

22nd September 2011

TRAVELODGE STATEMENT TO WATCHDOG

We sincerely apologise to the customers who have been featured in these three cases. Our company philosophy is to put the customer at the heart of our business and at the centre of our operations at all times. This belief has been the bedrock of our success in a very competitive hospitality sector.

So far this year, 10 million customers have stayed with us and less than 0.2% of them have made contact regarding their stay. Furthermore, in a recent independent customer service benchmark study, Travelodge scored 89.9% for its level and quality of customer service against the average hospitality sector rating of 74.76%.

To enable us to be the best at what we do, we take customer feedback very seriously and we were extremely disappointed that we failed to deliver a good service to these three customers.

Even though all three complaints have been resolved and refunds have been authorised, we conducted a follow up investigation to better understand the underlying reasons these customers had a bad experience with us. This enables us to ensure we don't disappoint future customers.

Our findings revealed the experiences of Mr & Ms Mahoney and Mrs Shapter are two very isolated incidents and there is a valid explanation in relation to their issues.

Case One: Kirsty Mahoney

We do not double book disabled rooms.

Unfortunately in the case of the reservations for Ms Mahoney and her parents, we experienced a genuine technical error which caused our database system to create two disabled rooms - when in fact there was only one room available.

When Alwalton Travelodge underwent a refurbishment programme, the hotel room stock was reviewed and a previous double disabled room was reconfigured to a twin disabled room. This change was to provide customers with greater flexibility. Unfortunately the original double room remained in the database - in error.

Ms Mahoney booked one family and one disabled room in January 2011. On the 24th March 2011, a different customer rang the hotel and asked for one of their booked rooms to be changed to a disabled room. As there were two disabled rooms showing in the system (in error) both bookings were authorised.

We would like to apologise to Ms Mahoney and her parents for the distressing and uncomfortable stay with us. At their time of stay, there was a mobility conference taking place locally and the hotel team did everything they could to find Mr Mahoney a disabled room within the area, but unfortunately there were none available.

We acknowledge it was not a satisfactory outcome and it should not have happened. We have sent Mr Mahoney a letter of apology and provided a detailed account of why their booking was not honoured. Also in a bid to help regain faith back in our brand we have offered them the opportunity to come back and stay with us for free.

In addition, as part of our investigation, we have fully reviewed all of our systems and procedures, to guarantee that something like this will never happen again and we are working with the Employers' Forum on Disability (EFD) who state that:

"Travelodge is a member of EFD and by becoming a member they have demonstrated their commitment to continuously improving their performance on disability for job applicants, employees and customers. Investing in business improvement provides members of EFD access to a broad range of best practice advice, specialist guidance and training on how to employ and do business with disabled people. As an EFD member, Travelodge is able to participate in the Disability Standard, a measurement tool that assesses an organisation's performance on disability and benchmarks it against industry competitors and peers. Employers' Forum on Disability will be working closely with Travelodge to support their endeavours to provide a better service for their disabled customers."

Case Two: Mrs Shapter

This is the first incidence of this kind that we have ever encountered, and is clearly a very unusual situation.

We have evidence that the room was cleaned by the hotel's top performing cleaner and was inspected prior to use by a manager on 6th May 2011. The room inspection included a full cleanliness audit, a close review of the bed together with checking underneath and around it. The room was awarded a top score against our cleanliness ratings and there was no evidence of a bird, a nest or a T-shirt in the room.

The room was serviced on the 7th, cleaned on the 8th and had a weekly deep clean on the 9th May 2011. On all occasions when the room was cleaned there were no reports of a bird, a nest or a T-shirt in the room.

Due to the seriousness of this complaint, we consulted the RSPB to help gain a better understanding of how a bird's nest could have come to be in the room between the room being thoroughly cleaned and the customer occupying it. We sent all the evidence available to us and the information provided from the RSPB is detailed below:

"The nest in the image does look like a genuine pigeon nest. It could have been created in four to five hours and it is very likely that if the customer left the window open whilst they were out for the evening the pigeon could have easily built the nest and laid the egg during this duration. May is a prime breeding season for birds. The RSPB has had many reports of pigeons getting into peoples houses and nesting on furniture or in a warm place within the home but a hotel room is quite a bizarre situation".

In addition following Mrs Shapter contacting us regarding this incident, we took room 211 at Bath Central Travelodge out of service and brought in independent professional carpet specialist to intensively clean the carpet.

All of our hotels are manned 24 hours a day, seven days a week. At Bath Central Travelodge there is a buzzer clearly displayed on the reception desk that customers can use to alert a member of staff in the event that the Receptionist is away assisting customers. If Mrs Shapter had used the buzzer a member of staff would have been able to assist.

As this is the first time we have ever experienced a complaint of this nature, it is with regret that our Customer Services team took too long to respond and refund Mrs Shapter for her two night stay. We are sincerely sorry that Mrs Shapter's short break was spoilt as a result of this unusual occurrence.

This is an isolated and very unfortunate incident and we do not refute Mrs Shapter's report of events. We can however confirm and provide evidence that the room was cleaned then inspected by a manager. The RSPB has detailed how they believe this incident could have happened.

