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News Release

Customer Satisfaction Rises for the Info-Communications Sector and Maintains for the Retail Sector in Singapore

Singapore, 28 June 2017 (Wednesday) – The Institute of Service Excellence (ISE) at the Singapore Management University (SMU) (新加坡管理大学卓越服务研究院) released the 2017 Q1 Customer Satisfaction Index of Singapore (CSISG) results for the Retail and Info-Communications sectors today.

A total of 6,070 locals and 830 tourists were surveyed in face-to-face interviews between January 2017 and April 2017 on their satisfaction levels with entities within the Retail and Info-Communications sectors.

CSISG Results for the Retail Sector

The Retail sector scored 72.1 points on a 0 to 100 scale for CSISG 2017 Q1, a performance similar to the same period last year.

Of the four sub-sectors measured within the Retail sector, *Fashion Apparels*, *Supermarkets*, and *e-Commerce* scored 72.5 points (+0.63-points year-on-year), 72.4 points (+0.90-points year-on-year), and 71.4 points (+0.35-points year-on-year) respectively; the year-on-year changes were not statistically significant. On the other hand, the *Department Stores* sub-sector scored 71.2 points, a marked 0.95-point improvement over the previous year.

“The notable improvement in customer satisfaction with *Department Stores* stemmed largely from more satisfied locals. This increase could be related to the revamps of various stores and product offerings, as well as increased promotional activities targeted at boosting sales,” said Ms Neeta Lachmandas (妮塔.拉切曼达斯), ISE Executive Director (执行总监).

While the *Supermarkets* sub-sector did not see any significant year-on-year changes in their CSISG scores, customers who had frequently used the ‘self-checkout’ counters expressed greater satisfaction levels compared to those who frequented the manned cashier counters.

“Offering retail customers more ways to shop, whether through online channels or self-checkout counters, could enhance the customer experience, thereby positively impacting customer satisfaction and loyalty,” remarked Mr Chen Yongchang (陈勇畅), ISE Head of Research and Consulting (研究与咨询主任).

Cross-industry benchmarking also revealed lower satisfaction and loyalty for *Department Stores* customers who shopped only at the physical stores when compared to the *e-Commerce* sub-sector’s customers. In contrast, *Department Stores* customers who had

experienced the stores' digital platforms had similar levels of customer satisfaction and higher levels of customer loyalty when compared to *e-Commerce* customers.

“This would suggest that traditional brick and mortar stores could be better served and complemented by developing a robust omni-channel presence if they have not already done so; it can potentially give them a competitive edge over the *e-Commerce* retailers”, added Mr Chen.

CSISG Results for the Info-Communications Sector

The Info-Communications sector scored 69.6 points (+1.10-points year-on-year) for CSISG 2017 Q1, a statistically significant improvement from the year before. Its constituent sub-sectors include *Wireless@SG* at 70.3 points (+0.73-points year-on-year), *Mobile Telecom* at 70.2 points (+1.08-point year-on-year), *Broadband* at 68.2 points (+1.14-points year-on-year), and *PayTV* at 67.4 points (+0.75-points year-on-year); these year-on-year movements were not considered statistically significant.

In particular, *Mobile Telecom* and *Broadband* customers were observed to exhibit measurably higher levels of customer loyalty the longer they stay subscribed to a particular telco. These were the customers who demonstrated higher likelihood to re-contract and greater tolerance to price increases. Further analysis of these Info-Communications sub-sectors revealed that service attributes relating to responsiveness, assurance, and empathy were key drivers of loyalty, in addition to the usual product-related attributes such as suitable subscription plans and fast data speeds.

“While competitive product features will continue to play a big part in keeping customers, it is notable that service-related considerations such as ‘Makes the effort to understand your needs’ and ‘Has your best interest at heart’ have also surfaced as important attributes to drive customer loyalty,” said Mr Chen.

Please refer to Annex A for a background on the CSISG and Annex B for the detailed scores.

About the Customer Satisfaction Index of Singapore

The Customer Satisfaction Index of Singapore (CSISG) is a landmark study that computes customer satisfaction scores at the national, sector, sub-sector, and company levels with the intent of producing a rigorous, objective and comprehensive assessment of Singapore's service levels. Given that the CSISG is the only national customer satisfaction measurement tool with cross sector capabilities, ISE is able to provide organisations with exclusive benchmarking insights about customer satisfaction as well as use predictive analytics and regression models to pinpoint drivers that would deliver the most impact.

About the Institute of Service Excellence (ISE) at Singapore Management University

The Institute of Service Excellence was jointly set up by Singapore Management University and Singapore Workforce Development Agency in July 2007 to elevate service levels and promote a culture of service excellence in Singapore. Working in close collaboration with government agencies and business leaders, ISE champions service excellence through an integrated approach that encompasses benchmarking and analysis, research and thought leadership, as well as industry engagement.

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