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Customer Satisfaction Index of Singapore 2013: Q3 Results

Institute of Service Excellence, SMU

CUSTOMER SATISFACTION INDEX OF SINGAPORE 2013

Q3 SCORES
TOURISM AND FOOD & BEVERAGE

RESULTS OVERVIEW

**INSTITUTE OF
SERVICE EXCELLENCE**
SINGAPORE MANAGEMENT UNIVERSITY

CSiSG
Customer Satisfaction Index of Singapore

CSISG
Customer Satisfaction Index of Singapore

2013 Q3 SCORES
TOURISM AND FOOD & BEVERAGE

74.5 Tourism

79.8 Attractions*
81.6 Universal Studios
78.7 Singapore Zoo
78.1 Sentosa Development
76.2 Jurong Bird Park
76.1 Night Safari
79.3 Other Attractions

77.5 Hotels*
84.4 Shangri-La Hotel*
84.1 MBS*
83.4 The Ritz Carlton*
81.5 Swisstotel the Stamford*
80.7 Mandarin Orchard*
80.5 Grand Hyatt*
78.4 RWS Hotels
74.8 Other Hotels

68.7 Travel & Tour Services

70.3 Food & Beverage

71.7 Restaurants*
73.1 Tung Lok
71.3 Crystal Jade
70.9 RE&S
67.9 Sakae Holdings
71.8 Other Restaurants

71.1 Cafes & Snack Bars
73.4 Starbucks*
71.6 The Coffee Bean & Tea Leaf
70.9 Other Cafes and Snack Bars

70.6 Bars & Pubs

67.9 Fast Food
68.9 Burger King
67.6 McDonalds
66.8 KFC
69.6 Other Fast Food

65.5 Food Courts
65.9 Food Republic
65.1 Koufu
63.7 Kopitiam
66.0 Other Food Courts

This chart summarises the results of the CSISG 2013 satisfaction scores in the Tourism and Food & Beverage sectors at the sector, sub-sector and company levels.

The sector scores (in gold) represents a weighted average of their respective sub-sector scores (in blue). Satisfaction scores for sub-sectors with individual company scores are weighted averages of these individual company scores.

All scores displayed are accurate to one-decimal place. Entities are presented in decreasing levels of satisfaction.

* Companies indicated with an asterisk(*) are companies that have performed significantly above their sub-sector average.

The sparklines indicate the satisfaction score of their respective sectors, sub-sectors and companies over the past few years.

statistically significant increase in customer satisfaction from 2012 to 2013

statistically significant decrease in customer satisfaction from 2012 to 2013

no significant year-on-year change in customer satisfaction score

THIRD QUARTER RESULTS OVERVIEW

The Customer Satisfaction Index of Singapore (CSISG) computes customer satisfaction scores at the national, sector, sub-sector, and company levels. The CSISG serves as a quantitative benchmark of the quality of goods and services produced by the Singapore economy over time and across countries. This is the CSISG's seventh year of measurement.

THIRD QUARTER RESULTS HIGHLIGHTS

Between 2012 and 2013, customer satisfaction for the Tourism sector rose a significant* 4.51-points (+6.4%) year-on-year to 74.5-points (on a 0 to 100 scale).

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 significant 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, but this was not a statistically significant increase.

The Food & Beverage (F&B) sector also registered a similarly record-setting score of 70.3-points. This is the fourth consecutive year of increase for the sector and also the highest recorded score for F&B since tracking began with the inception of the CSISG in 2007.

For the F&B sector, the two sub-sectors that drove the improvement in customer satisfaction came 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 sub-sectors that make up the F&B sector, namely Bars & Pubs, Food Courts, and Fast Food Restaurants, did not make statistically significant changes 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.

Figure A: Tourism sub-sectors' year-on-year performance, where a green line denotes a statistically significant increase in CSISG performance.
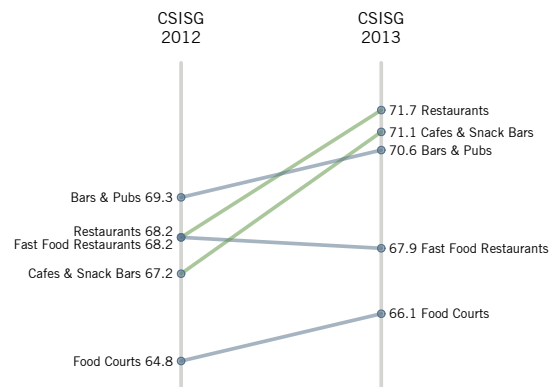
Figure B: F&B sub-sectors' year-on-year performance, where a green line denotes a statistically significant increase in CSISG performance.

