

servicenow®

2025 CUSTOMER EXPERIENCE REPORT

Australia & New Zealand

Expectation versus reality:
How AI can enhance
customer service.



Introduction

For the past four years, ServiceNow has conducted extensive research into the state of customer service, with a focus on customer experience.

What we've discovered this year is concerning: while customers' expectations continue to rise – driven in part by growing familiarity with AI and applications – their overall experience is still lacking.

This report is based on an independent survey of both customers and customer service agents across Australia and New Zealand.

Customer Survey

1,007 New Zealanders (18+)*

1,031 Australians (18+)*

Employee Survey

122 New Zealanders (18+)*

223 Australians (18+)*

*Data weighted to match latest population estimates from Stats NZ/Australian Bureau of Statistics.

In this year's report, we uncover even more about what is fuelling customer experience, going beyond customers' perspectives to examine the experience of customer service agents themselves. The findings are clear: there's a significant gap between what customers expect and what agents can deliver. This 'service gap' is being driven by disjointed systems, staff shortages, and mounting workloads.

Our research reveals customer service agents spend only **one day in a typical work week actively resolving customer issues**. Most of their time is consumed by navigating inefficient systems or completing administrative tasks. For brands, this inefficiency comes at a steep cost: customers are increasingly likely to move to competitors when faced with slow or poor service.

The good news: This report outlines the actionable steps brands can take to close the gap between expectations and reality. ServiceNow brings deep expertise in helping organisations transform customer service.

By unifying customer data and leveraging AI to amplify service capabilities, ServiceNow empowers businesses to deliver truly seamless experiences that keep customers loyal and engaged, well into the future.

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The state of service

Providing outstanding customer service is becoming increasingly challenging across Australia and New Zealand.

While some sectors have seen faster service, overall customer experience ratings continue to decline. Hold times remain significant, repeat calls are more frequent, and consumers are becoming more price-sensitive due to cost-of-living pressures.

Service quality has become a critical factor in how customers perceive value, especially as organisations struggle to adapt to new technologies. While individuals readily embrace AI, many organisations face challenges integrating AI without adding to technological complexity or costs.

These external pressures are reshaping customer expectations, preferences, and spending behaviour, putting brand reputations at risk. A key issue revealed in this year's research is the lack of a unified customer view. This disconnect forces customers to repeat themselves as they are passed between customer service agents, leading to frustration and inefficiency.

The gap between agents' perception of resolution times and customers' actual experience highlights this problem. More than half of Australian (69%) and New Zealand (63%) customer service agents believe their organisations can resolve an average customer service issue in under 30 minutes. However, customers report that it actually takes an average of 5.2 days in Australia and 4.5 days in New Zealand to resolve an issue.

This disparity stems from siloed systems and limited visibility into the customer journey, emphasising the urgent need for improved processes and a unified solution.



Time 69% of Australian and 63% of New Zealand agents believe their organisation can resolve an average customer service issue.

30 MINS



Average time a customer says it takes to resolve an issue.

5.2 DAYS (AU)

4.5 DAYS (NZ)

The bottom line impact of this poor service is significant:

● AU / ● NZ

80%

would request a refund due to poor service.



62%

of customers from both Australia and New Zealand would leave a negative social media review following an unsatisfactory experience.

57%

of Australian and

60%

of New Zealand customers would turn away from a business that is hard to contact.



Australians spent

123 million hours

and New Zealanders

24 million hours

waiting to make a customer service complaint or resolve an issue in the last 12 months.



Discouraged employees

Our research reveals that while customer service agents in both Australia and New Zealand genuinely want to help customers and resolve issues, their ability to do so is hindered by a range of factors, including too many systems, a lack of visibility, cost-cutting, staff shortages and long hours.

The result is a significant gap between what customers expect and what agents can deliver.

One of the biggest challenges for customer service agents is the rise of 'busy work' – admin tasks, waiting for answers, and chasing information – which leaves only a fraction of their time to address customer issues.

