

Press Release

J.D. Power Reports:

Hotel Loyalty and Reward Program Features and Benefits Prove Key to Member Satisfaction Regardless of the Number of Hotel Brand Locations

<u>Delta Privilege and Hilton HHonors Rank Highest in a Tie in Overall Customer Satisfaction with Hotel Loyalty/Rewards Programs</u>

WESTLAKE VILLAGE, Calif.: EMBARGOED UNTIL 8 A.M. ET Wednesday April 8, 2015 —Hotel loyalty and reward program features and benefits—earning and redeeming rewards—prove key to member satisfaction regardless of the number of hotel brand locations, according to the J.D. Power 2015 Hotel Loyalty/Rewards Program Satisfaction Report[™] released today.

The report measures customer satisfaction by examining six factors (in order of importance): account maintenance/management (23%); ease of redeeming points/miles (22%); ease of earning points/miles (18%); reward program terms (16%); variety of benefits (16%); and customer service (5%). Satisfaction is measured on a 1,000-point scale. Overall satisfaction with hotel loyalty/rewards programs improves to 701 in 2015 from 676 in 2014.

Although all brands ranked in the study have varying number of hotel locations, program loyalty/reward currency value resonates with program members driving satisfaction. For brands with many and convenient locations, members earn points each time they stay, and the points they accumulate can be redeemed for a variety of goods and services including future hotel stays, shopping, dining, travel and transportation, or the points may even be gifted/donated. Brands with a lesser number of locations may not have a point system, but might offer a tiered system whereby members can earn level-based privileges, such as free upgrades and hotel credit.

"Given that the ease of redeeming and earning points/miles are two the of the top three factors driving satisfaction across all hotel loyalty/rewards programs, it's important to recognize the power of perception when it comes to program benefits," said **Rick Garlick, global travel and hospitality practice lead at J.D. Power**. "Loyalty/Rewards brands that satisfy the needs of their members are more likely to build loyalty and drive recommendations via word of mouth and positive reviews."

Report Rankings

• **Delta Privilege**¹ and **Hilton HHonors**² rank highest in a tie among hotel loyalty/rewards programs with an overall satisfaction score of 727 each.

¹ Delta Privilege is a loyalty program that services only one hotel brand Delta Hotels & Resorts. It is not affiliated with Delta Air Lines. Delta Hotels & Resorts was acquired by Marriott International, Inc. on April 1, 2015. The acquisition was after the study fielding period and therefore is not reflected in the study results.

²Hilton HHonors is the rewards program for Hilton Worldwide, which represents the following hotel brands: Conrad Hotels & Resorts, Canopy by Hilton, Curio Collection, DoubleTree by Hilton, Embassy Suites, Hampton Inn, Hampton Inn & Suites, Hilton Garden Inn, Hilton Grand Vacations, Hilton Hotels & Resorts, Home2 Suites by Hilton, Homewood Suites and Waldorf Astoria Hotels & Resorts.

- **Delta Privilege** performs particularly well in the ease of redeeming points/miles, variety of benefits and reward program terms factors.
- **Hilton HHonors** performs particularly well with ease of redeeming points/miles and ease of earning points/miles factors.
- Following Delta Privilege and Hilton HHonors in the rankings are **Best Western Rewards** (722) and **IHG Rewards Club**³ (721).

KEY FINDINGS

- There is a significant 134 point gap in overall satisfaction between members who have the ability to earn points when making product and/or service purchases (819) and those who do not (685); the next largest gap (119 points) is in the ability to earn points at restaurants (802 vs. 683, respectively).
- Word of mouth is a key driver of member satisfaction. Satisfaction is highest among the 11 percent of members who choose their loyalty program based on positive reviews—award or online ratings—(815) and is second highest among the 14 percent of members who choose based on the program's reputation (800).
- Convenience of location is the primary reason customers enroll in hotel loyalty/rewards programs, with 41 percent of members choosing their program based on convenience of locations where they travel.
- Satisfaction with loyalty programs is highest among Gen Y⁴ members (745), compared with an average of all other generational groups in the study (692), which includes Pre-Boomers, Boomers, Gen X and Gen Z. Additionally, satisfaction among Gen Y members is highest across all factors, averaging 28 points higher than the other generations. Further, their loyalty is on par with other generational groups.
- Recommendation from hotel staff continues to be a key driver of customer awareness and adoption of hotel loyalty programs, with 41 percent of members learning of their rewards program from a hotel employee during check-in/check-out, down from 43 percent in 2014.
- Among members who are "delighted" (providing a rating of 10 on a 10-point scale) with the variety of program benefits available, 86 percent say they "definitely will" recommend their loyalty/rewards program.

The 2015 Hotel Loyalty/Rewards Program Satisfaction Report is based on responses from more than 2,900 U.S. consumers who have joined a hotel loyalty plan. Invitations to participate in the online survey were sent via email to panelists in February 27, 2015, through March 9, 2015.

