



The shift to agentic customer experience

UK Customer Experience
Excellence report 2025/26

KPMG. Make the Difference.





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Foreword

Last year’s report, It’s Time for AI-X, marked a turning point. We explored how artificial intelligence was enhancing customer experience, with smarter journeys, faster resolutions, and more personalised service. This year, the conversation moves from enhancement to evolution. The next 18 months will see the rise of agentic AI, systems that don’t just predict or recommend but act, sensing context, making decisions, and shaping experiences in real time.

The first wave of agentic applications is already visible. Retailers are using autonomous service agents to anticipate customer issues before they arise; airlines are orchestrating journeys across flights, logistics partners and hotels, in real time.

Most remain pilots, but adoption is set to accelerate over the next 12–18 months as enterprises embed agentic capabilities into front-office value streams. Widespread impact will follow once operating models, governance, and trust frameworks mature. Crucially, success will rest on whether these systems reflect organisational values, empathy, and service priorities.

To realise this potential, organisations should begin preparations today. That means dismantling silos, aligning around shared goals and common KPIs, and supporting functions with connected data and real-time intelligence. Above all, it means remembering why AI matters: to serve customers better. While efficiency and speed are valuable, on their own they are not enough; experiences must feel intuitive and trustworthy, which requires a strong service ethic, embedded at the design stage.

Richer Sounds, the UK’s number one brand in this year’s index, proves the point. Their success rests not on technology, but on colleagues who pair deep product knowledge with a genuine spirit of service. Richer Sounds shows the future is not AI or people, but the fusion of both, amplifying human service rather than replacing it.

The next 18 months will decide whether UK organisations harness agentic AI to create seamless, empathetic experiences, or simply add complexity and frustration. This report highlights how to prepare: blending the intelligence of AI with the empathy of people, drawing lessons from leading UK and international brands, and providing leaders with a practical checklist to navigate their path to agentic maturity.

Nat Gross, Partner and Head of KPMG Media Practice

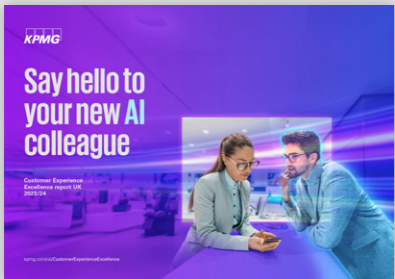


KPMG’s Customer Experience Excellence reports have highlighted a significant evolution in AI’s role within customer experience over the past three years - moving from basic integration to increasingly sophisticated, autonomous interactions. As both companies and customers begin to deploy agents, 2026 could well see the battle of the algorithms.”

Nat Gross
Partner and Head of KPMG Media Practice



The evolution of AI-X



2023: Say hello to your new AI colleague
Revealed how leading brands think about AI as a game-changing type of colleague.



2024: It's time for AI-X
Examined AI’s pivotal role in reshaping how customer experiences are designed, delivered, and measured.



2025: The shift to agentic customer experience
Explores a new era of CX where agentic AI and human empathy unite to deliver value at scale.

A vision for agentic AI for customer experience transformation

From possibilities to practical adoption

Professor Mohamed Zaki, University of Cambridge

The future of customer experience will be defined by agentic AI, systems that sense intent, act in real time, and embody empathy, personalisation, and trust. However, success will depend not on AI technology alone, but on how organisations orchestrate these agents across customer journeys, channels, processes, and different value streams. Those who achieve this will transform not only experiences, but the very economics of customer relationships.

My recent research¹ at the Cambridge Service Alliance shows that nearly half of customer enquiries with clear buying intent remain unresolved in digital channels, putting millions in potential sales at risk. This challenge is compounded by operational constraints and workforce limitations, with human agents often overwhelmed by the sheer scale of demand. In some cases, digital enquiries across multiple channels can exceed one million

conversations, with social media comments emerging as the dominant source, underscoring its growing influence on customer engagement and sales. Faced with this pressure, many agents fall back on scripted responses, eroding both customer value and trust.

Agentic AI has the power to change this equation, turning customer service from a cost centre into a revenue engine by delivering seamless, empathetic experiences that also drive measurable commercial returns. In a pilot and implementation with Tactful AI and the Elaraby Group, a leading manufacturer of consumer electronics and home appliances with a portfolio of 14 global brands across 25 product categories, we deployed a designed system of collaborative AI agents to analyse, assist, and act across digital customer environments.

The results were striking: First Contact Resolution nearly doubled—from 53% to 92%, peaking at 97%, while First Response Time improved by 22%, falling from 36.5 minutes toward an optimal 10 minutes. Customer satisfaction rose from 22% to nearly 80%, and digital sales conversions increased by 15%. Moreover, by automating

routine tasks such as enquiry handling, maintenance replies, and social media comment management, the AI agents saved the equivalent of three full-time employees per month, automating more than 30,000 interactions and saving at least one minute per task.

These results demonstrate how, when orchestrated effectively, agentic AI can enhance human performance by classifying enquiries, retrieving information rapidly from dispersed systems, detecting buying signals, routing interactions intelligently, and delivering personalised, empathetic responses at scale.

The next frontier is autonomous orchestration, multimodal agent ecosystems that anticipate customer needs and initiate proactive engagement across multiple modalities, including text, voice, images, and video. By integrating Voice of the Customer (VoC), Customer Lifetime Value (CLV), and profitability analytics, these systems can transform the customer experience into a strategic growth engine that seamlessly connects digital and physical experiences.



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Professor Mohamed Zaki
Deputy Director, Cambridge Service Alliance,
Institute for Manufacturing, Department of Engineering, University of Cambridge



Professor Mohamed Zaki is a Professor at the Institute for Manufacturing, Engineering Department, University of Cambridge, and the Deputy Director of the Cambridge Service Alliance, a leading centre for digital service transformation. Recognised internationally for research leadership in AI-enabled customer experience transformation, he has published over 100 papers in top journals, authored a book on Data-Driven Customer Experience Transformation, and serves as Associate Editor of the Journal of Service Management. Recipient of the prestigious Bo Edvardsson Industry Impact in Services Award.



¹ M. Zaki, "Data-Driven Customer Experience Transformation: Optimise Your Omnichannel Approach" (London: Kogan Page, 2025).

01.

Customer Experience Excellence 2025: UK results



About the KPMG Customer Experience Excellence Centre

This is our 16th year of an ongoing global research programme into customer experience excellence. This year, 13,100 UK consumers have provided 132,634 evaluations of their experiences with 441 organisations.

The Six Pillars of Experience

Customers evaluate their interaction with these brands across The Six Pillars of Experience.



Integrity
Being trustworthy and engendering trust



Resolution
Turning a poor experience into a great one



Expectations
Managing, meeting and exceeding customer expectations



Time and Effort
Minimising customer effort and creating frictionless processes



Personalisation
Using individualised attention to drive an emotional connection



Empathy
Achieving an understanding of the customer's circumstances to drive deep rapport

These have been shown to be the essential building blocks of world class experiences. Organisations who have mastered The Six Pillars have significantly better commercial outcomes.

Customers provide scores for each of these pillars based on their experiences. This forms a compound metric (CEE score) for each organisation, who are then ranked based on their CEE score to create a league table. We examine the organisations that lead the index, and also look at the

highest risers (organisations that have made a significant improvement in their index position), and from this we identify leading practice and surface the key learning points.

This work forms part of a global study, extending the research to 41 countries, regions and jurisdictions over the last 16 years. This year, the study was conducted in 16 countries and encompassed over 80,000 consumer interviews, evaluating over 2,600 brands.

AI and The Six Pillars of Experience

In last year's report we outlined the role of AI in customer experience as "AI-X". The use of AI technologies to enhance, automate and optimise the interaction between an organisation and its customers throughout the customer journey. This year we are focused on agentic, context aware, autonomous AI, that dynamically adapts experiences based on a real time understanding of customer needs, preferences and circumstances. The Six Pillars is a comprehensive framework that, when applied to agentic AI, enables a positive and efficient automated customer journey.

Pillar	Anticipatory experiences	How agentic AI enables this
 Integrity	Detects moments where trust could be gained or lost, e.g., a billing error, service outage, or sensitive life event, and ensures the brand responds transparently and fairly.	Monitors data streams for anomalies or sentiment shifts, triggers immediate disclosure or resolution steps, and maintains an auditable trail of actions taken.
 Resolution	Identifies when a customer is having trouble or dissatisfaction and acts to resolve the issue instantly.	Proactively surfaces solutions before the customer complains, coordinates across functions, and empowers frontline or virtual agents to close the loop on first contact.
 Expectations	Senses when expectations are about to be missed or exceeded, such as delivery delays or early fulfilment opportunities, and manages communication accordingly.	Uses predictive analytics to anticipate gaps, triggers proactive notifications, and adjusts offers or commitments dynamically to maintain alignment with expectations.
 Time and Effort	Recognises moments when effort is increasing for the customer, e.g., repeating information, navigating complex processes, and removes friction.	Automatically bridges systems and pre-populates information, shortens processes, and offers one-click or automated fulfilment at the point of need.
 Personalisation	Captures moments that reveal a change in preference, behaviour, or context, and adapts the experience instantly.	Learns from new signals (e.g., browsing patterns, purchase history, location) to adjust content, recommendations, and offers.
 Empathy	Detects emotional cues or life events where human understanding matters most, e.g., bereavement, financial hardship, or celebration, and tailors the tone, timing, and nature of engagement.	Analyses voice, text, and behavioural data to infer emotion or context, adapting the style and substance of responses to meet the customer's emotional state.



