

Inside Agentic Service

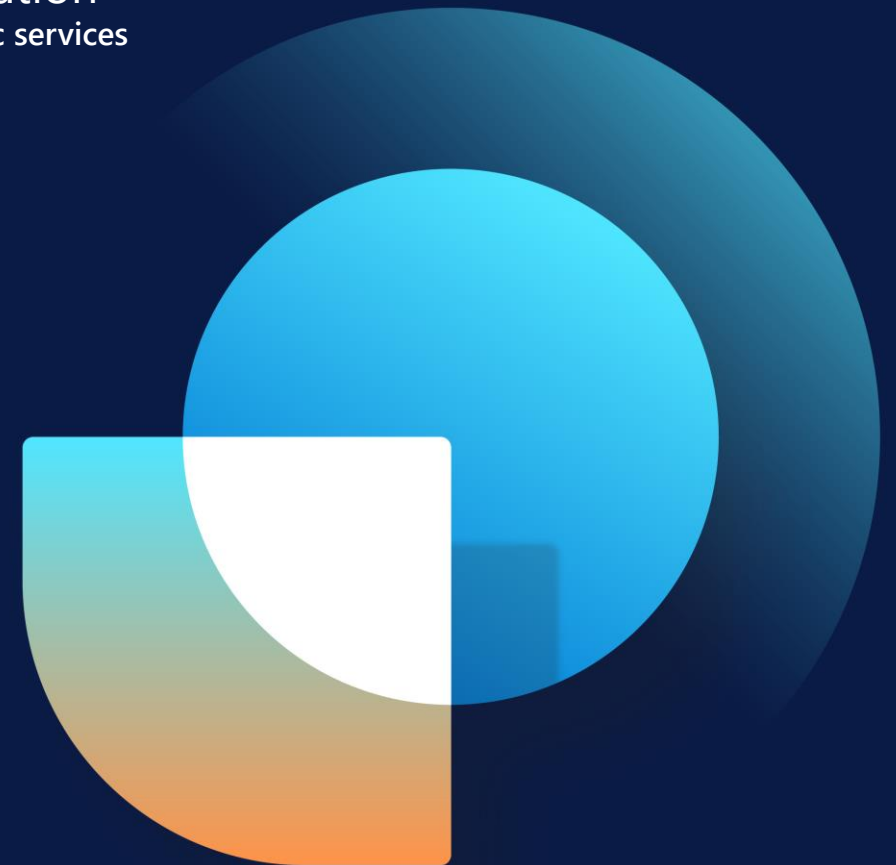
Elevating the customer experience with AI agents



Table of contents

- 03 Introduction
The next AI frontier
- 04 Understanding agentic AI
Key differentiators and why they matter
- 06 Positive effect
Core customer service benefits
- 08 Tactical application
High-impact use cases for agentic AI
- 09 Security at scale
Establishing proper governance and standards

- 12 Strategic implementation
Building a roadmap to agentic services
- 14 Conclusion
Future-proofing with AI that you can trust



Introduction

The next AI frontier

By 2029, AI is forecasted to handle 80% of customer service tasks, reducing operational costs by as much as 30%.¹

While generative AI brought unprecedented speed and scale to content creation and decision support, the next leap forward is agentic AI—systems that not only assist but act autonomously.

Service leaders who embrace automation with human guidance at scale can capitalise on key benefits such as faster resolutions, fewer errors, greater personalisation, increased positive brand sentiment and lower operational overhead. Ultimately, agentic AI will free human service agents to shift their attention from retention to growth, transforming the contact centre into a proactive value creator that moves the company's bottom line.

This guide offers a business-first view into how AI agents are changing customer services – what they are, how they operate and what it takes to put them to work in your organisation.

¹ ["Gartner Predicts Agentic AI will autonomously resolve 80% of common customer service issues without human intervention by 2029," Gartner Inc., March 2025](#)

Understanding agentic AI

Key differentiators and why they matter

Generative AI has already proven itself to be an efficiency leader in the workplace. Building on those strengths, agentic AI is poised to further transform customer service operations. But what exactly is the difference?

**Where generative AI is reactive,
agentic AI is proactive.**

Generative AI works as a superpowered assistant, from whom customers and service representatives alike can ask questions and request data-driven insights in an intuitive, conversational way at incredible speed. However, generative AI is limited to completing the tasks you ask of it, as it does not act or make decisions of its own.

