B2C) and have a contact center

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, The Harris Poll avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents were selected from among those who have agreed to participate in online surveys. Because the sample is based on those who agreed to participate in online surveys, no estimates of theoretical sampling error can be calculated.

KEY FINDINGS

Artificial Intelligence (AI) is quickly becoming the most sought technology to create business advantage. From predictive analysis, to streamlining workflows, to transforming customer experience, AI is being used industry and department wide to ripple great impact throughout entire organizations. Of course, AI is not a strategy, but rather a tool to achieve strategies that have not been possible until this time. But with so much still unknown about AI technology and it's possible benefits, some decision-makers are still hesitant to make the move. Interactions worked with The Harris Poll to survey mid-to-high level executives regarding their thoughts and observations around how their own companies have adopted AI, and what to keep in mind during the planning process. Read on to explore the key findings from the study, as prepared by The Harris Poll.

Today, the use of AI technology is widespread, expected to rise, and considered fundamental to business success.

- Virtually all mid-to-high level executives surveyed (99%) report that at least one area of their company is currently utilizing AI technology.

    » Almost all (93%) have been involved in an AI deployment at their company.

- Looking ahead, the vast majority of mid-to-high level executives (89%) expect the use of AI technology across their company to increase over the next two to three years.

- Nearly all (96%) agree that adoption of AI technology is critical for their company's business success. Yet, around one in two (52%) believe their company does not adopt AI technology as quickly as it should.

96%

96% agree that adoption of AI technology is critical for their company's business success

52%

52% believe their company does not adopt AI technology as quickly as it should
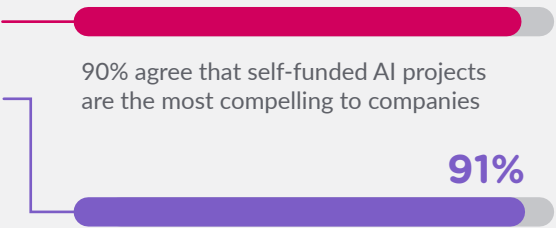
Not surprisingly, decisions about AI technology most commonly lie with Technology/IT departments, who are also the primary users of these solutions.

- Technology/IT departments are most frequently involved in making AI decisions (90%) and most commonly cited as actually utilizing AI technology (78%).

- VPs/Directors (70%), followed by C-level executives (59%), are most commonly responsible for making AI technology decisions; software architects (42%) also have a say in these decisions.

- Around six in ten mid-to-high level executives consider the ability to optimize (64%) or automate business processes (60%) or reduce costs (60%) as a very important outcome when evaluating AI technology solutions, and about half identify these as primary drivers behind AI project implementation decisions (48%, 49%, and 48%, respectively).

INTERESTINGLY, CONTACT CENTERS DO NOT HAVE MUCH INVOLVEMENT IN MAKING AI DECISIONS (28%), ALTHOUGH THEY ARE THE THIRD MOST FREQUENTLY CITED COMPANY AREA UTILIZING AI TECHNOLOGY (64%).

When it comes to AI project funding, self-funded AI projects are undoubtedly attractive to large enterprises. However, AI projects typically must be planned for in a budget cycle.

- Nine in ten mid-to-high level executives surveyed **(90%) agree that self-funded AI projects are the most compelling to companies**. Moreover, virtually the same proportion **(91%) agree that AI projects for contact centers are particularly appealing because they can be self-funded**.

- Nevertheless, almost two in three mid-to-high level executives (62%) report that AI projects at their company typically must be planned for in a budget cycle compared to only 18% who say that the project must be self-funded.

- When evaluating AI technology solutions, the ability to facilitate a self-funding business case falls at the bottom of the list of potential outcomes with only four in ten mid-to-high level executives (40%) rating it as very important. It is also the least frequently mentioned primary driver of AI project implementation decisions (25%).

90%

90% agree that self-funded AI projects are the most compelling to companies

91%

91% agree that AI projects for contact centers are particularly appealing because they can be self-funded

ROI considerations are fairly important when making AI technology decisions, but it's not all about fast ROI.

