



ECONOMY FINALLY UPSETS HOTEL SATISFACTION CASINOS STRUGGLE; MIDSCALE HOTELS IMPROVE

--Market Metrix Announces Second Quarter 2009 Hospitality Index Results --

SAN RAFAEL, Calif. – August 25, 2009 – Customer satisfaction edged lower for hotels (-.2 to 82.9) and rental cars (-0.1 to 79.6), but improved among airlines (+0.2 to 75.7) in the second quarter of 2009. Pan Pacific Hotels & Resorts, Midwest Airlines, and Enterprise Rent-a-Car ranked number one in hotel, airline, and rental car industry customer satisfaction, respectively.

Comparing performance across the hospitality industry

Hotels are facing a difficult time as consumers and businesses tighten spending on vacations and scale back on conventions and business travel. Despite the escalating recession, the hotel industry has, up to this point, been surprisingly resilient in its ability to protect the guest experience. As with most service industries, customer service tends to get better when there are fewer customers to serve. However, in the second quarter of this year, the impact of the recession finally took its toll. With severe budget pressures and cuts in staff and services, 154 of the 274 hotel companies measured in the MMHI received lower satisfaction scores compared to the first quarter of 2009.

In addition to lower satisfaction scores, measures of loyalty declined for most hotel brands, with guests less likely to recommend or return to their last hotel. Critical to customer loyalty, value scores, also declined with guests feeling they received less for their money compared to last quarter. Loyalty programs played less of a role in hotel selection and customers were less concerned about green programs when booking a hotel. Guests did not feel as welcome and staff friendliness scores were down. Guests also felt less pampered and less entertained during their stay. Other declines were product related (Comfortable bed & furniture, Proper functioning lights etc.), showing further evidence that budget cuts have made an impact on the guest experience.

Passenger satisfaction with airlines improved (+0.2 to 75.7) despite the sour economy. With fewer people flying, there have been shorter lines, increased on-time arrivals, less lost luggage, more space availability, and higher steward-per-passenger ratios. Midwest Airlines (85.3) was the top scoring airline. US Airways (+0.7 to 70.4) benefited from its more generous frequent flyer miles and discounts on select flights as well as from a better on-time arrival record.

The car rental industry (-0.1 to 79.6) continues to face a difficult operating environment with fewer people renting cars and rising costs. Reductions in staff and operational cutbacks continue to hamper service and impact customer satisfaction. Dollar (+1.6 78.4) showed the biggest improvement in customer satisfaction while Thrifty (-2.7 to 77.2) showed the biggest decline. Enterprise continues their industry dominance with overall satisfaction and loyalty scores well above competitors.

Top Scoring Hotel Brands

Pan Pacific Hotels & Resorts was the top scoring hotel (-0.5 to 95.0), outscoring second place Mandarin Oriental (-1.9 to 94.3). As a group, midscale hotels without food and beverage showed the biggest jump in satisfaction (+0.3 to 83.2) with the perennial winner, Drury Inns moving down slightly (-0.9 to 91.0). AmeriHost Inns & Suites showed the biggest gain in overall satisfaction (+1.3 to 82.0). Casino hotels declined as a group (-0.5 to 82.6) with South Point Hotel Casino Spa posting the biggest decline (-3.2 to 87.9) but still managing to edge out Borgata (+0.3 to 87.0) for the top spot. Upscale Casinos were up slightly (0.1 to 83.9) with Hilton Las Vegas improving (+4.5 to 84.9) and the winner, Wynn Las Vegas, posting a decline (-1.4 to 91.9).

Market Metrix Hospitality Index - Q2 2009 Winners		
WINNER		SEGMENT
Hotels		
Pan Pacific Hotels & Resorts	95.0	Luxury
Kimpton Hotels	92.8	Upper Upscale
Hyatt Place	90.5	Upscale
Clarion Hotels & Resorts	82.1	Midscale w/ F&B
Drury Inns	91.0	Midscale w/o F&B
Jameson Inns	87.1	Economy
Casinos		
Wynn Las Vegas	91.9	Upscale casino
South Point Hotel Casino Spa	87.9	Casino
Web Sites		
Staybridge	89.8	Hotel Brand Web Site
Hotwire.com	78.3	Hotel Travel Web Site
Airline		
Midwest Airlines	85.3	Airline
Car Rental		
Enterprise	82.1	Car Rental
Timeshare		
WorldMark by Wyndham	89.9	Timeshare Accommodations

About MMHI

Based on 35,000 customer interviews conducted each quarter, the Market Metrix Hospitality Index (MMHI) is the largest and most in-depth measure of hospitality company performance available today. These benchmarks, delivered through our flagship product Customer Metrix™, enable Market Metrix clients to compare their results to competitors by STAR segment, AAA classification, Brand, SMSA, industry averages, performers in the top 10% and other classifications. The MMHI is also available by subscription.

About Market Metrix

Market Metrix is helping hospitality companies around the world succeed in the tough economy. With guest feedback collected 24/7/365, and built-in service recovery and investment decision support tools, we help clients save money and reduce risk of client defections. Based on award-winning research and breakthrough concepts, our SaaS-based products deliver instant survey results, analysis and management tools for increasing revenue and reducing staff turnover. Our benchmarking database, MMHI, is the most comprehensive, independent comparison of consumer brand satisfaction in the industry. Our annual MMHI Awards are coveted by lodging and travel enterprises around the world. With clients that include more than 120 brands across 70 countries, Market Metrix has been helping leading hospitality companies turn feedback into performance since 1996. For more information, visit www.marketmetrix.com.