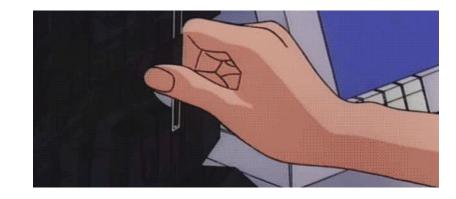
Beyond THEHYPE

PURPOSEFUL & PRACTICAL AI TRANSFORMATION TRENDS

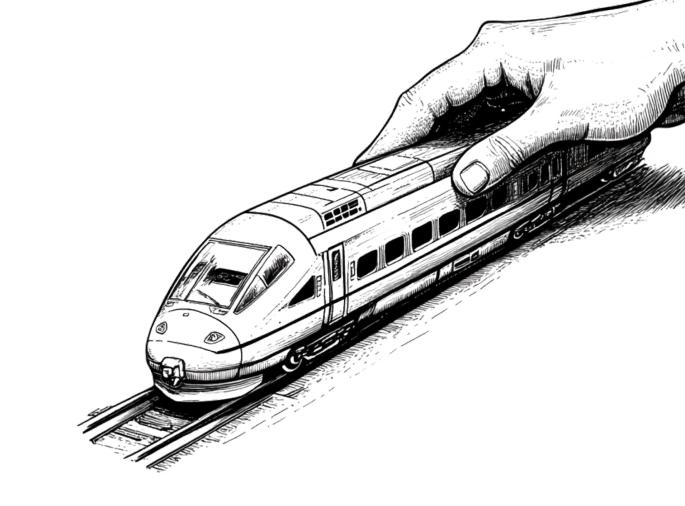
Beyond THE HYPE: PURPOSEFUL & PRACTICAL AI TRANSFORMATION TRENDS

One month into 2025, Zuck has already claimed mid-level engineers <u>obsolete</u>, DeepSeek launched an alleged \$5.6 million <u>LLM</u>, and LG debuted something called "affectionate intelligence" to make Al more "<u>caring and attentive</u>."

Despite the barrage of AI headlines, organizations' AI transformations are having a hard time keeping up.



Racing ahead recklessly is not a strategy—but neither is passively waiting for events to unfold. In 2025, we must advance with pace and purpose.



Implementing AI everywhere and anywhere with the goal of saving shouldn't be the priority. It's no longer enough to view AI as a tool for simply scaling what you're already doing. While many organizations continue to adopt AI in some capacity, only about <u>one-quarter</u> of companies have developed and implemented programs that are actually generating value in the form of revenue, ROI, innovation, and employee satisfaction.

This year is about rethinking the challenges across core business—from data to product to experience to service—and identifying where and how AI can be *additive*.

"The world's greatest businesses weren't built on only saving time and money."

BOB BRISKI SVP, AI at DEPT

DEPT. INTRODUCTION



Now is the time to shift the focus from what AI can do to what it can help you achieve, from delivering better customer experiences to meeting evolving user needs to creating the kind of differentiation that drives long-term growth.

The organizations that have and continue to come out on top understand Al isn't the solution itself but a means to building solutions. As found in BCG's 2024 Where's the Value in AI? survey, today's leaders in AI are focusing on fewer, higher-opportunity AI projects and—more importantly—prioritizing AI's role in transforming core business functions versus its ability to increase productivity for support functions.

In this report, we explore some of the top trends and strategies defining AI transformation in 2025. This year, we're not doing more of the same, faster—but using AI to redefine what's possible.

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THE NEW DATA KPI? Time to Value

DEPT. TECH TRENDS 2025 BEYOND THE HYPE TREND #1 / The new data KPI? Time to value

Tech leaders must pivot from a focus on data maturity to an emphasis on time to value.



SETTING THE SCENE

For proof, look no further than the adoption of ChatGPT itself, breaking records for reaching 100M active users two months <u>after launch</u>. Or Meta's smart glasses product—their original Ray Bans collab launched in 2023 followed by an even more powerful Orion prototype <u>less than a year later</u>.

Al is advancing at breakneck speed, and a big risk is moving too slowly. Instead of chasing perfect data maturity, focus on making your data usable for Al—quickly.

The goal? Extract value fast. Whether that value is acquiring more customers, increasing product usage, or entering new markets, success depends on leveraging AI to achieve tangible results.

