



American Customer Satisfaction Index

The American Customer Satisfaction Index (ACSI®) is a national economic indicator of customer evaluations of the quality of products and services available to household consumers in the United States.

The ACSI uses data from interviews with roughly 300,000 customers annually as inputs to an econometric model for analyzing customer satisfaction with more than 400 companies in 46 industries and 10 economic sectors, including various services of federal and local government agencies.

ACSI results are released throughout the year, with all measures reported on a scale of 0 to 100. ACSI data have proven to be strongly related to several essential indicators of micro and macroeconomic performance. For example, firms with higher levels of customer satisfaction tend to have higher earnings and stock returns relative to competitors. Stock portfolios based on companies that show strong performance in ACSI deliver excess returns in up markets as well as down markets. At the macro level, customer satisfaction has been shown to be predictive of both consumer spending and GDP growth.



April 30, 2019

ACSI Travel Report 2018-2019

Industry Results for:

Airlines

Hotels

Internet Travel Services

Airlines Improve Passenger Satisfaction and Travel Websites Make Gains, but Hotels are Losing Ground With Guests

Airlines

Passenger satisfaction with airlines is up 1.4% to 74 on a scale of 0 to 100 as the industry recovers from last year's decline on the American Customer Satisfaction Index (ACSI®). Only a dozen years ago, airlines sat at a near-record low of 62 but are now among some of the most improved industries over that time. This year, several airlines register gains: Alaska, Delta, United, Frontier, and Spirit. ACSI results for airlines and two other measured travel industries (hotels and internet travel) are based on interviews conducted from April 2018 to March 2019.

Alaska emerges as the new leader in 2019 with a 1% gain to an ACSI score of 80. The airline's merger with Virgin America has paid off, according to its passengers, who benefit from an expanded network and lower fares.

ACSI: AIRLINES

Company	2018	2019	% Change
Airlines	73	74	1.4%
Alaska	79	80	1%
JetBlue	79	79	0%
Southwest	80	79	-1%
Delta	74	75	1%
American	74	73	-1%
All Others	73	71	-3%
Allegiant	74	71	-4%
United	67	70	4%
Frontier	62	64	3%
Spirit	62	63	2%

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ACSI (0-100 Scale)

After leading a year ago, Southwest retreats 1% to 79, tied for second place with JetBlue (unchanged). Since 2012, the two airlines have taken the top spots in the ACSI ratings, joined by a steadily improving Alaska. Recent deadly crashes of the Boeing 737 Max (for Ethiopian Airlines and Air Lion) have left Southwest particularly vulnerable to safety concerns. It has more Boeing 737 Max models than any other airline. Approximately 9,400 Southwest flights were canceled the first quarter due to safety concerns and/or bad weather.

Delta is number one among legacy airlines, inching up 1% to an ACSI score of 75. Most Delta mainline aircrafts have seatback screens, USB ports, and Wi-Fi, and passengers appreciate these in-flight amenities. The airline is also looking to improve its mobile app by rolling out miles as currency, allowing members to upgrade through the app. Revenue through the first part of the year has already exceeded estimates.

American moves in the reverse direction, down 1% to below average at 73. The airline is the second major U.S. carrier to cancel Boeing 737 Max flights through August. Allegiant loses the most ground, down 4% to 71, matching the combined score of all other smaller airlines (-3%).

All three of the lowest-scoring airlines improve, but United is the biggest gainer, up 4% to 70. Low-cost carrier Frontier gains 3% to 64, followed by Spirit (+2%) at 63. Both, however, remain far behind the leaders. Consistent with their low-cost approach, these airlines rate lower than competitors for in-flight amenities such as entertainment.

