

Customers more satisfied with F&B and tourism sectors in Q3

But the CSISG also shows a fall in expected quality among locals particularly for food courts, bars & pubs and cafes & snack bars. BY NISHA RAMCHANDANI

Singapore
CUSTOMER satisfaction rose for Singapore's food & beverage (F&B) and tourism sectors in the third quarter of this year, driven by increases in perceived quality and perceived value.

The latest Customer Satisfaction Index of Singapore (CSISG) showed that the tourism sector scored a 1.7 point increase year on year at 70.7 points in Q3, while the F&B sector saw its score rise 2.98 points to 70.1 points.

The report was released by the Institute of Service Excellence (ISES) at Singapore Management University.

Under the F&B sector, the cafes and snack bars sub-sector scored 2.64 more points year on year at 70.7, while the bars and pubs sub-sector scored 72.7, or 3.75 points more. Meanwhile, the score for food courts was up 2.74 points to 69.2, while the restaurants sub-sector scored 69.8 points. The fast food restaurants sub-sector scored 70.7 points or 1.36 more points.

However, the results also showed a decline in expected quality among locals particularly for food courts, bars and pubs as well as cafes and snack bars, which could discourage repeat business if the trend persists in subsequent years. Expected quality refers to expectations the consumer has before trying an establishment, which could be affected by social media or consumer review websites.

Commenting on ways that F&B operators can enhance customer satisfaction, executive director of ISES, Neeta Lachmandas, said: "The use of technological enablers and availability of approachable and knowledgeable staff to assist in a smooth and quick process for seating and order-taking may be steps in the right direction."

For instance, using technology to enhance service delivery will allow F&B operators to redesign job scopes to enable learning and development. This means that staff can "move up" the value chain by taking on tasks which require more creative and strategic thinking skills.

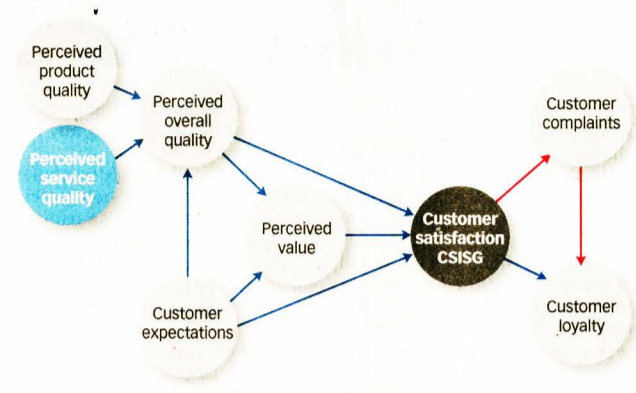
Satisfaction and loyalty

"A well-designed service process tends to have a positive impact on satisfaction and loyalty. As customer expectations evolve, processes will need to keep pace with the change," Ms Lachmandas went on to say. "As processes change, businesses will attract the right people who see value in these changes."

Under the tourism sector, the at-

CSISG structural model for Q3

F&B and tourism sectors



Source: Institute of Service Excellence



Mr Loh says consumers have evolved over the years and many are willing to pay a little more for excellent food and concept.

tractions sub-sector turned in a better performance of 72.8 this year, up 2.53 points, with ease of getting around, F&B options and cleanliness listed as factors which affected scores. Within the sub-sector, Sentosa had the highest score of 74.3.

"Companies in this sub-sector would find much value in adopting service blueprinting as a means to understand customer pain points," added Ms Lachmandas.

Other sub-sectors under the tourism banner included hotels which scored 72.5 points, online travel agencies which had 67.7 points and travel & tour services, which rose 2.28 points to 68.7.

For hotels, aside from hotel facilities and in-room amenities, the efficiency of the check-in/check-out process was a critical factor in impacting quality, ISES highlighted. "This is an area that could benefit from service innovation in load and speed management," Ms Lachmandas noted.

Many establishments in Singapore have already started redesigning pro-

cesses, concepts and job scopes to reduce the dependency on manpower, given the tight labour market.

For instance, some of the new restaurants by Unlisted Collection are smaller, with counter-seats and closer integration of the bar, restaurant and kitchen. These include Meatsmith and Market Grill.

