



#### FOR MORE INFORMATION

Chaat Butsunturn, 415-391-7900 x114

[cbutsunturn@kearnswest.com](mailto:cbutsunturn@kearnswest.com)

OR Amanda Piasecki, 202-535-7800 x114

[apiasecki@kearnswest.com](mailto:apiasecki@kearnswest.com)

## **Tablets Drive Customer Satisfaction with PCs Higher; TVs, Consumer Electronics Improve, While Appliances Hold Steady**

*Apple Maintains Strong Lead; Electrolux Challenges Whirlpool*

**ANN ARBOR, Mich.** (September 18, 2012)—Strong customer satisfaction prevails across three durable goods industries in 2012, with nearly all companies showing improvement compared with a year ago, according to a report released today by the American Customer Satisfaction Index (ACSI). This year, two industries set new record-high scores: personal computers at 80 and televisions & video players/recorders at 86 (on the ACSI's 0 to 100 scale). The third industry, major appliances, holds steady at 81.

### **Tablet Revolution Gives Boost to Personal Computer Customer Satisfaction**

As the personal computer market continues to undergo its transformation toward smaller, more mobile computing and away from stationary desktop solutions, customer satisfaction with the PC industry as a whole gains further traction—up 2.6% to an all-time high ACSI score of 80. The improvement over the past year blasts away the industry's former high point of 78 that was earned in both 2010 and 2011. ACSI measurement of the industry includes customer satisfaction with all types of personal computers: desktops, laptops and tablets.

“The recent stall in demand for desktop PCs comes in conjunction with a surge of interest in small, mobile computers; in particular, devices that are ultrathin or lightweight,” says Claes Fornell, ACSI founder and author of *The Satisfied Customer: Winners and Losers in the Battle for Buyer Preference*. “The current ACSI uptick for the industry at large is driven, in part, by the higher levels of customer satisfaction that tablets enjoy over desktops and laptops. As tablets gain market share, overall customer satisfaction with the PC industry picks up.”

Apple continues to keep the rest of the industry at bay, but its lead is somewhat smaller due to an across-the-board customer satisfaction increase for Windows-based computers. Apple slips 1% to 86, a score that continues to outpace competitors by a wide gap of 5 to 9 points. While the market's shift away from traditional PCs benefits Apple and its iPad product line, the rest of the industry seems to be doing a better job of pleasing the customers that they are keeping.

Dell's customer satisfaction is up 5% to 81, but its share of the consumer market is actually shrinking. This pattern holds sway for the other major Windows-based

manufacturers as well. Market-share leader Hewlett-Packard inches up 1% to 79, just a point shy of its record high, but its PC shipments have dropped 13% in Q2 2012 compared with the prior year. Likewise, Acer gains 3% to an all-time high of 79 at a time when its shipments are down 14%. New to ACSI measurement this year, Toshiba debuts at the low end of the industry with a score of 77. The company has seen its U.S. shipments fall the most—down 20% from a year ago.

Skipping past HP, Acer and Toshiba, the aggregate of smaller PC makers (including tablet producers Samsung and Amazon) improves customer satisfaction by 4% to 80 while simultaneously gaining market share at a pace that outstrips even Apple.

“What may be occurring is that the defection of the least satisfied customers of traditional PC brands such as Dell, HP and Acer to Apple and other smaller tablet makers actually may be boosting customer satisfaction for all,” says Fornell. “The companies that lose market share will maintain their most loyal and happy customers, while those who migrate to other companies in search of new products are more pleased as well.”

#### **Televisions & Video Players/Recorders Top Durables Sector**

Customer satisfaction with televisions & video players/recorders (such as Blu-ray Disc and DVD) gains 1.2% to reach a new industry high of 86—at present, the top score among durable goods industries and second best in the Index overall.

“The industry seems to have hit the right combination of quality and value such that those seeking the latest television innovations like 3D TV are just as pleased as customers looking for standard flat-panel units at a reasonable price point,” says Fornell. “Likewise, consumers are finding that DVD and BD players are both more powerful and affordable, which creates a positive effect on customer satisfaction.”

#### **Major Appliances Stable Despite Sluggish Economy**

The major appliance industry (washers, dryers, dishwashers, refrigerators, freezers, ranges and ovens) continues its long history of high customer satisfaction with a stable score of 81 amid soft demand in the market. Despite shifts in the economy’s outlook, the industry has maintained solid customer satisfaction scores of 80 to 82 for the greater part of nearly two decades.

Market-share leader Whirlpool has a strong record of customer satisfaction. Among the largest appliance makers, Whirlpool has led or tied for first place each year since 1996. In 2012, Whirlpool logs in at number one with 83 (+1%), just ahead of second-place AB Electrolux at 82, up 5% from 2011. General Electric moves up 1% to 80, but remains significantly behind Whirlpool. The aggregate of smaller manufacturers (such as LG, Samsung and Bosch) loses ground—down 5% to last place at 79. Rising import fees may be impacting customer satisfaction for these brands.

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**About ACSI**

The American Customer Satisfaction Index (ACSI) is a national economic indicator of customer evaluations of the quality of products and services available to household consumers in the United States. The ACSI uses data from interviews with roughly 70,000 customers annually as inputs to an econometric model for measuring satisfaction with more than 230 companies in 47 industries and 10 economic sectors, as well as over 100 services, programs, and websites of federal government agencies.

ACSI results are released on a monthly basis, with all measures reported using a scale of 0 to 100. ACSI data have proven to be strongly related to a number of essential indicators of micro and macroeconomic performance. For example, firms with higher levels of customer satisfaction tend to have higher earnings and stock returns relative to competitors. Stock portfolios based on companies that show strong performance in ACSI deliver excess returns in up markets as well as down markets. And, at the macro level, customer satisfaction has been shown to be predictive of both consumer spending and gross domestic product growth.

The Index was founded at the University of Michigan's Ross School of Business and is produced by ACSI LLC. The ACSI can be found on the Web at [www.theacsi.org](http://www.theacsi.org).

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