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## **News Release**

# **Customer Satisfaction Hits New High in 2017**

*The national customer satisfaction level rose year-on-year, driven by improvements in the Finance & Insurance and Healthcare sectors*

**Singapore, 28 March 2018 (Wednesday)** – The Institute of Service Excellence (ISE) at the Singapore Management University (SMU) (卓越服务研究院) today released the results for the 2017 Q4 Customer Satisfaction Index of Singapore (CSISG) study of the Finance & Insurance and Healthcare sectors, as well as the 2017 CSISG national score.

The 2017 CSISG national score stands at 72.9 points (on a 0 to 100 scale), a statistically significant improvement against the 2016 CSISG national score of 71.8 points. The year-on-year increase in the national score is led by upticks in the Finance & Insurance and Healthcare sectors.

## **Q4 Finance & Insurance and Healthcare Findings**

The Finance & Insurance sector scored 73.4 points, a statistically significant increase of 1.05 points from the 2016 score of 72.4 points. The sector is made up of five sub-sectors including Banks, Credit Cards as well as Life Insurance, Health & Medical Insurance, and Motor & Other Personal Insurance. Among these sub-sectors, Banks, Credit Cards, and Health & Medical Insurance registered statistically significant upticks in customer satisfaction scores while Life Insurance and Motor & Other Personal Insurance did not see changes in customer satisfaction scores from the year before.

## **Customers Who Used Internet Banking and Mobile App More Satisfied and Loyal**

Among customers surveyed for Banks, those who identified usage with Internet Banking or Mobile App reported higher levels of customer satisfaction and customer loyalty compared to those who did not. The satisfaction and loyalty scores among those who used Internet Banking or Mobile App were more than 2 points or 3.1% higher than those who did not use these channels. In addition, customers who used these digital channels also have on average a higher number of products held with the same bank.

“There appears to be a positive relationship between usage of digital channels and higher scores across various customer metrics including satisfaction, loyalty, and number of products held with the bank. This is certainly an encouraging sign for banks that have been pushing for digital adoption,” observed Ms Neeta Lachmandas (妮塔.拉切曼达斯), ISE Executive Director (执行总监)

## **Life Insurance and Health & Medical Insurance Customers Most Dissatisfied with Contact Centre**

Within the Insurance sector, customers were surveyed about their satisfaction with four touch-points including Contact Centre, Customer Service Centre, Website and Financial Advisor/ Sales Representative. Satisfaction with Contact Centre was rated most poorly by customers of the Life Insurance and Health & Medical Insurance sub-sectors. For Life Insurance customers who interacted with Contact Centre, satisfaction score was 69.1 points compared to 73.0 points for those who did not interact with Contact Centre. In addition, those who interacted with Contact Centre also had a higher complaint rate of 7.4% compared to 0.7% for those who did not interact with Contact Centre.

A similar finding was observed among Health & Medical Insurance customers. For those who interacted with Contact Centre, customer satisfaction was scored at 67.8 points compared to 72.2 points for those who did not interact with Contact Centre.

“The lower satisfaction ratings and higher complaint rates amongst customers who had interacted with the contact centre suggest that key pain points may be channelled to the company through this touchpoint. Insurers may wish to consider how they could better resolve customers issues through the contact centre by improving areas such as staff knowledge and professionalism,” observed Mr Chen Yongchang (陈勇畅), ISE Head of Research and Consulting.

## **Waiting Experience and Ease of Getting Around Improved For Healthcare Sector**

The Healthcare sector scored 71.8 points, up 0.85 points from its 2016 score of 71.0 points. The increase is considered statistically significant. Within the Healthcare sector, minor upticks in customer satisfaction scores were observed across the Private Hospitals, Polyclinics and Restructured Hospitals sub-sectors, although these changes were not considered statistically significant.

While the ‘waiting time taken before undergoing a medical test or seeing a doctor’ continues to receive low satisfaction ratings, year-on-year improvements have been observed for other attributes such as ‘ease of getting around’ and ‘waiting experience’.

“Even as waiting time continues to be an issue in the healthcare sector, customers have given higher satisfaction ratings for the waiting experience at hospitals and polyclinics. Healthcare providers may wish to consider enhancing this aspect further. Rather than being merely a comfortable holding area, waiting rooms could be transformed into patient education centres that can teach patients how to improve their health outcomes,” added Mr Chen.

