ISES INDUSTRY FORUM
CSISG 2014 Q1 RESULTS
RETAIL AND INFO-COMMUNICATIONS SECTORS
CSISG 2014 Q1

- CSISG 2014 Q1 Quick Facts & Sampling
- Results Overview
- Results and Highlights of Retail Sector
- Results and Highlights of Info-Communications Sector
The CSISG Score

Each CSISG score is a weighted average of customer ratings to three questions, summarised as:

• The customer’s holistic satisfaction rating based on all experiences with the company
• How well the company has met the customer’s expectations
• How similar the company is with the customer’s imagined ideal company

These questions form part of the CSISG model that provides the cause-and-effect predictive capabilities employed in this national study.
Overview of the CSISG Main Fieldwork

Singapore citizens and PRs are interviewed at their homes. Homes are selected from a random listing of 40,000 household addresses that match housing profile of Singapore resident population.

Departing tourists are interviewed at Changi Airport.

Each respondent answers up to 17 CSISG questions and 24 touchpoint questions about a company they had recent experiences with.

Typically 250 respondents per company would have answered the CSISG questionnaire.
CSISG 2014 Q1 Quick Facts

Sectors Covered: Retail & Info-Communications

Survey Period: Jan–Mar 2014

Total Questionnaires Completed: 9,250

Face-to-face at residents’ homes: 8,040

Face-to-face at Changi Airport: 1,210

Distinct entities measured: 508

Entities with published scores: 25
CSISG 2014 Q1 Updates

- PayTV added as a new sub-sector. This includes SingTel mio and StarHub CableTV.
- Wireless@SG added as a new sub-sector.
CSISG 2014 QUARTER 1
RESULTS OVERVIEW
CSISG Retail Sector Trends

- Supermarket

- Departmental Stores

- Furniture Stores

- Motor Vehicles

- Clocks & Watches

- Fashion Apparels

- Jewellery Stores

- Petrol Stations
CSISG Info-Comms Sector Trends

- **Mobile Telecom**
- **Broadband**
- **PayTV**
- **Wireless@SG**

2007 - 2014
CSISG 2014 Q1 Results Overview

**69.6 Retail**
- 71.1 Supermarkets*
- 71.7 Cold Storage
- 71.6 Sheng Siong
- 70.9 NTUC Fairprice
- 69.2 All Others

**66.8 Info-Communications**
- 67.2 Mobile Telecom
- 68.1 SingTel
- 67.2 StarHub
- 64.4 M1
  - 66.5 PayTV
  - 67.0 StarHub
  - 65.0 SingTel
- 65.3 Broadband
- 66.2 M1
- 65.8 StarHub
- 65.1 SingTel
  - 61.5 Wireless@SG

**69.2 Fashion Apparels**

**69.2 Petrol Service Stations**
- 70.3 Shell
- 69.6 SPC
- 68.6 Caltex
- 68.3 Esso

**68.7 Jewellery**

**68.4 Departmental Stores**
- 71.4 DFS*
- 69.7 Isetan
- 69.5 Takashimaya
- 69.4 Robinsons

**68.0 Metro**
- 67.9 Tangs
- 66.7 OG
- 65.6 Mustafa
- 66.0 All Others

**67.7 Clocks & Watches**

**66.7 Furniture**
- 68.1 IKEA
- 65.8 All Others
CSISG 2014 Q1 RESULTS
RETAIL
CSISG 2014 Q1 Retail

Year-on-Year Changes

CSISG 2013 72.2

Departmental Stores 75.2
Furniture 74.9

Motor Vehicles 73.1
Clocks & Watches 72.0
Fashion Apparels 71.5
Jewellery 70.7
Petrol Service Stations 70.6
Supermarkets 70.0

CSISG 2014 69.6

71.1 Supermarkets
70.6 Motor Vehicles
69.2 Fashion Apparels
69.2 Petrol Service Stations
68.7 Jewellery
68.4 Departmental Stores
67.7 Clocks & Watches
66.7 Furniture
CSISG 2014 Q1 Retail

Supermarkets

CSISG 2013
70.0

CSISG 2014
71.1

NTUC Fairprice 71.4

Cold Storage 69.5

Sheng Siong 66.8
All Others 66.3

71.7 Cold Storage
71.6 Sheng Siong
70.9 NTUC Fairprice
69.2 All Others
CSISG 2014 Q1 Retail

Petrol Service Stations
CSISG 2014 Q1 Retail

Furniture

<table>
<thead>
<tr>
<th></th>
<th>CSISG 2013</th>
<th>CSISG 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>IKEA</td>
<td>75.5</td>
<td>68.1 IKEA</td>
</tr>
<tr>
<td>All Others</td>
<td>74.6</td>
<td>65.8 All Others</td>
</tr>
</tbody>
</table>

