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News Release

Customer Satisfaction for Air Transport Improves While Land Transport Remains Unchanged

Singapore, 26 September 2018 (Wednesday) – The Institute of Service Excellence (ISE) (卓越服务研究院) at Singapore Management University (SMU) today released the 2018 second quarter (Q2) Customer Satisfaction Index of Singapore (CSISG) results for the Air Transport and Land Transport sectors.

In the latest results, the Air Transport sector, scored 75.4 points on a 0 to 100 scale. This was a 1.4% improvement over last year. On the other hand, the Land Transport sector scored 67.8 points, unchanged from the previous year.

Air Transport

The Air Transport sector comprises of three sub-sectors, namely, the Airport, Budget Airlines, and Full Service Airlines. While the Airport and Full Service Airlines sub-sectors performed similarly to last year, scoring 78.0 points and 74.5 points respectively, the Budget Airlines sub-sector improved, scoring 73.1 points, a 2.7% increase year-on-year.

With this latest set of CSISG 2018 results, the Budget Airlines sub-sector recorded its third consecutive annual increase in customer satisfaction. Compared to Full Service Airlines, which saw relatively more modest improvements in scores, the difference in satisfaction levels between the two sub-sectors has been narrowing: in 2014, the difference was 7.2%, this year, the difference has narrowed to just 1.9%.

Furthermore, for the first time in five years, Budget Airline customers' rating for "Likelihood to Repurchase", i.e., their propensity to fly with the airline again, surpassed that of Full Service Airline customers.

"The performance metrics of Budget Airlines have been converging on Full Service Airlines for a few years now," noted Ms Neeta Lachmandas (妮塔·拉切曼达斯), Executive Director (执行总监) of ISE.

"This suggest Budget Airlines, beyond using price as a lever, have been successful in shaping what travellers deem to be a high-quality mode for air travel."

Land Transport

The Land Transport sector is made up of four sub-sectors, namely Mass Rapid Transit (MRT) System, Public Buses, Taxi Services, and Transport Booking Apps. The Public Buses and Taxi Services sub-sectors recorded higher CSISG scores year-on-year, at 65.6 points and 72.5 points, respectively. The MRT and Transport Booking Apps sub-sectors recorded lower scores year-on-year, at 63.6 points and 68.0 points, respectively. However, these changes were not statistically significant.

Notably, this is the first time since CSISG tracking began in 2007 that customer satisfaction with Public Buses outperformed the MRT system with statistical significance.

“The significant investments into the public bus system, such as the Bus Service Enhancement Programme, have seen the sub-sector record four consecutive years of improvement,” remarked Ms Lachmandas.

Analysing the Public Buses and MRT sub-sectors more closely, it was observed that satisfaction, user trust, and confidence with the public transport operators were closely linked to commuters’ satisfaction with government intervention in these public transport systems.

For instance, MRT sub-sector respondents had an average CSISG score of 67.0 points when they indicated they were satisfied with government intervention with the public train system. Conversely, MRT sub-sector respondents had a score of just 30.0 points when they indicated they were not satisfied with the level of government intervention.

Mr Chen Yongchang (陈勇畅), Head of Research and Consulting at ISE, said “Improvement in several customer satisfaction metrics for our public bus and MRT systems seem to be tied to public perceptions of government intervention. Therefore, to most efficiently move the needle, our public transport operators should consider working closely with government regulators.”

Analysis of the Transport Booking Apps sub-sector also revealed a noteworthy observation. While the CSISG performance was similar year-on-year, two attributes, ‘Fares charged’ and ‘Attractiveness of app promotions and discounts’, recorded significantly lower satisfaction with customers, falling 7.7% and 17.1%, respectively.

“The consolidation of Transport Booking Apps and the larger private hire car industry over the past year has resulted in a measurable decrease in these two attributes, as well as predicted and perceived quality. Transport Booking Apps should consider how they can better manage these issues,” commented Mr Chen.

The CSISG 2018 Q2 study was conducted between April and July 2018. A total of 6,249 respondents, comprising of 3,539 locals and 2,710 tourists, were surveyed.

Please refer to Annex A for a background on the CSISG and Annex B for the detailed scores.

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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Annex A

About the Customer Satisfaction Index of Singapore (CSISG)

