

# CUSTOMER CARE IN THE AGE OF AI: CURRENT PERCEPTIONS AND FUTURE EXPECTATIONS

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## ABSTRACT

In an increasingly digital world, customer care plays a central role in helping businesses attract and retain loyal customers. This study explores how customers define high-quality customer care today and what they expect from it in the near future, with particular attention to three competitive industries: banking, insurance, and telecommunications. Guided by Expectancy Confirmation Theory and based on qualitative questionnaire data, we examine responses from 193 participants to identify the main themes influencing present-day customer experiences and future service expectations. The results show that excellent customer care is currently associated mainly with hedonic qualities, such as individualized service, empathy, and competent staff. Looking ahead, however, customers place greater emphasis on pragmatic benefits, including higher efficiency, better accessibility, and increased digitalization. At the same time, participants express mixed feelings about growing automation, suggesting that future services should combine technological convenience with opportunities for human contact. By revealing a movement from hedonic to pragmatic expectations, this study offers new insight into the changing nature of customer care and provides practical guidance for service providers seeking to respond to evolving customer demands.

## KEYWORDS

Customer Care, Customer Service, Customer Expectations, Service Automation, Conversational AI, Large Language Models, Self-Service

## 1. INTRODUCTION

In today's fast-paced, technology-driven industry, providing excellent customer care has become more critical than ever. With customers able to easily switch service providers, competition has intensified (Lee & Lee, 2020), making high-quality *customer care* a key differentiator for businesses aiming to retain customers (Karakaya & Barnes, 2010). Customer

care extends beyond solving practical problems; it also involves addressing emotional needs and fostering long-term relationships (Huang & Rust, 2024) and plays a pivotal role in driving customer satisfaction (Reynolds & Beatty, 1999; Sarkar & Dey, 2023), loyalty (Mascarenhas et al., 2006), and overall brand perception (Vannucci et al., 2023).

However, customer care perceptions are inherently subjective, shaped by individual expectations and past service experiences (Cook, 2010). Meeting these expectations is challenging, as they continually evolve due to factors such as personal preferences, previous interactions, and technological advancements (Corea et al., 2020; Gorry & Westbrook, 2011). Technology plays a crucial role in this evolution by reshaping customer expectations and transforming how service providers respond to them (Corea et al., 2020). With chatbots (Misischia et al., 2022), service robots (Larivière et al., 2024), and other personalized service solutions (Abildtrup, 2024), customers increasingly expect technology to streamline and enhance their service experience rather than introduce friction (Lee & Lee, 2020).

Despite its recognized importance, the evolving nature of customer care remains underexplored in qualitative research, particularly in understanding how customers' current perceptions of exceptional service align with their expectations for the future. This is a crucial gap to address, as gaining deeper insights into these perceptions allows companies to anticipate customer needs and proactively adapt their strategies. Although Følstad et al. (2014) offered valuable perspectives on these dynamics by showcasing how customers value warm and benevolent service interactions but expect the future of customer care to be characterized by efficiency and availability through self-service solutions, their study was conducted over a decade ago, and customer perceptions and expectations may have shifted. Our study addresses these knowledge gaps by investigating customers' evolving understanding of excellent customer care and their expectations for future service. Building on Følstad et al. (2014), we focus on the following research questions:

RQ1: Which factors contribute to excellent customer care?

RQ2: What are customers' expectations for customer care in the near future?

The study is rooted in Expectancy Confirmation Theory (ECT) (Oliver, 1980) and focuses on customer care across three highly competitive sectors—banking, insurance, and telecom—where retaining and attracting customers relies heavily on exceptional service delivery. By qualitatively examining current factors contributing to excellent customer care and customer expectations for the future, this paper provides a nuanced understanding of the evolving service landscape, offering valuable insights for practitioners and researchers alike. This paper is an extension of the paper published at the conference E-Society 2026 (Skjuve et al., 2026).

