

Customer satisfaction in 2017 hit new high at 72.9 points



A study cited increased satisfaction in the finance & insurance and healthcare sectors.

Customer satisfaction in Singapore hit a new high in 2017, the Institute of Service Excellence (ISE) at the Singapore Management University (SMU) revealed. The 2017 Q4 Customer Satisfaction Index of Singapore (CSISG) score rose from 71.8 points in 2016 to 72.9 points in 2017, thanks to upticks in the finance & insurance and healthcare sectors.

According to the study, the finance & insurance sector scored 73.4 points, a statistically significant increase of 1.05 points from the 2016 score of 72.4 points. Banks, credit cards, and health & medical insurance firms registered statistically significant upticks in customer satisfaction scores, whilst life insurance and motor & other personal Insurance did not see changes in customer satisfaction scores from the year before.

ISE also revealed that customers who used internet banking and mobile apps are more satisfied and loyal. "The satisfaction and loyalty scores among those who used internet banking or mobile apps were more than 2 points or 3.1% higher than those who did not use these channels. In addition, customers who used these digital channels also have on average a higher number of products held with the same bank," the institute added.

ISE executive director Neeta Lachmandas commented, "There appears to be a positive relationship between usage of digital channels and higher scores across various customer metrics including satisfaction, loyalty, and the number of products held with the bank. This is certainly an encouraging sign for banks that have been pushing for digital adoption."

Within the insurance sector, satisfaction with contact centres was rated most poorly by customers of the life insurance and health & medical insurance sub-sectors. "For life Insurance customers who interacted with contact centres, satisfaction score was 69.1 points compared to 73.0 points for those who did not interact with contact centre. In addition, those who interacted with contact centres also had a higher complaint rate of 7.4% compared to 0.7% for those who did not interact with contact centres."

ISE noted that a similar finding was observed among health & medical insurance customers. For those who interacted with contact centres, customer satisfaction was scored at 67.8 points compared to 72.2 points for those who did not interact with contact centres.

ISE head of research and consulting Chen Yongchang said, "The lower satisfaction ratings and higher complaint rates amongst customers who had interacted with the contact centre suggest that key pain points may be channelled to the company through this touchpoint. Insurers may wish to consider how

they could better resolve customers issues through the contact centre by improving areas such as staff knowledge and professionalism.”

Meanwhile, the healthcare sector scored 71.8 points, up 0.85 points from its 2016 score of 71 points. ISE noted that the increase is considered statistically significant. “Within the healthcare sector, minor upticks in customer satisfaction scores were observed across the private hospitals, polyclinics and restructured Hospitals sub-sectors, although these changes were not considered statistically significant,” it added.

ISE also observed that whilst the ‘waiting time taken before undergoing a medical test or seeing a doctor’ continues to receive low satisfaction ratings, year-on-year improvements have been observed for other attributes such as ‘ease of getting around’ and ‘waiting experience’.

Chen noted that even as waiting time continues to be an issue in the healthcare sector, customers have given higher satisfaction ratings for the waiting experience at hospitals and polyclinics. “Healthcare providers may wish to consider enhancing this aspect further. Rather than being merely a comfortable holding area, waiting rooms could be transformed into patient education centres that can teach patients how to improve their health outcomes,” he added.

Amongst customers who said that they had made a complaint within the healthcare sector, 79.6% said that the complaint was “handled poorly” whilst only 20.4% said that it was “handled well”. “Although the proportion of complaints was small at 1.5% of all 3,540 healthcare customers surveyed, the difference in customer satisfaction scores given by customers whose complaints were considered well-handled or poorly handled was pronounced. Customers whose complaints were deemed to be ‘handled well’ scored 73.4 points in customer satisfaction compared to only 28.6 points among those whose complaints were assessed to be ‘handled poorly’,” ISE added.

Lachmandas also said, “Based on insights from the healthcare sector, complaints are an area that may not necessarily work against an organisation. When complaints are well handled, customers do tend to reward companies with high satisfaction ratings and the level of satisfaction may even be comparable to that of customers who did not have a reason to complain.”

According to ISE, the CSISG 2017 Q4 study was conducted between October 2017 and January 2018, yielding a total of 9,585 completed questionnaires. In total, the CSISG 2017 study yielded 30,135 completed questionnaires from Singapore citizens, permanent residents, and departing tourists at Changi Airport. A total of 650 distinct entities were measured and 174 entities received published scores.