The right system in place could streamline these tasks, allowing agents to focus on what they do best and improve overall customer satisfaction.

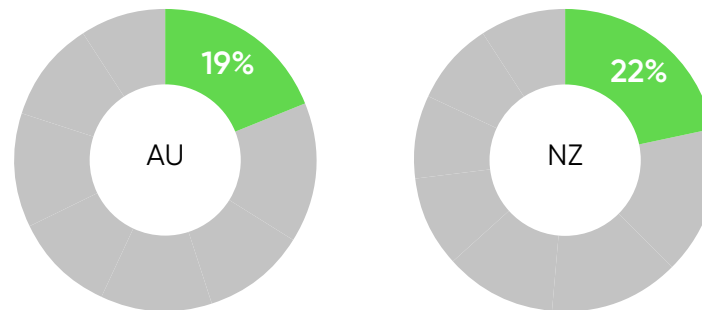
Most agents genuinely enjoy helping people and resolving challenges.

78%
70%

● 78% AU / ● 70% NZ

BUT

Customer service agents spend just 1 day of a typical work week actively resolving customer issues.



● Resolving customer issues (AU 19%, NZ 22%)

Other tasks that consume their time:

● Admin (AU 15%, NZ 16%) / Speaking to customers about promotions or perks (AU 11%, NZ 14%) / Break (AU 12%, NZ 12%) / Chasing other teams or departments for info (AU 11%, NZ 10%) / Waiting to get answers (AU 12%, NZ 9%) / Training (AU 11%, NZ 9%) / Other (AU 9%, NZ 9%)

Workloads and expectations are increasing.



Nearly half (● 45% AU / ● 49% NZ) of customers still prefer speaking to a real person over automated systems, placing even more pressure on customer service agents to deliver consistent, informed, and personalised support. **However, the majority of customers are open to speaking with AI Agents if the quality of service received is similar to speaking with a human agent.**

Why is this still happening?

Companies continue to invest heavily in customer service systems to meet rising customer expectations and deliver better experiences.

However, when departments adopt systems independently without a unified strategy, silos quickly emerge, preventing organisations from realising the full value of these investments.

Instead of elevating the customer experience, this fragmented approach to supporting technologies creates disconnected systems, inefficient processes, and frustrated teams.

Less than a quarter of organisations have integrated systems.

AU 23%
NZ 21%



Agents need to login to multiple systems to answer a customer query.

AU 2.4
NZ 2.5

Some agents rely on over 5 systems per customer interaction.

AU 8%
NZ 10%



Customer service agents are often left struggling to access the right information at the right time, forced to navigate incomplete data and disjointed systems.

The result? Delays, inconsistent customer interactions, and a widening gap between what customers expect and what they experience.

To close the gap, companies need to shift from fragmented systems to a connected, unified strategy. When customer service agents have real-time access to accurate, consolidated information, they can resolve issues faster and provide a seamless, high-quality experience that customers expect.

Empowering the frontline with AI



As customer service evolves, empowering agents with the right systems and technologies is more important than ever.

AI is at the forefront of this transformation, enhancing human capabilities and enabling teams to work smarter – not harder.

Predictive recommendations, case classification, and AI Agents help reduce repetitive tasks, allowing employees to focus on meaningful, high-value interactions. For customers, features like virtual agents, self-service portals, and real-time case tracking simplify finding answers, delivering faster resolutions with less frustration.

By integrating AI into their workflows, organisations can unify systems, provide real-time insights, and deliver seamless customer experiences. This combination not only improves service efficiency but also empowers customer service agents to perform at their best while ensuring customers feel valued and supported.

AI is rapidly reshaping customer service by closing the gap between customer expectations and the service they receive.

For customers, AI enables faster resolutions and greater convenience, while employees benefit from streamlined workflows that free up their time to focus on more complex issues.

Customers

● AU / ● NZ



53% 54%

Over half (53% AU, 54% NZ) are already **accustomed to using AI** in everyday life.