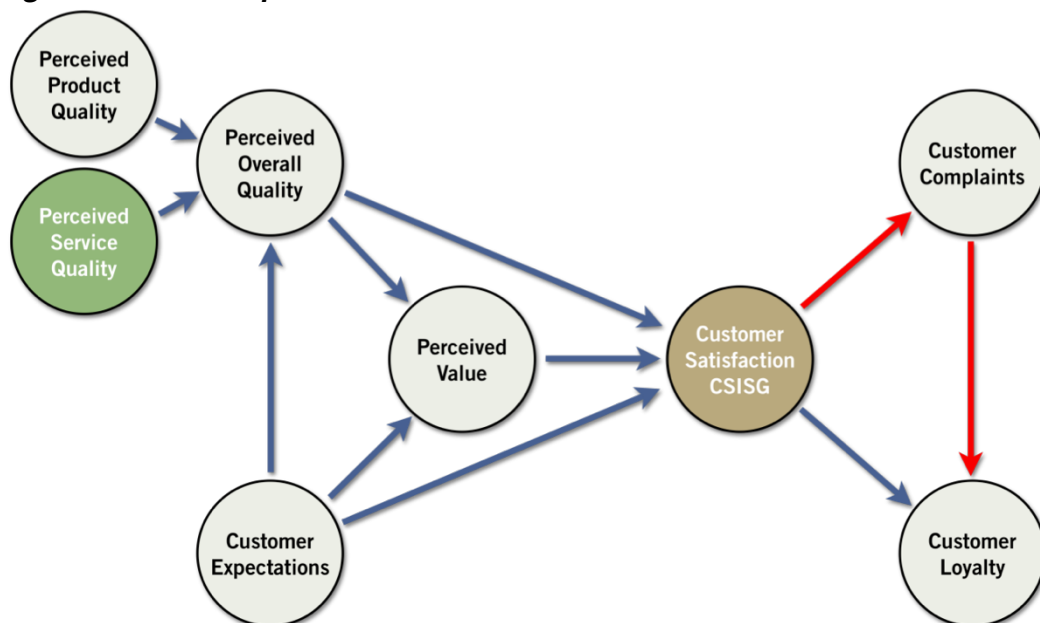
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CSISG measures customers' cumulative satisfaction with companies. The scores are generated using a structural equations model (please refer to figure 1) based on survey data collected from end-users after consumption of products and services. Sub-sector scores are derived as a weighted average of company scores, in proportion to the revenue contributions of companies. Sector scores are derived in a similar fashion, aggregating the sub-sector scores proportionately to each sub-sector's revenue contributions. CSISG scores customer satisfaction on a scale of 0 to 100 with higher scores representing better performance.

The methodological foundations of the CSISG are based on the American Customer Satisfaction Index (ACSI) that was developed by the National Quality Research Center (NQRC) at the University of Michigan. ACSI has been standardised measure of customer satisfaction in the United States economy since 1994.

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.

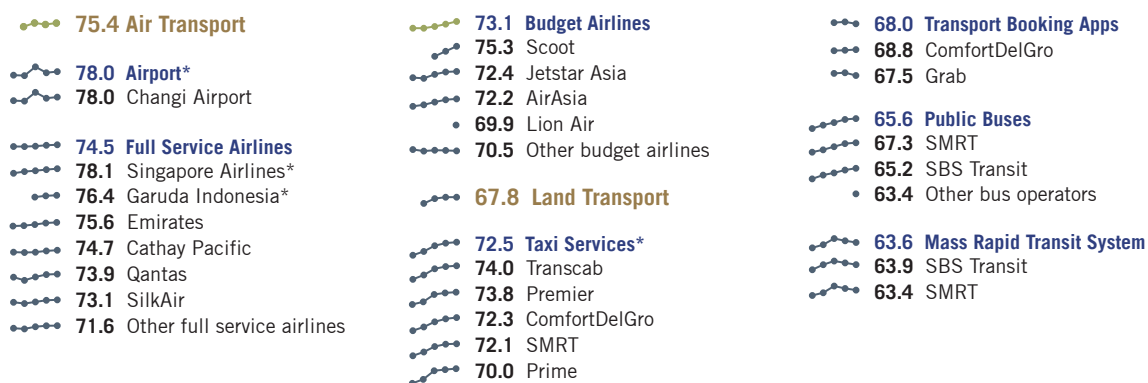
Figure 1: CSISG expanded model



Annex B



2018 Q2 SCORES AIR TRANSPORT AND LAND TRANSPORT



This chart summarises the results of the CSiSG 2018 satisfaction scores in the Air Transport and Land Transport sectors at the sector, sub-sector and company levels.

The sector scores (in gold) represents a weighted average of their respective sub-sector scores (in blue). Satisfaction scores for sub-sectors with individual company scores are weighted averages of these individual company scores.

All scores displayed are accurate to one-decimal place. Entities are presented in decreasing levels of satisfaction.

* Companies indicated with an asterisk(*) are companies that have performed significantly above their sub-sector average.

* Sub-sectors indicated with an asterisk(*) are sub-sectors that have performed significantly above their sector average.

The sparklines indicate the satisfaction score of their respective sectors, sub-sectors and companies over the past few years.

