CSISG 2009
First three quarters
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I. Introduction
Sectors & Sub-sectors Measured in CSISG 2009 First 3 Quarters

Food & Beverage
- Bars & Pubs
- Cafes, Coffee Houses & Snack Bars
- Fast-food Restaurants
- Restaurants

Info-Communications
- Mobile Telecom
- Internet Service Provider

Retail
- Clocks & Watches
- Departmental Stores
- Fashion Apparels
- Furniture
- Jewellery
- Motor Vehicles
- Petrol Service Stations
- Supermarkets

Education
- Commercial Schools
- Polytechnics
- Universities

Tourism, Hotels & Accommodation Services (THAS)
- Attractions
- Hotels
- Travel Agencies, Tour Operators & Ticketing Agencies

Transportation & Logistics
- Airlines
- Budget Airlines
- Changi Airport (new)
- Courier & Postal Services
- Public Buses
- MRTs
- Taxi Services
- Water Transportation

Explanatory note: Sub-sectors in red italics denote those that were administered to the tourist segment (besides local residents).
**FIELDWORK PROCESS**

Random sampling door-to-door using DOS listing

Between 20 April 2009 to 10 August 2009, face-to-face interviews were conducted with

10,499 households completing 20,511 questionnaires

3,562 departing tourists completing a questionnaire each

391 locals and 619 tourists at Changi Airport

In all, 25,083 questionnaires were completed
CSISG 2009

First three quarters

II. Findings
Service Excellence is defined as,

1. Understanding your target customers
2. Setting clear expectations on the needs you are addressing as well as the value you are offering for your target customers (your promise)
3. Consistently delivering the level of quality you promised
4. Effectively addressing customers’ feedback or complaints
SERVICE EXCELLENCE IS NOT CUSTOMER DELIGHT

A prerequisite for delivering service excellence would be to first understand the wants and needs of the target audience, only then would a company know what service experience they should be delivering.

Making it easy for customers to do business with you and thereby making your customers smile.

The slides that follow outline specific findings from our analyses that support our main message.
THREE TYPES OF CUSTOMERS
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Our analyses shows that there are three types of customers in Singapore,

1. satisfaction highly impacted by all drivers, with expectations dominating (mainly Education, T&L (SIA))

2. satisfaction moderately impacted by all drivers, with quality slightly dominating (mainly Infocomm, Hotels (Ritz Carlton))

3. satisfaction highly impacted by quality and minimally impacted by value (mainly Retail, F&B (McDonald’s))
Companies within a cluster face very similar challenges (and opportunities) in trying to satisfy their customers.

This is an opportunity for companies in the same cluster to work together (i.e., cross-industry learning).
Shifting from product to service quality
Between 2007 and 2009, we see a shift in importance from product quality to service quality within the F&B and Retail sectors.
<table>
<thead>
<tr>
<th>Subsector</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bars &amp; Pubs</td>
<td>S&gt;P</td>
<td>S&gt;P</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Cafes, Coffee Houses, Snack Bars</td>
<td>P&gt;S</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Clocks and Watches</td>
<td>P&gt;S</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Departmental Stores</td>
<td>P&gt;S</td>
<td>P&gt;S</td>
<td>P&gt;S</td>
</tr>
<tr>
<td>Fashion Apparels</td>
<td>S&gt;P</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Fast Food Restaurants</td>
<td>S&gt;P</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Furniture</td>
<td>S&gt;P</td>
<td>S&gt;P</td>
<td>P=S</td>
</tr>
<tr>
<td>Jewellery</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
<td>P=S</td>
</tr>
<tr>
<td>Petrol Service Stations</td>
<td>P&gt;S</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Restaurants</td>
<td>P&gt;S</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
</tr>
<tr>
<td>Supermarkets</td>
<td>P&gt;S</td>
<td>S&gt;P</td>
<td>P=S</td>
</tr>
</tbody>
</table>
This underscores the importance for F&B and retail companies to improve their service quality.
MANAGING NEGATIVE WORD-OF-MOUTH
**Direct vs Indirect Feedback**

*In 2009 we see that amongst the people who complain, there is a relationship between how satisfied they are and who they complain to.*

The more satisfied they are, the more likely they will be to complain directly to the company.

