

**Publication: Singapore Business Review Online**

**Date: 9 July 2022**

**Headline: Customer satisfaction with the retail sector worsens**

## **Customer satisfaction with the retail sector worsens**



Singaporean shoppers became less satisfied with retail stores in 2022, the 2022 Customer Satisfaction Index of Singapore (CSISG) survey revealed.

Based on the survey by Singapore Management University's Institute of Service Excellence (ISE), the satisfaction level of consumers dropped by 1.5% YoY to 71.3 points out of 100.

Sub-sectors which had the biggest declines in satisfaction were department stores (2.4% to 70.9 points) and fashion apparel (1.7% to 72.1 points).

These two sub-sectors also registered significantly lower levels of customer loyalty, with scores falling 4.0% and 3.5%, respectively.

The study defines loyalty as the "likelihood of repurchasing from the store or brand, and tolerance to changes in price."

To improve loyalty, the study suggested that brands and stores improve their product variety and quality, promotions, pricing, and store design.

Another way to improve customer satisfaction is by building a "seamless omnichannel option into the shopping journey," said ISE.

According to the study, the satisfaction level in fashion apparel stores with omnichannel experience was 9.1% higher than stores which only offered physical shopping.

Lastly, the study said offering cashless payments will also help in improving customer satisfaction.

Retail customers who used cashless payments gave a satisfaction rating of 7.51 points, on a scale of 0 to 10, for Payment Process, significantly better than customers using cash, with an average rating of 7.17 points.