Service Dimensions
Airlines: Local Airlines
Automotive: Car Service
Automotive: New Cars
Clothes & Accessories: Clothes
Communication: Mobile Operators
Communication: ISPs
Financial: Retail Banks
Financial: Islamic Banks
Furniture: Home Furniture
Healthcare: Hospitals
Restaurants: Café
Restaurants: Cas'n Dining
Restaurants: Fast Food
Restaurants: Fine Dining
Specialty Stores: Electronics

service
Hero

KUWAIT RESULTS

The voice of the consumer

2010

Service categories
1 Staff Behavior index
2 Location index
3 Product or service quality index
4 Value to price index
5 Speed index
6 Reliability index
7 Call center index
8 Website index
9 Loyalty index

Service Dimensions

Airlines: Local Airlines
Automotive: Car Service
Automotive: New Cars
Clothes & Accessories: Clothes
Communication: Mobile Operators
Communication: ISPs
Financial: Retail Banks
Financial: Islamic Banks
Furniture: Home Furniture
Healthcare: Hospitals
Restaurants: Cafe
Restaurants: Casual Dining
Restaurants: Fast Food
Restaurants: Fine Dining
Retail Stores: Electronics

Service Categories

1 Staff Behavior index
2 Location index
3 Product or service Quality index
4 Value to price index
5 Speed index
6 Reliability index
7 Call center index
8 Website index
9 Loyalty index

Credibility.
Integrity.
Relevance.

service
Hero

Kuwait's first customer
satisfaction index

Index

1. Methodology

2. The Kuwait Index

3. Summary & Strategic Implications

4. Country Award Winners

5. Appendix

Overview

High-level overview of the Service Hero index approach.

Methodology
Service Hero is an online survey where respondents voted directly on www.servicehero.com regarding the quality of service they receive in private sector companies in Kuwait. The survey was live from October1-October 31st 2010.

Sample
The index aimed to collect a total sample of 6,000 valid votes for Kuwait distributed over 15 category industries included in the assessment. Each category had a quota of 300 to 400 votes. The confidence level is 95% with an ± 5 error margin.

Rating assessment
Respondents rated each company on a scale of 1-10 where ten is the highest score. Eight uniform assessment questions were asked covering the key service dimensions. Furthermore, for five industry categories, two additional assessment questions were asked: the call center and the website. Respondents were also asked if they would recommend a brand to a friend or relative, and were allowed to provide comments if they wanted to.

Security
A number of security measures were deployed of either technical nature to verify the authenticity of the voter, or later, at the data cleansing stage, to remove any suspicious data.

Rigor
We follow ESOMAR (European Society for Opinion and Market Research) to ensure adherence to international market research standards.

The overall assessment of a service provider is based on these 8 dimensions

Note: The Call center and Website dimension questions were asked only for the Aviation, Mobile Operator, ISP, Conventional and Islamic bank service categories.

Pie chart dimensions: Overall Satisfaction, 1 Staff Behavior, 2 Location, 3 Product or service quality, 4 Value to price, 5 Speed, 6 Reliability, 7 Call Center, 8 Website
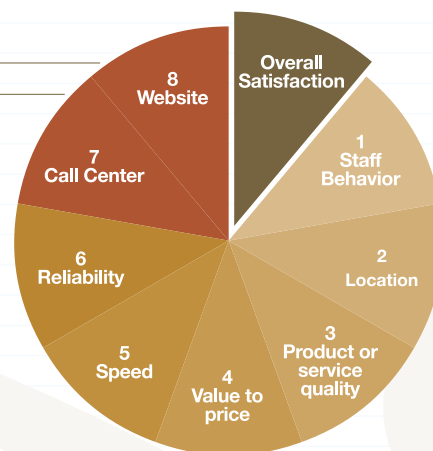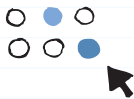
The questionnaire

What respondents actually voted on.

Respondents voted on 2 levels:
1. What they expected **before** receiving the service
2. What they actually experienced **after** being served

Note: Respondents were also given the opportunity to provide any comments that they wanted to share.

Sampling approach

Critical factors for a robust category sample and minimum vote requirements by industry category.
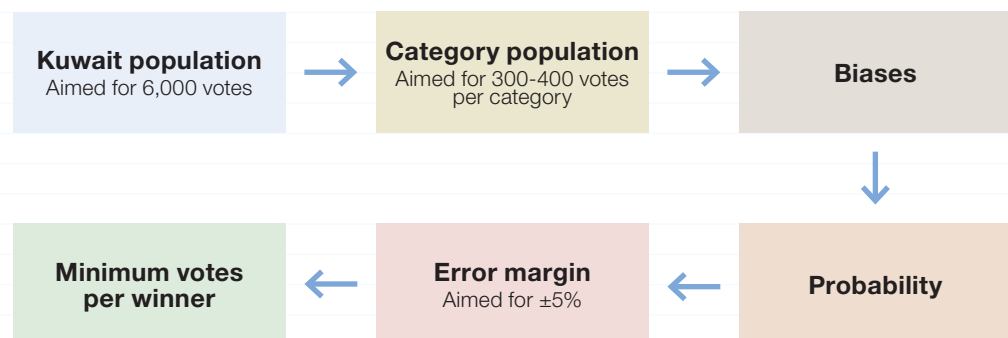
To ensure that Service Hero enjoys statistical integrity, a few statistical elements were examined to determine sample size and accuracy levels.

Sampling approach (continued)
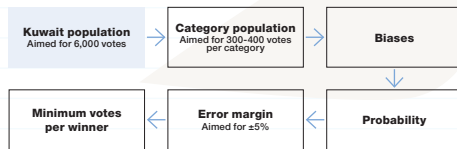
The Kuwait population.

The population of individuals which is eligible to vote in Kuwait is **1,959,000.**

This figures **includes**:
• Males and females
• Kuwaiti and non-Kuwaiti nationalities

It **excludes** (around 750,000 individuals):
• Anyone under 16 years
• Laborers

Note: All population figures are from the Public Authority for Civil Information and the Ministry of Planning.

Category population.
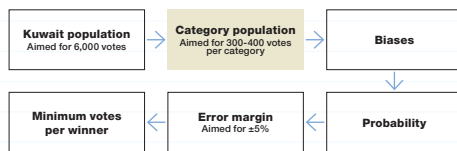
1. To ensure statistical relevance, we looked at the **category population** – this is the proportion of Kuwait's total population that is most likely to be a user of the category

2. For example – to compute the size of the Mobile Operator market, the assumption made is that 90% of the Kuwait population is a mobile phone user

3. For some categories the **% user population** was smaller e.g. for Fine Dining restaurants, the assumption made is that 50% of the market may use/visit them

4. A second factor to look at in determining the category population size is looking at **population bias**, because:
   • Service Hero is not a random sample (people were not randomly contacted for feedback)
   • This means of the total population of Kuwait, only X% will actually be inclined to vote
   • We have assumed 5% for Kuwait overall is the population bias - in other words, this is the percent of Kuwait's population who will be inclined to vote online

Sampling approach (continued)

The roles that bias and probability play on the sample.

| Kuwait population
Aimed for 6,000 votes | → | Category population
Aimed for 300-400 votes
per category | → | Biases |
| Minimum votes
per winner | ← | Error margin
Aimed for ±5% | ← | Probability |

1. Probability of choice is:
- Based on the total population of consumers per category as well as the number of brands in a category
- An example is the clothes category where around 80 brands were evaluated and the probability of choice is 2%, while in the aviation sector only three competitors exist, which means each one has a 33% chance of obtaining votes from the total category sample

2. Voting bias:
- Refers to the likelihood of obtaining positive votes for a brand because the respondents who chose to participate in the survey are the types of individuals who want to praise a brand
- Because they may be affected by the term "service hero", voting bias may have taken place

Note: A review of both these factors was made. The **probability of choice** factor has been accounted for. Moreover, the **voting bias** review found no statistically significant bias.

The categories included in the Service Hero assessment.

- The survey covered only commercial or private non-government institutions
- 9 categories were identified for the first phase
- Each category can be further broken down into sub categories

Airlines

Automotive: Sales + garage

Banks: Conventional + Islamic

Clothes & accessories

Communications: Mobile + ISPs

Electronics stores

Furniture stores

Private hospitals

Restaurants: Café + fast food + formal dining + casual dining

Sampling approach (continued)

Minimum sample sizes and error margins for all fifteen categories.

Confidence level: 95%

Sector	Biased Population	Sample @ 5%	Adjusted Sample	Total Votes
Airlines	88,186	293	293	1,463
Auto Purchase	88,186	293	293	367
Auto Maintenance	88,186	293	293	396
Clothing	88,186	293	293	799
Mobile	88,186	293	293	589
ISPs	88,186	293	293	478
Café	88,186	293	293	416
Fast Food	88,186	293	293	749
Casual Dining	88,186	293	293	749
Fine Dining	48,992	242	241	369
Specialty	88,186	293	293	534
Commercial /banks	68,505	273	272	608
Islamic banks	30,833	196	195	308
Furniture	58,791	259	258	487
Private Health Care	37,421	216	214	431

This table shows the 15 categories included in the index. It shows:
- Population bias at 5% i.e. the percent of Kuwait's population who will be inclined to vote online
- Minimum sample needed for an error margin at a 95% confidence level
- Total votes obtained

Note: The major factor in predicting sample accuracy is that the population is at or near 100,000 for each category. For the 3 industries highlighted in blue, a separate sample accuracy calculation was made as the population size is well below the 100,000 mark. Of the categories below 400 votes, all are within the ± 5% error margin.

Security measures and rules for valid votes

To ensure that each visitor is a legitimate customer, a number of security measures have been put in place.

Servicehero.com security measures
- Implements 256-bit SSL encryption on all pages of the website
- Uses a high performance firewall
- Utilizes advanced data integrity procedures at the database level for the highest security and reliability

Data review measures
- All voters are asked to submit a correct email upon registration
- No votes were tabulated unless this email address is authenticated by the user via an automated trigger
- No single user can vote for the same company more than once
- IP address monitoring which statistically measures incoming connections against usage anomalies was made
- All eligible voters were requested to enter a Kuwait mobile number to provide an additional layer for validating user identification
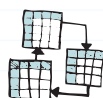
Rules applied to ensure data integrity

In the planning stages of the survey, a number of rules had been set to ensure the highest vote accuracy. These were implemented as seen in the **top table** resulting in the removal of 1,427 votes. Other investigations were also conducted that did not result in the removal of any votes as seen in the second table. The final vote count used in the analysis is **8,743** votes.

Rules that have been implemented	Votes removed
1 Respondent confirmed his/her email	yes
2 Respondent less 16 years	yes
3 Respondent unable to vote more than once for the same brand	yes
4 Respondent with the same mobile number but different email and voted twice for the same brand	yes
5 Remove votes that are NA across all dimensions in the **after** evaluation	yes
6 Remove votes that are only made for **before** assessment and NA votes for **after** evaluation	yes
7 Respondent voted for brands that should not be in the assessment	yes
Total votes removed	**-1,427**
Total votes obtained	**10,063**
Total votes assessed	**8,743**

Note: Votes removed do not add up to 8,743 as some groups overlap.

Patterns investigated	Result
1 Respondent from a valid Kuwait IP address	No pattern
2 Numerous respondents voting from same IP address in short period of time	No pattern
3 Respondent took very short time to complete assessment	No pattern
4 Voter bias existed resulting in "positive scores"	No pattern

Total votes received and confirmed

10,063 votes were obtained which were then "cleaned" to obtain the final number of valid votes.

Total votes collected = 10,063

Confirmed emails = 9,019   Unconfirmed emails = 1,044

Votes removed for same mobile voting for same brand

Votes removed for brands that should not be included in assessment

Votes removed as blank or incomplete data

Votes removed for ages less than 16

Remaining valid votes = 8,743

Of the total votes obtained from October 1-31, we started clean-up work based on our agreed rules. This was first driven by confirmed and unconfirmed emails, then by various parameters which ensure data integrity.
The final vote count used for analysis is 8,743.