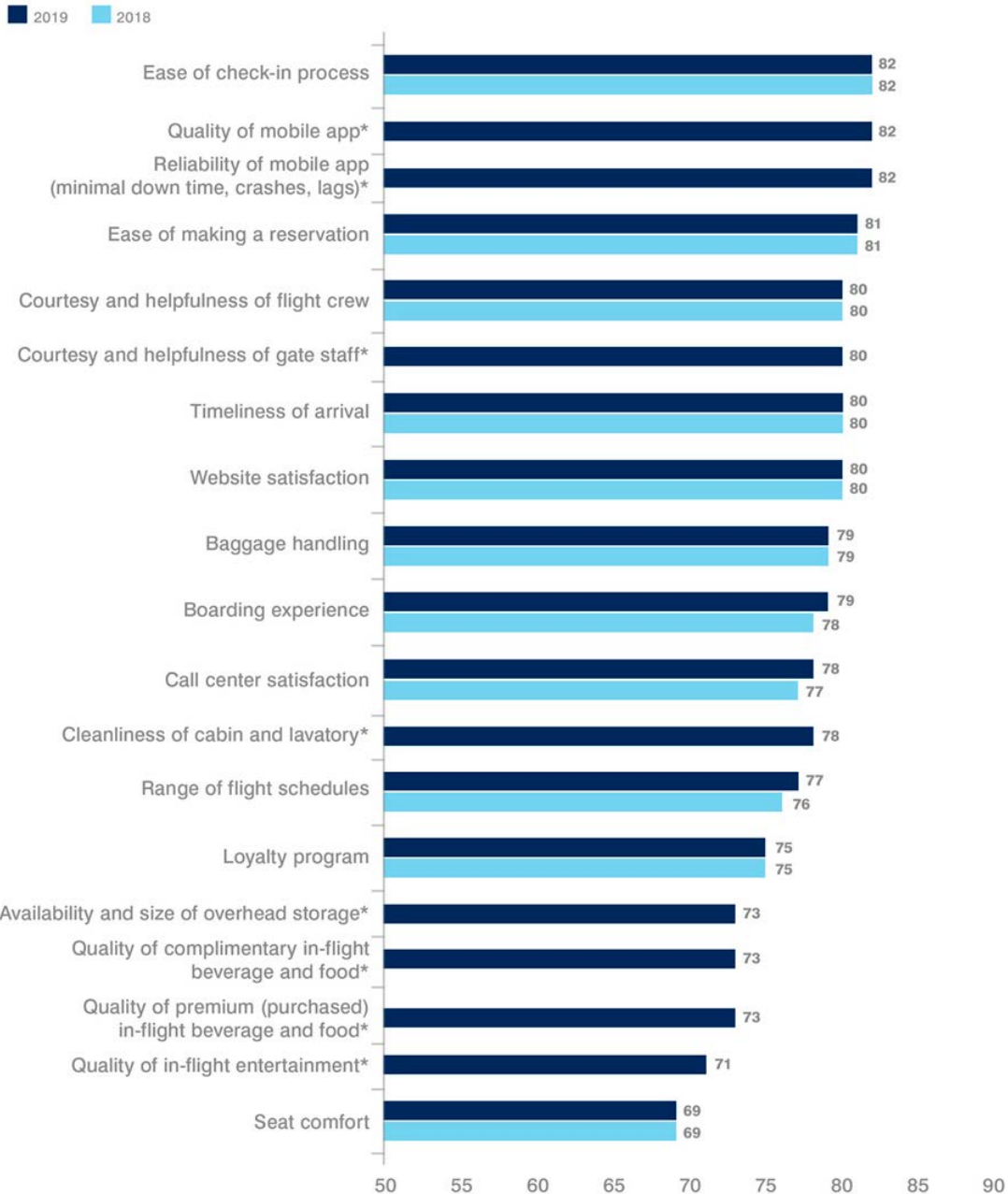
Except for a few minor improvements, most aspects of air travel are the same as they were a year ago, according to passengers. ACSI reports scores for airline mobile apps for the first time this year. While individual carrier scores vary widely, the industry overall does quite well for both mobile quality and reliability (82). In fact, mobile apps are the best part of the airline experience, tied with checking in (82).

