

The C-Suite Disconnect

When it comes to AI, why do executives fear what consumers already embrace?

NiCE



C-Suite leaders are making bold investments in AI for customer service, yet they hold significant anxieties about implementation risks and are disconnected from what consumers truly want.

This threatens to undermine the potential of AI to transform customer service in a world where service expectations are rising exponentially. Worse still, the ultimate goal – consumer happiness – will continue to go unfulfilled.



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It's now or never

In today's always-connected world, customer service has reached a now or never moment.

"At NiCE we see this trend as 'now or never service'," says Barry Cooper, President, CX Division at NiCE.

"When we think of it from a consumer's point of view, their expectations are growing exponentially – always on, always connected, wanting things immediately, better experiences and for it to be very personalized."

Meanwhile, businesses face mounting pressure to deliver these experiences at scale while controlling costs.

This collision of rising expectations and limited resources has created a critical gap between executive ambitions, implementation fears, and consumer realities that threatens to undermine the transformative potential of AI in customer experience.



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Barry Cooper,
President, CX Division at NiCE



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Bold bets: why 68% of executives are prioritizing AI in customer service

The data is clear: C-Suite executives are betting big on AI, with customer service emerging as their number one investment priority – ahead of even human headcount.

According to NiCE's survey of 270 C-Suite leaders from the US and UK, 68% identify customer service as their top area for AI and automation investment, outranking efficiency/productivity (67%), and cybersecurity (66%). Generative AI leads the pack of specific technologies under consideration, with 60% of executives planning investments in this area.

When forced to choose between investment priorities, 42% of executives would prioritize AI agents and automation over AI augmenting humans (36%) or human support (22%).

The financial motivation is compelling: 53% predict that fully automating 30% of customer service interactions and/or workflows could reduce their costs by at least \$5 million annually.

"Organizations have recognized that incremental changes aren't going to keep up with what customers are expecting," notes Cooper. "In the last 12 months, we've seen a lot of companies successfully moving out of pilot mode into production scale mode going from one or two projects to full enterprise projects."

However, this focus on automation over augmentation may be misguided, as industry analyst Omer Minkara points out:

"Beyond hype and magic, at its core, AI is a tool to augment humans, not a tool to replace humans, and there needs to be an understanding in the market about how to use AI in the right way."

NiCE's experience across billions of customer interactions reveals that the greatest value comes from intelligent automation blended with the human touch.

"CEOs need to focus on the convergence of AI and human expertise—not treat them as opposing forces," Cooper explains. "Much of the routine work has already been automated. No one calls their bank to reset a password anymore. But there are still complex interactions that require human judgment. For these moments, it's critical that agents are equipped with knowledge and connected to the right workflows across the organization. That's why a customer experience platform built for true end-to-end automation is no longer a luxury—it's a strategic imperative."

When asked to choose between investment priorities, C-Suite leaders prioritized:

AI agents and automation

42%

AI augmenting humans

36%

Human support

22%

53%

Predict that fully automating 30% of customer service interactions and/or workflows could reduce their costs by at least \$5 million annually.



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Trust paradox: the fear holding back 89% of C-Suite leaders

Despite aggressive AI investment plans, executives are very mindful of implementation risks – with trust and data security topping their list of concerns.

