



UK Contact Centre Verticals: Travel

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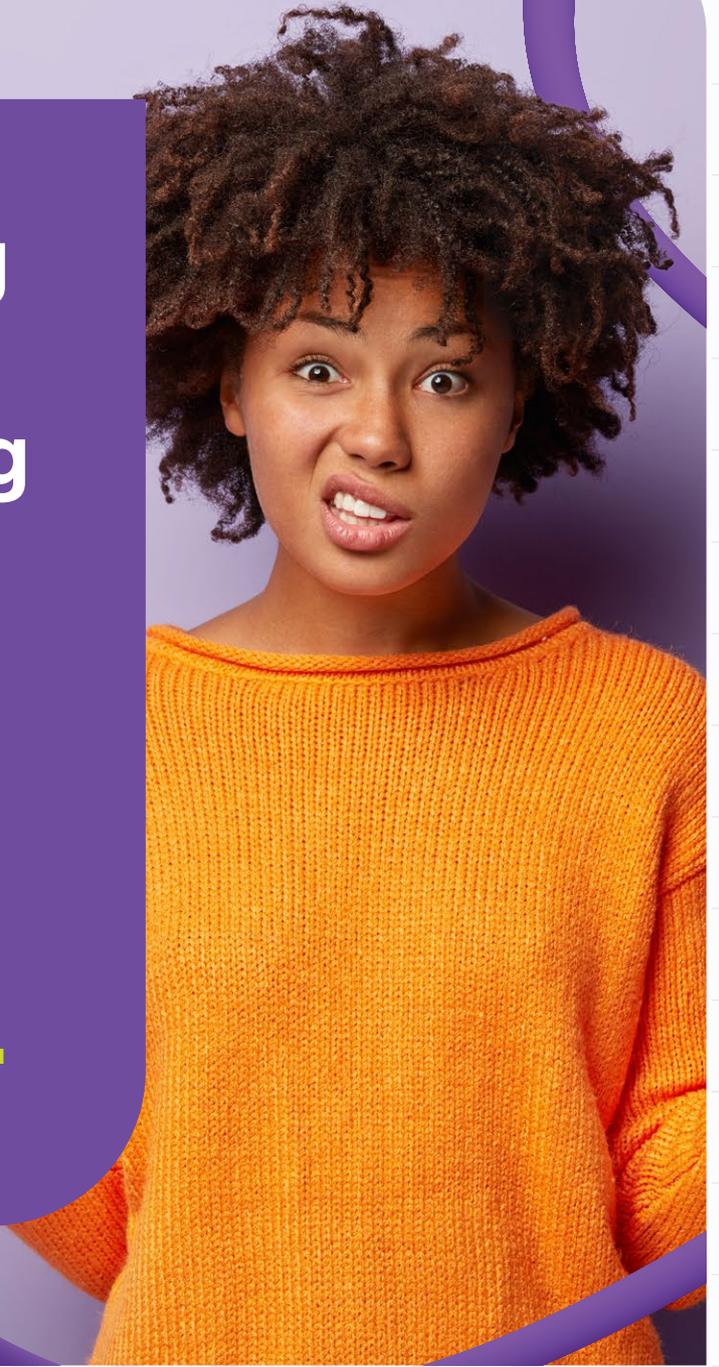
UK Contact Centre Vertical Markets: Travel

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At Kerv, we provide end-to-end digital transformation solutions.

Our specialist CX practice, Kerv Experience, are an established Genesys gold partner with 23 years' experience in the cloud contact centre and CX space. Kerv Experience's deep expertise of Genesys Cloud CX helps you completely personalise your digital customer experience, improve customer insights, reduce effort with seamless integrations and automation and to deliver amazing service when it matters most.

As the 2021 Genesys EMEA Customer Success Partner of the year and the current new logo partner of year, we help deliver exceptional CX to our customers through the deployment of cloud, digital, data and AI technologies. We help our customers execute on their CX strategy by deploying the correct technology and ensuring they get the most out of the solution over time. Our clients include PureGym, HelloFresh, Heineken, Somerset County Council and P&O Ferries.

Our sister practice, Kerv Digital, works hand in hand with Microsoft to deliver bespoke services for Teams, Dynamics 365, Power BI and Power Platforms which integrates with Genesys Cloud CX to create a seamless customer and employee experience. Cloud Contact Centre as a Services allows you to access constant technology innovation and Kerv are the partner to help you maximise the benefits of that investment and allow you to grow as a business through excellent CX.

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UK TRAVEL CONTACT CENTRES: EXECUTIVE SUMMARY & OUTLOOK

The travel vertical market includes, airlines, travel agents and public transport companies.

Around 5% of the UK's contact centres are run by these types of company. There have been moves to cut costs in the travel sector, especially by closing High Street branches, and the sector has suffered in the past few years, with negative commercial and employment announcements from both major and minor operators combining to give a significant net job loss in this sector. As with the retail sector, online research, purchase and self-service is growing in importance, which has meant that the demand for live customer support has declined over the past decade.

It is fair to say that the pandemic period was catastrophic for this sector, and respondents reported major job losses, even taking into account the furlough effect. Their outlook for 2024 onwards is considerably more positive.

Any instance of weak sterling (especially against the Euro) has a more significant effect on the tourism sector than on many vertical markets as foreign holidays become more expensive. In times of uncertainty, demand goes down and consumer confidence plays a large part in discretionary expenditure. A weak pound should mean that foreign tourism into the UK will increase, however the majority of this is not handled by UK contact centre operations, so any positive effect on the economy is unlikely to be felt by much of this contact centre sector.

Brexit is also having a negative effect on ease of travel between the EU and UK, and travellers are aware of the increased time now taken to pass through EU customs, with the upcoming checking of traveller biometrics meaning this will take longer: this may have an effect on future customer demand for foreign travel.

While the travel sector was extremely busy in 2020 and 2021, this was only to issue refunds and cancellations rather than taking new bookings, which is not a long-term recipe for sustainability. The pandemic bounce-back will go some way to repairing this, but the economic outlook and cost of living crisis is another hopefully short-term hurdle to overcome.

While the travel sector has relatively small contact centres on average, there is widespread use of digital customer support, and recent years have seen a wider customer take-up. The sector continues to struggle with keeping queue times low, and a digital future seems likely for this industry.

European Airline Group – Challenges & Solutions

An Airline Group has embarked on its ambitious "Transformation Programme 2.0," central to which is the "One Service Centre Solution (OSCS)" initiative. The programme aimed to centralise and harmonise passenger airline services across four Airlines, encompassing approximately 4,000 agents worldwide. Kerv was selected from among 12 system integrators across EMEA to execute this critical project. Our primary objective is to migrate multiple existing contact centre platforms (Engage, PureConnect, Cisco, and Genesys Cloud) onto a unified Genesys Cloud platform.



Delivering a complex transformation

The Airline Group solution presents several complexities:



Routing Architecture

The existing setup involves over 2,000 inbound routes, 1,500 skills, and more than 1,000 queues, necessitating intricate migration planning and execution.



Integrations

Multiple CRM systems and custom-built applications for advanced steering and reporting functions require seamless integration into the new platform.



Organisational Transformation

The consolidation of four distinct airlines necessitates process harmonisation while accommodating unique requirements specific to each airline.



Quality Assurance

Rigorous testing protocols are mandatory to ensure operational excellence and compliance with contractual obligations.



Kerv is committed to delivering this complex transformation while maintaining the highest standards of quality assurance. Our approach will align with ISO 27001/9001 and project-specific requirements and all deliverables will undergo rigorous evaluation prior to final delivery.

Building a long-term solution



Programme and project management

Kerv offers a robust project governance structure. The core project team encompasses programme managers and a project manager, all under the oversight and with the escalation path to Kerv's Operations Director.



Solution design

Guiding the design pathway are Kerv's CX Consultant/Business Architect and a technical architect. Their roles are pivotal in setting the solution direction, ensuring documentation, and optimizing the overall solution architecture.



Configuration services

Two dedicated engineers from Kerv are at the helm, parallelizing efforts to ensure a streamlined deployment of the platform.



Development services

A robust team of three developers, a Product Manager, and a Head of Product form the backbone of Kerv's development services. Their innovation led to the development of services that not only match but augment Genesys Cloud. This includes the integration of bulk-skill management, enhanced email management systems, the Qualtrics survey tool, and the Cognigy chatbot solution.



Testing services

Ensuring the highest quality, Kerv's testing team, comprising testing managers, a tester, and automation engineers, scrutinizes both Genesys Cloud CX configurations (across 1200 flows and 30+ languages) and specialized software products for Steering, Reporting, advanced email management, and CRM integrations.



Reporting services

Kerv's data-centric approach includes a data warehouse architect and a reporting engineer. Their efforts are channeled towards assisting the Airline Group in migrating data from legacy platforms like PureConnect and Engage. They also integrate with the Airline Group's One Data Platform (ODP), ensuring a seamless transition and robust reporting framework in alignment with the Airline Group's requirements.



Business readiness

As with any transformation, user adoption is key. Kerv, recognizing this, provides business readiness services. This includes business change management and rigorous training modules to ensure the team can seamlessly adapt to the Genesys Cloud platform.



Customer success

Kerv has two customer success managers working alongside the project, which will assist and ensure that the Airline Group will make the most of the Genesys Cloud CX platform once the migration phase is completed.

A new era for the Airline Group

Kerv's comprehensive engagement with the Airline Group is not just about system integration. It's a holistic approach, ensuring every facet of the transformation is addressed - from technical implementation and design optimisation to quality assurance and user readiness. Their collaboration signifies a new chapter in airline service efficiency and streamlined operations for the Airline Group.