## 2. BACKGROUND

### 2.1 Factors Impacting the Experience of Customer Care

Customer care involves assisting customers with inquiries or problems they might have regarding products or services in a manner that strengthens customers' relations with providers (Huang & Rust, 2024). Customer care is a key determinant of customer satisfaction and overall customer experience. When executed effectively, it can serve as a competitive advantage and a value-enhancing aspect of service provision (Van Noort et al., 2015).

Existing research conceptualizes customer experience as comprising cognitive, emotional, behavioral, and social responses (Lemon & Verhoef, 2016). Various factors influencing customer experience have been identified (Bueno et al., 2019), emphasizing the pragmatic and emotional outcomes of customer care. In a qualitative questionnaire study, Følstad et al. (2014) highlighted these outcomes as defining characteristics of excellent customer care. Specifically, for customer care to be perceived as a great experience, it must address a concrete customer need and do so in an emotionally satisfying way.

The distinction between pragmatic and emotional aspects of service experiences is well recognized in marketing literature, particularly in retail service (Bradley & LaFleur, 2016) and shopping experience (Vieira et al., 2018). However, this theoretical distinction is more clearly established in the field of user experience – an interdisciplinary area rooted in human-computer interaction and human-centered design. Here, Hassenzahl (2018) a leading theorist on user experience, distinguishes between the pragmatic and hedonic attributes of interactive products, where the former concerns utility and usability, and the latter concerns stimulation, identification, and evocation. The pragmatic-hedonic framework of Hassenzahl has been applied to the study of new technologies (Følstad & Brandtzaeg, 2020) and technology applied to customer service (Haugeland et al., 2022). For the presented study, we hold that the pragmatic-hedonic framework can represent a fruitful perspective on customer experience in the context of customer care.

## **2.2 Technology and Customer Care**

Over the past few decades, technology has emerged as a cornerstone in modern service interactions, profoundly influencing customer care (Lee & Lee, 2020). Tools like chatbots, service robots, and other self-service systems have been widely adopted to enhance operational aspects, including efficiency, consistency, and availability (Følstad & Skjuve, 2019; Huang & Rust, 2024; Larivière et al., 2024).

While technologies can excel in optimizing pragmatic value by offering instantaneous responses, 24/7 support, and scalable solutions (Lee & Lee, 2020), they may undermine pragmatic value due to perceived risks, malfunctions (Song et al., 2022) or lack of user-friendly design (Henderson et al., 2024). Moreover, technology integration has been argued to introduce challenges related to the hedonic experience. A common concern has been the perceived lack of empathy and warmth in automated interactions (Huang & Rust, 2024), which are vital for emotionally satisfying hedonic experiences (Følstad et al., 2014).

However, recent advancements in conversational AI, such as large language models, have shown promise in addressing these issues (Huang & Rust, 2024) by enabling conversational AI to display empathy (Juquelier et al., 2025; Sorin et al., 2024) and emotional awareness abilities (Elyoseph et al., 2023). A recent study by Larivière et al. (2024) demonstrated that service robots capable of displaying empathy and care enhanced customer experience. Nevertheless, customers may not experience or expect technology to be able to offer the same kind of warmth as a human service worker.

Additionally, implementing sophisticated technologies raises concerns regarding privacy and security, as they often involve sensitive customer data. Public sentiment on these issues remains divided, with some customers appreciating the convenience offered by technology (Larsen, Skjuve, Kvale, et al., 2024), while others remain wary of potential misuse (Leschanowsky et al., 2024). Customers' prior experiences with technology and the recent public discourse surrounding large language models undoubtedly influence customer perceptions and expectations for customer care (Fornell et al., 2020).

### **2.3 Theoretical Foundation – Importance of Expectations**

According to the Expectancy Confirmation Theory (ECT), a customer's satisfaction with a service encounter depends on the degree to which their expectations are met or exceeded (Oliver, 1980). When customers' expectations are met, they are more likely to feel satisfied; exceeding these expectations enhances their satisfaction further, while unmet expectations typically result in dissatisfaction. These expectations are not formed in a vacuum but are shaped by prior experiences, word-of-mouth recommendations, and marketing communications (Oliver, 1980).

