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Headline: Satisfaction with service levels at all-time high

## CUSTOMER SERVICE INDEX

## Satisfaction with service levels at all-time high

Info-comm sector receives record-high score despite several mobile service outages

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singapore – Although there were several extensive mobile service outages over the last three years, consumers appear to be still satisfied with the service standards of the info-communications sector, which achieved

RETAIL SECTOR
ACHIEVED
A RECORD

72.2
points

a record-high score in the latest Customer Service Index of Singapore released yesterday.

The sector score went up 2.6 per cent from last year to 67.7 points, with SingTel leading the way in both the mobile and broadband sub-sectors, achieving scores of 69.3 points and 67.7 points respectively, both up more than 5 per cent from last year.

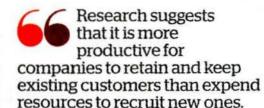
M1, however, saw its mobile subsector score drop 5.5 per cent to 64.3 points this year, owing to the three-day service breakdown in January this year, which took place during the survey period.

The index, now in its seventh year, is compiled by the Institute of Service Excellence (ISES) at the Singapore Management University. Some 7,656 responses were collected between January and April for the survey, which also looked at the retail sector.

The survey also found that mobile customers who have been with their telcos for more than two years have become less loyal to their service providers compared to newer subscribers.

ISES Director Caroline Lim said at a media conference yesterday: "It seems almost as if they (the longer-tenured customers) are looking for any opportunity to switch. This suggests that mobile telecommunications providers could be taking care of new customers better than existing customers who have a longer relationship with them."

Added ISES Academic Director Marcus Lee: "Research suggests that



Professor Marcus Lee

it is more productive for companies to retain and keep existing customers than expend resources to recruit new ones. Thus, it may be prudent for our telcos to investigate why their longer-tenured customers are becoming less loyal over the years."

Meanwhile, the retail sector continued to register good scores, achieving a record 72.2 points, up 4.3 per cent from last year. The strong performance was boosted by the significant improvements in four out of eight of its sub-sectors, including the furniture stores, department stores, supermarkets and petrol service stations.

One sub-sector, motor vehicles, was not measured in this year's results because of a "drop in sales receipts for motor vehicles", and researchers were unable to interview enough respondents. The drop in sales could be due to high Certificate of Entitlement prices, said Professor Lee.

In February, the authorities introduced restrictions on motor vehicle loans, which led to a sharp drop in demand for cars.

The supermarket sub-sector achieved a record-high 70 points, with consumers reporting greater satisfaction in service quality, which in the past lagged behind satisfaction with product quality. Prof Lee attributed this to the supermarkets' new emphasis on the "in-store experience".

The survey found that customers were happy with the staff's familiarity with supermarket procedures, professionalism, product knowledge, as well as with the product variety in the stores.