

# New Zealand spent 24 million hours on hold in 2024

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Disconnect as Kiwis wait an average of four days to have issues fixed, while customer service teams say they resolve complaints in 30 minutes.

Auckland, New Zealand – 2025 – New research from ServiceNow, the AI platform for business transformation, reveals New Zealanders spent 24 million hours (9.7 hours per person) waiting to make a complaint or resolve an issue in 2024.

The ServiceNow Customer Experience Report reveals one reason behind lengthy wait times is customer service employees are only spending one day (22%) in a typical five-day working week fixing customer issues, with their remaining time on tasks like admin (16%), chasing other departments for information (10%) or waiting for answers (9%).

The report shows wait times have improved slightly, down -5% from 25.1m hours last year. This is partly explained by fewer people contacting customer service (down -2%) and more people using digital channels, like online chat (+4%), brand apps (+13%) and social media (+8%), which are on average 75% faster than phone or email\*.

Kate Tulp, New Zealand Country Manager, ServiceNow says:

“For the first time, we’re seeing signs that some organisations are addressing our nation’s customer service problem, by helping teams with the right tech to solve issues fast. In a cost-of-living crisis where 96% of people are changing behaviour like cutting back on spending, customers will vote with their feet and turn their backs on poor service”

In comparison, Australia's customer service wait times have increased for the fourth straight year, to 123 million hours (11.1 hours per person).

#### Service disconnect

The research reveals a significant disconnect between the service businesses think they are delivering and what customers experience:

- Customers say they wait more than 4 days on average for issues to be fixed
- Yet the majority (56%) of customer service employees claim its less than 30 minutes to resolve simple complaints
- 62% customer service employees say complex issues are solved in under 2 hours

Ms Tulp says: "It's great to see that technological solutions appear to be improving issue resolution times for New Zealanders, and they are saving an extra two hours each compared to the Aussies. Kiwis are making the move to digital channels, and businesses are waking up to the problem by using technology to resolve issues without human intervention."

Ms Tulp continues: "Despite the small improvement, business leaders shouldn't be high fiving themselves. Wait times may be down 5% year on year, but they're still up significantly on 2023. Worse, your teams think they are fixing things quickly, but your customers disagree. This shows how disconnected organisations are, which leads to significant delays customer service teams are often not aware of."

#### Customer service fast-track

When making a complaint, Kiwis are reaching for contact methods that are slower than AI-powered options, with phone the most popular despite being one of the slowest.

- Email takes 2.8 hours on average to reach a resolution
- Phone takes 2.5h
- Social media 1.6h
- Brand apps 1.5h
- Online chat bots 1.4h

#### Industry breakdown

Nearly every sector struggled with long wait times:

- The Financial Services Industry and Government fared worst, taking 1.7 hours on hold
  - Government had a spike in wait times, climbing by 30 minutes per person.

- Telecommunications (1.6 hours)
- Retail (1.4 hours).
- Household and Utilities (1.3h), the most improved year on year
- Transport was the best performing (1h)

Organisational roadblocks causing delays and employee stress

Employees face significant roadblocks to solving customer issues:

- One third of employees (32%) say delays in receiving responses or support from other teams is an issue
- 31% are slowed down by having to explain the same issue to different departments.
- Just one in five (21%) saying their organisations systems – from CRM to billing, delivery and logistics – are integrated and working together easily

Ms Tulp says: “Any leader should be asking themselves – why are we paying our customer service teams to spend four days in five on internal systems? AI can become the brains of your organisation so your team can focus on what they’re supposed to – helping customers!”

These roadblocks are taking a toll on employee wellbeing:

- 1 in 2 (52%) say angry customers are the most challenging part of their role
- 41% struggle with customers who are emotional or upset
- Nearly a quarter say they need more training (23%)
- 1 in 5 says they need more supportive management (22%) and better mental health support (20%) to manage their current role

Fixing the issues

The research reveals an increased appetite for brands to roll out AI-powered tools to support customer demands.

- Three quarters of consumers believe AI will help with after-hours service (74%)
- 3 in 5 (59%) think AI will improve speed and efficiency
- Yet just 13% of customer service employees say their organisation has an AI chatbot or tool available to assist their work

Kate Tulp says: “Organisations need to act now before customers leave. More than 4 in 5 of us will ask for a refund or switch to a competitor for slow service. With brand loyalty on edge, the answer is simple: provide a fast and simple customer journey. AI is the answer to our nation’s customer service problems: it will help people get what they need, when they need it.”

\*Phone contact takes 2.5 hours on average to reach a resolution, email takes 2.8. Online chat bots, brand apps and

social media take 1.4h, 1.5h, and 1.6h respectively.

#### Case study – Southern Cross Health insurance adopts AI to improve service

New Zealand's largest private health insurer, Southern Cross Insurance, has deployed an AI-powered conversational chatbot with ServiceNow to help its team resolve common requests.

"We now have a 24/7 service desk where employees can easily find what they need anytime and have deflected hundreds of calls since we went live," says James French, Principal Lead – Platform Experiences at Southern Cross Health Insurance.

"Users can now track the status and resolve issues quickly. Even when there is a delay, they know why and how they can follow up. This improved our user satisfaction rating to 99.3% last year, up from 70%," continues James.

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#### Employee Research Methodology:

The research was commissioned by Service Now and Weber Shandwick and was conducted by Lonergan Research in accordance with the ISO 20252 standard. Lonergan Research surveyed 122 New Zealander Customer Service Employees 18+. Surveys were distributed throughout New Zealand 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 19 November 2024. After interviewing, data was weighted to the latest population estimates sourced from Stats NZ.

#### Consumer Research Methodology:

The research was commissioned by Service Now and Weber Shandwick and was conducted by Lonergan Research in accordance with the ISO 20252 standard. Lonergan Research surveyed 1,007 New Zealanders 18+. Surveys were distributed throughout New Zealand including both capital city and non-capital city areas. The surveys were conducted online amongst members of a permission-based panel, between 1 November and 11 December 2023. After interviewing, data was weighted to the latest population estimates sourced from Stats NZ.

#### 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:

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