Re(AI)magine User Experience

Transform your vision into strategic value with Al-powered experience design

Persistent

experience transformation Designed by Persistent

Executive Summary

A growing number of companies are trying to harness the potential of AI by bolting AI-enabled features onto their existing digital experiences.

Many are learning the hard way that simply adding features without considering what users really need can dramatically increase the chance of failure.

The promise of AI is exciting, and we agree the time is now to fully embrace the potential. In fact, we are seeing dramatic gains leveraging AI tools throughout our experience-design practice.

The problem is that when organizations are not guided by clear strategy and a well-grounded understanding of people's pains and context, the impulse to move quickly will lead to disjointed experiences, undermine adoption, and deliver poor outcomes.

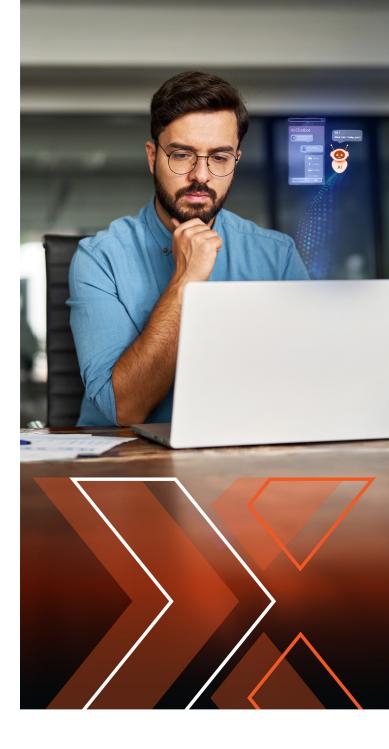
In this paper, we'll share how you can move confidently from vision to value by implementing a radically different approach: Al-powered experience transformation.

Users are Skeptical about Al

The experiences you craft and deliver are an integral part of how people will understand and judge your organization and your brand. This is true not just for customers and employees, but for vendors and partners too. Good experiences can enhance employee productivity, garner customer loyalty, and streamline processes that make your business run better.

Yet today's users often distrust digital experiences, especially when they're delivered by AI.

In one survey of 1,026 US shoppers,¹ 66% said that they would not buy from an AI chatbot, even if they could save money. Almost 40% reported abandoning purchases due to poor AI-enabled experiences, like inaccurate product recommendations or frustrating interactions with chatbots. Also, 40% were disappointed by insufficient human support.



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The Problem isn't the AI — it's the Experience

One reason user experiences don't meet expectations is that businesses are adding AI to siloed, ineffective automations. For example, a user might initiate a support request via an AI-powered chatbot on a website, then be redirected to a separate AI-powered app to upload documents, and finally be asked to repeat the same information when they reach a human technician by phone. In cases like this, AI is present but adds no real value.

We believe a poorly designed approach to integrating AI into UX is contributing to the recent rise in AI project failures. A recent study underscores this link.² Sixty-five data scientists and engineers were interviewed about their experiences with AI and Machine Learning projects, and participants generally agreed that AI projects often fail when systems don't fit users' workflows or solve their real problems.



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Despite mounting evidence that layering AI onto a fragmented UX rarely delivers results, many organizations continue down this path. A common assumption is that fixing the underlying experience, which may involve connecting disparate data sources, aligning workflows, and standardizing design, can't be done while still meeting urgent business needs.

As a result, organizations release multiple iterations of tactical AI experience solutions that never truly succeed. Several challenges that make this cycle hard to break include.



Misaligned KPIs

Commonly used metrics can obscure whether an experience is accomplishing the right goals. For instance, time on site, which many organizations seek to optimize, may not reflect whether a digital experience is usable and productive. People may simply be confused and struggling with a poor design. Another flawed metric is chatbot deflection, which quantifies how often users do not escalate to a human during a chat. The underlying assumption is that a successful Al-user interaction is saving costs, but users may simply be giving up in disgust, or the Al-to-human handoff may be failing.



Fragmented data and systems

Different teams typically own separate parts of the user experience. This can result in people feeling like they work across multiple systems within the same product. Worse, data may be stored in incompatible formats and siloed systems, which makes it difficult to get a clear picture of user behavior and orchestrate the design of efficient journeys. Regional privacy regulations often restrict how data can be shared or unified, adding complexity and creating further barriers to effective experience design.



Pressure to adopt the latest tech

When individual teams adopt tools and interfaces faster than governance and design standards can keep up, they create a patchwork of disconnected experiences. The result is inconsistent taxonomies, information architecture, and visual design. This fragmentation leads to frustration and fatigue for everyone.

Adopt an Al-powered Approach to Experience Design

While most organizations now recognize the potential of AI, they often think about it narrowly, experimenting with isolated pilots, inserting automation into broken workflows, or adding intelligence late in the design process.

Design the experience to solve key business and user problems

An Al-powered approach to experience transformation involves looking at UX and Al holistically and reimagining workflows with both business goals and Al capabilities in mind. We believe this is the fastest and most reliable way to operationalize Al throughout your business.

Typically, companies adopting this approach measure their success in terms of ROI. In a recent survey by Gartner,³ 63% of leaders from high-AI-maturity organizations said they run financial analysis on AI risk factors, conduct ROI analysis, and concretely measure customer impact to continually improve their AI initiatives.

To embrace Al-powered experience design, don't start with the question, "Where can we add Al?" Instead, start by focusing on your users: "What do they need? Where do they get stuck? What's slowing them down?" From there, consider the root causes of those friction points and estimate the potential value of solving them. Once the high-impact problems are clear, you can prioritize them based on ROI.

Embrace what AI does well

Next, ask how key problems might be solved by Al, and what your existing experience might look like if it were designed to take advantage of what Al does best.

