



Customer Loyalty in the Hotel Industry

Traveler Survey Findings

January 2013





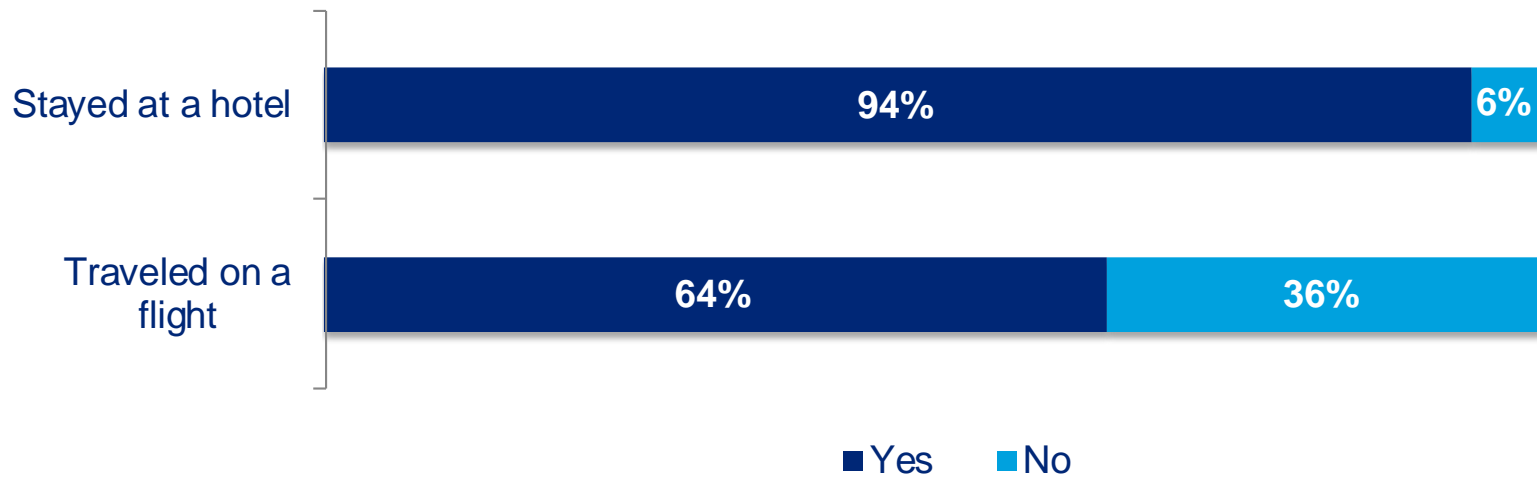
Methodology

Web-based survey

- **Web-based survey of hotel and airline travelers**
- **Customer web-based survey conducted from October 18–23, 2012**
- **4,000 survey respondents across hotels and airlines**
- **Each of the respondent either stayed at a hotel or taken a flight during the past 12 months**

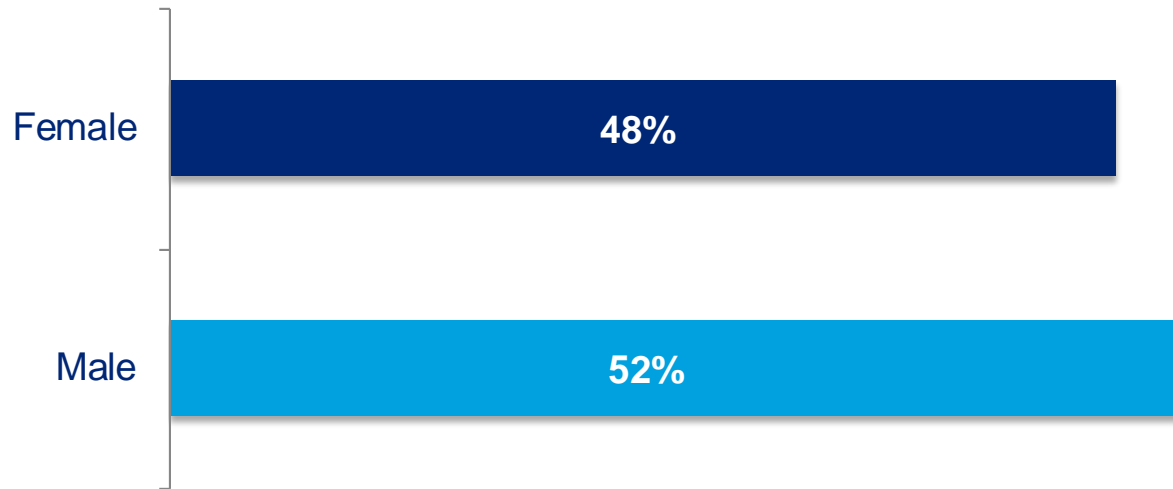
During the past 12 months, have you...

