

A black and white photograph of a woman with bangs, smiling and looking at a tablet computer. She is sitting at a desk with a laptop open in front of her. The background is dark with some bokeh light effects.

**HOW COMPANIES
ARE USING AI &
HOW YOURS CAN TOO**

:ubiquity



INTRODUCTION

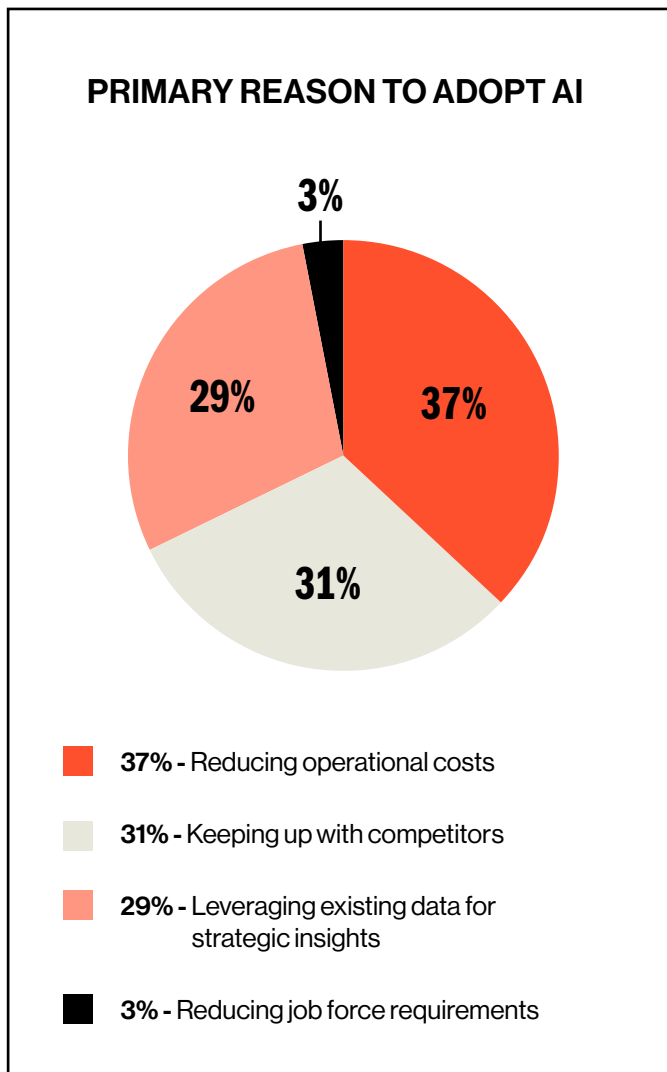
Business leaders are embracing AI to improve CX in three key areas: reducing costs, keeping up with competitors, and leveraging existing data for strategic insights.

According to a recent survey by Ubiquity and CX Dive's studioID, the vast majority (95%) personally believe that real-world capabilities of AI will meet or exceed the current hype within five to 10 years, despite readiness gaps in technical integration, data quality and risk management.

This research report examines how businesses are using AI, its effects on workforce dynamics so far and in the future, and what's required to manage risk and realize AI's full potential. With practical strategies to overcome readiness barriers, business leaders can continue pursuing AI solutions with a clear path forward.

3 PRIMARY DRIVERS OF AI ADOPTION

Almost all decision-makers across industries are turning to AI solutions that impact CX: 50% have partially implemented AI or some form of the technology, while another 46% have fully implemented it. The remaining 4% are planning implementations.

