



## Press Release

### **J.D. Power and Associates Reports: Hotel Guest Satisfaction is Up, Despite Rising Room Rates and Increased Occupancies**

#### Hilton Brands Receive Top Rankings in Three Out of Six Segments

**WESTLAKE VILLAGE, Calif.: 26 July 2005** — Despite rising room rates and increased hotel occupancy, customer satisfaction in the hotel industry is up, according to the J.D. Power and Associates 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup> released today.

The study, now in its ninth year, measures overall hotel guest satisfaction based on six measures: check-in/check-out, guest room, food and beverage, hotel services, hotel facilities, and costs and fees. Hotel chains are ranked in six segments: luxury, upscale, mid-scale full service, mid-scale limited service, economy/budget and extended stay.

Consumers appear to appreciate the value of new product and service offerings being introduced by many hotel chains, as increases in overall guest satisfaction are being driven by improvements in the measures of food and beverage, costs and fees (value of services) and hotel services.

“As the travel industry continues to rebound from the post-9/11 travel slump, hotel chains have benefited from the ability to invest significant funds to renovate guest rooms, enhance room amenities and improve food and beverage offerings,” said Linda Hirneise, partner in the global travel and hospitality practice at J.D. Power and Associates. “The key is in adding the kinds of value-added services guests really want.”

While many brands push the envelope to introduce new amenities and innovations such as satellite radio or Internet check-in, the study finds that brands that improve on offerings in the tried-and-true comforts of home that make for a convenient in-room experience tend to receive considerable boosts in customer satisfaction scores. Amenities of particular interest to consumers include a complimentary breakfast, in-room refrigerators and coffee makers, pillow top mattresses and high-speed Internet access.

An example of this is Omni Hotels, which improves dramatically to rank highest in the upscale segment. Omni Hotels is the first upscale hotel brand to offer free wireless Internet access in guest rooms. Three top-ranking Hilton brands all offer free high-speed Internet access along with complimentary hot breakfasts: Hilton Garden Inn, which ranks highest in the mid-scale full service segment; Hampton Inn & Suites, which ranks highest among mid-scale limited service hotels; and Homewood Suites by Hilton, which ranks highest in the extended stay segment.

“With all the costs involved in travel today, guests are looking for a more all-inclusive experience when they book a hotel reservation,” said Hirneise. “While there is no replacement for good customer service, consumers want all the comforts of home when they stay at a hotel, and they don’t want to be nicked and dimed to get them.”

Other brands topping segment rankings include Four Seasons Hotels and Resorts, which ranks highest among luxury hotels for the second consecutive year, and Microtel Inn & Suites, which ranks highest among economy/budget hotels for the fourth consecutive year.

The study also finds that 41 percent of respondents booked a hotel reservation online—up from 36 percent in 2004. Hotel brand Web sites continue to earn increased market share of online bookings compared to independent travel Web sites. In most segments, reservations were booked directly through a hotel's site more than twice as often as independent sites. Online bookings are most common in the extended stay segment, where more than one-half (52%) of reservations were booked through the Internet.

The 2005 North America Guest Satisfaction Index Study is based on responses from 37,471 guests who stayed in a hotel between December 2004 and May 2005.