Mastering The Six Pillars is proven to:

...drive revenue & EBIT up

7.5x The **UK top 20** companies achieved 7.5x the revenue growth versus the rest of the top 100³

7.5x The **top 100** brands achieved a year-on-year average revenue growth that was almost double that of the bottom 100³

The **top 50** brands achieved nearly 4x the average gross profit of the bottom 100 brands³

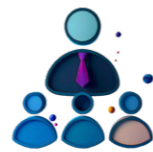
The **top 10** most improved brands achieved 4x the revenue growth of the remaining top 100 brands²

...drive cost out

Leading players can improve experience and reduce costs by up to **25%**²



Companies that excel can achieve **75%** better margins²



Leaders achieve **89%** customer retention on average (reducing acquisition cost)

30% greater lifetime value (of customers that buy both in store and online vs those that use only one channel)

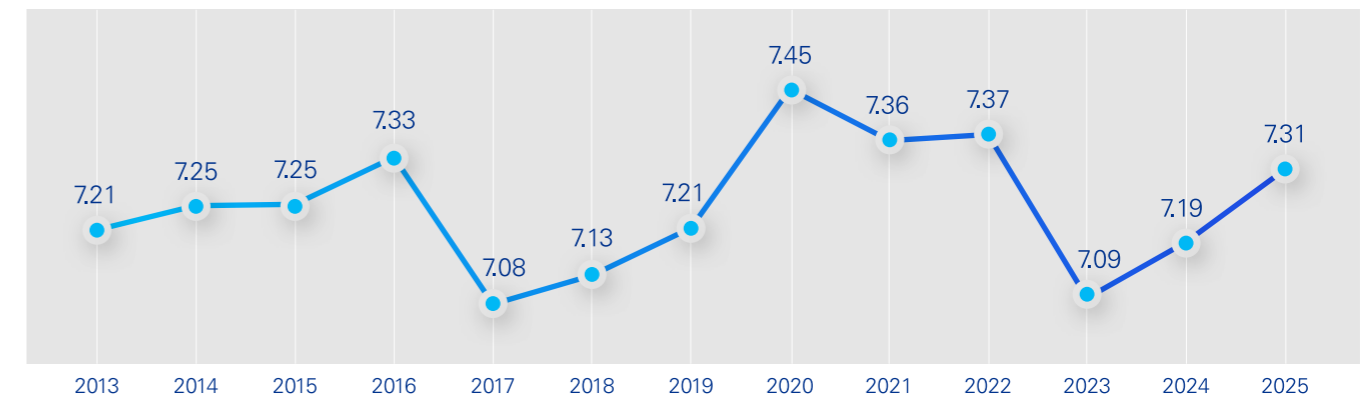


2025 highlights

This year has seen an increase in most CX metrics as customer experience recovers from its post pandemic dip in 2023.

Overall Customer Experience Excellence score

1.7% increase in overall CEE score compared to last year



UK customer experience upturn

Overall CEE scores rose by **1.7%**, with top brands improving by more than 2%, marking a solid rebound in UK customer experience performance.

New number one

Richer Sounds takes the number one position this year, rising twelve places, with Nationwide second and first direct third.

Sector leaders

Grocery retail and financial services continue to lead the UK rankings with the highest average CEE scores, while the public sector showed the largest improvement, despite remaining the lowest performing sector overall.

Top movers of 2025

The biggest gains came from **travel & hotels and entertainment & leisure brands**, led by Virgin Active (+15%), KLM (+13%), and Air France (+12%).

Six Pillar progress

All Six Pillars showed stability and modest long-term improvement. Empathy saw the largest year-on-year rise (+2.3%) but remains the lowest-rated.

Drivers of experience

Personalisation (20.1%), Integrity (18.4%), and Time & Effort (17.1%) remain the most influential pillars, together shaping over half of total customer experience impact.

Ethical consciousness rising

Over **51%** of consumers are now willing to pay more for ethical or socially responsible companies, up from 49% in 2024.

AI acceptance grows, but trust gaps remain

Concern about “not being able to speak to a human” fell from **24% to 21%**, yet remains the top AI-related fear, especially among those aged 55+ (30%).

² KPMG UK CEE 2020
³ KPMG UK CEE 2025

³ This analysis is based on publicly available financial information for the CEE measured organisations. Not all organisations have publicly available financial information. This analysis takes into account the latest available figures at the time of publication. Data is collected by KPMG Global Services team.



This year's leading companies

A distinctive identity: Why brand strength matters in experience leadership

What unifies the top-ranked organisations in the UK CEE report is more than operational excellence: it is a clear and resonant sense of self. Their brand ethos isn't just marketing, it's embedded in how experiences are designed, delivered, and felt.

These companies reflect a consistent pattern: brand leaders are experience leaders. Their brand isn't an overlay; it's the architecture framing every customer journey. That intentionality elevates routine activities into being memorable.

UK leaders – overall

Four brands from last year's top ten successfully retained their positions within this year's top 10.

2025 rank	Brand	Rank movement	Industry	2024 CEE rank
1	Richer Sounds	🟢	Non-grocery retail	13
2	Nationwide	🟡	Financial services	2
3	first direct	🔴	Financial services	1
4	Emirates	🟢	Travel & hotels	26
5	John Lewis & Partners	🟡	Non-grocery retail	5
6	Specsavers	🟢	Non-grocery retail	28
7	Ocado	🔴	Grocery retail	3
8	M&S Food	🟢	Grocery retail	15
9	Yorkshire Building Society	🟢	Financial services	35
10	ao.com	🟢	Non-grocery retail	14

Top organisations

1st

Richer Sounds

Richer Sounds leads the UK Customer Experience Excellence index by showing that technology is nothing without service. Their colleagues combine deep product knowledge with empathy, guiding customers through increasingly AI-enabled products like smart speakers and entertainment systems. The challenge is not adopting technology but helping customers unlock its value. By blending human expertise with a service ethos, Richer Sounds ensures innovation feels empowering, not overwhelming.

2nd

Nationwide

Nationwide fuses digital transformation with its mutual ethos of fairness and transparency. AI enhances mortgages, fraud detection, and personalised guidance, but always underpinned by trust. Members benefit from intuitive journeys, proactive alerts, and empathetic support, whether in-branch or online. By aligning advanced technology with long-term relationships, Nationwide proves financial services can deliver speed and innovation without sacrificing integrity.

3rd

first direct

first direct sets the benchmark for digital-first banking that still feels human. AI-powered assistants resolve queries instantly, predictive models anticipate issues, and frontline teams are empowered with insights to respond empathetically. Customers enjoy seamless, always-on banking with the reassurance of human support when needed.

4th

Emirates

Emirates delivers premium travel through a fusion of cutting-edge AI and exceptional hospitality. Predictive maintenance, biometric boarding, and personalised booking streamline journeys, while cabin crew deliver attentive care. Data signals anticipate passenger needs, from dietary preferences to onward connections. This balance of digital precision and human warmth creates effortless luxury, showing that true differentiation lies in orchestrating both.

5th

John Lewis & Partners

John Lewis remains a benchmark for trusted retail. AI-driven analytics, personalised recommendations, and stock optimisation enhance journeys, while partners provide expert, empathetic service. Immersive tools like AR fitting rooms are complemented by human advice, turning transactions into relationships. By blending technological innovation with service-led heritage, John Lewis continues to earn deep loyalty.



High movers

25th

Air France

Air France’s rise reflects reliability and renewed hospitality. AI-enabled predictive maintenance reduces delays, while biometric boarding and real-time updates streamline travel. Staff training ensures digital journeys remain personal, creating experiences that feel both efficient and empathetic.

30th

KLM

KLM’s growth stems from its leadership in digital service. AI chatbots and multilingual platforms provide 24/7 support, while predictive analytics manage disruptions, proactively rebooking flights. Human agents step in seamlessly for complex needs, delivering fast resolutions.

New entrants

19th

DoubleTree by Hilton

DoubleTree impresses with a blend of tradition and technology. Its warm welcomes and signature cookies are now paired with digital check-in, mobile room selection, and AI-tailored recommendations. Staff use real-time guest data to anticipate needs, creating effortless and memorable stays.

22nd

Sheraton

Sheraton’s resurgence reflects Marriott’s reinvention strategy. Modernised properties, mobile keys, and AI-enabled chatbots enhance ease, while staff use guest data for personalised touches. By combining global brand consistency with local care, Sheraton makes guests feel both recognised and valued.

Spotlight on Nationwide

Putting genuine care at the heart of customer experience

Interview with Stephen Noakes: Director of Retail

Nationwide continues to set the benchmark for customer experience in the UK, ranking second overall in this year’s Customer Experience Excellence index. Their strongest gains have been in the pillars of Empathy and Expectations, two areas that define the Society’s unique position as a modern mutual committed to both human connection and technological progress.

A commitment to choice and clarity

At the heart of Nationwide’s strategy lies a simple principle: customers should never be forced down a channel they don’t want to use. While many large banks have accelerated branch closures, Nationwide has committed to keeping its branch network open until at least 2028. This promise, recently extended to include the newly acquired Virgin Money estate, means customers can rely on nearly 700 branches nationwide. For many communities, this pledge makes a tangible difference: 127 of Nationwide’s branches are currently the last in town, a figure set to rise to 150 following competitor closures. As Stephen Noakes explains, this presence is not just symbolic: “We do see stronger commercial performance from those last branches in town, often because customers want the reassurance of face-to-face service.” By setting such clear expectations around availability, Nationwide provides stability in a sector where uncertainty over physical branches dominates.

Empathy in action

Nationwide’s customer-facing teams embody the Society’s longstanding culture of empathy. Branch colleagues are empowered not only to serve but also to support customers through difficult moments, with extra investment in frontline manager development and vulnerability awareness. Whether in-branch, over the phone, or via digital channels, Nationwide has trained staff to recognise and respond thoughtfully to customer needs.

This empathetic ethos extends beyond customer transactions. The Fairer Futures programme, with partnerships spanning Centrepoin, Action for Children, and Dementia UK, embeds Nationwide in the heart of communities. A standout initiative is the provision of Admiral nurses in 200 branches, available to anyone, not just Nationwide customers. This service provides specialist dementia support in areas where provision is often limited, reinforcing the Society’s belief in service that transcends pure commercial value.

Raising expectations digitally

Nationwide has also transformed its digital offering. Just two years ago, the mobile app lagged industry leaders and lacked some key features which customers rightly expect; today these gaps have been closed, reliability has remained consistently strong and customer satisfaction is at an all-time high. The Society is now modernising its internet banking platform to better serve older demographics while expanding chat and telephony services for those who prefer human interaction. By investing consistently across digital, branch, and telephony channels, Nationwide is not only meeting but exceeding customer expectations. Noakes notes: “Service continues to be one of our key differentiators, and we’re investing heavily against it. It is genuinely a strategy of ensuring the customer can use their channel of choice.”

AI that supports, not replaces

Nationwide is also taking a distinctive approach to AI adoption. Rather than using AI to replace colleagues, the Society is piloting tools that relieve staff of repetitive tasks, such as generating complaint response letters or conducting quality assessments. This frees colleagues to focus on higher-value, caring interactions with customers, aligning technology strategy directly with Nationwide’s values.

Relevance across generations

Nationwide’s combination of ethical purpose, empathetic service, and clear commitments resonates strongly with both older and younger generations. The Society was ranked number one in the student market last year, fuelled by creative engagement through social media and influencers. For Gen Z, Nationwide’s social purpose and community initiatives are as important as its financial products, ensuring the mutual remains relevant to the next generation of customers.