Passengers still find it easy to make reservations (steady score of 81) and view staff members as courteous and helpful both at the gate (80) and in-flight (80). On-time arrivals and website satisfaction are steady at 80, while bag handling comes in at 79. Compared with a year ago, three aspects of air travel show improvement: the boarding experience (79), call center satisfaction (78), and the range of flight schedules (77). Loyalty programs are unmoved at 75.

ACSI now includes five new metrics to track some of the most problematic aspects of air travel: cleanliness, overhead storage, complimentary and 'premium' (purchased) food, and in-flight entertainment. Passengers are somewhat satisfied with cabin and lavatory cleanliness (78). In contrast, they are unhappy with the availability and size of overhead storage as well as complimentary in-flight food and beverages (both 73). Paying for food or beverages doesn't help as premium (purchased) offerings rate as poorly as complimentary options (73). There is even more room for improvement in the quality of in-flight entertainment for the industry overall (71), although individual airline scores vary widely. According to passengers, leg room is not getting better as seat comfort remains the worst part of flying (69).

AIRLINES

Customer Experience Benchmarks Year-Over-Year Industry Trends



*Not measured in 2018.

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Airline bag check-in fees are now more frequent than ever, but passengers appear to have become accustomed to the additional charges—particularly business travelers. Being able to expense these charges obviously helps, as business passengers who paid for checked bags are some of the most highly satisfied travelers (80).

AIRLINES

Business Travelers

2019 Baggage Fees and ACSI

Did you pay fees for checked or carry-on luggage on your most recent flight?	Percentage of respondents	ACSI (0-100 scale)
NO-did not pay fee	29%	75
YES-paid for checked	47%	80
YES-paid for carry-on	15%	76
YES-paid for checked and carry-on	9%	79

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Leisure travelers, on the other hand, are more disgruntled by fees for luggage. Notably, leisure travelers who don't pay fees are just as satisfied as their business traveler counterparts (75). However, charging for both checked and carry-on luggage does considerable damage to leisure passenger satisfaction (68).

