



Press Release

J.D. Power Asia Pacific Reports: Improving Hotel Staff Ability is Key to Improving Overall Satisfaction and Increasing Occupancy for Hotel Chains in Japan

Richmond Hotel, The Ritz-Carlton, Royal Park, and Super Hotel Each Rank Highest in Customer Satisfaction in Their Respective Segments

TOKYO: 28 November 2011 — Focusing on improving the quality of staff service at hotel chains in Japan may result in a lift in overall satisfaction, according to the J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction StudySM released today.

This study, now in its sixth year, measures hotel guest satisfaction based on seven factors: reservations, check-in/check-out, guest rooms, food and beverage, hotel services, hotel facilities, and cost and fees. Hotels are evaluated in four segments, which are based on the room rate per night and/or the surface area of the room space.

The study finds that overall satisfaction with the hotel industry has improved in 2011, compared with 2006, when this study began. In particular, satisfaction with guest rooms and food and beverage has improved.

“There are several elements that have contributed to this increase in satisfaction,” said Chie Numanami, manager at J.D. Power Asia Pacific, Tokyo. “During the past six years, foreign luxury hotels and accommodation-only hotels—those that provide only what is necessary—have opened one after another. Due to an increase in demand for in-room Internet and a shift to digital TV, many hotels have updated in-room equipment. Hotels also began to compete by providing substantial breakfasts with a large variety of foods.”

Among hotels in the ¥35,000 or more per night, ¥15,000 to less than ¥35,000 per night, and ¥9,000 to less than ¥15,000 per night segments, there has been considerable improvement in satisfaction with furniture and hardware in guest rooms during the past six years. However, given the recent economic environment, very few hotel chains are in a position to actively invest in hardware and product, so there is a limit to these improvements in satisfaction resulting from higher quality of furnishings.

Hotel chains in the less than ¥9,000 per night segment have improved the quality of guest rooms and breakfast during the past six years, but guest satisfaction levels among these hotels have stagnated. In particular, satisfaction with guest rooms has declined in this segment, which has led to further price competition through the offering of free breakfast and services.

“Providing sophisticated and comfortable guest rooms and extensive breakfasts at a low price was revolutionary at the time, and helped hotels expand business, but now these concepts are flooding the market and are becoming commoditized,” said Numanami. “As a result, they are no longer a factor that will continue to lead improvements in guest satisfaction in the future. In short, for hotels in all price ranges, hardware and product enhancements are not likely to lead to notable improvements in satisfaction.”

The study finds that satisfaction with hotel staff has not improved significantly in any segment during the past six years.

“The quality of hotel staff is one of the factors that largely affects guest satisfaction, so now when major investments in hardware and product are expected to be difficult, in order to overcome this, it is necessary to improve the customer relations ability of hotel staff, and there is much room for improvement,” said Numanami.

“Hotel staff and guests come into contact not only at check-in and check-out, but also at restaurants, in the lobby, and in passing within the hotel, and there is a difference of more than 100 points in satisfaction levels between guests who say staff always greets them with a smile and guests who say this was not always the case.”

The study also finds that guests with high levels of satisfaction are nearly three times as likely as less-satisfied guests to say they want to stay in a particular hotel again. Increasing guest satisfaction and producing repeat guests is largely affected by not only hardware, but also staff ability and service levels.

“The quality of guest relations is essential for improving staff service levels,” said Numanami, “Staff service is likely to become an increasingly important element in improving guest satisfaction and expanding hotel business.”

Guest satisfaction rankings for each segment are as follows:

¥35,000 or More per Night Segment

Among the 10 hotel chains ranked in this segment, The Ritz-Carlton ranks highest for the sixth consecutive year with an overall score of 776 on a 1,000-point scale. The Ritz-Carlton performs particularly well in the reservations, check-in/check-out, guest rooms, food and beverage, and hotel facilities factors. Following The Ritz-Carlton in the segment rankings are the Imperial Hotel (760) and Hotel Okura (734). Hotel Okura performs particularly well in the hotel services factor.

¥15,000 to Less than ¥35,000 per Night Segment

Among the 18 hotel chains ranked in this segment, Royal Park Hotels ranks highest for a fifth consecutive year and achieves a score of 723. Royal Park Hotels performs particularly well in the check-in/check-out, guest rooms, food and beverage, hotel facilities and cost and fees factors. Following in the segment rankings are Associa Hotels & Resorts (Hotel Associa) (703) and Hilton (701).

¥9,000 to Less than ¥15,000 per Night Segment

Among the 16 hotel chains ranked in this segment, Richmond Hotels ranks highest for a sixth consecutive year and achieves a score of 685s. Richmond Hotels performs particularly well in the reservations, check-in/check-out, and guest rooms factors. Following in the segment rankings are Mitsui Garden Hotel (676) and Best Western (665).