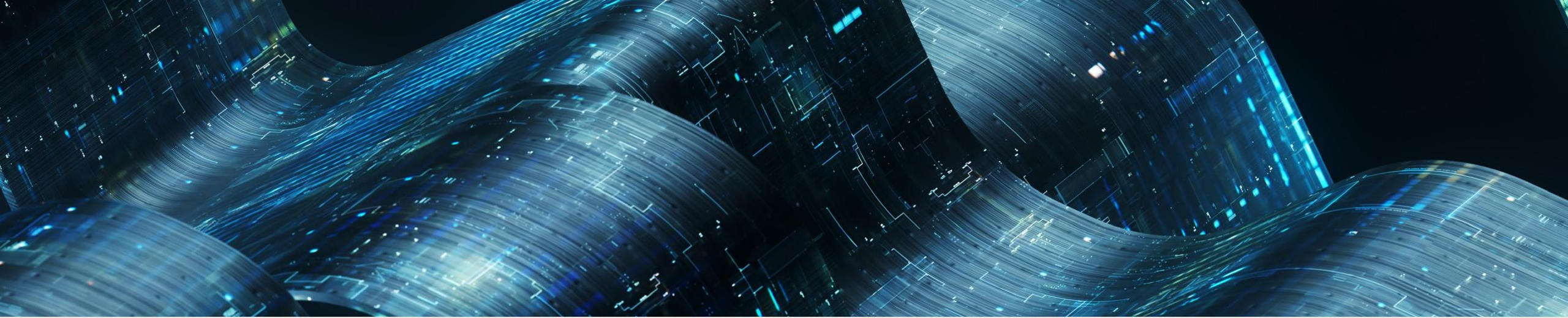
Conversely, agentic AI takes customer service to the next level by anticipating needs, making decisions and completing complex tasks autonomously. It's goal-oriented and can self-manage entire workflows from intent recognition to resolution.

Generative AI in customer services

- Delivers personalised responses to customer queries
- Instantly summarises calls

Agentic AI in customer services

- Anticipates needs based on available data
- Accurately routes customer queries
- Automatically keeps knowledge bases up to date
- Drafts new articles when it discovers new issues



Agentic and generative AI working in tandem heralds an era in which intelligence and productivity are abundant, affordable and scalable.

This transformation will change how humans and AI collaborate, requiring evolving workforce models with new roles and skills.



A new organisational blueprint is emerging, which we call the Frontier Firm.

[Read the report →](#)

Positive effect

Core customer service benefits

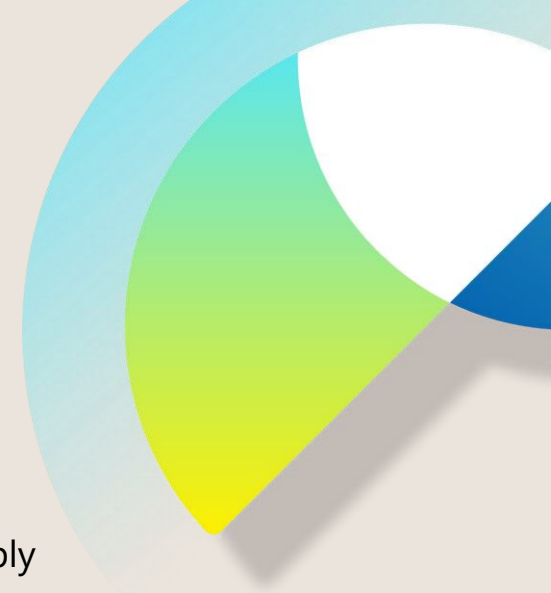
The potential upside of agentic AI is exponential. With agents freeing up human service representatives to focus on high-value interactions and growth drivers, contact centres can take strategic leaps to improve customer satisfaction, building a competitive edge and influencing the bottom line.

Dynamics 365 has helped organisations to reduce case misroutes by 20% and average chat case handling times by 15%.²

Expedite Resolutions

AI's autonomous capabilities drastically reduce waiting times alone. However, AI agents can multiply those efficiencies by accelerating human-led resolutions too. Using intent analysis, agents can expedite triage by anticipating customer needs and routing queries to the right place. Furthermore, summarised customer data and relevant knowledge base articles are delivered to service representatives in real time, allowing for smoother interactions and quicker resolutions.

