



Customer perceptions of **AI**

The trust tightrope

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The AI authenticity challenge in customer experience



In the rapidly evolving customer experience landscape, artificial intelligence (AI) presents both opportunities and challenges. As organisations consider integrating AI into their customer experience strategies, it is crucial to understand the impact of AI on trust and perceived quality.

At Symplicit we advocate for making decisions based on the best information available. We designed and completed this research to inform decision-making about using AI in customer experience. These insights are particularly relevant for industries where customers value trust and accuracy and can help strike a balance between innovation and maintaining customer confidence. In the coming years we'll administer the survey regularly to assess changes as the AI landscape evolves.

Essential insights: The human factor



Trust

Human-produced customer service messages are perceived as significantly more trustworthy than AI-generated messages, even when the content is identical. While AI-produced messages are generally trusted, they don't achieve the same level of trust as human-produced messages.

It seems that disclosing whether a message is AI-generated will reduce trust, regardless of the quality of the content. Even high quality AI responses might not achieve the same level of trust as human ones. While there may be efficiency gains from using AI, organisations will need to consider whether the potential reduction in trust is worth it.



Quality Perception

Customers rate human-produced messages higher in usefulness and up-to-dateness compared to AI-generated messages. Although AI messages are considered useful and current, human-produced messages consistently outperform them on reliable quality metrics.

Customers might be assigning a premium to human interaction, regardless of the actual service they receive. Even if AI systems deliver good service, perceived lower quality could impact customer satisfaction and loyalty. Hybrid approaches where AI augments human service, rather than directly replacing it, are worth considering.



Strategic Implications

Organisations in trust-critical industries should carefully weigh the introduction of AI into their customer experience stack. While using AI may seem to offer short-term financial benefits, the differences we observed in perceived trust, usefulness, and timeliness could potentially impact customer experience and loyalty in the medium to long term.

It seems like a hybrid approach where AI augments human responses may provide improve ROI on AI-enhanced service delivery while maintaining customer trust. Different sectors might have different levels of trust sensitivity, though this is hard to know in advance. Organisations that introduce AI to customers will need clear baseline measurements of perceived trust and quality before that introduction. And, after introducing AI an ongoing program of measuring customer perceptions will be vital to track perceived changes in customer trust over time.

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01.

Challenges in building trust with AI.

Introduction

The AI Trust Tightrope

In the evolving customer experience landscape, artificial intelligence (AI) is at the forefront of innovation, promising to change how organisations interact with their customers. Our new research reveals a critical insight: while customers don't inherently dislike AI in service interactions, they still prefer human engagement. This apparently subtle difference presents opportunities and challenges for organisations as they leverage AI in their customer experience strategies.

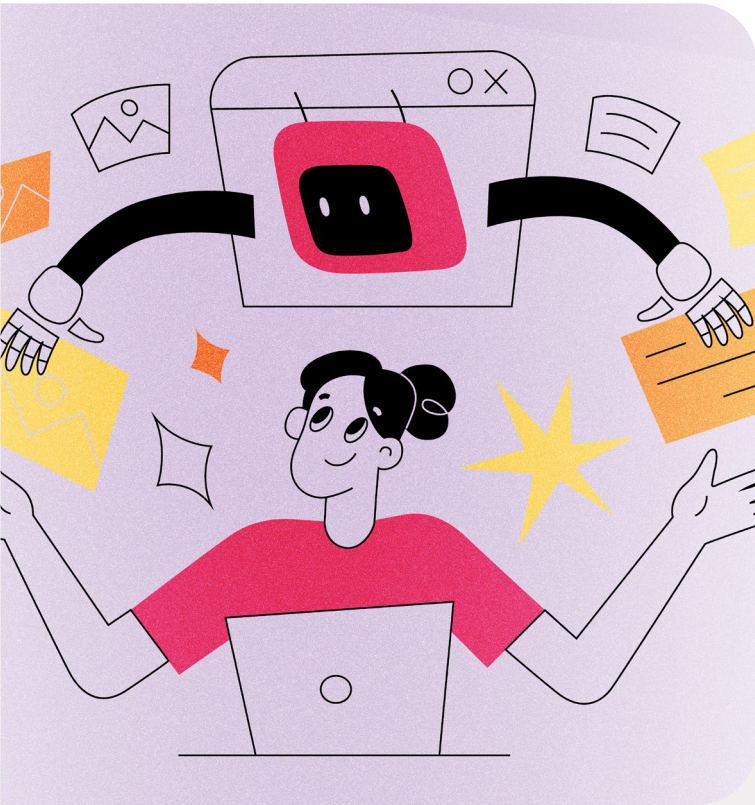
This white paper focuses specifically on how large language models (LLMs) might be used in customer inquiry scenarios typically handled through email or chat sessions. Our study uncovers the balance between the potential for enhanced customer experiences through AI and the risks of diminished trust or quality in complex interactions.

