



SMU

SINGAPORE MANAGEMENT
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INSTITUTE OF
SERVICE
EXCELLENCE

CUSTOMER SATISFACTION INDEX OF SINGAPORE 2020

Q3 RESULTS OVERVIEW

FOOD & BEVERAGE AND TOURISM



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SCHOOL OF
BUSINESS



2020 Q3 SCORES FOOD & BEVERAGE AND TOURISM

76.1 Tourism

76.1 Attractions

- 78.9** Singapore Zoo*
- 76.2** Gardens By The Bay
- 72.7** Universal Studios
- 72.2** Sentosa
- 77.7** Other attractions

73.6 Food & Beverage

73.8 Restaurants

- 76.2** Din Tai Fung
- 73.5** Sakae Sushi
- 72.4** Crystal Jade Kitchen
- 71.2** Pizza Hut
- 71.0** Swensen's
- 74.2** Other restaurants

73.6 Cafes & Coffee Houses

- 77.1** Starbucks
- 72.7** Ya Kun
- 68.3** Toast Box
- 73.7** Other cafes & coffee houses

73.1 Fast Food Restaurants

- 75.1** Burger King
- 74.7** McDonald's
- 74.6** Subway
- 69.9** KFC
- 72.6** Other fast food restaurants

This chart summarises the results of the CSiSG 2020 satisfaction scores in the Food & Beverage, and Tourism 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 at 90% confidence.

* Sub-sectors indicated with an asterisk(*) are sub-sectors that have performed significantly above their sector average at 90% confidence.

Entities shown in this scorecard have samples of $N \geq 100$.

CSISG 2020 THIRD QUARTER RESULTS OVERVIEW

The Customer Satisfaction Index of Singapore (CSISG) computes customer satisfaction scores at the national, sector, sub-sector, and company levels. The CSISG serves as a quantitative benchmark of the quality of goods and services produced by the Singapore economy over time and across countries. This is the CSISG's 14th year of measurement.

THIRD QUARTER RESULTS HIGHLIGHTS

In the latest results, the Food & Beverage sector scored 73.6 points on a 0 to 100 scale. This comprised of brands and companies from the Restaurants, Fast Food, and Cafés & Coffee Houses sub-sectors. Unlike previous years, this year's study did not survey tourist respondents due to the ongoing Covid-19 pandemic during the fieldwork period.

The Tourism sector scored 76.1 points, which was derived from survey responses for tourist attractions; because of the Covid-19 travel restrictions, only local visitors were interviewed. Furthermore, the Hotels sub-sector, a constituent sub-sector in previous years, was not measured; the Covid-19 pandemic meant there were insufficient tourists respondents to be interviewed during the fieldwork period.

Because these results did not include tourists, year-on-year comparisons of performance would not be shown.

In addition, interviews were conducted through online survey panels instead of the typical face-to-face interviews of previous years. Separate control studies have indicated that such a change in survey mode may introduce statistically significant* differences to scores.

Figure 1 illustrates the performance of the four measured sub-sectors for 2020 Q3.

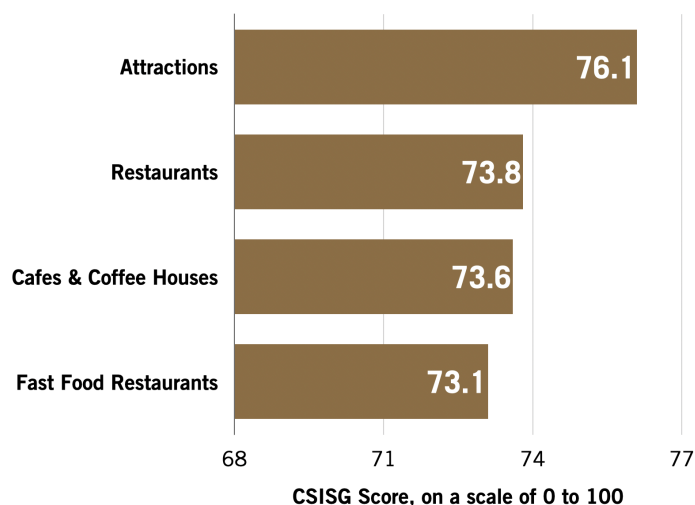


Figure 1: Performance of CSISG2020 Q3 measured sub-sectors.

