



AMERICAN CUSTOMER SATISFACTION INDEX
**E-GOVERNMENT
SATISFACTION INDEX**

MARCH 15, 2005

*Commentary and Analysis by Larry Freed
President and CEO, ForeSee Results*





NUMBER OF E-GOV SITES MEASURING SATISFACTION SURGES, SATISFACTION GROWTH STALLS

Satisfaction with e-government websites has experienced a slight decline from last quarter, as the gap slowly widens between the performance of federal government websites and their potential as a cost-efficient and convenient way to connect with citizens. In the latest quarterly release of the American Customer Satisfaction Index E-Government Satisfaction Index, aggregate citizen satisfaction scored 71.9, down from 72.1 in December 2004.

The number of e-government sites measured in the index increased 9% this quarter from 54 in December 2004 to 59 in the current index. With the slight downward movement in the overall score comes decreased customer satisfaction with a number of sites that were included in the benchmark both this quarter and last. A greater number of agencies (35%) show a decline in customer satisfaction from last quarter than show an increase (31%). Customer satisfaction at 33% of the sites stayed flat quarter over quarter.

The eagerly awaited OMB web standards, released during this measurement period, provide a good starting point for helping agencies become more citizen-centric. But many agencies remain constrained by budget and resource issues that prevent them from being as responsive to citizens' needs as they would like to be. It appears that the pace of change for e-government satisfaction may be slowing at a time when citizens' standards continue to rise.

And, our analysis shows that agencies may not always be spending their scarce resources in the areas of greatest impact. Agencies would be well served to ascertain which aspects of their websites have the greatest impact on citizen satisfaction and loyalty, and the focus on enhancing those areas.

The good news, however, is that spending on e-government seems to be picking up. A recent study shows that e-government spending is expected to grow through 2009. More money provides agencies with the ability not only to collect, but also to act on "voice of the customer" feedback to truly provide a citizen-centric online experience.

Fifty-nine agencies participated in this quarter's index. Sites are divided into four categories: Portals/ Department Main Sites, News/Information, E-commerce/Transactions and Recruitments/Careers.

Key Findings

- Overall customer satisfaction with e-government is down only slightly from last quarter, while the index grew 9%
- Search, navigation and functionality present opportunities for improving and enhancing customer satisfaction
- Content is already satisfactory on most government sites
- Privacy is one of the highest scoring and lowest priority elements for e-government websites, which means it doesn't need improvement
- Customer satisfaction is slightly up from last quarter with recruitment/career and information/news sites, and down with portals/department main sites and e-commerce/transaction sites
- Loyalty to government websites remains strong, in terms of likelihood to return to and recommend the sites.

For More Information
1.800.621.2850
www.ForeSeeResults.com





THE ACSI METHODOLOGY

The E-Government American Customer Satisfaction Index is a special quarterly report of the ACSI, which is produced by the University of Michigan in partnership with the American Society for Quality (ASQ), ForeSee Results and the CFI Group. The ACSI is a cross-industry measure of offline customer satisfaction that measures the performance of approximately 200 private sector companies, as well as many government agencies. ForeSee Results collects and analyzes the data for the e-government websites included in the report.

ACSI e-government scores were calculated based on data gathered from voluntary online surveys of site visitors. Each government website was rated by its visitors on various components of overall satisfaction. The ratings were converted to a score on a 100-point scale using the ACSI methodology.

The ACSI methodology identifies key drivers of satisfaction and quantifies their relationship to overall customer satisfaction. Going further, this cause-and-effect methodology predicts how customers will behave in the future and demonstrates the impact of website enhancements on customer satisfaction, customer behavior and ultimately, the bottom line.

COMPARISON TO ACSI AGGREGATE SCORE

Comparison of ACSI Aggregate Government and E-Government Scores	Q4 2004	Q1 2005	Change
ACSI Aggregate	74.3	73.6	-.7
ACSI E-Government Aggregate	72.1	71.9	-.2

TREND OF INCREASING SATISFACTION STALLS

A slight decline in customer satisfaction in one quarter is not necessarily cause for concern, as the true power of customer satisfaction measurement is realized over time. Sites that continuously monitor what their customers want and need, and act on the "voice of the customer" feedback, are the most successful at satisfying their customers. Our research proves this out: Year-over-year, 52% of measured sites have improved customer satisfaction. And, 60% of sites report higher customer satisfaction scores this quarter than when they were first measured.

Long-term customer satisfaction scores and trends are more indicative of a site's ability to meet and exceed customer expectations, but quarterly changes in scores provide some insights. First, a drop in a score from one quarter to the next can be a "warning sign" that the site needs to more carefully monitor what its visitors need and expect. Or, a decrease could show that a site is not keeping up with the rising standards of citizens, which are shaped by exposure to multiple public and private sector sites.

