KPMG

The Big Shift

Preparing for the rise of agentic customer experience

Customer Experience Excellence
FY25-26 Report

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Contents

Foreword

Welcome to the frontline of the customer experience revolution. The shift to agentic AI is on the horizon – reshaping industries, unlocking unprecedented opportunities, and rewriting the rules of customer engagement.

After two decades of digital transformation, organisations now face a higher bar: preparing for the age of agentic customer experience to stay ahead in a landscape defined by accelerating change and empowered customers.

At the centre of this shift is **Total Experience (TX):** a strategic approach that unifies customer, employee, partner, and digital interactions into a single, adaptive environment. TX moves beyond isolated improvements to deliver anticipatory, human-centred experiences across every touchpoint.

Driving this shift is **agentic AI**—a new class of artificial intelligence capable of sensing, reasoning, and acting independently. Unlike traditional AI, agentic systems don't just automate tasks; they dynamically assemble the right capabilities to deliver the right outcomes at the right moment. In TX, agentic AI plays a dual role: as an orchestrator coordinating journeys across channels and teams, and as a participant engaging directly with customers and employees to resolve needs in real time.

Australia's 2025 Customer Experience Excellence (CEE) Report reflects momentum across key sectors. With a national score rising to 7.30, driven by gains in Empathy, Resolution, and Expectations, Retail continues to set the pace, with 9 of the top 10 brands and sector growth of +0.4%, fuelled by omnichannel innovation and AI-powered loyalty ecosystems.

Financial Services has outperformed the national average yet faces a narrowing gap as customer expectations rise and other sectors accelerate.

Utilities and the Public Sector, historically CX laggards, have delivered their strongest improvements to date: +2.6% and +9.1% respectively. The Utilities sector stands out for its commitment to understanding customer and community priorities, supporting vulnerable groups, and addressing cost-of-living pressures.

As organisations embrace agentic AI and Total Experience, the challenge is no longer whether to innovate, but how to do so with purpose, agility, and humanity. What will set companies apart in the near term is their willingness to embrace AI and innovation in addition to their ability to integrate customers, employees, data, technology, and operations into one coherent whole, while concurrently fostering consumer trust and confidence. This report examines how TX and agentic AI sets the stage for how Australian organisations can lead with purpose, resilience and customer-centric innovation.

REPORT AUTHORS

Carmen Bekker
Lead Partner, KPMG Customer Australia & ASPAC

Neil Shewan
Partner, Customer & Operations Advisory

Jessica Horgan
Associate Director, Customer & Operations Advisory

Lauren Barrett
Manager, Customer & Operations Advisory

SPOTLIGHT FEATURE

Beyond the aisle: how Bunnings blends heart and hardware

From humble beginnings as a WA timber company, Bunnings Group has emerged as an iconic Australian hardware brand with more than 300 stores around the country.

For decades, Bunnings has been synonymous with trust, simplicity, value and an awesome weekend sausage sizzle. Customers know that when they walk into a Bunnings store, they're not just buying products, they're engaging with a brand that treats them like a valued guest. As one leader put it, 'stopping to understand exactly what the customer needs' is part of the company's DNA.

Bunnings consistently ranks among Australia's most valued brands and continues to rank among the top performers in KPMG's CEE's rankings, with the retailer placing in the top 5 best performing CX brands for the third consecutive year. In 2025, Bunnings achieved a CEE score of 7.86, a 1% uplift from last year, continuing to outperform the retail average across all CX pillars. These gains reflect a deliberate strategy: blending human warmth with digital innovation.

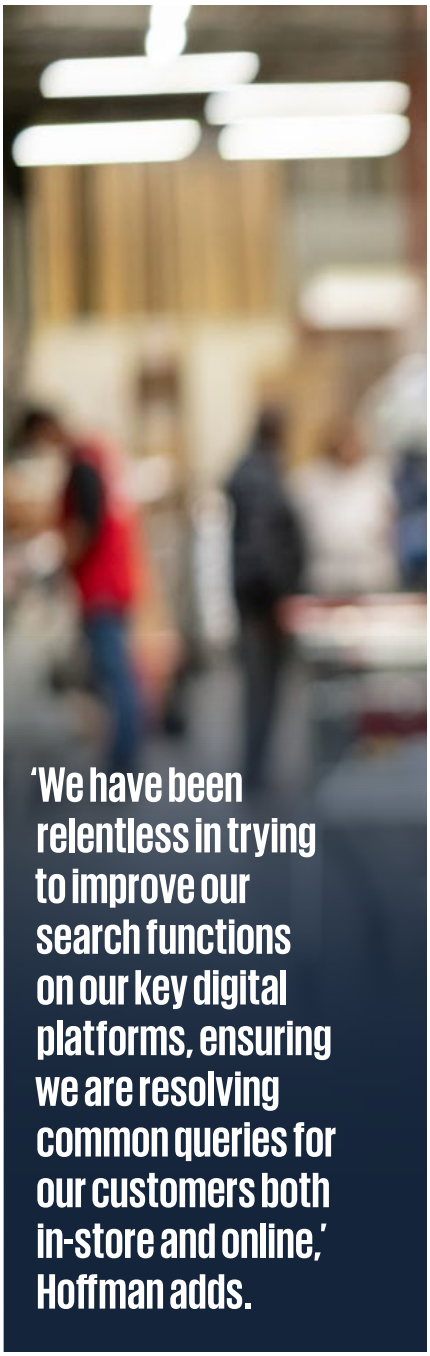
We sat down with Bunnings Head of Customer Experience Steve Hoffman to discuss the retailers' unwavering commitment to customer experience and innovation, how its adopting AI and why the secret to its success goes beyond value for money.

Human connection meets digital intelligence

Balancing digital innovation with maintaining human connection to meet today's rising customer expectations is a modern CX challenge that Bunnings is acutely aware of.

'Our humans bring the brand to life; the way the team greets you and interacts with you creates a positive and memorable experience for customers. The great challenge is to transfer those great personalities into the digital experience,' Hoffman tells KPMG.

To bridge this gap, Bunnings has leaned into technology without losing sight of its core values. From incremental improvements in search functionality to the rollout of a generative AI chatbot and a Bunnings app, the retailer is creating seamless omnichannel experiences.



'We have been relentless in trying to improve our search functions on our key digital platforms, ensuring we are resolving common queries for our customers both in-store and online,' Hoffman adds.

'We treat everyone as a valued customer and that philosophy is the common underpinning thread across the entire end-to-end customer journey. Stopping in the aisle to chat with customers, connect with them, understand their needs and provide expert advice fosters trust and is what creates an excellent customer experience and that will continue.'

Bunnings continues to invest heavily in digital channels as it explores new and improved ways to provide a destination shopping experience. Harnessing advanced analytics to personalise the shopping experience and reduce bottlenecks, customers can now integrate their in-store and online journeys, giving them more ways to shop and more confidence to tackle projects.

'We are constantly improving and testing our digital functionality to ensure we are making the experience for customers as seamless as possible. We are consistently assessing our engagement data to ensure our omnichannel integration strategy is working for our customers.'

AI experimentation and innovation beyond the aisle

Bunnings' continued experimentation with AI and data-driven technologies is extending across its broader ecosystem, cementing a partnership with experience management platform Medallia which has enabled Bunnings to capture and act on customer feedback at scale.

Bunnings' ambition also extends beyond retail basics. Trials of Zippedi for automated inventory checks, subscription-based renewable energy offerings and 'Ask Bunnings AI' website tool signal a future where convenience is king.

'The secret sauce is the convenience that Bunnings provides. We are on your doorstep, and we have a relentless focus on providing seamless experiences, whether through the evolution of our Bunnings App, a customer AI chatbot or DIY project management tools,' Hoffman says.

Hoffman says the hardware retailer is consistently assessing how AI can unlock improvements for operations and customers.

'AI will be instrumental in improving both the customer and team experiences and we will continue to assess how responsible use of AI can support our operations,' Hoffman added.

The road ahead

Bunnings is at the centre of the growing DIY home improvement market, currently estimated at $100 million; and its market leading position shows no signs of slowing down. With a commitment to innovation, customer service, low prices and wide product variety, Hoffman says Bunnings focus is to be the best we can be.

'We have a great team, good product knowledge, and we call out when we don't know an answer.'

What's certain is that Bunnings won't rest on its laurels.

'We know the moments that matter are in store and online. We know the key levers we need to adjust, such as making the check-out experience as seamless and as easy as possible. We just keep on working harder.'

	PERSONALISATION	TIME & EFFORT	EXPECTATIONS	INTEGRITY	RESOLUTION	EMPATHY
BUNNINGS 2025	8.25	8.28	7.78	7.71	7.90	6.94
BUNNINGS 2024	8.21	8.29	7.65	7.68	7.73	6.89
RETAIL AVERAGE 2025	7.73	7.86	7.42	7.38	7.38	6.73

Customer Experience Excellence FY25/26 Report Findings

The Six Pillars of Experience

Exploring the foundations of Customer Experience Excellence research

Drawing on 16 years of primary research and 791,000 participants, the KPMG Six Pillars of Customer Experience Excellence (CEE) have been identified as the foundational elements for delivering world-class customer experiences.

Integrity

Being trustworthy and engendering trust.

Resolution

Turning a poor experience into a great one.

Expectations

Managing, meeting and exceeding customer expectations.

Personalisation

Using individualised attention to drive an emotional connection.

Time & Effort

Minimising customer effort and creating frictionless connection.

Empathy

Achieving an understanding of the customer's circumstances to drive deep rapport.

This year's global study includes 80,000+ evaluations of 2,684 brands across 16 countries, ranking each brand within its respective country based on its overall Customer Experience Excellence (CEE) score. Scores are derived from the Six Pillars of Experience, weighted by their impact on advocacy, represented by the net promoter score (NPS) and loyalty.

In Australia, the 2025 study covered over 5,000 evaluations of 126 brands, covering 9 sectors and 27 subsectors. Refer to the Survey Methodology at the end of the report for further information.

Customer-centric excellence sustains brand resilience across sectors

This year, Australian organisations achieved a 1.6% uplift in the overall customer experience index, increasing from 7.18 to 7.30 and regaining momentum after setbacks in 2023 and 2024. The improvement in customer experience has been driven by the core pillars of **Empathy**, **Resolution**, and **Expectations**.

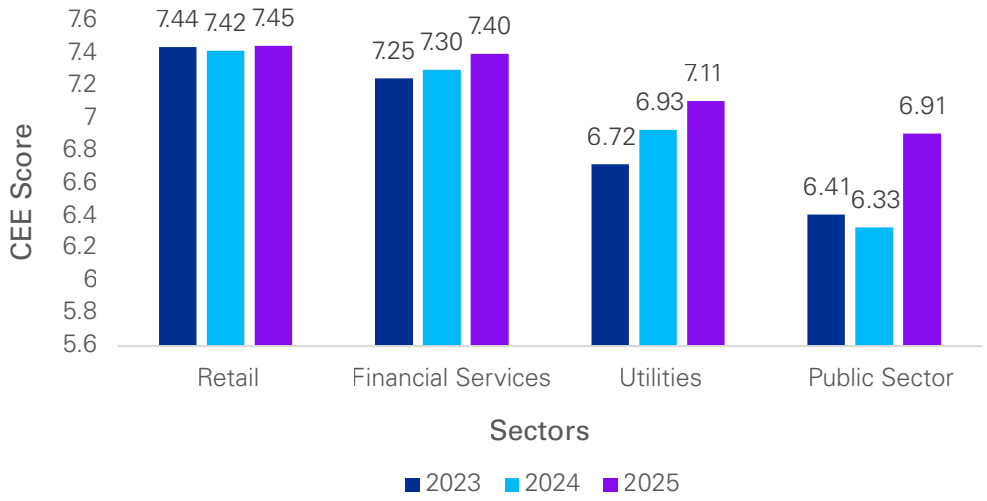
The retail sector has demonstrated remarkable growth, with 9 out of the top 10 companies in 2025 belonging to this category – up from 7 in 2024. This upward trend is strongly supported by improvements in the Empathy and Resolution pillars, reflecting enhanced customer engagement and issue-resolution improvements.

Five organisations that featured in the top 10 rankings in 2024 have retained their positions in 2025, underscoring the importance of sustained customer-focused excellence in driving long-term brand resilience.

The top-performing brands predominantly represent the Financial and Retail sectors, highlighting the significant influence and competitive strength of these industries in the current landscape.

Key trends by sector

Financial Services, Utilities, and the Public Sector have demonstrated clear upward momentum in CX this year, reflecting strong customer satisfaction. Financial Services improved from a CEE score of 7.25 in 2023 to 7.40 in 2025, while Utilities rose from 6.72 to 7.11 over the same period. The Public Sector made a great recovery, rebounding from 6.33 in 2024 to 6.91 in 2025. In contrast, Retail has remained flat indicating stable performance.