#### **About J.D. Power and Associates**

Headquartered in Westlake Village, Calif., J.D. Power and Associates is an ISO 9001-registered global marketing information services firm operating in key business sectors including market research, forecasting, consulting, training and customer satisfaction. The firm's quality and satisfaction measurements are based on responses from millions of consumers annually. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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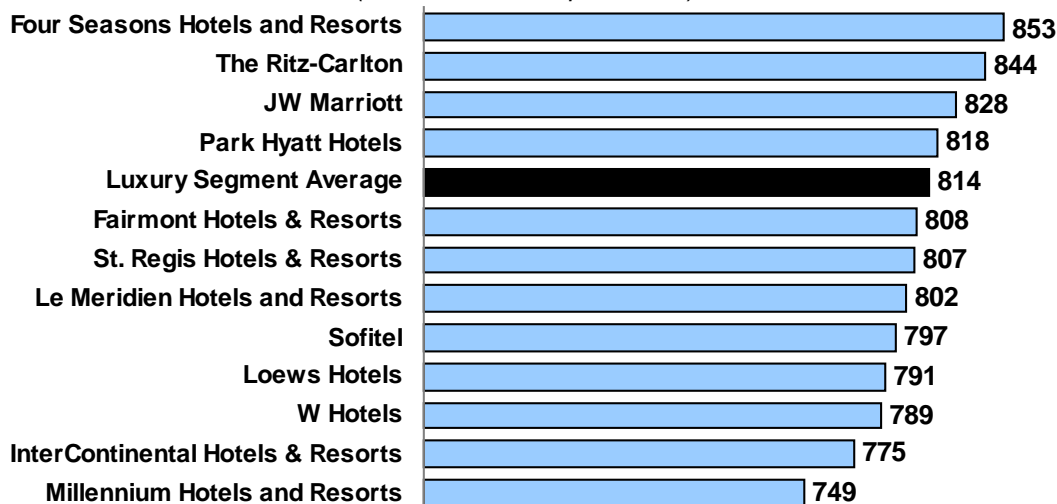
NOTE: Six charts follow.

# J.D. Power and Associates

## 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup>

### Luxury Segment Overall Satisfaction Index

(Based on a 1,000-point scale)



Included in the study but not ranked due to insufficient sample size: Mandarin Oriental, Morgans Hotel Group, Preferred Hotels & Resorts and The Luxury Collection.

### Upscale Segment Overall Satisfaction Index

(Based on a 1,000-point scale)



Included in the study but not ranked due to insufficient sample size: Prime Hotels & Resorts.

Source: J.D. Power and Associates 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup>

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## 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup>

### Mid-Scale Full Service Segment Overall Satisfaction Index

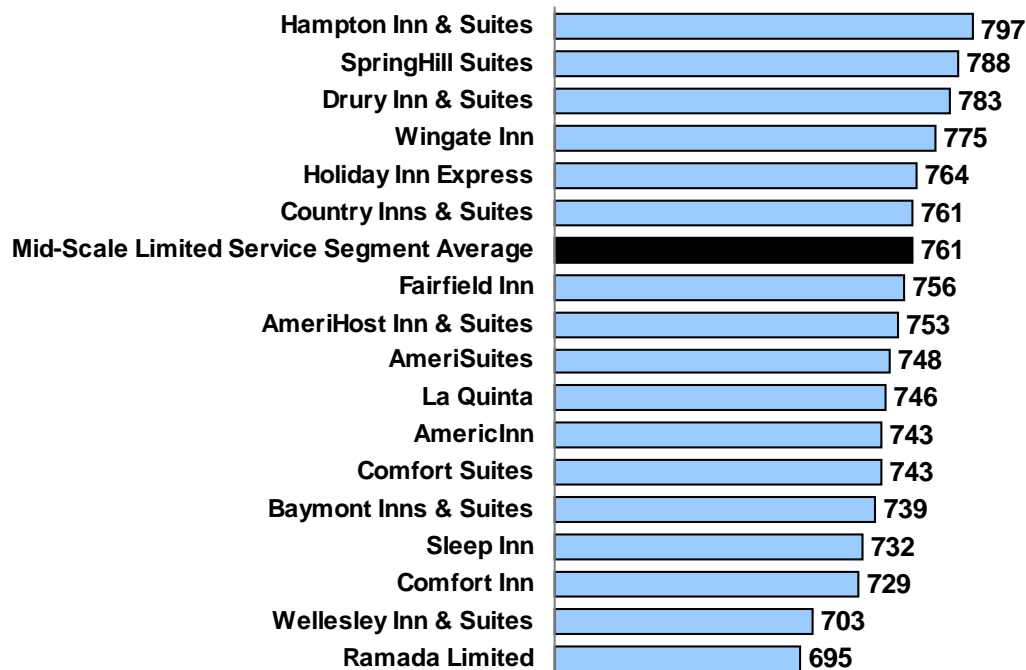
(Based on a 1,000-point scale)



Included in the study but not ranked due to insufficient sample size: Howard Johnson Plaza and Novotel.

