

Managing different customer expectations, requirements

SINGAPORE – Courier services as a sub-sector of logistics fell 1.4 per cent to 70.2 points, according to the 2015 Q2 Customer Satisfaction Index of Singapore (CSISG). The findings were based on a study conducted by the Institute of Service Excellence at Singapore Management University (ISES) this year from April to June.

The Courier Services sub-sector's largest proportion of customers came from those who used courier services for business deliveries locally. They were also the least satisfied customer segment, according to ISES.

"It may be prudent to review the delivery procedures at the customer segment level to identify any gaps in the service experience, keeping in mind the potentially differing needs and requirements," said ISES.

At the CSISG roundtable discussions held during the results announcement last month, logistics company

Ninja Van felt that the dip in customer satisfaction could be due to a misalignment between consumer expectations and merchant touch points.

"Merchants, in order to differentiate themselves from others, advertise cheaper and faster delivery, which can sometimes lead to unrealistic expectations from consumers," said CEO Lai Chang Wen. "The reality is that logistics is driven by humans and there will be human error. When merchants promise 100 per cent, that's where the misalignment arises."

Also, different types of customers call for different treatments, added Mr Lai. "Most of our customers are enterprises and small and medium enterprises (SMEs). SMEs are affected more by price points. Large enterprises are willing to pay more but they want reliability and scalability, such as detailed reporting to ensure their promises to customers are kept."

FedEx Express Singapore, the only company that saw a rise in its CSISG score in the Courier Services sector, attributes its positive results to a strong focus on innovation. "We continuously review and update our road networks so our couriers can take the quickest possible routes to expedite delivery," said Mr Khoo Seng-Thiam, FedEx Express Singapore's managing director.

In addition, FedEx has extended its delivery time to 9pm in most residential areas.

"On a larger scale, the South Pacific Regional Hub that we inaugurated a few years ago has enabled us to significantly increase the volume of packages processed daily," added Mr Khoo. The hub is able to sort up to 12,000 packages per hour and is the only facility to house an on-site cargo shipment clearance, the company said.

Logistics sub-sector Postal Services inched up 0.4 per cent to 71.5 points.

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The reports are a collaboration between TODAY and the Institute of Service Excellence at the Singapore Management University (ISES).

LOGISTICS SECTOR SCORES

SUB-SECTOR	2015	YEAR-ON-YEAR % CHANGE
Courier Services	70.2	↓ 1.4%
Speedpost	72.2	↓ 0.4%
FedEx	73.2	↑ 0.9%
DHL	71.2	↓ 1.0%
UPS	69.9	↓ 2.9%
Other courier services	67.0	↓ 2.2%
Postal Services (SingPost)	71.5	↑ 0.4%

SOURCE: ISES



GRAPHICS: ONG ZE TENG