Beyond the noise: Orchestrating AI-driven customer excellence

Global Customer Experience Excellence 2024

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Foreword

There's good reason for all the noise around artificial intelligence (AI). It's ready to revolutionise industries, enhance decision-making and redefine customer experience (CX). Yet, AI demands a conscientious approach that considers its ethical implications in terms of fairness, privacy and transparency. This is challenging many organisations as they navigate the complexities of AI adoption with a balanced and responsible strategy. Now organisations are asking: How can we move beyond the noise to actualise AI's transformative potential?

AI has been around for more than 60 years, but its rapid adoption across sectors from retail to healthcare, and finance to manufacturing, is reshaping how organisations engage with their customers. To be successful, organisations need to strategically orchestrate their people, processes and technology, while also deeply understanding customer needs, considering ethical implications and committing to continual innovation.

This year, many of the leading organisations included in our latest Global Customer Experience Excellence (CEE) report are effectively using AI. We've observed that their success comes not only from having the necessary technological capabilities, but also aligning their AI initiatives with organisational goals and customer-centric values. This balance between ambition and pragmatism, and innovation and responsibility, is vital.

Seeking tangible value

In 2019, Gartner predicted that approximately 85 percent of AI implementations would fail to meet their objectives, citing lack of adequate infrastructure as a primary reason.[1] A recent multi-country analysis by IDC, published in late 2023, paints a more optimistic picture: organisations see an average return of US$3.50 for every dollar invested in AI, with some achieving as high as US$8.[2] A Wall Street Journal article, which draws on KPMG research of more than 100 C-suite executives, highlights that leading companies that first used AI for productivity purposes are now turning their attention to revenue enhancement business use cases to "add actual dollars to the top and bottom lines."[3] Such revenue may come from increased customer spending as a direct or indirect result of AI investments that improve the customer experience.

This shift toward tangible value marks a significant evolution in AI strategy. Organisations are now applying AI to address specific operational pain points, inefficiencies or opportunities to improve the customer experience across operations, products or services. They are no longer looking for single-point applications, rather they seek end-to-end process improvements with clear top- and bottom-line impacts.

Using AI to improve customer experiences must be designed with deep empathy for customer needs and pain points. In these use cases, which can span customer journey design, value stream optimisation and problem-solving, they also require greater leadership from the business units closest to the customer. This adds another challenge for enterprises, especially in organisations where AI initiatives have been primarily led by IT.

To harness the potential of AI, organisations must foster greater collaboration between the business and IT. Such a cultural shift begins at the executive level where the business, the CFO and IT work collectively to promote a unified vision for AI that aligns with the organisation's overall strategy. This is then emphasised with cross-functional teams and shared goals, ensuring that both the business and IT understand their roles and contributions.

Organisations must also address the ethical and responsible use of AI by developing robust frameworks to ensure transparency, fairness and accountability in AI systems. Data challenges, too, need to be tackled through stringent data governance policies, ensuring data quality and protecting privacy. Many organisations are well on their way, investing in educating their workforce about AI and its implications, and fostering a culture of regulatory awareness, compliance and ethical AI use cases.

At KPMG, we have established the KPMG Trusted AI framework based on ten principles that outline how organisations can deploy and use AI in an ethical and responsible manner, while accelerating the value of AI with confidence.[4]

This report explores how leading organisations are using AI and human ingenuity to power Customer Experience Excellence (CEE). It delves into the realities of AI implementation and highlights strategic considerations for leaders to maximise ROI. Seeing AI as a strategic asset — not just a technology — these organisations are able to cut through the noise and realise AI's fuller potential.

Julio Hernandez
Head of Global Customer Centre of Excellence
KPMG International

Report overview

For an enterprise to move beyond the noise of AI they must formulate a strategy that is informed by the industry and markets in which they compete in today and desire to do so in the future, their own strategic and financial objectives, and their current and planned capabilities. With that context, the enterprise can formulate an enterprise AI strategy that identifies, prioritises and sequences an AI execution roadmap inclusive of AI use cases.

When these AI use cases impact the customer and those employees delivering on the company's value proposition, they must also be looked at through the lens of the enterprise's customers to define the experience the enterprise wants to deliver, including the measurable objectives and key results targeted. KPMG's Six Pillars can assist in identifying and designing the future state experience. Attention should also be paid to how the enterprise will encourage its workforce to adopt and use AI accordingly.

The use of agile methodologies further ensures flexibility and adaptability of the execution roadmap based on market, customer and performance feedback. All the while, the enterprise needs to be guided by and demonstrate its commitment to ethical and responsible use of AI to build trust with their customers and stakeholders. By taking this approach, enterprises can capture AI's potential for innovation, transformation, higher performance, including profitable growth, while delivering differentiated customer experiences and sidestepping the pitfalls.

In KPMG International's 2023 report <u>AI and the orchestrated customer experience</u>, we highlighted the vital balance between technological innovation and authentic human interactions to build trust, elevate customer experiences, and foster long-term loyalty.[5] We found that pushing customers toward low-cost, minimal-contact channels notably diminished their perceptions of how brands respond to interactions. As a result, Empathy scores declined by 4 percent globally. Our analysis of top-performing brands across different regions revealed the importance of maintaining a humanised experience. We then showcased how these successful brands integrated AI to streamline operations and processes to better meet customer needs, without sacrificing the personal touch.

This year's report provides an in-depth follow-up. We explore how to ready your organisation for AI, ensuring it is an enterprise-wide asset, not siloed in IT, by emphasising the importance of a conducive environment and presenting best practices for using AI to enhance customer experiences. **The report is organised into three sections:**

• Global AI adoption:

We survey AI adoption in 23 countries and regions, analysing how leading organisations worldwide have achieved rapid implementation, swift ROI, and enhanced customer experiences.

• A roadmap to AI success:

We provide a practical guide detailing the steps for organisations to emulate this success.

• Advancing AI maturity:

We discuss how to advance AI maturity and stay abreast of technological developments and ethical and regulatory issues. We argue that AI is a transformative force that requires new approaches to working and thinking. By cutting through the noise, organisations can pinpoint critical factors for AI success and reach new heights in customer experience excellence.

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Highlights from the 2024 CEE research

Global insights on customer excellence

The 2024 Customer Experience Excellence (CEE) study examines customer evaluations in detail across numerous brands and geographies.

This year's study includes **86,073** evaluations of **2,970** brands across **23** countries/regions, ranking each brand within its respective country based on its overall Customer Experience Excellence (CEE) score.

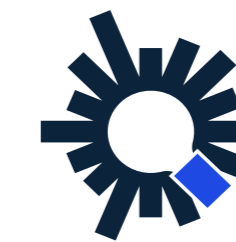**Scores are derived from The KPMG Six Pillars of Customer Experience Excellence:**

Empathy	Personalisation	Time and effort	Expectations	Resolution	Integrity

Each pillar is weighted by their impact on advocacy or Net Promoter Score (NPS) and loyalty. Using these scores, we present a league table for each country/region. For more information about The Six Pillars, see page 15.

Trends in 2024 Customer Experience Excellence scores

Despite a decline in the overall customer experience metric last year, this year's results show a stabilisation with a 1 to 2 percent growth in most geographies. However, a few countries experienced declines.

France:	Germany:	United States:	Czech Republic:	Japan:	Türkiye:
+2%	**+2%**	**+2%**	**-1%**	**-1%**	**-2%**

Evolving customer expectations

Sector-specific performance

Despite a more positive trend overall this year, some sectors scored well below the global average for customer experience.

Non-Grocery Retail

3%
above global average

The non-grocery retail sector outperforms the global average across each of The Six Pillars particularly personalisation, time and effort and expectations. Investments in e-commerce make it easier for customers to order and set specific times for delivery.

Public Sector

9%
below global average

Driven by comparatively low scores for time and effort (-11 percent) and empathy (-9 percent) in particular, citizens increasingly expect efficient and quick service from public sector organisations. Long wait times, cumbersome processes and bureaucratic hurdles contribute significantly to dissatisfaction. Improved efficiency in digital services and the private sector has raised public expectations, making inefficiencies in the public sector more noticeable and frustrating.

Logistics

5%
below global average

Time and effort (-5 percent) and expectations (-5 percent) drive the below average score for logistics. Timely delivery and minimal effort on behalf of customers are critical in logistics, so delays, lost packages and complicated tracking systems can significantly impact customer satisfaction. The logistics industry has faced recent challenges, such as supply chain disruptions, labour shortages and increased demand — all putting a strain on delivery timelines and efficiency.

Consistency and new entrants in top rankings

This year **13** **of the companies ranked number one retained their top spot** from last year, and all but one has consistently been in the top 3 of their geographies' index.

ASNB in Malaysia is a notable new entrant, achieving **first place through innovative approaches** in investment management and customer satisfaction.

The top brands represent

15 **different sub-sectors,** ranging from theme parks to financial services, to health and beauty, indicating that superior customer experience is achievable across all industries.

Improvement among top brands

77%
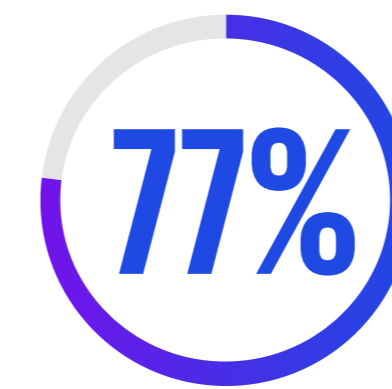
of the number one ranked brands increased their year-over-year CEE score by an average of 1.3 percent, demonstrating a trend where excellence once attained fosters continuous improvement.

Global brands adapting locally

Major global brands are increasingly prominent in individual countries' or regions' indices, with their success hinging on their ability to understand and respect the cultural and physical expectations of their consumers. Brands like Nike, Adidas and Apple are successfully localising their services to align with the cultural nuances and evolving consumer expectations of the geographies they serve.

Nike and Adidas create geography-specific marketing campaigns that resonate with local cultures. For example, Nike's campaigns in Japan emphasised harmony and community, aligning with Japanese cultural values. In Mexico, the campaign was focused on the country's passion for football and its vibrant local energy.

Apple stores in different geographies reflect local architectural styles and cultural aesthetics. For example, Apple in Hong Kong (SAR), China dramatically highlights Kowloon. In Singapore, Apple Marina Bay Sands is a distinctive presence on the bay with a 30-metre diameter dome that is a contemporary interpretation of the geodesic dome.

Customer preferences and behaviours

AI integration and consumer attitudes

The adoption of AI has highlighted distinct generational divides in attitudes and concerns. Understanding these differences is crucial for businesses aiming to effectively implement AI-driven customer service solutions.

Younger consumers: The primary concern among younger demographics is the fear of AI displacing human jobs, leading to worries about the reduction of entry-level positions and the long-term impact on career opportunities.

Older consumers: They value the personal touch that human representatives provide. They find AI interactions impersonal and less satisfactory, especially when dealing with complex or sensitive issues. They also have pronounced concerns about the security of personal data, being wary of potential data breaches and the misuse of their personal information by AI systems.

Impact of cost of living

Most countries/regions in the study face cost of living and inflationary pressures, but how these are experienced differs by age groups:

The younger age groups feel the financial pressure most acutely (60% of 18–24 year olds are extremely/very impacted).

60%

Those 55+ remain relatively unaffected (21% slightly or not impacted), benefiting from savings and higher income levels.

21%

### ESG (Environmental, Social and Governance) considerations

In previous years, we identified the growing prioritisation of sustainability in customers' purchasing decisions. This remains an important factor this year with 53 percent of consumers willing to pay more for ethically and sustainably sourced goods and services. Notably, this willingness differs by age group.

Younger consumers (18 to 24)

67%
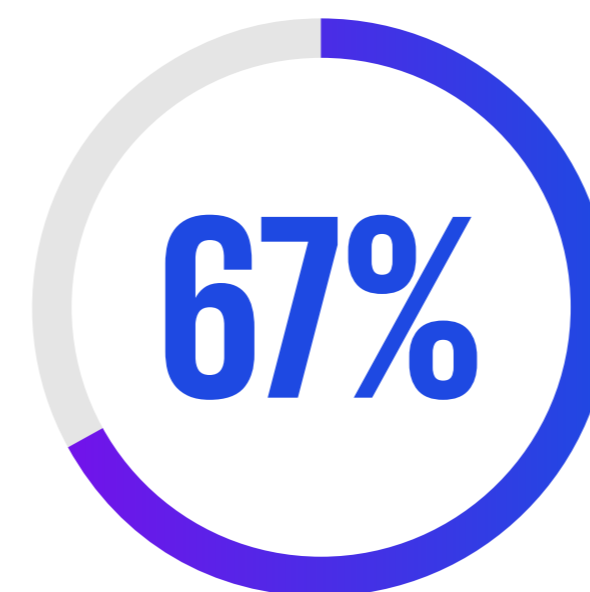
are willing to pay more for ethically and environmentally focused products.

Older consumers (55+)

Only

39%
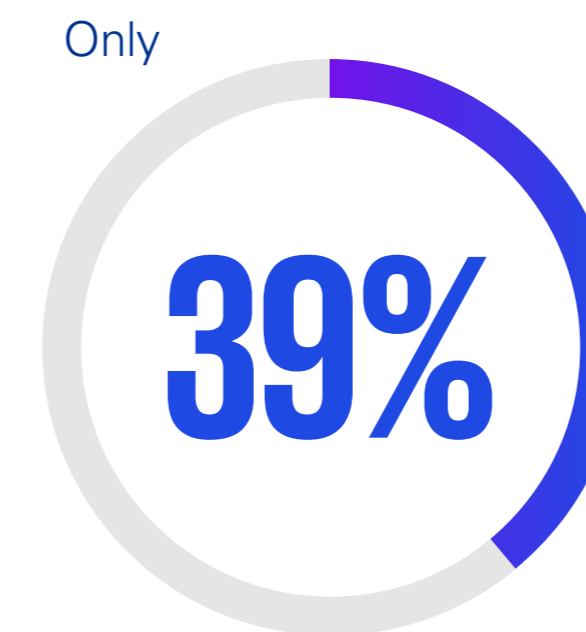
show the same willingness, indicating a decline in priority for ESG concerns with rising age.

Willingness to pay for premium customer experience

The willingness to pay for premium customer experiences is heavily influenced by generational factors.

Younger consumers

Here, **60%** are willing to pay more for personalisation, convenience and social validation, making them more inclined to invest in premium services.

Older consumers

In contrast, **33%** are willing to pay more, indicating their priority for value, reliability and cautious spending.

Willingness to pay for a premium experience is based on data for the UK retail sector.

Leading companies by country/region

Market	No.1 brand	Biggest mover
Australia	Mecca	Synergy
Austria	Fielmann	Easy Bank
Czech Republic	Air Bank	Partners (nebo Partners Banka)
France	Chanel	LCL
Germany	Fielmann	DERtour
Hong Kong (SAR), China	Apple	CitySuper
Indonesia	Nike	Uniqlo
Ireland	Credit Union	The Passport Office
Italy	Leading online retailer	Cattolica Assicurazioni
Japan	Tokyo Disney Resort	DMM
Malaysia	ASNB	Maxis

Market	No.1 brand	Biggest mover
Mexico	Nike	Santander
Netherlands	De Echte Bakker	Leading online retailer
Philippines	Jollibee	Shopee
Saudi Arabia	Albaik	Hungerstation
Singapore	Apple	Public Utilities Board
Slovakia	Martinus	Stredoslovenská energetika
Thailand	KBank	AIA
Türkiye	Dyson	Paşabahçe
United Arab Emirates	Emirates	Emirates Islamic Bank
United Kingdom	first direct	Fidelity
United States	USAA	Barclays
Vietnam	Samsung	Petrovietnam

Key trends by sector

AI is revolutionising individual business sectors, enhancing efficiency, improving customer experiences and enabling innovative solutions. The leading companies in this year's index are making significant progress with scaling and operationalising AI in their customer experiences.

Airlines

UAE based Emirates is using AI to streamline operations, enhance customer service and optimise the travel experience. The airline uses AI-powered chatbots to provide instant responses to customer inquiries, reducing wait times and improving satisfaction. Additionally, AI algorithms analyse data to predict maintenance needs to better prevent technical issues and ensure safer, more reliable flights. AI also helps Emirates personalise marketing efforts, tailoring promotions and services to individual preferences and travel histories.

Banking

In the banking sector, first direct in the UK and MAIF in France harness AI to offer personalised financial services and improve operational efficiency. first direct uses AI chatbots to assist customers 24/7 with quick and accurate responses. AI is also used to detect fraudulent activities by analysing transaction patterns and identifying anomalies in real time. Similarly, MAIF employs AI to enhance customer interactions. AI is also working to streamline and accelerate insurance claims processing by analysing claims data for potential fraud and approving legitimate claims.

Retail

Leading retailers are using AI to advance the shopping experience and optimise supply chain management. Czech based company La Formaggeria Gran Moravia enhances its customer experiences with personalised recommendations and targeted marketing based on customer preferences — increasing sales and customer loyalty at the same time. HEB in the US is able to forecast demand, manage inventory and reduce waste by using AI to analyse purchasing patterns and external factors like the weather.

Healthcare

AI is transforming healthcare by improving diagnostics, patient care and operational efficiency. The Mayo Clinic in the US uses AI to analyse patient data, enabling earlier and more accurate diagnoses. AI algorithms also assist in interpreting medical images to identify patterns that may be missed by human eyes. Humana, a health insurance company, uses AI to personalise health recommendations and manage chronic conditions, while its AI-driven platforms monitor patient data in real time to offer proactive health interventions and improve patient outcomes.
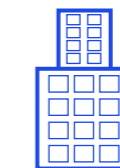
Hospitality

In the hospitality industry, global brands Marriott and Hilton use AI to enhance guest experiences and streamline operations. Marriott uses AI to personalise guest interactions, from customised room settings to tailored recommendations for local attractions. AI-powered chatbots also assist with booking inquiries and service requests, improving efficiency and customer satisfaction. At Hilton, AI optimises revenue management by analysing booking trends and adjusting prices dynamically. AI also supports the hotelier's sustainability efforts by optimising energy usage and reducing waste.

Insurance

Insurance companies FWD in Asia and USAA in America are adopting AI to improve customer service, underwriting and claims processing. FWD uses AI to provide instant insurance quotes and streamline the underwriting process. AI algorithms assess risk more accurately to allow for fairer premiums and faster policy issuance. USAA enhances the claims process by using AI image recognition to assess vehicle damage and expedite claims approval. AI also helps USAA detect fraudulent claims, reducing losses and improving service efficiency.

Logistics

AI is revolutionising logistics by optimising routes, improving delivery times and enhancing customer service. In the Czech Republic Zásilkovna uses AI-driven analytics to predict demand and better allocate resources, reducing transit times and fuel consumption. Packeta employs AI to provide real-time tracking and personalised delivery options for customers, and improve warehouse operations, reducing costs, improving accuracy and enhancing the customer experience.

Public Sector

In the public sector, AI is enhancing service delivery and operational efficiency. Singapore General Hospital uses AI to improve patient care through predictive analytics and personalised treatment plans. AI algorithms analyse patient data to predict health outcomes and recommend interventions, improving recovery rates and reducing hospital stays. The Employees Provident Fund (EPF) in Malaysia uses AI to streamline administrative processes and enhance customer service by managing member contributions and disbursements, providing accurate and timely information to members.

Telecom

Telecom companies are turning to AI to enhance network performance, customer service and operational efficiency. Spusu in Austria uses AI to optimise network management, ensuring reliable connectivity and reducing downtime. They also use AI-driven analytics to understand customer usage patterns to personalise service offerings. Viettel in Vietnam is improving customer service through virtual assistants and chatbots, providing instant support and reducing call centre workloads as well as network maintenance by predicting faults and optimising repair schedules.

Taking the lead from prevailing market trends, each sector is testing out AI with new and exciting applications:

Sector	Global exemplars	Key trends	AI use cases
Airlines	Emirates Singapore Airlines	• Recovering passenger demand • Delay management — dynamic aircraft and crew redeployment • Sustainability	• Crew rostering and delay management • Customer check-in robots • Online AI service bots • AI biometrics for passenger recognition/advanced security checks
Banking	first direct KBank Maybank	• Channel orchestration/customer journey management • Adoption of AI to reduce costs — removing mundane tasks • AI-driven bots and customer support	• Autonomous banking AI provides insights and suggestions for customers • AI to agent improvements — elevating agent competency and resolution time • Next best action • Regulation implementation monitoring

Sector	Global exemplars	Key trends	AI use cases
Retail	Adidas Nike Apple HEB	• Cost of living and inflation • Supply chain management • Move to DTC — connected end-to-end experiences	• Online delivery support, picking, substitutions, route management • Personalised product curation • Supply chain optimisation
Healthcare	Fielmann Mayo Clinic Humana	• Remote and virtual care • Internet of Medical Things (IoMT) and wearables • Medical robotics and embedded devices	• Customer query management • AI diagnostics • Bodily function monitoring (e.g. diabetes) • Online pharmaceutical prescription delivery
Hospitality	Hilton Tokyo Disney Resort Universal Studio Japan	• Yield optimisation • Dynamic pricing • End-to-end journey management • Personalised service	• Reward programme management • Personalised experiences — adapting service delivery to each individual customer • Front desk automation and personalisation
Insurance	FWD USAA	• Escalating claims costs • Tightening regulation • New risk assessment (e.g. autonomous vehicles) • Usage-based products	• Customer query management • Underwriting accuracy • AI-driven repair quotation • Personalised product design
Logistics	Zasilkovna Packeta	• End-to-end journey management • Global labour shortage • Escalating customer expectations	• Supply chain monitoring and optimisation • IoT tracking and monitoring • Smart warehouses — speed of delivery • Inventory management
Public Sector	Singapore General Hospital EPF	• Accelerating digitisation — streamlined services • Citizen as a customer • End-to-end customer journeys — linking related services	• Citizen query management • AI-driven cost reduction • Regtech
Telecom	Spusu Viettel	• 5G and network transformation/spectrum • IoT and the wider enterprise space • The digital consumer • Fixed and pay TV markets	• Rapid adoption of AI, VR, IoT and blockchain • Customer retention detection and engagement • Network monitoring and resilience • Predictive error detection

Mavericks

Several companies in our index have chosen to deviate from conventional wisdom and challenge the status quo in their industry with unconventional approaches and innovative strategies:

Credit Union Ireland

Credit Union Ireland consistently tops customer experience league tables in Ireland by offering highly personalised financial services, such as customised loan products, savings plans and financial advice. They provide flexible lending options that consider non-traditional credit metrics, helping underserved populations gain access to credit. Going beyond usual services provided by conventional banks, they offer financial literacy programmes and workshops to help members make informed financial decisions, and actively participate in the community — in local events or community-based projects. During the COVID pandemic, they partnered with organisations, such as the postal service, to ensure the safety of members in remote and rural communities.