76% 74%

76% of customers (AU) and 74% (NZ) say **AI's greatest benefit is after-hours service**.



63% 61%

63% of customers (AU) and 61% (NZ) **prefer self-service** as a first option.



Agents

● AU / ● NZ



29% 24%

Around a quarter of agents (29% AU, 24% NZ) say **AI gives them more time** to help customers.



22% 27%

22% (AU) and 27% (NZ) of agents believe **AI could help them do a better job**.



AU 12%
NZ 13%

Yet many organisations have barely started harnessing the potential of AI to improve customer service outcomes. **Just 12% (AU) and 13% (NZ) of organisations currently use AI for customer service.**

CONNECT EVERY CORNER OF YOUR BUSINESS WITH AI

In a customer-focused organisation, AI is only as powerful as the platform it's built into. While disconnected, siloed systems often fragment customer journeys and limit visibility, the ServiceNow platform provides a unified solution that brings systems together.

It connects disparate silos, providing a "single pane of glass" that unifies data, processes, and systems across the entire organisation, delivering consistent, connected customer experiences.

"Enterprises need to have one platform, powered by AI, that runs everything and sits above the complex architecture of workflows and systems like a clear pane of glass."

— Bill McDermott, ServiceNow CEO



PUT ✨ AI AGENTS TO WORK FOR PEOPLE

AI Agents are the next big leap in AI.

They can think, learn, solve problems and make decisions autonomously – working on behalf of your teams, elevating their productivity and potential.

Only the ServiceNow platform puts the power of AI agents to work across every corner of your business. Imagine a team of ServiceNow AI Agents proactively solving challenges for your customers.

These AI agents collaborate, learn from each other and continuously improve, handling the busy work so your teams can focus on what truly matters. They boost productivity for employees, enrich customer experiences, and make work better for everyone.



Turning bold AI thinking into business transformation



Global telecommunications leader, **BT Group**, partnered with ServiceNow to transform and innovate while strengthening the trust that defines its brand.

Using the power of the ServiceNow Platform and AI, BT can intelligently analyse and route incoming requests, predict and prevent outages before they happen, cut resolution times, reduce admin tasks, and radically simplify the way they work.

In the age of AI, ServiceNow is giving BT the platform it needs for real transformation.

[Read the full story](#)

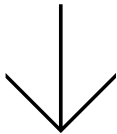
Results

125
1

**service management
platforms**

**integrated on
unified platform**

4.7hrs



1min

Resolution times cut
from 4.7 hours to
less than a minute



55%

reduction in time
spent on paperwork
for complex cases



Getting started

This 2025 Customer Experience Report highlights a critical need:

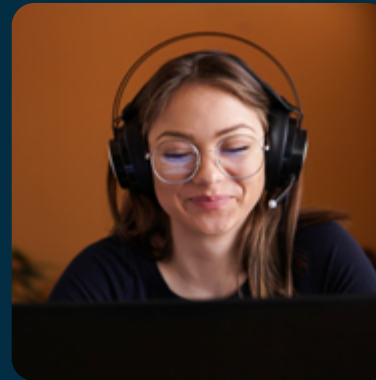
Organisations must address the widening gap between customer expectations and experiences.

As customer demands grow, businesses can no longer rely on outdated strategies like simply adding more staff to solve productivity and service challenges. Instead, success lies in adopting a fully integrated AI-powered platform like ServiceNow, which breaks down silos, empowers both customers and employees, and improves operational efficiency – reducing overall time to value.

To ensure AI drives real value in 2025, organisations must focus on:



Providing comprehensive education to employees and customers to ensure they understand and maximise the potential of AI.



Equipping customer service agents with AI-driven features that streamline workflows and enhance productivity, enabling faster issue resolution and higher-value customer interactions.



Transforming the customer experience with intuitive self-service options like virtual agents and real-time case tracking, empowering customers to resolve issues independently and efficiently.

