

# The State of Chatbots in 2025:

## The big pitch, the letdown, and the AI reboot

What 40+ chatbots taught us about how to (and how not to) build more intelligent, revenue-driving buyer journeys.



# Table of Contents

01.	Introduction	06.	Driving away users with broken experiences
02.	Broken bots are costing you revenue and customer trust	3.1	43% of users say chatbots still don't get them
03.	Who we analyzed	3.2	Broken chatbot handoffs to humans are frustrating for 27% of users
04.	Where chatbots fall short—and how to fix that	3.3	19% of users say chatbots need to sound more human and less scripted
1.1	Roughly 15% of chatbot conversations end unresolved	3.4	The unseen risk—46% of users think chatbots are roadblocks to real human support
1.2	The average chatbot session includes only 4 to 6 messages	3.5	65% express distrust in chatbot interactions
1.3	55% of users question chatbot reliability	3.6	Convenience takes a backseat as 54% seek human support over chatbots
1.4	When chatbots fail, 86% escalate to a human too easily	1.7	98% of chatbots forget what you just said
1.5	62% of chatbots feel robotic, and 84% of bots ignore open input	1.8	Majority of chatbots miss user cues, with 62% of them offering static replies
1.6	A significant 38% of chatbots still send users down a generic rabbit hole	1.9	Generic responses from 38% of chatbots frustrate users
1.7	98% of chatbots forget what you just said	07.	Meeting buyers where they are with AI experiences
1.8	Majority of chatbots miss user cues, with 62% of them offering static replies		Conclusion
1.9	Generic responses from 38% of chatbots frustrate users	08.	Think beyond chatbots
05.	Conversions are slipping, so is your revenue		About Breakout
2.1	94% of chatbots push for conversions before resolving questions		
2.2	Most chatbots gatekeep answers, with 92% asking for details before delivering value		



# Introduction

Chatbots were supposed to replace forms, save reps time, and guide buyers to conversion faster. Instead, they've become internet wallpaper: ignored, mistrusted, and often resented.

In this report, we analyzed over 40+ chatbot deployments across leading B2B SaaS websites, spanning categories like MarTech, DevTools, and AI Infrastructure. What we found paints a bleak picture of where most bots stand — and where AI-native agents are beginning to break through.

**First**, we examine the core problem: most chatbots are still script-driven, forgetful, and incapable of adapting to the visitor. 62% of bots still follow rigid flows. Nearly all forget inputs from earlier in the chat. No wonder sessions average just 4–6 messages.

**Second**, we look at the business cost: 94% of bots pushed for meetings before answering a question. 92% gated basic information. This friction kills conversions.

**Third**, we dig into user sentiment: the experience sucks. Over half of users say they don't trust chatbots. Almost half believe bots are there just to keep humans out of reach.

**Fourth**, we explore where AI is starting to rewrite the playbook. A handful of agentic, open-ended bots showed early signs of progress — able to handle real questions, personalize flows, and pass context forward.

If you've ever wondered whether your chatbot is helping or hurting your pipeline, this report is for you.

# Who we analyzed

We analyzed chatbot implementations across 50+ B2B SaaS companies, covering over 40 unique bots across platforms and styles. Our sample includes:

**Platforms Covered:** Drift, Intercom, Qualified, Chatbase, Layer, HubSpot, and custom GPT-based agents

**Deployment Types:** From bots with AI capabilities to rigid fixed-flow setups

**Industries:** MarTech, SalesTech, DevTools, HRTech, Security, Infra, and beyond

**Company Sizes:** From early-stage startups to enterprise giants

**Evaluated on:** Lead capture, live rep handoff, product explainer flows, support FAQs, and meeting booking

**Metrics Tracked:** Response time, rep handoff quality, lead gating friction, chat flow logic, and real-world usability

Broken bots are costing  
you **revenue** and **customer trust**

# The chatbot era isn't dead— but **it's dying**

## And the ones that survive won't look like the bots you're familiar with.

The modern buyer's journey is dynamic, and it calls for tools that can **evolve to meet varying needs**. Traditional chatbots, confined to scripts, often fail to provide the necessary flexibility.

In 2025, we're starting to see **AI interfaces step onto the scene to change and influence** buyer behavior.

In 2025, **GenAI chatbots rank at the very top** in terms of sources that influence vendor shortlisting (source: G2) For marketers, this is an opportunity to bring this new mode of buyer self-discover onto other assets - starting with the website.

### ✦ First-gen bots

captured leads but felt like digital forms.

### Next-gen bots ✦

layered on rule-based automation with human fallback—a quick fix that felt more interactive but relied on manual handoffs.

### ✦ AI Agents

connected to your data and workflows, with the ability to make decisions and perform actions.



# Where chatbots fall short and how to fix that

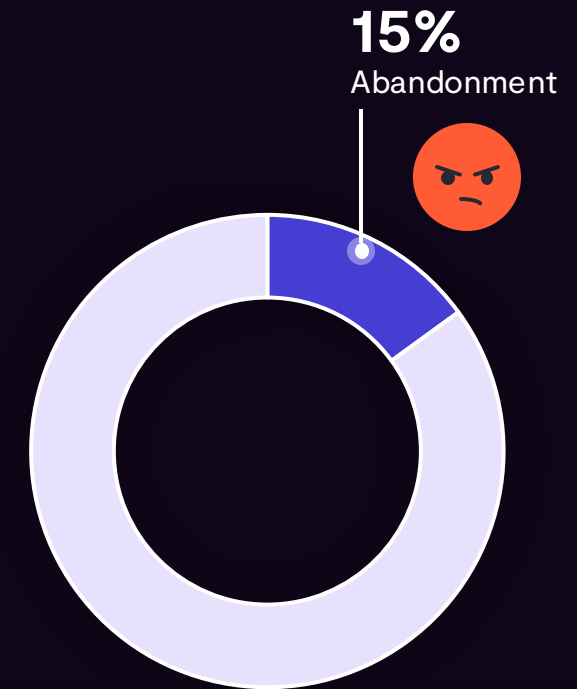
# Roughly 15% of chatbot conversations end unresolved

Abandoned conversations tell a far more grave story than most of the chatbot metrics suggest. Chatbots are failing at automation—they're failing at conversation. A BizBot study shows a 15% drop-off, revealing how brittle most flows are.