Unlisted Collection founder Loh Lik Peng explained: "This means much less manpower is required to run them and we can get staff in the kitchen to serve the food also. Of course, we have to have the right concept to pull off this type of service."

This works because consumers have evolved over the years and some are more willing to accept restaurants that are high concept and dish up sophisticated food, but offer a more casual atmosphere.

"They are willing to pay a little more for excellent food and concept," highlighted Mr Loh.

"They want to socialise and have really good food but they are less



A well-designed service process tends to have a positive impact on satisfaction and loyalty, says Ms Lachmandas.

fussed about the whole 'table cloths and hovering waiter' experience. It's a different type of service."

McDonald's, on the other hand, has started rolling out self-ordering kiosks, with over 55 restaurants here already offering the self-service option. Plans are in the works to introduce them at more outlets, going forward. In this way, staff can be redeployed to other areas such as customer service and food preparation. McDonald's scored 72.3 points, up slightly from 72.2 last year.

Mandai Park Holdings, which operates attractions such as the Singapore Zoo, started selling online tickets a few years ago to reduce the workload of ticketing staff.

"This has also helped to ease the long queues to buy admission tickets on peak days and improve guest experience," said Mike Barclay, group CEO of Mandai Park Holdings. "We are continually looking at ways to increase productivity through the use of technology to help reduce processing time and manual work, and upskilling our staff to handle multiple functions."

Mobile terminals

Meanwhile, Fish & Co has also recently introduced mobile terminals, which allow customers to pay via credit card directly at their table.

"This is vital for operations as we need not assign staff just to stand at the cashier counter to collect payment," said Lang Eng Xuan, marketing manager for Fish & Co. A reservations system on its website also makes it more convenient for customers to book tables. Fish & Co scored 71.7 points in the most recent CSISG.

Similarly, the Lo & Behold Group has moved towards a wireless order-

ing system, which allows servers to take and send orders wirelessly to the rest of the team via iPods or iPads. This frees up staff to interact with guests, said chief operating officer Andrew Ing.

Aside from working more efficiently, restaurants are also making the effort to attract and retain talent, especially the millennials. In this respect, empowerment, training and career progression can be effective drivers.

Having the right staff is crucial for translating the group's concepts, which have been painstakingly developed over the years, reckons Stepan Marhouli, group general manager (restaurants) of Unlisted Collection, pointing to key employees such as chefs and managers. "Without these key people, it does not work. It is not so much about the hardware, but skills and ability to execute the concepts consistently."

Empowering staff also gives them a strong sense of ownership, boosts confidence and increases job satisfaction, senior management at local outlets told *The Business Times*. For customers, this can be a boon too since it typically results in better service, such as receiving a complimentary dessert as part of service recovery.

Delivering a fun work environment doesn't hurt either. For instance, Fish & Co has a TGIF dress code at some outlets and no uniforms at other outlets, which allows staff to choose what they wear for work.

"We believe in treating our people like business partners, students and family - empowering them, stretching them to their full potential and creating a safe, nurturing environment that they can belong to," said Andrew Ing, chief operating officer of Lo & Be-

hold. "At the same time, it is important for the leaders in the group to evolve their leadership skills. No longer can managers just bark orders down the line. They need to be better listeners (and) involve their team in key decisions."

Mr Ing's group also has an initiative called ideaLAB, where he sits down with ground level staff once a month to discuss ideas they have to either improve the business or their own working environment.

"This face time with staff is very important for me because it helps me keep up to date with the challenges that staff are facing in the venues," added Mr Ing.

Career development

Manager of Loof, Nicholas Ng, makes an effort to sit down with the team for one-on-one chats to craft a career development plan for the year ahead.

"After setting the development plan, we will still catch up with the staff on a regular basis to find out how they are coping with their work and to assess how far away they are from accomplishing their goals," he said. "Without career progression, the staff will definitely feel that growth is absent and the loyalty level will diminish as time passes."

Another way to boost staff retention is by implementing a staff recognition system which rewards those who perform exceptionally well. Aside from financial awards, rewards can also be used to boost career progression.

The CSISG study was conducted between July and October, with over 8,560 surveys completed.

nishar@sph.com.sg
@Nisha_BT