Advisory Council members

	Name	Position	Organization
1	Abdulmajeed Al-Shatti	ex-Chairman of the Board	Commercial Bank of Kuwait
2	Dr. Carol Ross	Dean of Student Affairs	American University of Kuwait
3	Dr. Reinhold Leichtfuss	Senior Partner and MD	Boston Consulting Group, Dubai
4	Nauman Sehgal	COO	Noor Investment Company
5	Yann Pavie	Founder and CEO	GulfMerger

The Advisory Council is comprised of **independent members** whom are selected on the basis of being **neutral**, **respected** in their industry and the market, and having **no commercial interests in the findings**.

The Advisory Council helps oversee the findings to ensure adherence to procedures, and that the findings are fair and empirical. They also play an advisory role with the ability to suggest improvements in our approach. Advisory Council members were asked to vote on major decisions regarding sampling methods used.
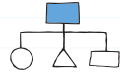
Process overview of the key survey steps

Shown here are the key 12 high-level steps followed prior to publically announcing the results.

1. Web banner / blogs promoting Service Hero

5. Respondent votes for other companies

9. Results in permanent database once confirmed

2. Directs to servicehero.com

6. Respondent submits vote with personal data

10. Data cleansing & verification procedures after close of votes

3. Respondent chooses category & brand

7. Responses stored in temporary database

11. High-level results shared with Advisory Council

4. Respondent votes for first company
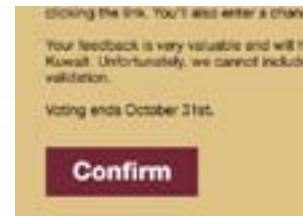
8. Email sent to respondent to confirm identity

12. Service Hero winners announced publicly

Kuwait Index by service dimension
Kuwait Index 2010 service dimension

■ After   ■ Before

Dimension	After	Before
Kuwait Index	7.68	7.81
Website	8.02	7.93
Call Center	7.26	7.57
Reliable	7.76	7.94
Speed	7.58	7.83
Product	7.66	7.89
Value	7.25	7.55
Location	7.99	7.81
Staff	7.85	7.80

The highest score per dimension on an Expected level is for Reliability while the lowest is Value for money.
When we look at scores based on After a brand was experienced, the highest is Reliability and the lowest satisfaction is for Value and Call Center.
Note - Call Center and Website were only assessed for five categories: airlines, mobile operators, ISP's, conventional and Islamic banks.

Sample composition

The national sample is accurate with a ± 2 error margin at a 95% confidence level. The sample is inline with the country composition for nationality and age groups but is slightly shorter on female votes.

	Votes	% of sample
Female	2,876	33%
Male	5,867	67%
		100%
Arabs	3,308	38%
Kuwaiti	4,068	47%
Non Arabs	1,367	16%
		100%
16 to 17 Years	147	2%
18 to 29 Years	3,219	37%
30 to 39 Years	3,244	37%
40 to 49 Years	1,638	19%
50 to 59 Years	441	5%
More Than 60 Years	54	1%
Total sample	**8,743**	**100%**

Interpreting the score

Week 1-3   Develop 4-5   Moderate 6-7   Strong 8-10
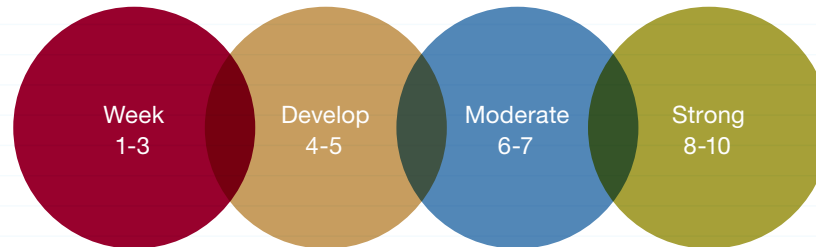
Since the Service Hero index measures companies on a 1-10 point scale, the overall index will be compared according to the legend above. Companies fall into one of the **four groups** regarding the strength of service as per the score that they obtain. On the country level, the same legend is applied. For example, if the score for Kuwait is a 6, it is then placed at the bottom of the **"Moderate"** category.

Kuwait Index: Before and after
Service Hero Index - Kuwait 2010

■ Average of Actual Index   ■ Average of Expectation Index

Total	7.68
	7.81
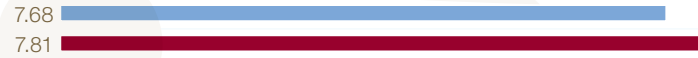
A gap of -0.13 points between expected and actual
Typically expectations will be higher than actual service assessments. The exception to this rule is if a company has a negative image with some respondents; in this case, actual scores will be higher than expected scores.
Kuwait scored 7.81 on average for **Expected** standards and it scored 7.68 on **Actual** service standards - both placing it in the **Moderate** service level.

How results will be displayed

1
Service Dimension

2
Gaps

3
Demographics

4
Loyalty
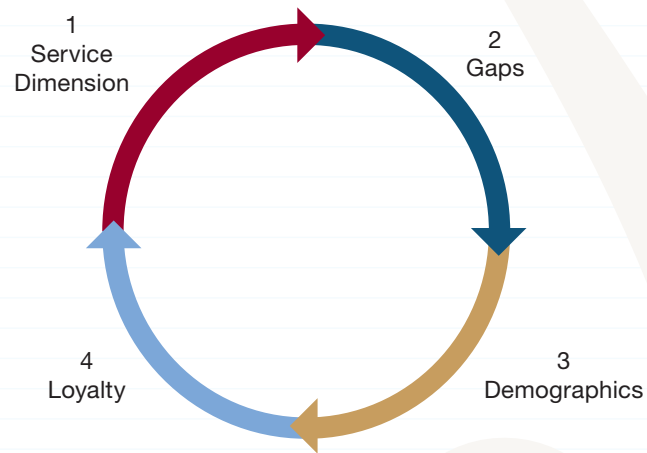
Results will be reported on four levels as seen in the chart.

Kuwait Index by service dimension
Kuwait Index 2010 service dimension

■ Expected　　**■ Actual**
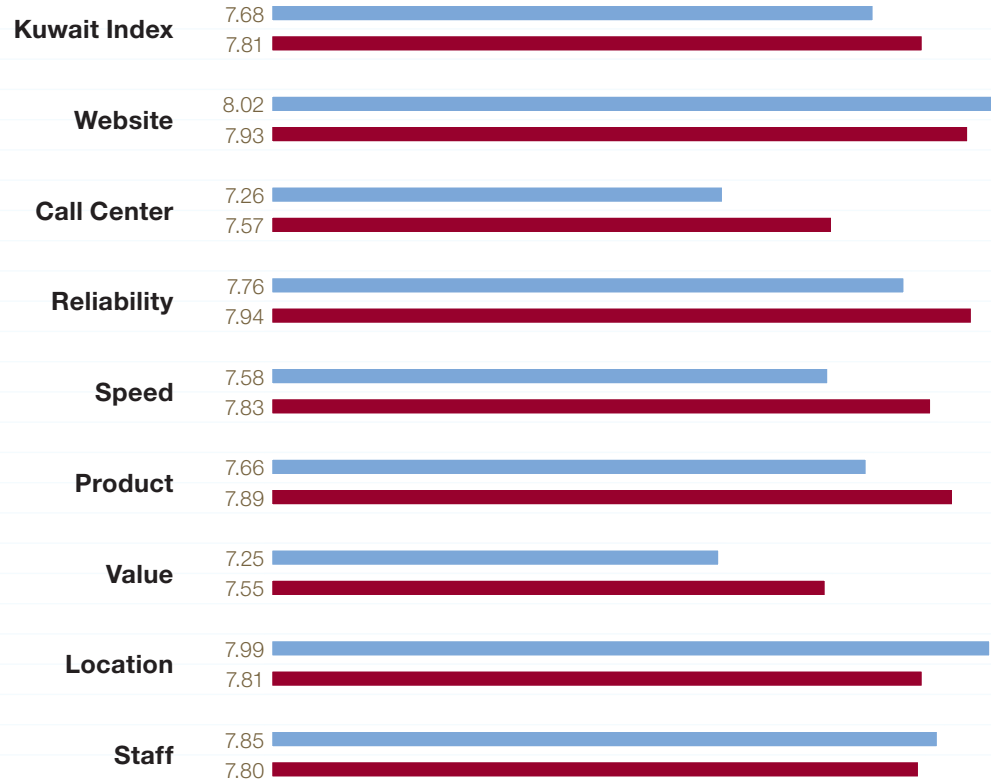
Dimension	Actual	Expected
Kuwait Index	7.68	7.81
Website	8.02	7.93
Call Center	7.26	7.57
Reliability	7.76	7.94
Speed	7.58	7.83
Product	7.66	7.89
Value	7.25	7.55
Location	7.99	7.81
Staff	7.85	7.80

The highest score per dimension on an **Expected** level is for Reliability while the lowest is Value for money.

When we look at scores based on **Actual** a brand was experienced, the highest is Website and the lowest satisfaction is for Value and Call Center.

Note: Center and Website were only assessed for five categories: airlines, mobile operators, ISP's, conventional and Islamic banks.
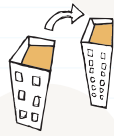
Gaps analysis for Kuwait

Overall	-0.13
Website	0.09
Call Center	-0.31
Reliability	-0.18
Speed	-0.25
Product	-0.23
Value	-0.30
Location	0.18
Staff	0.05

-0.40   -0.30   -0.20   -0.10   0.00   0.10   0.20   0.30
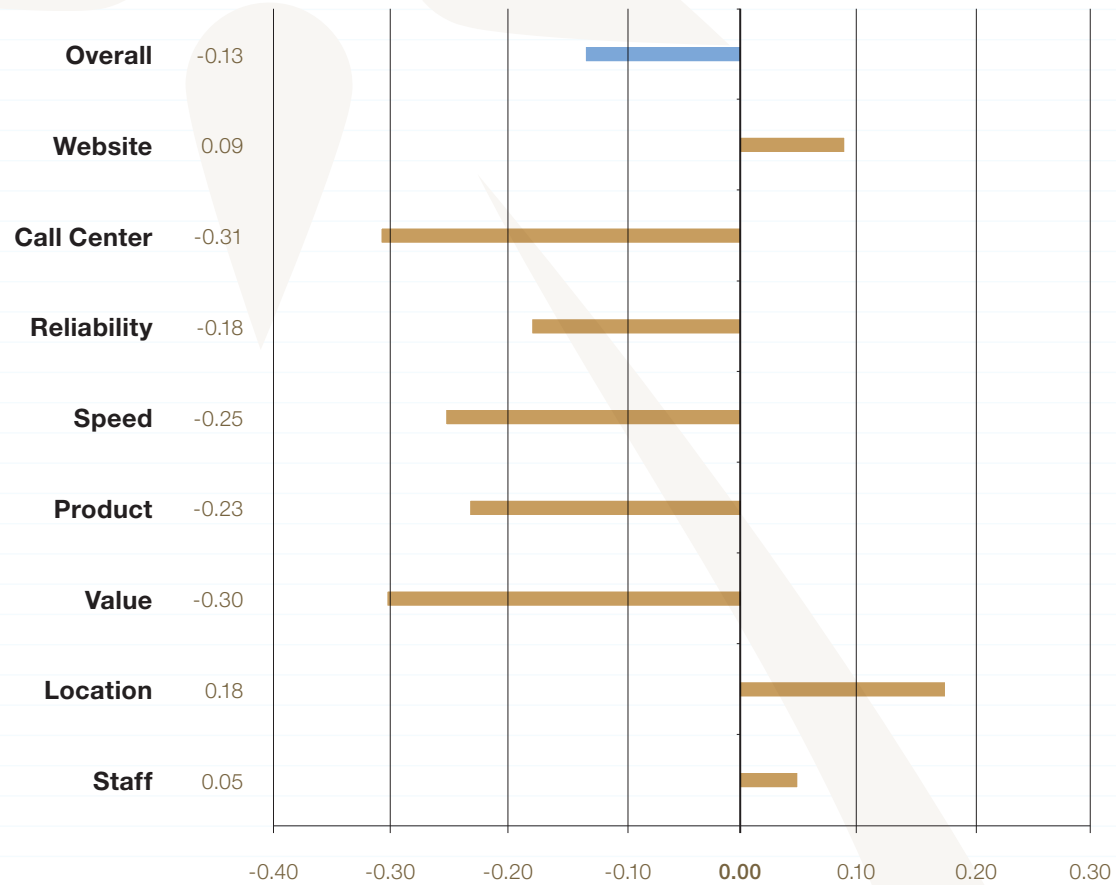
Analysis of positive and negative gaps between Expected and Actual scores
Three service dimensions obtained a positive gap - i.e. Actual satisfaction after they experienced a brand was higher than their Expectation before they dealt with it: Location, Website and Staff all obtained the highest positive gaps.
Negative gaps: The highest gap on a before and after basis is for Call Center, Value and Speed.

