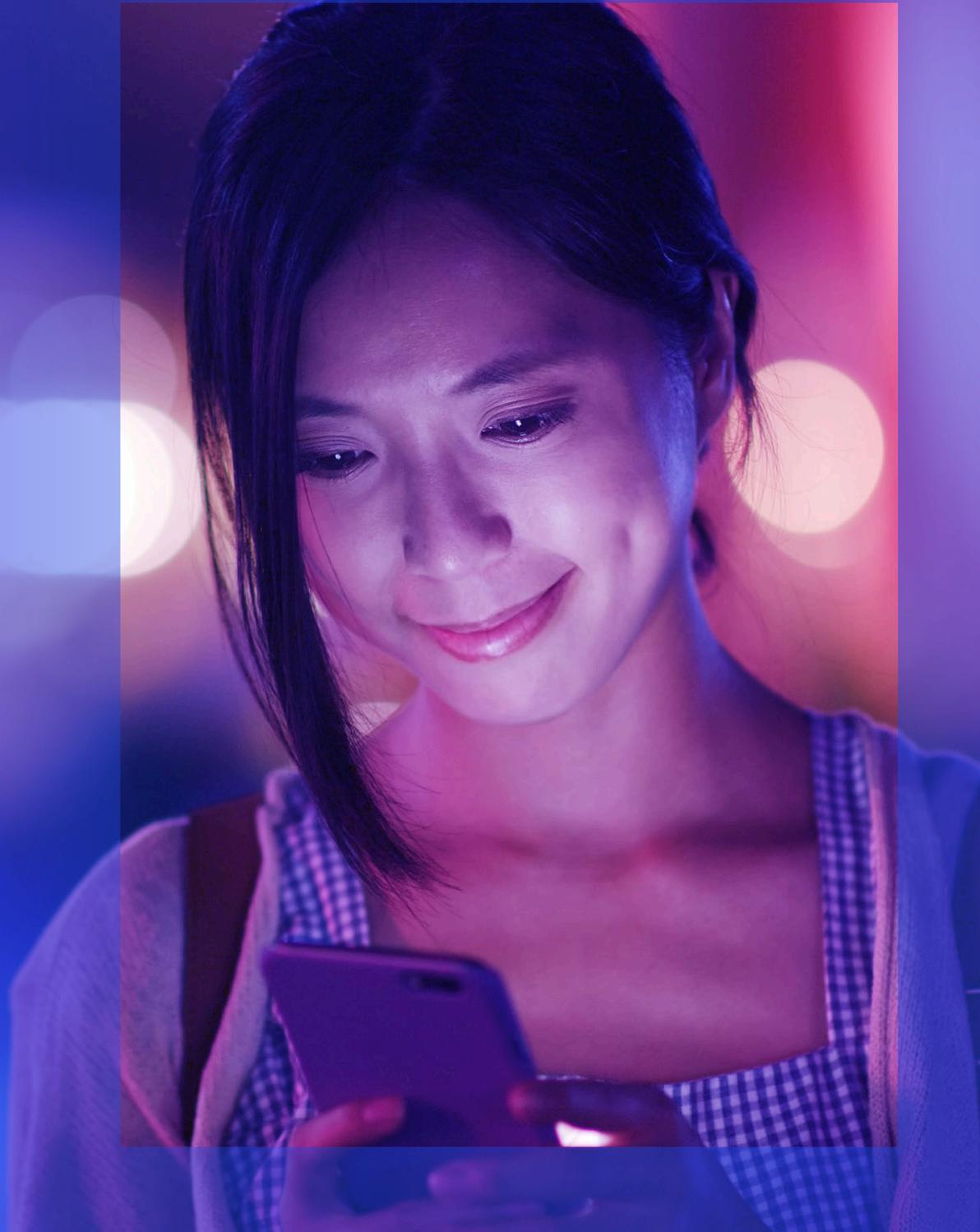




Transforming the customer experience with AI

Customer Experience Excellence
Report 2023

KPMG in Singapore





Foreword

While the impact of the Covid-19 pandemic is largely behind us, businesses are now navigating a tougher business climate, with an increasingly competitive environment and having to grapple with rising costs. In tandem, they are also keeping their eyes on how emerging trends, such as the rise of artificial intelligence (AI) technology and acceleration of digitalisation, can change and shape the way they operate.

Generative artificial intelligence (AI) has set the tone for many conversations this year, capturing the interest of investors and companies alike. The transformative potential of AI has prompted companies to re-evaluate how they can harness this tool and integrate it into daily processes to deliver better outcomes for clients. According to the KPMG 2023 CEO Outlook report, 70 percent of global CEOs are making generative AI a top investment priority.

This emergence of generative AI comes at an opportune time. In an inflationary environment, it is inevitable that some brands will choose to pass down cost increases to customers. In return, customer expectations are also rising. We see how technology can become a powerful tool in helping businesses augment processes to meet the growing customer expectations, such as through personalising its communications with customers, or using it to streamline its marketing efforts.

But while companies and brands embrace new technologies, our data has shown that technology cannot fully replace the human

touch in customer experience. Our Customer Experience Excellence (CEE) survey findings this year show that the Personalisation pillar continues to be a key driver for customer experience. This is evident in consumers still valuing the importance of having a personal connection with businesses, even as we use technology to improve the process to gather insights or predict what customers want or need.

In our report this year, we uncover the sentiments behind the changing expectations, preferences and needs of consumers in Singapore, and how leading brands continue to excel even during continuous change and disruption. With the growing adoption of generative AI in the coming year, we also explore what this means for both companies and their customers, and how brands can use this to their advantage as they continue to strive for customer experience excellence.

It will be important for brands to tame the tension between the growing influence of technology, as well as the customer's desire for human touch and empathy. Brands that can strike a balance will be a step closer to customer experience excellence and win over the brand loyalty of increasingly discerning consumers.



