Navigating the AI Frontier in Customer Experience

Guardrails, Autonomy, and a Human Touch

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The New CX Mandate

CX Landscape and 2026 Overview

The customer experience (CX) industry is undergoing rapid transformation, driven largely by economic uncertainty, accelerated digital transformation, and evolving customer expectations.

Technologically, advanced AI analytics and real-time insight generation have become standard expectations. Customers demand hyper-personalized, seamless experiences, driving companies to invest in AI-enabled technologies and platforms that unify disparate customer interactions.

The rise of remote work models, new digital channels, and political shifts in data privacy regulations (e.g., GDPR, CCPA) have underscored the need for compliance and security. These factors have also expanded the volume and complexity of customer interactions.

CX leaders cite the following as their top challenges in 2026:

▶ Deploying AI technologies to improve CX and the employee experience (EX)

▶ Delivering tailored content and experiences to individual users based on their preferences, past interactions, and unique needs

▶ Upskilling agents, reducing attrition, and recruiting talent

Top Five CX Organization Priorities, Global, 2025 to 2026

Delivering seamless omnichannel customer experience
37%

Implementing a comprehensive data strategy to take advantage of AI
34%

Delivering customer service proactively
33%

Using data analytics to improve outcomes
30%

Enhancing security and compliance
30%

The Good News: Leading technology providers are invigorating the market with innovative product offerings that harness the latest advancements to enhance CX. New tools designed to monitor and improve contact center performance and customer interactions can elevate end-to-end CX, boost agent productivity, and increase overall customer satisfaction.

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Source: Contact Center Objectives and Investment Plans, 2025 to 2027; Frost & Sullivan

All AI is not Created Equal: What to Consider When Selecting an AI-Powered CX Vendor

What is "Native AI"

Native AI refers to intelligence built directly into a communication platform from the ground up, rather than retrofitting AI onto legacy systems. Solution provider Dialpad, for instance, offers real-time transcription, smart summaries, guided responses, AI-powered voicemail analytics, CSAT scoring, and more across its unified stack, designed and optimized **as core features.**

Why Native AI Matters

▶ **Reliability:** No fragile integrations or middleware layers

▶ **Speed:** Real-time insights without lag from external calls

▶ **Cost Efficiency:** Lower maintenance and fewer vendor dependencies

▶ **Future-Proof:** Easier to adopt new AI capabilities as they evolve

Since Native AI is woven into the platform's architecture, it facilitates frictionless data sharing, ensures consistent performance, enhances security, and allows for rapid feature rollouts.

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The Downside of Retrofitting Legacy Systems with AI

Legacy systems often lack modern APIs, functional modularity, or visible internal logic, making AI integration fragile and complex. Without intelligent orchestration, AI merely adds another silo, increasing system instability and tech debt.

Common pitfalls include:

▶ Fragile orchestrations lacking unified business logic

▶ Disconnected workflows requiring manual intervention

▶ High integration overhead, complexity, and ongoing maintenance

AI agents layered on top of legacy architectures often exhibit inconsistent performance, testing challenges (e.g., dialects and accents), and poor scalability.

According to Frost & Sullivan's 2025 CX Customer Survey, Dialpad outperformed the competition on CX vendor selection on the following factors:

▶ Deployment flexibility (cloud, on-premises, software)

▶ Trust and relationship

▶ Ease of implementation and management

Source: Frost & Sullivan

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Solution in Action #1

Company:

PS Logistics operates nearly 5,000 trucks across America's highways, keeping the nation's supply chain moving 24/7. Based in Birmingham, Alabama, a crucial logistics center where Interstate highways converge, this holding company manages 16 different operating entities.

Challenges:

▶ Communication chaos created by rapid growth

▶ Operational risk for drivers and customers

▶ High administrative and IT burden

Dialpad Solutions:

▶ Unified communications platform with Dialpad

▶ AI-powered call routing and visibility

▶ Standardized recruiting and support workflows

Outcome:

Scalable, always-on infrastructure: The cloud solution eliminated reliance on disparate on-premises systems and enabled seamless 24/7 operations across locations and subsidiaries.

Business Results:

▶ Established a 50% driver retention rate versus the industry average of over 80% turnover annually.

▶ Eliminated weekly phone system checks

▶ Reduced new-hire training time to approximately 30 minutes

▶ Improved driver safety and satisfaction

▶ Allowed for stronger operational consistency at scale

▶ Enabled 24/7 service with AI coaching that gives real-time guidance during roadside emergencies

By replacing fragmented legacy phone systems with Dialpad's unified, AI-powered communications platform, PS Logistics improved retention, reduced risk, and strengthened service reliability across a rapidly scaling logistics operation.