The less satisfied they are, the more likely they are to complain to their friends and family.

Customers who complained directly to companies are 8 points more satisfied than those who complained to friends and family.
Complained to company

Satisfaction Rating

Complained to friends/family
More satisfied customers are more likely to repurchase and recommend company to others.

Most satisfied quartile of customers are 31% more willing to recommend than the least satisfied quartile.
This should be a wake-up call for companies.

For every person who complains directly to the company, there is another who complains to their friends and family.

Companies should focus on reducing customer dissatisfaction, complaint handling and service recovery instead of merely reducing number of customer complaints.
Customers have a role to play
After rating the F&B company they were asked about in the main CSISG questionnaire, we also asked the respondents about their tipping behaviour in general.

It is important to note that the tipping questions were not about the company they were rating in the CSISG questionnaire but about their behaviour in general.

40% of tourist respondents and 23% of local respondents practise tipping.
Respondents who never tip were less satisfied than those who tip

As a group, respondents who declared that they never tip were about 4 points less satisfied than those who tip.

The explanation is not that the act of tipping is causing this, but rather the mindset of people who tip are somehow different from those who do not tip and this is what is responsible for the higher satisfaction they experience when consuming products and services.
Implications

This is a reminder that when it comes to service excellence and satisfaction, customers are a big part of the equation.

We should acknowledge that there are good and bad customers, and not much can be achieved if customers are not receptive or appreciative of service efforts.
### CSISG 2009 Scores for 6 of 8 Sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>CSISG 2009</th>
<th>CSISG 2008</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation &amp; Logistics (&quot;T&amp;L&quot;)</td>
<td>68.7</td>
<td>68.7</td>
<td>0.0</td>
</tr>
<tr>
<td>Education</td>
<td>68.4</td>
<td>69.8</td>
<td>-1.4</td>
</tr>
<tr>
<td>Tourism, Hotels &amp; Accommodation Services (&quot;THAS&quot;)</td>
<td>67.1</td>
<td>68.5</td>
<td>-1.4</td>
</tr>
<tr>
<td>Info-Communications (&quot;Infocomm&quot;)</td>
<td>66.4</td>
<td>67.2</td>
<td>-0.8</td>
</tr>
<tr>
<td>Retail</td>
<td>65.8</td>
<td>68.1</td>
<td>-2.3</td>
</tr>
<tr>
<td>Food &amp; Beverage (&quot;F&amp;B&quot;)</td>
<td>65.0</td>
<td>65.4</td>
<td>-0.4</td>
</tr>
</tbody>
</table>

*Graph showing CSISG 2009 scores for selected sectors.*
Transportation and Logistics (68.7, no-change)

**Airlines (72.6, +0.8)**
- Singapore Airlines (75.7, +1.1)
- Cathay Pacific (71.4, +1.4)
- Emirates (71.3, −3.1*)
- SilkAir (70.4, +2.3)
- Qantas (70.1, −0.1)
- All Others (67.0, +0.3)

**Courier and Postal Services (64.1, −2.7*)**
- SingPost (65.6, +1.1)
- DHL (64.5, −3.4*)
- FedEx (63.9, −3.7*)
- UPS (63.2, −2.3)
- All Others (63.0, −6.1*)

**Public Buses (62.9, −1.1)**
- SMRT (64.4, −0.3)
- SBS Transit (62.2, −1.5)

**Water Transportation (61.5, −5.4*)**

**Changi Airport (71.6)**

**Mass Rapid Transit System (67.0, −0.8)**
- SMRT (67.3, −0.5)
- SBS Transit (66.3, −2.0)

**Taxi Services (64.4, −0.4)**
- ComfortDelGro (64.1, +0.9)
- SMRT (63.9, −2.0)
- All Others (64.7, −1.2)
CSISG 2009

Education (68.4, –1.4*)

