Do We Need Humans Anymore in Customer Journeys?

Karen Lellouche Tordjman

GEORGIE FROST: Whether you run a small retail store or the biggest bank in the world, customers are more demanding than ever. The explosion of digital services and the pandemic’s effect on travel, even outside our own homes, means we now want everything fast, convenient, and at our fingertips. And we’re not afraid to abandon businesses that aren’t meeting our needs. In response, businesses are turning to AI in the hope of managing the demand. So when it comes to the customer experience, do we need humans anymore? I’m Georgie Frost, and this is The So What from BCG.

KAREN LELLOUCHE TORDJMAN: In many cases, this level of satisfaction with a human wasn’t that high compared to a level of satisfaction not using a human in the journey. What will be the role of humans then if the satisfaction gap is not that high? Why do we think that we’ll need humans?

GEORGIE: Today I’m talking to Karen Lellouche Tordjman, topic leader for customer experience at BCG X, Boston Consulting Group’s tech build and design unit.

KAREN: It’s been an evolution over a long period of time. People talk aloud about the pandemic. That has changed everything. It hasn’t changed everything. What it has done was to accelerate the trend that already existed. So this trend about, ”I want to have a personalized experience. I want to have convenience in everything I do. I want to do it fast, I want to do it conveniently.”

Some people sometimes they talk about experience over product. So even when I buy something, I want the experience more than I want the product. So the purchasing experience has a bigger impact on my satisfaction than the product itself. Another trend is around brand involvement. So, for example, what does that mean? It means that consumers, they want to be involved in what brands do, what brands choose or decide to do. So they want to be able to give feedback; they want to be able to be part of the story of the brand also by sharing their own experiences.

So all these trends actually, they’re not new. They’ve been around for the past 10 to 15 years, but what we’ve seen is that recently, yes, over the past two to three years, it has accelerated drastically.

GEORGIE: I guess what’s changed very quickly and very differently over the last sort of 10 to 15 years to the last few years has been the technology that’s available to be used.

KAREN: That’s right.

GEORGIE: And the way that companies are using that.

KAREN: Yeah, that’s absolutely right. Many of the themes have existed for long and many of the technologies people were dreaming of them. If you look at the early 2000s, many people were already talking about VR headsets or AR. They were talking about AI. Like strong AI, meaning like AI that is able to think somehow by themselves if you can say so. So all these themes, they have been around.

However, you are absolutely right to say that suddenly all of this is becoming mature. So VR is becoming mature, AR is becoming mature, AI is becoming mature. Voice technologies are becoming
mature with natural language processing. So I think what we’re seeing is that all these themes that were actually worked by universities, or researchers, or companies in a separate fashion—VR on the one hand, AI on the other hand, and so on—because everything is becoming mature at the same time.

I think the best use that we’re seeing today of the technologies is when we mix them all. So when you start mixing, for example, AI with voice, then you can have someone you can talk to. When you start mixing VR with AI, you can really think about new worlds. People have been talking about lot of metaverse last year, but you can think about new worlds you can imagine for consumers.

So this is why it’s so interesting today when you combine all these trends from consumers over the past 10 to 15 years, all these ideas that people have had but that were not possible to achieve. Now they’re becoming possible. I think that’s why everyone is so excited with what’s happening in the world, even though some people, of course, are worried about what it may mean for individuals.

So, well, we’ll get to the concerns in a short while, but talk me through the customer journey and at which point AI is being used. Because I think while we are perhaps becoming more savvy and more aware, I can tell you the customer journey as to... At which point AI is being used by me, for example, and I’m sure lots of people are the same. Explain to us.

KAREN: Yes, sure. So just give you one very simple example. I’ve been working a lot with telco companies recently and we’ve used AI to help the agents in the call center to say the right things to consumers. So what does that mean? Imagine you want to change your provider. So you want to call the call center and then you just want to churn, right? You just want to stop your subscription.

But then what happens is that the agents in the call center, they’re equipped with AI. So what does that mean? It means that they know when you’re calling that you’re going to be willing to resign, you’re going to be willing to churn. And because they know that your objective is to cancel the subscription and they have a lot of information on you, they know what you would be interested in.

They’re able to react and they’re able to offer you, maybe a new product, new service, new offering that you would be more interested in that will convince you to stay and not to cancel your subscription. So that’s a very simple way to use AI in a win-win situation, because you end up actually maybe with a better offer that addresses your needs. The company is happy because they’re keeping you and for the agents.

