

Customer satisfaction up for 4th straight year

Improvement attributed primarily to the finance and insurance as well as the healthcare sectors: SMU study

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SINGAPORE – Customer satisfaction in the Republic rose for the fourth year in a row to reach a new high, thanks to strong ratings from the finance and insurance as well as the healthcare sectors.

The Customer Satisfaction Index of Singapore (CSISG) 2014 rose to 71.1 points — on a 0 to 100 scale — a 0.6 per cent increase from 2013, said the Institute of Service Excellence (ISES) at Singapore Management University yesterday.

The score was the highest since the CSISG starting tracking Singapore's customer satisfaction levels in 2007.

The institute said the improvement was attributed primarily to the finance and insurance as well as the healthcare sectors in the fourth quarter, with both registering marked year-on-year improvements.

This is because the CSISG is gross-domestic-product-weighted, with relatively larger weights coming from the finance and insurance sector.

The finance and insurance sector scored 72.4 points, while the healthcare sector scored 71.0 points, representing a 4.7 per cent and 1.6 per cent improvement, respectively.

Within the finance and insurance sector, the life insurance sub-sector showed the largest improvement, with its score increased by 7.52 points to 73.6 points year-on-year. Health and medical insurance scored 72.4 points, the banks sub-sector had 72.2 points and the motor and personal accident insurance scored 71.5 points.

ISES also noted that complaint



rates for all four sub-sectors had been increasing year-on-year. However, this was tempered by better complaint-handling ability, and the banks' and insurers' ratings for complaint handling had been on the upward trend since 2012.

While improvements in the healthcare sector "were more subdued", the polyclinics sub-sector saw a strong improvement, with its score rising by three points to reach 68.9. Its score was partly driven "by considerably improved perceptions of quality at the polyclinics".

Other sub-sectors, such as specialised healthcare, general practitioners and restructured hospitals, also increased year-on-year, though they were not statistically significant, ISES said.

The score for the private hospitals sub-sector fell to 71.6 points, a 0.8 per cent decrease year-on-year, but was not significant enough to affect the total customer satisfaction score.

Out of the nine sectors covered by

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the CSISG, five — food and beverage, private education, retail, tourism, as well as transport and logistics — saw substantial year-on-year declines, ISES said.

The remaining two sectors — infocommunications and public education — had similar scores as the previous year.

The tourism sector recorded a decreasing score in all four quarters of last year — the lowest score since 2009 — mainly due to a fall in tourist satisfaction.

ISES director Caroline Lim said: "The reasons for the decline in tourist satisfaction would vary (from) sector to sector. In general, external environmental factors, such as increasing appeal of neighbouring destinations and changing tourist profiles, may have contributed to the change."

The CSISG 2014 study recorded a total of 41,270 unique responses covering 2,501 companies in the nine industry sectors.