



Press Release

J.D. Power and Associates Reports: As Low-Cost Airlines Continue to Improve Passenger Satisfaction, Traditional Carriers Lose Altitude

Alaska Airlines and JetBlue Airways Maintain the Highest Rankings in Their Respective Segment

WESTLAKE VILLAGE, Calif.: 13 June 2012 — Although low-cost carriers continue to lead the way in improving passenger satisfaction, traditional carriers still struggle to meet travelers' expectations, according to the J.D. Power and Associates 2012 North America Airline Satisfaction StudySM released today.

The study finds that after two years of consecutive industry improvements, overall passenger satisfaction has declined slightly to 681 index points on a 1,000-point scale—down from 683 in 2011. Although satisfaction with low-cost carriers improves for a third consecutive year (increasing 3 index points from 2011 to average 754), satisfaction with traditional carriers declines 4 points to 647.

“The airline industry is caught between trying to satisfy customers who demand low prices, high-quality service and comfort, and contending with the economic challenges of profitably operating an airline,” said Stuart Greif, vice president and general manager of the global travel and hospitality practice at J.D. Power and Associates. “Passengers want it all, but they are not necessarily willing to pay for it all. Carriers often must make decisions for financial reasons that they know will negatively impact passenger satisfaction, and therein lies the conundrum.”

The study measures overall customer [satisfaction based on performance in seven factors](#) (in order of importance): cost and fees; in-flight services; boarding/deplaning/baggage; flight crew; aircraft; check-in; and reservation.

The cost and fees factor continues to play a key role. Checked baggage fees are a customer sore point and have a notable impact, with satisfaction averaging 85 points lower among passengers who pay to check bags. For example, two carriers with the highest satisfaction scores in the study—JetBlue Airways and Southwest Airlines—do not charge passengers to check the first bag. Additionally, Air Canada, which also does not charge for the first bag,¹ performs particularly well among the traditional network carriers in the cost and fees factor.

While the cost and fees factor is important, more than 70 percent of passenger satisfaction is driven by other parts of the overall experience. The study finds that the attributes pertaining to a carrier's process and people, rather than price, are more highly correlated with passengers' intentions to fly with an airline again in the future.

“Despite the need for some carriers to charge unpopular fees, they can gain a competitive advantage by focusing their efforts on process efficiency and positive interactions with the staff and crew,” said Jessica McGregor, senior manager of the global travel and hospitality practice at J.D. Power and Associates. “Carriers that find innovative ways to provide passengers with greater control, save them time, reduce hassles and make the airline experience more enjoyable and comfortable will reap satisfaction benefits.”

¹ All domestic Air Canada flights allow one free checked bag per passenger. Passengers traveling between the U.S. and Canada were allowed one free checked bag per passenger until September 2011.

For example, a large majority of travelers remark positively on their experience and use of mobile boarding passes.² The North America Airline Satisfaction Study finds that while online check-in rates remain relatively consistent year over year (34% in 2012 compared with 32% in 2011), the use of mobile devices to check in for a flight has more than doubled to 11 percent in 2012 from 5 percent in 2011. Overall satisfaction with the check-in process is highest when passengers check in using a mobile device (845), compared with curbside (840); using a traditional computer/laptop (825); kiosk (793); and main counter (778).

Traditional Network Carrier Rankings

Alaska Airlines ranks highest in the traditional network carrier segment for a fifth consecutive year, performing particularly well in four of the seven factors: boarding/deplaning/baggage; flight crew; check-in; and reservation. Air Canada follows just 1 index point behind Alaska Airlines in the segment, performing particularly well in the cost and fees, in-flight services and aircraft factors. Delta Air Lines, which moved up two rank positions to third, is the only traditional carrier to improve from 2011, by 9 index points.

Low-Cost Carrier Rankings

JetBlue Airways ranks highest among low-cost carriers for a seventh consecutive year, performing particularly well in two factors: in-flight services and aircraft. Southwest Airlines follows closely behind, performing particularly well in four factors: cost and fees; boarding/deplaning/baggage; check-in; and reservation. Despite Southwest performing higher in more factors than JetBlue this year, JetBlue's strong performance, broadly combined with its large advantage in aircraft and in-flight services over Southwest, has enabled JetBlue to retain its highest ranking.

J.D. Power and Associates offers the following tips to consumers regarding mobile boarding passes:

- Some airports provide a separate security line for mobile boarding pass travelers, greatly reducing waiting time. However, not all airports are equipped to read them. Check with your carrier to determine rules, restrictions and access prior to foregoing a paper copy.
- If traveling in parties of two or more, test mobile boarding pass download and viewing options before leaving for the airport. If your party includes other travelers, sticking with paper copies may be the best option.

