

### Customers' satisfaction

Results of the 2018 Q1 survey at the sector and sub-sector levels. Scores are based on a 0 to 100 scale.

RETAIL	2018	Year-on-year change (%)
Department stores	71.8	▲ 0.9
Supermarkets	72.9	▲ 0.7
Fashion apparel	72.8	▲ 0.3
e-Commerce	72	▲ 0.7
<b>TOTAL</b>	<b>72.6</b>	<b>▲ 0.6</b>
INFO-COMMUNICATIONS	2018	Year-on-year change (%)
Wireless@SG	71.7	▲ 1.9
Mobile telco	71.1	▲ 1.2
Broadband	68.9	▲ 1.1
PayTV	68.1	▲ 1
<b>TOTAL</b>	<b>70.4</b>	<b>▲ 1.1</b>

Source: 2018 Q1 CUSTOMER SATISFACTION INDEX OF SINGAPORE (SINGAPORE MANAGEMENT UNIVERSITY)

STRAITS TIMES GRAPHICS

# Need for retail to improve return and exchange policies

## Customer Satisfaction Index finds these attributes rated poorly by respondents

**Madhumita Paramanantham**

Return and exchange policies in physical and online stores here should be improved if businesses want customers to keep coming

back, according to the latest Customer Satisfaction Index, which was released yesterday.

The index, compiled by the Institute of Service Excellence (ISE) at Singapore Management University shows that although customer satis-

fication levels for the retail sector remained statistically unchanged from last year, these policies were among the attributes rated most poorly by respondents.

The retail sector - comprising supermarkets, fashion apparel, e-commerce and department stores - scored 72.6 points, showing a 0.6 per cent increase from last year.

"Customers who rated exchange and return policies poorly are asso-

ciated with lower satisfaction and loyalty scores," said Mr Chen Yongchang, head of research and consulting at the ISE. "Addressing the issue may be a source of competitive advantage for companies."

Ms Yogeswari S. Sambasivam would agree. The 29-year-old communications officer cited Zalora's 30-day item return policy and the ease of requesting a return as the main reasons she shops at the store.

"I'm more willing to buy clothes from Zalora because I know that if they don't fit, I can just fill up a simple online form to return them."

The store clinched the top spot in the index for e-commerce entities for the third year in a row.

The index also found that customers who shop at both a store's physical and online businesses are likely to be more loyal to that store.

Lecturer of marketing and retail at Singapore Polytechnic, Mr Lucas Tok, suggested that stores that have both online and physical platforms are likely to convert one-time consumers into long-term ones because they are able to engage these consumers continuously.

"Consumers are looking for the convenience and quick-browsing that online stores offer, but they also want accountability and to feel safe with the brand, which can be achieved better with brick-and-mortar stores," he said.

Some 6,900 locals and tourists were surveyed for the index, which measured customer satisfaction levels for the retail and info-communications sectors between January and April this year.

The info-communications sector obtained a score of 70.4 points, up 1.1 per cent from the same period last year. Companies in the four sub-sectors - mobile telco, broadband, pay TV and Wireless@SG - offering good network coverage and network reliability continued to have the loyalty of their customers.

However, with the entry of new players and the launch of new subscription plans, telcos may consider focusing on improving their customer service to be competitive, ISE's executive director, Ms Neeta Lachmandas, suggested.

In the mobile telco sub-sector, Singtel edged out competitors StarHub and M1 once again, with a customer satisfaction score of 74.1.

But with nearly 8 per cent of respondents considering switching telcos, and the majority of these respondents having been with their telcos for two to four years, Singtel cannot let its guard down, Ms Lachmandas said.

The index polls consumers in different sectors in each quarter.

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