Hotel stay/Airline travel

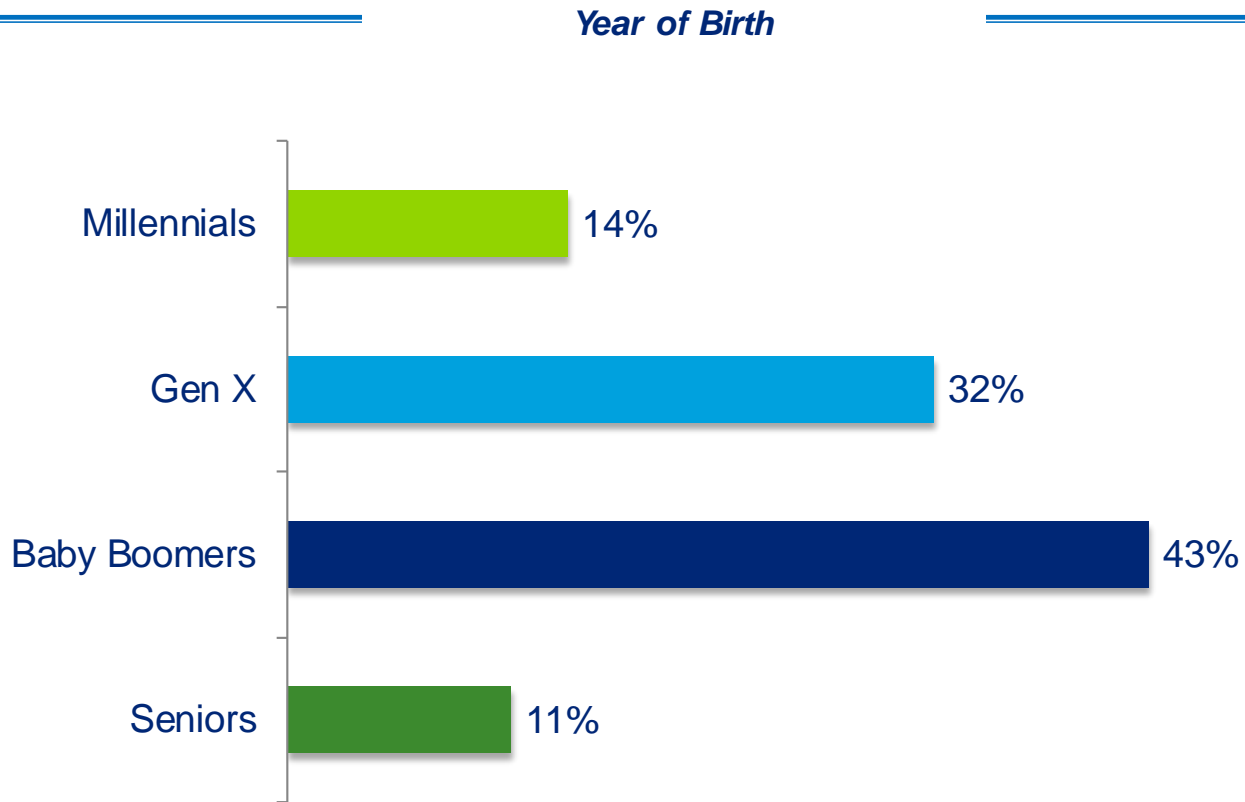


Gender

Gender

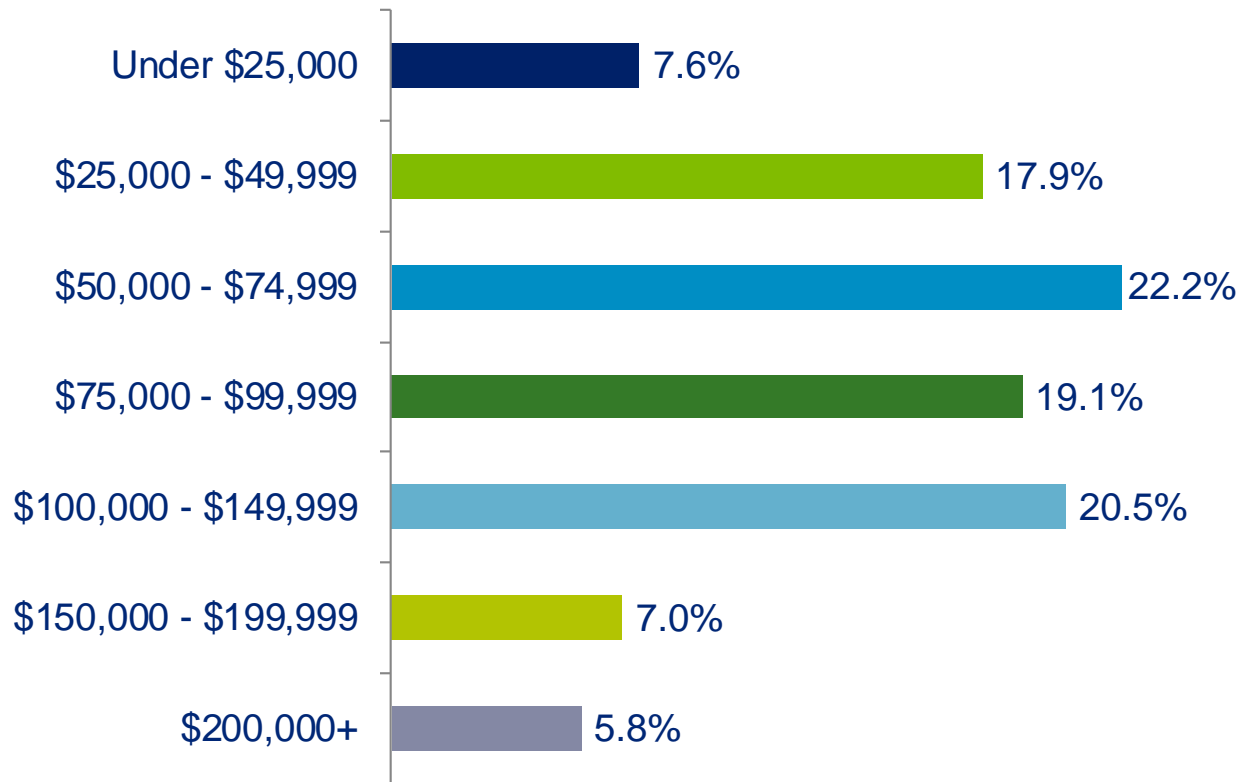


Age



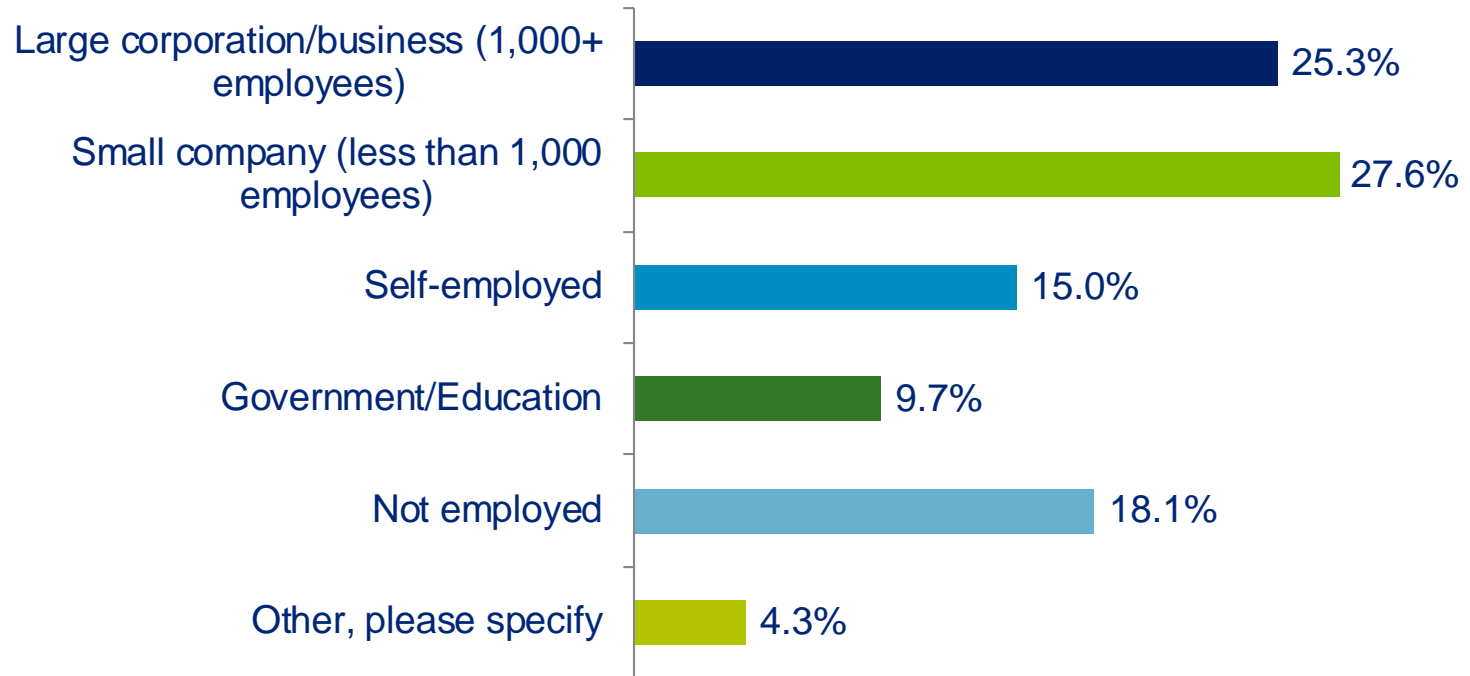
Household annual income

Household Income Levels



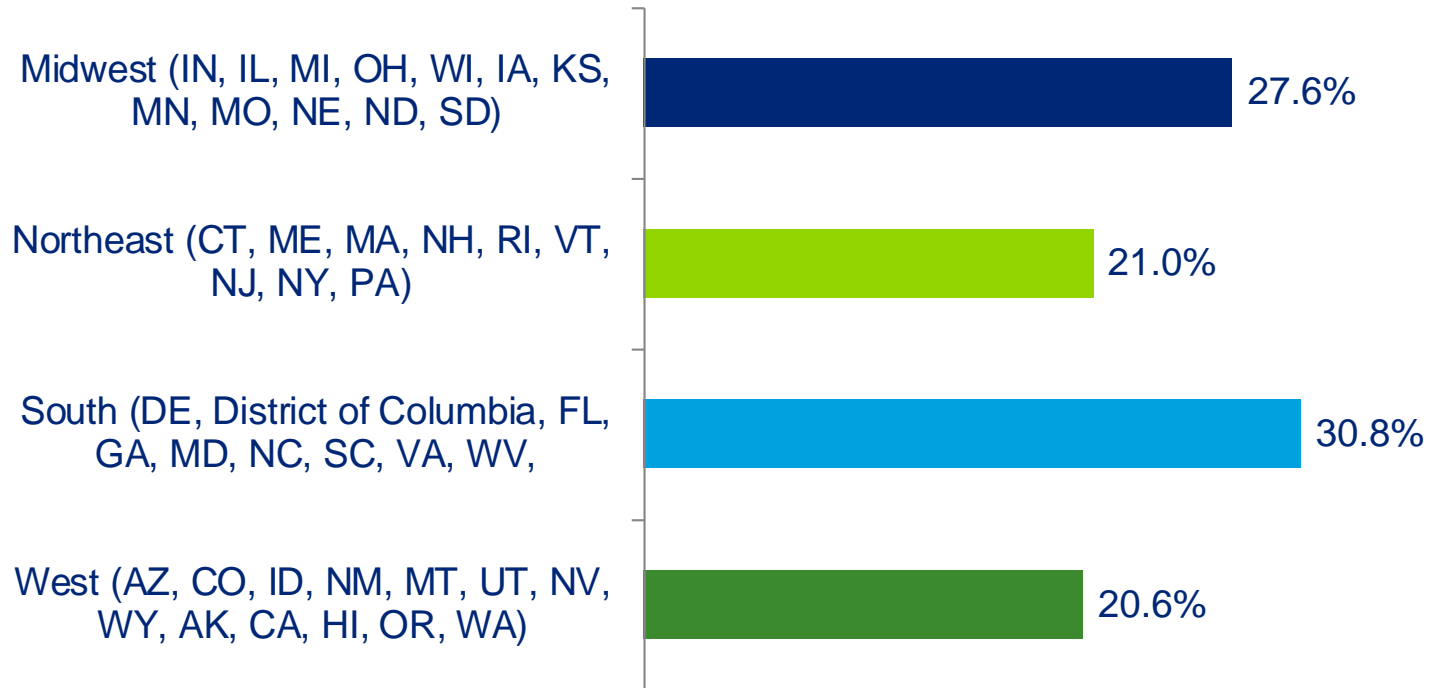
My employer is a...

Employer Type



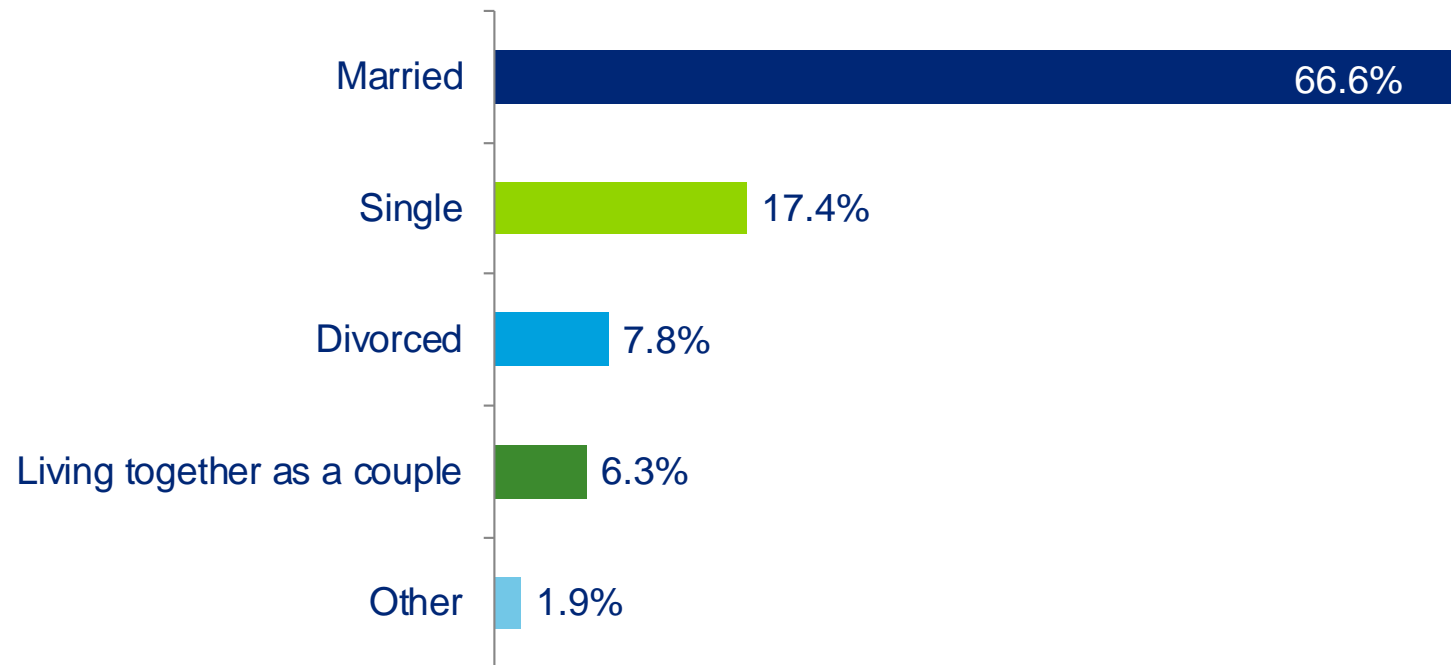
I live in...