### Mid-Scale Limited Service Segment Overall Satisfaction Index

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup>

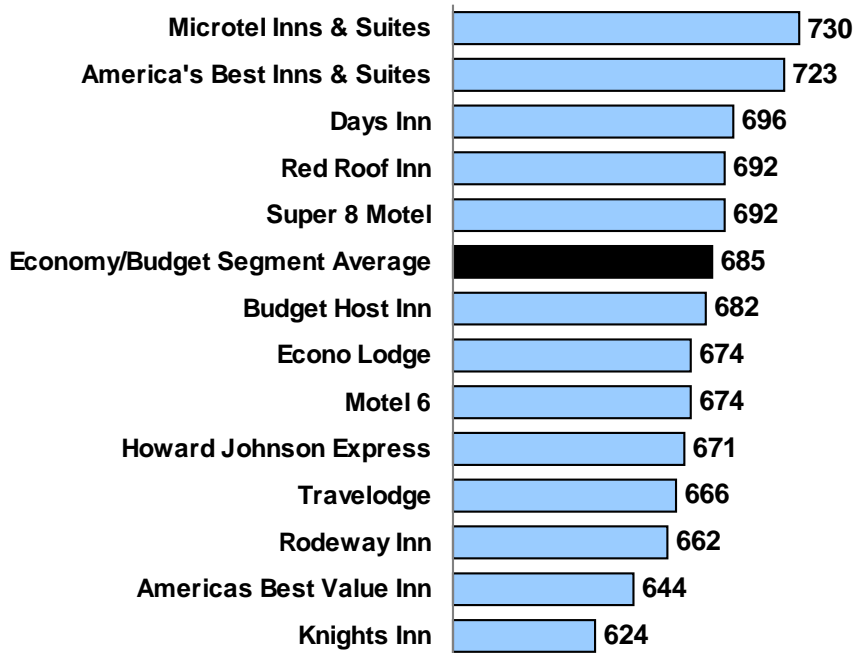
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## 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup>

### Economy/Budget Segment Overall Satisfaction Index

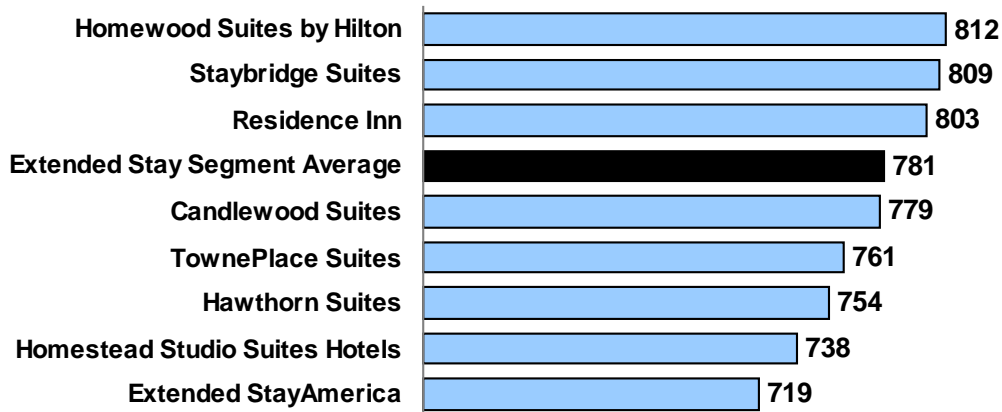
(Based on a 1,000-point scale)



Included in the study but not ranked due to insufficient sample size: Country Hearth Inn.

### Extended Stay Segment Overall Satisfaction Index

(Based on a 1,000-point scale)



Included in the study but not ranked due to insufficient sample size: MainStay Suites, Studio 6, and Summerfield Suites by Wyndham.

Source: J.D. Power and Associates 2005 North America Hotel Guest Satisfaction Index Study<sup>SM</sup>

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