DEPT₈ TECH TRENDS 2025 BEYOND THE HYPE TREND #1 / The new data KPI? Time to value

"THIS MOMENT IN COMPUTING HISTORY WILL RESHAPE MANY ENTERPRISE BUSINESSES."

"Organizations need to have a strong grasp on how rapid the innovation cycle will be with Al transformation. We've been happy and complacent with long transformation processes and consulting periods (ex. digital transformation). With generative Al, the advent of LLMs, and the speed at which computing is accelerating, these long transformation cycles will be hard to maintain. Other companies will move faster."

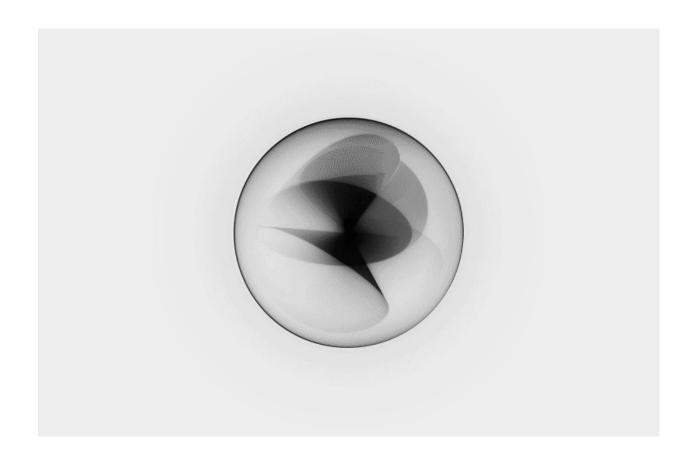
JAMIE ALLAN

Director, AdTech & Digital Marketing Industries, NVIDIA

DEPT_{*} TECH TRENDS 2025 BEYOND THE HYPE TREND #1 / The new data KPI? Time to value

WHAT'S AHEAD

Al capabilities—from Natural Language Processing (NLP) and image recognition to machine learning—are advancing faster than ever. The real challenge won't be staying ahead of these advancements. It will be understanding the link between your organization's data and how your teams define and measure value. Maturity still matters, but building fluency in what value you can gain now versus in six months will set leaders apart from laggards.



WHERE TO START

Identify the concrete problems you're trying to solve, adopt an open mind, then:

- 1. **Define "value" for your users:** It seems pretty basic, but many organizations talk about value without truly defining what it means for their users (partners, employees, and customers). What problem is your Al-driven product solving now that it didn't before? Is there an action or signal from the user that they've unlocked value?
- 2. **Sketch out your value journey:** Now that you've defined value, work with your team to determine the steps users take before achieving it, setting metrics and key data sources.
- 3. **Get your data Al-ready:** Focus on structuring, cleaning, and organizing your data to ensure it's accurate, complete, and accessible for decision-making. Data doesn't need to be perfect to be Al-ready—it just needs to be good enough for the Al model to learn effectively.
- 4. **Iterate and refine:** Deploy quickly and measure their impact relative to time on your users' journey. Work with your team to normalize your new time-to-value approach and adjust your approach, ensuring continuous improvement and alignment with your overall business goals.

DEPT_® TECH TRENDS 2025 BEYOND THE HYPE TREND #1 / The new data KPI? Time to value

AGENTIC AUGMENTATION WILL GIVE Everyone ACCESS TO A TEAM OF "INTERNS"

This year, we'll see agentic augmentation move more mainstream, with early-stage agents joining teams and powering startups. These "interns" will join Slack, attend stand-ups, and research competitors (to name a few activities). While they'll need lots of oversight, they'll be able to write content, code, and optimize workflows.



SETTING THE SCENE

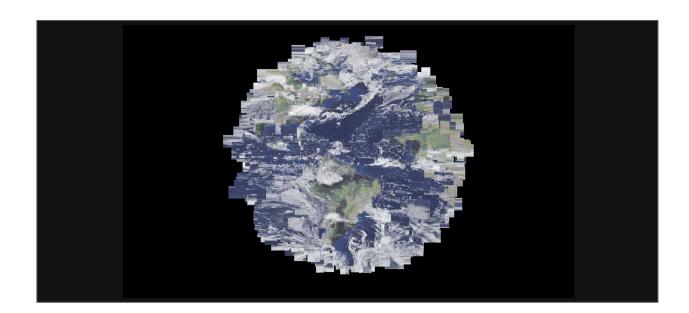
According to Capgemini, 82% of large enterprises plan to integrate Al agents within the next <u>one to three years</u>. And we're already seeing Al agent platforms emerge, such as Salesforce's <u>Agentforce</u>, which they're calling "The Digital Labor Platform."

