

InterContinental Hotels Group Improves 'Look-to-Book' Conversions and Increases Online Revenues



The Situation

InterContinental Hotels Group (IHG), with 535,000 guest rooms, is the largest hotel firm in the world, serving more than 120 million customers a year across nearly 100 countries. The hotelier has always been an e-commerce industry leader, being the first to offer online reservations in the hotel industry, and the first to enable customers to review, cancel, or modify reservations on the companies' Web sites, regardless of how the customer originally made the reservation.

The Challenge

In the 1999-2001 timeframe, the hotelier's customers, like so many others, experienced delays and frustrations when trying to research the company's hotels and book rooms online. Even with these issues, IHG's brand management and franchise strategy as well as the Internet's growing market share drove the firm to increase its emphasis on Internet commerce.

Dell Ross, the company's Director of Global E-Commerce Services, sees the firm's Internet presence as an extension of the company as a whole. "Customers equate their experiences with our e-commerce functionality with how we will provide all of our services. As a result, IHG approaches its direct e-commerce activities as core strategic assets that must be managed to the finest detail."

The Goal

The company's Web sites needed to meet three key requirements to support the brand and the company's objectives:

Scale to Meet Unpredictable Audience Sizes

With the goal to continually increase revenues through the online channel, the company wanted to ensure it could handle any amount of traffic to its site, at any time, without fail.

Provide High-Performing Web Site at All Times

The hotelier needed to offer its online customers the highest quality, fastest response time for every photo viewed and every reservation made to ensure that online revenues continued to grow.

Offer Global Customers a Consistent Experience

As a global brand, InterContinental Hotels Group wanted to provide a consistent customer experience in multiple locations around the world on a 24/7 basis.

Why Akamai

Growing Business without Expanding Infrastructure

Global leaders on the Internet set themselves apart by investing in, responding to, and anticipating customer needs at each point of the commerce lifecycle. While everyone agrees that Internet system crashes and user access delays are unacceptable, InterContinental Hotels Group didn't want to invest in the additional infrastructure required to be prepared for every unpredictable eventuality at every point around the globe.

"Akamai provides us with a complete e-business solution that addresses our requirements for 100% availability of critical Web applications, massive reach to support worldwide customer demands, and the use of an extended infrastructure to support widely varying traffic on demand," says Ross.

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"Akamai has had a positive impact on our Web business, which has translated into increased revenues for InterContinental Hotels Group."

—Dell Ross, Director of Global E-Commerce Services, InterContinental Hotels Group



COMPANY

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www.holiday-inn.com
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INDUSTRY

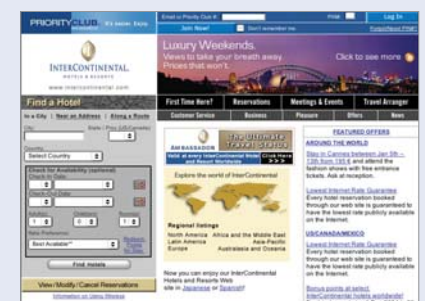
Hotel and Travel

SOLUTION

Akamai Dynamic Site Accelerator

KEY IMPACTS

- Increased online sales due to measurable improvements in page download time, transaction processing speed, and overall site availability
- \$3.5 million in reservations booked online each day
- 70% of bookings done via Web
- Site performance and availability upholds brand image
- Support peak traffic without additional infrastructure
- Recognized by Keynote as having fastest site in industry
- Can support global customers without fail



Why Akamai *(continued)*

Improved Site Performance and Reliability Lead to Increased Online Revenues

Industry research has shown that Web site speed is critical to providing customers with a positive online experience, and that fast, reliable Web sites build customer loyalty. IHG improved site performance and dependability by leveraging Akamai's global infrastructure. In fact, IHG was recently recognized by Internet assessment performance company Keynote Systems for having the fastest Web site in the industry.

The hotelier increased the quality of the customer's Web experience with measurable improvements in its page download time, transaction processing speed, and overall site availability. This ensured that users could easily take advantage of enhanced site functionality with the fewest number of clicks required to book a room in the industry, richer content about the company's hotels, and useful personalization enhancements that make travel management more convenient.

Changes in site performance and availability led to significant improvements in both IHG's online "look-to-book" conversion rate and total annual online revenue generated from its branded online sites. "Akamai has had a positive impact on our Web business, which has translated into increased revenues for InterContinental Hotels Group," says Dell Ross. Over 70 percent of InterContinental Hotels Group online reservations are currently booked directly via its own Web sites, well above the industry average of 50 percent. In fact, each day, over U.S. \$3.5 million in reservations is booked via the hotelier's Internet sites.

A Worldwide Brand Delivers a Consistent Global Experience

"Ultimately, the company's Web sites are not only a method of doing business with its 3,500 hotels worldwide, but an important force in increasing that business," notes Ross. With the Akamai solution, IHG can grow its business and its brands by offering a simple assurance to every one of its customers: "No matter what your location, we have the necessary global infrastructure to respond to your needs throughout the commerce lifecycle, regardless of the demand on our sites."

"These Web sites are part of our strategy to build a robust and scalable global system to help drive revenue and boost profitability for our hotels. In recent years, we have invested U.S. \$6 million globally in e-commerce, resulting in a host of enhanced online services. By constantly innovating and leveraging our global infrastructure and technological leadership, we have built an excellent track record of 'industry firsts' in technology and e-commerce, met the changing needs of our customers and stayed one step ahead of our competitors," says Craig Hewitt, IHG's Director of E-Commerce of Asia Pacific.

About InterContinental Hotels Group

InterContinental Hotels Group PLC of the United Kingdom [LON:IHG, NYSE:IHG (ADRs)] is the world's most global hotel company and the largest by number of rooms. InterContinental Hotels Group owns, manages, leases or franchises, through various subsidiaries, more than 3,500 hotels and 536,000 guest rooms in nearly 100 countries and territories around the world. The Group owns a portfolio of well recognized and respected hotel brands including InterContinental® Hotels & Resorts, Crowne Plaza® Hotels & Resorts, Holiday Inn® Hotels and Resorts, Holiday Inn Express®, Staybridge Suites®, Candlewood Suites® and Hotel Indigo™, and also manages the world's largest hotel loyalty program, Priority Club® Rewards, with more than 23 million members worldwide. In addition to this, InterContinental Hotels Group has a controlling interest in Britvic, the second largest soft drinks manufacturer in the U.K. For more information, visit www.ichotelsgroup.com.

About Akamai

Akamai® is the leading global service provider for accelerating content and business processes online. Thousands of organizations have formed trusted relationships with Akamai, improving their revenue and reducing costs by maximizing the performance of their online businesses. Leveraging the Akamai Edge Network, these organizations gain business advantage today, and have the foundation for the emerging Internet solutions of tomorrow. Akamai is "The Trusted Choice for Online Business." For more information, visit www.akamai.com.



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