A modern mutual advantage

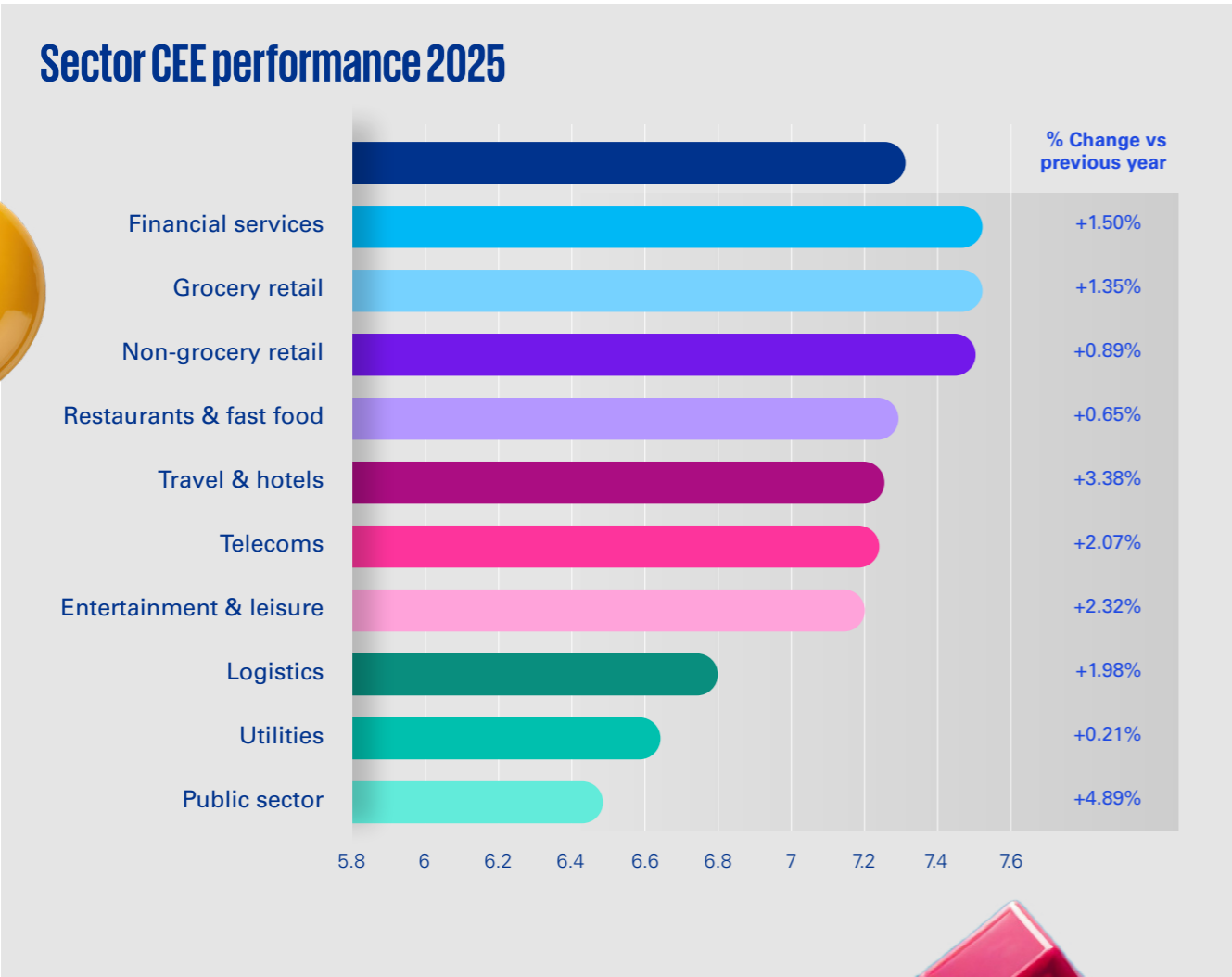
In a marketplace often defined by cost-cutting and digital-only strategies, Nationwide’s differentiated model, anchored in human values and transparent expectations, sets it apart. The Society is shaping a modern mutual proposition that speaks to stability, trust, and relevance. This combination continues to power Nationwide’s ascent in the Customer Experience Excellence index and makes it one of the UK’s most trusted financial brands.

Service continues to be one of our key differentiators, and we’re investing heavily against it. It is genuinely a strategy of ensuring the customer can use their channel of choice.”

Stephen Noakes
Director of Retail
Nationwide

Sector trends

This year’s UK CEE results reveal improvement across all sectors, evidence that organisations are adapting to a new experience reality shaped by AI, economic uncertainty, and shifting customer expectations. Every sector has moved forward, but the scale and nature of that progress vary, reflecting differing levels of digital maturity, competitive pressure, and investment focus.



The **public sector** recorded the most significant improvement (+4.9%), albeit from a low base. Many public bodies have invested in service accessibility, digital integration, and frontline empathy. Agencies are learning from private-sector exemplars, applying behavioural insight and AI-enabled triage to resolve issues faster and more transparently. Initiatives at the DVLA and NHS Digital are showing that technology, when paired with a citizen-first design ethos, can restore confidence in public services.

Travel & hotels (+3.4%) continues its post-pandemic recovery. Brands such as Emirates, Jet2, IHG and Hilton have focused on rebuilding confidence through reliability and proactive service. The introduction of AI-powered journey orchestration and digital concierges has enhanced personalisation while allowing staff to focus on emotional connection and recovery when things go wrong.

In **entertainment & leisure** (+2.3%), organisations such as Fitness First and Everyman Cinemas have shown that emotional value matters as much as functional efficiency. They’ve invested in immersive experiences, streamlined digital booking journeys, and community-driven engagement.

In **telecoms** (+2.1%), brands such as giffgaff and Tesco Mobile lead the sector index with their highly personal customer service ethic.

In **financial services** (+1.5%), Nationwide, first direct, and Yorkshire Building Society continue to define best practice through empathetic communication and human-centred digital design.

In **grocery retail** (+1.3%), competition remains fierce, but service levels have stabilised as retailers like Waitrose, M&S Food, and Ocado invest in digital loyalty ecosystems and sustainable sourcing transparency.

For **non-grocery retail** (+0.9%), experiential brands such as Richer Sounds and John Lewis continue to demonstrate that purpose-led cultures can sustain loyalty even in cost-conscious times.

In **restaurants & fast food** (+0.6%), Nespresso Store has focused on showcasing its products and providing loyalty offers whilst pub chain Flaming Grill leads through its friendly welcome and excellent value.

Utilities (+0.2%) continues to lag, with customer trust under pressure amid ongoing price volatility. However, Octopus Energy, now one of the UK’s top-rising CEE brands, exemplifies how data transparency, proactive communication, and empathetic service design can redefine expectations in a traditionally low-trust sector.

It is clear from this year’s UK CEE results that every sector is trying to get to grips with AI enabled experiences. Across the board, businesses are working to make their services easier to access, more digitally integrated, and more personal. But while the ambition is similar, how they’re getting there with AI-powered customer experiences differs depending on their level of AI digital maturity, how intense the competition is, and where they are choosing to invest their money.

The public sector is using AI to sort out issues faster, travel & hotels organisations are using it to smooth out customer journeys, financial services are focusing on empathetic, human-centred digital design, while utilities and telecoms are focusing their AI investments on infrastructure improvements.

Please visit the [Customer Experience Excellence Centre](#) for further sector perspectives.



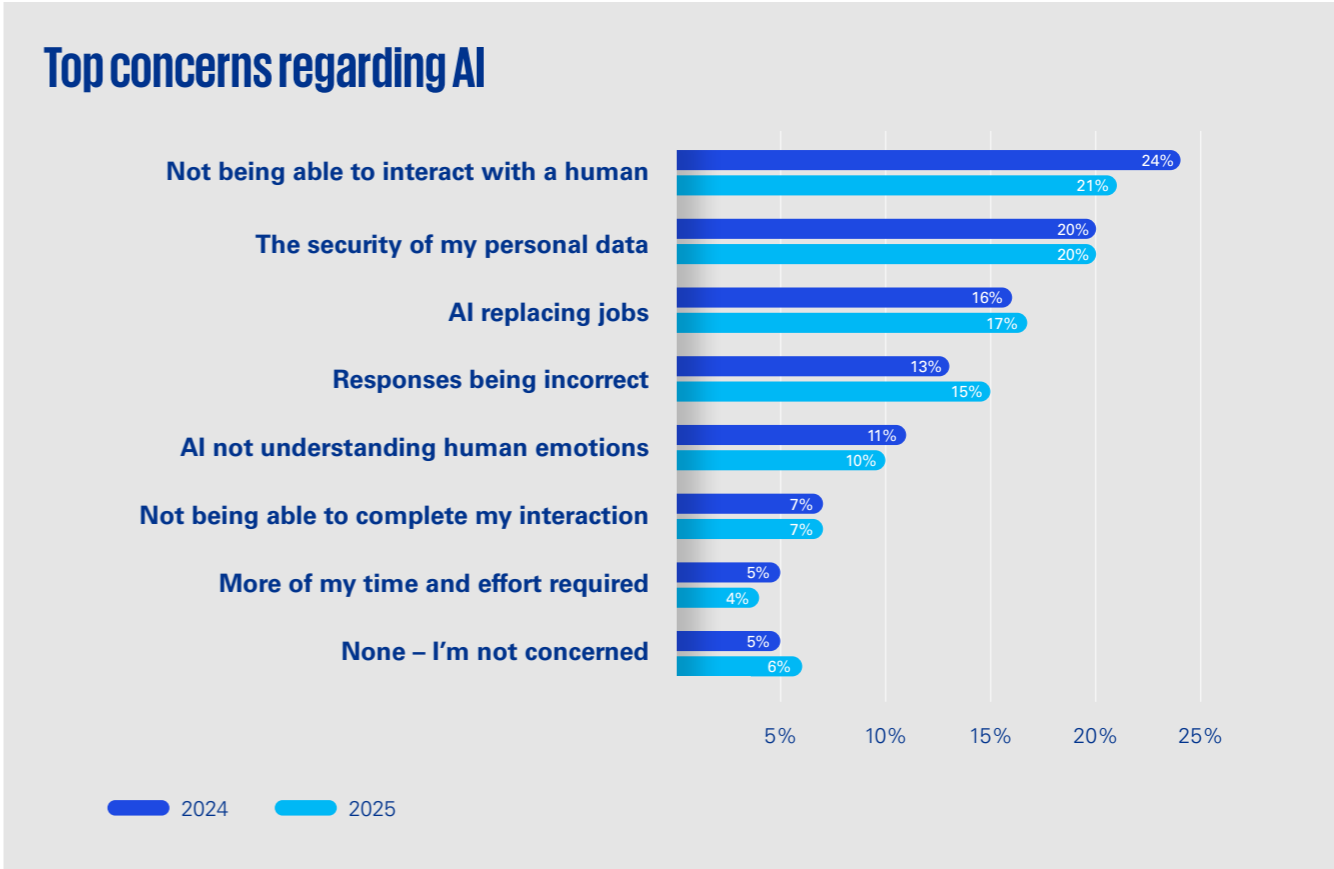


37%
of businesses saw an increase in their CEE scores across all of The Six Pillars

Overall customer sentiment for this year's top 100 brands increased by **2.3%**

Customer trust and AI: top areas of concern

The percentage of customers most concerned about not being able to interact with a human dropped from 24% in 2024 to 21% in 2025 overall, with 55+ age group falling from 33% to 30%. This suggests a slight increase in comfort with AI-led interactions, though it remains the top concern across all age bands.



