

**A GALACTIC THREAT EMERGES**

**THE  
CUSTOMER  
STRIKES  
BACK**

**AN AI REBELLION BEGINS**



**A SIMPLIFY CONSULTING PRODUCTION  
PRACTITIONER-LED BUSINESS & TECHNOLOGY CONSULTING  
THE 2026 SIMPLIFY AI WHITEPAPER**

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# 00

# PROLOGUE

## ***THERE'S A NEW DISTURBANCE IN THE FORCE.***

While you've been grappling with your AI strategy, tentatively exploring use-cases to prove value and deploying your chatbots to automate some of your customer interactions, your customers have been busy getting AI savvy.

Their exposure to AI in everyday life has shown that the possibilities of the technology are limitless. Deploying AI assistants to transform the frustration of mundane activities into agent-enabled tasks that are effortless, seamless and efficient isn't just coming, it's here. Customers are striking back.

There is now a new hope for customers who have historically invested time and energy in engaging with their financial providers, whether that's banks, insurance companies, pension providers, etc, but have often found those servicing experiences to be painful, elongated and ultimately unsatisfying. Customer-initiated agentic AI-enabled journeys that take away some of those pain points are growing in prevalence and customers are gaining confidence in how they can deploy their own digital assistants to transform provider interactions.

What if sitting on hold was a thing of the past? What if 'right first time' was guaranteed? What if being passed from one team to the next battling for answers and knowledge was yesterday's problem?

Are you ready for the most transformative change in customer interactions than has ever been seen before? This will usurp digital adoption, it will change operating models and it will rip up the rule book when it comes to fraud detection.

## ***AN AI REBELLION BEGINS...***

Supported by customer research, backed by interviews with some of the most influential COOs in Financial Services and leveraging the unique insight of the Simplify Consulting team, this whitepaper investigates the future of AI in customer services.

## **YOUR CUSTOMER MAY HAVE ALREADY BECOME A ROGUE ONE...**



01

# CHAPTER I:

# THE THREAT OF A PHANTOM MENACE

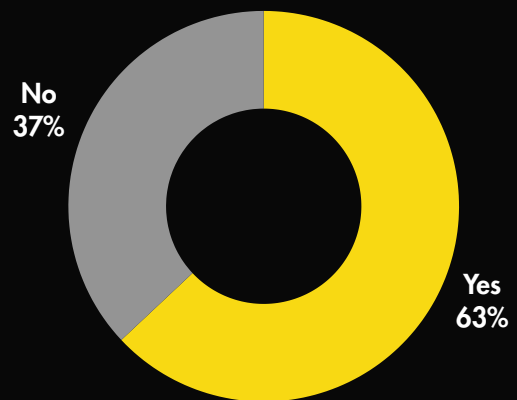
# A shift in the galaxy is underway... and the force is strong in this one.

If you don't tell your customers that you're using AI, that they are interacting with bots and having services fulfilled by computers rather than humans, then don't be surprised when the tables are turned. When surveyed, 100% of customers in our survey said they should be informed when AI is used in decisions about their finances, reflecting a clear expectation of transparency

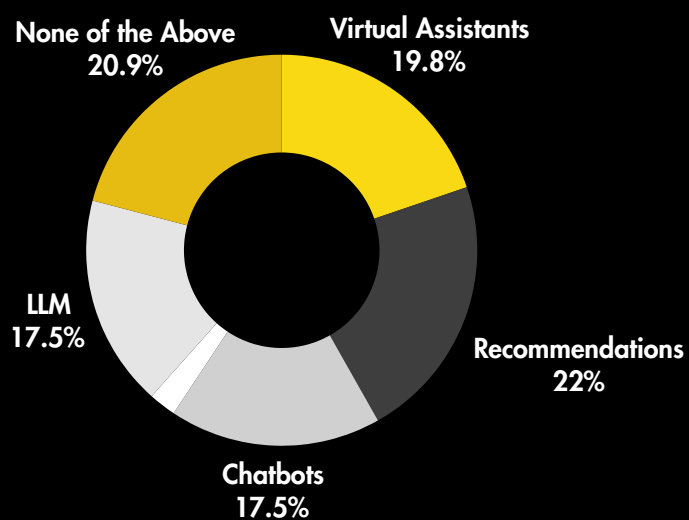
It is that expectation that builds trust and fosters long-term relationships where the foundations are built on the principles of 'easy to do business with', 'customer centricity' and 'the customer is always right'. So as we've spent the last few years inwardly looking at how AI can transform the way we deliver services to customers in an effort to reduce the cost to serve, they've been busy using AI in everyday life that has been nothing short of transformational.

