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Amazon Falters During COVID-19, While Costco, Etsy, and Nordstrom Take the Internet Retail Crown, ACSI Data Show

ANN ARBOR, Mich., (October 20, 2020) – The past six months have been a trying time for most retailers.

Four out of five retail industries the American Customer Satisfaction Index (ACSI®) measures – department and discount stores, specialty retail stores, supermarkets, and internet retailers – have seen customer satisfaction wane during the pandemic, according to the [ACSI's special COVID-19 retail study](#) based on surveys collected from April 1, 2020 to September 30, 2020.

Compared to ACSI's [2019-2020 Retail Report](#), internet retail takes the biggest hit during the pandemic, down 4.9% to an ACSI score of 77. Yet, it remains ahead of the other retail categories. Specialty retail stores (down 2.6%) and drug stores (unchanged) tie for second at 76, while department stores (down 1.3%) and supermarkets (down 3.8%) both score 75.

“From the onset of COVID-19, consumer expectations of retailers took a massive hit,” said David VanAmburg, Managing Director at the ACSI. “Customers braced for delayed packages, empty grocery store shelves, and hard-to-find name brands. Of course, just because they expected this, doesn’t mean they were thrilled about it. As customer satisfaction slips, retailers must adapt to the new market. It’s clear they have their work cut out for them.”

Costco, Etsy, and Nordstrom lead internet retailers as Amazon faceplants

Among internet retailers, no companies improve customer satisfaction during the pandemic, as the category tumbles nearly 5% overall.

Costco, Etsy, and Nordstrom tie for first place at 80, but it’s nothing to get excited about. The first inches back 1%, while the latter two each recede 2%.

Kohl’s and Newegg follow suit, both down 2% to 79. Nike and HP Store are next, each sliding 4% to 78.

Six companies score 77: Staples (unchanged), Best Buy (down 1%), Target (down 1%), eBay

(down 3%), Macy's (down 4%), and Amazon (down 7%).

Amazon has the most to lose. According to the data, the former online leader experiences big declines in site performance, merchandise variety, inventory, customer support, and shipping.

Home Depot (down 3%) and the group of other internet retailers (down 4%) score 76 apiece, followed closely by nine retailers at 75: Walgreens (unchanged), GameStop (down 1%), Groupon Goods (down 3%), Gap (down 4%), Dell (down 4%), Apple (down 4%), Lowe's (down 4%), Overstock (down 5%), and Wayfair (down 6%).

Walmart (down 1% to 73) and Sears (down 1% to 72) make up the bottom two. Surprisingly, customers are more satisfied with Sears' shipping and mobile app capabilities. But those gains aren't enough to improve overall satisfaction.

L Brands narrowly edges out specialty retail competition

Only six specialty retail stores – Sephora, Ulta Beauty, AutoZone, Michaels, Dick's Sporting Goods, and Office Depot – are stable since the onset of COVID-19. The rest experience shrinking customer satisfaction.

L Brands slips 1% to 81 yet maintains a slight lead. Despite losing ground, L Brands outpaces the competition in staff courtesy and inventory.

Sephora and Ulta Beauty tie for second place with an ACSI score of 80, followed by Cabela's, which dips 1% to 79. Gap, TJX, and Abercrombie & Fitch are all down 1% to 78.

Five retailers post scores of 77: AutoZone (unchanged), Michaels (unchanged), PetSmart (down 1%), Foot Locker (down 3%), and Bed Bath & Beyond (down 4%). They tie smaller specialty stores (down 3%).

Seven retailers match the industry average of 76: Dick's Sporting Goods and Office Depot are unchanged; Staples, Best Buy, and Petco all fall 1%; O'Reilly Auto Parts drops 3% and Ascena plummets 5%.

Advance Auto Parts, Home Depot, and Lowe's sit just below the industry average, each slinking back 4% to 75. They meet Burlington, which recedes 1%. Menards takes the biggest tumble of the bunch, down 8% to 74, while GameStop remains at the bottom, down 4% to 72.

Costco's lead over department and discount stores shrinks

Costco takes the top mark among department and discount stores, but its lead from before the pandemic dwindles, as it falls 2% to an ACSI score of 81. Costco improves for its mobile app quality and reliability; however, satisfaction with inventory falls sharply.