Guillaume Sachet
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KPMG in Singapore

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A new customer strategy for the changing consumer





A new customer strategy for the changing consumer

Value is increasingly top-of-mind

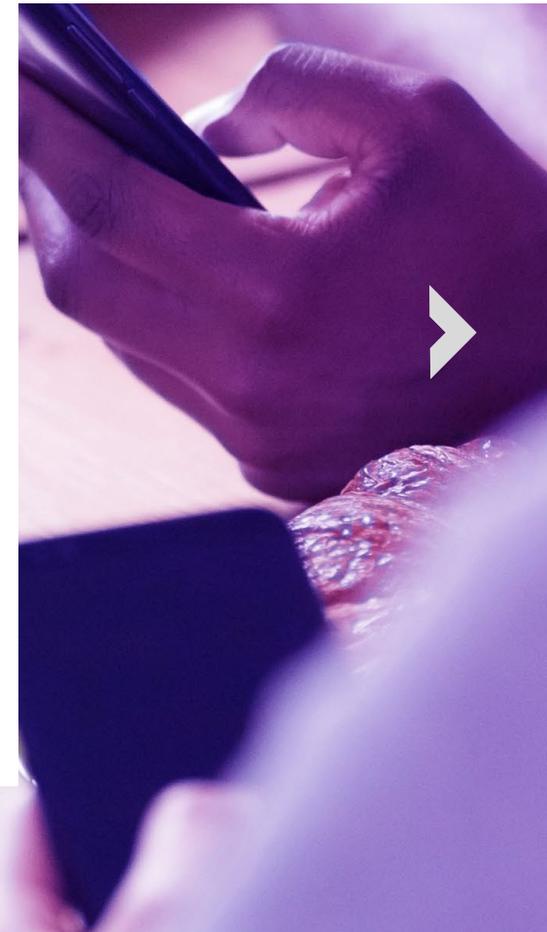
While Singapore's economy is expected to grow in 2023, there are still headwinds in the horizon, such as a potential economic slowdown in the global market and an increasingly difficult business environment in the coming year. While the impacts of the pandemic have largely died down, there are still lingering effects, such as the increase in the cost of living. This has led consumers to adopt a more value-oriented approach when making purchasing decisions. This year's CEE survey reveals that cost increases are being felt across the Singapore market, with brands passing on these expenses to consumers. Examples cited include increased delivery costs for online grocers and increased premiums for insurance. Additionally, the Singapore market noted a year-on-year decrease for Value scores, signalling a clear need for brands to explore ways to deliver beyond price.

Further complicating the business landscape are geopolitical tensions, climate changes, and escalating inflation. These factors not only hinder business operations but also disrupt communication between businesses and their customers.

This dynamic economic environment is shaping consumer behaviour and influencing their choices in the market, and consumers are now placing more emphasis on options that offer the best return on their investment. Brands that can provide value-driven options provide consumers with a clear and compelling reason to choose them over competitors. To stand out, brands typically offer a combination of benefits such as quality, affordability, convenience, uniqueness and personalisation.

AI as a tool to better engage the customer

Consumer expectations are rising in today's technologically advanced world, driven by the convenience and sophistication of AI. While generative AI offers a plethora of benefits, consumers still crave human connection and personalised interactions throughout their journey. Based on verbatim comments collected in our CEE survey this year, respondents find these interactions more memorable. As such, businesses that can successfully integrate generative AI with a deep understanding of consumer needs while remaining committed to human-centric interactions will be well-positioned to thrive in this ever-evolving landscape.





Growing desire for personalised experiences

Based on our survey findings this year, Personalisation has remained a key market driver for brands for five consecutive years, driving brand advocacy and loyalty in Singapore.

This growing desire for personalised and tailored experiences was also captured across various market studies conducted in 2023. For example, 78 percent of consumers in Singapore expect better personalisation as technology advances¹. Consumers are also willing to spend more if a product or service is personalised². Personalisation can take on many forms, ranging from tailored products to hyper-personalised interactions that can help to cultivate deeper connections. Brands must remain vigilant in understanding the evolving preferences of their clientele and strategically direct their personalisation efforts to achieve the most meaningful impact.

As technology continues to evolve and consumer expectations rise, businesses in Singapore will need to adapt and embrace customisation to remain competitive in the market. By investing in data analytics, adopting innovative technologies, and fostering a customer-centric culture, businesses can create personalised experiences that resonate with Singapore's discerning consumers.

1. <https://www.salesforce.com/resources/research-reports/state-of-the-connected-customer/>
2. <https://www.facebook.com/business/m/sync-southeast-asia>





Singapore Consumers Today: Value-conscious and ESG-driven





Singapore Consumers Today: Value-conscious and ESG-driven

The value-conscious consumer

In Singapore's dynamic consumer market, value perception has emerged as a crucial factor influencing purchasing decisions this year. Driven by a convergence of events, including the Covid-19 pandemic, supply chain disruptions, and rising inflation, consumers in Singapore are becoming increasingly discerning in their spending habits.

Based on market research, many consumers in Singapore are feeling cost pressures. While this has not dampened their appetite to shop, it is changing how and when they spend. For example, they are spending more time searching for deals or prefer to wait for season sales to stretch their dollar. As Singaporean consumers are highly price-sensitive, they prefer to actively seek out bargains and compare prices across different shopping channels, particularly for products and services that are transactional in nature³.

Despite so, there remains opportunities for brands to compete beyond price. Based on verbatim comments collected in our CEE survey this year, consumers are equally prioritising brands that offer a holistic value proposition – one that encompasses quality, reliability, positive customer experiences, and a sense of connection with the brand's ethos.

This highlights the importance for businesses to focus on creating a differentiated value proposition, as opposed to competing purely on price. By delivering an experience that justifies the cost and resonates with the evolving preferences of value-conscious consumers, brands can position themselves for long-term success in the Singapore market.