The 2012 North America Airline Satisfaction Study measures passenger satisfaction among both business and leisure passengers of major carriers in North America. The study is based on responses from more than 13,500 passengers who flew on a major North American airline between May 2011 and April 2012. The study was fielded between July 2011 and April 2012.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [airlines, hotels and rental car reviews and ratings](#), [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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² Research conducted by J.D. Power's Consumer Insight and Strategy Group to track social media activity includes information gathered online from June 2011 through May 2012, which consisted of more than 4,000 online communications across various social media.

Indices, Platts energy information services and J.D. Power and Associates. With sales of \$6.2 billion in 2011, the Corporation has approximately 23,000 employees across more than 280 offices in 40 countries. Additional information is available at <http://www.mcgraw-hill.com/>.

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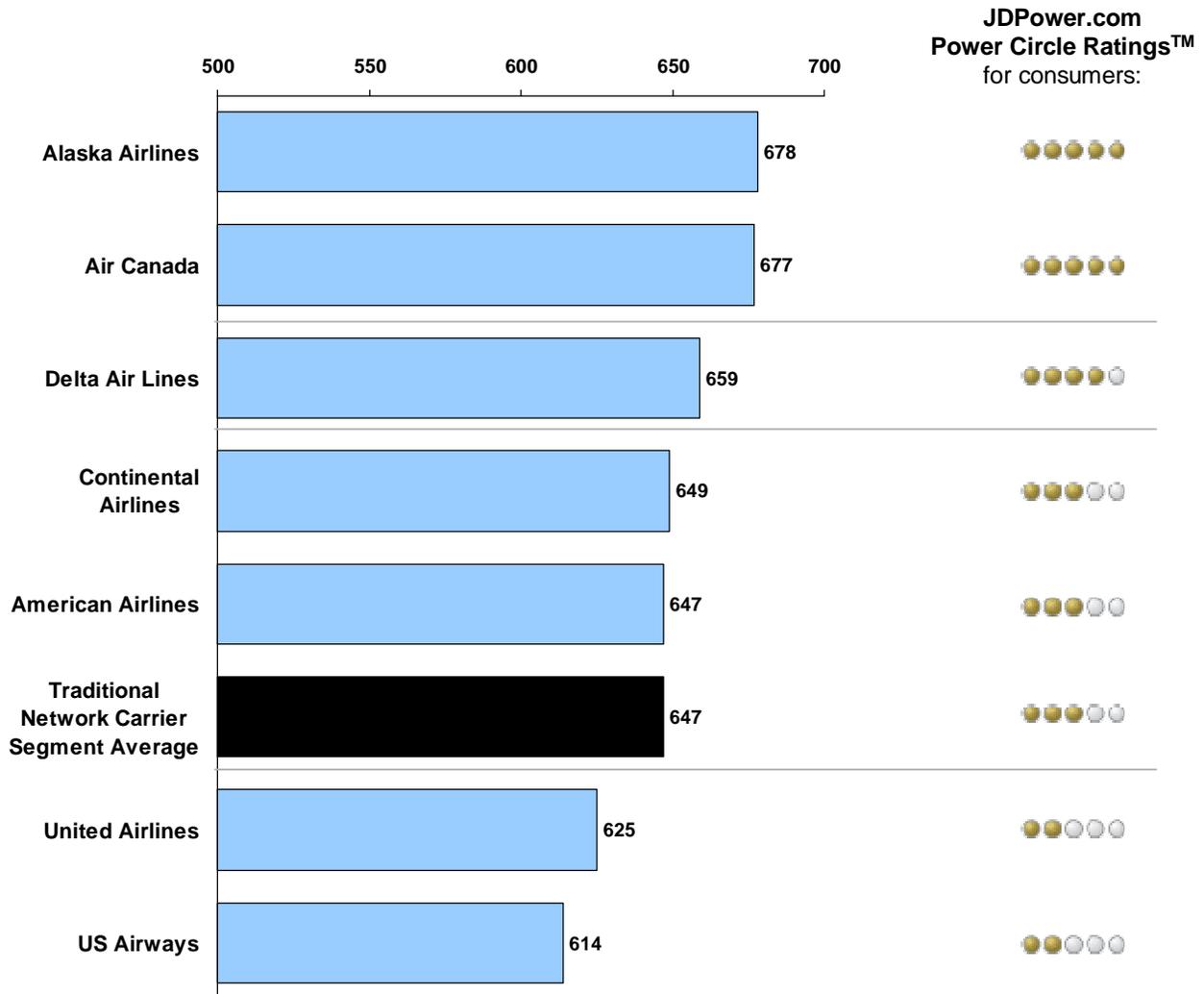
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NOTE: Two charts follow.