Retail

The retail sector continues to lead customer experience excellence with 9 of the top 10 Australian brands belonging in the retail category.

- The retail sector continues to lead the market, growing +0.4% year-on-year. The retail sector's increase in performance reveals an increase in Grocery Retail 7.43 (+1.2%) and non-grocery retail's more modest increase of 7.46 (+0.3%).
- The upturn in grocery retail can be attributed to initiatives such as value-led loyalty propositions that provide faster fulfilment and reduced customer effort. Non-grocery retail's modest growth was underpinned by resilient demand for durables and more selective discretionary spending, with sophisticated omnichannel execution playing an important role as well.
- Retail brands are increasingly leveraging AI-powered customer journeys and loyalty ecosystems to reduce friction and deepen customer connection.

Financial Services

The financial services sector continues to outperform the national average on CX but the gap is narrowing as expectations climb, and other sectors accelerate their programs.

- Overall, pillar momentum is showing an upward trajectory. Expectation (+2%), Empathy (+2%), Integrity (+1.9%) and Time & Effort (1.3%) all improved year-on-year and played a significant role in the financial services sector beating the national average (+1.4%).
- Financial institutions have successfully combined digital efficiency with personalised engagement, streamlining everyday interactions while reinforcing confidence in security and reliability.
- The sector is shifting from reactive service models to predictive, hyper-personalised continuous engagement that is underpinned by AI and cyber resilience, enabling the sector to keep pace with ever-increasing customer expectations.

Utilities

The Utilities sector saw an improvement of +2.6% year-on-year. While the sector's average score of 7.11 remains below the national benchmark of 7.30, the gains signal a strong commitment to customer-centricity value creation.

- This year's uplift was driven by improvements across all 6 pillars of excellence, with Empathy (+4%) and Resolution (3.5%) leading the charge, reflecting better sector alignment with customer needs.
- These responses reflect the sector's growing responsiveness to the cost-of-living pressures faced by Australians and its efforts to support customers and communities with compassion and action. The sector still faces challenges in connected, end-to-end AI adoption.
- Leading providers, for instance, are leveraging smart metering and AI-powered leak detection to deliver better service outcomes in partnership with customers, strengthening trust and transparency.

Public Sector

The public sector delivered the largest year-on-year improvement in CX (+9.1%), reflecting a strong pivot towards personalisation and responsiveness.

- This year's uplift was driven by improvements across all Six Pillars of Experience, with Time & Effort (+10.4%) and Expectations (+9.6%) leading the gains, marking a step change in how services meet community needs.
- These gains signal a shift from transactional service delivery to proactive, citizen-centric engagement, supported by digital platforms and data-driven personalisation. While the sector's CEE score remains below the national average, the scale of improvement underscores a commitment to building trust and reducing friction in critical life moments.
- Agencies are being recognised for digital accessibility and personalised service, with apps and online platforms streamlining access to essential services and improving customer satisfaction.

CEE Pillars in focus

SECTOR	PILLARS IN FOCUS	WHY THESE PILLARS MATTER
Retail	Empathy, Resolution, Expectations	Retail leads CX transformation. These pillars rose year-on-year at an average of 2%, driven by omnichannel maturity, AI-powered journeys and loyalty ecosystems that reduce friction and deepen customer connection.
Financial Services	Expectations, Empathy, Integrity	FS brands excel at blending digital efficiency with personalised engagement. Expectations and Empathy rose +2% and Integrity +1.9%, reflecting trust-building and streamlined service delivery.
Utilities	Empathy, Resolution, Time & Effort	The sector's +2.6% uplift was led by Empathy (+4%) and Resolution (+3.5%), showing responsiveness to help ease cost-of-living pressures and improved issue handling.
Public Sector	Time & Effort, Expectations, Integrity	The biggest year-on-year CX improvement (+9.1%) was driven by Time & Effort (+10.5%) and Expectations (+9.6%), reflecting positive progress in the shift to proactive, customer-centric service delivery.

Retail: continues to dominate CX performance.

Financial Services: The sector shows strong pillar momentum, with notable gains in Personalisation, Integrity and Time & Effort.

Utilities: Despite scoring below the national benchmark, the Utilities sector showed meaningful improvement, driven by stronger emotional support and clearer service pathways.

Public Sector: The sector delivered the largest year-on-year improvement, reflecting a strong pivot toward personalisation, accessibility and proactive citizen engagement.

Top 10 and notable climbers

Australian top 10 leaders

1	SPECSAVERS CEE Score **8.08**				
2	Bendigo Bank CEE Score **7.92**	3	OPSM CEE Score **7.87**		
4	Bunnings Warehouse CEE Score **7.86**	5	Chemist Warehouse CEE Score **7.84**		
6	Priceline CEE Score **7.73**	7	Mecca CEE Score **7.73**		
8	Amazon CEE Score **7.73**	9	Dan Murphy's CEE Score **7.72**	10	Mitre 10 CEE Score **7.71**

Movers & Shakers

Financial services	QBE	+33
Financial services	HostPlus	+26
Utilities	Yarra Valley Water	+23
Financial services	Australian Retirement Trust	+20
Retail	Priceline	+19
Financial services	NRMA Insurance	+18
Financial services	HSBC	+17
Public services	Service NSW	+16
Utilities	Red Energy	+16
Utilities	Sydney Water	+15

Australian top movers by sector

Financial services	QBE	+33
Utilities	Yarra Valley Water	+23
Retail	Priceline	+19
Public services	Service NSW	+16

What we observed

In 2025, non-grocery retail brands have dominated the top 10 rankings for customer experience, securing 9 out of 10 positions. Longstanding leaders such as Mecca, Bunnings Warehouse, Chemist Warehouse and Specsavers have consistently held their top-tier status since 2021, reflecting sustained CX excellence. This year also marked Amazon's impressive debut in the rankings, while Priceline made a notable return to the top 10 after a four-year absence. Their success can be attributed to strategic emphasis on competitive pricing, attractive discounts and seamless online shopping and delivery experiences. These strengths align closely with evolving consumer expectations, particularly in light of cost-of-living pressures in the Australian market, where affordability and convenience have become critical drivers of brand preference.

In addition to Retail, the Utilities and Financial Services sectors experienced significant advancements in customer experience. While QBE stood out with the most dramatic improvement in ranking across all brands, several other financial and utility providers also showed clear gains compared to the previous year, largely driven by customers placing greater value on trust, transparency, and dependable service. Among the new entrants, non-grocery retail brands led the charge once again, with Mitre 10, OPSM and Amazon making a strong impact and reinforcing the sector's growing influence in customer experience leadership. In 2025, the most influential pillars driving customer experience were Integrity (18.9%), Personalisation (18.2%) and Expectations (16.9%), indicting continued emphasis on trust, tailored interactions, and exceeding customer expectations.

Brand Case Study: AirBnb

From stays to stories: Airbnb ventures into bespoke travel experiences

Airbnb is changing the way we travel, moving beyond accommodation offerings into the curated travel experience market through its app, aiming to 'own' the entire travel journey.[1]

The platform embodies empathy, Airbnb was founded on the idea of connection and belonging, two things still at the center of our company and community today. Every day, hosts offer unique stays, experiences, and services that make it possible for guests to connect with communities in a more authentic way. Highlighting that Airbnb is not merely about providing a place to stay but about cultivating a sense of belonging for users, no matter where they are in the world.[2] Trust is a cornerstone of this approach, built through host and guest reviews that ensure a reliable and transparent environment.

Airbnb's intuitive and user-friendly interface is frequently praised for catering to individual needs and preferences. By leveraging data, Airbnb personalises stays based on user preferences and booking history, enhancing the overall customer experience. Features like 'Guest Favourites' and 'Rare Finds' simplify the search for accommodation,[3] while diverse options cater to various needs from family-friendly homes to pet-friendly stays across different budgets.

This year's expansion into curated experiences and local services marks a strategic evolution. Whether it's booking a cooking class or a guided hike, Airbnb now enables travellers to immerse themselves in local culture directly through the app.[4] This move reinforces Airbnb's mission to deliver a seamless, end-to-end travel experience, not just a place to sleep.

To further enhance its service capabilities, Airbnb introduced an AI-powered customer service agent in April, initially rolled out to half of its U.S. users.[5] This innovation has reduced the reliance on live human agents by 15% and is designed to become increasingly personalised over time.[6] The AI service is expected to be available to all U.S. users by the end of the month.[7] By prioritising ease of use, affordability, and reliability, Airbnb is raising the bar for customer experience in the industry.

1 AFAR, Airbnb Wants to Give Users More Than Just a Place to Stay. Is That What Guests Want?, 12 June 2025
2 Renascence, How Airbnb Redefines Customer Experience (CX) Through Community and Authenticity, 4 September 2024
3 CX Dive, Airbnb brings AI customer service agent to half of US customers, 6 May 2025
4 AFAR, Airbnb Wants to Give Users More Than Just a Place to Stay. Is That What Guests Want?, 12 June 2025
5 CX Dive, Airbnb brings AI customer service agent to half of US customers, 6 May 2025
6 CX Dive, Airbnb brings AI customer service agent to half of US customers, 6 May 2025
7 CX Dive, Airbnb brings AI customer service agent to half of US customers, 6 May 2025

Demographic experiences with AI

The adoption and perception of AI technologies reveal a nuanced generational divide, underscoring the importance of tailored engagement strategies.

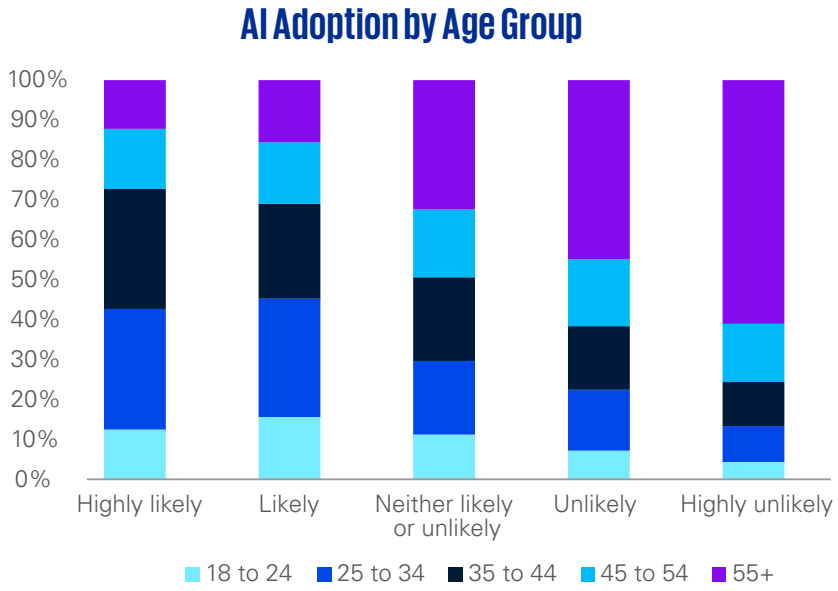
This year's survey revealed that younger respondents **aged 18 to 24** have a relatively high openness to AI, with an average willingness score of 2.95 on a 5-point scale. This cohort appears more comfortable navigating AI-enabled environments. Their top concerns – AI replacing jobs, incorrect responses and data security – suggest a pragmatic awareness of AI's limitations, balanced by a readiness to engage.

In contrast, respondents aged 55 and above exhibit markedly lower enthusiasm, with an average willingness score of just 1.97. This group is significantly more apprehensive, with concerns clustering around the inability to interact with a human, the security of personal data and job displacement. The prominence of 'not being able to interact with a human' as the leading concern – far exceeding other age groups – signals a deeper discomfort with the depersonalisation of services and a potential erosion of trust in digital interfaces. Middle-aged cohorts (35–54) occupy a transitional space. While their willingness to use AI tools is moderate (2.49–2.83), their concerns mirror both ends of the spectrum.

For those aged 35 to 44, data security and job displacement dominate, **while the 45 to 54** group places greater emphasis on the loss of human interaction. This suggests that as individuals progress through their careers, their expectations of AI shift – from efficiency and innovation toward reliability and human-centricity.

The 25 to 34 age group, often considered digital natives, presents a mixed profile. Despite a relatively high willingness score (2.95), their concerns are broad-based, spanning data security, job loss and human interaction. This indicates a generation that is both tech-savvy and critically engaged – aware of AI's potential but also its pitfalls.

