



The new reality for Customer Experience

2020 Customer Experience Excellence Report

**“ During these uncertain times
companies focusing on customer
experience (CX) may stand the best
chance of supporting their customers
and protecting their business, while also
laying the seeds for future growth.”**

Julio Hernandez

Head of Global Customer
Center of Excellence, KPMG International,
US Customer Advisory Lead, KPMG in the US



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Certainty in the face of great uncertainty

2020 is the year where everything changed. COVID-19 has created massive global disruption across economies and financial markets driving a drastic transformation in the way businesses operate and interact with their customers.

KPMG's global research shows that consumers believe that they will be living their lives very differently – they feel more vulnerable, less secure and less in control than ever before. In turn, they expect the brands they have to interact with to deliver better, safer, and more seamless interactions.

In our 2020 Customer Experience Excellence (CEE) Singapore Survey, we have noted three distinct trends in the way customers interact with brands:

Getting personal

There is a change in demographics, lifestyle, needs and wants, behaviours and shopping patterns. Companies need to learn quickly how to use the new influx of data to react better and make their communications more personal and relevant to the individual customer.

Earning trust through integrity

Customers want to feel comfortable and safe in who they deal with. They want to know that their personal data is protected, how brands are responding to demands of COVID-19, and how brands are adhering to ethical, clean and sustainable practices.

Increased expectations of service

Newly digitalised companies now find themselves on the same platform as other companies who have perfected their delivery standards. These new digital companies need to rethink their strategy and find faster ways to respond and deliver to customers.

Now more than ever, customers want brands to deliver high quality experiences they can rely on.



Asking customers about their experiences

The 2020 Customer Experience Excellence Report Singapore edition crystallises the best practices of the leading brands that are creating exceptional experiences from the customers' point of view.

Our research, which forms the basis of this report, was conducted via an online survey completed in Q2 2020.

For each market, we targeted a nationally-representative consumer sample in terms of age, gender, as well as regional representation. Participants were then asked to respond to questions about a specific company that they had interacted with over the last three months.

For the purposes of this report we defined an interaction as making a purchase, using a company's products and/or services, contacting a company with a query, or even browsing a company's website or store. As such, not every respondent would necessarily have been an existing customer of the brand they evaluated.

In order to be included in the final rankings for each of the countries, regions and jurisdictions researched, there must have been a minimum of 80 consumer responses for each brand.



Six Pillars of Customer Experience Excellence

How they apply to Singapore

Six Pillars of Customer Experience Excellence

Through our global research with millions of consumers and by studying international best practices across sectors, we have identified the six fundamental factors that drive excellent customer experience.



Time and Effort

- Minimising customer effort and creating frictionless processes.
- Removing unnecessary obstacles, impediments and bureaucracy to enable customers to achieve their objectives quickly and easily.

Expectations

- Managing, meeting and exceeding customer expectations.
- Great organisations understand, deliver and, if appropriate, exceed their customers' expectations.

Integrity

- Being trustworthy and engendering trust.
- Integrity comes from consistent organisational behaviour that demonstrates trustworthiness.

Resolution

- Turning a poor experience into a great one.
- Great companies have a process that not only addresses customers' problems but also makes them feel really good about the experience.

Personalisation

- Using individualised attention to drive emotional connection.
- Individualised attention, knowledge of preferences and past interactions all add up to a truly personalised experience.

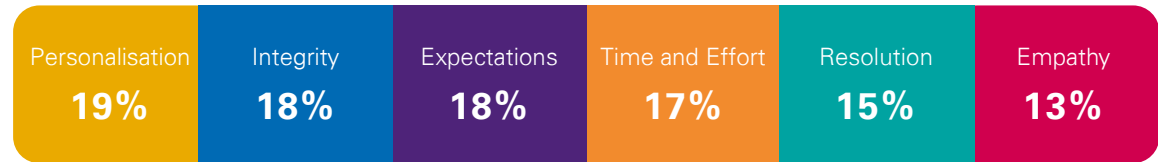
Empathy

- Achieving an understanding of the customer's circumstances to drive deep rapport.
- Empathy-creating behaviours help establish a strong relationship with the customer.

