

Quality of products matters: survey

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COMPANIES fretting over how to get their salespersons to offer friendlier, warmer service might want to first consider the quality of the products their staff have to sell.

Local customers of retail and infocomms companies said in a recent survey that the service quality they received met or surpassed their expectations, but not the quality of products.

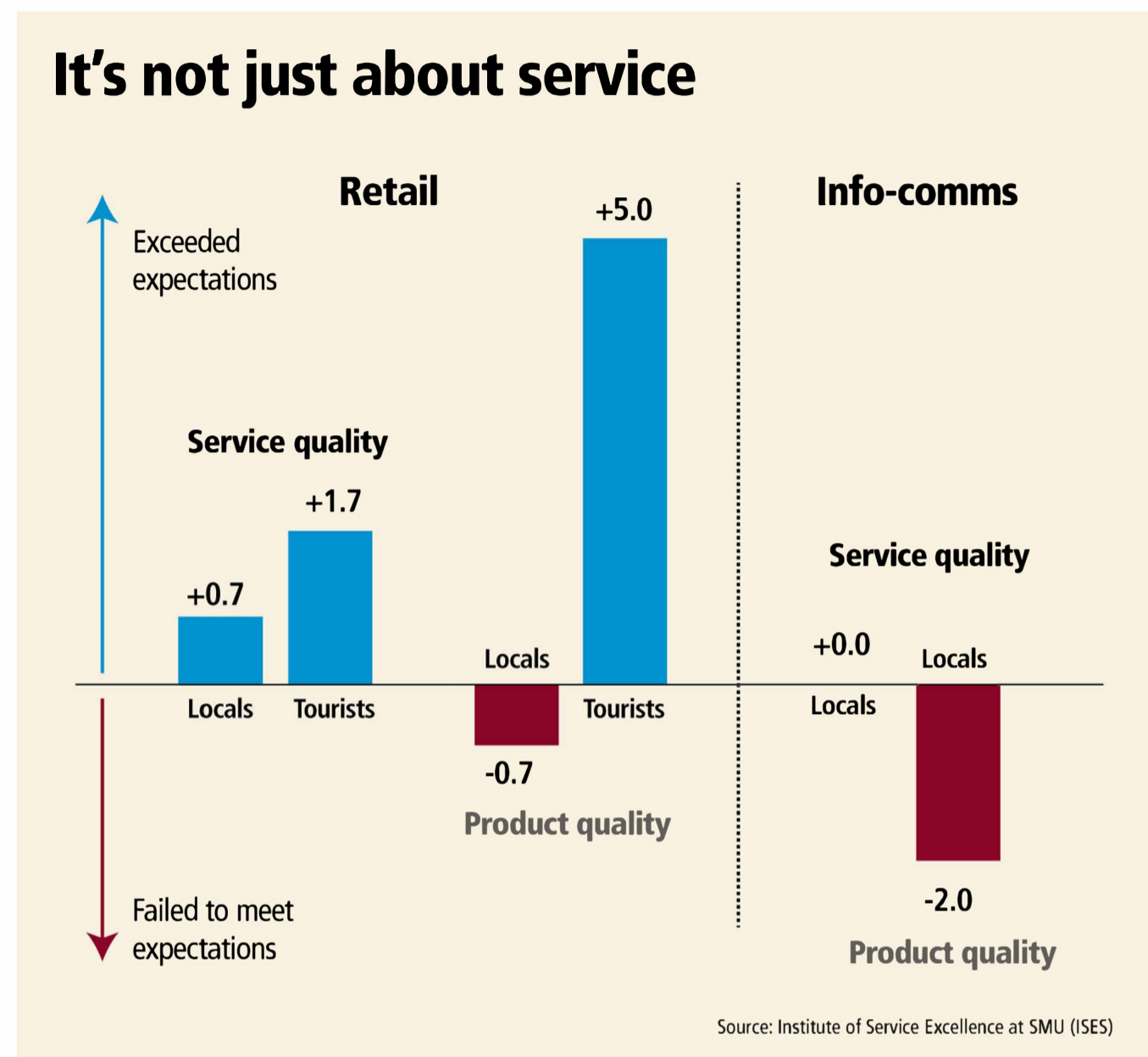
These findings – part of the Institute of Service Excellence at Singapore Management University (ISES) quarterly Customer Satisfaction Index of Singapore survey – suggest that some of the angst here over poor service standards could be misdirected.

Over the past decade, there has been a flurry of initiatives to lift Singapore's service standards. From the GEMS (Go the Extra Mile for Service) campaign, to projects under Spring Singapore's Customer Centric Initiative, much has been done to keep service quality up even as the tight labour market means workers are scarcer.

These efforts bore some fruit, by at least one measure. Singapore edged past rival city Hong Kong's 14th placing to rank 12th for "degree of customer orientation" in the World Economic Forum's 2012-2013 Global Competitiveness Report.

But Hong Kong has regained its lead, climbing to 10th place for customer orientation in the latest 2013-2014 edition of the report. Singapore slipped two spots to rank 14th.

Might ISES' latest finding cast any light on this? Perhaps, to the extent that it shows that focusing on the customer must go beyond good service.



ISES director Caroline Lim thinks that product quality falling short of customers' expectations – when service quality did not – serves as a "useful reminder" to businesses to look beyond customer service and frontline employees when thinking about the customer.

The skeptic might wonder if the quality-expectations gap was due to skewed expectations – customers who are more finicky about the standard of the products than the service of salespersons.

But ISES reckons that this is not so. The data gathered shows that customers felt they were getting significantly better service quality than product quality from the retailers and telcos they patronised.

In ISES' books, "product quality" would refer to factors such as how varied the

range of devices and subscription plans offered by the telco is, as well as quality and reliability of network connection and coverage offered. "Service quality", on the other hand, would refer to the processes and procedures, service staff in the retail outlets, self-help counters and online and phone services.

ISES' academic director Marcus Lee says that the latest findings don't necessarily suggest that Singapore's companies are neglecting product quality. "We believe companies consider both product and service quality when designing their customer experiences," he says.

For instance, in its consultancy work with various businesses, one grocer would fit the bill of a firm that is tying both product and service quality together, in thinking about customer satisfaction.

Dr Lee says that this grocer's premium and gourmet range is not particularly unique – other small grocers and high-end supermarkets carry similar fancy produce. But it has a unique proposition: offering expert ingredients recommendations for each customer's recipe, building a customised hamper basket that fits the customer's budget, and providing a personal shopper service not unlike those in high-end department stores.

The gap between customers' expectations and the product quality they perceived could also be wider for reasons that are beyond businesses' control.

Dr Lee says that these could include "a more challenging business climate, stemming from a more well-heeled and better-travelled customer base, and more intense competition with globalisation".