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Alice Fornell, <u>afornell@theacsi.org</u> Telephone: 734-913-0788

ACSI: Customer Satisfaction Rises for Twitter, Falls for Internet News and Search Engines

E-Business Stumbles but Social Media Holds Up

ANN ARBOR, Mich., (July 25, 2017) – Customer satisfaction with e-business is down 0.8 percent to 74.3 on a 100-point scale, according to the latest results of the <u>American Customer Satisfaction Index (ACSI®)</u>. This is the first decline for e-business in four years, and is a result of user dissatisfaction with internet news and opinion websites as well as search engines and information websites. Social media is the only category unaffected.

As users increasingly view social media as a news source, customer satisfaction with social media is stable at an ACSI score of 73. Twitter posts the largest gain, overtaking Facebook with an 8-percent jump to 70. Google+ may have a smaller user base than other social media sites, but its users are the most satisfied. A site redesign and new features launched in January help boost Google+ to the top of the category (+7% to 81).

In second place, social bookmarking site Pinterest rebounds 3 percent to 78 as a result of improvements in efficiency and search technology. Wikipedia slips 1 percent to 77. The online encyclopedia depends on users for content, but the number of editors is decreasing. This makes it more challenging to maintain quality and trustworthiness. Nevertheless, Wikipedia remains well above the industry average in user satisfaction.

User enhancements and the introduction of "stories" help push Instagram up 1 percent to an ACSI score of 75. YouTube, on the other hand, falls 4 percent to 74, just above the industry average. A year after dropping 9 percent to 68, Facebook is unchanged. While Facebook remains well below its peak score from 2015, it is still ahead of its historic average of 66. LinkedIn stays in last place at 65.

The presidential election boosted news and opinion websites a year ago, but reader perceptions of news outlets have changed. While social networking site Twitter is gaining user satisfaction and importance as a major news feed, the websites of traditional news outlets are losing ground. All of the largest websites weaken, dragging customer satisfaction with internet news and opinion down 1.3 percent to 75.

"It is no surprise that opinion beats informational fact in customer satisfaction," says Claes Fornell, ACSI Chairman and founder. "As long as there are enough opinion sites available, it is easier to find a match between site and user opinion than it is to match opinion to fact."

FOXNews.com slumps 3 percent to match the combined score of smaller news websites at 77. ABCNews.com and USATODAY.com fall 3 percent each to tie at 74, followed by NYTimes.com (-4% to 73) and MSNBC.com (-6% to 72). CNN.com drops even lower (-5% to 71), but TheHuffingtonPost.com stays in last place with the biggest decline (-7% to 67).

Customer satisfaction with search engines and information websites falls 1.3 percent to 76 as all of the top search engines lose ground. Google slips 2 percent to 82; however, with a 9-point lead over its nearest major competitor, Google faces little threat.

In a draw for second place among the major sites, Microsoft's Bing is down 3 percent to tie Yahoo! (-1%) at 73. MSN deteriorates the most (-4%), coming in equal to Ask.com (-1%) at 72. AOL is the only search and information site to improve with a 1-percent gain to 70. In last place, Answers.com is down 1 percent to 68.

The ACSI report, which is based on 4,978 customer surveys collected between June 25, 2016, and May 9, 2017, is available for free download at: http://www.theacsi.org/news-and-resources/customer-satisfaction-reports/reports-2017/acsi-e-business-report-2017.

ACSI 2017 INDUSTRY RESULTS FOR E-BUSINESS

Internet Search Engines & Information 76 ▼ -1.3%

Internet News & Opinion 75 ▼ -1.3%

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-0.8% 74.3

E-BUSINESS SECTOR

Internet Social Media 73 ◀▶ 0.0%

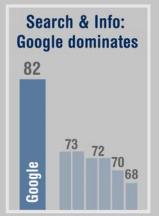
SOCIAL MEDIA RESULTS 2017

ACSI Gainers Google+ +7% 81 Pinterest +3% 78 Instagram +1% 75 All Others -8% 73 +8% 70 Twitter Tumblr +1% 68

ACSI Decliners

Wikipedia -1% 77 YouTube -4% 74

Facebook (68) and LinkedIn (65) unchanged

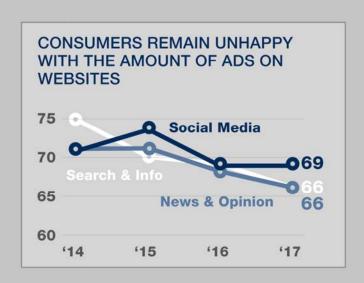


NEWS & OPINION: ALL MAJOR ONLINE NEWS OUTLETS LOSE GROUND

FOXNews 77	ABCNews 74	USATODAY 74	NYTimes 73	MSNBC 72	CNN 71	HUFFPOST 67
-3%	-3%	-3%	-4%	-6%	-5%	-7%

ACSI by Platform

PLATFORM	2016	2017
INTERNET	SEAR	CH & INFO
Desktop/Laptop	73	73
Mobile via Browser	77	73
Mobile via App	80	73
INTERNE	T SOCI	AL MEDIA
Desktop/Laptop	71	72
Mobile via Browser	72	75
Mobile via App	73	72
INTERNET	NEWS	& OPINION
Desktop/Laptop	NM	73
Mobile via Browser	NM	74



Mobile via App

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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 180,000 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 several 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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