These generational insights challenge the notion of a uniform digital transformation approach. They highlight the need for AI strategies that are not only technologically robust but also empathetic to the lived experiences of different age groups. For organisations, this means designing AI interfaces that are intuitive for younger users, while preserving human touchpoints and transparency for older cohorts. In doing so, businesses can foster trust, drive adoption and ensure that AI serves as an enabler across the generational spectrum.



SPOTLIGHT FEATURE

From contact centre to service engine: How Hostplus is transforming the member experience

The 2025/2026 CEE results reflect a year of performance for Hostplus. Across the key CEE pillars of Integrity, Resolution, Expectations, Time & Effort, Personalisation, and Empathy, Hostplus exceeded on several fronts with a strong focus on reliability, performance, and clarity clearly resonating with members.

We sat down with Hostplus to explore the key drivers behind its CX success, discuss the role of technology in shaping member experience, and their vision for how AI will redefine engagement in the years ahead.

Setting the foundations for transformation

According to Arther Nedelkov, Acting Chief Administration and Insurance Officer, the super fund put the wheels in motion for its CX transformation a few years ago.

'We made a pivotal move to unify service and operations a few years ago — not as a fix, but as a forward-looking strategy to elevate member experience and drive performance at scale,' Nedelkov says.

'We reshaped how our teams work by creating a unified operating model that aligned our partners, streamlined communications, and integrated service and operations into a single, high-performing ecosystem.'

'We conducted a deep diagnostic analysis to pinpoint where member effort was highest and then redesigned those interactions to remove friction, reduce unnecessary steps, and deliver a more seamless, intuitive experience.'

Hostplus reimagined its service model by introducing Centres of Excellence, each led by a dedicated pillar lead — senior specialists who oversee critical member service areas such as claims, onboarding, and support. This structure replaces the traditional contact-centre setup with a more focused, expert-driven approach.

By embedding these leads alongside internal teams and vendor partners, Hostplus has created a collaborative environment that enables faster claims decisions and more accurate problem resolution.

According to Nedelkov, who is championing the journey to transform the member experience, the fundamental shift from a contact centre model to a servicing-based model has been transformational for Hostplus.

'We set out to build an operating model that enables us to respond to members with speed and clarity. Our focus was on removing friction and simplifying interactions, so our people can connect with members, employers and partners when they want, how they want, and in ways that feel natural and genuinely helpful,' he says.

'Our member-first philosophy is about giving people meaningful choice. That means letting them decide how they engage with us, when they do it, and through the channel that suits them best. Our ongoing aim is to deliver a service model that adapts to member preferences and life moments, not the other way around.'

Placing the customer at the centre of digital upgrades and AI rollout

Hostplus has also refreshed its member-facing digital channels, encompassing the fund's online portals and an award-winning mobile app, and invested heavily in staff training so digital growth complements quality face-to-face service.

'We want our members to be able to choose the channel that's right for them, so it's about choice and not substitution,' Nedelkov says.

'Employees are continually upskilled to manage more complex enquiries with confidence and care. Every channel and interaction are now part of a connected experience, designed to ensure members are never treated in isolation, no matter how they choose to engage.'

Hostplus acknowledges there is a big push among the broader insurance sector to adopt AI at scale, however Nedelkov says the 'why' for the customer needs to be front of mind.

'The fund will be selective in how we use AI to ensure that any solution is 100% secure, trusted and improves the overall service experience,' he says.

'AI must be deployed in the right environment so we're taking a selective, thoughtful approach to AI and prioritising the member's best interests in terms of both experience and outcomes'.

Hostplus says AI implementation can be used as a foundational layer that will help stitch together interactions across its customer channels

'From the first contact and every interaction that follows, AI has the potential to help us understand when members are exploring on their own and when they're ready for support. That means we can deliver targeted education at the right moment, in the right way, without interrupting their journey,' Nedelkov says.

'We are also actively exploring how AI can create administrative efficiencies to accelerate complaint resolution for members.'

New frameworks measure real experience

Another breakthrough for Hostplus has been the rollout of advanced metrics and service frameworks that are directly aligned to product lines, member channels, and Centres of Excellence. This alignment gives the organisation clearer visibility into performance, faster feedback loops, and the ability to continuously refine how services are delivered.

'We're focused on the metrics that matter — the ones that reflect the quality of service we're delivering and how our members actually experience it. It's about measuring impact, not just activity,' Nedelkov says.

The new metrics move beyond transactional measures to capture effort, commitment and member perception.

The frameworks track end-to-end journeys identifying, for example, when a member moves through multiple channels over several days, enabling Hostplus to identify any underlying issues and deliver more targeted, lasting improvements.

'We use scorecards to surface the real pain points members experience across their entire service journey, not just at isolated touchpoints. These insights give us more visibility into what's working and where we need to improve, so we can act quickly and drive meaningful change,' Nedelkov says.

Looking ahead, Hostplus will continue to focus on creating seamless customer experiences for its members, employers and advisers, investing in technology and AI where it adds value—keeping the member's needs at the centre of every change.

'We're constantly evolving,' Nedelkov notes.

'Every improvement we make is driven by a clear purpose and restlessness to ensure we serve our members better today than we did yesterday.'

Preparing for the Rise of Agentic Customer Experience

Total Experience

Customer experience is evolving from an isolated touchpoint optimisation to Total Experience (TX). At the heart of Total Experience is the ability to connect customers, employees, partners, systems, and data into one intelligent, adaptive service environment.

TX is built on five foundational principles:

1 Customer Centricity
2 Data-Driven Insights
3 Seamless Integration
4 Employee Empowerment
5 Technology Enablement

In a Total Experience environment, each of the six pillars must operate seamlessly across customer, employee, data, and technology touchpoints, with agentic AI enabling consistent delivery at speed and scale.

The table below outlines how each pillar can be assessed and intentionally designed to deliver a unified, intelligent, and human-centered experience.

PILLAR	ANTICIPATORY EXPERIENCES	HOW AGENTIC AI ENABLES THIS
Integrity	Is personalisation accurate, relevant, and context-aware in every interaction, regardless of channel or whether it's delivered by a human or AI?	Maintain a single, real-time customer profile accessible to all touchpoints within the ecosystem, use AI-driven orchestration to adapt journeys dynamically, and ensure personalisation considers both historical data and in-the-moment context
Resolution	Are trust, fairness, and transparency consistenty demonstrated across all customer and employee touchpoints, regardless of channel or context	Embed a unified ethical framework for human and AI interactions, ensure transparency in decision making, and provide visible audit trails for data use and service outcomes. Maintain a human in the loop on all AI and agentic AI applications
Expectations	Are customer expectations accurately understood, set, and met consistently across every channel, employee, and AI interaction?	Establish a unified experience promise, leverage AI to set proactive expectations (e.g. status updates, delivery times), and align service-level agreements across all customer-facing functions
Time and Effort	Do customers experience frictionless, efficient journeys where effort is minimised across digital, physical, and assisted channels?	Integrate systems and workflows to remove duplication, use agentic AI to automate routine tasks, and design single sign-on and one-and-done service models that reduce customer effort
Personalisation	How quickly and effectively can issues be detected and resolved across integrated customer journeys, without hand-offs or repetition?	Implement real-time monitoring and alerting, empower employees and AI agents to resolve issues at the first point of contact, and create shared resolution playbooks that span front, middle, and back office
Empathy	Do customers feel genuinely understood, supported, and valued in every interaction, whether with a person, a chatbot, or an automated process?	Train employees and AI systems to recognise emotional signals, adjust tone and language accordingly, and prioritise empathy during high-stakes or emotionally charged moments

This is where agentic AI plays a transformative role. Unlike traditional AI, which is limited to predefined tasks, agentic AI systems can independently sense, reason, and act, dynamically assembling the right capabilities to deliver the right outcome at the right moment.

In a Total Experience context, agentic AI acts as both orchestrator and participant.

- As an orchestrator, it coordinates across functional teams, channels, and journeys, ensuring consistency and personalisation without the customer feeling the complexity behind the scenes.
- As a participant, it directly interacts with customers, employees, or partners answering questions, recommending actions, or completing transactions, while drawing on shared data and organisational knowledge.

This dual role allows agentic AI to strengthen all five principles of Total Experience:

Customer centricity

Dynamically adapting services to individual needs and preferences.

Employee empowerment

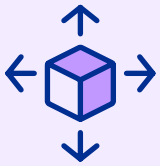
Providing frontline teams with timely insights, assistance, and recommended actions.

Data-driven insights

Processing real-time signals to anticipate needs.

Technology enablement

Acting as the connective tissue between every touchpoint and process.



Seamless integration

Bridging siloed systems, connecting cross-functional processes, and ensuring continuity across journeys.

The goal is an operating environment where experiences are personal, anticipatory, and effortless, and where the human and digital elements of service work in harmony to improve experience while maintaining integrity and empathy.

Leading TX Global Case Studies

UAE: Emirates Airline: Orchestrating the intelligent travel ecosystem

Emirates is evolving beyond the role of an airline to become an orchestrator of the full travel experience. Through its partnerships with airports, immigration services, hotels, ground transportation, and even biometric security providers, Emirates is shaping a frictionless, AI-enabled travel corridor.

Biometric boarding and smart check-in systems powered by AI reduce wait times, while predictive analytics help tailor loyalty offers, meal preferences, and connection options. The airline's collaboration with Dubai Airports and the UAE government supports real-time data sharing and anticipatory service, creating a seamless experience from booking to arrival. Emirates' Skywards loyalty program integrates with ecosystem partners, offering customers value across a wide range of travel related services.

Nike: From product to platform – orchestrating a lifestyle ecosystem

Nike has evolved far beyond a sportswear brand into a digitally orchestrated ecosystem that connects products, content, communities, and services. Central to this transformation is Nike's AI-powered app ecosystem, including Nike Training Club, Nike Run Club, and SNKRS, which personalize workout routines, track performance, and create exclusive, loyalty-driven retail experiences.

Nike uses AI to deliver hyper-personalized content, product recommendations, and in-the-moment coaching. Through partnerships with Headspace, and fitness influencers, Nike integrates health, mindfulness, and movement into daily life. Its acquisitions (e.g. Celect for predictive analytics and Invertex for 3D scanning) support custom product fitting and demand forecasting, enhancing digital-to-physical experience fusion.

Nike's ecosystem strategy is powered by its Nike Membership platform, which unifies engagement across channels, retail, mobile, events, and e-commerce, leveraging a single data and AI layer to create consistent, predictive customer journeys. Community features like member-exclusive drops and athlete storytelling generate emotional loyalty and digital stickiness.

As Nike moves deeper into virtual and immersive experiences, including partnerships with Roblox and experimentation in the metaverse, it continues to orchestrate an AI-enabled lifestyle ecosystem where sport, fashion, digital identity, and health intersect.