How Six Pillars apply to Singapore

Pillar drivers in Singapore

Personalisation and Integrity are key in our market. There was more weight to Time and Effort and Expectation this year and less for resolution.



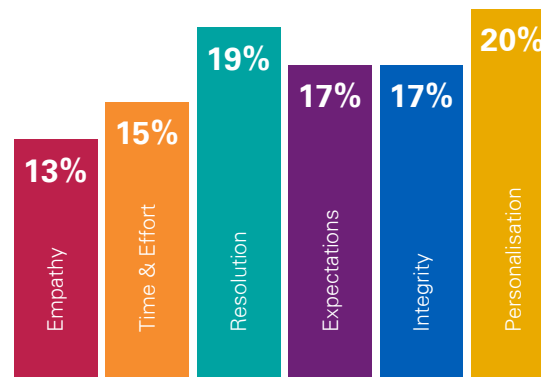
Pillar impact on loyalty and advocacy

Each of the Six Pillars are weighted based on their statistical correlation to advocacy and customer loyalty. This graph highlights their respective links to commercial outcomes.

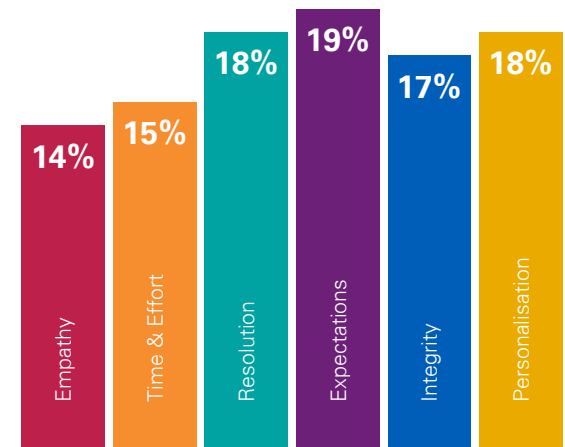
What we noticed:

- For Loyalty – there is no change in Personalisation as the important pillar for Loyalty
- For Advocacy – there is a shift of importance from Integrity (2019) to Expectations (2020)

Key Drivers for Loyalty



Key Drivers for Advocacy



Examples in Excellence

**The top performers in Customer
Experience Excellence**

Singapore top 15 Customer Experience leaders

- | | |
|-----------|----------------------------|
| 01 | American Express |
| 02 | Singapore Airlines |
| 03 | Apple Store |
| 04 | Changi Airport |
| 05 | Uniqlo |
| 06 | POSB |
| 07 | Singapore General Hospital |
| 08 | Esso |