WHAT'S AHEAD

Agents are based on AI executing tasks autonomously on your behalf, which sounds great for business but technically comes with many challenges.

Agents rely on large language models, which inherently make it more difficult to reverse-engineer issues when an agent is performing multiple tasks with varying outcomes. Not to mention the cost challenge this introduces, which is still being explored and tested.

The bottom line? Agents will continue to evolve, but just like you wouldn't put an intern in charge of your M&A strategy, don't abdicate critical tasks to an agent. Instead, approach it as if you were working to develop and build capability—only this time it's not just a human.



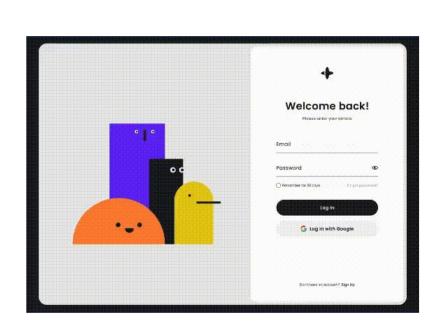
WHERE TO START

There is a lot to consider. Tried and true rules still apply, so:

- 1. **Start small:** Begin with low-risk, high-value tasks like summarization, data organization, or research assistance. This allows you to test Al capabilities without impacting critical workflows.
- 2. Use Al as an assistant, not a replacement:
 Position the Al agent as a co-pilot supporting humans, not an autonomous decision-maker.
 Always have a human review Al-generated outputs, especially for important or sensitive decisions.
- 3. **Apply guardrails**: Set up human-in-the-loop validation, data privacy controls, and monitoring to prevent Al from making errors that could cause harm. Restrict its access to sensitive information and critical functions.
- 4. **Measure and iterate**: Track key metrics like accuracy, time saved, and error rates to ensure the Al is truly adding value. Regularly update prompts, training methods, and workflows based on real-world performance data.
- 5. **Scale responsibly**: Only expand Al agent responsibilities when accuracy and reliability are proven. Introduce Al to higher-value tasks gradually, ensuring ongoing oversight and accountability.

THE NEXT STEP. Anticopation V Desi,

How can digital products continue to level up in the age of AI? By leveraging generative experiences to anticipate users' needs and goals.



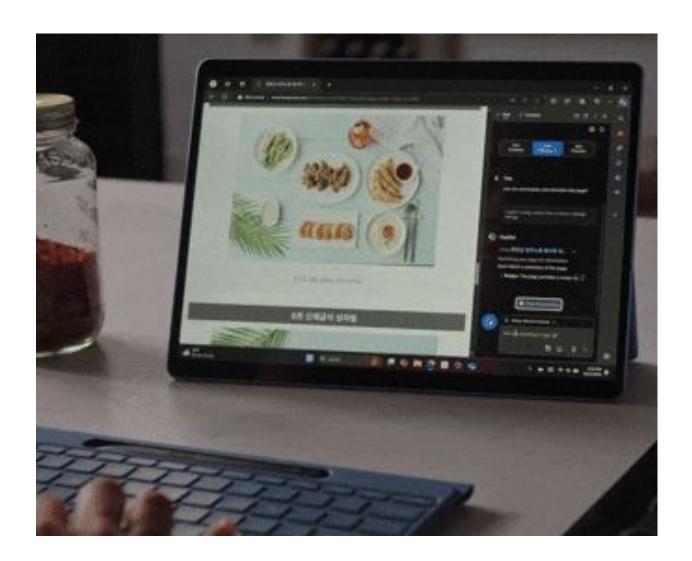
SETTING THE SCENE

Anticipatory design has come a long way in the past few years. Google Docs often anticipates how you'll finish a sentence. Google Maps knows about your local dive's "Trivia Wednesday" and can alert you of unusually high traffic.

