



***2019 LBP-LFC CUSTOMER SATISFACTION SURVEY
ON
LANDBANK OF THE PHILIPPINES LEASING &
FINANCE CORPORATION***

INTERVIEW DATES : September 11 to 27, 2019

Details of the Study

- *Since Landbank of the Philippines Leasing and Finance Corporation is a Government-Owned and Controlled Corporation, it is tasked by GCG (Governance Commission for GOCCs) to conduct a third-party satisfaction study among their stakeholders.*
- *LBP-LFC commissioned MRC to conduct the third-party survey.*
- *The fieldwork was conducted September 11 to 27, 2019*



*As recommended by GCG, the stakeholders were interviewed **via phone** using a **structured questionnaire** prescribed by GCG.*



There are $n=247$ accounts listed $n=140$ of whom were approached for the interview. This yielded a margin of error of 5%.

Details of the Study



Interval sampling was implemented to determine the probable respondent from the list. The computed sampling interval number is 1.76, which was rounded off to 2. It means that every 2nd account in the list was contacted. In case of termination or non-participation, the next corporation on the list was approached until a corporation agrees or qualifies to be interviewed.



There are four types of respondents for this study, all of whom are LBP-LFC stakeholders: (1) Private Lessees; (2) Private Financing Customer; (3) Government Lessees; (4) Individual Financing Officer

All the stakeholders interviewed either have an active account – (meaning payments are up-to-date) or may have been inactive for 1 to 3 months maximum – (meaning there may be lapsed payments for up to 3 months).

Details of the Study



All enumerators underwent strict quality control measures – from classroom training, to observation and back checking. At least 20% of the interviewer's work were observed by the supervisor to ensure that the conduct of the interview is proper. At least ten percent of the work of the interviewers, which were not observed by a supervisor, were verified through backchecking.



There were five dimensions measured in this study: (1) Staff and Organization; (2) Lease and Financing Services; (3) Complaints Handling and Records Keeping; (4) Information and Communication; (5) Facilities



All numbers are in percentages unless otherwise stated.

In order to compute for the overall satisfaction, the responses of those who are very satisfied and satisfied on the overall satisfaction question will be combined.

Mean scores are the averages of ratings given by the respondents. This would give us the impression if the respondents tend to rate a certain metric positively or negatively.

The following descriptive equivalent of each mean rating are as follow:

1.0 – 1.80 – very dissatisfied/ strongly disagree

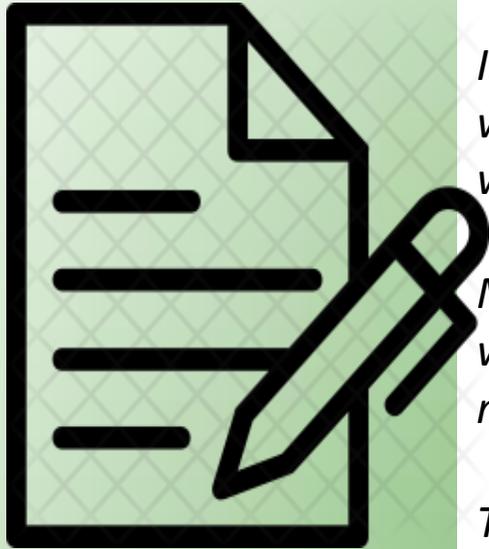
1.81 – 2.60 – dissatisfied/ disagree

2.61 – 3.40 – can't say

3.41 – 4.20 – satisfied/ agree

4.21 – 5.00 – very satisfied/ strongly agree

There are slides where locations or passenger classifications are compared. When a box is marked red or has a red letter beside the number, that means that a particular metric scored lower compared to others.



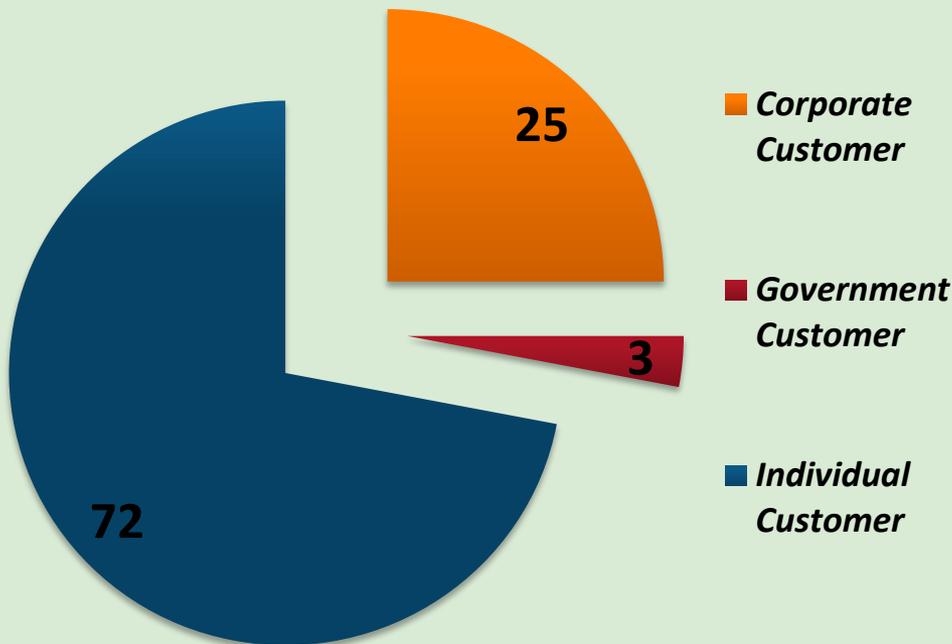


WHO ARE YOUR CUSTOMERS



Due to the number of customers that LBP-LFC has, a great majority of the interviewed customers were individual customers, a quarter are corporate customers, while 3% are government customers. Finance lease is the most availed service for the government customer while equipment financing line and short term credit line are the most availed service for the corporate customer. The individual customers most availed service is the special financing in support of government programs.