As organisations navigate the new possibilities of AI, the need for a strategic, experimental approach becomes clear. Our research findings point towards a reliable approach for organisations to effectively test and validate customer perceptions of AI. A robust and repeatable framework to understand trust and quality in AI-enhanced services will enable data-driven decisions when experimenting with AI implementation.

By understanding the important subtleties of customer preferences and AI capabilities, organisations can position themselves at the forefront of customer service innovation while maintaining a human touch that customers value.



The current state of AI for CX and customer service



AI is transforming customer experiences in many organisations. It powers chatbots for quick responses, enables personalisation, and assists customer service agents. Advanced companies use AI to identify and solve problems in traditional channels. In backstage operations, AI tools like Adobe's assistant help users maximise CX software capabilities.

Recent research shows AI collaboration enhances creativity and efficiency in complex tasks. AI is also advancing in creative work collaborations. These developments are just the beginning, as AI applications in customer experience continue to grow and evolve rapidly. Organisations are constantly finding new ways to leverage AI for improved customer interactions and internal processes.

\$45 b ↑

Value Add by 2030

Modelling by Microsoft and the Tech Council of Australia suggest that AI could contribute between 45 and 115 billion dollars to the Australian economy by 2030.

70% ↓

Efficiency and Accuracy

A global tech leader partnered with HCLTech to automate gaming review analysis using GenAI. The solution automated data collection and sentiment analysis, reducing manual effort by 70%, improving accuracy, optimising resources and reducing complexity.

¹ <https://www.mckinsey.com/mgi/our-research/generative-ai-and-the-future-of-work-in-america>

² <https://news.microsoft.com/wp-content/uploads/prod/sites/66/2023/07/230714-Australias-Gen-AI-Opportunity-Final-report.pdf>

Best practices for trust in AI



Trust

Do customers trust AI-generated service messages? We compared trust levels in AI-generated and human-produced content, examining factors such as usefulness, trustworthiness, accuracy, and plausibility.



Quality

Is there a difference in perceived quality of AI messages? We examined four key dimensions of quality: interestingness, comprehensibility, recency, and preparedness.



Age

A common assumption is that different generations perceive AI differently, particularly in terms of trust and quality. But do they?



Touchpoints

What about the channel? Does it matter if AI communicates over email or by a chat window?

Methods for quantifying customer perceptions of AI-generated messages

In May and June 2024 we recruited 384 people with mortgages and credit cards to gauge perceptions of AI in customer service interactions. The participants were from a diverse range of ages, and we ensured a relatively even gender distribution. After eliminating partial responses and bad data, we had 293 complete responses.

All participants completed a survey where they evaluated four fictitious financial service provider interactions, presented through email or chatbot exchanges. Each participant assessed what they saw as AI-generated and human-generated responses. For each fictional interaction, half of participants saw an AI-created version, and half saw a human-created version.

In all cases, though, the content in the AI and human-created message was exactly the same. The only difference was how each interaction was signed. Individual participants were presented with two AI-signed exchanges and two human-signed exchanges in a random order. No participant was aware that the content was the same between the AI version they saw, and the human version other participants saw.