KEY FINDINGS

Tourist ratings are driving improvements across both the F&B and Tourism sectors

Compared to 2012, all five sub-sectors that make up the F&B sector and the three sub-sectors that make up the Tourism sector show marked and significant improvements in satisfaction levels for Tourist respondents. In comparison, local respondents registered more modest gains in their satisfaction levels, or had no significant change in their satisfaction levels from the previous year. Figure C illustrates the year-on-year change in satisfaction levels for tourist and local respondents across all eight measured sub-sectors this quarter.
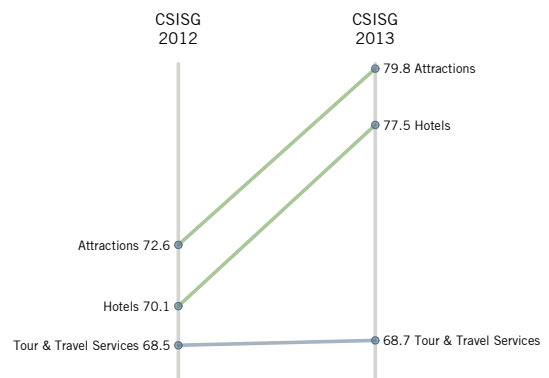

Figure C: When segmented into Locals and Tourists, tourist respondents led the CSISG year-on-year improvements across the eight F&B and Tourism sub-sectors.

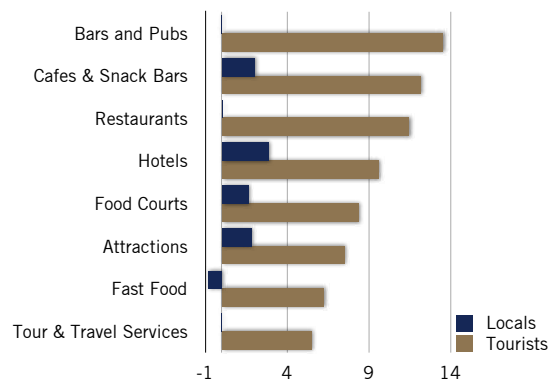Further analysis show the increase in tourist satisfaction was driven primarily by improvements to customer expectations and perceptions of quality. Unlike 2012, where tourist perceptions of quality were falling while expectations were increasing, this year saw both drivers of satisfaction improving in tandem for the F&B and Tourism sectors.

This positive year-on-year improvement in tourist satisfaction should be monitored. By ensuring the quality and delivery of their service offerings continue to match the expectations of their customers, businesses can keep up and even improve upon 2013's remarkable CSISG performance.

Service Quality touchpoints more important to customers' perception of quality than satisfaction with food quality

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 the three F&B sub-sectors where touchpoint satisfaction was measured, namely Fast Food, Food Courts, and Restaurants, food quality had the largest and most significant impact on customers' satisfaction with their dining experience.

Fast Food touchpoints	Rating (1-10)
Quality of food	7.3
Staff courtesy	7.2
Order process	7.1
Ease of finding a seat	7.1
Cleanliness	7.4
Queue time	6.9
Accuracy of change	8.0

Food Courts touchpoints	Rating (1-10)
Quality of food	7.0
Order process	6.9
Staff courtesy	6.8
Ease of finding a seat	6.7
Cleanliness	7.1
Accuracy of change	7.8
Queue time	6.8

Restaurant touchpoints	Rating (1-10)
Quality of food	7.6
Staff responsiveness	7.4
Ease of Reservation	7.4
Time taken to receive food	7.3
Time taken to receive menu	7.5
Order process	7.4
Bill timeliness and accuracy	7.9
Waiting to be seated	7.2
Cleanliness	7.7

Touchpoints shaded grey have no statistically significant impact on customers' recent satisfaction

Figure D: Touchpoint performance for the Fast Food, Food Courts, and Restaurant sub-sectors, rank-ordered by importance to customers' satisfaction with their most recent experience. Each touchpoint is accompanied by its satisfaction rating.

However, even as the Quality of Food remained the most important aspect among these three F&B sub-sectors, taken together, the other service-aspects have greater leverage in affecting satisfaction.

Therefore, F&B businesses will be most efficient at improving diner experience and satisfaction if they focus on the touchpoint attributes that matter most to their customers. Figure D illustrates which of these F&B touchpoints are most important in their respective sub-sectors, rank-ordered by decreasing levels of importance to customer satisfaction.