Research supports the ECT's assumptions and has demonstrated that customer expectations are fundamental to delivering high-quality customer care, as these expectations critically shape perceptions of service quality and satisfaction (Lee et al., 2022; Pizam & Milman, 1993). Consequently, it is crucial for service providers to thoroughly understand prior experiences and the future expectations of their customers. Doing so allows them to proactively anticipate and address potential gaps in service delivery, thus creating a service experience that aligns with or exceeds customer expectations (Oliver, 1980). This alignment is critical for fostering satisfaction, building customer loyalty, and improving overall service quality. Currently, little is known about customer expectations for the near future of customer care.

## **3. METHOD**

### **3.1 Research Design**

We distributed a questionnaire with open-ended questions to capture users' perceptions of excellent customer service and how they expected customer service to evolve in the near future. The near future was defined as four years ahead, which at the time of the study was 2028.

Specifically, we asked the participants to describe a service encounter where they received excellent customer service. Following this, we asked them to describe how they hoped customer service in the banking, telecom, and insurance sectors would look like in four years. This part of the questionnaire was split into three questions – one for each domain. We selected the banking, insurance, and telecommunications sectors as our focus areas due to their highly competitive nature and profound impact on most individuals' daily lives. Moreover, these three sectors have already implemented a significant amount of automation in their customer service, such as chatbots and other self-service solutions, resulting in shorter opening hours for staffed customer service (phone and chat). Understanding customer perceptions and expectations in these industries is particularly valuable, as it provides critical insights that businesses can leverage to enhance their service quality and maintain a competitive edge.

We decided to use a qualitative questionnaire approach as this would yield in-depth insight from a larger sample compared to closed surveys or interviews. This approach was preferable for exploring and understanding customer experiences and expectations.

### 3.2 Data Collection and Sample

The study was conducted in Norway with Norwegian-speaking participants. The participants were recruited through two different services: Prolific and Ipsos. Both are frequently used in research. We used two recruitment platforms to reach the desirable number of participants and achieve an even gender and age distribution. The data was collected from March to April 2024. Participants from Prolific received about 3.75 GBP as compensation. Participants from Ipsos were also compensated, but Ipsos does not disclose how much it compensates its users. The questionnaire took an average of 20 minutes to complete.

The sample consisted of 193 participants. Table 1 demonstrates the gender and age distribution. When asked about whether the participants would attempt self-service solutions before seeking out a human service representative, 21% reported to always do so, 42% would try self-service solutions most of the time, 32% reported using self-service a few times, while 6% would seek out a human immediately. We also asked about their usage of AIs such as ChatGPT and Gemini in which 12% of the participants used AI frequently, 26% use it often, 32% had tried it while 27% had heard about such services but never used it. 3% have not heard about it or used it.

Table 1. Overview of gender and age distribution (n= 193)

<b>Gender distribution</b>		
Female		53%
Male		47%
<b>Age distribution</b>		
18 – 24		16 %
25 – 29		10 %
30 – 34		8 %
35 – 39		9 %
40 – 44		10 %
45 – 49		7 %
50 – 54		6 %
55 – 59		8 %
60 – 64		5 %
64 – 69		9 %
70 – 74		7 %
75 – 79		5 %
80 +		2 %

The data collection was anonymous, and participants gave their informed consent. To illustrate the diversity of the dataset, Table 2 provides examples of responses to the question about excellent customer care.

Table 2. Example responses from survey about excellent customer care

Example of response length	Example responses
<b>Short response</b>	1. is happy 2. Respect the customer 3. Is polite 4. Take the customer seriously
<b>Medium response</b>	Contacted the service provider regarding some issues with the TV and received continuous good follow-up on the progress of the case until it was resolved. The contact person was always friendly and professional.
<b>Long response</b>	I called customer service at a TV provider on behalf of a customer to fix an issue with a new card they had received in the mail. The card wasn't working as it should, and an error message appeared on the TV. Customer service answered the phone relatively quickly, and with a positive attitude, they managed to resolve the issue fairly quickly. I really appreciate customer service representatives who have a positive tone and, of course, the ability to solve the problem the call is about.