Singapore top 15 Customer Experience leaders

09

Apple Pay



10

DBS



11

NTUC Fairprice



12

OCBC



13

NETS



14

Visa



15

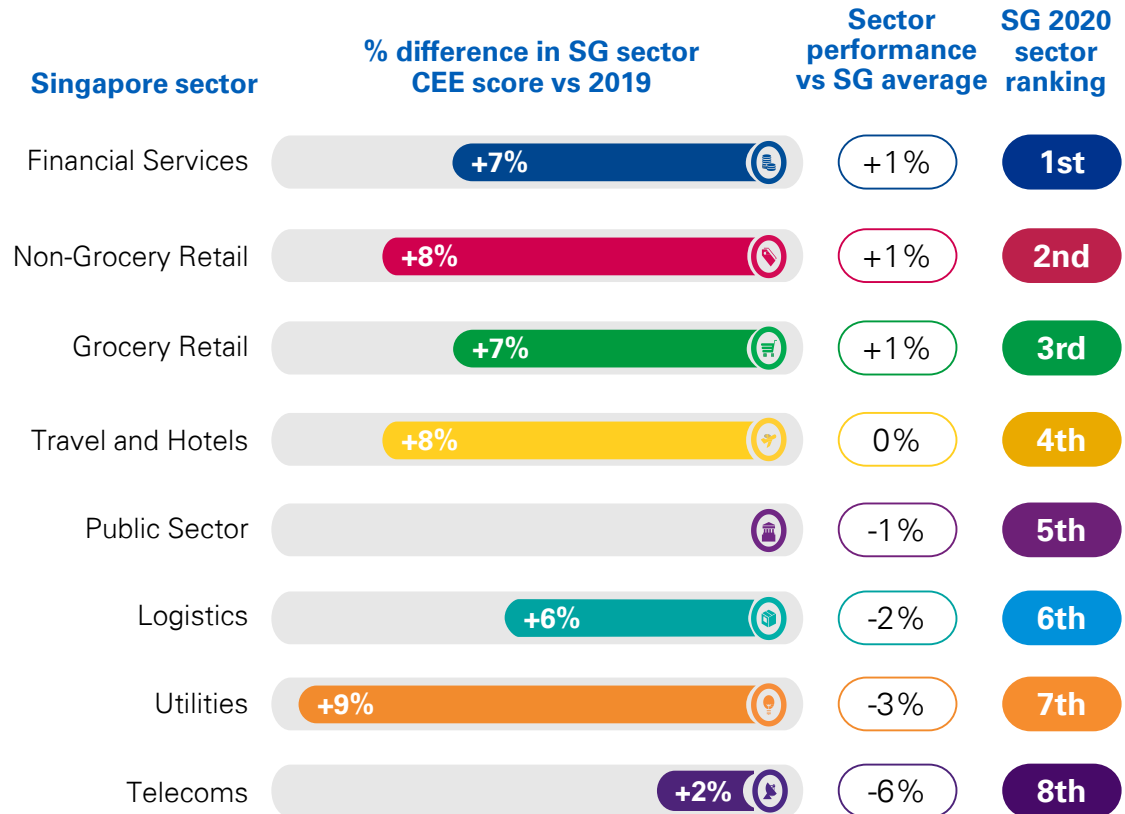
Decathlon



Singapore sectors performance

For the second year in a row, Financial Services came first in Customer Experience. This was followed by Non-Grocery Retail which moved up from third place last year to second place while Grocery Retail dropped down to third place.

Travel and Hotels remained at fourth place in the rankings. The biggest movement seen in the Singapore market sector is Telecoms, which dropped from joint-fourth place in 2019 to eighth in 2020.



Financial Services tops Customer Experience for 2 years in a row

The underlying drivers of human decision making have become exponentially more complex. Our research has led us to focus on five key dimensions of customer behaviour — motivation, attention, connection, watch and wallet - what we call the “[Five Mys Framework](#)”. Considering any one of these dimensions in isolation tells only one aspect of a customer’s story. Together, however, they enable companies to navigate the complexity of consumer decision making.

When pegged against our “Five Mys Framework”, it can be clearly seen how the top five performing Financial Services companies in our survey created positive customer experiences.

My motivation

Characteristics that drive behaviour

AIA

Launched a comprehensive wellness programme (AIA Vitality) that rewards customers for the small steps they take to become a little healthier every day.

My attention

Ways people direct their attention and focus

American Express

Launched Amex Offers to allow their customers to personalise and select offers based on brands they desire.

My connection

How customers connect to each other

DBS

Leverages technologies such as voice biometrics, chatbots and data analytics so that customers can resolve their banking queries via website, mobile banking app or social media.

My watch

How customers balance time across their lives

POSB

Customers can now access Video Teller Machines (VTMs) across Singapore for round-the-clock branch banking with the option of virtual teller assistance via live-video streaming.

My wallet

How customers adjust their share of wallet

Grab

Offers payment options that locals prefer, as opposed to operating with a singular payment platform. It also launched GrabPay Credits for a cashless stored value option.

Examples in action

**Singapore's top 3 brands for
Customer Experience**

Excellence in action

**Singapore's top 3 brands for
Customer Experience**

01. American Express

American Express topped the Singapore brand rankings for 2020. It outperformed the Singapore market across each of the Six Pillars and was the highest-ranking brand in four of the Six Pillars.