AI maturity journey for customer experience

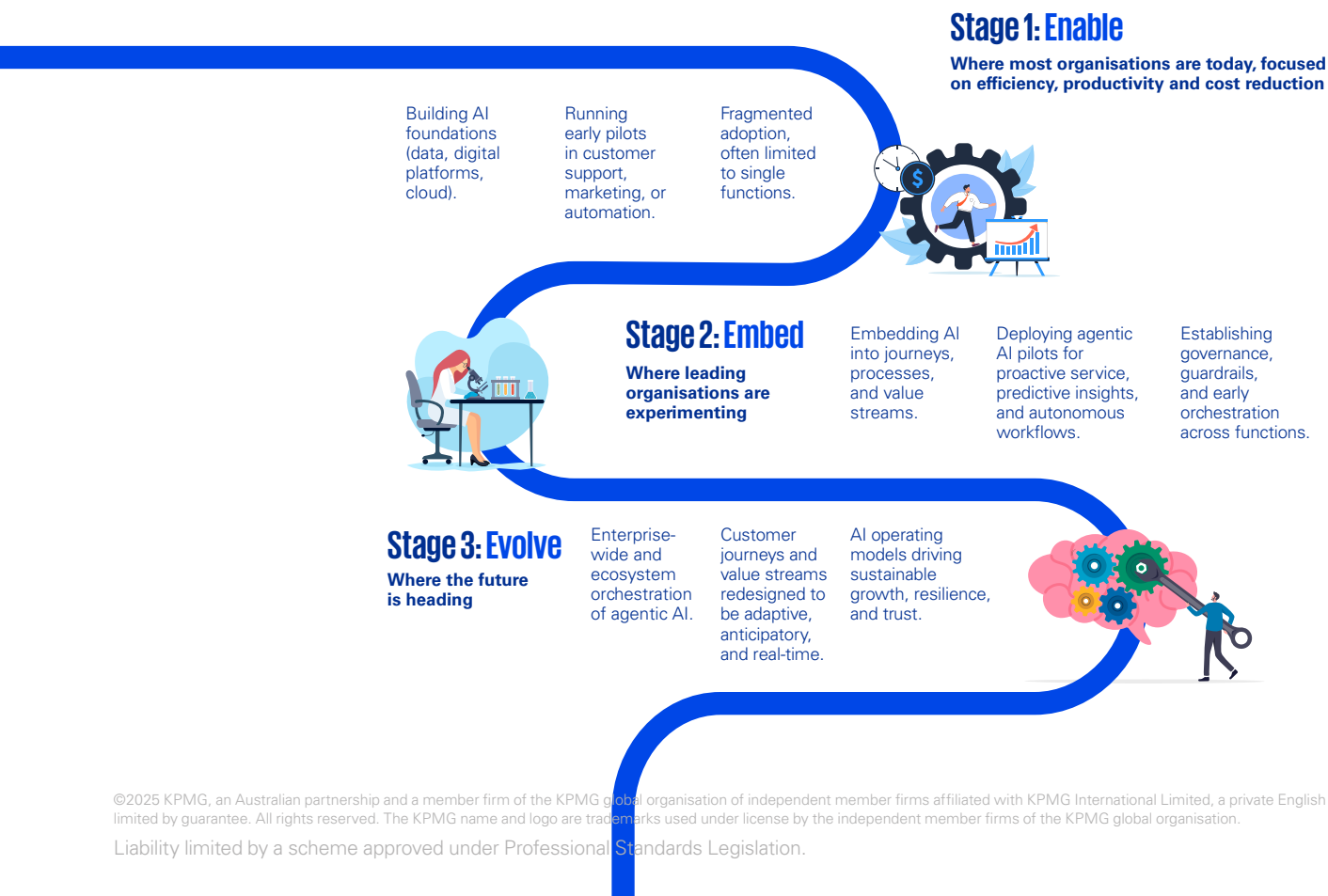
Organisations across the Australia have made progress in digitising customer experience, but AI adoption remains uneven. Most are still focused on building foundations, with only a few piloting more advanced agentic capabilities. The challenge now is to connect today's incremental steps with tomorrow's transformational potential. Using the Enable–Embed–Evolve maturity model, we can map where organisations are today.

KPMG research shows that while most organisations are experimenting with AI, the majority remain in the Enable stage of maturity. Here, the focus is on building the foundations, modernising data, introducing early AI pilots, and digitising selected customer journeys. Some are beginning to embed capabilities, trialling agentic AI in individual value streams such as proactive service or automated lead management. A smaller number are experimenting at the frontier, evolving business and operating models around a portfolio of value streams and orchestrated service delivery.

Without a roadmap that links enablement to embedded pilots and ultimately to enterprise-wide evolution, efforts risk stalling in isolated proofs of concept.

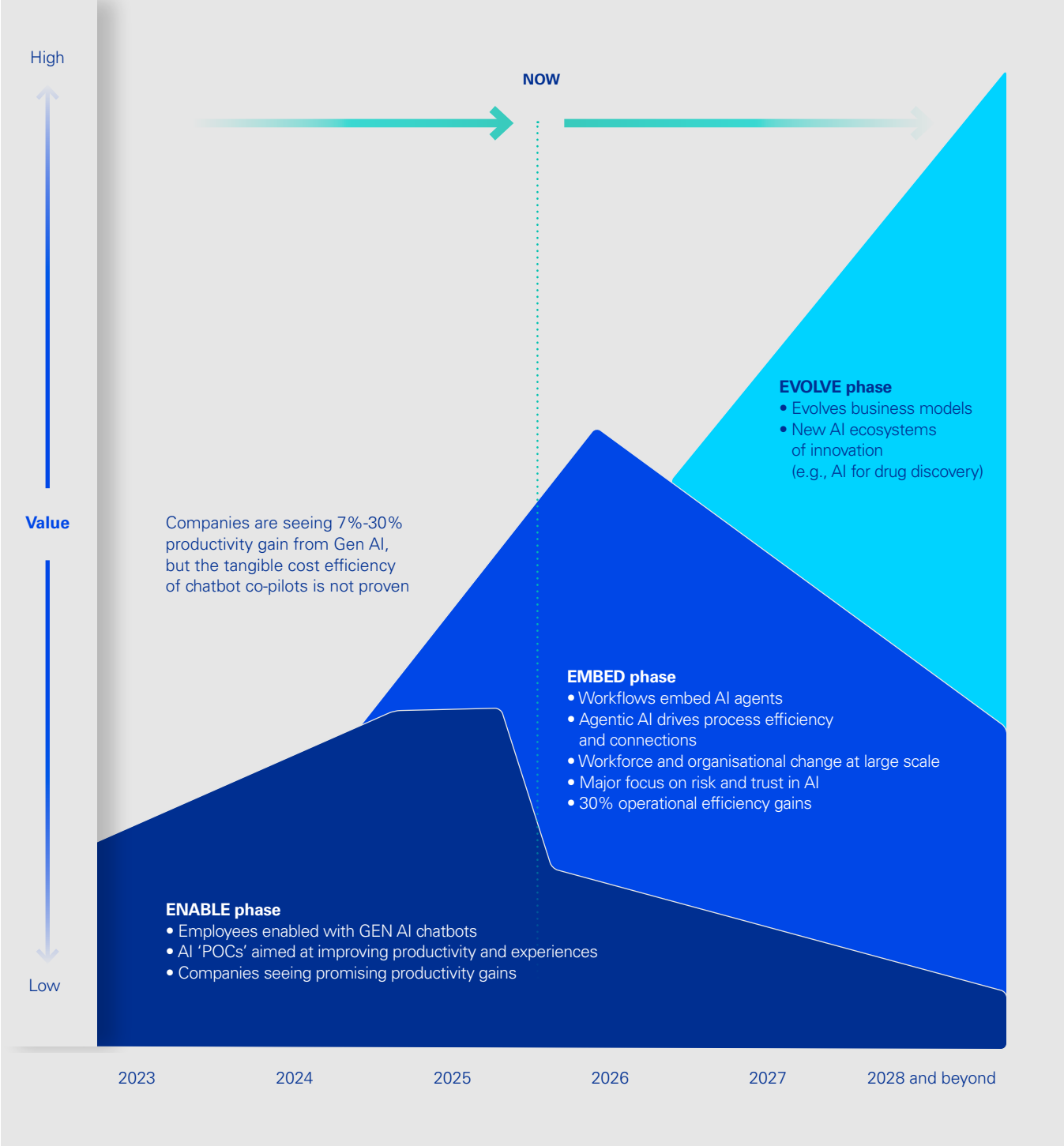
The next 12–18 months will be critical. Agentic AI is expected to move from pilot to mainstream, reshaping how experiences are designed and delivered. Organisations that prepare now, by aligning journeys and value streams, putting data fabrics in place, and embedding governance guardrails, will be well positioned when adoption accelerates. Those that delay risk being left behind as customers begin to expect experiences that are autonomous, contextual, and deeply human.

In short: The agentic customer experience is closer than many realise. The winners will be those who successfully manage the rapidly developing state of AI technology through the enable, embed, and evolve phases laying the foundations for customer experiences that anticipate needs, act in real time, and earn lasting trust.



AI adoption maturity: where we stand

According to KPMG research, many organisations are still focusing on enabling AI deployment at scale.



Global Case Study: Walmart

One of the most advanced users of autonomous agents is Walmart. The company has built a highly sophisticated agentic AI ecosystem where multiple autonomous agents operate in tandem. These 'super agents' support functions spanning shopping journeys, logistics, staffing, and back-office assistance, each purpose-built for specific tasks.[8] Anchored on proprietary LLMs and cart/core data integration, these agents work in concert through an orchestrated system that manages everything from customer interactions and cart completion to supply intelligence and developer enablement.[9] This is an enterprise-wide AI mesh that senses, decides, and activates in real time.

WALMART: AUTONOMOUS AGENTS IN CONCERT

Shelf Agents

- Monitor browsing, click-throughs, and competitor pricing.
- Trigger tests of placement and promotions.
- RFID + AR tools track products to the exact shelf, improving staff efficiency and customer satisfaction.

Promotion Agents

- Optimise discounts, campaigns, and recommendations in real time.
- Ensure offers align with demand and profitability goals.
- Continuously A/B test digital promotions, using live customer response data to refine messaging, creative, and channel mix for maximum conversion.

CENTRAL HUB: Orchestration Layer: coordinates signals, decisions, and outcomes across all agents, ensures data, logistics, staffing, and customer-facing tools all operate in concert.

Inventory Agents

- Track stock levels and warehouse capacity.
- Adjust replenishment and logistics in response to demand surges.
- AI-powered defect detection scans millions of packages instantly.
- Robots optimise loading and stacking for space and efficiency.

Customer Experience Agents

- Monitor shopper journeys for friction points.
- Dynamic Delivery algorithms optimise fulfilment and delivery in real time, cutting wait times to minutes.
- Reroute fulfilment options or offer nudges (e.g. substitutes, delivery slots).

8 Walmart, Inside Walmart's Strategy for Building an Agentic Future, 29 May 2025
9 Walmart, Inside Walmart's Strategy for Building an Agentic Future, 29 May 2025

CX Agentic Implementation Recommendations

Implementing CX Excellence across the front office

1. **Adopt a unified customer vision**
   - Define a clear, enterprise-wide CX ambition that spans marketing, sales, and service.
   - Anchor KPIs around customer outcomes (loyalty, retention, lifetime value), not just functional efficiency.
   - Ensure senior leaders model a shared commitment to customer-centric decision-making.
2. **Integrate systems and data**
   - Build a connected front-office architecture with a common data platform.
   - Ensure marketing, sales, and service draw from the same 'single source of truth'.
   - Break down silos by enabling real-time data sharing across channels and functions.
   - Ground models on trusted external sources and a well-defined data and knowledge base model, as this increases accuracy in decisions.
3. **Design for signal responsiveness**
   - Identify 'signal moments' across the lifecycle where customers' needs or emotions change.
   - Use agentic AI to sense, predict, and act on these signals proactively.
   - Ensure interventions are context-aware, timely, and delivered via the customers preferred channel.
4. **Balance AI with human empathy**
   - Use AI to automate the routine (Taskers, Automators) but empower people to deliver empathy where it matters most.
   - Equip frontline employees with real-time insights (Collaborators) to enhance human judgement.
   - Ensure orchestration (Orchestrators) unifies digital and human touchpoints into a seamless journey.
5. **Create common metrics across functions**
   - Align marketing, sales, and service around shared CX KPIs (e.g. NPS, CES, CLV).
   - Supplement efficiency measures with trust, empathy, and resolution metrics.
   - Use consistent dashboards to track progress and accountability across teams.
6. **Empower people and culture**
   - Train employees to use AI tools confidently, not fearfully.
   - Reinforce the ethos that technology amplifies service rather than replaces it.
   - Recognise and reward behaviours that blend efficiency with empathy.
7. **Evolve the operating model**
   - Shift from functional optimisation to value-stream orchestration.
   - Embed agile governance so CX initiatives can scale quickly from pilot to enterprise.
   - Build adaptive, composable capabilities that evolve as customer expectations change.

CX excellence across the front office requires more than advanced technology. It demands a unifying vision, integrated data, cross-functional KPIs, empowered people, and operating models designed to orchestrate intelligence and empathy at scale.

Australian Sector trends

Comparison of top brands per sector 2025 vs 2024

2025

	RETAIL	FINANCIAL SERVICES	UTILITIES	PUBLIC SECTOR
1	Specsavers	Bendigo Bank	Red Energy	Australia Post
2	OPSM	Australian Retirement Trust (ART)	SA Water	Australian Broadcasting Corporation
3	Bunnings Warehouse	NRMA Insurance	Yarra Valley Water	Special Broadcasting Service

2024

	RETAIL	FINANCIAL SERVICES	UTILITIES	PUBLIC SECTOR
1	Mecca	ING	SA Water	Service NSW
2	Specsavers	Bendigo Bank	Synergy	Housing NSW
3	Bunnings Warehouse	RACV	Red Energy	Australian Taxation Office

Retail

Heralding the next wave of retail innovation

Non-grocery retail continues to lead the way in shaping customer experience across Australia. Nine of the top 10 brands are from the retail sector, reflecting a notable advancement over last year's rankings.

Retail CEE score

7.45

Change: +0.4%

Grocery retail CEE score

7.43

Change: +1.2%

Non-grocery retail CEE score

7.46

Change: +0.3%

Retailers are leading the charge in CX transformation, setting the pace for innovation across industries. Key CX drivers such as Personalisation and Expectations have shown a positive rise in the dominant sector on average. The respective pillars have increased year-on-year on average at 0.2%, further reinforcing the sector's leadership in delivering exceptional customer value with top brands creating deeper customer connections aimed at boosting loyalty. AI-powered customer journeys are increasingly contributing to these deeper connections, enabling more tailored services.