Less than ¥9,000 per Night Segment

Among the 12 hotel chains ranked in this segment, Super Hotel ranks highest with an overall score of 655 points. Super Hotel performs particularly well in the check-in/check-out, guest rooms, and cost and fees factors. Dormy Inn ranks second in the segment with a score of 653 and performs particularly well in the guest rooms, breakfast, hotel services, and hotel facilities factors. Comfort ranks third in the segment (643).

The 2011 Japan Hotel Guest Satisfaction Study is based on responses from 21,639 guests 18 years of age and older who had a hotel stay within the previous year. The study was fielded in August 2011.

About J.D. Power Asia Pacific

J.D. Power Asia Pacific has offices in Tokyo, Singapore, Beijing, Shanghai and Bangkok that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan and Thailand. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at www.jdpower.com. Media e-mail contact: shizue_hidaka@jdpower.co.jp

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, Web intelligence and customer satisfaction. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit JDPower.com. J.D. Power and Associates is a

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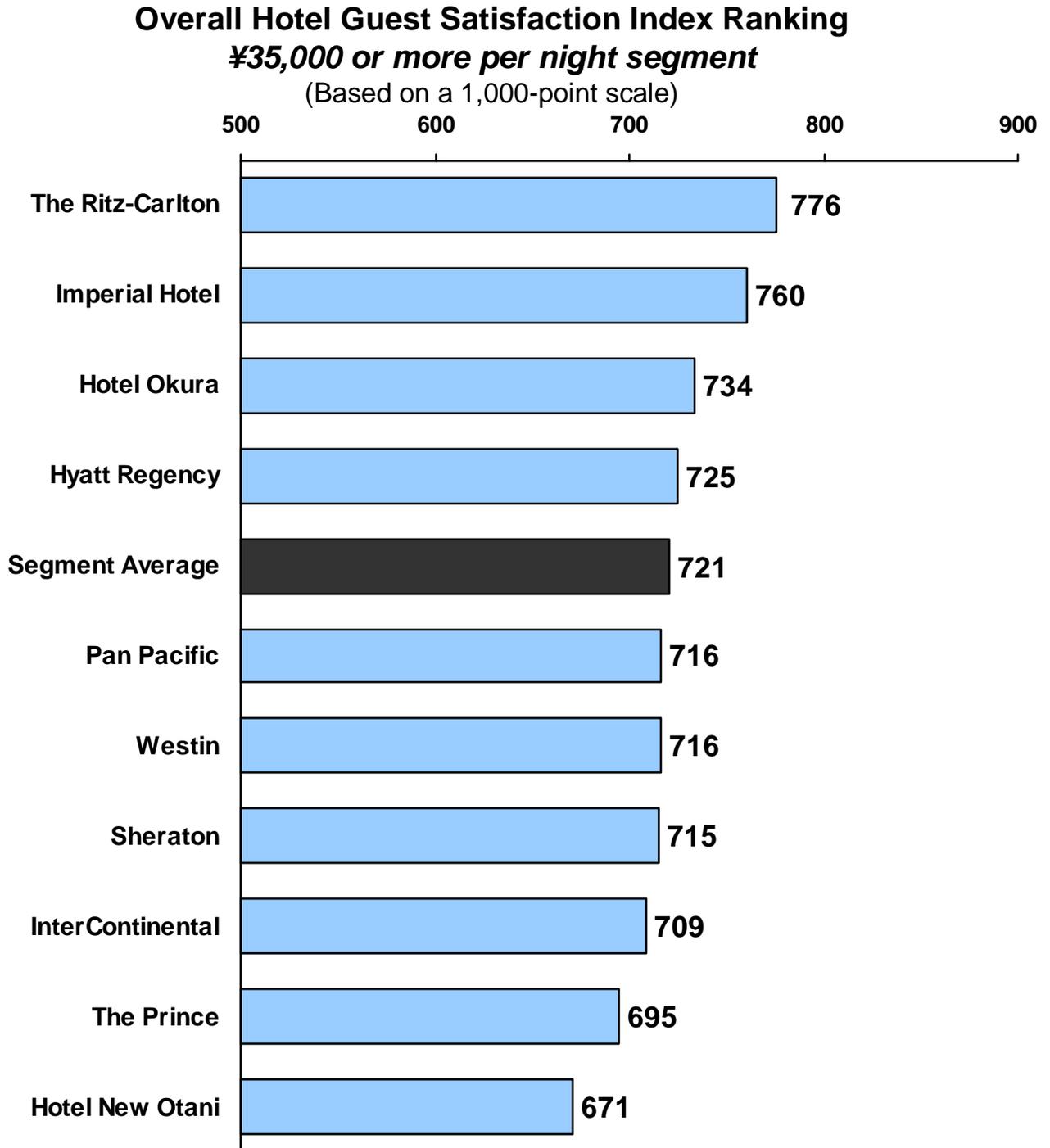
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NOTE: Eight charts follow.

