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ACSI 2015 Year in Review: Slumping Customer Satisfaction Across Much of the U.S. Economy

ANN ARBOR, Mich., (December 29, 2015) – According to the [American Customer Satisfaction Index \(ACSI\)](#), 2015 was a year characterized by lower customer satisfaction across the board, with few exceptions. Of the 43 industries tracked by ACSI, only 5 improved, while 30 declined and the rest had no change.

The ACSI expanded its scope by more than 40 percent in 2015, adding approximately 100 new companies. In total, the Index now includes more than 330 companies, with some firms represented in several industries where they have substantial market share. Among the companies for which there are year-over-year data, 59 percent experienced a drop in customer satisfaction, while 26 percent showed improvement.

“By and large, the overall customer experience for goods and services purchased and consumed in the United States is getting worse,” said Claes Fornell, Chairman and founder of the ACSI. “There are exceptions, but the overall trend of deteriorating customer satisfaction encompasses nearly every industry and is holding consumer spending in check, forcing retailers into steeper or more extended discounts.”

Bright Spots and Biggest Company Gainers

Three of the five industries that improved were Internet-based, demonstrating that consumers are embracing the online channel for its convenience, efficiency and price. As reported in February, Internet retail increased 5.1 percent to 82 on the ACSI’s 100-point scale, taking a share of the title for highest customer satisfaction among all industries. Improvement for the group of smaller online retailers, which includes the online part of brick-and-mortar stores, pushed the industry’s ACSI score higher – a sign that the online channel is more of a complement than a threat to traditional retail.

Both social media and online travel services also boosted user satisfaction in 2015. Social media overall gained 4.2 percent to 74, with all websites improving according to their users. The online travel service industry was up 1.3 percent to an ACSI score of 78, led by a gain for the combination of smaller travel websites, which includes the online presence of hotels and airlines.

Two other industries posted customer satisfaction gains in 2015. Airlines rose 2.9 percent to 71, just a point shy of the industry's peak customer satisfaction level. Although airlines remain one of the poorest-performing categories in the ACSI, they are not quite as bad as in earlier years and providing a better experience for passengers and consumers are shifting behaviors to avoid fees. A few airlines at the top of the industry also exceeded the national average. JetBlue (81) and Southwest (78) led the industry and ACSI newcomer Alaska Airlines (75) scored better than the legacy carriers.

Household appliances, which edged up 1.3 percent to 81, have consistently been one of the higher-scoring industries with products that are reliable and generally of high quality, according to customers.

Facebook was the leader among all companies with gains in customer satisfaction, improving by 12 percent to a score of 75. That is a big change from 2012 when Facebook scored 61, which put it dead last in the social media category and near the bottom of the ACSI overall. Facebook is also a good example of the relationship between customer and investor satisfaction: Its stock has nearly doubled in the same time frame. Other big gainers included FirstEnergy (+8% to 79) and automaker Honda's luxury nameplate Acura (+8% to 83), which rebounded after a poor showing in 2014.

Dim Spots and Largest Customer Satisfaction Failures

Four of the five companies that suffered the largest drops in customer satisfaction were in the communications sector. Comcast's subscription TV service plunged 10 percent to 54 and tied with Spirit Airlines for the second-lowest score in the Index. AT&T's fixed-line phone service also fell – in this case 10 percent to 65 – as did VF Corporation (-10% to 76). Internet service provider Cox Communications and Time Warner Cable's subscription TV service tumbled 9 percent each to 58 and 51, respectively.

Internet investment services declined the most (-7.3% to 76), followed by personal care and cleaning products (-6.1% to 77), fixed-line telephone service (-5.5% to 69), and Internet search engines and information websites (-5.0% to 76).

Top and Bottom

Even though the trend points to deteriorating customer satisfaction, 72 companies had an ACSI score of 80 or better in 2015 – which is a very high level. Most of these companies were manufacturers, which typically do better in customer satisfaction than service companies. Nevertheless, topping the customer satisfaction rankings were companies that combined the selling of products with excellent service: Amazon, Nordstrom and Chick-fil-A (all at 86).

The lowest-performing companies in customer satisfaction were in the telecom and airline categories. Among the 12 lowest company scores in the Index, all in the 50s, the vast majority reflected customer dissatisfaction with either Internet service or Pay TV. Subscription TV providers Mediacom Communications and Time Warner Cable shared last place at 51. Comcast's Internet and pay TV services received low scores of 56 and 54, respectively. Ultra-low-cost carriers Spirit Airlines and Frontier Airlines underwhelmed their passengers, debuting in the ACSI at 54 and 58, respectively.

The data presented here represent survey results reported by the ACSI in 2015 and collected from the fourth quarter of 2014 through the third quarter of 2015.

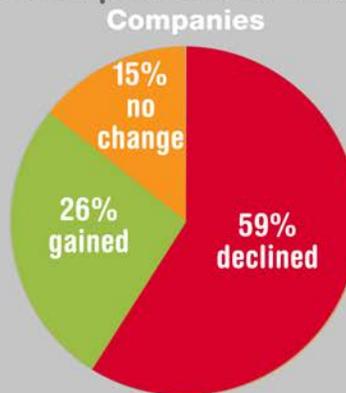
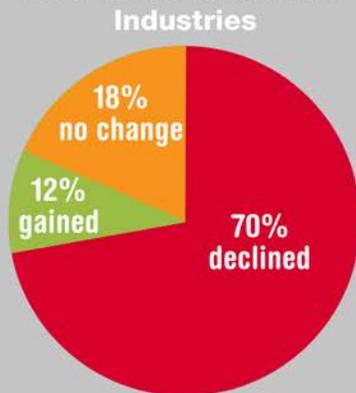
ACSI 2015: THE YEAR IN REVIEW

Industry gainers and decliners

Internet Retail	+5.1%
Internet Social Media	+4.2%
Airlines	+2.9%
Household Appliances	+1.3%
Internet Travel Services	+1.3%

Internet Investment Services	-7.3%
Personal Care & Cleaning Products	-6.1%
Fixed-Line Telephone Service	-5.5%
Internet Search Engines & Information	-5.0%
Credit Unions	-4.7%
Televisions & Video Players	-4.7%

ACSI 2015: Industries and Companies took a hit



Companies that gained the most in 2015

Facebook [Internet Social Media]	12%	▲	75
FirstEnergy [Investor-Owned Utilities]	8%	▲	79
Acura (Honda) [Automobiles & Light Vehicles]	8%	▲	83
Time Warner Cable [Internet Service Providers]	7%	▲	58
General Electric [Household Appliances]	6%	▲	82



Companies that declined the most in 2015

Comcast [Subscription Television Service]	-10%	▼	54
AT&T [Fixed-Line Telephone]	-10%	▼	65
VF [Apparel]	-10%	▼	76
Cox Communications [Internet Service Providers]	-9%	▼	58
Time Warner Cable [Subscription Television Service]	-9%	▼	51



Results based on data collected from Q4 2014 to Q3 2015 and reported on throughout 2015.

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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 analyzing customer satisfaction with more than 300 companies in 43 industries and 10 economic sectors, including various services of federal and local government agencies.

ACSI results are released throughout the year, with all measures reported on 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. At the macro level, customer satisfaction has been shown to be predictive of both consumer spending and GDP growth.

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