



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

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I. OVERVIEW: E-GOVERNMENT SHOWS STEADY INCREASE IN SATISFACTION; SEARCH IS HOLDING BACK SATISFACTION GAINS.

Two years after President Bush signed the E-Government Act into law, federal government websites have moved into the mainstream as a convenient and cost-effective channel for Americans to connect with governmental agencies and departments. According to the Pew Internet & American Life Project, 97 million adult Americans accessed e-government in 2003, a 50% increase from 2002.

During this time of usage growth, government websites have maintained a focus on meeting the needs and expectations of citizens. This trend continues, according to the fourth quarter 2004 American Customer Satisfaction Index (ACSI) E-Government Satisfaction Index. This quarterly index shows that aggregate citizen satisfaction is comparable to last quarter: the aggregate score across all 54 measured sites rose to 72.1 from 71.2, a 1.3% increase. Loyalty to the web channel remains high, as measured by likelihood to return to government websites and refer them to others. And, the proportion of first-time visitors to the government sites in the index has increased 14% since last year.

With a score of 72.1, citizen satisfaction with e-government matches satisfaction with the federal government as a whole, as measured by the ACSI in its yearly government measurement and analysis. This proves the success of the government at "right channeling," or enabling citizens to pick the channel, e.g., web, call center, service center, that best meets their needs for a particular service.

This fourth quarter analysis probes deeper into the drivers of customer satisfaction for government websites. As in the private sector, search and navigation are top priorities for many government websites, with agencies taking a variety of approaches to enhancing satisfaction in these areas.

Measured sites are divided into four categories: Portals/Department Main Sites, News/Information, E-commerce/Transactions and Recruitment/Careers. Within each category, scores remain relatively steady from last quarter, with the highest quarter-over-quarter increase (6%) in the small e-commerce/transaction category.

Key Findings

- Citizen satisfaction with government websites is trending gradually up from last quarter
- As traffic to government websites increases, the proportion of first-time visitors is also on the rise. The modest gains in aggregate citizen satisfaction with e-government may be linked to a greater number of first-time visitors—harsher critics who tend to rate sites lower.
- Loyalty to the e-government channel remains strong, which bodes well for its continued growth
- Search and navigation are high priorities for many government websites
- Citizen satisfaction with e-government websites is on par with satisfaction with the federal government as a whole

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"I have nothing but praise for the federal agencies that continue to improve their citizen-centered websites despite tight dollars," said Anne Kelly, CEO of the Federal Consulting Group. "Even a modest increase on the ACSI e-Gov score is a step in the right direction—satisfying their customers. Agencies are doing a fantastic job with web development, but there will always be a few bumps in the road. In the end, agencies will save money as more and more citizens move to federal websites to get information and transact business. Everybody wins and hopefully everybody will be satisfied."

II. THE ACSI METHODOLOGY

The E-Government 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 0-100 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 of ACSI Aggregate, Government and E-Government Scores

	Q4 2003	Q4 2004	Change	% Change
ACSI Aggregate	73.8	74.3	.5	.7%
ACSI Government Aggregate	70.9	72.1	1.2	1.7%
ACSI E-Government Aggregate	70.1	72.1	2.0	2.9%

III. KEY DRIVERS OF SATISFACTION

Satisfaction with a website is a complex equation with multiple elements determining how well the online experience meets citizens' expectations. For each measured site in the index, the ACSI methodology calculates the impact of the different drivers of satisfaction based on direct "voice of the customer" feedback. The ACSI methodology enables an agency or department to predict the impact of website enhancements in a particular area, (e.g., navigation) on overall satisfaction and on how a site visitor will act in the future. 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

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the index. Rather, it's intended to give a perspective on key citizen likes and dislikes, and the top-priority challenges and issues facing government websites.

Search and Navigation

The satisfaction driver, or "element", of Search is consistently flagged as one of the top priorities both for government and for private sector websites. This is probably no surprise to anyone who has typed a search phrase into a search engine and been rewarded with a list of thousands of links...many of them not at all relevant. Even industry-leading search engines like Google and Microsoft often fall short in delivering a manageable number of targeted responses to a search query.

Government websites provide the important benefit of making volumes of information available to the public at the click of a mouse. But, making this information not only available but easily accessible is a major challenge, especially when site users encompass a number of distinct audiences, including students, educators, researchers, business people and government employees.

On an aggregate level, satisfaction with Search at the measured government websites received a score of 71. Tying Search with an aggregate score of 71 was the related element of Navigation. These mediocre scores are significant because Search and Navigation both had high impact at the majority of government sites, meaning that improving satisfaction with these elements would significantly improve overall citizen satisfaction. Conversely, not improving these elements can lead to frustration, decreased usage and negative "word of mouth."

