

AI Chat for Customer Service:

What's Working, What's Not, and What's Next in 2026

Why FAQ bots fall short, what agentic AI can actually solve, and what 50 CX leaders revealed about buying smarter

Table of contents

02

Introduction: The chat landscape is crowded and confusing

04

Most chatbots still don't solve real problems

05

Most chat projects fail to deliver ROI because they're built to deflect, not resolve

07

As buyers mature, expectations shift from fast ROI to strategic partnership

08

Why resolution-based pricing makes more sense for modern chat solutions

09

What to look for in your next chat automation partner



Introduction: The chat landscape is crowded and confusing

Chat is no longer a nice-to-have. For many brands, it's the first and sometimes only line of communication customers use. It sits on websites, mobile apps, and even social channels as the most visible "front door" to customer support. That means the quality of your chat experience directly shapes how customers perceive your brand.

But the category is messy and fast-changing. Just 18 months ago, "chat automation" mostly meant scripted flows or FAQ bots. Those systems could provide links, answer basic questions, or funnel customers to an agent but they rarely solved problems.

Fast forward to today, and the market looks entirely different. With generative AI and orchestration advances, agentic AI chat has become a reality. Unlike legacy bots, agentic AI can take real action: process a refund, reschedule a delivery, update billing, or troubleshoot, all without escalating.

This shift raises the stakes. Choosing between a "bot" and an "AI agent" isn't just a feature decision. It determines whether you reduce agent workload, improve CSAT, and cut costs or whether you frustrate customers and add another layer of complexity.

Here's the breakdown of chatbots today:

Human-led chat	Expensive, hard to staff, and limited by agent capacity.
Bubble bots	Menu-driven flows that feel robotic and collapse under nuance.
FAQ bots	An upgrade from bubble bots, but still shallow and deflection-heavy.
Agentic AI chat	End-to-end resolution through human-like conversations, powered by LLMs, NLU, and orchestration, trained on your workflows and brand.

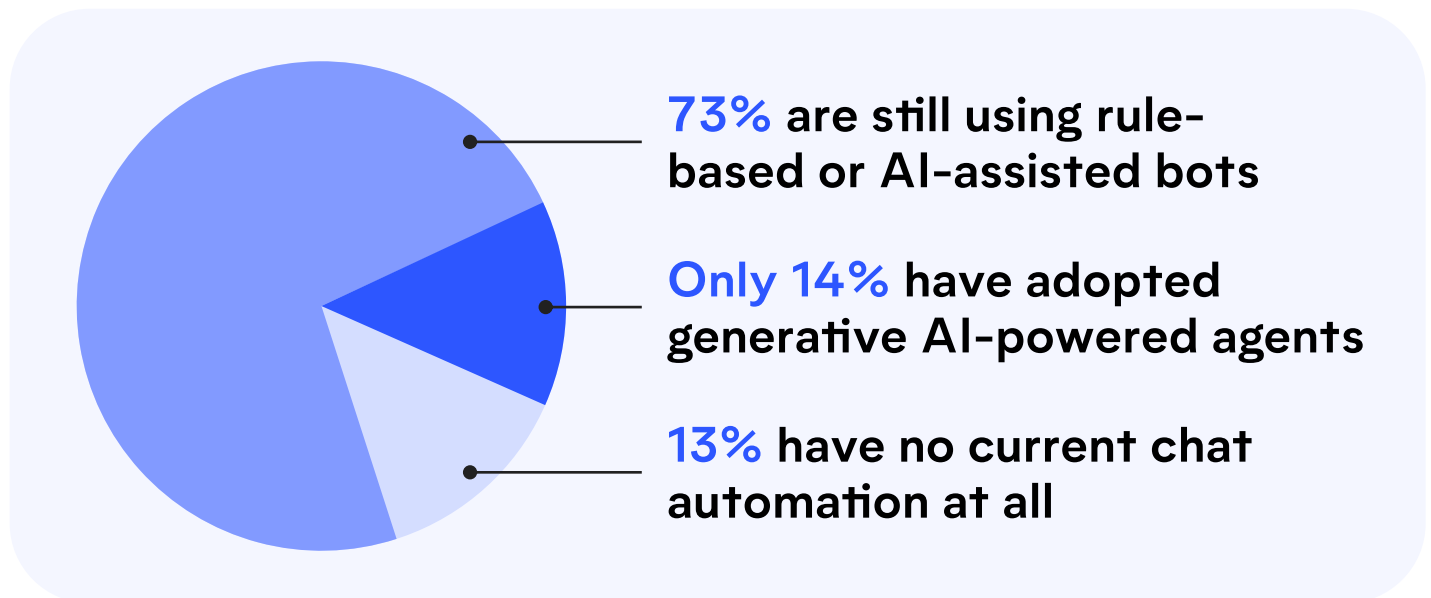
Leading vendors offering Agentic AI now combine voice and chat under one brain, which eliminates silos, maintains consistency across channels, and allows teams to deploy once and scale everywhere. Customers never have to repeat themselves. Agents never miss context. And CX leaders get full visibility across every channel.

