



CUSTOMER SATISFACTION INDEX OF SINGAPORE 2011

Q2 SCORES
EDUCATION AND
TRANSPORTATION & LOGISTICS

EXECUTIVE SUMMARY



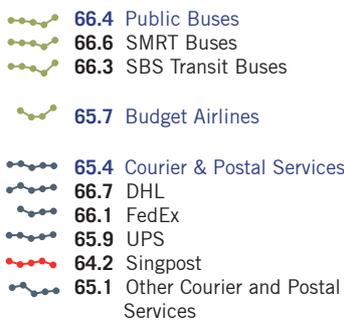
INSTITUTE OF
SERVICE EXCELLENCE
SINGAPORE MANAGEMENT UNIVERSITY





2011 Q2 SCORES
EDUCATION AND TRANSPORTATION & LOGISTICS

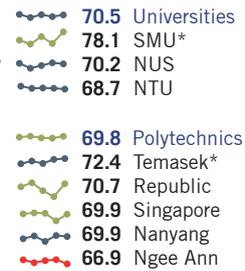
70.0 Transportation & Logistics



74.5 Private Education



70.3 Public Education



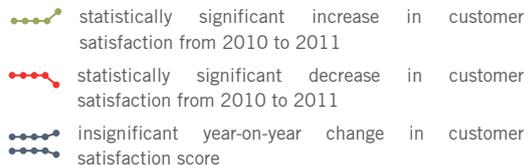
This chart summarises the results of the CSISG 2011 satisfaction scores in the Education and Transportation & Logistics sectors at the sector, sub-sector and company levels.

The sector scores (in gold) represents a weighted average of their respective sub-sector scores (in blue). Satisfaction scores for sub-sectors with individual company scores are weighted averages of these individual company scores.

All scores displayed are accurate to one-decimal place. Entities are presented in decreasing levels of satisfaction.

* Companies indicated with an asterisk(*) are companies that have performed significantly above their sub-sector average.

The sparklines indicate the satisfaction score of their respective sectors, sub-sectors and companies over the past few years.



BACKGROUND

The Customer Satisfaction Index of Singapore (CSISG) computes customer satisfaction scores at the nation, sector, sub-sector, and company levels. Currently in its fifth year of measurement, the CSISG serves as a quantitative benchmark of the quality of goods and services produced by the Singapore economy both over time and across countries.

CSISG scores are generated based on the econometric modelling of survey data collected from end-users after consumption of products and services. Sub-sector scores are derived as a weighted average of company scores, in proportion to the revenue contributions of companies. Sector scores are derived in a similar fashion, aggregating the sub-sector scores proportionately to each sub-sector's revenue contributions. CSISG scores customer satisfaction on a scale of 0 to 100 with higher scores representing better performance.

Under a quarterly measure-and-release system, up to three sectors are measured each quarter with their results released in the following quarter. For the second quarter of 2011, results for the Private Education, Public Education, and Transportation & Logistics sectors were collected and analysed. The national score for 2011 will be updated in January 2012.

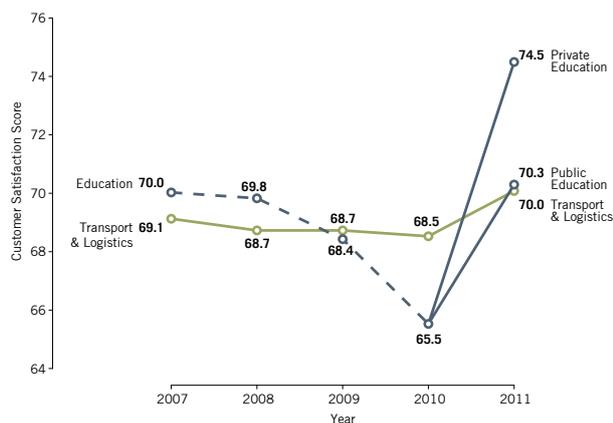


Figure 1: CSISG scores for the Private Education, Public Education, and Transportation & Logistics sectors. To better distinguish educational institutions, the former Education sector has been split into two separate sectors: Public Education and Private Education. The trend-line for the former Education sector from 2007 to 2010 combining both Private Education and Public Education sectors is indicated by the dotted blue line.

To better distinguish educational institutions, the former Education sector has been split into two separate sectors: Public Education sector and Private Education sector. The Public Education sector consists of the three publicly-funded universities National University of Singapore (NUS), Nanyang Technological University (NTU), and Singapore Management University (SMU) as well as the five existing polytechnics and the Institute of Technical Education (ITE). The Private Education sector now consists of Commercial Schools, which include private institutions such as UniSIM, Singapore Institute of Management (SIM), MDIS, PSB Academy, Kaplan and others.

FIELDWORK PROCESS

Survey data for the Private Education, Public Education and Transportation & Logistics sectors were collected between April and June 2011. 7,276 questionnaires were completed with Singapore residents at their homes with each answering up to two questionnaires about their experiences with different sectors.

The same survey was also conducted with 1,704 departing tourists at Changi Airport with each tourist filling out one questionnaire about a single business entity from the Commercial Schools, Airlines, Budget Airlines, Mass Rapid Transit Systems, Public Buses, and Taxis Services sub-sectors.

Separately, 1,003 interviews were completed by a mix of locals, tourists and transit passengers at Changi Airport, answering about their experience with the airport.