3. <https://www.adyen.com/knowledge-hub/retail-report/sg>



The ESG-driven consumer

Environmental, social, and governance (ESG) considerations are becoming increasingly important to Singaporean consumers. They are willing to pay more for products and services that are produced in an ethical and sustainable manner. According to our CEE survey this year, more than 50 percent of consumers in Singapore are willing to pay more for a company that is observed as being ethical or giving back to the society. A separate study shared that Singaporeans' ESG awareness is higher than the global average. Singaporeans' interest in ESG also grew from 2022 and 2023⁴.

Environmental consciousness is expanding beyond the younger generations, with older age groups demonstrating a growing commitment to sustainability. This shift is evident in the narrowing gap between individuals willing to purchase from ethical companies across different age groups – based on our CEE survey this year, the gap between individuals willing to purchase from ethical companies for age groups 18-34 and 45-55 has narrowed, decreasing from 1.09 percent in 2022 to 0.16 percent in 2023. This trend aligns with findings⁵ that revealed that baby boomers outscored Gen Zs in terms of awareness of environmental issues, engagement in green activities, and

advocacy for environmental causes.

However, conversion from awareness to action is low, and consumers are not fully acting on their intentions. This is partly due to the higher cost of ethical and sustainable products, which can be a barrier for some consumers⁶. Additionally, there is a lack of clear and consistent information about the ESG credentials of brands, which makes it difficult for consumers to make informed choices. Furthermore, fewer Singapore small and medium enterprises (SMEs) are conducting social and environmental initiatives, despite 76 percent considering ESG to be relevant to their businesses⁷.

Businesses can play a key role in bridging this gap by providing clear and transparent information about their ESG practices. They can also make ethical and sustainable products more affordable by improving supply chain efficiency and reducing waste. In addition, businesses can encourage consumers to make more sustainable choices by offering incentives, such as discounts or loyalty rewards. By making it easier and more rewarding for consumers to choose ethical and sustainable products, businesses can help drive positive change in the market.

4. <https://secnewgatecee.com/news/sec-newgate-esg-monitor-2023/>

5. <https://www.todayonline.com/singapore/baby-boomers-singapore-more-environmentally-conscious-leading-greener-lifestyles-younger-generations-study-1970726>

6. <https://www.statista.com/statistics/1320579/singapore-reasons-for-not-adopting-sustainable-consumption-habits/>

7. <https://www.insurancebusinessmag.com/asia/news/environmental/fewer-singapore-smes-conducting-esg-initiatives--study-447025.aspx>



2023 Singapore's Top 10 Brands for Customer Experience





Singapore's top 10 brands for customer experience

Company	Rank			
	2023	2022	2021	2020
 ▶ Apple store	1	1	3	3
 ▶ Apple Pay	2	2	4	9
 ▶ Changi Airport	3	7	Not ranked	4
 ▶ Decathlon	4	20	45	15
 ▶ Singapore General Hospital	5	48	30	7
 ▶ POSB	6	4	7	6
 ▶ Singapore Airlines	7	28	1	2
 ▶ American Express	8	Not ranked	2	1
 ▶ Shell	9	8	5	19
 ▶ Sentosa	10	27	New	New



Singapore's top brands for customer experience excellence

Apple Store & Apple Pay

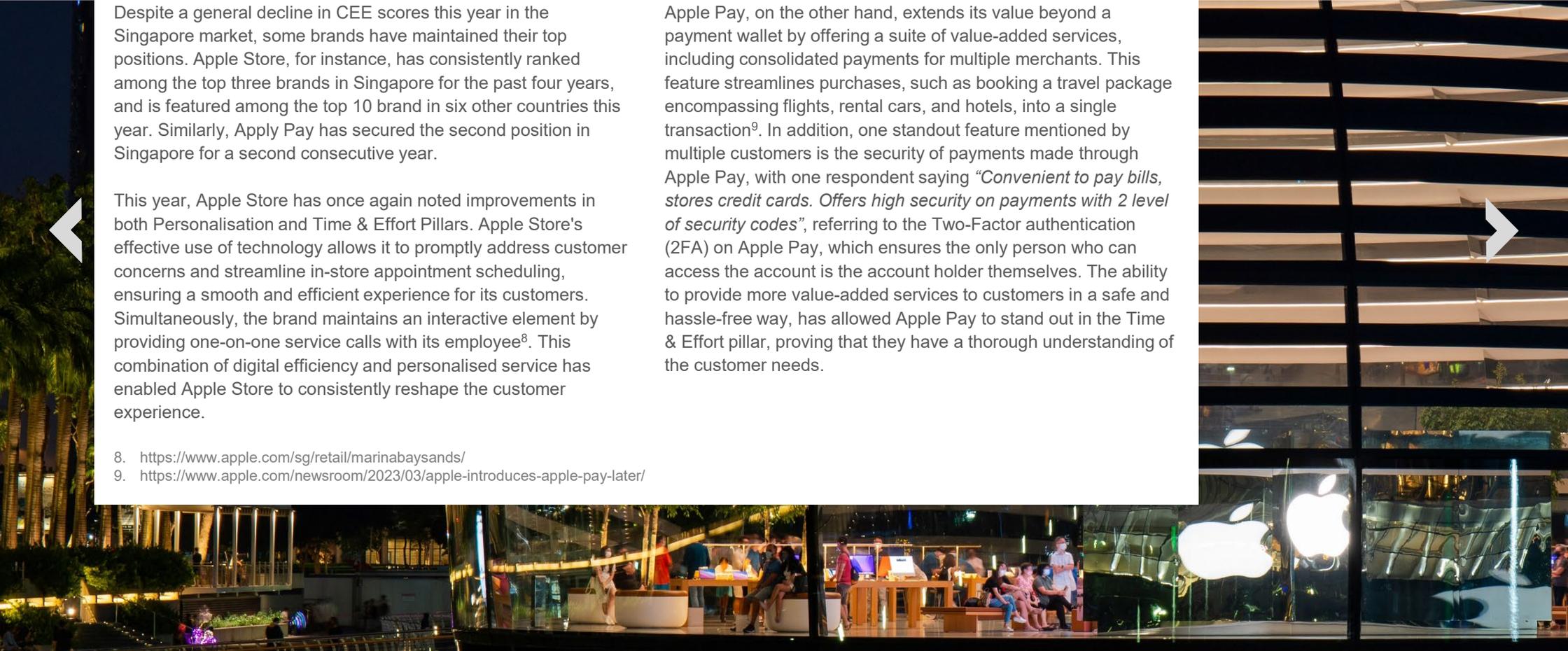
Despite a general decline in CEE scores this year in the Singapore market, some brands have maintained their top positions. Apple Store, for instance, has consistently ranked among the top three brands in Singapore for the past four years, and is featured among the top 10 brand in six other countries this year. Similarly, Apple Pay has secured the second position in Singapore for a second consecutive year.

