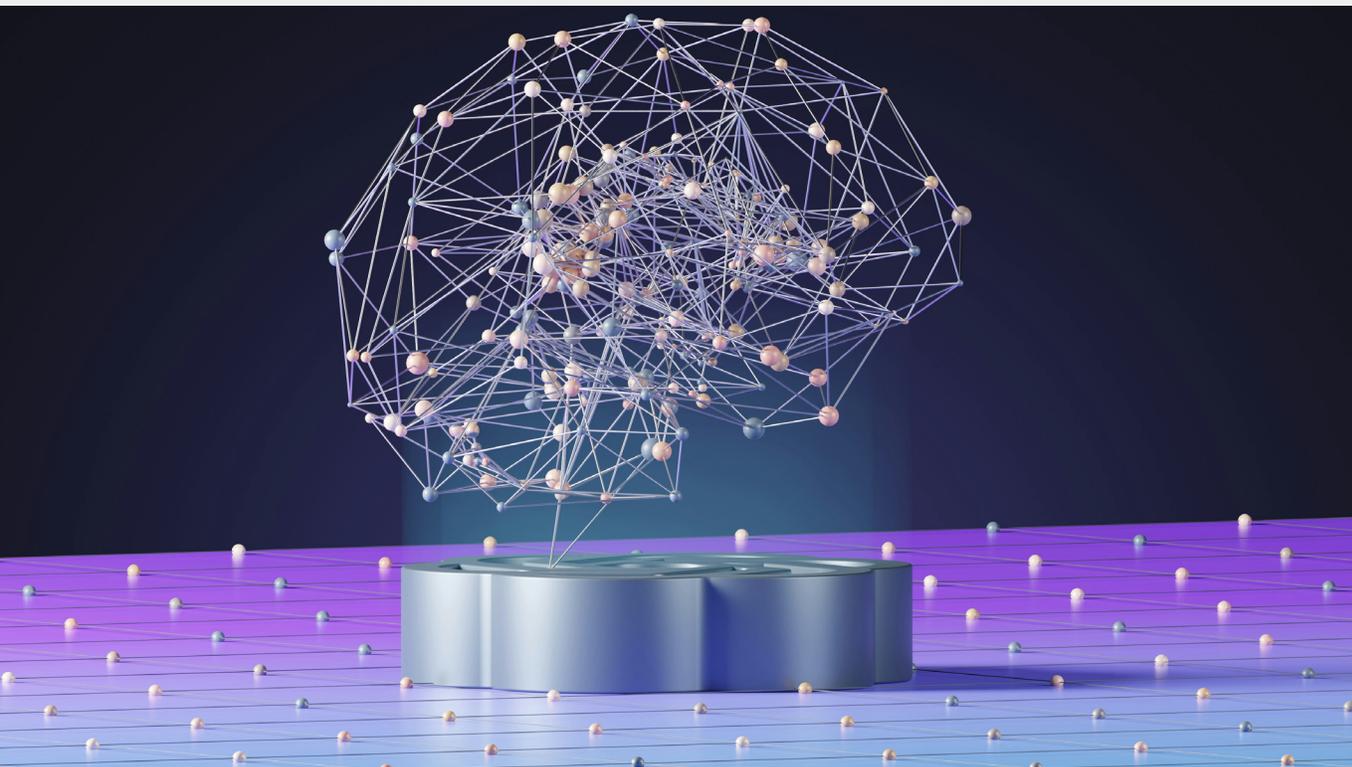


CCW Digital | Executive Research Report

Don't Let AI Break Your Customer Relationships

New Rules for Empathy in CX

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Introduction

There is no question that AI is transforming the nature of customer contact. There is, however, ample debate about what that transformation will mean for the idea of the human connection.

Customer contact thought leaders have long argued that AI is about augmenting rather than replacing humanity. They stress that by automating rote tasks and surfacing actionable intelligence real-time, AI enables humans to better demonstrate qualities like personalization, empathy, and resolve – and thus better cultivate meaningful relationships.

Consumers, however, have reason to doubt that prospect. According to CCW Digital's 2025 Consumer Preferences Survey, nearly 91% of consumers feel increasingly forced to use self-service options. Difficulty reaching a live agent, in fact, now ranks as the most common customer experience pain point.

