



**Analysing consumers:**  
*Dr Lee, Dr Tang, Mr Lai and ISES director Caroline Lim discuss the constantly evolving consumer behaviour*

# Firms told to keep pace with changing consumer patterns

## More products becoming search goods due to rise of online retail

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CONSUMER behaviour will continue to evolve, and companies in the retail and infocommunications sectors need to stay on top of these changes or risk losing their customers, no matter how successful or popular they may be at present.

This was the key piece of advice from the panel discussion during the Institute of Service Excellence at the Singapore Management University (ISES) Industry Forum on June 26, when the latest Customer Satisfaction Index of Singapore results were released. The panel comprised Tony Lai, chief executive officer of management consultancy firm The Idea Factory, ISES academic director Marcus Lee, and Buck P Tang, director and principal consultant, TUV SUD PSB Learning.

“If you do nothing (when customer satisfaction is high) consumers can change from liking you to not thinking much of you, especially if your competitors have caught up very quickly,” said Mr Lai.

One change that he has noticed is how consumers have begun to separate considerations of reputation and brand at the product level. For example, reputation might suffice for someone to decide to buy a shirt without needing the brand’s logo emblazoned upon it. “These are very subtle changes that are already occurring. It tells you where customers are choosing their value proposition,” he said.

Dr Lee also offered the attending representatives from the retail and infocommunications sectors insights into evolving consumer behaviour. For one, customers’ technical competence will only increase.

“If you have a problem with an existing product, you will generally do all you can to fix the problem yourself, by researching online for exam-

ple. Only at the point when you can’t fix it yourself, then you call the contact centre for help,” said Dr Lee.

“So now, the front-line people at the contact centres are going to be dealing with problems that are more complex, and if companies don’t update their training requirements and curriculum, they are going to be caught with their pants down.”

He added that with the rise of online retail, more and more categories of products are becoming search goods. Search goods are products or services that consumers can decide to purchase just by examining its specifications.

Dr Tang took a different approach, advising companies to deliver the “common-sense things” that consumers want. “Unfortunately, common sense is not always common throughout the entire organisation,” he said. “I don’t think we need to make it so complex – it’s all about human beings and how we deliver a consistent service experience by design.”