J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM



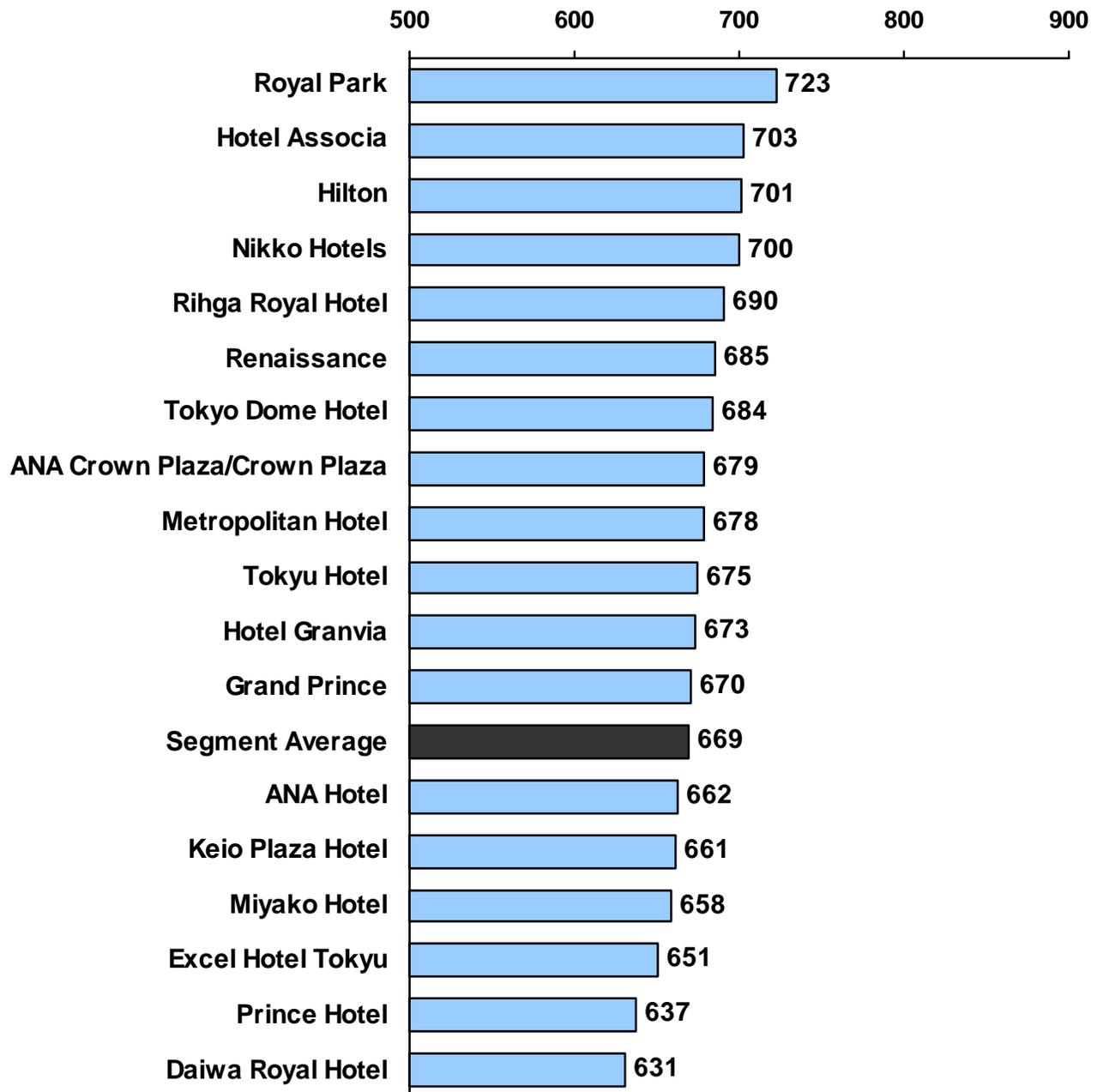
Included in the study but not ranked due to small sample size are: Brighton Hotel, Conrad, Four Seasons Hotel, Grand Hyatt, Marriott, Park Hyatt and The Peninsula.

Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Overall Hotel Guest Satisfaction Index Ranking ¥15,000 to less than ¥35,000 per night segment (Based on a 1,000-point scale)



Included in the study but not ranked due to small sample size are: Art Hotels, Chisun Grand, Cross Hotel, Kowakien, La Vista, Mercure, Odakyu Hotel, Tobu Hotel and Tokyu Resort.

