

# AI helps cut 10 million hours from Australia's on-hold crisis, but our customer service problem isn't over

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Australians continue to spend 113.5 million hours on hold, despite cutting 10 million hours of wait times, as ServiceNow research shows an empathy gap persists as organisations automate without platforms that enable human connection

Sydney, Australia; 10 March 2026 – New research from ServiceNow, the AI control tower for business reinvention, has revealed that Australians are increasingly seeing artificial intelligence (AI) change the customer service experience for the better.

ServiceNow's annual **Customer Experience Report** found Australians spent 113.5 million hours on hold waiting to resolve issues in 2025, down 10 million hours from the previous year's research. Hold times are down 13% year-on-year with the average Australian spending 9.3 hours resolving issues, compared to 11.1 hours in 2024.

Yet frustrations persist with nearly half (46%) of time-poor Aussies citing slow or poor customer service as a reason to cause a switch to a competitor, with one-third (33%) requesting refunds or compensation. Human connection and empathy are increasingly important for Australians. An inability to understand their concerns is the biggest concern Aussies have about AI in customer service, with 51% concerned.

Australians are ready for AI-enabled customer service, but they're worried about the loss of empathy

The research revealed Australians want issues resolved immediately, and they are starting to see technology deliver the speed they want, with 4 in 10 saying AI is helping meet this expectation. Australians are also experiencing other benefits:

- 58% have seen the benefit of 24/7 support thanks to AI
- 46% have seen more personalised interactions
- 45% have seen reduced errors and better issue resolution

These improvements are changing how Australians want to interact with AI. The research shows three-quarters of Australians prefer to use self-service before calling a Customer Service Representative, while almost half (46%) prefer using the technology to make complaints, troubleshoot or resolve issues. Despite this, only 39% of executives currently rate AI as 'moderately important' to provide better customer experience.

Australians are also clear that they don't want AI to cause a loss of empathy, with 46% of Australians concerned AI will lead to a loss of human connection. When AI fails to understand complexity (67% say it falls short on nuanced points), when customer get stuck in repetitive, unresolved dialogues, or when handoff to humans is difficult (38% cite this as main disappointment), customers walk away.

Pete Andrew, Group Vice President for ServiceNow in Australia and New Zealand, says there's a mismatch between customers and executive leaders when it comes to AI in customer service.

"Consumers are embracing AI in every aspect of their lives. And customer service is no exception," he said. "For organisations that don't meet expectations, the risks are real. Almost half of Australian consumers say they will switch to a competitor due to poor or slow service, while many will request a refund or compensation. Ultimately, the businesses that charge ahead with AI, while ensuring empathy remains an integral part of the experience, will be the ones to see the benefits to customer satisfaction and the bottom line."

Telcos lead the charge with fastest response time

Not all industries have the same response times when it comes to issues resolution. The industries with the most work to do when it comes to resolution times are:

- Manufacturers – 6.7 days on average
- Nonprofits – 6.0 days on average
- Government Bodies – 4.2 days on average
- Banks – 3.2 days on average

The research shows that telecom companies have been the most improved industry, from the longest 'on hold' time to the fastest industry to resolve issues, taking 2.4 days on average. In 41% of cases, issues were able to be resolved in under an hour.



“Telcos are one of the industries most focused on improving and simplifying customer service. And when it comes to response times, we’re starting to see the results of that effort bear fruit,” said Mr Andrew.

#### Enabling Nexon Asia Pacific to deliver premium customer service

Nexon Asia Pacific (Nexon) deployed ServiceNow to consolidate its fragmented tools into ServiceNow AI Platform, creating a fully integrated, scalable, and secure platform. Through this consolidation and using ServiceNow to handle routine tasks, Nexon has empowered agents to focus on what matters, delivering exceptional proactive support. Already, Nexon onboards customers 98% faster, has achieved a 96% CSAT score, and seen a 12% increase in revenue growth.

“With the flexibility and scalability to adopt AI and workflows across departments, ServiceNow gives us the resilience to drive operational excellence and deliver a premium customer service,” said Saba Maroun, Chief Customer Services Officer for Nexon Asia Pacific.

AI-powered platforms like ServiceNow help leaders and organisations define what comes after the customer service tipping point, creating connected, intelligent, secure service experiences that match exactly what Australians are asking for: speed and seamless resolution.

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#### The research

This research was commissioned by ServiceNow in partnership with ThoughtLab, a leading thought leadership and economic research firm, and was conducted in accordance with ISO 20252 standards. Between September and October 2025, the study surveyed 27,250 customers, 3,515 customer service representatives, and 3,900 executives across 18 countries and eight industries to understand how AI is reshaping customer experience.

In addition to the broader global survey, ServiceNow partnered with Suzy Speaks, an AI-powered voice research platform, to conduct qualitative, AI-moderated, one-to-one conversations with consumers to capture nuanced, human insights about their experiences with AI in customer service. These interviews were conducted with 100 participants per country in the US, UK, Germany, India, Japan, Singapore, and Australia.

#### About ServiceNow

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 organisations turn fragmented operations into coordinated, autonomous workflows that deliver measurable results. Learn how ServiceNow puts AI to work for people at [www.servicenow.com](http://www.servicenow.com).

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