Mecca

Mecca, an Australian cosmetics retailer, stands out with its innovative approach. Its luxurious stores offer interactive areas to explore and test products, attend beauty workshops and receive personalised beauty advice. Mecca hosts beauty events, masterclasses and workshops to foster a greater sense of community and provide value beyond its products. Its Beauty Loop loyalty programme offers exclusive benefits and access to premium brands not usually available in other Australian retailers, as well as products, special gifts and invitations to events — all of which are enhancing customer loyalty and engagement among beauty enthusiasts.

Emirates

As the world embraces low-cost airlines, Emirates redefines premium travel with ever-evolving luxury and comfort, especially in its premium classes. Innovations like private suites, onboard lounges and shower spas elevate the experience with top-notch entertainment systems, gourmet meals and attentive service to ensure an exceptional in-flight journey.

Dyson

Dyson in Türkiye offers interactive showrooms, not just retail stores. Staff educate customers about the technology behind Dyson's products, enhancing the overall shopping experience. Their focus on sustainability, the circular economy and product longevity appeals to environmentally conscious consumers.

The KPMG Six Pillars of Customer Experience Excellence

Based on 15 years of primary research, the KPMG Six Pillars of Customer Experience Excellence have been identified as the fundamental building blocks of world-class experiences.

Collectively, they are the key drivers of customer experience metrics, such as Net Promoter Score (NPS) and Loyalty. Individually, they do not have an equal impact. The following table shows the contribution each pillar makes to each metric. Time and effort has become more important in driving loyalty than Expectations because ease and simplicity are a higher priority for busy consumers.

This year, Integrity is the biggest driver of NPS, indicating that customers highly value ethical and honest business practices. Personalisation is the biggest driver of Loyalty, highlighting the importance of tailored customer interactions.

These pillars provide a detailed framework for assessing the impact of new technology on customer experiences, including AI. Technologies such as machine learning, natural language processing (NLP), predictive analytics, computer vision, speech recognition, robotic process automation, and sentiment analysis are revolutionising the orchestration of omnichannel customer journeys.

Pillar	NPS	NPS change vs. 2023	Loyalty	Loyalty change vs. 2023
Empathy Show that you care about our business and us as individuals.	14.9%	0.0% No change	13.8%	0.0% No change
Personalisation Using individualised attention to drive emotional connection.	18.7%	-0.1%	20.2%	0.0% No change
Time and effort Maximise the value from our time investment.	15.6%	+0.1%	16.8%	+0.3%
Expectations Managing, meeting and exceeding customer expectations.	16.5%	-0.1%	16.0%	-0.3%
Resolution Fix problems with urgency when they arise.	15.5%	0.0% No change	15.0%	0.0% No change
Integrity Using expertise to earn our trust.	18.8%	+0.2%	18.2%	0.0% No change

Businesses can evaluate new technologies through these pillars to assess whether they are meaningfully enhancing their overall customer experience.

Pillar	Technology assessment	Example
Empathy	**Understanding customer needs:** Evaluate how well the technology understands and responds to the emotional and practical needs of customers. Does it show that the company cares about customer experiences? **Human touch:** Consider whether the technology maintains a human touch in interactions. Can it recognise and respond appropriately to customer emotions and sentiments?	A virtual assistant should be assessed on its ability to handle customer inquiries with sensitivity and understanding, recognising when to escalate issues to human agents for more personalised support.
Personalisation	**Customer insights:** Assess how the new technology gathers and uses customer data to offer personalised experiences. Does it leverage AI to tailor recommendations or services based on individual preferences and behaviours? **Customised interactions:** Evaluate how well the technology enables personalised communication and interactions. Can it adapt to different customer segments effectively?	A new AI-driven recommendation engine should be evaluated for its ability to learn from customer behaviours and preferences, offering tailored product suggestions that enhance the shopping experience.
Time and effort	**Ease of use:** Assess the user-friendliness of the technology. Is it intuitive and easy to navigate? Does it simplify processes for customers? **Efficiency:** Determine if the technology saves time and reduces effort for customers. Does it streamline processes and remove unnecessary steps?	A mobile app upgrade needs to be checked for delivering on promised features and performance enhancements. Clear communication about what customers can expect from the update is crucial.
Expectations	**Managing expectations:** Examine how the technology sets, meets or exceeds customer expectations. Does it deliver on its promises, and is it clear about its capabilities and limitations? **Consistency:** Assess if the technology provides a consistent experience across different channels and touchpoints, ensuring customers know what to expect.	A mobile app upgrade needs to be checked for delivering on promised features and performance enhancements. Clear communication about what customers can expect from the update is crucial.
Resolution	**Problem-solving:** Evaluate the technology's ability to address and resolve customer issues quickly and effectively. Does it provide self-service options, and how efficient are they? **Customer support:** Consider how the technology integrates with or enhances existing customer support systems. Does it facilitate better communication and faster resolution of problems?	A self-service portal should be evaluated on its effectiveness in enabling customers to resolve issues without human intervention, ensuring that it provides clear, easy-to-follow solutions.
Integrity	**Trust and reliability:** Determine if the technology enhances or undermines trust. Is it secure and reliable? How does it handle data privacy and protection? **Brand alignment:** Check if the technology aligns with the company's values and brand promises. Does it reinforce the integrity and ethical standards of the brand?	When assessing a new chatbot for customer service, its data handling practices should be scrutinised to ensure it complies with data protection regulations, thereby maintaining customer trust.

AI and the humanised user experience

In a digital age where interactions are often machine-mediated, maintaining a human touch is a significant challenge. Last year's report highlighted a pivotal insight: as human beings, we resonate with personalities, not machines.[6]

Leading organisations are humanising their AI interfaces, making them more engaging and relatable through anthropomorphism — that is, attributing human traits to non-human things — to create more engaging and relatable experiences. This approach taps into our innate tendency to connect with human-like characteristics, enabling AI bots, like Microsoft's Cortana and Apple's Siri, to offer more personalised, emotionally resonant experiences with their distinct personalities and conversational styles.

Fidelity's use of AI to detect customer emotions exemplifies how technology can enhance the customer experience by making interactions more personalised and empathetic. By analysing voice, text, behavioural patterns and even facial expressions, Fidelity can better understand and respond to their customers' needs and emotions. When the AI detects signs of distress or frustration, it can trigger proactive engagement from customer service representatives, aiming to address issues before they escalate.

Fielmann, the number one brand in Austria and Germany and a leading optical retailer, integrates AI into its services to provide personalised eyewear recommendations while offering tips and insights in a conversational manner, mimicking the experience of a human assistant.

KBank implemented an AI-driven virtual assistant capable of understanding and responding to customer emotions. Using advanced NLP and sentiment analysis, AI detects when customers are frustrated, confused or happy. For instance, if a customer expressed frustration over a transaction issue, the virtual assistant would respond with empathy, provide reassurances and offer to connect them with a human representative, if needed.

FWD introduced an AI-driven claims processing system that uses machine learning to quickly assess and approve claims. The system communicates with customers in a friendly and empathetic manner, explaining the claims process clearly and offering personalised support while monitoring customer feedback and emotions during interactions.

Leading companies across each country's index are successfully humanising the AI experience by incorporating emotional intelligence, personalised interactions and empathetic communications to enhance the personal connection customers value.

By infusing AI with human-like qualities, organisations are not only enhancing user satisfaction, but also strengthening the bond between customers and AI systems. As AI evolves, maintaining this human touch will be essential for technology to enrich, rather than merely automate, our lives. Implementing anthropomorphic design principles bridges the gap between digital and human interactions, allowing for AI to better resonate with customers.

To do so, consider the following principles:

- **Relatability and empathy:** Design elements should resonate with human experiences, fostering intuitive understanding and interaction with the product. Cultivate a connection with users through an empathetic AI interface, integrate emotional intelligence to enable AI to recognise and respond appropriately to customers' emotional states.

- **Transparency and honesty:** Foster trust by ensuring consistent and predictable AI behaviour. Maintain a consistent tone, style and behaviour across all interactions. Be upfront about the AI's capabilities and limitations. Clearly indicate when customers are interacting with AI rather than a human.

- **Personalisation and adaptability:** Tailor interactions to the individual customers, adapting over time based on behaviours and preferences. Leverage machine learning to learn from user interactions and improve responses. Employ conversational interfaces that mirror human dialogue patterns. Also, use voice recognition, gestures and other natural input methods to facilitate seamless interactions.

AI and experience economics

Not all problems require AI solutions, and not all AI solutions are advantageous. Organisations should carefully consider the strategic integration of AI to solve specific problems and add tangible bottom-line value, so they avoid deploying AI simply because it's a trending technology.

AI is proving to be transformative for many companies, offering substantial financial benefits. There are significant cost savings in operational efficiencies and predictive maintenance to considerable revenue gains through personalised customer experiences and dynamic pricing. The following use cases illustrate how leading organisations are gaining from AI.

| Automating repetitive tasks:

JPMorgan Chase implemented its AI programme, COiN (Contract Intelligence), to review legal documents. Previously, this task consumed about 360,000 hours annually. With COiN, each document is reviewed within seconds, saving the company approximately US$150 million annually in legal expenses.[7]

US$150 million in gains

| Predictive maintenance:

General Electric (GE) uses AI in its aviation division to analyse data from sensors on aircraft engines to predict potential failures.[8] This proactive approach has led to annual savings of US$400 million from reduced maintenance costs and improved engine performance.

US$400 million in gains

| Revolutionising supply chain optimisation:

UPS has used AI to optimise delivery routes, saving an estimated US$300 million annually by reducing fuel consumption and improving delivery efficiency.[9]

US$300 million in gains

| Dynamic pricing:

One leading online retailer's dynamic pricing strategy makes price changes every 10 minutes, which has increased their profits by 25 percent.[10]

25 percent in gains

| Enhanced marketing strategies:

Coca-Cola uses AI to analyse consumer data and tailor marketing campaigns to target specific demographics more effectively. By optimising ad spend and improving targeting of promotional offers, Coca-Cola saw a 4 percent sales increase in 2023, translating to an additional US$600 million in revenue.[11] Procter & Gamble (P&G) uses AI to analyse vast amounts of consumer data, optimising product development and marketing strategies.[12] This has resulted in a more efficient allocation of resources and a 5 percent increase in sales, contributing an additional US$1 billion in revenue annually.

US$1 billion in gains

| Revenue improvement:

Companies are leveraging AI to enhance personalised customer experiences. Netflix uses AI algorithms to provide tailored content recommendations, significantly increasing user engagement and retention.[13] In 2023, Netflix reported a 7 percent revenue increase, equivalent to approximately US$1 billion, in part attributed to its recommendation engine's effectiveness in retaining subscribers and reducing churn.

US$1 billion in gains

| Inventory management:

Walmart employs AI to streamline its inventory processes, ensuring products are stocked more efficiently to reduce waste.[14] This has led to significant cost savings and improved customer satisfaction, contributing to an estimated US$2 billion in annual savings.

US$2 billion in gains

02

Implementing AI

AI integration: The new imperative for business leaders

Effectively bringing AI into the organisation requires a structured, multi-step process.

In our 2023/2024 report, we emphasised the strategic importance of integrating AI as a comprehensive capability throughout the enterprise. Like the transformative impact of the internet, AI will reshape business and operational models and will necessitate the C-suite to thoroughly consider how the organisation should strategically adopt AI, while mitigating potential pitfalls.

It will also require a mindset and approach that differs significantly from traditional IT processes to meet rising customer expectations with this technology. Central to this will be high levels of effective collaboration between the business and IT.

According to the KPMG global tech report 2024, organisations plan to use AI in the next two years to:

- boost operational efficiency (e.g., automate repetitive tasks)

- develop products and services

- advance pattern detection and issue correction.

To achieve these goals, leading organisations should adopt a unified design system to provide a consistent AI user experience when customers interact with multiple AI models.

Prioritising customer-centricity: The key to successful AI implementation

AI has the power to amplify human performance, by enabling intelligent search, extracting meaning from data, automating and streamlining processes through organising data, identifying anomalies, and unlocking new possibilities by sparking new ideas and concepts.

Design customer journeys with AI

Customer journey mapping involves identifying and addressing the touchpoints where customers interact with the organisation. AI can enhance these interactions by personalising experiences, predicting customer needs and providing timely solutions. For instance, AI-driven chat conversational and virtual assistants can offer real-time support, reducing wait times and improving satisfaction. These implementations should be spearheaded by marketing and customer service teams, who possess the nuanced understanding of customer behaviour and preferences. By collaborating with IT, these business units can ensure that the technology aligns with strategic goals and delivers tangible benefits to customers.

Harness deep personalisation

By leveraging context-aware AI, organisations can create more personalised, adaptive and effective interactions, fulfilling a customer's goals and intents. For example, change the delivery date of an order, change the shipping address, or allow for real-time status updates to shipments. This involves recognising various situational factors and adapting behaviour accordingly, leading to stronger and more resilient customer relationships. By leveraging context-aware AI, organisations can create more personalised, adaptive and effective interactions. Mental health support apps, like Woebot and Companion, use AI to engage users in conversations and detect their emotional state through their responses.

These apps can offer support, coping strategies and therapeutic conversations tailored to the user's current mood. However, they require a deep understanding of the customer, their psychological needs as well as their physical and transactional ones.

Optimise value streams and use cases

Value streams encompass the series of steps an organisation takes to deliver a product or service to the customer. AI can streamline these processes by automating routine tasks, optimising supply chains and predicting demand fluctuations. Operations and logistics teams, equipped with insights into operational efficiencies and bottlenecks, should take the lead in identifying areas where AI can add value. IT's role here is to provide the technical infrastructure and support necessary to implement these solutions effectively.

Solve customer problems, fulfill their goals

AI's predictive analytics capabilities can preemptively address customer issues before they escalate. In the near future, AI agents will likely operate autonomously undertaking tasks for the customer. For example, in the financial sector, AI can analyse transaction patterns to detect fraudulent activities and alert customers proactively. Product development teams, with their deep understanding of customer needs and pain points, should drive these initiatives. They must work closely with data scientists and IT professionals to ensure that the AI models are robust, accurate and ethical.

It's vital to recognise that not every problem necessitates an AI solution, and not every AI application adds value. The focus should be on strategic integration of AI to address specific issues and deliver tangible benefits. By engaging in detailed research to uncover customer pain points, organisations can pinpoint where AI can offer meaningful solutions. Organisations can make sure their AI solution strategically enhances the customer experience by mapping the customer journey, the value streams that support it and identifying where AI can enhance the experience.

A structured approach to implementing AI

Successful AI implementation in leading companies follows a clear, structured, multi-step process. Through our research, we have identified seven key steps. This process begins with establishing the right foundations, ensuring that AI's role in supporting the organisation's goals is well-defined, and assessing organisational readiness — particularly in terms of data quality. A thorough understanding of customer insights is essential to identify how AI can alleviate pain points and enhance experiences. Prioritising use cases, alongside establishing guardrails for ethical and responsible use, agile working, and cultural alignment, is also crucial.

This structured approach is vital for customer experience professionals to help ensure that AI implementations deliver value to both the organisation and its customers.

Step 1: Align use cases with strategic goals

The foundational step in this process is articulating a clear AI strategy, and objectives and goals, which involve identifying key challenges and opportunities where AI can deliver value. AI objectives should align with the business' overarching strategy and be measured to track progress effectively.

Rooting AI in the organisation's objectives and challenges involves aligning potential AI use cases with strategic goals, identifying key business areas where AI can have the most impact, and pinpointing specific pain points or inefficiencies that AI could address. Setting clear, well-defined goals could include improving customer satisfaction in customer service, marketing and sales or increasing operational efficiency in supply chain management, logistics, and production, driving revenue growth, enhancing product innovation or achieving competitive advantage to provide a framework within which AI initiatives can be evaluated and prioritised.

Engaging stakeholders from across the organisation is crucial for the success of AI initiatives to provide valuable insights into business needs and challenges, helping to identify AI use cases that are both relevant and practical. Their buy-in is also essential for securing the resources and support needed to implement AI solutions.

Creating a detailed roadmap for AI implementation helps ensure that efforts are focused and coordinated. The roadmap should outline the sequence of AI projects, key milestones, timelines and resource allocations. It should also include contingency plans for managing risks and addressing potential challenges. This structured approach helps maintain momentum and track progress toward strategic goals.

Potential risks

High costs:
The initial investment in AI technology, infrastructure and talent can be prohibitively high for some organisations. Continuous investment is required for maintenance, updates and scaling AI solutions.

Actions

- **Cost-benefit analysis:** Conduct such analyses thoroughly to prioritise AI projects with the highest potential ROI.

- **Phased implementation:** Implement AI projects in phases to spread costs over time and reduce upfront financial burden.

- **Cloud services:** Leverage cloud-based AI services to reduce the need for expensive on-premises infrastructure.

- **Funding and grants:** Explore funding opportunities, grants and partnerships to support AI initiatives.

Customer implications

Ensure that each AI use case supports the company's vision for a consistent, emotionally connective and meaningful customer experience.

Step 2: Feasibility and impact assessment

Before embarking on an AI implementation, organisations should assess readiness and available resources. They also should focus on data as a strategic asset and leverage technology platforms, such as Customer Relationship Management (CRM), Enterprise Resource Planning (ERP) and Customer Data Management (CDM) systems to unlock AI's full potential.

Before beginning an AI implementation, organisations should assess existing technology infrastructure and its feasibility to integrate AI solutions. They will also want to evaluate data availability and quality, the skills and capabilities of the workforce, and the potential impact of the new technology on the organisation's key performance indicators.

A customer experience oriented target operating model for AI implementation is crucial as it ensures that AI initiatives are aligned with delivering optimal customer experiences. By focusing on the customer journey, the operating model helps identify where AI can add the most value, whether by enhancing personalisation, streamlining processes, or resolving pain points. It also ensures that AI solutions are integrated in a way that supports both customer satisfaction and business objectives, leading to more effective, customer-centric outcomes. Ultimately, a customer experience-driven approach maximises the impact of AI by directly addressing customer needs and expectations.

A budget allocation and resources requirements also need to be determined. This exercise can be done with the help of a thorough and AI-specific SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) to identify areas of strength, improvement, potential risks and threats.

Analysing the following areas can help highlight potential gaps in technology, skills or data that need to be addressed to ensure a successful AI implementation:

- **Take stock of the current infrastructure**

  Catalogue systems, applications, databases and data sources and then define their integration objectives, clarifying the goals they aim to achieve.

- **Select suitable integration technologies**

  This includes APIs for communication, middleware solutions for orchestration, and data integration platforms for streamlining data flows. It is crucial to implement data standards and protocols to ensure compatibility, consistency and compliance by standardising formats and establishing governance policies.

- **Secure data exchange**

  Use encryption and access control mechanisms to safeguard sensitive data during transmission. Rigorous integration testing should validate interoperability, verify data accuracy and completeness, and ensure smooth functioning.

- **Continuous monitoring and maintenance**

  Continually track the reliability of performance monitoring tools and ensure regular updates address compatibility issues and vulnerabilities.

- **User training and technical support**

  It is critical to ensure users have the necessary skills and are supported to address any technical challenges.

When assessing an organisation's readiness and the feasibility of adopting AI, a key factor is determining the complexity of AI models required to achieve desired customer outcomes.

By choosing the right AI model for each job, companies can focus their resources on what benefits customers most — speed, accuracy, and responsiveness — without causing delays or increasing costs due to overly complex systems. For tasks like recognising images or understanding natural language, advanced AI models like deep learning are essential for delivering accurate results. But for simpler tasks, such as basic forecasting or categorising products, streamlined models like decision trees work well and are often quicker and more resource efficient.

Additionally, it is essential to identify the types of AI building blocks required to achieve organisational and customer objectives. These building blocks may include classification for categorising data, forecasting for predicting future trends, optimisation for decision-making, and speech-to-text for converting audio to text in customer service or operations. Each building block requires specific data types and domain knowledge, which helps teams assess the technical and operational feasibility of AI adoption.

