Media Release

Poor Customer Experiences Hurt the Bottom Line

Research reveals that over one-third of Australian consumers have stopped purchasing from a business after a bad experience.

Melbourne, April 4th, 2023 – A negative customer experience has a significant impact on whether consumers purchase from a company again – with over one-third of Australian consumers having stopped purchasing from a business in the past year after a bad customer experience, according to CPM Australia's State of Customer Experience in Australia report released today.

To better understand how consumers feel about the state of customer experience in Australia, and gain insights into consumers' perceptions of what makes for CX excellence, CPM Australia partnered with Swinburne University's CXI Research Group to undertake their State of Customer Experience in Australia survey. The latest report based on this survey data builds on data collected in annual surveys since 2016.

"The impact of customer experience on future purchasing decisions is real – and it isn't changing," says Paul Crummy, Direct Sales Managing Director, CPM Australia. "The research findings clearly demonstrate that consumer attitudes towards receiving bad experiences have costly consequences for businesses".

Key findings include:

- More than two-thirds of consumers believe companies are placing no, low or only moderate importance on delivering excellent customer service
- For three-in-four Australians, great customer service means accessing correct information, consistent information across both digital & human interactions, and accessing knowledgeable staff
- Australian consumers share negative customer experiences more widely than positive experiences
- Automated voice responses and chatbots remain unpopular for solving problems or queries. Over 70% of consumers surveyed said that speaking to a real person instead of a chatbot is highly important.

"A consistent CX is a must for enhancing customer experience into the future," said Mr Crummy. "The importance of consistency in customer experience cannot be understated. To ensure consumer experience expectations are met, it is critical for Australian businesses to prioritise customer experience excellence, focusing not only on delivering positive experiences, but also delivering consistency across all channels. Positive customer experiences translate into customer loyalty, positive word-of-mouth, and improvements to the bottom line."

The research also demonstrates that more than ever, Australians believe great customer experience depends on the human factor. Consequently, great customer experiences come from quality interactions with real people. Whether in-person, on the phone or online, knowledgeable staff who can deal effectively with both simple and complex queries and problems are the key to good customer experiences for Australians.

The State of Customer Experience in Australia report is available HERE.

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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