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Trader Joe's, Wegmans, and H-E-B in Three-Way Tie Atop Retail Sector, Besting Amazon, American Customer Satisfaction Index Data Show

ANN ARBOR, Mich., (February 25, 2020) – Retailers can breathe a small sigh of relief.

Following two straight years of decline, the retail sector steadies as customer satisfaction inches back a mere 0.1% to a score of 77.3 (on a scale of 0 to 100), according to the [American Customer Satisfaction Index Retail and Consumer Shipping Report 2019-2020](#).

Half of the retail industries show no change in their customer satisfaction scores in 2019. Online retail is the only industry to improve, climbing 1.3% to 81 and continuing to show a much stronger level of customer satisfaction overall.

“Don’t be fooled by the stagnation in retail customer satisfaction,” said David VanAmburg, Managing Director at the American Customer Satisfaction Index. “Customers continue to chase the best, most convenient shopping experience available, and right now online is king. Customers can find what they need more easily and aren’t pestered by salespeople. When you look at online versus brick and mortar head-to-head, online wins every time.”

Costco maintains stronghold on department and discount stores

A two-year decrease in customer satisfaction with department and discount stores finally halted in 2019 following a successful holiday season, with the industry’s score unchanged at 76.

As the retail sector continues to grapple with the shift toward online shopping, major players like Walmart and Target are expanding online order fulfillment capabilities, as well as going head-to-head with Amazon in the one-day shipping space.

Costco leads the category for the fourth consecutive year, steady at 83, and Walmart’s Sam’s Club is next in line, up 1% to 81. BJ’s Wholesale Club, Kohl’s, and Nordstrom are all unchanged at 79. Belk (unchanged), Dillard’s (down 1%), JCPenney (up 1%), Macy’s (up 1%), and Target (up 1%) all score 78. Dollar Tree, which is closing or rebranding hundreds of its Family Dollar stores, is unchanged at 77, well ahead of Dollar General, flat at 73. Meanwhile, Meijer (unchanged) and Ross Stores (down 1%) are tied with the industry average of 76.

The biggest changes in customer satisfaction occur on the industry's lower end. Kroger's Fred Meyer falls 3% to 74 while Big Lots slips 3% to 73. Sears (up 1%) and Walmart (down 1%) make up the bottom of the category, both landing at 71.

L Brands still leads specialty retail stores

The specialty retail store industry recovers from a two-year slide as well, remaining steady with a customer satisfaction score of 78.

L Brands (Victoria's Secret, Bath & Body Works) recovers from its 4% fall a year ago, remaining stable and in first place at 82. Stability aside, the company's stock fell nearly 30% in 2019, and sales for its Victoria's Secret brand continue to decline. Following the close of the interview period, L Brands announced its intention to sell Victoria's Secret, which Index data show garners far lower satisfaction than sister brand Bath & Body Works.

Barnes & Noble is next, steady at 81 for the fourth consecutive year. Third place is crowded, with six retailers posting scores of 80: Ascena (unchanged), Bed Bath & Beyond (up 1%), Cabela's (unchanged), Menards (unchanged), Sephora (up 1%), and Ulta Beauty (unchanged).

While home improvement specialist Lowe's shows no change in satisfaction, Home Depot moves up 3% to tie Lowe's at 78. Home Depot, the only specialty store to improve substantially, has plans to counter Amazon with one-day delivery options.

Burlington stays near the bottom of the category (unchanged at 76), tying both Office Depot (down 1%) and Dick's Sporting Goods (up 1%). GameStop, despite a 1% gain, finishes last at 75. Like many other retailers, GameStop has announced plans to shutter up to 200 of its stores.

Customers still favor smaller drug stores

Customer satisfaction with health and personal care stores slides again, falling 1.3% to a score of 76.

Despite the evolving industry, customers still prefer smaller drug stores, which continue to lead the category with a steady score of 82. Kroger, the head of the large chains, comes in second place even as it slides 4% to 78. CVS is next, unchanged at 77.

Albertsons Companies takes a hit, plummeting 4% to a score of 75, placing it in a four-way tie with Sears' Kmart (down 1%), Rite Aid (down 1%), and Walgreens (down 3%). Walmart, while inching up 1%, remains in last place at 74 because of subpar customer service.

Trader Joe's, Wegmans, and H-E-B are supermarket stars

Following a slight dip last year, customer satisfaction with supermarkets is steady at 78. There's also a crowded field at the top of the category.

Trader Joe's no longer has sole possession of the lead after falling 2% to 84. It's now joined by Wegmans, which slips 1%, and Texas-based grocer H-E-B, which climbs 2%, as all three rank first for satisfaction across the entire retail sector.

Aldi (down 1%), Costco (unchanged), and Publix (down 1%) meet just below the leaders with scores of 83. BJ's experiences the largest gain in the industry, soaring 4% to 82.

Sam's Club is unchanged at 80, tying it with ShopRite (up 1%). Target's grocery business also earns a score of 79 following a 1% bump, while Amazon's Whole Foods chain is steady at 79. Hy-Vee (down 1%) and Meijer (unchanged) match the industry average of 78. Ahold Delhaize loses 1% to 77.

Giant Eagle, Southeastern Grocers, and Supervalu are flat at 76. Save-A-Lot dips 1% to meet with Albertsons Companies, whose score is unmoved at 75. Walmart stays alone at the industry's rock bottom with a 73 despite rising 1%.