Establishing a strong data foundation is a critical first step in AI adoption, ensuring that companies are prepared to deliver reliable, customer-focused results. By preparing both structured data (such as, purchase records) and unstructured data (such as, social media feedback), organisations can create a solid base that supports accurate and consistent AI insights. For customers, this results in consistent, trustworthy recommendations and services that reflect customers' real needs. By prioritising data quality and readiness, companies can not only protect their brand reputation but also build lasting trust with customers who can rely on the accuracy and relevance of the AI-powered experiences they receive.

Data needed to train and tune AI

To provide customers with reliable, accurate AI-powered services, companies must ensure that the data used to train and refine AI models reflects real-world scenarios. This means collecting a more diverse set of data that represents the environments in which the AI will operate. For instance, if the AI is designed to forecast demand, using high-quality historical sales data helps ensure accurate predictions. By prioritising data quality, volume, and relevance, companies can train AI models that capture consistent, dependable patterns.

Data needed by AI to make inferences

By ensuring that AI systems receive clean, quality data, companies can offer customers reliable predictions, relevant recommendations, and accurate classifications. This continuous data management means customers can trust the results, whether they're receiving tailored product recommendations, up-to-date pricing, or accurate service responses, enhancing their experience and confidence in the brand. Once deployed, AI systems require a constant flow of real-time or near-real-time data to ensure accurate insights that can directly benefit customers. This data — sourced from internal systems or external indicators like market trends, is updated and validated regularly to maintain high accuracy.

Data that AI helps manage and govern

AI plays an essential role in helping organisations manage and safeguard large volumes of data, which directly benefits customers by ensuring data quality and compliance. For example, AI-driven data governance tools can classify sensitive information, trace its origins, and detect irregularities, maintaining high data standards and protecting customer privacy. Additionally, AI can enhance data by tagging, categorising, and analysing it, making insights more accessible and valuable for decision-makers. With an AI-driven approach to data management, companies can help ensure that the integrity of customer data is upheld as data sources and volumes grow. This commitment to data governance fosters trust, as customers know their data is handled responsibly.

Potential risks

Integration with existing systems:

Integrating AI with outdated legacy systems can be difficult and may require significant modifications or replacements. Accumulated technical debt in existing IT infrastructure can hinder AI implementation and integration.

Actions

- **Incremental integration:** Adopt an incremental approach to integrate AI with legacy systems, starting with small pilot projects.

- **API and middleware solutions:** Use APIs and middleware to facilitate communication between AI systems and existing infrastructure.

- **Technical debt management:** Address technical debt by gradually modernising legacy systems and reducing dependencies on outdated technology.

- **Vendor support:** Engage vendors who specialise in AI integration with legacy systems for expert support.

Customer implications

Include potential effects on customer satisfaction, advocacy, and loyalty in the feasibility analysis to align AI use cases with the creation of the enterprise-wide strengths and opportunities (SWOT) model.

Step 3: Inference and insights

Organisations must leverage customer insights to develop robust AI capabilities, strategically aligning customer data, advanced analytics and AI technologies to enhance customer experiences and drive business growth.

Customer insights are derived from data collected through various touchpoints, offering a deeper understanding of customer behaviours, preferences and pain points. According to the KPMG global tech report 2024, 78 percent of technology leaders admit that insights collected from customers are not used in a meaningful way.[15] Survey respondents also ranked targeting tech investments toward the strongest service pain points flagged by customers and employees as the number one tactic to help achieve quick wins from their technology investments.[16]

To establish a comprehensive customer data collection framework, organisations need to begin by integrating structured and unstructured data from multiple sources, such as contracts, product images, and videos, drawn from internal and external systems such as websites, social media, customer service interactions, and sales data. Internal systems such as Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) are vital sources of key data. Increasingly, Customer Data Platforms (CDPs) are being used to draw customer data from these systems and make it suitable for AI.

To ensure customer data is of high quality, as the backbone of successful AI systems, organisations must invest in data management solutions that ensure the accuracy, completeness and relevance of customer data. Data quality assurance processes like data cleaning, normalisation and validation are helping to ensure the integrity of data sets, eliminating noise, bias and inaccuracies in AI models.

Robust data governance frameworks can also help maintain and protect data, aligning with regulatory requirements and ethical standards. Customer Relationship Management (CRM), Enterprise Resource Planning (ERP) and Customer Data Management (CDM) are vital for managing and maximising data use across the organisation:

- Data needs to be labelled, creating an AI dataset where each data point is annotated with a specific label or category, providing the model with known outcomes to learn from during training. With AI-driven data governance, companies can classify sensitive information, track its origins, and flag unusual activity, maintaining stringent data standards and safeguarding customer privacy. AI also organises data by tagging, categorising, and analysing it, making information more accessible and meaningful for decision-making. As data sources and volumes grow, an AI-driven approach to data management helps ensure that customer data remains secure and accurate.

- To enable the AI to truly understand the customer's unique needs and provide tailored, efficient, and accurate support, it is possible to fine-tune large language models (LLMs) into smaller, domain-specific versions. Organisations can create specialised "AI brains" that align directly with their and their customer's objectives. This process is designed to bring greater efficiency and accuracy, transforming broad AI potential into focused support that grasps the nuances of the context.

- Key for marketing, sales and service teams is the use of classification, prediction, forecasting and optimisation, using techniques such as machine and deep learning to uncover actionable insights. This enables them to identify patterns and trends that may not be immediately obvious.

Once the data is collected and managed, advanced analytics techniques, such as machine learning and predictive modeling, can uncover actionable insights, enabling organisations to identify patterns and trends that may not be immediately obvious. For example, machine learning algorithms can analyse customer purchase histories to predict future buying behaviours, enabling personalised marketing efforts and improved customer retention.

Successful AI implementations require organisations to foster a data-driven culture that prioritises data in decision-making processes and implements training programs to enhance data literacy across the organisation. This cultural shift will ensure that insights derived from customer data are valued and effectively used in AI projects.

Potential risks	Actions	Customer implications
Data quality and availability: AI systems rely heavily on high-quality data. Incomplete, inaccurate or unclean data can lead to poor model performance. Data often exists in isolated silos across different departments, making it difficult to aggregate and use effectively. **Data privacy and security:** Ensure data privacy and security while complying with regulations like GDPR and CCPA can be challenging.	• **Data governance framework:** Establish a robust data governance framework to ensure data quality and consistency across the organisation. • **Data cleaning and preparation:** Invest in tools and processes for data cleaning, normalisation and preparation to enhance data accuracy and completeness. • **Data integration tools:** Use data integration tools (e.g. customer or enterprise data platforms) to aggregate data from isolated silos, enabling a unified view and better data utilisation. • **Regular audits:** Conduct regular data audits to identify and rectify data quality issues promptly.	Focus on identifying and addressing customer pain points to eliminate sources of dissatisfaction and enhance the overall experience, use data to predict and proactively mitigate potential customer issues.

Step 4: Prioritisation

Organisations should prioritise practical applications that offer tangible return on investment (ROI) and focus on quick wins, such as automating repetitive tasks and personalising customer experiences, to deliver immediate value and build momentum for broader AI adoption.

To identify the best AI customer use cases, organisations should conduct thorough cost-benefit analyses for each potential option, considering factors like initial investment, ongoing costs and expected ROI. The choice of implementation approach depends on factors such as budget, existing expertise, strategic goals and ROI expectations. Mitigation strategies also need to be considered while evaluating scalability to enable future growth.

However, while there are a number of pathways to AI implementation, organisations also need to consider the customer needs (transactional and emotional) the technology will address. There is a danger that it becomes a lower cost, less effective substitute for human interaction. Simply deflecting customers into low-cost technology channels, whether emotionally they require human contact or not, puts a barrier between the customer and the help they are seeking, leaving customers feeling underwhelmed and frustrated.

AI application	Technology	Examples	Benefits	Uses cases
Pre-built AI solutions	AI-as-a-Service (AIaaS).	Google Cloud AI, IBM Watson, Microsoft Azure AI.	Quick deployment, no need for in-depth AI knowledge, scalable, cost-effective.	Chatbots, image and speech recognition, language translation, predictive analytics.
AI software products	Proprietary Technology.	Salesforce, Einstein, HubSpot's AI features, Adobe Sensei.	Integrates seamlessly with existing software, specialised for certain tasks, user friendly.	CRM, marketing automation, sales forecasting.
Custom AI development	Use programming languages (i.e. Python, R, Java, C++, and Julia), machine and deep learning frameworks (i.e. TensorFlow, PyTorch, Keras, Scikit-learn, and Theano).	Major banks fraud detection systems, Ecommerce platforms, recommendation engines.	Highly tailored to specific organisation needs, full control over development and data, requires significant investment in AI talent (e.g. data scientists, engineers), infrastructure, and ongoing maintenance.	Proprietary algorithms for competitive advantage, customised recommendation engines, bespoke predictive models.
	Outsourced AI development.	Infosys, Wipro and TCS.	Access to specialised expertise without long-term commitment, faster time-to-market.	Complex AI projects where in-house expertise is lacking, rapid prototyping and minimum viable product (MVP) development.
AI partnerships and collaborations	Industry consortia and alliances.	Partnering with universities, research labs, The Partnership on AI (PAI) consortium.	Leverage cutting-edge research, access to emerging talent, shared resources, shared knowledge, industry standards, and risk mitigation.	Advanced R&D projects, experimental AI applications, long-term innovation initiatives, industry-wide challenges, regulatory compliance, shared infrastructure projects.
Open source AI platforms and tools		TensorFlow, PyTorch, scikit-learn, Apache Mahout, Jupyter, Notebook.	Cost-effective, large community support, and customisable.	Prototyping, research, building custom AI solutions without licensing costs.
Data and AI marketplaces		Kaggle Datasets, DataRobot, Algorithmia.	Access to diverse datasets and pre-built models, fostering innovation through competition and collaboration.	Enhancing data science capabilities, rapid development through pre-built components.

Building AI models, the right way

Building AI models in the right way is essential for maintaining a positive customer experience and fostering trust. AI systems that are transparent, reliable and ethically designed help ensure that customers receive accurate, personalised and fair interactions. Poorly constructed models can lead to biased outcomes, errors or inconsistent service, which erodes customer trust and damages brand reputation. Additionally, when AI models are developed with privacy, security and ethical considerations in mind, customers feel more confident that their data is being handled responsibly. Ultimately, well-built AI models reinforce a strong customer relationship by delivering consistent value and safeguarding trust.

01 Training AI models

Training an AI model involves feeding it large volumes of labelled data to help it learn patterns, associations, and decision-making rules. This process involves selecting algorithms suited to the task — like neural networks for image recognition or decision trees for classification — and then iteratively adjusting model parameters to improve accuracy. During training, the model learns from examples, gradually refining its predictions as it adapts to patterns in the data, ultimately enabling it to generalise and perform effectively on new, unseen data.

02 Testing and validation

Once trained, the model undergoes rigorous testing and validation using separate datasets to assess its performance objectively. Testing ensures that the model isn't overfitting, meaning it doesn't just memorise the training data but can apply what it has learned to new data. Cross-validation techniques, such as k-fold validation, are often employed to evaluate the model's robustness across various data splits, revealing areas for improvement and establishing confidence in the model's real-world effectiveness.

03 Model evaluation

Evaluation measures how well the model performs on key metrics such as accuracy, precision, and recall, depending on the type of problem it addresses. For instance, a model's accuracy might be suitable for simple classification, but more complex problems may require additional measures to evaluate errors and biases. This stage often involves fine-tuning hyperparameters to further improve performance, allowing teams to identify the best model configuration for deployment.

04 Deployment and monitoring

After meeting performance thresholds, the model is deployed to a production environment where it interacts with live data. Deployment may involve setting up infrastructure, like cloud-based platforms, for scalability and accessibility. However, deployment doesn't end the process; continuous monitoring is essential. By tracking performance in real-time, teams ensure the model remains effective and accurate, implementing retraining or updates as needed to keep it aligned with business objectives and user needs.

Building AI models is an iterative process, continually using feedback to refine and fine-tune the model's performance. When the model is ready for deployment monitoring should be continuous for prompt detection and address any drift or degradation over time. Ethical considerations, cross-functional collaboration, documentation and establishing feedback loops will also need to continue throughout the model-building process to help ensure fairness, transparency, and continuous learning and enhancement.

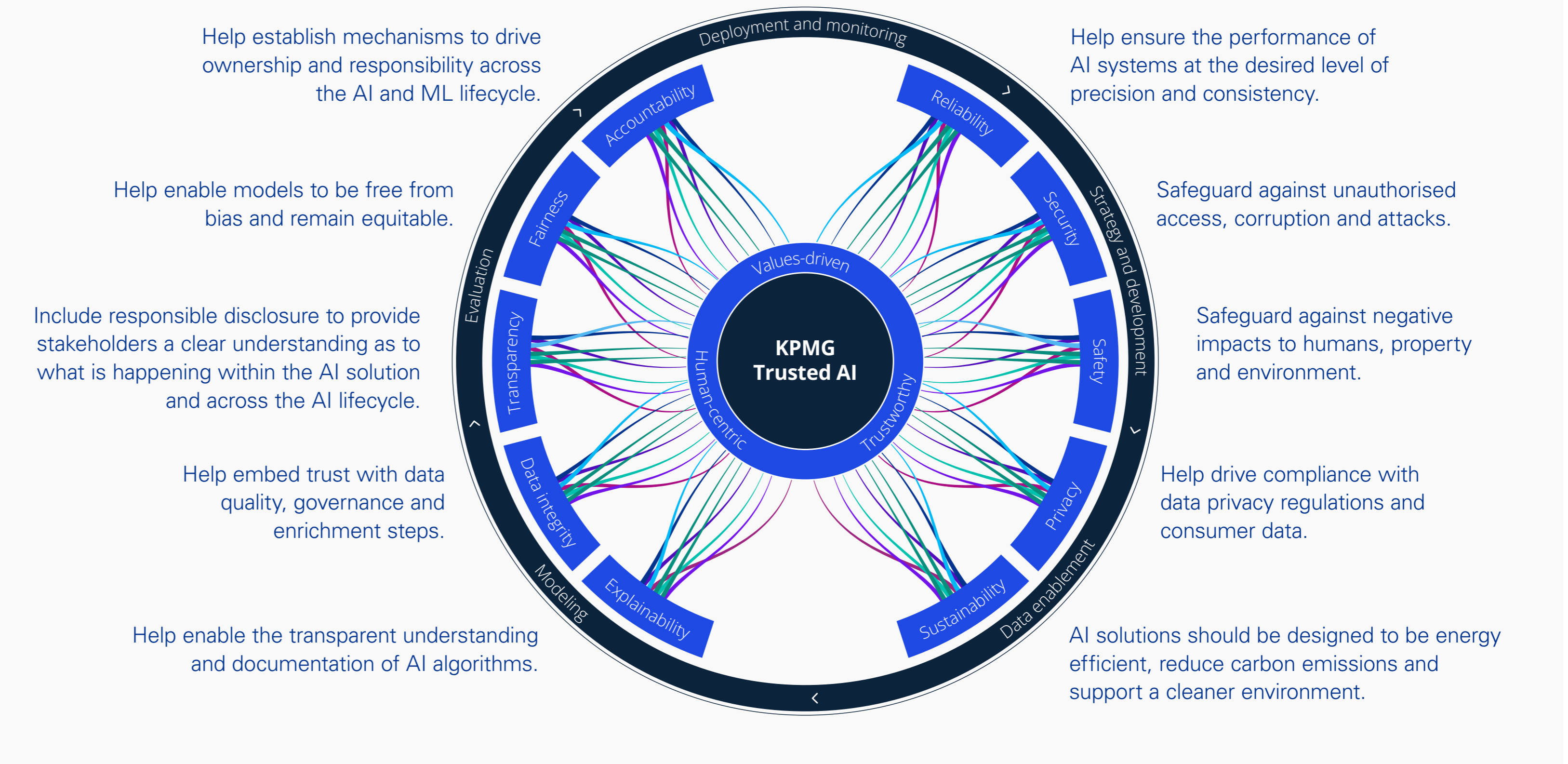| Potential risks	Actions	Customer implications
Measuring and demonstrating ROI: Organisations often struggle to define appropriate metrics for measuring the success and ROI of AI initiatives. AI projects can take a long time to deliver measurable benefits, leading to impatience and pressure from stakeholders. **Large language model risks:** Data used to answer a prompt could expose an organisation's proprietary information to the public. **Monitoring AI-specific risks:** Monitoring is essential to detect changes in data patterns, data integrity and model drift. (See KPMG Trusted AI framework)	• **Define metrics:** Clearly define success metrics and KPIs for AI projects aligned with business objectives. • **Baseline measurements:** Establish baseline measurements before AI implementation to compare against post-implementation results. • **Long-term tracking:** Implement long-term tracking to monitor the performance and benefits of AI projects over time. • **Stakeholder reporting:** Regularly report progress and ROI to stakeholders to maintain support and demonstrate value. • **Create safe usage guidelines:** Key to helping ensure proper and effective use of generative AI applications. Essential to prevent other risks, such as copyright infringement. • **Monitor applicable laws:** Be vigilant and make sure the organisation isn't using AI in a way that contravenes applicable laws, including privacy laws, client agreements or professional standards.	Prioritise AI initiatives that address critical customer concerns like security and privacy to build trust and confidence.

Step 5: Governance and ethics

Assessing ethical implications and ensuring regulatory compliance are crucial to avoid potential pitfalls, customer experience failures and reputational damage. Surfacing specific AI risks, such as bias and drift, is important for future proofing the AI solution.

Organisations need to establish clear ethical guidelines and principles that prioritise transparency, fairness, accountability and human rights to guide decision-making throughout AI development and deployment. These principles will help to uphold high levels of standards when deploying AI systems and effectively managing any potential risks.

KPMG Trusted AI framework helps guide responsible AI across the AI and machine learning (ML) lifecycle with its 10 ethical pillars.

Help establish mechanisms to drive ownership and responsibility across the AI and ML lifecycle.

Help ensure the performance of AI systems at the desired level of precision and consistency.

Help enable models to be free from bias and remain equitable.

Safeguard against unauthorised access, corruption and attacks.

Include responsible disclosure to provide stakeholders a clear understanding as to what is happening within the AI solution and across the AI lifecycle.

Safeguard against negative impacts to humans, property and environment.

Help embed trust with data quality, governance and enrichment steps.

Help drive compliance with data privacy regulations and consumer data.

Help enable the transparent understanding and documentation of AI algorithms.

AI solutions should be designed to be energy efficient, reduce carbon emissions and support a cleaner environment.

KPMG Trusted AI — framework diagram with pillars: Accountability, Reliability, Fairness, Security, Transparency, Safety, Data integrity, Privacy, Explainability, Sustainability; outer ring: Deployment and monitoring, Strategy and development, Data enablement, Modeling, Evaluation; inner descriptors: Values-driven, Human-centric, Trustworthy.

Developing a framework like this begins with organisations defining a clear approach to data and AI governance, identifying the benefits and opportunities AI offers as well potential risks and ethical setbacks. Tackling potential risks will require organisations to define guidelines and standards for governance, including provision for internal and external AI assurance and validation, to ensure fairness, transparency and accountability.

Ethical AI will call on organisations to consider multiple perspectives, including regular check-ins with a diverse set of stakeholders. They will also need to incorporate AI into well-established risk management taxonomies, supported by auditing, to allow for ongoing oversight of systems. Customer concerns should also be given consideration by all stakeholders involved in each application of the technology.

Inherent AI issues

Addressing biases is crucial. Organisations should employ techniques to detect and mitigate biases in AI algorithms and data, ensuring fairness across different demographic groups and minimising discriminatory outcomes.

- Dealing with limitations like hallucinations involves anomaly detection methods and human oversight. Anomaly detection techniques will flag instances where AI models produce erroneous outputs, while human-in-the-loop approaches validate and correct errors.

- Transparency and explainability are important to AI models designed to be interpretable so stakeholders can understand how decisions are made. Regular auditing and compliance assessments ensure ethical standards and regulatory requirements are followed. Ethical impact assessments will guide ethical decision-making throughout AI projects.

- Collaboration with industry partners, academia and government agencies fosters the sharing of best practices and the development of industry standards for ethical AI adoption.

Potential risks	Actions	Customer implications
Ethical and bias issues: AI systems can perpetuate or even exacerbate biases present in the training data, leading to unfair outcomes. Ensuring ethical AI practices and addressing concerns related to transparency, accountability and fairness can be complex. **Regulatory and compliance issues:** Keeping up with and complying with evolving regulations around AI, data usage and privacy can be difficult. Different industries have unique regulatory requirements that must be adhered to when implementing AI.	• **Bias detection tools:** Use bias detection and mitigation tools to identify and correct biases in AI models. • **Ethical guidelines:** Develop and enforce ethical guidelines and standards for AI development and deployment. • **Diverse teams:** Assemble diverse teams to provide varied perspectives and reduce the risk of bias in AI systems. • **Transparency and accountability:** Ensure transparency in AI decision-making processes and establish mechanisms for accountability. • **Compliance programs:** Develop and implement comprehensive data privacy and security programs that comply with regulations like GDPR and CCPA. • **Encryption and access controls:** Use encryption, anonymisation and strict access controls to protect sensitive data. • **Privacy impact assessments:** Conduct privacy impact assessments to understand and mitigate potential privacy risks associated with AI projects. • **Security training:** Provide regular training for employees on data security best practices and regulatory compliance.	Clearly communicate when customers are interacting with AI and ensure responsible, ethical use to maintain transparency. Publish a customer friendly version of the responsible use framework.

Step 6: Becoming more agile

Adopting agile methodologies and iterative development approaches to AI projects allows for flexibility, rapid customer prototyping and continuous improvement based on feedback and experimentation. Piloting and iterative refinement are essential to the process, enabling organisations to validate the feasibility and effectiveness of selected use cases and continuously improve based on feedback and real-world data.