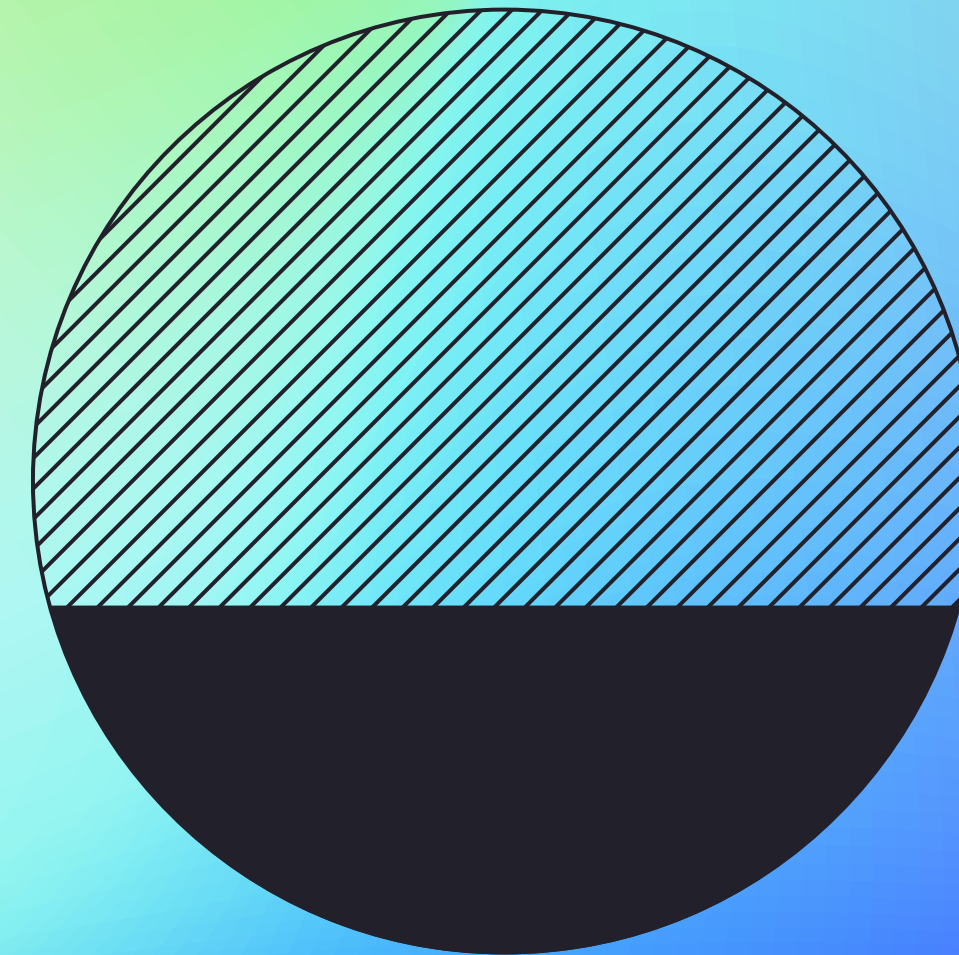
Almost 9 in 10 (89%) C-Suite leaders admit to at least one fear related to using AI in customer service. Globally, data privacy and cybersecurity rank as their number one concern (40%), followed closely by consumer trust issues (37%).

This fear around consumer trust represents a significant disconnect from reality. While 37% of executives worry that consumers won't trust companies using AI, the data shows that 69% of consumers trust companies the same or more when they use AI.

“When it comes to the knowledge level of C-Suite and consumers, there is a clear information chasm that is driving both mindsets,” explains Minkara. “With consumers, in many cases, they don't know how the models are trained, how often their data is inputted or refreshed, and in what ways their data is used. But C-Suite and leadership tend to have a much higher level of knowledge and therefore, different concerns.”

37%

Of C-Suite leaders fear consumers won't trust AI



69%

Of customers trust companies the same or more when they use AI



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Trust paradox: the fear holding back 89% of C-Suite leaders

Rupert Abbott, Global Head of Technology: Contact Centers at professional services firm Aon, shared his view.

“While consumers can experiment with AI in their own home, C-Suite leaders may be more wary because they will feel that they absolutely have to deliver a good service for their customers and do the right thing at the right time in the right way. So, there’s a fundamental difference in the two personas, but I expect this quickly to become normal practice.”

Cooper observes that there is also a risk-averse nature to some C-Suite leaders:

“With technology moving at pace, C-Suite leaders are worried about being able to transition to AI in a way that delivers return on investment to the business. However, the leaders who will thrive in this new era are those who can balance prudent risk management with bold innovation and a unified platform approach.”

Risk aversion can also lead to technological stagnation. For example, a large healthcare company may continue to rely on a 20-year-old system to record customer conversations, despite its outdated nature, because the stakes of failure are extremely high. For this company, missing even a single recording could result in penalties of up to \$1 million. This creates a powerful disincentive to innovate, as the fear of disruption outweighs the huge benefits of modernization.

NiCE believes these fears can be effectively addressed through a platform approach that provides enterprise-grade security, transparency, compliance and control. Rather than deploying multiple disconnected AI solutions – each with its own risk profile – a unified platform enables consistent governance and reliable performance across all customer touchpoints.



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Expectation gap: how executives are misreading what customers want

Perhaps the most concerning disconnect revealed in the survey is the misalignment of C-Suite leaders' priorities with those of consumers, potentially leading to misdirected investments and inflated expectations.

Executives believe 24/7 availability is consumers' top priority (74%), when consumers rank speed first (57%). C-Suite leaders also overestimate how much consumers will pay for better service – thinking customers will pay 76% more, when the real figure is 53% (a 23-percentage point gap).

“I don't think we're looking at mutually exclusive factors here as speed of service is also clearly linked to effort, for example, the more time you spend waiting on the phone, the more effort you're putting in for the service,” notes Minkara.

This perception gap is compounded by what appears to be an empathy gap. Executives are 23 percentage points happier than average consumers (81% vs. 58%), creating a potential blind spot in understanding consumer frustrations.