### 3.3 Thematic Analysis

Responses to the open questions were analyzed using a thematic analysis. One researcher analyzed the dataset and used Braun and Clarke's (2008) six-step procedure: First, the researcher reviewed the responses to get a sense of the data before coding meaningful units using Excel. A code could be a word or a sentence summarizing the meaning of said unit. Once the dataset was coded, the codes were revised. At this stage, some were renamed, while others were merged. The final set of codes was then grouped to form overarching themes. The themes were revised against the dataset before being named. Quality in the analysis was achieved by meetings between the head analyst and another person from the author team, where the process, uncertainties, and findings were discussed and revised.

After identifying the themes, we placed the themes in the framework, distinguishing between pragmatic value and hedonic experiences, to allow for direct comparison with the study conducted by Følstad et al. (2014).

### 3.4 Industry Perspectives

To further examine the practical implications of our findings, we presented the results to a group of four professionals representing telecommunications (two participants), banking, and an AI platform provider specializing in customer service. The purpose was to gather their perspectives on the key practical implications of the findings. These reflections are summarized in the section "5.5 Practical Implications."

## 4. RESULTS

In the following, we present the results from the thematic analysis. First, we outline the factors contributing to excellent customer service, before outlining near-future expectations.

### 4.1 Which Factors Contribute to Excellent Customer Service?

The thematic analysis identified six factors contributing to positive customer experience as shown in Table 3.

Table 3. Overview of themes and their prevalence

Service performance type	Identified customer care preferences	Prevalence
Hedonic Experience	Want the best for the customer	66%
	Nice and polite	32%
	Knowledgeable service workers	29%
Pragmatic Value	Efficiency	27%
	Confirmation and follow-ups	9%
	Availability and point of contact	7%

#### 4.1.1 Hedonic Experience

Creating good hedonic experiences appeared to be one of the most important aspects of excellent customer service and was mentioned by 84 percent of the participants. Specifically, this entailed service providers wanting the best for the customer, being nice and polite, and knowledgeable.

The participants highlighted how excellent customer service is characterized by the service provider, giving the impression of *Wanting the best for the customer*. For some, this entailed doing something extra, more than expected in the given situation, for the customer. Examples of such behavior could be giving a discount code or letting the customer visit the store past opening hours: *“The TV company did everything they could to solve a problem and even provided a few months of free service as compensation for a long-standing issue. They came and replaced all the equipment, adjusted the settings, and everyone who assisted was always friendly. I feel happy when I receive such service in a pleasant manner. I’m not switching companies” (ID151)*.

Others would emphasize how they enjoyed it when the service worker took time to listen to them and their needs, not rush the process, or gave the impression that they wanted to find the best solution for the customer without hidden motives (e.g., wanting to sell the most profitable solution): *“Good customer service is when you receive relevant advice proactively, without it feeling like they just want to sell you something more expensive. It’s also when you experience a genuine willingness and desire to help from the other party. Being attentive without being intrusive is also good customer service” (ID91)*. Some participants also appreciated when the service provider took responsibility for mistakes and offered good, flexible solutions to resolve the issue. A few noted experiences where the service worker made them feel understood and cared for.

Many also emphasized the service workers' ability to be *Nice and polite* and to treat the customer with respect as important factors in excellent customer service. This often included saying "Hello" and acknowledging the customer or having an uplifting and service-minded tone of voice rather than being rude or condescending: *“There was a time when I needed help fixing*

*something on a website, and the person assisting me was very patient, kind, and friendly. It felt like I was talking to a friend rather than a worker. He was funny, honest, and helpful” (ID67).*

The participants reported enjoying service encounters where they received help from **Knowledgeable service workers**. This was often described in general terms, such as appreciating when the service worker appeared highly knowledgeable or competent. Others mentioned that it could entail getting elaborate information, often in a format that made it easier for them to understand: “I visited an electronics store and felt seen and heard. The employee was very knowledgeable about the product I was looking for and didn’t just try to sell me the most expensive option” (ID40).