Agile methodology can benefit the customer by enabling faster, more responsive solutions that better meet their needs. With an iterative, flexible approach, teams can quickly adapt to customer feedback, making continuous improvements to products and services. This helps to ensure that the customer receives up-to-date offerings that are more aligned with their expectations. Agile approaches can also promote collaboration across departments, leading to a more cohesive and seamless customer experience. By prioritising customer value in each sprint or iteration, agile working can foster innovation and deliver higher-quality results, ultimately enhancing customer satisfaction and loyalty. Consequently, agility has become crucial for successful AI implementation, allowing organisations to adapt to certain technologies, market demands and customer expectations. The dynamic nature of AI development and deployment requires a flexible, responsive approach to swiftly integrate modern technologies and stay ahead of the competition. Agile organisations can quickly respond to evolving customer expectations, market trends and unpredictable conditions, ensuring that their AI initiatives remain relevant and effective in a volatile business environment.

Cultivating organisational agility for AI implementation

The journey toward organisational agility begins with adopting an agile mindset, and embracing a culture of continuous improvement, flexibility and responsiveness. Leaders should promote values such as collaboration, innovation and a willingness to experiment and learn from failures to foster the mindset and environment where teams feel empowered to take risks and explore new ideas.

Agile methodologies, such as Scrum and Kanban, provide structured frameworks for managing AI projects, and emphasising iterative development and regular feedback to help ensure the final product meets user needs and expectations. AI implementation requires collaboration across various departments and building cross-functional teams with diverse skill sets and perspectives to foster innovation and accelerate problem-solving.

These teams should work closely together, leveraging their collective expertise to design, develop and deploy AI solutions that address complex business challenges. Cloud computing and DevOps practices play a critical role in enhancing organisational agility, providing scalable, on-demand infrastructure, and streamlining development and operations for faster delivery of AI solutions.

Project agility

AI projects, due to their complexity and experimental nature, can benefit from an agile and iterative approach to implementation. This involves breaking down projects into smaller, manageable tasks or sprints and refining each one based on feedback. An agile mindset enhances adaptability, quickly pivoting based on new insights and effectively course correcting to increase the chances of success. Organisations with scalable infrastructure and cloud-based platforms, along with the adoption of microservices architecture and containerisation, find it easier to scale, deploy and maintain AI applications — giving them a competitive edge.

Potential risks	Actions	Customer implications
Change management: Employees and stakeholders may resist adopting AI due to fear of job displacement or discomfort with new technologies. Creating a culture that embraces AI and innovation requires significant effort and leadership.	• **Change management strategy:** Develop a comprehensive change management strategy to address resistance and promote acceptance. • **Stakeholder involvement:** Involve key stakeholders early in the AI implementation process to gain their buy-in and support. • **Training and support:** Provide extensive training and support to help employees adapt to new AI tools and technologies. • **Communicate benefits:** Highlight the benefits of AI for employees, such as automating mundane tasks and enabling more strategic work.	Use agile, test-driven development with customer feedback loops to continuously improve and refine the customer experience. AI models will require continuous monitoring and refreshing, ensure that this is built into the release program.

Step 7: Culture

Organisations and customer experience practitioners need to cultivate a culture that embraces experimentation and views failure as a learning opportunity all crucial for AI success. Additionally, creating and filling new roles specialised in AI development, deployment and management is essential to leverage AI's potential.

Implementing AI will likely surface significant change management challenges as employees will need to adapt to new ways of working, new management approaches and threats to job security. It is important, then, to consider how culture needs to adapt to a future with AI. Culture cannot lose the human touch, and teams need to consider how the AI solution can improve individual needs and experiences to progress and sustain change.

According to the KPMG global tech report 2024, 80 percent of companies cite senior leadership's risk aversion as a major factor slowing their adoption of new technologies, leaving them trailing behind more agile competitors. The report highlights that in the era of AI being a "fast follower" is no longer a viable strategy; businesses that hesitate risk being left behind.

Culture starts at the top, and organisations must foster a mindset of experimentation, where failure is seen as a learning opportunity rather than a setback. To thrive with AI, companies may need to embrace a "fail fast" mentality, continuously refining and improving their technological efforts to stay competitive.

One particular area that requires careful consideration is the structure and deployment of AI specialist roles. We have identified several new roles that specialise in various aspects of AI development, deployment and management:

Role	Responsibilities
Chief AI officer/AI strategy lead	• Lead the organisation's AI strategy, aligning initiatives with business goals and identifying opportunities for AI adoption. • Ensure AI investments deliver value through best practices, training and continuous learning.
AI ethics and compliance officer(s)	• Ensure AI systems are developed and used ethically, addressing issues like bias, fairness, and transparency. • Work with legal and regulatory bodies to align AI solutions with industry standards and mitigate risks.
AI product manager	• Oversee the development and deployment of AI products, managing the product life cycle. • Align AI products with organisational goals by collaborating with cross-functional teams.
AI research scientist	• Conduct cutting-edge research in AI to explore new algorithms and applications. • Publish findings in academic and industry journals to advance knowledge in the field.
AI solutions architect	• Design and implement AI solutions that integrate with existing systems and infrastructure. • Ensure solutions are scalable, secure and reliable, providing technical leadership.
AI or ML engineer	• Design, build, and deploy ML models, focusing on algorithm development and performance optimisation. • Ensure scalability and efficiency of ML systems for various applications.
AI data scientist	• Extract insights from data using statistical analysis, ML and data visualisation techniques. • Collaborate with stakeholders to address complex organisational challenges through data-driven solutions.
Data engineer	• Build and maintain infrastructure for data generation, storage, and retrieval. • Manage data pipelines, ETL processes, and ensure data quality and availability for AI applications.
Machine learning operations (MLOps) engineer	• Manage the deployment, monitoring, and maintenance of ML models in production. • Work on CI/CD pipelines, version control, performance monitoring, and model retraining.
AI UX designer	• Design user interfaces and experiences for AI-driven applications. • Ensure interfaces are intuitive, user-friendly, and meet end-user needs.
AI prompt engineer	• Craft, test, and refine prompts to ensure AI models generate accurate and contextually appropriate outputs. • Analyse how AI models respond to prompts and adjust strategies to improve performance.
AI trainer or annotation specialist	• Label and annotate data to train AI models accurately. • Ensure the relevance and quality of training data for supervised learning models.

Leading organisations assess how to deploy these new roles using one of the following four models, depending on the organisation type and its AI maturity:

AI Centre of Excellence (CoE)

A centralised team of AI experts that serves as a hub of knowledge, best practices and resources.

Benefits:

- **Centralised expertise:** Concentrates AI expertise, facilitating advanced research and development.
- **Standardisation:** Ensures consistency in AI methodologies, tools and technologies across the organisation.
- **Efficiency:** Reduces duplication of efforts and streamlines AI project implementations.
- **Innovation:** Fosters innovation by allowing experts to collaborate and share insights.

Challenges:

- **Scalability:** May become a bottleneck if the demand for AI solutions outstrips the CoE's capacity.
- **Integration:** Ensuring effective integration with various business units can be challenging.

Embedded AI teams

AI specialists are distributed across various business units, working directly within departments (i.e. marketing, finance, operations, etc.).

Benefits:

- **Domain expertise:** AI specialists gain a deep understanding of specific business domains, leading to more relevant and impactful AI solutions.
- **Agility:** Faster decision-making and implementation as teams are closer to the business problems.
- **Alignment:** Ensures AI projects are closely aligned with business objectives and priorities.

Challenges:

- **Consistency:** Potential for inconsistent methodologies and tools across the organisation.
- **Resource allocation:** Risk of underutilisation or overloading of AI specialists in different units.

Hybrid model

Combined elements of both the CoE and embedded AI teams. The CoE acts as a central governance body, while AI specialists are focused on implementation and domain-specific projects.

Benefits:

- **Balance of expertise and integration:** Centralised standards and governance from the CoE with domain-specific implementations by embedded teams.
- **Resource optimisation:** Flexibility to allocate resources where needed, either centrally or within business units.
- **Scalability and consistency:** Scales more effectively than a purely centralised or purely decentralised model.

Challenges:

- **Human led processes:** Ensuring that AI supports, rather than disrupts, human-led processes can be challenging, particularly when complex or high-stakes decisions are involved.
- **Decision-making:** Decision-making speed can be a challenge as organisations try to balance AI-driven insights with human review.

Federated model

A central AI leadership team provides oversight, while AI practitioners are spread across the organisation.

Benefits:

- **Leadership and autonomy:** Central leadership ensures strategic alignment, while practitioners have the autonomy to innovate within their units.
- **Cross-functional collaboration:** Encourages collaboration between units, leveraging diverse perspectives.

Challenges:

- **Coordination:** Requires strong coordination and communication between central leadership and practitioners.
- **Resource management:** Balancing central oversight with the autonomy of individual units.

The KPMG report, <u>AI success requires workforce remodel highlights that</u>, in addition to these new roles, organisations need to rethink their workforce dynamics.[17] Successful AI adoption goes beyond technology aiming to use generative AI across the enterprise to enhance efficiency, productivity and creativity among employees.

The KPMG report stresses the importance of a comprehensive workforce review and overhaul to shape the future workforce, offering a framework to integrate generative AI. It advocates for a culture of continuous improvement, where teams consistently refine AI solutions using feedback and insights from real-world applications.[18]

Potential risks	Actions	Customer implications
Talent and expertise: There is a high demand for AI talent, and a shortage of skilled professionals in data science, machine learning and AI. Existing employees often need significant training and upskilling to work effectively with AI technologies.	• **Training and upskilling:** Invest in training and upskilling programs for existing employees to build internal AI expertise. • **Partnerships:** Partner with universities, research institutions and AI training providers to access talent and stay updated on the latest advancements. • **Talent acquisition:** Develop a strategic talent acquisition plan to attract skilled AI professionals. • **Mentorship programs:** Implement mentorship programs where experienced data scientists mentor junior staff to accelerate learning.	Foster a culture of customer-centricity where AI serves to enhance, not replace, the human touch, keeping human oversight central to customer interactions.

03

Navigating an AI-driven future

What is next for AI?

Keeping pace with AI developments is crucial for organisations to stay competitive as AI technology not only advances rapidly, but also has the potential to redefine technology creation itself.[19]

The next generation of AI will revolutionise customer experiences by offering even more personalised, efficient and intuitive interactions. Advanced AI systems will be able to predict customer needs with greater accuracy, providing tailored recommendations and solutions in real-time. With improved natural language processing, customers will engage with AI in more seamless, human-like conversations, enhancing ease of use and accessibility. Additionally, smarter AI can anticipate potential issues before they arise, enabling proactive support and minimising disruptions. This increased sophistication in AI can empower businesses to create deeper, more meaningful connections with customers, elevating satisfaction and trust to new levels.

Recent research published in Nature Human Behaviour indicates that large language models (LLMs) are increasingly capable of understanding complex human mental states, a trait once thought unique to humans.[20] For instance, the Inflection AI chatbot, named Pi for "personal intelligence," aims to offer emotional support with empathy and humor, demonstrating the potential for AI to provide meaningful human-like interactions.[21]

In theory, the better AI models are at mimicking humans, the more useful and empathetic they can seem in their interactions with us. Both OpenAI and Google recently announced supercharged AI assistants.[22] Named GPT-4o and Astra, respectively, these virtual assistants are designed to deliver much smoother, more natural responses than their predecessors. While such advancements are promising, we must recognise these AI abilities are not humanlike — even if they appear that way.

The future of AI, with advancements in self-supervised learning, explainable AI and human-AI collaboration promises more intelligent, autonomous and ethical AI systems, significantly impacting various industries and everyday life. These future AI systems are likely to have greater autonomy, enabling them to operate without constant human intervention. This could be particularly impactful in fields like autonomous driving, robotics and industrial automation.

Navigating to the future

To thrive in an AI-driven future, organisations should focus on staying abreast of AI advancements like machine learning, natural language processing, computer vision and robotics. Understanding AI and data regulations, adhering to ethical AI practices and developing a clear AI strategy aligned with organisational and strategic goals are essential. Investing in research and development, fostering an AI-friendly culture, and promoting cross-departmental collaboration will help integrate AI effectively. Addressing workforce changes by reskilling employees and prioritising hiring and training in AI and data science are key. Engaging with the broader ecosystem through partnerships and open innovation initiatives will also offer competitive advantages.

KPMG Trusted AI can help with designing, building, deploying, and using AI tech solutions in a responsible and ethical manner, seeking to accelerate value with confidence. We recognise that the field of AI is rapidly evolving — and so is our approach. As the technology advances and legal, ethical, risk and regulatory standards mature, we will continue to review and evolve our approach as necessary.

Key takeaways for the customer experience

This year's report underscores the transformative impact AI is having across industries worldwide. Yet, the path to AI-driven success is far from simple. It demands rethinking traditional assumptions and adapting to new ways of operating. To truly harness the power of AI, organisations must envision themselves through a fresh lens — embracing new operating models, fostering a data — and technology-centric culture, and embedding cross-functional, agile working as the standard. The lessons from this year's leading companies suggest that these shifts are not optional but essential for ensuring long-term AI success.

To respond effectively to the findings of the 2024 Customer Experience Excellence study, companies should take the following actions:

01.
Cut through the noise to clearly understand what AI means for your business, both now and in the future. Take an honest look at your current state and assess your true readiness to adopt AI at scale.

02.
Ensure AI implementations are rooted in a deep understanding of the customer. Design AI experiences in the context of the needs and wants of the different age groups. There are some significant demographic attitude changes this year.

03.
Humanise AI to get traction with consumers and drive advocacy and loyalty and develop expertise in emotion design.

04.
Clearly define use cases that should be led by the business and IT. AI should not be the exclusive preserve of IT and not all developments require an AI solution.

05.
Ensure scalability when selecting initial use cases, be clear on ROI and how AI will change experience economics.

06.
Create an ethical and responsible use framework coupled with strong governance to ensure compliance. Identify the risks at each stage of AI development and implementation and design effective mitigations.

07.
Clearly define new role types that the organisation will need and the transition plan for existing employees. Consider the current culture and whether it creates the right environment for AI to prosper.

08.
Consider how the rapid developments in AI technology and the dramatic improvements in processing power will shape the future of the industry and sector and build a maturity route map to guide development.

By adhering to these principles, organisations can align their AI initiatives with customer needs and position themselves for greater success in increasingly AI-driven marketplaces. These guidelines provide a useful pathway to not only integrate AI into daily operations but also enhance customer satisfaction and elevate overall CEE scores. In doing so, organisations can be better prepared to meet the challenges and seize the opportunities that AI presents, driving sustainable growth and competitive advantage in their respective sectors.

About the authors and contributors

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Julio has been the global lead of KPMG's Customer Centre of Excellence for 10 years. Julio helps clients drive profitable growth and deliver differentiated customer experiences. He has more than 25 years of management consulting experience focused on strategy formulation; marketing, sales and service strategy and transformation; and enterprise analytics. During his career, Julio has served clients across multiple industries including consumer goods, retail, health care, telecommunications and energy. Julio has worked with clients across the globe including North America, Europe and Asia. He has multiple patents and patents pending for both customer experience and analytics. He has also been published in multiple periodicals including the Wallstreet Journal, Financial Times and Forbes. Julio has a BBA from Emory University and an MBA from Harvard Business School.

Georgina Severs
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Georgina Severs, with over 20 years of experience in agency and in-house roles, leads the global operations for KPMG's Customer Centre of Excellence. She brings expertise in go-to-market strategy, brand and marketing and is responsible for guiding KPMG's Customer First perspectives and insights. Georgina has held marketing roles in KPMG in the UK and various agency senior positions across Advertising, Branding, Content providing strategy, planning, marketing and communication consulting for both B2B and B2C organisations. Having worked with leading international brands across London, Europe, and the U.S.A., she brings a global perspective to customer needs and trends.

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Swami Chandrasekaran is the Head of AI and leads the Data Centre of Excellence at KPMG US. Holding a Master's in Electrical Engineering, he plays a pivotal role in innovative AI initiatives across Tax, Audit, Advisory, and internal functions. His efforts have standardised AI adoption, unlocking new ways of working and driving operational efficiency. Swami leads initiatives on domain-specific language models, knowledge assistants, AI agents, and AI-enabled search, while overseeing KPMG's AI portfolio and spearheading cutting-edge R&D. A prolific innovator with 30+ patents, an IBM Master Inventor, Swami chairs KPMG's AI Technology Review Board and contributes to AI safety standards at the NIST AI Safety Institute Consortium.

Survey methodology

About the research

For 15 years, KPMG professionals have surveyed consumers on their experiences with brands. To date, over 700,000 consumers have provided 7 million evaluations across 40 countries, regions, and jurisdictions, helping us develop customer experience best practices.

This year, KPMG interviewed over 86,000 consumers across 23 markets, analysing nearly 3,000 brands. Consumers rate brands based on The Six Pillars of Customer Experience, forming a compound metric known as the Customer Experience Excellence score. These scores are used to create individual country/region league tables. The report's research was conducted through an online survey with a nationally representative sample for each market, balanced by age, gender and region. Respondents must have interacted with a company in the last six months — whether by making a purchase, using products or services, contacting the company, or browsing its website. Brands must meet a minimum response threshold to be included in the rankings.

All companies, including audit clients, are representative of consumer opinion and ranking. Mentions of individual companies should not be interpreted as an endorsement by KPMG International or its member firms.

2024 research overview:

23 countries, regions and jurisdictions worldwide

2,970 cross-sector brands researched

86,073 consumers interviewed

881,815 individual brand evaluations conducted

Since 2010:

15 years of ongoing research and signals analysis

7 million individual brand evaluations

40 markets covered

4,450 brands researched

711,000 consumers interviewed

How KPMG can help

Transformation never stops. Neither do we.

KPMG Customer Experience services add value at every stage of the customer experience lifecycle, from strategy development to execution. Leveraging its Six Pillars of Customer Experience Excellence framework — Integrity, Resolution, Expectations, Time and effort, Personalisation, and Empathy — KPMG firms help organisations deliver outstanding customer experiences by providing a holistic approach to improving every aspect of customer interactions.

By applying this framework, KPMG enables organisations to enhance customer loyalty, satisfaction, and overall business performance. When it comes to integrating AI into customer experience, our Trusted AI framework can help establish clear ethical guidelines and principles that prioritise transparency, fairness, and accountability to guide decision making throughout AI development and deployment. KPMG supports clients in achieving significant improvements through a structured approach:

Developing a robust AI strategy aligned with broader business objectives and the target operating model.

Mapping AI capabilities to each stage of the customer journey to help improve experiences and outcomes.

Identifying key customer journeys, value streams, and use cases where AI can drive the most significant impact.

Assessing AI readiness, including data quality, accessibility, and infrastructure requirements.

Redesigning workflows to integrate AI-driven decision-making and automation.

Implementing AI effectively to support Voice of the Customer (VoC) programs and measurement frameworks, helping ensure AI-driven insights are actionable and aligned with business goals.

Through this approach, KPMG helps organisations realise the full potential of AI in delivering superior customer experiences, driving long-term growth and staying competitive.

04

Key insights by country and region

Australia

Top 10 brands

1. Mecca
2. Specsavers
3. ING
4. Bunnings Warehouse
5. Chemist Warehouse
6. Bendigo Bank
7. Apple
8. RACV
9. IKEA
10. Kmart

Biggest movers
(Rank since previous year)

- Synergy (+ 29 places)
- IKEA (+ 23 places)
- Myer (+ 19 places)
- Belong (+ 19 places)

New entrants
(2024 ranking)

- Aware Super (20)
- Australian Retirement Trust (31)
- Youi (36)
- Bank of Queensland (44)
- Budget Direct (53)

Leading organisations' commentary

Australian consumers' expectations of CX have shifted towards a more digital, personalised, efficient and transparent experience. Concerns over inflation continue with 85 percent of respondents stating that they actively modify their purchasing to minimise the effect of inflation. However, 44 percent of respondents are still willing to pay more for a company that is ethical and gives back to society. This year Integrity has become the most important Pillar for Australian consumers.

Cosmetics firm Mecca returns to number one, a position they occupied in 2021. The retailer offers customers products from more than 150 brands. Mecca has completed a three-year digital transformation project, which has reshaped its omnichannel experience and brought its in-store experience to life online. Miss Mecca, its Einstein-powered AI chatbot has also been very successful, leading to a 76 percent reduction in shopping cart abandonment rates.

Synergy[23] is a government trading enterprise operating within Western Australia's Southwest Interconnected System (SWIS) as the largest retailer servicing over 1 million residential and business customers. It has focused its VoC measurement system on customer effort and has worked hard to anticipate customer needs and minimise customer effort across its various customer journeys.

As Australian consumers respond to inflationary pressures, both IKEA and Kmart enter the top ten. Discount retailer Kmart leads the index for value, offering low prices on a wide range of products, without sacrificing on quality.

AI overview

Australian organisations are leveraging advanced technologies such as AI, big data and omnichannel platforms to enhance customer interactions and meet rising consumer expectations. There is a significant focus on providing seamless and consistent experiences across various touchpoints, both online and offline.

Financial services are market leaders when it comes to harnessing AI in innovative ways to enhance the customer experience, deploying AI to optimise fraud detection and credit risk through real-time monitoring and sophisticated credit scoring models.

Top ten-ranked Bendigo Bank[24] has also recently partnered with developer data platform MangoDB for a core banking update through AI, central to accelerating their digital service offerings.

