

Media Release

CX Drives Loyalty, but Two-Thirds of Australians Say Brands Still Miss the Mark

Melbourne, 2 April 2025: CPM Australia has released its annual State of Customer Experience Report, in partnership with Swinburne University's CXI Research Group. The report reveals that, despite ongoing efforts by companies to enhance customer experience (CX), a significant gap remains between consumer expectations and service delivery. Notably, the research shows that brands excelling in CX are not only strengthening customer relationships but also building trust and turning satisfied customers into advocates, creating a powerful competitive edge.

The Power of Positive CX. The report finds that positive customer experiences have a greater impact than negative ones, reinforcing CX as a critical business differentiator. After a great service interaction, 70 percent of consumers feel satisfied, and 69 percent are likely to repurchase, demonstrating the direct connection between CX excellence and revenue growth. However, the consequences of poor service remain high, with 94 percent of consumers ceasing to purchase from at least one company after a negative experience. "Delivering positive experiences is a powerful strategy for driving customer loyalty, advocacy and sustained revenue growth, while mitigating the lasting damage of negative experiences," said Paul Crummy, Managing Director of CPM Direct Sales.

Key Drivers of Service Excellence. Australian consumers have become increasingly discerning, with expectations around service quality continuing to rise. Today, Australian consumers expect service interactions to be not only accurate and efficient, but also consistently human-centric. The top three drivers of service excellence remain information accuracy (91 percent), access to knowledgeable representatives (84 percent) and consistency across channels (79 percent).

AI vs Human: Striking the Right Balance. Even in an increasingly digital environment, human connection remains central to the customer experience. While 46 percent of consumers prefer digital self-service channels, such as company websites or FAQs, for simple enquiries, 77 percent still prefer speaking with a person over the phone for more complex issues. The AI vs human debate continues, with 24/7 availability cited as the greatest benefit of AI-powered chatbots (67 percent). However, customer uptake remains limited. The research confirms that most consumers still favour human interaction for resolving complex enquiries, highlighting the need for a balanced CX strategy that combines the efficiency of AI with the empathy and nuance of human support.

CX as a Competitive Advantage. Despite improvements in service perceptions, two-thirds of consumers still believe companies place no or moderate importance on delivering outstanding service. This presents a clear opportunity for brands to differentiate through CX. "Our findings highlight the critical role customer experience plays in driving satisfaction and long-term business success. The future of CX requires balancing human interaction with AI-powered tools to deliver both efficiency and customer connection. Companies that invest in service excellence will be best placed to lead in the years ahead," said Mr Crummy.

The [2025 State of Customer Experience in Australia Report](#) offers deeper insights into evolving customer expectations, industry performance and strategies for CX success.

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About the Survey:

Since 2016, CPM Australia's annual survey has tracked customer experience trends, providing robust insights into the evolution of CX across the Australian market. The 2025 survey was conducted by Swinburne University's CXI Research Group through an online questionnaire completed by 500 Australian consumers between 5 and 9 December 2024, representing a broad cross-section of the population.

About CPM Australia

CPM Australia, as part of CPM international, operates under a group structure, with brands including CPM and Retail Safari delivering a unique end to end offer. CPM provides direct sales services, contact centre, and training solutions covering both B2B and B2C. Retail Safari provides a complementary suite of retail marketing services that connect the consumer with a brand in environments where the ability to influence is at its strongest.

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