Classification of Customer



Services Availed	
Special financing to support government programs	73
Finance lease	16
Equipment Financing line	12
Short term credit line	12

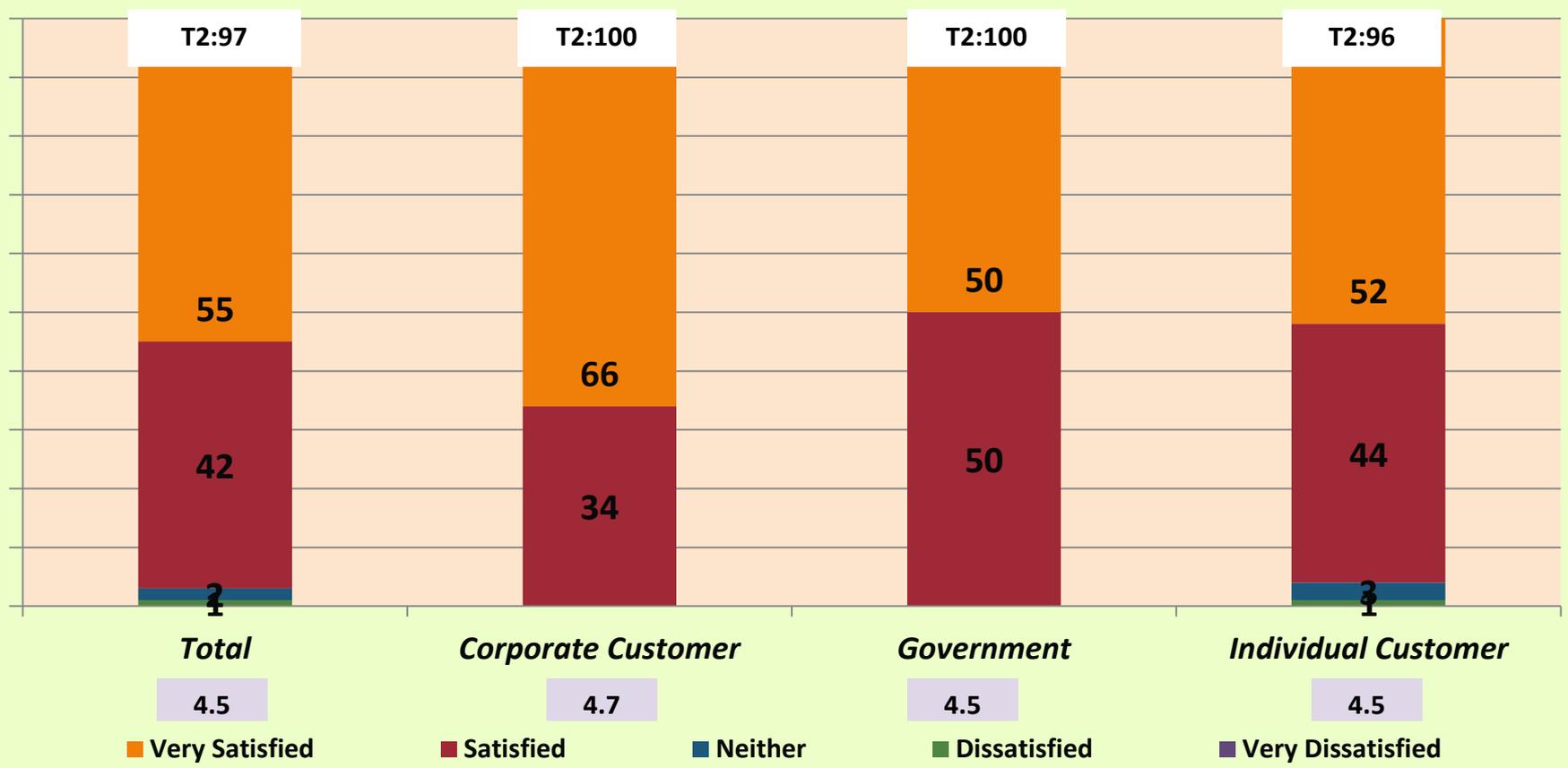


OVERALL SATISFACTION



Overall Satisfaction

LBP-LFC received an overall satisfaction score of 97%, with more than half of the customers feeling very satisfied while two fifths are feeling satisfied. This yielded a mean score of 4.5, which has a descriptive equivalent of very satisfied. This goes across customer classification.



Base: Total Interviews (Total n= 140, Corporate n= 35, Government n=4, Individual n= 101)

Reasons for Positive Overall Satisfaction

The staff of LBP-LFC is the most mentioned reason of corporate customers, government customers, and individual customers for being satisfied with the agency. The staff’s responsiveness, attitude, and knowledgeability are most appreciated by the customers.

In addition, individual customers appreciate that LBP-LFC gives them enough time to pay the agency back, that the monthly payment is affordable, that they were offered easier payment schemes, and that their payment is updated and immediately posted.

	Total	Corporate Customer	Government Customer	Individual Customer
Staff	71	94	100	62
<i>Responsiveness of staff (willingness to assist, acts quickly to resolve issues/concerns, attentive)</i>	55	86	50	44
<i>Attitude of staff (courteous, polite, friendly)</i>	29	29	25	29
<i>Knowledgeable staff (Staff knows how to explain details)</i>	11	9	50	10
On Payment (Gives long and reasonable time to pay them back, affordable monthly payment, payment is updated and immediately posted, they offer options for an easier payment scheme)	26	-	-	37

Base: Among those who rated LBP-LFC positively (n=136)



Reasons for Negative Overall Satisfaction

There are four individual customers who expressed their disappointment on LBP-LFC. One of the customers was saying that it has been years and yet he still has not been given a receipt even though his contract is ending already.

Another is saying that each agent has different implementation like someone has to pay his car insurance for three years. He also mentioned that the requirements up to now are still unclear to him.