Case Three: Mr Gatland

Our room cancellation insurance policy is underwritten by Atlas Insurance PPC Ltd and is regulated by the FSA. It is an optional service and customers who opt for this must confirm they have read, and accept, the terms and conditions of the policy before they can proceed further with their booking.

In order for Mr Gatland to complete his booking he would have confirmed he had read and accepted the terms and conditions of the policy before his booking would have been authorised.

Thank you for your feedback regarding our reservation teams' response to your questions about the room cancellation policy. We train our reservation team within FSA guidelines. This means they are required only to offer the product but not to make comment or offer advice. You have highlighted that we don't always get this right and to prevent this happening again we have re-trained all of our reservations team members on FSA best practice.

Room Cancellation Policy Questions:

In response to your questions regarding our room cancellation policy please see below for answers:

Q: Can Travelodge explain why its cancellation insurance doesn't cover guests planning to travel by car who are affected by bad weather – particularly when many of its hotels are on major roads and motorways?

The terms and conditions of our policy are in line with market practice and are comparable to similar policies issued by leading insurance providers such as: Aviva, Saga, Axa, Churchill, AA and the Post Office. All of these insurance providers make it clear payout for abandonment is only applicable when you are travelling by public transport.

Our policy covers more than just abandonment. It covers illness, death and breakdown - all of which could be claimed if using a private car.

Q: Why would motorists who are also members of breakdown organisations not covered under the terms of the cancellation insurance?

In relation to this question, we think you may have only looked at one clause and misunderstood how the policy works.

Under the policy we pay out prepaid accommodation costs up to £500 in the event of breakdown irrespective of whether the customer is a member of the AA/RAC etc. This is covered under clause A. The breakdown element that you are referring to is under section C and is effectively a bonus element. This pays out an additional £75 to customers who are not a member of a breakdown

organisation to cover some element of the cost of getting towed away or repaired. This is an additional benefit that most policies do not include.

The Travelodge policy also provides cover if a customer's car is involved in an accident up to seven days before their stay date and are unable to travel. This is also an additional benefit which many policies do not cover.

Q: Please explain why Travelodge's website automatically checks the box for cancellation insurance for Flexible rate rooms when it appears so unnecessary and when its own staff considers it a con?

Our room cancellation policy is an optional service that customers can easily un-tick when completing their reservation. Customers who opt for this must confirm they have read, and accept, the terms and conditions of the policy before they can proceed further with their booking.

If a customer with a flexible booking takes this policy and cancels prior to noon they not only get their accommodation refunded but also their £1.50 policy premium. If they did not get round to cancelling before noon, say due to illness or breakdown, then the policy would still be in place and they would be covered. This is therefore a win-win situation for the customer and clearly not a "con". We explain this point in the FAQ's section on our website

Other Requested Information:

Cleanliness is a priority for Travelodge and all housekeeping staff are measured on the cleanliness of their rooms. Our Regional Directors, District Managers, Hotel Managers and Cleaners all understand the importance of room cleanliness. All our hotel rooms are cleaned to a high specification every day when a customer checks out. If a customer is staying over, we will conduct a service clean, so that we do not disrupt their stay. If further cleaning is requested by the customer, our cleaners are happy to assist. If a 'do not disturb' sign is displayed on the door by the customer then we do not clean the room. Every cleaned room is inspected by a manager to ensure all cleaners are cleaning to the highest standard. In addition to this, the team work to an additional rolling cycle of weekly and monthly deep cleans.

We also have an incentive scheme in place where our cleaning staff are rewarded for the cleanliness of their rooms. The top performing cleaners are put forward for our annual 'Cleaner of the Year' award.

Our cleaners also conduct daily mattress stain checks when cleaning a room. We have a mattress health check programme in place, which we have developed with mattress and cleaning specialists. Our cleaning staff are equipped to treat stains with a hygienic remedial disinfecting solution which sanitises the area. Every three months, every mattress across the estate undergoes a health check and is turned. As required, mattresses are replaced. Please see below for a quote from the Technical Director from the company who manufacture our cleaning products:

Martin Carroll from R P Adam Limited said: "We supply Travelodge with a cleaning product which treats mattress stains and sanitises the area. The product contains a powerful twin-chain-quaternary ammonium compound (biocide). It is an EN 1276 approved biocidal cleaner/disinfectant with virucidal properties, which means that the surface of the mattress is thoroughly disinfected after application. It is a safe remedial disinfecting procedure that we supply to other hotels and care homes for a variety of purposes which includes combating surface stains on mattresses."

So far this year we have had 10 million customers stay with us across our 480 hotels; occupancy has been running at 83%, so it's inevitable that there will be some wear and tear in our hotels. To help maintain our hotels, we have a dedicated on-going refurbishment & maintenance programme in place. This year alone we are investing £17 million in our estate - which will address wear and tear issues such as those you have highlighted to us.

We can confirm the lift at our London Park Royal Travelodge has been re-decorated and is back in service and that management action is underway at Birmingham Broad Street to ensure expected standards are met at all times.

Once again we would like to sincerely apologise to the customers that we have disappointed and we are committed to continuing to improve the experience for all future guests.