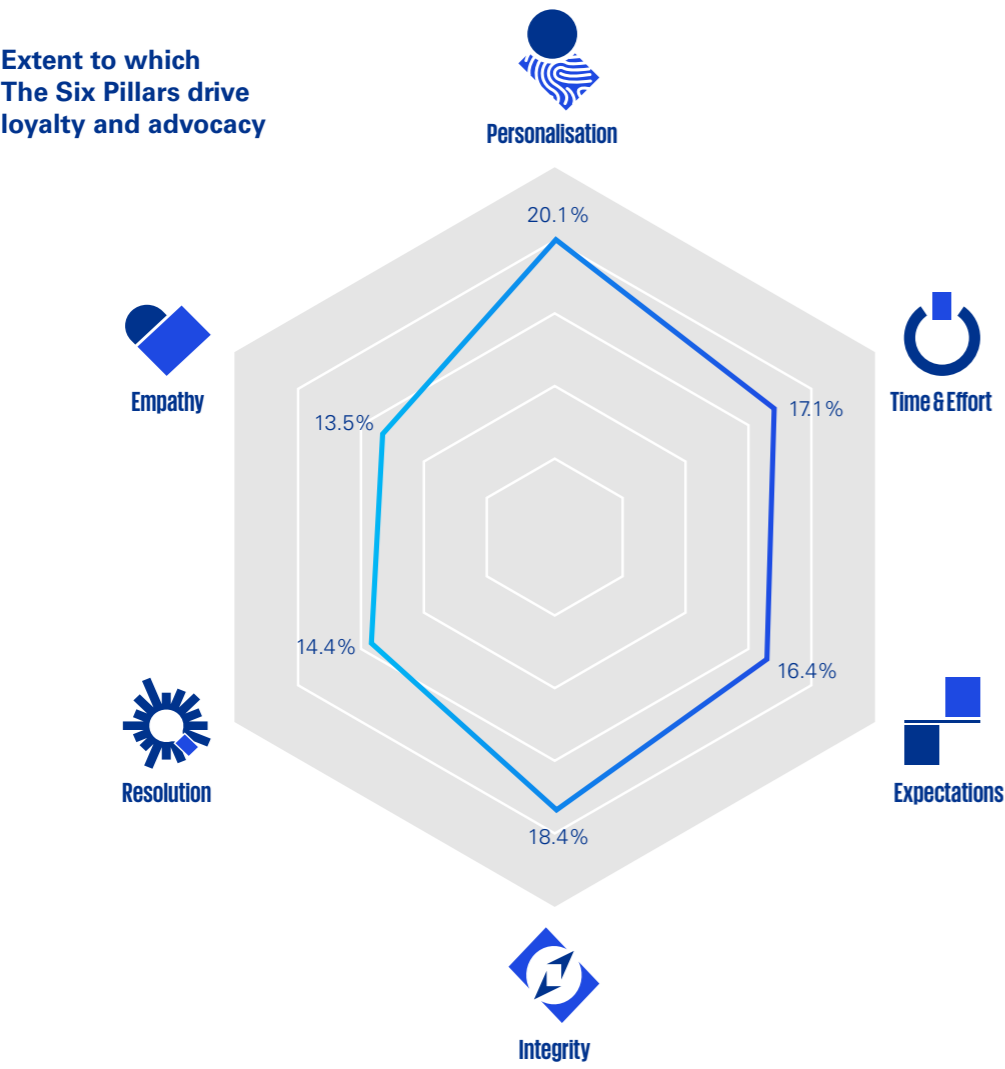
Customer concerns about interacting with AI are softening, indicating growing familiarity and trust in AI-led experiences. The share of people most worried about not being able to interact with a human has fallen from 24% to 21%, with the biggest decline amongst older customers. However, it remains the leading concern, showing that human connection is still seen as an essential element of trust. Data security and job displacement continue to feature prominently, while worries about AI misunderstanding emotions or giving incorrect responses highlight the continued importance of empathy and accuracy in digital interactions. The small rise in customers expressing no concerns at all suggests cautious optimism as consumers experience more transparent and reliable AI-driven services across sectors.

Teaching your agent right from wrong
Customer sensitivity means organisations must teach their agents “right from wrong” through ethics, governance, and trust: ensuring transparency in decisions, safeguards against bias, and escalation to humans where judgement is required. Agents must embody brand values, acting with integrity at every interaction. Designing the underlying data model correctly and grounding the system in trusted, authoritative data sources is vital – otherwise, although the agent may appear logical and transparent, it will be reasoning on shaky foundations.

Six Pillar importance in 2025/26

The Six Pillars are predictive of loyalty, advocacy and commercial value and are instructional when laying out AI strategy. When it comes to designing experiences, AI and human roles are complementary rather than competing. The leaders in our index demonstrate it is the careful fusion of the two that drives excellence.

In 2025, the most influential pillars driving customer experience were Personalisation (20.1%), Integrity (18.4%), and Time & Effort (17.1%), together accounting for over 55% of total weight, indicating continued emphasis on trust, tailored interactions, and convenience.



Integrity

Trust remains the foundation of great experiences, and this year's results show modest improvement as organisations work to make AI-enabled interactions more transparent. Financial services, utilities, and retail brands that clearly explain how AI supports, rather than replaces, human service have strengthened their credibility.

Resolution

Resolution scores improved notably, reflecting faster, more frictionless problem-solving through AI-assisted service. Leading brands are using AI to anticipate issues before they arise and empower human agents to act with context. Telecoms and travel sectors, once lagging, have shown gains as agentic systems guide both customers and employees to faster outcomes.

Expectations

Customer expectations have evolved sharply. UK consumers now expect interactions that are immediate, personalised, and consistent across every channel. Retailers and banks that combine predictive AI with clear service standards are outperforming peers. However, the gap between digital expectations and legacy processes continues to frustrate customers, particularly in public services and utilities.

Time and Effort

Time and Effort has seen some of the most consistent improvement across sectors. Automated assistants, proactive updates, and integrated self-service options have made everyday interactions simpler and faster.

Personalisation

Personalisation continues to be a key differentiator. Retail and financial services brands are leading the charge, leveraging AI to tailor recommendations, offers, and experiences in real time. However, customers are also more sensitive to how their data is used, placing a premium on "responsible personalisation" that feels helpful rather than intrusive.

Empathy

Empathy remains the hardest pillar to sustain in an AI-driven environment. Despite technological gains, customers still value authentic human care, particularly in moments of vulnerability or high emotion. The best-performing brands, such as those in healthcare, finance, and retail, blend emotional intelligence with AI insight, enabling employees to respond with understanding and relevance.

02.

Bridging today and tomorrow: The AI maturity journey



AI maturity journey for customer experience

Stage 1: Enable

Where most organisations are today, focused on efficiency, productivity and cost reduction

Building AI foundations (data, digital platforms, cloud).

Running early pilots in customer support, marketing, or automation.

Fragmented adoption, often limited to single functions.



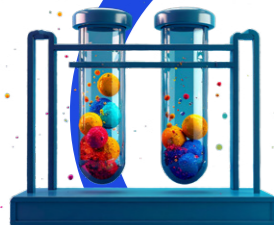
Stage 2: Embed

Where leading organisations are experimenting

Embedding AI into journeys, processes, and value streams.

Deploying agentic AI pilots for proactive service, predictive insights, and autonomous workflows.

Establishing governance, guardrails, and early orchestration across functions.



Stage 3: Evolve

Where the future is heading

Enterprise-wide and ecosystem orchestration of agentic AI.

Customer journeys and value streams redesigned to be adaptive, anticipatory, and real-time.

AI operating models driving sustainable growth, resilience, and trust.



Organisations across the UK have made progress in digitising customer experience, but AI adoption remains uneven. Most are still focused on building foundations, with only a few piloting more advanced agentic capabilities. The challenge now is to connect today's incremental steps with tomorrow's transformational potential. Using the Enable–Embed–Evolve maturity model, we can map where organisations are today. Many are on the journey from Enable to Embed, and are focusing on how to prepare for the agentic future that will become mainstream in the next 12–18 months.

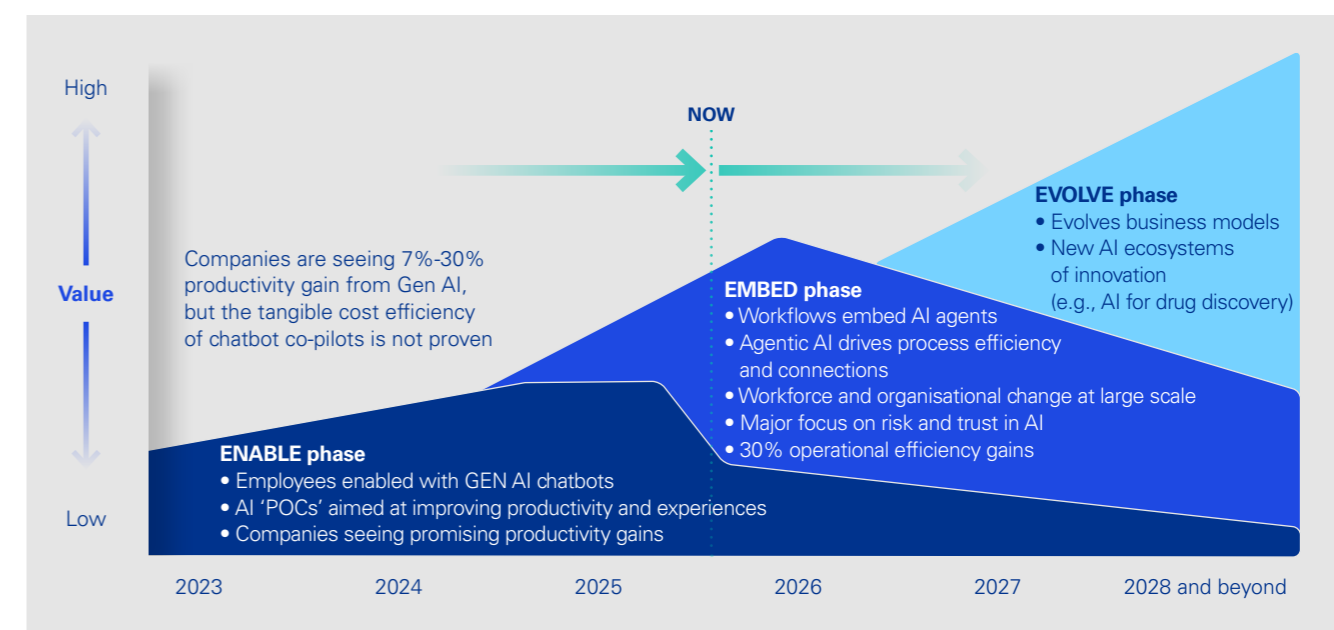
KPMG research⁴ shows that while most UK organisations are experimenting with AI, the majority remain in the Enable stage of maturity. Here, the focus is on building the foundations, modernising data, introducing early AI pilots, and digitising selected customer journeys. Some are beginning to Embed capabilities, trialling agentic AI in individual value streams such as proactive service or automated lead management. A smaller number are experimenting at the frontier, evolving business and operating models around a portfolio of value streams and orchestrated service delivery.