The Australian government has been actively promoting AI through strategic initiatives and funding. The "AI Roadmap" and the "AI Action Plan" are examples of efforts to create a supportive environment for AI development and implementation across various sectors.

Successful AI implementations

Commonwealth Bank of Australia (CBA):[25]

CBA has integrated AI into its customer service operations through its virtual assistant, Ceba. Ceba uses natural language processing to assist customers with a wide range of banking queries, improving response times and customer satisfaction.

CSIRO:[26]

The Commonwealth Scientific and Industrial Research Organisation is an Australian Government agency responsible for scientific research. Data61, the data and digital arm of CSIRO, has developed numerous AI applications, including advanced cybersecurity solutions, predictive analytics for healthcare and environmental monitoring systems. Their work in AI is pivotal in advancing Australia's technological capabilities.

Sydney's Transport Management Centre:

The Transport Management Centre uses AI for real-time traffic management and congestion prediction. AI algorithms analyse traffic data to optimise traffic light patterns and provide real-time updates to commuters, improving urban mobility.

University of Technology Sydney (UTS) and Sydney Water: [27]

UTS collaborated with Sydney Water to develop an AI system for predicting pipe failures and optimising maintenance. This AI implementation helps in reducing water loss and improving the reliability of the water supply network.

Austria

Top 10 brands

1. fielmann
2. Fressnapf
3. ÖAMTC
4. Nespresso
5. Spusu
6. DM
7. HOT
8. Tchibo/Eduscho
9. Leading online retailer
10. Hartlauer

Biggest movers
(Rank since previous year)

- Easy Bank (+ 25 places)
- Bank Austria Unicredit (+ 25 places)
- bank99 (+ 25 places)
- möbelix (+ 22 places)

New entrants
(2024 ranking)

- Dehner (24)
- Foodora (67)
- Lieferando (68)
- OMV (79)
- RyanAir (86)

Leading organisations' commentary

The effects of inflation are diminishing and are being offset by wage increases in Austria. There are no changes in the top 10 companies. The overall cost of living score has gradually returned to last year's levels. Companies that perform particularly well are those that orchestrate their activities across all channels and utilise AI.

The top 3 companies remain little changed from previous years, with fielmann taking the number one position this year. This reflects their focus on an integrated omnichannel strategy designed to deliver a highly personalised experience.

Pet store franchise Fressnapf has 90 stores in Austria that participate in a campaign called "Happiness", offering a behind-the-scenes experience of Fressnapf salons and its existing app-based customer loyalty programme called Friends to provide a human touch to their consumer experience.[28]

Financial services company Bank Austria Unicredit has returned to its highest ranking since 2018. They have focused on the trust-based chemistry that must exist between customer and adviser.

Dehner, Europe's largest garden centre group, has made a notable entry into this year's index, securing the 24th position. The company's transition to Headless Commerce has redefined the shopping experience, offering enhanced flexibility, rapid adaptability and seamless integration with existing systems.

AI overview

The integration of AI and automation into CX has been a major trend. Organisations are leveraging chatbots, virtual assistants and predictive analytics to streamline processes and reduce customer effort. This technology helps identify and resolve issues proactively, deliver personalised experiences and improve overall engagement and loyalty.

The adoption of AI has highlighted generational divides in attitudes and concerns. The primary concern among younger demographics is the fear of AI displacing human jobs. With AI capable of performing tasks traditionally done by humans, there is a worry about the reduction of entry-level positions and the long-term impact on career opportunities.

Older customers value the personal touch that human representatives provide. They find AI interactions impersonal and less satisfactory, especially when dealing with complex or sensitive issues. Concerns about the security of personal data are more pronounced among older consumers.

Successful AI implementations

fielmann:

The number one company is an extensive user of AI technology across three main areas. Firstly, fielmann Fit. This measures the customer's face using over 18,900 measuring points, and then uses the data to fit 3D eyewear models. It was originally used for non-prescription sunglasses but is now also for prescription glasses.

Secondly, fielmann Focus automates the lens centring process. Customers can perform centring via smartphone, and it is available for customers with certain diopter values and modern smartphones.

Thirdly, fielmann Vision. This uses photorefraction and artificial intelligence for online refraction and has been designed to enable new customers to order glasses completely online. This is currently undergoing extended user testing.

Erste Group Bank:

Erste Group has integrated AI into its banking services, using machine learning for credit scoring, fraud detection and personalised customer experiences. Their virtual assistant, George, helps customers with banking queries and transactions in a range of different ways.[29] This includes automatically learning orders and contacts by recognising and automating recurring orders and contacts to make everyday business easier.

The search function in the George app is supported by AI to find relevant information faster and more efficiently, as well as adapt to the individual requirements and needs of each company and user role to ensure a personalised banking experience.

For companies, George Business's AI supports complex financial processes and ensures smooth interaction between the various functions. The AI in the George app actively and reliably accompanies users on their way to financial success, both on their PC and on their smartphone.

Czech Republic

Top 10 brands

1. Air Bank
2. Česká spořitelna
3. Fio banka
4. Dr.Max
5. Zásilkovna

6. Knihy Dobrovský
7. Rohlík.cz
8. Tank ONO
9. Manufaktura
10. Benu

Biggest movers
(Rank since previous year)

- Partners (nebo Partners banka) (+ 87 places)
- Raiffeisenbank (+ 59 places)
- MND (+ 58 places)
- ČSOB Pojišťovna (+ 55 places)

New entrants
(2024 ranking)

- Balíkovna (41)
- Nespresso obchod (51)
- El Nino (62)

Leading organisations' commentary

Integrity continues to be an important Pillar for Advocacy and personalisation for Loyalty. Despite cost-of-living concerns, 36 percent are quite willing to pay more for companies that are ethical and give back to society.

The top three companies are all in financial services. Air Bank continues to lead the index having been number one six times in the last eight years. It proves that excellence once acquired becomes a habit.

They are extensive and innovative users of AI technology and are implementing AI-driven chatbots to handle customer inquiries and provide support, answering common questions, guiding customers through banking processes and escalating complex issues to human agents when necessary.

Similarly, Česká spořitelna, the largest commercial bank in the Czech Republic, has made big improvements in previous years and has leveraged AI in several strategic areas to improve its operations, customer service and overall efficiency.

The highest riser this year is Partners banka, which joins the top 100 companies for the first time. They seek to connect consulting with banking services, and this integrated approach, they believe, helps customers achieve their financial goals more effectively. Their unique selling position is the "marketplace" of products, where the customer can also choose competitors' products, which the bank mediates.

Balíkovna, a service provided by Česká pošta (Czech Post), enters the top 100 at 40th position. It is designed to streamline the process of receiving and sending packages, offering convenience and efficiency for both consumers and businesses.

Balíkovna's combination of an extensive network of delivery partners and user-friendly features, integration with e-commerce, competitive pricing and focus on customer experience makes it a popular choice.

AI overview

Organisations in the Czech Republic are increasingly focusing on personalised experiences to enhance customer satisfaction and loyalty. This involves tailoring products, services and communications to individual customer preferences, which has been shown to directly impact sales and revenue growth.

Prague and Brno are hubs for IT innovation, attracting a strong technical talent pool from across Europe. Organisations like Microsoft are leveraging AI to drive technological advancements and improve services. The IT sector's growth is supported by extensive educational programs aimed at reskilling and upskilling the workforce in AI and related technologies.

The banking sector has made significant strides in enhancing CX through AI and digital innovations. Banks are utilising AI to create personalised customer profiles, tailor product offerings and provide frictionless service across various platforms. This approach is part of a broader trend towards winning "clients for life" by supporting customers through significant life events with integrated service ecosystems.

The Czech Republic is experiencing a shift in its labor market with a growing emphasis on technology-driven roles. The demand for data scientists, AI specialists and cybersecurity experts is increasing as organisations look to harness the power of AI for competitive advantage.

Successful AI implementations

Škoda:

Škoda uses AI to predict potential production failures before they occur, optimising maintenance schedules and reducing downtime. AI-driven robots and machine learning algorithms streamline manufacturing processes, improving efficiency and product quality. The company is actively involved in developing autonomous driving technologies, leveraging AI for vehicle navigation and safety systems.[30] Their virtual assistant Laura is present in many Skoda cars.

Česká spořitelna:

Machine learning models analyse transaction data in real time to identify and prevent fraudulent activities. AI-driven chatbots provide instant customer support, handle routine inquiries and assist with transactions. AI analyses customer data to offer personalised financial advice and product recommendations.[31]

Rohlik:

E-commerce (grocery delivery) company Rohlik uses AI to predict demand for products, optimising inventory levels and reducing waste. Machine learning algorithms optimise delivery routes, ensuring timely and efficient deliveries. AI analyses customer purchase history to offer personalised product recommendations.[32]

France

Top 10 brands

1. Chanel
2. Okaïdi-Obaïbi
3. Nespresso
4. Krys
5. Dior
6. Puy du Fou
7. Nocibé
8. Optic 2000
9. Parc Asterix
10. Futuroscope

Biggest movers
(Rank since previous year)

- Le Crédit Lyonnais (+ 63 places)
- Mr. Bricolage (+ 52 places)
- Hello bank! (+ 51 places)
- Air France (+ 46 places)
- Fortuneo Banque (+ 45 places)

New entrants
(2024 ranking)

- Crédit Mutuel Assurances (48)
- Disney+ (60)
- UGC (69)
- Pathé (76)

Leading organisations' commentary

Despite a still high cost of living, French consumers seem to still value the premium customer experience offered by brands.

This year sees the breakthrough of luxury brands, and the iconic French luxury brand Chanel is number one. Chanel emphasises personalised service in their boutiques, where sales associates are trained to provide tailored recommendations and personalised attention, understanding each customer's unique preferences and needs.

Chanel's boutiques are designed to reflect the brand's elegance and sophistication, offering a luxurious and immersive shopping environment. Chanel leverages digital tools such as virtual try-ons for beauty products and online consultations with beauty experts, allowing customers to experience the brand's offerings from the comfort of their homes.

The top 10 in 2024 also includes brands such as retailers Okaïdi-Obaïbi, Nespresso and Krys and the theme parks Puy du Fou, Parc Asterix and Futuroscope. In their own way, these brands, through the unique experience they generate, bring delight to consumers, in a period marked by crises of all kinds.

These brands create an emotional connection. For example, Okaïdi-Obaïbi the children's clothing brand has been on a 25-year quest to help every child be self-motivated, happy and responsible. The brand provides valuable content and advice on parenting, child development and fashion tips through their website and social media channels, creating a supportive community for parents. In addition, the brand is committed to sustainability, incorporating organic cotton and eco-friendly materials into their products, appealing to environmentally conscious customers.

The highest riser this year is LCL (Le Crédit Lyonnais), a prominent bank, which excels in customer experience through a blend of personalised services, innovative digital solutions, comprehensive product offerings and a customer-centric approach. LCL is committed to improving its clients' financial literacy.

It provides educational resources and financial literacy programs to help customers make informed financial decisions. These initiatives include workshops, online tutorials and personalised advice.

AI overview

Like many other countries, France is undergoing a significant digital transformation. Organisations are leveraging digital technologies to enhance customer interactions across various touchpoints, including websites, mobile apps, social media and messaging platforms.

Convenience is a top priority for French consumers. Organisations are investing in services and solutions that make it easier and more convenient for customers to engage with them, such as self-service options, mobile payments and fast delivery services.

The French government has been actively supporting AI initiatives through funding, tax incentives and the development of AI-focused policies. Initiatives like the French AI strategy, which aims to position France as a global leader in AI, have encouraged both public and private sector investment in AI research, development and deployment.

France boasts a vibrant innovation ecosystem with a strong presence of research institutions, universities, startups and established organisations. Cities like Paris, Lyon and Toulouse have emerged as hubs for AI research and development, fostering collaboration and knowledge exchange between academia and industry.

AI is transforming the manufacturing industry in France by enabling predictive maintenance, quality control, supply chain optimisation, demand forecasting and process automation. Manufacturers are deploying AI-powered systems and robotics to streamline production processes, reduce downtime, and improve productivity and product quality.

Successful AI implementations

Criteo:

Criteo is a global technology company specialising in digital advertising. They use AI and machine learning algorithms to personalise online advertisements based on user behaviour, helping advertisers optimise their campaigns and maximise return on investment.

Dassault Systèmes:

Dassault Systèmes is a leading provider of 3D design and engineering software. They utilise AI for product design optimisation, simulation, virtual testing and predictive maintenance, helping organisations across industries innovate and streamline their product development processes.

L'Oreal:

L'Oreal, one of the world's largest cosmetics organisations, leverages AI for personalised beauty recommendations, virtual try-on experiences and product development. Their AI-powered tools analyse customer data and preferences to offer tailored skincare and makeup solutions.

Germany

Top 10 brands

1. Fielmann
2. Zooplus
3. Hilton
4. LVM
5. Emirates
6. Apollo Optik
7. shop-apotheke.de
8. Hugendubel
9. Thalia
10. Mercedes-Benz

Biggest movers
(Rank since previous year)

- DERtour (+ 129 places)
- DAK-Gesundheit (+ 106 places)
- Budnikowsky (+ 69 places)
- Amazon Fresh (+ 67 places)
- Volkswagen (+ 53 places)

New entrants
(2024 ranking)

- LVM (4)
- Emirates (5)
- Check24 (61)
- Condor (89)

Leading organisations' commentary

In 2024, the CX score in Germany improved to 7.43, recovering from a decline to 7.31 in 2023. This is reflected in the decreased percentage of low performers (≤6.5) and the increased number of top performers (≥8.0), which shows that more companies are meeting customers' expectations.

The analysis shows that a strong price-performance ratio greatly enhances customer satisfaction, leading to increased loyalty and recommendations. Forty-nine percent of respondents are willing to pay more for ethical goods and services.

The key drivers of NPS (Net Promoter Score) and Loyalty are Personalisation and Integrity. Personalised customer experiences are crucial for customer loyalty across all industries. To be recommended by customers, it is essential that companies demonstrate their integrity.

Fielmann, whose Integrity score is the highest in the index, continues as the number one German CX company, a position it has held for the last five years with market-leading scores across each of the Six Pillars as well as one of the highest scores in terms of customer loyalty and recommendations.

Zooplus offers a vast selection of pet products, including food, accessories, toys and healthcare items. Zooplus uses data analytics to provide personalised product recommendations based on customers' past purchases and pet profiles. This service concept is also reflected in the high level of customer satisfaction regarding personalisation and time and effort savings and leads to very high customer loyalty. The company is known for its responsive and helpful customer service team, available via phone, email and live chat.

Highest mover DERtour provides personalised travel planning services, offering customised itineraries and recommendations based on individual preferences and interests. DERtour has invested in its digital platforms, improving website usability, mobile app functionality and online booking processes. This has streamlined the customer journey and made it easier for travellers to research and book their trips.

DERtour allows customers to experience destinations virtually, enhancing their pre-travel excitement and decision-making process.

The highest new entrant to the CEE ranking is insurance company LVM. It emphasises personalised service, providing tailored insurance solutions that meet the specific needs of individuals, families and businesses. The company employs a network of dedicated insurance advisors who offer expert advice, handle claims efficiently and ensure a high level of customer satisfaction.

AI overview

German organisations are increasingly leveraging AI to enhance customer interactions, streamline operations and improve overall satisfaction.

One of the key trends is the integration of generative AI and personalisation technologies. These tools are being used to create more engaging and individualised customer experiences. For instance, AI-driven chatbots and virtual assistants are now commonplace, helping organisations handle customer inquiries efficiently while providing personalised responses based on customer data and preferences.

The financial services sector in Germany is another area where AI is making a significant impact. Banks and financial institutions are using AI to automate customer service, detect fraud and offer tailored financial advice.

The German government has been proactive in shaping AI regulations, focusing on creating a balanced framework that promotes innovation while ensuring ethical standards and transparency. This includes mandatory self-regulation for AI foundational models and efforts to enhance AI governance and reduce biases.

Germany's strong industrial base, particularly in sectors like automotive, manufacturing and healthcare, has been leveraging AI to enhance productivity and innovation.

Successful AI implementations

Volkswagen, Mercedes-Benz and BMW:

Volkswagen, Mercedes-Benz and BMW have been investing in AI for autonomous vehicles, predictive maintenance in manufacturing and improving customer experience through AI-powered features in their vehicles.

Deutsche Telekom:

Deutsche Telekom uses AI in customer service to handle inquiries more efficiently. Chatbots and virtual assistants assist in answering customer questions and resolving issues.

Lufthansa:

Lufthansa leverages AI to optimise flight operations and improve customer service. AI algorithms assist in flight route planning, predictive maintenance and personalised customer communication.

Hong Kong (SAR), China

Top 5 brands

1. Apple
2. Nike
3. BUPA Hong Kong
4. Adidas
5. Zara

Biggest movers
(Rank since previous year)

- CitySuper (+ 25 places)
- Manulife (+ 25 places)
- Mox (+ 24 places)
- Chow Tai Fook Life Insurance Company Ltd (+ 22 places)
- Octopus (+ 20 places)

New entrants
(2024 ranking)

- Blue Insurance (32)

Leading organisations' commentary

The Hong Kong consumer has become focused on sustainability with 71 percent of respondents stating they would pay more for a company that is ethical and gives back to society. Despite concerns over inflationary pressures, the Hong Kong consumer is now highly selective when it comes to choosing suppliers.

Apple has been the number one CX company in Hong Kong for the past three years. Respondents describe the Hong Kong Apple store experience as "simply fantastic", with friendly staff who are eager to please. Apple is known for their sleek and minimalist design, creating a welcoming and aesthetically pleasing environment for customers. In Hong Kong, this design ethos is complemented by local cultural elements and architectural considerations, enhancing the overall ambiance. Respondents frequently describe the outlook from the Kowloon store as "wonderful".

CitySuper moved up some 25 places in the rankings. A premium supermarket chain, it is highly rated for its customer experience, knowledgeable and customer-focused staff and the store ambiance, which is carefully curated to create a luxurious and pleasant shopping experience. It is actively involved in community engagement initiatives and promotes sustainable practices. This includes partnerships with local producers, eco-friendly packaging initiatives and support for charitable causes, resonating with socially conscious consumers.

Blue Insurance joins the index for the first time. Blue is the first digital life insurer in Hong Kong that provides a suite of products covering life, critical illness, savings and medical. It offers a direct online application experience and easy-to-understand products. There are no hidden charges and no layers of commissioned sales.

AI overview

Hong Kong is experiencing a rapid digital transformation across industries. Organisations are increasingly adopting digital technologies to engage with customers through online channels, mobile apps, social media platforms and e-commerce platforms. This shift towards digital channels is reshaping customer interactions and expectations, driving the need for seamless and intuitive digital experiences.

Customers in Hong Kong expect consistency and continuity in their interactions with brands across multiple channels, including online, offline, mobile and social media. Organisations are investing in omnichannel CX strategies to integrate their physical and digital touchpoints, providing a unified and cohesive experience throughout the customer journey.

The Hong Kong government has been actively supporting AI development through various initiatives, including funding research projects, promoting collaboration between industry and academia, and launching programs to nurture AI talent. Initiatives like the Hong Kong Smart City Blueprint emphasise the importance of AI in transforming key sectors such as healthcare, transportation and finance.

The finance and banking sector in Hong Kong has been at the forefront of AI adoption. Banks and financial institutions leverage AI for fraud detection, risk management, algorithmic trading, customer service automation and personalised financial services. AI-driven solutions help banks improve operational efficiency, enhance security, and deliver tailored financial products and services to customers.

Successful AI implementations

HSBC:

As one of the largest banking and financial services organisations in the world, HSBC has implemented AI across various areas, including customer service automation, fraud detection, risk management and personalised banking services. Their AI-driven solutions help improve operational efficiency, enhance customer experience and mitigate risks in banking operations.

Tencent:

Tencent, a leading technology conglomerate, has implemented AI across its diverse portfolio of products and services, including social media, gaming, e-commerce and fintech. Tencent's AI capabilities span areas such as natural language processing, computer vision, recommendation systems and virtual assistants, driving innovation and enhancing user experiences across its platforms.

Alibaba Cloud:

Alibaba Cloud, the cloud computing arm of Alibaba Group, provides AI-powered solutions and services to organisations in Hong Kong and beyond. Alibaba Cloud's AI offerings include machine learning, data analytics, image recognition and voice recognition, enabling organisations to leverage AI for various applications such as smart retail, logistics optimisation and financial services.

Indonesia

Top 5 brands

1. Nike
2. Adidas
3. BCA
4. Samsung
5. Garuda Indonesia

Biggest movers
(Rank since previous year)

- Uniqlo (+ 13 places)
- Indihome (+ 10 places)
- Indosat (+ 10 places)
- H&M (+ 7 places)
- Mandiri (+ 5 places)

New entrants
(2024 ranking)

- Shell (7)
- Citilink (13)
- Great Eastern Life (26)
- Shopee Pay (29)
- Zurich Topas Life (30)

Leading organisations' commentary

The Indonesian consumer is drawn towards trusted brands. Expectations is the most important Pillar for them, and trusted brands set and manage expectations consistently.

The Nike and Adidas brands continue to dominate in Indonesia, this year reversing places while exhibiting similar improvements in the Six Pillar scores. Nike however saw a significant increase in their Time and Effort score. Nike have continued to upgrade their e-commerce offering with a highly user-friendly website and mobile app, with intuitive navigation, easy product search and seamless checkout processes. Nike's digital platforms provide personalised recommendations based on browsing history and previous purchases, helping customers find products quickly and easily.