The survey used the Trust and Quality of Content scales from the UEQ+ (User Experience Questionnaire). Each scale had four sub-scales that captured the nuances of each main concept. This approach allowed us to reliably measure customer attitudes towards AI in customer experience, providing insights into the effectiveness and perception of AI-driven customer service.

Participants were not told at the start of the survey that the purpose was to assess trust and quality in AI. Instead they were told we were interested in their opinions about customer service messaging. On the final page of the survey, after participants had answered all the questions, the real purpose of the survey was revealed.



Trust matters

Do customers trust AI-generated service messages?

We measured the level of trust customers place in service messages created by AI and compared that to trust in messages created by humans. Our results provide insights into how businesses can build and maintain trust in automated interactions.

We found statistically significant results in terms of overall trust, usefulness and trustworthiness. While human-produced content was perceived as slightly more accurate than AI-generated content, this difference was not statistically significant. Both human and AI-produced content were rated similarly in terms of plausibility.

In general, we can say that people trust AI-created content when they perceive it to be useful and trustworthy. Our recommendation is that you should consider your use cases for AI and the impact that could have on trust in your brand.

$p < 0.05$

statistically significant

Humans are more trusted than AI

People have high levels of trust in both human and AI messages. But while people trust AI-produced messages, they trust human-produced messages more. This is a statistically significant result at $p < 0.05$.

$p < 0.02$

statistically significant

Human messages are more useful

Messages thought to be created by humans are perceived as more useful than AI-created messages. This is statistically significant at $p < 0.02$.

$p < 0.01$

statistically significant

Human messages are more trustworthy

Even though people scored AI-messages as trustworthy, human-created messages were scored as more trustworthy. This is a statistically significant result at $p < 0.01$.

Quality of AI content is critical

Is there a difference in perceived quality of AI-created messages?

Survey participants rated the quality of AI-generated service messages. The Quality scale has four sub-scales: interestingness, comprehensibility, recency, and how well prepared the content seems.

At the top level, participants rated AI-generated content as good quality but rated human-produced content slightly higher. However, this wasn't a statistically significant difference.

If we look at the sub-scales, human-produced content outperformed AI-generated content in several aspects. Human-produced content is significantly more up to date ($p=0.05$), substantially more comprehensible, better prepared and slightly more interesting.

$p < 0.05$

statistically significant

More Up to date

Human-created content is perceived as more up to date than AI-created content. In our research people saw exactly the same words, so this is a bias against AI rather an objective perception.

$p < 0.16$

More comprehensible

Human content is perceived as more comprehensible than AI content. This is another bias, but it's not statistically significant in our results.

$p < 0.32$

Better prepared

People also rate human-created messages as better prepared than AI-created messages, but this wasn't statistically significant in our results.

Age impact and channel influence

55+

People older than 55 have less trust in AI than younger people, though that difference isn't large and isn't statistically significant. Older people trust AI, they just trust it less than humans.



There aren't really differences in perceived trust or quality between Human-created content and AI-created content whether the messages are presented as email or as chat transcripts.



There are differences in trust and quality of content when we compare email to chat. People trust email more and say the content is higher quality than chat.



02.

**Increased
transparency
improves trust**

The transparency advantage

Overcoming the trust gap

Be open with your customers

Participants had more trust in human-produced content so transparency about whether a customer is interacting with an AI is very important. Organisations using AI without transparency might be risking a trust deficit with their customers. Being open about AI use could help manage customer expectations and maintain trust.

