freshworks

ANNUAL REPORT '26

The *Customer Service* Benchmark Report '26

Performance benchmarks, emerging trends, and practical insights for modern customer service teams

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By Kady Srinivasan, Chief Marketing Officer, Freshworks

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By Janani Dwarakanath, Vice President, CX Marketing, Freshworks

Foreword



By **Kady Srinivasan**
Chief Marketing Officer

Not long ago, CX leaders debated adopting AI, but the more important question now is: **how deeply is AI embedded into your service? What value is it creating?**

A new divide is taking shape between organizations experimenting at the edges and those embedding AI into the way customer service is done.

And depth does not mean more. **The measure of a great customer service platform is not whether it offers 100+ AI features - it is if the capabilities create meaningful value.** Does AI resolve more customer needs? Make agents more effective? Remove friction? The organizations pulling ahead are focused less on the capabilities they deploy and more on the outcomes they deliver.

Leading organizations are moving beyond isolated use cases and extending AI across workflows and channels, giving it greater autonomy, connecting it to the right context, and continuously improving how people and AI work together.

That is what this report sets out to understand. We benchmarked customer service organizations across key dimensions to identify what best-in-class performance looks like today. The findings reveal where leaders are creating meaningful value with AI, where performance gaps are widening, and which practices are making the greatest difference. More importantly, they give every organization a way to understand where it stands and where the greatest opportunities lie.

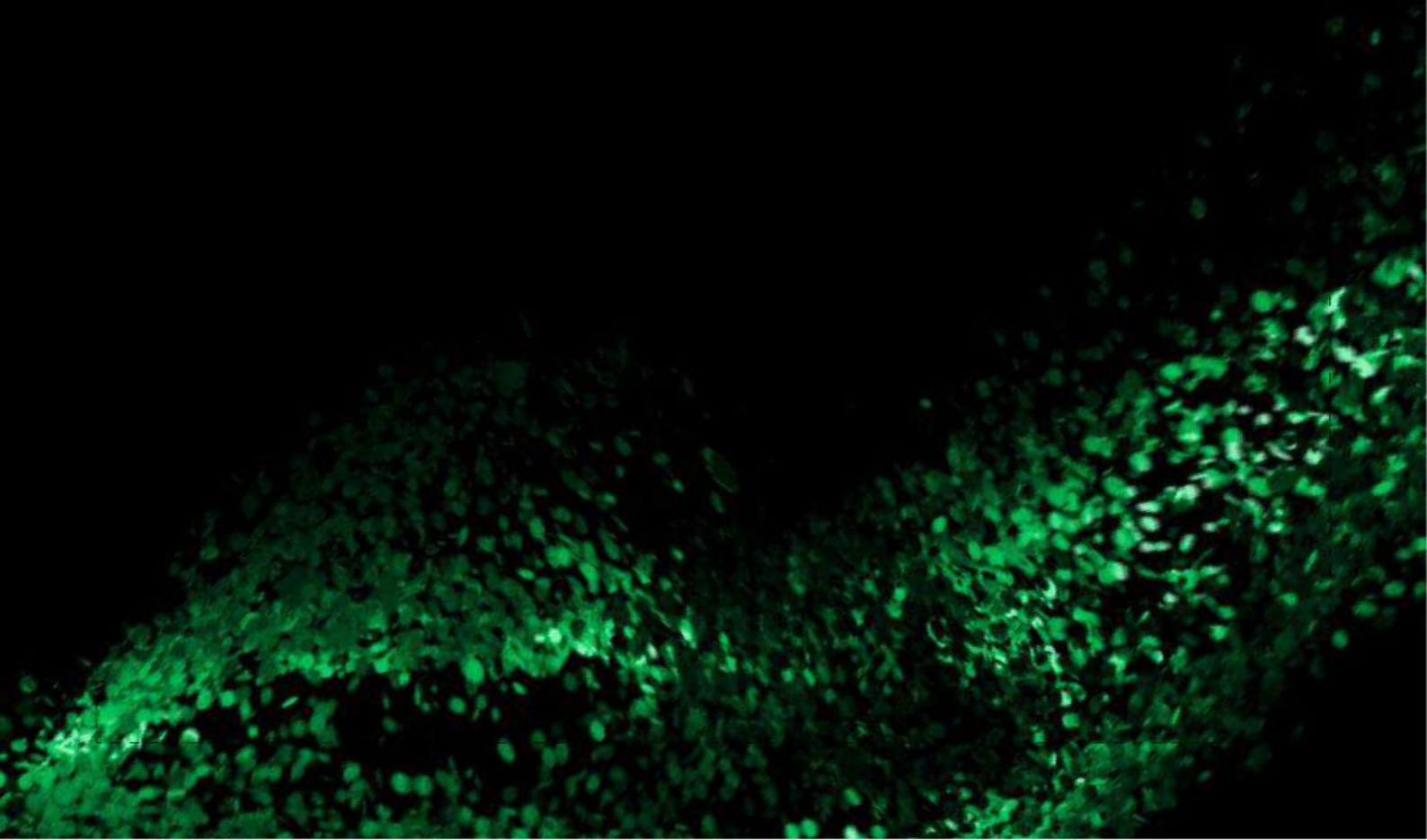
Every business serves different customers and starts from a different place. But these benchmarks provide a valuable perspective on what is possible when AI moves from a collection of features to a fundamental part of how CX operates.

The opportunity ahead is enormous. The businesses that lead this next chapter will not be those with the longest list of AI capabilities. They will be the ones who turn AI into better experiences for customers, greater impact for their people, and measurable value for the business.

AI adoption was the starting point. What matters now is what you make possible with it.

CHAPTER ONE

Dataset and methodology



ABOUT THE REPORT

The Customer Service Benchmark Report is Freshworks' annual study of customer service performance and one of the industry's most extensive studies. It combines anonymized product usage data from customer service teams across industries, regions, and company sizes to help organizations understand how customer service is evolving and what sets leaders apart.

THIS EDITION

This year's report is our most comprehensive yet, reflecting what we see as one of the biggest shifts the customer service industry has experienced: the operationalization of AI. Beyond benchmarking core service metrics, this edition examines how organizations are embedding AI into everyday operations, reshaping customer experiences, and redefining what great service looks like.

YEAR-OVER-YEAR COMPARISONS

For the first time, this report includes year-over-year benchmark comparisons to help organizations understand where they stand today and how customer service performance is evolving over time. These comparisons are intended to provide valuable context for identifying industry trends, measuring progress, and setting more informed performance goals.

METHODOLOGY

The analysis is based on data from 33,889 accounts, 1.2 billion tickets, and 63 industries. It contains anonymized and aggregated usage data from Freshworks customer service products, gathered between June 2025 - May 2026, combined with findings from our annual Freshworks Customer Survey 2026 and additional cohort-based research.

33,889
ACCOUNTS ANALYZED

1.2B
TICKETS STUDIED

63
INDUSTRIES COVERED

To help organizations understand where they stand, we have categorized the performance benchmarks as:



Trendsetters

The top 20th percentile of organizations in our dataset, representing the highest standards of customer service performance across key operational and customer experience metrics.



Industry average

The median performance across organizations in the dataset providing a realistic benchmark against which teams can evaluate their current performance and identify opportunities for improvement.

Outlier data points have been excluded where appropriate to improve accuracy and ensure the findings remain representative, actionable, and statistically reliable across industries, regions, and company sizes.

Measure your performance. Unlock your next opportunity.

Customer service leaders are under constant pressure to improve speed, quality, efficiency, and customer satisfaction. But we believe meaningful improvement starts with clarity. This report is intended to help you understand your current performance, identify gaps, and prioritize the next steps to improve your customer service outcomes.

1. **Benchmark your current performance**

   Compare your customer service metrics with industry peers and identify your biggest opportunities for improvement.

2. **Set meaningful performance goals**

   Define ambitious yet realistic targets using industry benchmarks, track progress over time, and focus on the improvements that drive the greatest impact.

3. **Turn insights into action**

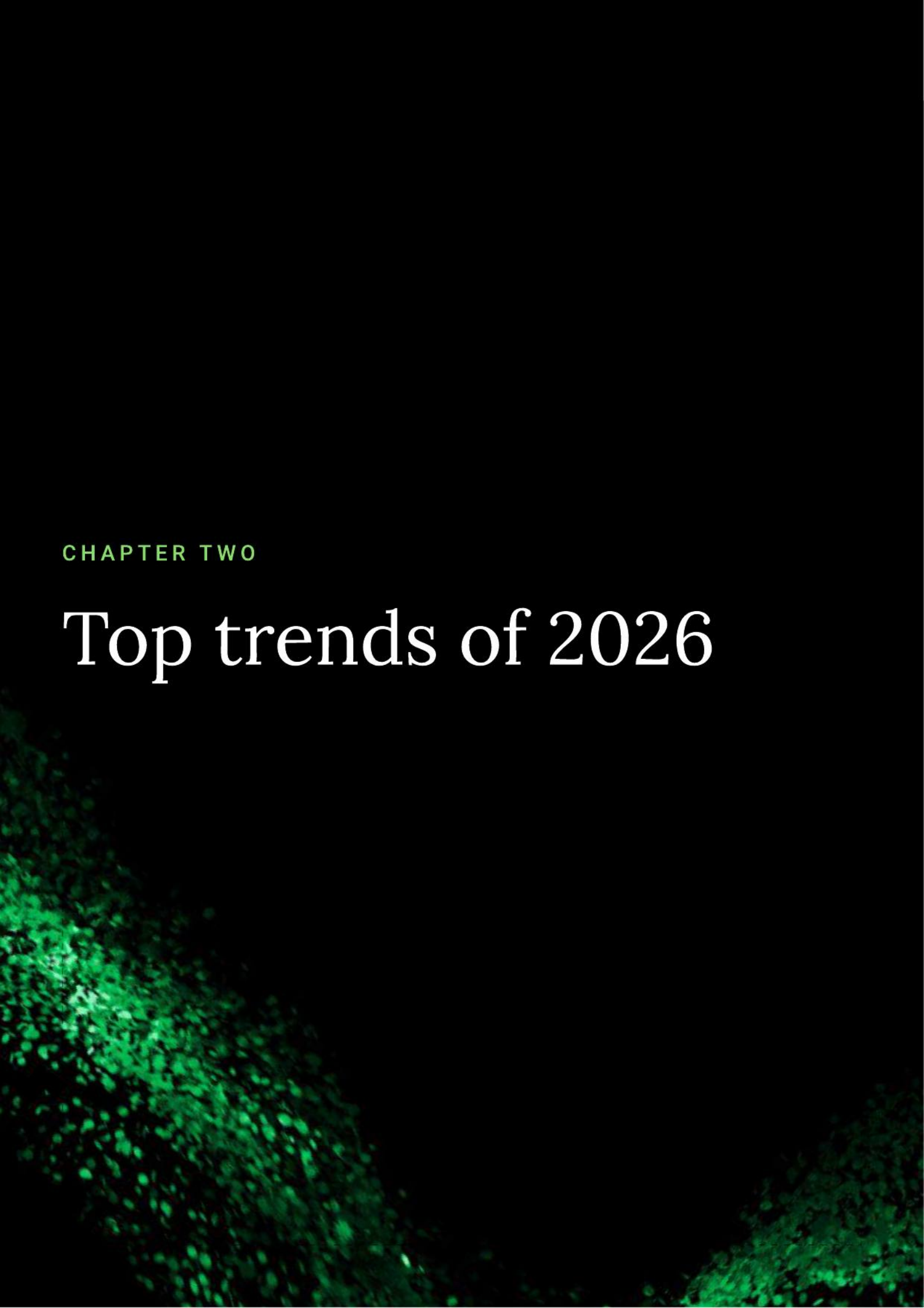
   Identify your strengths and opportunities for growth, so you can focus on what truly moves the needle. Use the insights and recommendations in this report to determine the actions most likely to improve your performance.

4. **Build a stronger business case for investments**

   Use benchmark data to support decisions around technology, staffing, training, and customer service initiatives. The report provides evidence-backed insights to demonstrate how customer service improvements drive measurable business outcomes.

CHAPTER TWO

Top trends of 2026



We see that the customer service landscape in 2026 has reached a turning point. What began as experimental AI implementations has now become deeply embedded in day-to-day operations. This year's report reveals three defining trends that Freshworks believes set leaders apart in the race to deliver exceptional customer experiences.

TREND 1

Customer service moves from experimentation and enters the era of operational AI

The question is no longer "Should we adopt AI?"
It's "How quickly can we scale it and how well can we use it?"

Our findings show that in 2026 AI in customer service is no longer an emerging capability—it is becoming core operational infrastructure. What began as experimentation is now translating into measurable business outcomes.

Did you know?

43.6% of customer service teams are using AI across their service workflows, up significantly from **32% in 2025**.