INTRODUCTION

“UK Contact Centre Verticals: Travel” looks at the structure, growth, technology, HR and commercial issues found in contact centres within the UK travel sector, which includes airlines, public transport and travel agencies.

It contains data from multiple large-scale surveys of hundreds of UK contact centres, and is the definitive study of this vertical market’s customer contact operations.

The “UK Contact Centre Verticals” series of reports are free of charge to readers. Research and analysis costs are borne by sponsors – contact centre and customer experience solution providers – whose advertisements, case studies and thought leadership pieces are included within these reports.

Please note that statistics within this report refer to the UK industry, unless stated otherwise.

To comply with the usual protocol of market analysis, years are reported as year-end (i.e. the 2023 figures refer to the end of 2023) unless stated otherwise.

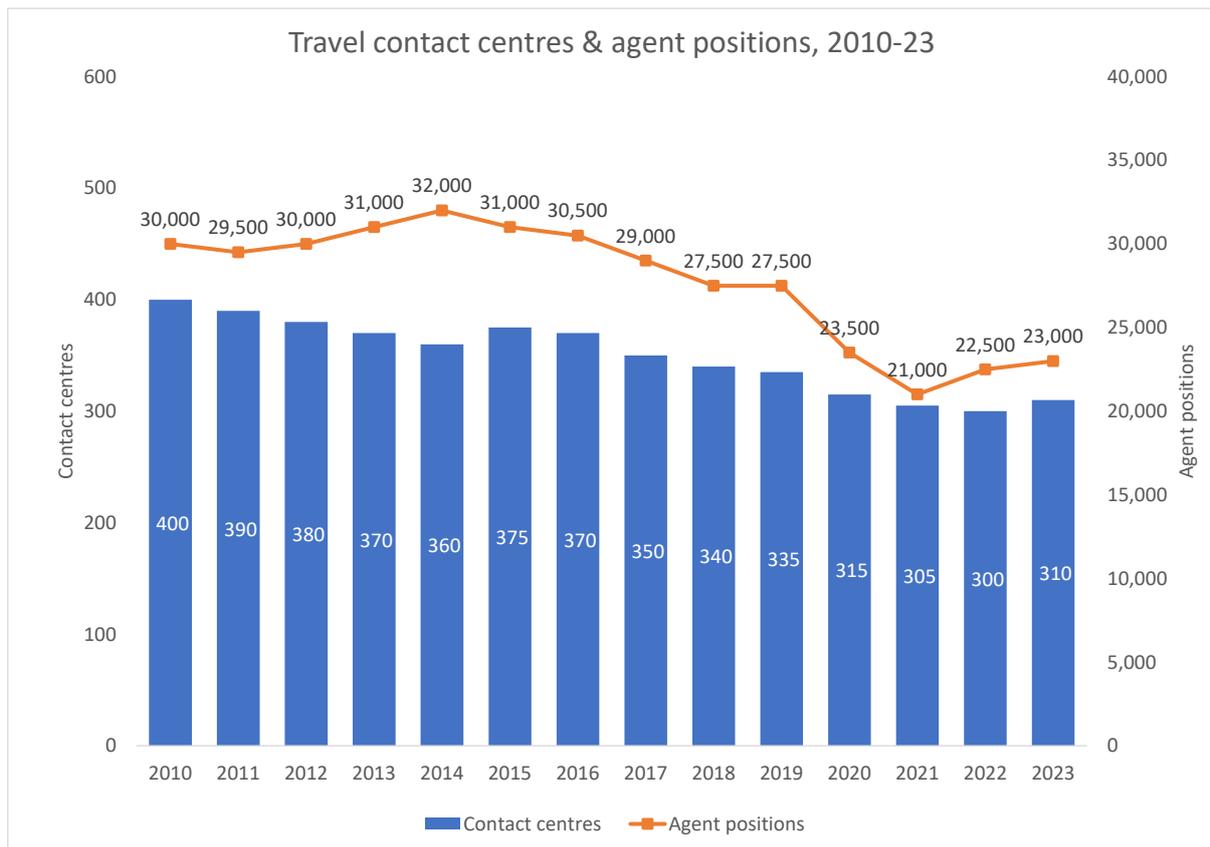
MARKET SIZING

STRUCTURE

The travel sector has declined by around 28% in terms of agent positions in the past ten years, although there has been something of a bounce since the pandemic.

The number of physical contact centres is also declining due to business closure, consolidation, cost-cutting and the rise of at-home agents. There has also been something of a move towards offshore customer service, which is not included in these UK-only figures.

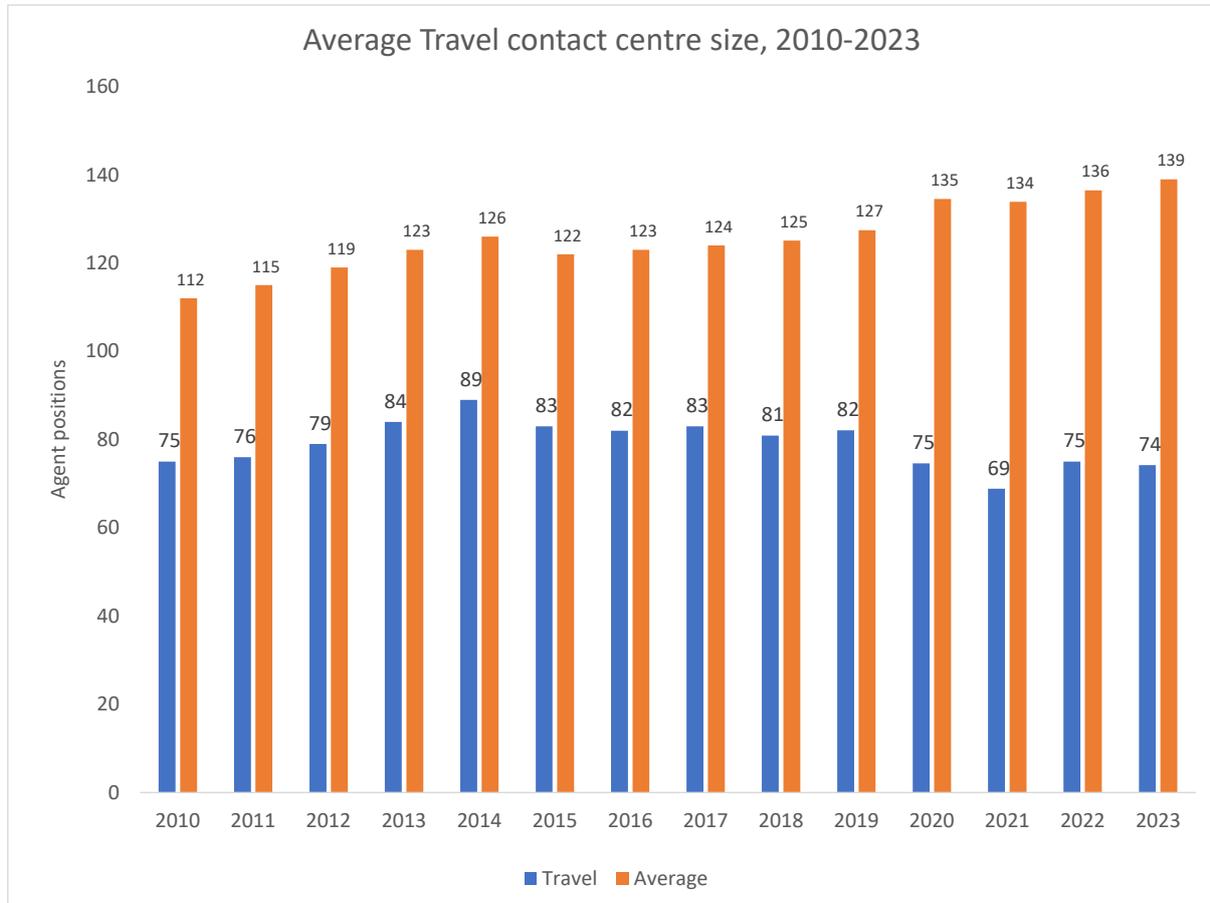
Figure 1: Travel contact centres and agent positions, 2010-2023



Travel contact centres tend to be considerably smaller than the UK average.

The average size is now around 75 seats.

Figure 2: Average Travel contact centre size, 2010-2023



Like many in-house sectors, the travel contact centre industry is heavily weighted towards smaller operations, with few very large operations working in this sector.

Figure 3: Travel contact centres by size, 2013 / 18 / 23



Employment in UK travel contact centres is less strongly focused towards large operations, unlike many of the larger vertical markets which are more heavily weighted towards large contact centres.