Now, customers are just starting to get to grips with the potential of AI. From searching for holidays to actually booking them, from getting the latest bank balance to moving money, the use cases are growing quickly. **In our research we found that 63% of consumers already use AI in their day to day, whilst 37% are still not directly interacting with it.**

## Do you use AI in your day to day life?



## Which AI applications do you use in your personal life?\*



### \*DEFINITIONS:

- 1.Virtual Assistants (e.g. Siri, Alexa, Google Assistant, etc)
- 2.Recommendation systems (e.g. Netflix, Amazon, Spotify, etc)
- 3.Chatbots for customer service (e.g. banking apps, retail websites, etc)
- 4.Autonomous vehicles (e.g. driver-assist features, etc)
- 5.Large language models/ AI Chatbots (e.g. ChatGPT, Copilot, Claude, Gemini, etc)



# CONSUMERS ARE USING AI TO DRAFT COMPLAINTS AND UNDERSTAND THEIR RIGHTS... SOMETIMES RESULTING IN MORE SOPHISTICATED CORRESPONDENCE BUT ALSO INACCURACIES WHEN CONSUMERS RELY SOLELY ON AI-GENERATED INFORMATION.



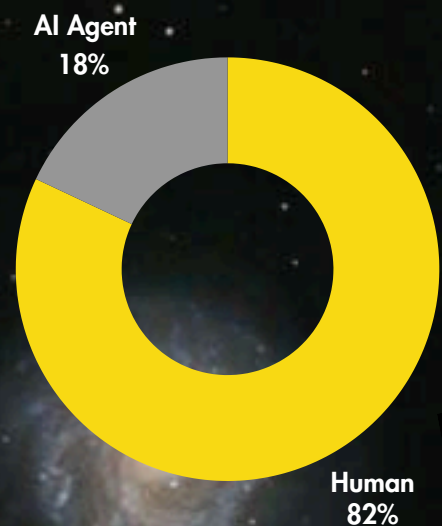
**Katie Pender**  
Chief Operating Officer | Target Group

We're already seeing digitally shrewd customers using AI to enable them to write compelling, informed and legally-influenced complaints letters, resulting in a significant increase in the time taken by providers to investigate and resolve complaints satisfactorily. Why write a letter yourself, if you can deploy AI to generate one for you – one that is more accurate, more likely to yield compensation and be upheld?

"AI empowers customers, but also enables some to exploit support systems" said Katie Pender. Providers will need to be mindful that as customers use AI to break down the barriers to complain (time, effort, energy), it will result in increased volumes, increased demand and more complexity in the investigation process.

Despite growing adoption of AI, when dissatisfaction happens, human connection still matters deeply: our research found that 82% of customers say they always want to speak to a human for complaints or dispute resolution. Blending human interaction with accelerated outcomes facilitated by technology innovation not only delivers a better and more reliable customer outcome, it also resolves issues more quickly – perhaps the FCA will need to revisit their 8 week timeframe?

## Would you rather speak with a human or AI Agent for complaints or dispute resolution?





# AI EMPOWERS CUSTOMERS, BUT ALSO ENABLES SOME TO EXPLOIT SUPPORT SYSTEMS.

**Katie Pender**  
Chief Operating Officer | Target Group



**But what happens when customers begin automating not just letters, but entire interactions?**

How could AI be exploited further to help customers engage with their financial providers in a more efficient and deeper way? We are already seeing AI assistants being used increasingly to contact their financial providers, pass KYC/AML checks and deliver instructions completely independent of the customer being present. Today, this might only be a change of address instruction or a general servicing enquiry (e.g. what's the value of my ISA?), but could quickly extend to executing financial transactions. Buys and sells, money movements, withdrawals and contributions; all activities that historically providers have worked hard to provide capabilities for across multiple channels; online, via an app, on the phone and even via paper-based instructions.

Giving AI assistants the ability to replicate those interactions across channels not only changes the narrative, it changes the whole *saga*. If a customer can tell their AI assistant to log onto their portal, fly through ID verification and Two Factor Authentication and then execute instructions on their behalf...then they're going to. And they're going to do that to the contact centre, on the app and offline as well. Clever, these customers will be.