AIRLINES

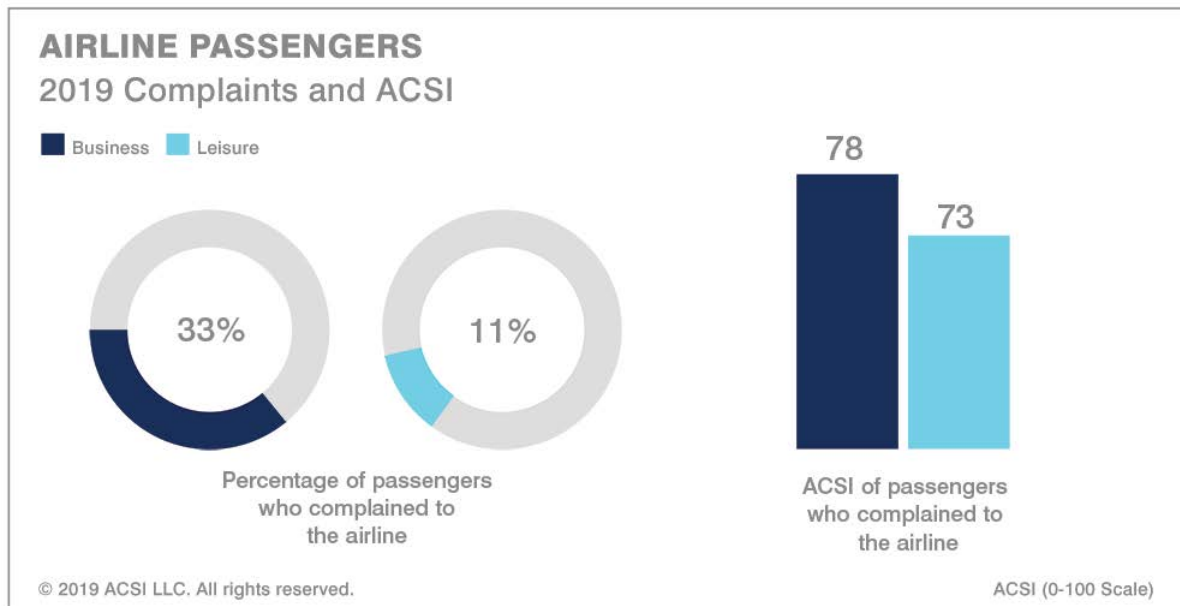
Leisure Travelers

2019 Baggage Fees and ACSI

Did you pay fees for checked or carry-on luggage on your most recent flight?	Percentage of respondents	ACSI (0-100 scale)
NO-did not pay fee	53%	75
YES-paid for checked	34%	71
YES-paid for carry-on	7%	70
YES-paid for checked and carry-on	6%	68

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Approximately a third of business travelers say they have filed a complaint with an airline compared to only 11% of leisure passengers. Nevertheless, business travelers who complain are still far more satisfied than the average leisure traveler with a complaint (78 compared to 73).



Hotels

Guest satisfaction with hotels is down 1.3% to an ACSI score of 75, weakened by losses for most of the largest chains, along with smaller hotels. In fact, only two hotels register improvement: InterContinental and Choice. With the rise of online hospitality brokers like Airbnb, travelers have more choices than ever before, and traditional hotels are showing signs of strain.

Hilton still leads with an ACSI score of 80, but a 2% downturn means splitting first place with Marriott (-1%). According to guests, both leaders offer strong loyalty programs. Hyatt is unchanged at 79, followed by InterContinental, which is one of the gainers with a 1% uptick to 78. Best Western is steady at 77. The remaining hotels come in below average.

Hotels catering to economy and midscale markets usually register at or below industry average in guest satisfaction. Among these, Choice is the only one to improve, inching up 1% to 74. La Quinta, which was acquired by Wyndham during the latter part of ACSI data collection, shows signs of deterioration, down 3% to tie with Choice at 74. ACSI data suggest that mergers typically have a dampening effect on customer satisfaction, at least in the short term. Smaller chains and individual hotels also show signs of strain, falling 3% to 73. Wyndham is unchanged at 70, ahead of only G6 Hospitality (Motel 6) at 64 (-2%).

ACSI: HOTELS

Company	2018	2019	% Change
Hotels	76	75	-1.3%
Hilton	82	80	-2%
Marriott	81	80	-1%
Hyatt	79	79	0%
InterContinental	77	78	1%
Best Western	77	77	0%
Choice	73	74	1%
La Quinta (Wyndham)	76	74	-3%
All Others	75	73	-3%
Wyndham	70	70	0%
G6 Hospitality (Motel 6)	65	64	-2%

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ACSI (0-100 Scale)

Hilton and Marriott continue to be the top hoteliers by brand, with more luxury and upscale properties, better guest service, and higher-quality amenities. Among hotel brands, Marriott takes two of the top spots with its luxury resort offering JW Marriott (84) and its upper midscale Fairfield Inn & Suites (83). Hilton's upper upscale Embassy Suites shares second place at 83, followed by upscale Hilton Garden Inn at 82. Four brands cluster at 81: Marriott Hotels, InterContinental's Crowne Plaza Hotels & Resorts, Courtyard by Marriott, and Best Western Premier. Rounding out the grouping of hotels at 80 or above, InterContinental's upper midscale Holiday Inn Express makes an appearance at 80.

Hyatt's top brand is the Hyatt Regency (79) and Wyndham's best is Wyndham Hotels and Resorts (76). Among midscale brands, Best Western shines at 77—on par with Marriott's upper upscale Sheraton, upscale Hyatt Place, and its own Best Western Plus. Among upper upscale brands, Marriott's Westin (76) shows the most room for improvement.