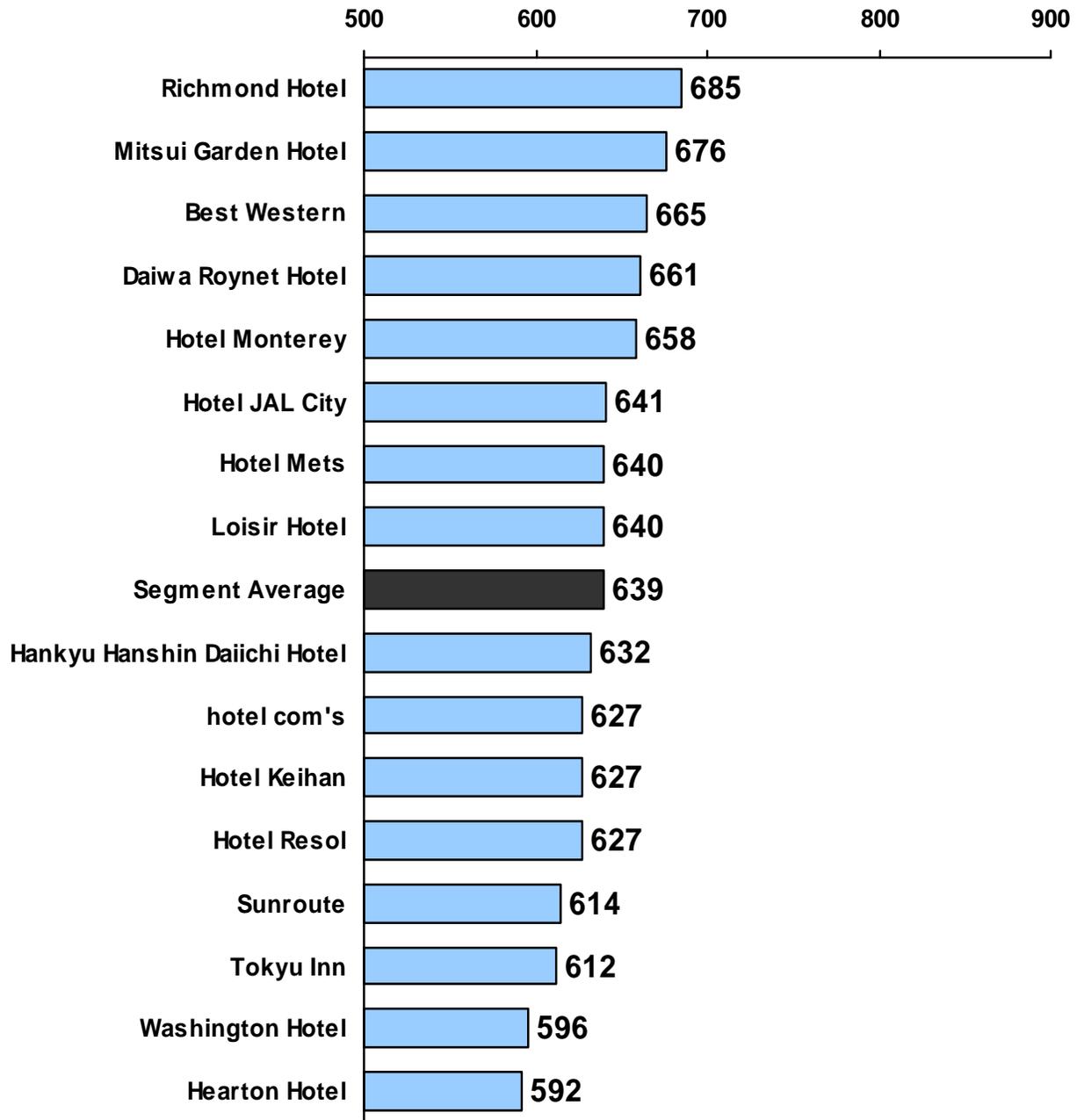
Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Overall Hotel Guest Satisfaction Index Ranking ¥9,000 to less than ¥15,000 per night segment

(Based on a 1,000-point scale)