Region



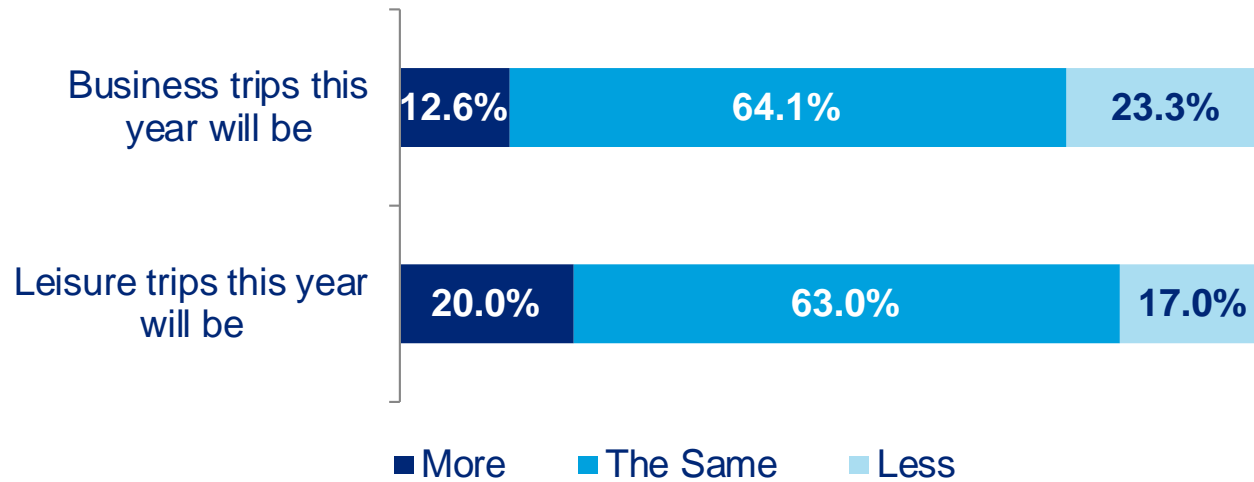
Marital status

Marital Status



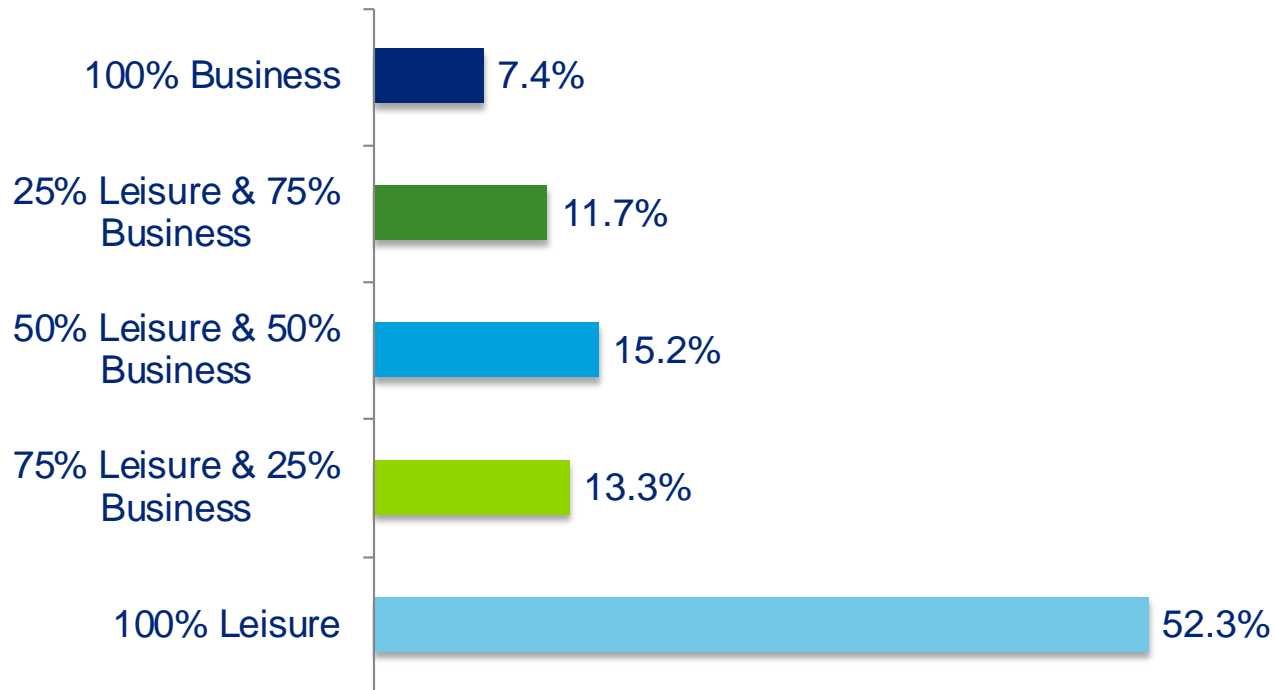
Compared to previous year, your...

Expected Travel Frequency in the next year



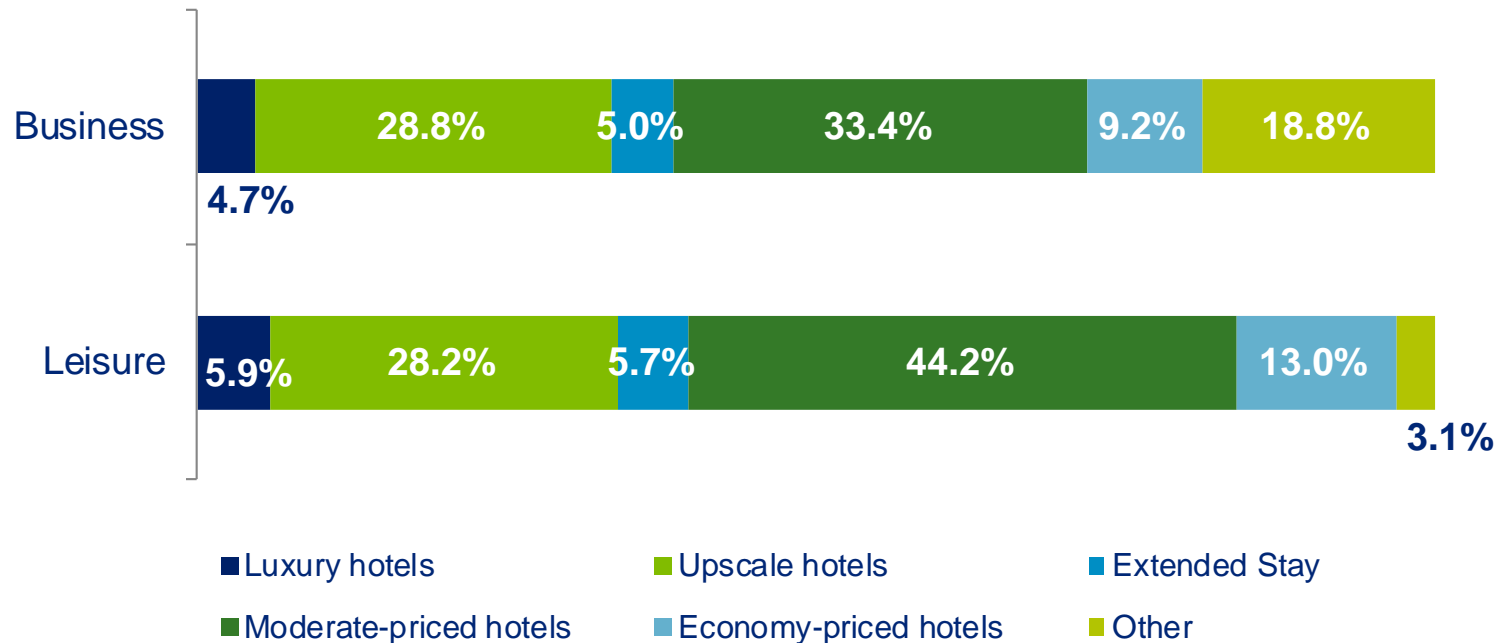
Which of the following describes your purpose of hotel stays during the past 12 months?

