



# CUSTOMER SATISFACTION INDEX OF SINGAPORE 2019

## Q1 RESULTS OVERVIEW RETAIL AND INFO-COMMUNICATIONS



INSTITUTE OF  
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## 2019 Q1 SCORES RETAIL AND INFO-COMMUNICATIONS

### HOW WELL DID COMPANIES SATISFY THEIR CUSTOMERS?

#### 73.4 Retail



#### 73.4 Fashion Apparels



#### 73.0 e-Commerce



#### 73.0 Department Stores

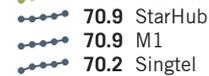


#### 72.1 Info-Communications

#### 73.2 Wireless@SG



#### 70.6 Broadband



#### 70.2 PayTV



This chart summarises the results of the CSISG 2019 satisfaction scores in the Retail and Info-Communications sectors at the sector, sub-sector and company levels.

Each sector score (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.

\* Sub-sectors indicated with an asterisk(\*) are sub-sectors that have performed significantly above their 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 2018 to 2019

statistically significant decrease in customer satisfaction from 2018 to 2019

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

## CSISG 2019 FIRST 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. 2019 marks the 13th year of measurement for the CSISG national study.

### FIRST QUARTER RESULTS HIGHLIGHTS

Both industry sectors increased their respective scores for the fifth consecutive year and recorded significantly\* higher levels of customer satisfaction compared to the same period last year.

The Retail sector improved by 0.8 points year-on-year to score 73.4 points (on a 0 to 100 scale). The Info-communications sector made even stronger gains, scoring 72.1 points, a 1.7 point improvement over 2018.

Within the Retail sector, which comprised of four constituent sub-sectors, the Department Stores and e-Commerce sub-sectors showed significant improvements of 1.2 points and 1.1 points year-on-year, respectively; both the Department Stores and e-Commerce sub-sectors recorded 73.0 points in customer satisfaction. The other two Retail sub-sectors, namely Fashion Apparels and Supermarkets, recorded smaller upticks over the past year to score 73.4 points and 73.6 points, respectively.

The Info-Communications sector also saw significant improvements in two of its four constituent sub-sectors. The Broadband sub-sector scored 70.6 points while the PayTV sub-sector scored 70.2 points, improvements of 1.8 points and 2.2 points year-on-year, respectively. The Mobile Telecom and Wireless@SG sub-sectors also recorded higher scores from the previous year, at 72.7 points and 73.2 points, respectively. However, these upticks were not considered statistically significant.

Figure 1 illustrates the CSISG year-on-year improvement for each sub-sector measured in Q1.