There's a five-way tie for second place at 79: Kohl's (unchanged), Nordstrom (unchanged), Dillard's (up 1%), Belk (up 1%), and Walmart's Sam's Club (down 2%).

Macy's comes in third, unchanged at 78, followed by JCPenney, which slides 1% to 77. Target (down 3%), BJ's Wholesale Club (down 4%), and the group of smaller department stores (down 4%) all tie at 76. Meijer and Ross Stores each slip 1% to 75.

Dollar Tree tumbles 4% while Sears climbs 4% to meet at 74. Sears' gain represents the biggest improvement of all retailers measured.

Big Lots holds steady at 73. Fred Meyer retreats 3% to an ACSI score of 72. Walmart is stable at 71, as customers see improvement in checkout speed. Unfortunately, Walmart still rates lowest on this measure.

Coming in last is Dollar General, plummeting 4% to 70. Dollar General struggles the most when it comes to merchandise variety, inventory, and store layout.

Overall, department and discount stores improve in store layout, checkout speed, name brands, store locations, and mobile app reliability. However, customers feel the industry struggles with inventory availability, sales and promotions, and store hours since COVID-19, with the latter dropping 2% to 80.

Trader Joe's and Wegmans stay atop suffering supermarket industry

Customer satisfaction with supermarkets is hit hard by COVID-19, as no grocers improve.

The top four grocers hold steady: Trader Joe's and Wegmans tie for first place at 84, followed by Publix and Costco at 83. Customers are increasingly satisfied with Costco's checkout speed these past six months.

Texas-based grocer H-E-B climbed into a tie for first place in the 2019-2020 Retail report, but loses ground since the pandemic, falling 2% to 82.

Walmart's Sam's Club is unchanged at 80, tying it with Aldi (down 4%), and just ahead of BJ's Wholesale Club, which plummets 4% to 79. Hy-Vee remains steady at 78, while three grocers sit at 76: Ahold Delhaize (down 1%), Target (down 4%) and Amazon's Whole Foods (down 4%).

There's congestion at the industry average, with five grocers sitting at 75: Save-A-Lot (unchanged), Supervalu (down 1%), Meijer (down 4%), Kroger (down 5%), and ShopRite (down 6%). Southeastern Grocers (down 3%), Giant Eagle (down 3%), and the group of smaller grocers (down 6%) come in at 74. Walmart is next, down 3% to 71.

After plummeting 8%, Albertsons Companies is alone at the bottom with a score of 69 – the first time a supermarket has scored in the 60s since 2015.

The effects of the pandemic on retail are especially pronounced in supermarkets. Aside from checkout speed, which remains steady at 76, all other customer experience benchmarks decline.

Keeping shelves stocked has been a major issue for the industry with inventory sinking 6% to 75. Customers aren't seeing many sales and promotions, and they're uninspired by the number of locations.

Customers still prefer smaller drug stores

Customer satisfaction with health and personal care stores is steady at 76 over the last six months, as customers' retailer of choice remains the same: smaller drug stores.

Despite slipping 1% to an ACSI score of 81, smaller drug stores lead the industry once again. CVS moves into second place, climbing 1% to 78. Kroger, which slips 1% to 77, is next, followed by Walmart, up 1% to 75. Walmart's checkout speed improves substantially, but the retailer still trails the rest of the industry for this measure.

Kmart, a Sears company, stumbles 1% to 74, just ahead of Walgreens, which slips 3% to 73. Rite Aid and Albertsons Companies sit in the industry cellar together, each sinking 4% to an ACSI score of 72.

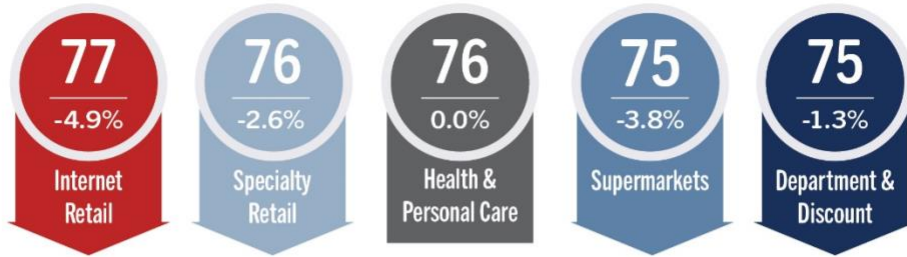
For the most part, the customer experience for drug stores remains the same. Customers do feel the checkout process (up 1% to 77) is faster and mobile app reliability (up 2% to 83) is better. However, the industry's ability to provide name brands has lessened (down 1% to 78).

