



Navigating the future of CX

Trends, insights, and predictions for conversational AI in 2025

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Introduction

The conversational AI landscape is evolving faster than ever, shaped by cutting-edge technological advancements and shifting consumer expectations.

The past year has seen rapid adoption of AI-driven customer experiences, increased regulatory scrutiny, and breakthroughs in natural language processing (NLP) and automation. Businesses must not only keep up with these challenges but also strategically implement AI to enhance operational efficiency and customer satisfaction.

In this guide, we'll explore seven transformative trends defining conversational AI in 2025. From agentic AI and hybrid AI models to voice-activated services and responsible AI development, these trends are shaping how enterprises interact with their customers. We also highlight insights from thought leaders and provide data-backed evidence of where the industry is headed.

The State of Enterprise AI Adoption

Across industries, the urgency to implement AI solutions has never been greater. From banking to retail to insurance, business leaders are grappling with a fundamental question: What is the right AI strategy for our organization? While the potential benefits are undeniable — greater efficiency, cost savings, and improved customer experience — the challenge lies in execution.

AI adoption has accelerated over the past year, with worldwide AI spending expected to [reach \\$632 billion within the next three years](#). Despite this surge in spending, many organizations are questioning their initial approach.

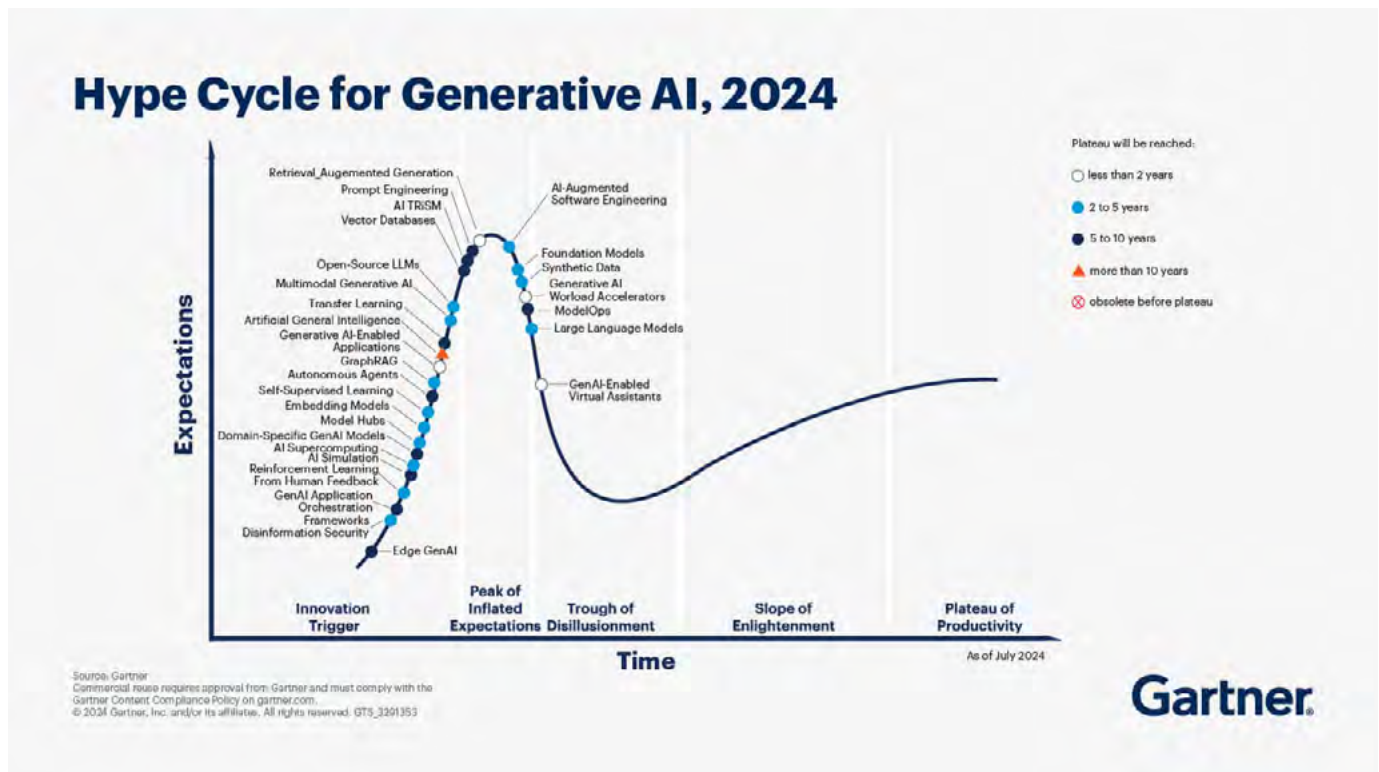
Some early adopters — especially those who rushed into generative AI without clear safeguards or measurable outcomes — are now reassessing their strategies. A prime example is [Klarna, which recently walked back](#) its investment in GenAI-powered sales processes, citing poor execution and lack of tangible value.