#### 4.1.2 Pragmatic Value

Even though hedonic experience is a key contributor to excellent customer service, the participants also highlighted the importance of pragmatic value. Specifically, this entailed efficiency, availability, receiving timely information, and being followed up. Many mentioned **Efficiency**, such as finding a solution quickly or getting in contact with a service worker within an appropriate timeframe, as important for positive customer service experiences: *“I had trouble logging into my bank account. Customer service was easily accessible and provided great help. They resolved the issue in just a few minutes” (ID12).*

Some participants also mentioned service encounters where they got **Confirmations and follow-ups** and where the service provider would keep them informed throughout their customer journey. One participant for example mentioned the following related to a lost suitcase: *“They kept me informed throughout the entire process until I finally got my suitcase home” (ID16).*

Finally, some also considered being easy to reach as a critical component of excellent customer service. Some mentioned **availability** in general terms, while others specifically emphasized being easy to reach on the phone or in person: *“That there is an option to call customer service and that they answer quickly. Often, the phone number is not provided, or you have to search for a long time to find it. Sometimes, you have to go through many questions in a chat before they finally tell you that you need to speak with a customer representative, and then it takes forever to get a response. But when you finally get an answer, the issue is usually resolved quickly” (ID189).*

Interestingly, technology was not frequently mentioned when participants described excellent customer service.

## 4.2 Customer Service and Near-Future Expectations

The thematic analysis uncovered six key factors regarding participants' aspirations for the future of customer care. See Table 4 for an overview.

Table 4. Overview of themes and their prevalence

Service performance type	Identified customer care preferences	Prevalence
<b>Pragmatic Value</b>	Availability and point of contact	70%
	Digitalization	56%
	Efficiency	51%
<b>Hedonic experience</b>	Want the best for the customer	36%
	Better help in general	26%
	Nice and polite	10%

#### 4.2.1 Pragmatic Value

When the participants reflected on how they hoped customer service within telecom, banking, and insurance would look in the near future, they emphasized pragmatic value over hedonic experience—a direct contrast to what they highlighted when asked about excellent customer service, where service experience was more prominent. In terms of pragmatic value, participants highlighted improved availability and efficiency and how digitalization/technology can improve and deteriorate value in these areas.

Specifically, improved *Availability and point of contact* were highlighted—especially in banking. Here, the participants reported a wish for easier access to the service provider. This could be increased opening hours or through various communication technologies such as phone, chat, or email. Several participants highlighted the importance of retaining and making human service workers easily accessible. As demonstrated in the following quotes, the participants seemed concerned about replacing human service workers with technology: *“I hope that customer service for insurance will have longer opening hours. Currently, both phone and customer service hours are limited, but I hope they will be extended. Additionally, I hope the human aspect remains in customer service, meaning limited use of chatbots”* (ID78). *“I hope there will be real people to talk to, not AI. People who genuinely want to help those calling in and do their best to assist. Simple questions can be handled by AI, but for more complex questions and issues, a human is needed”* (ID44).

The theme *Digitalization* demonstrates how a large portion of the participants would expect the future of customer service to utilize more sophisticated technology. Some referred to technology using terms such as "automation," while others mentioned artificial intelligence in particular. Regardless, participants appeared to assume that services can become more efficient, available, and personalized through advanced technology and saw digitalization as a means to improve pragmatic value (efficiency and availability): *“It would be cool if customer service in the telecom industry were driven by advanced AI systems that provide instant and precise assistance through various digital channels, including chatbots and virtual assistants”* (ID21).

A few, however, also stated that they hoped to see less technology usage in the future. These participants appeared to appreciate human contact and would rather see more human service workers than advanced systems in customer service, fearing that technology might hinder excellent customer service: *“I believe more AI will be used in banks for customer service in four years. However, I hope this won't be the case, because when a customer needs answers about financial matters, it's best to speak with a human”* (ID42).