This uneven picture is natural. AI adoption is rarely linear; organisations often operate at different stages simultaneously across functions. But what matters is the clarity of the journey. Without a roadmap that links enablement to embedded pilots and ultimately to enterprise-wide evolution, efforts risk stalling in isolated proofs of concept.

The next 12–18 months will be critical. Agentic AI is expected to move from pilot to mainstream, reshaping how experiences are designed and delivered. Organisations that prepare now, by aligning journeys and value streams, putting data fabrics in place, and embedding governance guardrails, will be well positioned when adoption accelerates. Those that delay risk being left behind as customers begin to expect experiences that are autonomous, contextual, and deeply human. In short: the agentic future is closer than many realise. The winners will be those who successfully manage the rapidly developing state of AI technology through the enable, embed, and evolve phases laying the foundations for customer experiences that anticipate needs, act in real time, and earn lasting trust.

AI adoption maturity: where we stand

According to KPMG research⁴, many organisations are still focusing on enabling AI deployment at scale.



⁴ <https://kpmg.com/xx/en/what-we-do/services/ai/intelligent-banking.html>

Spotlight on Octopus Energy

Scaling integrity and innovation to transform customer experience
Interview with Joe Richardson: Operations Director

Octopus Energy's rise in the UK Customer Experience Excellence rankings, up 89 places, is the result of a strategy that balances a relentless focus on the fundamentals with consistent innovation. According to Joe Richardson, Director at Octopus, the shift is not about sweeping changes but rather "doubling down on what we do well."

At the heart of this progress lies a commitment to the basics: high-quality interactions, accurate billing, and reliable smart meter connections. These improvements are underpinned by an agile operating model, delivering small enhancements every week that compound into significant change over time. Equally important is the empowerment of front-line teams.

Octopus has pushed further this year to grant customer specialists greater autonomy, permissions, training, and tools. This allows them to resolve issues quickly and deliver more personalised experiences, avoiding the pitfalls of rigid call-time targets or impersonal chatbot deflections.

Building trust through integrity

Octopus scores particularly strongly on Integrity, a critical dimension in a sector where transparency and fairness are often questioned. Richardson highlights three pillars of trust:

- **Transparency:** Clear tariffs, simple explanations, and proactive pricing adjustments build credibility. Octopus openly advocates for reforms that reduce costs for consumers.
- **Fairness:** By rejecting exit fees and long-term contracts, Octopus places power in customers' hands, ensuring loyalty is earned, not enforced.
- **Human connection:** Fast access to real people, consistent tone, and a focus on solving problems strengthen long-term trust.

Personalisation at scale

A key differentiator for Octopus is its ability to personalise services while serving millions of customers. Its proprietary Kraken platform provides rich data and context to tailor experiences. The company's team-based model assigns customers to a group of 12–15 specialists, ensuring familiarity and continuity rather than faceless interactions. This human-tech blend helps create relationships at scale.

Innovation that delivers real value

Innovation at Octopus is designed to simplify lives, cut costs, and accelerate the green energy transition. Flexible tariffs like Agile Octopus and Intelligent Octopus enable customers to align their energy use with periods of lowest price and carbon intensity, saving money while supporting sustainability. Meanwhile, Octopus is simplifying the path to low-carbon technologies such as solar, batteries, and heat pumps, making them accessible and financially attractive to households.

Sustaining momentum

Looking ahead, Octopus sees the economics of low-carbon technology as "inescapable." As adoption accelerates, the company plans to combine cutting-edge hardware with user-friendly apps, innovative tariffs, and human service. Richardson believes this formula will empower customers to fully participate in the energy revolution: "We think the Octopus combination of great hardware, amazing apps/account and innovative tariffs, backed up with brilliant, human service, will enable customers to make the most of this energy revolution." Octopus Energy's trajectory demonstrates how consistency in execution, anchored in transparency and fairness, combined with purposeful innovation, can reshape customer experience in a sector often characterised by complexity and mistrust.



We think the Octopus combination of great hardware, amazing apps/account and innovative tariffs, backed up with brilliant, human service, will enable customers to make the most of this energy revolution."

Joe Richardson
Operations Director
Octopus Energy



Preparing for agentic AI-X

Implementing agentic AI requires tackling a number of thorny and historically intractable organisational issues. Organisations will need to focus on several key areas, including strategic planning, ethical considerations, workforce transformation, technological infrastructure, and governance frameworks.

Strategic planning and vision: Organisations should first develop a clear strategic vision for how autonomous AI will integrate into their operations and contribute to their overall objectives. This involves identifying specific business processes where autonomous AI can deliver significant value, such as automating complex decision-making, optimising supply chains, or enhancing customer service. A comprehensive roadmap should outline the phased implementation of AI technologies, starting with pilot projects to test feasibility and gather insights, ensuring that AI initiatives are aligned with long-term goals and deliver sustainable competitive advantages.

Ethical considerations and responsible AI: The deployment of autonomous AI necessitates a robust ethical framework. Organisations should establish clear guidelines and principles to ensure that AI systems operate fairly, transparently, and accountably. The KPMG Trusted AI Framework provides a useful foundational approach. This includes addressing potential biases in AI algorithms, safeguarding data privacy, and ensuring human oversight in critical decision-making processes. Developing mechanisms for auditing AI decisions and providing avenues for redress when errors occur is paramount. Responsible AI practices are not just about compliance; they are about building a foundation of trust that is essential for the successful and ethical integration of autonomous systems.

Workforce transformation and skill development: Autonomous AI will inevitably reshape the workforce, requiring organisations to invest heavily in workforce transformation. This involves identifying new roles that will emerge, reskilling existing employees, and fostering a culture of continuous learning. Training programmes should focus on developing skills in AI development, data science, AI ethics, and human-AI collaboration. Employees will need to understand how to interact with and manage autonomous systems, shifting from purely operational tasks to roles that involve oversight, interpretation, and strategic guidance.

Organisations should also consider the psychological impact of AI on employees, providing support and clear communication about the evolving nature of work.

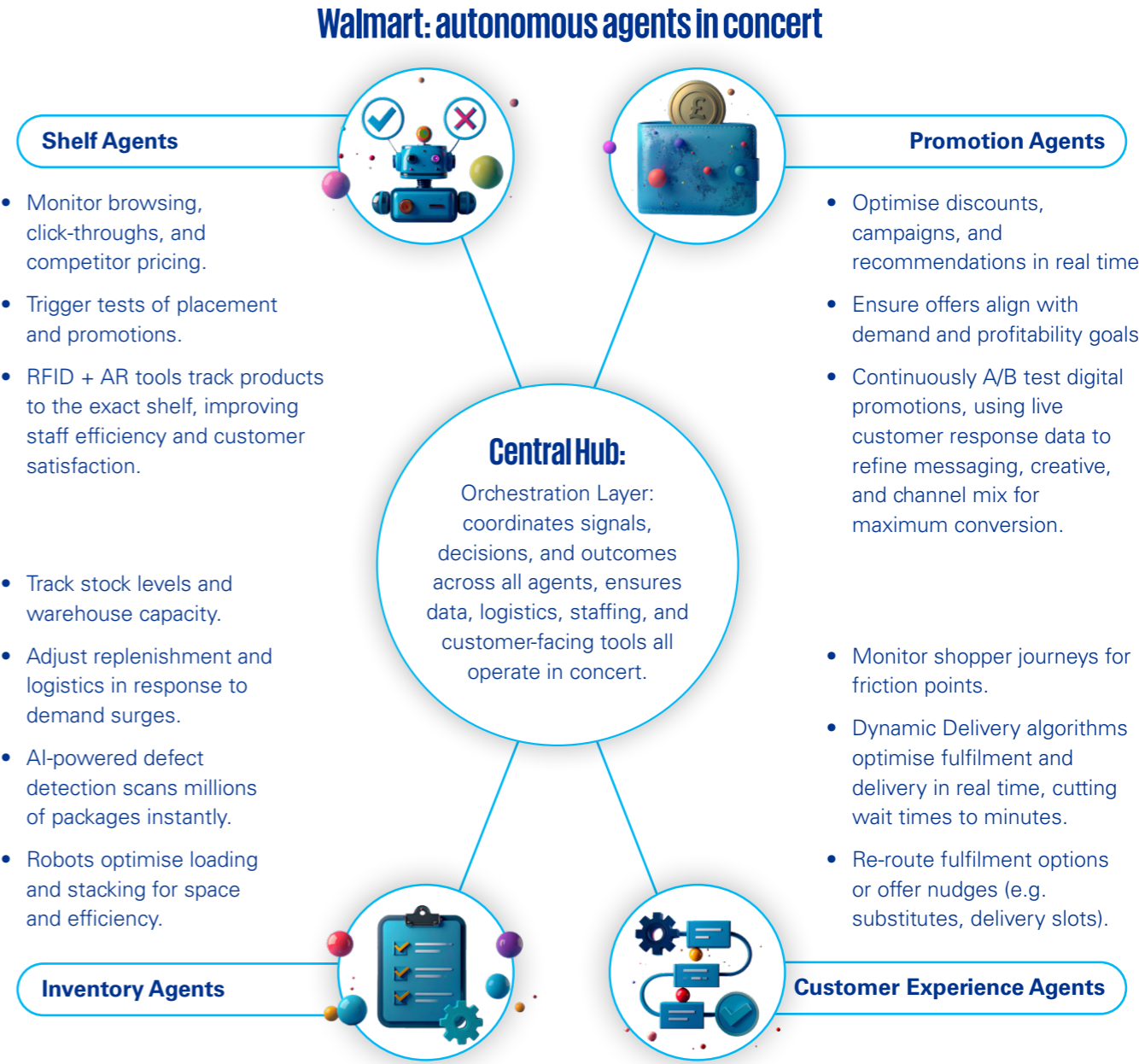
Technological infrastructure and data management: A robust technological infrastructure is the backbone of successful autonomous AI deployment. Organisations need to invest in scalable computing power, advanced data storage solutions, and secure network architectures. This includes adopting cloud-based platforms that offer the flexibility and resources required for AI model training and deployment. Effective data management is equally critical, as autonomous AI systems rely on vast amounts of high-quality data. Organisations should establish clear data governance policies, ensuring data accuracy, integrity, and accessibility. This also involves implementing advanced cybersecurity measures to protect sensitive data and AI systems from malicious attacks. The infrastructure should be designed to support the continuous evolution of AI technologies, allowing for seamless upgrades and integration of new capabilities.