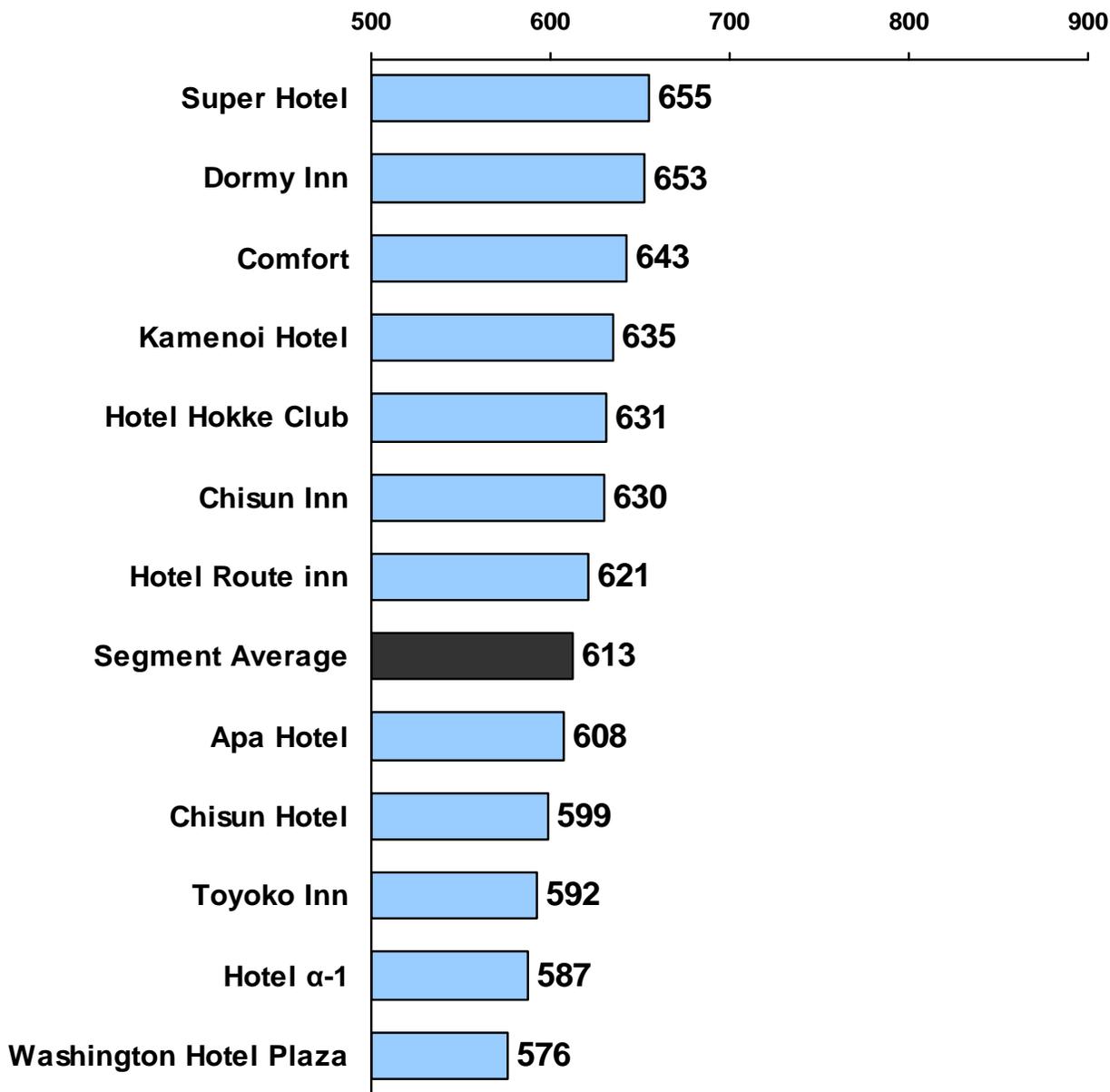
Included in the study, but not ranked due to small sample size are: Fujiya Hotel, Hotel Gracery, Hotel Tokyu Bizfort, Hotel Unizo, Hotel Villa Fontaine, Leopalace Hotel and the b.

Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Overall Hotel Guest Satisfaction Index Ranking *Less than ¥9,000 per night segment* (Based on a 1,000-point scale)