Figure 4: Travel agent positions by size, 2013 / 18 / 23

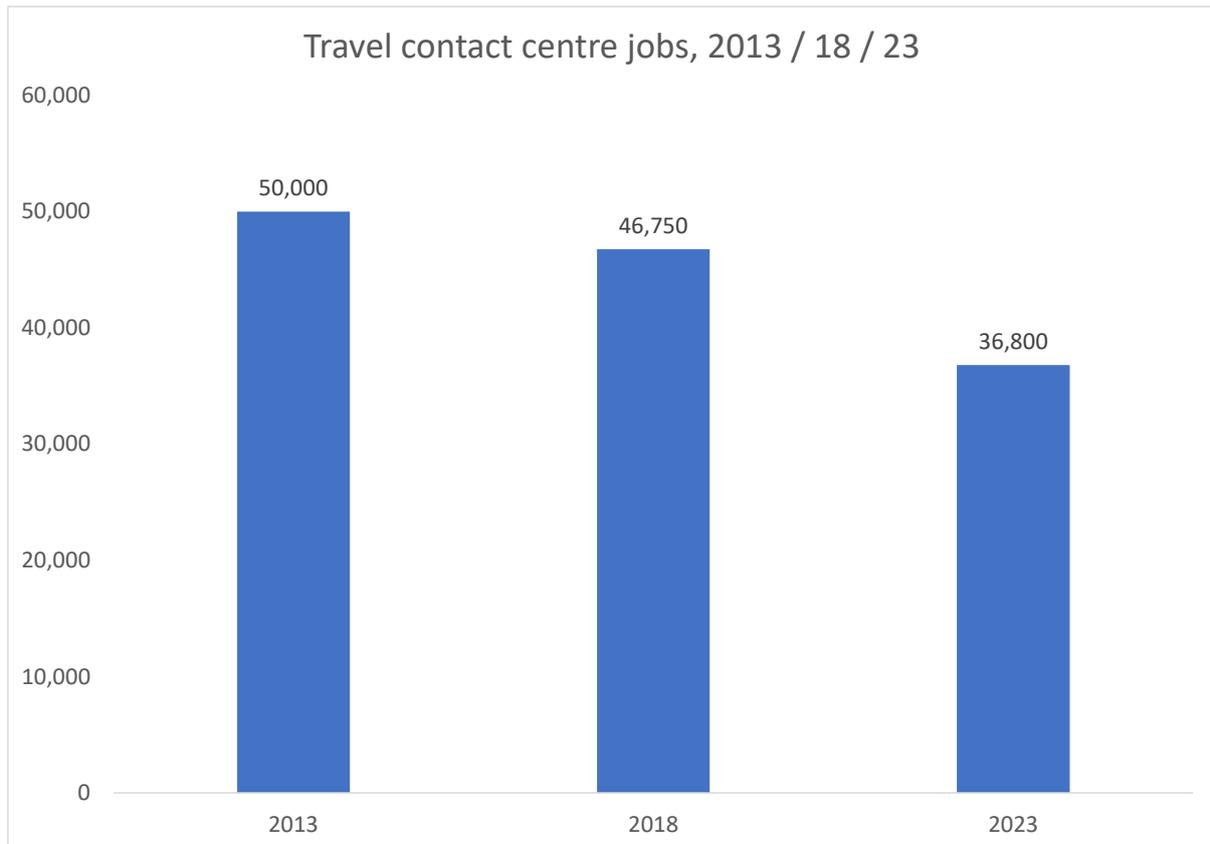


There had been significant decline in jobs associated with travel contact centres since the pandemic, Brexit and the cost of living crisis.

Employment figures will start to rise again as the sector fully recovers, although any growth in job numbers will be relatively slight.

The sector currently employs around 13,000 fewer people than it did in 2013.

Figure 5: Travel contact centre jobs, 2013 / 18 / 23



GROWTH

Travel contact centres have seen a decline in agent positions for reasons stated previously, although we expect this will steady and even reverse slightly.

Industry consolidation, outsourcing, cost-cutting and the closure of some sites due to commercial failures and a hybrid work-from-home model being employed means that a decline in physical contact centres has been seen, but this is unlikely to be repeated over the next few years.

Figure 6: Travel – agent positions and contact centre forecasts, 2023-27

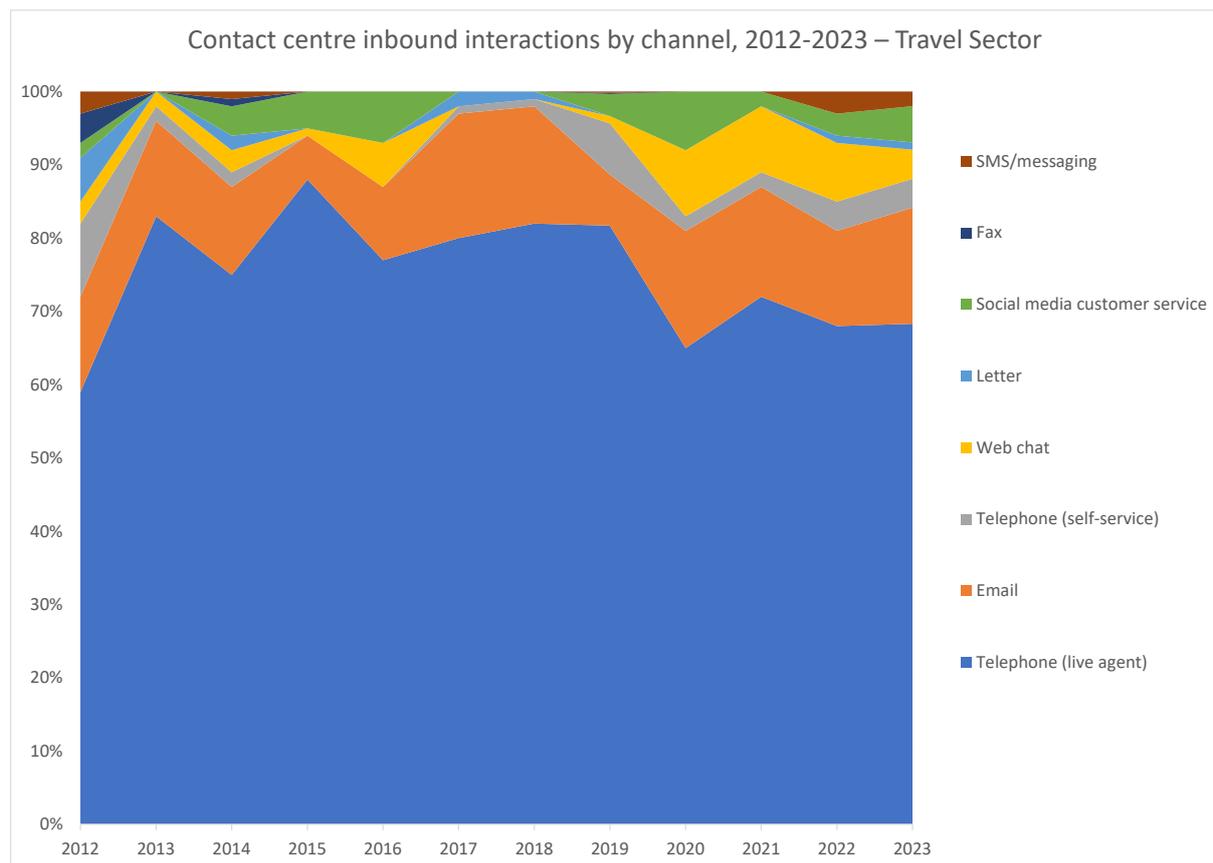
	2023	2027	Travel CAGR	Average CAGR
Agent positions	23,000	24,000	1.1%	-0.6%
Contact centres	310	320	0.8%	-0.7%

THE USE AND EFFECT OF OMNICHANNEL

Looking at inbound interaction types, email accounts for 15% or more of activity on a consistent basis. Web chat and social media have grown considerably, probably as a result of the pandemic-driven massive telephone queues previously faced by many customers seeking a refund, cancellation or with a question to ask meaning that the customer base is now used to using digital channels.

Telephony-based self-service (for example, checking public transport timetables) has moved almost entirely online (which is not shown on this chart) and traditional media such as letters and faxes have disappeared almost entirely.

Figure 7: Contact centre inbound interactions by channel, 2012-2023 – Travel Sector