Yet many buyers still don't fully grasp how critical this choice is. The type of chatbot you select determines CX quality, resolution rates, and cost to serve for years to come.

That's why we surveyed 50 CX, Ops, and Support leaders: to spotlight what's working, what's failing, and what forward-looking leaders need to know.

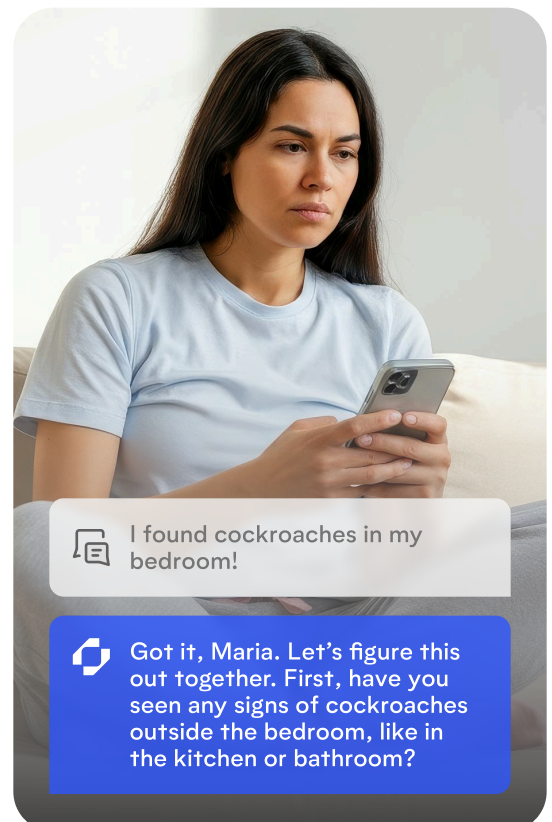
Most chatbots still don't solve real problems

Businesses have just started to upgrade to agentic chat:



Most companies are still stuck with automation that can answer FAQs but not resolve workflows. These bots are designed to deflect and to intercept volume then redirect it. They might send a knowledge base link or confirm account info, but when it comes to actual problem-solving and action (like a refund, order change, or password reset), they hit a wall.

Customers notice. They know when a bot is wasting their time, and they rarely give it a second chance. Once trust is broken, chat becomes a last resort instead of a preferred channel.