Seasonality is another factor that may account for variances in scores from one quarter to the next. Sites like Future.State.gov that see a lot of student traffic at the beginning of a semester may experience a drop in scores when new students rush to their sites at the advice of their teachers.

For More Information
1.800.621.2850
www.ForeSeeResults.com





Outside events may also affect quarter-over-quarter scores for certain sites. For example, NASA typically sees higher scores with promotional events in the space program. When the Pension Benefit Guaranty Corporation (PBGC) takes over a new pension plan, its site tends to draw more first-time users, who may be less satisfied.

There are many reasons for quarterly ebbs and flows in customer satisfaction for specific sites. Smart agencies will take these factors into account when monitoring their success at meeting the needs of the public, while recognizing that the true test of citizen-centricity is long-term customer satisfaction.

DETERMINING WHAT'S DRIVING ONLINE CITIZEN SATISFACTION

Satisfaction with a website is a complex equation with multiple elements determining how well the online experience meets the needs of site visitors. The ACSI methodology calculates the impact of the different drivers of satisfaction based on direct "voice of the customer" feedback for each measured site. The cause-and-effect nature of the methodology enables an agency or department to predict the impact of website enhancements in a particular area, (e.g., navigation) on overall satisfaction. Going further, the methodology predicts how increases in satisfaction affect desired future behaviors of site visitors, such as return visits and referrals to the site.

Typically, an area with a low satisfaction score and a high impact score is considered high priority. The identification of high priority satisfaction drivers provides valuable insight into how an agency or department should prioritize website improvements based on where they will have the greatest impact on citizen satisfaction and ROI.

This quarter's ACSI E-Government Satisfaction Index commentary looks at broad trends with respect to what drives satisfaction with government websites. It's important to note that this data cannot be generalized to ALL government websites, or even to all of those included in the index. Rather, it's intended to give a perspective on key citizen likes and dislikes, and the top-priority challenges and areas of opportunity for government websites.

Finding Content More Important than Adding More Content

Interestingly, many agencies may be focused in the wrong area, according to this quarter's analysis. Many site managers spend the majority of their time uploading new content to their sites. Content is a high-scoring element, but it is not a top priority for 96% of sites included in our index. This means that most site managers are providing the content that site visitors want and expect to find on the sites. The score says that sites should be applauded for doing a good job of providing content that people want. But, with content under control, website managers should shift their focus to improving areas with a higher impact on overall satisfaction, namely, search, navigation and functionality. After all, the content on the site provides limited value if people can't find it.

For More Information
1.800.621.2850
www.ForeSeeResults.com



With a score of 72, search is once again one of the lowest scoring elements and an area of great importance to e-government site visitors. Government sites tend to have vast amounts of information and often organize the information in ways that make sense to agency insiders, but are difficult for first-time visitors to navigate successfully. Where navigation efforts are



unfruitful, citizens turn to search to find what they're looking for. Search engine technology employed on the sites is in many cases insufficient to aid citizens in finding the information they seek. Improvement in search is a huge area of opportunity as it was identified as a high priority for 92% of measured sites.

Navigation, the lowest scoring element with a score of 71, is high priority for 37% of measured sites—and is closely related to search. Agencies must understand how their various groups of site visitors will try to find information on their site. This can be very different for the wide variety of audience segments using government websites, from technical professional audiences, to the media and students. The needs and expectations of first-time visitors can be very different than those of frequent visitors. The key to improving satisfaction for the site overall lies with truly understanding how visitor audiences use the site so navigation can be more effectively tailored to their needs and frame of reference.

Functionality, which assesses the usefulness and convenience of site services, is a high priority for 48% of sites in this quarter's index, with a score of 76 .

Search & Navigation: Keys to Success

While search and navigation are among the lowest scoring elements on an aggregate level, some sites perform well in these areas. GSA Advantage (www.gsaadvantage.com) is one example of a site that improved customer satisfaction through enhancements in search and navigation.

GSA Advantage, the one-stop online procurement resource for government employees, registered a three-point up tick in overall customer satisfaction from last quarter.

This increase in customer satisfaction follows an August redesign of the site with enhanced search and navigation, including a feature that enabled users to search the site by category. The changes garnered positive publicity in articles in GovExec.com and FCW.com.

Analysis of scores for individual sites shows a strong link between satisfaction with search and navigation and overall citizen satisfaction. Sites that score the highest on overall citizen satisfaction also have the highest scores for search and navigation. And, scores for these important elements match scores for other elements. Conversely, lower-scoring sites show a greater difference in scores for search and navigation, which score lower, and other measured elements.