The answers are often surprising. Pattern recognition, predictive analytics, and adaptive interfaces can all play a role in solving real user problems, not just adding novelty. When AI (whether predictive, generative, or agentic) is used to support clear, prioritized goals, it can become part of a smarter experience that users are more likely to trust.

In most cases, an AI-powered design process can shift focus from linear workflows and manual handoffs to dynamic systems that anticipate intent, recommend next steps, and learn over time. This transition is already visible in consumer and enterprise contexts, and examples include a content platform curating recommendations based on evolving user preferences, a financial dashboard surfacing context-aware insights, and a healthcare patient service app adapting based on urgency and user role.

Be Explicit about Connecting UX to Business Value

Smart organizations embrace experience transformation as a strategic imperative rather than a design or IT project. Executive sponsorship is vital for ensuring that experience goals are prioritized and resourced. Yet, that may not be enough. Achieving successful outcomes requires organizational policies and processes that support scale.

Create organizational alignment to drive success

Cross-functional collaboration is essential for aligning business, product, technology, and design teams. By engaging company leaders from multiple functions around a common theme — the development of experience vision, goals, and KPIs — and requiring all teams that own experiences to adopt consistent policies and design standards, organizations can address the platform sprawl, disjointed journeys, and misaligned KPIs that often lead to user frustration and poor business outcomes.

As Al becomes deeply embedded in digital experiences and we are pushed beyond traditional ideas of how people interact with computers, organizations must also adopt consistent ethical frameworks that reinforce transparency, build trust, and ensure human oversight.

When these elements come together, experience transformation becomes a growth engine.

According to a recent study,⁴ brands that earned the best consumer feedback posted an average shareholder return 260 points above the S&P 500 Index, while those that received the most negative consumer feedback posted an average return 175 points lower.

Measure the right outcomes

Like any other area of your business, it's important to connect how UX strategy contributes to foundational outcomes like higher revenues or lower costs. Experience-driven measures may include metrics like higher conversion rates, faster task completion, lower support costs, greater loyalty, and increased productivity.

Accurately capturing data that links UX strategy to business outcomes requires organizations to invest in measurement infrastructure that captures what users do, why they do it, and how Al-driven experiences influence their choices, satisfaction, and speed.

Transform Vision into Lasting Value

Al is changing how experiences are imagined and delivered, but your organization won't get the impact you hope for by adopting Al in isolation or as an ad hoc tactic. Tomorrow's experience leaders link vision to value, redefine experience as a core business capability, and integrate Al as a foundational element of experience strategy, not as an afterthought.

Persistent XT collaborates with clients who want to lead

We believe AI-powered design is useful for virtually any industry, and have helped clients in finance and healthcare, retail, and high tech use this approach to turn vision into real, sustained business value.

Our Al-powered experience (APEX) framework provides a structured, efficient way to rapidly plan, execute, and scale Al-powered experience transformation. We combine deep engineering expertise with human-centered design to build experiences that deliver measurable user and business outcomes. We've also integrated Al as a foundational part of our discover — shape — activate process: powering research, enhancing

creativity, speeding ideation, and capturing efficiency gains throughout.

We're excited to see that forward-thinking organizations are not just using AI to reframe human-computer interaction and how value is delivered, they're using this moment to reframe their business models and products, and craft experience strategies that will make those successful in a new era.

Unlock your organization's potential with Al-powered design.

Contact Us

¹ Aistė Jočytė, <u>Al in Ecommerce: Shoppers Want Help — Not Decisions Made for Them,</u> Omnisend, February 25, 2025.

² James Ryseff, Brandon F. De Bruhl, Sydne J. Newberry, <u>The Root Causes of Failure for Artificial Intelligence Projects and How They Can Succeed</u>, RAND, August 13, 2024.

³ Gartner Survey Finds 45% of Organizations With High Al Maturity Keep Al Projects Operational for at Least Three Years, Gartner, June 30, 2025.

^{4 &}lt;u>The Customer Experience ROI Study</u>, Watermark Consulting, August 20, 2024.



About Persistent

Persistent Systems (BSE: 533179 and NSE: PERSISTENT) is a global services and solutions company delivering AI-led, platform-driven Digital Engineering and Enterprise Modernization to businesses across industries. With over 26,000 employees located in 18 countries, the Company is committed to innovation and client success. Persistent offers a comprehensive suite of services, including software engineering, product development, data and analytics, CX transformation, cloud computing, and intelligent automation. The Company is part of the MSCI India Index and is included in key indices of the National Stock Exchange of India, including the Nifty Midcap 50, Nifty IT, and Nifty MidCap Liquid 15, as well as several on the BSE such as the S&P BSE 100 and S&P BSE SENSEX Next 50. Persistent is also a constituent of the Dow Jones Sustainability World Index. The Company has achieved carbon neutrality, reinforcing its commitment to sustainability and responsible business practices. Persistent has also been named one of America's Greatest Workplaces for Inclusion & Diversity 2025 by Newsweek and Plant A Insights Group. As a participant of the United Nations Global Compact, the Company is committed to aligning strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, as well as take actions that advance societal goals. With 468% growth in brand value since 2020, Persistent is the fastest-growing IT services brand in 'Brand Finance India 100' 2025 Report.

USA

Persistent Systems, Inc., 2055 Laurelwood Road, Suite 210, Santa Clara, CA 95054, Tel: +1 (408) 216 7010, Fax: +1 (408) 451 9177, Email: info@persistent.com

Persistent Systems Limited, Bhageerath, 402, Senapati Bapat Road, Pune 411016, Tel: +91 (20) 6703 0000, Fax: +91 (20) 6703 0008