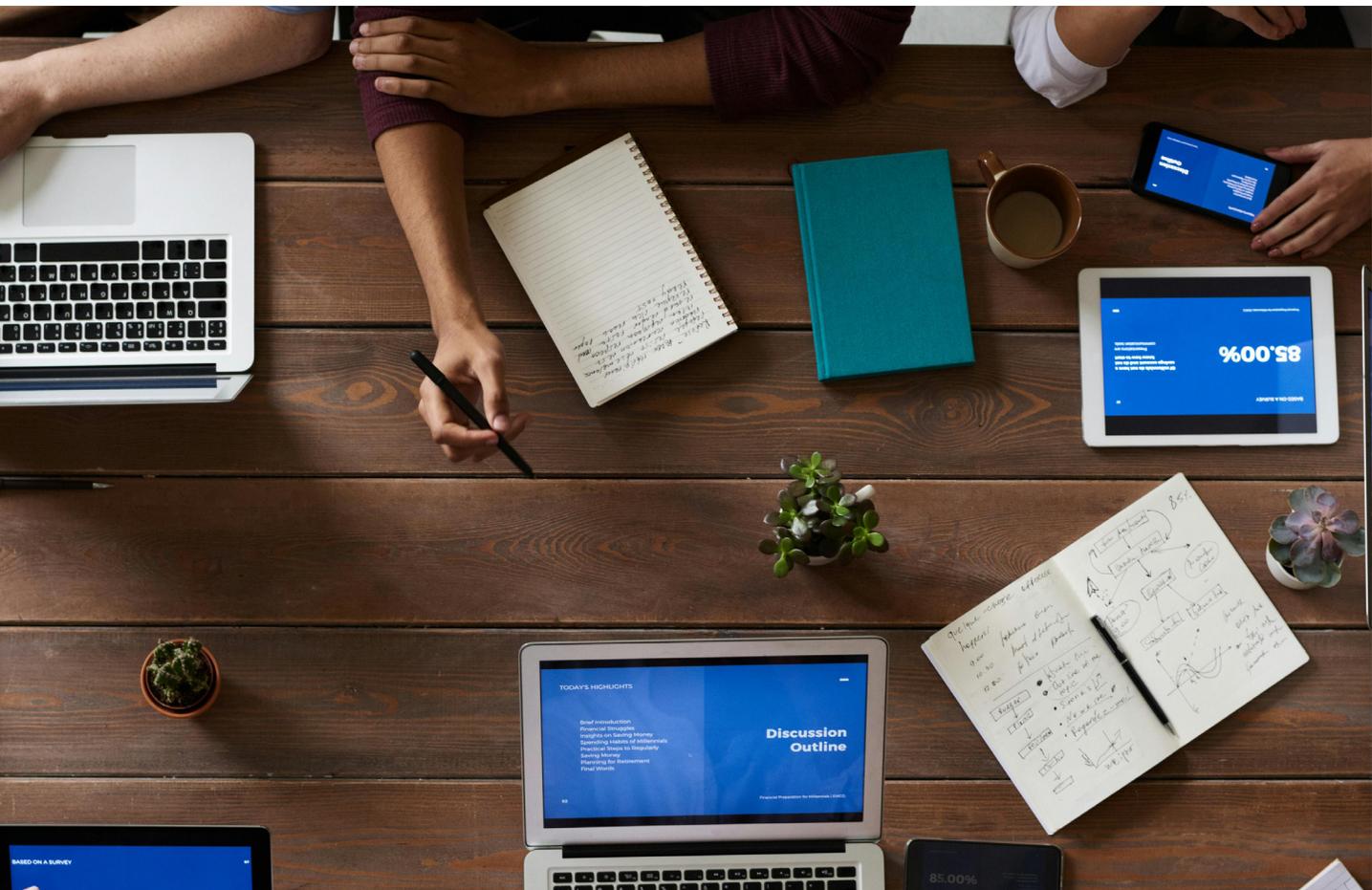
Those who are able to reach live agents, moreover, are not experiencing an “augmented” caliber of performance. More than 75% of consumers say the typical agent lacks focus and expertise. A staggering 60% actually find

these employees impolite and unfriendly.

As 2026 arrives, how will customer contact teams address these concerns? How will they approach the idea of the “human touch” in the customer experience landscape of the future? How will they ensure AI becomes a pathway for designing intelligent systems that amplify empathy at scale?

To answer these questions, CCW Digital and Sutherland partnered on a survey in late 2025. The study revealed how organizations are rethinking their customer contact visions – and what operational challenges are thwarting their success.

Not simply a commentator on inhibitors, this report also underscores pathways to success. It uncovers a blueprint for combining technology, behavioral intelligence, and human ingenuity to ensure that customer interactions drive satisfaction, loyalty, and advocacy rather than indifference and churn.



Anatomy of a Value Center: Top Objectives for Today's Customer Contact Teams

Going into 2025, 90% of customer contact leaders acknowledged that their departments were facing cost and efficiency pressure.

Going into 2026, they are not ignoring that pressure. More than 54% view reducing inbound contact volume as a cornerstone objective for their customer care functions, and 42% say the same about reducing customer service costs.

They are not, however, letting traditional efficiency metrics define their operation. Instead, they are treating customer satisfaction as their north star.

A whopping 79% call customer satisfaction metrics a top focus when assessing the value of their customer care operations; an additional 19% call CSAT a moderate priority.

Many actually hope to go beyond merely satisfying customers: they want to create lasting relationships with them. More than 65% call “customer retention” a top objective for their customer care operations, and 26% identify it as a moderate priority.