Customers praised American Express for consistently providing an experience they could rely on, where efficiency, empathy and personable interactions were cornerstone values.

American Express has made notable changes to its business practices, particularly in the way it trains its staff to deal with customer enquiries. Contact centre employees are now referred to as Customer Care Professionals and are specifically taught to adapt their interactions depending on the personalities of the individuals. The team members make

every effort to ensure that issues are resolved at first contact and the staff are empowered to do whatever is necessary to ensure the customers go away satisfied.

The brand has managed to position itself beyond a credit card company, to become a lifestyle brand with its customer service team as the engine room for its success.



Highest ranking for:

- Personalisation
- Expectations

- Time and Effort
- Empathy

Excellence in action

**Singapore's top 3 brands for
Customer Experience**

02. Singapore Airlines

The national carrier Singapore Airlines, synonymous with a world-class experience, has a rich 73-year history of delivering exceptional experiences. The onset of COVID-19 has seen the airline substantially pare back its network due to global restrictions on international air travel. This led to a S\$1 billion net loss in the first quarter ending 30 June 2020 with passenger carriage falling by 99.5%.

Singapore Airline's commitment to personalisation is evident in their efforts to appeal to customers with its sports and tourism focus. In September 2019 the airline extended its sponsorship of the Formula 1 Singapore Grand Prix for another two years, until 2021.

In testament to its integrity, Singapore Airlines launched a KrisPay It Forward initiative

allowing members of its frequent flyer programme, KrisFlyer, to donate miles in exchange for buying treats for frontliners while giving local food and beverage businesses a boost. KrisFlyer miles can also be donated so that deserving essential workers receive miles they can use to redeem gift items.



Highest ranking for:

- Personalisation
- Integrity

Excellence in action

**Singapore's top 3 brands for
Customer Experience**

03. Apple Store

The Apple Store first made its way to Singapore's shores in 2017. Since then, its distinctive presence in the world-famous Orchard Road shopping precinct has captured the attention and foot traffic of brand loyalists and beyond. Its iconic new store in Marina Bay – the first Apple Store to sit directly on water – has made waves around the world

The store has evolved into an environment in which people feel comfortable to gather to learn and get technical advice. Customers flock to the store for free programmes and classes.

The physical store encourages leisurely browsing, while its online incarnation offers the easy luxury of shopping online. Offering a generous return and refund policies unlike

other authorised Apple retailers in Singapore, the store's staff provide customers with tailored recommendations on products to suit their needs, ensuring a personalised customer interaction.



Scored highly for:

- Personalisation
- Expectation
- Resolution

Driving excellence

**7 key trends for Customer
Experience post-COVID-19**

01

Consumers supporting local businesses

The sudden closure of many local businesses due to the economic impact of the pandemic has resulted in customers emphatically supporting local businesses and brands.

Recognising this trend, homegrown brands like DBS and Singapore Airlines have expanded their efforts to build greater rapport with their customer base to increase loyalty.

DBS have invested in e-learning and specific training their staff so that they can serve the wider community and launched Talking ATMs for customers who are visually impaired.

In April, 30 SIA cabin crew were redeployed as “care ambassadors” at Khoo Teck Puat Hospital. There is also an agreement in place for SIA to provide customer service training to the hospital’s new Patient Care Officers, a role inspired by the care ambassador programme.

02

Buyers moving back to basics

The change of pace brought about by COVID-19 lockdowns has forced a re-evaluation of what is important and how time should be spent.

As a result, AIA has broadened the scope of its marketing outreach, promoting general health and wellbeing among its customers. The brand hosted a regional online health and wellness event spanning 13 markets on YouTube, with more than 30 unique sessions, delivering health and wellness content.

03

Re-evaluating value and its definition

The COVID-19 crisis has driven a focus on personal habits and spending. Continuing financial uncertainty encourages more conservative spending habits.