In most cases, users don't abandon because they're done. They abandon it because the bot can't keep up.

Most websites convert less than 4% of traffic, according to Ruler. Add to that, HubSpot states that the odds of qualifying a lead are 21x if you respond within 5 minutes instead of waiting up to 30 minutes.

But most chatbots running on rigid scripts fall short. This could possibly result in measurable pipeline loss, including missed buyer intent signals and conversion data. GTM teams need bots that sense urgency, ask relevant questions, and route high-intent leads without delay.



15% of chatbot interactions end before resolution, resulting in widespread user frustration or inability to find answers quickly



# The average chatbot session includes only 4 to 6 messages

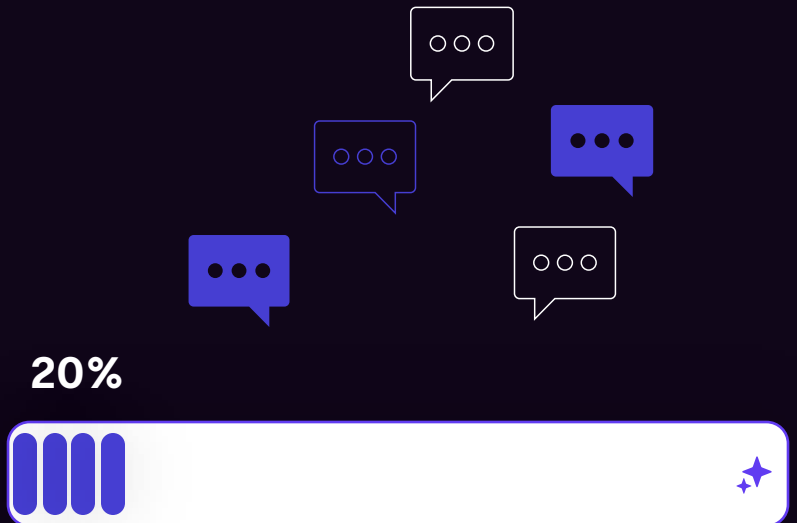
As per Chatbot.com, interactions remain shallow, with most users exchanging just 4 to 6 messages before dropping off.

This brief interaction window would barely be enough time for users to ask layered questions or get clarity on topics like onboarding procedures, integration capabilities, or pricing structures.

Moreover, inquiries about system compatibility, scalability, or specific use cases often require more detailed discussions. These are not simple support queries; they're qualification moments.

Traditional chatbots, with their limited conversational depth, follow narrow flows, designed for speed and not depth. As a result, they don't probe, qualify, or redirect well and may not adequately address the users' needs, potentially resulting in a loss of sales opportunities.

This calls for more sophisticated conversational tools capable of handling complex query resolution and guiding users through decision-making processes.



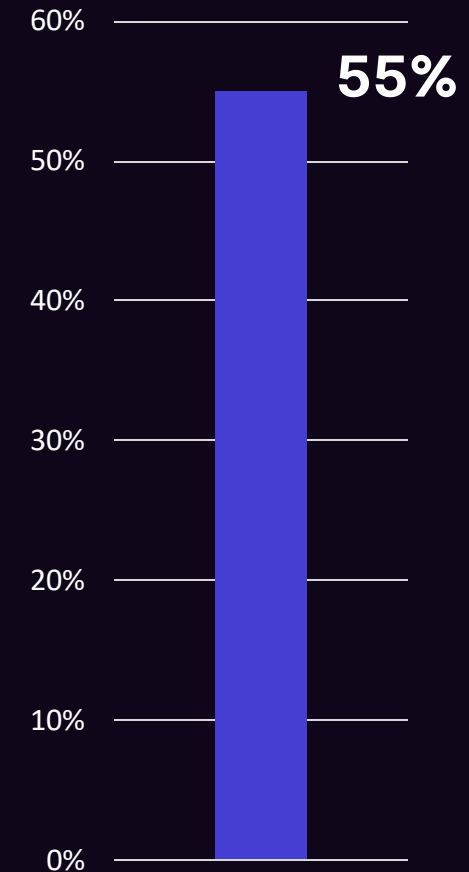
## 55% of users question chatbot reliability

MoldStud suggests that an undeniable 55% of consumers express concern that chatbots fail to answer their queries accurately.

This perception has tangible consequences, according to Forbes, with 30% indicating that a negative chatbot experience would lead them to abandon a purchase, switch brands, or talk about their dissatisfaction with others, adversely impacting long-term brand loyalty.

The inability of chatbots to handle nuanced queries can place additional strain on human support teams, potentially increasing operational costs and further delaying response times.

For bots to act with context, it is important to create feedback loops and link bot logic with customer history and recently visited pages. Over time, this will help build the bot's understanding beyond just keyword recognition and sharpen its capabilities to route queries.