Purpose of Hotel Stay



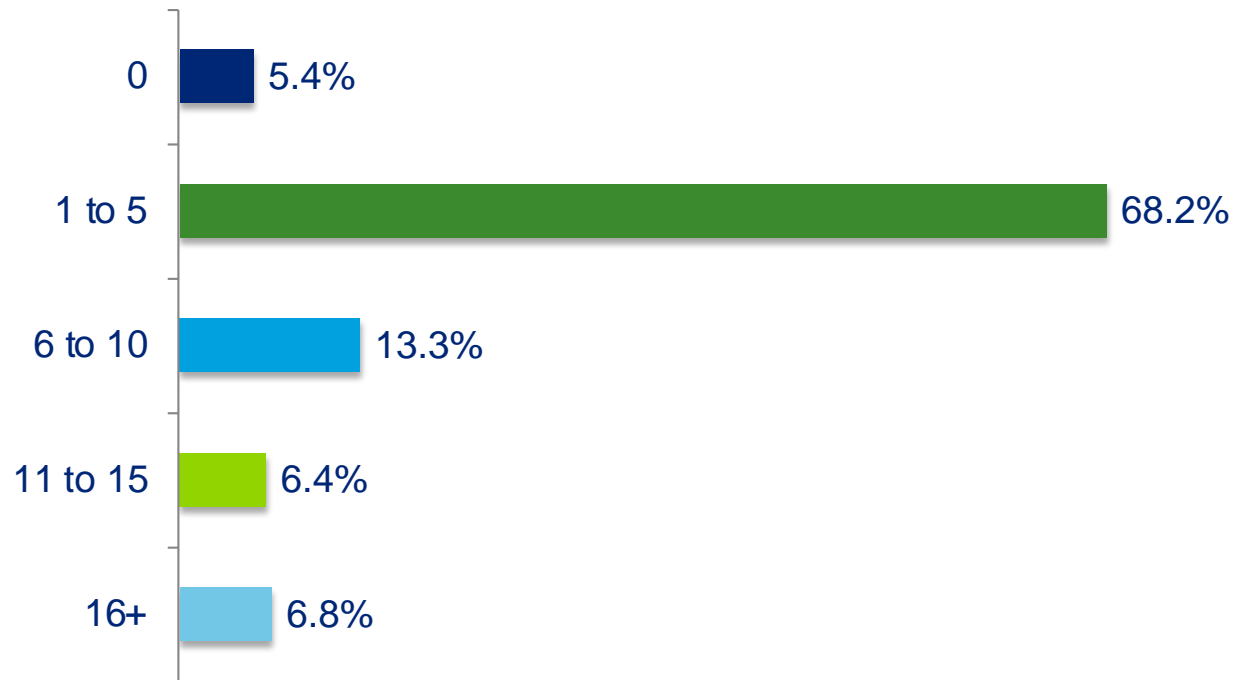
In what type of accommodation do you most frequently stay when you travel for?

Hotel Preference by Purpose of Travel



On an average, how many nights did you stay at a hotel each month during the past 12 months?

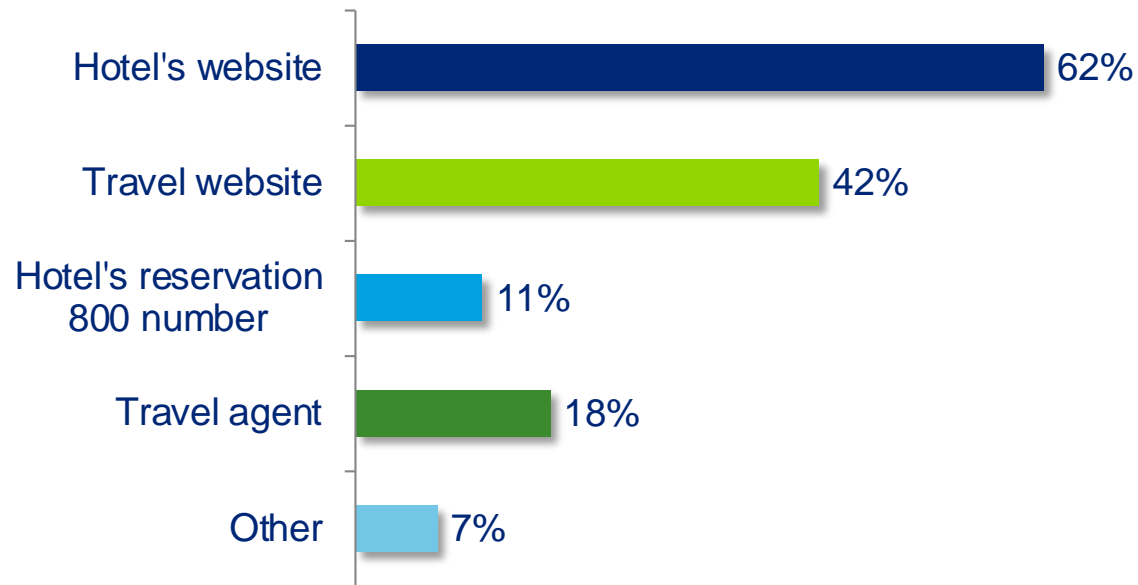
Frequency of Hotel Stay in a Month



Which of the following channels do you use frequently for booking hotel rooms? (select all that apply)

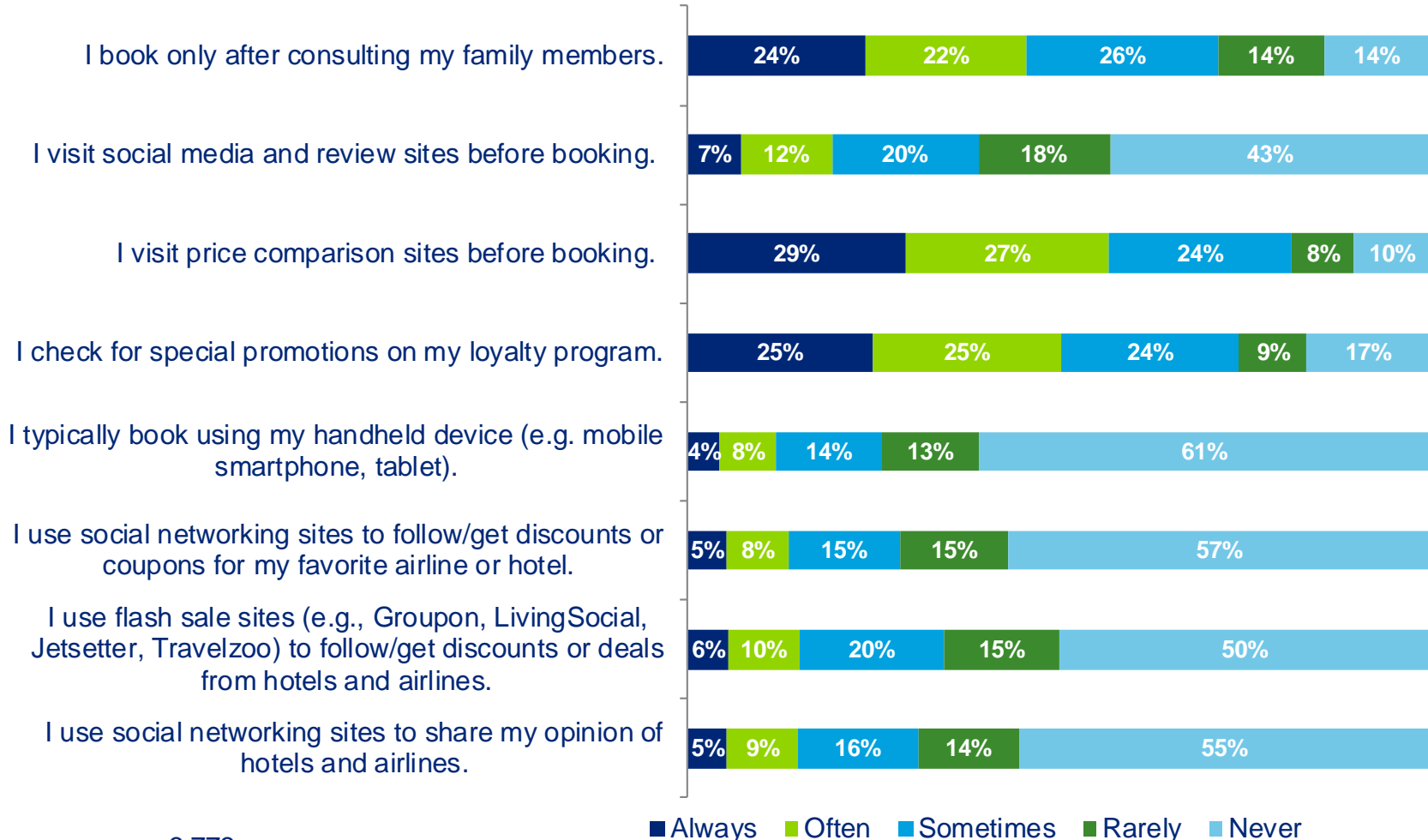
Frequented Booking Channels

Hotel Room
Booking



Please indicate how frequently you act in the following ways before/while/after reserving rooms?

Travel Booking Behavior



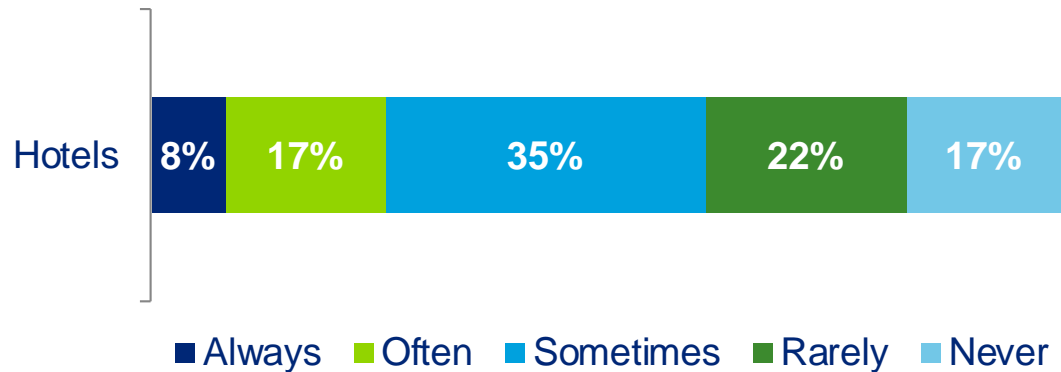
Please indicate how frequently you would like hotels/airlines to engage you or interact with you in the following ways