Source: Freshworks Annual Customer Survey 2026

The transformation is visible everywhere. It's showing up clearly in response times, resolution rates, customer satisfaction, and cost efficiency. Companies that invested in AI early are seeing compounding returns while others are still catching up.

Why AI is here to stay

Unlike previous technology waves that promised more than they delivered, AI is solving real problems that have plagued support teams for decades, for our customers. To understand why this shift is permanent, it helps to look at what AI is actually impacting.

REASONS TO OPERATIONALIZE AI

Picture this: A customer traveling overseas notices multiple suspicious transactions on their credit card and immediately contacts their bank.

TRADITIONAL SUPPORT

They wait in a queue, explain the issue, verify their identity across multiple steps, and are placed on hold while agents manually review transactions, fraud alerts, card status, and account activity across different systems. The issue eventually gets resolved, but often after a stressful and time-consuming experience.

AI-ENABLED SUPPORT

The system instantly identifies the unusual transaction pattern, surfaces the customer's recent activities, and equips the agent with complete context before the conversation even begins. The card can be secured, disputed transactions canceled, and next steps communicated within minutes—reducing both customer anxiety and resolution time significantly.

Same problem. Similar resolution. But very different experiences.

Our customers see that AI has evolved into a core operational necessity, driven by three fundamental shifts:

1 Proven ROI across industries

AI is no longer experimental. Across retail, SaaS, manufacturing, business services, and other industries, teams are seeing measurable improvements in efficiency, cost, and customer satisfaction. The business case is no longer debated—it's established and results are repeatable.

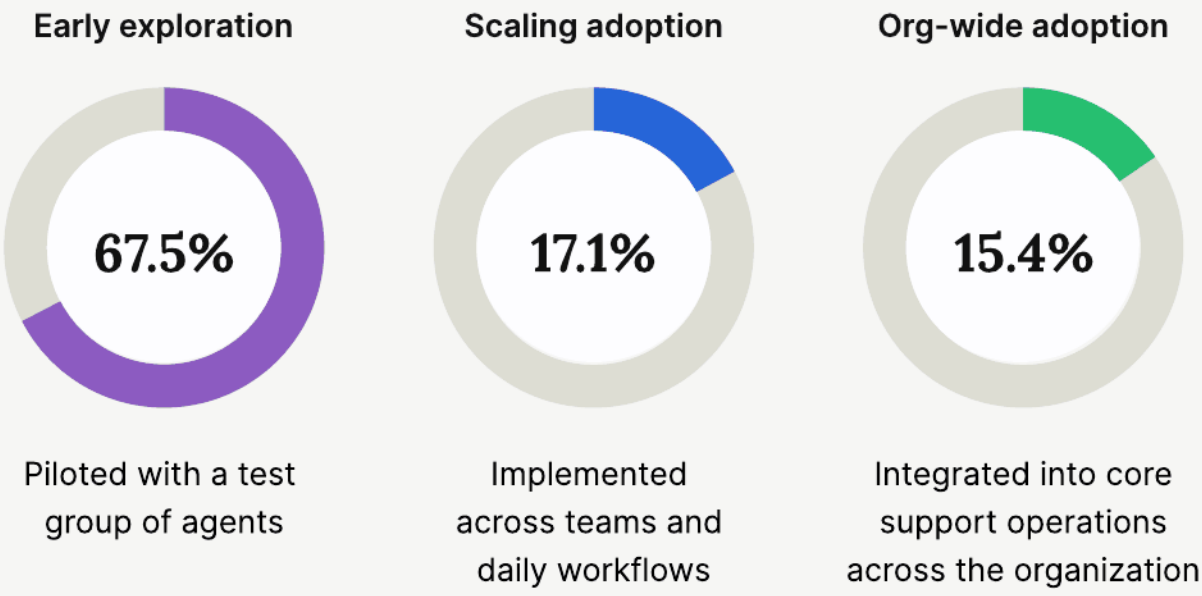
2 AI built for modern support operations

Today, AI agents and copilots can understand context, learn from interactions, and handle increasingly complex queries. What was once assistive is now operationally reliable and indispensable.

3 Customer expectations have evolved

Customers today are no longer comparing support experiences only within their industry. The fastest and simplest digital experiences they encounter anywhere are reshaping what good service looks like. As expectations rise, customers are clear about what they want: fast, accurate resolutions, ideally in the very first interaction.

AI copilot adoption maturity across organizations



AI adoption has moved beyond isolated experiments. This shift reflects a broader change in how businesses view AI—not as a stand-alone productivity tool, but as an operational capability that is embedded into day-to-day customer service.

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Did you know?

48.3% of customer service teams expect their AI investments to increase significantly over the next 12 months, signaling continued confidence in AI's long-term value.

Source: Freshworks Annual Customer Survey 2026

The compounding advantage of deeper AI implementation

We believe simply deploying AI isn't enough to unlock its full value. The greatest operational gains come when AI becomes part of how the entire support team works—not just a tool used by a handful of agents.

Our findings indicate that as adoption deepens across the organization, AI becomes more embedded in everyday workflows, enabling faster decisions, greater consistency, and stronger operational performance. Teams that have deeper AI implementation are building momentum against competition.Their AI systems have already processed millions of interactions. Their workflows are optimized. Their knowledge bases are richer. And most importantly, their teams know how to work effectively alongside AI.

This creates a compounding advantage:

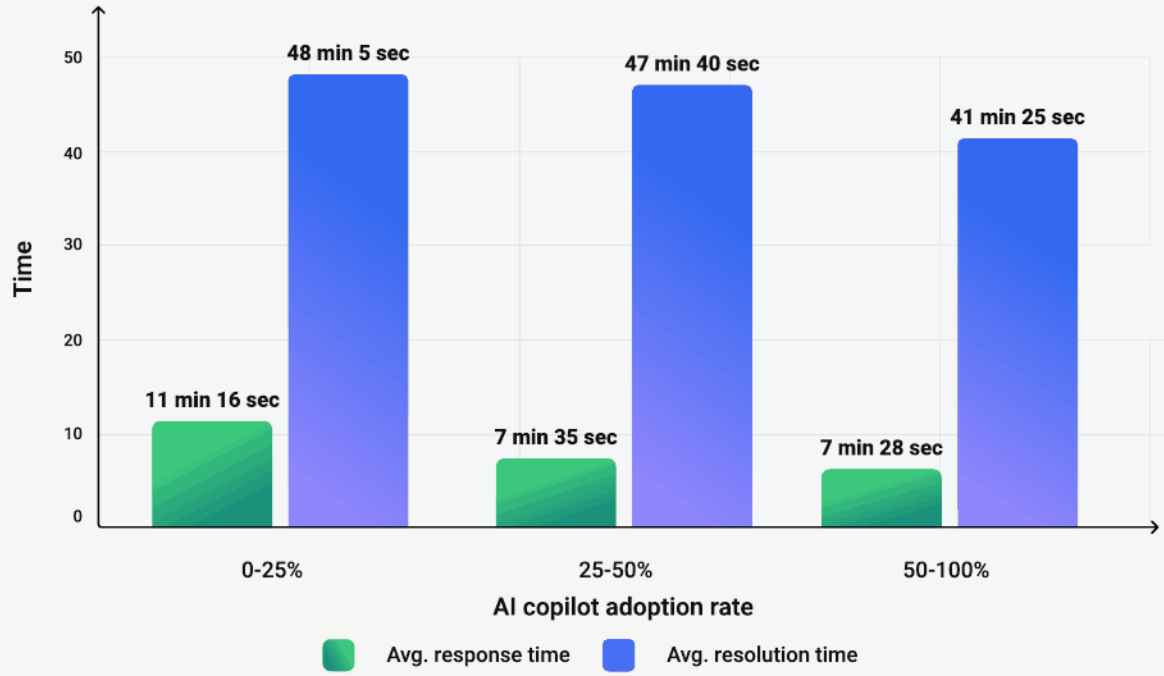
1 AI gets smarter with every interaction

Every interaction improves the system. Companies with mature AI implementations have accumulated vast knowledge bases that continue to improve with each conversation. Over time, AI becomes more accurate, contextual, and reliable.

2 The operational advantage of broad adoption and deep AI implementation

Simply introducing AI isn't enough to unlock its full potential. Organizations realizing the greatest operational gains are those that expand AI adoption across their teams while deepening its implementation across support operations.

Operational performance improves as AI copilot adoption expands across the team



Source: Freshdesk 2026 usage data (anonymized and aggregated)

BROAD ADOPTION

Creates operational consistency

The value of AI grows as it becomes part of every agent's daily workflow, rather than a tool used by a small group of power users. We see that organizations with broad AI adoption are better positioned to standardize workflows, reduce manual effort, and build operating models where AI consistently supports every customer interaction. As adoption expands across the team, our data shows that benefits compound.

DEEP IMPLEMENTATION

Unlocks greater business value

Once AI becomes part of everyday operations, the next opportunity is to expand its role. We've observed leading organizations move beyond simple automation and deploy AI across complex workflows to guide agents through difficult cases, surface next-best actions, automate multistep processes, and deliver industry-specific expertise. As AI becomes embedded in more critical workflows, its value extends beyond efficiency gains to improving decision-making, elevating customer experiences, and driving stronger business outcomes.

3 The customer experience advantage

Based on our data, we see that customers interacting with AI-enabled teams are getting faster, more consistent resolutions, and that has become the expected standard. For teams still early in their AI adoption journey, matching the speed, consistency, and scale achieved by trendsetters becomes increasingly difficult. This gap isn't static. It continues to widen over time.

Did you know?

59.3% of support teams report that positive support experiences increase customer trust and make customers more likely to continue using or renew a product.

Source: Freshworks Annual Customer Survey 2026

Success story

Our customers can raise some very complex queries, but the majority are simple, repetitive questions where the information is already on the website. AI agents enable us to show up-to-date content in real time, reducing frustration for all, while answering about 80% of recurring queries the first time."

Kevin Darvill
Sales & Marketing Director

WOOLACOMBE BAY HOLIDAY PARKS

What this means for customer service in 2026

1 Raising the performance bar

Based on our usage data, response times measured in hours are no longer competitive when others respond in seconds. As faster, more seamless support becomes the norm, expectations around resolution quality and consistency continue to rise.

2 Democratizing world-class support

With the availability of AI, small teams are now empowered to deliver enterprise-grade experiences. AI levels the playing field, allowing lean operations to compete with larger organizations on service quality.

Did you know?

67.7%

of small businesses have already embedded AI in core customer service infrastructure and across key workflows. Of the remaining, 42.2% plan to invest in AI for customer service over the next year, signaling strong AI adoption.

Source: Freshworks Annual Customer Survey 2026

3 Shifting from cost center to revenue driver

Customer service is widely recognized as more than a reactive function. It can strengthen customer relationships, prevent churn, and identify upsell opportunities. Support has become a growth lever, not just a cost center.

Did you know?

52.7%

of organizations report that customer service often plays a decisive role in helping customers choose them over competitors. 42% say they frequently influence revenue-related outcomes, including renewals, expansions, and upgrades.

Source: Freshworks Annual Customer Survey 2026

What top-performing teams are doing differently

Our data shows that leading teams aren't just adopting AI—they're operationalizing it deeply across their support ecosystem.

1 They go beyond basic automation use cases

AI isn't limited to FAQs or L0 questions. Leading teams automate multistep workflows. This includes order modifications and refunds in retail, policy updates and claim status requests in insurance, appointment scheduling and rescheduling in healthcare, warranty claim processing in manufacturing, and service request coordination in field service operations.

2 They continuously train AI on high-quality, evolving knowledge

Leading teams actively maintain, expand, and refine their knowledge bases to enable AI agents to deliver accurate and contextual resolutions. They also use customer interactions, feedback loops, and resolution data to identify knowledge gaps, improve content, and strengthen AI performance over time.

3 They move beyond one-size-fits-all AI

Rather than starting from scratch, leading teams use AI designed for their industry context and operations. This reduces ramp-up time, improves relevance, and helps teams move faster from experimentation to real business impact.

4 They design AI-first workflows, not AI add-ons

Rather than inserting AI into existing processes, they rethink workflows end-to-end, deciding what AI should handle independently and where human intervention adds the most value.

5 They maximize agent performance with AI copilots

Leading teams use AI copilots as a core part of the agent workflow—not just as optional assistants. By surfacing relevant context, recommending next-best actions, and reducing manual effort, copilots help agents stay consistent and resolve faster while maintaining quality at scale.

Recommended next steps

Whether you're just getting started or already using AI, the focus now is on scaling effectively. Here's how to start:

1 Identify your top repetitive questions

Start by analyzing your ticket data to identify the most frequent, repetitive questions that consume agent time. Focus on patterns (like password resets, order tracking, refund status, basic troubleshooting) and prioritize the top 20-30% of queries that drive majority of the volume. These are your strongest candidates for AI-led resolution.