Amazon takes back its throne among internet retailers

Internet retail is the only industry in the retail sector that shows improvement year over year, rising 1.3% to a score of 81.

Only three companies turn in scores above the industry average, with Amazon, which saw its Prime membership reach 150 million, re-staking its claim as the industry standard after climbing 1% to 83. Etsy and Nordstrom tie for second place, both up 1% to 82.

Costco loses its one-year grip on first place, sliding 2% to 81. It's joined by HP Store (up 1%), Kohl's (unchanged), Newegg (up 1%), and Nike (unchanged).

Macy's and Wayfair (both unchanged) sit just below the industry average at 80. They're closely followed by eBay and Overstock, both down 1% to 79.

Seven companies score 78: Apple (down 3%), Best Buy (up 1%), Dell (down 1%), Gap (unchanged), Home Depot (down 1%), Lowe's (down 1%), and Target (down 3%). Walgreens (down 1% to 75), Walmart (unchanged at 74), and Sears (unchanged at 73) make up the bottom three.

FedEx takes control of the consumer shipping field

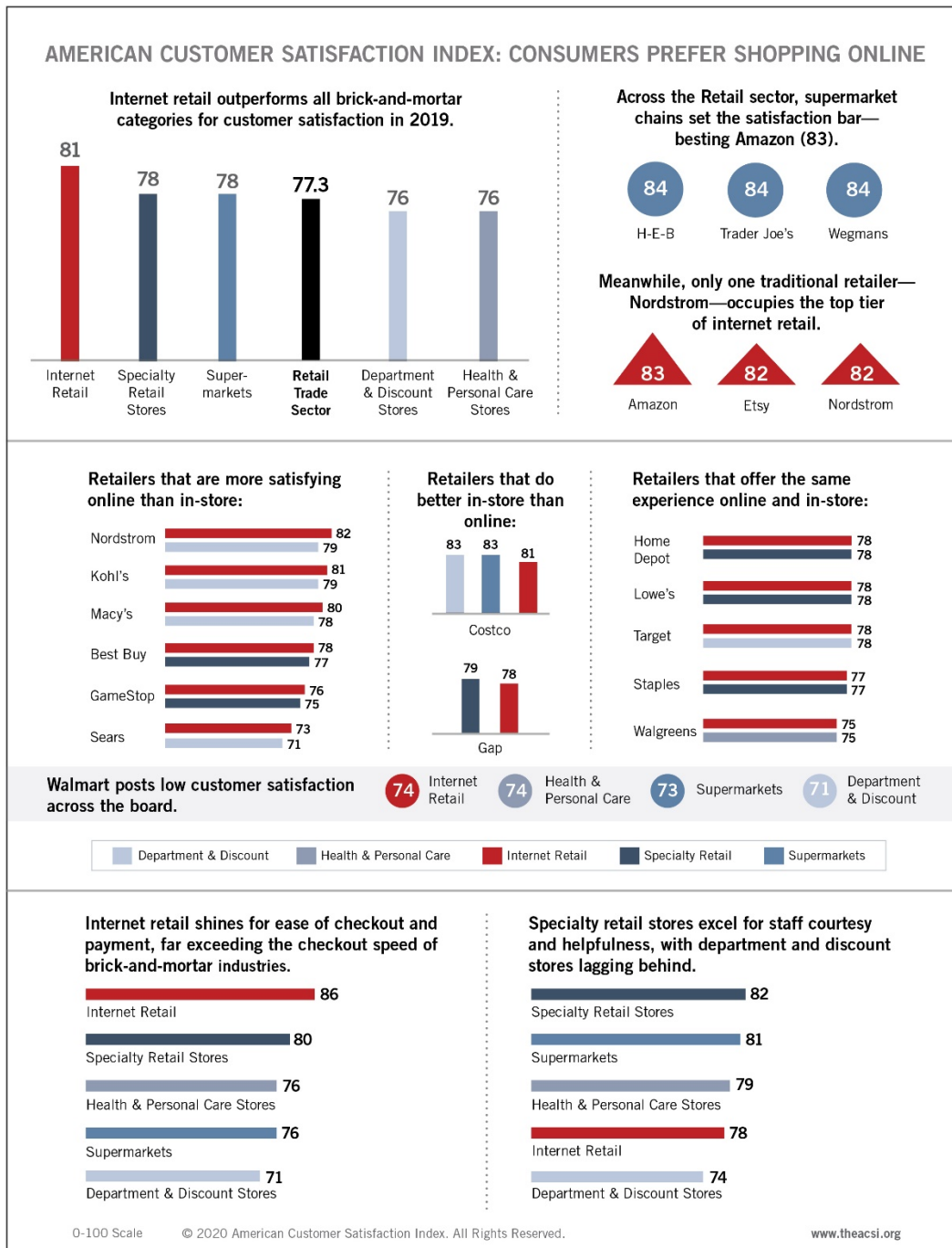
Customer satisfaction with consumer shipping slides again, dropping 1.3% to a score of 77.

Yet, the balance of power has officially shifted, with FedEx, up 1% to 80, taking a commanding lead over UPS, which plummets 4% to a score of 76 – the company's lowest score in the history of the Index.

The U.S. Postal Service (USPS) continues to score well below its private sector competitors, falling 3% to 72 for its Express and Priority Mail service.

The American Customer Satisfaction Index Retail and Consumer Shipping Report 2019-2020 is based on interviews with 85,175 customers. [Download the full report.](#)

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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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