



Media Release

More Customers Dining-in as F&B Sector Fully Reopens After Pandemic Restrictions

F&B Deal Platforms Observed to Drive Customer Satisfaction, Loyalty, and Spending

Singapore, 2 December 2022 (Friday) – The Institute of Service Excellence (ISE) (卓越服务研究院) at Singapore Management University (SMU) today released the 2022 third quarter (Q3) Customer Satisfaction Index of Singapore (CSISG) results for the Food & Beverage and Tourism sectors.

In the latest results, the Food & Beverage (F&B) sector scored 71.5 points in Customer Satisfaction (on a 0 to 100 scale). The sector was made up of brands and companies from three distinct sub-sectors: The Fast Food Restaurants sub-sector, which scored 71.9 points, a 2.8% decrease compared to the previous year, the Restaurants sub-sector, which scored 71.6 points, a 1.9% year-on-year decrease, and the Cafes & Coffee Houses sub-sector, which scored 70.6 points, a 1.5% year-on-year increase. The Tourism sector, which surveyed local visitors of Singapore's tourist attractions, scored 74.1 points, a 1.7% dip, year-on-year.

Food & Beverage

The study also found substantially more F&B customers choosing to dine-in instead of doing takeaways or food deliveries. Some 59.4% of customers surveyed said they had most recently dined-in, compared to 34.8% a year ago.

Pertaining to F&B sub-sectors' drivers of satisfaction, dips in customers' perceptions of quality were observed, particularly for the Restaurants sub-sector. The sub-sector saw its Perceived Quality score fall 3.4% year-on-year to 74.4 points.

Restaurants' poor performance in Perceived Quality was primarily contributed by the takeaway customer segment, with respondents giving markedly lower attribute ratings, compared to their dine-in counterparts. For example, 'Ordering Process' for takeaway customers rated only 6.93 points (on a 1 to 10 scale) while dine-in customers rated it 7.83 points; 'Approachable Staff' rated 7.09 for takeaway but 7.55 for dine-in.

"It's great to see the pickup in F&B dine-in with the easing of pandemic restrictions. However, notwithstanding the considerable challenges of hiring and training staff, F&B operators should not neglect the takeaway and food delivery customer segments that they had spent much effort to build over the past two years." said Ms Neeta Lachmandas (妮塔·拉切曼达斯), Executive Director (执行总监) of ISE.

Another observation of the F&B sector was the prevalent use of F&B deal platforms by diners. Some 25.6% of F&B patrons surveyed said they made use of a deal during their most recent dining experience, using platforms such as Burpple, Entertainer, and Fave.

Diners using deal platforms were observed to have significantly higher perceptions of value, satisfaction, and loyalty, compared to customers who did not make use of any deal when patronising the F&B establishment. This segment of customers also indicated that they spent significantly more

per person. The latest findings show a median spend of \$35 per person, compared to a median spend of \$20 for respondents that indicated they did not use a deal platform.

“While consumers look to these deal platforms for value and cost saving vouchers, F&B operators can employ these services as tools to drive repeat visits; used appropriately, it can be a win-win for both diners and businesses,” suggested Ms Lachmandas.

Attractions

In the tourist attractions sector, customer satisfaction and perceptions of quality continued to be depressed. In particular, all 16 quality attributes measured in the study, such as in the areas of wayfinding, service, and amenities, continue to score below pre-pandemic levels.

In terms of visitor demographics, as in the previous year, the study measured only local visitors, as surveys were conducted while tourist figures were still relatively low. Nonetheless, there was a notable increase in the older visitors’ segment; the proportion of visitors aged 50 and above increased 4.9 percentage points year-on-year to 28.6%.

This segment was also observed to have lower perceptions of quality, compared to younger visitor segments. For example, the Perceived Service Quality score for visitors aged between 18 and 29 was 78.3 points, while visitors aged 50 and above was just 73.6 points.

To improve Attraction visitors’ Perceived Quality, the analysis suggests to focus on improving the attractions’ ‘Entertainment or educational value’, ‘Staff knowledge’, and ‘Clarity of onsite directions’, in descending order of importance. Additionally, ‘Cleanliness’ was found to be a significant driver of quality to the 50-year-old-and-above visitor segment.

“With travel restarting at a brisk pace and expectations for the healthy return of visitors to attractions, it will be essential for operators to identify the needs and desires of potentially new groups of customers, seize the momentum, and build the buzz that will drive positive word-of-mouth and return visits.” remarked Ms Lachmandas.

A total of 2,600 local consumers were surveyed in the CSISG 2022 Q3 study.

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

About the Customer Satisfaction Index of Singapore

The Customer Satisfaction Index of Singapore (CSISG) is a landmark study that computes customer satisfaction scores at the national, sector, sub-sector, and company levels with the intent of producing a rigorous, objective and comprehensive assessment of Singapore's service levels. Given that the CSISG is the only national customer satisfaction measurement tool with cross sector capabilities, ISE is able to provide organisations with exclusive benchmarking insights about customer satisfaction as well as use predictive analytics and regression models to pinpoint drivers that would deliver the most impact.

About the Institute of Service Excellence (ISE) at Singapore Management University

The Institute of Service Excellence was jointly set up by Singapore Management University and Singapore Workforce Development Agency in July 2007 to elevate service levels and promote a culture of service excellence in Singapore. Working in close collaboration with government agencies and business leaders, ISE champions service excellence through an integrated approach that encompasses benchmarking and analysis, research and thought leadership, as well as industry engagement.

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