

Editorial: *Embracing AI-Driven Transformation as a Comprehensive Mindset, Better Serving Customers*



In our last two HMM issues we ascended the ladder of Marketing Progress and striving for excellence, better understanding its development, and expressed the belief that we should continue along that path and support the Romanian-American University (RAU) Marketing Initiatives, valorizing collaborative learning (Purcarea a, 2023). Also, we highlighted RAU engagement in bridging and broadening perspectives, considering both digital transformation, and digital resilience (Purcarea b, 2023).

It would be fair to say that RAU leadership understood McKinsey's experts' opinion regarding ensuring continuous development and performance based on institutionalizing business building not as an activity that is done only once, but as a mindset embracing all elements of its portfolio and capabilities so as to identify and leverage the opportunities going to be the most successful (Berger-de León et al., 2023). According to this expert opinion, in response to disruptive forces, such promising opportunities can be captured by organizations by adopting specific approaches (*fully embracing AI and automation, reimagining the business model to embrace 'everything as a service', taking control of the value chain, transforming the business into a green leader, and leveraging superior information to access new 'embedded' revenue streams*), with regard to speed and impact this kind of business building attracting the attention.

It is well-known marketing leaders' rising focus on measuring their activities and programs performance, using the data obtained this way in budget allocation and marketing mix

decisions-making, while paying attention to performance metrics’ so as to avoid (Dodd, 2023) the so-called surrogation (unintended consequences’ production in performance management system). So, it is important avoiding to be no longer able to see the real objective (for instance, outstanding CX provided by the company) and focus almost entirely on the metric targeting performance measurement (for instance, high CX survey scores’ gaining) against the real objective. That is why it is recommended, for example, to use multiple metrics in significant programs’ performance measurement when trying to keep in equilibrium several competing performance dimensions.

As shown by Dai and Ke (2022), as AI becomes more and more applicable for learning purposes, we are witnessing education transformation on the basis of AI potential to transform the social exchanges among teachers, learners and technologies. They used in starting their systematic mapping review of AI educational applications in simulation-based learning the table below, and highlighted, among other aspects, significant research and pedagogical implications, as well as two frequently mentioned distinct challenges (small datasets in educational research and ethical issues).

Table no. 1. Topics, relevant literature, and mapping search terms used in review

Topics and relevant literature	Mapping of search terms used in this review
AI (e.g., Chen et al., 2020a ; Guo & Goh, 2015 ; Rickel & Johnson, 1998)	(“artificial intelligence” OR “machine learning” OR “conversational agents” OR “pedagogical agents” OR “chatbots” OR “autonomous agents” OR “embodied intelligent agent” OR “disembodied intelligent agent”) AND
Simulations (e.g., Merchant et al., 2014)	(“virtual reality” OR “intelligent tutoring systems” OR “game-based learning” OR “learning game” OR “educational game” OR “serious game” OR “simulation” OR “simulated learning” OR “simulation-based learning” OR “immersive learning” OR “augmented reality” OR “mixed reality”) AND
Education/learning	(“education” OR “learning”)

Source: Dai, C.-P., Ke, F., 2022. Educational applications of artificial intelligence in simulation-based learning: A systematic mapping review, Computers and Education: Artificial Intelligence, Volume 3, 2022

More recently, talking about organizations’ future and the impact on organizational change brought by technological change, Mollic (2023) described the challenge of rebuilding organizations for AI, being involved in helping lead a startup “devoted to transforming education through AI-powered simulations”, thinking about from the very beginning to regrow the organizational tree after cutting it down. And trying to redesign team meeting process in order to incorporate AI both as a tool and as an intelligence adding to this process, it was resulting an interesting imaginative version, as shown in the figure below. Mollic underlined that every organization needs to discover its best way to use AI, and proposed some principles (developing teams’ own methods, aligning incentives and culture accordingly; building for the oncoming

future, considering future versions of AI; acting based on guidelines for short-term experimentation), taking into account that a reaction to exponential change must be done without any delay.