Improved *Efficiency* was another aspect of future customer service that the participants emphasized. Here, the participants highlighted how they hoped customer service in telecom, banking, and insurance would be more efficient in the near future. They often described this aspect in general terms, but some mentioned a need for reduced waiting time on the phone or chat, or that it should be faster to locate relevant information—as indicated by the following participant: *“Insurance should be accessible through both chat and phone. They should also have a better overview of prices in a shorter amount of time”* (ID7).

#### 4.2.2 Hedonic Experience

Although pragmatic value received more emphasis when the participants reflected on expectations related to the near future of customer service, service experience was also mentioned. The participants highlighted improvements in terms of service providers wanting the best for the customer, being nice and polite, and providing better help in general.

Some participants would expect service workers to increasingly provide a sense of ***Wanting the best for the customers***. From a near future perspective, this entailed help tailored to the individual customer's needs, less emphasis on profit, providing more and more "fair" help, and taking the time to listen to the customer. In telecom and insurance, telephone sales were something the participants would like to see less of in the future. Again, some participants expressed concern that technology might replace human service workers, removing an important component of what they understand as good customer service: *"I want customer service to be welcoming and solution-oriented. I believe this task is best handled by empathetic humans rather than a less obviously sympathetic artificial intelligence. This is to safeguard the customer's interests, well-being, and welfare"* (ID45).

Some participants stated more generally that they just wanted ***Better help***. Most did not state what they meant by that, but some appeared to expect that service workers would have more knowledge and competency and thus provide better service—as indicated in this quote: *"I hope there will be knowledgeable people and that the current trend does not continue. Right now, it is often students or others with little to no education in the field"* (ID94).

Finally, some participants also highlighted the importance of being ***Nice and polite*** towards customers—also in the future.

## 5. DISCUSSION

This study replicates and extends the work of Følstad et al. (2014). It contributes new insights into customer preferences regarding excellent customer care, how this overlap with customer expectations for future service interactions, and how this dynamic has evolved since 2014. The 2014 study found that customers valued warm, benevolent interactions but expected the future to be characterized by efficiency and availability. Our findings suggest that these dual priorities remain but with heightened awareness of digitalization, automation, and AIs role in shaping service delivery.

### 5.1 Present-day Perceptions: Hedonic Service Experiences at the Dominant Driver

Our results show that hedonic experience, such as customers feeling that service providers genuinely "want the best" for them, are polite and respectful, and demonstrate competence, were the most frequently cited determinant of excellent service. This echoes Følstad et al. (2014) and aligns with broader service research emphasizing the role of empathy, attentiveness, and discretionary effort in shaping memorable customer experiences (Huang & Rust, 2024). Even in sectors with substantial automation – such as banking, insurance, and telecom – customers' most positive recollections centered on interpersonal qualities rather than operational speed or digital features.

Pragmatic value – particularly efficiency, proactive follow-ups, and easy access – was also important, though less dominant in shaping memorable experiences.

Participants voiced frustration with long wait times and difficulty accessing a point of contact, emphasizing the importance of rapid response times and streamlined communication channels. These concerns resonate with service operations studies that highlight the negative

impact of delays (Harter et al., 2025) and a lack of transparency (Honora et al., 2022) on customer retention.

The greater salience of hedonic experience in present-day evaluations suggests that customers may recall positive interpersonal encounters more vividly than efficient but impersonal transactions. Within the ECT framework, this may reflect a stronger positive disconfirmation effect when emotional needs are exceeded than when only functional efficiency is delivered. This underscores the need to empower service staff to make customer-centric decisions and to design technologies, such as chatbots or service robots that not only resolve problems but also convey empathy, attentiveness, and a genuine desire to help (Larivière et al., 2024). By embedding both hedonic and pragmatic value into service delivery, organizations can better align with customer expectations, strengthen loyalty, and enhance overall satisfaction.