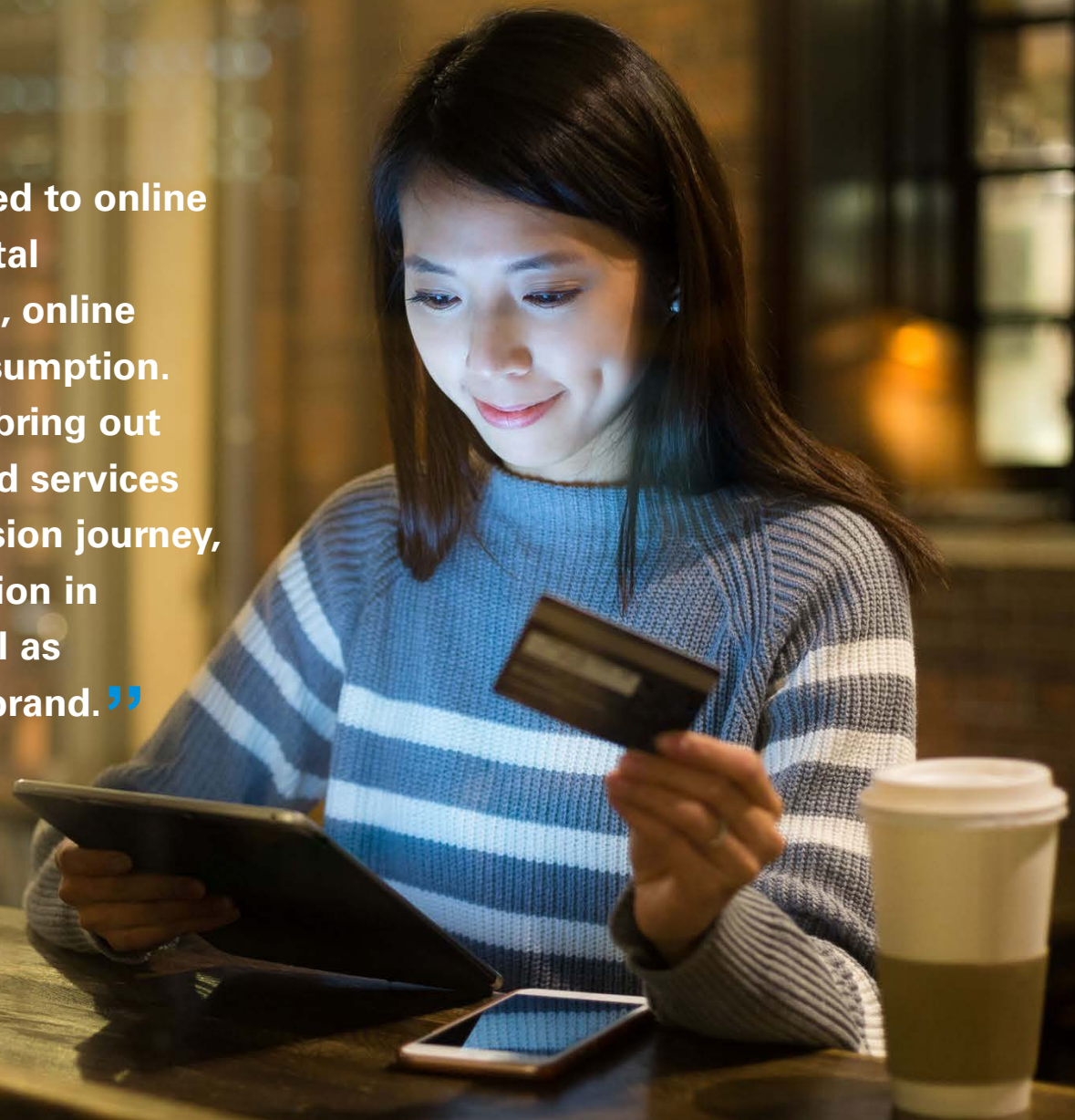
In response, financial services brands have introduced educational initiatives to provide advice to customers about financial management and savings.

American Express has reached out to customers facing financial difficulties due to the economic downturn brought about by COVID-19, encouraging them to get in touch to identify a solution for their situation, which could include a waiving of late payment fees.

