



Voice Reservations Booming at Manhattan Hotel

Background

An independent, landmark Manhattan Island hotel is located in the booming Flatiron district. Property ownership felt its distribution costs were too high and voice reservation conversion rates too low. Like many independent hotels, they routed overflow and after hours reservation calls to a third party call center. Unfortunately, the falling conversion rate at this center pushed voice reservation costs for the hotel to nearly 10% of revenue. Furthermore, call center agents could not always find the same rates as hotel guests found themselves due to limitations of the technology being used at the call center. The hotel had to decide whether to live with these problems, add staff to take all reservation calls on property, or find a new third party provider.

The Strategy

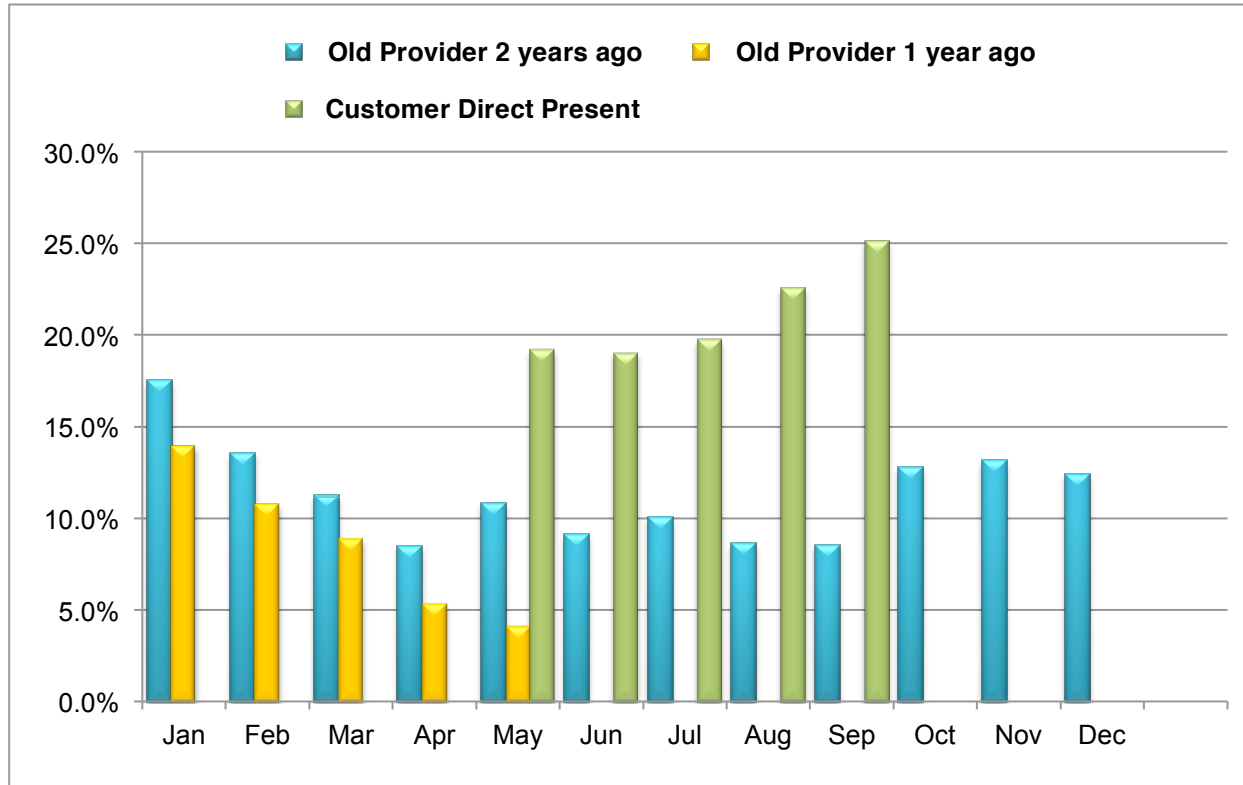
The hotel determined the current situation was untenable and standing pat was not an option. They also did not want to take all reservation calls at the hotel because that would tie up on-property staff best deployed elsewhere. Furthermore, because the hotel's customers expected a US-style customer service approach and an American speaking accent, the hotel decided sending calls to an offshore facility was not acceptable. After investigating its options, they identified a new booking platform and a new call center partner, Customer Direct.

The Implementation

Customer Direct dispatched its research team to the hotel to record hours of video of guest rooms, public areas of the hotel, and the hotel's neighborhood. They later edited and reviewed the video with the phone agents assigned to the hotel. This ensured that when the hotel went live, Customer Direct agents could immediately step in as extended sales agents for the property.

The Results

Immediately upon changing voice providers, reservation conversion rates increased from **less than 5% to almost 20%**. This immediate increase was not a temporary jump as conversion rates have continued to increase as the call center agents have honed their selling skills for the property. The graph below shows the immediate and sustained improvement in conversion rates for the hotel:



In addition to the increase in conversions and revenue, the hotel also enjoyed an immediate **decrease** in its cost per voice reservation. This drove additional profitability for the hotel, and enhanced the value of this important asset to its owners.

The Bottom Line

Hotels can guide but not control the booking channels used by their guests. Voice Reservations continues to be an important channel, and as such hotels need to optimize profits garnered by voice reservations. The hotel has enjoyed huge gains in voice reservation profits since implementing voice services in partnership with Customer Direct.

Call us to learn more about how we can help you!

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