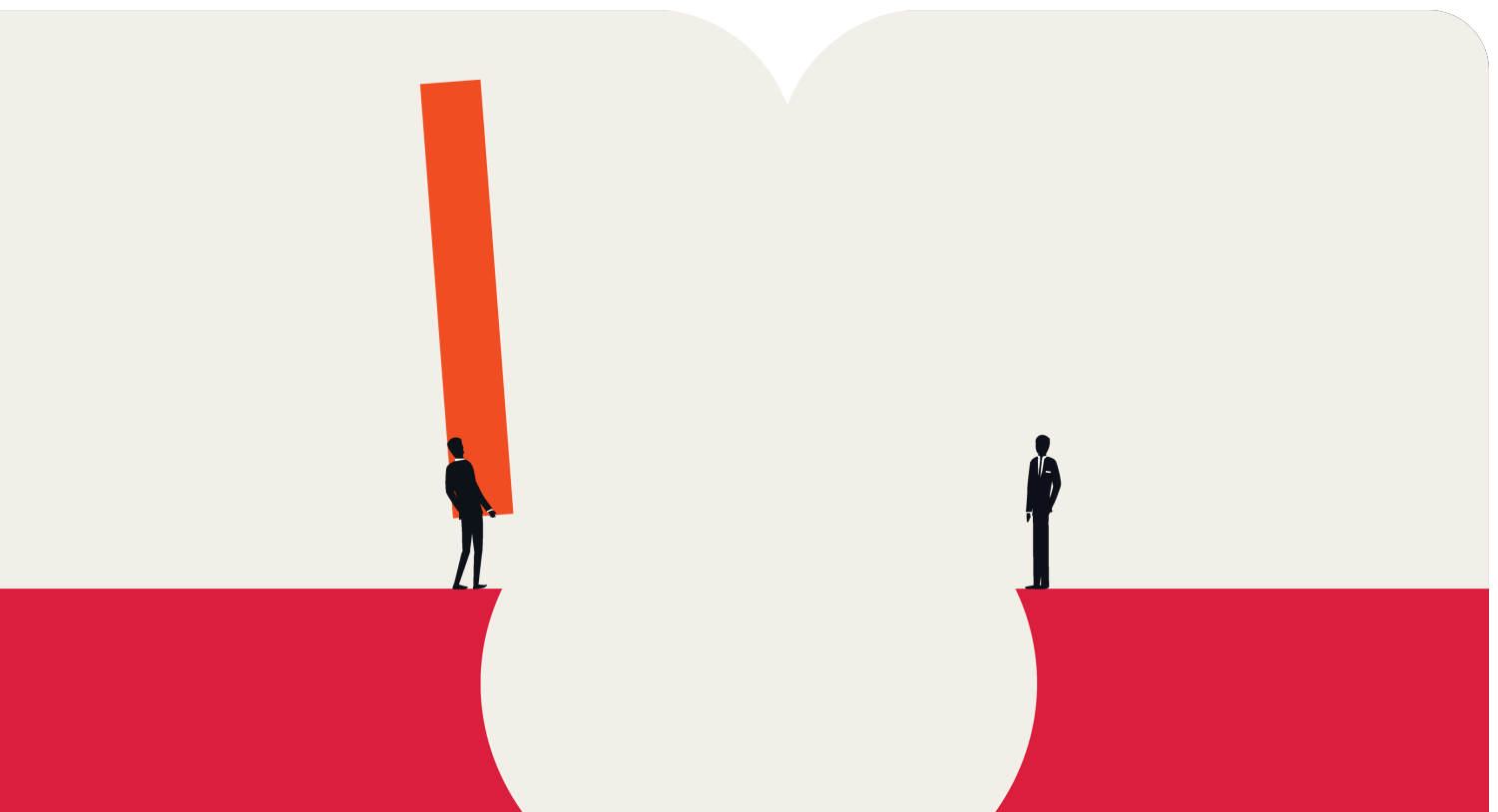
Without transparency about AI usage, it's likely that trust would be substantially reduced – Symplicit's experience on client projects shows that some people already think customer service chat and emails are already at least partly created by AI.

Organisations that want to increase trust with their customers could make it clear how humans are involved in customer service exchanges.

Transparency and trust

Overcoming the trust gap will be critical for AI-driven customer service. Our research showed a significant difference in trust between human and AI content ($p=0.01$) so transparency of when AI is being used imperative. This clarity is also important because of the perception that human content is more useful ($p=0.02$). If organisations want to maintain customer confidence, whether they use AI in customer service or not, they will need to make clear when and how AI is being used.

Well managed contact centres already review samples of customer interactions, and that type of oversight will need to be extended to AI-created messages. We're reasonably sure that customers perceive AI content as less up to date than human content so making it clear to customers how humans are in the loop could also be a key way to ensure customer confidence when using AI.



