NEWS RELEASE

Customer Service research: A nation stuck on hold? Australians forced to waste 107 million hours on hold in 2023

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Wait times have increased for the third year running – we spent more than 107 million hours on hold, up 11% from last year (96.5 million hours).

Sydney, Australia – February 13, 2024 – Australians spent more than 107 million hours on hold to make a service complaint or resolve an issue in 2023, 11% higher than last year, according to the **2024 Australian Customer Experience Intelligence Report** by ServiceNow, the digital workflow company.

This isn't just frustrating; it's hurting the economy. The time spent on hold during work hours last year equates to ~$1.28 billion in lost productivity.

The study of over 1,000 Australians, conducted by Lonergan Research, reveals patience with bad service is forcing a 'brand switch', with 94% expecting to change their spending behaviour in 2024 as cost-of-living pressures bite.

Why are Aussies looking to switch brands?

Four in five (82%) Australians say that because costs are going up, they have less patience with bad service (an increase from 72% last year).

Three in five Australians (60%) will buy and spend less or search for better offers (55%) in response to pressures from rising costs and poor service.

When service goes wrong, Australians are also giving organisations less time to get things right, with 59% saying they will take business elsewhere after waiting only two to three days to have their issues resolved.

However, it's taking businesses one work week (5.1 days) on average to resolve customer issues.

"81% of Australians are being forced to waste time sitting on hold to customer service during work hours, because 24/7 service support is not a widespread reality in 2024. This is hurting people, brands and employers," said Simon Bowker, Head of Customer Workflow Solutions for APAC at ServiceNow.

What does good service look like in 2024?

Australians are demanding more access to customer service support whenever they need it. Respondents ranked speed, empathy and access to service as the most important qualities. At the top of the list was resolving issues quickly (66%), followed by getting through to someone quickly (58%), and dealing with one person (56%).

"Customers are being saddled with higher costs and are therefore demanding better customer experiences. They're frustrated because as a nation we're stuck on hold. As the cost of living continues to rise in 2024, fed-up Australians are giving brands less leeway when it comes to resolving complaints," said Bowker.

Industries leading the way

In this year's study, retail goods and services took the title for 'best for customer service' and financial services had the biggest positive jump, with 31% rating its customer service as good in 2023 (up from 24% in 2022).

The industries with the highest volume of complaints were retail (62%), utilities (61%) and financial services (60%).

The grocery and supermarket industry has the best average customer service ranking (6.7/10), with two in five (41%) ranking it good and government had the lowest average customer service ranking (5.4/10) with only 18% ranking its customer service good.

"Businesses know they cannot afford service delays or worse to not deliver on the customer promise. It's an incredible result for a high-volume service industry like retail to rank 'best for customer service', while also addressing the highest number of complaints in 2023. It proves that the investments made in customer service support via apps and chatbots are improving experiences for Australians," said Bowker.

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Media contact

For further information, please contact **servicenowanz@webershandwick.com.au**.

Research Methodology

2023 – The research was commissioned by ServiceNow and conducted by Lonergan Research in accordance with the ISO 20252 standard. Lonergan Research surveyed 1,037 Australians aged 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 24 November and 30 November 2023. After interviewing, data was weighted to the latest population estimates sourced from the Australian Bureau of Statistics.

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