Preferred mode and Frequency of Interaction

	Always	Often	Sometimes	Rarely	Never
Engage via social networks (e.g. facebook, LinkedIn)	5.2%	8.1%	16.9%	15.3%	54.5%
Engage via social media (e.g. twitter)	3.8%	7.5%	12.3%	13.9%	62.5%
Engage via other location-based social media channel (e.g., FourSquare)	3.4%	6.7%	12.2%	13.8%	64.0%
Engage via telephone	5.8%	11.4%	21.0%	17.7%	44.1%
Reward with points/miles.	37.7%	22.5%	20.9%	5.7%	13.2%
Reward with freebies like free upgrades and free nights	38.0%	24.2%	20.2%	6.4%	11.2%
Send discounts and news via postal mail	17.1%	18.3%	29.7%	12.7%	22.2%
Send discounts and news via email	24.4%	25.1%	27.7%	7.9%	14.8%
Send destination suggestions	7.3%	13.0%	28.9%	19.0%	31.8%
Provide opportunity to earn rewards via partners	18.5%	22.6%	27.5%	11.4%	20.0%
Provide opportunity to earn rewards via non-partners	17.6%	20.4%	27.2%	11.9%	23.0%
Provide opportunity to redeem rewards from a partner or credit card company	20.4%	23.2%	27.0%	10.1%	19.3%
Make the purchase process secure and easy	50.9%	17.9%	15.3%	4.1%	11.8%
Contact me after purchase	16.6%	17.6%	29.3%	17.0%	19.5%
Send personalized messages that meet my travel needs	11.4%	16.8%	32.5%	15.4%	23.9%

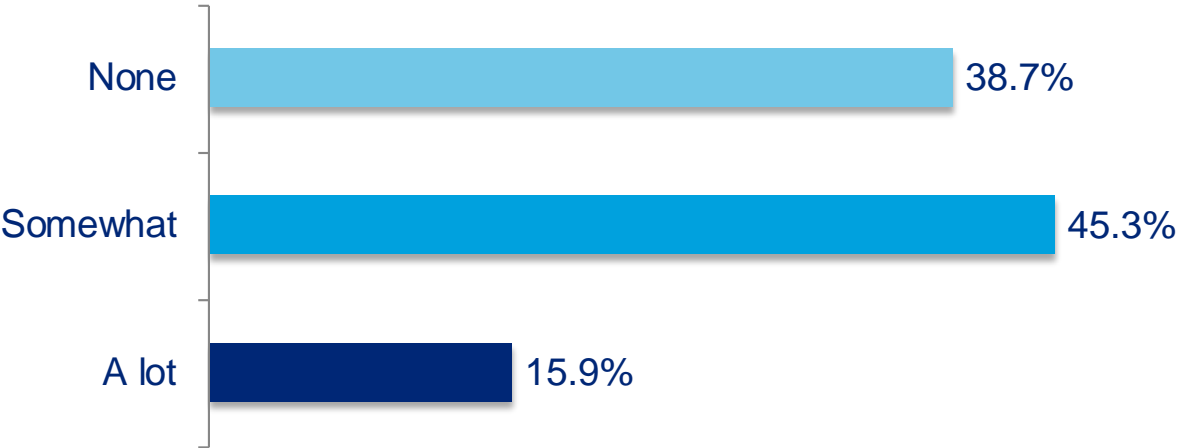
How often do you redeem promotional offers that you get from hotels?

Frequency of Redeeming Promotional Offers



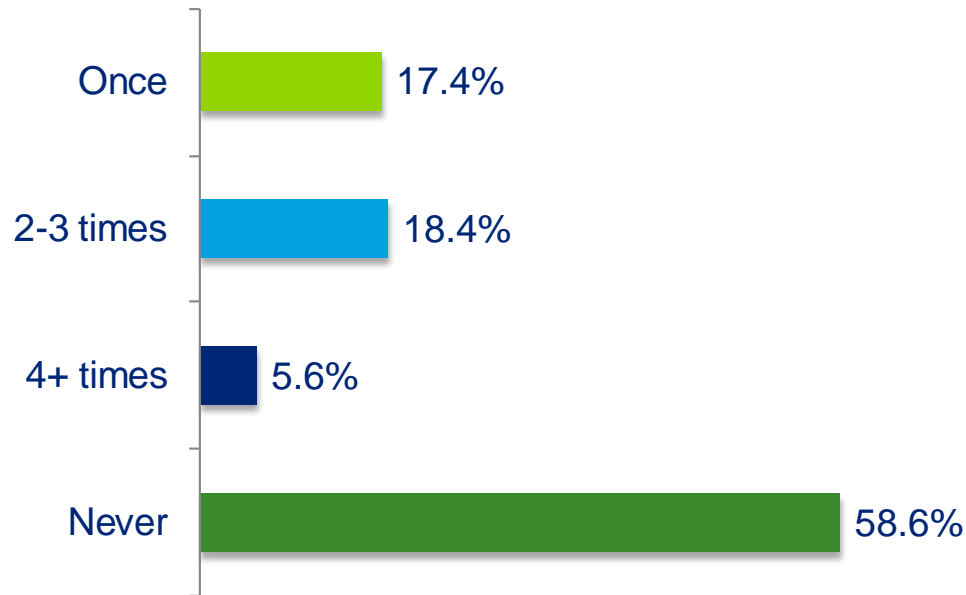
What effect, if any, will/did gas prices have on your travel plans this year?

Impact of Gas Prices on Travel Plans



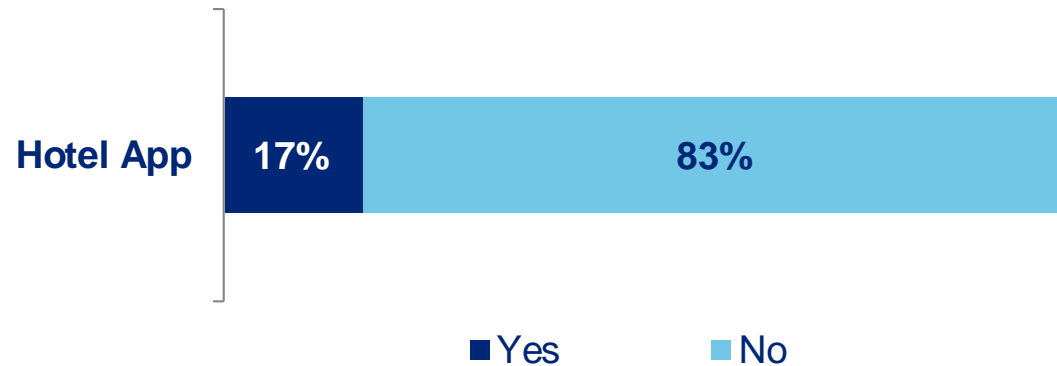
During the past 12 months, how many times have you added some personal, leisure vacation time to a business trip?

Frequency of Combining Leisure with Business Trip

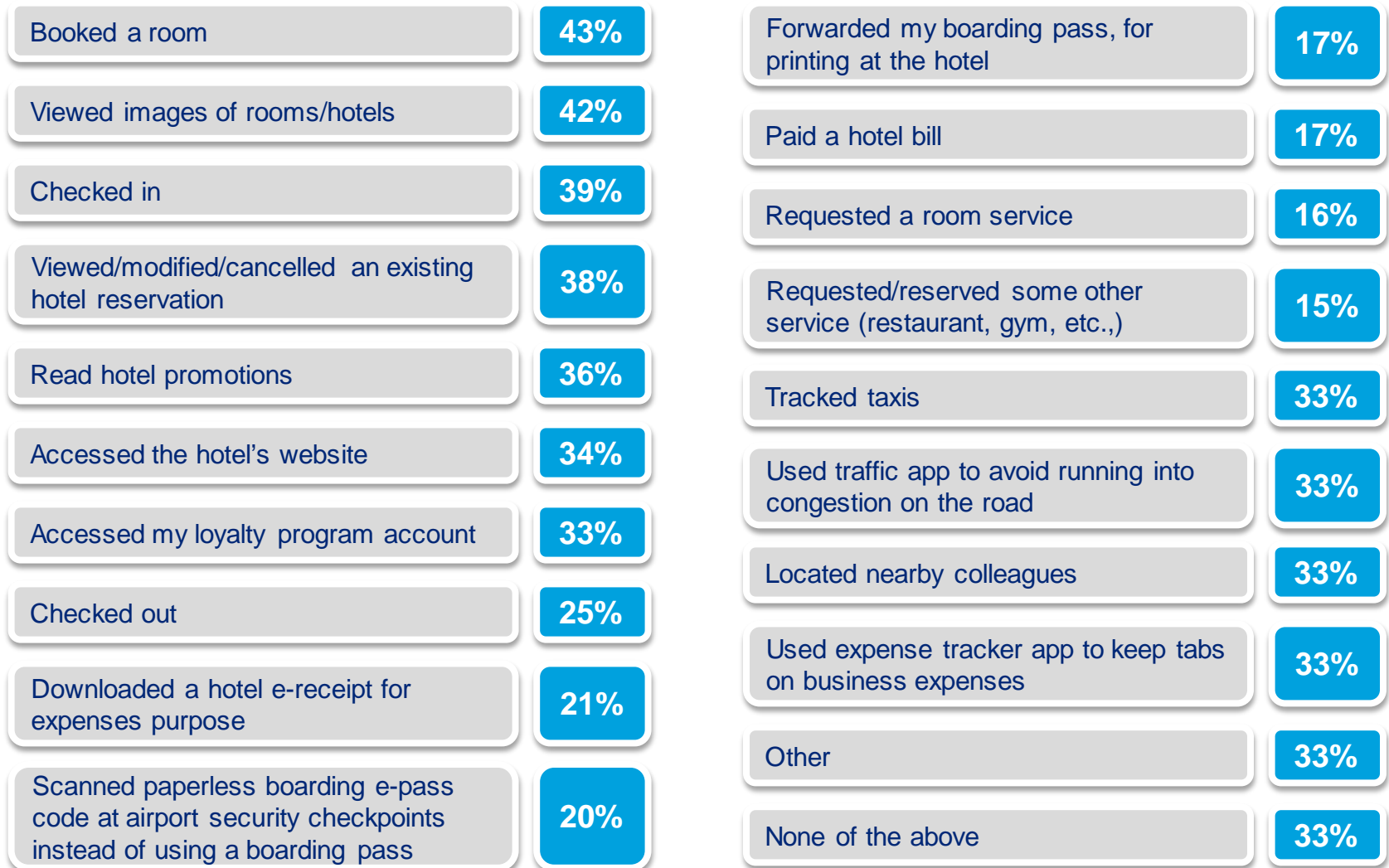


Have you downloaded at least one hotel application to your web-enabled smartphone?

