Consider customer satisfaction when making fare adjustment

The Public Transport Council (PTC) announced on July 10 the maximum fare adjustment for this year as 3 per cent.

The adjustment was derived from the revised fare formula and pegged to macro-economic factors. The factors considered changes in the consumer price index and average monthly earnings as well as public transport operators’ average productivity gains.

This adjustment is intended to protect the interests of commuters while balancing the commercially driven needs of Singapore public transport operators.

The Institute of Service Excellence at the Singapore Management University (SMU) wishes to propose that customer satisfaction be included as part of fare adjustment by the PTC and public transport operators.

In terms of overall satisfaction levels, the MRT scored 69.9, significantly above the national average of 68.7. On the other hand, public buses scored 64.3, significantly lower than our national average.

Under the CSISG causal model, customer satisfaction has three driving factors: customer perceptions of the overall quality of the service provided; customer expectations; and value-for-money.

The majority of commuters in Singapore are faced with little or no choice in public transport. Through the study, they have expressed that they value quality attributes such as transport schedules, frequency, accessibility and comfort.

In light of these findings, it would be prudent for public transport operators to articulate any increase in transport fares in the form of visible quality improvements for commuters.

The Institute of Service Excellence at SMU is recommending to the PTC that customer satisfaction be included as part of fare reviews. The added qualitative dimension will serve to benefit commuters at large.

The findings from the CSISG complement the affordability indicators being considered by the PTC.

In summary, increase in perceived overall quality will significantly boost customer satisfaction levels and this will positively impact the long-term profitability of transport operators.

If there should be an increase in fares, transport operators should match the adjustment with better-quality service.

The improvements would, in turn, contribute to building a world-class transport system in Singapore. A transport system that is truly world-class is one that directly benefits the commuting public.

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Customer satisfaction:
顾客满意度
gù kè mǎn yì dù

Value-for-money:
物有所值
wù yǒu suǒ zhí