*Statistical significance for the CSISG study is measured at a confidence interval of 90%.

THIRD QUARTER KEY FINDINGS

Restaurants' Dine-In Customer Loyalty Lower Than Takeaway and Food Delivery Customers

In the Restaurants sub-sector, it was observed that customer loyalty levels differed based on whether the customer dined-in, did a take-out, or had the food delivered.

Loyalty was defined as the customers' likelihood to patronise the establishment again as well as their tolerance to changes in prices; a Customer Loyalty score was derived based on responses to these two variables.

Restaurant customers who dined-in had an average Loyalty score of 68.9 points while those who either ordered take-away or food delivery scored 73.1 and 73.8 points, respectively. The differences were statistically significant; this is illustrated in Figure 2. While not as pronounced, similar observations were seen in the Fast Food and Cafés & Coffee Houses sub-sectors.

Restaurateurs should investigate how it can strengthen customer loyalty for the dine-in segment, as well as leverage the emerging use of Take-Aways and Food Delivery, especially during the Covid-19 pandemic.

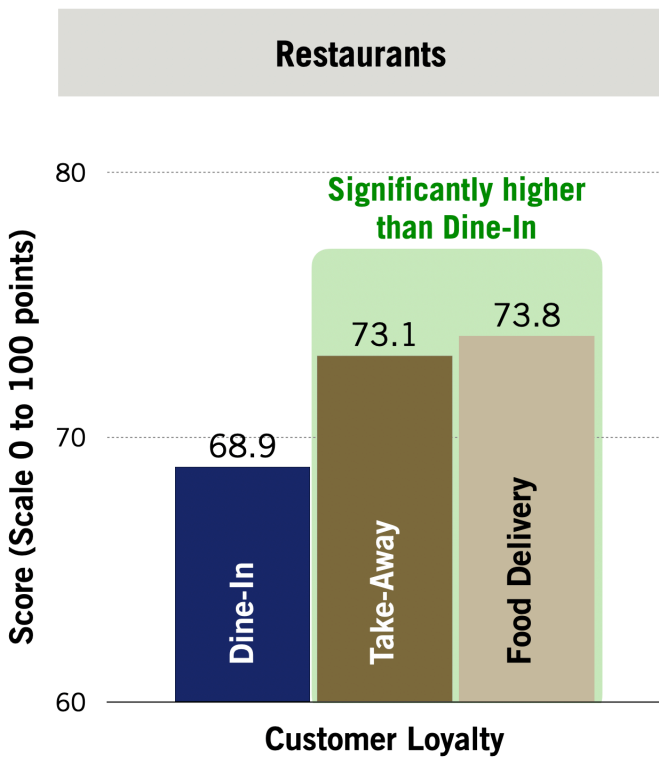


Figure 2: Restaurant customers' Loyalty scores, segmented by customers that dined-in, had take-away, and had their food delivered, respectively.

F&B Store and Staff Attribute Ratings Performing Below-Average

Analysing customers' experience with the three F&B sub-sectors, i.e., Restaurants, Fast Food, and Café & Coffee Houses, performance attributes relating to the stores' visual appeal and ambience, as well as service staff responsiveness, performed below-average. This is illustrated in Figure 3A.

While Covid-19 and the introduction of necessary safety measures would have been a key contributor to some operational challenges, be it poorer store layout or staffing issues, these attributes do have a significant impact on Loyalty when customers choose to dine in. Figure 3B rank orders each attributes' importance to Customer Loyalty when it comes to dining-in.

The industry should target these underperforming areas, and use the opportunity to not just overcome operational challenges, but innovate and design new dine-in experiences for the new normal.