Success in capturing actionable intelligence (a top priority for 52% of organizations) and upsell and cross-sell revenue (a pivotal focus for 42%) are also on the radar.

Collectively, these priorities establish the contact center as a vehicle for connections. It is a way to gain robust insights into customers and their sentiments, win satisfaction and trust through stellar support experiences, and then parlay that trust into lasting, lucrative relationships.

It is important to achieve these connections as efficiently as possible, but the quest to contain costs cannot come at the expense of stellar engagement. In today’s era of outcome-driven success, improvement in “self-service containment” is only valuable if it drives measurable, business-critical results. Is the AI deployment helping to reduce churn? Is it uncovering revenue opportunities that could lead to greater customer lifetime value?

That is not to say that AI-powered self-service platforms have to deliver magical, human-like experiences in every situation. It is, however, a reminder that AI deployments have to add clear value for the customer. If they require the customer to exert too much effort, settle for an impersonal or generic answer, and/or repeat information upon escalating to a live agent, they are neither living up to their potential – nor the standard of today’s customer contact operations.

Befitting that frictionless, human-centric reality, the best AI deployments leverage humans in the loop to make empathy and critical thinking possible, and immediately available, at all touch points. With AI handling the communication but humans guiding the real-time decision and relationship-building, callback rates should fall as loyalty soars.

Indeed, the best investments – AI or otherwise – strengthen connections. They do not minimize them.

Industry Spotlight

Although they too ascribe considerable importance to customer satisfaction, companies in the media and entertainment industry place “collection of actionable intelligence” far higher on the totem pole. Given the rapidly evolving media landscape, which includes changing audience behaviors and intensifying competition, robust customer data carries a special significance for building lasting, lucrative connections.

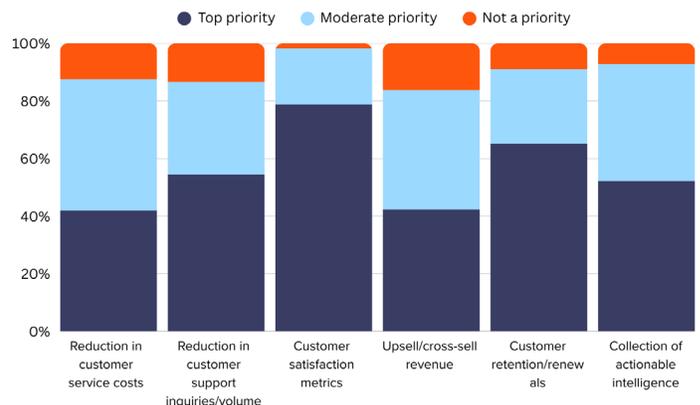
Like media and entertainment, utilities companies place a comparatively high importance on actionable data. Given the less-competitive, more support-specific nature of their businesses, these companies likely see robust intelligence as a pathway to better root cause analysis, better employee training, better proactive care, and more seamless and efficient journey orchestration.

From Insight to Impact

Across media, entertainment, and tech, AI-enabled orchestration designed through human-centered testbeds like Sutherland Labs has reduced churn by 20% and improved CSAT by 14% — tangible results of empathy engineered for scale.

UNDERSTANDING CUSTOMER CARE

When measuring the value created by your customer care function, to what extent do you prioritize the following?



Recurring Issues: An Unfortunate Bottleneck on Contact Center Success

Although many debates place “efficiency” and “customer centricity” on opposite ends of the spectrum, the reality is that they are often interconnected. Many of the factors that frustrate customers also inhibit operational performance.

Recurring issues make for a particularly noteworthy example.

When customers have to seek support for the same issues time and time again, they develop frustration about the effort they are exerting. They also question whether the business values customer feedback or continuous improvement; their trust, satisfaction, loyalty, and advocacy ultimately declines. The opportunity for a meaningful “connection” vanishes.

As they lose customer goodwill, contact centers succumb to troubling inefficiency. The resources they devote to putting out the same fires come at a significant opportunity cost; it is time, energy, and human capital they cannot use to design innovative experiences or engage in more meaningful customer conversations. Repetitive workflows also have a deleterious impact on employee experiences.

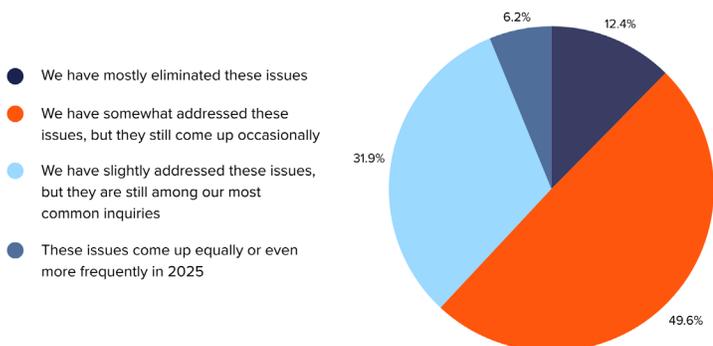
Disengaged employees are, of course, more likely to underperform or exit the business; both outcomes create further costs for the operation.