I think the interesting piece is that they’re supported by AI so that they can have the best arguments and they know what to tell you. So that’s actually, I think, a very concrete way to use AI. And we’re seeing this in many, many industries.

GEORGIE: So that’s one, but where else is it happening?

KAREN: So it’s happening on any website you go to. So, if you go to a website, people talk a lot about Amazon, but actually Amazon is not anymore the only one who does that. You go to a website and then the website is personalized based on your past customer journeys, based on the past pages that you’ve been to. What you see are the products that are recommended that appear on the screen. You wouldn’t see the same as the one I would see. Because they know what you’ll be interested in. So personalized website is a very simple way also to use AI.

GEORGIE: So this is where it can work, and I imagine an example where it doesn’t work is when they keep pushing things at you. And actually I want something a little bit different and-

KAREN: Yes.

GEORGIE: And I’ve lost out and the company that is a little bit different has lost out, but that’s just a small example.

KAREN: Yeah.

GEORGIE: This is, I suppose, where we get into the risks.
KAREN: Yes.

GEORGIE: Where have you seen it go really wrong?

KAREN: No, I think you’re absolutely right to say that. I mean, sometimes it’s completely off. I mean, we have all seen that, especially on I think, advertising online on a feed or something. Sometimes you see advertising. I mean, recently I saw a lot of ads on menopause and I was, “Oh my god, I’m not there yet.” And what made them believe that I should be there yet? Anyway.

GEORGIE: Does it know something that you don’t know or?

KAREN: Exactly. Does it know something I don’t know yet? But just an example that... I mean, sometimes it doesn’t work. And I would say, because using best of the art AI is very expensive. So a lot of people are using not best in the class AI. And just very simple, like basic targeting without all the richness of the data.

Because if you want to do AI well, you really need to have very strong, very good data, and many companies they don’t. So they just send stuff saying it’s recommended, it’s personalized, but it’s not. The other piece I would add is the fatigue to receive so much reach out from so many companies all the time. I mean, there’s a naming for that, which is called the Attention War. Companies are fighting for your attention. In your day you have 24 hours and then you sleep and then you do other things. So the time you have that is available for listening to what exists in the market or engaging with brands or companies and so on, it’s a limited period of time. So what we’re seeing is that companies, they are fighting to get as much share of your mind as they can, and everyone is trying to get to this personal relationship, direct relationship with every consumer.

But as a consumer, if you have ten companies or 20 companies trying to do that with you, you cannot do it. So what we’re seeing is that at some point there is some fatigue from the consumer saying, “Hey, I don’t want this anymore,” or “I want to engage only with the brands that I’ve chosen to engage with and not any single brand that is trying to reach out to me.”

GEORGIE: Do we need humans in the customer journey? That’s the question I asked at the top.

KAREN: Yeah, that’s a broad question. So the answer is yes. I’m always very optimistic and very positive about the fact that there is going to be space for humans in the future, but the need will change and evolve. We did a survey last year in the West, China, and Europe towards 6,000 consumers. Respondents across many purchasing journeys like telco, banking, automotive, grocery stores, fashion, and so on.

We tried to understand today in their experience. Have they interacted a lot with humans or not? Were they satisfied or not? Was that a good experience or not? And so on. Actually, we were surprised by the results. That in many cases, this level of satisfaction with a human wasn’t that high compared to a level of satisfaction not using a human in the journey. For example, when people were calling a call center, there was like ten points difference in terms of satisfaction when it was a human versus not a human.

So not huge. And when you compare it to the results we could have had ten years ago, that’s a big difference also, because technologies have improved. So back to what we were saying earlier. So back to your question, around what will be the role of humans then. If the satisfaction gap is not that high, why do we think that we’ll need humans?

So, in all the results, every time that there is a complicated, complex situation, every time when it’s very high ticket items or very difficult situation, let me give you examples. Difficult situation is you have a problem, you need to call your insurance, but for something very serious, so like a fire or something extremely serious. Then you really want to talk to someone, because you are in a situation where you cannot stand talking to a bot.

Even people when they want to buy a car, because of the size of the ticket, because of how much it costs, even though sometimes they know exactly
what they want to buy, they've been to every single forum online and so on, they still want to talk to someone at some point. They still want to talk to an individual, to a real person, to reassure them somehow that they're making the right choice. So complex purchase, big tickets purchase, or difficult situation where you need empathy. I think all these situations will require humans for sure in the future.