In the not-so-distant future, a user might not even go to a traditional webpage. Instead, they will initiate a conversation that dynamically responds with the content they need—as if interacting with a concierge or salesperson in real time (minus the anxiety or pressure). Instead of navigating, they'll converse with your brand in real-time with impeccable personalization accuracy.

WHAT'S AHEAD

While this hyper-personalized version of anticipatory UI is still a ways away, product design is already becoming less about making users "navigate" through clicks and menus and more about fluid, dynamic conversation—a byproduct of new user paradigms driven by an entire generation raised on SMS and social apps such as Twitter (now X), Wechat, and Instagram.



WHERE TO START

Conversations are a fundamental aspect of human communication, so it's no surprise that you must examine user behavior and understand their best next action and unmet needs.

However, anticipatory design still requires you to weigh the price of being wrong against the chances of being right for the user. So, does your team understand user behaviors, or are you relying on generic reports and insights like everyone else? How can you begin to test your hypotheses around anticipation? Where could conversations create real value vs. just assumed convenience?

To illustrate this, think about the infamous chatbot. Sure, they're having a moment now, thanks to GenAl, but they've long suffered from a brand of being "dumb" and frustratingly ignorant in anticipating user needs.

But what if we reimagined chatbots to find moments where a conversation is truly valuable? Instead of a permanent chat window nagging you on your phone or laptop, perhaps it recognizes your frustration and presents itself at the right time to get you where you need to go. Instead of sending users down a decision tree of nested lists and frustration, perhaps it leverages brand and product information to talk to you about what it thinks you need.



Speaking of chatbots ...

AI SHOPPING AGENTSWILL KICK CHATBOTS To the Curb

BEYOND THE HYPE

Consumers aren't just interested in shopping with Al—they expect it, driven by promises from brands, tech companies, and the Al industry itself.

86%

of consumers want to use Al to research products or get product information

79%

of consumers want to use Al to find deals and promotions

82%

of consumers are interested in using AI to pose customer service questions

Source: IBM

DEPT_® TECH TRENDS 2025 BEYOND THE HYPE



WHAT'S AHEAD

With Al's potential in retail so established, it's time for organizations to use the wealth of first-party data and put their own unique twist on Al shopping agents. A step above your average chatbot, an Al agent doesn't just point users to FAQs—it can contextually respond to users' needs. Amazon's Rufus, for example, is a chatbot that uses a bespoke LLM to answer questions about the platform's many products.

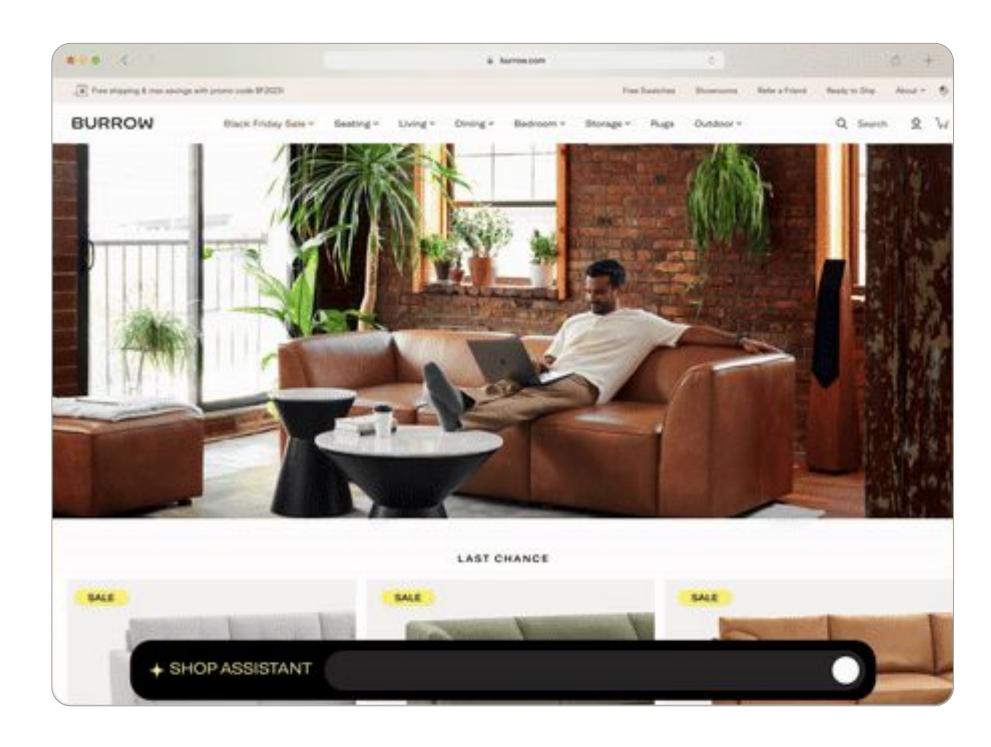
WHERE TO START

How can you create a better shopping experience this year? By starting with business and user challenges and opportunities and then solving them with a "What if..."