This inhibitive environment is unfortunately the norm among customer contact operations; only 12% believe they have mostly eliminated the top customer experience issues from 2024.

Just shy of 50% feel they have somewhat addressed last year’s most common issues, while 32% say they have slightly mitigated them. More than 6% say 2024’s issues came up as or even more frequently in 2025.

UNDERSTANDING CUSTOMER CARE

Consider the most common customer care issues you addressed in 2024. To what extent are you still dealing with them in 2025?



Insofar as products and accompanying service experiences come with inherent challenges, limitations, and learning curves, fully eliminating all recurring issues is unrealistic.

Working to remedy as many of these “root causes” as possible is, however, a pivotal step on the road to elevating contact center performance.

Presently, only 16% of businesses feel they are successfully addressing the root causes behind their top issues. An additional 38% fully understand the root causes but feel they are inevitable consequences of their business – meaningfully eliminating them is not an option.

The remaining businesses are missing the mark; nearly 42% have identified the root causes but not yet successfully addressed them, while 5% do not even have insight into what the root causes are.

The consequences of recurring issues – and the root causes behind them – underscore why data represents such an important priority for the customer contact function. Its success in analyzing what customers are experiencing and then democratizing that intelligence across the business will play a crucial role in determining how well the business can eliminate today’s issues and strengthen tomorrow’s connections.

Data, indeed, is the bridge between empathy and efficiency. When an organization can not only remedy lingering challenges, but proactively design experiences based on what customers want – and then the tone and flow of individual interactions based on real-time context – it moves from responding to relationship-building.

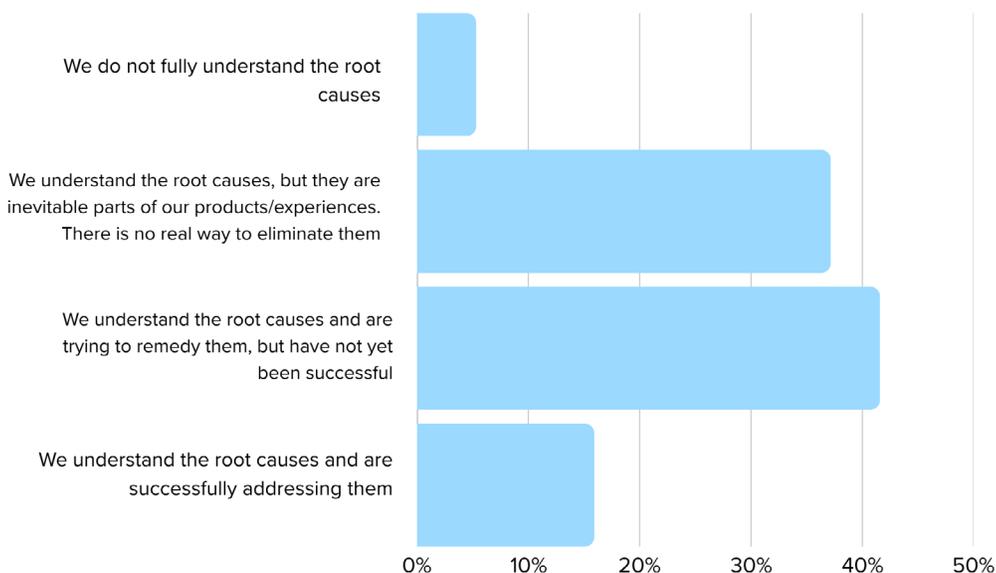
Turning Insight into Design Intelligence

Real empathy at scale happens when every signal — from tone to transaction — feeds a unified intelligence layer that guides the next best action in real time. Through forward thinking environments, organizations can prototype and refine these data-driven interactions before they scale.

The critical value of data uncovers a powerful opportunity for AI investments. Advanced, AI-powered analytics solutions are perfectly suited for the task of classifying customer intentions, uncovering root causes, and surfacing potential remedies. AI-powered self-service, moreover, can provide customers with convenient support for the most common issues, reducing their effort and inbound volume.

UNDERSTANDING CUSTOMER CARE

Consider the most common customer care issues you address right now. To what extent have you identified and address the root causes?



Empathy: Empty Buzzword or the Key to Building Customer Connections

Whether recurring or brand new, support inquiries involve real problems that are affecting real people. They exist in specific contexts, and have specific consequences.

This reality explains why empathy has become such an integral part of customer contact conversations. Empathy speaks to the human side of customer service, to the recognition that the contact centers do more than process isolated transactions. They provide support for real people with unique quirks, sentiments, and expectations.

Not simply a talking point, empathy is an action point for many organizations. All but 4% of customer contact leaders say they focus on empathy, and 57% call it a significant priority (though 12% may reduce their focus in the future).