2 Strengthen your knowledge base

AI is only as effective as the information it learns from. Build a well-structured, up-to-date knowledge base with clear, complete, and context-rich articles. Regularly review gaps and update content, so AI can easily interpret and apply across real customer scenarios.

3 Introduce AI copilot for agents

Start embedding AI copilots into agent workflows to assist with real-time suggestions, summaries, and next-best actions. Ensure copilots are used consistently across the team, not optionally, so agents get used to using copilot in their daily workflows.

4 Train and enable your agents

Equip your team with AI copilots, but first train the team on how to use them. They should know how to review AI suggestions, override them, and provide feedback.

5 Start with one channel, then expand

Avoid rolling out AI across all channels at once. Begin with one high-volume channel, where use cases are clearer and easier to control. Refine workflows, fix gaps, and build confidence before gradually expanding AI capabilities across additional channels.

6 Track the right metrics

Define success beyond adoption. Track metrics like deflection rate, resolution rate, CSAT, and agent productivity to understand real impact. Regularly review performance trends, identify gaps, and use insights to continuously refine how AI is deployed and scaled.

TREND 2

AI + humans: The new operating model for customer service

The greatest fear around AI in customer service has been: Will AI replace human agents? The reality in 2026 tells a different story.

We've seen that the most successful teams aren't choosing between humans and AI. They're redesigning support operations so AI and human agents work together more effectively. That balance is becoming the new operating model for customer service.

The AI-only system

Some organizations initially approached AI with a straightforward goal: Bet on AI to handle customer service end-to-end and reduce human involvement.

On the surface, it works. Simple queries get resolved instantly. Volumes are handled efficiently. Wait times drop. Operational costs improve.

But over time, we notice cracks begin to show.

WHY A FULLY AI-LED SUPPORT MODEL FALLS SHORT

Picture this: A customer reaches out to a travel company after a last-minute flight cancellation. They're stranded, frustrated, and looking for immediate clarity on rebooking and refunds.

An AI-only system can



Pull up booking details



Suggest alternative flights



Share policy information

But when the situation becomes nuanced with special requests and emotional stress, the experience starts to break down. The process seems efficient, but not reassuring. And that's where the gap shows.

Customer service isn't just about resolution. It's about **confidence, trust, and being understood in critical moments.** Without human involvement, that layer is missing.

The human-AI partnership model

REASONS TO ADOPT HUMAN+AI MODEL

Picture this: A customer reaches out to a fintech company after a failed high-value transaction. They're anxious, frustrated, and unsure if their money is safe.

AI immediately steps in to


Pull up transaction details


Identify failure points


Trigger back-end checks


Provide real-time updates

But resolving the situation doesn't end there. A human agent steps in with full context, reassures the customer, explains what happened in simple terms, and guides them through the next steps with empathy and confidence. AI handles the operational complexity in the background. The human agent helps the customer feel informed and reassured. That combination leads to faster resolution and a better customer experience. This is what effective customer service looks like.

The future of customer service isn't human vs AI. It's human + AI.

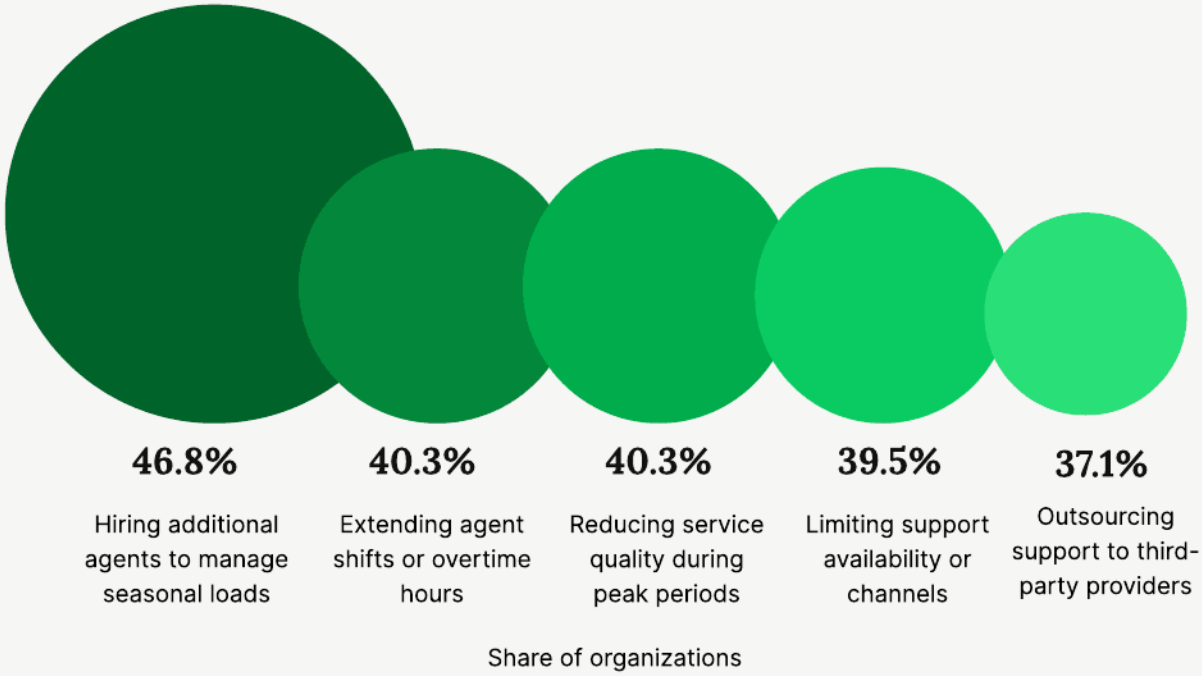
How the human + AI model drives business outcomes

Our customers feel that AI augmentation isn't just an operational upgrade. It reshapes how support teams scale, adapt, and deliver value to the business.

1 Scale support without scaling headcount

Support teams today handle significantly higher volumes of customer questions. This is where AI come into play. AI agents absorb the surge in incoming questions, while AI copilots enable human agents to handle more conversations efficiently. Together, this allows teams to scale output without increasing headcount.

Operational trade-offs AI has helped support teams avoid

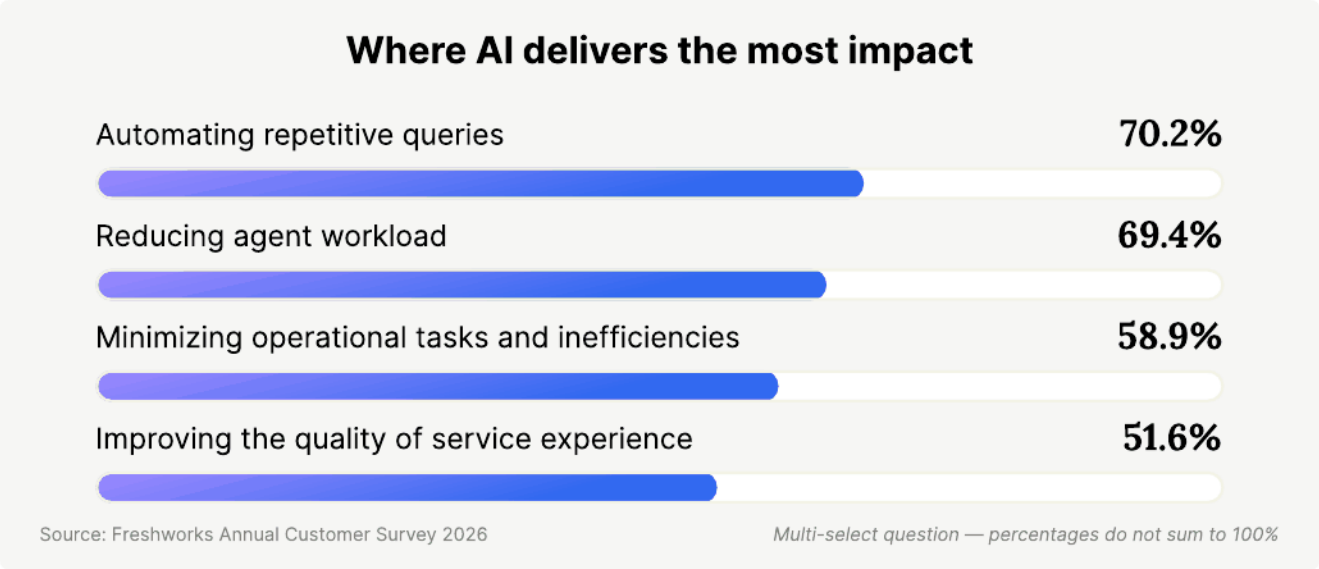


Source: Freshworks Annual Customer Survey 2026

Multi-select question — percentages do not sum to 100%

2 Improve service quality

AI helps teams do two things at once: reduce effort and improve consistency. Fewer manual steps, fewer errors, and better access to the right information mean agents can resolve issues faster and more accurately. The result: lower cost per ticket, with better customer outcomes. This is one of the rare cases where both sides of the equation improve together.



Success story

Freddy AI Copilot provided the ability to automate administrative tasks that were consuming too much of our agents' time. Once agents experienced Freddy AI Copilot, they couldn't imagine working without it. One month we even achieved a 110% recoup rate, meaning that Freshdesk brought in more revenue than it cost."

Ollie Wildeman
Vice President, Customer

BIG BUS TOURS

3 Flexibility during peaks

Seasonal spikes, product launches, and unexpected surges used to create a difficult trade-off: hire more agents or accept slower response and resolution times. With AI, that trade-off changes. AI agents can instantly absorb spikes in incoming volume. At the same time, AI copilots help human agents handle increased workload by summarizing conversations instantly, suggesting responses and next steps, and reducing time spent searching for information.

Did you know?

41% of support teams report that AI has significantly improved their ability to handle seasonal or unexpected demand spikes.

Source: Freshworks Annual Customer Survey 2026

How human + AI transform agent performance

For our customers, the strongest shift happens at the agent level. AI goes beyond making agents faster; it upgrades how they work.

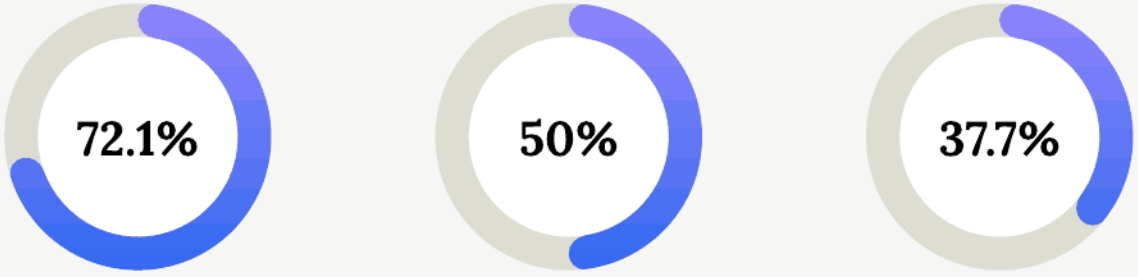
1 Eliminating the routine

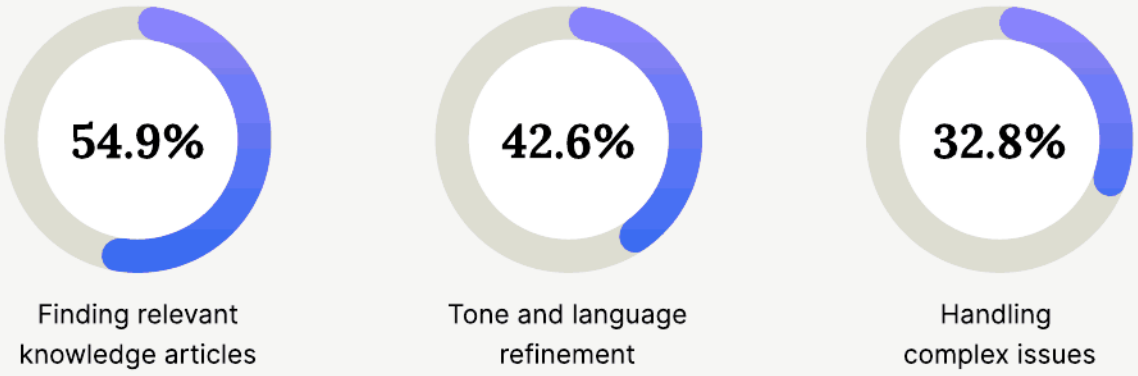
Agents no longer spend hours on password resets, order status checks, or FAQ responses. AI agents resolve high-volume, repetitive questions, allowing human agents to tackle challenges that require judgment and problem-solving. We're seeing three key outcomes: less agent burnout, better customer engagement, and improved retention.

2 Instant expertise, from day 1

New agents often need time to build the knowledge and confidence required to handle a wide range of customer queries. AI copilot accelerates that learning curve by providing instant access to relevant context, past interactions, and recommended solutions. Instead of relying on memory or escalating tickets, agents can resolve issues with greater confidence from day one.