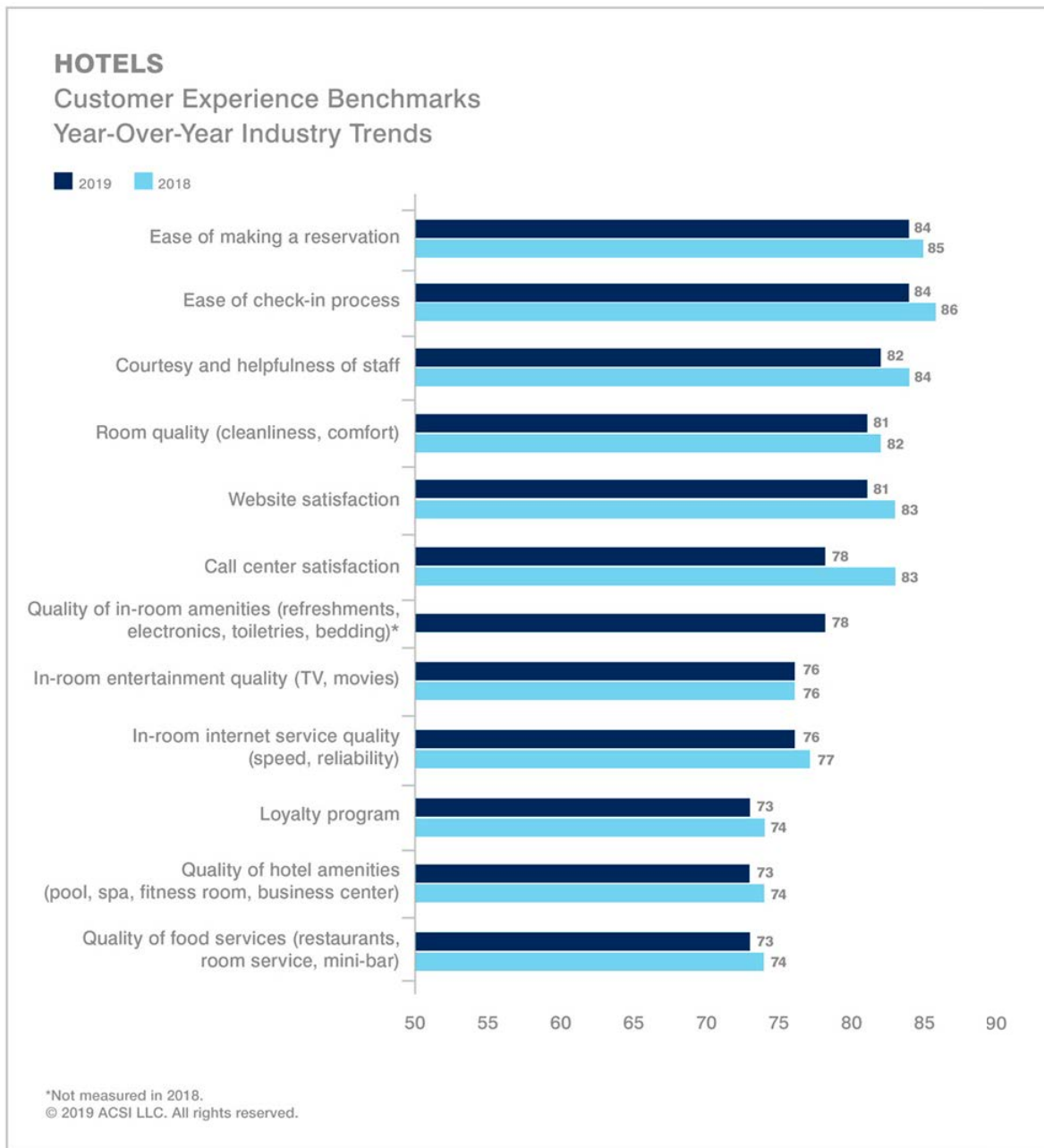
Wyndham's Days Inn (68) is the top-rated economy hotel, followed by Choice's Econo Lodge (67). Wyndham's Super 8 and Motel 6 (G6 Hospitality) remain at the bottom of the chart with scores of 65 and 63, respectively.