An additional 24% expect it to become a paramount focus in the months and years ahead.

of a customer's issues and needs. Just shy of 39% say it is about specifically adapting to the customer's *emotional state*, while 8% believe it is rooted in the idea of remorse.

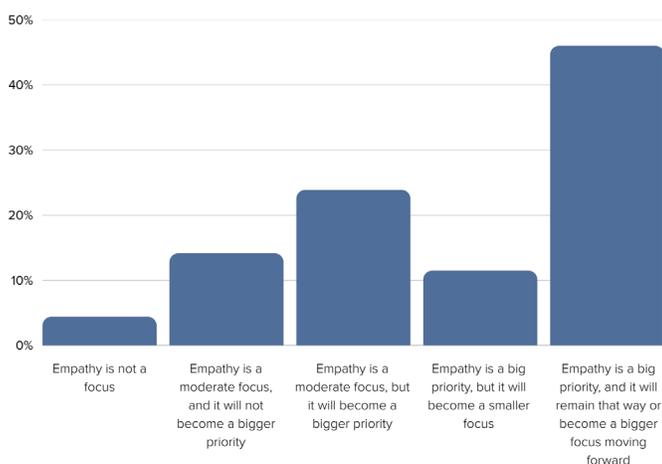
Despite their differences, all three definitions speak to the *human* element of customer care. They thus raise an important question: to what extent can empathy be "automated" by an AI solution?

Just over 46% answer in the negative; 14% feel empathy is an exclusively human quality, while 32% clarify that while AI can guide humans to be more empathetic, it cannot demonstrate empathy itself.

By contrast, 45% believe it can deliver *some* empathy in select circumstances, albeit not to the extent of human agents. Only 9% believe AI *can* deliver a meaningful level of empathy without additional human intervention.

UNDERSTANDING CUSTOMER CARE

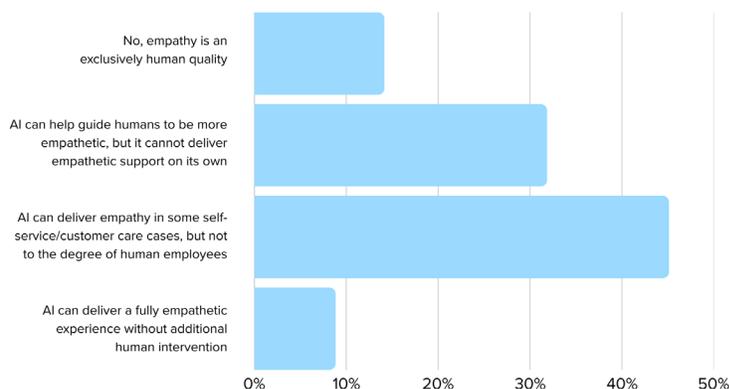
How important is the idea of "empathy" to your customer care function?



Successfully operationalizing empathy, of course, begins with properly defining it. For 53% of leaders, empathy is about adapting to the context and urgency

UNDERSTANDING CUSTOMER CARE

Do you believe it is possible for AI technology to deliver an empathetic care experience?



Leveraging natural language understanding, modern AI platforms clearly can detect tone and sentiment. They *can* analyze phrases and intentions to recognize the urgency of a given situation. In turn, they can adapt to the context of a customer and their issue.



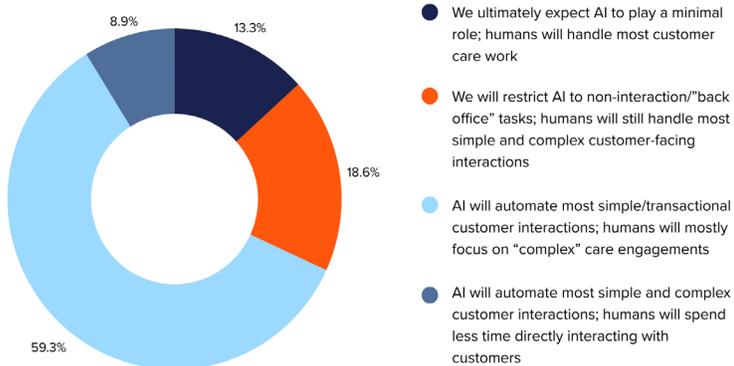
In that sense, they can contribute to an empathetic customer journey.

However, AI solutions cannot legitimately “feel” what customers are feeling or relate to what they are experiencing. That limits the opportunity for an emotional connection and thus explains why so few leaders believe AI can fully recreate the notion of empathy.

It also explains why most businesses expect humans to remain central to the customer engagement process.

More than 59% believe AI will only automate the most simple customer issues; human employees will continue to be the face of complex, high-stakes engagement. An additional 32% are wary of AI playing any meaningful role in frontline engagement; at most, they plan to restrict the technology to back-end, administrative work.

Which best describes your vision for the AI-human balance in future customer interactions?



Just 9% see AI taking over the full docket of customer-facing interactions.