Some of our personal favorites, like these, are even being worked on by our team:

"What if users had a personal shopper?"

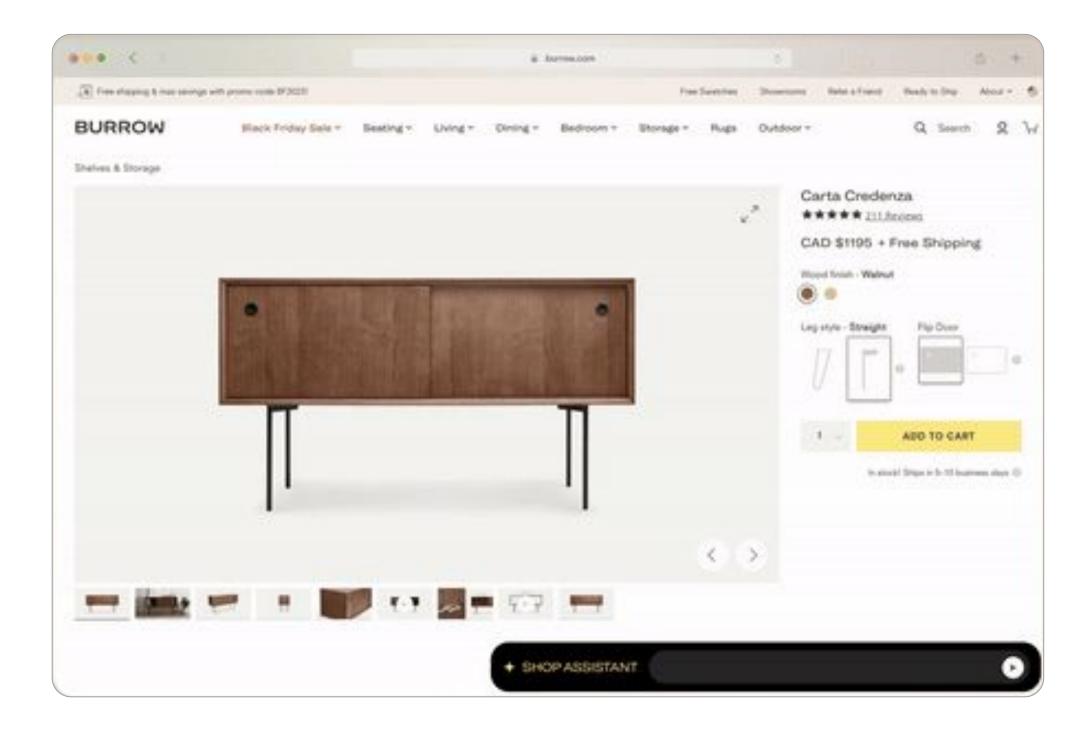
With this idea, users can search for "furniture for my college dorm room" and find the results smoothly integrated into the current website layout. This provides a fluid, contextual conversation as they move through the shopping experience.



DEPT. TECH TRENDS 2025 BEYOND THE HYPE TREND #4 / AI shopping agents will kick chatbots to the curb

"What if we could help users better navigate a page?"

