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### Facebook Plummets; Google+ Strong in American Customer Satisfaction Index

*LinkedIn, Pinterest, Twitter.com Disappoint; FoxNews.com Increases Lead  
Among News Sites*

**ANN ARBOR, Mich.** (July 17, 2012)—Facebook, already the lowest-scoring e-business company, suffers the largest decline in customer satisfaction according to the American Customer Satisfaction Index (ACSI) E-Business Report released today in partnership with customer experience analytics firm ForeSee. The social media juggernaut plunges 8% to 61 on a 100-point scale, setting a new record-low score for the Social Media category and placing it among the five lowest-scoring companies of more than 230 measured by the ACSI.

As Facebook falls, cross-town rival Google+ does well with a score of 78 in its first appearance in the ACSI. According to the report, Google+'s strong showing is a result of an absence of traditional advertising and what is seen as a superior mobile product. Google+'s strengths may be Facebook's weaknesses, as users complain about ads and privacy concerns. However, the most frequent complaints about Facebook are changes to its user interface, most recently the introduction of the Timeline feature.

"Facebook and Google+ are competing on two critical fronts: customer experience and market penetration. Google+ handily wins the former, and Facebook handily wins the latter, for now," said Larry Freed, President and CEO of ForeSee. "It's worth asking how much customer satisfaction matters for Facebook, given its unrivaled 800 million user base. But I expect Google to leverage its multiple properties and mobile capabilities to attract users at a rapid pace. If Facebook doesn't feel the pressure to improve customer satisfaction now, that may soon change."

The e-business sector overall drops 1.6% from a year ago to a score of 74.2, lower than the national ACSI score of 75.9.

"E-business websites used to be higher in customer satisfaction than most other categories covered by the ACSI, but their performance over the past three years suggests that they need to respond better to the changing needs and expectations of their customers," said Claes Fornell, ACSI Chairman and author of *The Satisfied Customer*. "Our research shows that customer satisfaction is critical for financial performance, as long as consumers have choice and repeat business is important."

## **Social Media**

As a category, Social Media is down 1.4% to 69. This year, the category has been expanded, doubling the number of measured companies. In addition to Google+, three other social media websites make their debut: fast-growing upstart Pinterest (69), professional networking site LinkedIn (63), and Twitter.com (64). Scores for LinkedIn and Twitter.com are well below the category average. Wikipedia ties Google+ at 78 to lead the category for a third straight year. Google's other social media property, YouTube, slips a point to 73, but still scores above the category average.

## **Portals and Search Engines**

The Portals and Search Engines category is down 1.3% but remains on top of the e-business sector by a large margin at 79. Google (82) hangs on to a 1-point lead over Bing (81). With the exception of Ask.com (80) and Microsoft's MSN (78), which remain unchanged, all other sites dip 1 point from last year. Yahoo! registers a 78, while AOL (74) comes in last again.

"Google is to search what iPad is to the tablet market. Its name is synonymous with the category, and it still dominates 65% of searches in the U.S.," said Freed. "Bing is doing all the right things to be a player in search, but the problem is that Google users are generally satisfied and have little reason to go elsewhere."

## **News and Information**

In the News and Information category, FoxNews.com climbs 2% to 84 and has the highest ACSI score of all e-business companies. It holds an 8-point lead over the next highest-scoring site, ABCNews.com (-1% to 76). After a large drop in satisfaction in 2011 due to the implementation of their metered pay wall, reader satisfaction with NYTimes.com recovers a bit to 74. HuffingtonPost.com (69) remains at the bottom of the industry.

For complete historical scores and more analysis, please visit [www.theacsi.org](http://www.theacsi.org), and for additional insight [www.foresee.com](http://www.foresee.com).

## **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 measuring satisfaction with more than 230 companies in 47 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 using 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. And, at the macro level,

customer satisfaction has been shown to be predictive of both consumer spending and gross domestic product growth.

The Index was founded at the University of Michigan's Ross School of Business and is produced by ACSI LLC and supported in part by ForeSee, corporate sponsor for the e-commerce and e-business measurements. The ACSI can be found on the Web at [www.theacsi.org](http://www.theacsi.org).

#### **About ForeSee**

As a pioneer in customer experience analytics, ForeSee continuously measures satisfaction across customer touch points and delivers critical insights on where to prioritize improvements for maximum impact. Because ForeSee's superior technology and proven methodology connect the customer experience to the bottom line, executives and managers are able to drive future success by confidently optimizing the efforts that will achieve business and brand objectives. The result is better business for companies and a better experience for consumers. ForeSee is headquartered in Ann Arbor, MI and can be found online at [www.foresee.com](http://www.foresee.com).

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