Industry Spotlight

Utilities companies may exist in a more transaction-driven sphere, but that does not mean they see no opportunity for humanity. The overwhelming majority of organizations are, or will, making empathy a major priority.

Befitting this emphasis on humanity, they are also more likely than the average to define empathy as an exercise in adapting to emotions rather than context. This perspective makes sense; because utility interactions have less inherent nuance (either the power is out or not, either the bill is paid or not), there is limited variance about the correct support “answer.” There is, however, an opportunity to show emotional support to customers who are upset about a shut-off notice or angry about an Internet outage.

Going Above and Beyond: The Value, of Personalized, Predictive, Magical Care

Empathy is about appreciating the human behind a corporate transaction. It is about understanding the unique emotional and contextual consequences of a given problem.

Is demonstrating that appreciation and understanding enough to cultivate actual customer connections? Will it be enough to generate the desired gains in customer satisfaction and retention?

Or, do businesses have to go beyond problem-solving and start to focus on personalized, predictive, above-and-beyond delight?

In general, contact center leaders answer in the affirmative. More than 44% say their customer care teams strive to go “above and beyond” whenever possible, while 39% do so in select cases. Just 17% restrict their customer care initiatives to problem-solving.

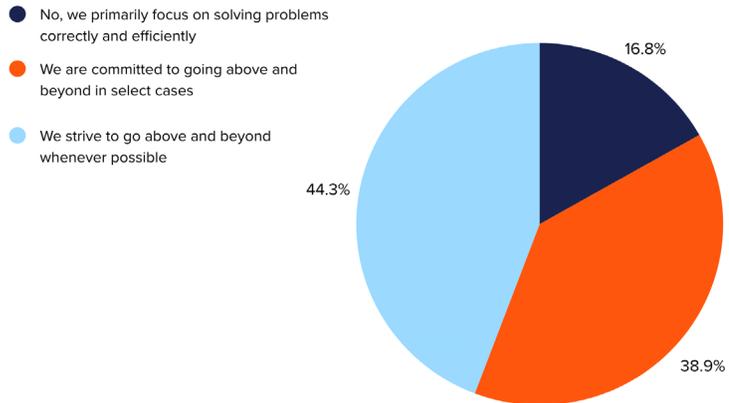
Granted, there are many dimensions to going above and beyond.

One example includes delivering predictive and proactive care. When a brand can anticipate and preemptively address a customer’s issues, it demonstrates a special appreciation for that customer and their time. That investment in the individual can be the foundation of a lasting “connection.”

There is, of course, a divide between outbound care and proactive care. Any organization can blast outbound offers or service alerts, especially with digital and AI technology making such communication infinitely scalable. Going above and beyond would involve accounting for a customer’s unique preferences and situations, and many lack the requisite framework.

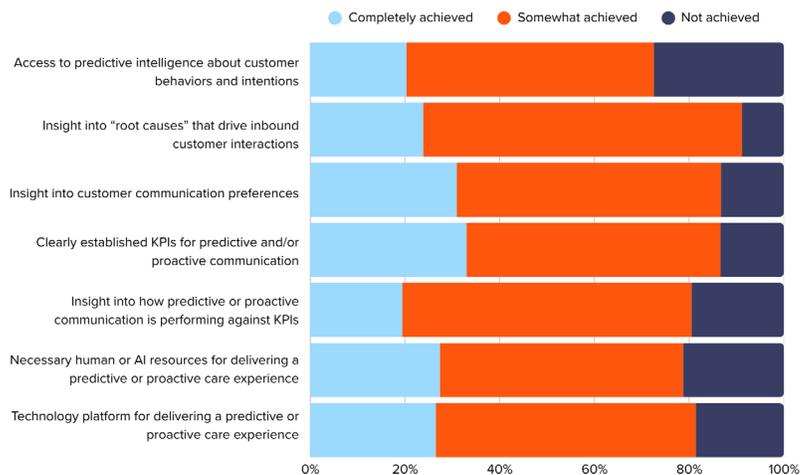
UNDERSTANDING CUSTOMER CARE

Is your organization seriously committed to delivering “above and beyond” customer care?



UNDERSTANDING CUSTOMER CARE

To what extent have you achieved the following components of a predictive or proactive customer care framework?



Presently, just 20% have complete access to “predictive intelligence” about their customers. Similarly small numbers are enthusiastic about their insight into the relevant “root causes” (24%) or customer preferences (31%).

Without that data, let alone the technological frameworks, resources, and performance measurement framework, businesses will struggle to deliver a truly robust, personalized proactive care experience.