For the government websites in this quarter's ACSI index, Search is a "high impact" satisfaction driver for 92% of the sites, while Navigation is "high impact" for 74% of them.

Although Search and Navigation are somewhat universal as both problems and priorities, there isn't one way to "fix" either element. Rather, the ways that government sites choose to address the two interrelated elements of Search and Navigation are as varied as the websites themselves.

Some sites, like the National Institute of Standards and Technology (www.nist.gov), choose to improve search capabilities by making a wholesale change of search engine. At the end of August, NIST implemented the Google search engine and has seen its Search scores increasing since then, although the aggregate 90-day average satisfaction score does not yet reflect the search improvement.

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The Forest Service main website, www.fs.fed.us, took a different approach to improving the accessibility of information on its site. By monitoring what site visitors were looking for, it focused on improving site navigation and made information to key audiences, like scientists, more readily available and easier to find. Often, search becomes less of an issue when navigation is improved because visitors can find what they want without using a search engine.





The Forest Service also responded to the needs of citizens by providing links to relevant information from other sources. When the Forest Service realized that many people came to the site seeking information on wildfires, which don't fall under the Forest Service's domain, it provided links to outside websites that provide this information.

Looking beyond search to navigation and site design issues, the Government Accountability Office (GAO) redesigned its homepage and site architecture to clarify the site organization and reduce the number of steps to find information. Satisfaction scores for the website have increased by 5 points (7.5%) over a one-year period.

IV. FIRST-TIME VISITORS: AN OPPORTUNITY AND A CHALLENGE

As compared to one year ago, the percentage of site visitors who identified themselves as "first-time visitors" rose by 14%, which is significant for two reasons. One, it shows the impact of current site visitors' loyalty on acquisition through referral. ("Likelihood to recommend" the website to others was rated 77).

Secondly, a high percentage of first-time visitors drags down overall satisfaction scores. This is because first-time visitors tend to rate sites lower due to their lack of familiarity with the content, navigation and other site features, and in some cases, lack of familiarity with the government. In fact, overall satisfaction scores for first-time visitors to government websites are typically 5-10% lower than scores for more frequent users. While it's harder to satisfy first-time users, it's important to do so. Otherwise, there's little chance that a site will be able to convert them to loyal users of the convenient and cost-efficient online channel.

V. THE LINK BETWEEN SATISFACTION WITH E-GOVERNMENT AND OVERALL GOVERNMENT

Satisfaction with measured e-government sites and federal government agencies (which is primarily based on offline services, but takes the web into account), both show an upward trend since last year. Scores for e-government have increased more than overall federal government scores (2.9% vs. 1.7%), which is to be expected from the less mature web channel.

Relatively high satisfaction scores in both measured areas bode well for the American public. Citizens can choose the channel that best fits their needs for a particular service at a particular time. And, having this option actually increases satisfaction for all channels. People can choose the channel of their choice, not their "second choice" channel, as might happen if someone turned to the call center in a frustrated state of mind after not being able to find what they wanted on the web.

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VI. A LOOK AT CUSTOMER SATISFACTION BY TYPE OF SITE MEASURED

Fifty four sites measured in the fourth quarter 2004 fall into four categories:





Category	Aggregate Score
ACSI E-Government Aggregate	72.1
Portals/Department Main Sites	72.1
Information/News	71.4
E-commerce/Transactions	73.3
Recruitment/Careers	77.0

As a point of comparison, the recently released ACSI aggregate score for offline government is 72.1 and the latest aggregate ACSI score—which measures cross-industry customer satisfaction—was 74.3.

VII. PORTALS/DEPARTMENT MAIN SITES

Citizen satisfaction with government portals/department main sites is up to 72.1 this quarter, which compares favorably to the overall satisfaction score of 71 given to private sector portals in the most recent ACSI Annual E-Business Report.

With a score of 80, the National Cancer Institute's main website, www.cancer.gov, leads this sub-category, followed closely by the NARA Presidential Libraries website with a score of 79.

The portals in the index face the challenging task of catering to a wide range of constituents, including students, educators, government employees, business people and researchers. Therefore, Search and Navigation assume a critical role in helping visitors access the information they need. This is borne out by the data, which shows Search and Navigation as high priority items for portals/department main sites.