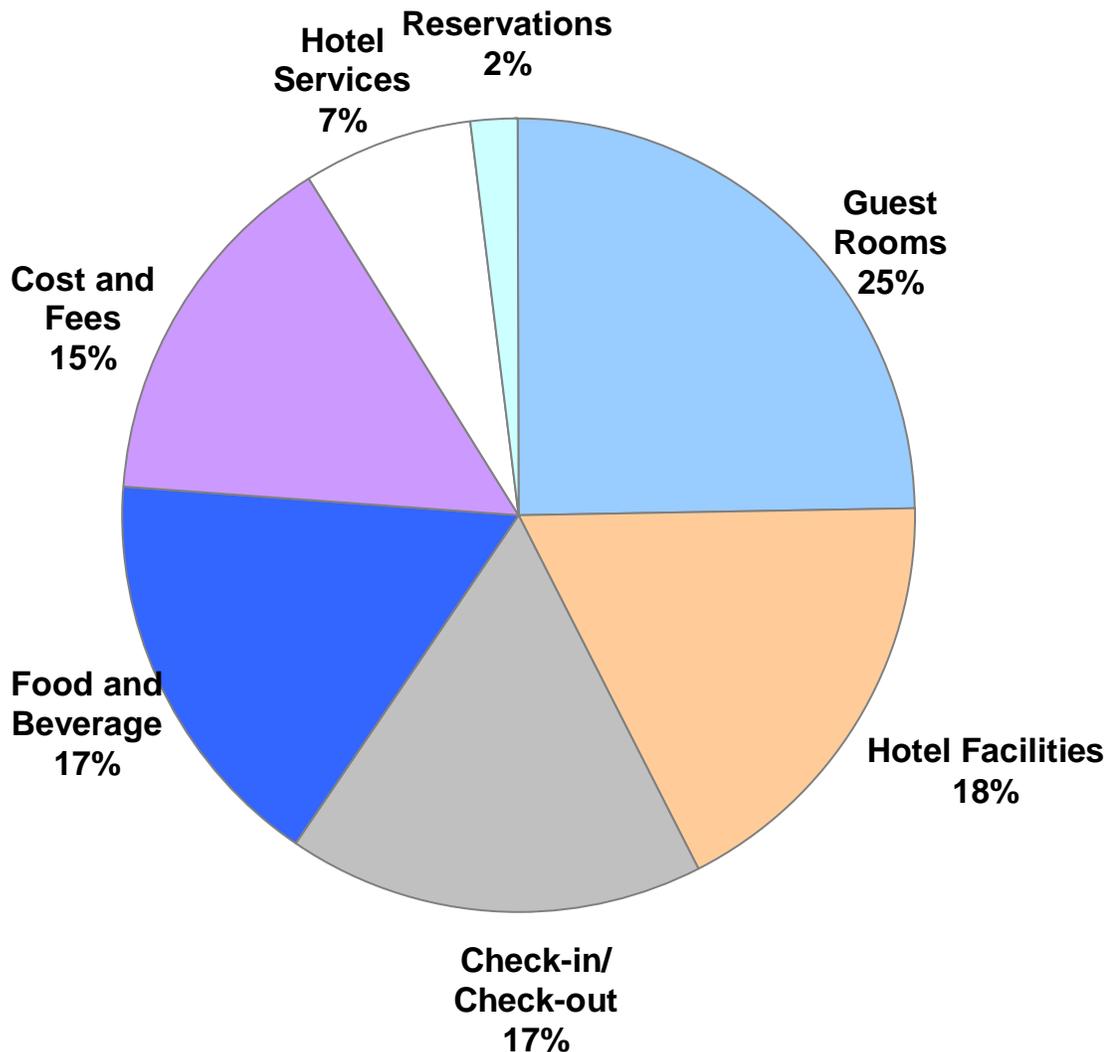
Included in the study but not ranked due to small sample size are: Ark Hotel, Green r ich Hotel, Hotel 1-2-3, Hotel Grantia, JR Kyushu Hotel, Keikyu EX Inn, Meitetsu Hotel, Nishitetsu Inn, R&B Hotel, Smile Hotel and Viainn Hotel.

Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Factors Contributing to Overall Satisfaction ¥35,000 or more per night segment



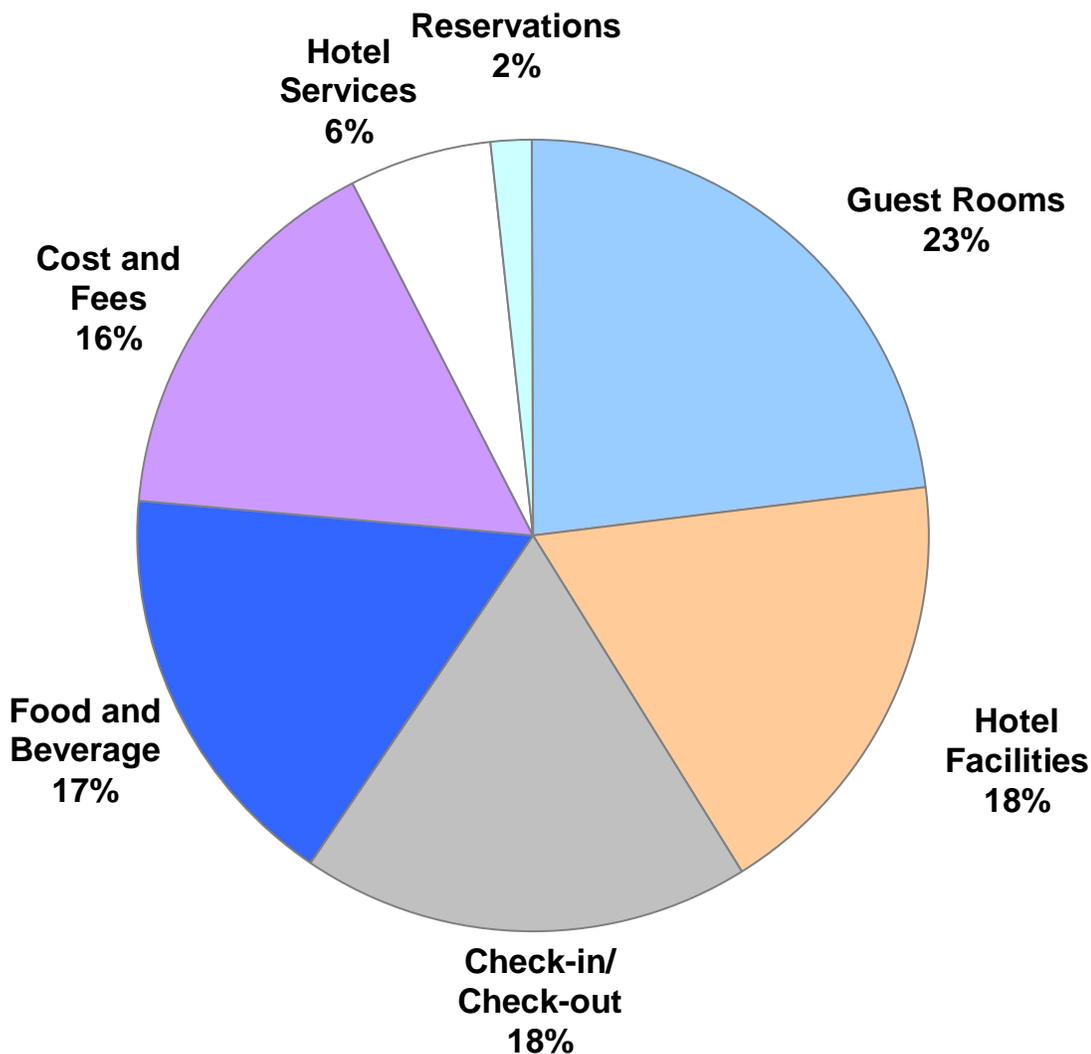
Note: Percentages may not equal 100 due to rounding.

Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Factors Contributing to Overall Satisfaction ¥15,000 to less than ¥35,000 per night segment



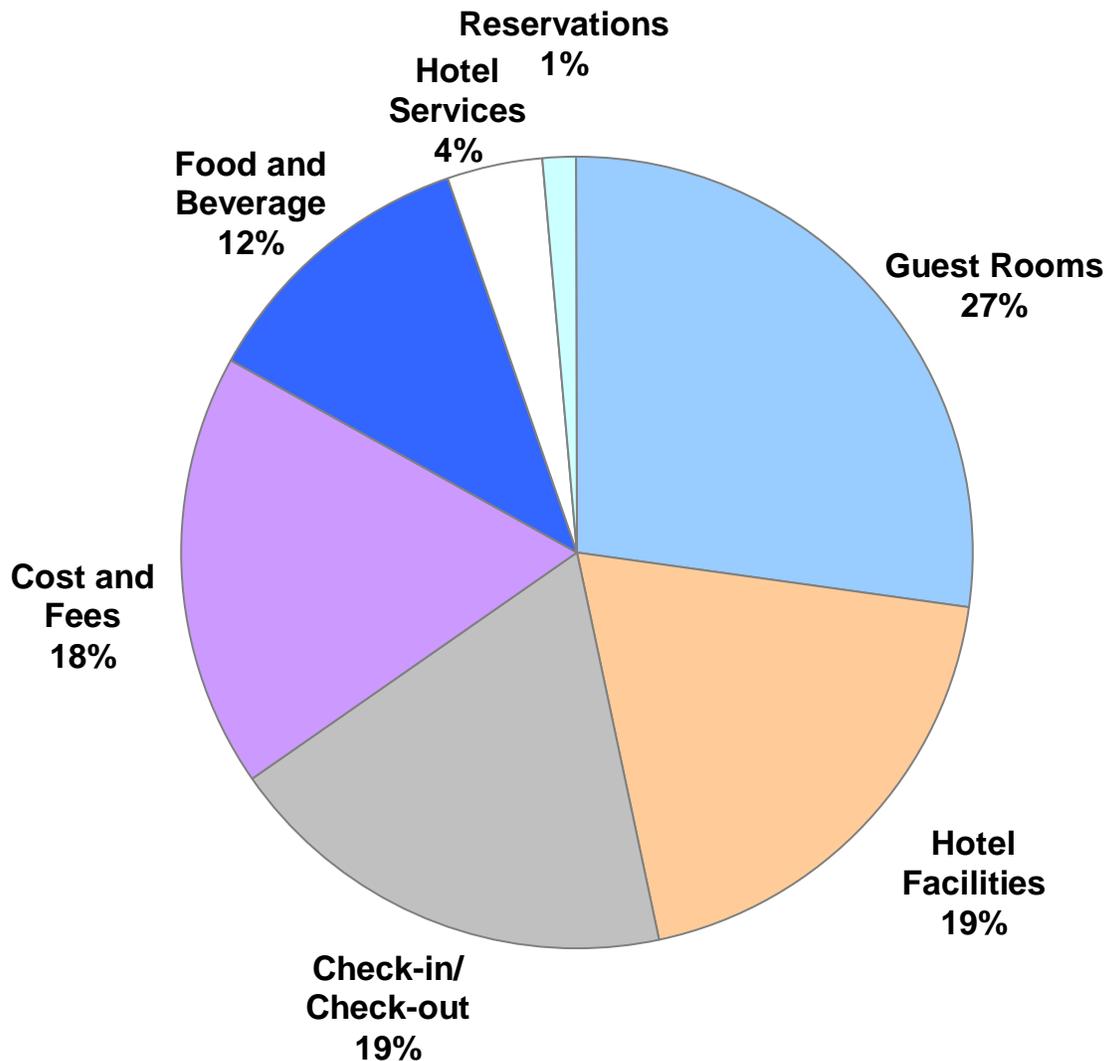
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Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Factors Contributing to Overall Satisfaction ¥9,000 to less than ¥15,000 per night segment