## **5.2 Future Expectations: Pragmatic Value Takes the Lead**

When envisioning the near future of customer service, participants shifted focus toward pragmatic value (as opposed to hedonic experiences), emphasizing availability, efficiency, and enhanced digitalization. In line with the ECT this shift may suggest that as customers anticipate technological advancement and process improvements, their baseline expectations for efficiency, availability, and seamless access increase. Such tendencies were also observed by Følstad et al. (2014) who noted that customers increasingly expect better self-service options and more flexible solutions. Despite ongoing technological advancements, the expectations identified in our study remain largely consistent with those expressed a decade ago. This suggests that service providers still have significant progress to make in fully meeting customer needs and expectations.

Moreover, digitalization emerged as a double-edged expectation. Influenced by recent advancements in AI, participants expected service systems to become increasingly sophisticated and tailored to individual needs. While some participants welcomed the potential for AI to enhance efficiency and availability, viewing it as a means to simplify routine service tasks, others expressed concerns about the increasing reliance on technology, fearing that it could diminish meaningful human interaction and reduce the quality of customer care for more complex inquiries. Larsen, Skjuve and Kvale (2024) similarly found that customers tend to be more skeptical about AI in customer service handling of complex or sensitive inquiries, highlighting the limitations of automation in certain service scenarios. This ambivalence reflects an underlying hesitation regarding the implications of a stronger technological presence in customer service.

## **5.3 Balancing Efficiency and Digitalization with Human Interaction**

The mixed reactions to digitalization suggest that organizations must carefully balance technological advancements with the human elements of service. It also corresponds with research emphasizing the need for a hybrid service approach, where routine inquiries can be efficiently addressed through automation while human agents remain essential for handling more nuanced and emotionally sensitive requests. This is also in line with the Media Richness Theory, which suggests that communication channels with a higher degree of media richness, such as human interaction, are necessary for tasks characterized by uncertainty and complexity (Daft et al., 1987). Ensuring that human interaction remains available, especially for complex

issues, could mitigate customer concerns and maintain high satisfaction levels. By designing service systems that integrate the strengths of both automation and human expertise, companies can meet evolving customer expectations while preserving the quality of care.

From an ECT perspective, this balance is also critical to managing customer expectations. Overemphasizing speed and efficiency in marketing without delivering on availability or warmth can lead to negative disconfirmation and heightened dissatisfaction. Conversely, meeting pragmatic expectations while preserving hedonic qualities, such as empathy and attentiveness, increases the likelihood of positive disconfirmation and, in turn, customer loyalty. Ultimately, service systems that integrate the strengths of both automation and human expertise can meet evolving customer needs while maintaining quality of care, ensuring that digital transformation becomes a driver of satisfaction rather than a source of frustration.

#### **5.4 Small Shifts Since 2014**

Compared to Følstad et al.'s (2014) dataset, our findings point to some modest but meaningful shifts in how participants view automated service technologies. One clear change is that participants now refer explicitly to "AI" and "automation" in concrete and familiar terms. This suggests that such technologies have become far more visible and normalized in public discourse than they were a decade ago. Rather than speaking about digital self-service in general terms, participants appear to have a more developed and specific awareness of the technological systems involved.

A second notable shift concerns attitudes toward access to human service. In the earlier study, self-service solutions were largely understood as an additional convenience that could complement existing service options. In our material, however, many respondents express a stronger desire to protect the possibility of human contact, particularly in sectors such as banking and insurance. This indicates that automation is no longer seen only as a helpful supplement, but also as something that may risk replacing forms of service that customers still consider important. These changes likely reflect the rapid development of AI capabilities and the accumulated experience people now have with automated systems that are not always able to meet their needs in satisfactory ways.

#### **5.5 Practical Implications**

The findings point to several practical implications for service providers designing and managing automated service channels. First, the results suggest that organizations should pay closer attention to the hedonic dimensions of service experiences, even in self-service and automated contexts. For automated systems, this may entail making chatbots, virtual assistants, and service robots capable of delivering information efficiently, and communicate in ways that feel empathetic, attentive, and competent. An interaction that feels natural, supportive, and socially appropriate may strengthen the overall customer experience, even when no human employee is directly involved. However, in some contexts being able to provide «the human experience» may even become a differentiated service offering. Service providers may need to consider whether different customer segments value different balances between efficiency, price, and interpersonal assistance.

