

Changing customer needs

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SINGAPORE - Drawn to an advertisement by a local bank offering 1.88-per-cent interest rates for a savings account, Ms Tan Sixue, a lawyer, called the bank for details. It turned out the amount referred to the maximum interest rate — average interest rate for the year was closer to 0.9 per cent.

Banks, she felt, have some way to go when it comes to disclosure on the products they sell. "I found out what I wanted to know because I was asking very specific questions," she said. "I'm not sure it would be the case for the elderly or the man in the street."

According to the Customer Satisfaction Index of Singapore (CSISG) 2013 conducted by the Institute of Service Excellence at Singapore Management University (ISES), the national score for the Finance & Insurance sector fell by 3.6 per cent from 2012. The banks and life insurance sub-sectors were responsible for the decline, registering a 3.6-per-cent and 6.4-per-cent decrease respectively.

ISES observed a wider variation of responses for the two sub-sectors compared to 2012. This could indicate a less consistent customer experience or be because the CSISG sample reflects the Singapore resident population and not necessarily the customer segment that a specific business is targeting.

Another reason may be changing customer requirements, said Assistant Professor of Marketing (Practice) and Academic Director, ISES, Marcus Lee. "It may be worthwhile for companies to investigate the relevance of their product and service offerings."

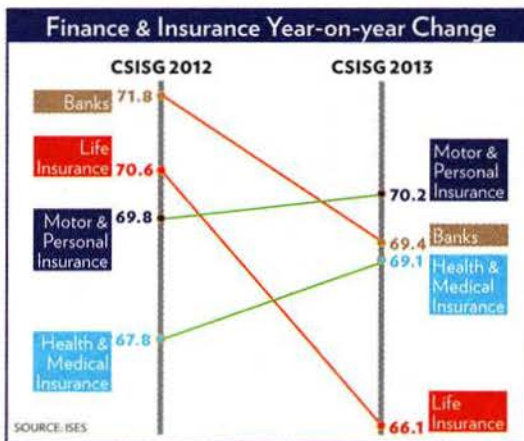
Ms Tan, 31, acknowledged that the situation has improved over the last few years. As a heavy user of the banking system — on top of savings accounts and



PHOTO: KOH MUI FONG

credit card facilities, she has accounts for stock trading and gold savings, and fixed deposits — she is overall a satisfied customer, although she feels that processes can still be improved.

She pointed out: "A bank teller should be able to direct you to someone who can help instead of telling you to call the bank when you're already physically standing in the bank."



THE CUSTOMER EXPERIENCE

Mr Ong Siew Peng, a 65-year-old finance director and ex-banker, said service in banks in Singapore is satisfactory. "Singapore banking services are pretty standard as the banks provide similar services," he added.

Standard Chartered Bank was one of the banks that saw a dip in its CSISG score, although it still performed above the industry average.

Mr Som Subroto, the bank's Regional Head for Retail Clients (ASEAN), said that clients could have been inconvenienced by the bank's two major projects last year — the cutover of the core banking system and subsidiarisation of its retail banking business. The bank also embarked on projects to improve customer experience and enhance its feedback management framework. "We ... managed to reduce complaints in key areas and continue to see sustained downward trends. For example, we received 60 per cent fewer complaints in February as compared to the same period last year," said Mr Subroto.

CSISG 2013 PERFORMANCE: BANKS

Bank	Score
DBS	71.9
UOB	71.4
OCBC	71.3
Citibank	70.2
Standard Chartered	70.1
HSBC	69.7
Maybank	69.0
Other banks	68.8
Sub-Sector Score	69.4

SOURCE: ISES

BANKS MUST BE ETHICAL

To 38-year-old Ms Felicia Khoo, it is crucial that banks are ethical. She recounted how her mother ended up investing S\$200,000 of Ms Khoo's parents' savings into a unit trust fund: "The fund manager told her that she would receive annual interest from the investment. As long as she didn't sell them, she wouldn't make a loss."

"The fund is not doing well. My parents may never get the S\$200,000 back," said Ms Khoo. "Their only recourse is to add my brother's and my name to the account to wait it out."

The Consumers Association of Singapore (CASE) handled 33 bank-related complaints last year, down from 49 cases in 2012. CASE Executive Director Seah Seng Choon said common complaints pertained to unsatisfactory services and misrepresentation.

He advised: "Elderly consumers should be aware that these are business transactions and should not sign up just because the teller is nice and helpful."