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# U.S. NEWS & WORLD REPORT AND BEST WESTERN® HOTELS & RESORTS RELEASE SECOND ANNUAL HOTEL LOYALTY PROGRAM STUDY

Loyalty Remains Top of Mind for Consumers, Best Western Rewards<sup>®</sup> Delivers the Key Benefits Travelers Want

**PHOENIX, Ariz. (May 14, 2018)** – An insight report commissioned by Best Western Hotels & Resorts and executed by U.S. News & World Report's Marketing and Business Intelligence Teams today revealed key indicators for how travelers choose the best possible loyalty program, as well as what drives them to book with one hotel brand versus another. The results, gathered from nearly 1,400 respondents, were released during Best Western's Leisure Travel Summit in New York City. The study found that for 74 percent of travelers, a brand's loyalty program is the significant factor in determining where they stay. In addition, more than 70 percent of respondents rated Best Western Rewards (BWR<sup>®</sup>) as their preferred loyalty program in the industry, reflecting the unsurpassed value today's BWR offers its loyalty members.

"The results of this study confirm that loyalty programs remain a meaningful, driving factor in customer consideration of hotel brands," said Dorothy Dowling, senior vice president and chief marketing officer for Best Western Hotels & Resorts. "Just as Best Western has grown and evolved to exceed the expectations of today's travelers, so, too has BWR. Today's BWR reflects the voice of our valued customers more than ever, providing industry-leading offerings such as points that never expire, low point redemption thresholds to help our guests earn free room nights faster, and access to discounts, instant rewards, and rich promotions throughout the entire year. BWR continues to reimagine the hotel loyalty landscape, and we keep getting better."

## If Points Are Earned, Why Should They Expire?

Travelers polled as part of the study overwhelmingly agreed that the ability to earn points that never expire is a key benefit of a loyalty program, making a significant impact on their booking decisions. Similarly, when asked about the most negative aspect of a loyalty program, nearly one-third of respondents cited expiring points as their single-most frustrating factor. BWR is the only loyalty program in the industry to offer points that never expire, further demonstrating the unrivaled value today's BWR offers its members. In addition, more than half of respondents indicated that they save their points for dream vacations, further underscoring the importance of points not expiring.

## Taking Out the Guesswork by Booking Directly

According to travelers polled in this year's study, the ease of booking direct is critical, and the news is good for Best Western Hotels & Resorts in this area. Nearly half of respondents indicated it is easier to book directly with Best Western than any other hotel brand. Many also noted the company's exclusive member rate discount as a top benefit, with respondents ranking Best Western's book-direct member rate as the best in this category relative to its competitors.

## Free Nights and Discounts at All Levels

A staggering ninety-eight percent of respondents indicated that they have used earned points to book hotel stays. With one of the lowest point redemption thresholds in the industry, Best Western is enabling

its guests to earn free room nights easier and faster. Not only are free room nights more attainable than ever with BWR, but program members can redeem them at any Best Western-branded hotel worldwide, with no blackout dates. To further stack the value and savings, BWR members also have access to some of the industry's richest member rate discounts – a minimum 10 percent discount off the standard room rate. Additionally, free night redemptions count toward reaching elite tiers where members at select elite tiers receive additional perks and benefits, including guaranteed free night availability.

## Instant Rewards, Instant Satisfaction

Nearly 90 percent of respondents indicated that receiving instant rewards was a key feature and benefit of the BWR program. As part of the BWR refresh last year, members now receive instant rewards with each and every stay. This popular program feature is yet another way BWR is differentiating itself and adding ease and value to the reward redemption process. Additionally, the Status Match...No Catch<sup>®</sup> program streamlines the enrollment process by allowing members to have their status with other hotel loyalty programs instantly matched.

#### Importance of a Brand You Can Trust

Amidst today's increasingly competitive hotel landscape, travelers are simplifying and channeling their loyalty, relying on fewer programs for their booking needs. This trend further amplifies the importance of brand trust and reputation. Forty-one percent of study respondents indicated that customer loyalty is bolstered by delivering successful guest experiences with each stay. Another 20 percent of respondents pointed to having hotels in locations where they travel as an important factor influencing loyalty. Brand trust and location topped all other factors affecting loyalty, including points earning potential. With a growing portfolio of hotels across the globe to meet the needs of guests in every market, high levels of guest satisfaction, and more than 72 years as a hospitality leader, Best Western Hotels & Resorts has consistently been a key player in the loyalty space.