GEORGIE: I imagine when we speak about customer service, most interactions come when we're pretty unhappy. We don't call anyone just to praise them. Do we really? Rarely. So you are bound to have an unpleasant experience, whether you...

KAREN: It's true.

GEORGIE FROST: ...speak or say you had an unpleasant... Whether you speak to a human or a robot. Just as likely, are you not?

KAREN: Yes. So you are absolutely right. It's like satisfaction surveys. Usually people answer only if they're extremely satisfied or extremely dissatisfied, but when you're in the middle you don't want to do that and waste your time. But same thing, yes. If you're calling a call center, usually it's because you're dissatisfied and you want to talk to someone. So what you're saying is true.

However, currently what we're seeing is that in many companies, the vast majority of the calls, there are still information calls. So I want to do this and I don't know how to do it. Can you help me? Or I haven't found the way to answer this question online. Can you please tell me? So what we're seeing is that it's first important for companies to make sure that all these information calls, they don't happen.

So how do you avoid that they happen? You make sure that the information exists in a very simple way in another place, so potentially on a website or mobile apps. So that people can self-serve as much as possible.

And that, indeed, when they call is because they really have an issue. And then, as you were saying, if you really have an issue and then you're calling and then you have a long waiting time, and then hundreds of numbers you need to type in to be able to get to someone. Then you're going to be even more dissatisfied. So, actually, this is also why I think the logic is to say, you reduce the number of calls you receive by orienting people to other ways. But the ones you receive, you address them extremely well, much better than companies are doing today.

GEORGIE: I'm glad you said that at the end. You found differences between younger and older, but what other differences did you find in your survey? You looked at China, Europe, and the US. Did you find differences there in the way that our views are towards either human or AI and the customer experience journey?

KAREN: Well, yes. So, as you said, two big differences. One is geographically and one is by age group. So, geographically, what we're seeing is that China is very different. So the US and Europe had very similar results in terms of expectations, in terms of behaviors towards humans, towards machine and so on. In China, the vast majority of the consumers, they actually didn't want to talk to a human, and they're very comfortable, very comfortable with technology in a way that we cannot imagine.

GEORGIE: Why is that?

KAREN: Why is that? Well, I think it's a combination of... I mean there is some cultural aspect, which is combined with the fact that technology has been actually much more mature than in the US or in Europe for years. So they're used to it much more than we are. So, for example, in China, there are some very interesting things that we haven't seen yet in Europe or in the US.

For example, you go to a grocery store, you have a shop cart that follows you. So wherever you go to any aisle and you want to pick your stuff, the cart follows you by itself, and then you put stuff in the cart. And automatically you don't need to go to a cashier, it gets automatically charged for you. So that's the kind of things that doesn't exist yet in other parts of the world, but which is becoming a reality and very classic in China.
But apart from the China differences, if you look at the US and Europe, indeed we’re seeing a big difference between the older... I wouldn’t say old because it’s not an old age group, but I would say the not young age group. So around 55, 60 years old. What we’re seeing is that this older group is more interested in having some interactions with humans. So, of course, I mean some of them are very comfortable with technology, but they value to be able to talk to a human whenever they have a question or whenever they have a problem.

The younger generation that we found in the survey is completely different. When this younger generation, when they’re in the store and they have a question. They’d rather take their phone, look online, try to find the answer by themselves, and it’s only if they really haven’t found it, that they will accept to talk to the salesperson or the person in the store. Which is very different from the other group, which very naturally they don’t see something. If they don’t find something, they will directly ask first before searching.

GEORGIE: I mean, this is a wider issue beyond the podcast. As to the fact that I remember when I was young and would spend hours on the phone with my best friend. And the idea now of young people picking up the phone and actually calling anybody, even their best friends, seems a million miles from their heads. When you chat to CEOs though, how are they using the information and the data that you found?

KAREN: So, first they realize that there is no one single consumer anymore. Not that they thought that it was the case, but it’s really this idea of the expectations are becoming so diverse. The journeys are becoming so diverse, you need to be able to satisfy the needs of many different people. And I think that’s first understanding this, acknowledging this, is a first very important step.

Because then you organize your company very differently, because then you need to think about what are the key journeys I want to be able to offer? What are the technologies I need to invest in to be able to deliver these journeys? Usually there is a lot of questions around: as a company do I want to position my journeys or my touchpoints more as an experiential brand or as a convenience brand?