This year, Apple Store has once again noted improvements in both Personalisation and Time & Effort Pillars. Apple Store's effective use of technology allows it to promptly address customer concerns and streamline in-store appointment scheduling, ensuring a smooth and efficient experience for its customers. Simultaneously, the brand maintains an interactive element by providing one-on-one service calls with its employee⁸. This combination of digital efficiency and personalised service has enabled Apple Store to consistently reshape the customer experience.

8. <https://www.apple.com/sg/retail/marinabaysands/>

9. <https://www.apple.com/newsroom/2023/03/apple-introduces-apple-pay-later/>

Apple Pay, on the other hand, extends its value beyond a payment wallet by offering a suite of value-added services, including consolidated payments for multiple merchants. This feature streamlines purchases, such as booking a travel package encompassing flights, rental cars, and hotels, into a single transaction⁹. In addition, one standout feature mentioned by multiple customers is the security of payments made through Apple Pay, with one respondent saying *“Convenient to pay bills, stores credit cards. Offers high security on payments with 2 level of security codes”*, referring to the Two-Factor authentication (2FA) on Apple Pay, which ensures the only person who can access the account is the account holder themselves. The ability to provide more value-added services to customers in a safe and hassle-free way, has allowed Apple Pay to stand out in the Time & Effort pillar, proving that they have a thorough understanding of the customer needs.





Singapore's top brands for customer experience excellence

Singapore General Hospital

Singapore General Hospital (SGH) moved up 48 positions to rank 5th in the Singapore market this year. The hospital saw score improvements across all pillars, with Personalisation pillar (+0.57) and Time & Effort pillar (+0.49) noting the largest year-on-year increases.

SGH became the first hospital in Singapore to leverage on Robotic Process Automation (RPA) for Patient-Reported Outcome Measures (PROMs) collection in 2022¹⁰. PROMs are questionnaires used by healthcare providers to understand how patients' conditions are affecting them and their ability to perform daily activities. This allowed a time savings of 1,350 hours across a 10-month period – this success has encouraged SGH to rollout PROMS in more clinical specialities¹¹.

One reason why SGH ranks highly is due to its effective management of patients' appointments, which translates into a shorter waiting time, according to verbatim comments recorded

for SGH. This has led to SGH's lead in its Time & Effort score, obtaining a score of 7.67 for Time & Effort, compared to the industry average of 7.10.

One SGH respondent commented: *"My overall experience with Singapore General Hospital (SGH) has been quite positive. When I've had a query about my bill, I've always managed to talk to someone in the Business Office to get my answer. Their customer service people are always polite, patient, and willing to look for alternative timeslots to accommodate my fluctuating schedule."*

That aside, SGH, as an established public hospital in Singapore, has successfully forged a strong emotional connection with Singaporeans spanning across multiple generations, leveraging a sense of familiarity and shared history. This connection with tradition and the past seems to contribute significantly to SGH's success and resonance with Singaporeans.

10. <https://opengovasia.com/robotic-process-automation-in-singapore-general-hospital/>

11. <https://www.sgh.com.sg/news/patient-care/more-quality-time-with-patients-thanks-to-bot>





Singapore's top brands for customer experience excellence

Decathlon

Decathlon moved up 16 positions, reclaiming its spot in the Top 10 leader board and ranking 4th in the Singapore market. Decathlon noted improvements across all pillars, but most significant increases were in Time & Effort (+0.43) and Personalisation (+0.32) pillars.

Decathlon continues to redefine the in-store and online e-commerce experiences through constant innovation and digitalisation. The sports retailer is moving beyond traditional retail, by building and shaping a new ecosystem around sports retail. Its efforts include the implementation of a unified commerce strategy and the launch of a Data Lab to consolidate its efforts in the development of new digital services¹². This data-centric approach places customer insights at the heart of every decision, from product development to delivery. The Data Lab empowers Decathlon to understand customer needs and preferences in unprecedented detail, leading to the creation of highly personalised and seamless shopping experiences¹³.

12. <https://www.marketing-interactive.com/decathlon-sg-unveils-data-lab>

13. <https://futurecio.tech/decathlon-launches-data-lab-to-leverage-tech-talents-and-make-sports-more-accessible/>

This commitment to innovation is reflected in Decathlon's continuous improvement in Time & Effort and Personalisation scores. Comments collected from Decathlon's respondents highlight the positive impact of these efforts, sharing how the convenient check-out process is a plus point for customers.

Additionally, Decathlon has set itself apart from other retail competitors in Singapore by providing a unique shopping experience that allows customers to try out products before buying them. This interactive approach helps shoppers make more informed purchasing decisions and is highly valued by customers, which is evident through the feedback gathered from customer interactions. One Decathlon respondent commented, *"Visited Northshore Decathlon and was surprised by the size of the store. There were not only products that were cheap but also activities we can do in the store such as ping pong, pool, archery, etc. Staff were all very friendly and polite."*



Singapore's top brands for customer experience excellence

Sentosa

Sentosa moved up 17 positions and came in 10th among brands in Singapore, making it their first time in the leader board. Integrity and Time & Effort emerged as the strongest pillars for the brand.