## When will AI agents be engaging with AI agents?

Which of course prompts a multitude of questions; if an AI bot can represent a customer, pass through security and execute instructions on their behalf, could it also be used fraudulently by criminals to impersonate a customer? To what extent will providers need to increase the robustness of their ID&V processes to ensure that they are interacting with their customer? Does the technology exist to identify customers sufficiently to afford providers the confidence that they know who they are speaking to.



**WE WANT TO BE  
FAIR AND  
TRANSPARENT, BUT  
WE DON'T WANT  
TO BE ALMOST  
ALARMIST...**



**Chloe Stuttard**  
Chief Customer Officer | LV=

Equally how do customers ensure that when they are being contacted by their provider, that they know it's a legitimate interaction?

# DO WE NEED THE REGULATOR TO TAKE A STRONGER VIEW?

“ I THINK IT’S IMPORTANT TO HAVE CONSISTENCY OVER WHAT FIRMS HAVE TO DISCLOSE ON AI – TO ENSURE THE END CLIENT IS CLEAR ON WHAT THEY ARE RECEIVING AND HOW THAT SERVICE IS BEING PROVIDED

Mark Haines  
Chief Operating Officer | JM FINN

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Whilst AI to AI interactions may be the future, there are strong views that humans need to lead the oversight and decision making.

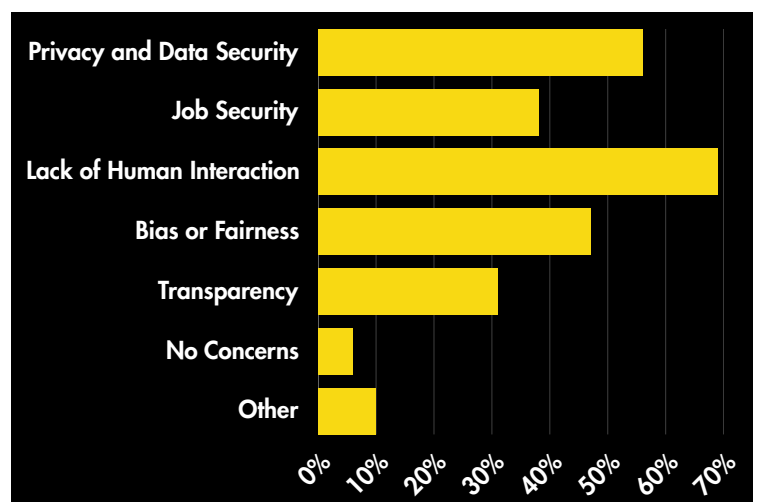
## THESE ARE THE DROIDS YOU ARE LOOKING FOR

Solutions are already out there in the market offering protection to providers. From real-time monitoring of patterns of behaviour to identifying signs of browser automation, tools now exist that enable providers to do two things; interject into customer journeys where there is a suggestion that an AI agent is driving the activity and then where there is a suggestion of fraudulent activity that hasn't been instigated by the customer.

We're shortly going to become well versed in terminology such as 'Browser Fingerprinting', 'interaction depth' and 'repetitive session patterns' as these describe the level of analysis required to differentiate between an AI-led interaction and a human one.

Of course AI-led interactions won't appeal to everyone. We're slowly seeing a generation shift into the financial services world who have a vastly different set of expectations of what good looks like. Try explaining to a teenager that they need to request a withdrawal via a cheque and wait days for it to clear before the funds are available. It's just a different *galaxy* to the one we have historically been consumed by.

Which means their expectations and indeed propensity to sit in a hold queue endlessly to speak to a human is almost non-existent. They will use that time instead to spin up their AI bot and perform that transaction on their behalf. Yet organisations need to cater for that demographic, as well as the mainstream one we see today; an aging demographic who prefer the sanctuary of human to human conversation. **69% express worry about speaking to an AI chatbot instead of a human, driven by fears around misinterpretation, trust, data privacy, lack of human interaction, and accuracy. Privacy and data security concerns are shared by 56%,**