- While around half of mid-to-high level executives surveyed (54%) report that an AI project must achieve ROI within the first 12 months to be compelling, four in ten (40%) think that 13-24 months would be compelling.

- The ability to garner a fast ROI is considered a very important outcome of AI technology solutions by no more than about half of mid-to-high level executives (49%); only 44% consider it a primary driver of AI project implementation decisions.

50%

A B C D

- Slightly over half report typically measuring ROI of an AI project in terms of **(A: 56%)** reduction of total cost over a period of time or **(B: 54%)** the amount of time it takes to cover the cost of the project implementation. Slightly fewer measure ROI through **(C: 48%)** direct increases in sales or **(D: 47%)** reduced time associated with accelerating digital transformation initiatives.
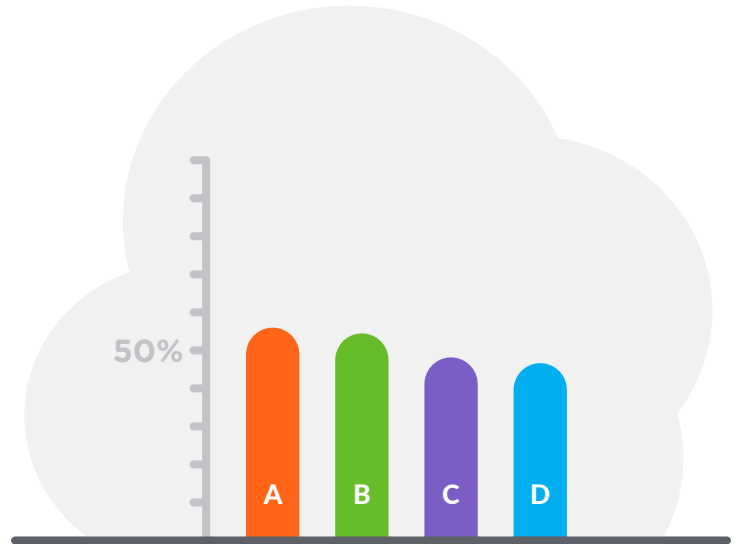
Improving customer experience is clearly a priority for the vast majority of mid-to-high level executives at large enterprises.

- Eight in ten mid-to-high level executives surveyed (80%) say it is a high priority for their company to improve customer experience.

- Furthermore, they overwhelmingly agree that improved customer experience means increased sales (97%) or increased customer loyalty (97%), with around six in ten strongly agreeing with these sentiments (65% and 60%, respectively).

- Nearly the same proportion (95%) think that today companies cannot maintain a competitive advantage without a strong focus on customer experience (59% strongly agree with this).

