

News Release

Singapore's Food & Beverage and Tourism Sectors Score Record Highs in Latest Customer Satisfaction Survey

Increase to the national satisfaction index came mainly from significantly higher tourist satisfaction

Singapore, 26 November 2013 (Tuesday) – The Institute of Service Excellence at the Singapore Management University (ISES) (卓越服务研究院) today released the 2013 third quarter (Q3) Customer Satisfaction Index of Singapore (CSISG) results for the Food & Beverage (F&B) and Tourism sectors.

Between 2012 and 2013, customer satisfaction for the F&B sector rose 2.58-points (+3.8%) to 70.3-points (on a 0 to 100 scale), making this the fourth consecutive year of increase for the sector. This is also the highest recorded score for Singapore's F&B sector since tracking began with the inception of the CSISG in 2007.

The Tourism sector also registered a similarly record-setting score of 74.5-points. This is a significant improvement of 4.51-points (+6.4%) over 2012.

Ms Caroline Lim (林晓玲), ISES Director (总监) commented, "Today's results for the F&B and Tourism sectors are encouraging for businesses against the backdrop of a tight labour market in the service industries.

"Despite the challenging labour market, customer satisfaction levels have not been negatively affected, instead we are seeing positive improvements in both sectors. This is a timely reminder that the drive for customer satisfaction can be achieved with resources besides increasing manpower," she said.

Improvements to the F&B sector came primarily from the Cafes & Snack Bars sub-sector and the Restaurants sub-sector. Cafes & Snack Bars improved by 3.94-points (+5.9%) year-on-year to 71.1-points. Restaurants improved by 3.48-points (+5.1%) year-on-year to 71.7-points.

The scores of the other three F&B sub-sectors, namely Bars & Pubs, Food Courts, and Fast Food Restaurants, did not change markedly from the previous year. They scored 70.6-points (+1.29-points/+1.9%), 65.5-points (+0.74-points/+1.1%), and 67.9-points (-0.31-points/-0.5%), respectively.

All three Tourism sub-sectors saw year-on-year increases in their CSISG scores. In particular, the Hotels sub-sector made a large 7.36-point (+10.5%) improvement from 2012 to score 77.5-points. The Attractions sub-sector also made a similarly noteworthy 7.24-point (+10.0%) improvement over 2012 to score 79.8-points. The Tour & Travel Services sub-sector made a modest 0.17-point (+0.3%) year-on-year gain to score 68.7-points.

Of the eight F&B and Tourism sub-sectors measured this quarter, six of these were record-setting performances for each of their respective sub-sectors: Attractions, Bars & Pubs, Cafes & Snack Bars, Food Courts, Hotels and Restaurants.

All eight sub-sectors also recorded higher year-on-year levels of satisfaction with tourists. Further analysis revealed tourist respondents, who were surveyed at Changi Airport, had expected and perceived a higher level of service this year, as compared to last year. This finding is in contrast to 2012, when tourist perceptions of quality were falling while expectations were increasing.

Assistant Professor of Marketing (Practice) Marcus Lee (李德发), and Academic Director (学术总监) of ISES said, "While tourist satisfaction has improved year-on-year, businesses should strive to keep up with the ever evolving expectations of their target customers, regardless of whether they are residents or overseas visitors."

Within the F&B sector, analysis of the CSISG data suggested there were other service attributes aside from food quality that can play an influential role in determining customer satisfaction.

In all three sub-sectors where F&B touchpoints were measured, namely the Fast Food Restaurants, Food Courts, and Restaurants sub-sector, the importance of food quality was determined to be the most important driver of satisfaction. However, other service-related touchpoints, such as staff courtesy, responsiveness, and the ordering process collectively provide a significantly stronger driver of customers' overall satisfaction than just food quality alone.

Dr Marcus Lee observed, “It is intuitively obvious for F&B businesses to focus on improving food quality, and our analysis supports this notion that food quality is the biggest lever to customer satisfaction. However, the savvy restaurateur also appreciates that customers do not consume their food in a vacuum and that the dining experience plays a significant role in the overall satisfaction of customers.

“Our analysis shows that, amongst other things, the ease of making reservations and the responsiveness of the service staff to additional requests also significantly affect the satisfaction customers have with the restaurants they frequently dine at,” he concluded.

The CSISG 2013 Q3 survey was conducted between August and September 2013. The fieldwork garnered a total of 8,503 unique responses about customer experiences in the F&B and Tourism sectors.

Please refer to Annex A for a background on the CSISG and the 2013 study, and Annex B for the detailed scores.

About the Customer Satisfaction Index of Singapore (CSISG)

The CSISG is an annual benchmark of customer satisfaction, covering nine key economic sectors in Singapore. The index has a quarterly measure-and-release cycle, covering up to three industry sectors each time. The CSISG serves as an objective barometer of service competitiveness across countries, industry sectors, sub-sectors and companies. Companies can tap on the detailed CSISG reports and its unique cross-industry comparison capability to make strategic business decisions.

About the Institute of Service Excellence at SMU (ISES)

The Institute of Service Excellence at the Singapore Management University (ISES) is the cornerstone of an initiative to raise Singapore's service standards and promote a culture of service excellence. Working in close collaboration with government agencies and business leaders, ISES champions service excellence through an integrated approach that encompasses benchmarking and analysis, research and thought leadership, and industry engagement.

For media queries, please contact:

Ms Caroline Lim
Director, Institute of Service Excellence at SMU (ISES)
Singapore Management University
DID: (65) 6828 0645
Mobile: (65) 9115 3398
Email: carolinelim@smu.edu.sg

Mr Teo Chang Ching
Assistant Director, Corporate Communications
Office of Corporate Communications and Marketing
Singapore Management University
DID: (65) 6828 0451
Email: ccte@smu.edu.sg