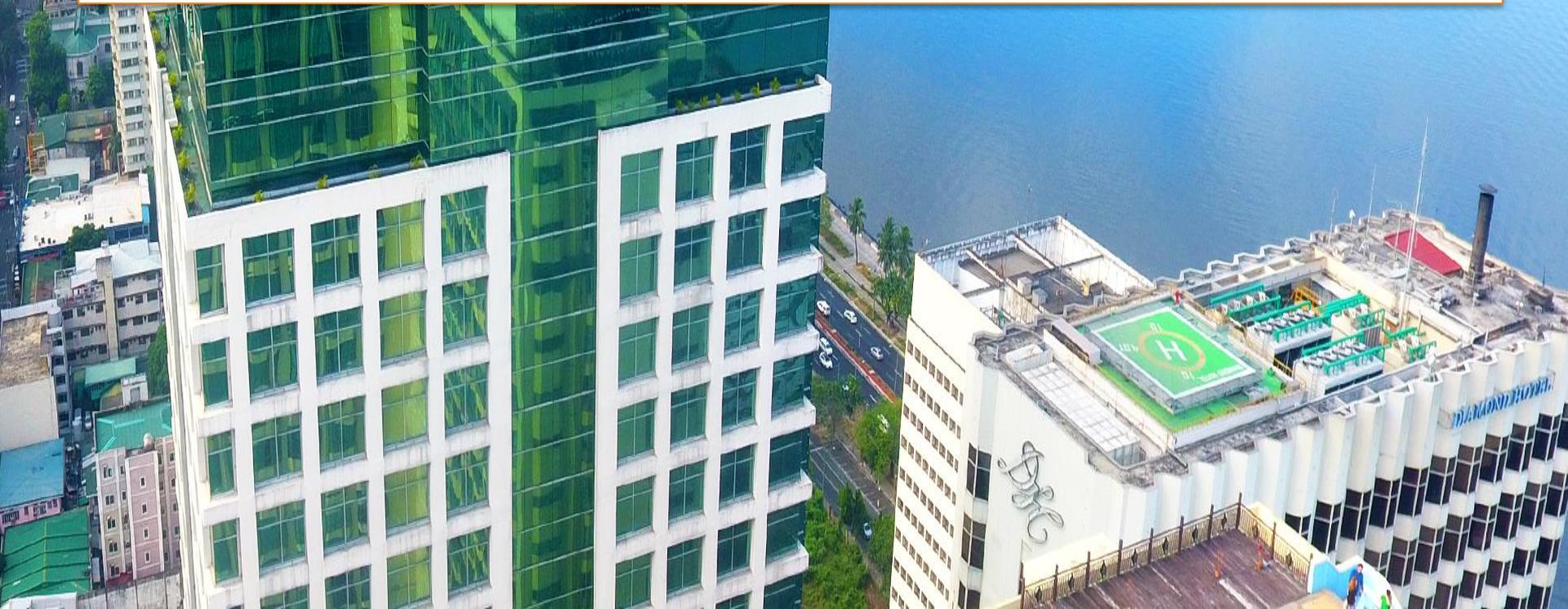
Another individual customer has been paying for his Toyota for four years already. There were only three instances when he failed to pay and yet all the payments he previously made were disregarded already.

Another one was disappointed that he was not informed that he can claim his insurance if his car needed repair.



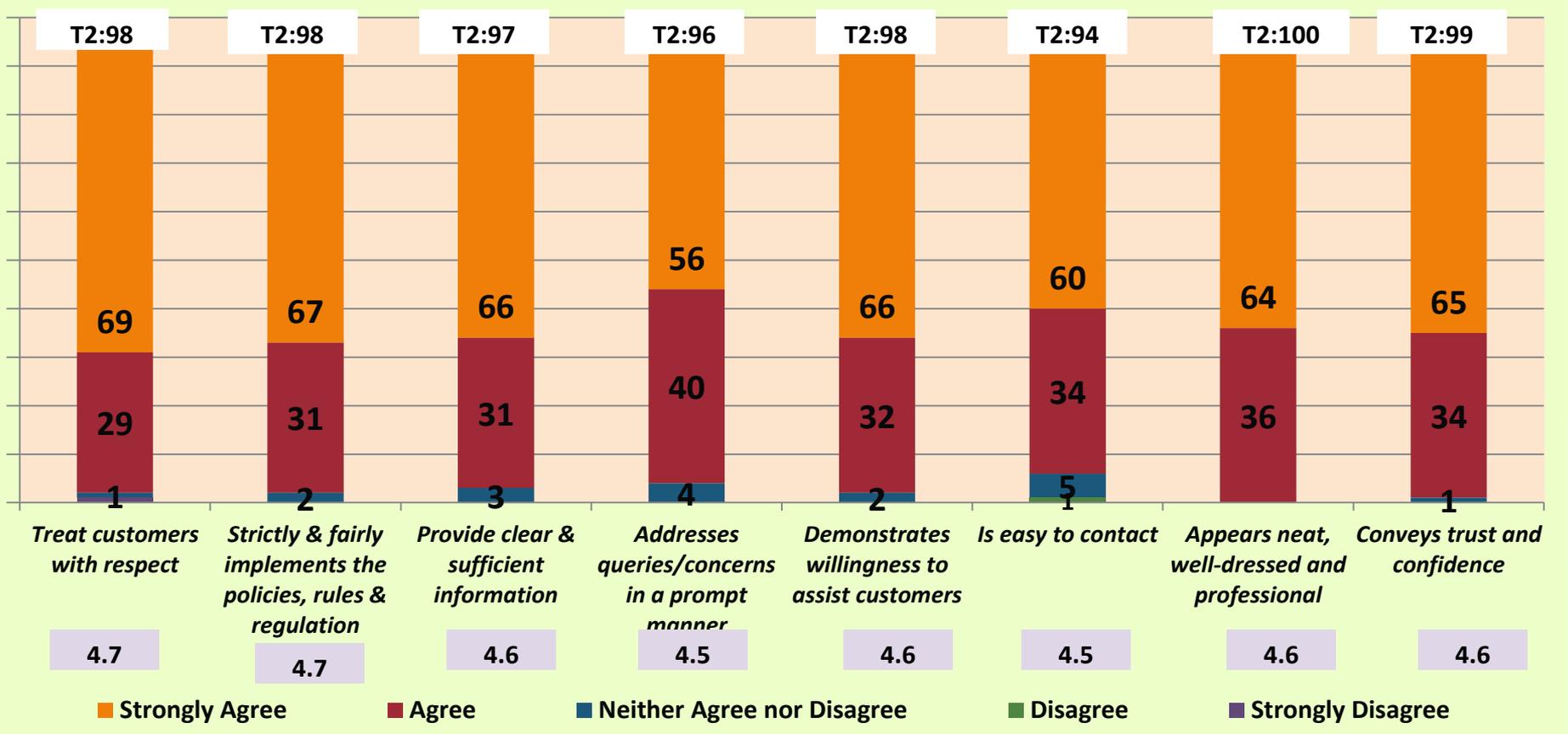


DETAILED FINDINGS





The customers agree that the staff of LBP-LFC treat customers with respect, that they strictly and fairly implement the policies, rules, and regulation, that they provide clear and sufficient information, that they addresses queries/ concerns in a prompt manner, that they demonstrates willingness to assist customers, that they are easy to contact, that they appear neat, well-dressed and professional, and that they convey trust and confidence.