Best practices for trust in AI



Disclose

Make it clear when the customer is interacting with an AI and when they're interacting with a human.



Give an escalation path

Even if your customer service is AI-first, provide a way to easily and reliably request a human.



Oversight and governance

Your organisation will need strong governance and oversight of AI-driven interactions, including quality assurance review.



Acknowledge limits

Create mechanisms for the AI to indicate when it has low confidence in its answer and proactively flag that answer for a human to review

The ethics of AI in customer service

The clarity imperative

The choice of AI

While our research doesn't specifically address the ethics of using AI, our results and project experience indicate that people prefer human interaction. It seems likely that customers might have an underlying awareness of the ethics of using AI in customer interactions. Organisations should consider whether their use of AI has an impact on how their customers perceive them.

When there's only one answer

There are ethical implications of using non-deterministic systems to provide answers in interactions where customers expect there to be one correct answer. That is, in situations where a customer will act on the answer they receive, it will be necessary to be sure that the AI is giving the correct answer. There have already been cases where there were business consequences when an AI gave a customer the wrong answer. Understanding customer expectations for the accuracy of AI answers is a task for future research.

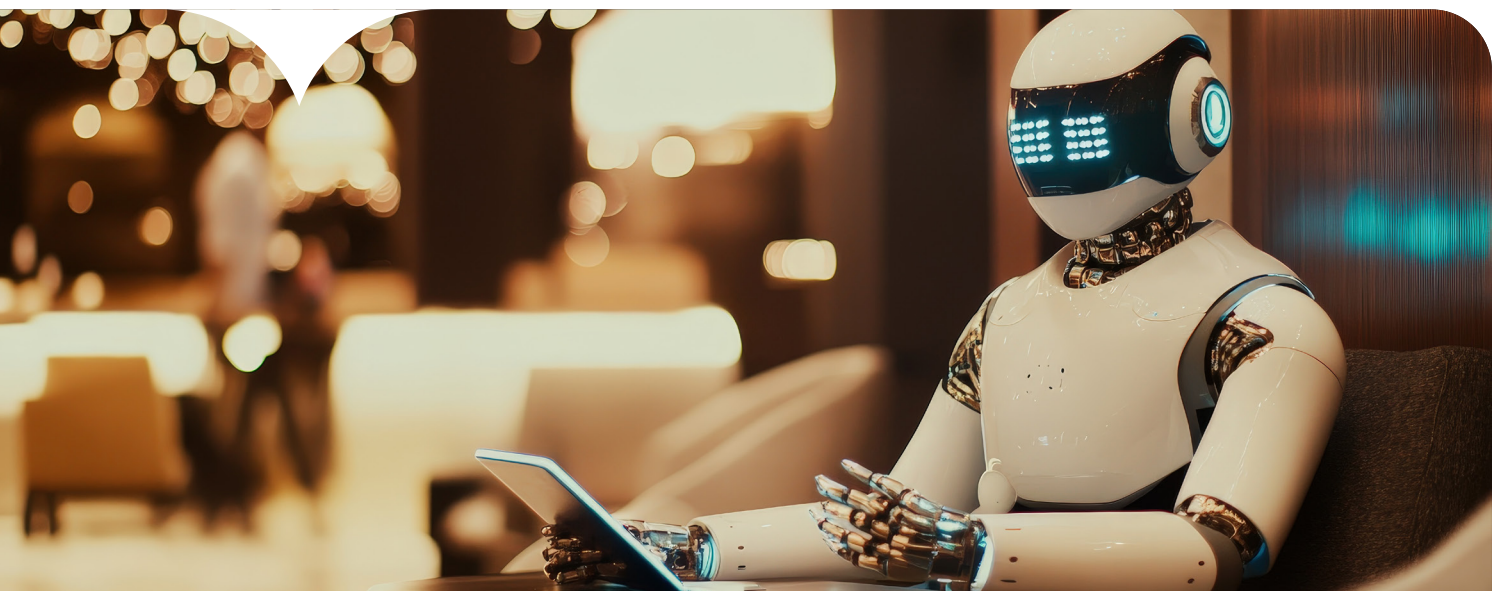
Governance matters

While our results showed no significant difference in overall quality perception between AI and human content, there were differences in specific aspects like up-to-dateness and comprehensibility.