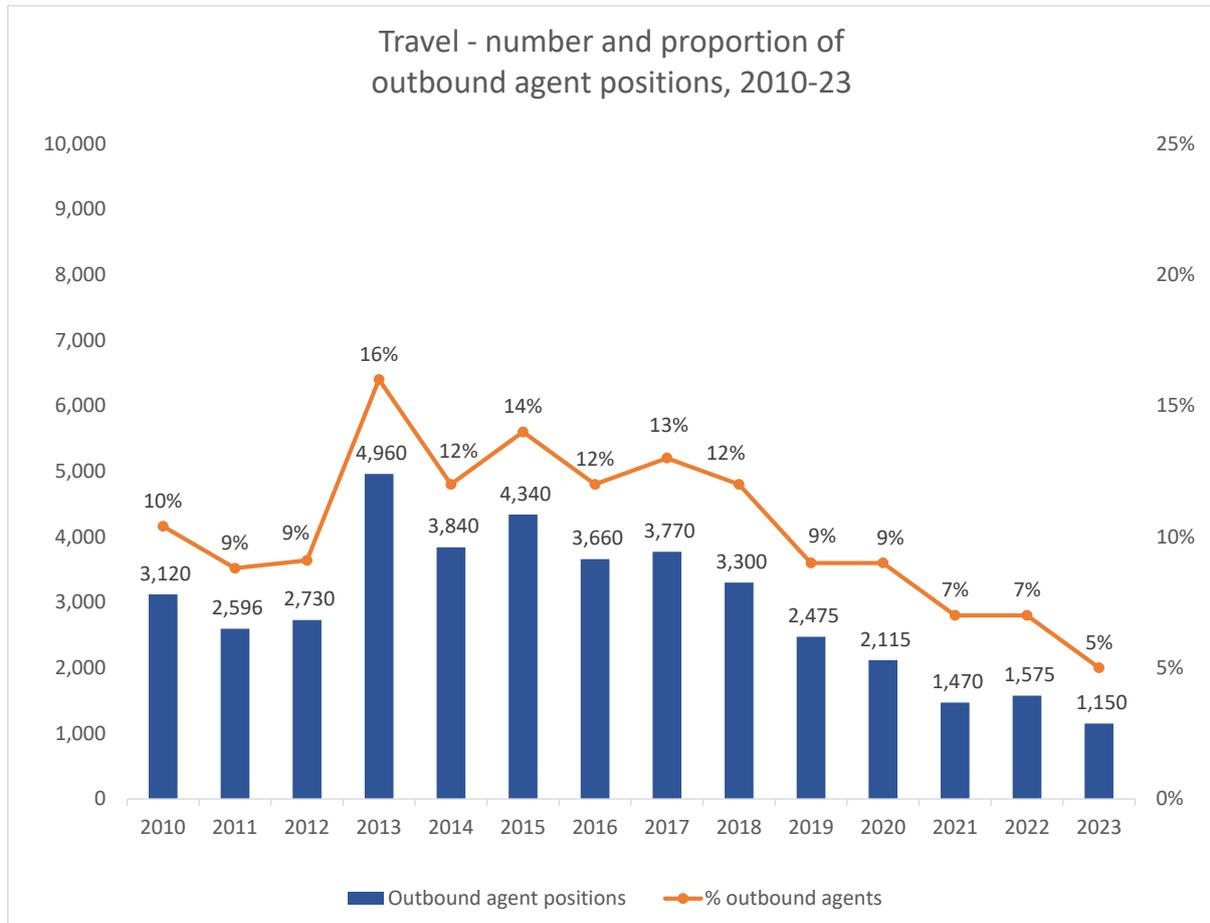
Channel	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Telephone (live)	59%	83%	75%	88%	77%	80%	82%	82%	65%	72%	68%	69%
Email	13%	13%	12%	6%	10%	17%	16%	7%	16%	15%	13%	16%
Phone self-service	10%	2%	2%	0%	0%	1%	1%	7%	2%	2%	4%	4%
Web chat	3%	2%	3%	1%	6%	0%	0%	1%	9%	9%	8%	4%
Letter	6%	0%	2%	0%	0%	2%	1%	0%	0%	0%	1%	1%
Social media	2%	0%	4%	5%	7%	0%	0%	3%	8%	2%	3%	5%
Fax	4%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
SMS / messaging	3%	0%	1%	0%	0%	0%	0%	0%	0%	0%	3%	2%

INBOUND & OUTBOUND ACTIVITY

The travel sector has in the past been more focused on outbound activity although never to a strong extent. The proportion of outbound work has dropped significantly since 2013.

The sector now accounts for only around 1,150 outbound equivalent agent positions.

Figure 8: Travel - number and proportion of outbound agent positions, 2010-23

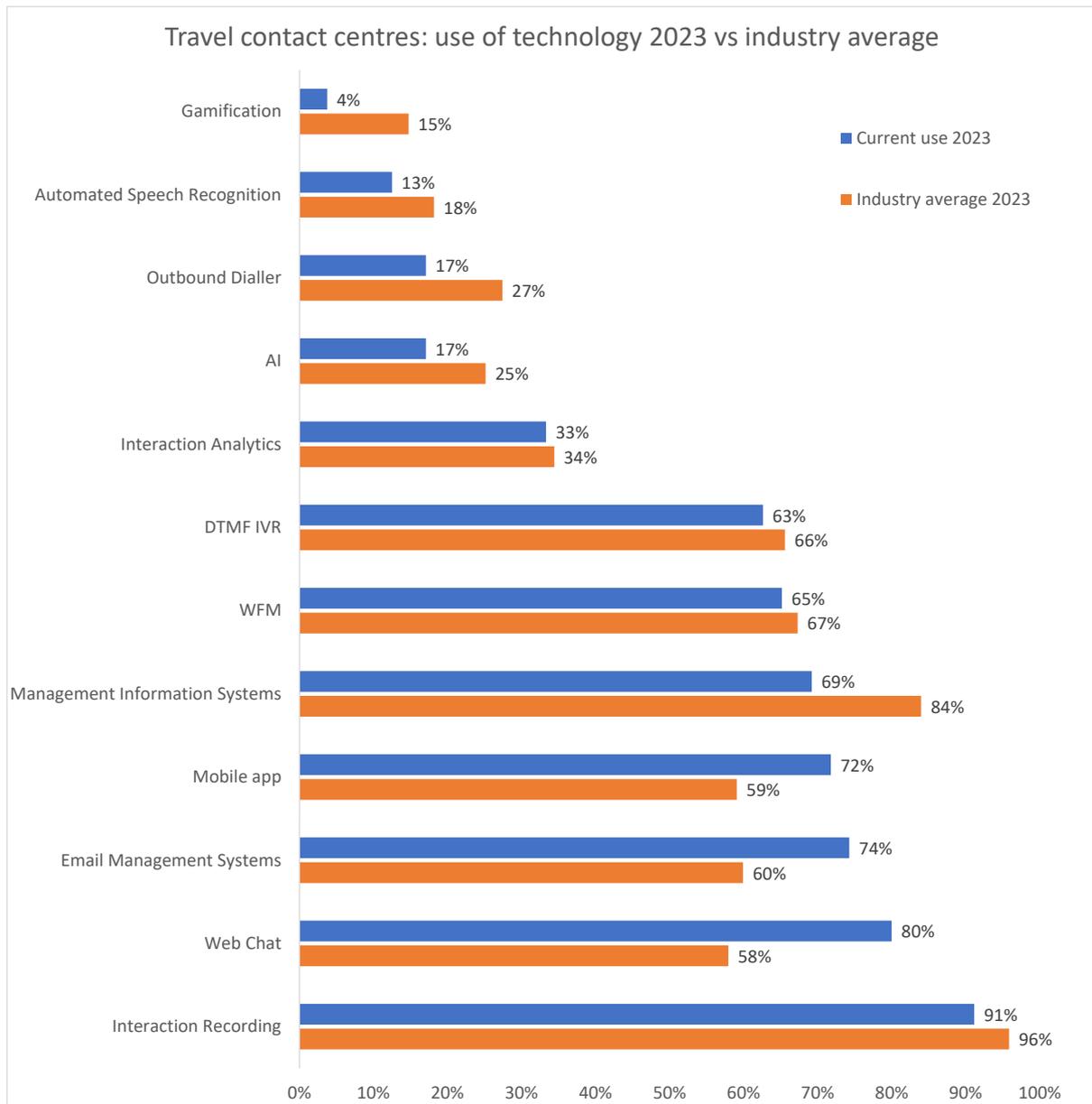


TECHNOLOGY

Interaction recording is very popular in travel contact centres, with digital channels – web chat, email and mobile customer service – being far higher than the industry average.

The use of gamification, outbound dialling and AI are lower than what is seen across the contact centre industry as a whole.

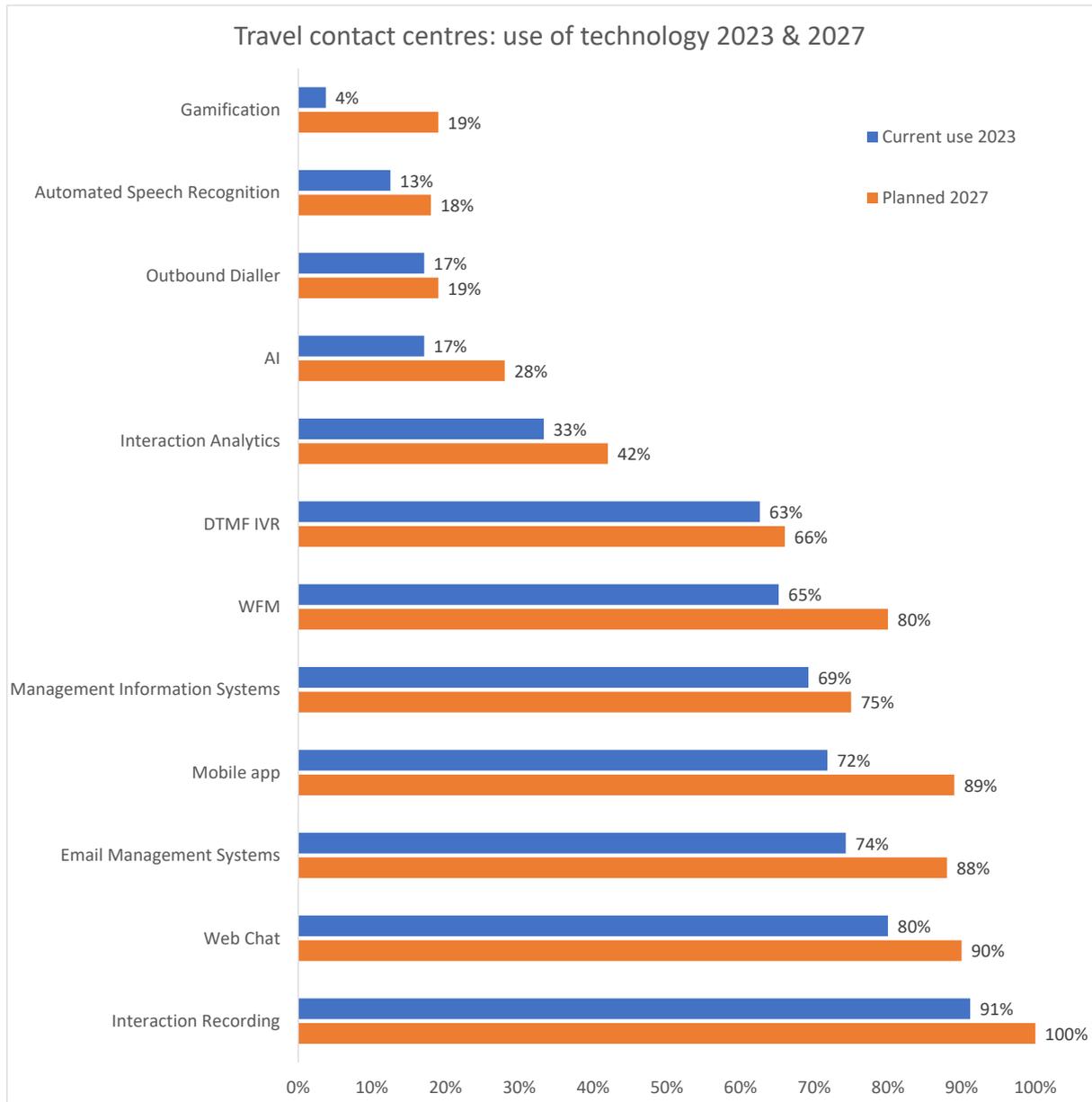
Figure 9: Travel contact centres: use of technology, 2023 vs. industry average



The greatest expectation of technology growth – and expectation should not be confused with what the reality is likely to be – comes from AI, gamification, workforce management and mobile apps.