"The quest for customer insights has always been a focal point for Best Western, and the desire to keep our finger on the pulse of what travelers are looking for is in our DNA," said Dowling. "Our co-branded study with U.S. News & World Report has provided invaluable information which we will use to further enhance and refine our offerings. Best Western will continue to seek out opportunities to understand and meet the needs of our customers at every point in their journey and to maintain our position as a loyalty leader and innovator."

This year marks the second year Best Western Hotels & Resorts has worked with U.S. News & World to obtain actionable insights from travelers about loyalty programs in general as well as specific information related to BWR, including desirable program features, consumer preferences and potential enhancement areas. Last year, Best Western Hotels & Resorts launched a refresh of BWR as part of the iconic brand's continued transformation, making today's BWR one of the richest rewards programs in the industry.

"The top hotel loyalty programs make it easy for customers to understand the many dimensions of their loyalty programs, including promotions, unique perks and how easily they can reach the next status level," said Jada A. Graves, managing editor of Brand*Fuse* at U.S. News & World Report. "The results of this survey demonstrate that travelers continue to want tangible benefits in return for their loyalty. It's encouraging that companies like Best Western are working to find new ways to appeal to today's customers."

A full report, "What Comes With Loyalty," is available today at mediakit.usnews.com/insights.

For more information on Best Western Rewards please visit <u>www.bestwesternrewards.com</u>.

#### About Best Western® Hotels & Resorts:

Best Western Hotels & Resorts headquartered in Phoenix, Arizona, is a privately held hotel brand with a global network of 4,200\* hotels in more than 100\* countries and territories worldwide. Best Western offers 11 hotel brands to suit the needs of developers and guests in every market: Best Western<sup>®</sup>, Best Western Plus<sup>®</sup>, Best Western Premier<sup>®</sup>, Vīb<sup>®</sup>, GLō<sup>®</sup>, Executive Residency by Best Western<sup>®</sup>, BW Premier Collection<sup>SM</sup> by Best Western, and BW Signature Collection<sup>SM</sup> by Best Western; as well as its recently launched franchise offerings: SureStay<sup>®</sup> Hotel by Best Western, SureStay Plus<sup>®</sup> Hotel by Best Western and SureStay Collection<sup>®</sup> by Best Western. Now celebrating more than 70 years of hospitality, Best Western provides its hoteliers with global operational, sales and marketing support, and award-winning online and mobile booking capabilities. Best Western continues to set industry records regarding awards and accolades, including 64 percent of the brand's North American hotels earning a TripAdvisor® Certificate of Excellence award in 2017, Business Travel News® ranking Best Western Plus and Best Western number one in upper-mid-price and mid-price hotel brands, and Best Western receiving seven consecutive Dynatrace® Best of the Web awards for its leading hotel website. Best Western has also won nine consecutive AAA<sup>®</sup>/CAA<sup>®</sup> Lodging Partner of the Year awards, recognizing the brand's commitment to providing exceptional service and great value to AAA/CAA's nearly 58 million members in the U.S. and Canada. Best Western-branded hotels were top ranked in J.D. Power's 2017 North America Hotel Guest Satisfaction Index Study – ranking first in breakfast (food and beverage category) for midscale; and second in overall guest satisfaction. Over 32 million travelers are members of the brand's award-winning loyalty program Best Western Rewards®, one of the few programs in which members earn points that never expire and can be redeemed at any Best Western hotel worldwide. Best Western's partnerships with AAA/CAA and Harley-Davidson® provide travelers with exciting ways to interact with the brand. Through its partnership with Google® Street View, Best Western is the first major company of its size and scale to launch a virtual reality experience for customers, setting a new industry standard and reinventing how guests view hotels.

\* All Best Western and SureStay-branded hotels are independently owned and operated.

\* Numbers are approximate, may fluctuate, and include hotels currently in the development pipeline.

#### About U.S. News and World Report

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