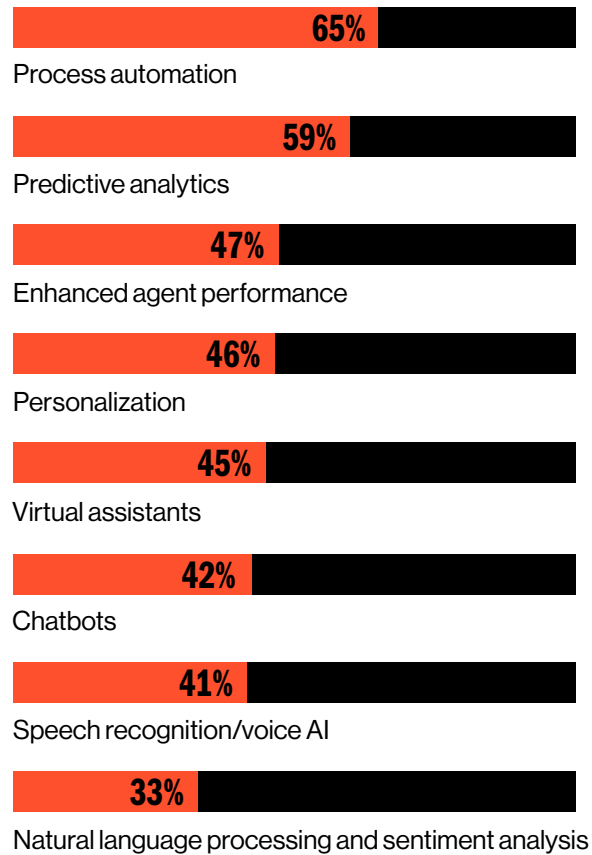




Only 3% of executives cited reducing job force requirements as their No. 1 reason for implementing AI, suggesting that businesses are investing in AI to achieve broader benefits. Respondents reported the most excitement for AI tools that can enhance process automation (65%), predictive analytics (59%), agent performance (47%) and CX personalization (46%).

These findings align with a global market surge of AI adoption in contact centers, which is set to exceed \$10 billion by 2032, up from \$1.95 billion in 2024.¹

AI TOOLS THAT MOST EXCITE BUSINESS LEADERS AND TEAMS



1. HOW TO STREAMLINE OPERATIONS AND GAIN INSIGHT WITH AI

Behind-the-scenes AI applications like robotic process automation are helping companies handle repetitive tasks and free up agents to serve more customers. Companies can boost efficiency and make considerable CX gains if they unify cross-channel customer data into one **comprehensive view**, optimize knowledge bases and deploy AI-powered digital assistants for agents.

Putting AI to work analyzing customer interaction data can identify QA gaps more quickly and generate more compelling insights than manual review. Businesses are also deploying large language models (LLMs) and generative AI to make CX faster and more personal.

Walmart recently announced Wallaby, a series of LLMs based on decades of internal data, which it developed to improve product search and discovery. The retailer also created an AI decision platform to generate personalized homepages for every customer. It is expected to go live in the U.S. by the end of 2025.²

KEY STRATEGIES:

Plan to customize. Temper expectations for AI, especially with off-the-shelf solutions. Although often billed as “plug-and-play,” these out-of-the-box tools, particularly for LLMs, could increase rather than reduce work because such models require significant effort to “feed” and check accuracy.³

Measure ROI early, consistently and holistically:

Identify metrics early and measure AI use cases quickly and consistently, Gartner advises.⁴ For CX-specific AI, consider customer retention, customer satisfaction and share of customer wallet. Cost efficiencies—such as inventory reduction, production costs, employee productivity and asset optimization—could also be factors in determining ROI.





2. WHAT BUSINESSES NEED TO KNOW ABOUT AI FOR SELF-SERVICE

The leading use case for AI in customer support is the chatbot, which 73% of businesses use, but brands must recognize the technology's limitations and manage associated risks.⁵

Adopting chatbots to reduce call volume or extend service hours can lower servicing costs, but half of consumers still prefer human interactions, particularly when dealing with complex issues.⁶

A key barrier is that “consumers believe the use of bots is motivated by cost-cutting and profit maximization at the expense of the customer experience,” according to Harvard Business Review. “This belief, in turn, leads customers to be less satisfied with the service provided by bots than by humans.”⁷

Regardless of a chatbot's performance or future potential, transparency is critical, adds Ubiquity's EVP of APAC, Meg Porter. “Customers generally want to know when they're interacting with a bot versus a human,” Porter says. “They're also more tolerant if a bot produces an unusual answer than if a human does.”

