

Airline Quality Rating 2023

The 33rd Year Reporting Airline Performance

May 2023

ABOUT THE AUTHORS

The Airline Quality Rating Report is a product of academic research from co-authors Dr. Dean Headley and Dr. Brent Bowen. The research originated at the W. Frank Barton School of Business, Wichita State University in Wichita, Kansas.

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Many quality ratings available in the past have relied on subjective surveys of consumer opinion that were infrequently collected. This subjective approach yields a quality rating that is essentially non-comparable from survey to survey for any specific airline. Timeliness of survey-based results can be a problem in the fast-paced airline industry as well. Before the Airline Quality Rating, there was effectively no consistent method for monitoring the quality of airlines on a timely, objective, and comparable basis. With the introduction of the AQR, a multi-factor, weighted average approach became available that had not been used previously in the airline industry. The method relies on utilizing published, publicly available data that reports actual airline performance on critical quality criteria important to consumers and combines them into a rating system. The result is a rating for individual airlines with interval scale properties that is comparable across airlines. The Airline Quality Rating is a weighted average of multiple elements (see Table 1) important to consumers when judging the quality of airline services. Elements considered for inclusion in the rating scale were screened to meet two basic criteria: 1) An element must be obtainable from published data sources for each airline; and 2) An element must have relevance to consumer concerns regarding airline performance quality. Data for the elements used in calculating the ratings represent performance aspects (on-

objective, performance-based data. Over its 33-year history, the Airline Quality Rating has often been cited as an industry standard for comparing airline performance. Currently, the AQR stands as the longest regularly published rating available for airline performance. With the continued global trend in airline operations alliances, the argument becomes even stronger for the Airline Quality Rating to be used as a standard method for comparing the quality of airline performance for international operations as well.

Table 1

AIRLINE QUALITY RATING CRITERIA, WEIGHTS AND IMPACT

CRITERIA	WEIGHT	IMPACT (+/-)
OT On-Time		8.63 +
DB Denied Boardings		8.03 -
MB Mishandled Baggage		7.92 -
CC Customer Complaints		7.17 -
FD On-Time Problems Oversales Reservations, Ticketing,	0.00	-6.44
FF	0.02	-92
FF	0.00	-92
JEMC / P E Tc	0.0	4.5
Td	()	2
T /P	AMCID 15	BDC -

Observations and comments related to AQR criteria performance for 2022:

The impact of the novel coronavirus on the U.S. domestic air travel passenger volume has all but disappeared. Passenger volume is back to pre-pandemic levels and system performance reflects the negative impact of this return to higher volumes of travelers. Each airline has been challenged to handle an uncertain situation and adapt its respective offerings to fast-changing circumstances. Some airlines adapted quicker than others and the AQR numbers give some insight into this adaptive timeline. The criterion that most affected the AQR performance scores in 2022 for all airlines is a dramatic increase in customer complaints

per 1,000 passengers. For data years 2020 and 2021, the ratio of the number of mishandled bags per 1,000 checked (enplaned) bags was used. Starting in January of 2022 the ratio of the number of mishandled bags per 100 enplaned (checked) bags is used. This new metric gives consumers a better assessment of the risk they face when checking a bag. It also provides a more accurate measure of the airlines' performance relative to the number of bags entrusted to their handling. It does, however, make comparison of 2022 AQR results non-comparable to all earlier published AQR results. For comparison purposes, results shown in this release and the AQR report reflect the 2021 values for mishandled baggage using the new ratio.

- Allegiant had the best baggage handling performance under the new measurement approach (0.16 mishandled bags per 100 checked bags).
- American had the worst baggage handling performance (0.94 mishandled bags per 100 checked bags).
- The mishandled baggage rate for the industry changed from 0.44 per 100 checked bags in 2021 to 0.56 per 100 checked bags in 2022.
- Delta had the lowest consumer complaint rate (2.66 per 100,000 passengers).
- Frontier had the highest consumer complaint rate (20.26 per 100,000 passengers).
- The industry rate for customer complaints per 100,000 passengers increased from 4.51 in 2021 to 7.39 in 2022. All but two airlines (Hawaiian and Spirit) had higher numbers of customer complaints in 2022 than 2021. Most complaints in 2022 to

AQR Criteria Overview 2021 and 2022 by Airline

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U.S Domestic Airlines

<u>Industry Performance</u>	<u>2022</u>	<u>2021</u>
OT On-Time Arrival (%)	73.0%	79.1%
DB Denied Boardings (per 10,000)	0.42	0.17
MB Mishandled Bags (per 100 checked)	0.56	0.44
CC Cust. Complaints (per 100,000)	7.39	4.51

<u>Best Performers</u>	<u>2022</u>	<u>2021</u>
OT On-Time Arrival	Delta (82.5%)	Hawaiian (90.1%)
DB Denied Boardings	Allegiant (0.00) Delta (0.00) Hawaiian (0.00) United (0.01) JetBlue (0.06)	Allegiant (0.00) Delta (0.00) Hawaiian (0.00) United (0.00) JetBlue (0.02)
MB Mishandled Bags	Allegiant (0.16)	Allegiant (0.17)
CC Customer Complaints	Delta (2.66)	Delta (1.29) Southwest (1.36)