² ["Microsoft empowers support engineers to shine brighter with Dynamics 365 Customer Service,"](#) Microsoft, Inc., September 2023





Lower costs

AI agents allow you to quickly scale your workforce as demand rises for a fraction of the cost. In turn, service teams are equipped to resolve issues effectively, keeping customers happy and avoiding a potential loss of business.

Additionally, as service leaders know, employee turnover and onboarding come with significant cost. But in the same way as instant intelligence and personalisation benefit customers, AI agents improve the employee experience as well.

Furthermore, AI can onboard new hires in a conversational one-on-one manner without limiting time and resources. Employees will be better prepared and more confident, ultimately helping to reduce turnover in the long term.

Positive effect | 07

Streamline operations

Autonomous agents offload the toilsome time-consuming tasks, such as call summaries, which make service representatives less productive.

They also tackle valuable tasks that often get put on the backburner due to their high level of effort, such as combing through extensive call logs to generate deep insights and update knowledge bases.



Together these benefits result in a more agile responsive service organisation that can scale efficiently, while delivering the sophisticated personalised support demanded by today's customers.

Tactical application

High-impact use cases for agentic AI

We have reviewed the benefits, but now let us take a closer look at how autonomous agents can seamlessly integrate into customer service operations to create high-impact results.

Assists service representatives by analysing customer calls in real time, providing service reps with relevant documents and insights, and even opens, manages and closes cases autonomously.

Maintains knowledge bases and drafts new ones by continuously analysing case notes, transcripts, summaries and other artefacts from human-assisted cases.

Generates holistic customer snapshots by gathering relevant customer info and analysing their current queries against previous interactions.

Enhances self-service options, with intuitive natural conversations, increased consistency across all customer touchpoints and continuous learning and optimisation.

Boosts analytics with timely, intelligent and sustained insights gained from data across multiple channels and touchpoints.

Bring these use cases to life with Dynamics 365.

[Find out more →](#)

Security at scale

Establishing proper governance and standards

As digital interactions become increasingly complex, security measures must evolve to protect both the customer and the company. It's imperative that AI-powered customer service solutions be built around rigorous security standards, transparent data governance and a 'Zero Trust' approach.

Microsoft has decades of experience protecting Fortune 500 companies from IT threats, and we invest over \$1 billion annually to protect our customers.³

³ ["Secure your Dynamics 365 data and apps,"](#) Microsoft Inc., January 2024

Security at scale

Establishing proper governance and standards

Multi-layer security

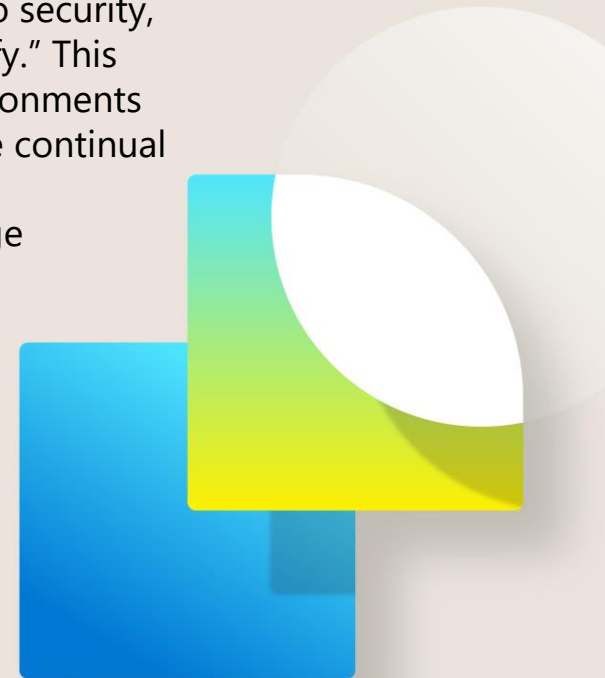
Security is a shared responsibility between the organisation and the supplier to ensure data and access remain safe and confidential. Any service solution, not just those utilising agentic AI, should include certain advanced protection such as:

- Security Development Lifecycle (SDL): A process in which security is integrated at every stage of technology development, rather than added as an afterthought.
- Data segregation: Ensures each client of a supplier has access to only their own data.
- Data encryption: Protects data in the event of unauthorised access by translating it into an indecipherable code, both when the data is at rest and in transit.
- Auditing and monitoring: Ensures security protocols do not become stagnant or complacent as vulnerabilities are an ever-changing landscape.