Leaders in the sector are actively implementing new strategies to elevate CX, with non-grocery retail outpacing grocery as the top-performing subsector. Brands like Priceline and Mecca are setting CX benchmarks in hyper-personalisation and efficiency, while the major department stores are renewing their focus on experience-led differentiation. This progress is reflected in the Expectations pillar, which rose about 1.1% year-on-year, as the industry sets high benchmarks for itself.

The retail sector continues to evolve at a rapid pace, with brands increasingly integrating online and instore experiences to create seamless omnichannel journeys. Loyalty ecosystems are also expanding through programs that offer more personalised value, reflected in the sector's high Personalisation scores, which sits 2.2% above the CEE average for that pillar. AI is now central to this transformation, consolidating feedback into unified dashboards for real-time issue resolution.

This year, nine retail brands ranked in the national top 10, up from seven in 2024, signalling sector-wide momentum. Rather than just outperforming on scores, retailers are consistently exceeding customer expectations and building trust through greater personalisation. These strengths reflect a deliberate shift toward deeper customer understanding and more reliable service delivery.

Across all six CX pillars, retail is outperforming national benchmarks. The sector's strength in Expectations and Personalisation highlights how brands are not only meeting, but anticipating customer needs, translating into stronger loyalty and advocacy. The sector's Value score rose 1.5% on 2024, reinforcing the link between perceived value and customer satisfaction. Amid ongoing economic pressures and evolving customer behaviours, retail's CX evolution reflects resilience, adaptability and a clear commitment to long-term customer value.

Specsavers

Transforming the optical customer experience

CEE score

8.08

Change: +3%

Specsavers has emerged as a stand-out performer in this year's CEE rankings, achieving the highest CEE score among the brands surveyed, driven by strong uplifts in the Empathy, Expectations and Resolution pillars – a reflection of its deep commitment to delivering high quality customer service interactions.

The brand's CX journey has been steadily on the rise in the last few years, with the eyecare retailer jumping from sixth place on the CEE ranking in 2021 to second place in 2024 – to being crowned the top brand for customer excellence in Australia this year.

Specsavers has been evolving its approach to customer service – increasingly connecting with the customer by gaining deeper insight into what customers need and adapting its instore and online services to better reflect how customers want to interact with the brand, while continuing to deliver exceptional quality of care. This has been in part driven by a shift to an AI-enabled ecosystem that has been powered by strategic partnerships and innovation, including through its collaboration with InMoment whereby Specsavers embedded journey-based listening and launched 'The Specsavers Way' to unify CX culture across markets.[10] Through this innovation, Specsavers expanded digital touchpoints and personalised communications to strengthen engagement between appointments.[11] This has paid CX dividends for the optical provider, with Specsavers leaping 2% year-on-year for Personalisation at 8.32. Specsavers also experienced a 3% year on year lift in Expectations to 7.90, while its philosophy of putting customers at the centre of its business has helped the business deliver consistently positive customer experiences – with the Empathy and Resolution pillars up 6% and 3% respectively.

While embracing AI and technology to better understand customers' needs and preferences is vital, Specsavers recognises that its people are at the very heart of the brand, and utilised the insights from InMoment to develop its development program, The Specsavers Way. This customer-focused framework is baked into its training, onboarding and recognition programs, educating and celebrating the importance of delivering exceptional experiences and reinforcing how every team member plays a role in improving the customer journey.[12]

But Specsavers's customer experience isn't just about operational excellence – it's also about making people smile and feel connected to the brand. Their 'Welcome to Melbourne' campaign, delivering a playful twist on airport signage and delighting travellers, demonstrated how Specsavers's advertising doesn't just promote products – it creates memorable moments that resonate with audiences, spark conversation, and reinforce the brand's reputation for fun, approachability, and genuine care. This is what we heard from customers:[13]

'Although always busy, I find the staff take their time to thoroughly listen and appear engaged with your issues. Whether it is mal-aligned glasses or just a tightening of the arm, I am always pleased with the after sales service the business provides. Even when having an eye test, the optician walks you through the process of how and why he/she is doing this. Very pleased.'

'I visited to have a regular eye check-up and get new reading glasses. The floor staff and optometrists were helpful and friendly. The floor staff helped me to understand the benefits of my health insurance policy and what glasses I was eligible for with no gap. They provided a fast and efficient service.'

'We're proud to be defining what excellent customer experience looks like. We're delivering a holistic transformation approach to customer service by integrating AI, superior analytics, journey-based listening and empowering our people with customer-focused development that translates into exceptional service. At Specsavers, we blend data-driven insights with a uniquely human touch to enhance the instore experience, proving that when empathy, innovation and efficiency come together, customers feel genuinely seen, heard and cared for.'

GARETH DIXON, Director of Retail Operations, Specsavers Australia

10 InMoment, Visionary CX: Specsavers' Journey From Traditional to Transformational CX, accessed 13 October 2025
11 Econsultancy, 'The customer is at the heart of our thinking': Behind the transformation of Specsavers' customer experience, 25 May 2022
12 InMoment, Visionary CX: Specsavers' Journey From Traditional to Transformational CX, accessed 13 October 2025
13 Outdoor Media Association, Specsavers Welcome to Melbourne Campaign Wins Big at the World Out of Home Congress in Mexico, 11 June 2025

Priceline

Priceline breaks into CX top 10 with loyalty-led transformation

CEE score

7.73

Change: +3.3%

Priceline Pharmacy's rapid ascent into the top 10 performers reflects its sharpened focus on understanding its customers and delivering wanted products and services instore and online. The Customer Experience pillars of Empathy and Resolution have seen increases of 6.25% and 5.85% respectively, which validates Priceline Pharmacy's commitment to responding to customers with care and agility.

The pharmacy retailer complements its health and wellness offer with a strong front of shop beauty offer. The brand has focused on delivering innovation, positioning itself as a leader in omnichannel retailing: most recently Priceline Pharmacy was awarded the *Inside Retail* annual Retail Awards for Outstanding Loyalty, CX Innovator of the Year and CX Hall of Fame.[14]

Priceline Pharmacy continues to transform its digital experience, delivering end-to-end improvements across search, personalisation, online-only offers, and fulfilment speed and accuracy.[15] Recent investments in customer experience, including a streamlined checkout, redesigned mini cart, enhanced product pages, expansion of Click & Collect to more than 440 locations, and the establishment of a dedicated customer analytics squad and personalisation capability. All these improvements have significantly elevated Priceline Pharmacy's online shopping experience.

One of Priceline Pharmacy's key differentiators is its Sister Club, with 9.85 million people now a member of Australia's largest health and beauty loyalty program.[16] These members are omnichannel shoppers with many shopping online and instore, as well as being rewarded with Sister Club vouchers, exclusive gifts, member-only promotions and money-can't-buy experiences.[17] What began as a beauty points system has evolved into a complete health, beauty and wellness program, now rewarding purchases across Schedule 2 and Schedule 3 medicines through base points. The brand has also introduced new ways for members to boost their benefits with OnePass, the Wesfarmers loyalty program, where linked members receive free delivery with no minimum spend, early access to sales and 365-day returns.[18]

The 43-year-old retailer has refreshed its brand with a new logo, modern instore livery and a refreshed design which is rolling out across both the bricks and mortar and digital environments. Priceline Pharmacy positions itself as knowing health and beauty; this is evident in the retailer's value proposition across the health and beauty categories, its ability to secure exclusive and wanted brands, as well delivering exceptional service across its 470 stores across Australia and online. This is what we heard from customers:

'Priceline is our go-to chemist. Easy to deal with, friendly staff and always fill our prescriptions correctly.'

'I would say Priceline is the best company I have dealt with. All their staff are super friendly. They work to ensure you are satisfied.'

14 Inside Retail, Australia's top retailers recognised for customer experience, 20 February 2025
15 Retail Biz, Priceline parent company joins forces with Google Cloud, 29 October 2021
16 Pharmacy Daily, Priceline wins big at Retailer Awards, 26 February 2025
17 Inside Retail, Priceline says its loyalty program has hit 8 million members, 6 January 2023
18 Australian Financial Review, Wesfarmers tests premium Priceline conversion with new Atomica brand, 9 March 2025

NEW ENTRANT

Adairs

Keeping customer loyalty at the forefront amid digital expansion

CEE score

7.69

Adairs, the Australian homewares and decor provider, is connecting loyalty, digital and logistics to deliver low-effort, more personalised customer experiences.

Adairs is focused on continuous advancement in AI enablement by linking data, loyalty, digital and logistics into a single connected ecosystem. At the centre is the Linen Lovers program now contributing to 80% of total sales and providing valuable data on customer behaviour to enhance and refine tailored offers.[19] These gains show up where it matters for customers, elevating the brands holistic CX performance, with all 6 CEE pillars above industry averages. Notably, the Empathy pillar showed the highest jump at 5.19%, underscoring Adairs' ability to understand and respond to customer needs with care and relevance.

On the digital front, Adairs has migrated to a new CRM and customer engagement platform and have strengthened capabilities to support more intuitive experiences.

This helps customers discover, choose and complete purchases with fewer steps across channels.[20,21] This is evident in Adairs achieving a Time & Effort score that sits 1% above the industry average, an impressive margin in such a highly competitive sector. In addition to its strong ecommerce presence, store growth remains a key focus for Adairs, with ambitions to open 3-5 new stores in FY26, ensuring well-integrated digital and physical channels exist to minimise customer effort.[22]

The outcome is a seamless, low-effort customer journey where product navigation is simpler and service reliability improves fundamentally. This is what we heard from customers:

'I purchased a set from them and my customer experience was very positive. I enjoy visiting the company on a regular basis. I find this brand very reliable.'

19 Australia Post, Homewares brand Adairs shows how impactful a loyalty program can be, 19 March 2024
20 IT News, Adairs overhauls digital strategy, 21 August 2023
21 Retail Biz, Adairs transforms supply chain with Manhattan SCALE, 25 June 2025
22 Inside Retail, Adairs posts revenue lift, unveils growth strategy, 27 August 2025

Financial Services

Sustaining CX leadership with AI amid rising customer expectations

The financial services sector continues to advance its customer experience benchmarks, consistently outperforming the national average.

FS CEE score

7.40

Change: +1.4%

Current initiatives and innovations in the sector include proactive communication, streamlined identity verification and AI driven initiatives such as predictive fraud detection and real-time virtual assistants that reduce time and effort for the customer and accelerate resolution speed. This can be linked to the 1.3% increase in year-on-year Time & Effort pillar scores for the financial services sector. Intelligent chatbots and virtual assistants are now handling a significant share of routine inquiries, reducing friction and allowing frontline teams to focus on high-value interactions.

As financial services brands navigate new regulations, they are increasingly blending value-add services and functionality through automation with human-centric design to strengthen customer understanding as part of their AI leadership. The sector's AI advancements are evident in its response to emerging challenges. Recent high-profile scams[23] have prompted a wave of investment in transparency and governance systems, simplified authentication, and recovery protocols.[24] These advancements are delivering measurable results, with the Integrity and Resolution pillars growing 1.9% and 1.8% respectively year-on-year.

Empathy remains the most persistent challenge and the clearest opportunity for improvement, with Empathy the lowest performing pillar for the financial services sector by almost 6%. Looking ahead, the rapid adoption of AI in financial services presents a dual challenge. While it enables improved fraud detection[25] and hyper-personalised experiences, it also risks eroding trust if AI is perceived by customers as having a negative impact on their communities through job losses or branch closures.[26] For a sector already struggling with empathy, missteps here could amplify negative perceptions and undermine hard-won CX gains.

Beyond AI, FS leaders are differentiating on everyday value via app-based ecosystems, for example CommBank Yello to make rewards more immediate in-app. These measures, underpin FS's ability to sustain its CX leadership in an environment where customer expectations and risk factors continue to evolve rapidly.

23 Australian Cyber Security Magazine, Australian superannuation funds hacked and defrauded, 7 April 2025
24 Investment Magazine, Super funds scramble to close cybersecurity gaps, 16 April 2025
25 Australian Financial Review, AI squeezes the juice from data to stop scams, 18 March 2025
26 ABC News, Commonwealth Bank replaces dozens of call centre jobs with AI chatbot, 29 July 2025

QBE Insurance

CX overhaul delivers faster claims and human-centred support

CEE score

7.52

Change: +6.1%

QBE has made noticeable strides in CX this year that has had an immediate impact for its customers – with faster responses, clearer updates and more consistent follow-through at critical moments.