Kuwait Index by demographic factors
Kuwait Index results by gender

■ Expectation Index   ■ Actual Index

Kuwait
7.81
7.68

Male
7.71
7.58

Female
8.02
7.87
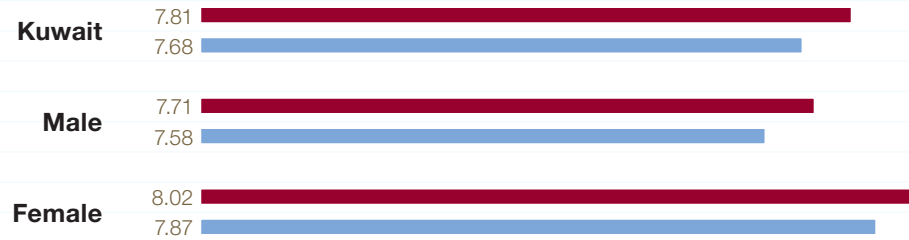
Gender
Women have both a higher expectation and higher assessment of standards on a before and after basis than men do.

Kuwait Index results by nationality

Kuwait
7.68
7.81

Non Arabs
7.41
7.67

Kuwaiti
7.55
7.79
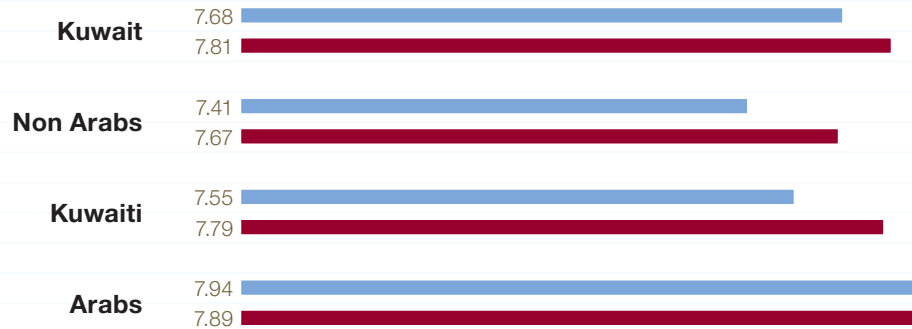
Arabs
7.94
7.89

Nationality
Arabs also have higher expectations and satisfaction scores than Non Arabs who have a lower satisfaction score after dealing with a brand than Kuwaitis do.

Kuwait Index results by age

Legend: ■ Expectation Index   ■ Actual Index

Category	Expectation Index	Actual Index
Kuwait Index	7.81	7.68
More than 60 Years	7.84	8.41
50 to 59 Years	7.98	8.12
40 to 49 Years	7.56	7.47
30 to 39 Years	7.92	7.64
18 to 29 Years	7.79	7.73
16 to 17 Years	8.20	7.96

Actual satisfaction is highest among individuals aged over 50 years while it is lowest for those in their 40's. Possibly this is a result of the 40's age group having more professionals who may be more demanding than in the 50's and 60's who are retired and maybe less challenging regarding service. Older customers may also be given better service as a result of the cultural factor of "respect for the elderly".

Service dimension scores by gender
Kuwait Expected Index

■ Male   ■ Female

Dimension	Male	Female
Kuwait Expected index	7.71	8.02
Website Expected index	7.85	8.20
Call Center Expected index	7.50	7.79
Reliability Expected index	7.83	8.18
Speed Expected index	7.72	8.06
Product Expected index	7.78	8.12
Value Expected index	7.46	7.73
Location Expected index	7.71	8.03
Staff Expected index	7.71	7.98
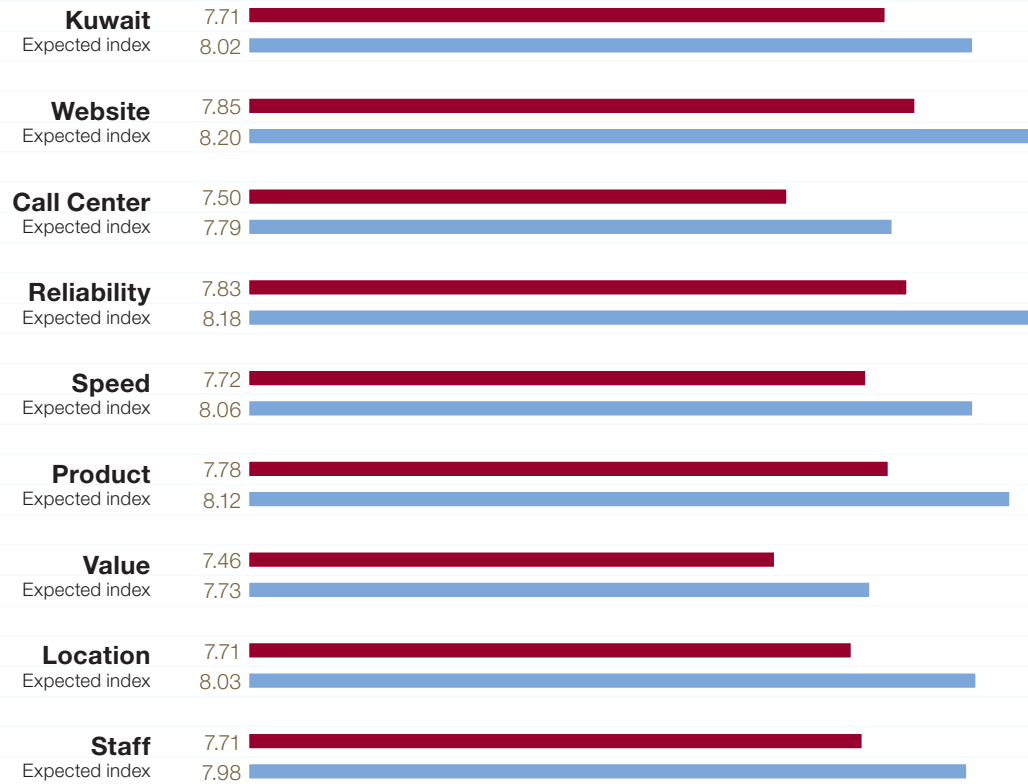
Women
Expectation: Highest is Website and Reliability, lowest is Value and Call Center. Actual: Females are more satisfied than males on every single service dimension. Their highest satisfaction score is Location followed by Website. Their lowest is on Call Center and Value.

Men
Expectation: Highest is Website and Reliability, lowest is Value and Call Center. Actual : Men are most satisfied by the Website and least for Value.

Service dimension scores by gender

Kuwait Actual Index

■ Male ■ Female

	Male	Female
Kuwait Actual index	7.58	7.87
Website Actual index	8.00	8.09
Call Center Actual index	7.21	7.41
Reliability Actual index	7.67	7.96
Speed Actual index	7.49	7.77
Product Actual index	7.56	7.86
Value Actual index	7.15	7.45
Location Actual index	7.89	8.19
Staff Actual index	7.74	8.06
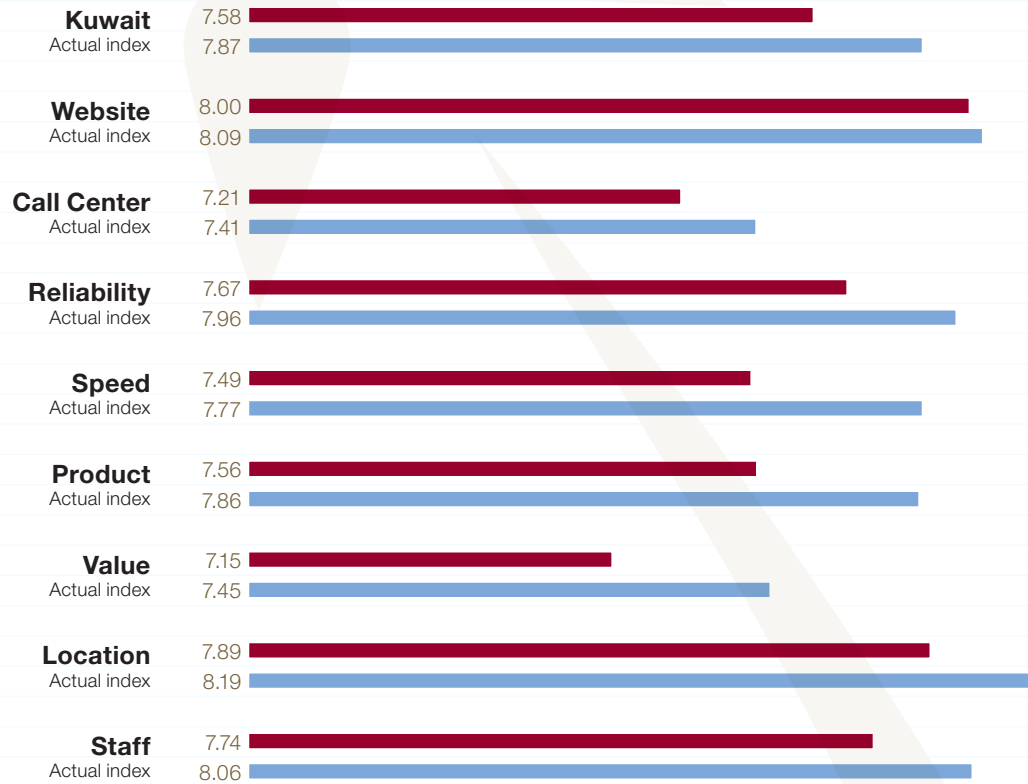
Women
Actual: Females are more satisfied than males on every single service dimension. Their highest satisfaction score is Location followed by Website. Their lowest is on Call Center and Value.

Men
Actual: Men are most satisfied by the Website and least for Value.

Dimension scores by nationality
Expectations before dealing with a brand

Legend: ■ Non-Arabs ■ Kuwaitis ■ Arabs

Kuwait
Expected index
- Non-Arabs: 7.67
- Kuwaitis: 7.79
- Arabs: 7.89

Website
Expected index
- Non-Arabs: 7.73
- Kuwaitis: 7.86
- Arabs: 8.09

Call Center
Expected index
- Non-Arabs: 7.47
- Kuwaitis: 7.49
- Arabs: 7.69

Reliability
Expected index
- Non-Arabs: 7.81
- Kuwaitis: 7.91
- Arabs: 8.02

Speed
Expected index
- Non-Arabs: 7.65
- Kuwaitis: 7.82
- Arabs: 7.93

Product
Expected index
- Non-Arabs: 7.73
- Kuwaitis: 7.87
- Arabs: 7.99

Value
Expected index
- Non-Arabs: 7.42
- Kuwaitis: 7.51
- Arabs: 7.65

Location
Expected index
- Non-Arabs: 7.67
- Kuwaitis: 7.80
- Arabs: 7.89

Staff
Expected index
- Non-Arabs: 7.62
- Kuwaitis: 7.84
- Arabs: 7.82

The same nationality pattern appears when looking at service dimension scores: Non Arabs have the lowest Expectation on all factors compared to Arabs and Kuwaitis.

The **highest** expectation scores overall are Website, Reliability, and Product/Service Quality shared by all three groups. The **lowest** expectation scores are Value and Call Center across all three groups.