statistically significant increase in customer satisfaction from 2017 to 2018

statistically significant decrease in customer satisfaction from 2017 to 2018

no significant year-on-year change in customer satisfaction score

CSISG Quarter 2

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2017–2018 Year-on-Year Change / % Change		SECTOR / Sub-sector / Company Measured
NM	NM	NM	NM	NM	NM	NM	NM	72.8	75.5	74.4	75.4	+1.03	(+1.4%)	AIR TRANSPORT (Sector)
69.7	71.9	72.6	71.8	73.2	74.6	77.1	73.3	73.2	73.5	74.2	74.5	+0.36	(+0.5%)	Full Service Airlines (Sub-sector)
73.9	74.6	75.7	79.3	76.6	77.8	79.4	74.9	76.1	76.7	77.5	78.1	+0.66	(+0.8%)	Singapore Airlines
NM	NM	NM	NM	NM	NM	NM	NM	NM	75.1	76.1	76.4	+0.37	(+0.5%)	Garuda Indonesia
NM	74.4	71.3	71.6	74.5	76.5	76.1	73.0	73.3	74.1	75.1	75.6	+0.45	(+0.6%)	Emirates
68.9	70.0	71.4	71.7	72.9	73.2	76.3	73.3	73.0	73.3	74.2	74.7	+0.50	(+0.7%)	Cathay Pacific Airways
70.0	70.2	70.1	69.0	72.4	72.9	74.1	71.7	69.4	71.9	73.6	73.9	+0.34	(+0.5%)	Qantas
NM	68.1	70.4	68.4	72.3	68.9	76.5	71.4	70.5	71.7	72.8	73.1	+0.29	(+0.4%)	SilkAir
64.8	66.7	67.0	65.8	69.2	68.2	70.6	69.8	69.3	70.8	71.5	71.6	+0.09	(+0.1%)	Other full service airlines
NM	63.6	59.0	59.5	65.7	62.7	67.5	68.3	68.3	69.5	71.2	73.1	+1.91	(+2.7%)	Budget Airlines (Sub-sector)
NM	NM	NM	NM	NM	NM	NM	NM	NM	68.2	71.8	75.3	+3.57	(+5.0%)	Scoot
NM	NM	NM	NM	NM	62.2	66.9	68.0	67.5	70.3	72.0	72.4	+0.38	(+0.5%)	Jetstar Asia
NM	NM	NM	NM	NM	61.9	68.3	66.9	68.0	69.9	71.6	72.2	+0.61	(+0.8%)	AirAsia
NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	69.9	NA	NA	Lion Air
NM	NM	NM	NM	NM	63.7	70.3	71.5	70.3	70.9	70.8	70.5	-0.32	(-0.5%)	Other budget airlines
NM	NM	71.6	73.7	78.6	72.8	85.5	75.4	75.1	81.4	77.1	78.0	+0.82	(+1.1%)	Airport (Sub-sector)
NM	NM	NM	NM	NM	NM	NM	NM	63.3	66.8	67.8	67.8	+0.01	(+0.0%)	LAND TRANSPORT (Sector)
69.9	67.8	67.0	64.1	67.8	61.9	64.1	59.7	62.0	66.4	64.8	63.6	-1.19	(-1.8%)	MRT System (Sub-sector)
69.9	68.2	66.3	65.5	69.0	63.2	67.3	60.3	63.9	66.5	65.1	63.9	-1.23	(-1.9%)	SBS Transit Trains
69.3	67.7	67.3	63.8	67.6	61.5	63.3	59.6	61.5	66.3	64.6	63.4	-1.17	(-1.8%)	SMRT Trains
64.3	64.0	62.9	61.1	66.4	61.6	60.6	58.5	60.9	62.7	64.9	65.6	+0.62	(+1.0%)	Public Buses (Sub-sector)
63.8	64.7	64.4	61.9	66.6	63.9	62.2	60.5	62.2	64.4	66.6	67.3	+0.62	(+0.9%)	SMRT Buses
65.3	63.8	62.2	58.9	66.3	60.8	60.1	57.7	60.4	61.9	64.0	65.2	+1.26	(+2.0%)	SBS Transit Buses
NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	63.4	NA	NA	Other bus operators
67.1	64.7	64.4	64.4	66.6	64.3	67.3	63.2	65.9	70.0	71.8	72.5	+0.70	(+1.0%)	Taxi Services (Sub-sector)
NM	NM	NM	65.4	67.8	64.6	69.4	64.3	67.4	71.9	73.4	74.0	+0.58	(+0.8%)	Transcab
NM	NM	NM	65.4	65.3	62.7	72.0	65.1	66.9	72.2	73.3	73.8	+0.54	(+0.7%)	Premier
67.4	63.1	64.1	64.2	66.6	64.4	65.5	62.9	65.6	69.3	71.4	72.3	+0.89	(+1.2%)	ComfortDelGro Taxis
NM	66.0	63.9	63.8	66.6	63.6	70.5	63.5	66.2	70.1	71.8	72.1	+0.30	(+0.4%)	SMRT Taxis
NM	NM	NM	NM	NM	NM	NM	59.5	62.3	68.5	69.3	70.0	+0.67	(+1.0%)	Prime
NM	NM	NM	NM	NM	NM	NM	NM	NM	68.8	69.3	68.0	-1.35	(-2.0%)	Transport Booking Apps (Sub-sector)
NM	NM	NM	NM	NM	NM	NM	NM	NM	68.0	68.3	68.8	+0.45	(+0.7%)	ComfortDelGro
NM	NM	NM	NM	NM	NM	NM	NM	NM	69.0	69.5	67.5	-1.96	(-2.8%)	Grab

NM Not Measured
NA Not Applicable

Customer Satisfaction scores are based on a 0 to 100 scale.
2015 was the first year of measure for the Air Transport and Land Transport sectors. Previously, they were measured as one sector (i.e., the Transport & Logistics sector).