Uniqlo is the highest mover in the index. Uniqlo offers a wide range of versatile and timeless clothing that appeals to a broad demographic. The focus on basics and essentials that suit various styles and occasions meets the needs of many customers.

Shell is the highest new entrant at number seven. Their focus on customer experience is brought to life through their mantra to "treat customers like a guest" or TLAG. This is a mechanism that ensures even very new workers can quickly assimilate how to act with customers.

AI overview

Indonesia is a mobile-first market, with a large population of smartphone users. Mobile devices play a central role in how consumers access information, communicate and make purchases. Organisations in Indonesia are prioritising mobile optimisation and developing mobile-friendly CX strategies to cater to the needs and preferences of mobile consumers.

The e-commerce sector in Indonesia is experiencing significant growth, driven by increasing internet penetration, rising consumer spending and the proliferation of online shopping platforms. E-commerce organisations are competing to provide superior CX through personalised recommendations, seamless checkout processes and reliable delivery services, driving customer loyalty and retention.

Digital payments adoption is on the rise in Indonesia, fueled by the government's initiatives to promote financial inclusion and the growth of fintech startups. Organisations are integrating digital payment options into their CX strategies to offer convenience and flexibility to customers. Mobile wallets, e-wallets and digital payment platforms enable seamless transactions and enhance the overall customer experience.

The Indonesian government has been actively promoting AI development through various initiatives, policies and investments. Initiatives such as the Making Indonesia 4.0 roadmap and the National AI Strategy aim to foster AI innovation, entrepreneurship and talent development. Government support encourages organisations and research institutions to invest in AI projects and technology adoption.

Indonesia's fintech sector is experiencing rapid growth, driven by factors such as rising smartphone penetration, digital payments adoption and government initiatives to promote financial inclusion. Fintech startups leverage AI for applications such as fraud detection, credit scoring, risk management and personalised financial services. AI-powered fintech solutions enable organisations to provide innovative and accessible financial products to underserved populations.

Successful AI implementations

Tokopedia:

Tokopedia is one of Indonesia's leading e-commerce platforms, known for its innovative use of AI to enhance the customer experience. Tokopedia utilises AI for personalised product recommendations, dynamic pricing, fraud detection and customer service automation. The company's AI-driven solutions have contributed to its growth and market leadership in Indonesia's competitive e-commerce landscape.

Gojek:

Gojek, a super app offering a wide range of services, including ride-hailing, food delivery, payments and more, leverages AI to optimise its platform and services. Gojek uses AI for dynamic pricing, route optimisation, demand forecasting and personalised recommendations. The company's AI-driven approach enhances service efficiency, improves user experience and drives organisation growth.

Traveloka:

Traveloka, a leading online travel booking platform in Indonesia, utilises AI to personalise travel recommendations, optimise pricing and improve customer service. Traveloka's AI-driven solutions analyse user preferences, historical booking data and market trends to offer tailored travel options and promotions to users. The company's AI implementations contribute to its position as a trusted and preferred travel platform in Indonesia.

Ireland

Top 10 brands

1. Credit Union
2. GoMo
3. Smyths
4. Leading online retailer
5. An Post Money
6. IKEA
7. Laya Healthcare
8. Aldi
9. M&S Simply Food
10. Dunnes Retail Stores

Biggest movers
(Rank since previous year)

- The Passport Office (+ 42 places)
- Electric Ireland (+ 37 places)
- Tesco Mobile (+ 32 places)
- Energia (+ 31 places)
- Three (+ 28 places)

New entrants
(2024 ranking)

- NEXT (16)
- Klarna (23)
- H&M (31)
- Woodies (44)
- Domino's (46)

Leading organisations' commentary

The current state of CX in Ireland reflects a customer-centric approach, centred on digital innovation and a commitment to delivering exceptional experiences that meet the evolving needs and expectations of customers.

Credit Union Ireland is Ireland's number one for customer experience again for the third time in a row with a significant improvement in its Six Pillar Empathy score, reflecting how it operates with a strong member-first philosophy. As a member-owned cooperative, they prioritise the needs and interests of their members over profits, which resonates well with their community.

GoMo, a mobile virtual network operator (MVNO) in Ireland, has moved up five places to second position, offering straightforward and transparent pricing plans. Their all-inclusive, low-cost plan with a clear, flat monthly fee is highly attractive to customers who appreciate knowing exactly what they will pay without any hidden charges. The process to join GoMo is straightforward and fast, with easy online sign-up and seamless SIM card activation.

The highest new entrant is retailer NEXT who joined the index in 16th place. Next has invested in improving its online platform, making it more user-friendly and intuitive.

The highest mover is the Irish Passport Office, which has significantly enhanced its online passport renewal system, making it more user-friendly and efficient. The online system allows applicants to complete the process without needing to visit a physical office.

By optimising internal processes and increasing staff efficiency, the Passport Office has reduced the average processing time for passport applications. This quicker turnaround time has enhanced customer satisfaction.

AI overview

Many organisations in Ireland, such as IKEA and its AI chatbot Billie, are using AI-powered chatbots and virtual assistants to provide 24/7 customer support across multiple channels, including websites, messaging apps and social media platforms. These AI-driven bots can answer frequently asked questions, assist with product inquiries and resolve customer issues, improving response times and enhancing customer satisfaction.

Predictive analytics powered by AI is used to anticipate customer needs and behaviours. Organisations in Ireland leverage predictive analytics to forecast demand, identify trends and proactively address customer issues before they arise. For example, predictive analytics can help retailers optimise inventory levels, improve product availability and enhance the overall shopping experience.

The Irish government has been actively supporting AI development through initiatives such as the National AI Strategy and investment in research and development. Government funding, grants and incentives encourage organisations and research institutions to invest in AI projects and innovation.

Ireland has a vibrant technology ecosystem, with a concentration of multinational tech organisations, startups, research institutions and talent. The presence of tech giants such as Google, Facebook and Microsoft provides opportunities for collaboration, knowledge sharing and talent acquisition, driving AI adoption and innovation. There are over 80 AI development companies in Ireland.[33] Leading tech organisations, Microsoft, IBM and Google all have AI development operations in Ireland.

Successful AI implementations

SoapBox Labs:

SoapBox Labs is an Irish startup that specialises in AI-driven speech recognition technology for children. SoapBox Labs's voice recognition technology is used in educational applications, language learning tools and interactive toys to help children improve literacy and communication skills. The company's AI solutions have gained recognition for their accuracy and effectiveness in understanding children's speech.

Aylien:

Aylien is an Irish startup that offers AI-powered text analysis and natural language processing solutions. Their AI technology enables organisations to extract insights from textual data, analyse sentiment and categorise content automatically. Aylien's AI solutions are used in various industries, including media, finance, and market research, to gain actionable insights from unstructured data.

Italy

Top 10 brands

1. Leading online retailer
2. Apple
3. Chanel
4. Prada
5. Gucci
6. Giorgio Armani
7. American Express
8. Dior
9. Nike
10. Dolce & Gabbana

Biggest movers
(Rank since previous year)

- Cattolica Assicurazioni (+ 103 places)
- BCC-ICCREA (+ 81 places)
- Bottega Verde (+ 62 places)

New entrants
(2024 ranking)

- Robe di Kappa (61)
- Superga (81)

Leading organisations' commentary

The leading companies index for Italy is unique among the countries included in the research as it is dominated by high-end or luxury brands. Italian consumers have a long-standing affinity for luxury brands, which persists despite the pressures of the cost of living. Value is important; superior craftsmanship of luxury goods ensures that they not only last longer but also maintain their appearance and functionality over time.

Brands like Gucci, Prada and Armani are not just luxury brands but symbols of Italian heritage and excellence. Italians take pride in supporting and wearing their national heritage. Luxury brands invest heavily in training their staff to provide personalised, attentive and sophisticated service, which enhances the overall customer experience, offering personalised shopping experiences, VIP events and bespoke products that contribute to higher customer satisfaction.

The list also includes non-luxury brands like Apple, American Express and Nike. Although these are also companies that project a strong brand image, they also excel in CX through their own unique strategies, such as convenience, innovation and loyalty programs, which resonate with customers in Italy.

The highest mover is insurer Cattolica Assicurazioni. The company has invested in digital transformation to enhance customer interactions. This includes user-friendly online platforms, mobile apps and digital tools that make it easier for customers to manage their policies, file claims and access support services.

AI overview

As AI technology continues to evolve and mature, organisations in Italy are exploring new applications and use cases to further enhance customer experiences and drive organisation growth. Voice-enabled AI technologies, such as virtual assistants and voice recognition systems, are gaining popularity. Organisations leverage voice assistants to enable hands-free interactions and provide voice-activated customer support services. Voice recognition technology powers interactive voice response (IVR) systems, enabling customers to navigate automated phone menus more efficiently.

Chatbots and virtual assistants are widely used in Italy to automate customer service interactions and provide 24/7 support. Chatbots help organisations improve response times, reduce customer service costs and enhance accessibility for customers.

The Italian government is actively promoting AI adoption through various initiatives, policies and investments. Initiatives such as the National Strategy for Artificial Intelligence provide a framework for fostering AI growth and competitiveness in Italy.

Italy's manufacturing sector has been a leader in adopting AI-driven technologies to enhance productivity, efficiency and quality. AI applications such as predictive maintenance, robotic automation, computer vision and process optimisation are used to improve manufacturing processes, reduce downtime and enhance product quality.

Successful AI implementations

Vodafone:

Vodafone is one of Italy's leading telecommunications companies, operating in both the mobile and fixed-line sectors. Since 2022, the company has launched several initiatives to enhance customer care through the use of generative AI. These initiatives include a chatbot that assists call centre agents in managing customer inquiries by providing quick answers to agents' questions, as well as a customer-facing chatbot with advanced capabilities for understanding customer requests, call transcription summarisation, automatic tagging of contact reasons, analysis of NPS verbatims, clustering and customer sentiment scoring.

Enel:

Enel is Italy's largest electricity utility and one of the largest energy organisations in the world. Enel leverages AI for applications such as energy management, grid optimisation, predictive maintenance and customer service automation. The company's AI implementations help optimise energy production and distribution, reduce costs, and enhance customer satisfaction through personalised services and insights.

Intesa Sanpaolo:

Intesa Sanpaolo is one of Italy's largest banking groups, offering a wide range of financial products and services. The bank utilises AI for applications such as fraud detection, risk management, customer segmentation and personalised banking experiences. Intesa Sanpaolo's AI-driven solutions enhance security, improve decision-making and deliver tailored financial services to customers based on their individual needs and preferences.

Japan

Top 10 brands

1. Tokyo Disney Resort
2. Universal Studios Japan
3. Adidas
4. Nike
5. Hilton
6. All Nippon Airways
7. Seicomart
8. Yodobashi Camera
9. Hankyu
10. Sony

Biggest movers
(Rank since previous year)

- DMM (+ 78 places)
- Rakuten securities (+ 77 places)
- Seria (+ 65 places)
- AOKI (+ 58 places)
- Welcia (+ 54 places)

New entrants
(2024 ranking)

- Seicomart (7)
- Sony (10)
- Nishimatsuya (28)
- Tokoyo Inn (37)

Leading organisations' commentary

Tokyo Disney Resort and Universal Studios Japan retain their positions on the index. Japanese customers continue to thrill at the immersive experiences on offer, and the atmosphere in both parks is designed to be magical and memorable.

Tokyo Disney Resort and Universal Studios Japan deliver a customer experience that merges digital aspects to entertainment experiences. For example, they both have their own applications that allow guests to check the wait times for attractions in real time, make restaurant reservations, and pre-order foods and drinks by mobile.[34]

The highest new entrant to the index this year is Seicomart. Primarily operating in Hokkaido, it tailors its offerings to local tastes and preferences. The chain integrates deeply with the local community, often sourcing products from local producers and featuring regional specialties. It has a reputation for supporting communities during natural disasters, providing essential supplies and services, which builds strong community ties and trust.

The highest mover is DMM, a Japanese e-commerce and internet company that offers a wide range of services and products, including online video streaming, e-books, online games, rental services and more. DMM is highly regarded for its CX due to the seamless integration of various services within one user account. Through data-driven insights, DMM can tailor experiences to individual users, offering them content and services that are most relevant to their interests and needs.

AI overview

Japanese consumers have high expectations for service quality, reliability and attention to detail. Organisations in Japan prioritise providing exceptional customer experiences to build trust, loyalty and long-term relationships with customers. Attention to detail, politeness and a commitment to customer satisfaction are deeply ingrained cultural values that shape the CX landscape in Japan.

Omotenashi, the Japanese concept of hospitality and customer service, emphasises anticipating and fulfilling customer needs with sincerity and hospitality. Organisations in Japan strive to deliver omotenashi experiences characterised by warmth, attentiveness and personalised service.

Japan is known for its advanced technology and innovation across various sectors. Organisations leverage technologies such as AI, robotics, IoT (Internet of Things) and automation to improve CX. AI-powered chatbots, virtual assistants and predictive analytics enable organisations to enhance customer service, personalise interactions and anticipate customer needs more effectively.

Kaizen, the Japanese philosophy of continuous improvement, is applied to CX initiatives to identify areas for enhancement and optimise processes.

Japan's aging population presents unique challenges and opportunities. Organisations innovate to cater to the needs and preferences of older consumers, including accessibility features, simplified interfaces and personalised services. Japan has one of the oldest populations globally, leading to a shrinking workforce. AI technologies can help fill labor gaps, especially in industries like healthcare and eldercare.

The Japanese government is promoting the utilisation of digital technologies, including AI, through initiatives like "Society 5.0" vision, which aims to create a human-centric society by a highly integrated system of cyberspace and physical space.

Japan is known for its advanced transportation systems, including high-speed trains and automated vehicles. AI is used in transportation for route optimisation, traffic management, predictive maintenance of infrastructure, autonomous driving technologies, and smart transportation solutions to improve safety and efficiency.

Successful AI implementations

Sony:

Known for its diverse range of products, Sony has been integrating AI into its devices, including cameras, gaming consoles and audio equipment. They also utilise AI for image processing and machine learning algorithms for enhancing user experience.

SoftBank:

A conglomerate with interests in telecommunications, robotics and AI, SoftBank has been investing heavily in AI-related ventures. Their subsidiary, SoftBank Robotics, develops humanoid robots like Pepper, which incorporates AI for human interaction.

Toyota:

In the automotive industry, Toyota has been leveraging AI for autonomous driving technology. They have also been exploring AI applications for manufacturing and supply chain optimisation.

Malaysia

Top 10 brands

1. Amanah Saham Nasional Berhad (ASNB)
2. PETRONAS
3. Shopee
4. Uniqlo
5. Employees Provident Fund (EPF)
6. Guardian
7. Watsons
8. MYDIN
9. Maybank
10. FWD Takaful Berhad

Biggest movers
(Rank since previous year)

- Maxis (+ 36 places)
- Pos Malaysia Berhad (+ 36 places)
- Bank Islam Berhad (+ 35 places)
- FWD Takaful Berhad (+ 32 places)
- J&T Express (+ 32 places)

New entrants
(2024 ranking)

- ASNB (1)
- Uniqlo (4)
- Mr. DIY (15)
- TGV (31)

Leading organisations' commentary

Although the rise in living costs due to inflation has significantly affected Malaysian consumers, the strategic interventions deployed by the government have efficiently mitigated its severity. Despite this, a sizable 93 percent of respondents have indicated modifications to their purchasing behaviour as a result of adapting to these conditions.

Amanah Saham Nasional Berhad (ASNB), a unit trust management company wholly owned by Permodalan Nasional Berhad (PNB) in Malaysia, is the highest new entrant joining the index in first position. They are committed to improving society by funding education, supporting community upliftment, promoting financial literacy and sharing knowledge through various initiatives. ASNB provides excellent customer service through various channels, including an AI-generated bilingual chat web app.[35] A Robo Investment Advisor named RIA aids unitholders to navigate their digital journey, simplifying investing by offering personalised portfolios and automation of tasks through its Auto Labur feature.[36] Uniquely, they offer six funds, which all have a guaranteed purchase price ensuring the customer's initial investment can always be returned regardless of market conditions.

Telecom company, Maxis, is the biggest mover increasing its position by 36 places, from 50th place to 14th. This has been driven by several strategic initiatives and practices that prioritise customer satisfaction such as personalised post-paid plans, 5G technological innovation, customer-centric practices, exceptional support and community engagement.

Maxis has increased productivity, new operational insights and enhanced customer behaviour modeling[37] by embedding AI features into its workflow and service offerings.

AI overview

The e-commerce sector in Malaysia is experiencing significant growth, driven by the increasing adoption of online shopping among consumers. To stay competitive, e-commerce organisations are focusing on enhancing the digital shopping experience, optimising website usability and providing fast and reliable delivery services. Malaysian organisations are exploring innovative CX technologies such as chatbots, virtual assistants, voice recognition and sentiment analysis to enhance customer interactions and drive operational efficiency.

Compliance with data protection regulations such as the Personal Data Protection Act (PDPA) 2010[37] is essential for Malaysian organisations to ensure trust and transparency in their CX initiatives. Organisations need to prioritise data privacy and security while leveraging customer data to deliver personalised experiences.

The Malaysian government has been actively promoting AI adoption as part of its efforts to drive digital transformation and economic growth. Initiatives such as the New Industrial Master Plan (NIMP) 2030[38] and the Malaysia Digital Economy Blueprint provide guidance and support for organisations looking to leverage AI technologies. In strengthening the application of AI, the government is also poised to launch an AI governance and ethics framework (AIGE)[39] later in 2024, which aims to set the parameters for AI users in industries to ensure the ethical and safe use of the technology.

Successful AI implementations

CIMB Bank Malaysia:
CIMB Bank Malaysia has implemented AI-powered chatbots to enhance customer service and streamline banking transactions. These chatbots provide round-the-clock assistance, answer customer inquiries and help with account management tasks.

Maybank:
Maybank utilises AI for fraud detection and prevention, leveraging machine learning algorithms to analyse transaction data and detect suspicious activities in real time. This helps protect customers from fraudulent transactions and ensures the security of their accounts.

Pos Malaysia Berhad:
Pos Malaysia Berhad has leveraged AI technologies to enable real-time parcel tracking and the new Estimated Time of Arrival (ETA) feature, which allows customers to track and receive accurate delivery times for their packages. It is also exploring machine learning capabilities to predict postal service demands and optimise the deployment and route choice of delivery vehicles, improving operational efficiency and customer satisfaction.

Mexico

Top 10 brands

1. Nike
2. Adidas
3. Leading online retailer
4. H-E-B
5. Holiday Inn
6. Visa
7. Deportes Martí
8. Hilton
9. Nu
10. Paypal

Biggest movers
(Rank since previous year)

- Santander (+ 69 places)
- Chevron (+ 61 places)
- Walmart Express (+ 47 places)
- Tiendas 3B (+ 46 places)
- Rotoplas (+ 45 places)

New entrants
(2024 ranking)

- Sephora (35)
- Afore Sura (37)
- Afore Profuturo (56)
- PURA (70)
- Tim Hortons (83)

Leading organisations' commentary

This year Nike retains its number one position and competitor Adidas improved by one place moving into second position. Their well-established brand identity resonates with consumers in Mexico, fostering trust and loyalty. Their reputation for durability and performance in athletic wear and footwear is a significant draw. And by sponsoring local sports events, teams and athletes, Nike and Adidas both build a strong connection with the community.

Their stores are designed to be visually appealing, with interactive displays and knowledgeable staff, enhancing the overall customer experience. The digital experience is supported by a sophisticated online presence that provides seamless omnichannel shopping experiences, allowing customers to shop online, in-store or through mobile apps.

Moving 69 places up the index, Santander has implemented several initiatives to improve its service quality in Mexico, focusing on enhancing customer experience, leveraging technology, and improving accessibility and customer support. Vitally, Santander has developed products specifically designed to meet the needs of underbanked and underserved populations in Mexico. These include low-fee accounts, microloans and financial literacy programs aimed at increasing financial inclusion.

Beauty brand Sephora is the highest new entrant and has been successful with CX in Mexico due to a strong focus on customer-centricity.

Sephora has developed a robust e-commerce platform and a user-friendly mobile app that allows customers to browse, purchase and manage their beauty products online. The seamless integration of online and offline experiences ensures convenience and accessibility for customers.

AI overview

Consumers are increasingly turning to online shopping for convenience and safety, leading to a greater emphasis on digital CX strategies by retailers. Organisations are investing in user-friendly websites, mobile apps and efficient logistics to enhance the online shopping experience and differentiate their brands.

Organisations are investing in training their customer service teams, implementing advanced CRM systems, and leveraging technology such as chatbots and virtual assistants to improve response times and resolution rates.

Compliance with data protection regulations, such as the General Data Protection Regulation (GDPR) and Mexico's Federal Law on Protection of Personal Data Held by Private Parties (LFPDPPP), is crucial for organisations operating in Mexico. Organisations need to prioritise data privacy and security while leveraging customer data to deliver personalised experiences and drive organisation growth.

Social media platforms play a significant role in shaping CX in Mexico, with consumers increasingly turning to platforms like Facebook, Instagram and WhatsApp to interact with brands and share feedback. Organisations are investing in social media listening tools and engagement strategies to monitor conversations, respond to inquiries and manage their online reputation effectively.

The Mexican government has recognised the importance of AI for economic development and competitiveness. Initiatives such as the National Artificial Intelligence Strategy aim to promote AI research, development and adoption across various sectors. Government support through funding, policies and partnerships encourages organisations and organisations to invest in AI technologies.