Dimension scores by nationality

Satisfaction after dealing with a brand

Legend: Non-Arabs   Kuwaitis   Arabs

Dimension	Non-Arabs	Kuwaitis	Arabs
Kuwait — Actual index	7.41	7.55	7.94
Website — Actual index	7.89	7.82	8.30
Call Center — Actual index	7.33	6.99	7.55
Reliability — Actual index	7.49	7.59	8.08
Speed — Actual index	7.23	7.46	7.88
Product — Actual index	7.39	7.53	7.92
Value — Actual index	7.11	7.09	7.50
Location — Actual index	7.77	7.88	8.22
Staff — Actual index	7.48	7.81	8.05
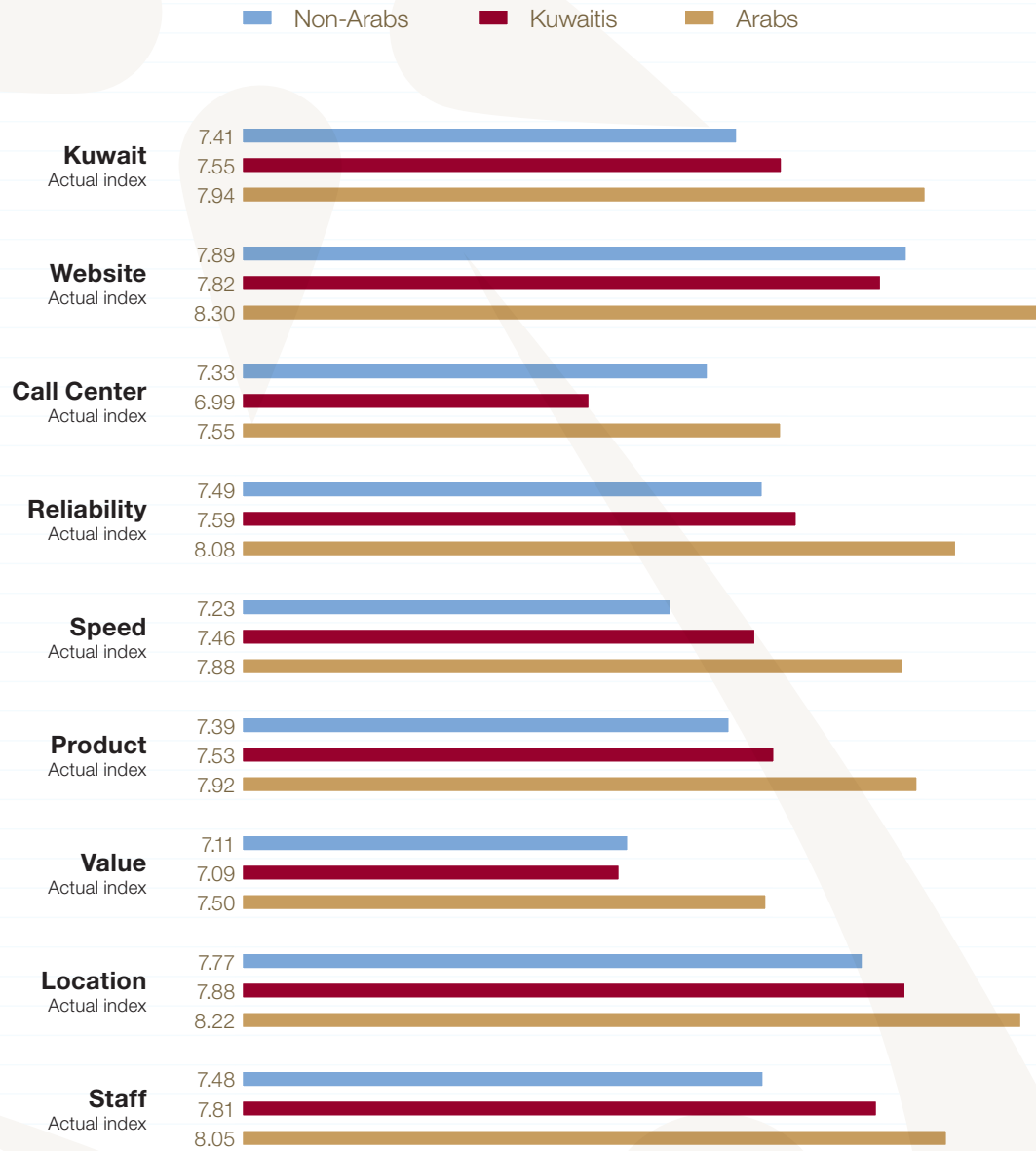
Across the service dimensions, Arabs are generally the most satisfied. Scores are **highest** for Website and Location for all groups, and the **lowest** are Call Center and Value.

Dimension scores by age group
Actual scores and gaps between actual and expected scores

Actual	16-17	18-29	30-39	40-49	50-59	60+	Kuwait Index
Staff	8.29	7.92	7.75	7.76	8.16	8.37	**7.85**
Location	8.05	8.05	8.01	7.74	8.21	8.78	**7.99**
Value	7.48	7.25	7.25	7.00	7.91	7.89	**7.25**
Product	7.9	7.75	7.59	7.39	8.23	8.54	**7.66**
Speed	8.02	7.63	7.55	7.34	8.07	8.54	**7.58**
Reliability	7.94	7.85	7.71	7.52	8.24	8.61	**7.76**
Call Center	7.43	7.19	7.19	7.38	7.56	8.22	**7.26**
Website	7.46	8.03	7.97	8.12	8.05	8.43	**8.02**
Gap							
Staff	-0.05	0.09	-0.12	0.22	0.29	0.77	**0.05**
Location	0.12	0.26	0.06	0.18	0.31	0.76	**0.18**
Value	-0.32	-0.28	-0.41	-0.28	0.14	0.36	**-0.3**
Product	-0.28	-0.15	-0.39	-0.22	0.16	0.6	**-0.23**
Speed	-0.28	-0.23	-0.39	-0.15	-0.02	0.81	**-0.25**
Reliability	-0.34	-0.1	-0.3	-0.18	0.09	0.38	**-0.18**
Call Center	-1.37	-0.31	-0.36	-0.21	-0.19	0.3	**-0.31**
Website	-0.67	0.15	0	0.22	0.06	0.22	**0.09**

Best
Worst

Satisfaction

Call Center satisfaction is the **lowest** score for individuals under 40, while Value was lower for 40-49 and 60+. The **highest** satisfaction for all 3 age groups is on Location and Website.

Gaps

In terms of **positive** gap scores by age group, in most groups the highest was Location while Call Center was worst across most groups. The gap for Website showed an interesting pattern – it was week for individuals over 60 (i.e. they were less satisfied) while it was strong for the professional age group 40-49 (i.e. they were pleased with it).

Gaps by gender
Kuwait Index 2010 - Gap Analysis

Legend: ■ Kuwaiti Gap ■ Gap Male ■ Gap Female

Category	Kuwaiti Gap	Gap Male	Gap Female
Website	0.15	0.15	-0.10
Call Center	-0.29	-0.29	-0.38
Reliability	-0.16	-0.16	-0.22
Speed	-0.24	-0.24	-0.30
Product	-0.23	-0.23	-0.25
Value	-0.32	-0.32	-0.28
Location	0.18	0.18	0.16
Staff	0.03	0.03	0.08

Axis: -0.50 -0.40 -0.30 -0.20 -0.10 0.00 +0.10 +0.20 +0.30
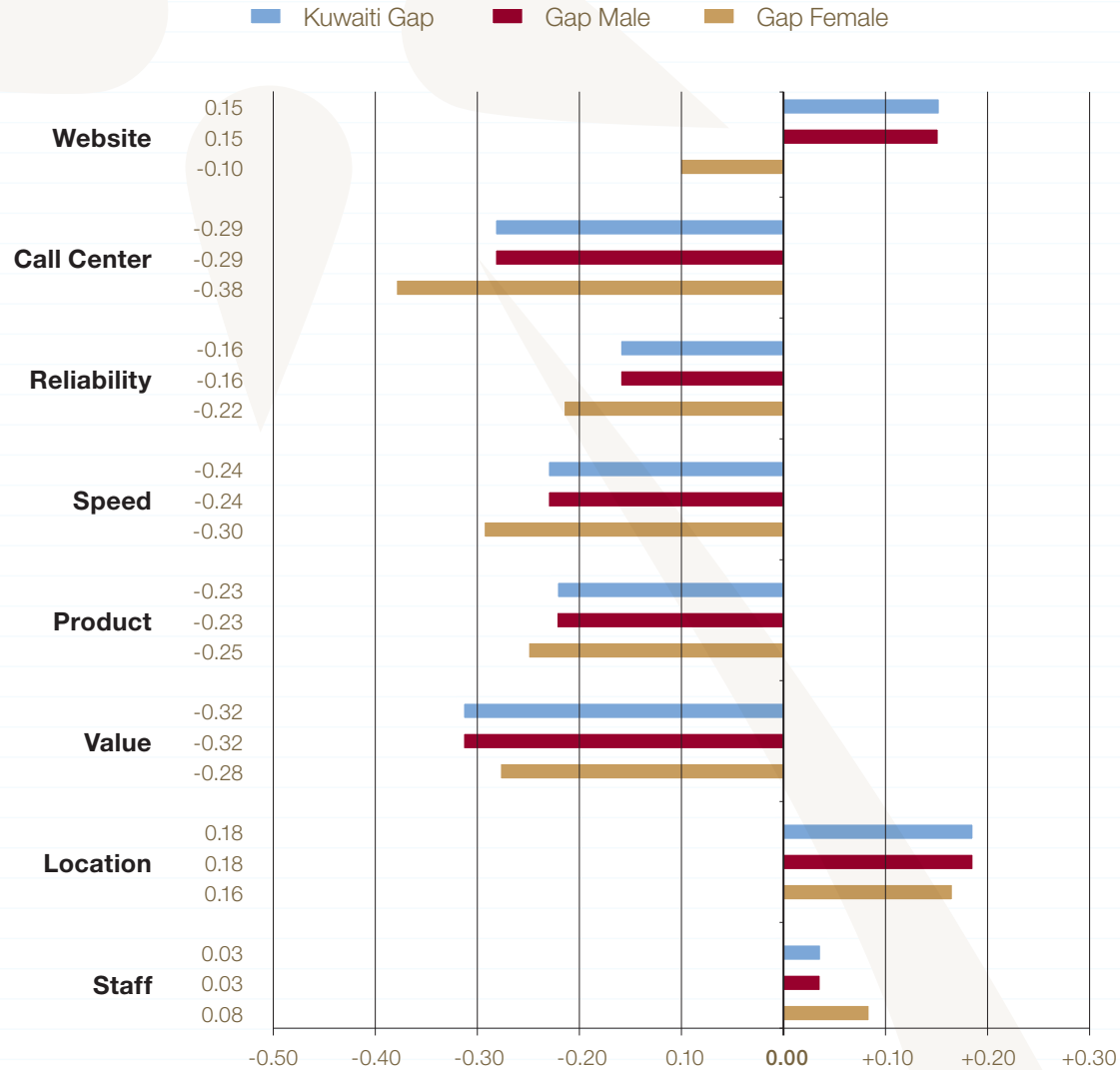
Females
Have a positive gap (i.e.. Actual exceeded Expected scores) for Staff and Location. The largest negative gaps are for Call Center and Speed. Females also had a negative gap for Website which was unique to this gender.

Males
Have a positive gap for Location, Website, and Staff. The largest negative gap is for Value and Call Center.