“ More customers have shifted to online purchases, leaving larger digital footprints - purchase patterns, online interactions and content consumption. This data can be analysed to bring out relevant content, products and services earlier in the customer’s decision journey, thereby building personalisation in customers’ experience as well as confidence and trust in your brand.”

Ling Su Min

Partner, Head of Clients,
Markets & Innovation,
KPMG in Singapore



04

Redefining connected – and disconnected

Social media and digital technologies have become essential as we trade physical interactions for virtual connections. They have transformed the way we interact, personally and professionally.

DBS Contact Centre has incorporated technologies such as voice biometrics, chatbots and data analytics so that callers can enjoy shorter call waiting times and opt to resolve their banking queries independently via the bank's website, on their mobile banking app or through the bank's Facebook or Twitter channels.

National University Hospital have launched a digital platform called SGDormBot which uses social messaging applications to remind infected dorm residents to monitor temperature, heart rate and oxygen levels in their native language.

05

The acceleration of technology

Direct to consumer tactics have shifted to the fore, with online channels proving to be fast and cost-effective. 'Time & Effort' has become a key driver for what constitutes excellence in customer experience.

Sephora's app-based Virtual Artist enables customers to digitally "try" on products with facial recognition technology, pull up information with the built-in QR code scanner and have virtual consultations with beauty experts over Zoom.

The Singapore Tourism Board and the Singapore Hotel Association have launched a facial recognition technology E-Visitor Authentication (EVA) System which enables hotels to verify guests for a faster, smoother check-in experience.

To enhance efficiency and customer convenience, POSB customers are now able to access Video Teller Machines (VTMs) across Singapore – these machines provide round-the-clock branch banking services to customers, with the option of virtual teller assistance via live-video streaming.

Not only does FWD makes it a breeze for anyone to buy a policy, it also ensures customers who need to make a claim – considered the litmus test for the industry – can do so easily online, and get paid instantly via PayNow instead of cheques. From its launch till 2019, FWD has approved and paid 98% of all the claims it's received.

“Technology such as digital experience platforms, artificial intelligence and chatbots is not the silver bullet for brands looking to elevate their customer experience – however it is a key enabler in facilitating connections between brands and consumers, by humanising technology to create real connections and demonstrate trustworthiness.”

Bradley Styles

Partner, Advisory, KPMG in Singapore



06

The impact of fear

The fear and uncertainty brought about by COVID-19 has led to stockpiling, protectionism and risk-averse purchase behaviour, extending the sales funnel for many businesses.

To address this, SIA has leveraged digital and video technology including producing a video that reassures passengers who have to travel of the precautions taken and using the SingaporeAir app to provide information about travel and health restrictions personalised according to the booking.

07

The vital importance of consumer trust

For organisations, and the brands they manage, integrity is critical and brand positioning and tone of voice is as important as ever in communicating this. Customers are less likely to be forgiving if expectations are not met.

With flights getting cancelled, and travel being placed on hold, Singapore Airlines has stepped up to provide their customers with peace of mind – from fee waivers/flexible bookings to renewing their loyalty points.

Grab offers payment options that locals prefer, as opposed to operating with a singular payment platform and are encouraging customers to move towards contact-free cashless payment, improving safety and security.

“With the accelerated paradigm shift from offline to digital customer interactions, brands must look to technology and marketing as differentiators. Through data analytics and marketing insights, brands can create personalised experiences to remain competitive, react swiftly to issues and deliver on their digital strategy.”