74%

Of C-Suite leaders think 24/7 availability is customers' top priority

42%

Of customers say 24/7 availability matters most

23%

Gap between what the C-Suite believe customers are willing to pay for better service and what customers are actually willing to pay.



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This supports a theory called ‘expectation transfer.’ This is when a consumer takes the best experience they have with a brand in an industry and then expects that same experience from everybody.”

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President, CX Division at NiCE



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Expectation gap: how executives are misreading what customers want

86%

Of C-Suite claim that their companies are responsive to consumer trends and expectations driven by social media.

The vast majority of C-Suite claim that their companies are responsive to consumer trends and expectations driven by social media (86%). Despite that, less than half (46%) said they were 'very responsive,' suggesting there is still room for more proactivity.

"As people utilize different social media platforms more, we're seeing that social media is not just a place to network, keep in touch, and communicate, it is also a place to buy, support, and learn," says Minkara.

"It's an online community and we've seen brands invest heavily in influencers because consumers want to be able to learn from and interact with people that they identify with when making buying decisions."



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Omer Minkara,
Vice President, Principal Analyst
at Aberdeen Strategy & Research



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6. Creating a NiCE World

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Creating a NiCE World: the platform approach to connected intelligence

The key to closing these perception gaps lies in having a unified view of customer interactions across all touchpoints, enabling organizations to truly understand and respond to what matters most to their customers.

“Our point of view is workflows connect as the connective tissue across all departments,” Cooper explains. “Across a workflow, you will have AI agents doing some of the manual routine process work, and then you’re going to have humans doing more of the complex, emotionally needed work.”

This vision aligns perfectly with NiCE’s promise to “Create a NiCE world” – one where service isn’t something you seek out, it finds you; where technology doesn’t replace people, it amplifies them; and where businesses thrive because service is a competitive advantage, not a cost.

“Brands using advanced technologies make consumers more likely to trust them more – this doesn’t necessarily validate the ways in which brands are using AI, but it does signal that consumers value brands investing in technology to deliver better service,” observes Minkara.

“In the first wave of AI we saw organizations take a steady step and adopt one solution, which they got value from,” notes Cooper.

“Now we’re starting to see compounding benefits as they increase AI and automation roll-out – but not as separate solutions, on one single platform. Here the AI doesn’t only automatically answer your question late at night when the contact center is closed, but it summarizes that interaction and then passes it to the live agent.”

This view is supported by David Ritchie, Head of Customer Experience at SSE Airtricity, who says:

“Traditionally, many companies just considered the lower-level operational factors such as chatbots, but today we are seeing a deeper appreciation of the true value of AI – it is no longer just the domain of the technical team, it is the domain of the leadership team who are seeing what AI can deliver in a very practical sense.”



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David Ritchie,
Head of Customer Experience,
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6. Bridging the disconnect

Bridging the disconnect:

a path forward



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6. Bridging the disconnect

The key to closing these perception gaps lies in having a unified view of customer interactions across all touchpoints, enabling organizations to truly understand and respond to what matters most to their customers.

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Focus on augmentation, not just automation:

Rather than viewing AI as a replacement for human agents, see it as a way to give those agents “superpowers” – enabling them to deliver more meaningful, high-value interactions while automation handles the routine.



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Address trust concerns through platform integration:

Instead of deploying multiple disconnected AI solutions, adopt a platform approach that provides enterprise-grade security, consistent governance, and reliable performance across all customer touchpoints.



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6. Bridging the disconnect

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Close the perception gap with connected intelligence:

Use a unified view of customer interactions to truly understand what matters most to customers, rather than relying on executive assumptions.



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Embrace the “now or never” moment:

Recognize that incremental changes won't keep pace with exponentially rising consumer expectations. Bold transformation is required, but it must be guided by real consumer insights.



5.

Educate consumers and employees:

“Education is critical – most consumers won't have a clear sense of the exact AI capabilities they're using when they interact with a brand,” says Minkara. “The consumer may well benefit from the AI, but they can't fully unlock its potential unless they know how to leverage it.”



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6. Bridging the disconnect



The fact that we are seeing customer service happiness going up is, in my opinion, a reflection of consumers saying ‘Look, I don’t want to just buy a product or service and that’s the only satisfaction or value I get, I also want the providers to be there when I need them’. Being there when needed is part of the overall value that consumers want and expect today.”

Omer Minkara,
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at Aberdeen Strategy & Research



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6. Bridging the disconnect

As we enter this new era of AI-powered customer experience, the winners will be those who can bridge the C-Suite disconnect – aligning executive ambitions with implementation realities and consumer expectations. By adopting a platform approach that connects intelligence across the enterprise, organizations can create a world where service just works better for everyone – a NiCE world where human experiences and AI converge to deliver exceptional value for both businesses and consumers.



Thank you