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Source: Frost & Sullivan

Customizable Workflows for CX Agility

Modern customer service environments are dynamic— customer expectations shift rapidly, and businesses must adapt without lengthy IT cycles. Platforms like **Dialpad Contact Center** enable flexibility by offering:

▶ **Drag-and-drop workflow builders** for routing, interactive voice response (IVR), and self-service

▶ **Real-time AI insights** to adjust processes on the fly

▶ **Cloud-native architecture** for quick deployment and scaling without hardware constraints

Aligning Workflows with Business Goals and Customer Needs

Customizable workflows allow organizations to:

▶ **Support omnichannel experiences**—voice, messaging, and video—within a unified platform

▶ **Integrate AI-driven analytics** for proactive adjustments based on sentiment or call volume

▶ **Match routing logic to KPIs** (e.g., prioritize high-value customers or reduce average handle time)

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In the Loop: Empowering Business Users with Workflow Design and Analytics

Dialpad puts workflow control directly into the hands of non-technical teams, minimizing IT dependency and accelerating agility. Here's how:

▶ **Visual workflow editors** for IVR menus, call queues, and escalation paths

▶ **Embedded analytics dashboards** for monitoring performance and making data-driven changes

▶ **AI-powered recommendations** for optimizing scripts and routing based on real-time trends

Frost & Sullivan's 2025 CX Customer Survey revealed that **Dialpad** performed better than its competition on customer satisfaction for the following capabilities:

▶ Delivering seamless omnichannel capabilities

▶ Improving agent satisfaction

▶ Providing excellent customer care

> " With Dialpad, organizations gain a secure, reliable, AI-powered solution that unifies **calling, messaging, meetings, and support** into a single streamlined platform."
>
> *- Michael DeSalles, Principal Analyst Frost & Sullivan*

Source: Frost & Sullivan

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Risk Management and Guardrails for Successful AI Integration in CX

Many businesses fear inaccurate or biased outputs (e.g., hallucinations) from AI models, deterring investment. Properly training AI models is essential to earn customer trust. Frost & Sullivan recommends transparent AI governance and bias audits to maintain fairness.

Dialpad emphasizes continuous model tuning and context-aware AI to minimize errors.

Ensuring authorized data access means implementing role-based access controls. This way, employees only see data relevant to their position or assigned tasks. Encryption and anonymization are critical for safeguarding sensitive information.

Dialpad's architecture supports secure permissions and compliance frameworks (HIPAA, GDPR).

Native AI platforms like Dialpad process data in secure environments, with no third-party exposure. **Encryption and anonymization** are critical for safeguarding sensitive information.

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Ensuring AI Workflows Deliver ROI

Frost & Sullivan advises **clear success** metrics and **continuous performance monitoring** to minimize cost overruns, drive KPIs, and validate ROI.

Building Trust with Customers and Employees

While agents fear AI will replace them, customers worry about losing a human connection. Businesses must:

▶ Communicate re-skilling plans for agents

▶ Show how AI enhances customer care with faster resolutions and personalized service.

Here is where **Dialpad scores higher** than others and why customers select it:

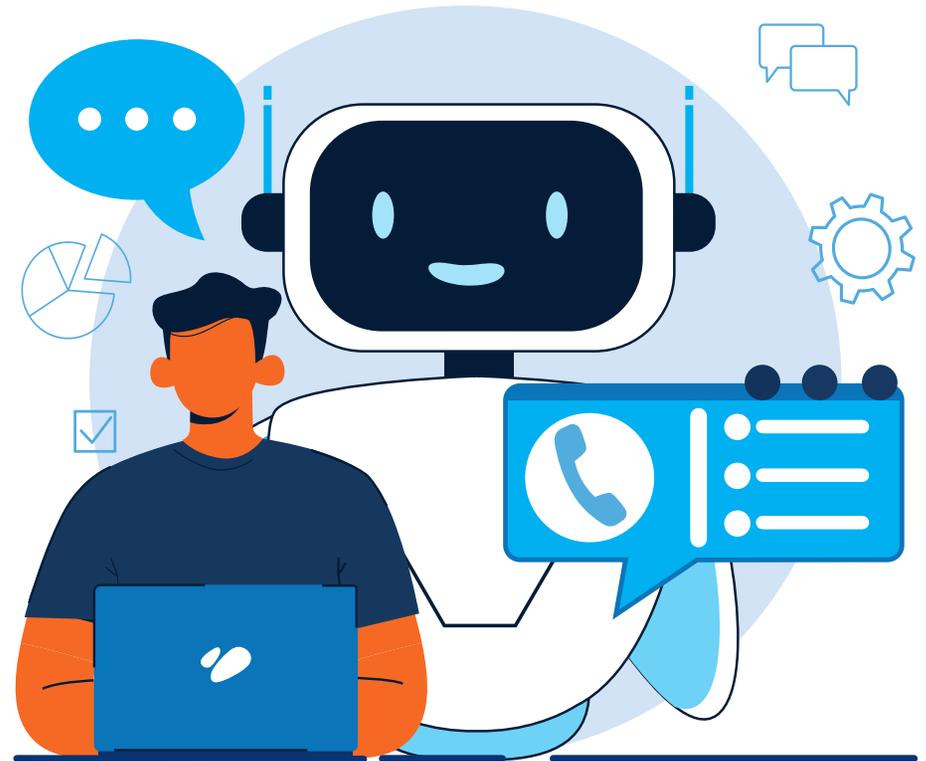**Deployment flexibility** (cloud, on-premises, software)