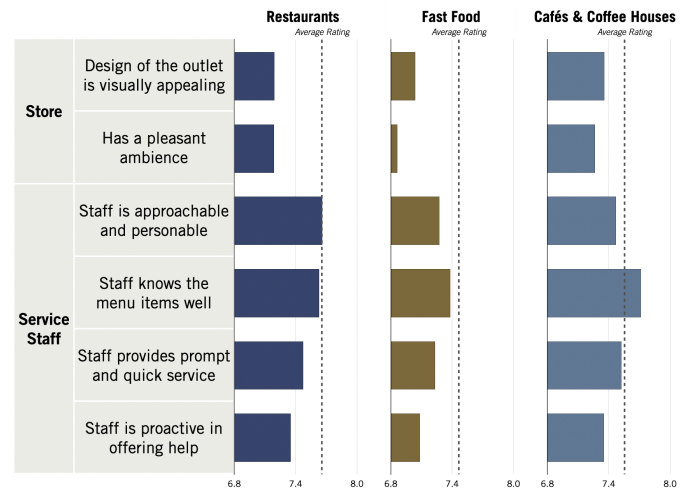


Figure 3A: F&B Store and Service Staff Attribute ratings. The average rating line denotes the combined average rating for all measured attributes in the F&B customer journey.

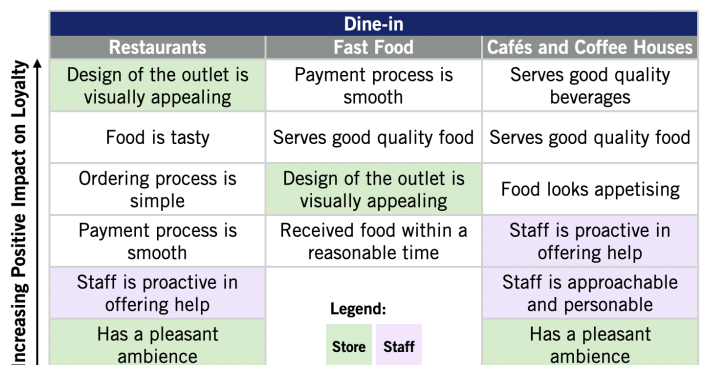


Figure 3B: Attributes with a positive impact on Customer Loyalty when dining-in. Ordered in descending order of importance.

Using F&B Deals Platforms Provide Significant Uplift in Satisfaction and Spend

Another observation within the F&B sector was the prevalence and usage of deals platforms, such as HungryDeals, Burpple Beyond, and The Entertainer.

While only about three in 10 respondents surveyed indicated they had used a deals platform for their most recent visit to an F&B establishment, this segment had significantly higher levels of customer satisfaction, loyalty, and perceptions of value, compared to respondents that did not use a deals platform. Higher median spending per pax was also observed. An example of the disparity is illustrated in Figure 4.

F&B operators should consider leveraging such platforms to not just gain new customers but also improve customers' propensity for return visits and increased spending.

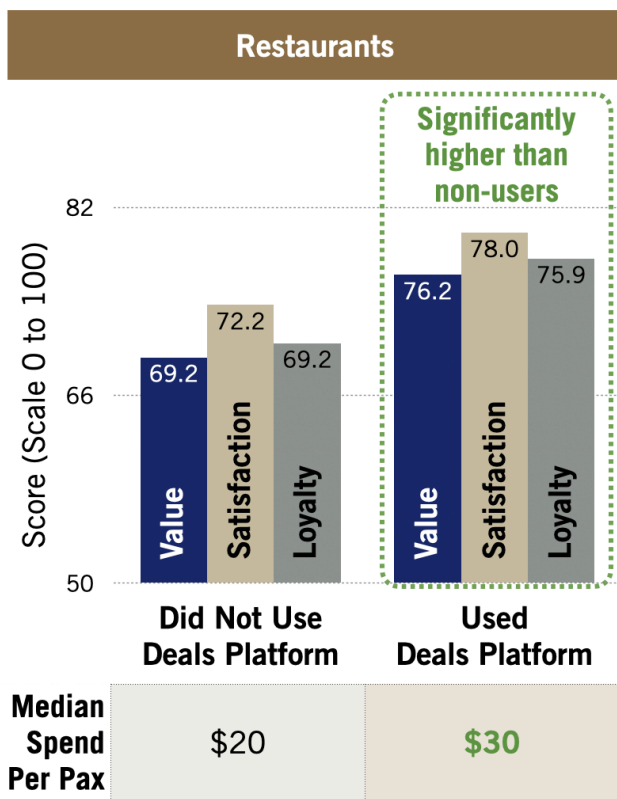


Figure 4: Restaurants' performance for customer satisfaction, loyalty, value, and median spend, segmented by those that used a deals platform and those that did not.