Successful AI implementations

Banorte:

Banorte, one of Mexico's largest financial institutions, has implemented AI-powered chatbots to enhance customer service and streamline banking operations. These chatbots provide personalised assistance to customers, help with account inquiries, and facilitate transactions, improving overall customer satisfaction and efficiency.

MercadoLibre:

MercadoLibre, Latin America's leading e-commerce platform, operates in Mexico and leverages AI for various applications, including product recommendations, fraud detection, and logistics optimisation. AI algorithms analyse user behaviour, transaction data and market trends to personalise the shopping experience, prevent fraud and improve delivery efficiency.

Netherlands

Top 10 brands

1. De Echte Bakker
2. bol
3. Hans Anders
4. Pearle Opticiens
5. Coolblue
6. Picnic
7. Bever
8. RegioBank
9. Keurslager
10. Hornbach

Biggest movers
(Rank since previous year)

- Leading online retailer (+ 58 places)
- Center Parcs (+ 53 places)
- GGD (+ 49 places)
- PayPal (+ 47 places)
- Decathlon (+ 42 places)

New entrants
(2024 ranking)

- vanHaren (63)
- Bakker Bart (66)

Leading organisations' commentary

De Echte Bakker moves from third position to number one with an improvement in its Integrity score while bol remains in second place compared to last year. De Echte Bakker is known for its commitment to using high-quality ingredients and traditional baking methods. It prioritises personalised service and customer engagement, and staff members often have deep knowledge of the products they sell and provide personalised recommendations based on customer preferences. The bakeries are characterised by a warm and welcoming atmosphere, where customers feel valued and appreciated, fostering a sense of loyalty and community. It is the in-store experience and the quality of its products that make De Echte Bakker stand out.

Second-placed bol offers a vast array of products across numerous categories, including electronics, books, home goods, fashion and more. Their Dutch heritage sets them apart from other global e-commerce retailers. It maintains high levels of product availability and ensuring prompt delivery. This reliability enhances customer satisfaction by providing a seamless shopping experience. Access is through a user-friendly interface for both its website and mobile app.[40]

Over the past year, the GGD in the Netherlands has made several improvements to their customer experience to better serve the public, particularly in the context of ongoing public health challenges. For example, to reach underserved and rural areas, the GGD has deployed mobile health units that provide vaccinations, testing and other essential health services directly to communities.

Even though vanHaren is a well-established brand in the Netherlands, it is the first time that they have been included in the CEE research. vanHaren is a popular shoe retailer offering shoes at competitive prices, appealing to budget-conscious consumers. Their affordability makes them a preferred choice for families and individuals seeking value for money without compromising on quality.

VanHaren regularly offers promotions, discounts and special offers on shoes, attracting price-sensitive shoppers. These promotional activities help drive sales and increase customer satisfaction.

AI overview

The Netherlands' CX landscape is characterised by a strong emphasis on personalisation, technological integration and managing rising customer expectations. The focus on omnichannel strategies and data privacy further underscores the evolving nature of customer engagement in the region.[41]

Organisations are leveraging AI and data analytics to deliver hyper-personalised experiences. AI is used to improve customer engagement, streamline services and enhance personalisation. This trend is crucial as organisations aim to create more individualised customer interactions.

Improved AI tools that are more accessible and easier to deploy are significantly contributing to AI adoption. Organisations are leveraging these advancements to integrate AI into their operations more seamlessly.[42]

The healthcare sector in the Netherlands is leveraging AI for various applications, including medical imaging, predictive analytics for patient care, and personalised medicine. Amsterdam, for instance, is a hub for AI-driven healthcare solutions, focusing on developing and implementing ethical AI technologies to improve patient outcomes.[43]

The financial sector in the Netherlands utilises AI for fraud detection, risk management and customer service enhancement through chatbots and automated advisory services. Dutch banks and fintech organisations are at the forefront of integrating AI to streamline operations and improve customer experiences, while working to mitigate the risks associated with AI, including concerns about data quality, privacy and algorithmic bias.

Successful AI implementations

Rabobank:

Rabobank uses AI among others for enhancing cybersecurity, improving customer service through intelligent chatbots and optimising agricultural organisation operations by providing AI-driven insights and recommendations to farmers.

Philippines

Top 10 brands

1. Jollibee
2. SM
3. McDo
4. Petron
5. Shell
6. Landbank
7. Mang Inasal
8. S&R
9. UnionBank
10. Shopee

Biggest movers
(Rank since previous year)

- Shopee (+ 15 places)
- 2GO Express (+ 13 places)
- CEBU Pacific (+ 13 places)
- GCash (+ 11 places)
- Chowking (+ 9 places)

New entrants
(2024 ranking)

- Petron (4)
- Landbank (6)

Leading organisations' commentary

Restaurant Jollibee retains its number one position having built a deep emotional connection with Filipinos over decades. It is not just a fast-food chain but a cultural icon, often associated with fond childhood memories and family gatherings. This emotional bond translates into a positive customer perception and loyalty. It understands the local market preferences and adapts its menu to cater to Filipinos. Consistency is crucial in customer experience, and Jollibee's ability to deliver consistent quality food and service across all its locations contributes to its high CX index.

Coming in at second place, SM offers a wide variety of products, catering to diverse consumer needs and preferences. This extensive selection allows customers to find almost everything they need under one roof, enhancing convenience and satisfaction.

Shopee enters the top 10. Primarily known as an e-commerce platform, it has expanded into the grocery retail sector in the Philippines and has likely achieved a strong position by offering convenience, allowing customers to shop for groceries online through its app and website. Shopee continually introduces innovative features to enhance the shopping experience, such as live streaming of product demonstrations, flash sales, and gamification elements that engage and entertain shoppers.

Petron, a leading petroleum company in the Philippines, is a new entrant to the index and has a widespread network of gas stations across the Philippines, making it convenient for customers to access their products and services. Petron stations provide clean facilities, well-maintained restrooms and convenience stores with a variety of products. Online Petron integrates digital technologies into its services, such as mobile apps for locating stations, checking fuel prices and managing loyalty points.

AI overview

The CX landscape in the Philippines is marked by a dynamic interplay of innovation and adaptation, with organisations striving to meet the evolving demands of a digitally savvy customer base. The shift towards digital channels has accelerated, with many organisations investing in online platforms and mobile applications to enhance customer interactions. This is particularly evident in sectors like retail, banking and telecommunications, where digital interfaces are becoming the primary mode of customer engagement.

The Philippine government has been proactive in promoting AI adoption through strategic initiatives like the National AI Strategy Roadmap 2.0. This roadmap aims to position the country as a regional AI hub by fostering high-quality entrepreneurship, creating higher-paying job opportunities and enhancing industrial development. The establishment of the Centre for AI Research (CAIR) is a pivotal part of this strategy, aiming to advance AI research and applications across various sectors.

The potential economic benefits of AI are significant, with AI projected to add up to US$92 billion to the Philippine economy by 2030. This promise of economic growth is a strong motivator for both public and private sectors to invest in AI technologies. The integration of AI into various industries, from manufacturing to healthcare, is seen to enhance efficiency, drive innovation and maintain competitiveness on a global scale.

The BPO industry in the Philippines has embraced AI to enhance efficiency and customer experience. AI-powered chatbots and virtual assistants handle routine customer queries, allowing human agents to focus on more complex tasks. This integration has improved operational scalability and service personalisation, solidifying the country's position as a global BPO hub.

Successful AI implementations

Expedock:

This startup, originally from the Philippines and now based in Silicon Valley, utilises AI to enhance logistics and freight operations. Expedock's AI-based outsourcing services streamline documentation and data processing, attracting significant investment and positioning it as a leader in the logistics tech space.

Rumarocket:

Specialising in AI-driven HR solutions, Rumarocket uses AI to analyse and improve organisational well-being and talent management. The platform provides insights into employee mental health and supports talent recruitment and retention through advanced AI analytics.

Aiah:

This company has improved customer service with its advanced AI chatbots. Unlike standard chatbots, Aiah's solutions offer complex problem-solving capabilities and personalised interactions, significantly enhancing customer service efficiency and satisfaction.

Saudi Arabia

Top 10 brands

1. Albaik
2. Tawuniya
3. Saudia
4. Hilton
5. Half Million (½M)
6. Marriott
7. American Express
8. Al-Rajhi Bank
9. Al-Nahdi
10. Jarir Bookstore

Biggest movers
(Rank since previous year)

- Hungerstation (+ 40 places)
- SNB (+ 38 places)
- Saudi Electricity Company (+ 37 places)
- Al Tazaj (+ 34 places)
- Saudi Post (+ 33 places)

New entrants
(2024 ranking)

- Half Million (5)
- HSBC (12)
- Saudi Awwal Bank (SAB) (12)
- Saadeddin (29)
- Baja (41)

Leading organisations' commentary

Albaik, a popular fast-food chain in Saudi Arabia, has consistently topped the CX index in the country due to its high-quality food and consistent taste across all its outlets. The chain has maintained these standards over the years, which builds trust and satisfaction among customers. The variety of its menu caters to diverse tastes and preferences, ensuring there's something for everyone.

Tawuniya, also known as The Company for Cooperative Insurance, moves into second place. Tawuniya is known for providing high-quality service to its customers. This includes efficient claims processing, responsive customer support and clear communication throughout the insurance process. Tawuniya emphasises employee training and engagement to ensure that its staff are knowledgeable, courteous and capable of delivering excellent service to customers.

Al-Rajhi Bank has consistently excelled in the CX index due to its focus on delivering high-quality services. Al-Rajhi Bank's approach includes the development of user-friendly digital platforms, such as its advanced mobile banking app and online banking services, which provide customers with convenient access to their accounts, transaction capabilities and financial management tools.

Hungerstation has moved up 40 places in the index. It offers convenience by allowing customers to order food from a wide variety of restaurants through a user-friendly mobile app or website.

New entrant Half Million, also known as ½M, is a popular cafe in Saudi Arabia that has quickly become a favorite among locals and tourists alike. Despite a market dominated by global brands and coffee chains, Half Million emerged as a serious contender by offering a unique blend of products that catered to shifting demands.

AI overview

Vision 2030 has placed a strong emphasis on improving service delivery across both public and private sectors. This initiative has led to the implementation of various mega-projects like NEOM Smart City, the Red Sea Resort Project and Qiddiya Entertainment City, which are designed to set new benchmarks for customer experience globally (Serco).

Several government entities are leading the way in CX initiatives, notably the ministries of culture, sport and tourism. These ministries have not only sponsored but also created and operated events that align with their respective domains, consistently thriving to uphold global standards for visitor and spectator experiences.

To meet these heightened expectations, the gradual adoption of AI and emerging technologies has begun in both government and private sectors. By leveraging AI for predictive analytics, personalised customer interactions and efficient resource management, these sectors aim to provide more seamless and enhanced customer experiences. Emerging technologies such as IoT and blockchain are being explored to offer real-time data insights and secure transactions.

The integration of advanced technologies, such as AI and data analytics, is helping organisations understand and improve customer interactions. Tools like AI-powered chatbots, real-time feedback systems and behavioural analytics are being gradually adopted to enhance customer satisfaction. Loyalty events such as the E3 Customer Experience Conference, CX World and Saudi CX Association, and the Saudi Customer Experience Awards highlight the importance of CX and showcase best practices and innovative solutions across the Kingdom (SCXA) (E3 CX Conference 2024).

Significant investments in technological infrastructure, such as the national cloud and data banks, are enabling widespread AI adoption. These infrastructures facilitate secure and efficient data sharing and processing, which are essential for AI applications.

Saudi Arabia is investing in smart city initiatives, incorporating AI for traffic management, energy efficiency, waste management and public safety.

Successful AI implementations

Hajj Pilgrimage Management:

During the annual Hajj pilgrimage, the Saudi government has used AI and data analytics to manage the movement of millions of pilgrims. AI-driven crowd management systems analyse real-time data to predict crowd flow and prevent congestion. This ensures the safety and comfort of pilgrims, enhancing their overall experience during this significant religious event.

Singapore

Top 10 brands

1. Apple
2. Apple Pay
3. Decathlon
4. Esso
5. Singapore Airlines
6. DBS
7. Uniqlo
8. American Express
9. Leading online retailer
10. POSB

Biggest movers
(Rank since previous year)

- Public Utilities Board (+ 49 places)
- StarHub (+ 41 places)
- HSBC (+ 28 places)
- UOB (+ 23 places)
- Great Eastern (+ 21 places)

New entrants
(2024 ranking)

There are no new entrants this year.

Leading organisations' commentary

Apple and Apple Pay remain in first and second place in the index with Decathlon moving up one place into third. Singapore consumers value the integration across Apple's technology as Apple products and services are part of a seamless ecosystem. Apple Pay integrates smoothly with this ecosystem, offering a convenient and secure payment method.

Decathlon have invested in both a data lab and a test store to evolve a digital ecosystem and create a place where the team can develop new digital products and services to better satisfy customers. It recognises the need for cross-functional working by bringing together digital teams from e-commerce, data, engineering, innovation and customer satisfaction units as well as software developers, designers, network security teams, and industry partners and students.

Uniqlo have developed IQ, a personalised, AI-powered shopping concierge that connects cross-channel customer data to learn and better anticipate customer needs and desires.

The biggest mover is Public Utilities Board in Singapore, which manages the country's water supply and sanitation services. It is known for providing reliable and uninterrupted water supply and sanitation services to residents and businesses in Singapore.

New entrant Central Provident Fund (CPF) offers educational resources, workshops and retirement planning tools to help members make informed decisions about their savings and retirement plans. Its role in supporting Singapore's social security framework contributes to its positive image and member satisfaction.

AI overview

Singapore has been at the forefront of digital transformation efforts, with many organisations adopting digital technologies to improve CX. This includes the use of AI, chatbots, data analytics and omnichannel platforms to deliver personalised and seamless customer experiences.

The Singaporean government has been proactive in promoting AI adoption through initiatives like the National AI Strategy and the Singapore Smart Nation initiative. These efforts involve funding research, providing grants and fostering collaboration between the public and private sectors to accelerate AI development and deployment.

Singapore's Smart Nation vision emphasises the integration of AI with IoT (Internet of Things) technologies to create smart and sustainable urban environments. AI-powered systems are deployed for traffic management, public safety, energy efficiency and urban planning, driving adoption across various sectors.

Singapore's manufacturing sector embraces AI and automation technologies as part of Industry 4.0 initiatives. Advanced robotics, AI-driven predictive maintenance, digital twins and smart manufacturing systems optimise production processes, increase productivity and reduce operational costs.

Successful AI implementations

DBS Bank:

DBS Bank, one of Singapore's leading banks, is known for its advanced AI implementations in the financial sector. DBS leverages AI for fraud detection, risk management, customer service automation and personalised banking experiences. The bank's "AI-powered banking" initiatives, such as virtual assistants and predictive analytics, enhance customer engagement and operational efficiency.

Sea Group (Shopee):

Sea Group, a leading digital company in Southeast Asia, operates Shopee, one of the region's largest e-commerce platforms. Shopee leverages AI for product recommendation, personalised shopping experiences, fraud detection and supply chain optimisation. Shopee's AI-driven algorithms analyse user behaviour and preferences to tailor product listings, promotions and search results, driving higher conversion rates and customer satisfaction.

Singapore Airlines:

Singapore Airlines has introduced an AI Helper designed to simplify the travel planning process for its web users. This innovative feature, now available on the Singapore Airlines website, leverages cutting-edge artificial intelligence to offer personalised flight options tailored to each user's needs.

Slovakia

Top 10 brands

1. Martinus
2. dm drogerie markt
3. Alza.sk
4. Dr.Max
5. Teta Drogerie
6. Fio banka
7. Panta Rhei
8. IKEA
9. BENU Lekáreň
10. Pilulka.sk

Biggest movers
(Rank since previous year)

- Stredoslovenská energetika (+ 56 places)
- Orange (+ 47 places)
- Slovenská sporiteľňa (+ 33 places)
- Bistro.sk (+ 28 places)
- Bolt Food (+ 27 places)

New entrants
(2024 ranking)

- Albi (26)
- Sinsay (43)
- Ticketportal (56)
- Orlen (58)
- Airbnb (76)

Leading organisations' commentary

Martinus, a prominent bookstore chain in Slovakia, remains at number one, having held this position for the past seven years. They offer personalised recommendations and tailored experiences, making customers feel valued and understood, and effectively integrates their online store with physical locations, providing a seamless shopping experience across multiple channels. They foster a sense of community among book lovers through events, book clubs and an active online presence, which enhances customer loyalty and engagement.

Dm drogerie markt, the pharmacy chain, has progressively moved up the index to now take second place achieving a market-leading score for Personalisation. They focus on customer loyalty programs such as the introduction of mobile app "moja dm" that quickly found popularity among their customers.

Alza.sk, one of the largest e-commerce platforms in Slovakia, moves up nine places to third position and is renowned for its innovations such as offering AlzaBoxes for convenient parcel pick-up and extended store hours, making shopping more convenient for customers.

Stredoslovenská energetika (SSE), an energy company in Slovakia, moved up 56 places having invested in digital platforms to streamline customer interactions.

SSE has focused on proactive communication with customers, providing timely updates on energy consumption, billing, maintenance schedules and outage notifications.

Albi, a popular brand in Slovakia known for its board games, toys and gifts, is the highest new entrant to the index. Albi offers a wide range of board games, puzzles, educational toys and gifts, catering to different customer preferences and needs. Albi fosters a sense of community among customers by organising events, game nights and workshops.

AI overview

Slovakia is experiencing a digital transformation across industries, with organisations investing in digital channels and technologies to enhance CX. This includes the adoption of e-commerce platforms, mobile apps and online customer service portals to meet the evolving preferences of digitally savvy consumers.

Slovakian organisations are focusing on providing seamless omnichannel experiences, allowing customers to interact with brands through multiple touchpoints, including online, mobile, social media and physical stores. Personalised CX is gaining importance in Slovakia, with organisations leveraging data analytics and AI to understand customer preferences and behaviour.

The adoption of digital payment solutions is growing in Slovakia, driven by convenience and security concerns. Organisations are implementing secure payment gateways and fraud detection mechanisms to protect customer transactions and build trust in online and mobile commerce.

The Slovakian government recognises the importance of AI for economic growth and competitiveness. Initiatives such as the Digital Innovation Hub and funding programs support AI research, development and adoption by providing grants, subsidies and incentives to organisations and research institutions.

Slovakia's manufacturing sector, which plays a significant role in the country's economy, is embracing AI as part of Industry 4.0 initiatives. AI-powered automation, predictive maintenance and quality control enhance productivity, reduce costs and enable agile manufacturing processes, driving AI adoption in the manufacturing industry.

Successful AI implementations

ESET:

ESET is a globally renowned cybersecurity company founded in Slovakia. While primarily known for its antivirus software, ESET also leverages AI and machine learning algorithms for threat detection, malware analysis and cybersecurity research. The company's advanced AI-driven security solutions have gained recognition for their effectiveness in protecting organisations and individuals against cyber threats.

Slovak Telekom:

Slovak Telekom is one of the leading telecommunications organisations in Slovakia. It has been integrating AI technologies into its network operations, customer service and digital services portfolio. AI-driven initiatives include network optimisation, predictive maintenance, customer relationship management and personalised content recommendations, enhancing the overall customer experience.

Slovenská sporiteľňa:

Slovenská sporiteľňa is one of Slovakia's largest banks and a part of the Erste Group. The bank has been investing in AI for various applications, including fraud detection, risk management, customer segmentation and chatbot-based customer service. By leveraging AI algorithms, Slovenská sporiteľňa aims to enhance security, efficiency and customer satisfaction in its banking operations.

Thailand

Top 10 brands

1. KASIKORNBANK
2. Samsung Thailand
3. SCB
4. Apple
5. Bar B Q Plaza
6. Krung Thai Bank
7. Thai Airways
8. Fuji
9. Central Department Store
10. TrueMoney

Biggest movers
(Rank since previous year)

- AIA (+ 27 places)
- Krungthai AXA Life (+ 22 places)
- Bangchak (+ 21 places)
- Bangkok Bank (+ 21 places)
- Central Department Store (+ 18 places)
- Thailand Post (+ 18 places)

New entrants
(2024 ranking)

- Traveloka (17)
- Pun Thai (40)

Leading organisations' commentary

Coming in at first place is KASIKORNBANK (KBank), a leading commercial bank in Thailand. It operates in line with the Bank of Sustainability principles, focusing on delivering sustainable value to all stakeholders through good corporate governance and appropriate risk and cost management. The bank offers a digital-first experience that seamlessly blends digital services with human-assisted interactions for complex transactions.

AIA, a leading life insurance company, is the most improved company rising some 27 places on the index. It has accelerated its digital transformation, enhancing its online platforms and mobile apps to provide a seamless and user-friendly experience. Customers can easily manage policies, file claims and access information through these digital channels.

The highest new entrant is Traveloka, a popular online travel booking platform in Thailand, which is highly rated for its customer experience. It offers a wide range of travel services, including flight bookings, hotel reservations, car rentals and activities. This one-stop-shop approach provides customers with convenience and a seamless booking experience.

Traveloka continuously innovates and adds new features to enhance the user experience. For example, they have introduced Traveloka Protect, which offers travel insurance, and Traveloka Eats, which provides food delivery services.

AI overview

Thai organisations are focusing on providing seamless, personalised omnichannel experiences, allowing customers to interact with brands through multiple touchpoints, including online, mobile, social media and physical stores. Integration across channels enables consistent messaging and service delivery, contributing to overall customer satisfaction.

