

INTRODUCTION

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At the end of November 2022 when OpenAI, a research lab in San Francisco, launched ChatGPT, its hugely popular chatbot, few people expected it to speed to more than 100 million users two months after the launch. By January it was widely viewed as the fastest-growing consumer app ever launched. For that reason, it seemed appropriate to begin this special issue of *Management and Business Review* on AI and customer engagement with an experiment.

We asked ChatGPT to introduce this issue, providing it with the following prompt:

“Given the growing importance of AI and its impact on every aspect of our lives, work, and play, explain how AI contributes to enhancing customer engagement. Follow the style of an academic journal such as *Management and Business Review*.”

ChatGPT's instant response was:

“Artificial Intelligence (AI) has become a key driver of innovation in many industries, and its impact on customer engagement is particularly noteworthy. Customer engagement refers to the extent to which customers are involved with, and invested in, a company, its products, and services. AI technologies can enhance customer engagement by enabling companies to provide more personalized, convenient, and efficient customer experiences.

“One way that AI contributes to enhancing customer engagement is through the use of chatbots. Chatbots are AI-powered virtual assistants that can communicate with customers through messaging apps, websites, or voice-activated devices. Chatbots

can handle a wide range of customer service tasks, such as answering frequently asked questions, helping customers place orders, or resolving issues. Chatbots can also be programmed to respond to customers in natural language, making the interactions more human-like and intuitive. This can help improve customer satisfaction and foster a more positive brand perception.

“Another way that AI contributes to enhancing customer engagement is through the use of predictive analytics. Predictive analytics uses machine learning algorithms to analyze customer data and make predictions about future behavior. This can be useful for companies to better understand their customers and provide them with personalized experiences. For example, a retailer could use predictive analytics to make product recommendations based on a customer's purchase history, browsing behavior, and demographic information. By providing relevant and useful recommendations, companies can improve customer engagement and increase customer loyalty.

“Finally, AI can also enhance customer engagement through the use of virtual and augmented reality. Virtual and augmented reality technologies can be used to create immersive and interactive customer experiences that can enhance engagement and increase brand loyalty. For example, a fashion retailer could use virtual reality to allow customers to virtually try on clothing, or a car manufacturer could use augmented reality to allow customers to see what a car would look like in their driveway. These types of experiences can

help customers better understand and connect with a brand, leading to increased engagement.

“In conclusion, AI is a powerful tool for enhancing customer engagement. Whether through the use of chatbots, predictive analytics, or virtual and augmented reality, AI technologies can help companies provide more personalized, convenient, and efficient customer experiences. By doing so, companies can improve customer satisfaction, increase customer loyalty, and ultimately drive business growth.”

ChatGPT might not get a PhD for that explanation but, for a chatbot, it is an articulate and impressive response. It also sums up our motivation for producing this special issue of *Management and Business Review*.

To broaden our experiment beyond ChatGPT, we then presented the same prompt to Bing, which has integrated elements of AI in the latest version of its search engine, and to Google's Bard, which the company describes as “an experiment that lets you collaborate with generative AI.”

Both Bing and Bard gave responses that were similar in some ways to that of ChatGPT. According to Bing, “AI contributes to enhancing customer engagement by providing personalized, interactive and value-creating service experiences that foster customer loyalty and satisfaction.” Bing emphasized the importance of perceived interactivity, value co-creation, emotional intelligence and customer ability readiness. In each of these cases, the AI-powered bot explained the reasons for its answer. Bard's response to the same prompt was similar in that it focused

on how AI “contributes to customer engagement by personalizing experiences, analyzing customer data and identifying behavior patterns.” When AI algorithms recommend products or services based on customer data analysis and identification of behavior patterns, they are “more likely to resonate with the customer,” Bard said.