Governance frameworks and regulatory compliance: Establishing comprehensive governance frameworks is essential for managing the risks and ensuring the benefits of autonomous AI. This involves defining clear roles and responsibilities for AI development, deployment, and monitoring. Organisations should implement internal policies and procedures that align with emerging AI regulations and industry best practices. This includes developing risk assessment methodologies specific to AI, establishing incident response plans, and ensuring compliance with data protection laws.

In conclusion, preparing for autonomous AI demands a holistic approach. By strategically planning, prioritising ethical considerations, transforming the workforce, building robust technological infrastructure, and establishing strong governance frameworks, organisations can harness the transformative power of autonomous AI to drive innovation, enhance efficiency, and secure a competitive edge.

Case study: Walmart

One of the most advanced users of autonomous agents is Walmart. The company has built a highly sophisticated agentic AI ecosystem where multiple autonomous agents operate in tandem. These “super agents” support functions spanning shopping journeys, logistics, staffing, and back-office assistance, each purpose-built for specific tasks⁵. Anchored on proprietary LLMs and cart/core data integration, these agents work in concert through an orchestrated system that manages everything from customer interactions and cart completion to supply intelligence and developer enablement⁶. This is an enterprise-wide AI mesh that senses, decides, and activates in real time.



⁵ https://corporate.walmart.com/news/2025/05/29/inside-walmarts-strategy-for-building-an-agentic-future?utm_source=chatgpt.com
⁶ <https://corporate.walmart.com/news/2025/05/29/inside-walmarts-strategy-for-building-an-agentic-future?utm>

Lessons in AI

**Benedetto Conversano, Strategic Business Technology Advisor
(Former CIO, Diageo/Avon/Jeronimo Martins)**

As part of KPMG's Lessons in AI webinar series, Linda Ellett, Partner and Head of Consumer, Leisure and Retail at KPMG UK, sat down with Benedetto Conversano, former CIO at Diageo/Avon/Jeronimo Martins, to discuss how AI is reshaping consumer industries and what is required to scale AI and create value. Conversano shared insights on governance, effectiveness, agentic technology, and the cultural mindset required to realise AI's full value.

Governance: Aligning experimentation with strategy

Conversano stressed the importance of coordination, clarity, and alignment in AI efforts. "In this stage of learning about the technology, having a governance body that is dedicated to AI, on why we should use it and where we should use it is very helpful."

"Establishing an AI board comprising multifunctional teams of senior decision makers and frontline experimenters can help ensure clarity on direction, harmonisation between business strategy and technology enablement, and avoid fragmented efforts."

Importantly, Conversano dislikes the notion of a standalone "AI strategy." Instead, the focus was on competitiveness: "The question to ask is not what is our AI strategy? but how are we going to be more competitive by leveraging technology?"

"I am a big believer in governed innovation; we cannot have 1000 things going around and no control."

Value beyond efficiency: effectiveness is the true prize

Conversano cautioned against a narrow focus on return on investment and efficiency. "Too much linking of AI to efficiency creates a fear of losing jobs, and that fear creates a state of mind that is not productive," he said.

For him, AI's real value lies not in efficiency but in effectiveness, improving decision quality, accelerating

innovation, and solving problems previously beyond reach. "We have created a technology that thinks differently and can tackle difficult problems in new ways."

Agentic AI: democratising innovation

Conversano was an early advocate for agentic AI, for example overseeing implementation of an agent that allowed employees outside IT to build their own AI tools. "We saw rapid growth in new and exciting applications when we democratised agentic technology."

Agentic AI, he argued, will also address the persistent challenge of data. By improving extract, transform and load (ETL) processes, agentic AI can pull data from multiple sources, restructure it, and ensure higher data quality. Conversano believes this will transform business intelligence: "Instead of dashboards, we'll simply ask questions, 'please compare this month's sales with the same month in 2024 and 2023' and the system will provide the answer."

Process mining and the future of ERP

Conversano is a strong believer in the potential of AI to reimagine how businesses run. He highlighted process mining, using AI to create an "X-ray" of how work is performed, as a particularly powerful tool. With AI embedded, process mining not only reveals inefficiencies but also suggests improvements.

Looking further ahead, Conversano foresees agents eventually replacing large-scale ERP systems. "In future years we may even see ERP systems replaced by agents."

Educating leaders: the board's AI journey

Perhaps the most fundamental lesson, according to Conversano, is leadership education. He attended an intensive week-long AI course at INSEAD and returned convinced of AI's transformative potential. "I insisted that my team went on the same course, and they came back equally as excited," he said.

For boards and executives, the imperative is clear: AI is not a passing trend but a journey that must start now.



Establishing an AI board comprising multifunctional teams of senior decision makers and frontline experimenters can help ensure clarity on direction, harmonisation between business strategy and technology enablement, and avoid fragmented efforts."

Benedetto Conversano

Strategic Business Technology Advisor
(Former CIO, Diageo/Avon/Jeronimo Martins)

03.

Implementing agentic across marketing, sales and service



Breaking down the front-office barrier

The challenge in using agentic AI to improve customer experiences lies in the reality of the modern front office. Marketing, sales, service, digital channels, and customer operations often operate as separate worlds, each driven by its own metrics and systems. Marketing pursues growth, sales chases conversion, service aims for resolution, and compliance ensures control. The result is a patchwork of conflicting priorities and fragmented processes.

Information that could improve the customer journey is often trapped in silos, locked behind legacy systems, departmental tools, or campaign-specific solutions. The cost of this fragmentation is more than inefficiency. It erodes trust, creates duplication, slows response times, and leaves customers with experiences that feel inconsistent and impersonal.

The integrating potential of agentic AI

Agentic AI could become the catalyst that finally unites the front office. By sensing signals across the entire customer journey and coordinating action instantly, agentic systems bring coherence. They can interpret what's happening, decide the best next step, and either act directly or escalate to a human when needed.

Marketing reimagined

In marketing, agentic systems use live signals to adjust campaigns in real time. They can identify when a customer should move between audience segments, optimise spend autonomously, and generate micro-content tailored precisely to a customer's moment, context, and channel. This shifts marketing from static planning to continuous orchestration, learning, testing, and adapting.

Sales reinvented

For sales teams, agentic AI becomes a collaborator. It can qualify leads autonomously by assessing intent, book meetings directly into CRM systems, and monitor deal pipelines in real time. These intelligent agents not only flag risks and opportunities but also act, drafting contracts, scheduling demos, and surfacing tailored offers without waiting for manual input.

Service transformed

In customer service, agentic systems move from reaction to prediction. They can detect missed payments or failed shipments before customers notice and act to resolve them proactively. By dynamically adapting tone and language they can deliver empathy at scale, escalating to humans when emotional intelligence or judgement is required. Every interaction becomes a learning opportunity, updating knowledge bases in real time and improving performance with every conversation.

Towards an integrated front office

The real promise of agentic AI lies in its ability to orchestrate the entire front office as one connected system. A single customer signal, say, a disrupted flight, can trigger coordinated actions across partners: automatically rebooking hotels, notifying insurers, and rescheduling travel.

In this integrated future, agentic AI doesn't replace human teams, it connects them. It dissolves silos, aligns goals, and restores the one thing every organisation strives for, but few achieve: a front office that truly acts as one in service of the customer.

The front office agentic opportunity



Marketing: Personalisation and engagement at scale

Agentic AI enables the delivery of highly personalised content at scale. By continuously interpreting customer signals, such as browsing patterns, location data, or shifts in digital behaviour, it enables brands to deliver personalised content with perfect timing. This improves target accuracy, boosts engagement rates, and makes campaigns more relevant to individual needs.

- **Data-driven insights:** Signal detection allows marketing teams to understand not just what customers have done, but what they are likely to do next, delivering content that can support, guide or promote relevant offers. This turns data into foresight.
- **Use cases:** A customer researching sustainable living might receive a tailored green energy offer; a small business owner comparing payroll systems could be presented with financing solutions; a lapsed subscriber might be re-engaged with a personalised incentive.
- **Business impact:** By optimising content delivery and aligning campaigns to real-time signals, agentic AI can help maximise relevancy while deepening customer connection.

Sales: Smarter prioritisation, higher conversion

Sales success often hinges on timing, and AI can make perfect timing possible. Agentic AI continuously detects buying signals such as contract renewal dates, changes in usage patterns, or key life events, refining lead scoring and prioritisation to ensure sales teams focus on the most promising opportunities.

- **Sales enablement tools:** Situational insights empower sales reps during conversations - surfacing contextual pricing, or churn risk indicators as they speak with the customer.

- **CRM integration:** Combining agentic and CRM systems ensures that opportunities are tracked, prioritised, and followed up. Salespeople can act faster and more effectively, improving conversion rates and shortening cycles.
- **Business impact:** By aligning reps with the right customer at the right time, agentic AI increases pipeline velocity and boosts win rates.
- **Sales value streams:** These are the end-to-end processes that span departments and functions, where coordination is required to ensure value is maximised for the organisations and the customer. Agentic AI can help better connect the systems, data and people within these processes to increase sales opportunities.

Service: From resolution to proactive growth

Service has traditionally been reactive, waiting for a customer to raise an issue. Agentic AI flips this model by detecting signals that indicate emerging problems, allowing organisations to step in proactively. This reduces the need for customers to seek help, lowers frustration, and builds trust.

- **Efficiency and satisfaction:** Signal-driven orchestration improves response times while optimising resource allocation, balancing digital self-service with human support.
- **Training and support for customer teams:** Agentic AI tools can be embedded into existing protocols, providing service representatives with prompts such as recommended solutions, churn alerts, or opportunities to offer value-added services.
- **Business impact:** Service becomes not only faster and more reliable, but also a channel for relationship deepening, turning problem resolution into a source of growth.



Customer insight: The fuel of agentic CX

Great customer experiences start with understanding. In an agentic world, that understanding comes not from static segmentation or historical averages, but from live, human signals, moments that show when someone needs help, advice, or reassurance.

These “signal moments” are everywhere: a sudden drop in spending that hints at financial stress; a spike in digital service use that suggests something’s gone wrong; or a life event such as moving house or retiring, which often triggers a flurry of interconnected needs across banking, insurance, and utilities.

Agentic AI turns these clues into action. Instead of waiting for a complaint or a call, intelligent agents can sense these shifts, interpret intent, and respond, often before the customer even asks. And when judgement or empathy is needed, they hand over to humans, equipping them with the right insight at the right time.