Second, service providers should continue to strengthen the pragmatic value of automated solutions by focusing on usability, personalization, and effective channel design. Automated systems are likely to be valued most when they are intuitive, easy to navigate, and responsive to the user's specific situation. However, functionality alone may not be enough. Our results indicate that the quality of the interface, the visibility of available service options, and the system's ability to direct customers into the right service channel are all central to positive service experiences. In practice, this means that service providers should think carefully about the design of individual chatbots or AI tools, as well as where these tools are positioned and how accessible they are across platforms such as websites and apps. Better routing mechanisms, such as landing pages or triage services that help customers identify the appropriate point of contact at the outset, may improve both efficiency and perceived service quality by increasing the likelihood of successful resolution at the first point of contact.

Relatedly, the findings suggest that service providers may benefit from creating more integrated service ecosystems in which customer issues are handled coherently across channels. Customers should not have to figure out on their own where a problem belongs or which contact point is appropriate. Instead, service providers should aim to bring relevant services together, develop a clear internal logic for where different issues should be solved, and ensure that the transition between channels is as seamless as possible. This may be particularly important in industries where regulations or organizational constraints limit what can be handled through chat versus phone or other channels. In such settings, good routing is a matter of convenience, operational efficiency and customer satisfaction.

Third, the findings underline the continued importance of visible human availability. Even as automation becomes more widespread, customers appear to value reassurance that human support remains accessible, especially in complex situations or interactions involving uncertainty, stress, or strong emotions. Importantly, this does not necessarily mean that every issue must be escalated immediately to a human agent. Instead, organizations could broaden the scope of AI-supported service by allowing automated systems to arrange follow-up actions, such as scheduling a callback when the issue cannot be resolved directly. Such solutions may be more efficient than immediate escalation while still signaling accountability and care. Making human backup clearly visible may therefore reduce customer anxiety and strengthen trust in automated service channels.

Finally, the findings also point to trust as an important practical concern. Although trust may not be the central focus of the present discussion, it is closely tied to how customers experience automated service, particularly in relation to privacy, data handling, and the transparency of AI-enabled systems. Service providers should therefore ensure that automated services communicate clearly about what data is being used, what the system can and cannot do, and when human involvement is possible. This may be especially important because customers often imagine the future of service as an extension of current trends rather than as something fundamentally different. As a result, they may evaluate self-service technologies through expectations shaped by existing service norms.

Taken together, these implications suggest that the most effective service strategies may not be those aimed at full automation, but those that combine efficient technological solutions with thoughtful experience design, effective channel management, and clear access to human support when needed.

## 5.6 Limitations and Future Research

While the qualitative approach enabled rich insights from a relatively large sample, several limitations should be noted. First, the study focused on three service-intensive sectors in Norway, which may limit generalizability to other industries or cultural contexts. Future research should therefore explore other sectors and/or other regions. Second, participant reflections on future expectations may be influenced by media coverage and public discourse about AI rather than direct experience with advanced systems. To provide deeper insights into expectations in practice, future studies could investigate actual practices. Finally, the thematic analysis captures perceived importance but not the relative trade-offs customers would make between hedonic and pragmatic features; future research could use experimental designs to quantify these trade-offs.

## 6. CONCLUSION

The findings demonstrate that both hedonic experience and pragmatic value are pivotal to creating excellent customer service. While participants value efficient and accessible service, they also place significant emphasis on benevolent interactions characterized by empathy, politeness, and a genuine desire to help. As organizations navigate the evolving landscape of digital transformation, maintaining a human touch remains crucial to meeting customer expectations. By balancing technological advancements with human-centric service principles, companies can foster more meaningful and satisfying customer relationships.

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