The sector looks to be fully committed to a digital future.

Figure 10: Travel contact centres: use of technology, 2023 & 2027



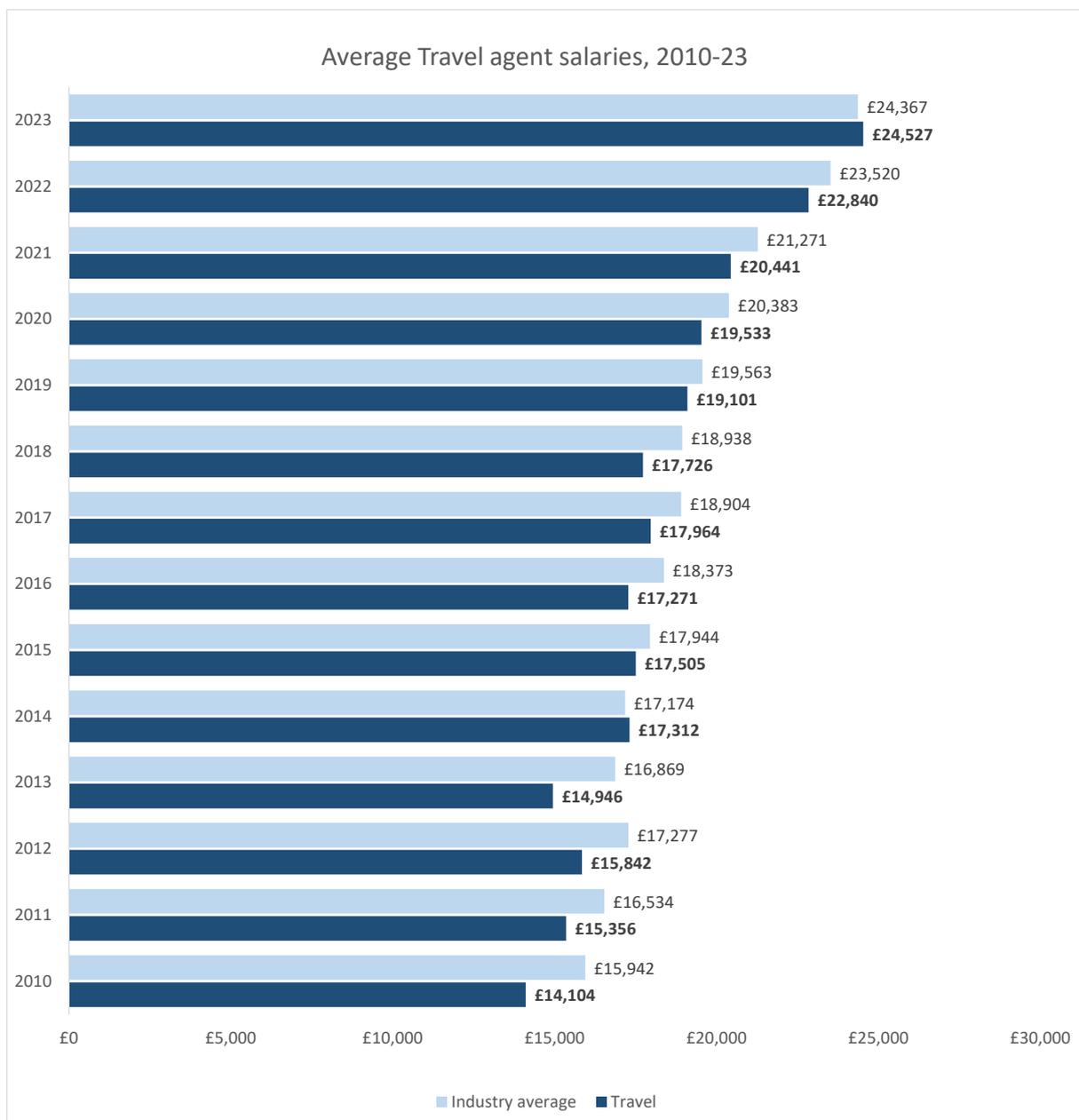
HUMAN RESOURCES

SALARIES

The salary figures below are calculated by adding together the average salary paid to new agents and to experienced agents, and dividing by two.

Travel agents have generally been reported to be a little less than the industry average in the majority of years studied, although 2024 shows the first above-average agent salary since 2014.

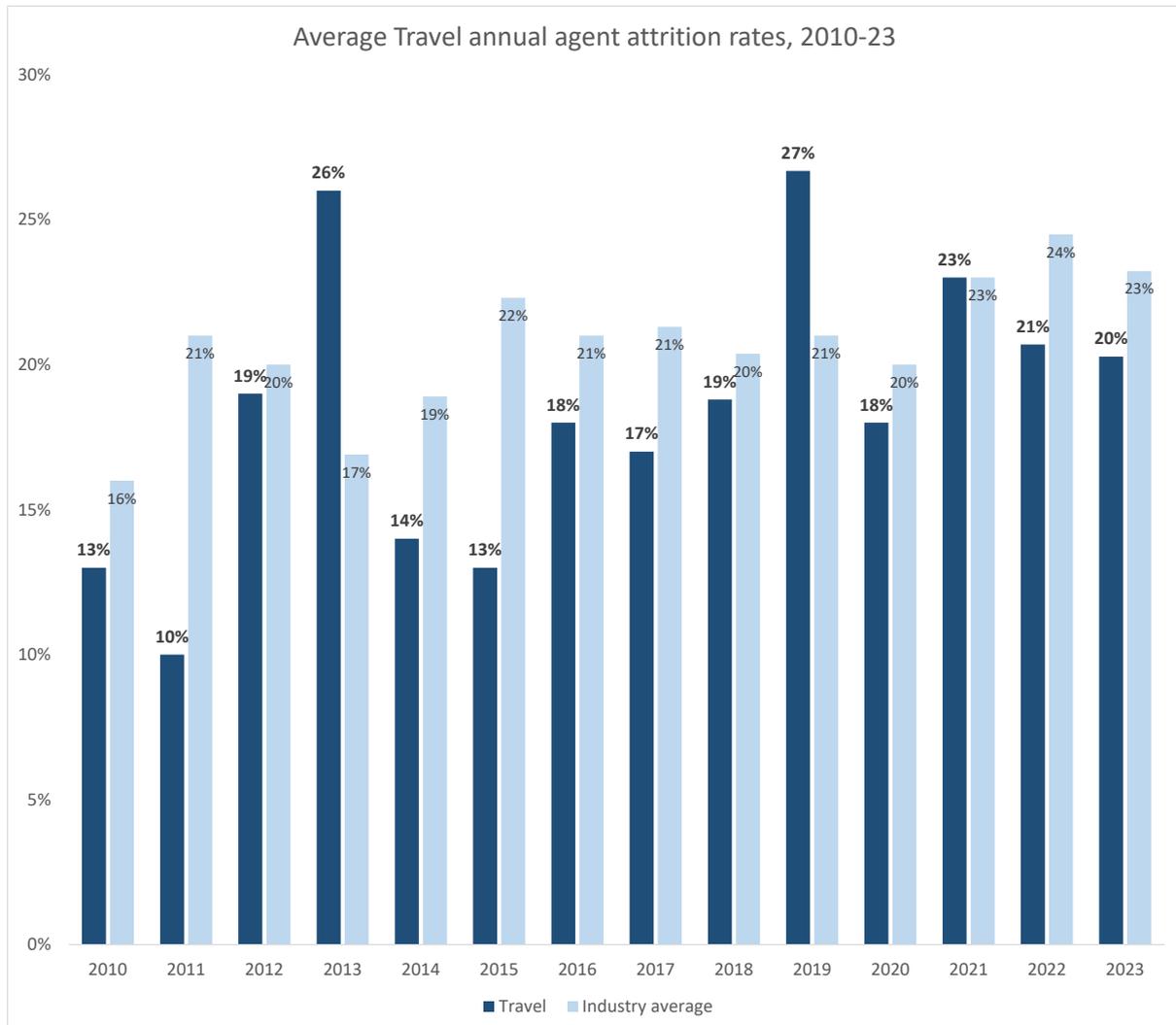
Figure 11: Average Travel agent salaries, 2010-23



AGENT ATTRITION

Apart from a couple of statistical anomalies, travel contact centres generally report a fairly similar attrition rate to the industry as a whole, particularly in recent years.

