

Typical Travelodge reservation confirmed in 140 seconds

Travelodge's new contact centre has given it the capacity to enable a higher level of service, with the average call time reduced to 140 seconds

BACKGROUND

The strong sterling, September 11 and foot and mouth hit the UK hotel industry hard, but reports from market analysts show that by mid-2002 the market was already starting to recover, with August bookings in 2002 actually ahead of August 2001.

Travelodge, the UK's leading budget hotel chain brand, is well placed to benefit from extensive expansion plans in the UK and Ireland. With a new contact centre in place, the firm is now confident that it can take full advantage of all enquiries that come its way.

CHALLENGE

More than 75% of Travelodge's annual income comes through the telephone, requiring its information and communications infrastructure to be both robust and responsive. But its existing call centre had reached critical mass, resulting in services that were less efficient than they could be. This capacity problem stemmed from the company's recent corporate history.

Travelodge was among the Forte businesses that Granada merged with Compass Group in 2000. When this was demerged in early 2001, Compass Group retained the motorway service areas, 210 Travelodge hotels and over 400 Little Chef outlets. However, Compass Group sold another former Forte hotel business – Posthouses – to Six Continents (Bass) along with the central reservation call centre at Brierley Hill in Birmingham, the centre used by Travelodge.

This posed a problem, because Six Continents was a direct competitor with Travelodge through its Holiday Inn and Holiday Inn Express chains. In addition, it meant that the call centre was being shared by a number of hotel brands, leading to the congestion and some operational restrictions.

So, the decision was made to build a new, improved contact centre, and Travelodge allocated £5m to develop one just five miles from Brierley Hill so that it could retain as many as possible of its 200 existing agents.

The company also saw this as an opportunity to address another problem. Some eight percent of its UK reservations were being made through the web on a site hosted in the US.

Therefore, the company laid out three core needs – a new contact centre using similar technology to the one at Brierley Hill but with scope for adding CRM



Key Results

- More than 75% of Travelodge's revenue comes via the phone
- Now, reservations are made and confirmed by phone in 140 seconds
- Call centre now handles 80,000 calls per week and is easily scalable to handle up to 150,000 pw
- Marked improvement in staff retention through improved environment

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Alistair McMillan,
Director of Reservations, Travelodge

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applications, improved control of the web site and content, and an effective disaster recovery capability.

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SOLUTION

Travelodge requested information from four companies, before deciding on a hybrid package that combined back-office and ACD functions. Two of the five could provide that, one of which was BT.

“While some people say it’s not good to have all your eggs in one basket, BT are a world leading player in this market,” said Alistair McMillan. “Some of the other competitors did not meet our exacting requirements for a complete solution. We need the total capability, knowledge, experience, support and size of BT.”

BT also had a head start in that its account manager and systems engineer had been working with Granada Forte and its roadside business for over four years and were very knowledgeable about Travelodge.

And BT could provide all the elements of the installation, including a backup site for disaster recovery through BT Commsure, web hosting, voice recording and a directions server.

Finally, BT could also meet the very tight four-week installation constraint and complete the move from the old site to the new without downtime.

For the future, BT is talking to Travelodge about introducing voice recognition technology to avoid having to add more agents.

RESULTS

Travelodge now has a 200-seat contact centre capable of handling its expansion plans. It employs 275 people on site, of which 200 are contact centre agents, and is open seven days a week, 15 hours a day.

The average call time for a customer to make and confirm a reservation is just 140 seconds. The system is also flexible and expandable, enough to handle ten years of growth. Currently, it handles about 80,000 calls a week but the building has been designed to let the firm take in 150,000 calls if it expands the system. And it lets them keep better track of the state of their business.

“The reports and information that the system can give us are far better than we had before and we are able to make use of them far better,” said Alistair McMillan. “I can sit at home on a Sunday afternoon and log into the server to see what is happening.”



HOW IT WORKS

Skills-based routing and online reservations for Travelodge

Among the equipment and services provided by BT are a Nortel Meridian contact centre switch, LAN and WAN connectivity, an inbound 0870 service so each hotel can have its own number, a directions server, voice recording for call monitoring, an ISDN back-up line from second exchange, project management, disaster recovery, and business continuity and web hosting for online booking.

When a call comes in, the Meridian switch relays it to an agent. The PCs on the agents’ desks are linked through the LAN and WAN to the reservation engine in the US.

To contact Travelodge, customers either call a central booking number or the number of the hotel. Soon, all reservation calls will be routed to the contact centre via the inbound services platform. Using the number dialled, the directions server will be able to automatically provide verbal directions or a faxed map.

The voice recording system lets Travelodge monitor calls for quality or to use recorded calls in training programmes. It also means there is a record of bookings made verbally.

The disaster recovery service comes from BT and ICM, a third party disaster recovery specialist. Nearby in the West Midlands, there is a hot site replacement and a back-up Meridian switch.

BT hosts the Travelodge web site from Cardiff. “We wanted a system that was robust, stable, flexible and adaptable to our needs as they change,” said Alistair McMillan, Travelodge’s Director of Reservations. “The phone system has not caused us any headaches at all, right through the move. We’ve had no downtime whatsoever. The bolt-ons – the voice recording system, workforce management system and Periphonics server – are all functioning.”

To co-ordinate the move and installation, BT provided one point of contact for the project.