Improve
Customer Experience

Increase in Sales
& Customer Loyalty
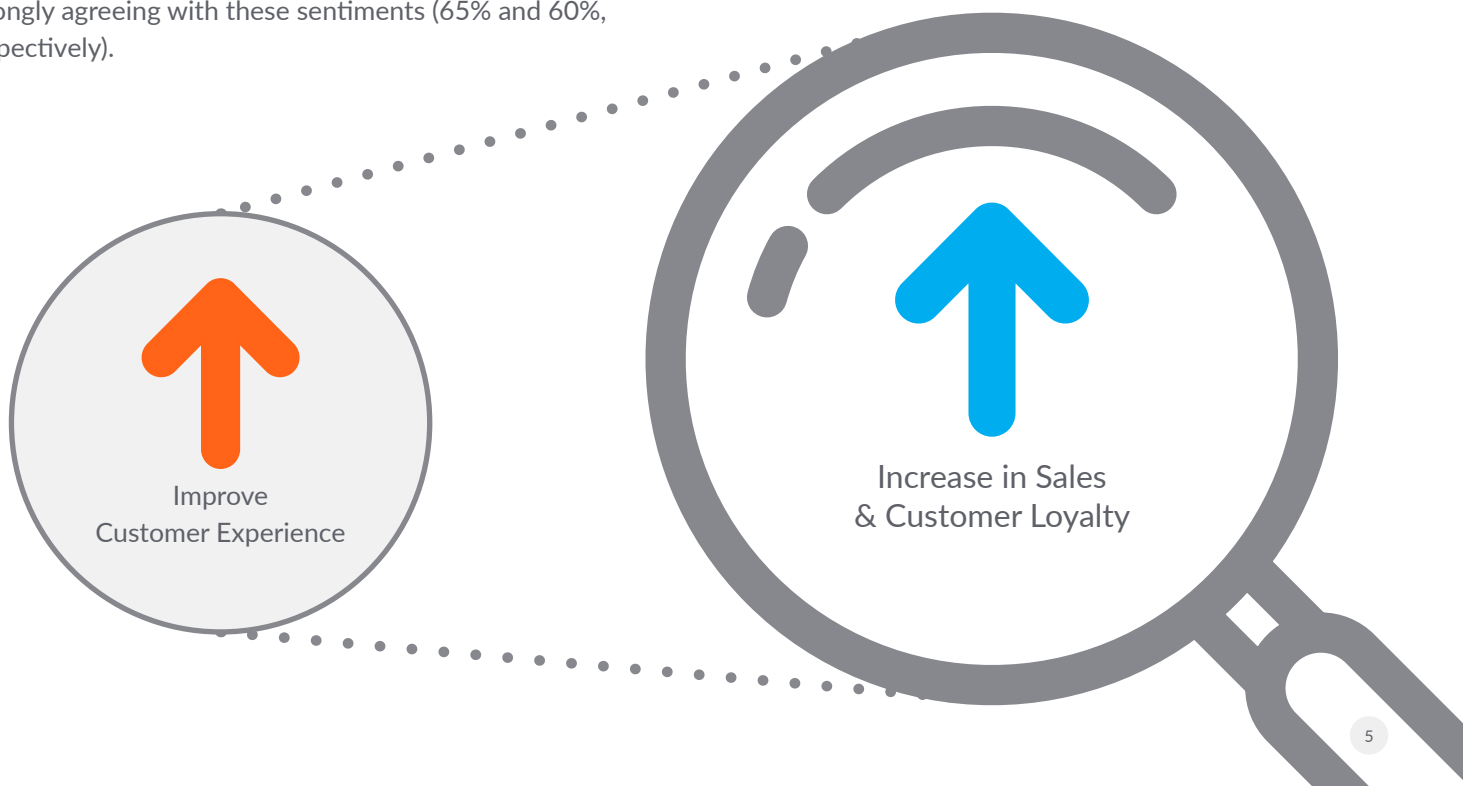
Moreover, there is a strong consensus among mid-to-high level executives about the value of AI technology, specifically as it relates to improving customer experience and the importance of customer experience considerations in AI technology decisions.

- Mid-to-high level executives surveyed (97%) almost universally agree that AI technology plays a key role in transforming customer experience.

- A very similar proportion (93%) believe companies that do not leverage AI technology to improve customer experience may be left behind.

- Implementing AI technology solutions, however, is viewed by the vast majority (89%) as requiring excessive testing, perhaps because the same proportion (89%) agree that if an AI solution doesn't work well, it could hurt customer experience.

IMPROVED CUSTOMER EXPERIENCE IS THE MOST FREQUENTLY CITED PRIMARY DRIVER OF AI TECHNOLOGY IMPLEMENTATION DECISIONS (53%).

▸ Nearly two-thirds of mid-to-high level executives (63%) say improved customer experience is a very important potential outcome when evaluating AI technology solutions.

While soft benefits associated with AI technology appear to be well-recognized by mid-to-high level executives surveyed, most of them agree that generally companies tend to underestimate those benefits.

- More than seven in ten mid-to-high level executives surveyed (71%) report their company measures the ROI of an AI project using demonstrable soft benefits associated with the project – by far the most commonly used metric.

- The vast majority (91%) agree that AI deployments that provide substantial soft benefits provide a stronger ROI, with 54% strongly agreeing with this.