How AI copilot empowers agents through every customer conversation



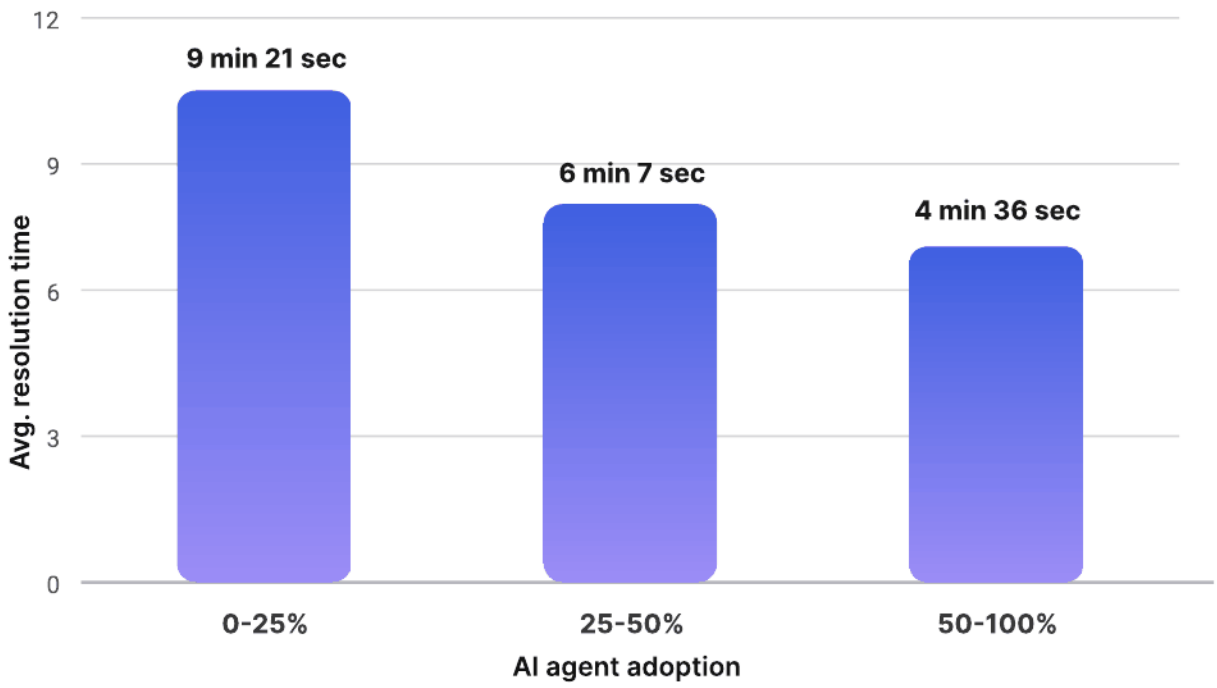


Source: Freshworks Annual Customer Survey 2026

Multi-select question — percentages do not sum to 100%

AI's contribution goes far beyond writing assistance. AI copilots act as real-time assistants, helping agents understand customer intent, identify priorities, surface the right information, and make informed decisions. By reducing the effort required to gather context and navigate complex conversations, copilots enable human agents to respond with greater speed and confidence.

Operational gains increase as AI agents handle larger shares of customer conversations



Teams that continuously expand the types of conversations handled by AI agents unlock greater operational improvements over time.

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Did you know?

83.1% is the Average AI agent deflection rate in 2026

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Where teams could get AI implementation wrong

While the shift to AI-augmented support is well underway, we see that many teams often approach it the wrong way. Where teams can go wrong with AI implementation:

1 Treating AI as an add-on

Teams layer AI on top of existing workflows rather than rethinking how work should be done, with AI at the core.

2 Over-automating or under-utilizing AI

Some teams push AI into complex scenarios where human judgment is critical, leading to poor experiences. Others limit AI to basic FAQs, missing its ability to handle more meaningful parts of the support journey.

3 Not designing for end-to-end resolution

Many teams use AI to respond, not resolve. AI handles the first interaction, but hands off too early, forcing customers into longer resolution cycles. Without designing AI to complete workflows, real efficiency gains are never realized.

4 Failing to operationalize AI learning loops

AI systems improve only when they're continuously trained on real interactions, but many teams treat deployment as a one-time setup. They don't actively feed resolved tickets and edge cases back into the system. This results in stagnant performance over time.

How leading teams are redesigning work with AI

Teams that see real impact don't just adopt AI; they rethink how support operates with AI at the core. Instead of asking, "Where can AI assist?", they ask, "What should AI own end-to-end?"

For example, in manufacturing, AI agents are no longer limited to answering basic questions about product specifications or order status.

They are trained on industry-specific workflows to:

- Troubleshoot equipment issues
- Track spare parts availability and delivery timelines
- Coordinate field service requests
- Schedule maintenance appointments
- Provide real-time updates on warranty claims and repair status

This moves AI from handling isolated responses to owning end-to-end resolutions. Trendsetters design customer support workflows with AI by:

1 Defining clear boundaries between AI and humans

Leading teams actively design how and when AI hands off to human agents.

They determine:

- What types of questions AI should fully resolve
- When escalation should happen
- What context should be passed to human agents

So, when a hand-off happens, the human agent doesn't start from scratch. They receive full conversation history, customer intent, actions already performed, and suggested next steps. This eliminates repetition for the customer and allows human agents to move directly to resolution.

2 Reducing agent effort through unified workflows

Instead of expecting agents to navigate multiple tools, tabs, and systems, trendsetters consolidate workflows through AI copilots, that help:

- Summarize long conversations instantly
- Surface relevant knowledge articles and past tickets
- Recommend responses tailored to the situation
- Suggest next-best actions based on context

This removes the need for agents to search, switch, and manually piece together information. That's what separates teams experimenting with AI from those truly scaling with it. When AI and human agent roles are clearly defined and thoughtfully integrated, support teams can operate faster, smarter, and more consistently.

TREND 3

Multichannel support evolves into omnichannel service, creating more connected customer experiences

Customer conversations no longer happen in one place. A single customer journey today can start on chat, move to email, continue on social, and end on a phone call. And customers expect that journey to feel continuous.

In 2026, we're realizing that the shift to omnichannel support is no longer only about expanding channels—it's about connecting them into one seamless experience.

Why omnichannel is becoming the default

To understand why this shift is accelerating, it helps to look at how customer behavior has evolved.

Picture this: A customer reaches out to a retail brand via Instagram DM about a delayed order. Not getting an immediate response, they follow up on email. Later, they open a live chat for an update.

In a fragmented setup	*In a connected omnichannel setup*
Each interaction starts from scratch	The full conversation history is visible
The customer repeats the issue multiple times	The issue is already understood
Context is lost across channels	The next interaction picks up exactly where the last one left off

Same customer. Same problem. Completely different experiences for both the agent and the customer. This is what customers now expect—not as a premium, but as the baseline for customer service.

Multichannel is about presence. Omnichannel is about continuity. At Freshworks, we see three shifts driving this:

1. **Customers move faster than systems do**

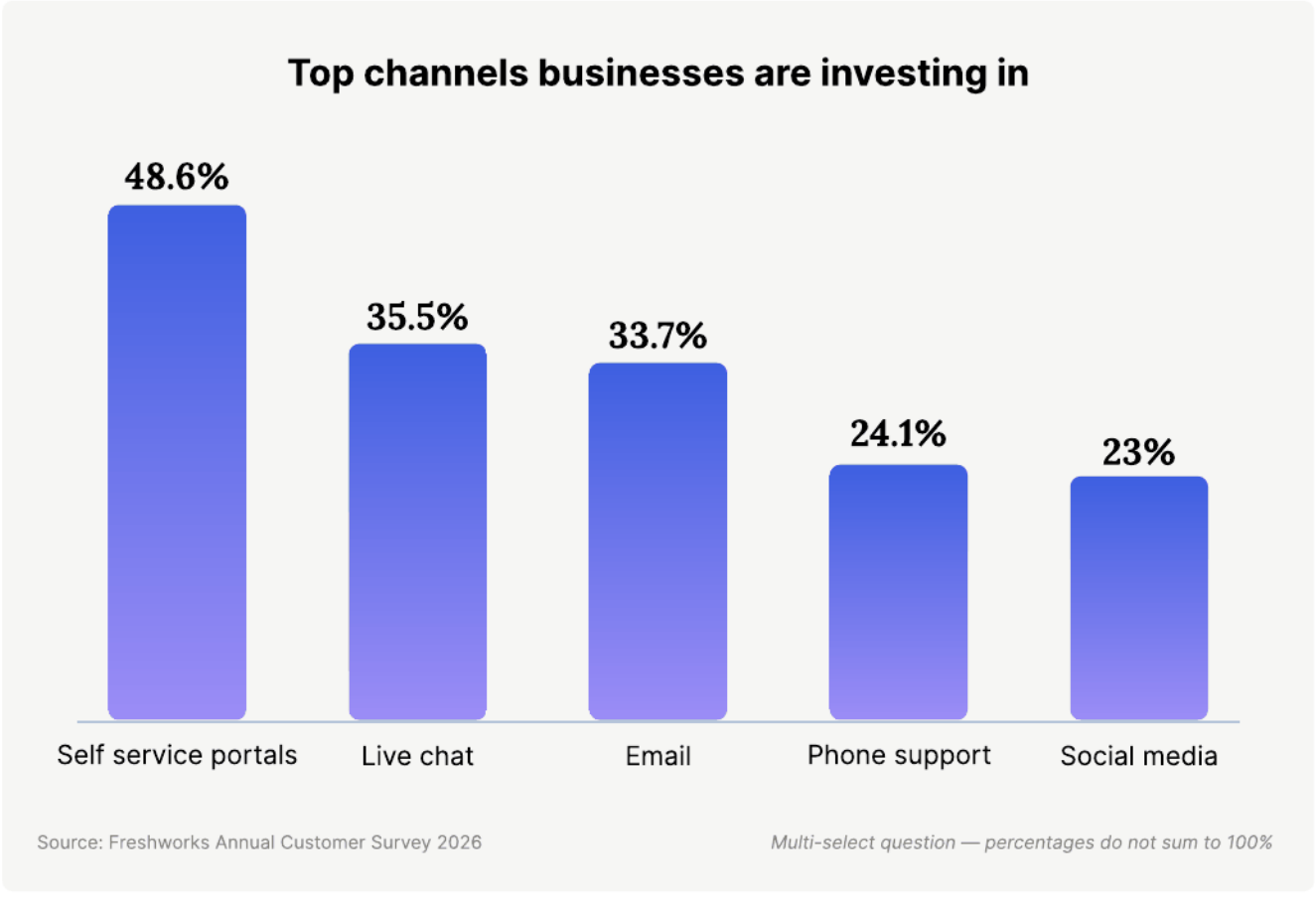
   Customers switch channels effortlessly, and support systems that don't keep up create friction.

2. **Context matters as much as speed**

   Fast responses matter, but not if customers have to repeat themselves.

3. **Consistent experiences are becoming key differentiators**

   It's not just one interaction that shapes perception. It's the entire experience across touchpoints that leaves a lasting impression.



Why do teams hesitate to make the shift?

Despite the upside, we have observed many support organizations remain cautious about fully moving into omnichannel support. Common questions teams raise are:

- **"Will it increase operational complexity?"**

  More channels can feel like more chaos—more tools, workflows, and moving parts to manage.

- **“Will it increase costs?”**

  Supporting multiple channels can require larger teams, more investment, and infrastructure.

- **“Will we lose control over quality?”**

  Establishing and maintaining consistent responses across channels can feel difficult, especially at scale.

- **“What if we don’t implement it correctly?”**

  A poorly implemented omnichannel setup can lead to worse experiences than a simple, well-run single channel.

Because of these concerns, many teams remain in a multichannel setup: present across channels, but disconnected underneath.

The secret sauce to building high-performing omnichannel teams

Top teams go beyond just adding channels. They rethink how customer conversations should be handled end-to-end.

1 They enable seamless channel switching without disruption

Leading teams don’t treat channels as fixed lanes—they design for movement across them. Customers can start a conversation on one channel and continue on another without disruption. Behind the scenes, systems are structured to carry forward full context, previous actions, and conversation history—so the experience feels uninterrupted.

2 They unify customer context into a single, accessible view

Instead of managing conversations across disconnected tools, they centralize all interactions into one system. This ensures every agent has immediate access to the full customer journey—past issues, prior resolutions, and ongoing conversations—without switching between platforms. This shifts support from fragmented interactions to continuous conversations.

3 They use AI to enforce consistency and scale quality

As support volumes and channels grow, delivering consistent customer experiences can become difficult. Trendsetters address this by embedding AI into their workflows, ensuring every interaction is aligned in tone, accuracy, and completeness. AI also helps every agent perform consistently better and reduces training effort.

