



#### FOR MORE INFORMATION

Chaat Butsunturn, 415-391-7900 x114

[cbutsunturn@kearnswest.com](mailto:cbutsunturn@kearnswest.com)

OR Amanda Piasecki, 202-535-7800 x114

[apiasecki@kearnswest.com](mailto:apiasecki@kearnswest.com)

## ACSI: Rise in Satisfaction for Airlines May Be Short-Lived; Big Gains for Many Hotels, Restaurants and Fast Food Chains

*Strong Improvements for Burger King, KFC, Papa John's, Hyatt and United Airlines;  
Drops for Delta Air Lines, McDonald's and the U.S. Postal Service*

**ANN ARBOR, Mich.**, [June 15, 2010]—Customer satisfaction results for five industries show improvement for many of the largest companies in the travel and restaurant industries, according to a report released today by the American Customer Satisfaction Index (ACSI). The report covers satisfaction with the quality of products and services provided by airlines, hotels, restaurants, fast food, and express delivery services.

### **Airlines: Passenger Satisfaction Gains May Not Last**

Passenger satisfaction with airlines improves for a second straight year, up 3% to an ACSI score of 66. Still, airlines remain near the bottom of all industries in ACSI. Lower passenger volume and relatively stable fuel prices are part of the satisfaction boost, but travelers are better at shopping for deals and avoiding fees. More are opting for carry-ons rather than paying baggage fees. In addition to the savings, this is also reducing the problems related to lost or damaged luggage.

“Airlines are creating more satisfied passengers, but the ACSI data suggest this won’t last for long,” said Claes Fornell, founder of the ACSI and author of *The Satisfied Customer: Winners and Losers in the Battle for Buyer Preference*. “Airlines are already beginning to charge higher fares. Flights are becoming more crowded, and the increasing number of carry-ons could lead to cabin congestion and delays. Added to that mix are rumblings about fees even for carry-ons and another big merger looming on the horizon between United and Continental, which is likely to take a toll on passenger service at least in the short term.”

Southwest Airlines drops 2% to 79, but still leads all airlines for a seventeenth straight year. The nearest legacy airline is Continental, up 4% to 71. The aggregate of all smaller airlines such as Jet Blue and Alaska Airlines is in between, dropping 3% to 75. American Airlines and US Airways are far behind but show sizeable improvements, up

5% to 63 and 62, respectively. United makes the biggest gain, up 7% to 60, although it is still last in the industry. Delta drops in the wake of its merger with Northwest, falling 3% to 62.

### **Hotels: Discounting Keeps Big Chains on Top**

Low rates, lots of promotions, and free perks are keeping customer satisfaction with hotels steady at 75 for a third straight year. Most of the big hotel chains make strong gains, better leveraging value for money compared with their smaller competitors. The aggregate of smaller chains, individual luxury hotels and bed and breakfasts drops 3% to slightly below the average at 74.

Hilton leads the category again, up 1% to 80, this time tied by Marriott, which surges 4%. Hyatt follows closely at 79, after a 7% gain. Intercontinental, led by its Holiday Inn brand, and Starwood also improve, up 4% to 78 and 77, respectively. Two companies that operate mostly budget chains come in below the industry average. Choice Hotels falls 3% to 74, while Wyndham Worldwide (Ramada, Super 8, Days Inn) rounds out the bottom of the category, unchanged at 70.

### **Dining Out: Many Fast Food and Restaurant Chains Serving Up Satisfaction**

While most of the largest chains improve, the opposite is true for McDonald's and the smaller ones. Frequent price promotions and new menu items contribute to increasing customer satisfaction for the largest restaurant and fast food chains. Pizza makers are riding the top of the wave. Papa John's leads the fast food category, jumping 7% to 80. Pizza Hut (+5%) and Little Caesar (+4%) follow at 78. KFC and Burger King are the other big gainers, up 9% to 75 and 7% to 74, respectively. Domino's is stuck at 77, despite rolling out new ingredients that reinvented their pizzas from the crust up. McDonald's alone drops, falling 4% to an industry low of 67.

"This may seem somewhat paradoxical in view of McDonald's sales growth over the past year, particularly compared to competition," said Fornell. "But as increasingly frugal consumers have made price more salient, McDonald's has acquired more customers. These newcomers seem less satisfied, and were it not for the economy some of them would probably rather eat somewhere else."

Olive Garden leads the restaurant category, up 4% to 84, followed closely by Red Lobster, up 4% to 83. Outback and Chili's gain too, but are well behind. Outback improves 4% to 80, while Chili's is at the bottom, rising 5% to 78.

### **Express Shipping: FedEx Delivers**

Customer satisfaction with express delivery services used by consumers to ship packages improves 1% to match its highest score in more than a decade at 83. FedEx leads the category for a thirteenth straight year, up 1% to 85. UPS follows, unchanged at 82, while the U.S. Postal Service trails far behind both, up 1% to 77. The Postal Service shows a much stronger performance for express delivery than for its regular mail service, which drops 4% to 71, matching its lowest level in nearly ten years.

---

**About ACSI**

The American Customer Satisfaction Index is a national economic indicator of customer evaluations of the quality of products and services available to household consumers in the United States. The national index is updated each quarter and as of May 2010, results for different sectors of the economy are released on a monthly basis to provide more current data. The overall ACSI score factors in scores from more than 200 companies in 44 industries and from government agencies over the previous four quarters. The Index was founded at the University of Michigan's Ross School of Business and is produced by ACSI LLC. ACSI can be found on the web at [www.theacsi.org](http://www.theacsi.org).

###