

Australian wait times soar to 123 million hours on hold

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Almost 8 in 10 Aussies consider taking business elsewhere after the average person spent 11.1 hours on hold in 2024.

Sydney, Australia – 2025 – New research from ServiceNow, the AI platform for business transformation, has revealed the Australian customer service sector is crumbling with time on hold increasing for a fourth straight year.

The ServiceNow Customer Experience Report found Australians spent 123 million hours (11.1 hours per person) waiting to make a customer service complaint or resolve an issue in 2024, an increase of almost two million hours year on year.

This increase has occurred despite the number of Aussies contacting customer service teams declining by 5% year-over-year, suggesting customer service teams are at breaking point.

Cost-of-living putting pressure on patience; businesses paying the price

With time on hold increasing by 20% since 2021*, the nation's patience is wearing thin, and businesses are paying the price.

Turbulent economic conditions are influencing consumer behaviour, with:

- 80% of Australians expecting refunds or compensation when faced with slow service
- 93% changing their spending behaviour as a result of cost-of-living impacts
- 79% of consumers stating they will take their business elsewhere if they receive poor or slow service.

Simon Bowker, Vice-President, Customer Service and CRM at ServiceNow, says customers are frustrated and are prepared to vote with their feet:

“Customer service performance continues to decline, despite customers crying out for improvements,” he says.

“Australians are disgruntled and frustrations will see businesses’ bottom line impacted. In a cost-of-living crisis where spending is already under-pressure, this is the last thing businesses can afford.”

“The good news is that recent developments in AI mean that companies now have additional tools to give customers exactly what they need, when they need it. Aussie leaders need to wake up to the fact you can’t throw people at the problem – otherwise they’re short-changing their teams, their organisations, and their customers.

Any organisation not looking at AI to improve service speed and quality will fall behind and lose customers at a time when they can least afford it.”

Transport leads the charge with fastest service

Industries with the most work to do when it comes to “on-hold time” are:

- Telecommunications – 1.8 hours
- Government – 1.6 hrs
- Financial services – 1.5 hrs
- Healthcare – 1.3 hrs
- Retail – 1.3h

Transport is the best performing industry, taking Aussies just 1 hour on average.

No industry made improvements compared to the year prior, with wait times for healthcare increasing by 30 minutes per person, more than any other sector.

“It’s concerning that on average, no industry is doing well. What’s worse, is that for most people, they’re spending time on hold during work hours, as that’s when most customer service teams are available,” say Mr Bowker.

Mr Bowker continued: “Retail and telecommunications are the most contacted sectors, with 64% of people spending time contacting their service teams. However, the retail industry has been quicker to adopt the right tools and tech to cope with high-volumes, with customers spending 30 mins less time trying to resolve an issue compared to telcos. Customers want speed, so it’s no surprise the slowest – telcos and government – are rated worst.”

Hack for faster service: use AI-powered online channels

When making a complaint, Australians are reaching for traditional contact methods like phone and email that are slower than AI-enabled digital channels. Phone contact was one of the most popular tools in 2024, yet it takes the longest to reach a resolution. Average wait times:

- Phone – 2.6 hours per person
- email - 2.4h
- online chat – 1.5h
- brand apps – 1.4h
- social media – 1.4h

Mr Bowker said: “People tend to pick-up the phone but they’re often wasting their time. Simple issues can now be resolved with self-service online. For complex issues that require speaking to someone – it’s always quicker to try AI-powered options like chatbots, a company’s app, or social media.”

AI in Customer Service

As patience wears thin, and with customer loyalty on the line, the research reveals an increased appetite for AI-powered tools.

Three quarters of people believe AI will help with after-hours service (76%) while 3 in 5 (59%) think it will improve speed and efficiency.

“Speed and simple systems are the top priorities for Australians,” says Mr Bowker.

“We predict this year will be a turning point and that next year customer service times will finally improve as more companies adopt AI.”

“We’ve seen huge demand for AI, but many organisations are using it for internal teams before rolling it out to customers. and seeing significant results.”

ServiceNow customer Orica, an ASX100 mining services company, saw resolution times for service requests reduce by a whole day after introducing AI. Now just one in 20 requests require human intervention. Before AI, it was one in five.

Methodology

The research was commissioned by ServiceNow and Weber Shandwick and was conducted by Lonergan Research in accordance with the ISO 20252 standard. Lonergan Research surveyed 1,031 Australians 18+. Surveys were

distributed throughout Australia 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 11 November 2024. After interviewing, data was weighted to the latest population estimates sourced from the Australian Bureau of Statistics

*2022 data did not include social media as a measurement of time spent on hold.

About ServiceNow

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 centered 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**.

About Lonergan

Lonergan Research is an independent strategic research consultancy, founded in 2009, that combines a wide range of disciplines and approaches to solve complex business challenges. Lonergan interprets data holistically, believing that the value of research lies in insights. Its work encompasses qualitative, quantitative, big data/data science, fieldwork and mystery shopping.