68.1 IKEA

65.8 All Others
CSISG 2014 Q1 Retail
Year-on-Year Changes in Local Respondents’ Satisfaction

Locals’ year-on-year Retail Sector performance

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental stores</td>
<td>-3.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fashion Apparels</td>
<td></td>
<td>-1.0</td>
<td></td>
</tr>
<tr>
<td>Jewellery stores</td>
<td></td>
<td>-1.5</td>
<td></td>
</tr>
<tr>
<td>Clocks &amp; Watches</td>
<td>-3.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average Local Satisfaction

2014: 69.8
2013: 71.1
CSISG 2014 Q1 Retail
Year-on-Year Changes in Tourist Respondents’ Satisfaction

Tourists’ year-on-year Retail Sector performance

<table>
<thead>
<tr>
<th>Sector</th>
<th>2014</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental stores</td>
<td>-11.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fashion Apparels</td>
<td>-7.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jewellery stores</td>
<td>-9.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clocks &amp; Watches</td>
<td>-13.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average Tourist Satisfaction

2014: 69.8
2013: 79.6
CSISG 2014 Q1 Locals vs Tourists

* Years where CSISG scores of locals and tourists are significantly different
CSISG 2014 Q1 Retail
Year-on-Year Local-Tourist Differences

Locals

Quality
(+0.1 points)

Expectations
(–0.3 points)

Value
(+3.6 points)

2013 2014

Tourists

Quality
(–10.6 points)

Expectations
(–13.9 points)

Value
(–6.4 points)

2013 2014
CSISG 2014 Q1 Retail Local-Tourist Differences

For the Retail sector, 2014 is the first time Tourist satisfaction is on par with Local satisfaction since 2008.

Decrease in Retail sector CSISG performance led primarily by decreased satisfaction with Tourist customers.

All drivers of satisfaction fell significantly, however, compared to Locals, Tourists perception of value fell while Locals improved.
Why is satisfaction important?

<table>
<thead>
<tr>
<th></th>
<th>Bottom Quartile</th>
<th>Top Quartile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repurchase Intent</td>
<td>6.7</td>
<td>8.6</td>
</tr>
<tr>
<td>Average number of times visited in the past 3 months</td>
<td>2.6</td>
<td>2.6</td>
</tr>
<tr>
<td>Average spend during each visit in the past 3 months</td>
<td>$103</td>
<td>$126</td>
</tr>
<tr>
<td>Average spend a year</td>
<td>$1,049</td>
<td>$1,294</td>
</tr>
</tbody>
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Why is satisfaction important?

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</tr>
<tr>
<td>Average number of times visited in the past 3 months</td>
<td>13.1</td>
<td>13.0</td>
</tr>
<tr>
<td>Average spend during each visit in the past 3 months</td>
<td>$63</td>
<td>$69</td>
</tr>
<tr>
<td>Average spend a year</td>
<td>$3,314</td>
<td>$3,558</td>
</tr>
</tbody>
</table>

Supermarkets

- **Loyalty**: CSISG Score
  - Bottom Quartile: 65
  - Top Quartile: 85

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Why is satisfaction important?

For both the departmental stores and supermarkets sub-sectors, although the average number of times visited in the past 3 months is very similar for customers with high or low CSISG scores, the average amount spent per visit for customers with high CSISG scores is higher than that of customers with low CSISG scores.

Customers with high CSISG scores have significantly higher repurchase intention ratings, Customer Loyalty scores, and spend more per visit as compared to customers with low CSISG scores.
Touchpoint Impact Analysis

To most efficiently boost customer satisfaction, companies should work on dimensions that provide the greatest impact on their customers’ perceptions of quality.

For the sub-sectors of Departmental Stores and Supermarkets, further analysis suggests attributes found within:

Experience
Appeal, and
Engagement

have the most significant impacts on perceived quality (in decreasing order of importance). The Reputation dimension did not have a statistically significant impact.
### Increasing Departmental Stores CSISG Score