“

Success story

During the holiday season, Freshdesk significantly improved our Myntra Seller Support operations. The average resolution time for tickets was reduced as agents were able to resolve issues more efficiently.

Siddharth Patil



15%

Reduction in average resolution time

30%

Increase in CSAT scores

The operational advantage of connected customer experiences - Customer service benchmarks

To understand how connected customer experiences translate into operational performance, it helps to look at the metrics that matter most. The following benchmarks from our product usage data can help you determine the right channel mix and operational priorities for your support organization. They also provide a view of how support teams perform across key channels and CX metrics, helping you evaluate your performance, identify gaps, and understand what it takes to improve.

First assign time

Channel	Trendsetters	Median
Real-time channels		
Chat	Instantaneous	Instantaneous
Facebook	7.2 sec	8 min 56 sec
Phone	Instantaneous	Instantaneous
WhatsApp	3.6 sec	1 min 48 sec
Asynchronous channels		
Email	Instantaneous	3 min 36 sec
Portal	Instantaneous	4 min 41 sec

Speed sets the tone for the entire customer experience.

First assign time measures how quickly a customer inquiry reaches the right agent or team. While customers may not see this metric directly, it plays a critical role in determining how quickly work begins behind the scenes. Every delay at this stage slows down the rest of the customer journey.

Use these benchmarks to evaluate how efficiently your team routes incoming requests.

Large gaps between your performance and the benchmark may indicate opportunities to improve routing rules, automate ticket assignment, and reduce manual triage.
As support organizations scale across channels, products, and geographies, efficient assignment becomes important. The best-performing organizations minimize time spent deciding who should own a request, allowing agents to focus on resolving customer issues instead of routing them.

First response time

Channel	Trendsetters	Median
Real-time channels		
Chat	18 sec	17 min 38 sec
Facebook	1 min 8 sec	12 min 36 sec
Phone	28.8 sec	6 min 25 sec
WhatsApp	28.8 sec	10 min 16 sec
Asynchronous channels		
Email	5 min 56 sec	1 hr 14 min 10 sec
Portal	3.6 sec	1 hr 22 sec

The challenge isn't adding more channels—it's choosing the right ones and delivering consistent experiences across them.
Customers today can reach businesses through chat, email, social media, messaging apps, phone support, and self-service portals. That may not mean every organization needs to invest equally in every channel.

As you explore these benchmarks, focus on two questions:

- Which channels do our customers prefer to use?
- Which channels can we consistently support at the level customers expect?

Our data shows that the strongest omnichannel strategies aren't built around having the most channels. They're built around delivering fast, reliable experiences on the channels that matter the most.

Response SLA%

Channel	Trendsetters	Median
Real-time channels		
Chat	25.14%	10.33%
Facebook	41.49%	17.20%
Phone	30.94%	10.92%
WhatsApp	74.72%	38.89%
Asynchronous channels		
Email	36.34%	16.48%
Portal	48.56%	10.33%

Consistency matters just as much as speed.

While fast response times create a strong first impression, response SLA measures how consistently your team delivers on the service commitments you've made to your customers. Our data indicates that meeting these targets builds trust and demonstrates operational reliability.

As you review these benchmarks, ask yourself:

- Are we consistently meeting our response commitments across every channel?
- Do certain channels or teams regularly miss SLA targets?
- Are missed SLAs caused by demand spikes, inefficient routing, or manual processes that could be automated?

Large gaps between your performance and the benchmark may indicate capacity constraints, uneven workload distribution, inefficient routing, or opportunities to automate repetitive tasks before SLA targets are missed.

Resolution time

Channel	Trendsetters	Median
Real-time channels		
Chat	Instantaneous	4 hr 14 min 13 sec
Facebook	14 min 53 sec	2 hr 10 min 52 sec
Phone	3 min 18 sec	4 hr 1 min 48 sec
WhatsApp	20 min 53 sec	2 hr 5 min 56 sec
Asynchronous channels		
Email	41 min 49 sec	6 hr 21 min 25 sec
Portal	46 min 23 sec	8 hr 52 min 16 sec

The channel isn't the bottleneck. Operational maturity is.

While first assign time and first response time measure how quickly a conversation starts, resolution time measures how effectively it reaches an outcome. The gaps between trendsetters and the rest of the market across every channel suggest that channel choice alone doesn't determine performance. What matters is what happens after the conversation begins.

Use these benchmarks to evaluate how efficiently your team resolves customer issues across the channels you support.

Large gaps between your performance and the benchmarks may indicate opportunities to improve workflows, automate repetitive tasks, reduce handoffs, strengthen knowledge management, or provide your agents with better context. As your channel footprint grows, resolution can become dependent on how well information, teams, and processes work together behind the scenes.

Resolution SLA%

Channel	Trendsetters	Median
Real-time channels		
Chat	98.48%	92.51%
Facebook	96.87%	88.26%
Phone	96.43%	92.51%
WhatsApp	95.12%	89.04%
Asynchronous channels		
Email	98.37%	93.92%
Portal	97.31%	86.57%

Reliable resolutions build customer confidence.

Resolution SLA reflects your organization's ability to deliver on its commitments from start to finish. Strong performance indicates that your processes, teams, and technology are working together effectively—even as issues become more complex. Our data shows that high resolution SLA performance reflects operational discipline, predictable processes, and a customer service organization that customers can depend on.

When reviewing these benchmarks, consider:

- Which cases spend the most time with agents before they're resolved?
- Are handoffs, approvals, or escalations slowing progress?
- How can AI, automation, or better knowledge access help remove bottlenecks?

First contact resolution

Channel	Trendsetters	Median
Real-time channels		
Chat	36.63%	15.50%
Facebook	37.65%	20.96%
Phone	32.55%	16.32%
WhatsApp	31.98%	18.72%
Asynchronous channels		
Email	33.01%	15.57%
Portal	48.45%	22.57%

The best customer interactions are the ones that don't need a follow-up.

For customers, high FCR means faster outcomes and better experiences—making FCR one of the strongest indicators of customer satisfaction and loyalty. Use these metrics to understand how effectively your team is equipped to resolve issues the first time customers reach out. Large gaps between your performance and the benchmarks can point to operational challenges: agents may not have access to the right information, knowledge may be outdated, escalation paths may be unclear, or AI may not have enough context to provide meaningful assistance. Treat FCR not as a channel metric but as a reflection of how well your people, processes, and technology work together.

Best practices to get started with omnichannel support

Moving to omnichannel support doesn't require a complete overhaul—it requires a structured approach.

1 Start by unifying your channels before expanding further

Before adding new channels, integrate the ones you already have. Ensure conversations across channels are visible in one place. Without this foundation, adding more channels only increases fragmentation.

2 Unify customer data and conversation history across channels

Bring all customer interactions into a single system. Agents should have access to previous conversations, customer profiles, and interaction timeline. This becomes the backbone of your omnichannel support.

3 Define clear roles for each channel

Not every channel needs to serve the same purpose. Set clear focus areas for each channel. For example:

- **Chat** → Quick resolutions
- **Email** → Detailed questions
- **Phone** → Complex or sensitive issues

This reduces confusion and improves efficiency.

4 Connect the systems behind every customer interaction

Your support platform should bring together the tools your agents use every day —CRM, e-commerce platform, billing, order management, and other business systems. When customer information lives in one place, agents spend less time switching between applications and more time resolving issues. The result is fewer manual steps, faster resolutions, and seamless customer experiences.

Omnichannel isn’t just about being available everywhere. It’s about making every interaction feel part of the same conversation. Customers don’t think in channels. They think in outcomes. And the teams that recognize this and design their support experience accordingly are the ones setting the new standard.

Omnichannel readiness checklist

Use this as a quick reference when implementing omnichannel support:

- ☐ Are all customer conversations unified into a single system?
- ☐ Can agents see the complete interaction history across channels?
- ☐ Is the role of every channel clearly defined?
- ☐ Can customers switch channels without repeating themselves?
- ☐ Are agents equipped with the right tools and context in one place?
- ☐ Is AI being used to maintain brand consistency across channels?
- ☐ Is the rollout following a phased approach, starting with a few channels?

CHAPTER THREE

Performance benchmarks across regions and business sizes

The benchmarks presented so far provide a view of the overall customer service performance across organizations in the study. However, performance is often shaped by factors such as company size, operational complexity, customer expectations, and regional dynamics.

Use the following benchmarks to understand how organizations similar to yours are performing and where you stand relative to your peers.

Benchmark performance by company size

Small businesses (SMBs) (0-250 employees)

Organizations with fewer resources often need to balance responsiveness and efficiency while building customer service operations.

Customer service performance for SMBs

Metric	Trendsetters	Median
First assign time	Instantaneous	3.6 sec
First response time	3 min 29 sec	1 hr 4 min 48 sec
Response SLA%	40.16%	17.32%
Resolution SLA%	98.37%	93.39%
Resolution time	37 min 48 sec	7 hr 3 min 4 sec
First contact resolution	38.44%	18.09%
Resolution rate	100%	99.88%

SMBs are often able to move faster than larger organizations due to simpler processes and fewer layers of approval. However, limited resources can also create challenges as ticket volumes grow. Success at this stage is less about adding headcount and more about building strong operational foundations early.

Recommendations for SMB teams

- Build a structured knowledge base from day 1.
- Invest in agent training. Ensure agents are well-equipped to handle customer issues confidently and consistently.
- Adopt AI copilots to surface knowledge, improve response quality, and maintain brand consistency.
- Establish clear ownership and routing rules before ticket volumes increase.
- Track FCR and CSAT closely to ensure growth does not come at the expense of customer experience.
- Focus on consistency in existing channels before deciding to expand into additional channels.
- Prepare for future automation. Identify repetitive requests and workflows that can be automated as the business grows.

Mid-market businesses (250 - 5000 employees)

As organizations grow, customer service operations tend to become more complex. Teams may need to balance efficiency and scale across a larger customer base.

Customer service performance for mid-market businesses

Metric	Trendsetters	Median
First assign time	Instantaneous	3.6 sec
First response time	1 min 44 sec	54 min 58 sec
Response SLA%	29.02%	10.33%
Resolution SLA%	96.49%	92.02%

Channel	Trendsetters	Median
Resolution time	31 min 1 sec	6 hr 48 min 54 sec
First contact resolution	30.52%	16.32%
Resolution rate	99.94%	99.65%

Mid-market companies are often at an inflection point. Customer volumes are growing, support teams are expanding, and new channels are being added to meet evolving customer expectations. At this stage, success depends on how well businesses scale their operations without introducing inconsistencies or unnecessary complexities.

Recommendations for mid-market teams

- Be deliberate about channel expansion. Invest in the channels your customers actually use, rather than trying to be everywhere at once.
- Localize your customer service operations. As you expand into new regions, tailor language support, operating hours, SLAs, and workflows to meet regional customer expectations while maintaining global standards.
- Train AI on your industry's terminology, workflows, and customer interactions to deliver more accurate and context-aware support.
- Build a strong AI + human operating model. Use AI to handle repetitive work while enabling human agents to focus on higher-value customer interactions.
- Standardize workflows to ensure customers receive consistent experiences regardless of channel, team, or agent.
- Monitor FCR, resolution time, and CSAT regularly to identify bottlenecks before they impact customer experiences.
- Strengthen processes, knowledge management, and automation early to ensure support operations can scale with the business.

Enterprise businesses (5000+ employees)

Large organizations typically operate across multiple products, geographies, teams, and support channels. At this scale, consistency becomes just as important as speed.

Customer service performance for enterprise businesses

Metric	Trendsetters	Median
First assign time	Instantaneous	3.6 sec
First response time	5 min 35 sec	1 hr 39 min 54 sec
Response SLA%	35.27%	16.21%
Resolution SLA%	96.44%	93.85%
Resolution time	1 hr 17 min 20 sec	10 hr 37 min 26 sec
First contact resolution	35.55%	16.68%
Resolution rate	99.97%	99.87%

Enterprises often have mature support operations, but complexity can become a challenge. Multiple teams, processes, and systems can introduce friction that slows resolution and impacts customer experience. The strongest enterprise teams differentiate themselves by continuously simplifying and optimizing workflows.

Recommendations for Enterprise teams

- ✦ Conduct regular operational audits to identify inefficiencies and unnecessary complexities across your support org.
- ✦ Move beyond generic AI deployments and build AI experiences tailored to specific products, customer segments, and support functions.

- Use AI to uncover trends, recurring issues, and process inefficiencies that may not be visible through traditional reporting.
- Establish clear governance for AI decisions, escalations, compliance, and accountability as AI becomes embedded in customer service operations.
- Test and refine before deploying at scale. Use sandbox environments to experiment with new workflows, prompts, automations, and use cases before rolling them out, to reduce risk.
- Use customer signals and operational data to proactively identify issues and engage customers before they need to contact support.
- Use customer service data proactively to influence product, operations, and business decisions rather than treating support as a standalone function. Measure success through business outcomes such as customer retention, expansion, loyalty, and operational efficiency—not just support metrics.