Gaps by nationality

Legend: Arabs Gap · Kuwaiti Gaps · Non Arabs Gap · Kuwait Index
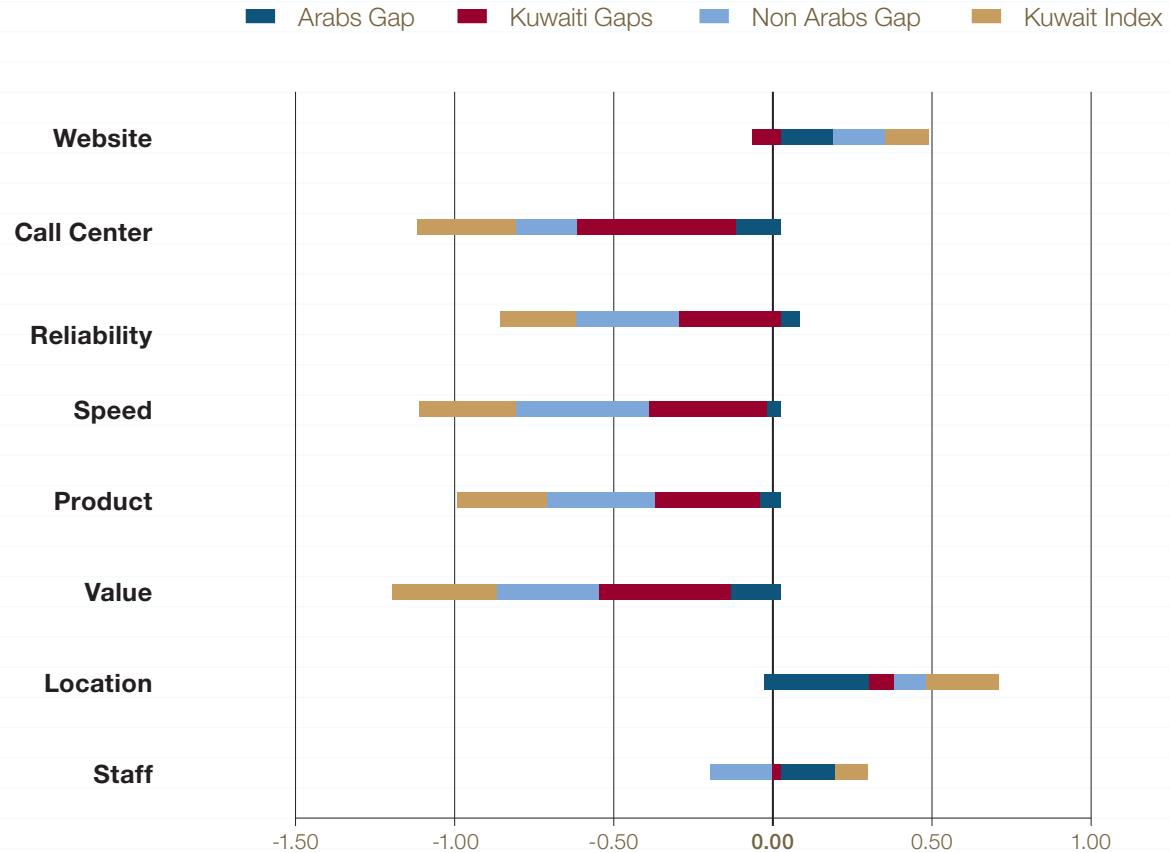
	Staff	Location	Value	Product	Speed	Reliability	Call Center	Website
Arab Gap	0.22	0.33	-0.16	-0.06	-0.05	0.06	-0.15	0.22
Kuwaiti Gap	-0.03	0.07	-0.42	-0.33	-0.36	-0.32	-0.50	-0.04
Non Arabs Gap	-0.14	0.10	-0.32	-0.34	-0.42	-0.33	-0.14	0.16
Kuwaiti Index	0.05	0.18	-0.30	-0.23	-0.25	-0.18	-0.31	0.09

Arabs
Have positive gaps (i.e.. Actual exceeded Expected scores) for Location, Website, Staff, and Reliability. The largest negative gap is Value and Call Center.

Kuwaitis
Have only one positive gap for Location. The largest negative gaps are Call Center and Value.

Non-Arabs
Have 2 positive gaps: Website and Location. Largest negative gaps are Speed and Product/ Service Quality.

Image and loyalty in the Kuwait index
Kuwait Index recommend scores 2010

Recommend Expectation   **Recommend Actual**

Kuwait Index

7.63
7.89

Based on the "likelihood to recommend" a brand question, two figures are examined here - the expectation before dealing with a brand and the actual likelihood to recommend it after dealing with it.

Kuwait scored 7.89 on the **image** score i.e. the Expected recommend score while it scored a 7.63 on **loyalty**, or the Actual recommend score.

Overall, there is a gap of -0.27 between the recommend scores which may seem small but it is statistically relevant.

Recommend scores by gender
Kuwait Index recommend scores 2010

Kuwait Index

7.63
7.89

Male

7.49
7.76

Female

7.90
8.17
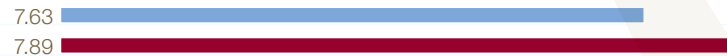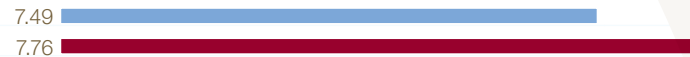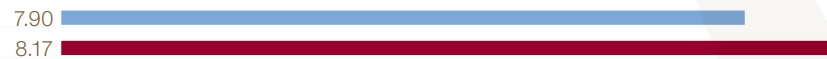
Surprisingly the gaps between expectation and actual on recommend are the same for males and females at –(0.27). However, women are more likely to recommend a brand than men are.

Recommend scores by nationality

Kuwait Index recommend scores 2010

■ Recommend Expectation   ■ Recommend Actual

Nationality	Actual	Expectation
Kuwait Index	7.63	7.89
Non Arabs	7.51	7.83
Kuwaiti	7.40	7.81
Arabs	7.95	8.02
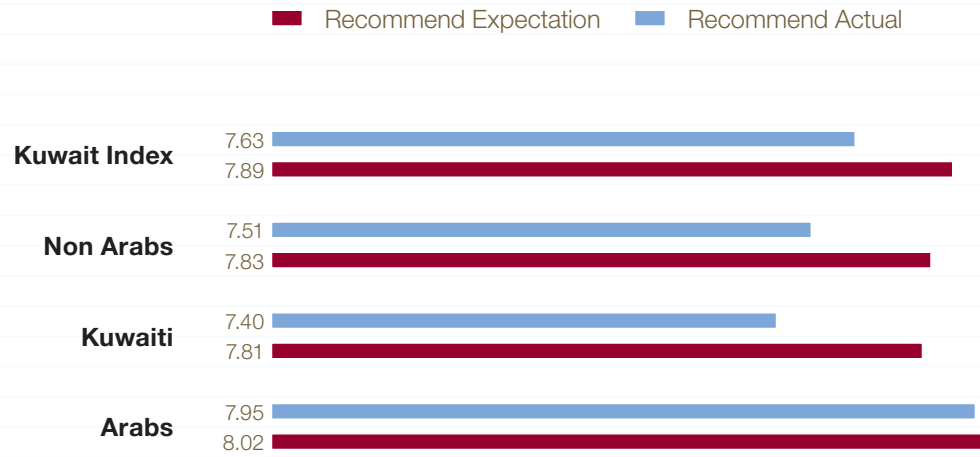
By nationality, the least likely to recommend a brand are Kuwaitis while the most likely to recommend it are Arabs. Kuwaitis also have the largest gap between likelihood to recommend before and after dealing with a brand. This suggests that their overall loyalty may be weaker than other Arabs.

Recommend scores by age group
Kuwait Index recommend scores 2010

■ Recommend Expectation   ■ Recommend Actual

Age group		
Kuwait Index	7.63	(Recommend Actual)
	7.89	(Recommend Expectation)
More than 60 Years	8.81	(Recommend Actual)
	8.38	(Recommend Expectation)
50 to 59 Years	8.29	(Recommend Actual)
	8.17	(Recommend Expectation)
40 to 49 Years	7.37	(Recommend Actual)
	7.63	(Recommend Expectation)
30 to 39 Years	7.58	(Recommend Actual)
	7.99	(Recommend Expectation)
18 to 29 Years	7.70	(Recommend Actual)
	7.89	(Recommend Expectation)
16 to 17 Years	7.58	(Recommend Actual)
	8.11	(Recommend Expectation)

The most likely to recommend a brand tend to be older consumers aged over 50.
Also very young consumers tend to be slightly higher in terms of recommending a brand than their other young peers.

Vote freshness scores

Satisfaction falls the older an interaction with a brand gets

12 + Months	436	
12 Months	527	
6 Months	908	
3 Months	1691	
1 Month	5181	
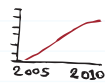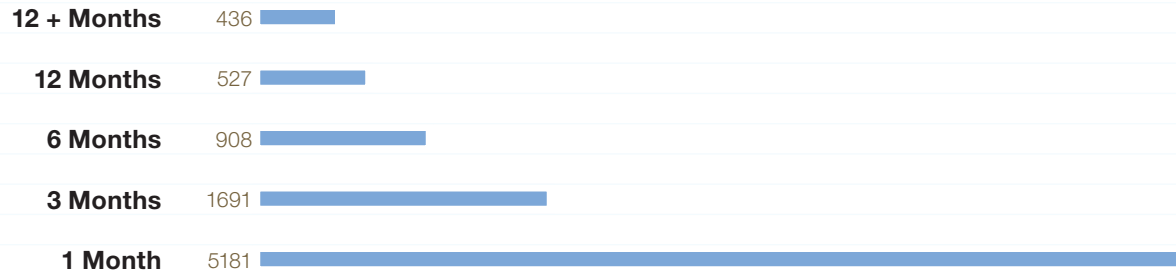
Satisfaction falls the older an interaction with a brand gets

How fresh an interaction with a brand is improved scores

Kuwait Index	7.68	
12 + Months	6.77	
12 Months	7.41	
6 Months	7.58	
3 Months	7.63	
1 Month	7.81	

59% of our sample conducted an interaction with the brand they assessed within the past month while only 5% had interacted over a year ago.

However, the older the interaction, the lower the resulting satisfaction level - this could be explained by the fact that fresh interactions are based on brands the consumer chooses to frequent, while old interactions are with brands they no longer visit or use.

Category results: expected & actual

The Kuwait expected index across all 15 categories

Category	Score
Kuwait Index	7.81
Fine Dining	8.25
Casual Dining	8.17
Café	8.12
Home Furniture	8.02
Retail Banks	8.00
Clothes	7.94
New Car Sales	7.90
Islamic Banks	7.82
Fast Food	7.82
ISPs	7.72
Hospitals	7.69
Electronics	7.63
Car Service	7.62
Mobile Operators	7.54
Local Airline	7.48
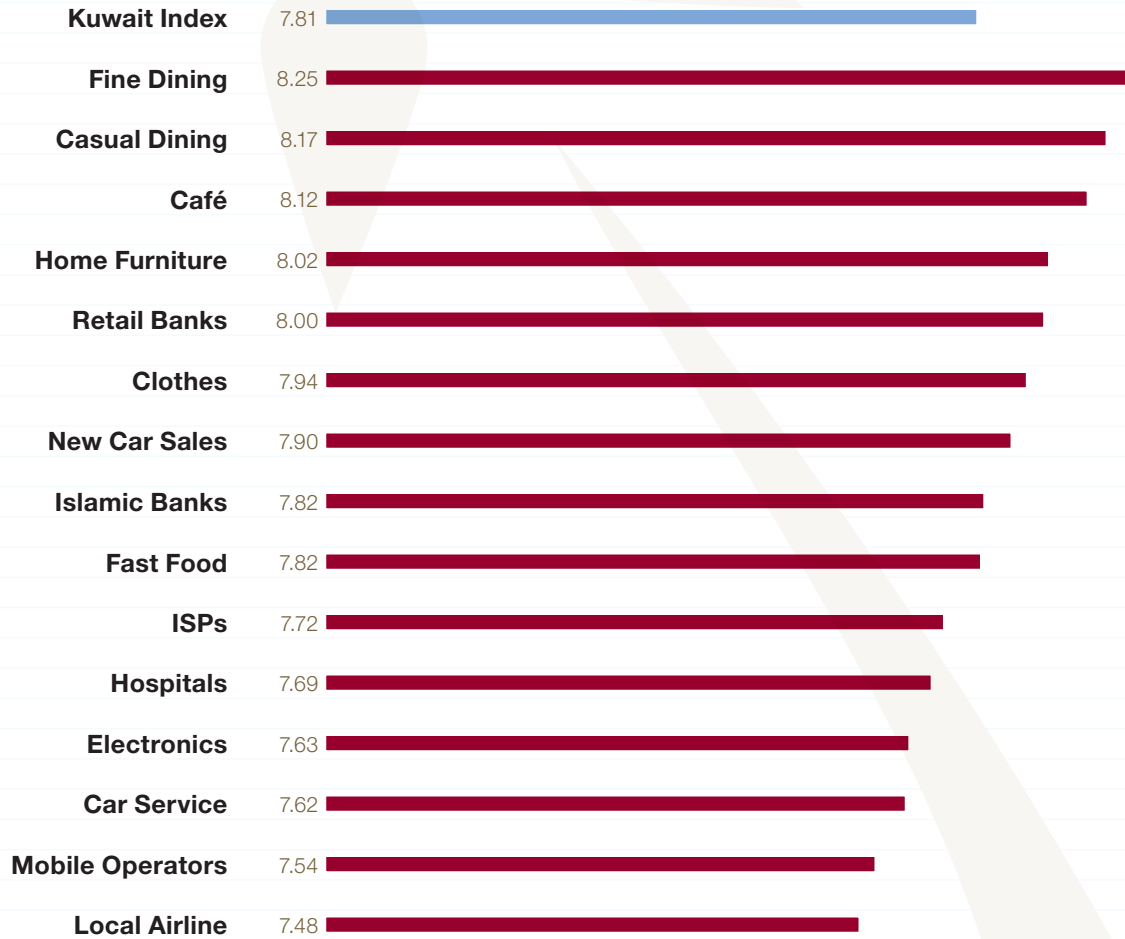
Nine industry categories exceeded the Kuwait index score for all 8 dimensions (the six service dimensions as well as Call Center and Website) on a "before" basis.
The top three are in the restaurant industry while the lowest are categories that are more complex such as Airlines, Mobiles Operators and Car Service.