Zero trust

At Microsoft, we take a “zero trust” approach to security, based on the principle “never trust, always verify.” This method protects our customers across all environments by managing and granting access based on the continual verification of identities, devices and services. Furthermore, it errs on the side of least-privilege access to minimise risk.

[Find out more about our zero trust model.](#)





Transparent governance

It's essential to have complete control over your data and full transparency about what happens to them when using any AI solution. Harvesting of data for third-party use, even when that data is 'sanitised', can exponentially increase your risk exposure and this has especially become topical in the era of generative AI and machine learning.

Furthermore, AI agents interact with data and content across your organisation and disseminate it back to your employees. For this reason, proper data hygiene is imperative, and AI agents must be built to respect labels, permissions and rights management service (RMS) protections that block content extraction on relevant file labels.



Security and compliance should never be an afterthought. It should be included in your technology strategy, thoughtfully planned and implemented at the start of new tech adoption to ensure effective scaling and maximum protection for you and your customers.



Strategic implementation

Building a roadmap to agentic services

The implementation of agentic AI into the service centre should be a strategic and purposeful process. These important steps can help make full-scale adoption seamless for employees and maximise service leaders' return on their AI investment.

Work closely with IT

Successful adoption is an organisation-wide effort. Deploying agentic AI agents requires tight-knit collaboration with IT to ensure the right devices, infrastructure and cybersecurity measures are in place.

Furthermore, collaborating with IT to adopt a unified platform that offers a seamless omnichannel experience will maximise the functionality of autonomous agents.

Optimise data

AI is only as good as the data it's trained on. Ensuring existing information sources are properly structured, formatted, up-to-date and not siloed will help AI agents to parse data more effectively.

Empower employees

Change can be scary, especially when it affects workplace roles.

Providing accessible training through foundational sessions and role-specific workshops, hosting Q&A sessions and involving employees in implementation will increase adoption rates and help to maximise their efficacy with AI.

Strategic implementation

Building a roadmap to agentic service



"AI has the potential to drive operational excellence, nurture customer loyalty and boost value through the entire customer journey – making it one of the most valuable tools for enterprises."

Mala Anand
Corporate Vice President,
Customer Experience and Success, Microsoft

Microsoft becomes 'Customer Zero', finding efficiencies with its own Dynamics 365.

[Explore our roadmap →](#)

Conclusion

Future-proofing with AI that you can trust

Choosing the right AI solution is as pivotal as choosing to harness the advantages of agentic AI. The right customer service solution is customisable to your needs, backed by decades of experience with the agility to scale and innovate for the future.

"Tomorrow's top-performing contact centres will blend careful action with the right supplier solutions to make the most of the CCaaS opportunity.... Doing so will enable them to keep pace with constant changes in customer demands and fuel business growth."⁴

– Forrester Research

The Microsoft Dynamics 365 difference

Dynamics 365 offers a cloud-native, AI-first experience that brings advanced intelligence, automation and efficiency to every engagement channel. Here are some key advantages:

Seamless integration: Easily syncs with your existing CRM and other Microsoft Business Apps

Rapid deployment: Prebuilt agents—Case Management, Customer Intent and Customer Knowledge Management—get you set up quickly

Built to scale: Grow and scale with multi-language support, localisation and global data centres

Customisation: Build and refine custom AI agents, based on your specific needs with Copilot Studio

⁴ ["A Recipe For Resilience in the Contact Centre,"](#) Forrester Research Inc. and Microsoft Inc., November 2024

Discover what AI can do for you

Are you ready to take your customer service experience to the next level?
Explore how Microsoft Dynamics 365 can help your organisation to thrive
in an AI-powered world.

[Learn more about Dynamics 365 →](#)

[Start your free trial →](#)

© 2025 Microsoft Corporation. All rights reserved. This document is provided "as-is." Information and views expressed herein, including URL and other Internet website references, may change without notice. You assume the risk of using said document. This document does not provide you with any legal intellectual property rights with respect to any Microsoft product.