How AI agent performance is evolving across business sizes

Our data shows that AI agent deflection rates have increased across SMBs, mid-market, and enterprise organizations between 2025 and 2026—showing how teams of every size are expanding AI's role in resolving customer conversations.

AI agent deflection rates by business size

Business size	AI agent deflection rate 2026	AI agent deflection rate 2025
SMBs	81.4%	48%
Mid-market	86.2%	55%
Enterprise	91.5%	56%

Benchmark performance by region

Asia-Pacific

Metric	Trendsetters	Regional median
First assign time	Instantaneous	1 min 8 sec
First response time	2 min 1 sec	1 hr 24 min 7 sec
Response SLA%	42.16%	14.97%
Resolution SLA%	99.32%	95.35%
Resolution time	45 min 18 sec	9 hr 6 min 43 sec
First contact resolution	43.18%	18.63%

Middle East & Africa

Metric	Trendsetters	Regional median
First assign time	Instantaneous	2 sec
First response time	15.1 sec	32 min 23 sec
Response SLA%	29.37%	10.34%
Resolution SLA%	97.38%	92%
Resolution time	18 min 29 sec	6 hr 7 min 20 sec
First contact resolution	40.62%	16.51%

Europe

Metric	Trendsetters	Regional median
First assign time	Instantaneous	3 min 23 sec
First response time	7 min 40 sec	1 hr 26 min 26 sec
Response SLA%	38.78%	17.45%
Resolution SLA%	98.31%	93.12%
Resolution time	57 min 18 sec	7 hr 55 min 37 sec
First contact resolution	34.89%	18.25%

India

Metric	Trendsetters	Regional median
First assign time	Instantaneous	Instantaneous
First response time	2 min 20 sec	59 min 17 sec
Response SLA%	34.33%	8%
Resolution SLA%	96.91%	92.01%
Resolution time	14 min 42 sec	4 hr 55 min 15 sec
First contact resolution	43.53%	19.92%

United States

Metric	Trendsetters	Regional median
First assign time	Instantaneous	3 min 11 sec
First response time	7 min 17 sec	1 hr 14 min 56 sec
Response SLA%	38.62%	17.29%
Resolution SLA%	98.49%	92.27%
Resolution time	53 min 54 sec	7 hr 29 min 37 sec
First contact resolution	31.33%	15.50%

Americas

Metric	Trendsetters	Regional median
First assign time	Instantaneous	4 sec
First response time	4 min 57 sec	1 hr 7 min 3 sec
Response SLA%	40.38%	16.01%
Resolution SLA%	98.80%	94.67%
Resolution time	42 min 10 sec	6 hr 55 min 45 sec
First contact resolution	35.72%	17.55%

How to use these benchmarks

Regional benchmarks should be viewed in context rather than as targets in isolation. A metric that places a team among trendsetters in one region may not have the same impact in another. Use these benchmarks alongside company size and customer expectations to set goals that are both ambitious and achievable.

CHAPTER FOUR

The industry lens

Retail and e-commerce

Retail customer service operates in one of the most demanding support environments. Customers expect immediate answers across channels, while seasonal events and promotional campaigns can multiply ticket volumes overnight.

We see that, to meet customer expectations, retailers are redesigning customer service around AI—automating routine resolutions, empowering human agents with AI assistance, and building support operations that scale with demand. AI has become a standard capability across the industry rather than a competitive differentiator.

Did you know?

51% of retailers already use AI in customer service and 43% of the remaining plan to invest in AI soon.

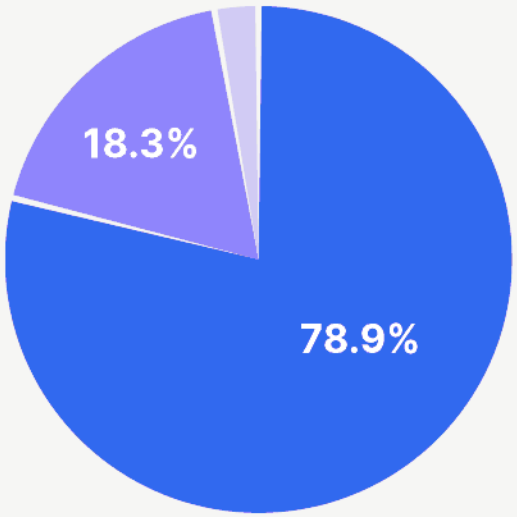
Source: Freshworks Annual Customer Survey 2026

AI agents - The retail operating model

Retail and e-commerce AI agents do far more than answer customer questions. They connect with e-commerce platforms, CRMs, payment gateways, logistics providers, and order management systems to track and modify orders, process returns and refunds, update deliveries and subscriptions, check inventory availability, and resolve customer requests end-to-end without agent intervention. By combining conversational AI with real-time actions, AI agents are transforming customer service from reactive support to end-to-end resolutions.

The numbers show that, retail and e-commerce businesses are moving from experimental implementation to operational deployment, with AI agents handling a large share of customer conversations.

AI agent implementation maturity across retail support teams



- **78.9% — Pilot implementation**
  AI agents handle 0-25% of incoming queries
- **18.3% — AI agents at scale**
  AI agents handle 50-100% of incoming queries
- **2.8% — Expanding implementation**
  AI agents handle 25-50% of incoming queries

AI agents in retail and e-commerce are showing significant performce, with deflection rates reaching **80.6% in 2026**, up from 53% in 2025.

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Did you know?

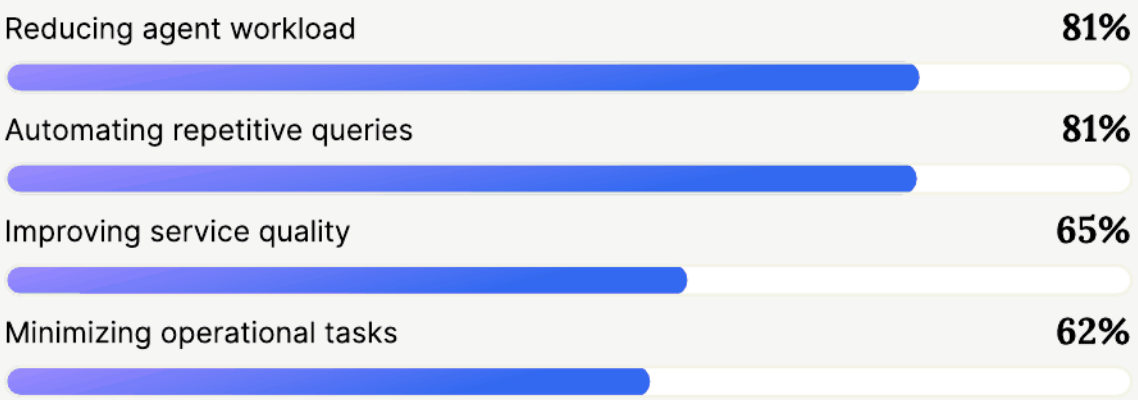
59% of retailers report that AI has significantly improved their ability to handle peak demand while maintaining service quality.

Source: Freshworks Annual Customer Survey 2026

AI copilot - Empowering human support teams

While AI agents automate customer conversations, AI copilot has become an essential part of human agents' workflows. We've seen that organizations are standardizing copilot across support operations, in everyday workflows to help agents respond faster, maintain consistency, and improve productivity across customer interactions.

Where AI copilot is delivering the biggest impact



Source: Freshworks Annual Customer Survey 2026

Multi-select question — percentages do not sum to 100%

Customer service benchmarks for retail and e-commerce

Metric	Trendsetters	Industry median
First assign time	Instantaneous	12 sec
First response time	3 min 44 sec	1 hr 31 min 57 sec
Resolution time	44 min 2 sec	7 hr 45 min 49 sec
Average response time	7 min 44 sec	1 hr 59 min 21 sec
Response SLA%	47.29%	19.31%
Resolution SLA%	98.37%	90.71%
CSAT	95.56%	81.62%
First contact resolution	46.92%	24.16%
Resolution rate	100%	99.91%

Success story

We were lucky to be part of the beta trial for Freddy AI. It was fantastic to have that opportunity and to see the power of what it can do. It was truly a game-changer for the team."

Simon Birch
Customer Service Manager



25%
Increase in customer satisfaction

82%
Tickets resolved at first contact

30%
Queries handled by AI

What top-performing teams are doing differently

1. Deploy AI agents for high-volume customer journeys such as order tracking, returns, refunds, cancellations, and delivery updates.
2. Connect AI agents with e-commerce, CRM, payment, and logistics systems so they can complete customer actions—not just answer questions.
3. Use AI agents to absorb seasonal demand spikes before increasing support headcount.
4. Expand self-service and live chat as primary digital support channels to improve scalability and customer convenience.
5. Standardize AI copilot across support teams to improve response quality and agent productivity.
6. Continuously monitor AI agent performance, review outcomes, and strengthen agentic workflows.

Software and internet

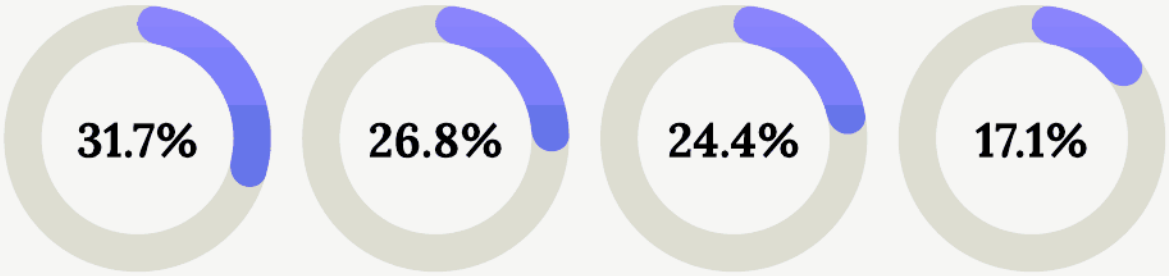
Software companies operate in an environment where customers expect instant answers. Every product release, feature update, and technical issue creates new support demands that require speed and technical depth. Our analyses find that, software support teams are leveraging AI to automate routine product query resolutions and accelerate technical troubleshooting.

Did you know?

45.1% of software and internet organizations already use AI in their customer service. 44% of the remaining organizations plan to invest in AI in the near future.

Source: Freshworks Annual Customer Survey 2026

AI usage in software support teams



Source: Freshworks Annual Customer Survey 2026

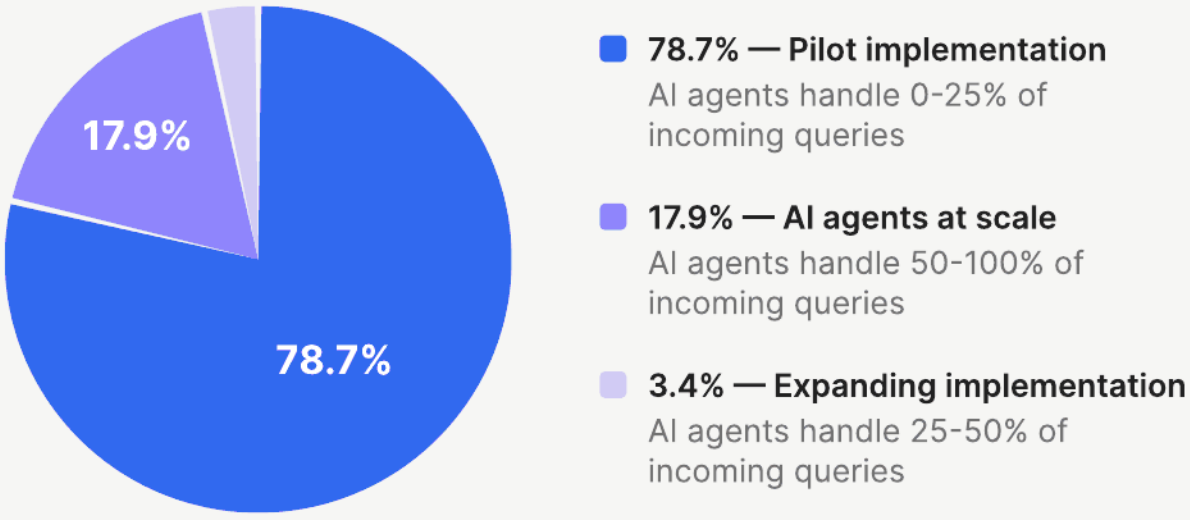
AI focus has also shifted from experimentation to operational maturity. Rather than deploying AI for isolated use cases, software companies are seen integrating it across multiple stages of the support journey.