“

**WE WANT TO BUILD MORE CAPACITY WITHIN OPERATIONS. WHERE WE CAN USE AI TO RELIEVE THEM OF SOME OF THE GENERIC TASKS THEY HAVE TO DO ON A DAY-TO-DAY BASIS, IT ALLOWS US TO DEPLOY THEM TO DO OTHER THINGS AS OPPOSED TO 'REPLACE THE HUMANS**

”

**Mark Haines**  
Chief Operating Officer | JM FINN

**As we transition to a world where both human and AI enabled interactions sit at the heart of your future servicing proposition, what are you doing about it?**



# CASE STUDY

## How might AI Autonomous Agents transform the Insurance journey?

We have long been familiar with the role that price comparison websites play in enabling us to procure utilities, insurance and other financial products across a variety of providers. They do the heavy lifting so as consumers, we don't need to trawl the internet and find the best price.

For most, commoditised products are a race to the bottom – price prevails over value. Is AI about to transform 'quote and buy' and servicing journeys for good? Let's explore.

AI Agents can already:

- Browse and scrape insurance web sites to find the best deals aligned to consumer need.
- Use behavioural analytics and past activity to inform future purchasing habits and needs, facilitating personalisation over a one-size-fits-all policy.
- Find the best deal aligned to preferences and facilitate the purchasing journey autonomously, meeting all compliance requirements along the way.

- Engage in servicing activities (e.g. increase cover, change of address, change of bank details) to automate provider interactions post-sales.

We're already there. The opportunities are endless and the transformative impact this will have on traditional buying models will be significant as the capabilities are adopted by the mass retail market. The consequences for brokers, price comparison websites and insurance providers themselves are simply revolutionary.

## Are you ready for the change that's coming?

# 02

## CHAPTER II

# FORCED TO AWAKEN

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## AI IS EXCITING, BUT IT'S ALSO A BIT TERRIFYING... THE SCALE OF IT

Jackie Davies  
Chief Operating Officer | OneFamily

”

Interactions that might be instigated by humans but executed by AI will become mainstream and providers need to be prepared for the fall-out. The challenge will quickly become one of volume and scale. If a customer can configure an AI Agent to replicate a human interaction for a general servicing transaction, they can do the same across a number of different journeys. If apathy in the past was the reason not to complain, or not to contact a provider, that excuse will now dissipate. Who's ready for the gluttony of genuine interactions.....and who is ready for all of the fraudulent ones?

“

**There is a real opportunity for AI to support firms in better servicing customers – we are already seeing AI agents reviewing live calls and providing prompts to the call handlers for things like vulnerability markers. This can only get better and improve the service for customers.**

”

Jackie Davies  
Chief Operating Officer | OneFamily

Providers have designed customer journeys in the past around human interactions and human behaviour. Contact centres opening hours are traditionally designed around human 'awake' time. Most businesses support 9-5, some extend into the evenings and weekends and a few leverage 'follow the sun' multi-geographic presences to facilitate a 24/7 service proposition. AI agents have no concept of time and have no interest in sleeping. If a customer can configure their AI agent to initiate a transaction in the middle of the night or when markets open or geopolitical events cause instant instability (and if this happens en masse), providers need to be able to manage inbound demand in a way that has never before been seen. AI agents may actively monitor global markets and instigate transactions agentically based on triggers set by their human owners, resulting in an influx of transactions that a provider isn't expecting. Providers may need to stop giving customers what they think they want, and instead respond to what they're doing. This will result in a fundamental shift in how providers design their service propositions, how they recruit their staff and how products and services are distributed.

“

## The threat cuts both ways: People can use AI to fraudulently update a bank statement... but AI can also detect when someone has manipulated that data.

Jackie Davies  
Chief Operating Officer | OneFamily ”

### So what's the answer and how can providers react to AI instigated contact?

Make it as difficult as possible for customers to 'act like a human, but execute like a computer'? Put barriers up to prevent artificial intelligence from artificially masquerading as a human? What does that look like in addition to some of the tooling we're referenced already?

- Voice recognition and AI rapidly assessing the authenticity of an interaction using real-time monitoring tools
- Implement measures that demand that a human is present in the process (e.g. face and voice recognition)
- Throttling of services to prevent being overwhelmed
- Invest in more self-service capabilities to avoid unnecessary exceptional interactions.
- Simplification of products and services to eradicate complexity and exception based demand.