Still, there were some revealing differences between the three generative AI bots. Bing stated that “AI stimuli alone may not be sufficient to engage customers effectively. Some studies suggest that human interactions with service employees are still preferred by most customers and play a vital role in enhancing customer engagement. Therefore, a balance between AI and employee service may be optimal for engaging and retaining customers.” Neither of the other two bots mentioned the need for human-AI collaboration or the limitations of AI. Bard noted: “By automating tasks, personalizing experiences, and providing insights into customer behavior, AI is helping businesses to create more engaging and rewarding experiences for their customers.”

By bringing up patterns of customer behavior, Bard brought greater nuance to its response to the prompt.

But applications of AI in customer engagement go far beyond large language models or LLMs such as ChatGPT, Bing, or Bard. Leading businesses today are applying AI broadly in a number of domains and delivering impact at scale. The link between AI and customer engagement has, until now, rarely been examined in depth. In this special issue, we fill that void and explore various facets of the connection.

We, the editors of this special issue of *Management and Business Review*, have written this introduction to give our readers a snapshot of the issue. We ran a global competition to find the most insightful papers to include. The papers, arti-

cles, and book reviews that were selected are presented in five broad clusters, whose borders are fuzzy. These groups represent the different ways in which AI can help build customer engagement: personalization, automation, prediction, generating customer insights, and enabling omnichannel engagement. A brief description of each paper, grouped by cluster, may be found in the Contents at a Glance at the beginning of the issue.

Scenarios for the Future

This special issue also features a report of a workshop hosted by Meta in New York City. *Management and Business Review* collaborated with the Global CMO Growth Council to organize this forum, which took place on July 26, 2022. Its purpose was to discuss three possible scenarios for the future, identify the most likely one, and determine what steps companies should take today to prepare. It relied on a scenario-planning exercise in which leading marketing experts from business and academia came together to predict the likely course of AI and customer engagement over the next five years. They did so by examining the most optimistic, pessimistic, and realistic scenarios for the future. Knowing that AI is making ever deeper inroads into every aspect of business and society, transforming finance, health care, manufacturing, and also marketing, participants considered, how AI will transform customer engagement by 2027.

The forum was held in 2022, before the tidal wave of generative AI crashed upon the world’s attention. It is clear that generative AI programs such as ChatGPT, Bing, Bard, and GPT-4 will have a transformational impact upon every industry. The forum’s most likely scenario and its implications are still valid, but recent advances in generative AI will act as a booster, turbocharging the adoption of AI and its use in customer engagement. This makes the need to act even more urgent. Ignoring generative AI is not an option.

In addition to considering the three 2027 scenarios, it is therefore essential to look further ahead, by at least two decades. So at the end of this issue is a twenty-year view based on Kai-fu Lee and Chen Qiufan’s book, titled *AI 2041: Ten Visions for Our Future*. Kai-Fu Lee is the CEO of Sinovation Ventures and the author of *AI Superpowers*, a book that deals with the emerging rivalry in AI between the U.S. and China. A former president of Google China, he is now co-chair of the Artificial Intelligence Council at the World Economic Forum. Chen Qiufan, also known as Stanley Chan, is an author and translator and the founder of the content studio Thema Mundi. He was previously Kai-Fu Lee’s colleague at Google. He is the president of the World Chinese Science Fiction Association and the author of *Waste Tide*, published in English in 2019.

The book *AI 2041* is an unusual blend of science fiction and analysis. It describes ten scenarios or visions that are likely to become reality over the next twenty years. It consists of ten science fiction stories, each set in a different part of the world, that are written by Stanley Chan, with commentary by Kai-Fu Lee. The combination of compelling science fiction with real-life analysis makes it fascinating reading.

A Call to Action

Now that you, our readers, know what to expect from this special issue of *Management and Business Review*, how can you make sure that you get the most from it? It is our hope that the papers, articles, and book reviews that you read here will motivate and inspire you about AI as it redefines the way in which organizations engage with their customers and other audiences. We hope that you will turn inspiration into action, using what you have learned to construct your own experiments, wherever you may be, and using AI to build greater engagement with your own customers. If that happens, we will all have succeeded. It is an exciting journey. Bon voyage! ■