During the Covid-19 pandemic, Sentosa managed to attract a significant number of local visitors, as people sought leisure and entertainment options within the country¹⁴. As borders opened and international travel resumed, Sentosa faced increased competition from neighbouring attractions. To remain competitive, Sentosa implemented various strategies in recent years, including a strengthened focus on attracting locals through its Sentosa Islander Membership program which now offers free sign-up and reward points for exclusive perks¹⁵. The membership is complemented with the MySentosa Mobile App which provide users with convenient access to membership details, updates, and promotions¹⁶. Sentosa's ongoing enhancements to both the loyalty programme and mobile app have undoubtedly contributed to the seamless processes experienced by visitors, ensuring that

they can fully immerse themselves in the island's diverse attractions without any hassle. One respondent commented, *"I used Sentosa to buy their islander pass to get perks and a free ride on the cable car. The process was generally easy, and they gave all the steps and instructions required in a quick and easy to way to follow, hence no problems experienced at all."*

Sentosa remains steadfast in its sustainability endeavours, guided by the "Sustainable Sentosa Strategy Roadmap", which ambitiously targets net-zero emissions by 2030¹⁷. Beyond going net-zero, the island is also making sustainability core to its tourism offerings, further enhancing its appeal to visitors who seek eco-friendly experiences. Sentosa's dedication to sustainability and its pursuit of global recognition as a certified sustainable tourism destination have cultivated a more holistic and responsible customer experience, likely contributing to the high scores in the Integrity pillar.

14. <https://www.travelweekly-asia.com/Destination-Travel/Sentosa-catches-domestic-tourism-wave>

15. [sdc_annual_report_fy2022_2023_updated.pdf](https://www.sentosa.gov.sg/sdc_annual_report_fy2022_2023_updated.pdf) (sentosa.gov.sg)

16. <https://www.sentosa.gov.sg/what-we-do/smart-sentosa/>

17. <https://govinsider.asia/intl-en/article/inside-sentosas-sustainability-strategy>





The power of strong connections

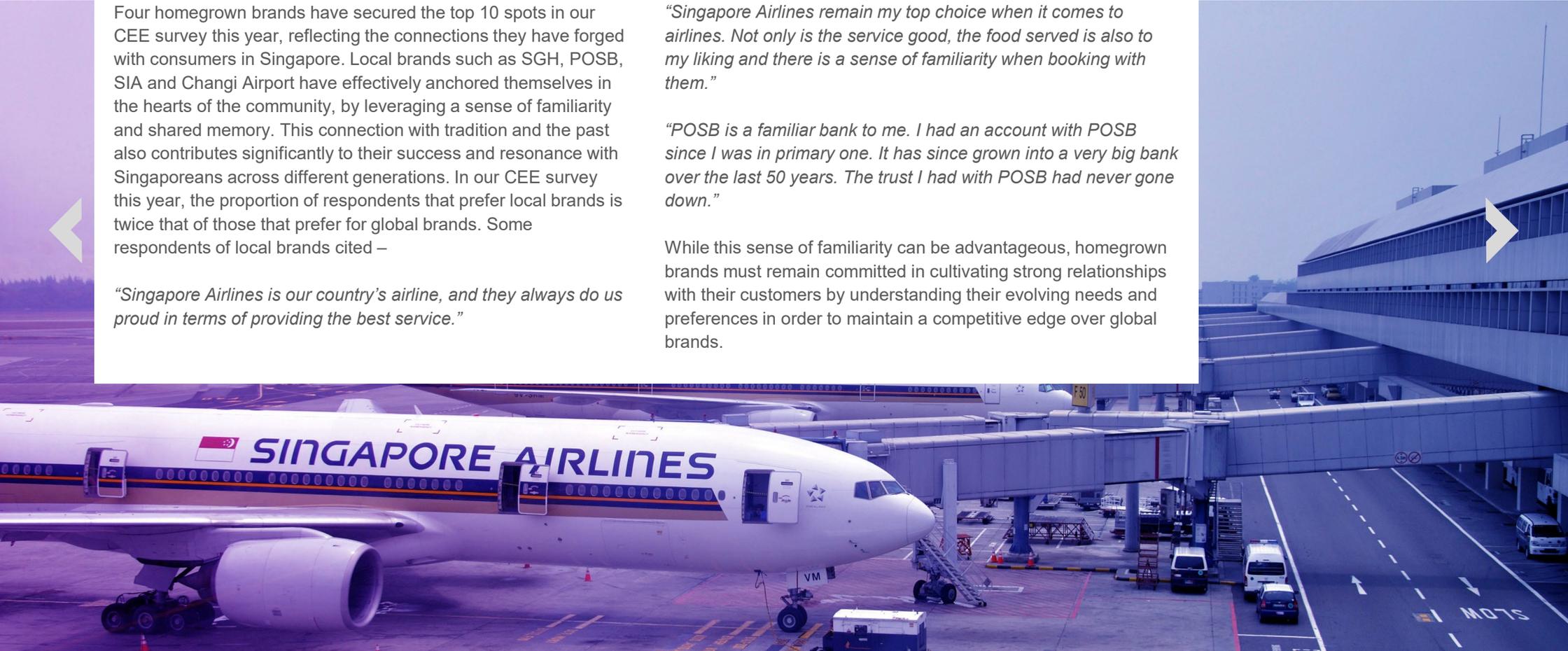
Four homegrown brands have secured the top 10 spots in our CEE survey this year, reflecting the connections they have forged with consumers in Singapore. Local brands such as SGH, POSB, SIA and Changi Airport have effectively anchored themselves in the hearts of the community, by leveraging a sense of familiarity and shared memory. This connection with tradition and the past also contributes significantly to their success and resonance with Singaporeans across different generations. In our CEE survey this year, the proportion of respondents that prefer local brands is twice that of those that prefer for global brands. Some respondents of local brands cited –

“Singapore Airlines is our country’s airline, and they always do us proud in terms of providing the best service.”