The Thai government has prioritised AI as a strategic technology for economic development and competitiveness. Initiatives such as the National AI Strategy, Thailand 5.0 policy and the Eastern Economic Corridor (EEC) initiative promote AI research, investment and adoption across sectors. Government funding, incentives and regulatory reforms support AI development and implementation by organisations and research institutions.

Thailand's smart city initiatives utilise AI technologies for urban planning, transportation management, energy efficiency and public safety. AI-powered systems enable real-time data analysis, predictive modeling and decision-making to enhance livability, sustainability and resilience in Thai cities.

Thailand's tourism and hospitality sector utilises AI for personalised recommendations, dynamic pricing, customer service automation and guest experience enhancement. AI-driven technologies enable hotels, travel agencies and tourism operators to tailor offerings, optimise operations and deliver memorable experiences to visitors.

Successful AI implementations

True Corporation:

True Corporation, a leading telecommunications conglomerate in Thailand, integrates AI into its network operations, customer service and digital offerings. The company leverages AI technologies for network optimisation, cybersecurity, personalised marketing and customer relationship management, enhancing service quality and competitiveness in the telecom market.

Central Group:

Central Group, one of Thailand's largest retail conglomerates, utilises AI for data-driven insights, customer segmentation and personalised marketing campaigns across its diverse portfolio of retail brands, including Central Department Store, Robinson Department Store and Tops Daily. AI implementations help Central Group optimise inventory management, pricing strategies and customer experiences in the retail sector.

AIA:

AIA has built an AI based claim solution that automates core processes to improve the digital experience for customers across buy, service and claim journeys. Additionally, AIA migrated hundreds of legacy systems, and customer-facing applications to the cloud, improving scalability and agility. It also built a hyper-personalised app to improve engagement with customers and non-customers.[44]

Türkiye

Top 10 brands

1. Dyson
2. Paşabahçe
3. Apple
4. Arçelik
5. Anadolu Sigorta
6. Allianz
7. Enpara
8. İş Bankası
9. Türk Hava Yolları
10. Shell

Biggest movers
(Rank since previous year)

- Paşabahçe (+ 8 places)
- Defacto (+ 7 places)
- Anadolu Sigorta (+ 6 places)
- Colin's (+ 6 places)
- Karaca (+ 4 places)

New entrants
(2024 ranking)

- Enpara (7)
- Carrefoursa (13)
- Trendyol (15)
- Media Markt (17)
- Penti (21)

Leading organisations' commentary

Dyson has achieved the status of the number one brand in Türkiye for customer experience for the second year running. Dyson designs and manufactures a variety of electrical appliances and tailors its services and communications to the local market in Türkiye, including language support and region-specific promotions. This localisation helps to ensure that the brand resonates well with Turkish customers.

Dyson's online store is user-friendly, with easy navigation, detailed product information, customer reviews and secure payment options. The seamless online shopping experience enhances customer satisfaction and convenience.

Paşabahçe, a leading glassware and home decor brand in Türkiye, is in second place and the highest mover in this year's index and is renowned for its high-quality glassware and home decor products. The durability, design and functionality of their products meet and often exceed customer expectations, contributing to high satisfaction levels.

The brand continuously innovates its product designs to keep up with trends and customer preferences. Unique, aesthetically pleasing and functional designs attract a wide range of customers.

New to the index this year is Enpara, a digital-only banking service in Türkiye. As a digital bank, Enpara focuses on providing seamless and efficient online banking experiences. One of Enpara's major attractions is its fee-free banking model. They offer numerous services without the traditional banking fees, such as account maintenance fees, ATM fees and money transfer fees. This transparency and cost-effectiveness greatly enhance customer satisfaction.

The platform allows customers to manage their accounts effortlessly, including opening new accounts, applying for loans and investing, all without needing to visit a physical branch.

AI overview

Türkiye's AI ecosystem is gradually maturing, with increased investments in AI research, development and adoption across various sectors. While the ecosystem is still evolving, there's growing interest and activity in AI-driven innovation among startups, enterprises, academia and government institutions.

The Turkish government has recognised the strategic importance of AI for economic growth and competitiveness. Initiatives such as the National AI Strategy and the Türkiye Innovation Week prioritise AI research, talent development and industry collaboration to foster innovation and drive AI adoption across sectors.

Turkish universities and research institutions contribute to AI development through cutting-edge research, talent cultivation and technology transfer initiatives. Collaboration between academia, industry and government supports knowledge exchange, skill development and innovation in AI technologies and applications.

Türkiye's startup ecosystem is witnessing a rise in AI-driven startups, focusing on areas such as healthcare, fintech, e-commerce, logistics and cybersecurity. These startups develop innovative AI solutions, leverage emerging technologies and attract investment to address market needs and drive digital transformation. Türkiye is undergoing digital transformation, with organisations embracing AI as a strategic enabler for innovation, growth and customer engagement in the digital economy.

Successful AI implementations

Garanti BBVA:

Garanti BBVA, one of Türkiye's largest banks, has been proactive in implementing AI solutions across various areas, including fraud detection, risk management, customer service and personalised banking experiences. The bank utilises AI-driven analytics, chatbots and robo-advisors to enhance operational efficiency and customer satisfaction while managing risks effectively.

Turkcell:

Turkcell, a leading telecommunications company in Türkiye, integrates AI into its network operations, customer service and digital offerings to enhance network performance, cybersecurity and customer experiences. Turkcell's AI-driven initiatives include network optimisation, predictive maintenance, personalised offers and chatbot-based support services, improving service quality and competitiveness in the telecom market.

Türk Telekom:

Türk Telekom, Türkiye's leading telecommunications company, leverages AI for network optimisation, customer service automation and personalised offerings. The company utilises AI-driven analytics, chatbots and recommendation engines to enhance network performance, improve customer experiences and drive revenue growth in the telecom sector.

United Arab Emirates

Top 9 brands

1. Emirates
2. Etihad Airways
3. IKEA
4. Leading online retailer
5. Emarat plus
6. Abu Dhabi Commercial Bank
7. Debenhams
8. Emirates Post Group
9. FedEx

Biggest movers
(Rank since previous year)

- Emirates Islamic Bank (+ 42 places)
- Careem Now (+ 32 places)
- Daman (+ 30 places)
- Emarat plus (+ 29 places)
- Emirates Post Group (+ 29 places)

New entrants
(2024 ranking)

There are no new entrants this year.

Leading organisations' commentary

Emirates continues to hold the number one position in the index, while Etihad moves up one place to number two, closing the gap. Emirates is renowned for its exceptional service, comfort and ongoing innovation.

Emirates is also celebrated for its reliable and punctual service, making it a trusted choice for global travellers. Emirates' strategic partnerships extend their reach to over 1,700 cities, providing seamless connectivity for customers. Initiatives like advanced cabin crew training and ground service enhancements, including new travel stores, further elevate the overall travel experience.

Etihad Airways distinguishes itself as a leader in CX by prioritising service, comfort, innovation and partnerships. Passengers consistently praise the friendly and personalised service, along with the comfort and luxury of the airline's modern aircraft, including features such as The Residence and Business Studios on the Airbus A380. The Etihad Guest loyalty program, strengthened by partnerships like the one with Wio Bank, adds further value to frequent flyers.

The highest mover in the index is Emirates Islamic Bank, moving up 42 places. Emirates Islamic Bank has improved its customer experience over the last 12 months, upgrading its mobile banking app and introducing smart branches equipped with self-service kiosks and digital tools to reduce wait times and enhance the in-branch experience. The technology is supported by customer ambassadors to assist with digital banking services and provide personalised guidance, improving overall satisfaction.

AI overview

The UAE is at the forefront of digital transformation, with organisations across industries increasingly adopting digital channels and technologies to enhance CX. The country boasts high smartphone penetration rates and a tech-savvy consumer base, driving the adoption of digital solutions for seamless, personalised customer interactions.

The UAE's luxury and hospitality sectors place a strong emphasis on CX, given the country's reputation as a global tourism and economic hub. Hotels, airlines and luxury brands invest in personalised services, VIP experiences and concierge services to cater to the discerning needs of affluent customers.

In 2017, the UAE launched the UAE Artificial Intelligence Strategy 2031, which aims to position the country as a global leader in AI innovation and adoption across various sectors. The strategy focuses on four key pillars: establishing a world-leading AI governance framework, building a robust AI infrastructure, fostering AI R&D and talent development, and driving AI adoption across government and private sectors.

The UAE has established several AI centres, research institutes and innovation hubs to support AI development and adoption. These include the Mohammed bin Rashid Al Maktoum Global Initiatives' AI Lab, the Dubai AI Ethics Advisory Board, the Abu Dhabi AI Research Center, and the AI & Robotics Accelerator by Catalyst.

Successful AI implementations

Emirates NBD:

Emirates NBD, a leading bank in the UAE, has implemented AI-driven solutions for various applications including fraud detection, risk management, customer service automation and personalised banking experiences. The bank utilises machine learning algorithms and data analytics to enhance operational efficiency and customer satisfaction while managing risks effectively.

Etisalat:

One of the largest telecom companies in the UAE, Etisalat, leverages AI for network optimisation, customer service automation and personalised offerings. The company utilises AI-driven analytics, chatbots and recommendation engines to improve network performance, enhance customer experiences and drive revenue growth in the telecom sector.

Abu Dhabi Health Services Company (SEHA):

SEHA, the largest healthcare network in the UAE, integrates AI technologies into medical imaging analysis, predictive diagnostics, treatment planning and patient management. SEHA hospitals and clinics leverage AI algorithms to assist healthcare professionals in disease detection, diagnosis and personalised treatment recommendations, improving patient outcomes and operational efficiency.

Dubai Electricity and Water Authority (DEWA):

DEWA, the government-owned utility company in Dubai, adopts AI for smart grid management, energy optimisation, predictive maintenance and customer service enhancement. DEWA's implementation of AI systems helps improve energy efficiency, reduce downtime and enhance customer satisfaction by providing personalised energy services and insights to consumers.

United Kingdom

Top 10 brands

1. first direct
2. Nationwide
3. Ocado
4. Coventry Building Society
5. John Lewis & Partners
6. American Express
7. Lush
8. Starling Bank
9. QVC UK
10. Marks & Spencer

Biggest movers
(Rank since previous year)

- Fidelity (+ 201 places)
- Netflix (+ 106 places)
- Not on the Highstreet (+ 93 places)

New entrants
(2024 ranking)

- 100Green (Green Energy UK) (43)
- Simplyhealth (46)
- Klarna (58)
- Vinted (86)

Leading organisations' commentary

first direct maintains its number one position and has only been outside of the top three companies in the UK just once in the last 10 years. first direct has focused on continually improving improving its user experience, making upgrades to its mobile banking app. Despite the focus on digital interactions, first direct has managed to implement technology in a way that cements the emotional relationship with customers — one of the greatest improvements across their Six Pillar scores being Empathy.

Nationwide takes second place and, like first direct, has also focused on continuously improving digital interfaces, upgrading its mobile app and online banking platforms to provide a more intuitive and seamless user experience. It has redesigned branch layouts to facilitate better customer flow and the addition of self-service kiosks. It has reiterated its intention to maintain its current branch coverage until at least the start of 2028.

Fidelity is the highest mover in this year's UK research, joining the top 100 in 56th place. Fidelity offers personalised investment solutions that cater to the specific needs and goals of individual investors. The introduction of robo-advisory services has enabled Fidelity to offer automated, algorithm-driven financial planning services, making it easier for customers to get personalised investment recommendations.

The highest new entrant is 100Green (Green Energy UK), with its commitment to sustainability and environmental responsibility, while offering innovative and reliable renewable energy solutions, which resonates with a growing segment of eco-conscious customers. The company is 100 percent committed to delivering great customer service "always".

Similarly, Simplyhealth is new to the index. In addition to its paid-for services, it developed a free app to help users take a holistic approach to health, with fitness tracking and push notifications to encourage people to establish healthy habits.

AI overview

AI enables organisations in the UK to analyse vast amounts of customer data and deliver personalised experiences. By leveraging machine learning algorithms, organisations can tailor product recommendations, content and communications to individual preferences, enhancing engagement and satisfaction.

AI-powered chatbots and virtual assistants automate customer service interactions, providing instant support and resolving inquiries efficiently. UK organisations deploy chatbots on websites, mobile apps and messaging platforms to handle routine queries, freeing up human agents to focus on more complex issues and improving response times.

AI-powered sentiment analysis tools monitor customer feedback, social media mentions and online reviews to gauge sentiment and identify emerging trends or issues. UK organisations use sentiment analysis to track brand reputation, measure customer satisfaction and respond to feedback in real time, enhancing brand loyalty and trust.

The regulatory environment in the UK is supportive of AI adoption, providing guidelines and frameworks for ethical AI development and deployment. Initiatives such as the AI Sector Deal and the AI Council aim to promote innovation, investment and collaboration in the UK's AI ecosystem, encouraging organisations to embrace AI technologies.

Successful AI implementations

DeepMind:

DeepMind, based in London, is a leading AI research lab known for its pioneering work in artificial intelligence and machine learning. The company has developed AI systems that have achieved significant advancements in areas such as healthcare, for example using AI for medical imaging analysis and protein folding prediction, and gaming such as AlphaGo, an AI program that defeated world champion Go players.

Lloyds Bank:

Lloyds have established a Group AI Centre of Excellence, bringing together experts in data science, behaviours science, ML engineering, advanced analytics and AI ethics. The Group is currently trialing over 50 use cases, including increasing the speed of support, quality of chatbot tools and detecting early warning signs of fraud.

Ocado:

Ocado, a UK-based online grocery retailer, has over 100 AI implementations and utilises AI and robotics for warehouse automation and fulfillment. The company's AI-driven warehouse management system optimises inventory storage, picks orders efficiently, and coordinates robotic systems to fulfill customer orders accurately and quickly.

United States

Top 10 brands

1. USAA
2. H-E-B
3. Patagonia
4. Publix
5. Fidelity
6. Costco Wholesale
7. Hallmark
8. L.L Bean
9. Navy Federal Credit Union
10. Sherwin-Williams

Biggest movers
(Rank since previous year)

- Barclays (+ 143 places)
- Morgan Stanley E*TRADE (+ 104 places)
- Sheraton (+ 87 places)
- Hollister (+ 85 places)
- Williams-Sonoma (+80 places)

New entrants
(2024 ranking)

- Texas Roadhouse (17)
- Nike (30)
- Adidas (33)
- Consumer Cellular (34)
- Hyatt Regency (53)

Leading organisations' commentary

This year USAA and H-E-B reverse places, with USAA regaining its number one position. USAA (United Services Automobile Association) has made several strategic improvements over the past 12 months to enhance its customer experience and regain its position as the number one company for customer experience in the US. It has made improvements across each of the Six Pillars with significant increases in Personalisation and Time and Effort.

USAA has significantly upgraded its mobile app, and the integration of AI and chatbots has improved customer service by providing quick, automated responses to common inquiries, reducing wait times and enhancing user convenience.

Strengthening its commitment to the military community by supporting veteran initiatives and offering resources for career transition, education and financial literacy has deepened member loyalty. Increased community outreach and support for disaster relief efforts have solidified USAA's relationship with its members and the wider community.

H-E-B Supermarkets in second place continue to make strategic improvements to enhance their customer experience focusing on digital innovation, personalised services, community engagement and in-store enhancements.

H-E-B is testing and potentially rolling out smart shopping carts equipped with digital screens and scanners to make the shopping experience more interactive and efficient as well as using digital signage in stores to provide real-time information on promotions, product locations, and health and safety guidelines. H-E-B has continued to support local farmers and producers by promoting Texas-grown products, which resonates well with customers who prefer to support local businesses.

Barclays Bank is the highest mover, increasing its position in the index by 143 places. It has implemented several initiatives over the past 12 months to enhance CX, including the integration of AI and chatbots providing quick, automated responses to common inquiries, thereby reducing wait times and enhancing user convenience.

The highest new entrant is Texas Roadhouse who joins the index in 17th place. It focuses on excellent food quality, friendly service, a welcoming atmosphere and community engagement.

AI overview

AI is turbocharging CX in the USA by revolutionising how organisations interact with customers, anticipate their needs and deliver personalised experiences. By leveraging machine learning algorithms, organisations can tailor product recommendations, content and marketing messages to individual preferences and behaviours, enhancing engagement and driving conversion rates.

NLP technology allows AI systems to understand and interpret human language, enabling more intuitive and conversational interactions between organisations and customers. AI-driven voice assistants, such as Google Assistant, enable hands-free interactions, voice-based search and personalised recommendations, enhancing convenience and accessibility for users.

The US technology sector itself is a leader in AI adoption, driving innovation and developing cutting-edge AI technologies. Tech organisations in the US utilise AI for a wide range of applications, including natural language processing (NLP), computer vision, autonomous systems, and AI-driven platforms and services.

Successful AI implementations

Google:

Google is renowned for its extensive use of AI across its products and services, including Google Search, Google Assistant, Gmail, Google Photos and Google Maps. The company's AI initiatives encompass a wide range of applications, such as natural language processing, computer vision, speech recognition and machine learning algorithms.

Facebook:

Facebook utilises AI technologies for content moderation, ad targeting, user recommendations and image recognition across its social media platforms (Facebook, Instagram, WhatsApp). The company's AI-driven algorithms analyse user behaviour, preferences and content to enhance user experiences and engagement.

Microsoft:

Microsoft integrates AI across its products and services, including Microsoft Office, Azure cloud platform, LinkedIn and Xbox. The company's AI initiatives encompass areas such as natural language processing, chatbots, virtual assistants, predictive analytics and computer vision, empowering organisations and individuals with intelligent solutions.

Vietnam

Top 10 brands

1. Samsung
2. Vinpearl
3. Lock & Lock
4. Techcombank
5. Trung Nguyen
6. PetroVietnam
7. Highlands Coffee
8. Pharmacity
9. Petrolimex
10. Viettel Money

Biggest movers
(Rank since previous year)

- Petrovietnam (+ 62 places)
- Petrolimex (+ 56 places)
- Prudential (+ 43 places)
- Asia Commercial Bank (+ 42 places)
- Viettel Money (+ 41 places)

New entrants
(2024 ranking)

- Vietinbank (21)
- Techcom Securities (32)
- GS25 (50)

Leading organisations' commentary

Samsung rises 11 places to take the number one position. The Vietnamese consumer finds Samsung stores enticing and inspirational. Designed with a modern and inviting layout, they provide a pleasant shopping environment. Interactive displays and hands-on experience areas allow customers to try products before purchasing. The integration of online and offline channels ensures a consistent and convenient shopping experience. Customers can browse online, check product availability in-store, and opt for in-store pickup or home delivery.

Hotel Group Vinpearl takes second place moving up 38 places in the index. Vinpearl offers a wide range of services, including luxury resorts, hotels, amusement parks, golf courses and wellness centres. Vinpearl properties are strategically located in some of Vietnam's most beautiful and desirable destinations, such as Phu Quoc, Nha Trang and Da Nang. These locations offer stunning natural beauty and easy access to local attractions.

Petrovietnam (PVOIL) is the highest riser moving 62 places to 6th place in the index, offering energy solutions and services with over 700 petrol stations in Vietnam. PVOIL introduced the PVOIL4U app, a centralised management and payment system through an application for customers. This aims to enhance customer experience by providing non-cash payments and other value-added services like gamification, insurance and the option to pre-order.

The highest new entrant is Vietinbank. They have invested heavily in their digital platforms, including an intuitive website and a robust mobile application. These platforms offer seamless navigation, easy access to account information and a variety of online services, making it convenient for customers to manage their investments.

AI overview

The customer experience landscape in Vietnam has been evolving rapidly. With a growing middle class and increased digital connectivity, consumers are becoming more discerning and demanding. Traditional brick-and-mortar organisations are facing competition from online retailers, forcing them to enhance their customer service to stay competitive.

Numerous AI startups are emerging, supported by venture capital, accelerators and incubators, contributing to the development and implementation of AI technologies across various sectors.

AI applications in agriculture are helping Vietnamese farmers increase productivity and manage resources better. AI-powered drones and sensors are used for monitoring crop health, optimising irrigation and predicting yields.

Various cities in Vietnam are implementing AI to enhance urban management. AI is used in traffic management systems to reduce congestion, improve public transportation, and enhance surveillance and security.

AI is being used by an increasing number of healthcare providers and hospitals where AI algorithms are used for early detection of diseases such as cancer, improving the accuracy and speed of diagnosis.

The Vietnamese government has been proactive in promoting AI development. Initiatives like the National Strategy on Research, Development and Application of Artificial Intelligence aim to turn Vietnam into a centre for AI by 2030. Supportive policies and funding for AI research and development are crucial drivers.

Successful AI implementations

FPT Corporation:

One of Vietnam's largest technology organisations, FPT has been at the forefront of AI development. Their AI-powered solutions, such as FPT.AI, offer services in natural language processing, computer vision and automation. Their chatbot, FPT.AI Conversation, is widely used in customer service across various industries.

Zalo:

Zalo, a leading messaging app in Vietnam developed by VNG Corporation, incorporates AI to enhance user experience. AI is used for features like voice recognition, chatbots and image processing. Zalo's AI-driven tools help in better user interaction and content delivery.

VNPT (Vietnam Posts and Telecommunications Group):

VNPT has developed several AI applications, including AI-based customer service solutions and smart city initiatives. Their AI-powered call centres improve customer interaction efficiency, and their smart city projects leverage AI for traffic management and public safety.

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