Unusual information is one thing; incorrect information is another.

Air Canada recently lost a court case due to erroneous guidance from its chatbot. When a customer bought a full-fare ticket for a funeral and applied for a bereavement discount later, per the chatbot's recommendation, Air Canada refused to reimburse the customer because its policy requires customers to apply for the discount in advance.⁸ The airline's financial penalty was minimal, but the case demonstrates that companies are responsible for the accuracy of their chatbot communications.

**“I WANT TO USE AI TO ANALYZE
BIG DATA AND EXTRACT
VALUABLE BUSINESS INSIGHTS.”**
- BUSINESS LEADER, AI SURVEY

KEY STRATEGIES:

Deploy bots only where they outperform humans.

To implement bots that “customers don’t hate,” avoid automating tasks where bots merely match human performance. Instead, focus on simpler, well-defined tasks where bots can operate significantly faster and more accurately than their human counterparts, according to *Harvard Business Review*.

Ensure quality and accuracy of AI. Even machine learning models trained on accurate data can generate hallucinations. This makes a certain level of oversight or human-in-the-loop processes critical for both customer-facing and back-end AI applications. Bias or inaccuracies could have severe consequences in complex or sensitive situations like credit decisions, cybersecurity or medical imaging.



3. WHAT AI MEANS FOR *WORKFORCE DYNAMICS*

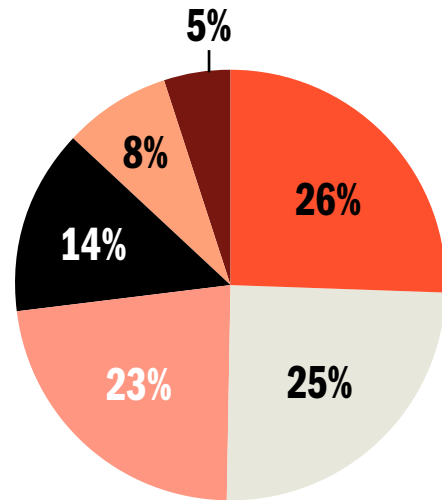
AI's effect on workforce dynamics has been more nuanced than simply reducing headcount, the Ubiquity survey found.

While 5% of business leaders reported significant job losses as a result of AI implementation, a much higher proportion cited the creation of new jobs (26%) or a major increase in jobs (14%). One-fourth of respondents said the company experienced minor job losses, and another 23% reported no change in available jobs.

Such variable results highlight the diversity of AI applications. Some roles will certainly be eliminated while new ones also will be needed, especially around data curation and algorithm training.⁹

For roles specific to CX, business leaders are anticipating additional job losses in the future, with 41% of companies expecting to replace 6%–10% of CX staff with AI in the next five years. Another 35% anticipate workforce decreases of 11%–20%.

HOW HAS AI IMPLEMENTATION AFFECTED YOUR WORKFORCE DYNAMICS?



- 26% - Creation of new jobs
- 23% - Minor job losses
- 37% - No change to available jobs
- 14% - Major increase to available jobs
- 8% - Minor increase to available jobs
- 5% - Significant job losses

**“AI THAT HELPS US WITH
EMPLOYEE ENGAGEMENT AND
TALENT RETENTION, INCLUDING
LEARNING ABOUT AI TOOLS TO
AUTOMATE REPETITIVE TASKS,
ANALYZE EMPLOYEE DATA, AND
PREDICT WORKFORCE TRENDS.”**

- BUSINESS LEADER, AI SURVEY

Job loss is a chief concern for employees; 39% of business leaders cited employee fear or resistance to AI as an implementation challenge. This underscores the importance of clear communication and training to explain what AI can and can't do for customers and support staff, and how roles might evolve positively because of AI rather than be eliminated. Whether staff cuts are coming or not, decision-makers should work closely with the HR and communications departments to stay ahead of employee speculative chatter and concerns.