Guillaume Sachet
Partner, Advisory
KPMG in Singapore



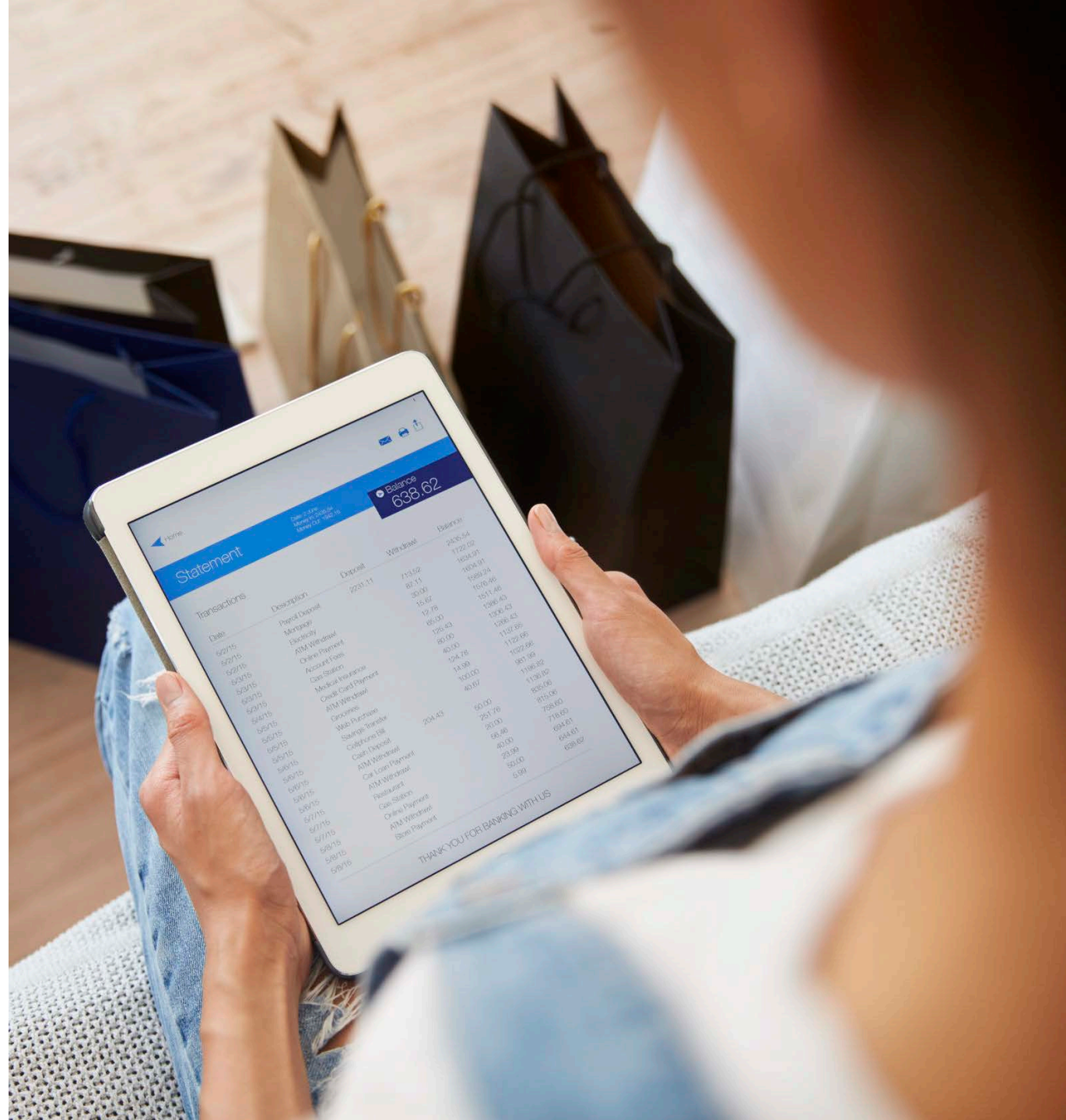
Excellence:
Now it's personal

Getting personal with data in three steps

COVID-19 has changed customer behaviour, pushing them to move their activities online which in turn generates more customer data. This gives brands the perfect opportunity to build a more personalised experience for their customers.

In order to understand their customers, brands need to obtain consent before collecting customer data. However, gathering consent to data collection may impair the customer experience.

With the right consent management of customer data, brands can tap on innovative marketing technologies to advance personalised marketing and improve their customer experience.



01

Set the basics

Consistent & Reliable

Data Privacy is an ongoing concern with the advanced use of customer data for personalised marketing. It is critical to address this to meet the customers' expectation of personalised marketing.