Organisations should focus on both aspects to increase the quality of their AI-supported interactions. By making it clear that their AI-supported interactions use current data, perceived quality will increase. Similarly, by testing AI-created messages you'll be able to see whether there is a level of quality your customers expect. Increasing comprehensibility might mean changing the underlying prompts to create a positive shift in perceived quality.

Human oversight is particularly important for situations where the AI can't draw on strong pre-existing patterns between questions and answers. Organisations planning to use AI for problems without clear patterns, or where humans haven't yet found the patterns, need to be careful. They should create strong rules, prepare their staff well, and thoroughly test the AI before using it. In areas of weak patterns escalation to a human is very important and there needs to be transparency around that as a process, too.

<https://www.cmswire.com/customer-experience/exploring-air-canadas-ai-chatbot-dilemma/>



The personalisation promise

While AI could enhance personalisation efforts, many organisations lack the necessary foundational capabilities. Effective personalisation requires robust real-time data collection, analytics, and algorithmic actions. AI can leverage these capabilities but can't create them from scratch. For organisations ready to adopt AI-powered personalisation, the focus should be on maximising human-driven meaning-making and carefully analysing diverse datasets.

Our findings indicate varying levels of customer trust in AI-powered personalisation. Instead of allowing customers to set AI involvement preferences, which adds complexity, sophisticated organisations should make informed decisions about personalisation based on customer benefits, whether AI-powered or not.

89%

89% of decision-makers believe personalisation is invaluable to their business' success in the next three years. (Twilio)

73%

73% of business leaders agree—AI adoption will fundamentally change personalisation and marketing strategies. (Twilio)

24%

24% of high-tech B2B companies are currently using generative AI in their customer experience efforts compared to 16% overall. (Adobe)

<https://segment.com/pdfs/State-of-Personalization-Report-Twilio-Segment-2024.pdf>

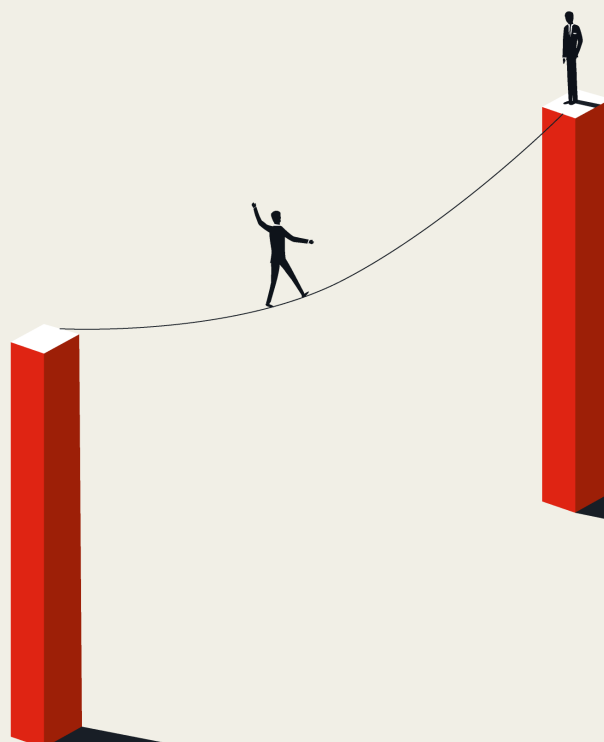
<https://business.adobe.com/au/resources/sdk/state-of-cx-research-report-b2b.html>

The trust tightrope: customer experience and regulatory compliance

In regulated industries, like financial services, customer experience is often the key differentiator. In an effort to lower costs and improve customer satisfaction, the financial services sector is already adopting AI for back-office functions as well as for customer service. Financial Service companies are among the larger investors in AI projects, with many having completed a large number of projects and with the most accomplished realigning their entire organisation to use for AI.