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Experience</th>
<th>Appeal</th>
<th>Engagement</th>
<th>Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attributes</td>
<td>1 Customer satisfaction with professionalism &amp; product knowledge of staff</td>
<td>5 Customer satisfaction with variety of products</td>
<td>1 Customer's level of awareness and attention to media advertising</td>
<td>1 Customer trust in company</td>
</tr>
<tr>
<td></td>
<td>2 Customer satisfaction with courtesy &amp; helpfulness of staff</td>
<td>6 Ease of getting items</td>
<td>2 Customer's level of awareness and attention to information sent to customer</td>
<td>2 Company's level of ethical standards</td>
</tr>
<tr>
<td></td>
<td>3 Customer satisfaction with return and exchange policies</td>
<td>3 Competitive prices</td>
<td>3 Importance of preferential treatment from rewards programme</td>
<td>3 Company is a active sponsor of community events</td>
</tr>
<tr>
<td></td>
<td>4 Customer satisfaction with layout and ambience</td>
<td>4 Company's recognition of customer as being special</td>
<td>4 Customer's sense of community with other customers</td>
<td>4 Company is a good corporate citizen</td>
</tr>
</tbody>
</table>

Attributes are arranged in order of importance.
### Increasing Supermarket CSISG

<table>
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<td>1 Customer's level of awareness and attention to media advertising</td>
<td>1 Company's level of ethical standards</td>
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<tr>
<td>Attributes</td>
<td>2 Customer satisfaction with layout and ambience</td>
<td>6 Ease of getting items</td>
<td>2 Customer's familiarity with procedures</td>
<td>2 Customer trust in company</td>
</tr>
<tr>
<td>Attributes</td>
<td>3 Customer satisfaction with variety of products</td>
<td>7 Customer satisfaction with checkout process</td>
<td>3 Customer's sense of community with other customer</td>
<td>3 Company is a good corporate citizen</td>
</tr>
<tr>
<td>Attributes</td>
<td>4 Customer satisfaction with professionalism &amp; product knowledge of staff</td>
<td>8 Customer satisfaction with communication ability of staff</td>
<td>4 Importance of preferential treatment from rewards programme</td>
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**Attributes are arranged in order of importance**

1. Customer satisfaction with return and exchange policies
2. Customer satisfaction with layout and ambience
3. Customer satisfaction with variety of products
4. Customer satisfaction with professionalism & product knowledge of staff
5. Customer satisfaction with courtesy & helpfulness of staff
6. Ease of getting items
7. Customer satisfaction with checkout process
8. Customer satisfaction with communication ability of staff
Increasing Retail CSISG Score

While we have identified the areas of customer experience which have a greater importance in influencing the scores of the customer experience, customer experience is still about the customer’s end-to-end journey with the company. As such, more focus may be paid to areas that are important but resources should not be taken away from other aspects in customer experience that may not be as important.
CSISG 2014 Q1 Info-communications
Year-on-Year Change

Mobile Telecoms 67.7
Broadband 67.5

Mobile Telecoms 67.2
Broadband 65.3
PayTV 66.5
Wireless@SG 61.5

CSISG 2013 67.7
CSISG 2014 66.8
CSISG 2014 Q1 Info-communications
Mobile Telecom

CSISG 2013 67.7
SingTel 69.3
StarHub 66.7
M1 64.3

CSISG 2014 67.2
68.1 SingTel
67.2 StarHub
64.4 M1
CSISG 2014 Q1 Info-communications
Broadband

CSISG 2013 67.5

CSISG 2014 65.3

SingTel 67.7
StarHub 67.5

M1 64.4

66.2 M1
65.8 StarHub
65.1 SingTel
Re-contract customers refer to customers who have been with their service providers for two years or more.

The differences between the CSISG and Loyalty scores for all the customer segments across the three Info-Communications sub-sectors are significant.

This suggests that Info-communication companies have been able to better manage expectations of re-contract customers and meet them, resulting in higher CSISG and loyalty scores.
Customer Tenure, Satisfaction, & Loyalty

For PayTV and Broadband sub-sectors, Customer Expectations and Perceived Quality scores for re-contract customers are significantly higher than that of new customers.
Across all 3 sub-sector in Info-Communications, companies were better able to meet Expectations of re-contract customers as opposed to new customers.
Additional Findings
Looking beyond Customer Service

- For locals, Service Quality met or exceeded Expectations for the Retail and Info-communications sectors.
- Conversely, Product Quality did not meet expectations of local respondents.
- This suggests that for locals, service quality is not the problem; it is the non-service aspects that are impacting customer satisfaction.
Looking beyond Customer Service

• Approach customer satisfaction holistically to look beyond customer service.
• Review the entire customer experience, e.g., service process and design, product mix, value proposition.
• Innovate new service experiences to maintain evolving customer expectations.
More information

CSISG 2014 Q1 Executive Summary is available at ises.smu.edu.sg

If you are from a CSISG-measured company, email ise@smu.edu.sg with your professional contact information for your complimentary company-specific CSISG score card

The ISES Membership Programme provides a comprehensive CSISG benchmarking report for your company along with a host of associated benefits. An application form is available in your Forum folder and also at ises.smu.edu.sg