“Singapore Airlines remain my top choice when it comes to airlines. Not only is the service good, the food served is also to my liking and there is a sense of familiarity when booking with them.”

“POSB is a familiar bank to me. I had an account with POSB since I was in primary one. It has since grown into a very big bank over the last 50 years. The trust I had with POSB had never gone down.”

While this sense of familiarity can be advantageous, homegrown brands must remain committed in cultivating strong relationships with their customers by understanding their evolving needs and preferences in order to maintain a competitive edge over global brands.





The Six Customer Experience Excellence Pillars in 2023





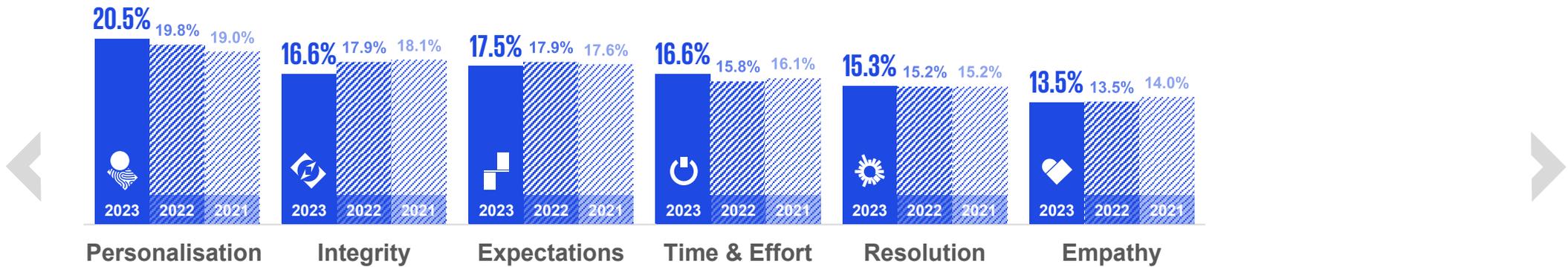
The Six Customer Experience Excellence Pillars in 2023

Even in a world fuelled by technology, the Six Pillars of experience remain core to how brands can develop great customer experience. They provide guidance on how to incorporate best practices into creating world class customer journeys. The following table illustrates how the Six Pillars can unify internal efforts to drive improvement and the customer perceptions that will need to be considered.

Inside out: The company perspective	Six Pillars	Outside in: The customer perspective
<ul style="list-style-type: none"> Human and empathetic cues Solves a life problem AI Augmented human interactions 	Empathy 	<ul style="list-style-type: none"> I want a human touch – when I need it. I want to feel heard and be understood. I don't think a machine can do that.
<ul style="list-style-type: none"> AI tailored experiences Real-time personalisation and decision making Predictive recommendations 	Personalisation 	<ul style="list-style-type: none"> I want AI to anticipate my needs and proactively help. For example, suggest relevant products or services, and even predict potential issues before they arise.
<ul style="list-style-type: none"> Streamlined customer journeys, faster more efficient operations Order processing, tracking and delivery Automated onboarding – error reduction 	Time & Effort 	<ul style="list-style-type: none"> When AI is incorporated into various products, such as autonomous vehicles, security systems, and smart appliances, I want to be assured about safety, efficiency, and usability
<ul style="list-style-type: none"> Predict needs and preferences AI driven recommendation engines –surprise and delight AI managed interfaces and journey orchestration 	Expectations 	<ul style="list-style-type: none"> I want companies to accurately set my expectations - when I interact digitally, will I be dealing with a machine or a human?
<ul style="list-style-type: none"> AI identification of trends and patterns to support problem solving 24/7 query responses, answer queries, and streamline interactions, leading to faster resolution and improved customer service Predictive resolution – before customer has the problem 	Resolution 	<ul style="list-style-type: none"> When using AI-powered chatbots and virtual assistants, I want to receive at least the equivalent of a human interaction. I want certainty that my problem has been resolved. I fear the loss of human touch in emotional interactions.
<ul style="list-style-type: none"> Transparency, data privacy and ethical use Eradication of bias Ongoing governance and inspection 	Integrity 	<ul style="list-style-type: none"> I worry about the potential for job displacement I worry about AI, especially when it comes to privacy and data security and how my information is being used I want to trust the outcomes of machine-made decisions



In the graph below, Personalisation and Expectations continue to be key drivers for overall CX (customer experience) in Singapore, with growing importance noted for Time & Effort.



Generative AI has awakened the corporate world to the potential of AI. In this year's CEE survey, we noted that many of the top companies have adopted both AI and generative AI effectively, illustrating the extraordinary opportunities the technology provides.

American Express, ranked 3rd and 8th for customer experience in the UK and Singapore market respectively, has been actively

integrating AI into its operations to enhance customer experience. American Express was one of the first financial services to embrace AI technologies¹⁸. In 2023, American Express extended its generative AI capabilities to enhance customer experience across its credit cards and bank offerings, using large language models to analyse feedback and customer service enquiries to develop appropriate and helpful responses to customer questions and concerns¹⁹.

18. AI and Other Technologies are Helping to Improve Business Travel (americanexpress.com)
19. Generative AI is too much for Amex to ignore - Insider Intelligence Trends, Forecasts & Statistics



How AI can be a power tool in enhancing the customer experience:

Using AI to improve personalisation

Personalisation, characterised by utilising individualised attention to cultivate an emotional connection, is on the rise as an integral factor in achieving overall customer experience excellence.