Category	Index
Kuwait Index	7.68
Café	8.38
Casual Dining	8.22
Fine Dining	8.09
Clothes	7.88
Home Furniture	7.88
Local Airline	7.86
Retail Banks	7.79
New Car Sales	7.77
Islamic Banks	7.77
Fast Food	7.50
Electronics	7.45
Hospitals	7.31
ISPs	7.19
Car Service	6.85
Mobile Operators	6.75

Nine industry categories also exceeded the Kuwait index for all 8 dimensions (the six service dimensions as well as call center and website) on an "after" basis.

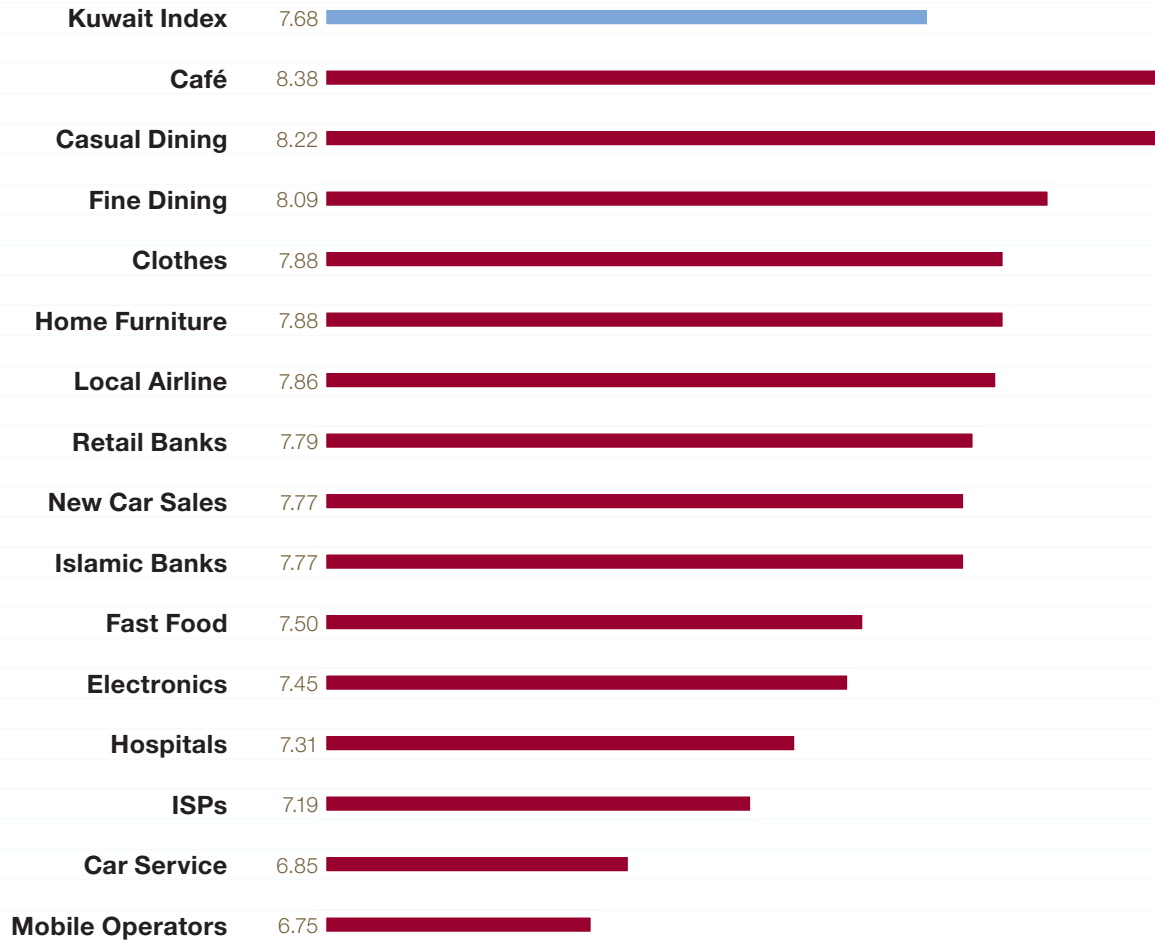The top three continue to be in the restaurant industry while the lowest are categories that are more complex such as Mobile Operators, Car Service and ISPs.

It is also notable to see that Airline jumped from the lowest position on an expectation, to a stronger position on the actual basis.
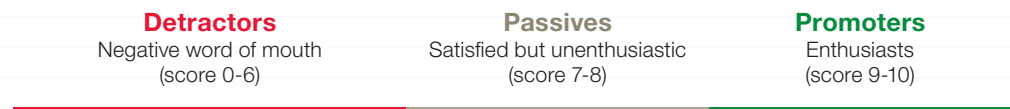
50

25

Net Promoter Score

Looking at the "likelihood to recommend" question from another perspective

- A commonly used model called the Net Promoter Score was also used to evaluate the "likelihood to recommend" question
- This basically ignores individuals whom are Passive
- It then subtracts the proportion of customers whom are Detractors from the proportion of customers whom are Promoters

Note
- The score is displayed out of 100%
- The higher the score, the more customers are Promoters of a brand than there are Detractors

Detractors	**Passives**	**Promoters**
Negative word of mouth (score 0-6)	Satisfied but unenthusiastic (score 7-8)	Enthusiasts (score 9-10)

Promoters (score 9-10) are loyal enthusiasts who will keep buying and refer others, fueling growth.
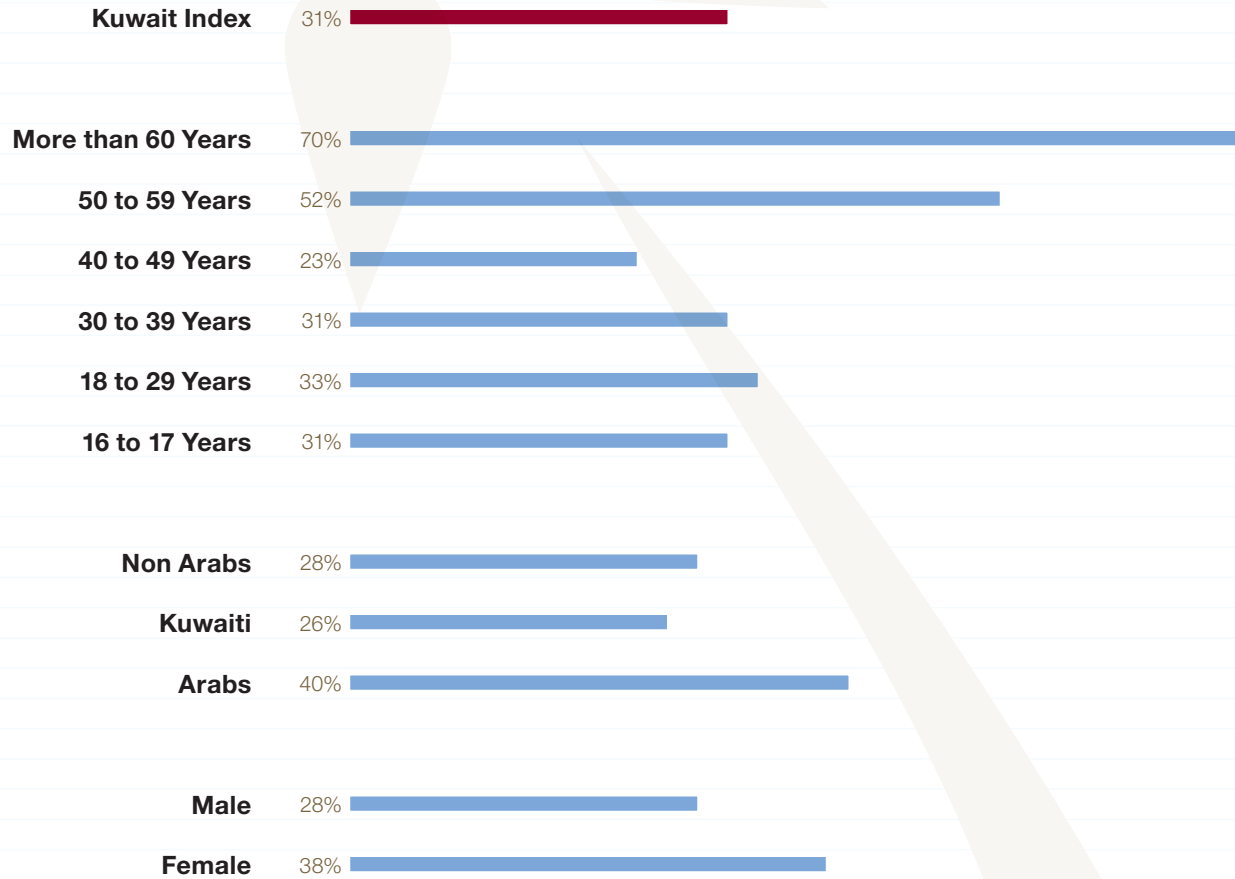
Passives (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.

Detractors (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth.

The net promoter score for Kuwait is 31%

Net promoter score - Service Hero Index 2010

Kuwait Index	31%
More than 60 Years	70%
50 to 59 Years	52%
40 to 49 Years	23%
30 to 39 Years	31%
18 to 29 Years	33%
16 to 17 Years	31%
Non Arabs	28%
Kuwaiti	26%
Arabs	40%
Male	28%
Female	38%

Overall, 27% of consumers where Detractors, 15% are Passive, and 58% are Promoters. While the country score is at 31%, women, Arabs, and individuals over 50 have the highest scores while, males, Kuwaitis and individuals aged 40-49 have the lowest scores.

Note: 1. NPS definition: How much more of customers promote a brand versus being detractors.
2. Promoters (score 9-10), Passives (score 7-8), and Detractors (score 0-6).

