

The dynamics at work behind a customer satisfaction index

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IT would not surprise food and beverage (F&B) operators to hear that food quality is the factor with the biggest impact on how happy their customers are when they walk out the door.

But collectively, service-related touchpoints – such as how courteous or responsive the wait staff are, how easy it is to make a reservation or an order – form a significantly stronger driver of a customer’s overall satisfaction than food quality alone.

This means that while it is obvious that F&B businesses have to focus on improving food quality, there are other service-related elements which, when put together, may be a stronger lever to influence customer satisfaction, says Marcus Lee, the academic director of the Institute of Service Excellence at the Singapore Management University (ISES).

“The savvy restaurateur appreciates that customers do not consume their food in a vacuum, and that the dining experience plays a significant role in their overall satisfaction,” he says.

This insight came from survey data the ISES collected in August and September for its latest Customer Satisfaction Index of Singapore (CSISG) for the F&B and tourism sectors.

Analysing how various factors or “touchpoints” relate to customers’ satisfaction in these two sectors, the ISES says that certain touchpoints show themselves to be “basic needs”. (See table.)

These are factors for which customers hold the service provider to a minimum standard. When standards

fall short, satisfaction dives drastically. However, beyond this threshold, higher standards of excellence cannot guarantee proportionate increases in customer satisfaction.

For instance, when a fast-food restaurant is dirty or if its queues are too slow-moving, customers would report very low satisfaction. On the flipside, a very clean outlet with short queues may not win much praise.

McDonald’s restaurants recorded no significant change to its customer satisfaction score this year, but it nevertheless continues to look for new ways to improve speed and service.

Says chief operations officer Kitson Choong: “Earlier this year, we launched an initiative in our restaurants to serve each customer within 60 seconds. Our crew even gave away free food vouchers to customers whose orders took longer. The aim of this exercise was to create a fun way to engage with our customers, while at the same time challenging our crew to serve them faster and better.”

The ISES notes, however, that what counts as a “basic need” varies according to the type of F&B outlet.

Food court patrons expect to find a seat easily and to be given the right change by courteous food stall operators, but restaurant diners would expect a minimum standard in speed and quality of service – how quickly a menu is offered, how well the ordering process is handled, how long it takes for the food to arrive – and a certain quality of the food served.

Restaurateurs are aware of this. Lim Shyang Zheng, corporate vice-president of the RE&S Group, says: “At our restaurants, menus are

presented to customers immediately after they are seated. Our service staff serve drink orders promptly and food orders within 15 minutes as far as possible.”

The RE&S Group, the customer satisfaction score of which rose 4 per cent from a year ago, runs Japanese restaurants such as Ichiban Boshi, Kuriya Dining and Kuishin Bo.

A focus on service cannot come at the expense of the quality of the food served. Mr Lim says: “Over the years, we have built up a reputation for serving a wide variety of good-quality Japanese food. In addition to that, our attention to detail in creating a good dining experience can be seen in our restaurants’ cleanliness, fittings, lightings and crockery. This sits well with our local customers, who are now more widely travelled and informed.”

The ISES brought up several “basic needs” demanded by guests of hotels and tourist attractions.






Lim Suu Kuan, the divisional director of Guest Experience in the Sentosa Leisure Group, says: “We concur with the ISES that some guest experience factors are regarded as basic, such as ease of getting around, adequate and accessible amenities, cleanliness, and courteous and competent staff. However, hygiene factors alone are insufficient to create positive, memorable experiences and keep our guests coming back.”

To do that, Sentosa constantly looks for ways to refresh its offerings so that its facilities stay relevant and exciting, she says.

So when its research into guests’ needs showed a demand for more facilities for families with young chil-

The must-haves

CSISG’s analysis found the following customer touchpoints to be “basic needs”

F&B SUB-SECTORS	FACTORS
 Fast Food	<ul style="list-style-type: none"> • Queue time • Cleanliness
 Food Courts	<ul style="list-style-type: none"> • Ease of finding a seat • Staff courtesy • Accuracy of change
 Restaurants	<ul style="list-style-type: none"> • Time taken to receive menu • Time taken to receive food • Quality of food
TOURISM SUB-SECTORS	FACTORS
 Attractions	<ul style="list-style-type: none"> • Ease of getting to attraction • Clarity of directions • Staff courtesy • Amenities • Cleanliness
 Hotels	<ul style="list-style-type: none"> • Ease of getting to hotel • Check-in process • Staff courtesy • Clarity of directions • Cleanliness

BT Graphics: Jonathan Goh Source: CSISG, ISES

dren, Sentosa’s attractions management team came up with the concept of “family play”. This led to the launch of Port of Lost Wonder on Palawan Beach, Singapore’s first kids’ club by the beach, says Ms Lim.

Such constant monitoring of customer behaviour and preferences is what ISES advocates.

the assumption that they also have the best food.

ISES’ Dr Lee adds that the institute’s research cannot tell companies where or how to invest their resources either.

“We don’t know how much it costs to improve a company’s rating on the quality of food by one point. It could

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ISES director Caroline Lim says: “The numbers only give you one side of the picture. Businesses also need to observe how customers are using their services, how they are behaving, how they interact with the service provider and to then have an understanding of what really drives their satisfaction.”

For example, she says, long queues are often reported to have a negative impact on satisfaction in surveys, but in food centres, people flock to the stalls with the longest queue, on

involve incredible investment, innovation in the kitchen, among other things,” he says. This has to be weighed against what it could cost to improve a company’s rating for staff responsiveness by using iPads to record orders, for instance.

After all, the relative importance of touchpoints evolves over time. For instance, cleanliness was a “basic need” affecting satisfaction with restaurants last year, but this year, it appeared to have had no impact on satisfaction.

“This suggests that customers have come to consider cleanliness as a given, and that the restaurant sub-sector as a whole has provided a sufficient standard of cleanliness, such that customer satisfaction was no longer swayed by this touchpoint in 2013,” the ISES report says.

“It’s not that customers don’t like clean environments any more; it’s just that now, it’s a non-issue, it doesn’t move satisfaction much,” says Dr Lee.

Another implication of these findings is that businesses ought to consider whether the experience they are creating is easily replicated by competitors, says Ms Lim.

“If I deliver something and you can easily copy it so that it becomes an industry norm, it becomes a minimum standard that customers expect,” she says. Any boost to customer satisfaction from that investment could then be short-lived.