According to our CEE survey, Personalisation has consistently stood out as the top pillar in driving customer experience excellence, progressively gaining importance in Singapore since 2021. This echoes findings from another survey on respondents from Singapore where approximately 80 per cent of consumers expressed a desire for brands to establish a personal connection with them.²⁰ Noteworthy success in this realm is exemplified by a global beauty retailer that had implemented a virtual assistant, which was able to provide online, personalised services to meet the preferences and needs of each customer, contributing to the brand's success.

With the rapid adoption of AI and generative AI in Singapore, businesses are seizing opportunities to better serve their customers. For instance, a Singaporean multinational e-

commerce platform has introduced a virtual assistant to personalise product recommendations and track orders, while one of Singapore's largest supermarket chain developed smart carts to assist shoppers in locating products and fulfilling the checkout process.²¹

Market findings have revealed that despite a challenging economic climate, a significant portion of businesses are still intensifying their investments into AI.²² It is evident that organisations recognise the important role AI plays in enhancing customer experiences. Despite this positive trend, the survey also highlights a significant hurdle, with companies expressing the difficulty of obtaining accurate consumer data for personalisation. Nevertheless, the implementation of AI continues to empower businesses, allowing them to tailor products or services based on consumer preferences and needs.

20. <https://marketech-apac.com/consumers-from-sg-hk-expect-brands-to-connect-with-them-at-a-deeper-level-survey/>

21. <https://singaporerising.com/2023/02/18/how-ai-is-changing-the-way-we-shop-in-singapore/#the-retail-sector-in-singapore-an-overview>

22. <https://segment.com/pdfs/State-of-Personalization-Report-Twilio-Segment-2023.pdf>



In our annual CEE survey this year, Singapore Airlines came in first for Personalisation among brands in the travel sector. Singapore Airlines partnered with local businesses to develop a new project – AI for Airline Operations, which looks to improve engineering productivity, customer experience and the overall cost-effectiveness of airline operations²³. Leveraging cutting-edge deep learning techniques, the advanced predictive analytics technology elevates SIA's customer experience by providing personalised shopping recommendations based on customer behaviour analytics but also detects irregularities in loyalty program transactions through fraud analytics. Furthermore, the application of text analysis to manuals and guidelines enables information extraction and the construction of extensive knowledge bases, leading to improved Q&A (quality and assurance) systems and more effective responses to customer inquiries.

Using AI to meet customer expectations

Today, Singapore businesses on average invest 24 percent of their annual budget in AI and machine learning technologies, higher than the global average of 18 percent. Additionally, 69 percent of Singapore business leaders believe their organisation will be investing more in AI and ML in five years²⁴. The

commitment to AI is driven by the recognition of these technologies as essential tools for meeting the ever-increasing expectations of consumers. By leveraging predictive analytics, AI can anticipate consumer needs and preferences, enabling businesses to proactively offer relevant products and services. This proactive approach not only exceeds consumer expectations but also fosters customer loyalty and drives business growth.

Among attributes that consumers value, 'efficient processes' emerge as a consistent theme across various studies. According to our annual CEE survey and the Customer Experience Edge Singapore 2023 study, consumers in Singapore place a high value on efficiency and seamless processes. According to the Customer Experience Edge study, 36 percent of Singaporeans expressed a desire for more seamless experiences across digital devices²⁵. To address this need for efficiency, AI can be utilised in a variety of ways, such as using computer vision to support automated document processing and leveraging on AI-powered chatbots and virtual assistants. As AI technology continues to develop, such as with generative AI, we can expect even more innovative applications that will revolutionise the way businesses operate and interact with their customers.

23. <https://asianaviation.com/astar-developing-new-and-enhanced-ai-technologies-for-airlines/>

24. <https://sbr.com.sg/information-technology/news/sg-firms-lead-investment-in-ai-and-machine-learning-technologies>

25. <https://www.edb.gov.sg/en/about-edb/media-releases-publications/qualtrics-and-sap-center-for-experience-management-release-new-singapore-customer-experience-study.html>



POSB, the top performer in the banking sector in our CEE survey, has implemented a range of digital tools to ensure swift and convenient customer support. These tools include an AI-powered chatbot, POSB Digibot²⁶, which is available in the bank's digital banking application and other self-service portals. In addition to these digital initiatives, POSB also operates a 24-hour call centre staffed by knowledgeable and helpful customer service representatives. This combination of digital and human interaction provides customers with a well-rounded and efficient support system.

Possible use cases for generative AI

Generative AI has evolved from its early days as a research topic to become a powerful tool for creating new and original content²⁷. Particularly valuable in the creative field, generative AI can significantly reduce the time taken to develop both text and image

based content with a simple prompt²⁸. Specific to customer experience, the three areas where consumers see the most potential for generative AI is in its ability to facilitate high-quality and personalised engagements, discover products or find tailored information, as well as augment the abilities of human employees.²⁹ 77 percent of those who have interacted with generative AI want it to instantly generate unique how-to videos based on their specific questions while 82 percent of customers believe that generative AI will become a central tool for discovering and exploring information in the future³⁰.

Good customer experiences start from within – generative AI can further empower brands to transform consumer experience through the key functions of the front office.

26. <https://www.posb.com.sg/personal/deposits/bank-with-ease/digibot>

27. <https://www.linkedin.com/pulse/evolution-generative-ai-machine-learning-nadeem-amin/>

28. <https://www.techtarget.com/searchenterpriseai/definition/generative-AI>

29. <https://www.forbes.com/sites/zendesk/2023/08/09/3-areas-customers-see-the-most-potential-for-generative-ai>

30. <https://www.forbes.com/sites/zendesk/2023/08/09/3-areas-customers-see-the-most-potential-for-generative-ai>



Examples of how generative AI can be used across functions

Sales

With generative AI, sales departments can anticipate more streamlined and efficient operations. Generative AI can support sales representatives in many of the repetitive tasks they typically perform, such as summarisation of meeting notes and crafting emails for email outreach. This can free up time to focus on more strategic tasks, such as building relationships and closing deals. Additionally, generative AI can create material for personalised coaching and be trained to provide feedback to sales personnel, enabling them to improve their skills, increase their productivity, build better relationships with customers and close more deals.