Agentic chat changes the equation. Instead of rerouting it takes action:

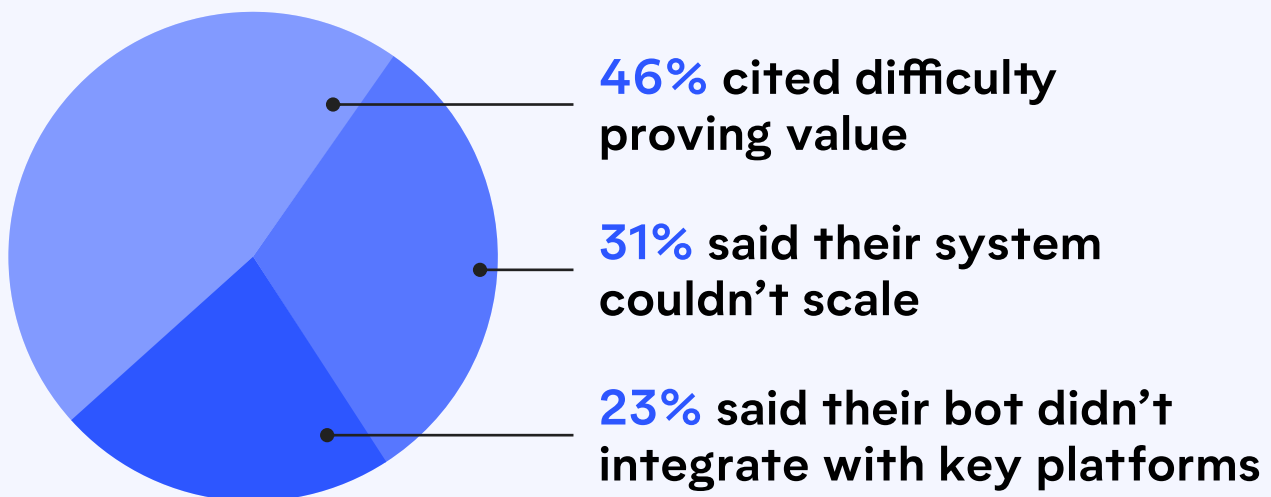
- Refunds → Bot processes directly in billing systems
- Order reschedules → Bot updates delivery date in OMS
- Account updates → Bot changes credentials in CRM
- Billing questions → Bot resolves without escalation

This isn't about chasing the next shiny tool. It's about giving customers what they actually need: fast, accurate, and personalized service, all without getting stuck in a maze of menus or sent back to square one.

Anything less is just a slightly friendlier IVR, and customers won't tolerate it in 2026.

Most chat projects fail to deliver ROI because they're built to deflect, not resolve

Nearly half of CX leaders reported they struggled to prove ROI from chat automation:



Q: What's the biggest challenge you face with your current chat platform?

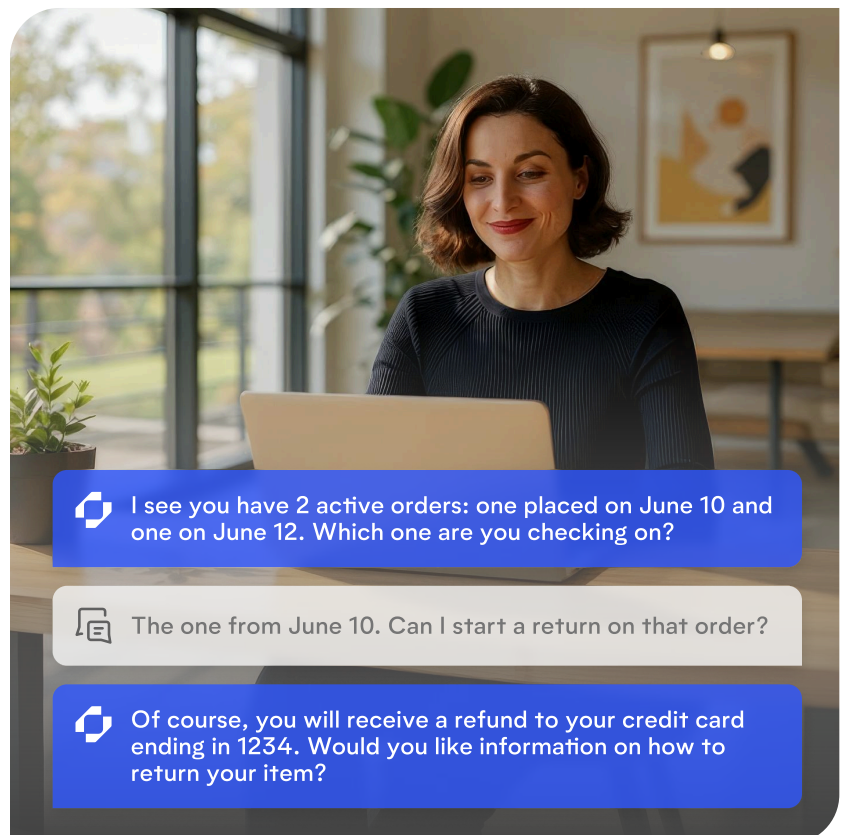
This isn't a temporary adoption challenge, it's a structural failure. When bots are designed to deflect rather than resolve, they create costs instead of removing them: agents still handle escalations, customers still churn, and teams spend resources maintaining brittle flows.