Finally, 1,260 surveys were completed online for ITE students this year. Going forward, ITE students will be sampled via online surveys in the CSISG national study.

In all, 11,243 questionnaires about 442 companies were completed.

SECOND QUARTER RESULTS HIGHLIGHTS

After two consecutive years with no changes in CSISG score, satisfaction with the Transportation & Logistics sector increased significantly this year by 1.3 points to reach 70.0 points. Within the sector, many sub-sectors are seeing statistically significant increases in customer satisfaction. Significant improvement is defined as scoring above the previous year at a 90% level of confidence. These sub-sectors

include Airlines, Budget Airlines, Changi Airport, Mass Rapid Transit Systems, Public Buses, Taxi Services, and Water Transportation. The Budget Airlines sub-sector showed the most notable increase in satisfaction score, with the largest year-on-year increase of 6.2 points to score 65.7 points. Carriers captured in the Budget Airlines sub-sector include AirAsia, Cebu Pacific Air, Firefly, Jetstar Asia Airways, Lion Air, and Tiger Airways. The Public Buses sub-sector showed the second largest year-on-year increase in CSISG score, rising by 5.3 points. SBS Transit Buses experienced a larger jump in CSISG score from 58.9 points in 2010 to 66.3 points. However, SMRT buses still fared slightly higher at 66.6 points. In general, the increase in satisfaction with the Public Buses sub-sector comes mostly from locals' increased satisfaction with public buses. Changi Airport, which topped the sector at 78.6 points, also demonstrated a large increase of 4.9 points from 2010. An examination of the year-on-year changes reveal that passengers departing from Terminals 1, 3, and the Budget Terminal rated significantly higher compared to 2010. For Changi Airport as a whole, satisfaction of locals, tourists, and transit passengers with the airport, have improved.

The Private Education sector scored 74.5 points, significantly higher than the Public Education sector, which scored 70.3 points. Commercial Schools, which make up the Private Education sector, saw a statistically significant increase of 9.5 points, sharply reversing the previous downward trend since 2009. Within the Public Education sector, Polytechnics and ITE increased significantly from 2010, with ITE demonstrating a marked improvement of 11.0 points from last year. Institutions which demonstrated a statistically significant improvement in CSISG score include SMU, Singapore Polytechnic, and Republic Polytechnic.

KEY FINDINGS

LOCALS PERCEIVE HIGHER VALUE-FOR-MONEY FOR PUBLIC BUSES

Year-on-year, local residents traveling on public buses think that they are receiving more bang-for-the-buck. Distance-based fares, which do not impose boarding charges each time commuters make a transfer, started in 3 July 2010. Some time after the initial teething problems, the increase

in local residents' perception of value-for-money with public buses seems to suggest that commuters have adjusted positively to this change. In recent months, more bus trips have also been added in an attempt to improve service levels (c.f. "Quarterly Review of Bus Services", Land Transport Authority, News Release on 27 June 2011). The combination of both distance-based charging as well as the addition of more bus trips could have contributed to the increase in locals' perceived value and subsequently, increased customer satisfaction.

For both Public Buses and the Mass Rapid Transit System, CSISG data shows that the satisfaction of commuters is sensitive to changes in safety and security. Given this finding, it is encouraging that commuters gave relatively high ratings for their satisfaction with this attribute. Public transport providers can therefore increase overall customer satisfaction by further improving passengers' perceptions of safety and security with their rides. For Public Buses in particular, satisfaction with the frequency of bus arrivals was also found to have a strong positive impact on commuter satisfaction, but was rated below that of safety and security. An analysis of bus commuters by amount of usage – regular, moderately regular and irregular, indicated different requirements by segment. Compared with irregular bus commuters, regular bus commuters gave lower ratings for their satisfaction with the frequency and punctuality of bus arrivals. These findings suggests different requirements and expectations across groups of bus commuters when segmented by amount of usage. The implication here for public bus service providers would be to devise appropriate strategies for each segment to manage expectations and customer satisfaction.

PRIVATE AND PUBLIC EDUCATION SECTORS

After the introduction of the Enhanced Registration Framework (ERF) in December 2009 under the Private Education Act, private education institutions are now required to adhere to standards as set out by the ERF or cease operations. As a result, most students surveyed in the Commercial Schools sub-sector this year come from schools that meet ERF standards. By having the assurance of a minimum standard, students from registered schools are likely to be more satisfied. Therefore, the higher satisfaction of students from commercial school students could be driven by the assurance

that comes with the regulation of the Commercial Schools sub-sector.

One of the factors that appears to contribute positively to student satisfaction in tertiary institutions is the extent to which students feel that they are treated as mature individuals. Amongst students surveyed in the Polytechnics and ITE, there is a strong positive association between how well students felt they were treated as mature individuals and their level of satisfaction with the institution. For Polytechnics in particular, students gave significantly lower ratings on this attribute compared to other related attributes such as quality of the instructors or care and support given by their instructors. For Polytechnics and ITE, this finding shows that an inexpensive solution to enhance students' satisfaction with their overall educational experience, among other things, is to treat students as mature individuals.

For the Polytechnics sub-sector, other factors found to positively impact student satisfaction include knowing what is expected of them as students, and the reliability of the computer network on campus. The findings here could be factors of consideration for Polytechnics when managing student satisfaction.

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