

ServiceNow research shows changing consumer brand loyalty in Canada, reveals potential for AI-powered customer service

2024-04-10

- 74% of Canadians are less loyal to brands than they were two years ago
- Majority (92%) want quick, real-time support and more than half (53%) want 24/7 customer service by 2025
- 85% want flexibility to choose how they interact with a brand's customer service

TORONTO – 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 74% of Canadians surveyed are less loyal to brands than they were two years ago, emphasizing the need for businesses to enact changes to drive customer retention. Key insights emphasize Canadians' desire for improved customer service experiences including quick, real-time customer support, choice of engagement method, and personalized interactions, highlighting the potential for AI-powered customer service.

Poor customer experiences are estimated to cost organizations **\$3.7 trillion** annually worldwide. To sustain market share and relevance, brands must meet customers' evolving preferences. Canadians want to purchase from companies that offer a seamless experience that combines the personalized human element with the convenience and speed of technology. The report shows nearly all Canadians (92%) want quick, real-time support, with more than half (53%) wanting 24/7 customer service by 2025. But despite immediacy and availability being a top priority, Canadians today are spending a significant amount of time with customer service. The report highlights the

potential for AI to play a critical role in improving service delivery, addressing customer frustrations over prolonged call times, and meeting the demand for always-on customer service.

“In a competitive market, businesses must deliver standout service to capture and maintain customer attention. Seamless experiences are paramount,” says Chris Ellison, vice president and general manager, ServiceNow Canada. “This report reinforces that Canadians not only want a personalized experience, they want it as quickly and effortlessly as possible. To strike this balance, companies need to embrace AI-powered tools that can help deliver quick and seamless experiences, while freeing up agents to focus on the complex issues requiring a human touch.”

Key findings from the **ServiceNow Consumer Voice Report 2024** report include:

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, 61% of Canadians will prioritize turning to customer service agents, whether by phone, chat, or in-person. However, 44% would choose to use AI-powered services such as a chatbot or intelligent search engine.
- Consumers want to self-serve. Most Canadians (72%) want a company to offer self-service options. Consumers especially want to self-serve when looking for general information, preferring self-help guides (34%) or an intelligent search engine (35%).
- Chatbots are a must when interacting with brands. Having a good chatbot service is deemed important by more than half (55%) of Canadians, with this number increasing to 70% for those ages 18-34. Some (7%) even prefer to use chatbots for all their customer service needs.
- Preserving the human connection. Nearly half (49%) would never want to see fully autonomous, AI-driven customer service. Additionally, 36% of Canadians hold back from engaging with AI for customer service because they do not like the lack of personalization, further underscoring the need for a balanced approach. While 73% of those ages 55+ want to see a return to human-based customer service by 2025, less than half (47%) of those ages 18-34 say the same.
- Personalization is paramount. 87% of Canadians say it's important to be offered their choice of engagement method (e.g. online vs. in-person, chatbot vs. human) while 61% want companies to know their past purchasing habits and offer tailored recommendations. For those that are hesitant to engage with a company using AI, leading reasons are due to disliking the lack of personalization (36%) and wanting a genuine rather than formulaic response (35%).

Customer Service Needs to be Fast and Flexible

Canadians (95%) prioritize swift customer service responses, yet many are facing prolonged call times across industries. In good news for businesses, AI can help speed up issue resolution. 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-enabled case resolution notes, enabling personalized, quick, and effective support to help drive higher levels of customer satisfaction and loyalty.

- Canadians on the line for 30+ minutes. Canadians are facing prolonged customer service calls with nearly half (46%) saying they are on the line for at least 30 minutes or more regardless of the industry.
- Government services lead in lengthy call times. Canadians experience the longest average call times for federal government services with 61% of Canadians spending an average 30.5 minutes on the line.
- Industry rankings: retail prevails, fintech trails. Canadians have the best customer service experience with retail companies (35%), followed closely by traditional banking (34%) and healthcare (30%). At 4%, financial technology (fintech) companies have the most room to improve.
- Demand for always-on customer service. More than half (53%) of consumers expect all companies to be offering 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 consisted of 1,000 Nat Rep adults in Canada.

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.

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