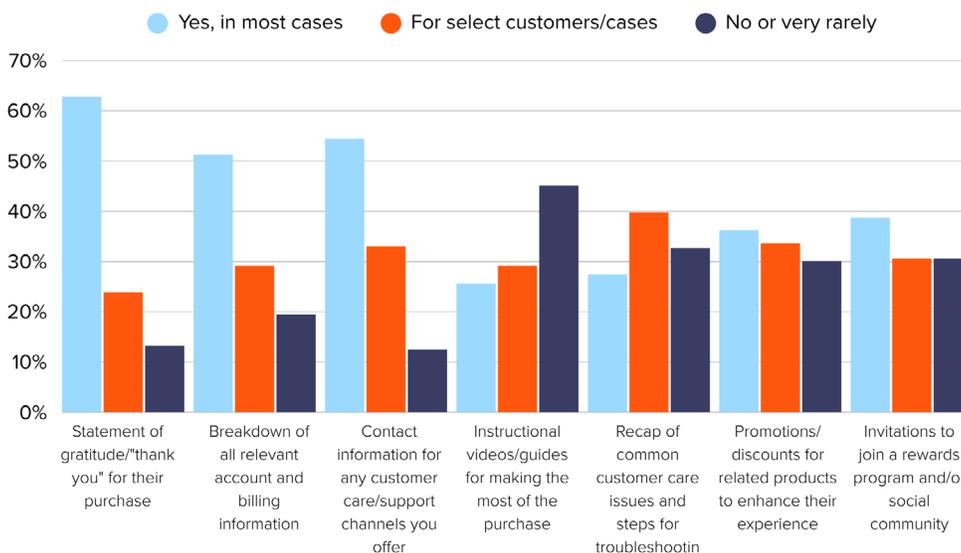
Another opportunity, one highly rooted in the idea of a customer connection, involves customer onboarding. By personally welcoming a customer, the business shows that it is looking to build a relationship beyond the initial sale. It is looking to connect on a human basis.

More than 62% of businesses say they typically send “thank you” messages to customers, and slim majorities also communicate a primer on available support options and relevant account information.

Far fewer businesses are sending messages related to rewards programs, future discounts, or preemptive problem-solving. Businesses that take initiative in these areas, therefore, have a chance to not only create more customer touch points but directly reduce inbound volume (by enabling more customers to troubleshoot on their own) and drive more sales (through relevant offers and rewards programs).

UNDERSTANDING CUSTOMER CARE

Do you send any of the following "onboarding" messages to customers after they make a purchase?



In a more classic customer service context, “above and beyond” can refer to providing customized resolutions, exceptions, or make-goods in excess of what is stipulated by “policy.”

Presently, consumers feel businesses are regressing in this area; according to CCW Digital’s Consumer Preferences Survey, 58% say it has become harder to get a refund or make-good from an organization.

Given the majority of leaders’ commitment to going above and beyond in at least some cases, one would assume that customer contact teams would be eager to combat that perception.

But insofar as make-goods introduce consequences – whether in the form of the actual resolution cost or by the

precedent they create about the correct support outcome – businesses are obviously not going to go “all-in” on make-goods. They will still adhere to certain guidelines.

Most notably, they will consider the likelihood that the customer’s future spending will be affected by the outcome. Nearly 54% will seriously account for the impact on customer lifetime value, underscoring the idea that they are not delivering above and beyond support for support’s sake; they view it as an instrument for driving future spend.

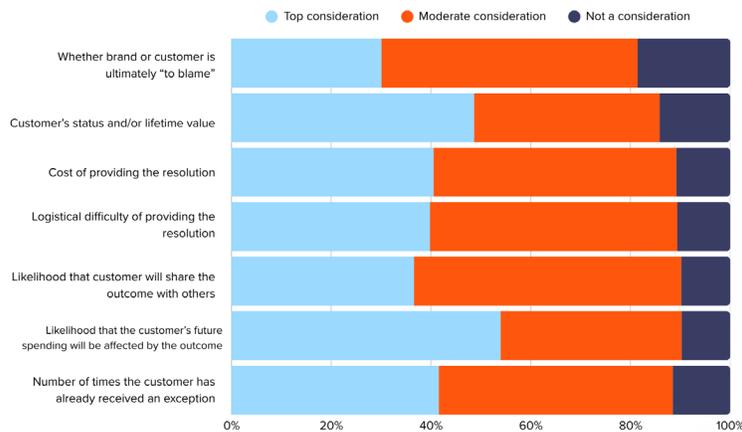
Nearly as many organizations (48%) account for past and existing spending. They make support decisions based on the customer’s established status and lifetime value, essentially arguing that certain customers have “earned” the right to better outcomes.

Both reflect the relationship-minded approach to care; they are evaluating their support process not only for its accuracy in handling issues but in its ability to turn today’s support conversations into tomorrow’s purchases.

Recognizing the opportunity for abuse, 42% pay careful attention to how many times a customer has already received an exemption. Resolution cost (41%) and logistical difficulty (40%) are also on the radar.

UNDERSTANDING CUSTOMER CARE

When determining whether to approve an “off-script” resolution, policy exception, or make-good for a customer, do you consider any of the following?



Industry Spotlight

Of the spotlight industries, technology companies were least likely to declare a commitment to going “above and beyond” for most issues.