The most successful teams take a different approach. Instead of measuring containment, they measure resolution. Instead of rigid menus, they use natural language-based builders that adapt. And instead of opaque systems, they demand full visibility: resolution rates, QA scoring, and real-time analytics.

When automation actually resolves, the ROI becomes clear, especially when it's tied directly to resolution-based pricing, where you only pay per resolved conversation (more on that in Section 4). CX leaders with chatbots that can resolve issues see lower escalations, faster handling times, higher CSAT, and fewer agents needed during spikes.

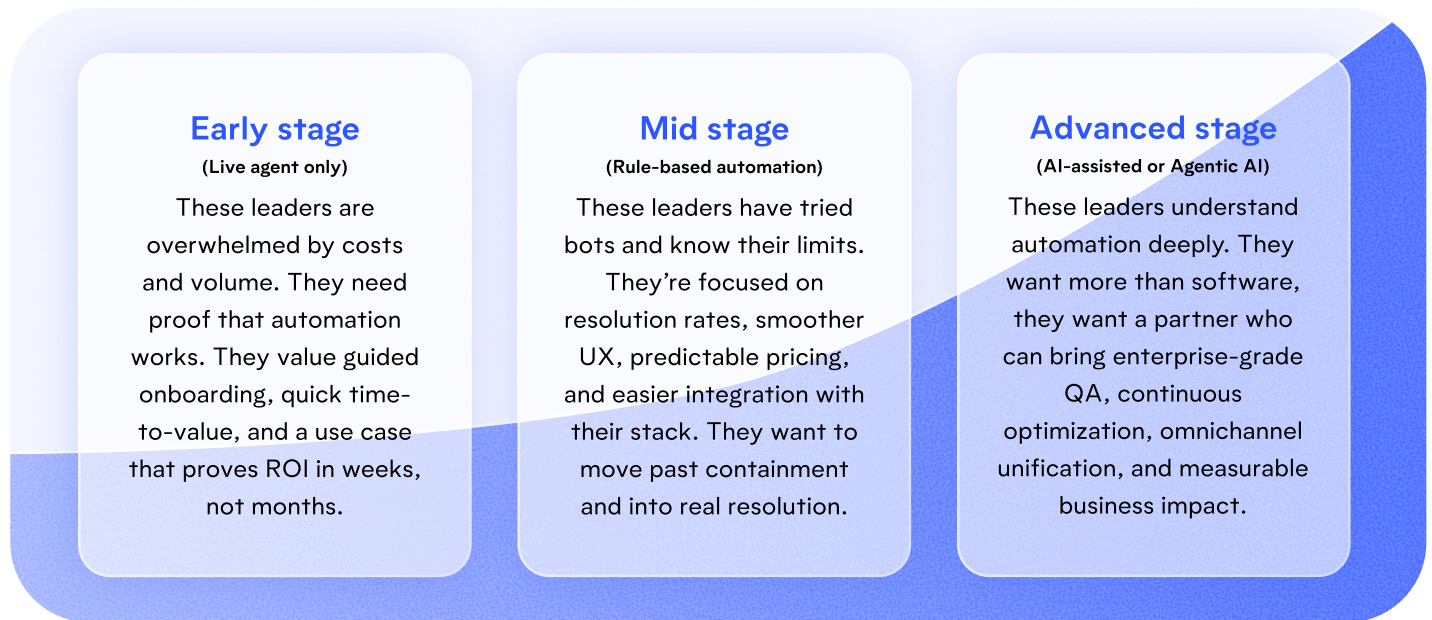
The bar for “good chat” has shifted. It's not about deflection or containment anymore. It's about whether your AI agent can solve problems with empathy, speed, and reliability across all channels and systems.