Mapping categories on expectation and actual scores to understand their market position
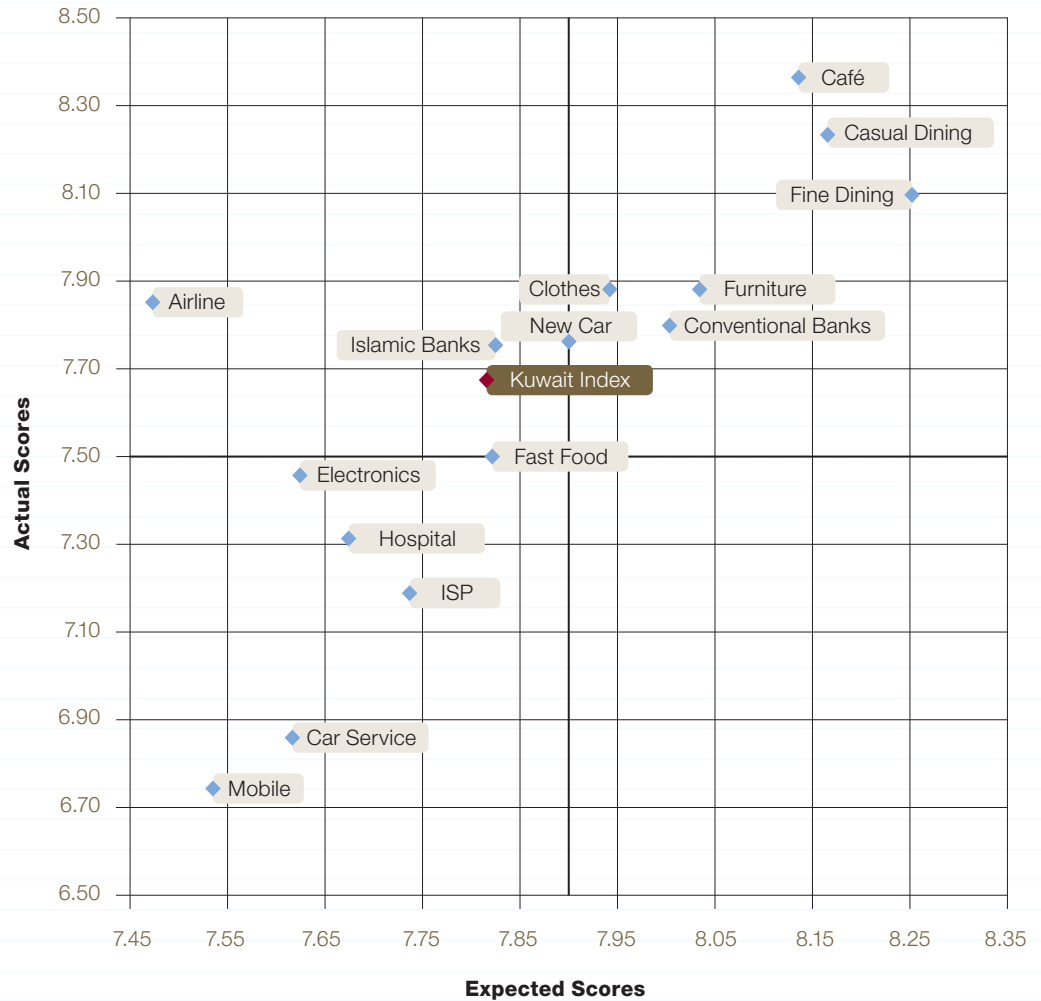
Industries in the top right quadrant are in the best position as their actual scores exceed the expected scores. They need to sustain this position over time.

Industries in the top left quadrant need to improve their image and overall performance as a small gap exists between expectation and actual scores.

Finally industries in the bottom left quadrant are in a weak position as they are scoring low on expected and actual scores. Their challenge is improving actual service standards and the market perception of these standards.

Comparison to international indexes
Comparison of Kuwait with other markets on an overall basis

Baseline '94
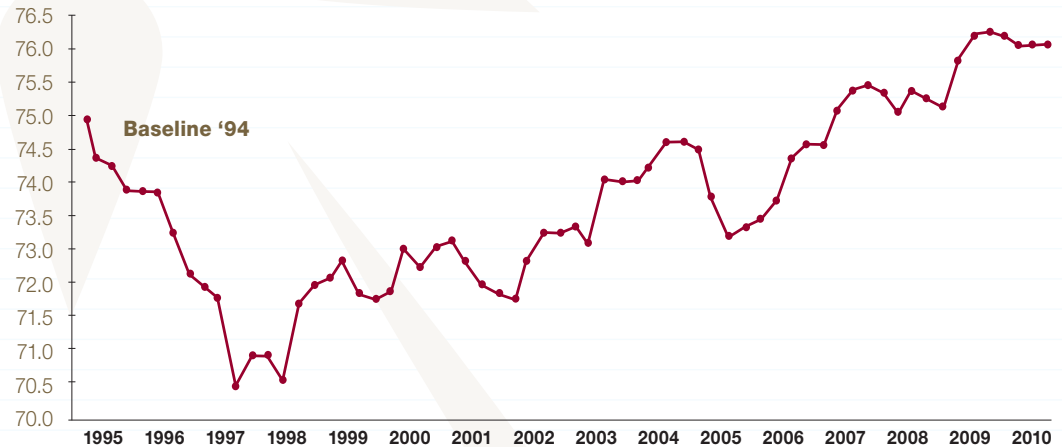
Change in the National ACSI (0-100 Scale)
- In the 16 years since it went live, the American Customer Satisfaction Index (ACSI) has stayed in the 70% range
- It started at 7.45 range in 1994 and is now at 7.6

Note: The ACSI methodology, sample size and means of data collection differs from that used by Service Hero. However, as the key factors that are measured are similar, it can be used as a comparison in order to obtain an indication of how one market measures up to another.

| Row Labels	Kuwait Service Hero Index	US ACSI Index	UK ACSI Index
Café	8.4	7.5	7.4
Car Service	6.9	8.2	7.7
Casual Dining	8.2	8.1	8.3
Clothes	7.9	8.2	8.0
Electronics	7.5	8.5	7.5
Fast Food	7.5	7.5	7.6
Fine Dining	8.1	8.2	8.3
Home Furniture	7.9	7.5	8.0
Hospitals	7.2	7.7	-
Islamic Banks	7.8	-	-
ISPs	7.2	7.9	7.2
Local Airline	7.9	6.6	-
Mobile Operators	6.7	7.9	7.2
New Car Sales	7.8	8.4	7.7
Retail Banks	7.8	7.5	7.5
Grand Total	**7.7**	**7.6**	**7.5**

We can only compare Kuwait with countries that report the data and measure similar industries. The two markets that have a uniform and periodic index are the US and the UK both using the ACSI model. As can be seen, Kuwait is higher on Café's and Airlines than the US and UK indexes. But it is considerably lower for Mobile Operators and Hospitals.

Factors affecting the Kuwait Index

The factors that are pushing scores up or pulling them down in Kuwait across industries

Web site
Location
Staff

Dragging scores down

Pulling scores up

Value for money
Call centers
Speed
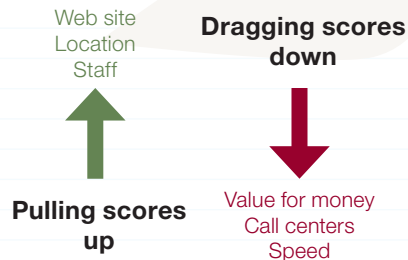
Areas that seem to have a moderate affect on scores are:
- Product or service quality
- Reliability

While areas that pull down scores are Value for money, Call centers (within the 5 industries it was evaluated on), and Speed.

Areas that tended to pull scores up are Website (for the 5 industries it was evaluated on), Location and Staff.

Strategic implications for Kuwait

Service Hero 2010 is the benchmark moving forward for Kuwait. The satisfaction score across industries is Moderate and comparable to other markets for some industries.

Service Dimensions
Companies have done a good job on the tangible or physical side of their offering: namely Location and Website. Companies seem to perform at a weaker level when it comes to Speed, Reliability, Value and Call Centers.
- **Recommendation:** put strategic plans in place for Call Centers, process improvement to increase speed, and rewards programs for building value in the offering

Image and loyalty
Given that the Net Promoter Score is at 31%, some customer groups have a lower score and therefore are less loyal. These are namely Kuwaitis, individuals aged 40-49, and some males. On the other hand older customers, females and Arabs tend to be most loyal.
- **Recommendation:** Companies need to exert effort on
  1 Building their image – or ensuring it is positive
  2 Building customer loyalty
- **Recommendation:** This suggests that companies need to ensure that they constantly measure satisfaction levels with the professional age group and have programs in place to improve service speed, reliability and value

Industry scores
Some industries are underperforming on satisfaction (mobile operators, car service, hospitals, and ISP's).
- **Recommendation:** Due to the sensitive and complex nature of these businesses, periodic customer satisfaction indexes as well as customer care programs need to be given a priority

Methodology
Service Hero is an online survey where respondents voted directly on www.servicehero.com from October1-October 31st 2010.

Rating assessment
Respondents rated each industry on a scale of 1-10 where 10 is the best score on 6 service factors while 2 additional factors were evaluated for communication, financial and airline categories making the total 8 factors. Respondents also assessed the likelihood to recommend a brand. All questions were asked on a Expected and Actual Satisfaction basis. Respondents also gave free comments.

Security
A number of security measures have been deployed of either technical nature to verify the authenticity of the voter, or after reviewing the results later to remove suspicious data.

Sample
The total 10,063 votes where then "cleaned" to arrive at the final 8743 sample of votes for Kuwait evaluated with a minimum of 400 votes per category. This gives a confidence level of 95% with +/- 5 error margin. The sample was comprised 47% of Kuwaitis, 67% of males, and had the highest distribution in the 18-49 age groups.

Findings
Kuwait scored a Moderate level score of 7.81 on Expectation and 7.68 for Actual Satisfaction. The highest service dimension is Location, and Website, while the lowest is Call Center and overall Value. Reliability, Speed, Staff and Product / Service Quality were more passive drivers of standards.
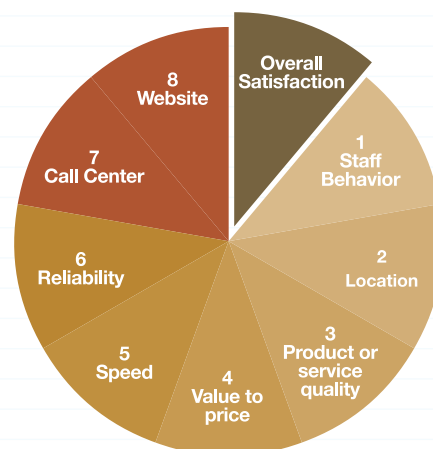
Executive summary

Demographics

Females tend to have higher expectations and satisfaction levels than males. Arabs have the highest expectation and satisfaction scores while Non Arabs have the lowest satisfaction scores. The older a customer is, the higher their satisfaction seems to be.

Image and Loyalty

Kuwait scored 7.63 on actual likelihood to recommend a brand after dealing with it (Loyalty) while it scored 7.89 before dealing with it (Image). Once again, females, Arabs and older customers tend to be most loyal. Looking at the Net Promoter Score (ratio of customer promoting the brand versus being detractors) we see that Kuwait overall scores 31% which means there is room to improve.

Categories

Of the 15 categories assessed, 9 of them exceeded the Kuwait index. These were mostly with industries that are in the restaurant sectors. The lowest scoring categories tend to more complex – Mobile Operators, Car Service and ISP's. The industries with the highest number of customers promoting them are Café's, Casual Dining and Fine Dining, while the one with the most detractors is Mobile Operators.

Comparison to US & UK index

The US, after 16 years of evaluation, is in the 7.6 range compared to the Kuwait index which is at 7.7. The UK index is at 7.5, so Kuwait is slightly higher than both these markets according to its own consumers.

Service Hero's benefits

Service Hero taps into an unexploited market niche

People powered

Determines market standards using the mechanism of a popular online poll by real consumers regarding the companies they deal with.

Empirical

Robust sample sizes across industry categories and sub-categories with built in checks to ensure data validity. Study across 6 dimensions for before and after assessment.

Actionable

Provides companies with an understanding of their strengths and weaknesses relative to their competitors so that action plans can be made.

Helps Kuwait

Kuwait will be the first Arab nation to have a benchmark study on its service standards that can be used for analysis and trending.

Glossary of terms used

Term	Definition
Other	This is the grouping of all brands in each category that fall below the minimum sample requirement.
Expectation Index	The score of the votes consumers made on their service expectation on the various service dimensions before they dealt with the brand being evaluated.
Actual Index	The score of the votes consumers made on their service expectation on the various service dimensions after they dealt with the brand being evaluated.
Positive Gap	Actual satisfaction after consumers experienced a brand was higher than their Expectation before they dealt with it.
Negative Gap	Actual satisfaction after consumers experienced or dealt with a brand was lower than their Expectation before they dealt with it.
Net Promoter Score	The proportion of consumers promoting a brand (giving scores 9 and 10) minus the proportion of consumers detracting a brand (scores of 1-6) shown as a percent.