ACSI: HOTEL BRANDS

Brand	Parent	Type*	2019
JW Marriott	Marriott	Luxury	84
Embassy Suites	Hilton	Upper Upscale	83
Fairfield Inn & Suites	Marriott	Upper Midscale	83
Hilton Garden Inn	Hilton	Upscale	82
Marriott Hotels	Marriott	Upper Upscale	81
Crowne Plaza Hotels & Resorts	InterContinental	Upscale	81
Courtyard	Marriott	Upscale	81
Best Western Premier	Best Western	Upscale	81
Holiday Inn Express	InterContinental	Upper Midscale	80
Hampton	Hilton	Upper Midscale	79
Hilton Hotels & Resorts	Hilton	Upper Upscale	79
AC Hotels	Marriott	Upscale	79
Residence Inn	Marriott	Upscale	79
Hyatt Regency	Hyatt	Upper Upscale	79
DoubleTree	Hilton	Upscale	78
Best Western	Best Western	Midscale	77
Best Western Plus	Best Western	Upper Midscale	77
Sheraton	Marriott	Upper Upscale	77
Hyatt Place	Hyatt	Upscale	77
Wyndham Hotels and Resorts	Wyndham	Upscale	76
Comfort Inn, Comfort Suites	Choice	Upper Midscale	76
Westin	Marriott	Upper Upscale	76
Holiday Inn	InterContinental	Upper Midscale	75
La Quinta Inns & Suites	La Quinta (Wyndham)	Midscale	74
Quality	Choice	Upper Midscale	73
Baymont	Wyndham	Midscale	72
Ramada	Wyndham	Midscale	71
Days Inn	Wyndham	Economy	68
Econo Lodge	Choice	Economy	67
Super 8	Wyndham	Economy	65
Motel 6	G6 Hospitality	Economy	63

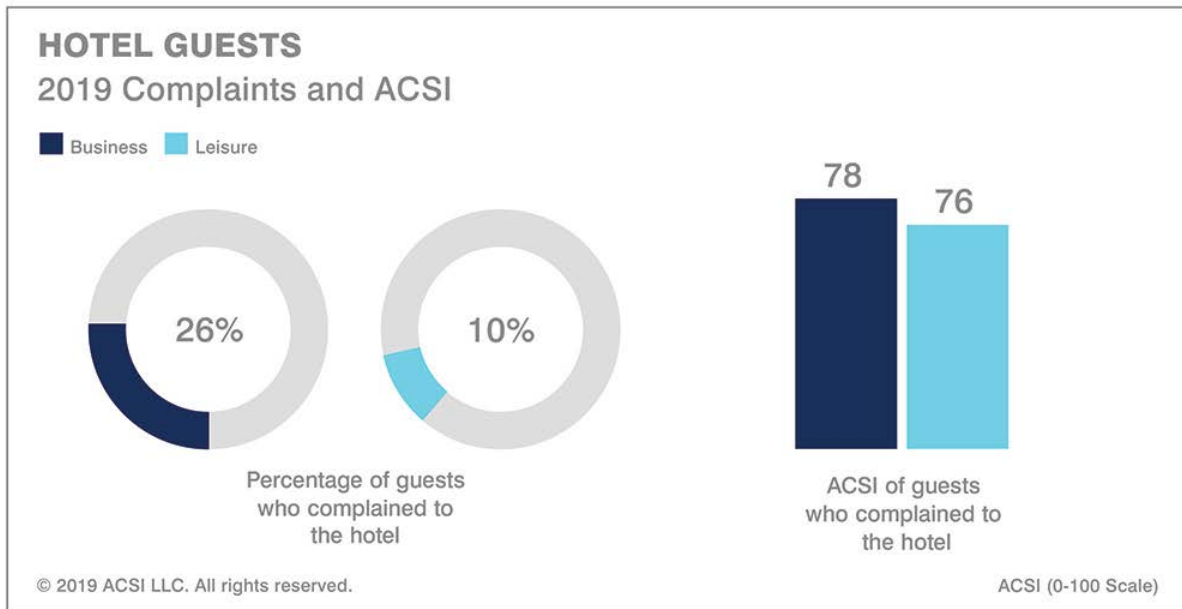
*Lodging type assigned per industry standards
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ACSI (0-100 Scale)



According to their guests, hotels have deteriorated in nearly every aspect of the customer experience this year. While it is still easy to make reservations and to check in (84), both benchmarks are down from a year ago. Hotel staff members aren't considered quite as courteous and helpful this year (-2% to 82), and room quality is slightly worse (81). Most remaining customer experience benchmarks slip by 1 point except for call center satisfaction, which drops precipitously from 83 to 78 (-6%), and website satisfaction (-2% to 81).