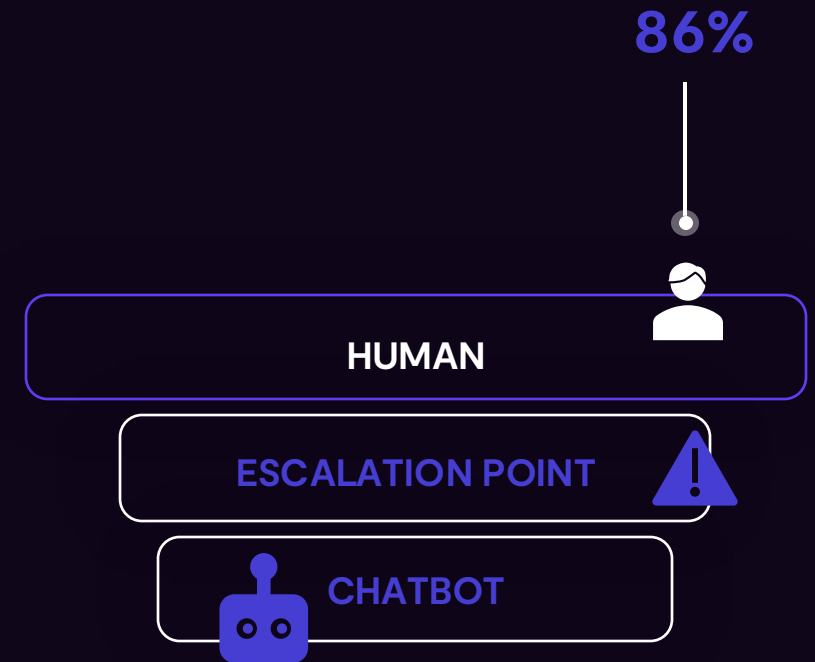
# When chatbots fail, 86% escalate to a human too easily



A study by HubSpot indicated that 86% of users escalate interactions with human agents too readily, hinting at a chatbot's insufficient training and limited problem-solving capabilities. This tendency to prematurely request human intervention defeats the purpose of automated resolutions and leads to over-reliance on customer support teams.

Frequent escalations can increase wait times for customers, ultimately impacting the overall efficiency of customer service operations.

Having said that, Cyara's analysis highlights that positive experiences with chatbots can lead to increased consumer engagement, with 56% of respondents more likely to use chatbots in the future after a pleasant interaction.

To bridge the gap between consumer expectations and chatbot performance, businesses should implement chatbots that can accurately interpret user intent, maintain conversational context, and provide relevant solutions. Equally important is the integration of a smooth handover to human agents when necessary, ensuring that users do not feel trapped in an ineffective automated system.



To top it off, Beyond Encryption   
reveals that 60% of consumers believe  
that human agents better understand  
 their needs compared to chatbots

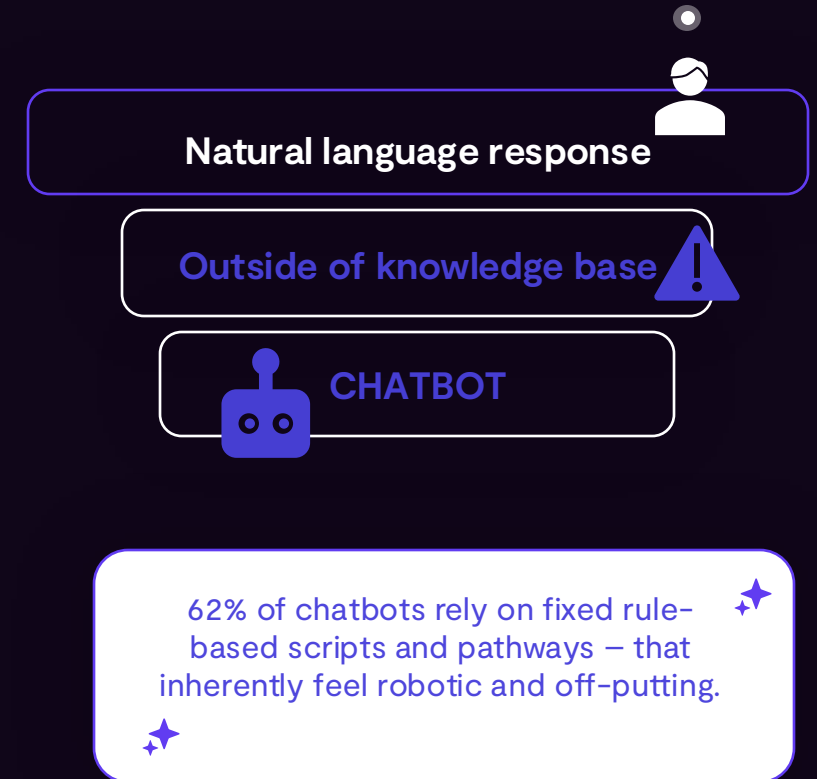
# 62% of chatbots feel robotic, and 84% of bots ignore open input

Users are aware that chatbots don't possess emotions, yet they prefer interactions that feel personal and human.

Our analysis of over 40 websites found that 62% of chatbots rely on fixed, repetitive scripts, and 84% lack open text input, leading to a robotic user experience. The inability to input free text restricts users from conveying their issues effectively, leading to unresolved problems.

Findings by SmythOS show that AI-driven chatbots are turning things around by handling up to 80% of routine inquiries without human intervention. By doing so, they offer more dynamic and responsive interactions. GenAI conversational flows can interpret user intent, adapt to various conversational contexts, and offer more personalized responses.

