



## FOR MORE INFORMATION

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### **Customer Satisfaction with Nondurables Outpaces Nearly Every Other Industry, ACSI Data Show**

**ANN ARBOR, Mich., (October 22, 2019)** – Manufacturers that require fewer customer service interactions generally have higher customer satisfaction marks. Case in point: the makers of nondurable products.

Food, soft drinks, beer, and personal care and cleaning products – four of the six industries included in the nondurables sector – are among the top five industries measured, according to the [American Customer Satisfaction Index's \(ACSI®\) Nondurable Products Report 2018-2019](#).

“Nondurables historically includes some of the most satisfying industries we measure, but what’s interesting is, unlike in other sectors, the most satisfying companies tend to be smaller,” says David VanAmburg, Managing Director at the ACSI. “Craft breweries, specialty personal care items, and store brand food manufacturers tend to give customers the level of quality and value they expect, while the behemoths miss the mark. Bigger isn’t always better.”

#### **Hershey’s slip opens the door for other food manufacturers**

Customer satisfaction with grocery food – including chocolate, baked goods, cereal, meat, cheese, and frozen foods – is propelled by strong quality and value. This year the industry holds steady at 82 (on a scale of 0 to 100).

All measured food manufacturers score in the 80s—a level deemed excellent in the index.

Last year’s leader Hershey slides 2% to 84, dropping into a tie at the top of the category with PepsiCo’s Quaker brand (unchanged) and smaller food brands (up 1%).

The smaller brands, including store brands like Walmart’s Great Value and Kroger’s namesake label, improve in perceptions of quality, beat the major manufacturers in value, and are competitive in pricing.

Following the largest gain a year ago, Dole backtracks 2% to 83, but remains above the industry average. General Mills and Mars sit at 82, each down 2% year over year.

Despite launching reformulations of some of its iconic brands, Nestlé (Ferrero) dips 1% to 81, joining Campbell Soup (unchanged), Conagra (unchanged), and Kraft Heinz (down 1%). Kellogg and Tyson meet at the bottom of the industry, both inching back 1% to 80. Kellogg rates worst in class on value.

### **Satisfaction in soft drinks nearly deadlocked**

Consumers, particularly millennials, are moving toward drinks they perceive to be healthier. Yet despite anticipated sales declines, customer satisfaction with soft drinks remains steady and relatively high at 82, and the industry is nearly deadlocked.

Keurig Dr Pepper loses sole possession of the lead after falling 2% to an ACSI score of 82. Smaller beverage makers, including numerous store brands, slip 1% to a combined score of 82. PepsiCo also scores 82, up 2%; the company has done well with Gatorade Zero, which has exceeded \$500 million in retail sales since launching last year.

Coca-Cola, while unchanged, sits at the bottom of the industry with an ACSI score of 81.

### **Another big year for breweries**

Even with a 1.2% drop from last year's record high, beermakers lead all 46 ACSI industries with a score of 84.

Craft beers continue to solidify their place in mainstream U.S. beer consumption, with market share reaching about 13% as of 2018. Consumers remain pleased with smaller breweries as this group – including brands like Heineken, Sam Adams, and multiple craft labels – tops the industry at 85 (down 1%).

Large brewers, including Anheuser-Busch InBev (down 1% to 84) and Molson Coors (unchanged at 81) are flourishing with light beers. They appeal to consumers who view them as healthier options. Nevertheless, ACSI data show that craft brewers still score best in class for quality.

### **Big names like Clorox and Johnson & Johnson not so clean**

Customer satisfaction with personal care and cleaning products is stable following last year's big gain, with an ACSI score of 83.

Smaller brands like Arm & Hammer, Biotene, Sensodyne, and store labels unseat perennial favorite Clorox with a combined score of 85 (up 1%). Procter & Gamble comes in second with a 2% uptick to 84.

Clorox, known for high and stable customer satisfaction, falls 4% to 82. Its value and quality perceptions take a hit, according to ACSI data.

Colgate-Palmolive is unchanged at 82. Unilever is next, down 2% to 80.

The bottom of the industry is shared by two companies that suffer large drops in customer satisfaction: Henkel, maker of Dial soap products and Purex laundry detergent, and Johnson & Johnson share last place in the industry, both tumbling 6% to 77. The other commonality: legal troubles.

Earlier this year, Henkel reached a settlement in a class action lawsuit involving its Dial Complete product. Johnson & Johnson experienced a year of well-publicized lawsuits surrounding its talc baby powder and its role in the opioid crisis. ACSI data show that value perceptions of Johnson & Johnson products are worst in class by a vast margin.

### **Satisfaction in apparel continues to decline; athletic shoes hold steady**

For the second consecutive year, customer satisfaction with the apparel industry tumbles, down 2.5% to an ACSI score of 77.

Nine West Holdings emerged this year from bankruptcy under the new name Premier Brands Group after selling off its namesake Nine West brand to Authentic Brands Group. Premier jumps 6% into first place with a score of 83.

Hanesbrands comes in second place after dropping 2% to 80. VF is next, falling 4% to 79, as customer perceptions of quality drop dramatically.

Smaller brands – such as Victoria's Secret and Fruit of the Loom – and Levi Strauss meet at the bottom of the category, each sliding 3% to 77.

Unlike apparel, the athletic shoe industry is steady at 79. Adidas, which leads the industry, matches its all-time high from 2016 after climbing 6% to 83. It's benefited greatly from successful collaborations like Kanye West's Yeezy line (which had its best sales year in 2018). Meanwhile, Nike soars as well, rising 5% to 81, and continues to be successful with its Air Jordan line.

Similar to other nondurable categories, smaller shoemakers – like Sketchers, New Balance, and

Brooks – make up the largest portion of the industry. However, this group dips 1% to 79.

The ACSI Nondurable Products Report 2018-2019 on food, soft drinks, beer, personal care and cleaning items, apparel, and athletic shoes is based on interviews with 5,245 customers, chosen at random and contacted via email between October 8, 2018, and September 14, 2019. Download the full [Nondurables Report](#).

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The [American Customer Satisfaction Index](#) (ACSI®) has been a national economic indicator for 25 years. It measures and analyzes customer satisfaction with more than 400 companies in 46 industries and 10 economic sectors, including various services of federal and local government agencies. Reported on a scale of 0 to 100, ACSI scores are based on data from interviews with roughly 300,000 customers annually. For more information, visit [www.theacsi.org](http://www.theacsi.org).

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