Software support teams are combining AI agents and copilots to optimize customer interactions

We've seen that AI has moved from experimental implementation to operational deployment. AI agents act as the first layer of technical support, allowing support engineers to focus on higher-value, complex customer issues. Common AI agent use cases include:

- Product FAQs and feature guidance
- Login and account access issues
- Subscription and billing questions
- License management
- Troubleshooting
- Product onboarding guidance

AI agent implementation maturity across software support teams

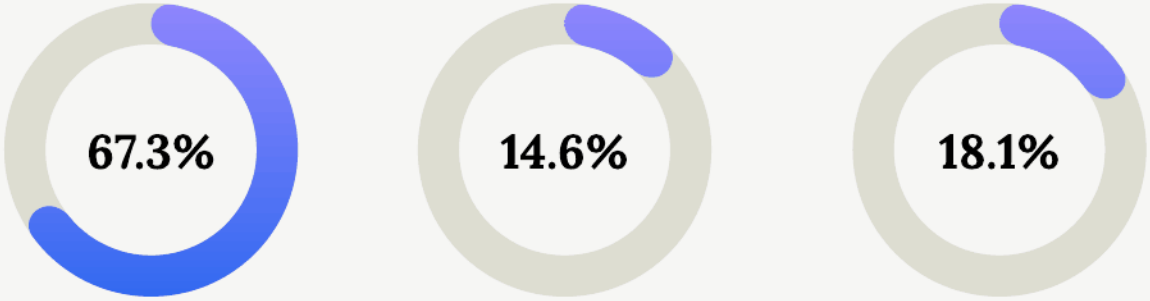


AI agent deflection rates in the software industry have nearly doubled, reaching **85.2% in 2026**.

Source: Freshdesk 2026 usage data (anonymized and aggregated)

AI copilot adoption is following a similar trajectory. While most organizations are still expanding deployment across their support teams, nearly 1 in 3 companies has already moved beyond pilots, making AI-assisted support a standard way of working.

AI copilot adoption maturity across software support teams



Early exploration

Piloted with a test group of agents

Scaling adoption

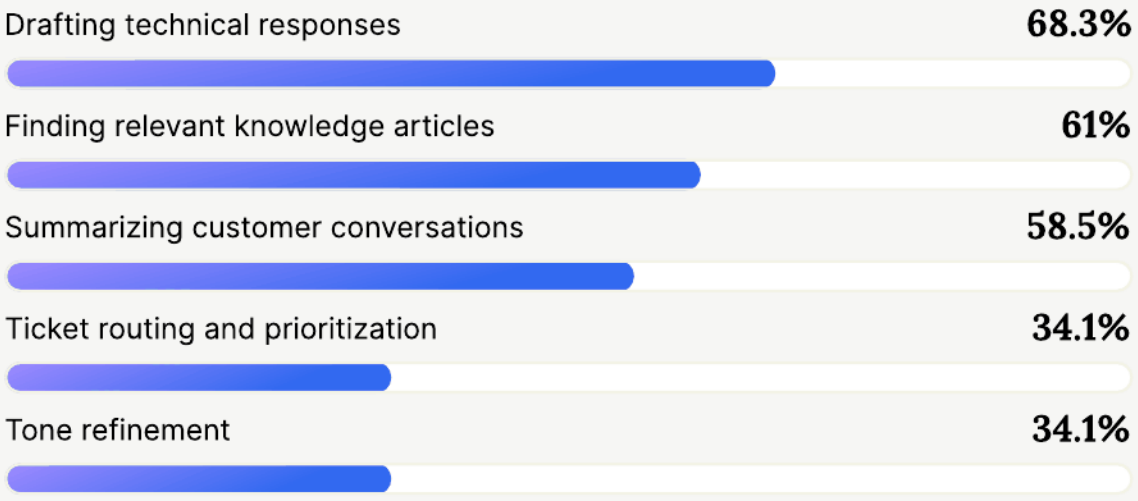
Implemented across teams and daily workflows

Org-wide adoption

Integrated into core support operations across the organization

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Where software support professionals report the biggest productivity gains from AI copilot



Source: Freshworks Annual Customer Survey 2026

Multi-select question — percentages do not sum to 100%

Customer service benchmarks for software and internet

Metric	Trendsetters	Industry median
First assign time	Instantaneous	3.6 sec
First response time	21.6 sec	30 min 11 sec
Resolution time	18 min	6 hr 6 min 14 sec
Average response time	1 min 26 sec	47 min 53 sec
Response SLA%	34.08%	10.33%
Resolution SLA%	98.28%	92.51%
CSAT	98.31%	88.60%
First contact resolution	35.21%	16.32%
Resolution rate	99.99%	99.94%

“

Success story

Freshworks is easy to understand and makes sense to agents. And the ability to centralize information and processes gives people an experience of unity."

Justin Levitz
Business Process and Growth Manager



54%
Queries resolved with AI

98%
Resolution SLA compliance

Best practices for software support teams

1. Treat AI agents as continuously evolving, not a one-time deployment.
2. Clearly define which issue types should remain self-service and which require engineering or human expertise.
3. Maintain structured knowledge bases to improve accuracy and resolution quality.
4. Expand AI copilot across technical support teams to accelerate troubleshooting and improve response consistency.
5. Continuously refine AI using new product releases, documentation, and customer conversations.
6. Measure AI success using containment, resolution quality, and customer satisfaction—not automation rate alone.

Business services

Business services companies span consulting firms, legal services, HR, finance, accounting, and other professional services. While every organization serves different customers, we've seen many share one common challenge: support teams spend significant time interpreting customer context, finding the right information, and crafting accurate responses. Businesses are expected to deliver accurate, personalized service, making AI an essential capability across business services.

Where business services organizations are investing next

Our findings suggest that business services support teams rely heavily on **self-service portals** and **email,** where customers expect detailed documentation, case updates, and knowledge-rich responses. **Live chat** is now becoming a preferred channel for quicker advisory conversations, while **social media** is emerging as another touchpoint for customer engagement.

Did you know?

42%

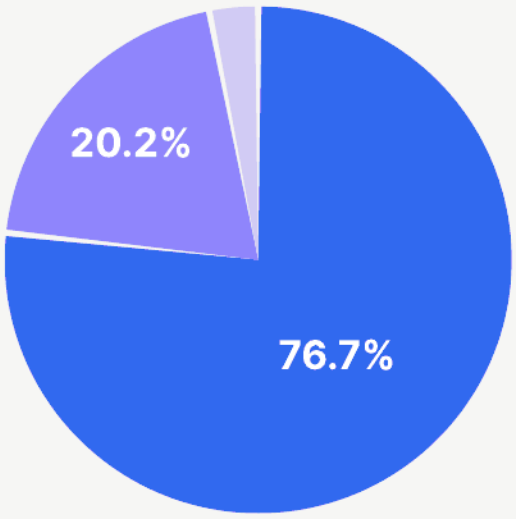
of business services support teams already use AI in customer service. Of these organizations, **95%** have expanded AI across multiple customer service workflows or embedded it as a core part of their customer service infrastructure.

Source: Freshworks Annual Customer Survey 2026

Email AI agent - The first line of support for complex email support

Email AI agents help resolve routine queries by using approved business knowledge to deliver consistent, accurate responses.

AI agent implementation maturity across support teams



- **76.7% — Pilot implementation**
  AI agents handle 0-25% of incoming queries
- **20.2% — AI agents at scale**
  AI agents handle 50-100% of incoming queries
- **3.1% — Expanding implementation**
  AI agents handle 25-50% of incoming queries

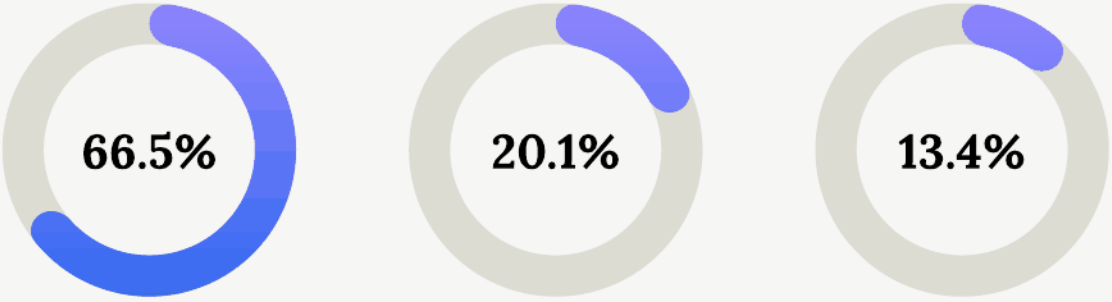
AI agents across business services are resolving a significantly larger share of queries, with **deflection rates reaching 81.9% in 2026.**

Source: Freshdesk 2026 usage data (anonymized and aggregated)

AI copilot - The productivity engine for business services

Based on our data, we see that nearly **two-thirds** of business services organizations have already introduced AI copilot across their support teams, making it a standard part of day-to-day customer support.

AI copilot adoption maturity across support teams



Early exploration
Piloted with a test group of agents

Scaling adoption
Implemented across teams and daily workflows

Org-wide adoption
Integrated into core support operations across the organization

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Customer service benchmarks for business services

Metric	Trendsetters	Industry median
First assign time	Instantaneous	7.2 sec
First response time	6 min 29 sec	1 hr 21 min
Resolution time	50 min 53 sec	8 hr 33 min 54 sec
Average response time	10 min 5 sec	1 hr 50 min 6 sec
Response SLA%	39.13%	16.93%
Resolution SLA%	98.43%	93.36%
CSAT	100%	88.89%
First contact resolution	39.65%	19.07%
Resolution rate	99.99%	99.89%

Success story

After implementing Freshworks, we significantly boosted agent productivity and reduced response times with automated workflows, SLAs, and intelligent ticket routing. Our resolution time averages 5–10 minutes, with an 80% ticket closure rate, allowing us to efficiently handle more inquiries."

Liam Ardense
Team Leader

trade245

How leading business services organizations scale expertise with AI

1. Make email AI agents the first layer for handling repetitive customer queries.
2. Keep knowledge bases, policies, and documentation continuously updated so AI delivers accurate, context-rich responses.
3. Identify repetitive customer requests that can be automated using AI agents while reserving complex, judgment-based cases for specialists.
4. Regularly review AI agent conversations to improve knowledge sources and workflow coverage.
5. Use AI copilot to handle drafting, summarization, and knowledge retrieval so specialists can focus on advisory work.

Manufacturing

Manufacturing support is built around technical expertise. Whether customers are troubleshooting equipment, requesting spare parts, raising warranty claims, or seeking product documentation, support teams may need to handle conversations that require detailed product knowledge and accurate responses.

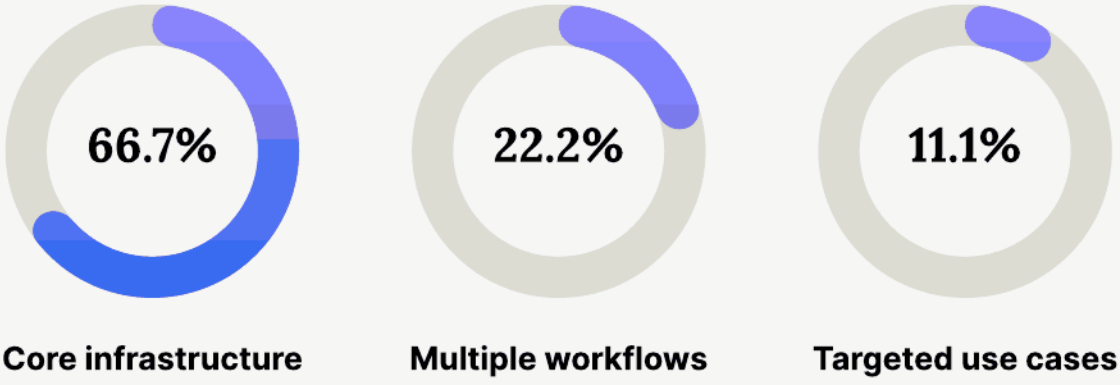
Did you know?

41% of manufacturing organizations already use AI in customer service, reflecting a growing shift toward AI-assisted technical support.

Source: Freshworks Annual Customer Survey 2026

Our data indicates that manufacturers continue to rely heavily on email and self-service portals as many customer interactions often require detailed explanations and reference material. As customer expectations evolve, they are also gradually extending support into live chat for simpler queries.