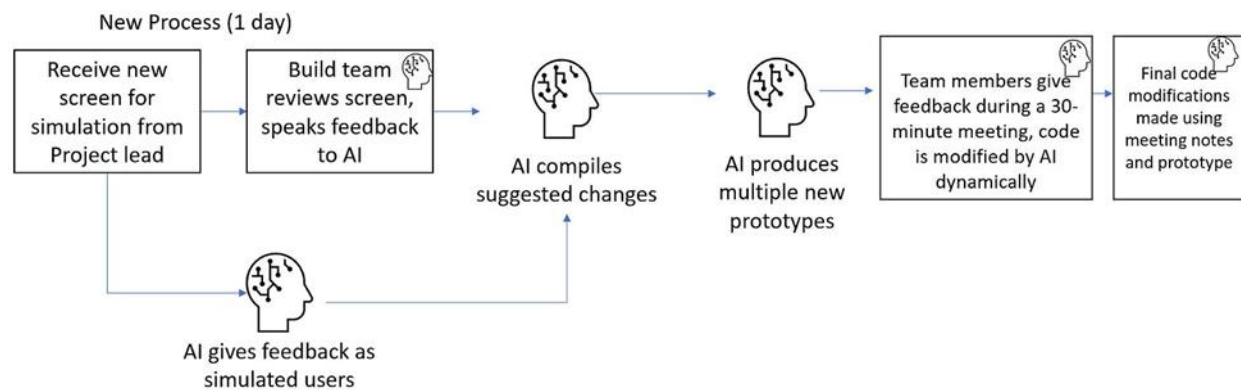


Figure no. 1: Redesigning team meeting process in order to incorporate AI both as a tool and as an intelligence adding to this process

Source: Mollick, E., 2023. Reshaping the tree: rebuilding organizations for AI, *One Useful Thing*, 27 Nov. 2023 (Work cited)

And as higher education is being under pressure to carefully reconsider its relationship with employment also from this point of view of the whole impact of AI, it is useful to note the significant recent survey conducted (globally and traditionally) by Salesforce (2023), within its Generative AI Snapshot Research Series (latest iteration), ‘The Promises and Pitfalls of AI at Work’. This research findings revealed the penetration of the workplace by the Gen AI tools but without watchful and responsible care, consequently businesses being forced to ensure that this disruptive technology is not only enterprise-ready, but also used responsibly, providing trustworthy guidance accordingly and avoiding risks.

The above-mentioned research findings made us think to the ideas recently expressed by an expert in CX, Colin Shaw (a, 2023), while commenting on a submission by Tom Martin, CEO at Glance, regarding “*Unleashing the Power of AI vs. Human Touch: Which Delivers a Superior Customer Experience?*”. Shaw highlighted in conclusion as follows: “So, to summarize why leading with humans is a better AI strategy, we have the following points: *The best-case scenario would be to reduce the repetitive tasks so employees can do better customer-centric work for customers and the company... Every organization should have a strategy in place for AI. You need to know the areas where you’re going to invest... Organizations don’t know what they don’t know...*”

It is also worth remembering that Colin Shaw (b, 2023) – his consulting company Beyond Philosophy was recognized by the Financial Times as ‘one of the leading consultancies’ – recently stated that the most powerful tool of a marketer is regret (as emotional response

influencing considerably human behavior), people feeling it differently, both in the short-term (regretting their actions, for example) and long-term (tending to bitterly regret their missed opportunities). Show underlined that the best way to address to regret resulting from an action is to focus on new activities making it less severe, and relieve customers' feelings of regret, learning from the authentic customer feedback obtained, and acting on it. Also, as framing (how information is presented in order to elicit an expected response) is mastered by marketers, past regret feedback can be used to make future regret less severe, by anticipating customers' regret (based on recognized causes of regret, and better understanding of companies' target segments' internal standards), and carefully avoiding, for instance, cancellations or returns.

Allow us to end by making reference to a suggestive episode of the McKinsey's Inside the Strategy Room podcast (Lamarre, 2023), the central topic of discussion being what must companies do for digital and AI transformations to succeed: "(Sean Brown, the global director of communications for McKinsey's Strategy and Corporate Finance Practice, Boston office) *What should be the starting point for a digital and AI transformation?*"; (Eric Lamarre, a senior partner in McKinsey's Boston office) *"It should always start with the business problem you want to solve. When it starts that way, there is usually a good ending because the problem eventually ties back to serving customers better and delivering more value for the company"*.

So, let us think carefully about the above-mentioned valuable recommendations, developing critical thinking and making better judgements based on evidence and reasoning!

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