Key Drivers of Local Visitors' Loyalty Underperforming at Attractions

Analysis for the Attractions sub-sector focused on determining what would drive local visitors to make a repeat visit to an attraction they had recently visited.

In descending order of importance, the data suggested businesses can most effectively drive Customer Loyalty through visitors' satisfaction with 'Food and beverage options', the 'Range of activities and exhibits', 'Entertainment or educational value of the attraction', 'Friendliness and courtesy of the staff', and 'Ease of getting to the attraction'.

However, as illustrated in Figure 5, when comparing against the average performance of all the Attractions' attributes measured during post-Circuit Breaker visits, four out of five of these attributes underperformed.

To boost local visits to attractions, operators should look towards leveraging these aspects of their service proposition.

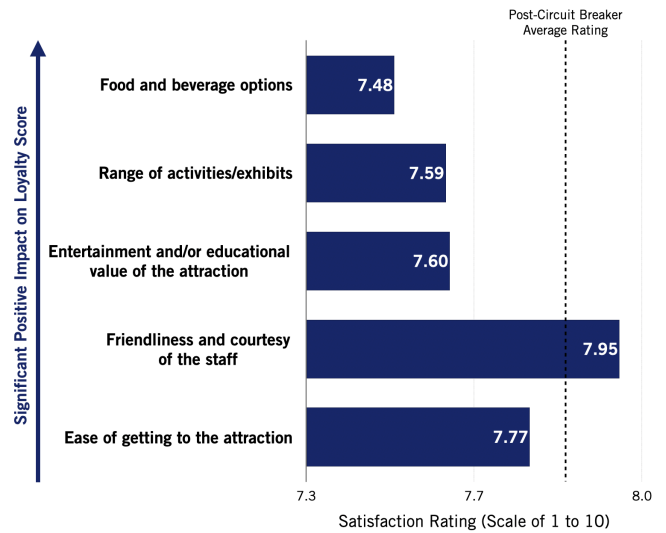


Figure 5: Attraction sub-sector attributes with significant impact on Loyalty, benchmarked against the average rating of all measured attraction attributes in the post-Circuit Breaker period.

CSISG BACKGROUND

CSISG scores are generated based on the econometric modelling of survey data collected from end-users after the consumption of products and services.

Company scores are weighted based on a separate incidence study. This incidence study helps determine each company's sample profile and the local-tourist weights. Sub-sector scores are derived as a weighted average of company scores, in proportion to the local and tourist incidence interactions with the constituent companies; this quarter's sampling did not include any tourist respondents due to the COVID-19 travel restrictions. Also, for this reason, the Hotels sub-sector was not included on the Index.

Sector scores are derived by aggregating the sub-sector scores proportionately to each sub-sector's revenue contributions. Finally, the national score is weighted according to each sector's contribution to GDP. CSISG scores customer satisfaction on a scale of 0 to 100 with higher scores representing better performance.

Under a quarterly measure-and-release system, distinct industry sectors measured within each calendar quarter have their results released the following quarter. Companies in the Retail and Info-Communications sectors were measured in the first quarter, Air Transport and Land Transport in the second quarter, Food & Beverage and Tourism sectors in this third quarter, and finally the companies of Finance & Insurance in the fourth quarter. The national score for 2020 will then be computed using the data collected over these four quarters.

For this third quarter of 2020, results for the F&B and Tourism sectors were collected and analysed. The F&B sector is made up of the Cafés & Coffee Houses, Fast Food Restaurants, and Restaurants sub-sectors. The Tourism sector comprised of just the Attractions sub-sector, with the Hotels sub-sector's benchmarking suspended due to the ongoing COVID-19 pandemic.

CSISG 2020 FIELDWORK PROCESS

Survey data was collected between July and September of 2020. Responses were collected via online survey panel interviews with Singapore residents that had recent consumption experiences with the respective entity they were being surveyed about.

The Q3 fieldwork garnered 2,500 unique responses in total, covering 71 companies and entities in the Food & Beverage and Tourism sectors; 20 entities have published scores.

CONTACT US

For more details on the CSISG, the ISE Corporate Membership programme, and customised research, please reach us at

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