ID	E-Government U.S. Agency/ Department/Office	Website	12/04 Score
<i>Portal/Department Main Websites</i>			
NCI	National Cancer Institute	NCI main website – www.cancer.gov	80
NARA	National Archives & Records Administration	NARA Presidential Library websites http://archives.gov/presidential_libraries/index.html	79
NIST	National Institute of Standards and Technology, Commerce	NIST main website www.nist.gov	77
NASA	National Aeronautics and Space Administration	NASA main website www.nasa.gov	77
NLM	National Library of Medicine, HHS	NLM main website— www.nlm.nih.gov	76
FDIC	Federal Deposit Insurance Corporation	FDIC main website— www.fdic.gov	74
SSA	Social Security Administration	SSA main website— www.socialsecurity.gov	73
State	Department of State	Department of State main website www.state.gov	73
GSA	General Services Administration	FirstGov.gov website (Spanish) http://firstgov.gov/Espanol/index.shtml	72
GSA	General Services Administration	FirstGov.gov website— www.firstgov.gov	72
GAO	Government Accountability Office	GAO main public website— www.gao.gov	71
Treasury	Department of the Treasury	Treasury main website— www.treasury.gov	69
FAA	Federal Aviation Administration	FAA main website— www.faa.gov	68
USPTO	United States Patent & Trademark Office	USPTO main website www.uspto.gov	66
GSA	General Services Administration	GSA main website— www.gsa.gov	55

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VIII. INFORMATION/NEWS SITES

Once again, health information sites MedlinePlus, MedlinePlus en español and 4woman.gov lead the index, with respective scores of 86, 83 and 83.

The Federal Citizen Information Center, www.pueblo.gsa.gov enters the index this quarter with a solid score of 80.

The Forest Service main website, www.fs.fed.us, has the greatest quarter-over-quarter score increase among the measured information/news sites. Overall satisfaction with this site increased 6% to 72. In addition to the navigational changes discussed earlier, the Forest Service has continued to make incremental changes to the site. For example, it found a way to provide timely and relevant information to people interested in the eruption of Mount St. Helens by adding a “volcano cam” with continually updated images.

As with portals, Search and Navigation are high priority satisfaction drivers for these sites, which serve a diverse audience base.

ID	E-Government U.S. Agency/ Department/Office	Website	12/04 Score
<i>Information/News Websites</i>			
NLM	National Library of Medicine, National Institutes of Health, HHS	MedlinePlus http://medlineplus.gov	86
NLM	National Library of Medicine, National Institutes of Health, HHS	MedlinePlus en español— http://medlineplus.gov/esp/	83
OWH	Office on Women’s Health, HHS	National Women’s Health Information Center (NWHIC) main website— www.4woman.gov	83
FCIC	General Services Administration	Federal Citizen Information Center www.pueblo.gsa.gov	80
NCJRS	National Criminal Justice Reference Service, Justice	NCJRS website www.ncjrs.org	77
NIJ	National Institute of Justice, Justice	NIJ main website— http://www.ojp.gov/nij	77
NLM	National Library of Medicine, National Institutes of Health, HHS	TOXNET http://toxnet.nlm.nih.gov	76
OJJDP	Office of Juvenile Justice and Delinquency Prevention, Justice	OJJDP website http://ojjdp.ncjrs.org	76
NLM	National Library of Medicine, National Institutes of Health, HHS	AIDSinfo http://aidsinfo.nih.gov/	76
BLS	Bureau of Labor Statistics	BLS Occupational Outlook Handbook www.bls.gov/oco	75
NIAID	National Institute of Allergy and Infectious Diseases, HHS	NIAID main website www.niaid.nih.gov	75
CDC	Centers for Disease Control, HHS	CDC main website— www.cdc.gov	74
SSA	Social Security Administration	SSA FAQ web site— http://ssa-custhelp.ssa.gov	73
FS	Forest Service, Agriculture	Forest Service main website— www.fs.fed.us	72
DOS-ED	Department of State	U.S. Department of State Education USA http://educationusa.state.gov	72
EIA	Energy Information Administration, Energy	EIA main website www.eia.doe.gov	70
ERS	Economic Research Service, Agriculture	ERS main website— www.ers.usda.gov	70

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ID	E-Government U.S. Agency/ Department/Office	Website	12/04 Score
<i>Information/News Websites (Continued)</i>			
NARA	National Archives & Records Administration	NARA main public website www.archives.gov	70
BJA	Bureau of Justice Assistance, Justice	BJA main website—http://www.ojp.usdoj.gov/BJA	69
FAS	Foreign Agricultural Service, Agriculture	FAS main website—www.fas.usda.gov	68
USDA	National Agricultural Library, Agriculture	NAL main website—www.nal.usda.gov	68
FSIS	Food Safety and Inspection Service, Agriculture	FSIS main website www.fsis.usda.gov	67
DOS	Department of State	US Embassy, Belgium website (Dutch) www.usembassy.be/nl/nl.main.html	67
IIP	International Information Programs, State	IIP main website—http://usinfo.state.gov	66
DOS	Department of State	US Embassy, Belgium main website www.usembassy.be/main.html	64
DOS	Department of State	Student website—http://future.state.gov	64
DOS	Department of State	US Embassy, Belgium website (French) www.usembassy.be/fr/fr.main.html	63
CSREES	Cooperative State Research, Education, and Extension Service, Agriculture	CSREES main website www.csrees.usda.gov	62
ESA	Employment Standards Administration, Labor	ESA main website www.union-reports.dol.gov	61
NARA	National Archives & Records Administration	NARA AAD - Access to Archival Databases http://aad.archives.gov/aad/title_list.jsp	59

