

News Release

Dip in Customer Satisfaction for the Transport & Logistics sector

Student satisfaction with Universities, Polytechnics, and the ITE remain largely unchanged from last year

Singapore, 12 September 2014 (Friday) – The Institute of Service Excellence at the Singapore Management University (ISES) (卓越服务研究院) today released the 2014 second quarter (Q2) Customer Satisfaction Index of Singapore (CSISG) results for the Transport & Logistics, Public Education, and Private Education sectors.

Between 2013 and 2014, customer satisfaction for the Transport and Logistics sector fell 0.6-points (-0.8%) to 72.1-points (on a 0 to 100 scale), while the Public Education sector's score remained largely unchanged from last year, staying put at 72.8-points. For Private Education, its 2014 score of 66.3-points is 6.0-points (-8.3%) lower than its 2013 performance, although it should be noted the CSISG 2014 study switched to an online survey methodology for this group of private education respondents, compared of the face-to-face surveys of previous years, possibly affecting its comparability.

Of the eight measured sub-sectors that make up the Transport & Logistics sector, six recorded declining year-on-year scores: Airlines, Changi Airport, Courier Services, MRT System, Public Buses, and Taxi Services.

The public transport sub-sectors of MRT (59.7-points), Public Buses (58.5-points), and Taxis (63.2-points), fell by 4.4-points (-6.8%), 2.2-points (-3.6%), and 4.1-points (-6.1%), respectively.

While the Airlines sub-sector fell a significant 3.8-points (-5.0%) year-on-year to 73.3-points, the Budget Airlines sub-sector inched up 0.8-points (+1.2%) to reach its record high of 68.3-points since measurement began in 2008. On the other hand, the Changi Airport sub-sector score tumbled 10.1-points (-11.8%) year-on-year to 75.4-points.

A noteworthy finding within the MRT sub-sector was how commuters who use more than one mode of transport to get to their workplace were found to be

significantly less satisfied with the MRT operator than those who only used the MRT for their daily commute to and from work.

Ms Caroline Lim (林晓玲), ISES Director (总监) commented, “This finding suggests that factors outside the control of SMRT and SBS Transit’s train networks are negatively impacting customer satisfaction for these operators.

“This is a poignant example of how designing a rigorous customer experience will sometimes require companies to think outside the box, and indeed outside the company, to involve various stakeholders that will invariably have a role in ensuring a positive customer experience,” said Ms Lim.

In Logistics, the Courier Services sub-sector posted a lower score of 71.2-points, a 1.7-point (-2.3%) decrease from 2013. However, the Postal Services sub-sector, essentially SingPost, marked the only significant improvement in the Transport & Logistics sector, increasing 3.8-points (+5.7%) from last year to also score 71.2-points.

The overall CSISG score for the Public Education sector was unchanged from last year’s. All three constituent sub-sectors also did not register statistically significant change in student satisfaction from year to year. The ITE sub-sector scored 74.3-points, an increase of 1.1-points (+1.4%) from 2013, Universities inched up 0.5-points (+0.6%) to 73.5-points, while Polytechnics made a marginal dip of 1.1-points (-1.5%) to 71.1-points.

Analysis of the Public Education sector data revealed that students in these three sub-sectors, as well as those of Private Education Institutions, felt their institution’s student support services as having a significant, if not the most significant, impact on their perceptions of quality and satisfaction. Student support in the CSISG refers to financial, career, and emotional support services provided for students.

Assistant Professor of Marketing (Practice) Marcus Lee (李德发), and Academic Director (学术总监) of ISES said, “Students’ expectations and needs are constantly evolving. Consistent benchmarking using tools like the CSISG lets administrators know which aspects of the student life to pay attention to, so as to most efficiently improve their overall experience.

“Knowing that students find support like financial and career assistance important will allow education administrators to not just improve these aspects on campus, but work with external partners and industry to provide scholarship and work attachment opportunities,” remarked Dr Lee.

Observed Ms Lim, “These findings are illustrative of the need to continuously track expectations and perceptions so as to react to consumer needs in a timely manner.

“Customers have become increasingly sophisticated. Organisational leadership has their work cut out for them. We see companies that can successfully integrate their external stakeholders, and even their customers, into their service process and design to come out on top,” concluded Ms Lim.

The CSISG 2014 Q2 survey was conducted between April and June 2014. The fieldwork garnered a total of 13,002 unique responses about customer experiences in the Transport & Logistics and Education sectors.

Please refer to Annex A for a background on the CSISG and the 2014 study, and Annex B for the detailed scores.

About the Customer Satisfaction Index of Singapore (CSISG)

The CSISG is an annual benchmark of customer satisfaction, covering nine key economic sectors in Singapore. The index has a quarterly measure-and-release cycle, covering up to three industry sectors each time. The CSISG serves as an objective barometer of service competitiveness across countries, industry sectors, sub-sectors and companies. Companies can tap on the detailed CSISG reports and its unique cross-industry comparison capability to make strategic business decisions.

About the Institute of Service Excellence at SMU (ISES)

The Institute of Service Excellence at the Singapore Management University (ISES) is the cornerstone of an initiative to raise Singapore's service standards and promote a culture of service excellence. Working in close collaboration with government agencies and business leaders, ISES champions service excellence through an integrated approach that encompasses benchmarking and analysis, research and thought leadership, and industry engagement.

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