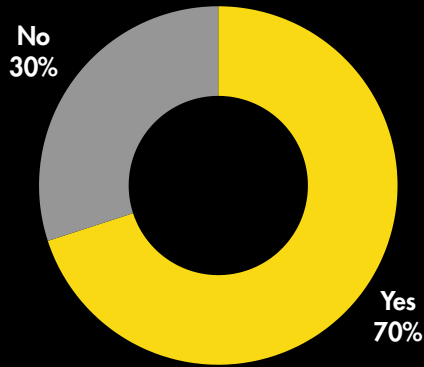
All of these deterrents could act as a barrier to customers deploying AI. But they also do something else. They create friction in processes that for years we've attempted to make frictionless.

As Chloe Stuttard adds **"It seems that younger demographics know how to get round a bot. So if they are interacting with AI on a chat bot, if I say "I want to speak to a real person three times" it's going to put me through to a real person"** We're in danger of taking customer service back ten years, when interactions were clunky, manual, offline, inefficient and oriented towards the needs of the provider, not the wants of the customer. There is a very obvious parallel. Prior to 9/11, airlines primary focus was boarding customers as quickly and as efficiently as possible but since that fateful day, the friction created through enhanced security checks has put safety as the overriding concern, with speed a distant second. You can no longer be late for your outbound flight; the process won't allow it.

There is a very real threat that AI will take us backwards and not forwards. Risk and security, and therefore trust, will become such a focal point that process efficiency and speed will become second class citizens. We'll shift SLAs away from elapsed time and orientate them more towards authenticity. Something that 50 years ago we would have never thought to be a priority. We're fundamentally looking at the reshaping of service in a way we've never considered before and in changing how we respond to customer demand, we may transition them even more quickly towards digital assistants.

# OUR CUSTOMER RESEARCH

Simplify Consulting conducted a survey based on 100 consumers of wealth products, primarily focusing on how providers prepare themselves for customers interacting with them using AI.



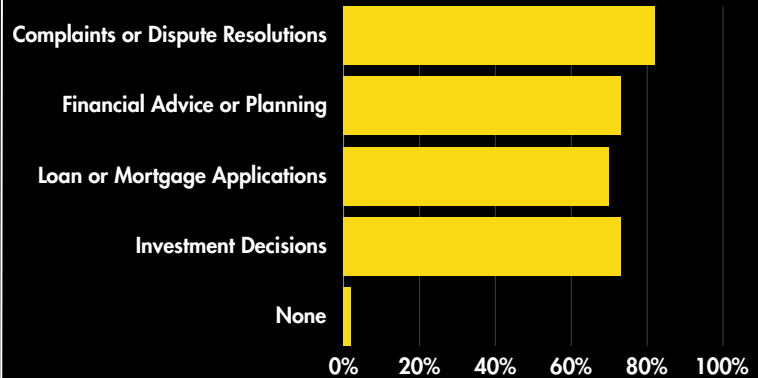
70% of customers have concerns speaking to an AI Agent/ Chatbot, rather than a human



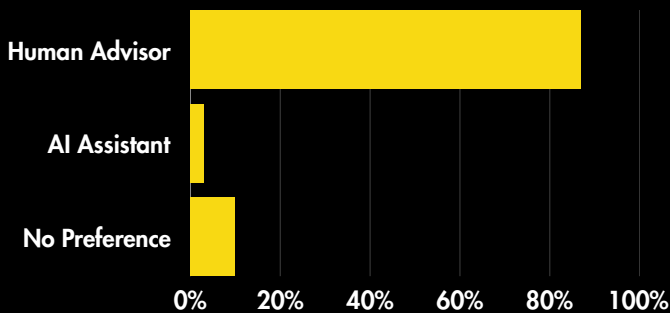
Should customers be informed when AI is used in decision-making about their finances?



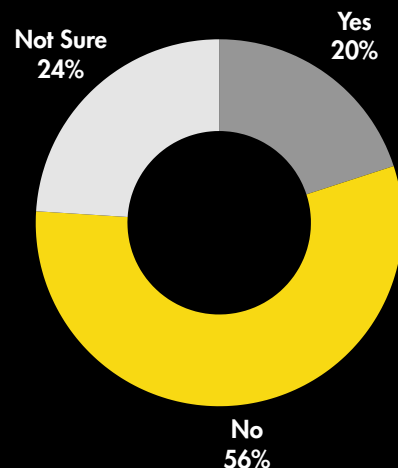
Which of the following interactions would you always want to have with a human?