New to ACSI measurement this year, the quality of in-room amenities such as refreshments, electronics, toiletries, and bedding receives a middling rating of 78, better than in-room entertainment or internet service (both 76). The worse aspects of the guest experience, however, remain loyalty programs, hotel amenities (such as pools or business centers), and food services (all 73).



As with airlines, hotel business guests are far more likely to complain than leisure guests (26% compared to 10%). Among those who have complained, business guests are more satisfied than leisure guests (ACSI scores of 78 and 76, respectively).

Resolving the complaints of the everyday guest is increasingly important. With social media, guests communicate glitches instantly—not just to the hotel itself, but to an online audience. Many hotels have adapted accordingly, using social media as a tool to quickly resolve issues.

Internet Travel Services

Customer satisfaction with travel websites for booking flights, hotels, and car rentals is up 1.3% to an ACSI score of 79. TripAdvisor debuts in the lead with an ACSI score of 82, benefitting from its position as a trusted source of user-generated reviews.

Displaced from the top of the industry, Expedia's Orbitz now comes in second with an unchanged score of 81. The group of smaller travel websites makes strides, up 3% to a combined score of 80 that beats Expedia (+1% to 79). Travelocity, owned by Expedia, takes the biggest hit, falling 4% to 77. With a 3% decrease, Priceline comes in last at 76. According to users, Priceline's booking and payment process is more cumbersome compared to competing websites.

ACSI: INTERNET TRAVEL SERVICES

Company	2018	2019	% Change
Internet Travel Services	78	79	1.3%
TripAdvisor	NM	82	NA
Orbitz (Expedia)	81	81	0%
All Others	78	80	3%
Expedia	78	79	1%
Travelocity (Expedia)	80	77	-4%
Priceline	78	76	-3%

NM=Not Measured

NA=Not Available

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ACSI (0-100 Scale)

Based on user evaluations, the quality of travel website mobile apps (85) outpaces that of airlines (82), and they are also more reliable (83). It is easy to make bookings and payments on travel websites (84); navigation and site performance have both improved (82). There is a wider variety of travel options this year (82), and travel descriptions are more useful (80).