Moreover, integrating sentiment analysis allows chatbots to detect emotional cues, adjusting their responses to match the user's emotional state. This capability enables a more empathetic interaction, improving user trust and loyalty.



# A significant 38% of chatbots still send users down a generic rabbit hole

Originally, chatbots were meant to save time and help users. However, many still miss the mark.

Based on our recent analysis, 38% of chatbots with text input capabilities frequently deflected questions, opting to send users to generic help pages instead of responding in the chat itself.

This ends up creating a broken loop. When users are pushed toward standard resource pages, it delays answers and reduces trust in the tool. They are left clicking through links instead of getting real, timely support. The result is frustration, dropped sessions, and unnecessary escalation to human agents.

AI chatbots, when well-designed, can handle these using pre-created responses by understanding intent and keywords. This frees up agents to solve trickier problems and eventually improves service speed across the board.



The user is hoping for help, but instead, they get menus, scripts, or vague links, and the session ends in under two minutes

# 98% of chatbots forget what you just said

Chatbot 'amnesia' is a real problem. By analyzing chatbot performance across industries, we found that 98% fail to remember inputs from earlier in the same chat. This means that even short conversations can feel disconnected, with users being forced to repeat details that should have been stored.

Sprinklr found that nearly 80% of customer queries are simple and repetitive; as such, bots should be able to resolve them quickly.

But when they drop context mid-chat, customers may bail out and end up requesting a handoff to a human agent.

It's a design issue, more than a technical one. While some systems only store a narrow slice of active conversation tokens, a majority of chatbots lack the capabilities of holding on to context from past conversations, including user demographics or firmographics. All of these crumbs of information get overwritten. Consequently, the more advanced chatbots today have in-built memory layers and retrieval mechanisms.



# Majority of chatbots miss user cues, with 62% of them offering static replies

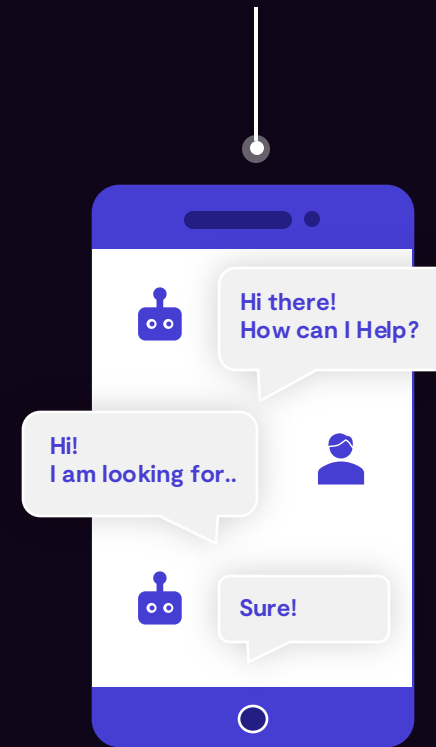
There is a growing prevalence of static chatbot experiences. We saw that 62% of chatbots fail to adjust their responses based on user behavior or past interactions, resulting in static and often unsatisfactory user experiences.

The problem is that these chatbots follow predetermined scripts and fixed decision trees, offering generic replies that can feel impersonal and, in most cases, irrelevant. They overlook the importance of context in communication and as a result, fail to adapt to the nuances of individual user journeys.

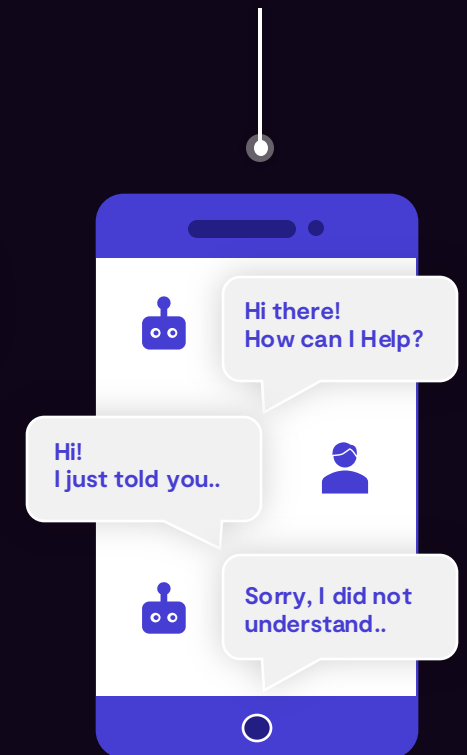
Considering how most users seek tailored online interactions, personalization matters more than ever. Any misses on the part of the chatbot will hamper how users perceive the brand.

By transitioning to AI-powered chatbots, businesses can take a more sophisticated approach. Leveraging advanced algorithms, these chatbots can interpret user inputs and modify responses in real-time. They consider factors such as past interactions, demographics, firmographics, and current context to deliver more relevant and context-aware assistance.

## First time Customer



## Returning Customer



62% of bots don't adapt ✨

# Generic responses from 38% of chatbots frustrate users

38% of the chatbots we analyzed redirected personalized queries to either generic FAQs or unrelated responses. This behavior often stems from limitations in contextual comprehension.

Besides, MoldStud reports that only 37% of customers express satisfaction with the accuracy of chatbot responses, signaling a need for significant improvements in response relevance.

Chatbot containment rates, a metric used to evaluate a bot's ability to resolve issues without human assistance, tank lower when the chatbot fails to address specific concerns, offering broad, unrelated resolutions.

Chatbots should be capable of dynamic response generation. Regular updates to chatbot knowledge bases and response protocols can help maintain relevance and accuracy.