Across the six pillars, QBE had the biggest year-on-year lifts in Integrity, up 8% and Empathy up nearly 9% year-on-year. These gains reflect clearer communication, visible follow-through and human support in critical moments. Ultimately for CX experience, this means a more connected claims ecosystem that reduces friction and handoffs, providing more timely answers and a holistic claims experience that feels more genuine and sincere.

The insurer has had a sharp focus on operational efficiency which is translating to improved customer satisfaction. This has spanned the migration of contact centres, leveraged by AI, translating into shorter wait times, easier access to the correct person and uninterrupted service for customers during the transition between traditional contact centres to AI-enabled ones.

These improvements strengthened QBE's results in the Time & Effort pillar by reducing wait times and overlap, as well as the Integrity pillar by ensuring greater reliability and transparency. The insurer has maintained a sharp focus on operational efficiency, driving customer satisfaction. This includes migrating from traditional contact centres to an AI-enabled platform, reducing waiting times and simplifying access to the right person, while ensuring uninterrupted service during the transition. Every call can now be reviewed for coaching and quality, improving consistency while demonstrating greater reliability and transparency.

QBE strengthened support in the People Risk with the QBE branded MyRecovery app,[27] in partnership with Perx Health, helping injured workers stay on plan. Early users recovered 23 days faster on average, with 90% satisfaction and 83% adherence, indicating customers feel more supported and confident throughout their recovery. QBE has also piloted generative AI call summarisation,[28] cutting post-call administration from around 7 minutes to approximately 2–3 minutes, enabling claims officers to stay present with vulnerable customers and redirect time to care. This has translated into faster, more seamless interactions, reducing effort for the customer and more critically, building confidence at critical intervals. This is what we heard from customers:

'Took out home and contents insurance with them as we just bought a home. Was easy to look online at their policies and apply for what we needed as insurance.'

'Excellent customer service. Claims handled promptly and in a professional manner.'

27 Insurance Business Magazine, QBE boosts recovery with new health-focused claims app, 11 July 2025
28 Information & Data Manager, How QBE Leveraged AI To Transform Claims Operations, 12 March 2021

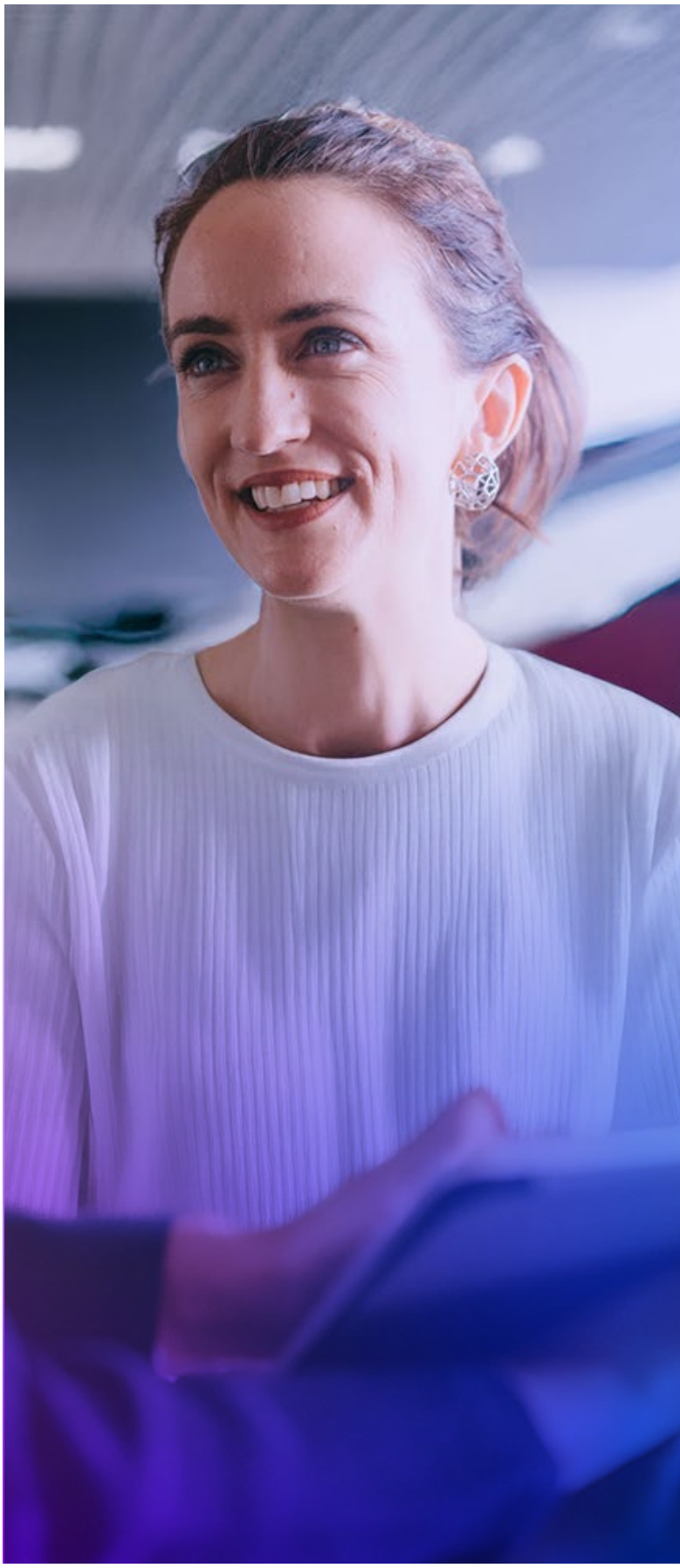
NAB

AI is transforming banking. Building on a customer-centric culture of responsible AI use, NAB's leadership is embedding AI into its long-term strategy to deliver outcomes for customers and colleagues.

CEE score

7.32

Change: 3.5%



Four pillars underpin this strategy:

- Secure, scalable cloud infrastructure
- A modern, resilient data platform
- AI literacy programmes to equip colleagues with confidence and capability
- Robust risk and governance frameworks to ensure transparency and accountability

These foundations are enabling NAB to deliver immediate, tangible improvements while looking ahead to build the next phase of agentic-AI products and experiences.

The bank has more than 100 AI initiatives underway, including generative AI adoption by 4,500 engineers and tools that help 15,000 colleagues streamline routine tasks. Over 1,400 frontline colleagues now use AI-powered knowledge tools to assist customers more effectively.

Looking forward, NAB's agentic-AI strategy is focused on customer experience enhancements, operational efficiency, colleague enablement, and faster software delivery. This evolution is guided by a values-led culture of thoughtful innovation. By embedding AI responsibly, NAB is creating a future where technology empowers people, strengthens customer trust, and delivers smarter, faster banking solutions for communities across Australia.

Overall, NAB climbed 10 spots on the overall CEE ranking based on performance this year. NAB placed third compared to its large bank peers on the CEE ranking, outperforming competitors such as ANZ and Westpac, signalling strong momentum and differentiation in customer experience and innovation relative to competitors.

Utilities

Powering human-centric utility experiences

In 2025, Australian utilities continue to evolve their CX, moving beyond foundational upgrades to embracing proactive, human-centric innovation.

Utilities CEE score

7.11

Change: +2.6%

With a 2.6% increase in the sector's Customer Experience Excellence (CEE) score, now at 7.11, Utilities are making steady progress toward closing the gap with the national average of 7.30. This momentum reflects a sector-wide shift on embed empathy, innovation, and operational excellence at the heart of service delivery.

Utilities are moving from reactive service to embedded care. Initiatives like real-time bill payments via PayTo, launched by South East Water and others, offer customers instant payment confirmation and greater visibility, reducing financial stress. Hardship support programs by Yarra Valley Water and SA Water take this further, shifting the sector from sympathy to tangible, proactive support. Building trust through tangible action. And helping households navigate cost-of-living pressures.

Smart metering rollouts by providers like South East Water empower customers with daily insights into

usage, leak alerts, and consumption trends in real time. These digital innovations help customers better manage their resources, while also allowing utilities to identify issues such as leaks proactively. With AI systems assisting call agents in classifying and summarising inquiries, South East Water is also improving resolution rates and enhancing service quality. Transparency now means shared ownership of data and outcomes, strengthening trust, reinforcing the customer's role in sustainability and increasing confidence in service delivery.Utilities are redefining their approach to issue resolution by anticipating problems before they arise. Predictive maintenance, leak detection and sentiment tracking – deployed by providers such as Alinta Energy – detect and resolve issues at their source, reducing customer frustration and improving service quality. Meanwhile, South East Water's smart asset management technologies not only identify leaks and blockages early but also enable seamless service continuity by minimising disruptions. These practices showcase how operational excellence is meeting the needs of customers in real time and keep services running smoothly, delivering service continuity customers can rely on.

Frictionless self-service platforms, such as those implemented by AGL, allow customers to resolve queries, monitor consumption and manage billing with minimal input. Smart tools like rapid meter installations and connected networks are removing barriers to service delivery, streamlining customer interactions and making utilities easier to engage with than ever before. For example, Alinta Energy is taking innovation further with Virtual Power Plants (VPPs) that link distributed energy resources like home solar systems and batteries into smart, responsive networks. These systems not only reduce customer energy costs but also position Alinta Energy as a leader in empowering customers to participate in the energy transition.

Real-time customer insights and tailored, two-way communication platforms, such as those used by AGL and Yarra Valley Water, are transforming interactions. From proactive alerts to customised conservation guidance, every interaction feels timely and relevant, raising the bar for customer engagement.

CX excellence in utilities is no longer just about smoother billing or faster queries. It's about trust, affordability and resilience. Empowering customers to actively participate in managing their resources, while helping utilities cut costs, meet regulatory expectations and strengthen social licence.

Yarra Valley Water

A leader in Customer Experience Excellence

CEE score

7.28

Change: +5.8%

Yarra Valley Water has become a benchmark for CX in the Australian utilities sector, combining innovation, engagement and customer-first strategies.

Recognised with a Distinction in the Public Water Agency of the Year category at the 2025 Global Water Summit awards, Yarra Valley Water excels across KPMG's Six Pillars of CX, particularly in Empathy, Resolution and Time & Effort.

Central to Yarra Valley Water's success is its 2030 Strategy,[29] which prioritises customers in every aspect of service delivery. This commitment is reflected in initiatives like its WaterCare program, which provides financial assistance and flexible payment options to support people experiencing vulnerability, and the Wollert Community Farm, an award-winning project transforming buffer land around a treatment plant into a vibrant hub for community wellbeing.

These initiatives highlight Yarra Valley Water's belief that excellent service goes beyond efficiency to genuinely improve lives. They have also helped to underpin Yarra Valley Water's strong result in the Empathy pillar, achieving a +7.14% improvement over the sector average.

Yarra Valley Water actively engages with the community through programs such as its digital water meter trials in Vermont South, to gather insights and refine services. By aligning its systems with customer needs and expectations, Yarra Valley Water ensures its services build trust and meet evolving priorities.

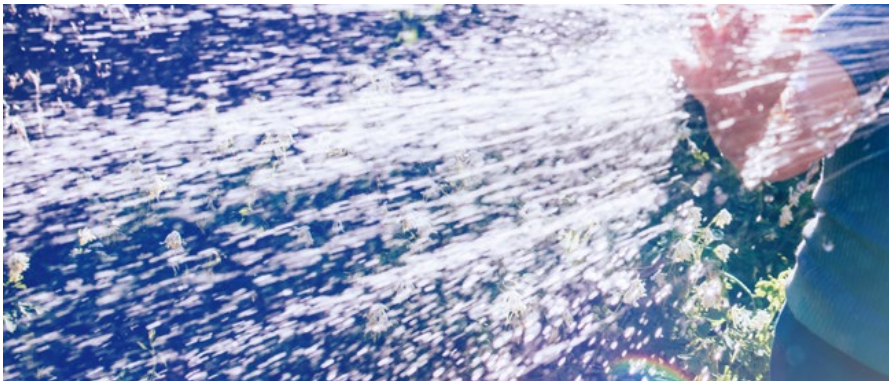
In reducing customer effort, Yarra Valley Water has completed the first phase of its digital meter rollout and introduced the MyAccount portal, empowering customers to access real-time data, track water usage and manage bills with ease.[30] Innovations like MuleSoft APIs allow lab results to return in two hours instead of seven days, while self-service IVR systems reduce inbound calls by over 3,000 annually.

Operational excellence remains a cornerstone of Yarra Valley Water's approach. By analysing over 90 customer interactions, the organisation has addressed friction points, improved resolution times and enhanced trust.[31] Every interaction is designed to reflect care and responsiveness.