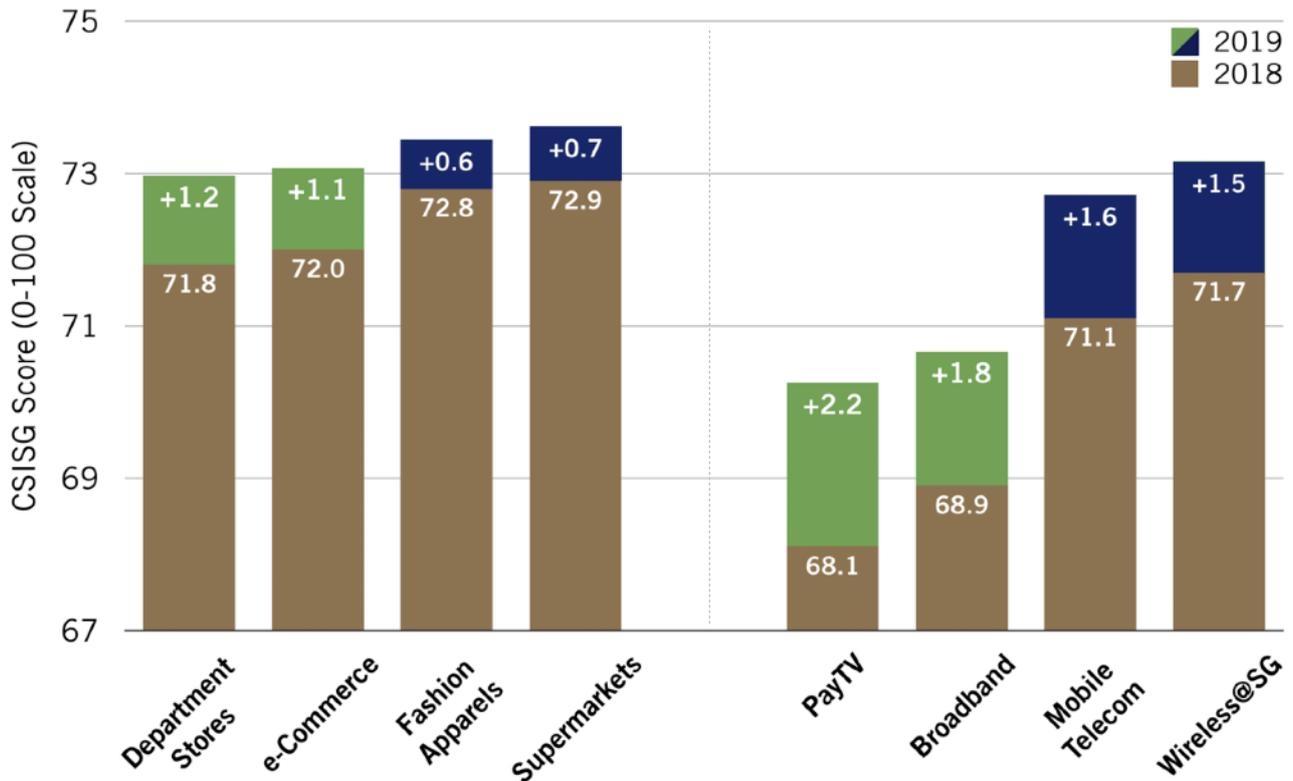


Figure 1: The increase in CSISG scores for each of the measured sub-sectors in Q1, with a GREEN increment signifying a statistically significant improvement.

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

## FIRST QUARTER KEY FINDINGS

### Level of Perceived Value On The Rise Amongst Local Retail Customers

A key observation this year across all four Retail sub-sectors was local customers' significantly improved levels of Perceived Value; this was the third consecutive year of increase for Perceived Value. Perceived Value is defined as the perceived quality of the product and services, given the price paid.

Relatedly, across a three-year period, satisfaction with the "Attractiveness of promotions" at the Department stores, Supermarkets, and e-Commerce sub-sectors was also observed to be significantly improved. This is illustrated in Figure 2.

Coupled with improvements across several other quality-related attributes, such as product availability and staff knowledge, levels of Perceived Quality also recorded significant year-on-year increases.

By investing in drivers of quality whilst employing targeted price promotions, businesses can sustainably raise the level of customer satisfaction.

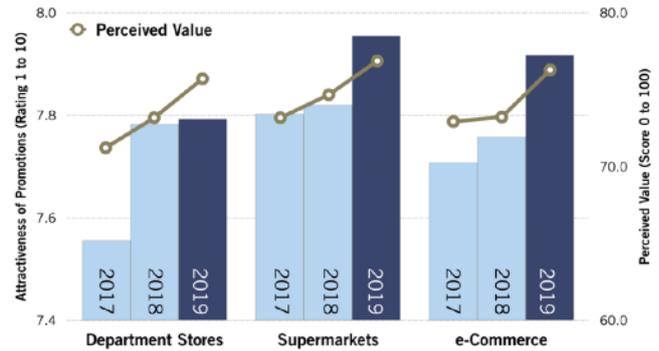


Figure 2: Local customers' Perceived Value scores and average ratings for 'Attractiveness of Promotions', across three years, for the Department Stores, Supermarkets, and e-Commerce sub-sectors.

### Retail Customers with Omni-Channel Experience Significantly More Satisfied

Customers of the Department Stores, Supermarkets, and Fashion Apparels sub-sector were segmented into two discrete groups, i.e., Omni-channel customers that shopped at both the physical store and the company's corresponding web or app offering, and customers that only shopped at the physical store.

Customers that had the omni-channel experience were observed to have higher scores in Customer Satisfaction, Perceived Quality, Perceived Value, and Loyalty, compared to those that had only experienced shopping at the physical store. Figure 3 illustrates the observed uplift in CSISG scores, with the e-Commerce sub-sector's performance included as a comparative benchmark.

This suggest that physical retailers that can infuse online platforms as a part of their shopping experience may have the competitive edge over both traditional brick & mortar shops and pure-play e-commerce platforms.

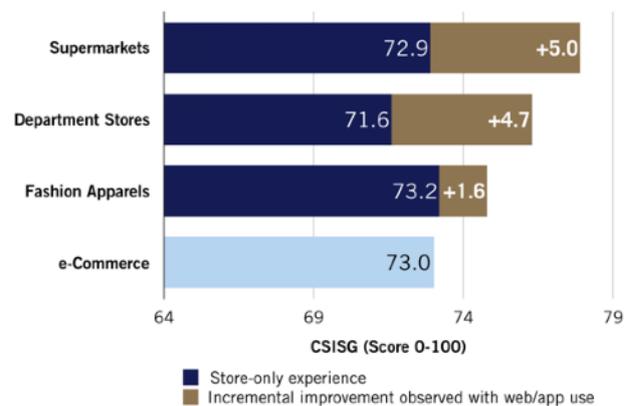


Figure 3: CSISG scores of Retail sub-sector respondents that had a physical store-only experience, and the corresponding score uplift observed from respondents that had an omni-channel experience. The e-Commerce sub-sector score is included as a comparative benchmark.