62%

Static Experience



Non-adaptive



Conversions are slipping,  
so is your **revenue**

# 94% of chatbots push for conversions before resolving questions

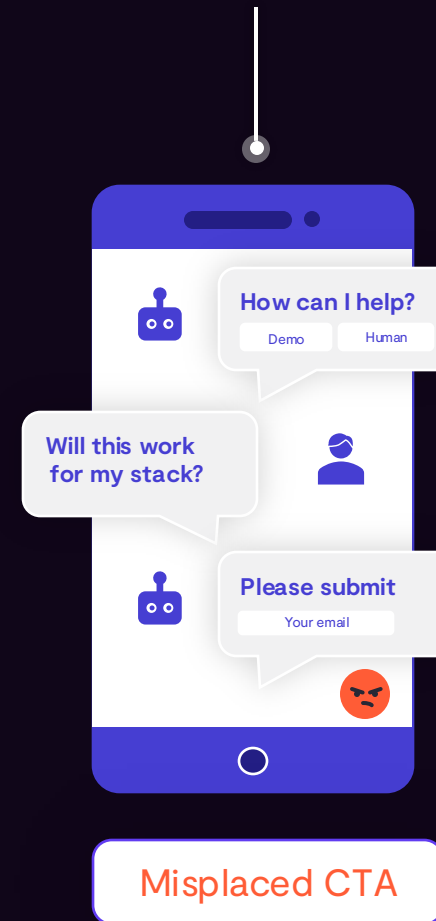
If your chatbot is trying to close before clearing doubts, it's hurting your business.

Breakout's analysis of real-world chatbot behavior showed that 94% of bots still push for sign-ups, demos, or purchases before adequately addressing customer queries. Buyers who want to make informed choices based on specifications, policies, or delivery timelines are more likely to abandon forms if asked for information before those details are shared.

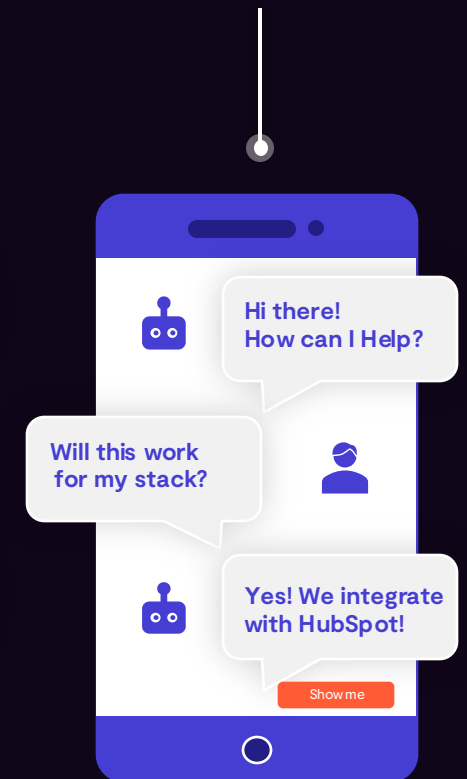
When these questions are deflected or ignored, it can lead to frustration and abandonment.

Some websites have started rethinking chatbot design. They now use conditional logic and behavioral data to shape the flow of the conversation. Further, providing a menu of actions after fully understanding the customer's needs can prevent confusion and pave the way for more meaningful conversions. AI-powered chatbots hold the pitch until the buyer signals readiness, resulting in a 23% increase in conversion rates with a 71% successful resolution rate, according to a Glassix study.

## Typical Chatbot Flow



## Ideal Flow

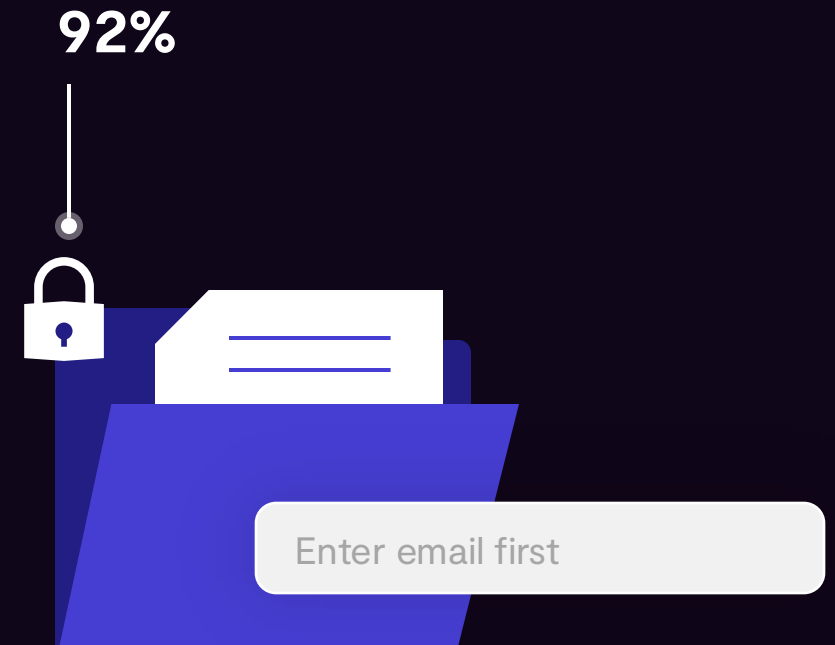


# Most chatbots gatekeep answers, with 92% asking for details before delivering value

92% of the bots we analyzed blocked access to even basic details until the visitor gave up personal details. This builds friction into the first few seconds of interaction. Visitors come in looking for quick answers such as pricing, integration, and specs—instead, they hit a wall.