Marketing

Generative AI can support marketing teams in various ways, with one of the most obvious use cases being content creation. Generative AI can create diverse types of content, including emails, blog posts, social media updates, and product descriptions. This helps marketing teams maintain a consistent flow of content without spending excessive time on manual

creation. Additionally, generative AI can create personalised messages for targeted marketing campaigns based on the insights from other AI/ML models. This ensures that content resonates with specific audience segments, which will subsequently lead to increased engagement.

Customer Service

Consumers are expecting faster and better responses. Apart from supporting routine customer service tasks such as answering frequently asked questions and providing product information, generative AI can be used to identify customer sentiment in social media posts, online reviews, and other customer communications, allowing companies to better empathise with consumers and provide more personalised support. For global brands, generative AI can be further leveraged to translate customer inquiries and responses into different languages, allowing brands to better serve consumers who speak a variety of languages.



How KPMG can help

Empowering businesses with AI-driven strategies

Identifying and prioritising AI opportunities: We collaborate with businesses to identify and develop use cases where AI and generative AI can be used to improve CX, such as personalising customer interactions, supporting customer service tasks, creative and content development, and providing real-time insights into customer behaviour.

Developing and implementing AI solutions: we support businesses in developing and implementing AI solutions that are tailored to their specific needs and goals. This includes working with companies to collect and analyse data, train AI models, and integrate AI solutions into existing systems (e.g., Customer Relationship Management tools) and processes.

From deploying AI-powered chatbots for real-time customer support to implementing predictive analytics for personalised marketing strategies, we can guide you and your business in harnessing the full potential of AI to elevate your customer-centric initiatives and achieve sustainable business growth.



Aligning Businesses with Consumers' Shifting Needs and Preferences

Holistic Voice of Customer (VoC) Program: To support brands in staying attuned to the evolving needs and preferences of consumers, we help businesses in developing their Voice of Customer (VOC) programs by offering expertise in program strategy and execution, quantifying business impact from customer feedback, and leveraging customer and operational insights to redesign customer journeys. Together with KPMG's Global Customer Centre of Excellence, our global repository of best practices on customer excellence, we can further equip companies with actionable insights into consumer behaviours, preferences, and trends, enabling informed business decisions when it comes to improving customer experience.

Integrated CX Measurement Framework: In measuring the business impact and return on investment of CX initiatives, the first step requires brand to develop an integrated CX measurement framework. KPMG is equipped to support brands by designing and implementing the framework, to provide brands with a holistic understanding of their CX performance across three layers: Relationship, Journey and Transactional.

This multi-layer approach will allow brands to unveil the impact of customer experience on business outcomes, allowing for informed decisions that will lead to the optimisation of top-line growth.

- **Relationship:** Comprehend the overall bond between a brand and its customers, shaped by the cumulative effect of all interactions.
- **Journey:** Map the end-to-end experiences of consumers across all products and solutions, identifying areas for improvement.
- **Transactional:** Gain real-time insights into CX dynamics at the individual interaction or event level, allowing for immediate course correction and proactive intervention.

Through an Integrated CX Measurement Framework, brands can uncover hidden insights, optimise resource allocation, quantify CX impact, and drive continuous improvement, leading to enhanced customer satisfaction and in turn, promoting loyalty and advocacy among customers.





Methodology: About Global CEE 2023

About the research

For 14 years, KPMG professionals have been asking consumers about their individual experiences with brands. Over that time, more than 600,000 consumers have been interviewed, providing more than 6 million individual evaluations across 39 countries, regions and jurisdictions to support our expertise in customer experience best practice.

This year alone we have taken in the views of more than 80,000 consumers across 21 markets. The research for this report was conducted via an online survey methodology. A nationally representative consumer sample was targeted for each market, to be comparable in terms of age and gender, while also targeting regional representation.

To participate in the research and to be able to respond to questions on a specific company, respondents must have interacted with that company in the last 6 months. An interaction is defined as making a purchase, using the company's products or services, contacting a company with a query, or even browsing

their website or store — so not all respondents will have been existing customers of the brand they evaluated.

In order to be included in the final rankings for each country, each brand must have achieved a minimum number of consumer responses. This report analyses the results of a consumer survey undertaken in May through June 2023. As such, all companies, including audit clients, are representative of consumer opinion and ranking. Mentions of individual companies should not be interpreted as an endorsement by KPMG International or its member firms.

CEE scores

The rankings for each country are determined by the CEE scores of the brands surveyed. The CEE score is derived for each brand via a weighted average of the brand's score for each of The Six Pillars. The weighting is calculated through regression analysis to understand the relative importance of each pillar in driving the two commercial outcomes measured in the analysis: advocacy and loyalty.



21 Countries, regions and jurisdictions



2,726 Brands evaluated



81,725 Consumers



821,824 Individual brand evaluations



Methodology: About Singapore CEE 2023

Online survey

The survey was conducted in May – June 2023. A nationally representative consumer sample was targeted for each market. To participate in the research, respondents must have interacted with the brands in the previous 6 months. An interaction is defined, but not limited to:

- Making a purchase
- Using the brands products and services
- Contacting a brand with a query
- Browsing their website

CEE Score

- The overall performance of each brand is determined by the CEE Score
- The score is calculated by taking the weighted average of each of the Six Pillar scores of each brand
- The weighting is derived through regression analysis to understand the relative importance of each of the Six Pillars
- in driving advocacy and loyalty
- A minimum of 80 consumer responses are required for the brand to be included in our final analysis



8 sectors



78 Brands evaluated



1,503 Consumers



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