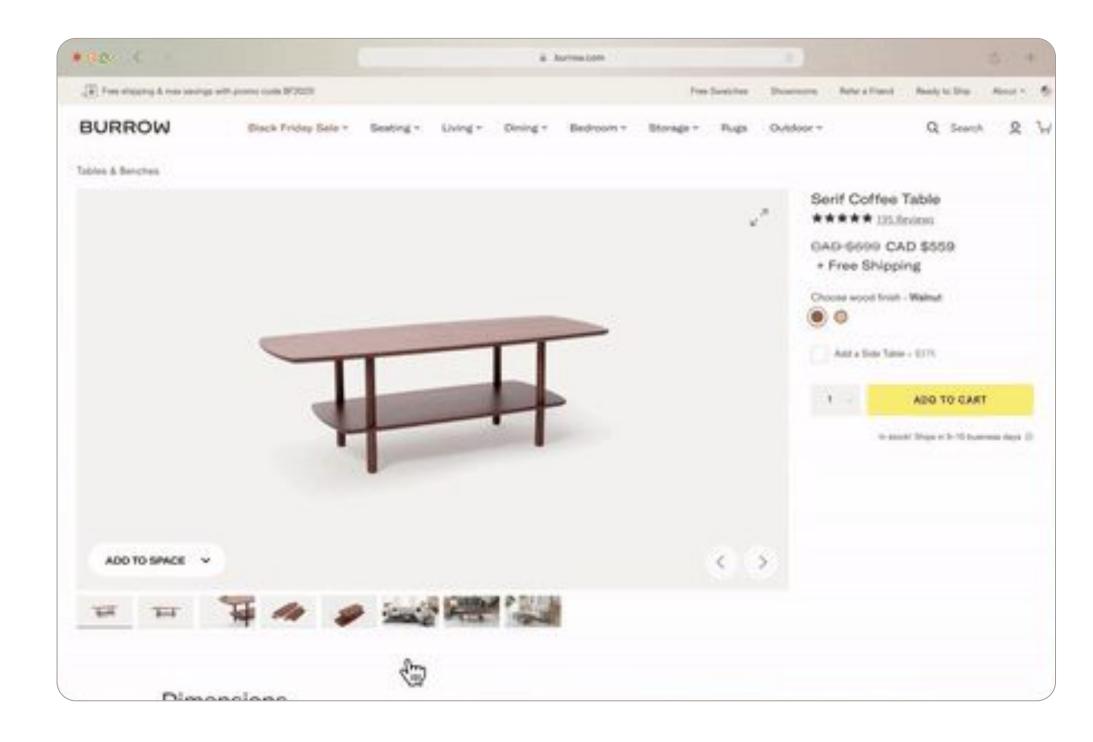
With minor updates to the Burrow chatbot front end, users can go straight to the page they're looking for—even if they don't quite know what page that is.



TECH TRENDS 2025 BEYOND THE HYPE TREND #4 / Al shopping agents will kick chatbots to the curb 21

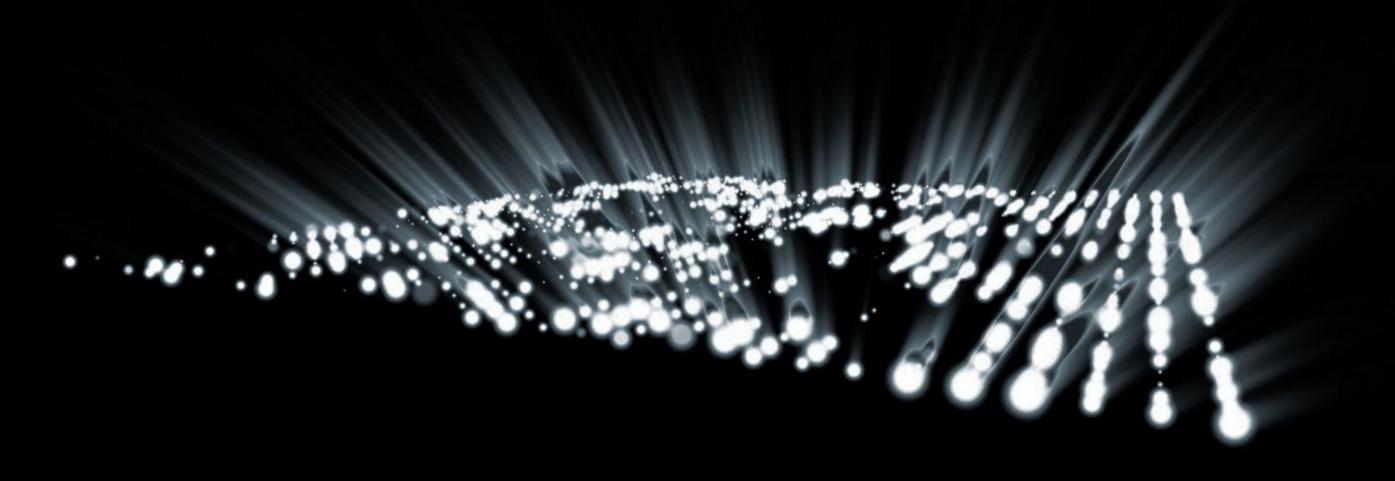
"What if we could help the user visualize furniture in their living room?"