Rule-based chatbots, not designed to understand nuance or context, make things worse. When bots can't handle anything beyond a basic path, they loop back, ask again, or stall. And without a fallback, the bot acts like a security gate, blocking access rather than addressing user needs.

Instead of leading with a form, chatbots need to build context over time, identify intent, and tailor their response. Once the user sees that the bot is available to readily cater to them, asking for help feels organic and not forced.



# Driving away users with **broken** experiences

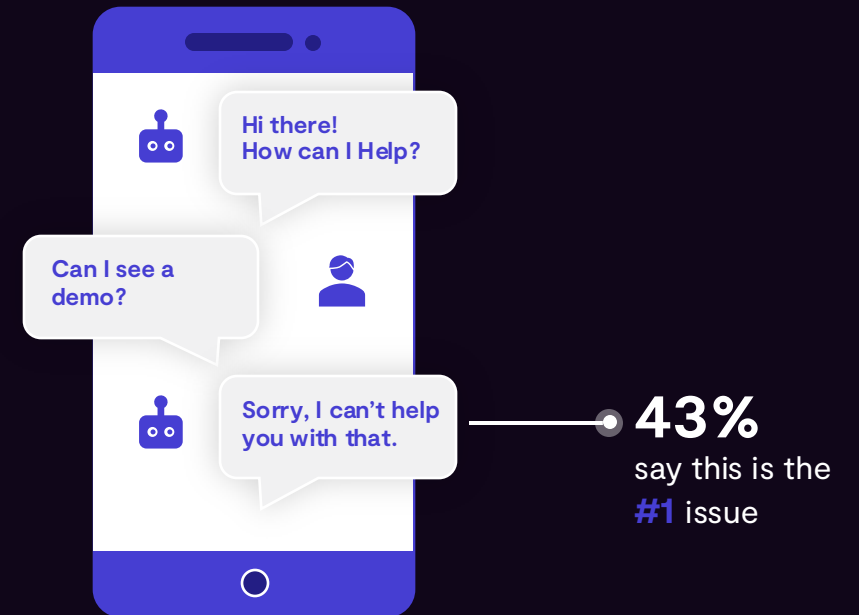
# 43% of users say chatbots still don't get them

Users no longer tolerate basic scripts. According to 43% of respondents in an Uberall study, chatbots need to improve their accuracy in understanding customer inquiries. This sentiment is echoed in an AWS survey, where 89% of users said they considered accurate responses as a deciding factor in their interaction with chatbots.

As per AWS research, 88% believe that understanding user needs matters just as much as response accuracy.

When chatbots misinterpret a query, it triggers longer conversations, repeated explanations, and mounting frustration. Users are left questioning if the chatbot can help at all. Studies also indicate that errors and a lack of functionality in chatbots can quickly lead to user frustration and distrust.

GenAI conversational flows can fix this. Companies investing in transformer-based models, intent clustering, and sentiment tagging are seeing better results. AI that learns conversation paths, adapts to linguistic nuances, and senses user frustration early can stop poor experiences before they spiral.

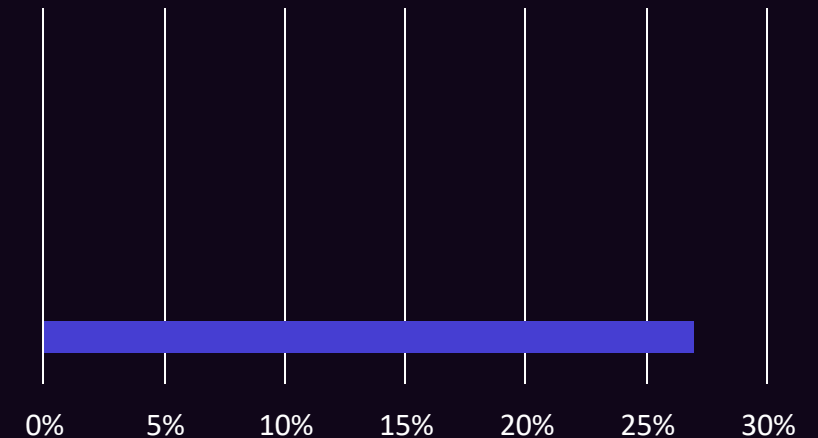


# Broken chatbot handoffs to humans are frustrating for **27%** of users

The Uberall study also found that nearly a third of customers say it's too hard to reach a human when they need one. This signals a bigger problem.

In cases like these, chatbots are overused at points where human judgment is critical, like billing disputes. These bots follow rigid flows built for speed, not for complexity. So, when a user runs into an edge case, bots often try to force-fit the conversation instead of transferring it to someone who can help. If users are not fighting through irrelevant questions, they are asked to leave the chat and contact the support team separately.

The solution is not about getting rid of bots. It's about making smarter, smoother handoffs. AI-powered chatbots can be trained to detect when the conversation is going off-script through markers like repeated questions, emotional language, or abrupt conversation exits.



**27% say escalation is a top issue**

Can I speak to someone?

Sorry, I can't help you with that.