Staff and Organization

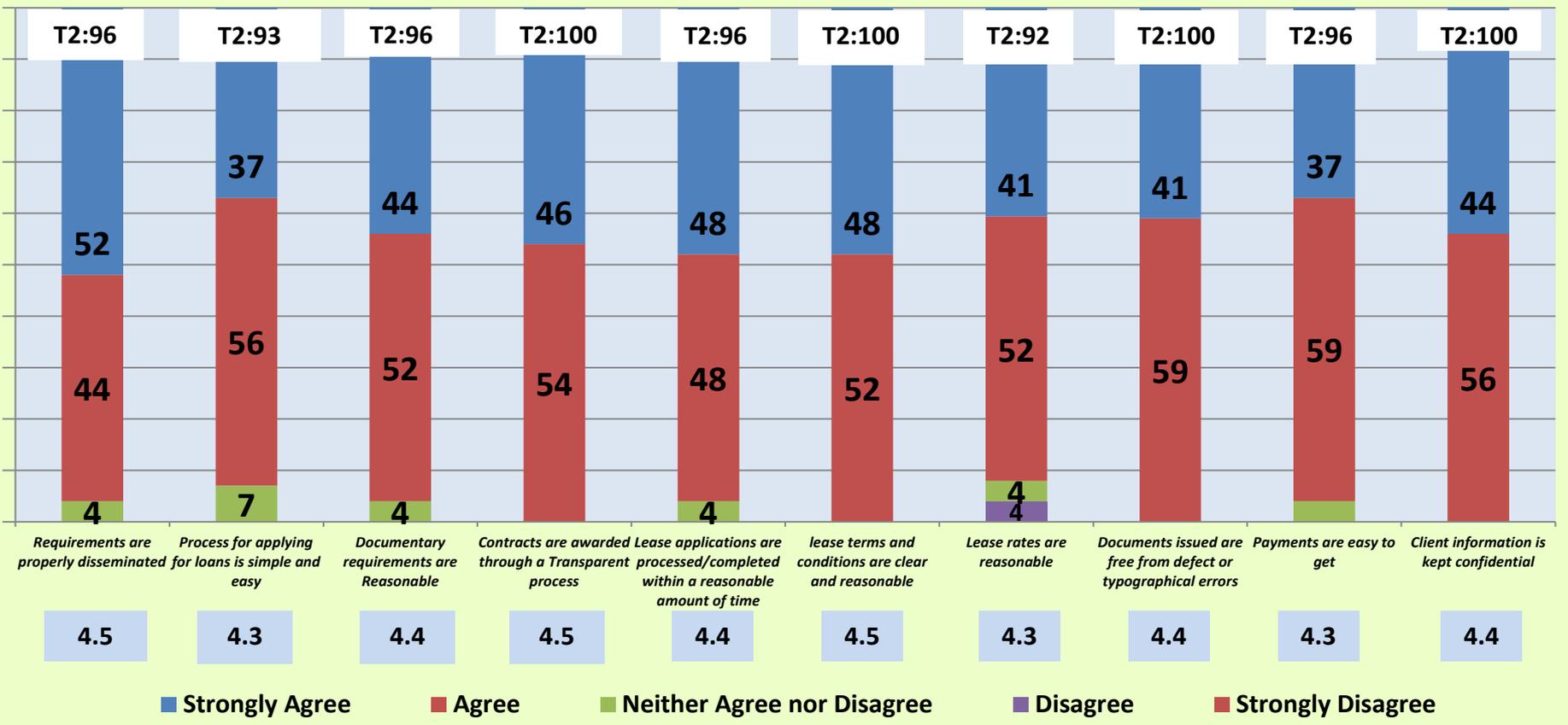
The metrics measured for LBP-LFC's staff and organization all met the 90% mark and all received mean scores, which have descriptive equivalents of very satisfied.

	Corporate Customers (n=35)		Government Customers (n=4)***		Individual Customers (n=101)	
	Top 2 Box	Mean Score	Top 2 Box	Mean Score	Top 2 Box	Mean Score
<i>Treats customer with respect</i>	100	4.7	100	5.0	97	4.6
<i>Strictly and fairly implements the policies, rules and regulations (e.g. no discriminations, no palakasan system)</i>	100	4.7	100	5.0	97	4.6
<i>Provides clear and sufficient information (i.e. solutions to problems, answers to inquiries, and information on products and services)</i>	97	4.7	100	4.5	97	4.6
<i>Addresses queries concerns in a prompt manner</i>	94	4.3	75	4.5	97	4.6
<i>Demonstrates willingness to assist customers</i>	100	4.7	100	4.8	97	4.6
<i>Is easy to contact</i>	97	4.5	75	4.3	93	4.6
<i>Appears neat, well-dressed and professional</i>	100	4.5	100	4.8	100	4.7
<i>Conveys trust and confidence</i>	100	4.7	100	4.8	98	4.6