Download Smartphone Application



In which of the following ways have you used a hotel app on your web-enabled smartphone, for either business or leisure travel? (select all that apply)



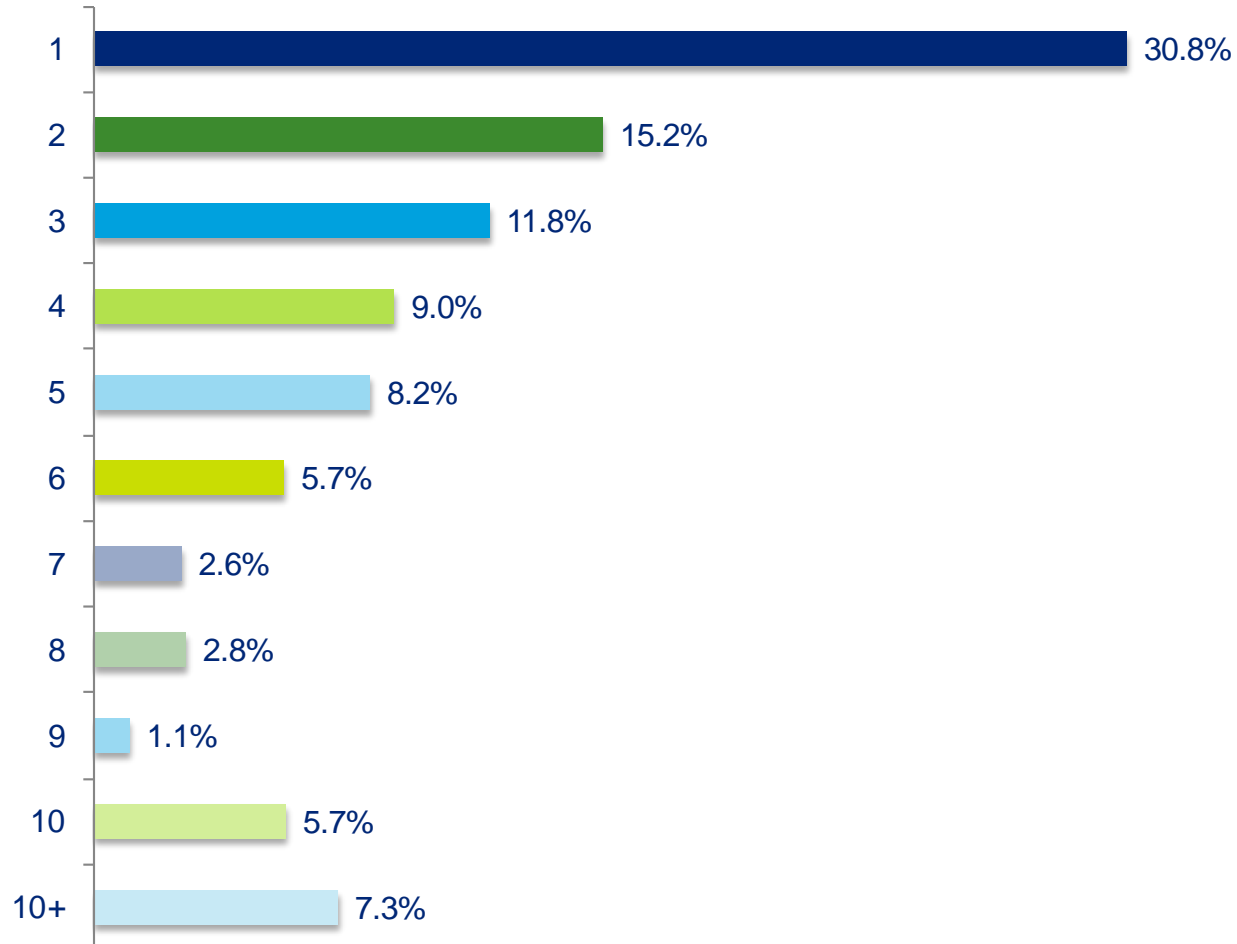
During the past 12 months, which of the following online activities have you done either on a computer or a web-enabled smartphone, for either business or leisure travel?

Online Activities Performed by Travelers



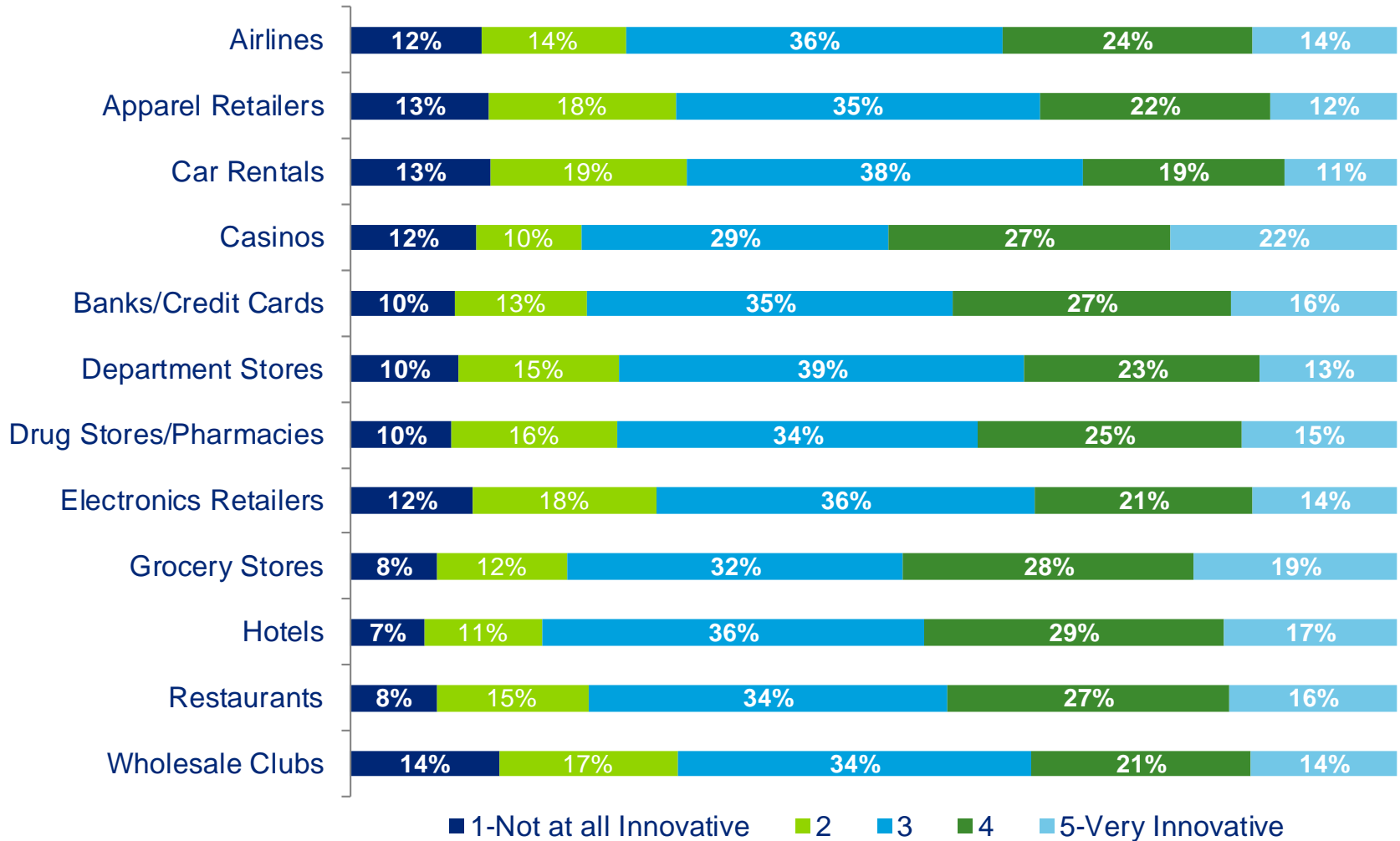
Considering various industries (e.g., retail, airlines, hotels, casinos, car rentals), please select the number of loyalty programs of which you are a member.

Number of Loyalty Program Memberships



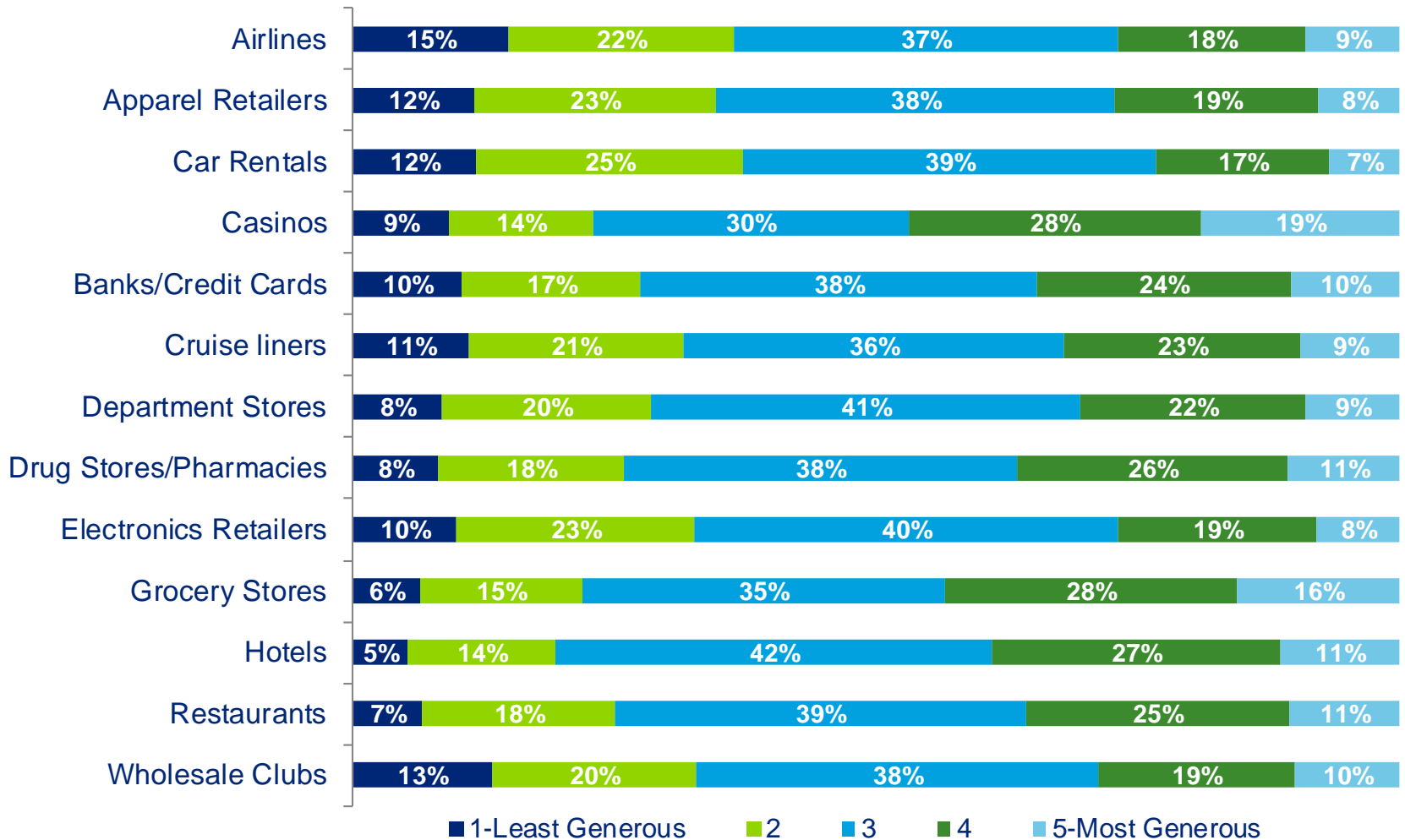
Please indicate how innovative the loyalty programs are in the following industries