CLOSING THE SERVICE GAP



ServiceNow (NYSE: NOW) is putting AI to work for people. We move with the pace of innovation to help customers transform organisations across every industry while upholding a trustworthy, human-centred approach to deploying our products and services at scale. Our AI platform for business transformation connects people, processes, data, and devices to increase productivity and maximise business outcomes.

For more information, visit: www.servicenow.com.

ServiceNow is the AI platform for business transformation, bringing data + AI + workflow automation to every corner of your business.

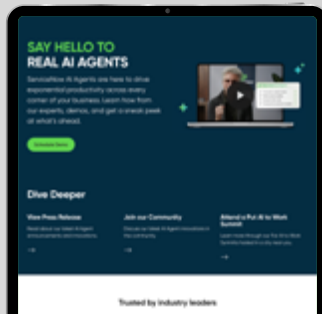
Reinvent customer service using AI to accelerate self-service, boost responsiveness, and reduce resolution time.

Let's put AI to work together.

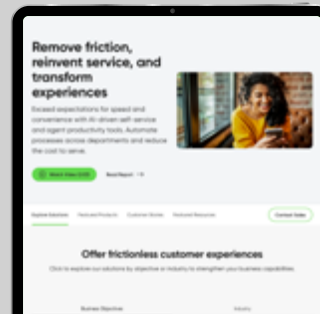
[Get in touch](#) with our ServiceNow experts today.

For a deeper exploration of ServiceNow solutions, we recommend the following resources:

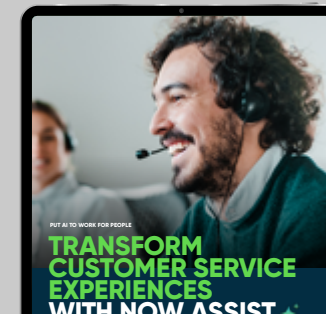
Explore AI Agents



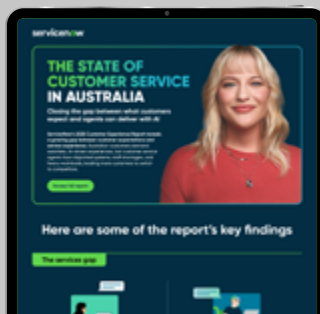
Explore Solutions



Read Guide



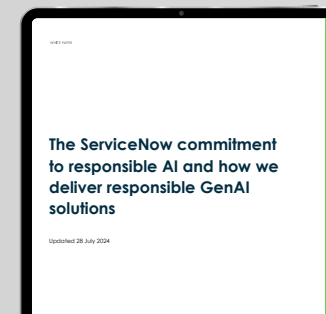
Read AU Report Recap



Read NZ Report Recap



Read White Paper



Report methodology

NEW ZEALAND

Customer Survey

Involved a 30-question online survey of 1,007 New Zealanders aged 18+.

The survey was distributed throughout New Zealand, including both capital city and non-capital city areas. The data collected was then weighted to match the latest population estimates from Stats NZ.

The fieldwork for this study took place from 1 November to 11 November, 2024.

Employee Survey

Involved a survey of 122 New Zealander customer service agents aged 18+, who were members of a permission-based panel.

The survey was distributed throughout New Zealand including both capital city and non-capital city areas. The data collected was weighted to match the latest population estimates sourced from Stats NZ.

The fieldwork for this study took place from 1 November to 19 November 2024.

AUSTRALIA

Customer Survey

Involved a 30-question online survey among 1,031 Australians aged 18+.

The survey was distributed throughout Australia, including both capital city and non-capital city areas. The data collected was then weighted to match the latest population estimates from the Australian Bureau of Statistics.

The fieldwork for this study took place from 1 November to 11 November, 2024.

Employee Survey

Involved a survey of 223 Australian customer service agents aged 18+.

The survey was distributed throughout Australia including both capital city and non-capital city areas. The data collected was then weighted to match the latest population estimates from the Australian Bureau of Statistics.

The fieldwork for this study took place from 1 November to 19 November 2024.