Base: Low Base* (Treat with caution)**



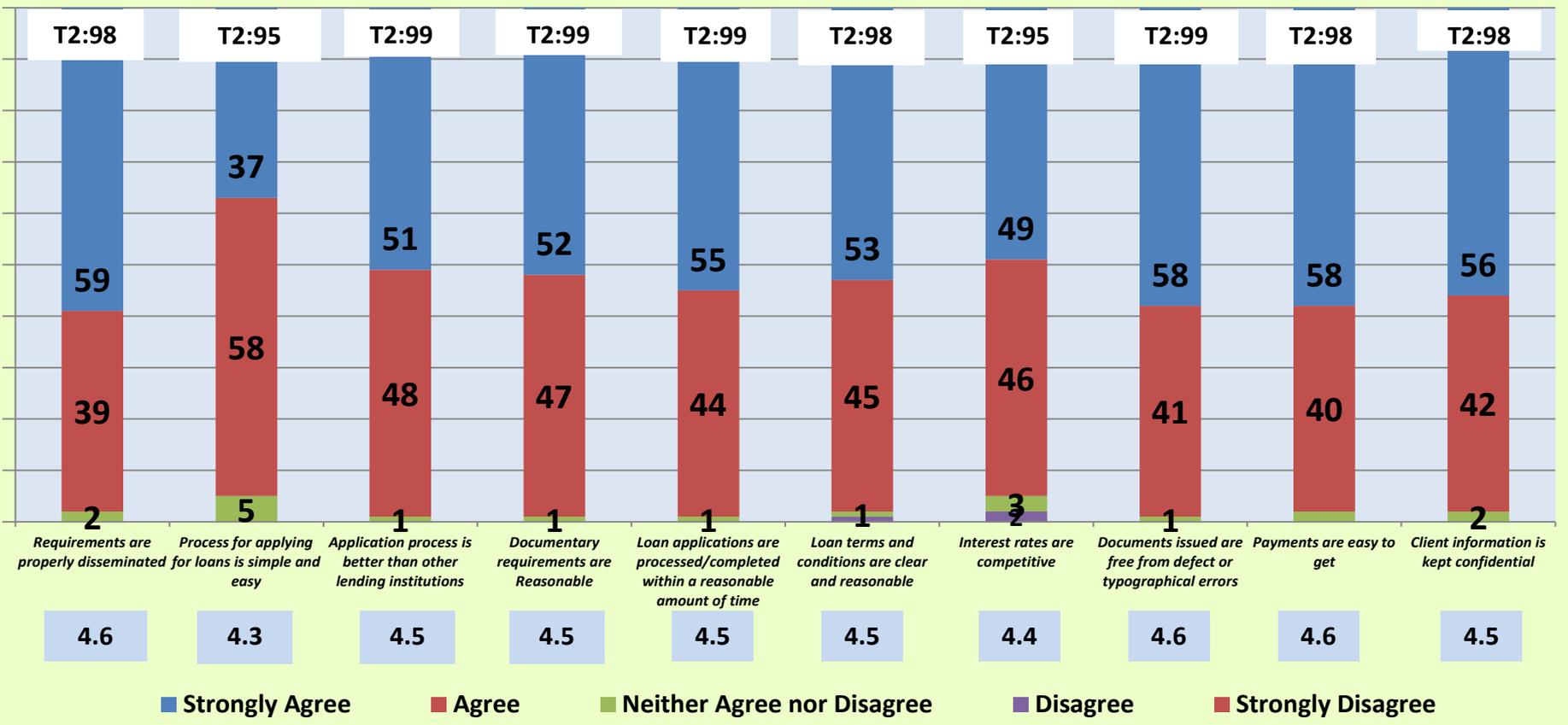
Nine out of ten customers agree that the lease requirements are properly disseminated, that the process for applying loans is simple and easy, that the documentary requirements are reasonable, that the contracts are awarded through a transparent process, that the application is processed/ completed within a reasonable amount of time, that the lease rates are reasonable, that the documents issued are free from defect or typographical errors, that the payments are easy to make, and that their information is kept confidential.



Base: (Total n= 27, Corporate n= 17, Government n=4, Individual n= 6)



The customers, who availed of the financing services of LBP-LFC, agree that the requirements are properly disseminated, that the process for applying for loans is simple and easy, that the application process is better than other lending institutions, that the documentary requirements are reasonable, that the loan application are processed/ completed within a reasonable amount of time, that the loan terms and conditions are clear and reasonable, that the interest rates are competitive, that the documents issued are free from defects or typographical errors, that the payments are easy to make, and that their information is kept confidential.



Base: (Total n= 130, Corporate n= 29,, Individual n= 101)

Financing Loans

For the corporate customers, all metrics measured under financing loans hit the 90% agreement mark. However, customers tend to just agree rather than strongly agree that the process for loan application is simple and easy and that the interest rates are competitive.

On the other hand, nine out of ten individual customers strongly agree with all metrics measured under financing loans.

