

# Essay on mission 4

[Business](#), [Company](#)



## **Business Model and Strategic Plan**

Executive Summary 3

Introduction 4

Vision. 4

Situational Analysis 4

External Analysis. 4

Internal Analysis.. 6

## **Value chain 6**

SWOT Analysis. 7

Risk and Change Management Plan. 8

Summary of Strategic Objectives.. 9

## **Communication Plan 9**

Conclusion... 10

## **References 11**

Executive Summary

In this paper business model and strategic planning of Travelodge, Hotel Company will be presented. With the help of internal and external environmental analysis, and SWOT and value chain analysis Travelodge current business position will be discussed. In order to grow the business, attract the modern travelers, and fulfill the demands of customers the use of different strategies will be highlighted in this paper. Herein, it must be noted that the risk and change management plan is important for the sustainability and the growth of the business, therefore, it will be discussed in this paper

for Travelodge.

## Business Model and Strategic Plan

### **Introduction**

A biggest and well-known hotel chain within the hospitality industry of United Kingdom is Travelodge Hotels Limited. The hotel company is working since 1985, and initially it became famous as a budget hotel company and till now the company is managing their image of Budget Hotel Company. The hotel is managing their best services and providing accommodation to the customers and travelers because it is a customer focused company. It is the reason due to which it is a fastest growing hotel company that has a number of hotels located in different areas of UK. In this paper, Travelodge's business model and strategic plan and situational analysis will be presented. In addition, change management plan for improved services and increased customer flow will also be discussed in this paper.

### **Vision**

The vision statement of Travelodge Hotel is “ To fulfill the demands of the customers by offering best hospitality services with reasonable accommodation to maximize the customer focus and profits.”

### **Mission**

Travelodge Hotel Company's mission statement is “ To grab the customer focus by offering increased number of services and by easy accessibilities within the budget of customers.”

## **Situation Analysis**

### External Analysis

Macro= PESTEL

### **Political**

It will not be incorrect to state that Travelodge never faced any political issue inside or outside the company. The reason is that even having a large pool of employees the company is offering good working condition. In addition, it follows the governmental rules and regulations for wages, leaves, and pension.

### **Environmental**

Like other hotels and companies, Travelodge is playing its negative role in increasing the air pollution. With the use of air conditioners, carbon emission polluting the environment and it a part of the global warming that is a serious issue in today's' society. It is the reason due to which environmental friendly alternative techniques to deal with this problem. It's cautious while energy consumption.

### **Social**

With the increasing population in the country, it is also a matter of fact that aged people are also increasing. Therefore, people demand more facilities at same low prices. It is a social concern that aged people must be valued with good accommodation during traveling or in hotels. Thus, considering this Travelodge is focused on the improved services to cover the social concerns being a budget hotel.

## **Technological**

Travelodge is using improved technologies to attain competitive advantage within the hotel industry. For that, there are advanced level technologies are being used to treat customers at the hotel.

## **Economical**

Travelodge is an economically stable company, and it is an affordable hotel for tourists. From start till now it is famous as a budget hotel because financially unstable customers can also avail its low packaged services.

## **Legal**

Legal responsibilities are fulfilled by the Travelodge hotel company. It is paying a certain minimum wage amount to its employees according to the current rate that is set by the government.

## **Internal Analysis**

### Value chain

There are two activities through which any company can perform its tasks one is primary, and the other one is support activities. Similarly, Travelodge company structure is also split into these activities, and its primary activities are subcategorized as; operations department, inbound and outbound logistics, and sales and marketing services department. On the other hand, support activities of Travelodge are firm infrastructure, human resource management, technology development, and procurement.

Figure 1: Value Chain Analysis of Travelodge

## **SWOT Analysis**

### **Strengths**

It is the strength of the hotel that it has affordable rates for their customers. There are different packages that are different for room rates and other services. The new mobile application will be used to provide details about Travelodge accommodation packages, booking and other information regarding room availability. It provides competitive advantage among other competitive luxury and budget hotels .

### **Weaknesses**

Along with strengths there are few weaknesses as well, one of them is that Travelodge is a budget hotel it is the reason due to which it does not have much fancy decoration. In comparison with other competitors, the offered services are also limited for example it does not offer concierge service and porters' services to its customers.

### **Threats**

There is a threat from new entrants and stiff competitors. The reason is that there is a tough competition within the hotel industry with other luxury and budget hotels. It is because customers want a luxurious stay in a hotel within their budget which can be provided by new and old competitors.

### **Opportunities**

The business can further be expanded in abroad. The use of the new mobile application will control and manage the overall services throughout all hotels in different areas. It will maintain the good reputation of the Travelodge hotel and growth rate will be increased.

## **Risk and Change Management Plan**

It is necessary that the possible risk must be analyzed first and then a proper plan must be designed to mitigate the risk. Therefore, In order to maintain services of Travelodge hotel, it is necessary that after analyzing the internal and external factors risk and change management plan should be designed. The change management plan will bring innovation in the services, hotel company structure and marketing plan. It is necessary that there must be improved marketing skills applied. A promotional plan must me design in which different effective promotional activities will be used to increase the customer flow. Promotional tools such as social media, mobile application, TV, print media, and website will be beneficial for positive and improved marketing. The use of strategic management tools will also be required such as the use of balanced scorecard .

## **Summary of Strategic Objectives**

It is the objective of the Travelodge Hotel Company that they should keep updating the level and quality of the services with the help of new technologies. For that, they use attractive strategies to attract the focus of the modern traveler. Furthermore, strategic management tools in which balanced scorecard is prominent and beneficial. It is because the use of balanced scorecard will align all business activities of Travelodge to the vision and the strategy of the company. It improves the internal and external communications of the hotel, and monitor Travelodge performance against strategic goals to bring possible and required change and improvement. It can be said that it has a positive impact on stakeholders of Travelodge. The

reason is that positive results give satisfaction to the stakeholders that the company is doing well.

## **Communication Plan**

Travelodge's brand communications follow the basic communication model. Travelodge can communicate the value of their brand by simply following the basic communication model. The use of the different mediums to communicate the message of the company to the customers will improve the value of the hotel company. Marketing strategies is also a part of the communication plan in which customers are communicated through different activities such as ATL and BTL activities .

Figure 2: Travelodge's Communications Model

## **Conclusion**

While concluding the information above it can be said that the Travelodge can further improve its business by following the business model and strategic planning. The situational analysis and external and internal factors of Travelodge helped to analyze the current position of Travelodge hotel. Moreover, it can be noticed that the use of strategic models and strategies like Balanced Score Card and improved promotional strategies has a positive impact on stakeholders and customers. Furthermore, it will not be incorrect to state that Travelodge is a customer focused hotel company where they are offering best hospitality services to accomplish the vision and mission objectives.



## **References**

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