The first step is to let them know their rights regarding personalisation marketing.

Opt-In Only personalisation marketing ensures that customers expectations are aligned to marketing activities.



Integrity



Expectations

02

Operationalise

Seamless & Efficient

In order to enable Real-Time personalisation at scale, marketing technologies need to be deployed to ensure a seamless customer experience.

So the second step is all about personalising the customer journey at scale.

This is where an organisation should look into the use of marketing technologies to operationalise personalised marketing.



Resolution



Time and Effort

03

Differentiate

Individualised & Innovative

Once personalised marketing is deployed, you need to continue to learn about your customers and update their profiles through various data sources.

This third step involves a structured data analysis methodology to accurately improve the customer profile and the customer journey which will, in turn, lead to an improved customer experience.



Personalisation



Empathy

Partnering with you on your Digital Marketing journey to excellence

Achieving Customer Experience excellence has never been more urgent – or complex. Every customer touchpoint has to be carefully considered, evaluated and enhanced. And, as we have seen, this is especially critical in the digital space.

KPMG in Singapore has the expertise, resources and technology you need to optimise your brand's customer experience profile

We can partner with you at every stage of your digital marketing programme to maximise its value and effectiveness.



01

Effectiveness and Optimisation Review

We can conduct a thorough and independent review of the effectiveness of your digital presence and recommend strategies for improvement.

- Conduct **website audit** via **web analytics** to identify poor customer experience pages
- Review and **optimise website** pages
- **SEO optimisation** to enhance customer experience when searching for branded content

02

Campaign Management

We can work as an extension of your marketing team to enhance the effectiveness of your campaigns.

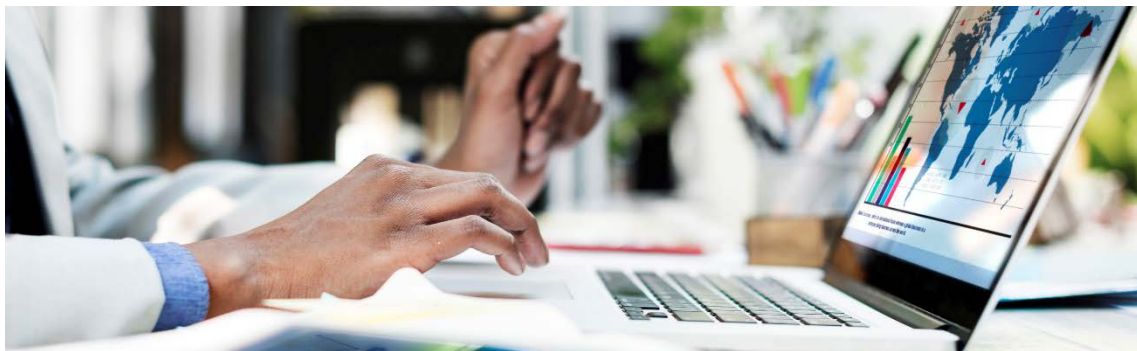
- Define **customer persona** in smaller segments
- Execute **A/B testing** across customer segments
- **Data driven optimisation** to improve personalisation marketing for a better brand experience

03

Marketing Technology Implementation

The MarTech ecosystem and the rules that govern it are constantly evolving. We can provide an independent evaluation of your marketing technology and the way you use it to ensure best-in-class practice and utilisation.

- Evaluate your current **MarTech stack** from a **vendor-agnostic** point of view
- Implement a **consent management system** to collect customer data for personalisation
- Execute **1-1 content personalisation** to increase customer experience
- Provide additional services and solutions to improve your customers' **brand experience**



With the continuing impact of COVID-19 on the world economy, it would be easy to focus only the negative aspects of the crisis.

However, as this report has shown, even in the midst of turmoil brands can navigate the crisis by maintaining an unrelenting focus on their customers.

Brands need to continue on their digital transformation journey, gain an ever deeper understanding of their customers, stay agile and be ready to seize the opportunities that a post-COVID-19 world will bring.

KPMG in Singapore can give you the tools and expertise you need to rise to the challenge.





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