Imagine if you could add furniture to virtual spaces while shopping online. Instead of just using Pinterest mood boards, this feature would let you place furniture into customizable virtual rooms as you browse.



DEPT. TECH TRENDS 2025 BEYOND THE HYPE TREND #4 / Al shopping agents will kick chatbots to the curb

RADITONAL ENGINEERING ROLES MILEVOLYEINTO Technical Creatives



BEYOND THE HYPE

23

Today, a software developer = writing code. In the future, a software developer's role may be to instruct tools and platforms on what code to write.



SETTING THE SCENE

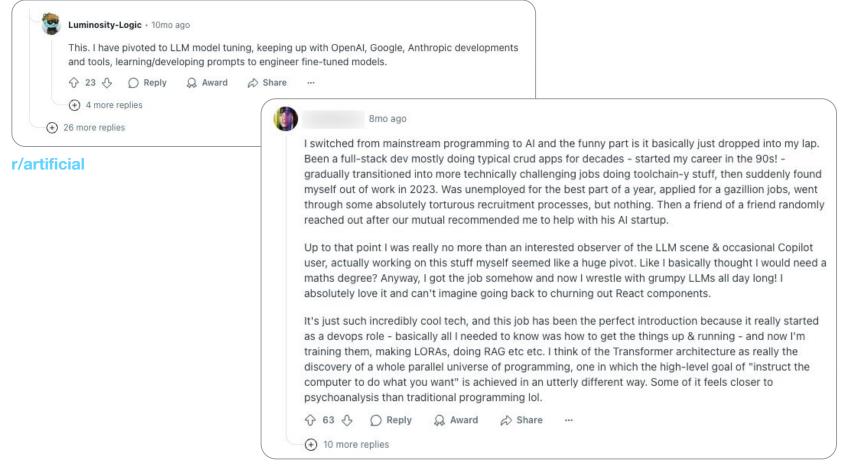
As mentioned earlier, Mark Zuckerberg recently claimed that Al will replace mid-level software developers by 2025. However, the US Bureau of Labor Statistics predicts a 17% ("much faster than average") growth over the <u>next decade</u>. What gives?

As Al accelerates productivity, full-time software developer days will look different. Like designers who've become product managers in recent years, engineers may soon spend less time coding and more time conceptualizing new experiences, orchestrating work across new tools and products, and defining how products will go to market.

On the flip side, those in traditionally non-development roles may find themselves interacting with autogenerated code or solving a technical problem with help from Al.

WHAT'S AHEAD

While 90% of traditional software development roles probably won't exist in 10 years, demand for "technical creatives"—those who can both imagine new experiences and interactions but also orchestrate and engineer them with a new generation of Al-based tools and low or no-code products—is certain to rise.



r/LocalLLaMA

WHERE TO START

For today's developers, the skills we see as increasingly important include technical optimization, product innovation, interdisciplinary knowledge, communication, and ethics.

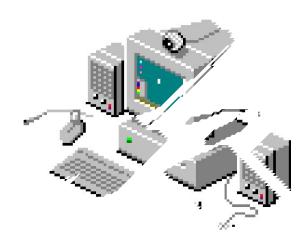
At DEPT®, some of the areas of greatest demand amongst our technology team are in the cross-section, or "T-shaped" engineers who understand (and still) code but can partner with designers and strategists to rapidly move from idea to interaction or prototype or help explain an ecosystem of products to a non-technical client with ease. They are scrappy and work with new tools and pilot products that allow them to express their ideas far faster than the more linear, laborious past.

Getting started in this area means getting uncomfortable as an engineer or developer, showing others the experimental tools you use, and participating in activities you may have avoided a few years ago—creative ideation, strategic planning, and project estimation—all in support of approaching new problems in novel ways.

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BEYOND THE HYPE

As tech stacks and AI tools become increasingly similar, technology alone is no longer a competitive advantage.