Through customer-focused service, innovative technology and a deep commitment to community values, Yarra Valley Water continues to lead the way in CX. Its efforts set a new standard of service delivery, demonstrating how putting customers first drives exceptional results.

'We're thrilled that Yarra Valley Water's improved performance across key CEE pillars reflects our commitment to putting customers and community at the heart of everything we do. By co-creating clear service outcomes with our customers, we're delivering safe, reliable water while continually earning the trust of those we serve. This progress underscores our belief that true customer excellence springs from innovation, transparency and genuine empathy for both people and the environment.'

LISA ANELLI, General Manager, Retail Services



29 Yarra Valley Water, 2030 Strategy, accessed 13 October 2025
30 IT News, Yarra Valley Water tackles leaks with IoT-backed 'noise loggers', 9 August 2024
31 Yarra Valley Water, Our performance in 2024-25, accessed 13 October 2025

Sydney Water

Setting new standards in customer-centric service

CEE score

7.24

Change: 4.6%

Sydney Water recorded year-on-year improvements across all six CEE pillars, signalling broad-based progress in customer experience.

The organisation's best performing CEE pillar was Personalisation, followed closely behind Time & Effort and Integrity. This is evidence that Sydney Water is reducing customer steps, keeping promises and resolving issues more reliably and efficiently for customers. Sydney Water's loyalty score of 7.86 represented a 1.4% year-on-year jump for the utility, demonstrating that a committed, clear and defined holistic focus on CX across the enterprise is what moves loyalty.

The water utility has been in a partnership with SAP for the past five years, enabling Sydney Water to automate and channel shift a lot of previous manual and high-volume work, allowing focus on adding more value to the customer, resulting in an uptick in Personalisation and Empathy year on year, at an average of 5.2%.

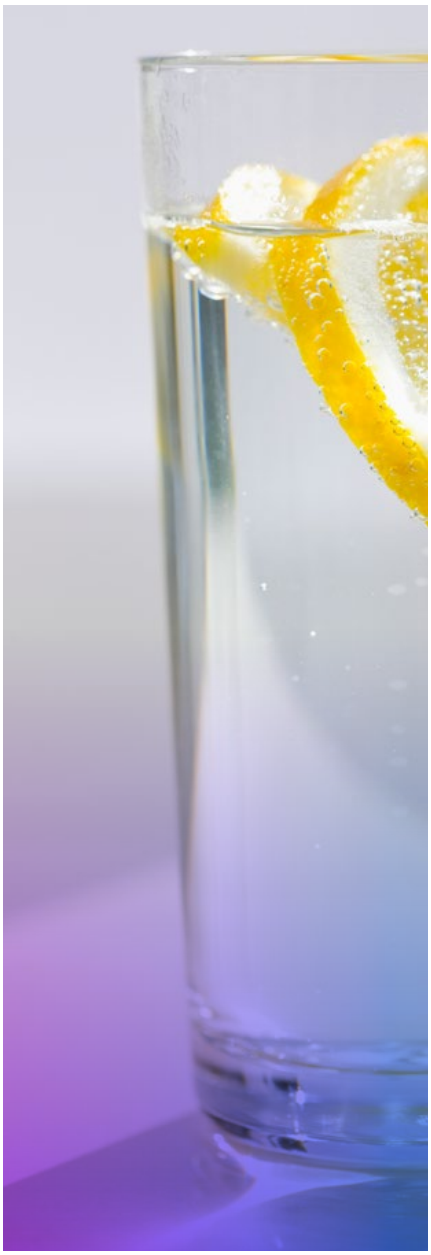
With a focus on delivering positive customer experience and producing safe and clean water, one of its core values is putting the 'customer at the heart'. This has been enabled through initiatives like simplifying service journeys, persona building, reviewing channel effectiveness and automating high volume processes via its SAP partnership and investing resolutely in digital self-service tools. This focus on building customer trust and advocacy has reflected positively in this year's CEE score, with the providers' loyalty score of 7.86 being the second highest among the providers.

Sydney Water's commitment to exceptional experiences also shines through during customer interactions, demonstrated by a significant improvement in the quality of their call taking channels, seeing Customer Service Benchmarking Australia rank Sydney Water as the No.1 Retail Water Utility for quality assurance.

Over the past two years, Sydney Water has delivered a customer-led engagement program and a focus on using operational feedback from customers to help evolve its service delivery. Sydney Water designs its processes to meet the needs of customers and resolve issues efficiently,[32] emphasising its actions align with its customer-first philosophy and their commitment to delivering against their Customer Charter. This is what we heard from customers:

'They offer reliable water service and good customer service.'

'They have been my main provider for over 15 years. They provide an excellent service, they always provide information if work is needed to be done.'



32 Customer Service Institute of Australia, Sydney Water's customer experience shaping future initiatives, 31 March 2023

Public Sector

Digital progress, human impact: public sector accelerates CX transformation

The public sector continues to elevate its customer experience journey by leveraging digital transformation and operational efficiencies to refine the effective delivery of essential community services.

Public Sector CEE score

6.91

Change: +9.1%

The public sector has demonstrated notable advancements across all six pillars of customer excellence, with a significant 10.5% improvement in Time & Effort compared to the previous year. This progress underscores the sector's commitment to delivering streamlined, seamless and personalised services, placing citizens at the centre of government innovation.

Although the sector's score remains below the Australian national average, this progress highlights its dedication to transformation and ongoing efforts to close the CX gap with the private sector.

A core component of this transformation is enhanced digital accessibility. Public Sector agencies have been recognised for their user-friendly applications and online platforms, driving more efficient access to essential information and services.

These efforts align with the sector's advancements in Time & Effort. The results draw attention to the sector's broader commitment to improving service delivery for community needs.

Another key driver behind the public sector's improved customer experience score is Personalisation, which has resonated strongly with the public, reflecting a 9.6% improvement from the previous year.

Public sector agencies are evolving their service delivery by embracing personalised digital platforms and fostering empathetic, responsive engagement – ensuring citizens feel supported, especially in times of need. These efforts emphasise the sector's dedication to improving service provision and meeting the evolving expectations of the communities they serve.

Australia Post

Setting the standard in public sector CX delivery

CEE score

7.41

Change: +0.9%

Australia Post has established itself as a benchmark for public sector service quality, achieving strong scores across all measured dimensions and leading the sector in customer experience.

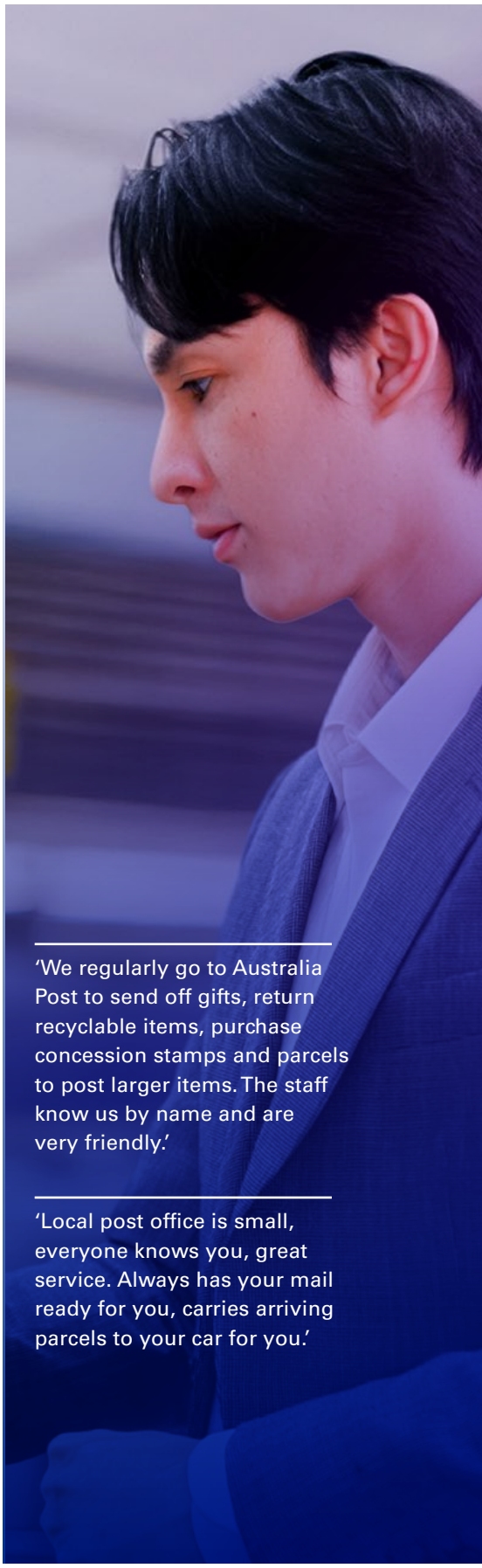
Recording its highest year-on-year percentage increase in meeting customer expectations, Australia Post is celebrated for achieving on expectations and maintaining service quality. With a strong performance in Expectations and Resolution, Australia Post is often praised for friendly, helpful and accommodating customer service.

A key theme for Australia Post is its emphasis on community and personal touch. The brand achieved a positive 6.74 result in the Empathy pillar this year, reinforcing its focus on fostering a sense of belonging with compliments for welcoming staff often knowing customers by name.

In addition to maintaining a strong customer experience in the physical marketplace, Australia Post is enhancing its digital customer interactions, through a recent strategic partnership with Adobe. The organisation is leveraging AI, real-time data and automated content production to deliver more personalised and seamless digital experiences.[33]

This initiative aims to better understand customer needs and attune services accordingly.[34] Previous collaborations with Salesforce and Microsoft further highlight its dedication to leveraging technology for improved service delivery.[35]

Customers appreciate the convenience and reliability of Australia Post's diverse offerings, including banking, bill payments, passport renewals, and parcel lockers. By serving as a hub for personal and business needs, it demonstrates dedication to ensuring even the most remote communities have access to essential postal, financial, and retail services. Through proactive efforts to ensure a meaningful connection with its customers is created and maintained, Australia Post achieves customer excellence by focusing on reliable and tailored services.



'We regularly go to Australia Post to send off gifts, return recyclable items, purchase concession stamps and parcels to post larger items. The staff know us by name and are very friendly.'

'Local post office is small, everyone knows you, great service. Always has your mail ready for you, carries arriving parcels to your car for you.'

33 Mi3, Australia Post partners with Adobe to enhance digital customer experience, accessed 13 October 2025
34 Mi3, Australia Post partners with Adobe to enhance digital customer experience, accessed 13 October 2025
35 Mi3, Australia Post partners with Adobe to enhance digital customer experience, accessed 13 October 2025

NEW ENTRANT

Medicare

Simplified customer experience through digital solutions

CEE score

7.13

The Medicare online service's significant digital accessibility enhancements have largely underscored its CX performance this year. Survey respondents have applauded the government's national health insurance scheme's tailored digital service solutions.

Personalisation stands as its core strength, achieving its leading score of 7.55. This success is closely tied to the personalised features of the Medicare online account, accessed through the myGov app, to consolidate and simplify access to government services. Improvements to Medicare digital services have significantly enhanced the customer experience by simplifying tasks such as checking claims history and managing card-related services. The myGov app delivers user-friendly and tailored digital solutions that resonate with user needs, aligning to the Medicare service's personalised service excellence. Its positive customer delivery extends to the in-person service provision by managing expectations and understanding customer needs.

Services Australia delivers Medicare services on behalf of the Australian Government. The Medicare service's positive performance in Integrity (7.27), is a testament to its commitment to transparency and efficiency. Customers have highlighted the effectiveness of claims processing, rebates and the availability of transparent digital tools, such as the digital Medicare card and claims tracker, allowing them to review recent claims and access entitlements seamlessly through their Medicare online account in myGov.

The recently introduced claims tracker, which has already been used over 8.4 million times with an average usage time of just 11 seconds, along with the streamlined online enrolment option, has significantly reduced processing delays and saved customers' valuable time.[36] Additional upgrades, such as secure myGov sign in options, including passkeys, also further service accessibility and security. Collectively, these initiatives build trust and reinforce Service Australia's dedication to maintaining high standards in Integrity through digital accessibility.

'Services Australia is putting Australians in the driver's seat of their healthcare journey with its enhancements to Medicare online services. By combining intuitive digital tools – like our real-time claims tracker and streamlined enrolment process – with personalised features in the Medicare online account and through the myGov app, we've reduced friction at every step. Paired with the support and expertise of our frontline teams, these innovations reflect our unwavering commitment to build trust, enhance accessibility, deliver a truly customer-centric experience, and make services simple so our customers can get on with their lives.'