J.D. Power and Associates 2012 North America Airline Satisfaction StudySM

Overall Airline Satisfaction Index Scores Traditional Network Carrier Segment *(Based on a 1,000-point scale)*



Note: United Airlines and Continental Airlines merged in October 2010, under United Continental Holdings, Inc. The Federal Aviation Administration (FAA) approved their Single Operating Certificate, however United and Continental did not begin to merge their operations/systems until the last month of fielding for this study, and thus are both included in the study but evaluated and ranked separately.

Source: J.D. Power and Associates 2012 North America Airline Satisfaction StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

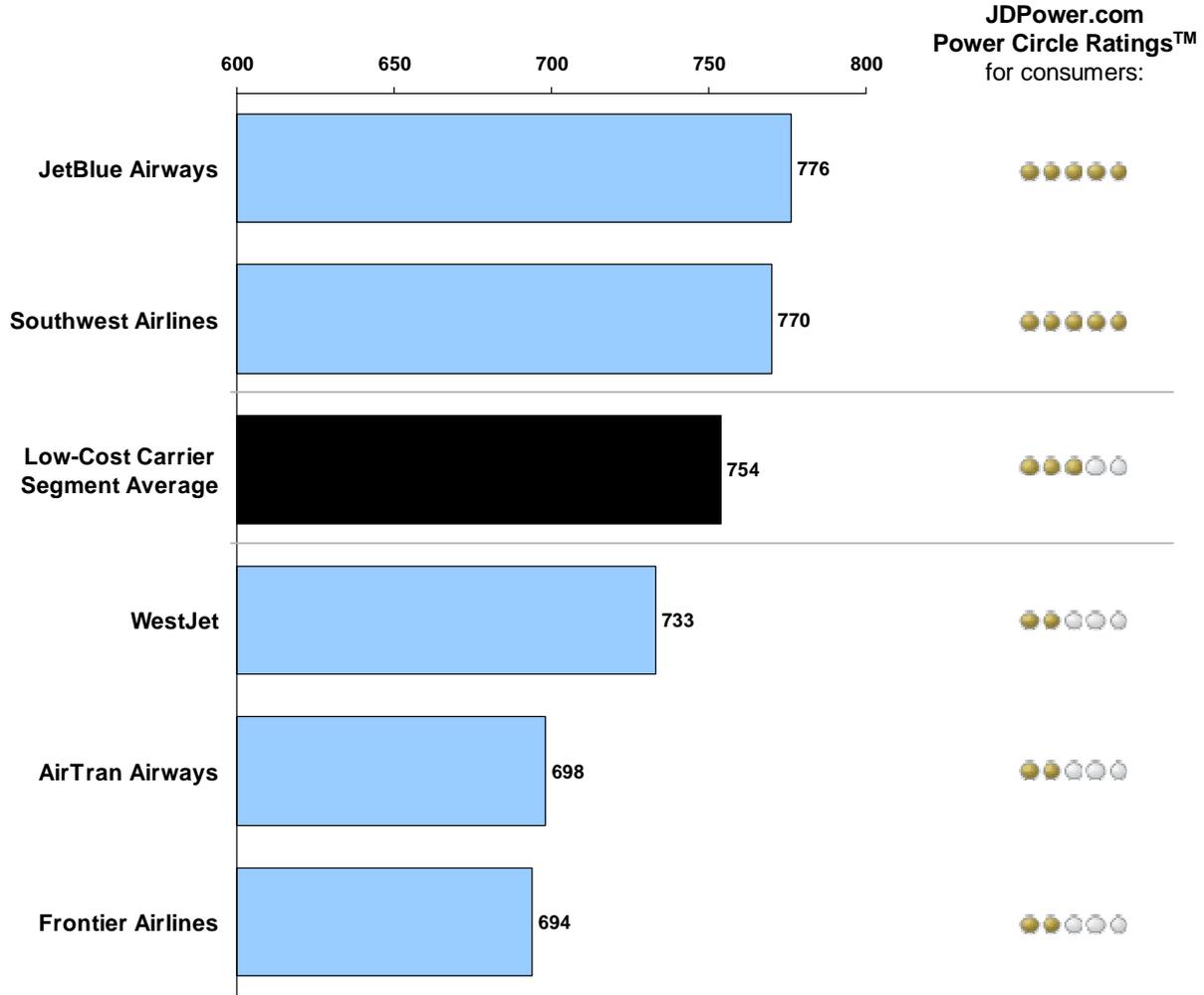
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J.D. Power and Associates 2012 North America Airline Satisfaction StudySM

Overall Airline Satisfaction Index Scores

Low-Cost Carrier Segment

(Based on a 1,000-point scale)



Note: Southwest Airlines and AirTran Airways merged in April 2011, under Southwest Airlines. The Federal Aviation Administration (FAA) approved their Single Operating Certificate, however Southwest and AirTran have not yet merged their operations/systems, and thus are evaluated and ranked separately.

Source: J.D. Power and Associates 2012 North America Airline Satisfaction StudySM

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