Universities (70.7, +2.1*)
- SMU (74.7, +5.3*)
- NTU (69.5, +0.3)
- NUS (69.0, +1.8)
- UniSIM (65.7, –3.6*)

Polytechnics (68.7, –1.2*)
- Singapore (70.6, –0.2)
- Ngee Ann (69.2, +1.5)
- Temasek (68.9, –1.7)
- Nanyang (66.4, –3.9*)
- Republic (65.7, –5.7*)

Commercial Schools (66.0, –5.0*)
Tourism, Hotels and Accommodation Services (67.1, −1.4*)

Hotels (68.9, −2.5*)
- Ritz-Carlton (78.0, +1.1)
- Swissôtel The Stamford (77.0, +2.4)
- Shangri-La (74.4, −2.1)
- Grand Hyatt (74.4, −0.1)
- Meritus Mandarin (73.5, +1.8)
- All Others (65.8, −4.4*)

Attractions (67.9, −3.1*)
- Wildlife Reserves (68.2, −3.4*)
- Underwater World (68.1, −2.8*)
- Sentosa (67.5, −2.9*)
- All Others (67.9, −2.8*)

Travel Agencies, Tour Operators, and Ticketing Agencies (64.8, +0.1)
Info-Communications (66.4, −0.8)

Mobile Telecom (66.6, −0.9)
- StarHub (68.0, −1.1)
- SingTel (66.3, −0.5)
- M1 (64.8, −1.1)

Internet Service Providers (65.2, −0.5)
- StarHub (66.1, +0.9)
- SingNet (65.1, −1.0)
- PacNet (60.3, −4.9*)
Retail (65.8, −2.3*)

Jewellery (69.0, +0.8)

Petrol Service Stations (67.8, −0.6)
• SPC (68.7, +0.1)
• Shell (68.4, −0.2)
• Caltex (68.3, −0.5)
• ExxonMobil (67.0, −1.2)

Clocks and Watches (66.6, −1.7)

Fashion Apparels (66.1, −1.2)

Motor Vehicles (65.7, −4.4*)
• Kah Motors (66.5, −2.1)
• Borneo Motors (66.5, −4.1*)
• Tan Chong Motor (66.1, −4.9*)
• Cycle & Carriage (65.9, −2.9*)
• All Others (65.5, −4.7*)

Departmental Stores (65.5, −0.8)
• Takashimaya (66.4, −0.2)
• DFS (66.2, +0.1)
• CK Tang (65.5)
• Robinson & Co (65.3, −1.9)
• Isetan (65.0, −1.9)
• Metro (64.5)
• OG (62.9)
• All Others (64.4)

Supermarkets (64.1, +0.8)
• NTUC Fairprice (64.7, +0.2)
• Cold Storage (64.4, +0.5)
• Sheng Siong (63.8, −0.2)
• Mustafa (63.6, −3.1*)
• All Others (63.7, +3.8*)

Furniture (63.9, −0.5)
Food and Beverage (65.0, –0.4)

Restaurants (65.8, –1.6*)
- Crystal Jade (66.7, +1.6)
- RE&S (66.6, +0.2)
- Apex-Pal (66.4, +1.2)
- Tung Lok (66.1, –1.2)
- All Others (65.7, –2.2)

Bars and Pubs (65.0, –3.3*)

Cafes, Coffee Houses, Snack Bars (64.4, +1.7*)
- Starbucks (67.0, –1.2)
- Coffee Bean & Tea Leaf (65.1, –1.2)
- Delifrance (63.6, –0.2)
- All Others (64.3, +2.0)

Fast Food Restaurants (64.2, –0.2)
- McDonald’s (65.8, +2.9*)
- Burger King (63.6, –1.1)
- Pizza Hut, KFC (62.9, –2.4)
- All Others (62.3, –4.7*)