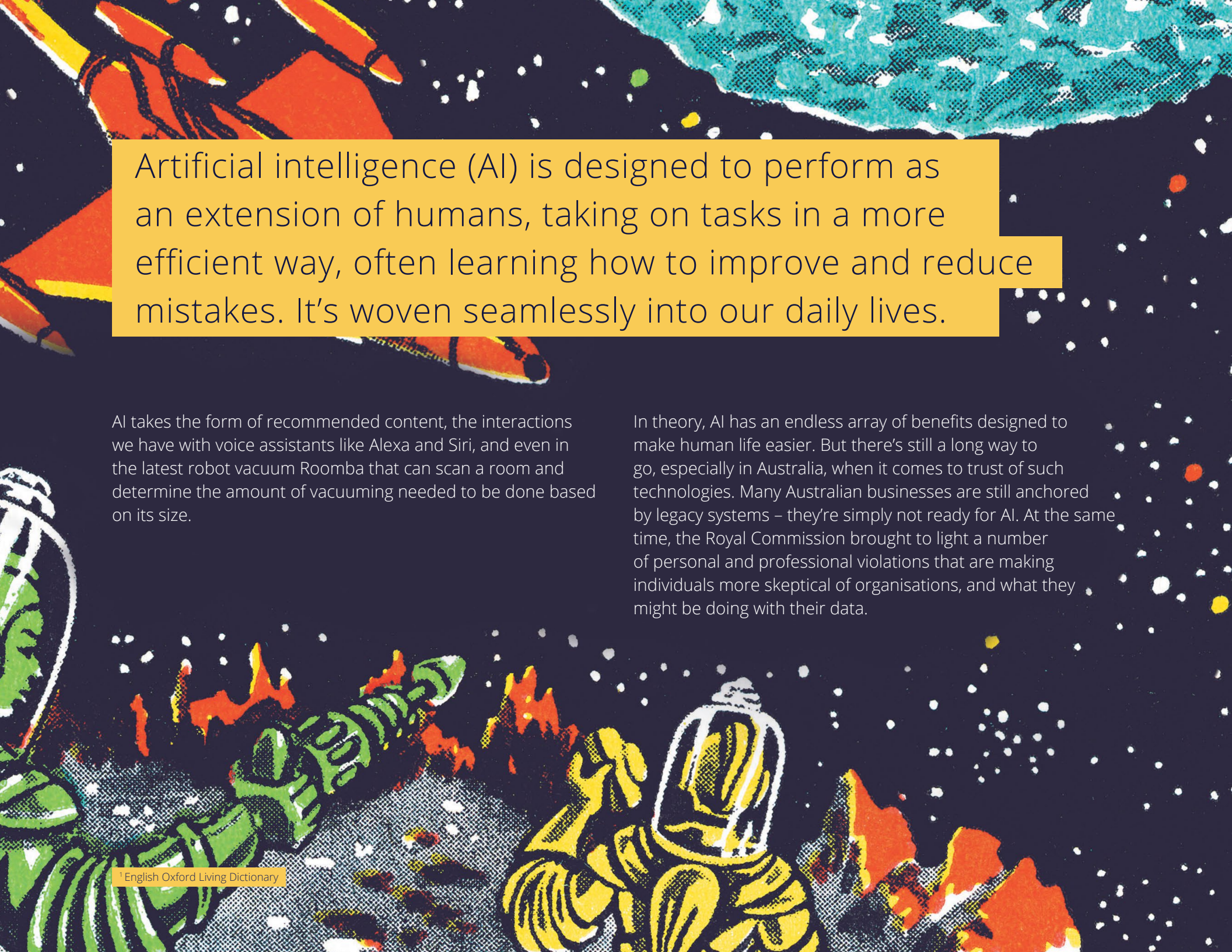


PEGA®

# AI and empathy:

Australians see promise  
in artificial intelligence

A study by Pega - updated July 2019



Artificial intelligence (AI) is designed to perform as an extension of humans, taking on tasks in a more efficient way, often learning how to improve and reduce mistakes. It's woven seamlessly into our daily lives.

AI takes the form of recommended content, the interactions we have with voice assistants like Alexa and Siri, and even in the latest robot vacuum Roomba that can scan a room and determine the amount of vacuuming needed to be done based on its size.

In theory, AI has an endless array of benefits designed to make human life easier. But there's still a long way to go, especially in Australia, when it comes to trust of such technologies. Many Australian businesses are still anchored by legacy systems – they're simply not ready for AI. At the same time, the Royal Commission brought to light a number of personal and professional violations that are making individuals more skeptical of organisations, and what they might be doing with their data.