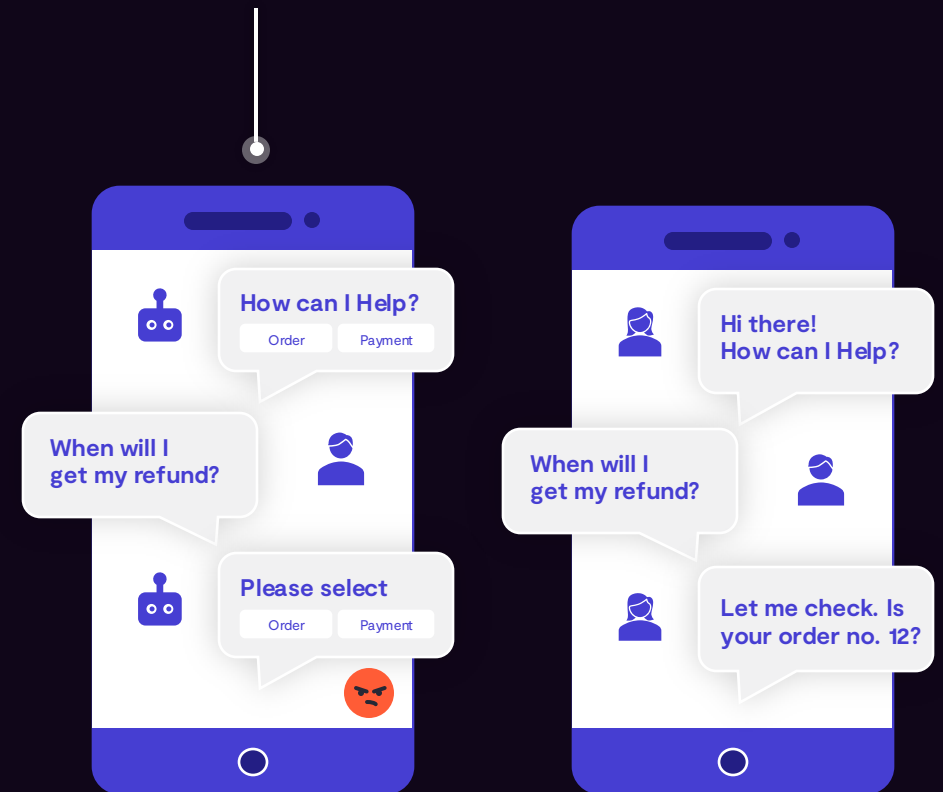
# 19% of users say chatbots need to sound more human and less scripted

Humans are wired for natural, free-flowing conversations. People use informal speech, layered emotions, and even sarcasm at times.

On the downside, a lack of natural flow and expressiveness in chatbot interactions can lead to user frustration. Uberall points out that 19% of users have raised concerns over chatbots' inability to have human-like conversations.

Chatbots should be able to accurately interpret nuanced language, slang, or context. For this, chatbot systems need to be trained on diverse datasets that include colloquial language, idioms, and emotional cues.

Only **19%**  
find it natural

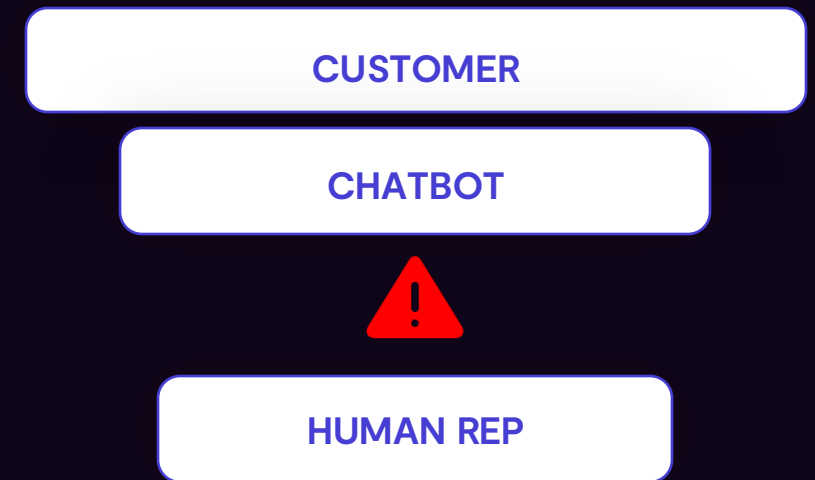


# The unseen risk—46% of users think chatbots are roadblocks to real human support

Talkative confirms that there is a growing sentiment among 46% of consumers that chatbots are employed specifically to prevent them from reaching live agents. While chatbots have gained popularity owing to their ability to offer quick resolutions, they fail to match up to expectations in scenarios requiring empathy or complex problem-solving.

A recent study by Cogito revealed that 46% of respondents would prefer a human agent but are also comfortable seeking help from AI-assisted human interactions.

The core issues lie in the design philosophy of most chatbots. They often prioritize containment over resolution. In such situations, customers end up feeling that their concerns are not valued when they cannot access human assistance.





# 65% express distrust in chatbot interactions

A GetVoIP report indicates that 65% of users distrust chatbots as they don't fully understand their concerns. Chatbots, often due to their struggle with nuanced language and context, end up giving responses that lack empathy.

To add to this, a study by Cyara found that nearly half of the respondents received chatbot responses that didn't make sense in the context of their questions.

All of these misses by chatbots can result in users feeling misunderstood and seeking alternative channels for support.

To address this, developers can incorporate sentiment analysis and emotional intelligence into chatbot design, enabling more nuanced and empathetic interactions. Regular updates and user feedback integration can further refine these systems.



How can I help you today?

Select from below options.

1. Cancel Order
2. Refund
3. Payment Issue
4. Other

I want to talk to the cc executive.