**Worldwide AI
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At the same time, AI “hyper fatigue” is setting in. Decision-makers are increasingly wary of ‘AI-washing’ that overpromotes AI capabilities without real enterprise-grade applications. A [recent PwC report found that 29 percent of CEOs](#) have a low degree of personal trust in embedding AI into key processes. With heightened skepticism, businesses are shifting from AI exploration to AI validation, demanding proof of ROI and prioritizing solutions that can demonstrate their ability to deliver measurable business outcomes.

The pressure to get AI right is mounting. According to Gartner, by 2026, [50 percent of customer service and support organizations](#) will have implemented GenAI-driven AI Agents for agent assistance and customer-facing tasks. This shift underscores the necessity of AI-powered automation as a competitive imperative.

However, success will require a more strategic and balanced approach — one that combines innovation with responsible implementation. This means moving beyond the initial wave of AI enthusiasm toward mature, scalable AI solutions that seamlessly integrate with existing enterprise systems while maintaining transparency, security, and trust.





Agentic AI

As the next evolution of conversational AI, agentic AI's autonomous agents go beyond simple task automation to proactively make decisions, dynamically adapt to new situations, and continuously learn from interaction. Agentic AI is able to act with minimal human intervention while maintaining high levels of accuracy and compliance. Industries such as finance and healthcare are already exploring agentic AI applications for fraud detection, policy underwriting, and personalized health recommendations.

As AI Agents become more autonomous, enterprises will need to develop new governance models to ensure transparency and alignment with business goals. Those that effectively integrate agentic AI into existing workflows will improve efficiency and unlock new service models that drive deeper customer engagement.

By 2026, more than **80%** of enterprises will have tested or deployed GenAI-enabled applications, up from less than 5% in 2023.

–Gartner

92% of executives plan to increase AI spending over the next three years, with 55% targeting at least a 10% boost.

–McKinsey

Over **75%** of CEOs believe AI is ushering in a new business era.

–Gartner

We stand at the edge of a fundamental shift in how everyday customers interact with AI. As businesses integrate more solutions into their orchestration layers, industries such as banking, insurance, and retail will see their AI Agents evolve from simple responders to true facilitators of action.



This growing ‘agenticness’ will redefine customer engagement — moving beyond static Q&A exchanges to AI that can seamlessly execute multi-step tasks, manage transactions, and even proactively update users on progress.

While fully agentic AI is not here yet, the trajectory is clear: Enterprises that embrace this shift will unlock deeper partnerships, streamline operations, and deliver more intuitive, human-like digital experiences that meet the expectations of tomorrow’s customers.



– **Rasmus Hauch**, Chief Technology Officer, boost.ai



Hybrid AI

Hybrid AI's powerful automation capabilities empower humans to shift their focus from lower-level development to higher-level design and specification work. By combining structured natural language understanding (NLU) frameworks with GenAI capabilities, hybrid AI offers greater accuracy, scalability, and control. The trick is finding the right balance between AI and humans. While large language models (LLMs) can generate responses dynamically, they're prone to hallucinations and compliance risks.

We expect enterprises to continue to redefine this balance by implementing guardrails and risk mitigation frameworks to enable AI to operate safely and efficiently. We'll also see the rise of orchestration platforms that intelligently route queries between structured NLU systems and LLMs. These platforms will act as intelligent mediators, enabling businesses to dynamically select the most effective AI component for any given custom query, so that they can maintain compliance and accuracy while delivering more fluid interactions.

“Three-in-four **(74%)** organizations have seen investments in generative AI and automation meet or exceed expectations, with **63%** planning to increase their efforts and further strengthen these capabilities by 2026.

-Accenture

With over two million travelers relying on us each month, we needed a solution that could scale intelligently without compromising on accuracy. A hybrid AI platform lets us offer personalized, real-time support right on our tour pages, something we couldn't offer previously. The generative capabilities give us a real product advantage, helping customers get to the right trip faster while keeping the experience seamless.”



– **Patrick Schuh**, Group Product Manager,
TourRadar



AI-Powered Loyalty

Customer loyalty is undergoing a strategic shift. As consumers grow more selective and service expectations rise, businesses are rethinking how to retain them—not with points or perks, but with proactive, emotionally intelligent experiences. Conversational AI is now central to this evolution, helping brands foster trust, consistency, and value across every interaction.

Self-service is increasingly becoming a frontline loyalty driver. AI agents are enabling faster resolutions, seamless handoffs, and personalized support journeys that adapt in real time. These frictionless interactions are not only satisfying, they are sticky. Customers are more loyal to brands that offer consistent and fast self-service, and enterprises are responding by weaving AI more deeply into their loyalty strategies.