Privacy: Not an Issue for Government Sites

Privacy receives a lot of media attention as an area of concern for users of web sites, and is an area of focus for the OMB standards. Fortunately for government websites, it does not seem to be much of an issue among citizens. With a satisfaction score of 81 and an increase of two points since last quarter, privacy has both the highest score and the largest increase since last quarter. And, it is not a high priority element for any of the measured websites, indicating that the government is doing a good job of ensuring citizens that their online information is secure.

For More Information
1.800.621.2850
www.ForeSeeResults.com





Citizens Trust Government Sites

Image is one of the elements measured by the American Customer Satisfaction Index. A series of interrelated questions ask site visitors about how reliable and trustworthy the site is, and how much it values its visitors. With a score of 79, image boasts a strong score.

Trustworthiness is especially important for government sites with private sector competition. MedlinePlus and its Spanish-language sister site, MedlinePlus en Español, are prime examples of government sites that do a good job of meeting the needs of a public that can choose from multiple sources of online information. With scores of 87 and 83, respectively, these medical information sites lead the news and information category.

The trustworthiness of government websites is also a likely factor in the high levels of behaviors tied to loyalty. With scores of 82 and 78, respectively, the measured behaviors of "likelihood to return" and "likelihood to recommend" indicate strong loyalty to government websites.

CUSTOMER SATISFACTION BY TYPE OF MEASURED SITE

The 59 sites in this quarter's index fall into four categories:

Category	Q 4 2004 Score	Q1 2005 Score	Change
ACSI E-Government Aggregate	72.1	71.9	-.2
Portals/Department Main Sites	72.1	71.9	-.2
Information/News	71.4	71.5	.1
E-commerce/Transactions	73.3	71.3	-2.0
Recruitment/Careers	77.0	77.7	.7

PORTALS/DEPARTMENT MAIN SITES

Citizen satisfaction with portals/department main sites is slightly down this quarter, from 72.1 to 71.9. Part of the decline is attributable to the inclusion of several new sites in this category.

For portals/department main sites, search is a top priority for 95% of the sites. This is not surprising, considering the role of this type of site in providing access to a wide range of information to site visitors. Content, on the other hand, is not a top priority for any of the measured sites.

Cancer.gov maintains its solid score of 80 and the top spot in this category. It is followed closely by new index participant, the National Parks Service's main website, www.nps.gov, with a score of 79.

For More Information
1.800.621.2850
www.ForeSeeResults.com





ID	E-Government U.S. Agency/ Department/Office	Website	3/05 Score
<i>Portal/Department Main Websites</i>			
NCI	National Cancer Institute, National Institutes of Health, HHS	National Cancer Institute main website www.cancer.gov	80
NPS	National Parks Service, Interior	National Parks Service main website www.nps.gov	79
HHS, NLM	National Library of Medicine, HHS	NLM main website—www.nlm.nih.gov	77
NIST	National Institute of Standards and Technology, Commerce	NIST main website www.nist.gov	77
DOD	Department of Defense	Department of Defense main site www.dod.mil	76
NARA	National Archives & Records Administration	NARA Presidential Library websites http://archives.gov/presidential_libraries/index.html	74
NASA	National Aeronautics and Space Administration	NASA main website www.nasa.gov	74
CDC	Centers for Disease Control and Prevention	CDC main website—www.cdc.gov	74
GSA	General Services Administration	FirstGov.gov website (Spanish) http://firstgov.gov/Espanol/index.shtml	74
FDIC	Federal Deposit Insurance Corporation	FDIC main website—www.fdic.gov	73
State	Department of State	Department of State main website—www.state.gov	73
SSA	Social Security Administration	SSA main website—www.socialsecurity.gov/	72
GAO	Government Accountability Office	GAO main public website—www.gao.gov	71
GSA	General Services Administration	FirstGov.gov website—www.firstgov.gov	71
IRS	Internal Revenue Service, Treasury	IRS main website—www.irs.gov	70
Treasury	Department of the Treasury	Treasury main website—www.treasury.gov	69
DOT	Federal Aviation Administration	FAA main website—www.faa.gov	68
USPTO	United States Patent & Trademark Office	USPTO main website—www.uspto.gov	66
HUD	U.S. Department of Housing and Urban Development	HUD main website www.hud.gov	62
GSA	General Services Administration	GSA main website—www.gsa.gov	57

INFORMATION/NEWS

Aggregate customer satisfaction is approximately on an even keel with last quarter, with an almost imperceptible increase of .1 point to 71.5.