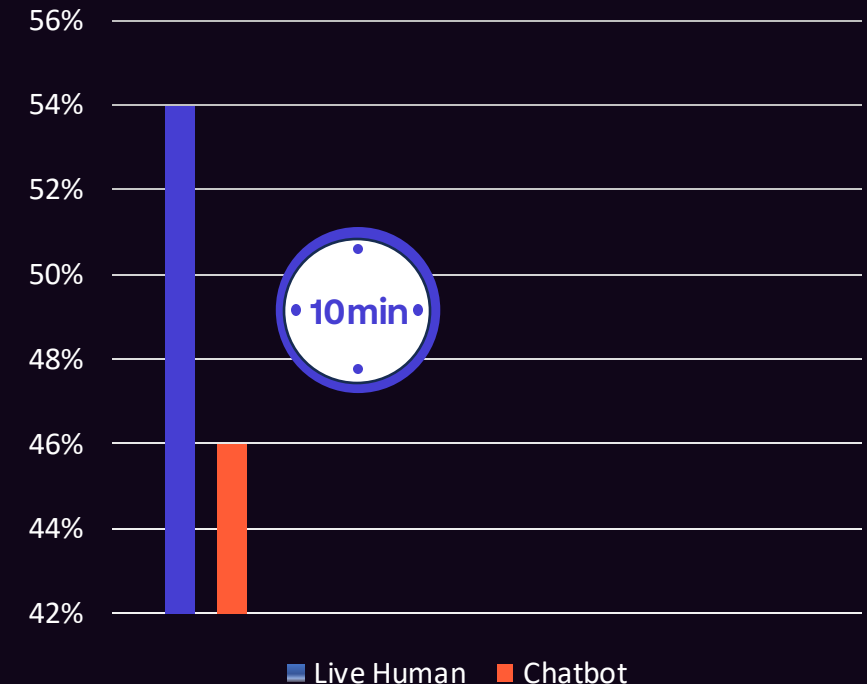
# Convenience takes a backseat as 54% seek human support over chatbots

According to Usabilla, 54% of users say they'd rather wait for a human agent than use a chatbot that could save them 10 minutes. This points to something deeper than convenience: emotional intelligence.

Customers want to feel heard. They want understanding, empathy, and reassurance. At the same time, there's a widespread belief that bots are simply front-line filters. Even when chatbots are well-designed, most users hesitate to share sensitive details or escalate complex issues through them.

This becomes even more relevant when the stakes are high, such as in cases that involve disputes, payments, or complaints. Users don't want to explain their issue in three different ways only to get a canned response.

Building trust into AI support means being transparent about limitations and using AI as a support tool, not a gatekeeper. GenAI conversational flows are improving how chatbots recognize sentiment and context.



**Meeting buyers where they are,<sup>✓✓</sup>  
with AI-powered experiences**

# Conclusion

**Chatbots today fail for a simple reason: they try to force buyers into rigid flows instead of meeting them where they are.**

Modern buyers don't follow linear journeys. They land on your site mid-funnel. They skim, explore, ask questions — often in ways your static content can't anticipate. This is where most chatbots break: they gate, they deflect, they frustrate. And in doing so, they lose the moment.

AI offers a way out — not to “personalize” the experience in the shallow sense of {first name}, but to make it truly personal. To adapt content, tone, and flow in real time based on who the visitor is, what they care about, and what they're trying to achieve.

This isn't about smarter forms or better routing. It's about transforming your marketing from static to generative:

1. Know who's visiting — their company, role, industry, and intent
2. Tailor content instantly — product overviews, videos, demos, slides — all shaped to their context
3. Let them engage and adapt — AI that responds to follow-ups, clarifies confusion, and goes deeper

Rule-based systems weren't built for this. They scale poorly, break easily, and ignore nuance. Agentic systems — AI-powered workflows that think and adapt — are the upgrade we've needed.

**Every buyer has unique questions. AI lets you extend your knowledge base to meet each one with clarity.**

So yes — chatbots are dead.

What replaces them isn't just smarter chat. It's a shift to multi-modal, generative buyer experiences: live demos, visual explainers, voice, and AI-driven conversations that actually help.

The future of buyer engagement isn't scripted. It's responsive, rich, and real-time.



**Breakout** turns static marketing assets into interactive, AI-powered touchpoints — while deeply integrated with your data and GTM stack — to capture and qualify inbound pipeline on autopilot.

Breakout's network of AI agents can spin up demos, talk in voice, surface content, qualify leads, and take custom actions — all in real time.

Three panels illustrating the capabilities of Breakout's AI agents. The first panel, 'De-anonymize prospects', shows a user profile for John Doe from Acme Inc. with various attributes like Estimated ARR and Location. The second panel, 'Real-time Discovery', shows a BANT Analysis interface with icons for Budget, Need, Authority, and Timeline. The third panel, 'Interactive Demos', shows a demo interface with a chart and a 'Finish Demo' button.

**De-anonymize prospects**

Breakout uses intent data from 65M different data points to build a detailed profile of every visitor.

# You need to download GeoLite2-City.mmdb from MaxMind  
response = reader  
country = response  
city = response  
state = response

Name	John Doe
Company	Acme Inc.
Estimated ARR	<\$5M
Location	New York, USA
Employee Count	25-50

**Real-time Discovery**

Breakout asks relevant questions in-conversation, that arm your reps with deep insights even before they get on a call.

Budget

Need

Authority

BANT Analysis

Timeline

**Interactive Demos**

Breakout serves relevant demos, on the fly, to show the power of your product.

Ask Question

Finish Demo

Three Breakout agents working in tandem: The **enrichment agent** builds an identity graph of the user, the **discovery agent** does intent inference, and the **demo agent** designs and delivers a custom demo for the website visitor.

Think beyond **BOTS** 