The differential impact of customer touchpoints are continuously evolving

When reviewing the relationship between F&B and Tourism touchpoints with customers' recent satisfaction with the establishment, certain touchpoints were revealed to be a basic need.

For these touchpoints, customers hold the service provider to a minimum standard. These minimum standard touchpoints have a characteristic whereby if its delivery was not satisfactory, it will entail a significant penalty in satisfaction. And beyond this basic threshold, high performance on these touchpoints do not necessarily provide a proportionate improvement in satisfaction.

The F&B and Tourism sub-sector touchpoints that exhibited these 'basic needs' characteristics are listed in Figure E.

F&B sub-sectors			Tourism sub-sectors	
Fast Food	Food Courts	Restaurants	Attractions	Hotels
Queue time	Ease of finding a seat	Time taken to receive menu	Ease of getting to attraction	Ease of getting to hotel
Cleanliness	Staff courtesy	Time taken to receive food	Directions clarity	Check-in process
	Accuracy of change	Quality of food	Staff courtesy	Staff courtesy
			Amenities	Directions clarity
			Cleanliness	Cleanliness

Figure E: F&B and Tourism sub-sectors with their associated 'basic needs' touchpoints.

Analysis also revealed these touchpoints evolve over time. As an example, Figure F illustrates the Cleanliness touchpoint performance against satisfaction in the Restaurants sub-sector for 2012 and 2013. It can be observed that diners had considered cleanliness to be a basic need touchpoint in 2012. But by 2013, this touchpoint's performance had virtually no leverage in moving satisfaction.

This suggest that customers have come to consider cleanliness as a given and the Restaurants sub-sector as a whole has provided a sufficient standard of cleanliness such that customer satisfaction was not being swayed by this touchpoint in 2013.

This illustrates the need for service providers to not only be prudent in recognising the differential impacts their customer touchpoints have, but also the evolving nature of the importance each of these touchpoints have on customer satisfaction.
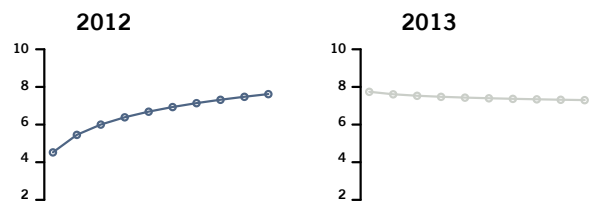

Figure F: The cleanliness touchpoint in the Restaurants sub-sector evolved from a basic need to one with no significant impact on satisfaction.

CSISG BACKGROUND

CSISG scores are generated based on the econometric modelling of survey data collected from end-users after the consumption of products and services. Sub-sector scores are derived as a weighted average of company scores, in proportion to the revenue contributions of companies

Sector scores are derived in a similar fashion, aggregating the sub-sector scores proportionately to each sub-sector's revenue contributions. Finally, the national score is weighted according to each sector's contribution to GDP. CSISG scores customer satisfaction on a scale of 0 to 100 with higher scores representing better performance.

Under a quarterly measure-and-release system, up to three sectors are measured each quarter with their results released the following quarter. Companies in the Retail and Info-Communications sectors were measured in this first quarter, Transportation & Logistics, Public, and Private Education in the second quarter, Food & Beverage and Tourism sectors in the third quarter, and finally the companies of Finance & Insurance and Healthcare sectors, in the fourth quarter. The national score for 2013 will then be computed using the data collected over these four quarters.

For this third quarter of 2013, results for the Food & Beverage and Tourism sectors were collected and analysed.

The F&B sector is made up of the Bars & Pubs, Cafes & Snack Bars, Fast Food Restaurants, Food Courts, and Restaurants sub-sectors. The Tourism sector comprises of the Attractions, Hotels, and Tour & Travel Services sub-sectors. The Hotels sub-sector was also updated with the inclusion of RWS Hotels.

CSISG 2013 FIELDWORK PROCESS

Survey data for the Food & Beverage and Tourism sectors was collected between August and September of 2013. Responses were primarily collected via face-to-face interviews with Singapore residents at their homes and with departing tourists at Changi Airport.

The Q3 fieldwork garnered 4,943 interviews with locals and 3,560 with departing tourists at the airport. In total, there were 8,503 unique responses covering 548 companies and entities in the Food & Beverage and Tourism sectors; 24 entities have published scores.

*Statistical significance for the CSISG study is measured at a confidence interval of 90%.

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