Figure 12: Average Travel annual agent attrition rates, 2010-23

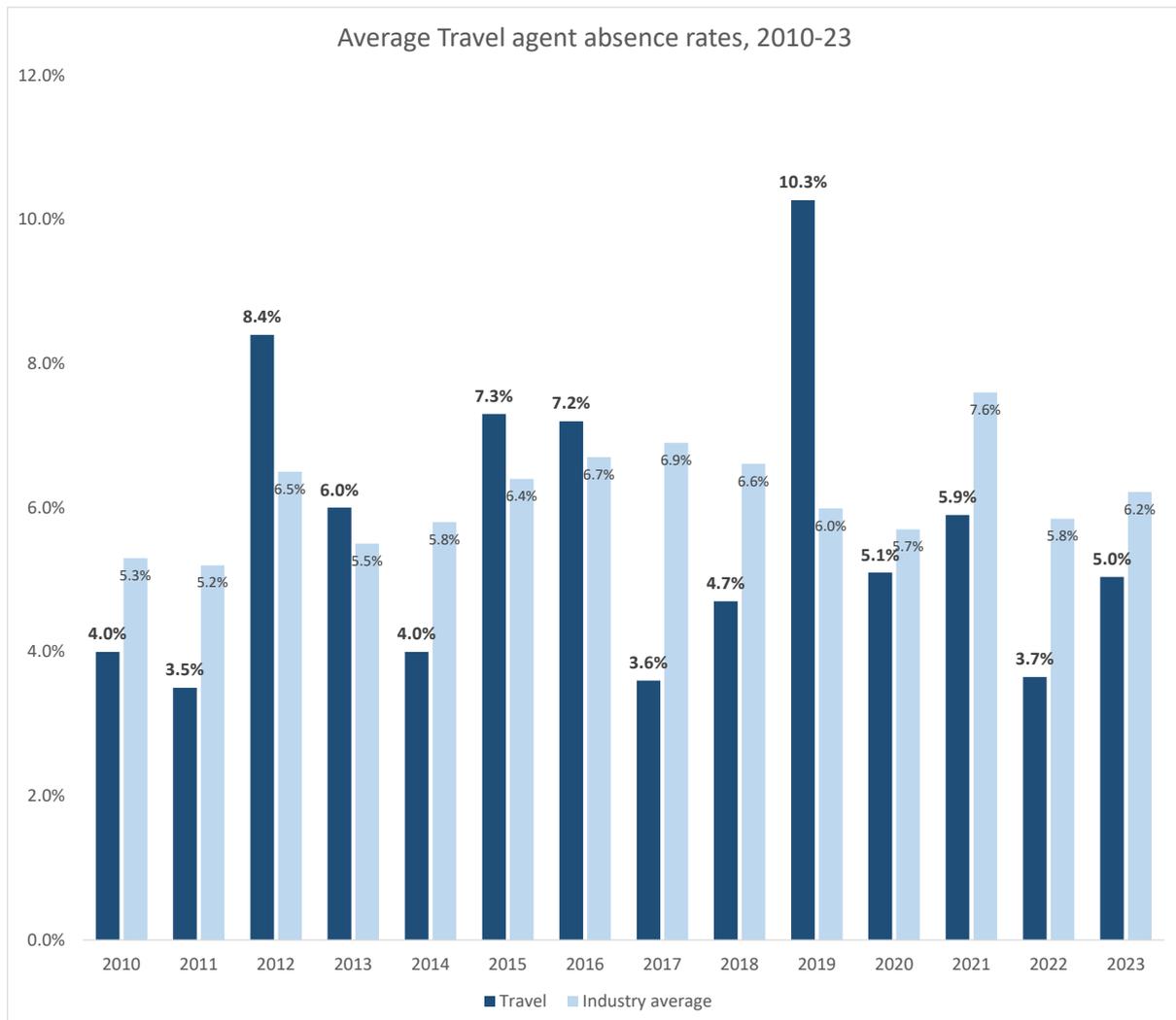


AGENT ABSENCE

For six of the past seven years studied, travel agent absence rates have been below the contact centre industry average.

Even in pandemic times, absence rates were lower than the UK contact centre sector as a whole.

Figure 13: Average Travel agent absence rates, 2010-23



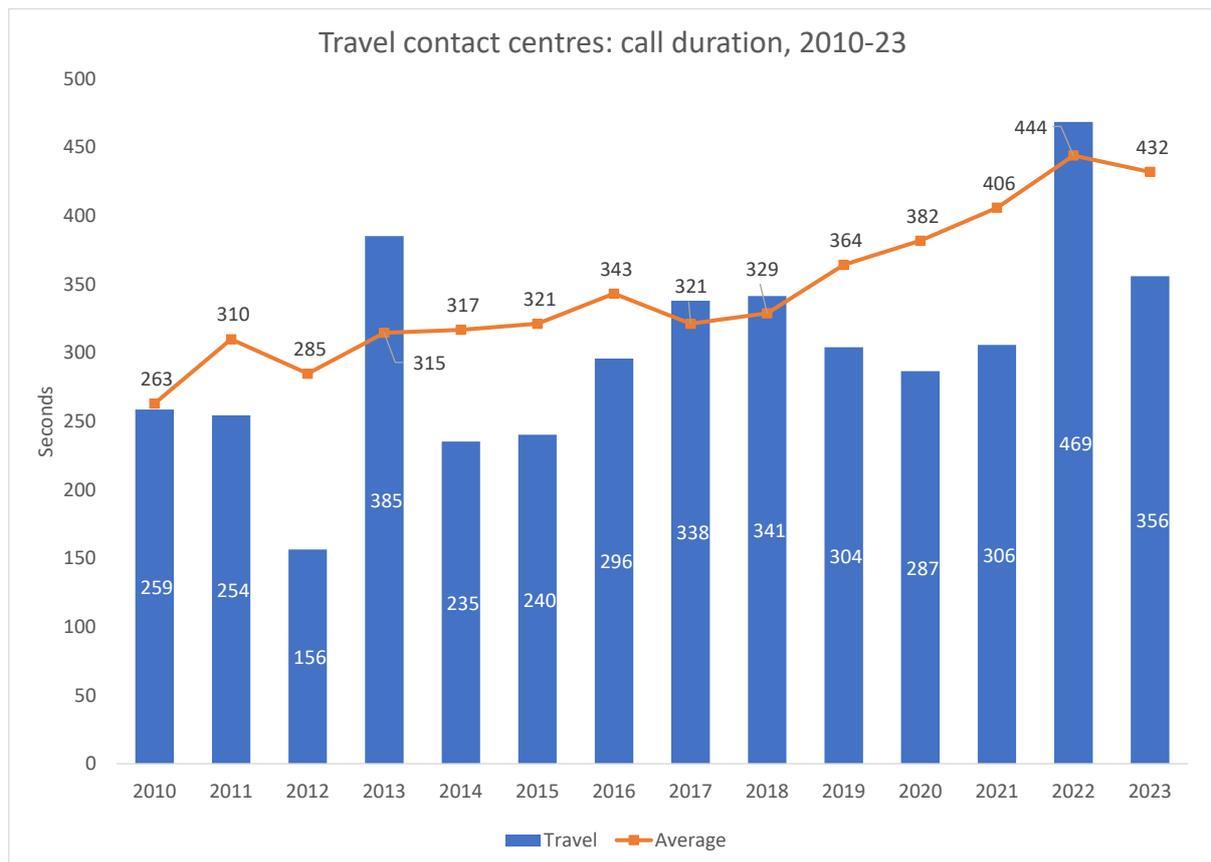
OPERATIONAL BENCHMARKING

CALL DURATION

Average travel call lengths are lower than the UK average as a rule, perhaps suggesting that the types of call being handled are relatively simple and could be moved to self-service.

Having said that, the overall trend for travel call lengths is still broadly upwards, in line with the industry as a whole.