71%

Trust and relationship

68%

Ease of implementation and management

64%

Source: Frost & Sullivan

Dialpad's AI tools empower agents, not replace them—providing real-time assistance and reducing repetitive tasks."

- Alpa Shah, Global VP CX, Frost & Sullivan

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Human Involvement in the AI Era

Upskilling and Retooling Your Team for New Roles

Today's workforce spans four generations: baby boomers, Gen X, millennials, and Gen Z. To hire, onboard, train, and retain employees effectively, strategies must be customized to each group's unique needs. Implementing flexible schedules, career development programs, and the right CX solutions can help mitigate retention challenges. According to Frost & Sullivan's 2025 CX survey, companies with **more employee engagement initiatives** and solutions in place in 2024 experienced higher agent retention rates.

Customers are also multigenerational and interact with businesses in different ways, making personalization a critical component of customer loyalty.

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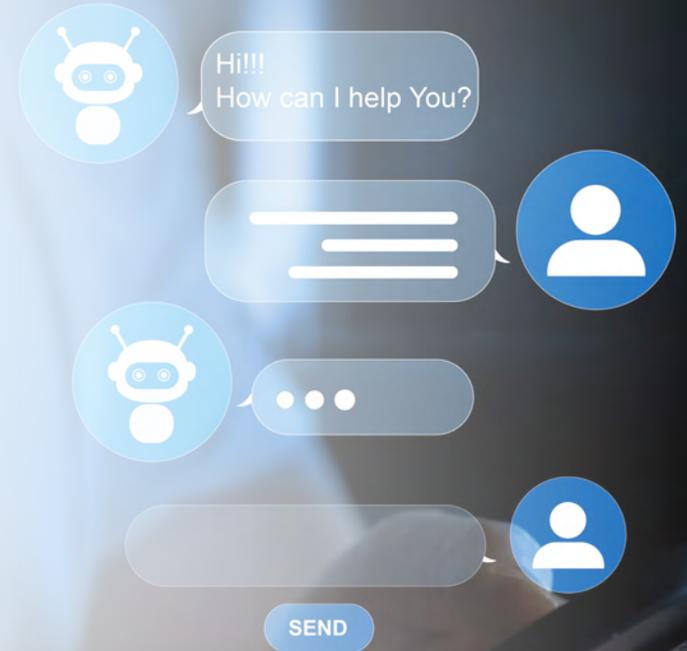
Solution in Action #2

Organization:

A leading US healthcare organization specializing in personalized medication management, headquartered in Maryland, operates more than 250 regional facilities and employs 2,000 to 2,500 staff.

Business Challenges:

Rapid expansion through acquisitions left the organization with multiple UC and CC systems, causing:

▶ Disconnected tools that hindered collaboration

▶ Inconsistent experiences for staff and patients

▶ High IT overhead managing multiple vendors

▶ Difficulty scaling as new locations opened

Dialpad Solutions:

Dialpad delivered an AI-powered UCaaS + CCaaS platform, consolidating all systems into one seamless solution:

▶ 1,300 UC licenses, 519 CC licenses, 100 toll-free lines

▶ Cloud-based voice, video, messaging, and contact center tools

▶ Real-time AI for transcription, sentiment analysis, and agent assist

▶ Mobile and desktop access for anytime, anywhere connectivity

Business Results and Outcomes:

▶ **Unified Platform:** All communications in one secure, cloud-based solution

▶ **AI-Powered Efficiency:** Faster response times, improved accuracy, and actionable insights

▶ **Improved Collaboration:** Clinical, administrative, and remote teams connected seamlessly

▶ **Scalability:** Easy onboarding for new users and locations

▶ **Operational Savings:** Reduced licensing, maintenance, and hardware costs

▶ **Enhanced Patient Experience**: Fewer missed calls and more consistent service quality

View the full story here:
https://sandlerpartners.com/how-dialpad-unified-communications-and-cx-for-250-healthcare-facilities-ai-powered-ucaas-ccaas-platform/

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Source: Frost & Sullivan

Distinctive Strengths That Set Dialpad Apart

Why choose a native AI CX vendor?