The difference lies in how insight is used. Done well, it feels like service that is timely, relevant, and personal. In the best organisations, insight doesn’t just power agentic CX, it restores something essential to digital relationships: trust.

From research to decision intelligence

In a world of pervasive data streams, the value of insight lies in its ability to identify the decisions that matter, the signals that inform them, and the workflows they trigger.

Signal moments need to be defined, detected, and translated into action. The insight team becomes a curator of these signals, embedding them into the organisation’s decision fabric so that insight flows seamlessly into strategy, operations, and customer engagement.

Planning for real-time data and agentic workflows

To unlock this value, insight leaders should plan for real-time data use that can feed agentic workflows. Initially, humans will remain the decision-makers, but as confidence grows and governance matures, agentic systems will increasingly automate routine choices and free people for higher-order judgement.

Key enablers include:

- Curating data in a way that supports continuous sensing and interpretation.
- Establishing a decision inventory: mapping the high-impact decisions, the signals that inform them, and the thresholds that trigger action.
- Building governance so insight remains trusted as more tasks shift from human execution to machine orchestration.



Agentic intelligence marks a turning point for insight teams - from analysing what happened, to orchestrating what happens next. It’s how understanding finally becomes action at scale.”

Mickey Crow
Partner, Insight & Voice of the Customer



Designing a decision-led insight operating model

A step-change will be required in how insight functions organise themselves. A decision-led operating model should span four dimensions:

- **Operating model and governance:** Embed insight professionals in value streams and decision forums; define ownership for signal detection and agentic oversight.
- **Technology and data fabric:** Integrate advanced analytics, voice-of-customer (VoC) systems, and AI-enabled reporting into a unified data environment.
- **Skills and roles:** Blend data science, behavioural science, and business acumen; cultivate “decision engineers” who translate insight into actions.
- **Processes and workflows:** Standardise signal identification, decision simulation, and outcome tracking.

The shift from buying research to curating signals, shaping decisions, and enabling agentic execution will define the next generation of insight functions. Leaders who act now, by modernising data foundations, adopting decision-centric operating models, and experimenting with agentic AI, will better position their organisations to adopt this new technology.



AI agents can be valuable but only if they are built in a responsible and thoughtful way. Organisations need to ensure they are designing the underlying data model correctly and grounding the system in trusted, authoritative data sources – otherwise, the agent may appear logical and transparent, but it is actually making decisions based on shaky foundations. Like with most forms of AI, agents will only be as good and reliable as the data they are trained on and have access to.”

Leanne Allen
Partner and Head of AI, Advisory

The agentic contact centre

AI takes the routine; humans handle the moments that matter

In the near future, the contact centre will be almost unrecognisable. Gartner predicts that by 2029, up to 80% of routine customer queries will be resolved end-to-end by AI agents, not just chatbots, but autonomous, context-aware systems that can interpret intent, take action, and close the loop without human involvement. Far from spelling the end of the human agent, this heralds a new era of human-AI collaboration. People will focus where they matter most: complex cases, high-stakes problems, and emotionally charged moments where empathy and judgment are essential.

Anticipatory resolution

Unlike static bots, these AI agents operate autonomously, pulling data from CRM, logistics, billing, and even third-party systems to deliver end-to-end resolution. In telecoms, agentic systems can diagnose and resolve network issues before the customer notices. In banking, they can flag fraud, reverse charges, and notify the customer in real time. This marks the shift from reactive service to anticipatory care and reduces the load on the contact centre.

Breaking down silos

Tomorrow's contact centre won't exist in isolation. It will operate as the orchestration hub of an enterprise-

wide network of AI agents, spanning sales, logistics, finance, and service. Customer requests will move seamlessly between agents that share context, intent, and permissions. Instead of being "transferred between departments," customers will experience a continuous, intelligent journey where the system knows who they are, what they need, and what's next.

Customer Data Platforms (CDPs) will be the connective tissue of this ecosystem, ensuring continuity so customers never have to repeat themselves. Orchestration layers will govern how human and AI agents collaborate in real time. And agent libraries, pre-trained, modular AI components that can be deployed and reused across journeys, will make the entire contact ecosystem more scalable, consistent, and compliant.

Human roles reimaged

Humans will not disappear; they will move up the value chain. The contact centre of the future will be staffed by emotionally intelligent experts capable of navigating ambiguity, calming frustration, and resolving exceptions. AI will do the heavy lifting in background research, summarising conversations, suggesting next best actions, and even predicting customer emotion in real time.

Supervisors will transition from queue managers to AI orchestrators, overseeing a blended workforce of people and digital agents, requiring AI operations and strong data analysis skills. A new class of professionals will emerge: AI experience designers, responsible for tuning conversational tone, ethical boundaries, and escalation protocols; and agent governance leads, ensuring that every automated action meets regulatory, ethical, and brand standards.

The contact centre of the future will be able to quickly bring new team members up to speed, helping to maintain a consistent customer experience, even as the workforce changes.

New measures of success

Legacy metrics such as Average Handle Time (AHT) or First Call Resolution (FCR) will give way to outcome-based measures that better reflect customer value. Future metrics will include:

- Proactive Resolution Rate – issues identified and solved before the customer initiates contact.
- Customer Journey Completion Rate – how effectively multi-step interactions are fulfilled without friction.

Gartner predicts that by 2029, up to

80%

of routine customer queries will be resolved end-to-end by AI agents

- AI Escalation Rate – the proportion of interactions correctly identified as requiring human empathy or discretion.
- Trust Index – measuring transparency, explainability, regulatory compliance and perceived fairness in AI decisions.

These new KPIs reflect a contact centre that is no longer a cost centre but a value-creation engine.

Towards an unrecognisable future

With agentic AI at its core, the contact centre will shift from being the place customers go to fix problems to the place where problems are prevented altogether. It will become a dynamic command centre for the customer relationship, continuously learning, predicting, and acting in the background. Human agents will deliver empathy; AI agents will deliver precision. Together, they will define a new standard of service.

Integration across front office

The potential of agentic technology and signal moments is clear but realising it is not straightforward. Most organisations face barriers in three areas:

- **Data fragmentation:** Agentic requires integrating customer data across channels, functions, and ecosystems, something many firms struggle to achieve. Investment in knowledge management tools will become more important, to enable the AI agents to learn from query resolution.
- **Operating model alignment:** Marketing, sales, and service often operate in silos. Orchestrating signal moments demands cross-functional governance, agile ways of working, and a shift in culture.
- **Technology orchestration:** Agentic AI must be embedded into existing systems and journeys, requiring platforms, reusable agents, and intelligent orchestration capabilities.

04.

Conclusion: The future is agentic and human

The future of customer experience will be autonomous, contextual, and still deeply human. Agentic AI is the enabler, but operating models and data foundations are the unlock. The next era belongs to those who can sense, decide, and act not just faster, but with greater empathy, trust, and purpose, at scale and across ecosystems.



Conclusions

The leading organisations in our research are demonstrating a clear path forward in preparing for agentic AI. They are not merely adopting new technologies but are strategically integrating them to enhance customer experiences and scale digital operations. The defining characteristic of these leaders is their ability to harmonise digital efficiency with human warmth, by blending technological expertise with a strong service ethic.

Our findings consistently reinforce that mastery of The Six Pillars remains the cornerstone of customer experience excellence. Within this framework, Personalisation and Integrity emerge as critical drivers, fostering deep customer loyalty and advocacy. The leading organisations understand that while technology can automate and optimise, the human element of trust and tailored experiences is irreplaceable.

Many of the leaders in our index are already actively preparing for an agentic future, engaging in pilot programmes and proofs of concept to explore the capabilities of these new technologies and adapt their infrastructure accordingly. This proactive approach is vital, as the journey towards widespread agentic AI adoption will necessitate profound strategic change across organisational design, data management, technology stacks, and the employee experience. New skill sets will be needed, alongside robust guiding frameworks to manage and mitigate the unique risks associated with AI and agentic systems.

Despite the inherent challenges, agentic AI offers compelling potential to overcome systemic barriers to front-office efficiency and effectiveness. However, unlocking this value will demand significant shifts in mindsets, key performance indicators, systems, and processes.

The “AI clock” is ticking; we estimate a 12-18 month window before agentic AI can be scaled for widespread use. The impressive progress and return on investment demonstrated by world-leading organisations like Walmart illustrate the urgency for organisations to begin preparing now for a fundamental transformation in their ways of working.

The “AI clock” is ticking; we estimate a

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before agentic AI can be scaled for widespread use.



CX agentic implementation recommendations

Implementing CX excellence across the front office



1

Adopt a unified customer vision

- Define a clear, enterprise-wide CX ambition that spans marketing, sales, and service.
- Anchor KPIs around customer outcomes (loyalty, retention, lifetime value), not just functional efficiency.
- Ensure senior leaders model a shared commitment to customer-centric decision-making.

2

Integrate systems and data

- Build a connected front-office architecture with a common data platform.
- Ensure marketing, sales, and service draw from the same “single source of truth.”
- Break down silos by enabling real-time data sharing across channels and functions.
- Ground models on trusted external sources and a well-defined data and knowledge base model, as this increases accuracy in decisions.

3

Design for signal responsiveness

- Identify “signal moments” across the lifecycle where customers’ needs or emotions change.
- Use agentic AI to sense, predict, and act on these signals proactively.
- Ensure interventions are context-aware, timely, and delivered via the customer’s preferred channel.

4

Balance AI with human empathy

- Use AI to automate the routine (Taskers, Automators) but empower people to deliver empathy where it matters most.
- Equip frontline employees with real-time insights (Collaborators) to enhance human judgement.
- Ensure orchestration (Orchestrators) unifies digital and human touchpoints into a seamless journey.

5

Create common metrics across functions

- Align marketing, sales, and service around shared CX KPIs (e.g. NPS, CES, CLV).
- Supplement efficiency measures with trust, empathy, and resolution metrics.
- Use consistent dashboards to track progress and accountability across teams.

6

Empower people and culture

- Train employees to use AI tools confidently, not fearfully.
- Reinforce the ethos that technology amplifies service rather than replaces it.
- Recognise and reward behaviours that blend efficiency with empathy.

7

Evolve the operating model

- Shift from functional optimisation to value-stream orchestration.
- Embed agile governance so CX initiatives can scale quickly from pilot to enterprise.
- Build adaptive, composable capabilities that evolve as customer expectations change.

CX excellence across the front office requires more than advanced technology. It demands a unifying vision, integrated data, cross-functional KPIs, empowered people, and operating models designed to orchestrate intelligence and empathy at scale.