The real unlock?
Automation that performs like a top-tier human agent: problem-solving, empathetic, on-brand, and consistent, but at infinite scale.



As buyers mature, expectations shift from fast ROI to strategic partnership

Our research revealed three clear stages of buyer maturity:



Mature buyers don't buy tools; they buy partnerships. At this stage, CX leaders aren't looking for a point solution to plug into their stack, they're looking for a partner who will commit to shared success metrics, co-own long-term roadmaps, and continuously optimize performance as the business evolves. They want more than features; they want confidence that their automation will keep pace with customer expectations, compliance requirements, and technology shifts.

Our data reinforces this shift. Advanced-stage buyers were far more likely to cite enterprise-grade QA, continuous optimization, and omnichannel unification as critical requirements. These leaders expect their vendor to act as a strategic partner, not just a software provider.

Why resolution-based pricing makes sense for modern chat solutions

Almost half of leaders surveyed said they only want to pay when value is delivered. Yet only a third felt confident about resolution-based pricing. Why the disconnect?

Because most vendors haven't defined what "resolution" actually means. Is it a completed refund? An updated order? Or just a conversation that didn't escalate? Without clear definitions, "resolution-based pricing" feels like another marketing gimmick.

But done right, resolution-based pricing is a trust signal. It means:



You only pay when the AI agent delivers real business value.



Success is auditable and transparent, and every conversation is tracked and scored.



Incentives are aligned, so vendors win only when the customer does.

Traditional usage-based pricing misaligns incentives: the more customers get stuck, the more you pay. Resolution-based pricing flips the model: the better the bot performs, the more value you both capture.

What to look for in your next chat automation partner

Whether you're upgrading from a legacy bot or launching your first chat experience, look for an agentic solution that can:

Resolve full workflows	→ Execute refunds, reschedules, account updates, billing, and more – not just surface FAQs.
Plug into your stack	→ Work with Salesforce, Zendesk, Genesys, Talkdesk, etc., without rip-and-replace.
Go live in weeks	→ Enable fast deployment with clear milestones and minimal IT lift.
Deliver transparency	→ Offer built-in QA, conversation scoring, and full observability across 100% of chats.
Scale intelligently	→ Provide one brain across chat and voice, so customers never have to repeat themselves and teams never rebuild channels.

The best vendors don't sell software, they deliver outcomes. A resolution-first platform built on one brain can flex across channels, adapt to changing customer needs, and evolve with your tech stack.

Resolution isn't optional anymore. It's the new baseline.

Customers expect it. CX leaders need it. And vendors must be ready to deliver it in weeks.



Get started today

Most chatbots are stuck in the past.

They deflect instead of resolve. They route instead of act. And they frustrate more than they help.

Agentic AI is changing what's possible in chat. It's not a smarter bubble bot. It's a full-stack, full-fidelity customer experience engine.

Join the CX leaders moving to **resolution-first agentic chat**.

[Book a demo today ↗](#)