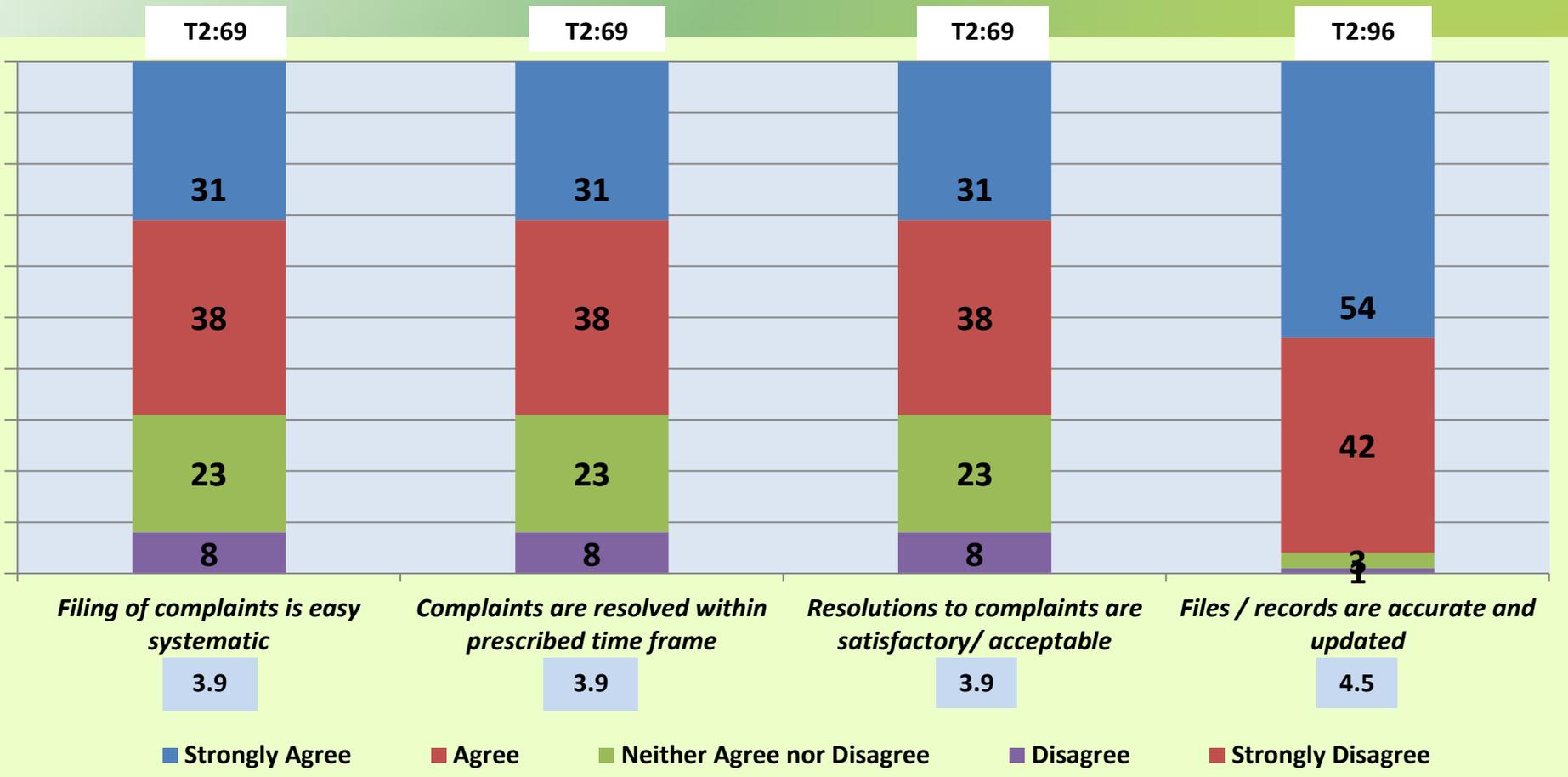
	Corporate Customers (n=29)		Government Customers (n=0)		Individual Customers (n=101)	
	Top 2 Box	Mean Score	Top 2 Box	Mean Score	Top 2 Box	Mean Score
<i>Requirements are properly disseminated</i>	97	4.6	-	-	99	4.6
<i>Process for applying for loans is simple and easy</i>	93	4.1	-	-	96	4.4
<i>Application process is better than other lending institutions</i>	97	4.3	-	-	99	4.5
<i>Documentary requirements are Reasonable</i>	100	4.4	-	-	99	4.5
<i>Loan applications are processed/completed within a reasonable amount of time</i>	97	4.4	-	-	99	4.6
<i>Loan terms and conditions are clear and reasonable</i>	100	4.4	-	-	98	4.5
<i>Interest rates are competitive</i>	90	4.2	-	-	97	4.5
<i>Documents issued are free from defect or typographical errors</i>	100	4.6	-	-	99	4.6
<i>Payments are easy to make</i>	100	4.4	-	-	98	4.6
<i>Client information is kept confidential</i>	100	4.5	-	-	98	4.6

Complaints Handling and Records Keeping



Only 9% of the total respondents interviewed have ever expressed a complaint against LBP-LFC. Among those who did, seven out of ten, agree that filing of complaints is easy and systematic, that it is resolved within reasonable time, and that the resolution is satisfactory/ acceptable.