How KPMG can help

At KPMG, we help organisations put the customer at the centre of transformation, turning insight into action, and experience into measurable business value. Building on our Customer Experience Excellence research and sector expertise, we support clients in three critical areas:



Working with our clients to enable their front office of tomorrow

We inspire and enable organisations to reimagine how they engage with customers across sales, service, marketing and commerce. From creating seamless omnichannel experiences to transforming contact centres with AI, we bring pre-configured accelerators, best-practice operating models and industry benchmarks that reduce cost, unlock growth and improve satisfaction.

- **Modern front office operating models for sales, service, marketing and commerce:** enterprise models built on leading technology (Salesforce, Microsoft, Medallia) covering process, people, service delivery, technology, reporting and governance. Our accelerators radically reduce timelines.
- **Breakthrough innovation:** leveraging KPMG's Ignition, sector leaders and SMEs with deep specialisms in data, technology, regulation and ethics, we help clients reimagine the future of their front office. Our benchmarking and maturity assessment tools support clients to build robust business cases and gain the confidence to drive transformation.
- **Cost and growth business outcome support:** helping clients identify cost-efficiency opportunities in the front office - often used to fund growth - and reimagine their systems and workforce strategy.



Turning customer insight into intelligent action

We connect customer signals to business outcomes. Our Voice of the Customer (VoC) and insight transformation services integrate multiple data streams (direct feedback, behavioural signals and operational data) into a single decision-making framework. This empowers leaders to move from reactive reporting to proactive orchestration, aligning customer needs with strategy, growth and efficiency.

- **Decision-led VoC:** embedding customer feedback into strategic and operational decisions, aligning insight directly to growth, cost and transformation objectives.
- **Insight transformation:** evolving insight functions from reactive reporting to proactive, evidence-led enablers of growth, integrating multiple data sources and AI for faster and more actionable outputs.
- **Agentic intelligence:** KPMG's next-generation platform for transforming how organisations create and use customer insight. It combines a network of collaborative AI agents with human expertise to deliver always-on, decision-ready intelligence. Designed to replace traditional, manual insight functions, it enables faster sensing, smarter analysis, and seamless activation - turning customer data into continuous, adaptive value creation.



Scaling AI investments in sales, service, marketing and commerce

With the rapid rise of agentic and generative AI, we help clients scale innovation responsibly. We leverage our AI use-case libraries, enterprise operating models that integrate AI into front-office operating blueprints, and alliances with technology leaders (including Microsoft, ServiceNow, Salesforce and Medallia) to accelerate delivery, improve ROI, and future-proof customer experience investments.

- **Customer service AI use-case repository:** 60+ proven AI applications for contact centres and front office, from intelligent routing to conversational AI.
- **AI prioritisation and impact assessment tools:** frameworks to identify, prioritise and validate AI opportunities aligned to customer and commercial outcomes.
- **Reference architectures for contact centres as a service (CCaaS):** supporting the design of scalable, cloud-based customer service models.

Shaping customer strategy with global best practice

KPMG's Customer Experience Excellence Centre works with leading organisations to co-create transformative customer experience strategies.

Backed by insights from over 791,000 consumers across 41 countries, we help you unlock new value, elevate your CX programmes, and deliver measurable results.

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KPMG AI and customer experience excellence glossary of terms

AI is moving fast, and so is its vocabulary. In this year’s report we use a number of new terms. The aim of this glossary is not only to demystify the terminology, but to help readers connect these ideas directly to the customer experience agenda:

Foundational AI terms

Artificial Intelligence (AI)

The simulation of human intelligence in machines that are programmed to think, learn, and make decisions.

Traditional AI

The first generation of AI, typically rule-based systems designed to automate repetitive tasks. These operate on structured inputs and pre-defined outputs without contextual awareness or autonomy.

Machine Learning (ML)

A core branch of AI in which systems learn patterns from data and improve performance over time without being explicitly programmed. ML powers applications such as fraud detection, recommendation engines, and predictive maintenance.

Bots

Automated programs designed to perform simple, rule-based tasks. Early bots were limited to scripted actions such as answering FAQs or routing queries.

Conversational Bots

A more advanced type of bot powered by natural language processing (NLP). Conversational bots simulate human conversation, handle more complex queries, and can escalate seamlessly to human agents when needed.

Generative AI (GenAI)

Models capable of creating new content, text, images, code, video, or design, based on training data. Examples include ChatGPT, Copilot, and MidJourney.

Next-generation AI

Agentic AI

A new generation of AI that goes beyond prediction and recommendation to take autonomous action. Agentic AI systems sense signals, interpret context, make decisions, and direct outcomes across workflows.

Autonomous Agents

Software entities that use AI to independently carry out tasks such as monitoring, optimisation, or customer service. They learn from feedback, interact with other systems, and adapt over time.

Ambient AI

AI that operates unobtrusively in the background, embedded in everyday environments and interactions. It anticipates needs and supports decisions without requiring explicit prompts.

Nudges

Subtle AI-driven prompts delivered in real time to influence behaviour or decisions. For example, nudging a customer to save when spending spikes, or reminding them to settle a bill on time.

Digital Twin

A virtual representation of a physical asset, process, or system that uses real-time data to simulate, predict, and optimise performance.

No-Code / Low-Code Platforms

Development environments that allow users to build applications with little or no coding, often through drag-and-drop interfaces. Increasingly AI-enabled, these platforms empower “citizen developers.”

Citizen Developer

A non-technical employee who uses no-code/low-code or AI-powered design tools (e.g., Figma, Copilot) to create applications and workflows. This democratises innovation and accelerates AI adoption.

Orchestrated Service Mesh

An AI-enabled framework that coordinates multiple autonomous agents and systems. For example, in banking, orchestrating fraud prevention, customer service, and compliance in real time.

AI experience concepts

Moments that Matter / Signal Moments

Critical points in a customer journey where emotions run high and decisions are shaped. Agentic AI helps detect and act on these signals in real time.

Experience Portfolio

The combined set of touchpoints that make up a customer’s interaction with an organisation. AI helps measure and optimise across this portfolio.

Signature Experience

A distinctive, branded standard of customer experience that defines how an organisation consistently engages with customers.

Personalised Loyalty

The next generation of loyalty programmes powered by AI, where rewards and experiences are tailored dynamically to individual behaviour and context.

Total Experience (TX)

An integrated approach combining customer experience (CX), employee experience (EX), user experience (UX), and partner experience. AI enables consistency and alignment across these dimensions.

Guardrails

The governance structures, policies, and ethical standards that ensure AI is deployed safely, responsibly, and transparently. Guardrails cover bias mitigation, explainability, compliance, and alignment with regulatory requirements, protecting both organisations and customers.

AI enablers

Customer Journeys

End-to-end pathways that map how customers interact with an organisation across channels and touchpoints. In the AI era, journeys are redesigned to be adaptive and predictive, with agentic AI enabling real-time responses to customer signals.

Value Streams

The flows of activity that create value for customers and the organisation, cutting across functional silos. Aligning AI to value streams ensures investment targets outcomes that matter most — from faster underwriting in insurance to seamless onboarding in banking.

Data Fabric

An integrated layer of data and connectivity that unifies disparate sources, systems, and formats. Data fabric enables AI models to access, share, and act on trusted data consistently across the enterprise.

Orchestration

The coordination of multiple AI models, systems, and workflows to deliver outcomes greater than the sum of their parts. Orchestration ensures AI does not operate in silos, but in concert, whether that means synchronising fraud detection, customer engagement, or supply chain optimisation.

Governance Frameworks

Formal structures for managing AI across its lifecycle, from strategy, design, and testing to monitoring, accountability, and audit. Strong governance is critical to maintaining trust and scaling AI responsibly.

Cloud and Edge Infrastructure

The technical backbone for AI adoption. Cloud provides scalable computing power and data storage, while edge computing brings processing closer to where data is generated, reducing latency and enabling real-time insights.

APIs and Microservices

Modular building blocks that allow AI capabilities to be embedded into existing systems. APIs enable seamless integration, while microservices support composability, making it easier to evolve, scale, and recombine AI applications.

Responsible AI

A holistic approach to designing, deploying, and governing AI in line with principles of fairness, accountability, transparency, and sustainability. Responsible AI underpins long-term trust.

UK top 100 results 2025

Change vs. 2024

Up

Down

Non-mover

Not ranked in 2024

New to research

1	Richer Sounds	26	Waterstones	51	PayPal	76	National Trust
2	Nationwide	27	Next	52	Monzo	77	Dunelm
3	first direct	28	Virgin Holidays	53	Holland and Barrett	78	ASOS
4	Emirates	29	Burberry	54	Virgin Active	79	M&G
5	John Lewis & Partners	30	KLM	55	Timpson	80	Clarks
6	Specsavers	31	Simplyhealth	56	Octopus Energy	81	The Co-operative Travel
7	Ocado	32	TUI	57	Marriott	82	LG
8	M&S Food	33	Cult Beauty	58	Cook	83	Nutmeg
9	Yorkshire Building Society	34	Pharmacy2U	59	M&S Bank	84	Boots
10	ao.com	35	Principality Building Society	60	Sainsbury's	85	Saga
11	Jet2	36	Skipton Building Society	61	Atom Bank	86	Bupa
12	Lakeland	37	Amazon	62	Sony	87	Holiday Inn Express
13	Chanel	38	American Express	63	Leeds Building Society	88	Booking.com
14	Samsung Store	39	Bonmarché	64	Virgin Atlantic	89	Space NK
15	Apple Store	40	giffgaff	65	Tesco Bank	90	Aldi
16	InterContinental Hotels & Resorts	41	Lush	66	AA	91	AXA
17	Starling Bank	42	Crowne Plaza	67	Selfridges & Co	92	IKEA
18	Coventry Building Society	43	Fitness First	68	Moonpig	93	Holiday Inn
19	DoubleTree by Hilton	44	Argos	69	Marcus by Goldman Sachs	94	Nespresso Store
20	LOOKFANTASTIC	45	The Perfume Shop	70	Screwfix	95	Green Energy UK
21	M&S	46	Boden	71	Gymshark	96	QVC UK
22	Sheraton	47	Tesco Mobile	72	Premier Inn	97	Aviva
23	Waitrose & Partners	48	Appliances Direct	73	Hargreaves Lansdown	98	The Body Shop
24	Bank of Scotland	49	Everyman Cinemas	74	Tesco	99	Flaming Grill
25	Air France	50	Haven Holidays	75	NS&I	100	Zara



Contacts

Key contact:

Nat Gross

Partner

nat.gross@kpmg.co.uk

Speak to a sector specialist:

Consumer, Energy & Telco

Tim Knight

Partner

tim.knight@kpmg.co.uk

Government & Healthcare

Jo Thomson

Partner

jo.thomson@kpmg.co.uk

Financial Services

Isabel Zisselsberger

Partner

isabel.zisselsberger@kpmg.co.uk

With special thanks to the Customer Experience Excellence Centre team,
led by David Conway and Tamsin Jenkins.

CEE@kpmg.co.uk

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