

# ACSI

American  
Customer  
Satisfaction  
Index®

## ABOUT ACSI

The American Customer Satisfaction Index (ACSI) is an independent national measure of customer satisfaction with the quality of products and services available to household consumers in the United States.

Each year, roughly 70,000 customers are surveyed about the products and services they use the most. The data serve as inputs to an econometric model that benchmarks customer satisfaction with more than 230 companies, 43 industries, 10 economic sectors, and various services of federal and local government agencies.

ACSI's time-tested, scientific model provides key insights across the entire customer experience. ACSI results are strongly related to a number of essential indicators of micro and macroeconomic performance. At the micro level, companies with high levels of customer satisfaction tend to have higher earnings and stock returns relative to competitors. At the macro level, customer satisfaction has been shown to be predictive of both consumer spending and GDP growth.

Federal Government  
63.9 ▼ -0.8%

Local Government  
64.0 ▼ -2.7%

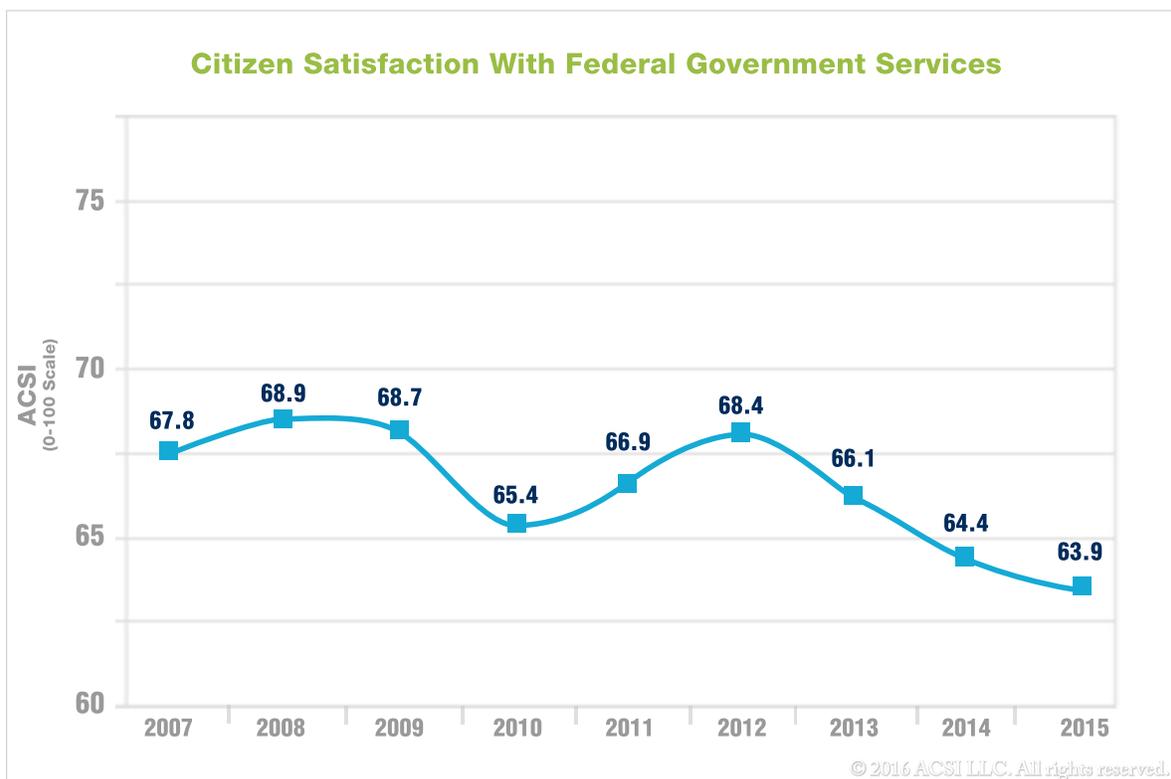


January 26, 2016

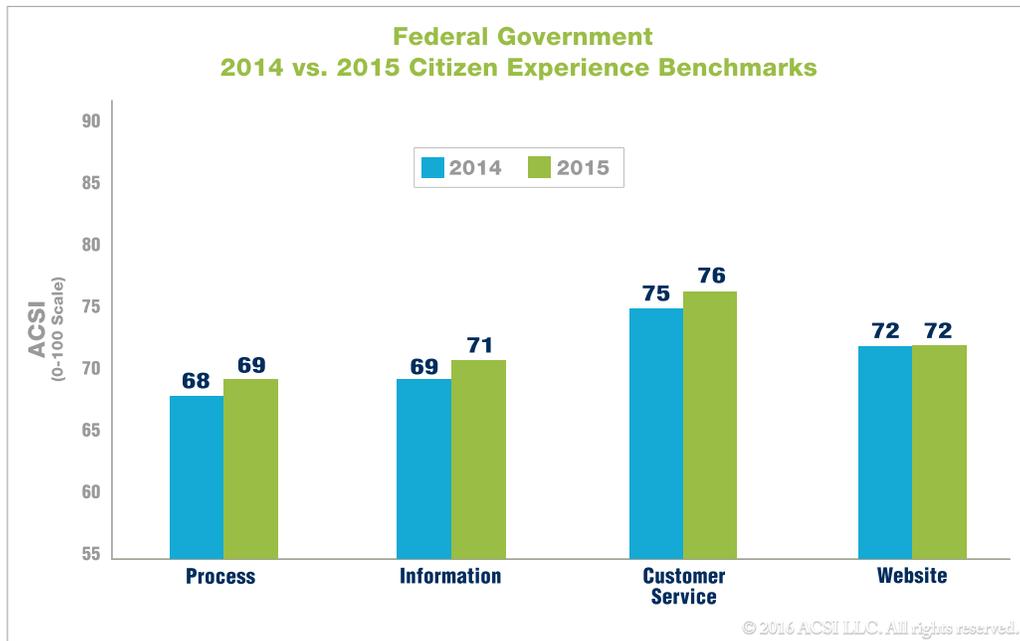
## ACSI FEDERAL GOVERNMENT REPORT 2015

## Citizen Satisfaction Dips, but Future Looks Brighter

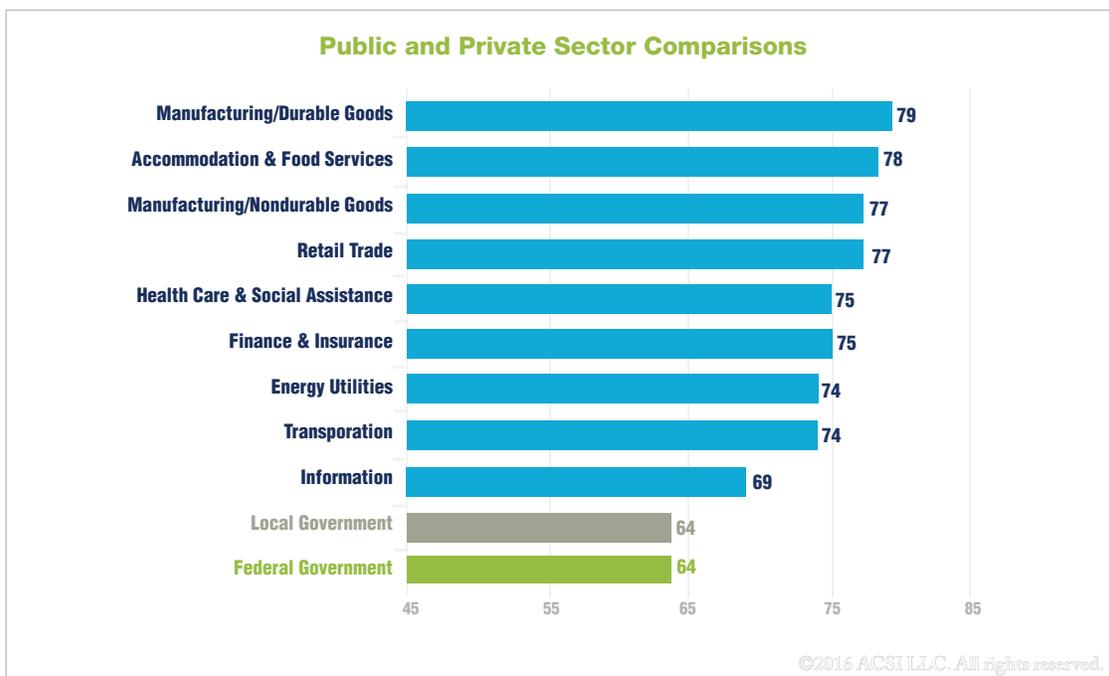
Citizen satisfaction with services of the U.S. federal government declines for the third consecutive year, down 0.8% to an ACSI score of 63.9 on a 0 to 100 scale. The good news is that the pace of the decline has slowed substantially. Moreover, small gains in citizen perceptions about their experiences with government—such as customer service and information quality—may suggest a rebound in citizen satisfaction in the year ahead.



