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Citizen Satisfaction for Federal Government Falls as Users Encounter Difficulties With Government Websites

ANN ARBOR, Mich., (January 28, 2014) – Americans are less satisfied with services provided by the U.S. federal government in 2013, according to a report released today by the American Customer Satisfaction Index (ACSI). ACSI results show that citizen satisfaction with federal government services drops 3.4% to 66.1 (on a scale of 0 to 100) as compared with the prior year. The decline, which erases two years of consecutive gains, occurs amid widespread downturns in satisfaction with federal government websites, including the widely publicized problems with the rollout of Healthcare.gov. The negative impact of the site’s launch reverberates at the department level, as Health and Human Services overall drops 4% to an ACSI benchmark of 66.

In aggregate, citizen satisfaction with federal websites is down 3% from an ACSI benchmark of 74 in 2012 to 72. Because of the large number of people that use the Internet for government services, the slip in e-government has a strong impact on overall citizen satisfaction with the federal government. Users find government sites to be more difficult to navigate, less reliable, and the information less useful than they did a year ago.

“For more than a third of all users of federal services, websites are their most frequent interface with agencies, a proportion that exceeds the next two channels combined—telephone at 19% and office visits at 11%,” says Claes Fornell, ACSI Chairman and founder. “On the one hand, e-government offers an efficient means of delivering public services. On the other, burgeoning user demand now makes it more challenging for the federal government to maintain a satisfactory level of service.”

Compared with the private sector, the federal government now lags nearly all industries in the Index. Only Internet service providers carry a lower customer satisfaction benchmark of 65. Still, the very best federal agency services continue to rival the private sector. The U.S. Mint (94), the Department of Education’s Free Application for Federal Student Aid (88), the National Recreation Reservation Service (89), the Pension Benefit Guaranty Corporation’s retirees program (90), and the Department of Veterans Affairs’ National Cemetery Administration (96) are among the top performers.

Federal Agencies Lag National Average for Satisfaction

While citizen satisfaction varies greatly across federal departments, none achieves a score that matches—let alone exceeds—the ACSI national customer satisfaction aggregate of

76.7. Defense (75) and State (74) are the closest, but regulatory departments Homeland Security (61) and Treasury (58) fall well below not only the national average, but the federal government average as well.

“Most citizens encounter Homeland Security in the form of either the Transportation Services Administration or through various customs and immigration services, whose jobs entail enforcing rules rather than delivering benefits,” says David VanAmburg, ACSI Director. “While these agencies serve the larger public good, they are not necessarily popular with individuals who come into contact with them.”

Even within low-scoring departments, there are bright spots. For over a decade, citizens who file tax returns electronically are much more satisfied with IRS services than those who file on paper. In 2013, electronic filing receives an ACSI score of 75 compared to paper filing at 55—a considerable gap of 20 points.

Satisfaction Downturn Erodes Trust in Government

The decline in citizen satisfaction for 2013 further depresses the already low trust that Americans have in the federal government overall. According to ACSI data, general trust in government is down 19% over the past 12 months alone to a score of 35. In addition to general trust, the ACSI measures trust with agencies. This is a much more concrete measure that includes only respondents with actual experience with the agency in question. Consistent with prior years, agency trust rates much higher than general trust in government; even so, agency trust also declines, falling 6% to 67 in 2013.

“While customer loyalty is a key driver of business success, citizen trust—which is critical for a well-functioning democracy—is an aggregate gauge that also indicates the impact satisfaction has with federal services,” says Fornell. “While citizens view government agencies with whom they have interacted in a much more favorable light than they view the federal government in the abstract, both types of trust weaken as a result of lower citizen satisfaction.”

The full report is available for free download at www.theACSI.org. Follow the ACSI on Twitter at @theACSI and Like us on Facebook.

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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 230 companies in 43 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 on 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 GDP growth.

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