For example, this is a bit extreme, but what we’re seeing is that this choice actually defines a lot of the touchpoints and the journeys you’re going to offer. Because if you are an experiential brand, you’re going to use technologies and you’re going to use emergent center, you’re going to use touchpoints that will really focus a lot on the brand and on the value you want to convey. If you’re a convenience-oriented brand, you’re going to spend more time investing in technologies that will reduce waste, make sure that the consumers, they have no friction in their journey.

So it’s actually very important. First I would say for CEOs to define what exactly am I going to offer as a value proposition? Customer journeys is becoming part of the value proposition, and I think that’s a big shift that is happening. So, once they have defined somehow what’s the value proposition they want to offer from a customer journey perspective, then you become defining the technology I need to invest in, what will be the role of your physical channels.

If you have a physical channel, if you have stores, should I change them? Should I change their location? Should I change the type of people inside? It’s not maybe the same profile that I need. So it’s the beginning of a long list of questions that you need to address. And very often there is a lot to work on, on data.

I mean, that may sound very straightforward, but all this requires to have a very deep understanding of what your customers are doing, being able to track their journeys, being able to respond very fast to what they’re doing. So in order to do that, in some industries it’s easy because you have all the data.

In some industries, I work a lot in the automotive industry as well, you don’t have many of these data. So you need to be able to understand what people go through in terms of experiences, because if you don’t get that, it’s very difficult, of course, to offer the experience that they’re looking for.
GEORGIE: It seems a very fast moving space, certainly the technology-sense that we're in a sort of beta phase. I also sense that many businesses aren't doing, even with the human aspect, quite what they really need to be doing. So how can you be resilient, be flexible, and prepare for what's coming when you don't know what's coming?

KAREN: I agree. I think what's coming is clearly unknown. Technologies suddenly they become mature. People have been talking about them for years, but then suddenly you need to be ready for them. And you don't know what the next wave is going to be in two years, three years, four years from now.

My recommendation usually is, so on the tech side, it is really about having the skills to test and learn and to try things. Of course, that may sound like maybe wasting a lot of money because you're doing things that are not going to work. It's true. But I think if you have in your company some people who have the right mindset to be able to test things, to fail fast as well, and to reallocate their budget towards new technologies that are rising. You have the ability to be always at the forefront and know what's going to happen.

And then on the human side, I think what you mentioned is important, which is, I think, many companies of the past 10 to 15 years. They have had the tendency to consider humans of the customer experience as a cost. So what I mean by that is like call center, considered as a cost. Even people in the stores sometimes considered as a cost. And because they were considered as a cost, the focus was about cost-cutting.

So how do I reduce them? But what we're seeing in the future is that if technology is going to be so important. Then the role of humans, even though it's reduced, is going to be critical. So you need to have these moments of interactions with human, absolutely right. So if you want to have them, right, you need to reinvest in them.

Instead of trying to reduce the salary, the average wage of these people, maybe you should have higher skilled people being able to spend time with the customers when it's necessary and so on. So it's also a change in mindset, I think. Which is choosing where you want to invest, but where you invest, you do it right?

GEORGIE: And I know you said that we don't have crystal balls, but where do you expect the trends to be in the future?

KAREN: So I think one trend could actually be very interesting is when you think about ChatGPT today, and everyone has been talking about ChatGPT a lot, so don't want to spend too much time on this, but that's just a good example of how it can evolve.

If you imagine tomorrow you have this kind of virtual assistant to which you can ask any question about any product, or about anything, or that can even make recommendations proactively for your day-to-day life, right? Optimizing your calendar, optimizing organizing your restaurant booking, meeting with your friends, even like you were invited to a friend. And this ChatGPT next generation will be able to tell you, "Hey, here's the gift I suggest you should bring and I've already bought it for you."

That's the kind of things that I think will happen in the future, which is a very natural evolution of what we've seen recently. So it's a combination of AI combined with basically your own as a consumer personal experiences and expectations. And how do you adapt it to be able to be really, really, really customized to the needs you have? So I think that will be a very important evolution when there will be some sort of delegation of some of the decision making that we're making as humans, even in our day-to-day life. I think that's going to be a big, big shift.

GEORGIE: Karen, thank you so much and to you for listening. We'd love to know your thoughts. To get in contact. Leave us a message at thesowhat@bcg.com. And if you liked this podcast, why not hit subscribe and leave a rating wherever you found us? It helps other people find us too.