Figure 14: Travel contact centres: call duration, 2010-23



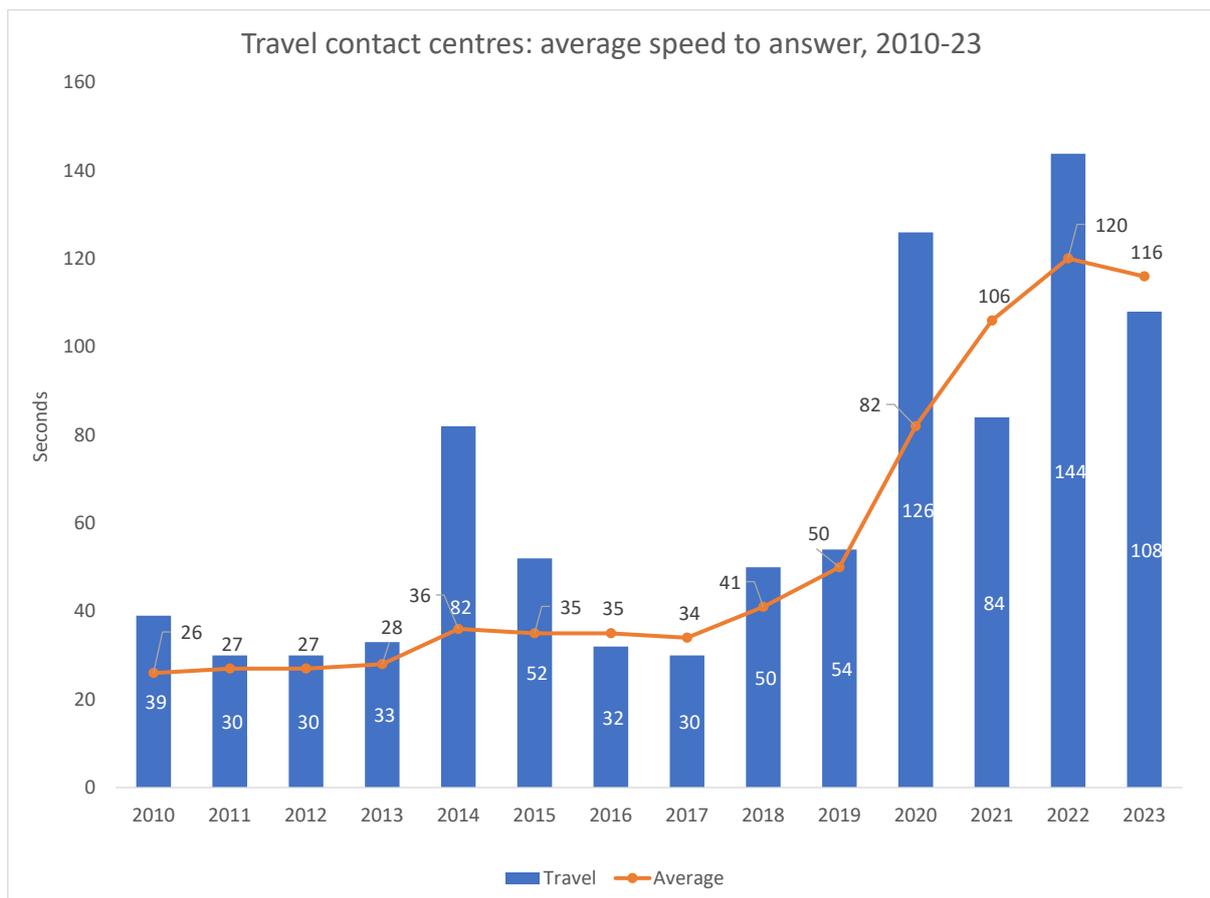
SPEED TO ANSWER

Speed to answer is still one of the most important factors to customers calling a contact centre, so a quick answer is beneficial to the customer experience as a whole.

The pandemic meant that many contact centres were simply unable to deliver a normal standard of service, with the travel sector’s average speed to answer going up by 133% in 2020.

The current figure of 108 seconds is still excessive compared to historical norms and should be addressed urgently.

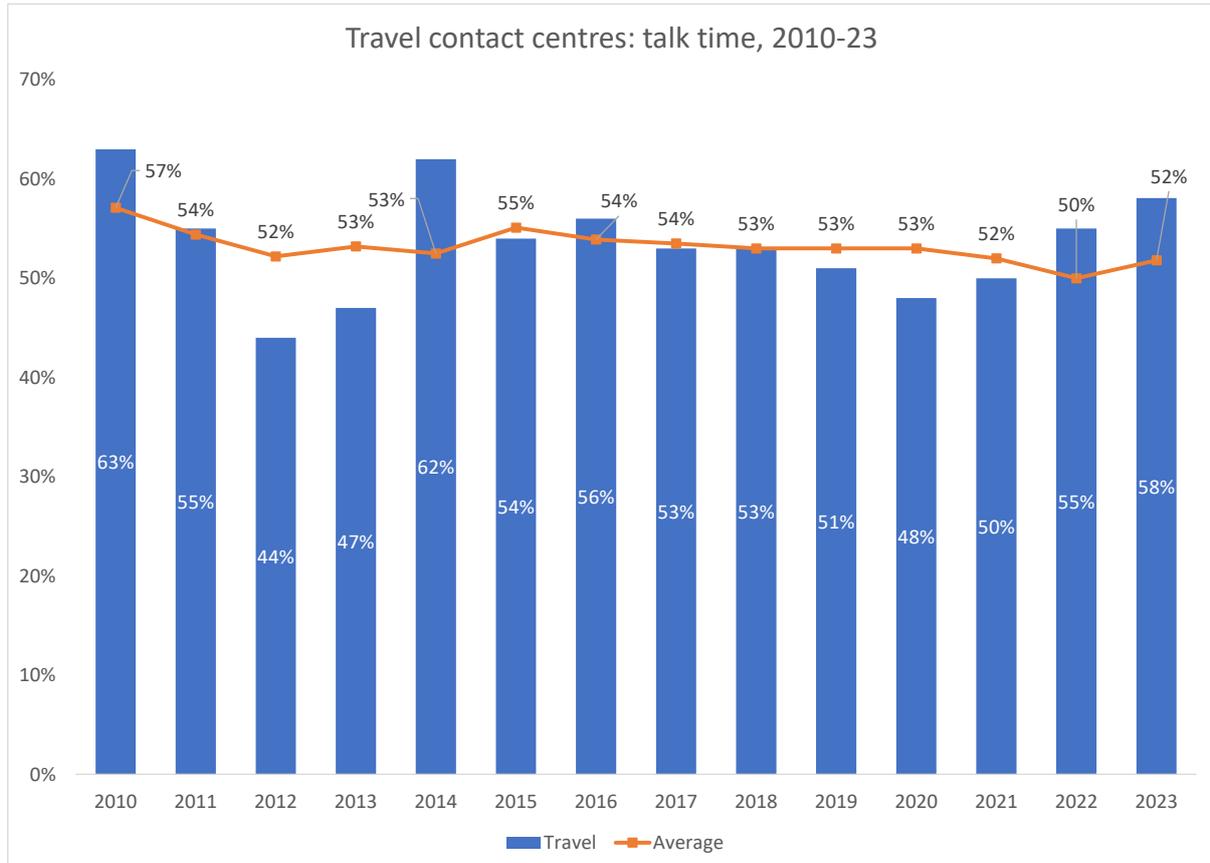
Figure 15: Travel contact centres: average speed to answer, 2010-23



TALK TIME

The proportion of time spent actually talking to customers is generally a little lower than the industry average, and could be put down to smaller contact centres – of which there are a high proportion – struggling with efficient resourcing of their operations, meaning that idle time is higher than elsewhere.

Figure 16: Travel contact centres: talk time, 2010-23

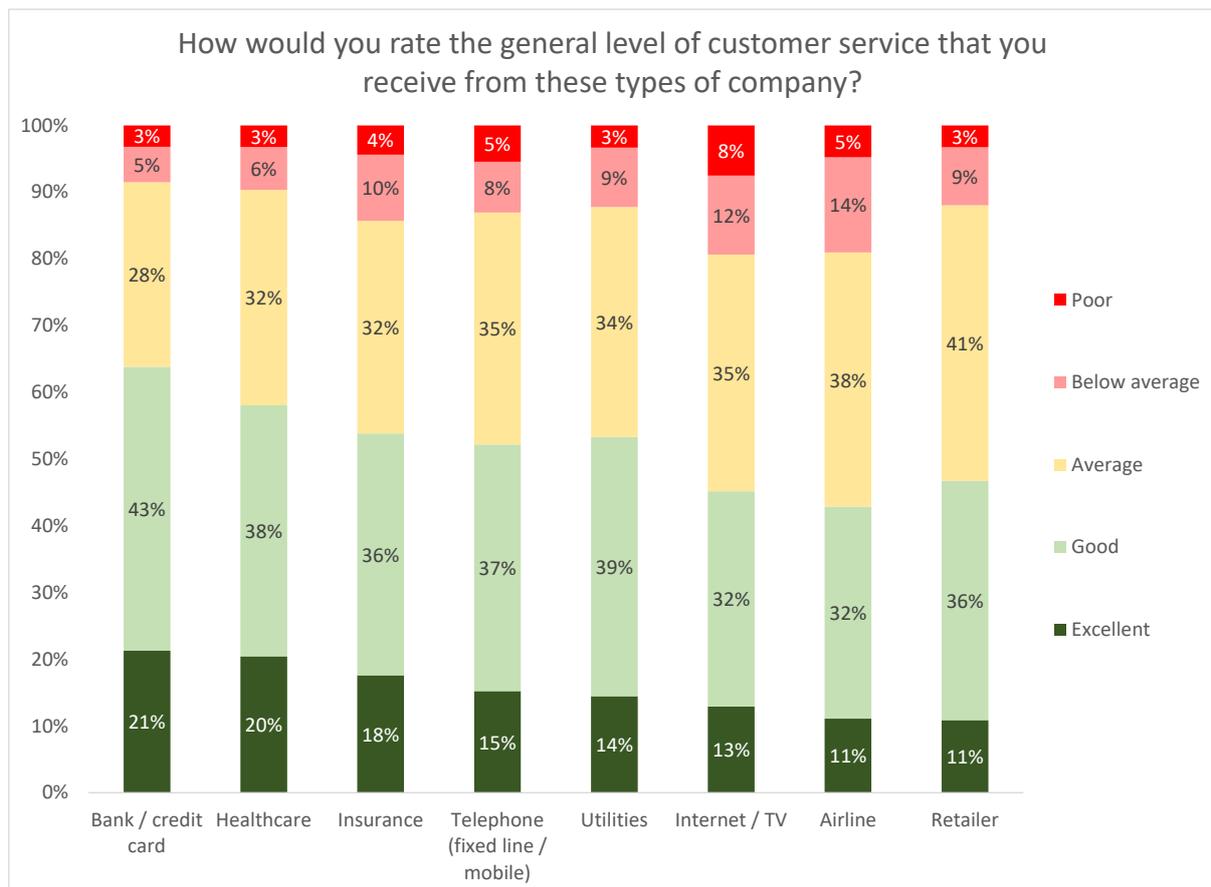


CUSTOMER EXPERIENCE

This section of the report looks at what customers actually do when they have negative customer experiences. Organisations need to be aware that the impact of long queue times, poor audio quality, a failure to solve an issue first time or have alternate channels available is more than just customers feeling disappointed: the following research shows that many actively seek out new companies with which to do business.

