

48% of Indian Customers Cite Lack of Empathy in CX, But Only 19% of Leaders Address It with AI

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Mumbai, 15 April 2026: India's business leaders are backing AI with boardroom conviction, but their customers are not feeling it yet. That is the central finding of ServiceNow's **Customer Experience Report 2026, The CX Shift**, which captures perspectives from customers, service representatives, and leaders across India. Business leaders are increasingly prioritizing AI in customer experience, yet a striking gap has emerged between where organisations are investing and what customers actually need — presenting both a challenge and a defining opportunity for 2026

The Ambition Is Real. The Execution Is Not

Indian leaders are backing their intent with investment; 60% say their organisation will take a connected enterprise approach to deliver next-level customer experiences over the next three years, 81% will consolidate customer data into a single view, and 69% plan to optimise unified omnichannel CRM engagement across sales and service. Yet the research reveals a more nuanced picture, one where the direction of investment matters as much as the scale of it.

"The ambition in Indian boardrooms is real — I see it in every conversation. Leaders want to move fast on AI, and the investment intent is there. But ambition without a connected foundation is just noise that customers eventually stop listening to. The organisations that will pull ahead are not the ones evaluating the most platforms. They are the ones that stopped evaluating and started building," said Sumeet Mathur, Senior Vice President and Managing Director, ServiceNow India.

Leaders Are Solving the Wrong Problem

The perception gap between Indian business leaders and their customers is striking. While 53% of Indian customers

cite unclear explanations about processes and policies as a top frustration, only 22% of business leaders recognise this as a significant challenge. Similarly, 48% of customers name a lack of empathy as a key pain point, yet only 19% of leaders view it as a priority concern.

The misalignment extends to being transferred between departments, with 45% of customers frustrated by this experience, compared to just 23% of leaders who acknowledge it as a problem. On the need to repeat information to agents, 37% of customers are frustrated versus 25% of leaders who agree. These perception gaps are consequential. They cause organisations to build solutions for the wrong problems, leaving customers' most significant pain points unaddressed.

Siloed Systems Are Blocking AI's True Potential

The structural root of the problem is fragmentation and it is showing up in the customer experience directly. Customers are frustrated by being transferred between departments and having to repeat their information at every interaction. This reflects a deeper underlying failure: organisations that have not yet connected their people, data, and processes into a coherent foundation for AI to work on.

The numbers tell that story clearly. Only 38% of Indian organisations have integrated data into a single source of truth. Just 34% are breaking down barriers for seamless AI integration across departments. And only 31% have optimised their CRM for cross-functional collaboration that consistent service actually requires.

Sumeet Mathur further adds; "Speed is the entry ticket, not the prize. Our research shows Indian customers will leave over slow service — but they will also leave over service that is fast and still feels like it doesn't understand them. Leaders are building for the first problem. The second one is where the loyalty gap actually lives, and right now only 19% of organisations are making real progress there."

The Window is Narrowing

India's business leaders are not short of ambition when it comes to AI. What ServiceNow's research reveals is something more uncomfortable: the gap between intent and impact is widening — and customers are already feeling it.

The challenge many organisations face today is not a lack of options. It is the opposite. A crowded landscape of AI platforms, each making compelling promises and each requiring meaningful commitment, has created a new kind of organisational risk — the risk of waiting for certainty that may never arrive, while customers quietly make their own decisions.

The data makes the cost of inaction concrete. 44% of Indian customers say they will switch to a competitor over slow or inadequate service. 45% of business leaders themselves report high churn from poor experiences. And yet only 30% have made significant progress connecting the people, data, and processes that would allow AI to actually deliver on its promise.

The organisations that will define the next chapter of customer experience in India are not necessarily those with the most advanced AI. They are the ones that recognise the window for building a connected, empathy-first foundation is open now — and that the longer fragmented systems remain in place, the harder and more expensive it becomes to close the gap that customers are already experiencing.

The question for India's business leaders is not which AI to choose. It is whether the organisation is structured to make any AI work. That is a decision that cannot wait for the next product cycle.

Research Methodology:

To examine how AI is reshaping customer experience, ServiceNow partnered with research firm ThoughtLab to conduct a comprehensive global study spanning 18 countries and eight industries. The India edition is based on insights from 5,000 Indian consumers, 425 customer service professionals and 280 Business leaders. **Link to the Report.**

ServiceNow (NYSE: NOW) is the AI control tower for business reinvention. The ServiceNow AI Platform integrates with any cloud, any model, and any data source to orchestrate how work flows across the enterprise. By unifying legacy systems, departmental tools, cloud applications, and AI agents, ServiceNow provides a single pane of glass that connects intelligence to execution across every corner of business. With more than 75 billion workflows running on the platform each year, ServiceNow helps organizations turn fragmented operations into coordinated, autonomous workflows that deliver measurable results. Learn how ServiceNow puts AI to work for people at www.servicenow.com.

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