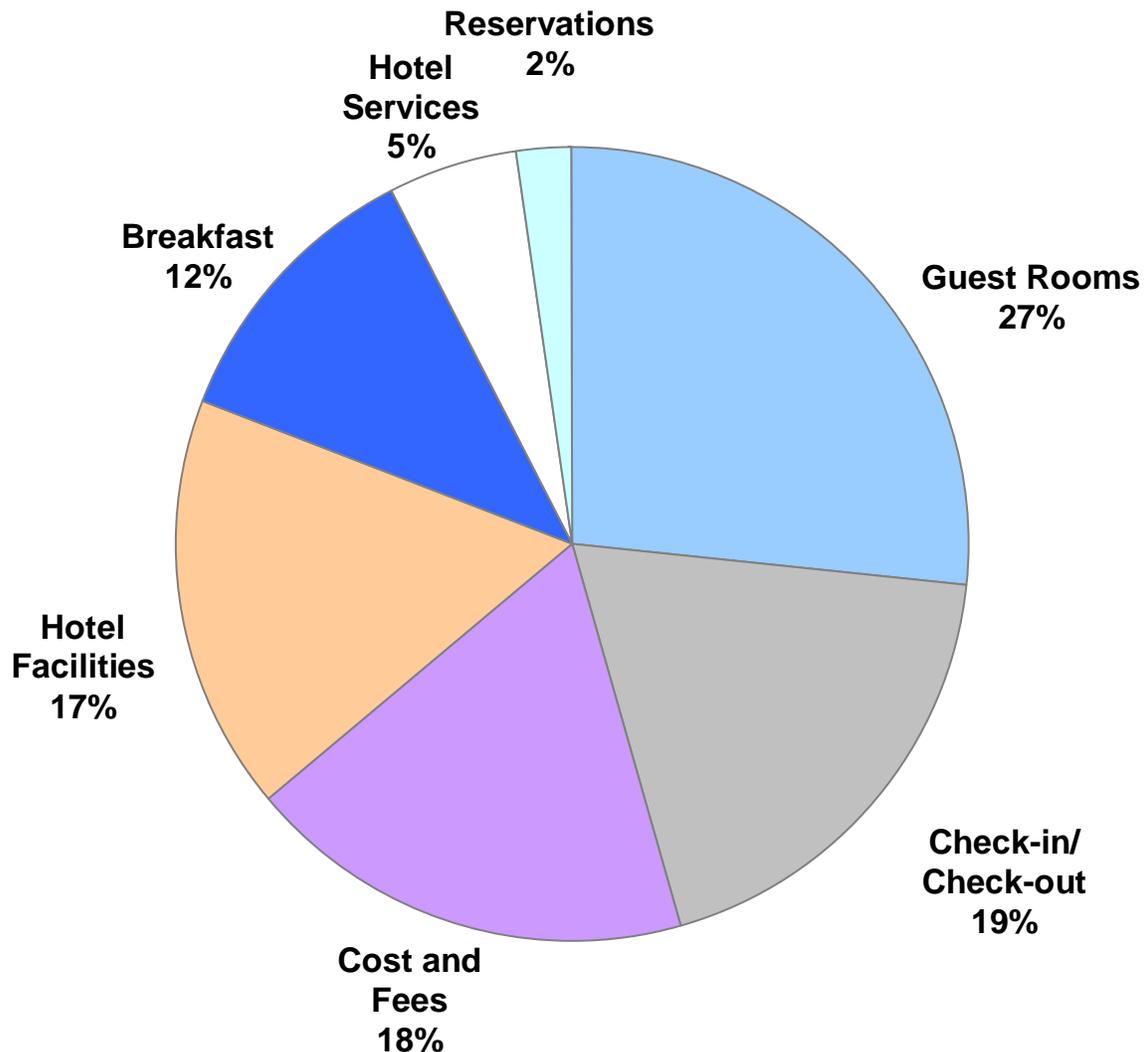


Source: J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

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J.D. Power Asia Pacific 2011 Japan Hotel Guest Satisfaction Index StudySM

Factors Contributing to Overall Satisfaction Less than ¥9,000 per night segment



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