- Even more (87%) believe their company values the hard benefits of AI technology, such as reduced costs or increased revenue, more than the soft benefits.

KEY FIND
Soft benefits such as potential for competitive advantage (66%) and ability to accelerate digital transformation (63%) are frequently cited as very important potential outcomes of AI technology, although falling in the middle of the pack of primary drivers determining whether to proceed with AI project implementation (44% and 43%, respectively).

Contact centers are viewed as playing a key role in efforts to improve customer experience, and AI technology is essential in helping to do that in the contact center environment.

- Virtually all mid-to-high level executives surveyed (97%) agree contact centers are the most important touch point between a company and the customer, and more than two-thirds (69%) indicate that their contact center plays a major role in improving customer experience.

- In this context, almost all (98%) say AI in the contact center can have a positive impact on customer experience with more than six in ten (62%) saying they believe it can have a strong positive impact.

- When looking at specific aspects of customer experience, more than half say AI technology in the contact center can have a strong positive impact on reduced wait times (59%), security and privacy (58%), speed of issue resolution (56%), service/support availability (54%), or personalization (53%).

- Eighty-four percent believe AI technology helps customers feel valued and even more (93%) agree AI technology allows customer service representatives to work on the more difficult customer issues.

Today on average 46% of customer interactions at the contact center are handled without any human management but this proportion is expected to increase to 59% in the next two to three years.

59%

In 2-3 Years

46%

Today
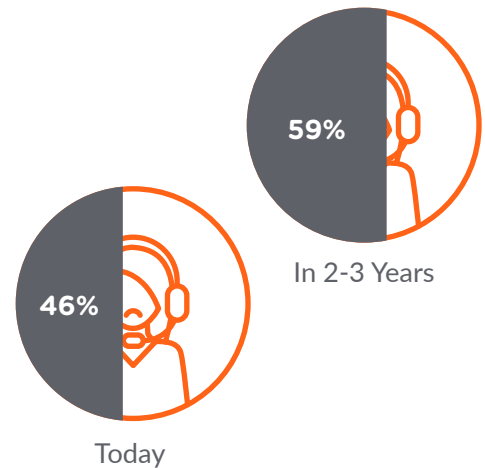
When making AI technology decisions specifically for contact centers, financial considerations are important, but not necessarily deal breakers.

- Nearly nine in ten mid-to-high level executives (88%) agree that the ultimate goal of implementing AI technology solutions for contact centers is improved customer experience, not cost reduction.

- Furthermore, about six in ten (61%) say they are very likely to pursue AI technology for the contact center if it dramatically improves customer experience but only marginally reduces cost.

- **Increased customer loyalty (54%) and improved customer experience (52%) are the most frequently cited primary drivers that determine whether to proceed with an AI project implementation for a company's contact center.** However, ability to reduce costs and/or ability to drive top-line revenue fall notably behind (44% and 39%, respectively).

Improved CX   **Increased customer loyalty**

> » When evaluating AI technology solutions, again improved customer experience and increased customer loyalty rise to the top in terms of importance with 68% and 64%, respectively, rating them as very important. In comparison, slightly fewer attribute the same level of importance to the ability to reduce costs (60%) or drive top-line revenue (54%).

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About The Harris Poll

The Harris Poll is one of the longest running surveys in the U.S. tracking public opinion, motivations and social sentiment since 1963 that is now part of Harris Insights & Analytics, a global consulting and market research firm that delivers social intelligence for transformational times. We work with clients in three primary areas; building twenty-first-century corporate reputation, crafting brand strategy and performance tracking, and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible.

To learn more, please visit:

http://www.theharrispoll.com

About Interactions

Interactions provides Intelligent Virtual Assistants that seamlessly assimilate Conversational AI and human understanding to enable businesses to engage with their customers in highly productive and satisfying conversations. With flexible products and solutions designed to meet the growing demand for unified, omnichannel customer care, Interactions is delivering unprecedented improvements in the customer experience and significant cost savings for some of the largest brands in the world. Founded in 2004, Interactions is headquartered in Franklin, Massachusetts with additional offices worldwide.

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