For many, AI is still thought of as the stuff of science fiction movies. Perhaps the reason is that AI is based on programming and algorithms, rather than emotions or empathy. In fact, no robot or computer has passed the Turing test, designed to determine whether a computer is capable of thinking like a human being. So, the question remains, how can a computer truly understand what a human being wants and needs?

Pegasystems conducted a survey of 6,000 consumers from Australia, North America, the United Kingdom, Japan, Germany, and France about their views on AI and empathy.

The results showed that Australia might be a little more hopeful and accepting of AI in the future. And it's a good thing too. The Australian Council of Learned Academies has recently released a framework for the effective and ethical development of artificial intelligence, with \$29 million in government support, suggesting that larger scale applications of AI are closer to reality than ever before.



## Trust issues: Humans still preferred over AI

Empathy is defined as the ability to understand and share the feelings of another, or simply as “putting yourself in someone else’s shoes.” But are humans born with empathy or is it learned? Half of the global audience surveyed believes human beings are born with the capacity for empathy, but need to learn how to be empathetic, and 57% of Australians agree.

If people can learn how to be more empathetic, does it also apply to businesses?

When asked if companies have customers’ best interests at heart, only 34% of Australians surveyed believe they do and even fewer (29%) consider AI a way for businesses to show empathy toward customers.

It makes sense when you consider that 84% of Australian respondents also reported they had never interacted with a machine that displayed empathy.



Only 33% of Australians surveyed would trust AI to make a decision on a bank loan, which is consistent with the global average of 32%. Japan was the most trusting of AI in this case, with 47% indicating they'd choose AI over a human. But when it comes down to it, 79% of Australians would rather deal with a human for a bank loan, just above the average of 76% globally. When it comes to matters of life and death, Australians are the most likely to trust a human over AI (87%), consistent with the results globally (86%).

**33%** of Australians would choose AI to make an unbiased decision on a bank loan.

**79%** would rather interact with a human instead of AI when when applying for a bank loan.

**87%** are more likely to trust a human over AI when it comes to life or death decisions.

Perhaps this distrust comes from concerns around bias. AI is only as fair and balanced as the information it receives, right? When it comes to bias, just over half (57%) of Australians believe AI will always be biased. In contrast, Japan was the only country where most respondents believe AI can become neutral in the future (63%).

However, as we see financial institutions turning to technology for a safety net following the findings of the Royal Banking Commission, the report might just be the catalyst Australia needs to build the foundation of trust between humans and AI.



## Australians more hopeful for the future of AI

The possibilities of what AI can do in the future are endless. **While most global respondents don't believe machines can behave morally, Australia and Japan have the most hope they will someday (46% and 52% respectively).** Since science has shown it's possible for machines to learn, who's to say AI can't eventually make decisions based on morality?

Australians surveyed were also a little more optimistic than the average (40%) that AI can improve the customer experience (42%).

Perhaps organisations that are laser-focused on putting the needs of customers first, using AI as a tool to deliver, will see increased customer satisfaction and trust.

**11% indicated they were "very comfortable" with AI, above the average of 9% globally, and 24% said they were "somewhat comfortable" with AI, above the global average of 21%.** Looking at the total responses from Australia, about a third were comfortable, a third were uncomfortable, and a third felt neutral about interacting with AI.



# How to make empathetic AI a reality

The only way that AI can positively impact the customer experience and business outcomes is if humans and AI work together. The future of AI-based decisioning is a combination of AI insights with human-supplied ethical considerations and frameworks.

Transparency is also key to helping customers better understand how AI works. Much like how the Royal Banking Commission has called for improved transparency throughout many of its recommendations, organisations must employ transparent AI where appropriate, so that their machines can explain exactly why a decision was made.

## Empathy means nothing without action.

At Pega, we use our real-time, omni-channel AI capabilities to provide global brands with the ability to control their own AI for impact and empathy. We understand that only humans can dictate how empathetic business systems are and provide the tools to make more empathetic considerations for customers. The only way for businesses to change the conversation and comfort level with AI is to take control of it, prove its value through responsible applications, and direct its power toward improving outcomes.





## About Pegasystems

We are Pegasystems, the leader in software for customer engagement and operational excellence. Our adaptive, cloud-architected software – built on the unified Pega Platform™ – empowers people to rapidly deploy and easily change applications to meet strategic business needs. Over our 35-year history, we've delivered award-winning capabilities in CRM and digital process automation (DPA), powered by advanced artificial intelligence and robotic automation, to help the world's leading brands achieve breakthrough business results.

For more information, please visit us at [pegasystems.com](https://www.pegasystems.com)

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