For news and information sites, search is again a top priority. In fact, 100% of measured sites report this element as a key priority, meaning that enhancing search will have a positive impact on customer satisfaction and loyalty.

The top three spots in the index go once again to health information sites MedlinePlus (87), MedlinePlus en Español (83) and the www.4woman.gov (82). AIDSinfo, with a score of 80, experienced the greatest quarter-over-quarter satisfaction increase since last quarter, when its score was 76.

This four-point increase follows a number of changes made to <http://aidsinfo.nih.gov/>, a site that serves as the authoritative source for Federal Treatment Guidelines on AIDS treatment. On December 1, World AIDS Day, the site debuted a redesigned home page and a redesign of some of its second tier pages.

For More Information
1.800.621.2850
www.ForeSeeResults.com





The relaunch enhanced search capabilities and improved navigation. Recognizing that it serves multiple audiences, AIDSinfo segmented information to particular audiences, such as students, providers and patients. The site also added a consumer fact sheet in both English and Spanish.

ID	E-Government U.S. Agency/ Department/Office	Website	3/05 Score
Information/News Websites			
HHS, NLM	National Library of Medicine, National Institutes of Health, HHS	MedlinePlus http://medlineplus.gov	87
HHS, NLM	National Library of Medicine, National Institutes of Health, HHS	MedlinePlus en español— http://medlineplus.gov/esp/	83
HHS OWH	Office on Women’s Health, HHS	National Women’s Health Information Center (NWHIC) main website— www.4woman.gov	82
HHS, NLM	National Library of Medicine, National Institutes of Health, HHS	AIDSinfo http://aidsinfo.nih.gov/	80
GSA	General Services Administration	Federal Citizen Information Center www.pueblo.gsa.gov/	79
DOJ	National Criminal Justice Reference Service, Justice	NCJRS website— www.ncjrs.org	77
HHS, NLM	National Library of Medicine, National Institutes of Health, HHS	TOXNET http://toxnet.nlm.nih.gov	76
HHS	National Institute of Allergy and Infectious Diseases, HHS	NIAD main website www.niaid.nih.gov	76
DOJ	National Institute of Justice, Justice	NIJ main website— www.ojp.gov/nij	75
DOJ	Office of Juvenile Justice and Delinquency Prevention, Justice	OJJDP website http://ojjdp.ncjrs.org	75
SSA	Social Security Administration	SSA FAQ— http://ssa-custhelp.ssa.gov	74
DOL	Bureau of Labor Statistics	BLS Occupational Outlook Handbook www.bls.gov/oco/	73
USDA	Forest Service, Agriculture	Forest Service main website— www.fs.fed.us	73
HHS	Agency for Healthcare Research & Quality, HHS	Agency for Healthcare Research and Quality www.ahrq.gov	73
USDA	Economic Research Service, Agriculture	ERS main website— www.ers.usda.gov	72
State	Department of State	U.S. Department of State Education USA http://educationusa.state.gov	71
State	Bureau of Cultural Affairs, State	Bureau of Cultural Affairs website http://exchanges.state.gov/	71
Commerce	Bureau of Economic Analysis, Commerce	BEA main website— www.bea.gov	71
State	Department of State	Student website— http://future.state.gov	69
USDA	Foreign Agricultural Service, Agriculture	FAS main website— www.fas.usda.gov	69
EIA	Energy Information Administration, Energy	Energy Information Administration www.eia.doe.gov	69
NARA	National Archives & Records Administration	NARA main public website www.archives.gov	68
State	International Information Programs, State	IIP main website— http://usinfo.state.gov	67
FEMA	Federal Emergency Management Agency, Homeland Security	FEMA Mitigation Division website www.fema.gov/fima/	67
USDA	Food Safety and Inspection Service, Agriculture	FSIS main website www.fsis.usda.gov	66
USDA	National Agricultural Library, Agriculture	NAL main website— www.nal.usda.gov	66
USDA	Cooperative State Research, Education, and Extension Service, Agriculture	CSREES main website www.csrees.usda.gov	62

For More Information

1.800.621.2850

www.ForeSeeResults.com



ID	E-Government U.S. Agency/ Department/Office	Website	3/05 Score
<i>Information/News Websites Continued</i>			
DOL	Employment Standards Administration, Labor	ESA main website www.union-reports.dol.gov	62
NARA AAD*	National Archives & Records Administration	NARA AAD—Access to Archival Databases www.archives.gov/aad/index.html	57
DOD	Military Health System, Defense	TRICARE—www.tricare.osd.mil/	56

E-COMMERCE/TRANSACTIONS

The category of e-commerce/transactions experienced the greatest drop in aggregate customer satisfaction, from 73.3 last quarter to a current score of 71.3.