## Info-comm Service-related Attributes Bigger Driver of Perceived Quality

Performance analysis of the three telco sub-sectors showed that product-related quality attributes such as “Range of subscription plans” and “Data speeds” rate relatively well among surveyed customers. Comparatively, service-related attributes such as “Has customer’s best interest at heart” and “Makes customer feel assured” performed relatively poorer.

On the other hand, impact analysis of these quality attributes, as illustrated in Figure 4, revealed that it was in fact the service-related attributes that were bigger drivers of quality, as compared to the product-related attributes.

With an increasingly competitive landscape, telcos that successfully engage their customers in these areas will likely reap the most benefits in terms of overall satisfaction and long-term loyalty.

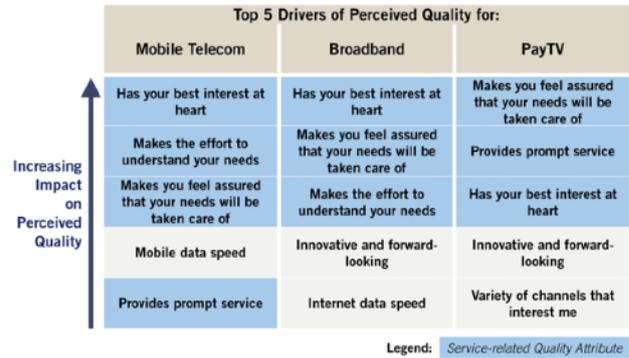


Figure 4: Drivers of Quality for each Info-comm sub-sector. Arranged in descending order of impact.

## PayTV Customers with OTT Video Streaming Subscriptions More Satisfied

With the PayTV sub-sector CSISG score improving significantly over the previous year, additional analysis delved into the satisfaction ratings of PayTV respondents. This revealed that respondents that had an Over-The-Top (OTT) video streaming subscription service, such as Netflix, was significantly more satisfied with the OTT service, as compared to PayTV respondents without an OTT service.

This same group of respondents, i.e., had an OTT service, also had higher satisfaction ratings for their PayTV service provider than the respondent group without the OTT service. Their respective satisfaction ratings are illustrated in Figure 5.

This may suggest that breadth of content, i.e., when PayTV content is combined with OTT content, has a positive effect on satisfaction levels of PayTV subscribers. Service providers may look into providing OTT content tie-up as part of a value added service for their subscribers.

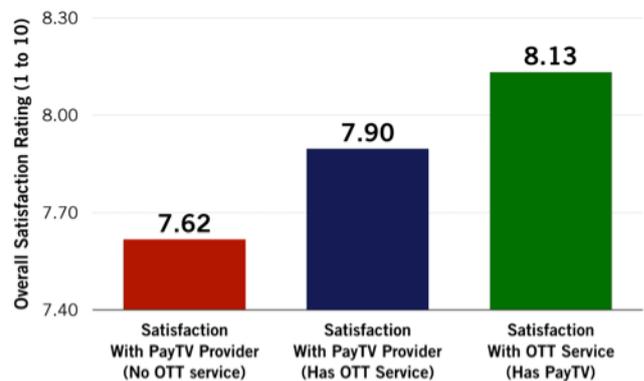


Figure 5: Average ‘Overall Satisfaction’ ratings for PayTV respondents without an OTT service, PayTV respondents with an OTT service, and PayTV respondents’ satisfaction with their OTT service.

## 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.

Company scores are weighted based on a separately-conducted incidence study. This incidence study determines each company's sample profile and the local-tourist weights. Sub-sector scores are derived as a weighted average of company scores, in proportion to the local and tourist incidence interactions with the constituent companies. Sector scores are derived by 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, distinct sectors are measured each quarter with their results released the following quarter. Companies in the Retail and Info-Communications sectors were measured in the first quarter, the Air Transport and Land Transport sectors in the second quarter, the 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 2019 would then be computed using the data collected over these four quarters.

For the first quarter of 2019, results for the Retail and Info-Communications sectors were collected and analysed. The former comprises of the Department Stores, e-Commerce, Fashion Apparels, and Supermarkets sub-sectors. The latter consists of the Broadband, Mobile Telecoms, Pay TV, and Wireless@SG sub-sectors.

## CSISG 2019 FIELDWORK PROCESS

Survey data for the Retail and Info-Communications sectors was collected between January and April 2019. This was primarily conducted through face-to-face interviews with Singapore residents at their homes. The survey was also conducted with departing tourists at Changi Airport.

In all, the Q1 fieldwork garnered 6,090 interviews with locals and 810 with departing tourists at the airport. Together, there were 6,900 unique responses covering 144 distinct entities in the Retail and Info-Communications sectors; 42 entities have published scores.

## CONTACT US

For more details on the CSISG, the ISE Corporate Membership programme, and customised research, please reach us at

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