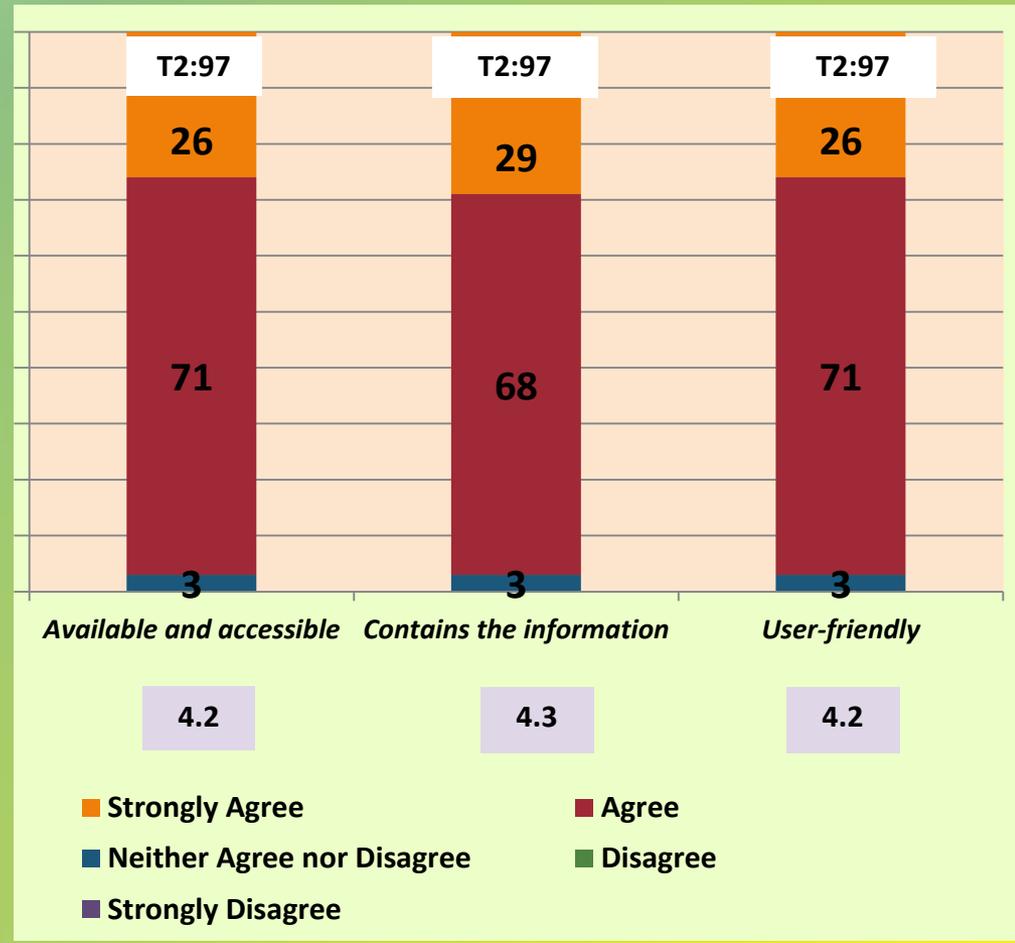
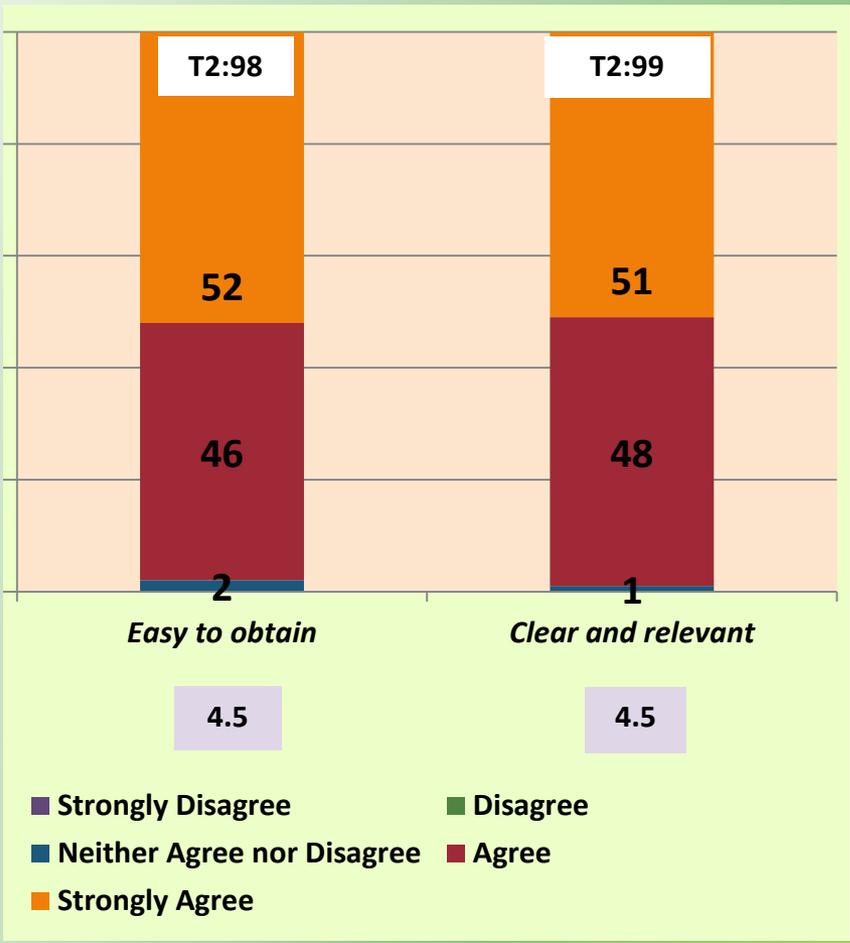
Nine out of ten customers strongly agree that files/ records are accurate and updated.





Nine out of ten customers agree that information from LBP-LFC is easy to obtain, clear, and relevant.

Only a quarter of the respondents have visited LBP-LFC's website. Among those who did, nine out of ten strongly agree that the website is available and accessible, contains relevant information, and user-friendly.



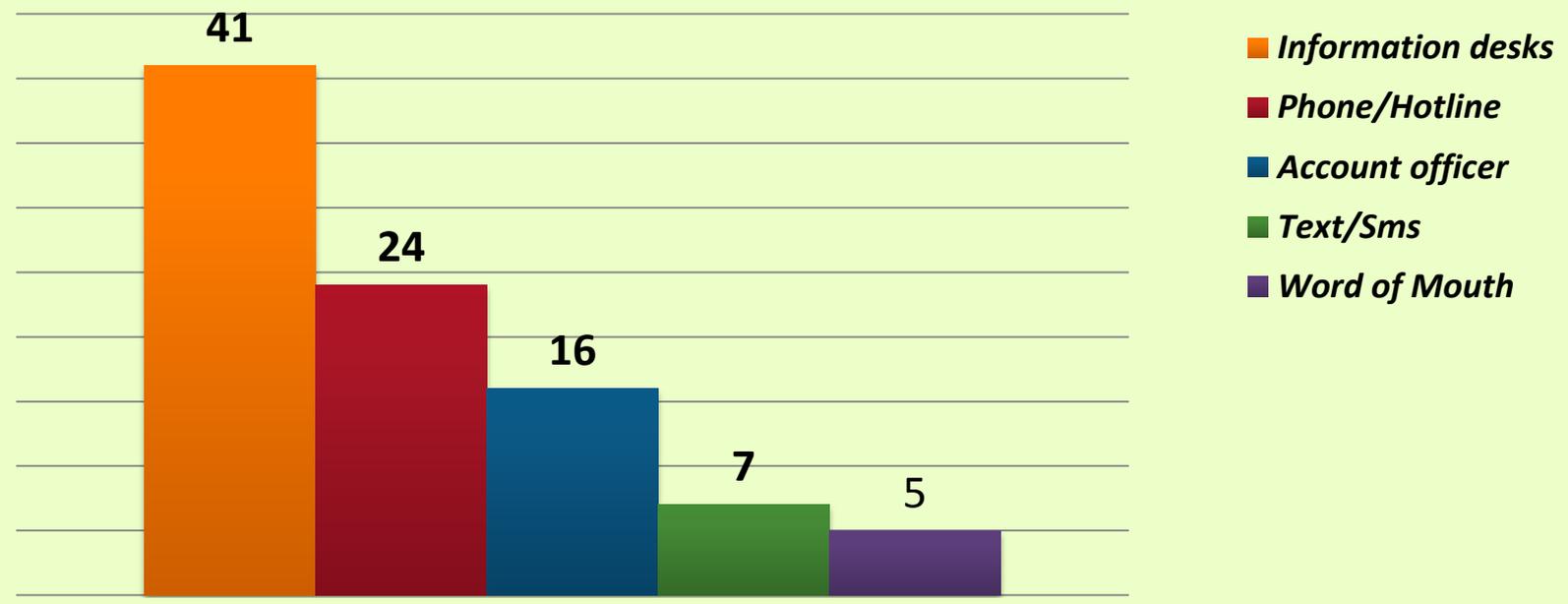


Customers, regardless of classification, strongly agree with the metrics measured under information and communication.