“AI can reduce workloads and allow humans to focus on essential, complex problem-solving and eliminate more monotonous tasks,” says Corey Besaw, Managing Partner at Ubiquity. “It can also supplement talent management solutions, improving the experience for employees by enhancing job-matching capabilities, fine-tuning workforce management planning and streamlining recruitment efforts.”





Generative AI, in particular, will substantially augment people's work rather than fully replace it, agrees Nigel Richardson, SVP & CIO Europe at PepsiCo.¹⁰

"Of course, some elements of jobs will get replaced. But I think history shows that when you've got disruptive technologies, they usually create more jobs than they destroy," Richardson says.

KEY STRATEGIES:

Create an AI communication plan that is transparent about AI investments and how the technology roadmap will affect customers, employees and the business overall. Clear communication around goals and benefits, such as freeing up employees for more creative work, could protect and even boost morale while also overcoming a top implementation barrier.

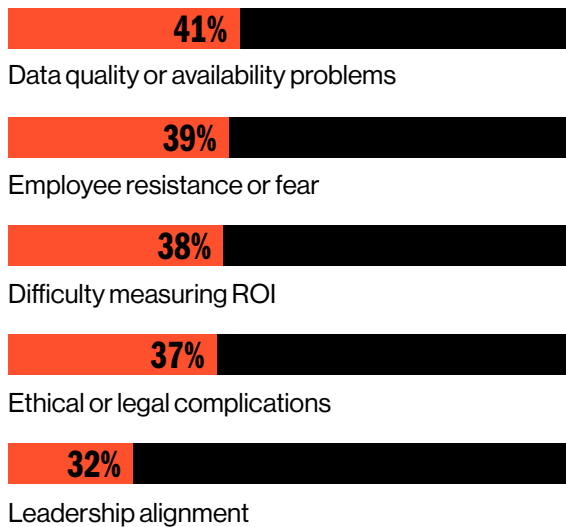
Rethink hiring and retention for next-generation contact center work, advises Christina McAllister, senior analyst at Forrester. The contact center of the future will need agents with relevant training and advanced skill sets. Additional staff could also be needed to address the readiness gaps outlined in the next section.¹¹

AI READINESS MEETS REALITY: TECHNOLOGY AND DATA WOES

Business leaders reported being ready for AI, ranking organizational preparedness across a variety of areas—technology infrastructure, data management, and talent and training—as good or excellent in the Ubiquity survey.

That perspective contradicts the “unexpected challenges” businesses faced during implementation. Almost three out of five executives (59%) said technical integration was the biggest obstacle in implementing AI.

OTHER ISSUES INCLUDED:





The complexity of IT infrastructure and insufficient investment in data management can make it difficult to launch any modern technology solution, especially one that depends on continuous streams of quality data.

A major pain point in AI implementations can be integrating large, disparate tech platforms and data sources that often do not share data seamlessly. The inherent security risks or requirements associated with data sharing across different technologies also creates barriers for internal teams.

KEY STRATEGIES:

Eliminate data silos and prioritize quality data inputs.

AI is only as good as the data that powers it.¹² The data going into the model must be accurate before companies can take advantage of tools like generative AI to build a trusted resource for customer self-service or to help agents access information faster. Invest in unified data platforms to centralize critical business data.¹³

Leverage strong technical expertise.

A CTO organization or partner firm can guide and streamline the technical integration process. Prioritize technology solutions that integrate smoothly with existing systems and provide actionable insights to improve decision-making.