The [American Customer Satisfaction Index special COVID-19 retail study](#) is based on interviews with 30,787 customers from April 1, 2020 to September 30, 2020.

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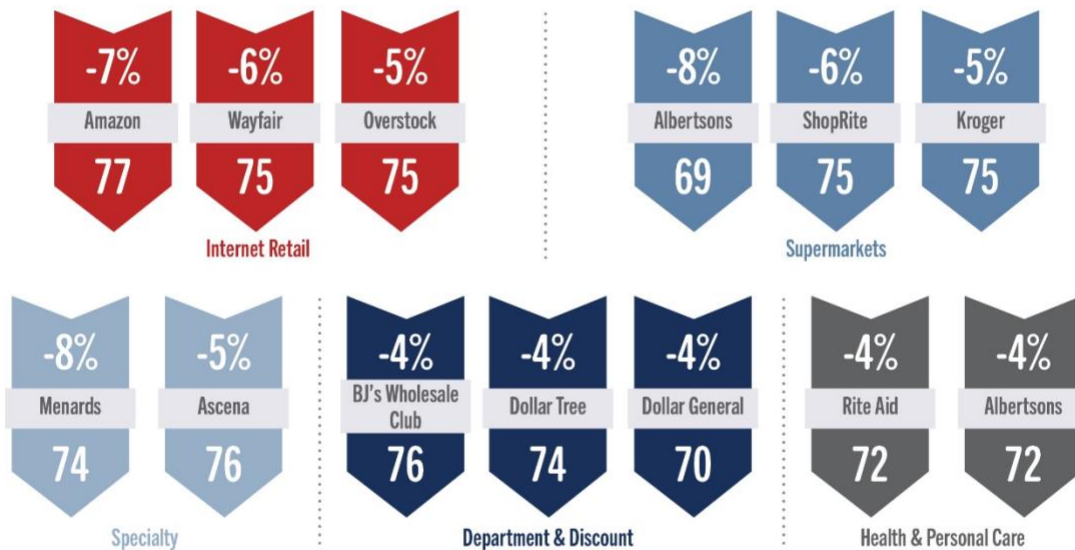
AMERICAN CUSTOMER SATISFACTION INDEX: 6 MONTHS OF (DIS)SATISFACTION

ACSI's new study reveals widespread decline in customer satisfaction across the retail sector during the COVID-19 pandemic.*

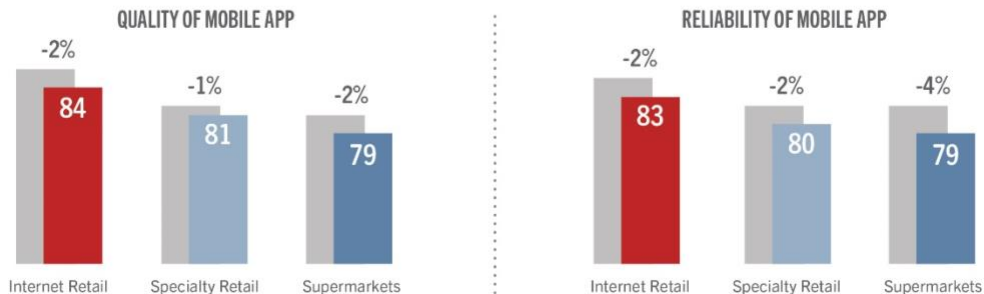


*ACSI results based on customer surveys conducted April-September 2020 as compared with the period January-December 2019.

Among nearly 100 major retailers, almost 75% experience ACSI declines as the pandemic rocks the U.S. economy.



Customers feel that both mobile app quality and reliability have eroded for three retail industries.



0-100 Scale

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The [American Customer Satisfaction Index](http://www.theacsi.org) 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, scores are based on data from interviews with roughly 500,000 customers annually. For more information, visit www.theacsi.org.

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