Visit J.D. Power.com for the list of hotels that are associated with the corresponding loyalty programs ranked in the report.

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³ IHG Rewards Club is the rewards program for the InterContinental Hotels Group, which represents the following hotel brands: Candlewood Suites, Crowne Plaza Hotels & Resorts, EVEN Hotels, Holiday Inn, Holiday Inn Express, Hotel Indigo, InterContinental Hotels & Resorts and Staybridge Suites.

⁴ J.D. Power defines generational groups as Pre-Boomers (born before 1946); Boomers (1946-1964); Gen X (1965-1976); Gen Y (1977-1994); and Gen Z (1995-2004).

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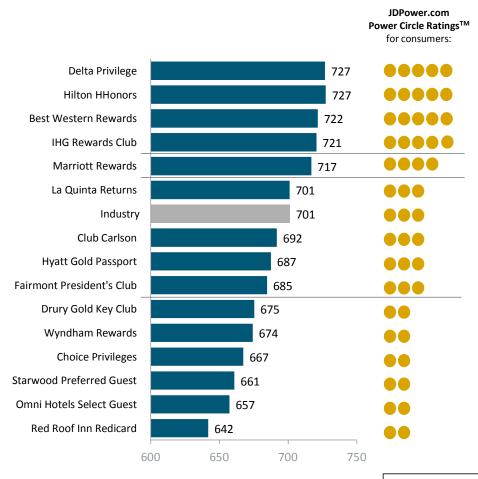
Note: One rank chart and a list of hotels associated with the corresponding hotel loyalty programs follow.



J.D. Power 2015 Hotel Loyalty/Rewards Program Satisfaction ReportSM

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)







Source: J.D. Power 2015 Hotel Loyalty/Rewards Program Satisfaction ReportSM

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2015 Hotel Loyalty/Rewards Program Satisfaction ReportSM

Hotels Associated with the Corresponding Hotel Loyalty Programs

Choice Privileges is the rewards program for Choice Hotels, which represents the following hotel brands: Ascend, Cambria Suites, Clarion, Comfort Inn, Comfort Suites, Econo Lodge, MainStay Suites, Quality, Rodeway Inn, Sleep Inn and Suburban Extended Stay.

Club Carlson is the rewards program for Carlson Rezidor, which represents the following hotel brands: Country Inns & Suites, Park Inn by Radisson, Park Plaza, Radisson, Radisson Blu, and Quorvus Collection.

Hilton HHonors is the rewards program for Hilton Worldwide, which represents the following hotel brands: Conrad Hotels & Resorts, Canopy by Hilton, Curio Collection, DoubleTree by Hilton, Embassy Suites, Hampton Inn, Hampton Inn & Suites, Hilton Garden Inn, Hilton Grand Vacations, Hilton Hotels & Resorts, Home2 Suites by Hilton, Homewood Suites and Waldorf Astoria Hotels & Resorts.

Hyatt Gold Passport is the rewards program for The Hyatt Corporation, which represents the following hotel brands: Andaz, Grand Hyatt, Hyatt House, Hyatt Place, Hyatt Regency, Hyatt Residence Club, Hyatt Zilara and Hyatt Ziva and Park Hyatt Hotels.

IHG Rewards Club is the rewards program for the InterContinental Hotels Group, which represents the following hotel brands: Candlewood Suites, Crowne Plaza Hotels & Resorts, EVEN Hotels, Holiday Inn, Holiday Inn Express, Hotel Indigo, InterContinental Hotels & Resorts and Staybridge Suites.

Marriott Rewards is the rewards program for Marriott International, which represents the following hotel brands: AC Hotels, Autograph Collection Hotels, Courtyard, Edition, Fairfield Inn & Suites, Gaylord Hotels, JW Marriott, Marriott Executive Apartments, Marriott Hotels & Resorts, Marriott Vacation Club, Moxy Hotels, Renaissance Hotels, Residence Inn, SpringHill Suites, The Ritz-Carlton and TownePlace Suites.

Starwood Preferred Guest is the rewards program for Starwood, which represents the following hotel brands: aloft, element, Four Points by Sheraton, Le Méridien, Sheraton Hotels & Resorts, St. Regis Hotels & Resorts, The Luxury Collection, W Hotels and Westin Hotels & Resorts.

Wyndham Rewards is the rewards program for Wyndham, which represents the following hotel brands: Baymont Inn & Suites, Days Inn, Hawthorn Suites by Wyndham, Howard Johnson, Knights Inn, Microtel Inn & Suites by Wyndham, Ramada, Ramada Limited, Ramada Plaza, Super 8, Travelodge, Tryp by Wyndham, Wingate by Wyndham, Wyndham Garden Hotels, Wyndham Grand Hotels and Resorts and Wyndham Hotels and Resorts.