87% of customers would prefer to speak to a **Human Advisor** than an AI Assistant for routine queries



Have you interacted with an AI-powered financial product/service in the past 12 months?

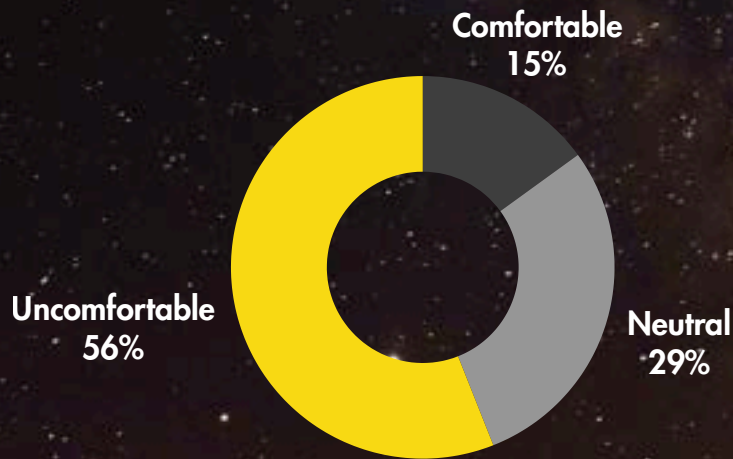


03

# CHAPTER III

## THE NEW HOPE

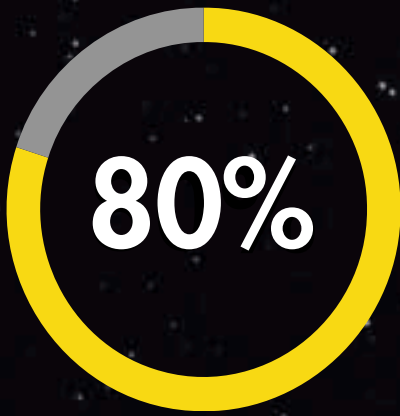
# WE ASKED OUR RESPONDENTS 'HOW HAPPY ARE YOU WITH FINANCIAL SERVICES FIRMS USING AI TO SUPPORT SERVICES?'



So we need to find a balance in the force. One that facilitates efficiency, combined with human invention; the very core values of care and compassion are the USP of humankind. Those values must be at the very heart of customer-to-provider interactions of the future, to not only provide a sustainable proposition for traditional customers, but to provide reassurance and flexibility to more digitally-enabled customers of the future.

## This means a few things:

- Human first is ok. In fact it's brilliant. Don't hide away from it. Don't bury your contact centre number in an impenetrable place on your web site. Give people the option; if you want to accelerate the shift to AI Agents, then keep hiding it. The fightback will be on. Our research shows that 86% prefer to speak to a human adviser for routine queries, so why not give people what they want?
- Accentuate self-serve. Remove the need for offline interactions where there is no value to be gained. It feels backward in 2026 to still be talking about building digital self-service capabilities that customers can only currently instigate offline. Offline journeys that are devoid of efficiency and simplicity will cultivate and accelerate the transition to AI agents, especially where digital self-service is absent.
- Accentuate human interactions where there is a huge amount of value to be gained. Think vulnerable customers, think sales journeys where there is an up-sale or cross-sale opportunity (within the constraints of the regulator), think 'life-events' where talking actually provides context and perspective that may otherwise not be visible, think complaints; when you've made an error don't wade in with digital bots; bring compassion and contrition, rescue the situation and maximise retention.
- Design relentlessly with AI in mind. This will require transformation, but those that embark on the journey will create a service proposition for the future that is unparalleled. Ensure safety and security of journeys is inherent in the way in which they are designed; don't become difficult to do business with in an attempt to eliminate fraud. Create journeys that combine simplicity and ease, with security and stability. 3FA is going to appeal to no-one.



of customers believe AI in financial services should always involve human oversight.

Blending the very best of technology with the very best of humanity isn't just the answer, it's the future. It's what customers want and what they'll adopt. We really are looking at the ***Return of the GenAI***.