Choosing an AI-powered vendor isn't just about adding intelligence—it is about ensuring that AI is embedded in a way that's **durable, scalable,** and genuinely **transforms CX delivery**.

Benefits of Connected CX First Experience (UC+CC+AI)

Benefit	Description
Integrated Intelligence	AI is built into every layer—transcriptions, coaching, analytics, actions
Trustworthy Performance	Security, compliance, privacy controls included natively
Scalable & Agile	Fast deployment, shared data model, simplified upgrades
Proven ROI	Real-world outcomes: cost-savings, CSAT gains, training efficiency

Why Dialpad is Different by Design

Dialpad's unified approach, combining **unified communications (UC), contact center (CC),** and **AI**, delivers:

▶ **Single Platform Efficiency:** No silos—voice, messaging, and video are integrated

▶ **Consistent Customer Experience:** Seamless transitions between channels

▶ **AI Everywhere:** Real-time transcription, sentiment analysis, and agent assist across UC and CC

▶ **Lower Total Cost of Ownership:** Reduced vendor complexity and IT overhead

▶ **Faster Innovation:** Native AI accelerates feature rollouts and workflow automation

More companies are offering fully or mostly **integrated omnichannel capabilities** (from 64% in 2024 to 74% of respondents in 2025). Dialpad came out far ahead of others on omnichannel and agent satisfaction:

67%
of Dialpad clients gave the company a high rating because of its seamless omnichannel capabilities

71%
of Dialpad customers gave Dialpad a high ranking because the solution helped improve agent satisfaction

Source: Contact Center Objectives and Investment Plans, 2025 to 2027; Frost & Sullivan

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Solution in Action #3

Organization:

RE/MAX is a leading real estate franchisor supporting over 140,000 agents across 900 offices in over 110 countries and territories. The company provides tools and resources to help brokers and agents grow their businesses.

Business Challenges:

Multiple systems and vendors created inefficiencies, requiring leadership to consult three different platforms just to access data. The lack of integration hindered collaboration and made scaling difficult. RE/MAX needed a unified, cloud-based solution that could deliver flexibility, improve analytics, and integrate seamlessly with existing tools.

Dialpad Solutions:

Partnering with All in IT, RE/MAX selected Dialpad for its AI-powered UCaaS and CCaaS platform, meeting all requirements for scalability, integration, and ease of use.

Business Results and Outcomes:

▶ **Unified Platform:** Voice, SMS, and contact center tools in one solution

▶ **AI Live Coach:** Real-time guidance for agents, improving onboarding and support

▶ **Cloud Flexibility:** Accessible on any device—desktop, mobile, or browser

▶ **Efficiency Gains**: Saved **two hours per agent per onboarding session**

▶ **Improved Collaboration**: Single contact list and seamless communication across teams

▶ **Enhanced Support:** AI-driven coaching and analytics for better customer experiences

" After going through the demos, Dialpad won because I felt they really heard us, met all of our requirements—which there were a lot of—and provided facts about how it could fit."

- Josh Gilmore, VP of Customer Experience

Source: Frost & Sullivan

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Key Considerations for Partner Alignment

What to look for in an AI/CX partner

To establish a successful AI and CX partnership, Frost & Sullivan recommends evaluating prospective solution providers through the following strategic considerations

▶ **Leadership Commitment, Reputation, and Technologica Maturity**
Assess the extent to which the provider's leadership team demonstrates sustained commitment to digital transformation. Determine whether their organizational reputation, technical capabilities, and strategic roadmap position them to support current requirements while evolving effectively to meet future business needs.

▶ **Customer Insights and Analytics**
Prioritize solutions that offer advanced analytics capable of interpreting multichannel customer behavior, identifying pain points, and uncovering actionable trends. Ensure the provider can translate these insights into smarter automation strategies and more personalized customer experiences.

▶ **Innovation Capability**
Evaluate the provider's history of driving innovation for its clients. Confirm whether they have a proven track record of implementing forward-thinking processes that deliver measurable cost reductions, operational efficiencies, and enhanced competitive advantage.

▶ **Security, Privacy, and Technology Governance**
Examine the provider's approach to data protection and risk mitigation. Determine whether they employ robust, differentiated processes, tools, and platforms designed to secure AI and automation environments, safeguard sensitive customer information, and defend against emerging cyber threats.

▶ **Scalability and Operational Agility**
Consider the provider's ability to support rapid growth. Validate that they possess the infrastructure, expertise, and operational discipline required to scale solutions swiftly and responsively as business needs evolve.

▶ **Partner Ecosystem Strength**
Assess whether the provider has cultivated a robust and strategically aligned ecosystem of partners. Confirm that this network enhances solution breadth, accelerates innovation, and enables comprehensive support for both enterprise objectives and customer expectations.

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Find out more about Dialpad's CX suite of products ➔

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