Search and navigation tie for top priority in this category and are high priority elements for 67% of e-commerce/transaction sites. It makes sense that functionality, which describes the usefulness and convenience of the site, would be important. While e-commerce/transaction sites score well on functionality (77), they could do more to enhance overall customer satisfaction with emphasis on this element. This category will be interesting to watch, as it is expected to expand as more government sites add transactional capabilities.

The United States Mint Online Catalog site continues to lead this category with a score of 81.

ID	E-Government U.S. Agency/ Department/Office	Website	3/05 Score
<i>E-Commerce Websites</i>			
Treasury	United States Mint, Treasury	Online Catalog— http://catalog.usmint.gov	81
SSA	SSA Retirement Planner	SSA Retirement Planner www.socialsecurity.gov/r&m1.htm	78
FEMA	Federal Emergency Management Agency, Homeland Security	FEMA Flood Map Store http://store.msc.fema.gov	70
GSA	General Services Administration	GSA Advantage website https://www.gsaadvantage.gov	68
GSA	GSA Global Supply website	GSA Global Supply website https://www.globalsupply.gsa.gov	68
PBGC	Pension Benefit Guaranty Corporation	PBGC main website— www.pbgc.gov	63

RECRUITMENT/CAREERS

The smallest category of recruitment/careers once again boasts the highest aggregate score, which at 77.7 is up .7 from last quarter's aggregate score of 77. Within this category, the Department of State's recruitment website, www.careers.state.gov, is up two points from last quarter to 78.

While the overall satisfaction score for sites in this category is higher, the scores for "likelihood to recommend" are not. This presents a huge opportunity for these sites to grow through "word of mouth" referrals.

For More Information
1.800.621.2850
www.ForeSeeResults.com





ID	E-Government U.S. Agency/ Department/Office	Website	3/05 Score
<i>Recruitment/Careers Websites</i>			
CIA	Central Intelligence Agency	Recruitment website— www.cia.gov/employment	79
State	Department of State	Recruitment website—www.careers.state.gov	78
OPM	Office of Personnel Management	Recruitment website—www.usajobs.opm.gov	76

SUMMARY

The recently-released OMB web standards provide a great starting point for agencies to improve their websites to enhance customer satisfaction. But, agencies that want to become truly citizen-centric need to go further by measuring and acting on “voice of the customer” feedback. This means that agencies must assess their respective site visitor segments and the drivers of satisfaction to see specifically where their websites need improvement.

ABOUT THE AUTHOR

Larry Freed is an expert on Web Effectiveness and Web Customer Satisfaction. He is also President and CEO of ForeSee Results, a market leader in customer satisfaction measurement on the web, which utilizes the methodology of the American Customer Satisfaction Index.

ABOUT THE ACSI

The American Customer Satisfaction Index (ACSI) is the only uniform, national, cross-industry measure of satisfaction with the quality of goods and services available in the United States. In 1999, the Federal government selected the ACSI to be a standard metric for measuring citizen satisfaction. Over 55 Federal government agencies have used the ACSI to measure citizen satisfaction of more than 110 services and programs. The Index is produced by the University of Michigan in partnership with the American Society for Quality (ASQ) and CFI Group, an international consulting firm. ForeSee Results sponsors the e-commerce, e-business and e-government indices.

ABOUT FORESEE RESULTS, INC.

ForeSee Results is the market leader in online customer satisfaction management and specializes in converting satisfaction data into user-driven web development strategies. Using the methodology of the University of Michigan's American Customer Satisfaction Index (ACSI), ForeSee Results has created a model that scientifically quantifies the elements that drive online customer satisfaction and predicts future behaviors, including the likelihood to return to the site or recommend the site to others. ForeSee Results, a privately held company located in Ann Arbor, Michigan and can be found online at www.ForeSeeResults.com.

For More Information
1.800.621.2850
www.ForeSeeResults.com





ABOUT THE FEDERAL CONSULTING GROUP

The Federal Consulting Group, a franchise of the Department of the Treasury, serves as the executive agent in the government for the American Customer Satisfaction Index (ACSI), and holds generic clearance from the Office of Management and Budget that enables agencies to utilize the ACSI without having to obtain a separate clearance under the Paperwork Reduction Act to conduct customer satisfaction surveys. Agencies can participate in the ACSI through an arrangement between the Federal Consulting Group and ForeSee Results.

For More Information

1.800.621.2850

www.ForeSeeResults.com



ForeSee Results is a trademark or registered trademark of ForeSee Results.
All other company or product names are trademarks of their respective owners.

© 2005 ForeSee Results. All rights reserved.