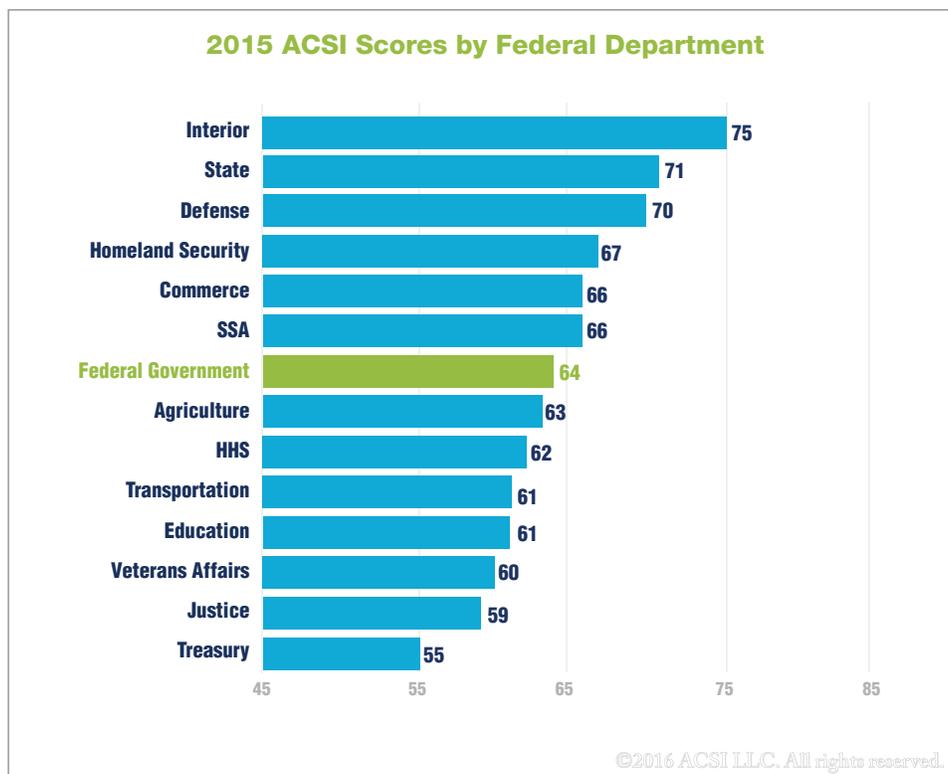
Although American citizens are less satisfied with federal services this year, ratings of the primary drivers of government satisfaction almost all improve slightly. Citizens find information received from agencies to be clearer and more accessible compared with a year ago. Likewise, the timeliness and efficiency of processes improves, as well as customer service (measured as courtesy and professionalism of staff). User perceptions of website quality (ease and usefulness) are unchanged year-over-year. Should the small gains earned in 2015 take hold and continue upward over the year ahead, 2016 could see the first improvement in federal user satisfaction since 2012.



As in prior years of ACSI measurement, both federal and local government services score far below every private economic sector in user satisfaction. Durable products lead the way with an ACSI benchmark of 79—a full 15 points higher than both local and federal government (64). While government satisfaction has weakened over the past three years, the gap between it and private sector satisfaction has narrowed slightly because the latter also has declined steadily since the third quarter of 2013.



Among individual federal departments, the Department of the Interior (75), the Department of State (71), and the Department of Defense (70) lead in citizen satisfaction for 2015. All three score well above the federal government-wide average of 64, and at or near the national ACSI score (73.8), which is the combination of all public and private sector industries. The primary citizen-facing service offered by the Interior Department is the always-popular National Park Service, which maintains 400 parks, monuments, and areas visited by nearly 300 million people each year. Likewise, the State Department interacts with citizens mostly through its passport issuance and renewal services, which have tended to be easy, efficient, and therefore satisfying for users.



The least satisfying departments this year are Veterans Affairs (60), Justice (59), and Treasury (55). The Department of the Treasury is a perennial contender for lowest citizen satisfaction delivered, due in large part to the prominent role played by the Internal Revenue Service and its historically lower levels of satisfaction. Moreover, the myriad problems experienced by Veterans Affairs in delivering health services to a swelling number of veterans are likely contributing to its low score—a situation that could depress VA satisfaction in the years ahead.

There are some satisfaction success stories for the federal government. Retirees give their experiences with the Pension Benefit Guaranty Corporation (PBGC) an exceptionally high mark of 91, better than the best in the private sector (the trio of Amazon, Nordstrom, and Chick-fil-A at 86). PBGC participant callers

also rate their experiences quite well at 83. Likewise, the Small Business Administration's Office of Disaster Assistance receives scores of 83 from renters and 81 from home owners, while users applying online for federal student aid give the Education Department's FAFSA (Free Application for Federal Student Aid) a score of 82.

Satisfaction also varies depending on how citizens choose to interact with agencies. For example, the Internal Revenue Service (IRS) typically receives scores that are on the low end, but consistent with prior years, electronic filing is much more satisfying for users. In 2015, individual e-filers give the IRS a score of 76, whereas those filing on paper rate the experience much lower at 56—a substantial gap of 20 points.

## ABOUT THIS REPORT

The *ACSI Federal Government Report 2015* is based on interviews with 2,079 users, chosen at random and contacted via email between November 12 and December 12, 2015. Respondents are asked to evaluate their recent experiences with federal government services. ACSI scores for individual agencies are derived from independent research conducted by CFI Group, which licenses the ACSI methodology.

The survey data are used as inputs to ACSI's cause-and-effect econometric model, which estimates citizen satisfaction as the result of the survey-measured inputs of expectations, and perceptions of the quality of government services. The ACSI model, in turn, links citizen satisfaction with the survey-measured outcomes of complaints and citizen trust in government. ACSI government subscribers receive confidential agency and best-in-class data on all modeled variables.

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