Nominees

Restaurants: Cafés

- Defined as: Informal restaurants offering a range of hot meals and made-to-order sandwiches in addition to hot and cold beverages
- A total of 29 brands where evaluated

Restaurant: Fast food

- Defined as: Typical fast food restaurants that offers burgers and other types of value meals
- A total of 33 brands where evaluated

Restaurant: Casual dining

- Defined as: Restaurants that serve moderately-priced food in a relaxed atmosphere where visitors can dress casually
- A total of 83 brands where evaluated

Restaurant: Fine dining

- Defined as: Full service restaurants with specific dedicated meal courses served in a more formal atmosphere
- A total of 27 brands where evaluated

Specialty Store: Electronics

- Defined as: Any stores focused on the sale of durable and nondurable electronic items
- A total of 11 brands where evaluated

Home furniture

- Defined as: Any store focused on the sale of durable furniture as well as decorative items
- A total of 17 brands where evaluated

Health care: Private hospitals

- Defined as: Any private health care provider offering inpatient and outpatient services
- A total of 9 brands where evaluated

Clothes & accessories

- Defined as: The purchase of clothes excluding stores solely selling accessories and shoes
- A total of 95 brands where evaluated

Autos: Car purchase

- Defined as: The purchase of a new car directly from an authorized car dealer
- A total of 36 brands where evaluated
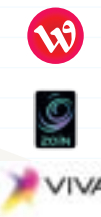
Autos: Car service

- Defined as: The service or maintenance of a car from an authorized car dealer
- A total of 34 brands where evaluated

Airlines

- Defined as: Any airline using Kuwait as its main headquarter
- A total of 3 brands where evaluated

Communications: Mobile operators

- Defined as: Any domestic company focused on offering mobile phone packages and services
- A total of 3 brands where evaluated

Communications: Internet service providers

- Defined as: Any local internet service provider
- A total of 7 brands where evaluated

Financial: Islamic banks

- Defined as: Any domestic Islamic non-commercial bank
- A total of 4 brands where evaluated

Financial: Commercial banks

- Defined as: Any domestic commercial non-Islamic bank
- A total of 5 brands where evaluated

First Place

FROM THEIR WEBSITE

Among Kuwait restaurants, Peacock is renowned as one of the best Chinese restaurants in the Arabian Gulf. Featuring an à la carte menu filled with fine Chinese cuisine options, this restaurant boasts Szechuan Tiger Prawns, Hot & Spicy Cantonese style chicken, and black bean beef complete with fresh, hand-made noodles. Experience fine dining paired with excellent service and presentation at this Kuwait restaurant.

Second Place

FROM THEIR WEBSITE

The history of Mais Alghanim Restaurant dates back to the previous century when our founding father Edmond Barakat (Abu Emile), opened a canteen for the employees of Yusuf Ahmed Alghanim & Sons Co., called "Mess Alghanim". Over time, strong ties and personal relations grew between Abu Emile, Kuwaiti, and Expatriate Families extending over three phases and three generations. The first phase commenced in 1953 during which complete meals and take-away services were offered transforming the canteen into a restaurant for one and all.

In 1974, Emile Barakat (Abu Edmond) presided over the business from his late father marking the beginning of the second phase. Under his leadership, the restaurant moved to the old Kuwait television station in 1987 where it was registered at the Ministry of Commerce and Industry in the name of Yusuf Ahmed Alghanim & Sons Co. It was at this time that the name was changed from "Mess Alghanim" to "Mais Alghanim".

Abu Edmond's vision also brought Mais Alghanim forward into the third phase to its present location in 2003, a building of true traditional Kuwaiti design, preserving the heritage and genuine tradition. Hence, after more than 50 years of successful service, the late Abu Edmond's brothers and eldest son continue to welcome you with the same spirit through Generations of Genuine Hospitality, and Good Food.

Third Place

الخطوط الوطنية
wataniya airways

Wataniya Airways, Kuwait's new premium service airline, commenced operations in January 2009 with point to point connections across the Middle East. Flying to Amman, Bahrain, Beirut, Cairo, Damascus, Dubai and Sharm El Sheikh with more destinations to follow, Wataniya Airways offers advantageous services and schedules geared to the specific demands of discerning travellers flying to and from Kuwait.

Operating A320 aircraft with only 122 seats, Wataniya Airways offers guests more comfort and space than any other scheduled airline within the same aircraft class. BusinessFirst offers industry leading comfort, utility, and personal service, while Premium Economy delivers business class ease and comfort for economy guests.

In Kuwait, Wataniya Airways operates from Sheikh Saad Terminal, delivering unprecedented levels of exclusivity, convenience, and efficiency on the ground to all its guests.

Category Winners 2010

Restaurants: Cafés
Caribou Coffee

Restaurants: Casual dining
Mais Alghanim

Restaurants: Fast food
McDonald's

Restaurants: Fine dining
The Peacock

Category
Winners 2010

Honorable mention

Electronics stores

Easa Husain
Al-Yousifi & Sons Co.

This brand fell below the minimum number of votes needed for the required statistical rigor.

First Place
Electronics Store 2010
KUWAIT

Specialty Store: Electronics
Eureka

First Place
Hospitals 2010
KUWAIT

Health care: Private hospitals
Royale Hayat Hospital

Honorable mention

Clothes & accessories

centrepoint

This brand fell below the minimum number of votes needed for the required statistical rigor.

First Place
Home Furniture 2010
KUWAIT

IKEA

Home furniture
IKEA

First Place
Clothes & Accessories 2010
KUWAIT

Massimo Dutti

Clothes & accessories
Massimo Dutti

Honorable mentions
Car purchase

This brand fell below the minimum number of votes needed for the required statistical rigor.

Autos: Car purchase
Mercedes-Benz

Airlines
Wataniya Airways

Autos: Car service
Lexus

Communications: Mobile operators
Wataniya Telecom

Category Winners 2010

First Place
Internet Service Providers 2010
KUWAIT
KEMS

Communications: ISPs
KEMS

First Place
Retail Banking 2010
KUWAIT
NBK

Financial: Commercial banks
National Bank of Kuwait

First Place
Islamic Banks 2010
KUWAIT
Boubyan Bank

Financial: Islamic banks
Boubyan Bank

service Hero

Thank you!

Member of

Powered by

Advisory council

5

Appendix

خـيـــال لـلاسـتـشـارات
Khayal Consultants

A note about Khayal Consultants

Khayal Consultants was awarded Exclusive Licensee for Service Hero WLL due to its unique ability to deliver core competencies needed for the successful execution of Service Hero.

Khayal was responsible for:

Branding
Logo design and standards manual

Advertising
Campaign in traditional media (print and audio visual media)

Digital marketing
Campaign management and tracking

Social media
Communication on social networks

SEO
Search engine optimization

Website
Design, hosting and maintenance

Online survey engine
Questionnaire platform, security measures, tracking and reporting of results

Who is Khayal?

Khayal is a boutique firm specializing in distinct marketing communication fields to help companies maximize effectiveness. It provides complete corporate communication solutions of high quality and creativity.

Experience
Kuwaiti management - Established in 1996

Variety of Backgrounds
Retail, packaging, marketing, banking, design, and software development and integration

Dedication
Teams of committed professionals

Design

Branding
Logo Development
Usage Manuals
Stationary Design

Print Design
Corporate Brochures
Annual Reports
Newsletters
Marketing Collateral

Animation
Presentations
Screen Savers
Interactive Media

Web

Consulting
Strategy & Planning
Benchmarking

Development
Design & Animation
Programming

Support Services
Quality Assurance
Hosting
Maintenance

Solutions
Intra & Extranet/Portal
E-Commerce & Content management

e-Marketing Services
Traffic Analysis
Search Engine Optimization
Search Engine Marketing
Off-site E-Initiatives

Marketing

Strategy Consulting
Strategy Review
Business Model Review
Value Chain
Service Quality
Brand Audit

Market Research
Focus Groups
In-Depth Interviews
Online Surveys
Phone Surveys
Mystery Shopping

People Development
Service Quality ABC
Training
Employee Morale
Career Paths

A selection of some of Khayal's clients

Abdulmajeed Al-Shatti

Ex-Chairman of the Board and Managing Director, Commercial Bank of Kuwait

Beginning his career in KISR in 1977, Al Shatti has been an important advisor to important Financial and Oil Producing Institutes such as:

- Member of the Board of Directors for the Commercial Bank of Kuwait (CBK)
- Member of an economic team formed by the Council of Ministers to "Counter the impact of the International Financial Crisis on the Kuwaiti Economy"
- The Steering Committee to develop the Kuwait Institute for Scientific Research (KISR) Seventh Strategic Plan
- Elected to Chair the "Kuwait Banking Association" Board of Directors, passing two important laws ('The Consumer Debt Relief Fund' and 'Economic and Financial Stabilization Law') during his tenure
- Director on the boards of Bank of Bahrain and Kuwait (2004 to 2008), National Technology Investment Company (2006 to 2008), Kuwait Clearing Company (1997-2001), Housing Finance Company (2002-2004), and Kuwait Shipbuilding and Repair Company (1997-1999)
- Helped the Kuwait Petroleum Corporation (KPC) to establish the International Relations Department

Mr. Al Shatti Graduated from Syracuse University in 1977 in Industrial Engineering and Operations Research, and has a MS in Engineering Economics Systems in 1984 from Stanford University.

Dr. Carol A. Ross-Scott

Dean of Student Affairs, American University of Kuwait

Dr. Carol A. Ross-Scott currently serves as the Dean of Student Affairs at the American University of Kuwait, arriving with over 20 years of experience in higher education.

She earned her Bachelor's of Science degree in Business Management from the University of Maryland, a Masters of Education in Human Resource Education and Human Services from Boston University, and a Doctorate of Education in Higher Education Administration from Florida State University.

Her career in higher education began with the City Colleges of Chicago and other positions included:

- Admissions Counsellor
- Residence Director
- Recruitment and Retention Specialist
- And Greek Organizations Advisor

Dr. Carol takes pride in the opportunity to serve generations of talented students and help prepare them to be the future leaders of Kuwait.

Dr. Reinhold Leichtfuss
Senior Partner and Managing Director, Boston Consulting Group

Dr. Leichtfuss possesses 24 years of experience in consulting financial services companies in all areas of expertise.

Dr. Leichtfuss has carried out numerous projects in the following:
- Corporate strategy; leadership organization and controlling
- Marketing and sales including market positioning, development of value propositions based on customer insights and customer feedback
- Distribution-channel design for single channels
- Process optimization in many product areas and businesses as well as cost reduction in sales and back office and corporate center functions
- Risk management in both market and credit risk
- Capital markets, investment banking and asset management strategies, performance improvements in sales and cost positions
- Regional expansion strategies and post merger programs
- Insurance multichannel management, campaign management, MIS, regional strategies, processes

Having worked in the Middle East since 2002, Dr. Leichtfuss has developed numerous concepts and is the lead author and editor of "Achieving Excellence in Retail Banking" as well as the BCG report "The Future of Retail Banking".

Nauman S Sehgal
Chief Operating Officer, Noor Investment Financial Company

Nauman Sehgal is a licensed CPA and a business Graduate. After spending 11 years combined in big four professional advisory and accounting firms (PWC and EY), Nauman joined the Kuwaiti conglomerate Al Wazan Group in 1993 in chief executive and operations position.

Currently he is Chief Operating Officer (COO) of Noor Investments. Nauman has a proven track record in driving companies from a wide spectrum of industries in the State of Kuwait to higher levels of profitability and performance. Throughout his career he has demonstrated the ability to effectively:
- Lead start-ups
- Turn around under performing companies
- Expand businesses through his strategic thinking, team building, effective troubleshooting
- Broad based operational, financial and business development expertise

Nauman's acute vision and strategy of prioritizing customer service excellence, brand management and maintaining quality standards and best practices has secured recognition for the businesses he led. The successful outcomes are an indication of Nauman's outstanding leadership and strive towards corporate Excellence.

Yann Pavie

Founder and CEO, GulfMerger

Yann has over 16 years of work experience in investment banking and private equity and holds a Bachelor of Business Administration from the Fox School of Business and Masters in Business Administration from the Wharton School, where he graduated as a Palmer Scholar.

Yann has advised leading multinational corporations and regional firms on US$10 billion in mergers and acquisitions and capital raising transactions in sectors encompassing:
- Building materials
- Financial Services
- Manufacturing Media
- Retail
- Telecommunications
- Technology
- Transportation

Yann is Founder and CEO of GulfMerger, a leading middle-market M&A firm established in 2007 in Kuwait. Since inception, GulfMerger has completed over 20 M&A deals, and was recently named 'Best M&A House' in 2008, and 2010 as well as 'Best Global Up-and-Coming Investment Bank' in 2010.

Yann assumed senior positions of increasing responsibilities including with National Bank of Kuwait as COO and Board Member of NBK Capital, prior to His founding of GulfMerger.

service
Hero

P.O. Box 4981 Safat, 13050 Kuwait
Tel: +965 2244 1646, Fax: +965 2244 5562
info@servicehero.com

www.servicehero.com