

# Service Gaps Cost Indians 10.8 Hours a Year; 44% Ready to Switch Brands, Finds ServiceNow's Third CX Report

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India, March 05, 2026: Rising customer expectations, fragmented service platforms and gaps in empathy are fast emerging as the biggest threats to customer loyalty in India. **ServiceNow's Third Customer Experience (CX) Report**, based on insights from over 5,000 Indian consumers and 425 customer service professionals, reveals that while automation is improving speed and convenience, structural gaps continue to undermine trust in India's fast-growing, AI-powered service economy.

## Customer Service in India At Its Inflection Point

One single poor experience can result in businesses losing more than 4 in 10 consumers. The study finds that Indians lose an average of 10.8 hours annually trying to resolve service-related issues. Even as AI adoption grows, service delivery remains complex. Customer service representatives are forced to juggle an average of four different systems to solve a customer query, which creates confusion, and delays in resolution, highlighting the need for unified service platforms.

"Customer experience in India is at an inflection point. Enterprises have invested in AI, but the underlying infrastructure, a chaos of fragmented systems, disconnected data and siloed workflows, is holding them back," said Sumeet Mathur, Senior Vice President and Managing Director, ServiceNow India. "The opportunity is about unifying what you already have so AI and people can work together effectively. That's the transformation ServiceNow enables."

ServiceNow's 2026 report highlights three structural shifts dominating the customer experience journey in India.

### The Empathy Gap

Today's Indian customers increasingly expect service that is quick, seamless and context-aware. Instead frustrations continue to dominate service interactions with:

- 48% of customers say service interactions lack empathy, often missing customer context and understanding, making it their top source of frustration.
- 45% of customers report being transferred between multiple people or departments, reinforcing perceptions of fragmented and impersonal service.

Bridging this gap will be key to transforming efficient journeys into meaningful customer relationships.

Says Dinesh Narayan, Global Chief Information Officer, TVS Supply Chain Solutions, "In the supply chain landscape today, customer experience isn't just about service levels, it's about how intelligently we respond to change. As networks become more complex, we need digital platforms that connect data, workflows and people in real time. Our experience with ServiceNow shows how AI-powered workflows can bring greater visibility and faster decision-making across global operations. The insights from this CX report strongly resonate with what we are seeing on the ground, organisations that embed intelligence into their workflows are better positioned to deliver consistent, resilient and customer-centric outcomes."

### Consumers are No Longer Willing To Compromise

Indian consumers no longer tolerate friction, with service experiences directly shaping trust and brand choice. When service falls short, disappointment travels fast and shows up in the following actions consumers take against poor-performing businesses:

- 34% post public reviews or complaints, amplifying reputational impact
- 37% share negative experiences with family and friends, extending the impact beyond the immediate interaction
- 53% report frustration with unclear explanations, signalling rising expectations for both accuracy and emotional awareness in service interactions

## The Platform Imperative

Seamless customer experiences aren't accidental—they're powered by connected platforms, not patchworks of point solutions. With service reps spending just 48% of their time on customers, fragmentation is quietly eroding value. Simplifying and connecting service operations is the single most important step toward delivering intelligent, seamless experiences at scale. Top challenges faced by service reps are:

- Resolving complex issues, on average, takes up to 39 hours
- 30% say too many tools slow them down

"For businesses to compete in today's experience economy, closing these gaps is not optional, it's strategic," added Mr. Mathur. "Empathy, speed and intelligence are the new currency of loyalty, and enterprises must invest in the platforms that make them possible."

## Inside the Agent Experience

Customer service reps see AI as the path forward:

- 53% of reps say AI is critical to delivering next-generation CX
- 52% say AI has reduced workload and stress

Yet operational challenges remain. Service representatives spend only 48% of their time on actual customer issues, with the rest consumed by administrative tasks and navigating disconnected systems.

## CX as a Productivity Multiplier

ServiceNow's Customer Experience report 2025 estimated that Indians collectively lose 15 billion hours annually to service delays—representing a \$55 billion productivity opportunity for businesses. With 66% of consumers expressing trust in AI and 80% already using chatbots, CX modernisation is increasingly viewed as a lever for economic efficiency and national productivity for businesses and citizens alike.

## The Future of CX in India: Fast, Empathetic, Empowered

India's next customer experience frontier will be defined by how effectively organisations unify AI and human intelligence into a single, connected operating model:

- AI handles complexity, scale and speed
- Human representatives deliver empathy, judgment and trust

- Unified platforms orchestrate predictive, connected service journeys

When service failures cost Indians 10.8 hours annually and drive nearly half of customers away, CX becomes an economic priority. The next generation of business leaders will be those who deploy AI alongside people on unified platforms to help prevent any kind of service failures.

ServiceNow continues to support this journey by unifying service platforms, deploying AI responsibly, and helping enterprises deliver customer experiences that are faster, smarter and more human.

Research Methodology:

To examine how AI is reshaping customer experience, ServiceNow partnered with research firm ThoughtLab to conduct a comprehensive global study spanning 18 countries and eight industries. The India edition is based on insights from 5,000 Indian consumers and 425 customer service professionals. **Link to the Report.**

ServiceNow (NYSE: NOW) is the AI control tower for business reinvention. The ServiceNow AI Platform integrates with any cloud, any model, and any data source to orchestrate how work flows across the enterprise. By unifying legacy systems, departmental tools, cloud applications, and AI agents, ServiceNow provides a single pane of glass that connects intelligence to execution across every corner of business. With more than 75 billion workflows running on the platform each year, ServiceNow helps organizations turn fragmented operations into coordinated, autonomous workflows that deliver measurable results. Learn how ServiceNow puts AI to work for people at **[www.servicenow.com](http://www.servicenow.com)**.

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