



Travelodge Emerges Confident in Economic Downturn with IDeaS New Hotels Success Service Package

Leading budget hotel brand Travelodge has a vast portfolio of more than 370 hotels, primarily in the UK. With plans for a major UK growth program to 1,000 hotels and a projected room inventory increase of 280 percent by 2020, Travelodge needed seamless adoption of all revenue management tools and practices in its new hotels. An IDeaS Revenue Optimization client since 2004, Travelodge uses the IDeaS V5i On-Demand Revenue Management Solution in every hotel across its portfolio and wanted to extend the same intuitive, efficient process to its new hotels. However, as a general industry rule, approximately 12 months of a hotel's historical data is required for a newly implemented revenue management solution to deliver effective forecasting and pricing decisions.

"We've grown accustomed to having a deep understanding of our market and competition through our relationship with IDeaS," said Farabi Syed, RM decision support and analysis manager, Travelodge. "As we delve further into our plans for growth, we consider it critical to have IDeaS' invaluable business intelligence with us at every stage."

Accurate Reporting in an Instant

Considering Travelodge's aggressive growth plans, it is important to maximize each hotel's profitability from day one. The company implemented the IDeaS New Hotels Success Service Package (NHSSP). IDeaS' NHSSP is a solution specifically designed to enable newly opened (or acquired) hotels to have a fully automated revenue



Clarity.
Confidence.
Control.

FAST FACTS

Hotel - Travelodge

Geography - United Kingdom

Hotel Size - Travelodge has a portfolio of more than 370 hotels

Solution – IDeaS New Hotels Success Service Package (NHSSP) - NHSSP is a solution specifically designed to enable newly opened (or acquired) hotels to have a fully automated revenue optimization and pricing solution in place for a hotel opening

Challenges - Integrate seamless adoption of all revenue management tools and practices in newly built or acquired Travelodge hotels

optimization and pricing solution in place for, and in many cases even prior to, a hotel opening. NHSSP enables the IDeaS V5i to be implemented at the earliest possible opportunity.

“We found the NHSSP to be the best fit for our requirements allowing us to generate accurate forecasting and pricing decisions even without any historical data,” said Syed. “To benefit from accurate forecasts, automated controls, and complete group-wide reporting upon opening is quite a competitive advantage.”

Cutting Edge Cloning Functionality

IDeaS works closely with Travelodge to clone a profile from a sister hotel using booking pace data until the new hotel opens. Over time, as the true patterns for the new hotel emerge, the cloned patterns are replaced automatically. These patterns, combined with budget data provided by Travelodge for the new hotel, allow the NHSSP to overcome the lack of historical data and enable immediate activation of IDeaS V5i and its resulting forecasts, pricing decisions and business intelligence.

“The cloning mechanism of the NHSSP allows us to benefit from IDeaS V5i immediately,” said Syed. “Though we were already aware of IDeaS’ ability to meet forecasting and pricing challenges, the addition of NHSSP has instilled in us a great sense of confidence while moving forward with our development plans.”

Reliable Forecasting Instills Confidence

After verifying the solution in a trial with two new hotel openings, Travelodge fully adopted NHSSP for all future openings, starting with 19 new hotels in December 2008. Travelodge continues to deploy the NHSSP in all new hotels with the process underway for a further 6 hotels due to open in spring of 2009.

IDeaS provides four forecast reviews following NHSSP deployment to ensure the revenue management team truly understand the solution and feel confident in its

performance. Because of the NHSSP, Travelodge can benefit from immediate and expedient forecasting and analysis, utilizing the IDeaS V5i solution in all of its new hotels.

“Our relationship with IDeaS has always been very profitable and proved fundamental in maximizing our revenues and staying ahead of the competition,” concluded Syed. “IDeaS is extremely supportive and responsive to our needs, and we’ve been able to leverage the high level of expertise they provide. Without NHSSP, we wouldn’t have been able to benefit from revenue optimization at the same level and at such an early stage. The NHSSP solution is a powerful support tool to our centralized revenue management structure. Because of it, our team can be sure they are deploying the most effective pricing strategies from day one.”



For more information visit, www.IDeaS.com