Innovativeness of Loyalty Programs in Select Industries



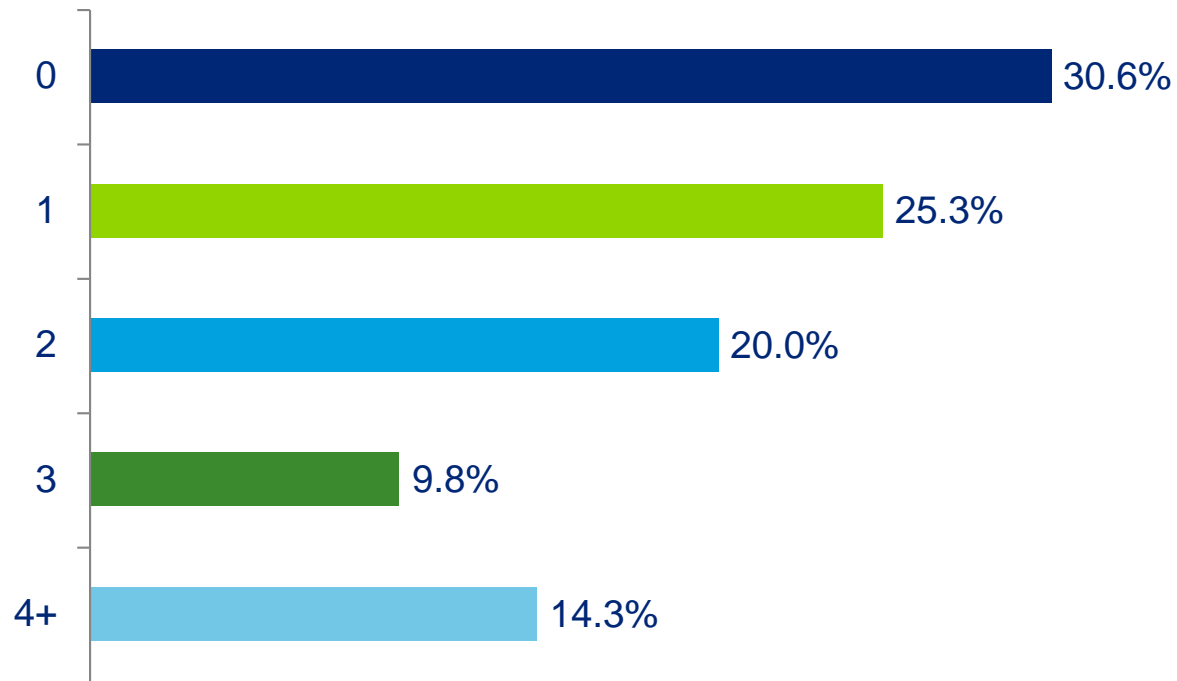
Please indicate how generous (rewarding) the loyalty programs are in the following industries

Generosity of Loyalty Programs in Select Industries



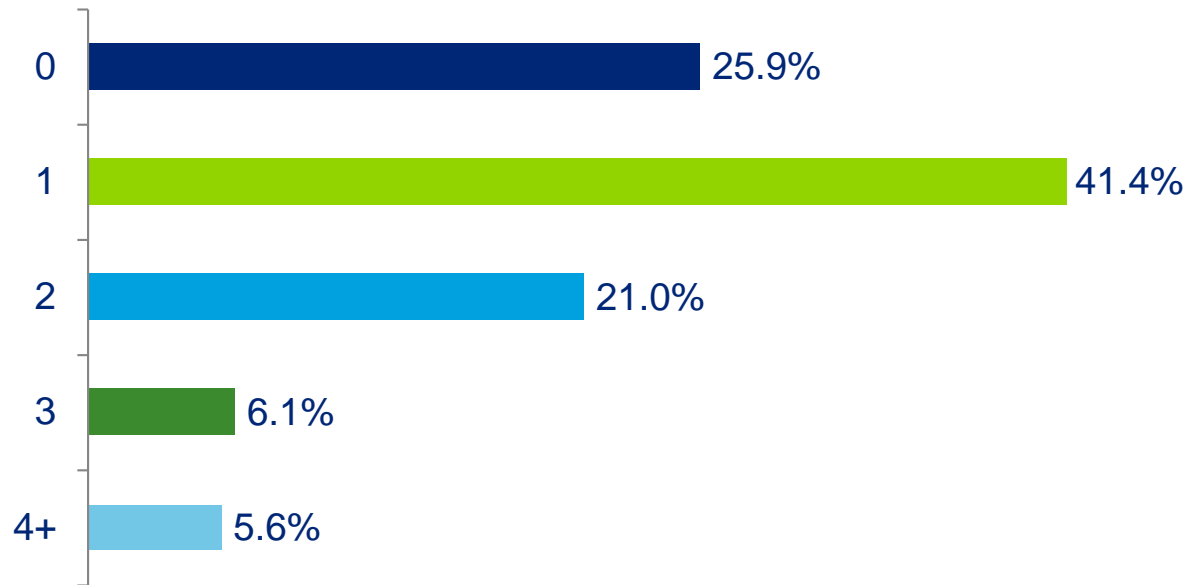
Please select the number of hotel loyalty programs that you are a member of

Number of Hotel Loyalty Program Memberships



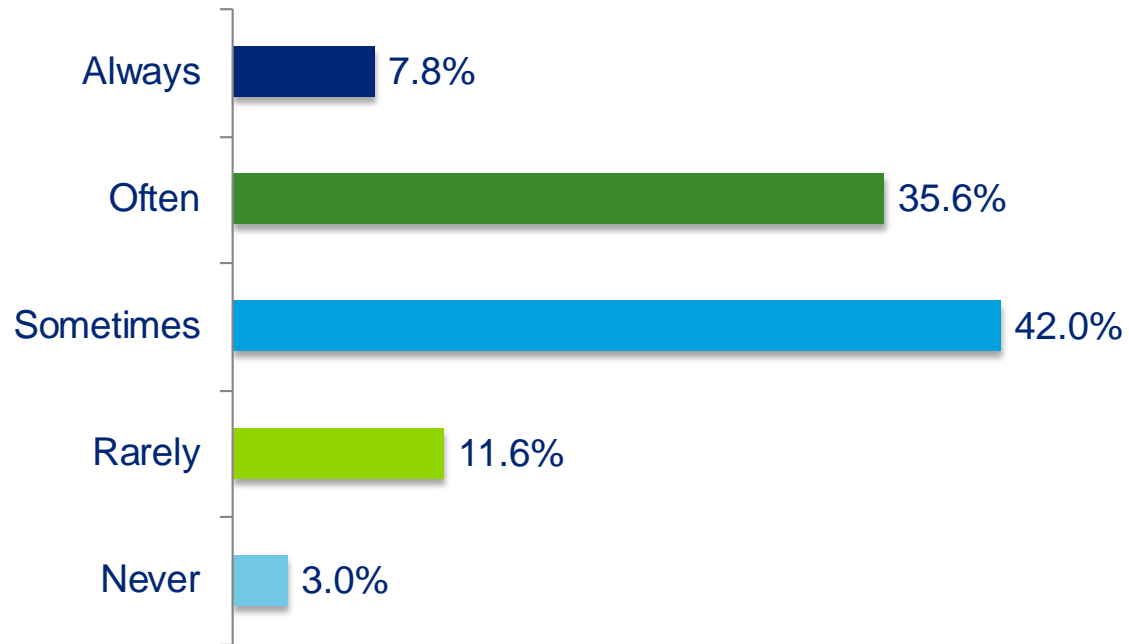
Please select the number of hotel loyalty programs that you have participated in the past 6 months

Participation in Hotel Loyalty Programs



Do you typically stay at the same hotel brand?

