

# Customer satisfaction levels hit 7-year high

**SINGAPORE** – Customer satisfaction last year hit its highest levels in seven years, showed a survey by an institute at the Singapore Management University.

The Institute of Service Excellence (ISES), which has been conducting the Customer Satisfaction Index of Singapore annually since 2007, said the index inched up to 70.7 points last year, up 0.7 points from 2012. It is the third straight year that customer satisfaction levels have improved.

ISES said the improvement was due to significant gains in the food and beverage, info-communications, transport and logistics, private education, public education, retail and tourism sectors.

Two sectors — finance and insurance, as well as healthcare — however, registered a decline, compared with the other seven sectors that are tracked in the index.

Customer ratings for the finance and insurance sector fell 3.6 per cent to 69.1 points, with the banks and life insurance sub-sectors recording the biggest dips.

As for the healthcare sector, where satisfaction levels slid 2 per cent to 69.9 points, lower ratings were most significant for the restructured hospitals and specialised healthcare sub-sectors.

In particular, the institute observed that perceptions of value declined markedly for the healthcare sector.

ISES Academic Director and Assistant Professor of Marketing (Practice) Marcus Lee said: “This data suggest that healthcare consumers are, compared with 2012, becoming more price conscious in the face of rising healthcare costs. Healthcare providers should thus ensure that any fee increase matches up to customer perceptions of overall quality.”

ISES Director Caroline Lim added: “Perceived value is not just a measure of price. It is a measure of price given quality, quality given price.”

“If a healthcare provider raises prices, it has to raise its overall perceived quality at the same time to give the customer the perception that ‘I’m paying more, but I’m getting more quality as well.’”

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