76% of customers say they will continue doing business with brands that make them feel appreciated, happy, and valued.

-Zendesk

87% will recommend the brand to friends and family members.

-Forrester

67% of consumers are eager to use personal AI assistants for tasks like handling customer service issues.

-Zendesk

AI is the new foundation. It's not just a pillar. AI is becoming the architecture for CX. You don't staff your contact center and then automate. You automate first—and your people become the escalation layer, not the frontline.

AI is reshaping everything, from how we handle inbound queries to how we drive revenue through outbound sales and marketing. The platforms that win will be those that own the conversation across all channels, understand business processes end-to-end, and connect seamlessly to backends, APIs, RPA, and analytics tools.



– **Henry Vaage Iversen**, Chief Commercial Officer & Co-founder, boost.ai

4 Emotional AI

AI systems are now better equipped to detect and respond to user emotions through tone analysis, facial recognition, and contextual clues. This emotional intelligence enables AI to provide empathetic and context-aware responses, creating personalized, human-like interactions that improve customer satisfaction and engagement, especially in industries such as customer service, healthcare, and education.

Despite the focus on customer-centricity and personalized experiences over the past few years, **71%** see no improvement in the time and effort required to make a purchase online.

–Accenture

When customers feel appreciated:

76% are likely to continue doing business with the brand,

80% may spend more

87% would recommend the brand to others.

–Forrester



The first wave of conversational AI focused on understanding what users say. The next frontier—driven by Emotional AI—is also understanding how they experience the interaction. This evolution from task-oriented to relationship-oriented interactions is what will make digital experiences genuinely human and strengthen lasting brand loyalty.

– **Jari Annala**, CEO & Co-Founder, Front.ai



Automation

Automation has moved from rules-based decision making to advanced predictive AI models capable of autonomously identifying customer needs. These AI-driven systems can detect patterns in historical data, preemptively solve issues, and guide users through complex decision-making processes. As businesses continue to invest in AI-powered automation, expect a shift from reactive customer service to proactive, predictive engagement.

The next wave of automation will see AI move from passive data analysis to active intervention, helping businesses preempt customer issues before they arise. AI will transition from a tool that merely provides insights to one that proactively recommends actions, whether suggesting a resolution to a customer before they reach out or notifying users of upcoming service needs.

By 2028, agentic AI will autonomously make **15%** of day-to-day work decisions.

–Gartner

Using GenAI in business improves employee productivity by an average of **66%**.

– Nielsen Norman Group

One in three companies have omnichannel integration tools, resulting in **9%** lower cost per assisted contact.

– Deloitte

“

In the frenzy to automate as much as possible, companies should think about how to automate away the friction. Trust will be the decisive factor in moving forward. It's not about hyper-personalization or who can employ the coolest tech in the customer experience. It's about who can remove as much friction as possible and make the process as seamless as possible, whilst maintaining the trust of the customer.

– **Elin Hauge**, AI Strategist





Voice-activated services

Interactive voice response (IVR) systems have evolved from static menu-based interfaces to AI-powered voice agents capable of engaging in dynamic, real-time conversations. As these AI Agents become more context aware through real-time sentiment analysis and advanced speech recognition, they'll not only recognize customer intent but also anticipate needs based on past interactions, providing a more human-like and seamless experience. Companies that integrate AI-driven voice services into their customer engagement strategies — especially in industries that rely heavily on IVR, such as banking and telecommunications — will reduce friction in interactions and unlock new opportunities for hyper-personalized service delivery.

The global market for IVR systems is expected to reach **\$7.2 billion** by 2030, up from **\$5.2 billion** in 2024.

–Research and Markets

A survey of CX leaders revealed that **42%** anticipate GenAI influencing voice-based interactions within the next two years.

–Zendesk

The future of IVR technology is all about making customer interactions smoother and more natural. With advancements in speech recognition, real-time sentiment analysis, and contextual awareness, AI-powered voice agents will not only understand what you say but also how you feel and what you really need. This means that when you call in, you won't just be getting a robotic response — you'll have a conversation that feels more intuitive and personal.

For businesses, this will lead to faster service and less frustration, while offering tailored experiences for each customer. Of course, as this technology grows, companies will need to ensure security and ethical practices, but those that get it right will be transforming customer service into something smarter and more helpful.



– **Sam Danby**, Solutions Engineer - Voice Lead, boost.ai



Responsible, sustainable, and ethical AI

Enterprises are placing greater emphasis on transparent, ethical AI development by prioritizing data security, compliance, and sustainability. Going forward, organizations will focus on auditable AI decision-making frameworks and AI that aligns with regulatory and societal expectations.

Competitive differentiation is the most cited objective for responsible AI practices, with 46 percent citing it as a top 3 objective, with risk management close behind at 44 percent.