Propensity to try different Hotel Brands



Please rate the following attributes based on their importance to you while choosing a hotel for business and/or leisure

Attribute	1-Not Important	2	3	4	5-Very Important
Distinct from other hotels	21%	16%	39%	16%	8%
Value for money/room rate	1%	2%	16%	33%	47%
Ability to address guest problems in a fair manner	3%	5%	31%	36%	26%
Ability to understand my needs	3%	5%	34%	34%	24%
Ability to value me	3%	5%	32%	35%	26%
Comfort	1%	1%	17%	39%	41%
Concierge service	19%	20%	35%	16%	10%
Consistency of service	2%	3%	27%	39%	28%
Deliver on promise	2%	3%	26%	37%	32%
Ease of booking/cancelation/modification	2%	3%	24%	37%	34%
Ease of check-in	2%	3%	23%	37%	35%
Free parking	3%	3%	21%	30%	43%
Free in room Wi-Fi	7%	5%	23%	27%	38%
In-house amenities e.g., restaurant/spa/gym/entertainment	6%	11%	36%	30%	17%
In-room technology	6%	9%	36%	29%	19%
Kid/family friendliness	25%	14%	28%	19%	13%
Location	2%	2%	18%	38%	40%
Loyalty program	11%	11%	34%	26%	19%
Network of hotels	10%	12%	37%	26%	15%
Past experience	2%	3%	22%	38%	35%
Pet friendliness	40%	13%	23%	13%	11%
Physical appearance	3%	5%	30%	39%	24%
Reputation of the hotel	3%	4%	29%	39%	25%
Room service	22%	18%	32%	16%	12%
Staff attitude	2%	3%	24%	35%	35%
Strive to enhance my experience	3%	5%	34%	32%	26%

How satisfied are you with these attributes with regards to your preferred hotel?

Attribute	1-Very Dissatisfied	2	3	4	5-Very Satisfied
Distinct from other hotels	1%	4%	45%	32%	18%
Value for money/room rate	1%	2%	24%	43%	30%
Ability to address guest problems in a fair manner	1%	2%	30%	40%	27%
Ability to understand my needs	1%	2%	31%	39%	27%
Ability to value me	1%	3%	31%	39%	27%
Comfort	1%	1%	21%	40%	37%
Concierge service	4%	9%	47%	24%	17%
Consistency of service	1%	2%	27%	39%	31%
Deliver on promise	1%	2%	28%	40%	29%
Ease of booking/cancelation/modification	1%	2%	23%	36%	38%
Ease of check-in	1%	1%	21%	37%	41%
Free parking	2%	4%	23%	30%	41%
Free in room Wi-Fi	3%	4%	28%	30%	35%
In-house amenities e.g., restaurant/spa/gym/entertainment	2%	5%	37%	32%	24%
In-room technology	2%	5%	37%	33%	24%
Kid/family friendliness	6%	6%	40%	26%	21%
Location	1%	2%	23%	38%	36%
Loyalty program	3%	5%	35%	29%	27%
Network of hotels	2%	3%	30%	35%	30%
Past experience	1%	1%	21%	36%	41%
Pet friendliness	13%	9%	44%	17%	16%
Physical appearance	1%	2%	29%	40%	28%
Reputation of the hotel	1%	2%	27%	40%	31%
Room service	6%	8%	43%	24%	19%
Staff attitude	1%	2%	28%	38%	31%
Strive to enhance my experience	1%	2%	34%	35%	27%

Please indicate how much you agree or disagree with the following statements about your preferred hotel

Attribute	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I developed a liking for the hotel because of the loyalty program.	12%	24%	40%	15%	9%
The brand's image resonates with my personality.	12%	36%	44%	5%	3%
I have built a personal relationship with the hotel brand and its people.	11%	26%	46%	11%	5%
I will not switch to a competing hotel brand to take advantage of a short-term promotion.	10%	21%	35%	25%	9%
I will not join another loyalty program because I want to focus on accumulating rewards at my preferred brand.	9%	18%	40%	23%	10%
I will be a brand ambassador for this hotel if asked.	12%	26%	43%	12%	7%
If available, I will stay at my preferred hotel group brands, even when I visit a foreign country.	15%	33%	40%	8%	4%
I voluntarily provide constructive criticism and feedback.	14%	32%	39%	10%	4%
If available, I stay at the same hotel brand/group when traveling for business or leisure.	17%	38%	35%	7%	3%
I will recommend it to my friends and relatives.	21%	41%	31%	5%	2%
I will stay at the same hotel next time.	19%	38%	36%	5%	2%
I will continue to patronize this hotel even if it discontinues the loyalty program.	13%	30%	41%	11%	5%
I will not switch to a competing loyalty program that announces better rewards.	9%	18%	48%	18%	6%
I will not switch to a competing hotel loyalty program even after achieving highest status level.	9%	21%	50%	14%	6%
I dine at the in-house restaurant whenever I stay at this hotel.	10%	21%	41%	18%	10%

Please rate the following attributes based on their importance to you while choosing a hotel loyalty program

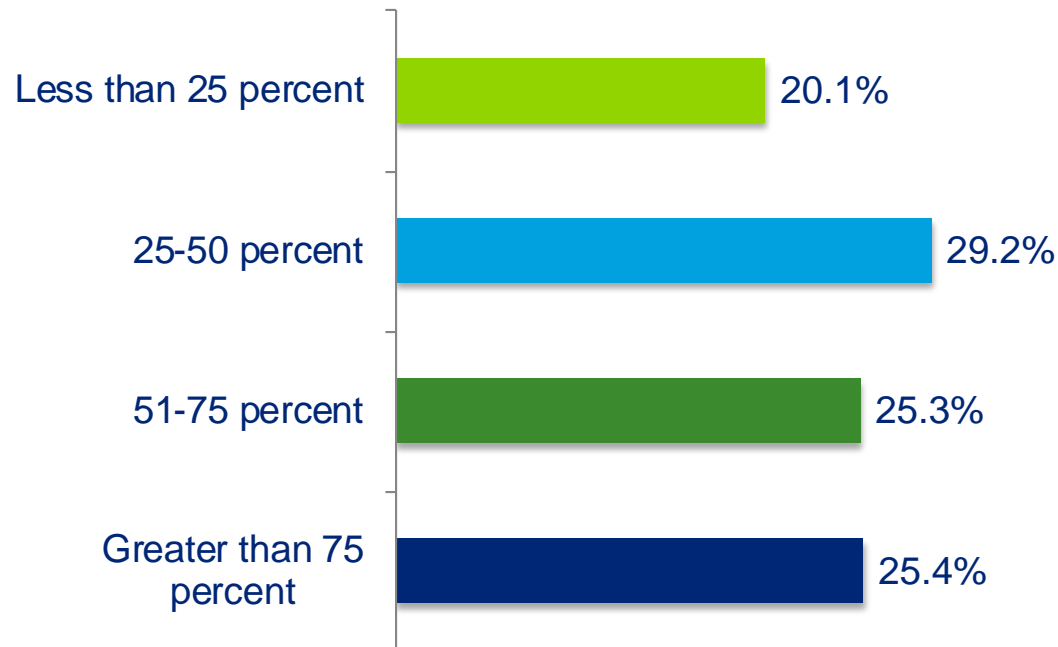
Attribute	1-Not Important	2	3	4	5-Very Important
Distinct from other loyalty programs	11%	9%	45%	24%	11%
Highest points per dollar spent	4%	4%	29%	35%	28%
Selection of hotels	3%	2%	25%	40%	30%
Ease of earning points	3%	3%	23%	36%	35%
Ease of redeeming points	3%	3%	21%	35%	38%
Redemption value per point	3%	3%	26%	36%	33%
Allows customization of rewards to suit my needs	3%	5%	33%	35%	24%
Makes me feel important	6%	9%	38%	28%	20%
Provides unique rewards	5%	8%	39%	30%	18%
Rewards focus on providing experiences	6%	8%	43%	27%	16%
Promotions with other travel companies (Airline, car rentals, etc.)	7%	8%	39%	29%	17%
More opportunities to earn points	3%	3%	28%	39%	26%
More opportunities to redeem points	3%	3%	29%	38%	28%
Opportunities to redeem points for merchandise	9%	11%	37%	25%	18%

How satisfied are you with these attributes with regards to your preferred hotel loyalty program?

Attribute	1-Very Dissatisfied	2	3	4	5-Very Satisfied
Distinct from other loyalty programs	2%	5%	50%	28%	15%
Highest points per dollar spent	2%	5%	47%	30%	17%
Selection of hotels	1%	3%	30%	37%	29%
Ease of earning points	2%	3%	33%	36%	26%
Ease of redeeming points	2%	4%	34%	34%	27%
Redemption value per point	2%	5%	41%	33%	20%
Allows customization of rewards to suit my needs	2%	7%	46%	28%	16%
Makes me feel important	2%	7%	45%	28%	18%
Provides unique rewards	3%	9%	49%	24%	16%
Rewards focus on providing experiences	3%	7%	50%	24%	17%
Promotions with other travel companies (Airline, car rentals, etc.)	3%	8%	47%	25%	16%
More opportunities to earn points	2%	7%	43%	29%	19%
More opportunities to redeem points	2%	7%	45%	28%	18%
Opportunities to redeem points for merchandise	4%	9%	49%	22%	16%

During the past 12 months, what proportion of your hotel stays (i.e., nights) were at your preferred hotel?

Hotel Stays at Preferred Hotel



Please indicate how frequently your preferred hotel/airline engages you or interacts with you in the following ways

Attribute	Always	Often	Sometimes	Rarely	Never
Engage via Facebook	4%	8%	14%	11%	63%
Engage via Twitter	4%	7%	11%	8%	70%
Engage via other location-based social media channel (e.g., FourSquare)	4%	7%	11%	9%	70%
Engage via telephone	5%	11%	20%	19%	45%
Reward with points/miles	19%	23%	29%	11%	18%
Reward with freebies like free upgrades and free nights	13%	18%	27%	16%	27%
Send discounts and news via postal mail	8%	15%	28%	17%	32%
Send discounts and news via email	15%	27%	31%	9%	18%
Send destination suggestions	9%	18%	34%	13%	26%
Provide opportunity to earn rewards via partners	13%	21%	33%	11%	22%
Provide opportunity to earn rewards via non-partners	11%	17%	31%	15%	26%
Provide opportunity to redeem rewards from a partner or credit card company	13%	19%	31%	13%	23%
Make me feel valued as a customer	17%	23%	34%	11%	15%
Make the purchase process to be secure and easy	26%	27%	26%	7%	14%
Contact me after purchase	13%	16%	29%	17%	25%
Send personalized messages that meet my travel needs	10%	17%	33%	16%	24%



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