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**U.S. Travel and Hospitality Loyalty Program Membership Reaches 556 Million,
COLLOQUY Research Shows**

*Airline Frequent Flyer Memberships Up 9%, Hotel Reward Programs Rise 26%
and Gaming Programs Soar 37%*

CINCINNATI (May 12, 2009) - Membership in travel and hospitality industry loyalty reward programs has climbed to 556 million, according to the 2009 COLLOQUY Loyalty Census, a study that measured the scope of U.S. loyalty marketing in 2007 and 2008.

The breakdown on 2009 Loyalty Census numbers for the travel and hospitality sector is as follows: Airline frequent flyer programs 277.4 million, up 9% (since 2007 Census); Hotel reward programs 161.9 million, up 26% (adjusted to account for 2007 Census revisions); and Gaming reward programs 106.0 million, up 37%.

COLLOQUY measured Cruise Line and Car Rental programs as a separate travel sector category for the first time in its 2009 Census, tabulating membership at a total of 10.7 million.

A loyalty marketing program recognizes and rewards the best customers of a business. COLLOQUY's travel and hospitality loyalty data is part of a broader U.S. loyalty marketing census covering 13 industry sectors. The census tabulates program memberships, not unique individuals. Total membership in U.S. loyalty reward programs is 1.8 billion.

COLLOQUY provides a complete report on the 2009 census in a white paper titled, "The Big Sort: The 2009 COLLOQUY Loyalty Census." The paper is available free of charge at www.colloquy.com/whitepapers.

COLLOQUY's 2009 Loyalty Census shows that for the first time in loyalty marketing history, the number of memberships in airline frequent flyer programs has been surpassed by memberships in another sector, specifically financial services. The 2009 census reveals that credit card reward program memberships outnumber frequent flyers 422 million to 277.4 million. Industry experts generally identify American Airlines' creation of the AAdvantage program in 1981 as the launch of today's loyalty marketing era.



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“The travel industry pioneered the modern loyalty program,” said COLLOQUY Partner Kelly Hlavinka, who co-authored the 2009 census white paper with COLLOQUY Editorial Director Rick Ferguson. “As first movers, they have the accolades - and the bruises - as constant reminders of what was started in 1981. Since travel loyalty programs were launched in another acute recession, it’s fitting that this current recession should present another major turning point for the future of airline and hotel loyalty programs.”

Hlavinka said airline and hotel loyalty operators face a new challenge given the ubiquity of loyalty programs in so many other sectors like financial services and retail. “After all, we have found (in the 2009 census) that the average U.S. household has enrolled in over 14 loyalty programs, yet participates in only about six of them,” she said.

Citing the increased scrutiny that dreadful airline financial performances have brought on frequent flyer program value, co-author Ferguson said some airline executives might wish they could time-travel back to 1981 and prevent American Airlines from launching the AAdvantage program in the first place. “But airline mileage sales are still so lucrative for many airlines that it’s hard to imagine these programs scaling back anytime soon,” Ferguson said. “In some cases, the airline makes more money selling miles than they do flying planes.”

In other key travel and hospitality findings from the census study, white paper authors Hlavinka and Ferguson wrote:

- Bad times inevitably lead non-believers in the finance department to cast a skeptical eye on Hotel loyalty programs, and we may see a short-term reduction in program funding by some big players...(But) the industry is united in its belief that reward programs continue to offer the best platform for retaining profitable customers. When the rebound occurs, pent-up demand for business travel will see Hotel program operators leading the charge to build value-added customer relationships.
- Don’t expect the party to continue - it’s now hangover time in Gaming loyalty. With the recession devastating the Las Vegas economy, image-conscious corporations ending junkets to Vegas and Atlantic City and consumers pulling back hard on the leisure-spending throttle, Gaming companies will be happy to live with what they have in terms of (loyalty) membership roles.

COLLOQUY is a provider of loyalty marketing publishing, education and research. Its 2009 Loyalty Census is based on information from its own archives, program web sites, sponsor-company press releases, annual report filings, third party publications and research reports.

The results of COLLOQUY’s 2009 Loyalty Census study will be presented in a webinar cosponsored by The Direct Marketing Association, June 25, 2009. Registration and information available at www.the-dma.org/seminars/loyaltyweb/20090625.shtml.



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About COLLOQUY

COLLOQUY comprises a collection of publishing, education and research resources devoted to the global loyalty-marketing industry. COLLOQUY® has served the loyalty-marketing industry since 1990 with over 30,000 global subscribers to its magazine and www.colloquy.com is the most comprehensive loyalty web site in the world. COLLOQUY's research division develops consumer and B-to-B research studies and white papers including industry-specific reports, sizing studies and insights into the drivers of consumer behavior. COLLOQUY also provides educational services through workshops, webinars and speeches at events throughout the world and is the official loyalty-marketing partner of both the Direct Marketing Association and the Canadian Marketing Association. COLLOQUY also operates The COLLOQUY Network, a global consortium of practitioners certified in COLLOQUY's proprietary methodology. COLLOQUY magazine subscriptions are available at no cost to qualified persons at www.colloquy.com or by calling 513-248-9184.



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