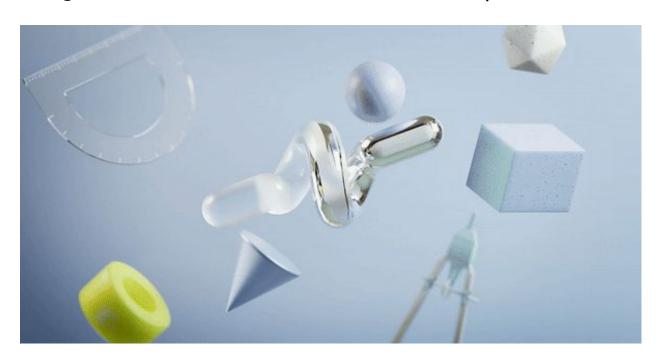
SETTING THE SCENE

Content management systems (CMS), commerce platforms, and even LLMs are no longer a trade secret for the best businesses. They're table stakes that help you sell products, deliver experiences, attract talent, and scale operations. Regardless of size, every organization can access a faster, more performant, and scalable user experience.

DEPT. TECH TRENDS 2025 BEYOND THE HYPE TREND #6 / The only advantage of AI is how you use it. Full stop.

WHAT'S AHEAD

As marketing technology continues democratizing, the challenge will shift from accessibility to differentiation. In most cases, you won't drive growth by trying to create your own LLM or claiming your CMS is "superior." Instead, your success will be in how you create distinct value from the platforms you have, how quickly you can do it, and the innovative, memorable ways in which you bring that value to life within a consumer experience.



WHERE TO START

Get back to basics—specifically, the value proposition. Focus on what sets you apart.

- Do you have unique data that others crave or can be used to drive choice for your products and services?
- How does Al fit into your broader strategy rather than becoming the strategy itself?
- Are there barriers to serving your customers that Al would make disappear without taking from your bottom line or driving your staff crazy?
- How can Al empower your customers to make better decisions rather than making decisions for them?

Because while AI can generate endless possibilities, it can't be your unique value proposition.

DEPT. TECH TRENDS 2025 BEYOND THE HYPE TREND #6 / The only advantage of AI is how you use it. Full stop.

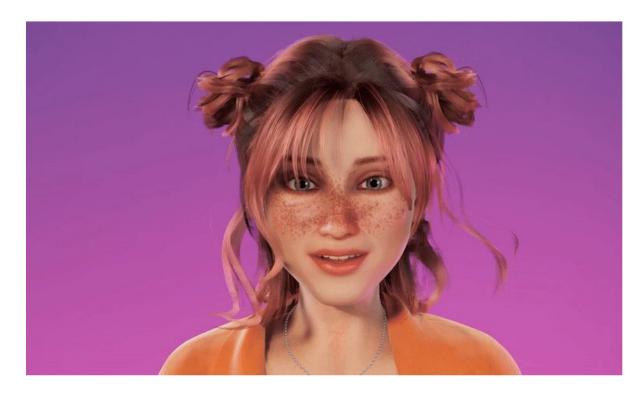
BALANCING THE SHINY ALLURE OF AI WITH THE PRACTICALITIES OF EVERYDAY LIFE

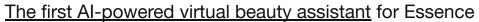
While some Al innovations seem like solutions in search of a problem, others could genuinely reshape your daily life. The key word there is *could*. **At DEPT®**, we prioritize how the future is practically applied *today*.

The potential of Al is prevalent and accelerating, but finding practical applications that solve real, immediate problems is what you need right now. Keep your eyes on the prize: understand what end users need, and don't assume everything is friction they need to be removed. As we move forward, the challenge is to balance the shiny allure of Al and new tech with the practicalities of everyday life in ways that keep tech in the background but still relevant. Where and how Al makes a difference is all about how you make the tech work for your brand and your customers—not the other way around.

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WHY DEPT®







Al-driven app for CaryHealth



Data & Al modeling for Omoda

WORKING WITH US

- A track record of supporting C-suites and teams with Al transformation
- Technology agnostic; completely independent and able to stitch together the silos in your org
- Deep expertise and flexible model; no specific workflow forced on you
- Creating custom Al models and industry-leading LLM solutions since 2013
- 4,000 people globally, 250 shareholders; every client works directly with a shareholder in the business
- The Greenhouse, our Al accelerator, generates value with agents designed for content, campaign, personalization, and commerce

PARTNERS











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