If you're not already looking at your servicing strategy from an outside-in perspective, you're already behind the curve. Today, both customers and criminals will be leveraging technology to engage with you, to transact with you and in the case of the latter, to defraud you. Financial and cyber crime will become such a focal area, it may become the biggest expense across your operation. Being on the front foot and testing and learning from solutions that protect your customers and your reputation will be a hygiene factor where your appetite for risk will be near zero. Trust remains imperative as moving providers will equally become frictionless for customers deploying AI agents to help them find the best solutions and providers. Today's laziness and apathy will be replaced by digitally enabled accessibility and automation.

So we're at a pivotal moment as the AI revolution takes flight. It's not just about how you deploy AI, it's about how you react to it being used with you and against you.

**THE CUSTOMER STRIKE BACK IS ON.**

**DO OR DO NOT. THERE IS AI.**

A dark space background filled with numerous small white stars. In the center, there is a faint, glowing spiral galaxy with a bright core.

**END**

**CREDITS**

# CONTRIBUTORS

A huge thank you to our contributors for sharing their expert knowledge and considered perspectives. Their contributions strengthened the analysis and ensured this paper reflects real-world experiences.



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Wealth Consultant - Simplify Consulting  
The Customer Strikes Back Whitepaper

# SIMPLIFY CONSULTING

AN INDUSTRY-LEADING, INDEPENDENT, PRACTITIONER-LED CONSULTANCY  
FOCUSED ON FINANCIAL SERVICES.



## What we do

We work across **wealth, insurance and asset management**. We help firms turn strategy into measurable outcomes.



## How we operate

We were founded on a simple belief. Clients don't need theatre or volume. They need experienced practitioners who understand their market, take ownership and deliver value. **Our teams bring first-hand industry experience**, not theoretical advice. We stay accountable through to execution.



## Our focus

Our work spans strategy and operating model design, transformation delivery and operational excellence. We support both business and technology change, from front line operations through to core platforms, architecture and data. Every engagement is shaped by the problem at hand, not forced into a standard playbook.



## Our values

**SIMPLICITY | DELIVERY TENACITY | COLLABORATION | INTEGRITY**

Our team and trusted associates are experienced practitioners across wealth, insurance, asset management and technology. We know the markets you operate in and bring people with the right skills for your requirements. Expect great people and even better results.



## We're here to help

We help firms turn intent into outcomes. When you engage Simplify, you get experienced people who are credible, accountable and focused on outcomes. Our delivery tenacity and commitment to client value sits at the heart of everything we do.

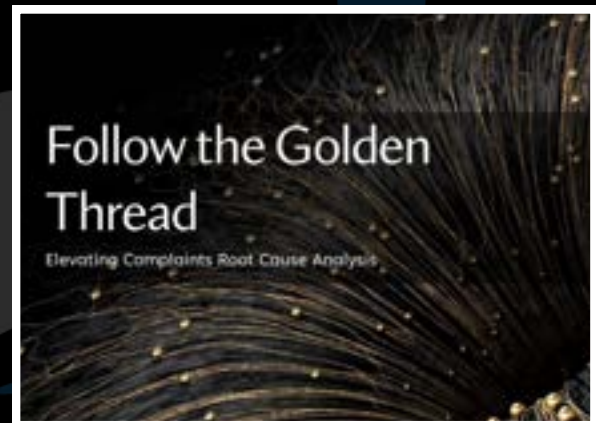
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**Complaints: Going for Gold**



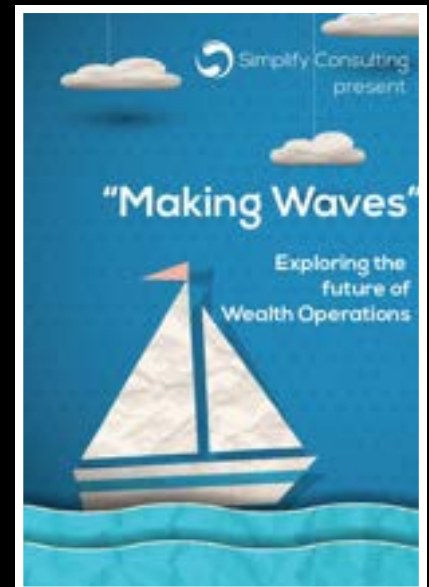
**Following the Golden Thread:**  
Elevating Complaints Root Cause Analysis



**The Gender Gap:**  
Change Starts with Bravery



**Re-inventing Annuities:**  
'Mix and Match' innovative retirement income



**Making Waves:**  
Exploring the Future of Wealth Operations

