

# ServiceNow research shows changing consumer brand loyalty in Brazil and Mexico, reveals increasing expectations for AI-powered customer service

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- 87% of Brazilian and Mexican consumers are less loyal to brands than they were two years ago
- Majority of consumers (87%) consider a good chatbot service important when engaging with a company
- More than one-third of consumers expect fully autonomous, AI-powered customer service by 2025

São Paulo and Mexico City – April 10, 2024 – **ServiceNow** (NYSE: NOW), the leading digital workflow company making the world work better for everyone, today released the **ServiceNow Consumer Voice Report 2024**, which reveals a staggering 87% of consumers surveyed in Brazil and Mexico are less loyal to brands than they were two years ago. Key insights highlight consumers' expectations for more AI-powered customer service, emphasizing the need for businesses to enact changes to drive customer retention.

Poor customer experiences are estimated to cost organizations **\$3.7 trillion** annually worldwide. Amidst increasing customer service expectations, 39% of Brazilian and Mexican consumers attribute their decreased brand loyalty to more competition amongst brands, products, and services, while 21% cite disappointing experiences with companies. Consumers want to purchase from companies that seamlessly combine the personalized human element with the convenience of technology. Personal data security (88%), agents' ability to resolve issues easily (87%), and quick, real-time customer support (80%) are deemed very important by consumers when engaging with a company. The report highlights the potential for AI to play a critical role in helping companies address these

evolving customer expectations and maintain relevance.

“Latin American consumers are quickly and dramatically changing their expectations and loyalties,” said Katia Ortiz, vice president of ServiceNow Latin America. “More than ever, they want a personal experience but at the same time they want it as quickly and seamlessly as possible. I’m confident that brands that invest in digital transformation and AI to elevate experiences for both consumers and customer support agents will be better set up to build lasting customer relationships in an increasingly competitive market.”

### Balancing AI and Human Connection

The report shows that consumers are increasingly more receptive to using AI in customer service – as long as it leaves some room for human interaction. By strategically integrating AI with human expertise and personal interactions, businesses can offer a seamless and powerful customer experience.

- Humans are best suited to solve complex problems. When looking to solve a complex issue or troubleshoot, more than half (59%) of consumers will prioritize turning to customer service agents, whether by phone, chat, or in-person.
- Consumers want to self-serve. Most Brazilians (77%) want a company to offer self-service options whereas only 59% of Mexicans deem it important. Consumers in both countries especially want to self-serve when looking for general information, preferring to reference social media (30%), an intelligent search engine (28%) and self-help guides (27%).
- Chatbots are a must when interacting with brands. Having a good chatbot service is deemed important by 87% of Brazilian and Mexican consumers, with 61% considering it a top priority. Some (11%) even prefer to use chatbots for all their needs. But, while 72% of Brazilians deem a good chatbot service to be highly important, only half (50%) of Mexicans do. When thinking about their recent interactions with chatbots, 59% of consumers considered it a satisfactory experience.
- Younger generations want AI-powered personalization. 90% of people between the ages of 18-34 want a company to know their purchasing habits and offer tailored recommendations.

### Customer Service Needs to be Secure, Fast, and Flexible

There is increasing demand for personal data security, fast resolution times, and quick, real-time customer support. In good news for businesses, AI can help bring these otherwise expensive asks closer to reality. ServiceNow has found that its own customer service agents are closing incidents in half the time (from 6 minutes to 3 minutes) thanks to GenAI-powered case resolution notes, enabling personalized, quick, and effective support to help drive higher levels of customer satisfaction and loyalty.

- Customer data must be protected. A resounding 88% of consumers in both countries deem a high level of security for personal data very important. Yet, 84% of people between the ages of 18-34 place importance on companies using their personal information to improve customer service.
- Fast and effective interactions are non-negotiables. Customer service response times (97%) and the ability for customer service agents to easily resolve issues (97%) are of key importance for consumers.
- For Brazilians, choice is paramount. Across the board, Brazilians place higher importance on customer service experiences and offerings. While 80% of Brazilian consumers say a choice of engagement method (e.g. online vs. in-person, chatbot vs. human) is very important, only 57% of Mexican consumers say the same.
- Industry rankings: consumer tech prevails, government services trail. Brazilians and Mexicans have the best customer service experience with consumer technology companies (48%). Retail follows closely at 35% while financial technology (9%) and government services (7%) have the most room to improve.

## The Future of Customer Service

Looking ahead to the future of customer service, Brazilian and Mexican consumers expect to see more AI-powered experiences, despite some hesitancy to use it. It will be key for businesses to strategically integrate AI tools with human expertise to ensure personalization is not lost.

- Mexican consumers have higher AI expectations than Brazilians for the near future. By 2025, 52% of Mexican consumers want to see AI-driven, personalized product recommendations (vs. 41% of Brazilians) and 39% of Mexicans want completely autonomous, AI-driven customer service (vs. 31% of Brazilians). Additionally, 53% of Mexicans want to see complaints managed via smart assistants (e.g., Amazon Alexa) while only 40% of Brazilians want this.
- Consumers fear a loss of personalization. For those that are hesitant to engage with a company using AI, leading reasons are due to wanting a genuine rather than formulaic response (24%) and disliking the lack of personalization (24%).
- Demand for always-on customer service. 55% of consumers expect all brands to offer full 24/7 customer service by 2025.

For more information about the ServiceNow Consumer Voice Report 2024: Tackling the brand loyalty crisis, please visit [here](#).

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## Methodology

The study was commissioned by ServiceNow, the leading digital workflow company, and conducted by Opinium in January 2024. The sample was made up of 1,000 Nat Rep adults in Mexico and 1,000 Nat Rep adults in Brazil.

## About ServiceNow

ServiceNow (NYSE: NOW) makes the world work better for everyone. Our cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow. So employees and customers can be more connected, more innovative, and more agile. And we can all create the future we imagine. The world works with ServiceNow™. For more information, visit: [www.servicenow.com](http://www.servicenow.com).

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