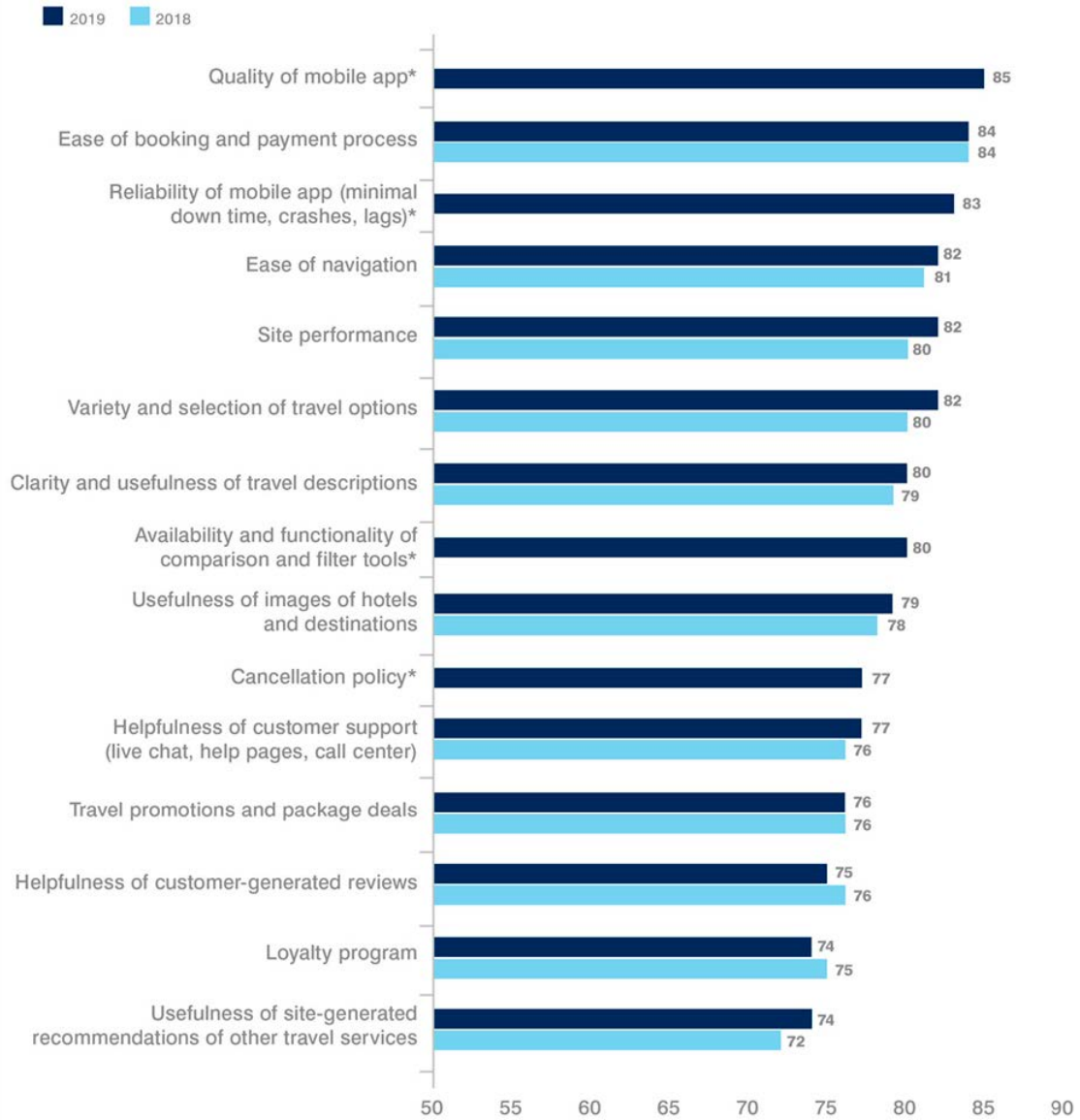
New to ACSI measurement in 2019, comparison and filter tools rate well at 80, followed closely by travel images (79). Customer support is up slightly (77), in line with newly measured cancellation policies (77). Travel promotions are unmoved (76).

Only two areas show deterioration: loyalty programs (74) and user-generated reviews (75). While site-generated recommendations have improved year over year (+3% to 74), they remain the worst part of the travel website experience, along with loyalty programs.

INTERNET TRAVEL SERVICES

Customer Experience Benchmarks

Year-Over-Year Industry Trends



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About This Report

The *ACSI Travel Report 2018-2019* on airlines, hotels, and internet travel services is based on interviews with 12,873 customers, chosen at random and contacted via email between April 5, 2018, and March 27, 2019. Customers are asked to evaluate their recent experiences with the largest companies in these industries in terms of market share, plus an aggregate category consisting of “all other”—and thus smaller—companies.

The survey data are used as inputs to ACSI’s cause-and-effect econometric model, which estimates customer satisfaction as the result of the survey-measured inputs of customer expectations, perceptions of quality, and perceptions of value. The ACSI model, in turn, links customer satisfaction with the survey-measured outcomes of customer complaints and customer loyalty. ACSI clients receive confidential industry-competitive and best-in-class data on all modeled variables and customer experience benchmarks.

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CUSTOMER SATISFACTION BENCHMARKS BY INDUSTRY

