Airline Report:
Last Year’s Bumpy Ride May Continue

One of the most critical factors in the success of our hotels across the United States and the Pacific is the continuity of affordable, safe, reliable, comfortable air service. Unfortunately, in the past few years, air travel has not always been like that.

The good news is that the safety record of U.S. airlines remains excellent. There are a number of ways to put that into perspective, and statisticians argue the details endlessly. But in general, the accidental death rate for flying is significantly less than for driving. The hard question is, “With all the troubles the industry is experiencing, can we keep air travel as safe, if not safer, in the future as it is now?”

Many other measures of air travel are not as comforting as the safety record. 2006 was a tough year for the airline industry, according to data published this week by the U.S. Department of Transportation and reported in many media outlets. The Los Angeles Times noted that the performance of U.S. airlines in categories such as on-time arrivals, baggage handling, and passenger bumping was the worst in years.

- Only 75 percent of domestic flights arrived on time, the lowest since 2000.
- Baggage was mishandled, lost, or misdirected at a rate of 6.7 per 1,000 passengers, the highest since 1990.
- Bumping (involuntary denied boarding) rose to 1.01 per 10,000 passengers, the highest since 2000.

The airlines blame severe weather for much of the bad publicity, and they certainly have a point. The severe storms of November and December closed many major airline hubs and stranded tens of thousands of passengers. American Airlines is still dealing with the aftermath of a December 29 ice storm in Dallas-Ft. Worth that trapped passengers in aircraft on the ground, some for as long as 10 hours—longer than it would have taken to fly to Hawaii, if only they could have gotten airborne!

It is interesting that the best service overall (considering on-time arrivals, baggage handling, complaints, bumping, and cancellations) was provided by low-cost carriers Jet Blue, Southwest, and AirTran. Two of the legacy carriers, United and Delta, were at the bottom of the list.

Unfortunately overlooked by the national media was Hawaiian Airlines’ outstanding record—number one in the nation for punctuality and baggage handling and in the top four for overbooking and cancellations (that is, for the least overbooking and fewest cancellations), according to a company news release.

The future is cloudy for our nation’s airlines. With the exception of American Airlines, the major legacy carriers have all been in bankruptcy. United emerged from bankruptcy just a year ago and eked out a small profit in 2006. Even if Northwest and Delta can join United in emerging from bankruptcy, they and most major carriers are flying fleets of aging aircraft that are nearing the end of their economic life. The average age of the planes in Northwest’s fleet is 18 years, with some aircraft considerably older than that. Replacing all these old planes is going to take enormous amounts of cash, which will be hard to raise unless airline economics take an unexpected turn for the better.

Add to that the great need to improve the infrastructure provided by government—airports and the air traffic control system.

It is a Herculean task indeed.

What does this mean to the hospitality industry? Plenty! Until someone builds some very long bridges connecting the Pacific islands, where our hotels are located, to the North American and Asian continents, where most of our customers live, we will continue to be dependent on airlines to deliver most of our customers to our porte-cochères.

So when our guests arrive, please remember, if they traveled by air, they have probably had a long and challenging day. Greet them warmly, personally, and efficiently. That may be the nicest thing they experience all day, and those few pleasant moments will often set the tone for the kind of memorable vacation that will bring them back again and again and create the kind of word-of-mouth reputation that will also bring their friends and family to our hotels for years to come.