–PwC

Currently, 43 percent of companies are focused on preventing sensitive data from being uploaded into AI applications, while another 42 percent are logging all activities and content within these apps for potential investigations or incident response.

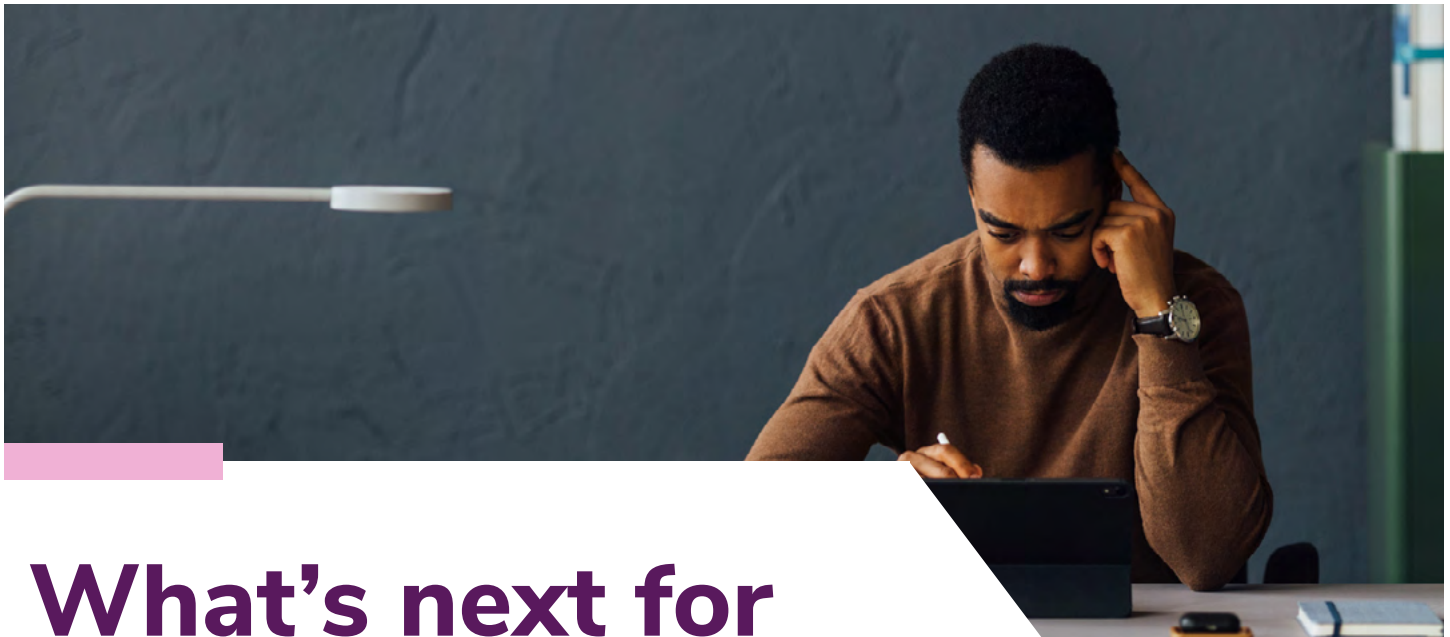
–Microsoft

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We should not pursue technology for its own sake. We should use technology to solve the huge societal challenges that we are facing right now and to ensure that no one is left behind, both in the physical and digital worlds. Because responsible AI is our shared obligation. Artificial intelligence is not just a technological issue. It is about geopolitics, democracy, and trust. It is about who sets the rules, who benefits from the technology, and who is protected.



– **Karianne Tung**, Minister of Digitalisation and Public Governance of Norway



What's next for conversational AI?

2025

48 percent of all U.S. adults will use conversational AI via a voice assistant.

–Insider Intelligence

2026

Conversational AI will reduce contact center agent labor costs by \$80 billion.

–Gartner

2027

Chatbots will become the primary customer service channel for approximately 25% of organizations.

–Gartner

2028

The conversational AI market is expected to increase to \$29.8 billion.

–Markets and Markets

Conclusion

AI is redefining customer interactions, and businesses that embrace these trends will be at the forefront of innovation. This report was developed by boost.ai, a leader in enterprise-grade conversational AI solutions.

About boost.ai

Boost.ai delivers trusted AI for customer experience in regulated industries. Designed for speed, scale, and security, the platform blends NLU and LLMs to enable fast deployment, high-resolution rates, and full hybrid control. With hundreds of live virtual agents and over 150 million automated conversations, boost.ai helps leading enterprises resolve with confidence, automate at scale, and trust every conversation.

Boost.ai is recognized as a Leader in Gartner's 2025 Magic Quadrant™ for Conversational AI Platforms. Learn more at boost.ai.



Trust every conversation



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