## **Complaint Handling Can Swing A Company’s Customer Satisfaction Score Markedly**

Among customers who said that they had made a complaint within the Healthcare sector, 79.6% said that the complaint was “handled poorly” while 20.4% said that it was “handled well”.

Although the proportion of complaints was small at 1.5% of all 3,540 Healthcare customers surveyed, the difference in customer satisfaction scores given by customers whose complaints were considered well-handled or poorly handled was pronounced. Customers whose complaints were deemed to be “handled well” scored 73.4 points in customer

satisfaction compared to only 28.6 points among those whose complaints were assessed to be “handled poorly”.

“Based on insights from the Healthcare sector, complaints are an area that may not necessarily work against an organisation. When complaints are well handled, customers do tend to reward companies with high satisfaction ratings and the level of satisfaction may even be comparable to that of customers who did not have a reason to complain,” noted Ms Lachmandas.

The CSISG 2017 Q4 study was conducted between October 2017 and January 2018, yielding a total of 9,585 completed questionnaires. Prior to this, the Info-Communications and Retail sectors were measured in Q1. This was followed by the Air Transport and Land Transport sectors in Q2. The Food & Beverage and Tourism sectors were measured in Q3. In total, the CSISG 2017 study yielded 30,135 completed questionnaires from Singapore citizens, permanent residents and departing tourists at Changi Airport. A total of 650 distinct entities were measured and 174 entities received published scores.

Please refer to Annex A for a background on the CSISG and Annex B for the detailed scores. A recap of CSISG 2017 Q1 to Q3 highlights is also provided in Appendix 1.

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## **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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## **Appendix 1**

### **CSISG 2017 Q1 to Q3 Highlights**

Please find below a summary of key findings extracted from the first three quarters of the CSISG 2017 full-year study.

#### **Q1 Retail & Info-Communications Findings**

For the Info-Communications sector, Mobile Telecom and Broadband customers were observed to exhibit measurably higher levels of customer loyalty the longer they stay subscribed to a particular telco. 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.

As for the Retail sector, 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.

#### **Q2 Transport Findings**

For Public Buses, improvements in travel time and availability of information were observed. Specifically, attributes such as 'Travel time to reach destination' and 'Availability of bus route information' saw marked upticks in satisfaction ratings.

While 'Reliability of trains' saw a year-on-year decline in satisfaction rating, particularly for locals, other attributes such as 'Sufficiency of train arrival information', 'Helpfulness of staff' and 'Ease of moving within station' registered improvements in satisfaction ratings among respondents.

Across Full Service Airlines and Budget Airlines, 'Comfort of the journey' emerged as the top attribute that drove perceptions of quality among local respondents. With tourists, customer service based attributes relating to ground staff and cabin crew were the key differentiators of quality.

#### **Q3 Food & Beverage and Tourism Findings**

Within the Fast Food Restaurants and Cafes & Coffee Houses sub-sectors, customer satisfaction and loyalty scores were lower among respondents who indicated a wait time of more than 10 minutes to queue and receive their order. There was a similar finding observed among Restaurants respondents who waited more than 20 minutes to receive their food.

Comparing between Luxury and Upscale Hotels and Economy Hotels, it was apparent that for Economy Hotels, product-related attributes such as 'ambience of the room' and 'comfort

of the room' had a larger impact in driving up Perceived Overall Quality than service-related attributes. On the other hand, for Luxury and Upscale Hotels, while product-related attributes were important drivers of Perceived Overall Quality, service-related attributes such as 'ability of the hotel to accommodate to your needs or requests', and 'efficiency of the check-in process' also emerged as key drivers of perceived quality.

While the overall Attractions sub-sector did not see any statistically significant movement in satisfaction, locals were more satisfied this year than in 2016. In particular, locals rated attributes such as 'entertainment and/or educational value of the attraction', 'cleanliness of the attraction' and 'friendliness and courtesy of the staff' statistically higher. In addition, locals who visited the attraction with their families were found to have statistically higher loyalty scores as compared to locals who either went alone or with other companions.