IX. E-COMMERCE/TRANSACTION SITES

The aggregate score for e-commerce/transactions government sites (73.3) continues to significantly lag the private sector e-commerce ACSI satisfaction aggregate (80.8). This isn't surprising when you consider the considerable edge private sector e-commerce has over the government sector in terms of resources and bottom-line incentive to grow the business.

One of the leaders in this category, U.S. Mint's Online Catalog competes hand-to-hand with private sector online sites, particularly during the holiday season. With a satisfaction score of 81 (a 1.2% increase over last quarter and up 3.8% year over year), the U.S. Mint's Online Catalog surpasses several ACSI measured private sector e-Commerce sites including Buy.com (80), 1-800-Flowers (76), Charles Schwab (75) and Priceline (71).

The e-commerce/transactions site with the largest quarter-over-quarter increase is the Pension Benefit Guaranty Corporation (PBGC) main site, up seven points (11.5%) to a 68. The PBGC site is adding functionality, including direct deposit, change of address, and the ability for practitioners to file online. Interestingly, the number of first-time visitors to www.pbgc.gov has increased, in part due to increased coverage about the site in the news, along with new high-profile pension funds added to its administration.

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ID	E-Government U.S. Agency/ Department/Office	Website	12/04 Score
E-Commerce Websites			
Mint	United States Mint, Treasury	Online Catalog— http://catalog.usmint.gov	81
FSA	Federal Student Aid, Education	Free Application for Federal Student Aid, FAFSA website— www.fafsa.ed.gov	81
SSA	Social Security Administration	SSA Retirement Planner http://www.socialsecurity.gov/r&m1.htm	78
PBGC	Pension Benefit Guaranty Corporation	PBGC main website— www.pbgc.gov	68
GSA	General Services Administration	GSA Global Supply website https://www.globalsupply.gsa.gov	67
GSA	General Services Administration	GSA Advantage website https://www.gsaadvantage.gov	65

X. RECRUITMENT/CAREER SITES

This small group of recruitment/career sites once again leads the index with an aggregate score of 77. Interestingly, both the aggregate score and the scores for each site remain the same as last quarter.

Search and Navigation, which are “problem areas” for most e-government sites, seem less of an issue for those specializing in recruitment/careers. With a score of 76, Search ranks 7% higher than the aggregate satisfaction with this site element. Navigation for career/recruitment sites bests the index aggregate for this satisfaction driver by 10% with a score of 78.

These higher-than-average scores may be because career/recruitment sites are more narrowly focused and serve a more homogenous audience (e.g., job seekers) than many other government sites. Therefore, by figuring out what type of information job seekers need and search for, career and recruitment sites are able to maintain strong satisfaction scores.

ID	E-Government U.S. Agency/ Department/Office	Website	12/04 Score
Recruitment/Careers Websites			
CIA	Central Intelligence Agency	Recruitment website www.cia.gov/employment	79
OPM	Office of Personnel Management	Recruitment website— www.usajobs.opm.gov	76
DOS	Department of State	Recruitment website— www.careers.state.gov	76

XI. SUMMARY

The good news is that agencies remain focused on citizen satisfaction at a time when usage of e-government grows. But, challenges remain for agencies striving to meet the needs and exceed the expectations of the public. One of the biggest challenges is satisfying first-time visitors so they readily adopt this cost-effective, convenient channel.

Search and navigation capabilities are top priorities for many government websites, and their importance is multiplied for first-time visitors, who tend to be the harshest critics. Agencies have found a variety of ways to address search and navigation issues, from making wholesale changes to introducing a series of incremental improvements. Determining

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the right path for a given website requires an in-depth understanding of customer satisfaction based on the direct input of visitors to the site.

Whether the priority for improving a particular website is search, navigation or a different area identified by site visitors, website improvements must be weighed carefully within the context of the agency's overall objectives for the website. Understanding what drives satisfaction of key site visitor segments will enable e-government website managers to determine where to direct scarce resources for maximum positive effect.

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 a partnership of the University of Michigan Business School, 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, can be found online at 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.

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