Where manufacturing support teams are implementing AI

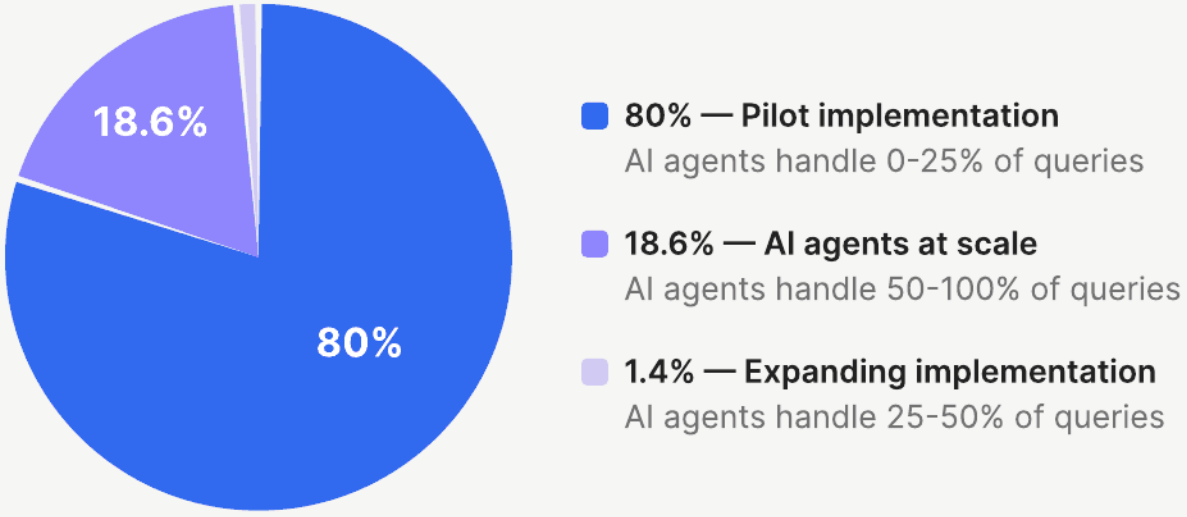


Source: Freshworks Annual Customer Survey 2026

AI agent - The core of technical support

AI agents deployed on email help automate high-volume, knowledge-intensive interactions using approved technical knowledge. As organizations build confidence in AI, we see them expanding its role to handle increasingly complex customer queries.

AI agent implementation maturity across manufacturing support teams



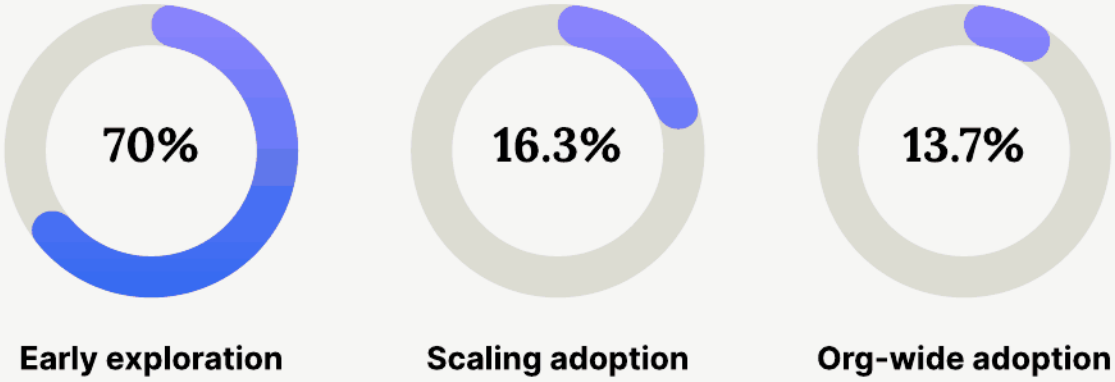
Manufacturing AI agent performance has improved significantly, with deflection rates reaching as high as **84% in 2026.**

Source: Freshdesk 2026 usage data (anonymized and aggregated)

AI copilot is reaching more technical specialists

As technical support becomes more knowledge-intensive, we find that AI copilot is helping manufacturing teams work more efficiently.

AI copilot adoption maturity across manufacturing teams



Source: Freshdesk 2026 usage data (anonymized and aggregated)

Customer service benchmarks for manufacturing

Metric	Trendsetters	Industry median
First assign time	Instantaneous	2 min 2 sec
First response time	7 min 55 sec	1 hr 18 min 22 sec
Resolution time	54 min 40 sec	7 hr 20 min 20 sec
Average response time	13 min 26 sec	1 hr 45 min 54 sec
Response SLA%	43.35%	21.17%
Resolution SLA%	97.93%	92.32%
CSAT	98.33%	89.53%
First contact resolution	35.75%	19.10%
Resolution rate	99.99%	99.84%

Success story

Implementing Freshdesk has significantly streamlined our customer support processes, leading to an increase in agent productivity by automating ticket assignments and reducing manual work. We've been able to resolve queries faster and boost customer satisfaction."

Jerod Gonzales
Escalations Manager



30%
Increase in productivity

20%
Reduction in response times

How leading manufacturers are building AI-ready support

1. Prioritize email AI agent for handling recurring queries like warranty requests, installation guidance, spare parts inquiries, and other routine informational emails.
2. Keep technical documentation accurate and continuously updated so AI stays aligned with the latest products, documentation, and service procedures to provide reliable answers.
3. Equip technical support teams with AI copilot to quickly retrieve documentation, summarize customer history, and accelerate issue resolution.
4. Expand AI coverage gradually, moving from routine queries to complex technical support scenarios as confidence and AI quality grows.

Travel and hospitality

Customer support in travel need not end when the booking is complete. From itinerary changes and baggage queries to cancellations, refunds, and check-in assistance, travelers expect fast, personalized support throughout their journey. Travel and hospitality is among the most AI-forward industries in this year's report.

Did you know?

63% of travel businesses have already embedded AI into their customer service operations, making it one of the fastest-moving industries in AI adoption.

Source: Freshworks Annual Customer Survey 2026

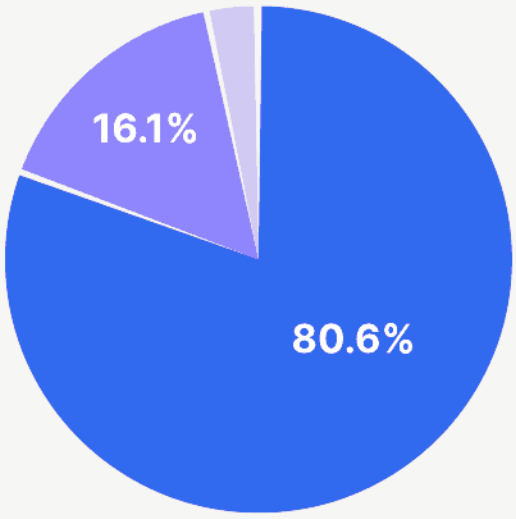
Our anayses show that travel organizations are prioritizing real-time support through **live chat** and **social media,** where issues can be resolved instantly. 50% of companies in this industry have live chat and social channels as their primary customer support channel. **Email** becomes essential for more detailed requests such as itinerary changes, refund enquiries, travel documentation, and post-booking support.

Travel organizations are scaling AI agents to automate customer resolutions

Travelers expect immediate resolution, whether that's modifying an itinerary, checking booking status, updating passenger details, or processing cancellations. To meet these rising expectations, travel organizations are adopting AI agents. By integrating with reservation platforms, CRMs, payment systems, and other business systems, AI agents can perform routine actions on behalf of travelers while seamlessly handing over more complex requests to human agents.

Travel organizations are rapidly scaling AI across customer support. Our data shows **1 in 6** organizations has already reached large-scale deployment, demonstrating growing confidence in AI as a core component of modern travel support.

AI agent implementation maturity across travel organizations



80.6% — Pilot implementation
AI agents handle a 0-25% of incoming queries

16.1% — AI agents at scale
AI agents handle 50-100% of incoming queries

3.2% — Expanding implementation
AI agents handle 25-50% of incoming queries

AI agents are driving significant gains in travel and hospitality, with **deflection rates rising to 84% in 2026** from 52% in 2025.

Source: Freshdesk 2026 usage data (anonymized and aggregated)

Did you know?

25% of travel organizations report that AI has significantly improved their ability to handle seasonal and unexpected demand spikes, helping teams maintain service quality even during peak travel periods.

Source: Freshworks Annual Customer Survey 2026

Customer service benchmarks for travel and hospitality

Metric	Trendsetters	Industry median
First assign time	Instantaneous	3.6 sec
First response time	7 min 8 sec	1 hr 6 min 32 sec
Resolution time	48 min 47 sec	7 hr 24 min 47 sec
Average response time	10 min 37 sec	1 hr 24 min 36 sec
Response SLA%	19.89%	10.20%
Resolution SLA%	98.50%	93.82%
CSAT	97.06%	82.63%
First contact resolution	24.19%	12.34%
Resolution rate	99.99%	99.77%

“

Success story

With Freddy AI Agent, we can address inquiries round the clock. It’s a powerful feature to improve customer experience while freeing our agents to focus on immediate traveler needs.”

Mónica Bozinoski
Content marketing manager

pickyourtrail

30%
Improvement in first response time

26%
Deflection rate

Best practices for scaling AI in travel and hospitality

1. Connect AI agents to reservation, booking, and CRM systems so they can securely complete customer requests instead of only answering questions.
2. Automate high-volume travel workflows such as itinerary changes, booking status, cancellations, and refund requests.
3. Continuously expand AI agent skills by adding new workflows based on recurring customer queries.
4. Equip agents with AI copilot to accelerate complex cases that require human judgment and personalized assistance.
5. Measure AI success using customer outcomes, including faster resolutions, SLA achievement, and first contact resolution beyond automation rates.
6. Prepare AI for seasonal peaks by training and testing workflows ahead of holidays, promotions, and major travel events.



CHAPTER FIVE

How customer service performance has evolved in 2026

Customer service benchmarks are not static—they evolve alongside changing customer expectations, support channels, and advances in AI. Comparing this year's results with last year's reveals where organizations are improving, where expectations have increased, and which operational challenges continue to slow teams down.

This comparison examines overall benchmark trends from 2025 to 2026 to understand how the customer service landscape is changing.

Metric	2026	2025	Change
First assign time	Instantaneous	Instantaneous	No change
First response time	3 min 4 sec	3 min 11 sec	3.6% faster
Resolution time	37 min 44 sec	31 min 59 sec	18% slower
Resolution SLA%	98.2%	98%	+0.2%
First contact resolution	99.52%	97.83%	+1.73%

What changed in customer service in the past year?

Faster first responses, but slower resolutions

Organizations are acknowledging customer questions faster than before, reducing first response times by 3.6%. However, customers are waiting longer for complete issue resolution, suggesting that while support teams are becoming more responsive, the complexity of customer issues continues to increase.

Resolution quality remains high

Despite longer resolution times, Resolution SLA compliance has remained consistently above 98%, indicating that organizations continue to meet customer commitments even as support cases become more demanding.

First contact resolution improves

First contact resolution increased compared to last year, even as customer queries become more complex and nuanced. AI agents are proving essential here, helping teams resolve issues faster and more effectively by handling routine requests.

Speed alone is no longer enough

The benchmarks indicate a broader shift in customer service priorities. Organizations are balancing faster responses with higher-quality resolutions, while AI supports agents in handling the growing complexity of tickets rather than simply reducing response times.

Key takeaway

Customer questions and interactions are becoming more nuanced. The organizations that continue to outperform are those leveraging impactful AI not just to respond faster, but to help agents resolve sophisticated issues with greater consistency.

Closing thoughts



By **Janani Dwarakanath**
VP - CX Marketing, Freshworks

The findings in this report point to a defining shift in customer service. AI is no longer simply improving how service is delivered. It is reshaping what great customer service looks like and what customers will increasingly come to expect.

But as the benchmarks show, having more AI does not automatically mean delivering better customer service. The organizations pulling ahead are not focused on deploying 100+ features or chasing every new capability. They are focused on putting the right capabilities to work where they create the greatest value - resolving more customer needs, making agents more effective, removing friction, and delivering faster, more connected experiences.

As AI becomes more capable, that distinction will matter even more. The gap will widen between organizations that simply add AI to existing workflows and those that use it to rethink how customer service operates. Leaders will be deliberate about where AI can take on greater responsibility, where people bring empathy and expertise, and how the two can work together to deliver outcomes neither could achieve as effectively on its own.

That also means that success cannot be measured by how many AI capabilities an organization has deployed. It needs to be measured by what those capabilities make possible. Are customers getting better answers, faster? Are agents able to focus their time where it matters most? Is the experience becoming easier and more consistent? And ultimately, is customer service creating greater value for the business?

The benchmarks in this report provide a view into what best-in-class looks like today. They are perspective, not prescription. Every organization starts from a different place, with different customers, priorities, and constraints. What matters is understanding where you stand, identifying the greatest opportunities, and making deliberate choices about where AI can have the most meaningful impact.

And while these benchmarks capture a moment in time, the bar will keep moving. What looks best-in-class today will become the standard tomorrow. That is what makes this moment so important. The opportunity is to rethink what customer service can be and build experiences that are easier for customers, more empowering for people, and more valuable for the business.

The next era of customer service will not be defined by how much AI you have. It will be defined by what you make possible with it.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