

Centralizing and Outsourcing Reservation Services for Hotel Properties

The Challenge

The Blackstone Group acquired a number of hotel properties on the East Coast within several months. The properties consisted of both mid-range hotels and full-service luxury resorts, and each property had its own 800 reservation number, staff, and processes.

With the increase in the number of properties Blackstone acquired, it soon became apparent that streamlining the reservations process was the answer to reducing costs and providing better service. Research indicated that centralizing and outsourcing the reservation services was more economical than creating a centralized call center within any of the Blackstone-owned property groups.

This project was particularly challenging because there were thirty-seven properties being sold at the same time others were being acquired and support was required for both the incoming and outgoing properties.

By implementing a single, outsourced reservation center, Blackstone wanted to:

- Enhance customer service to potential clients, offering standard support based on pre-defined service levels;
- Increase reservation sales by cross-selling between properties;
- Decrease the cost of toll-free reservations by reducing the number of agents required to manage inquiries and the number of phone lines required to handle incoming calls;
- Standardize a cohesive, brand identity; and
- Provide the same reservations service to new hotels and resorts as Blackstone acquired additional properties.

Results

- Closed the property-based reservation centers, transitioning the calls in stages, to the new Canadian call center.
- Customers were able to make reservations for new, old, and transitioning properties.
- The call center agents have been trained and provide standard information about all properties they service.
- The call center agents are able to cross-sell to other Blackstone Group properties.
- Costs for toll-free reservations have decreased based on the centralized reservations center and other reservations channels, such as the property websites.

Solution

With Edgewater's assistance, Blackstone selected a vendor that operated call centers in Canada to provide virtual agent services.

Edgewater coordinated the ramp up of the new call center while closing the various property-based reservation centers. We also closely managed the legal and technical tasks associated with changing from several US-based telephony providers to a single provider that was international.

Edgewater managed the overall project, which was executed in several phases. During these phases, we:

- Submitted RFPs to multiple call center vendors and evaluated the vendor responses;
- Managed the selection of a vendor with call center operations in Canada that was able to provide services for additional properties as they were acquired;
- Built telecommunications infrastructure between the old and new call centers to support access to central reservation and property management systems;
- Tested the new telecommunications networks for readiness, ensuring that the phone lines were able to handle the volume of calls required;
- Accurately projected call volumes, to negotiate tiered pricing based on volume;
- Coordinated with the hotel properties to close the local reservation centers, offering incentives to those who were willing to stay through the transition;
- Created training materials for the new reservation center agents;
- Developed reporting tools that allowed the client to identify call trends and issues; and
- Created disaster recovery plans and procedures.

Success Factors

- Accurate projection of call volumes was essential to ensuring a cost-effective price model.
- Quick resolution of the legal and technical challenges associated with telephony issues that resulted from incompatible networks between the old call centers and the new call center.
- Ensuring that the new agents were trained properly by leveraging property employees who were incented to provide training assistance.
- Because there were outgoing properties included in this transition, it was critical to coach the new agents in special reservation procedures.