The question was asked of customers how they generally rated the customer service they received from seven types of organisation. Airline providers received positive responses from only 43% of customers, the worst-performing sector studied.

Figure 17: How would you rate the general level of customer service that you receive from these types of company?



While 30% of the customers surveyed ruled themselves out of answering this question as they had not contacted an airline in the past 12 months, of those that gave a rating, only 39% of under-35s gave a positive rating, and 36% of over-55s did the same (although almost half of the latter age group had not contacted one of these organisations).

Having looked at what customers think about the customer service they receive in general, do they actually then do anything about it?

Customers were asked if, in the past 12 months, they had left any of the types of company listed or had used a competitor instead because of poor customer experience.

A significant proportion of respondents stated that they had in fact done so, with 16% of customers either changing their airline or not choosing them in the first place because of poor CX.

While these figures are alarmingly high, it should be noted that a “poor customer experience” can be construed in many different ways. While the examples given in the survey question included long phone queues; not being able to answer a question; being passed around numerous employees; and experiencing rudeness from staff, it deliberately did not state that those were the only examples of a poor customer experience.

For many customers, especially younger ones, their customer experience is in large part driven by their interactions with the website, app or digital support channels.

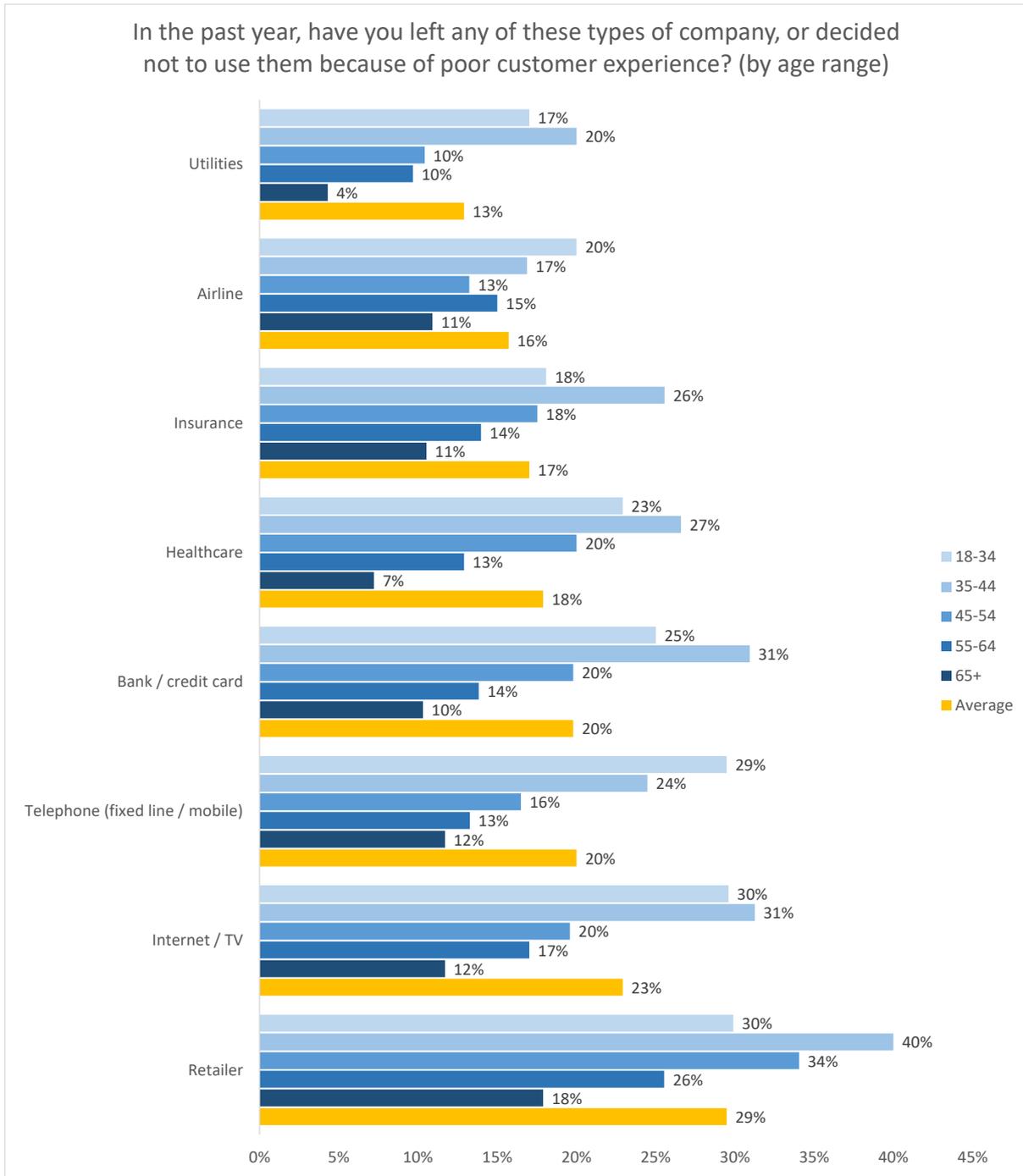
Additionally, customer experience does not begin and end with an interaction: if a company fails to deliver as promised, invoices a customer incorrectly or miscommunicates with them, these are all considered by the customer as part of their overall experience.

Readers should also consider that many decisions are made before individuals become actual customers: a slow-loading website; not being able to get through to the contact centre to ask a pre-sales question; a lack of information about a time-sensitive buying factor – all these and more will feed into the customer (or prospect) experience, and are also included in these figures.

There is always going to be some subjectivity in what constitutes poor customer experience – it is after all, an entirely personal concept – but the survey gives some idea of the impact that falling below customers’ expectations can have on businesses.

Looking at this data at an age range level provides insight into which cohorts are switching providers, or deciding which companies to use (or not) in the first place.

Figure 18: In the past year, have you left any of these types of company, or decided not to use them because of poor customer experience? (by age range)



The pattern is very obvious – even when taking into account the increased margin of error that working with smaller datasets at an age-group level creates – the younger the customer or prospect, the more likely they are to have reported changing supplier or using a competitor because of poor customer experience.

20% of the youngest cohort of airline customers report moving providers – or more likely, not choosing them in the first place – compared to only 11% of over-65 year-olds.

Again, without asking each individual survey respondent about their personal experience, there is no way of finding out exactly why there is such a difference between age groups, but some suggestions can be made:

- The propensity to switch supplier gets less as customers become older. Switching becomes extremely unlikely in the most senior reaches of oldest age group (80+ years-old), and for vulnerable people (many of whom are in the 65+ age group), with government findings backing this up in the utilities sector.¹ Of course, switching is not always down to poor customer experience, with cost being a more important factor in the energy sector, but the willingness to look for other suppliers could be age-related to some extent
- Those customers who have changed suppliers in the past are more likely to change suppliers in the future²: brand loyalty amongst Generation Z is much lower than for other age groups³ and the effect on this cohort of digital customer experience is higher⁴, meaning that businesses need to see their website as being the primary source of customer experience for younger customers
- However, the focus and preference of younger customers for digital channels (including self-service) means that there is less opportunity for an exceptional personalised customer experience to take place – for example, in the telephony channel – which could develop long-term customer loyalty
- Older people who have been customers in the times before the Internet when switching companies was not simple or cheap may be influenced by the familiarity effect of brands that they have been with for a long time, and be less influenced to switch suppliers by poor customer experiences: they see themselves as a “Brand-X” customer regardless, and this can even become part of their self-identity. This could go some way to explaining why older customers are more likely to rate their customer service experiences lower than younger cohorts, yet are far less likely to have done anything about it.

¹ <https://www.gov.uk/government/publications/consumer-vulnerability-challenges-and-potential-solutions/consumer-vulnerability-challenges-and-potential-solutions>

² <https://www.eprg.group.cam.ac.uk/wp-content/uploads/2015/09/1515-PDF.pdf>

³ <https://cxm.co.uk/disloyal-brands-failing-to-attract-younger-customers-to-loyalty-schemes/>

⁴ <https://martech.org/51-of-consumers-would-leave-a-brand-if-digital-experience-isnt-as-good-as-in-person/#:~:text=Younger%20consumers%20are%20less%20loyal,according%20to%20the%20PwC%20findings.>

ABOUT CONTACTBABEL

ContactBabel is the contact centre industry expert. If you have a question about how the industry works, or where it's heading, the chances are we have the answer.

We help US and UK contact centres compare themselves to their closest competitors so they can understand what they are doing well, what needs to improve and how they can do this.

The coverage provided by our massive and ongoing primary research projects is matched by our experience analysing the contact centre industry. We understand how technology, people and process best fit together, and how they will work collectively in the future.

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- The Inner Circle Guide to the Voice of the Customer

- The Australia & New Zealand Contact Centre Decision-Makers' Guide
- The UK Contact Centre Decision-Makers' Guide
- The US Contact Center Decision-Makers' Guide
- The UK Customer Experience Decision-Makers' Guide
- The US Customer Experience Decision-Makers' Guide
- Exceeding UK Customer Expectations
- Exceeding US Customer Expectations

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