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CAMBRIDGE, Mass., April 04, 2017 (GLOBE NEWSWIRE) -- A new global study released by Pegasystems Inc. (NASDAQ:PEGA), the software company empowering customer engagement at the world's leading enterprises, revealed consumers are confused about what artificial intelligence (AI) really does, resulting in misplaced fears that inhibit them from embracing AI-based technology. However, these fears are often eased once they gain firsthand AI experience -- which ironically many enjoy today without even realizing it.

In a survey of 6,000 customers in six countries, consumers appear hesitant to fully embrace AI devices and services. Only one in three (36 percent) are comfortable with businesses using AI to engage with them -- even if this typically results in a better customer experience. Almost three quarters (72 percent) express some sort of fear about AI, with one quarter (24 percent) of respondents even worried about robots taking over the world.

Surprise ... you may already be using AI!

But these consumers may be surprised to learn they are already exposed to much more AI than they realize. Only 34 percent of respondents thought they had directly experienced AI. But when asked about the technologies in their lives, the survey found 84 percent actually use at least one AI-powered service or device -- such as virtual home assistants, intelligent chatbots, or predictive product suggestions. When asked separately to identify AI-powered devices, only 41 percent knew Amazon's Alexa and Google Home run on AI.

AI: Fear of the unknown

These findings can be traced to a basic misunderstanding of AI by consumers. Seventy-two percent confidently claimed they understand AI, but far fewer could correctly define what it is or what it can do. For example, relatively few knew AI has the basic ability to interpret or understand speech (37 percent) or mimic humans (35 percent), while only half could identify some of the most common AI capabilities, like solving problems (50 percent) and learning (57 percent).

Demystifying AI

These misperceptions are important because the study shows they have a negative effect on consumers' openness to using AI. The data shows consumers are significantly more comfortable with AI if they think they have previously been exposed to it. Only one quarter (25 percent) of the people who report no AI experience feel at ease with businesses using AI to engage with them. But for AI veterans, this number jumps to 55 percent -- a full 30 points higher.

Signs of optimism

Somewhat contradictory to all of this, consumers also express optimism in the power of AI. Nearly 70 percent say they want to experience more AI if it will help make their lives easier. Taken together, the survey results suggest businesses should be more transparent about the fair and pragmatic use of AI in their products and services. Companies should find non-threatening ways to expose customers to its benefits to change their misperceptions and establish trust and comfort over time.

The survey also highlighted some differences by gender and generation. For example:

| Gender | More men think they understand what AI is (80 percent) than women (66 percent). However, more women correctly identified that Siri (60 percent) |
The report surveyed consumers across the US, Britain, France, Germany, the Netherlands, and Australia. To download the complete report, "What Consumers Really Think About AI: A Global Study," go to http://www.pega.com/ai-survey.

Quotes & Commentary

"Though AI has been around for more than 30 years, it has now evolved to the point that businesses can engage with each individual consumer on a real-time, one-to-one basis," said Don Schuerman, vice president, product marketing and CTO, Pegasystems. "But our study suggests the recent hype is causing some confusion and fear among consumers, who may not really understand how it's already being used and helping them every day. Businesses need to focus on using AI to develop applications that provide real value for customers to improve their experiences rather than overhyping the technology itself."

About Pegasystems

Pegasystems Inc. is the leader in software for customer engagement and operational excellence. Pega's adaptive, cloud-architected software -- built on its unified Pega(R) Platform -- empowers people to rapidly deploy, and easily extend and change applications to meet strategic business needs. Over its 30-year history, Pega has delivered award-winning capabilities in CRM and BPM, powered by advanced artificial intelligence and robotic automation, to help the world's leading brands achieve breakthrough business results. For more information on Pegasystems (NASDAQ:PEGA) visit www.pega.com.

Press Contact:
Sean Audet
Pegasystems Inc.
sean.audet@pega.com
(617) 528-5230
Twitter: @pega
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