WHAT'S NEXT: AI WILL LIVE UP TO HYPE, BUT RISK MANAGEMENT NEEDS MORE

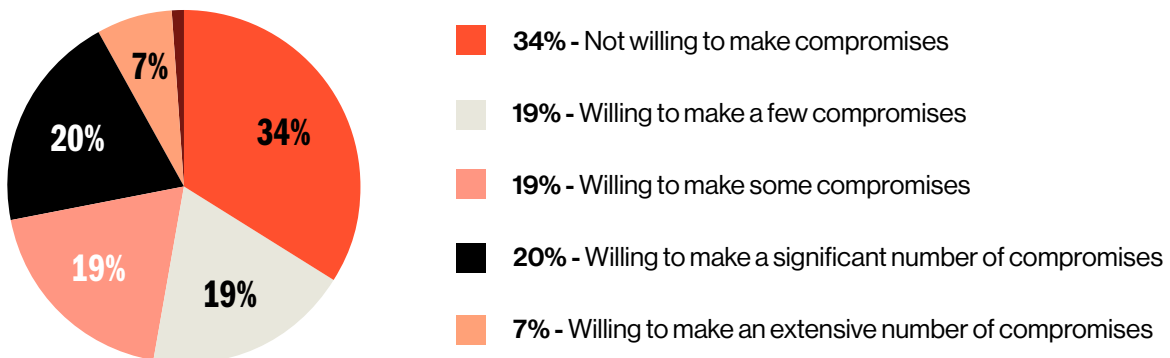
Despite technical integration and data quality challenges with AI—as well as some legal and ethical concerns—the vast majority (93%) of business leaders agree that hype around AI is justified.

Attitudes on data privacy, however, could open companies to eventual risks: Only 34% said the company isn't willing to make any compromises on data privacy to gain AI capabilities.

This lax attitude around data privacy contrasts sharply with the fact that 37% of business leaders reported facing an unexpected ethical or legal challenge from AI implementation. Privacy was also near the top of the list of AI concerns that keep leaders up at night (53%); only data security scored higher (65%).

Legal departments were least likely to be extremely supportive of AI (26%), and most likely to be only slightly (11.5%) or not at all (2.2%) supportive of AI.

WILLINGNESS TO MAKE COMPROMISES ON DATA PRIVACY TO GAIN AI CAPABILITIES





Decision-makers need more departmental consensus on data privacy to maintain rigorous risk management and compliance, especially amid a coming wave of state legislation aimed at AI.¹⁴ Two-thirds of states (33) have established AI task forces or councils, and 45 states introduced 693 bills on AI in 2024, up nearly 263% from 2023.¹⁵

**293% INCREASE IN STATE BILLS
PROPOSED TO REGULATE AI IN
2024 COMPARED TO 2023¹⁸**

KEY STRATEGIES:

Assess potential risks for each use case. Developing an application that supports an advisor in providing tailored financial advice, for example, would tend to rank higher in privacy risk exposure than an application that automates basic contract templates, according to McKinsey.¹⁷ Once specific risks are identified, brands must establish processes and procedures to ensure ongoing monitoring, risk management and reporting are in place.

Create a strong AI governance structure. Dedicate time to establishing a framework modeled on the four pillars outlined in the U.S. Department of Commerce's National Institute of Standards and Technology's voluntary framework and companion playbook: Map, measure, manage and govern the use of AI.¹⁸



BOTTOM LINE:
**AI WILL BE A BOON
TO BUSINESSES
THAT FOCUS ON
MANAGING RISKS**

In the face of economic uncertainties, businesses will continue turning to AI solutions to gain a competitive advantage, especially for CX. Brands that embrace AI with a clear governance and risk mitigation framework, promote transparency and establish metrics to measure ROI will be best positioned to unlock AI's transformative potential.



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Make CX seamless with a partner that understands what customers, employees, and organizations demand from a modernized tech stack.

Talk to an expert.

LEARN MORE



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