Whereas they face far more competition than the typical utilities company, many of the issues they address are similarly straightforward. Rather than addressing “bad service experiences” where there is an incentive to curry a customer’s emotional favor, they are often addressing straightforward technical issues where simply getting the product to work – or accepting a return when it clearly will not – is the ultimate expectation and priority.

Whereas standard-setters in media and telecommunications may offer credits and promotions, leading tech companies are most famous for easy, not elaborate, support.

Making Success a Reality: Overcoming the Top Inhibitors to Customer Connections

To explore the notion of “connections” in today’s customer care environment, the balance of this report has focused on strategies and mindsets. It has looked at how contact center leaders set their priorities, how they account for human emotion, how willing they are to go beyond problem-solving, and how they envision AI technology fitting into the dynamic.

The right vision will be for naught, however, if the contact center does not have a framework for success. If its systems and processes are disconnected, inefficient, or ultimately unproductive, it will not be able to operationalize its customer-centric vision. It will not be able to dive deep into customer needs, intelligently orchestrate their journeys, or empower employees to go beyond “solving problems” and into “building connections.”

For the majority of organizations, systemic fragmentation is serving as an inhibitor to success. Nearly 55% say disconnected tools, technologies, and systems prevent their contact center from achieving optimal performance.

Inadequate technology (44%), high-friction agent experiences (42%), and insufficient collaboration (42%) also rank as top challenges.

Already troubling, these “pain points” are due to become even worse as popular customer contact trends come to fruition.

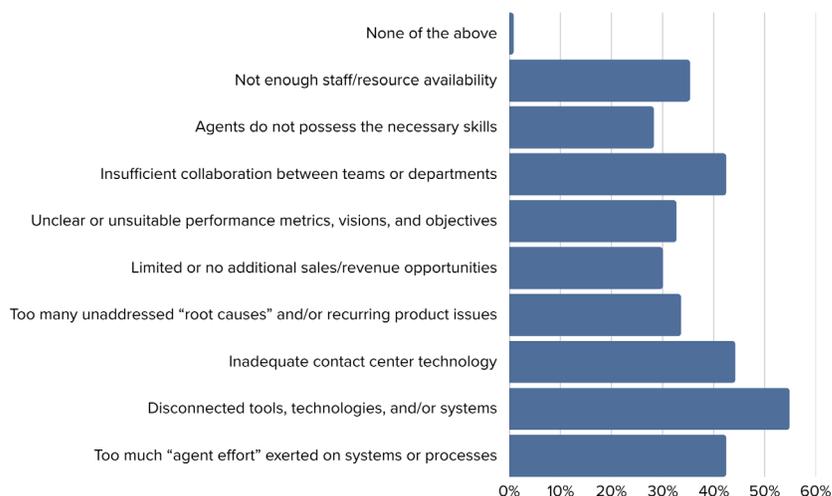
AI technology requires a robust data framework to succeed. The “AI for simple issues, agents for complex ones” dynamic, meanwhile, hinges on agents having the time, data, and support needed to transcend “script-reading” and become empathetic, adaptive “consultants.”

Solving these problems will be a multi-dimensional endeavor. It will require auditing existing knowledge and databases to create accurate, updated, “single sources of truth” for both human and AI agents. It will require unifying all contact channels, ideally with a cloud-based contact center platform, to create a seamless, omnichannel experience. It will require rethinking employee hiring and training protocol to foster more productive, expert performers. It will require revamping culture to emphasize a more collaborative, customer-centric vision.

Savvy organizations will also consider their use of outside support. Whether via their technological know-how, data frameworks, existing process automation, or balance of

UNDERSTANDING CUSTOMER CARE

Which of the following represent obstacles to generating that value from your customer care function? Check all that apply.





Tier-1 and specialized support employees, modern partners can do far more than “fill seats.”

As you work to pursue a more valuable customer care function, one that not only reduces fallout but actively generates satisfaction, trust, loyalty, and longevity, think critically about the role partners are and should be playing in your operation. Approach them not for what BPOs were decades ago but for what the right partner can be for your business, its employees, and its customers.

Tomorrow’s CX leaders will not outsource interactions — they will co-engineer them. The right partner will fuse human insight, behavioral science, and AI precision to turn every customer moment into measurable value.

About Our Research Partner



To learn more about how Sutherland labs helps partners achieve this framework, [click here](#).

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Brian Cantor is the Managing Director of Customer Management Practice's Digital division. Driven by a passion for helping brands better empower their employees and more meaningfully connect with customers, Brian oversees research, product development, editorial vision, and commercial strategy for properties like CCW Digital and Customer Engagement Insider. Reaching a community of almost 200,000, these digital properties offer industry-leading commentary, research reports, and virtual event sessions.

Far from a "boardroom manager," Brian routinely speaks at leading customer contact events and directly engages with global enterprises and innovative start-ups via training and advisory services sessions.

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