<u>Worst Performers</u>	<u>2022</u>	<u>2021</u>
OT On-Time Arrival	Allegiant (63.4%)	Allegiant (68.3%)
DB Denied Boardings	Frontier (2.66)	Frontier (0.95)
MB Mishandled Bags	American (0.94)	American (0.83)
CC Customer Complaints	Frontier (20.26)	Spirit (11.45)

Airline Quality Rating Scores 2022 - 2021

	2022 AQR Score	Rank	2021 AQR Score	Rank
Alaska	-0.66	2	-0.43	3
Allegiant	-1.64	7	-0.91	6
American	-1.35	5	-0.82	5
Delta	-0.51	1	-0.17	1
Frontier	-5.17	10	-1.42	9
Hawaiian	-0.70	3	-0.65	4
JetBlue	-2.03	8	-1.37	8
Southwest	-1.60	6	-0.28	2
Spirit	-2.30	9	-2.52	10
United	-1.20	4	-1.00	7
Industry	-1.72		-0.96	

NOTES:

All AQR scores based on 2020 data or earlier are **not** comparable to scores based on 2021 or 2022 data. The metric for mishandled bags was changed from a base of 1000 enplaned bags to a base of 100 enplaned bags starting with the January 2022 data. This change renders the earlier AQR scores non-comparable due to the new metric. In this reporting the AQR scores based on 2021 and 2022 data use the new mishandled baggage metric. As an example, the industry AQR score for 2022 using the old metric would be -2.97 whereas the industry AQR score for 2022 using the new metric is -1.72.

Overview of Complaints Received by the Department of Transportation for All U.S. Domestic Airlines by Complaint Category for 2022 and 2021

% of all Complaints Received		Number of Complaints Received	
2022	2021	2022	2021

Flight Problems	31.7%	12.6%	24,647	6,316
Refunds	25.7%	59.1%	19,983	29,523
Baggage	15.5%	4.0%	12,007	1,996
Reservations, Ticketing, and Boarding	10.0%	8.1%	7,744	4,032
Fares	7.8%	8.2%	6,030	4,077
Customer Service	3.7%	3.8%	2,912	1,903
Disability	2.7%	2.8%	2,095	1,397
Other	1.0%	1.0%	599	281
Oversales	2.0%	1.0%	1,336	286
Discrimination	0.1%	0.1%	178	134
Advertising	0.1%	0.0%	125	45
Animals	0.0%	0.0%	0	1
Total	100%	100%	77,656	49,991

Source: *Air Travel Consumer Report*, U.S. Department of Transportation, Office of Aviation Enforcement and Proceedings.

Oversales

This complaint category includes all bumping problems, whether or not the airline complied with DOT oversales regulations. Data are available by the total number of consumer complaints pertaining to oversales for each airline.

Reservations, Ticketing, and Boarding

This category includes airline or travel agent mistakes made in reservations and ticketing; problems in making reservations and obtaining tickets due to busy telephone lines or waiting in line or delays in mailing tickets; and problems boarding the aircraft (except oversales). Data are available by the total number of consumer complaints pertaining to ticketing and boarding for each airline.

Fares

As defined by the DOT, consumer complaints regarding fares include incorrect or incomplete information about fares, discount fare conditions and availability, overcharges, fare increases and level of fares in general. Data are available for the total number of consumer complaints pertaining to fares for each airline.

Refunds

This category includes customer complaints about problems in obtaining refunds for unused or lost tickets, fare adjustments, or bankruptcies. Data are available by the total number of consumer complaints pertaining to refunds for each airline.

Baggage

Claims for lost, damaged, or delayed baggage; charges for excess baggage; carry-on problems; and difficulties with airline claim procedure are included in this category. Data are available by the total number of consumer complaints pertaining to baggage for each airline.

Customer Service

This category includes complaints about rude or unhelpful employees, inadequate meals or cabin service, treatment of delayed passengers, unsatisfactory seat assignment (non-disability) and problems with family seating. Data are available by the total number of consumer complaints pertaining to customer service for each airline.

Disability

This category includes complaints about civil rights by air travelers with disabilities. Data are available by the total number of consumer complaints pertaining to disabilities for each airline.

Advertising

These are complaints concerning advertising that is unfair, misleading, or offensive to consumers. Data are available by the total number of consumer complaints regarding advertising for each airline.

Discrimination

This category covers civil rights complaints by air travelers (other than disabilities); for example: complaints based on race, national origin, religion, etc.

Animals

This category tracks customer complaints about loss, injury, or death of an animal during air transport by an air carrier. Data are available by the total number of customer complaints regarding animals for each airline.

Other

Data regarding consumer complaints about frequent flyer programs, smoking, tours credit, cargo problems, security, airport facilities, claims for bodily injury, sexual assault/misconduct and other problems not classified above are included in this category. Data are available by the total number of consumer complaints regarding other problems for each airline.