

AI to bridge India's customer service gap as 80% of consumers rely on chatbots for key services

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82% customers surveyed expressed the new AI tools have increased their expectations of customer service

India, March 25, 2025: **ServiceNow**, the AI platform for business transformation, announced new research today revealing that 80% of Indian consumers now use AI chatbots to check status of issues/complaints, recommending products and accessing self-help guides, with five out of six individuals actively utilizing AI tools to resolve queries and make informed decisions.

Despite AI's growing role in daily life, its time saving capabilities are not helping reduce customer service wait times, with Indian consumers spending 15 billion hours waiting on hold in the past year according to the **ServiceNow Customer Experience Report**.

AI adoption and consumer trust surge in India

The report finds that AI is now deeply embedded in the daily lives of Indian consumers. 84% rely on AI for shopping recommendations, 82% for food & dining suggestions, and nearly four in five (78%) use AI chatbots check investment options, signalling a shift towards AI-powered financial decision-making.

This shift presents a clear opportunity for businesses to harness AI for faster, more transparent, and efficient customer service. However, the ServiceNow research shows that businesses spend an average of **less than one day per week** actually resolving customer issues, spending the other four days on chasing and waiting on teams' responses, administrative tasks, promotional offers, training and breaks. Customer agents are held back as most of these tasks can be resolved faster via deployment of modern AI solutions.

Sumeet Mathur, Senior Vice President & Managing Director, ServiceNow India, said “India is set to become the world’s third-largest consumer market that presents huge opportunities for businesses. **82% customers expressed that the new AI tools have increased their expectations of customer service** suggesting consumer readiness for AI-led customer service. Businesses willing to transform to fill the customer service gap and meet rising demands for speed, personalization, and efficiency have a critical choice to make - embrace AI-driven efficiency or risk losing customer loyalty.”

The cost of slow service: 89% of consumers will switch brands

The price of slow service in India is brand loyalty. The report further reveals that **89% of Indian consumers are willing to switch brands due to slow or inefficient service**, making speed and efficiency critical for brand loyalty. **84% of consumers would leave a negative review** online or on social media due to poor service experiences.

However, customer service agents estimate that **a simple issue takes only 30 minutes to resolve**, but consumers perceive the process takes an average of 3.8 days, indicating a major disconnect caused by fragmented systems and inefficiencies.

The rule of ‘3’ to manage customer expectations

The top three demands from customers:

49% want faster resolutions,

48% want better and qualified customer agents

46% demand less time on hold

While Indian customers experienced a modest 5% drop on waiting times compared to the previous year, their patience is wearing thin with 39% still waiting on hold, in a queue, 36% frustrated from being transferred to multiple people/departments and 34% think organisations makes it intentionally difficult for them to register their complaints.

Are CS agents ready to embrace AI for efficiency and retain customers?

ServiceNow’s latest Customer Experience Research surveyed over 200 customer service agents based in India and the results found that administrative burdens and disconnected systems are hindering their ability to resolve issues quickly, less than a day (16%) of the **workweek** on resolutions.

The need for AI integration to improve efficiency and service quality is clear and the research shows that customer service agents are ready to embrace it with:

52% believing AI will enhance their role by freeing up time for problem-solving and customer care

48% seeing AI as a tool to reduce workload,

42% believing it will expand their role and offer growth

AI as a competitive advantage

Enterprises stand at the threshold of a new era, where AI-human collaboration drives unprecedented efficiency. Agentic AI is set to be a force multiplier, accelerating productivity, cost savings, and customer retention.

Sumeet Mathur further adds "AI is transforming customer service by empowering agents like never before. Today, 52% of agents believe AI will enhance their roles by freeing up time for meaningful problem-solving and customer care presently. Additionally, 42% recognize its potential to expand their roles and unlock new growth opportunities in the future."

The ServiceNow Platform serves as the AI agent control tower that elevates the way organizations operate, transforming groups of AI agents into a symphony working toward a common goal. The AI Agent Orchestrator enables seamless inter-agent communication and coordination, helping to ensure efficient information sharing and task handoffs across complex workflows. As AI continues to reshape business operations, enterprises that embrace this shift will lead the next era of customer experience.

Report methodology

Customer Survey

In accordance with the ISO 20252 standard, this research involved a survey of 5,000 Indians aged 18+. Surveys were distributed throughout India including both capital city and non-capital city areas. The survey was conducted online amongst members of a permission-based panel, between 1 November and 15 November 2024. After interviewing, data was weighted to the latest population estimates sourced from the Ministry of Statistics and Programme Implementation.

Employee Survey

In accordance with the ISO 20252 standard, this research involved a survey of 204 Indian customer service agents aged 18+. Surveys were distributed throughout India including both capital city and non-capital city areas. The survey was conducted online amongst members of a permission-based panel, between 1 November and 20

November 2024. After interviewing, data was weighted to the latest population estimates sourced from the Ministry of Statistics and Programme Implementation.

About ServiceNow

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