	Corporate Customers		Government Customers		Individual Customers	
	Top 2 Box	Mean Score	Top 2 Box	Mean Score	Top 2 Box	Mean Score
<i>LBPLFC Information is....</i>						
<i>Easy to Obtain</i>	100	4.5	100	4.5	97	4.5
<i>Clear and Relevant</i>	100	4.5	100	4.5	99	4.5

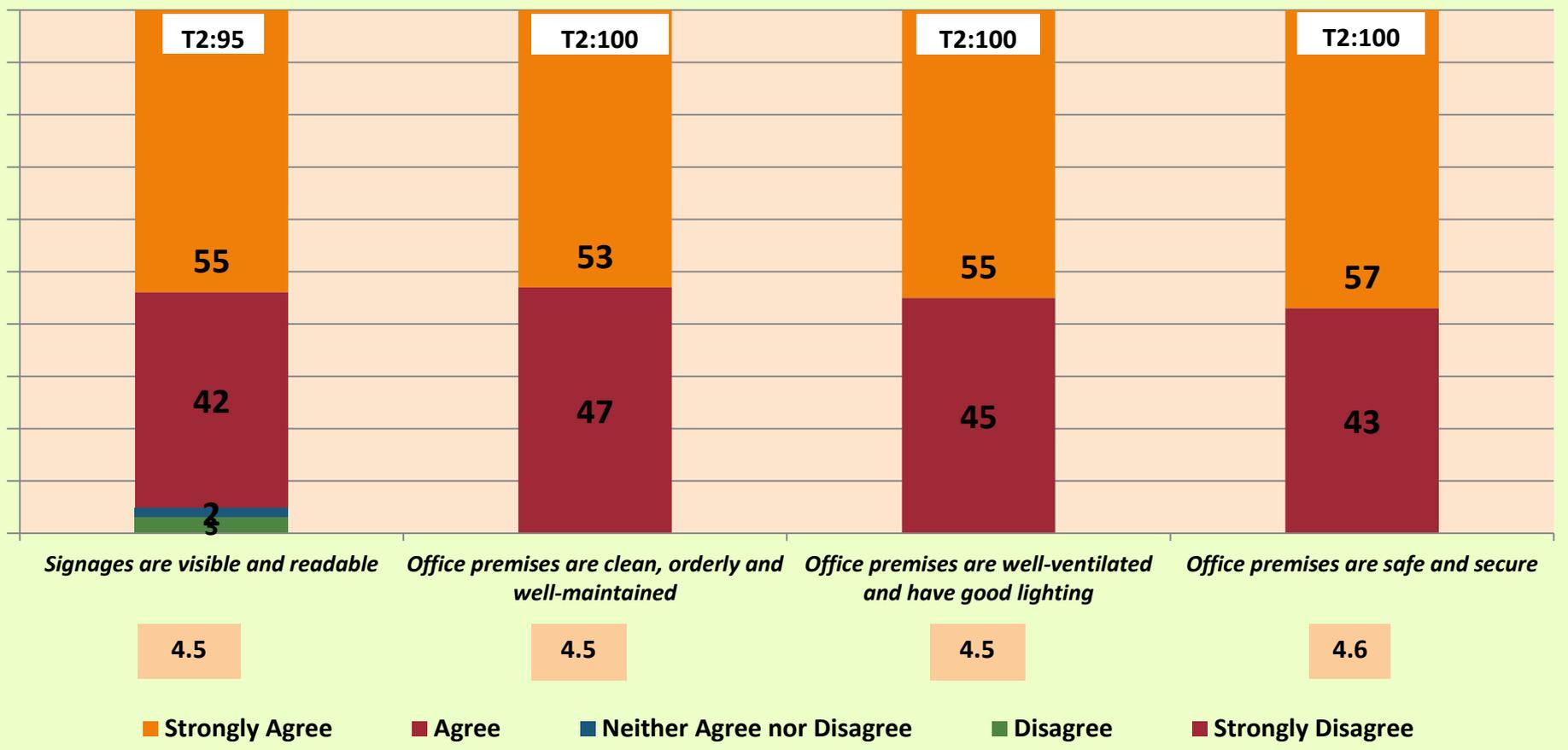


Information desk is still the main source of information of the customers about the products and services of LBP-LFC. The other sources of information are the phone/ hotline and account officer of the agency.





Nine out of ten customers have visited the office of LBP-LFC. They strongly agree that the signages are visible and readable, that the office premises are clean, orderly, and well-maintained, well-ventilated and have good lighting, and safe and secure.



4.5

4.5

4.5

4.6



This finding can be observed across all respondent types, who visited the office of LBP-LFC.

	Corporate Customers (n=30)		Government Customers		Individual Customers (n=100)	
	Top 2 Box	Mean Score	Top 2 Box	Mean Score	Top 2 Box	Mean Score
<i>Signages are visible and readable</i>	100	4.6	-	-	97	4.5
<i>Office premises are clean, orderly and well-maintained</i>	100	4.3	-	-	100	4.6
<i>Office premises are well-ventilated and have good lighting</i>	100	4.5	-	-	100	4.6
<i>Office premises are safe and secure</i>	100	4.5	-	-	100	4.6



***FROM 97 TO 100 :
SUGGESTIONS FOR IMPROVEMENT***



Seven out of ten customers have no suggestions for LBP-LC on how the agency can improve their services. There are also no notable suggestions that reached more than 10% mentions. This means that there are no glaring concerns that LBP-LFC has to immediately address.

Some minor suggestions though are the following:

- 1. Faster processing for insurance*
- 2. Lower interest rate*
- 3. Grace period when not meeting due dates*
- 4. Update payments*
- 5. Consistent information regardless of agent*





Questions?

***Market Relevance Corp
Unit 1201 One San Miguel Building
Ortigas Center, Pasig City
(02) 470-5011***