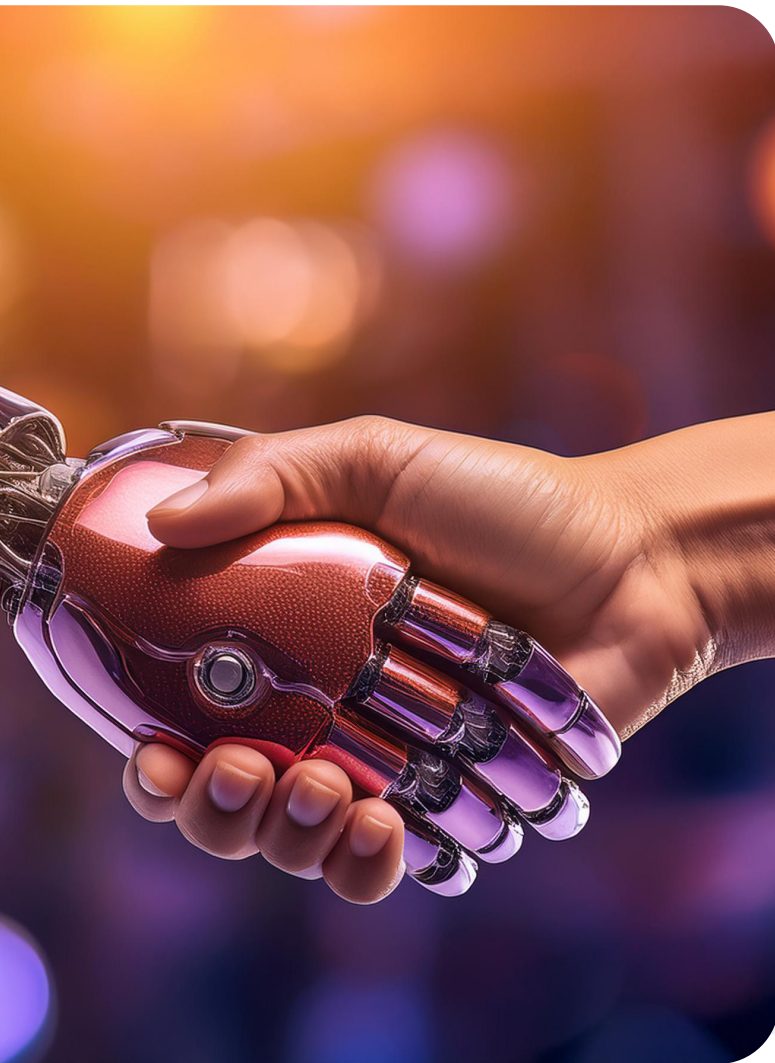
While there might be benefits, banks and insurers will also have to navigate issues of trust for the complex and contentious questions that customers ask. Government could also benefit from AI in customer service but has an even higher barrier for trust and greater consequences for customers and organisations of presenting incorrect information.

AI involvement in sectors with unique trust and regulatory barriers has large risks. Until organisations can be sure that customer data is kept secure, they should not use it in AI-driven interactions. This will necessarily limit early AI-driven interaction possibilities but may provide a clear line for when AI-driven interaction is appropriate and when an AI needs to escalate to a human.



The Path Forward

Balancing AI Innovation and Customer Confidence



The ways that organisations can create and manage customer experiences are changing faster than ever. AI is a new tool that is both a challenge to the status quo and an opportunity for potentially positive change.

Do people trust AI-created messages? Yes. But they trust human-created messages more and are measurable differences in how people perceive the quality of AI-created messages.

The measurable differences in trust will have an impact on customer satisfaction. Understanding how much of a difference will require iterative experimentation, great data literacy and strong leadership.

Author Information



Dr Ben Kraal is Director of Experience Design and Head of Research and Strategy for Symplicit. Ben has more than twenty years of experience in human-centred research, strategy and design, with a focus on next-generation technologies including AI.

A designer with a background in computer science and the sociology of technology, Ben has created new ways to understand how people work with AI systems. His experience spans many industries, services and devices, always with a focus on how people use technology in their work.



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The AI trust gap

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