TONY PIAZZA, General Manager, Services Australia

36 Ministers for the Department of Social Services, New digital features making Medicare easier, 26 September 2024

Conclusion

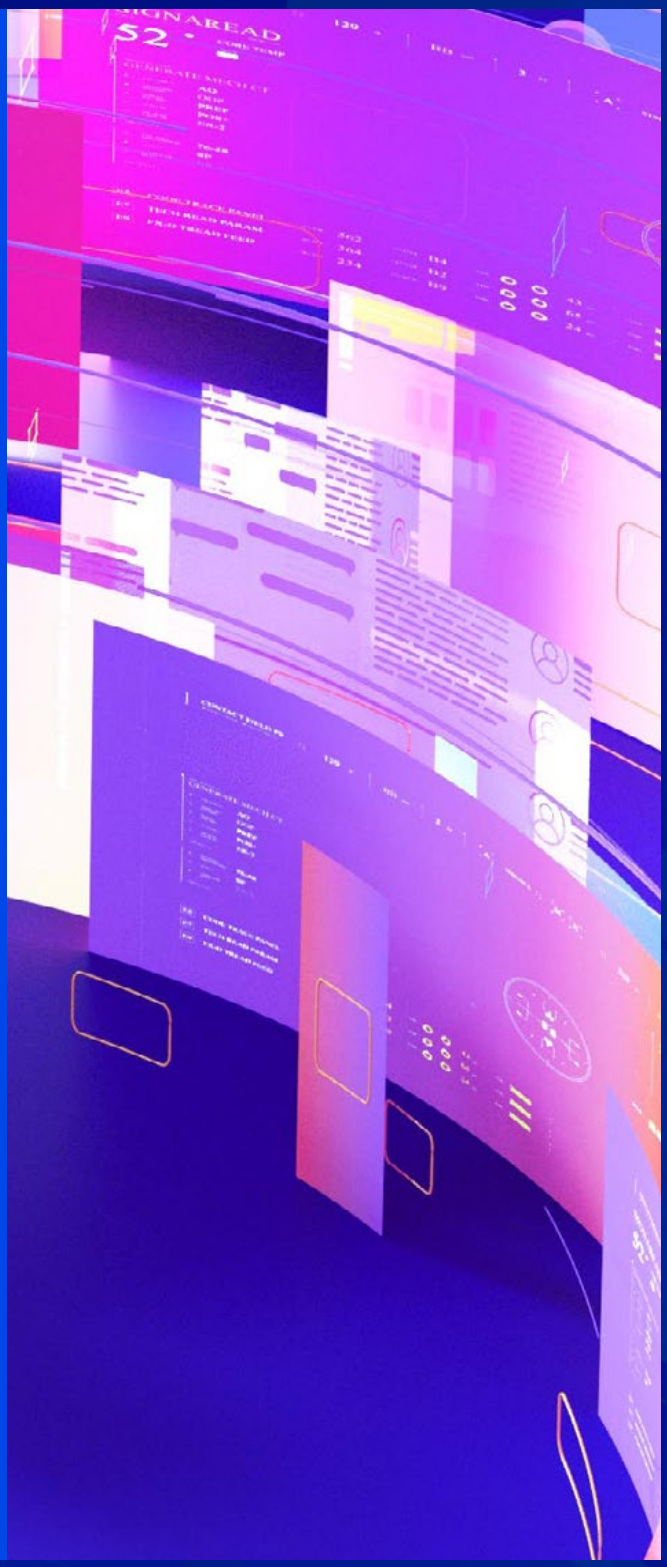
Key takeaways for Total Experience

The world's CX leaders show that Total Experience is not a project or a short-lived initiative, but an organisational mindset. It is the connective tissue that links strategy, culture, and execution, the thread that runs from product design to frontline service, from data governance to employee empowerment.

CX Leader success lies in consistency as much as creativity. They:

- Anchor every decision in a deep understanding of customer needs and context.
- Use data not as a by-product, but as the foundation for anticipatory, personalised service.
- Break down organisational silos to deliver seamless integration across channels, brands, and even industries.
- Empower employees to act as experience-makers, ensuring human empathy complements digital scale.
- Invest in technology that is largely invisible to customers but critical in making journeys effortless.

What emerges is a distinctive, coherent brand experience that is resilient to market changes and difficult for competitors to replicate. Total Experience delivers relevance at scale, trust in every inter action, and a sense of belonging that binds customers, employees, and partners together.



How KPMG can help

Turning experience into value

KPMG helps organisations design and implement Total Experience (TX), a unified approach that connects customer, employee, partner, and digital experiences to drive loyalty, growth, and sustainable value. Our approach combines The Six Pillars of Experience Excellence, Personalisation, Integrity, Expectations, Time and Effort, Resolution, and Empathy, with advanced agentic AI and data capabilities to help clients deliver experiences that are consistent, human, and intelligent across every channel and interaction.

KPMG firms support clients across every stage of the Total Experience journey:

Define the TX vision and strategy

Align leadership around a shared ambition that connects customer, employee, and ecosystem experiences to measurable business outcomes.

Deploy trusted AI and analytics

Apply the right frameworks to ensure ethical, explainable, and data-driven decisioning at scale.

Map value streams

Identify the moments that matter most across journeys and design value streams that link human, digital, and agentic AI capabilities.

Measure Total Experience value

Build TX dashboards that integrate CX, EX, and operational data to track the impact on satisfaction, loyalty, productivity, and profitability.

Front office transformation

Reimagine how to engage with customers across sales, service, marketing, and commerce. From creating seamless omnichannel experiences to transforming contact centres with AI.

Customer insight and Voice of the Customer:

Connect customer signals to business outcomes.

Empower employees through experience design

Create connected workplaces and intelligent tools that enhance employee experience and productivity.

Simplify interactions for customers and citizens:

Build portals and digital products that drive seamless transactions for customers.

Through this integrated approach, KPMG helps organisations move beyond isolated customer or employee initiatives toward a holistic system of experience excellence.

Survey Methodology

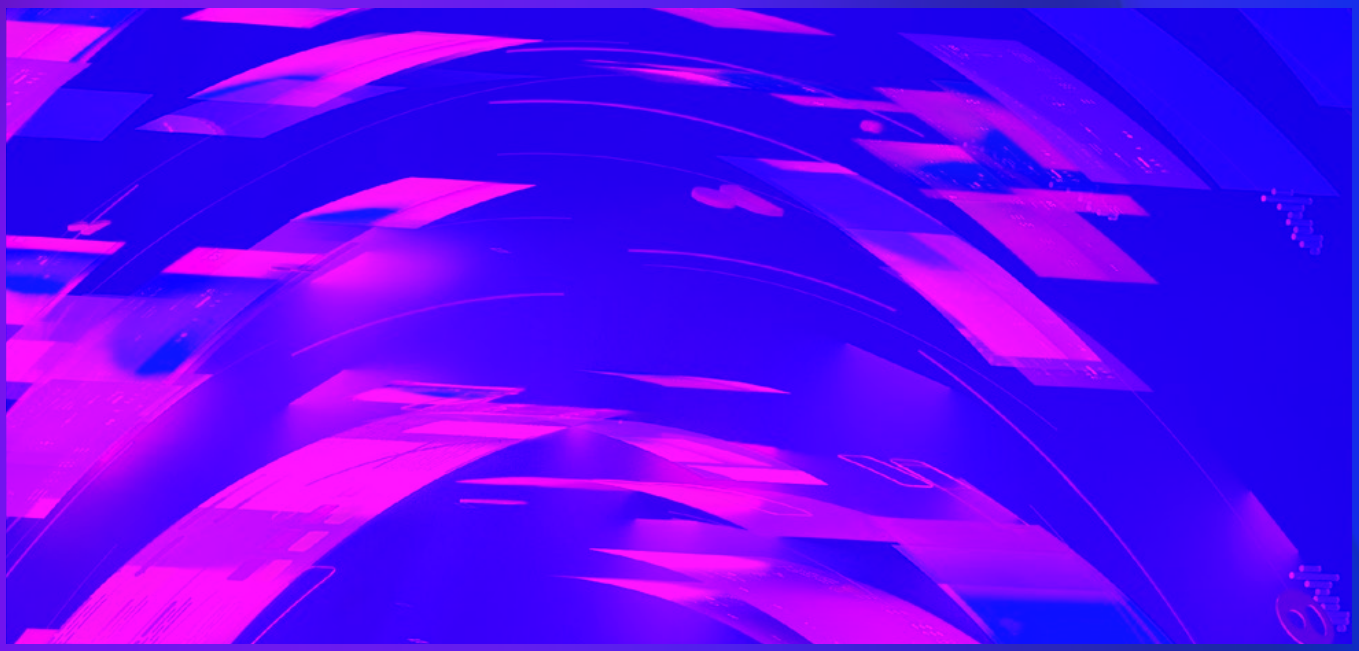
About the Research

For 16 years, KPMG professionals have surveyed consumers on their experiences with brands. To date, 791,000 consumers have provided 7.8 million evaluations across 41 countries, regions, and jurisdictions, helping us develop customer experience best practice.

This year, KPMG interviewed over 80,000 consumers across 16 markets, analysing over 2,500 global brands. Consumers rate brands based on The Six Pillars of Experience, forming a compound metric known as the Customer Experience Excellence (CEE) score. These scores are derived from the Six Pillars of Experience, weighted by their impact on advocacy, represented by the net promoter score (NPS) and loyalty. In Australia, the study covered over 5,000 evaluations of 126 brands, covering 9 sectors and 27 subsectors.

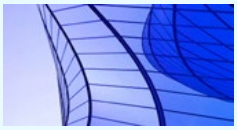
The report's research was conducted through an online survey with a nationally representative sample for each market, balanced by age, gender and region. Respondents must have interacted with a company within the last six months – whether by making a purchase, using products or services, contacting the company, or browsing its website. Brands must meet a minimum response threshold to be included in the rankings.

All companies, including audit clients, are representative of consumer opinion and ranking. Mentions of individual companies should not be interpreted as an endorsement by KPMG Australia.



Learn More

KPMG have a large database of published thought leadership and frameworks in the space of trusted AI, agentic AI, and trends that are shaping the future of Australian business. If you're interested in learning more, this table links to some of our most recent thought leadership.

KPMG PUBLICATION	INSIGHT	LINK
Global Customer Experience Excellence 2025-2026	Redefining excellence in the age of agentic AI and key insights across the KPMG network	
UK Customer Experience Excellence Report 2025/26	Agentic AI-X and UK customer trends	
Australian CEOs outpace global peers in economic optimism	KPMG's Global CEO Outlook finds Australian CEOs outpace global peers in economic optimism as work-from-home outlook u-turns	
Australian Retail Outlook 2025	Retail sector trends and insights for 2025, including digital evolution, customer experience, sustainability and supply chain optimisation	
General Insurance Insights & Analysis 2025	KPMG's General Insurance Insights provides analysis and insights based on financial results of Australian direct general insurers to 31 December 2024	
Futuresphere Annual 2025	Disruptive insights and innovation priorities from local and global trends	
The KPMG Trusted AI approach	World-first ISO certification to AI management which underscores our commitment to excellence and building innovative AI-based solutions with a human-centred approach	
Agentic AI advantage: Unlocking next-level value	TACO Framework – Taskers, Automator's, Collaborators, Orchestrators. Structured classification system to help organisations make sense of the evolving agentic AI landscapes	
The dawn of the reasoning machines: AI agents	KPMG's Generative AI Maturity Pathway	

Thank you to our key contributors on this report:

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For further information, please contact us below or find out more on our website at KPMG.com.au

Contacts

Carmen Bekker
ASPAC Lead Partner,
Customer & Operations Advisory
T: +61 2 9335 8055
E: cbekker@kpmg.com.au

Neil Shewan
Lead Partner,
Experience Transformation
T: +61 3 8663 8377
E: nshewan@kpmg.com.au

Energy

Lou Pogmore
Partner,
Customer & Operations Advisory
T: +61 2 9458 1514
E: lpogmore@kpmg.com.au

Financial Services

Ben Kilpatrick
Partner,
Customer & Operations Advisory
T: +61 2 9346 6335
E: bkilpatrick1@kpmg.com.au

Public Services

Mark Halliday
Lead Partner,
Customer & Operations Advisory
T: +61 2 6248 1080
E: mhalliday@kpmg.com.au

Retail

Richard Large
Director,
Customer & Operations Advisory
T: +61 2 9335 8093
E: rlarge1@kpmg.com.au

Utilities

Sue Langford
Director,
Customer & Operations Advisory
T: +61 3 8663 8547
E: slangford1@kpmg.com.au

Defence and Defence Industry

Kate Ingram
Director,
Customer & Operations Advisory
T: +61 2 6248 1193
E: kingram1@kpmg.com.au

KPMG.com.au

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