



# WHY LUGGAGE STORAGE STAFFING COSTS SPIRAL AT SCALE

(AND WHY LABOUR BECOMES THE BOTTLENECK)

How manual luggage storage drives up staffing, slows operations, and limits hotel performance.

And how smart locker solutions break the cycle.



RISING LABOUR COSTS



STAFFING BECOMES THE BOTTLENECK



SLOWER GUEST EXPERIENCE



REDUCED OPERATIONAL EFFICIENCY



HIGHER COSTS. LOWER MARGINS.



**SMART LOCKERS.**  
**LOWER COSTS. GREATER CONTROL.**  
**STRONGER PERFORMANCE.**

- ✓ Reduce labour dependency
- ✓ Eliminate queues and hand-offs
- ✓ Improve scalability
- ✓ Deliver a better guest experience



Staff shouldn't be managing luggage. Technology should.



SELF-SERVICE LUGGAGE STORAGE THAT SCALES WITH YOU.

# WHY STAFFING COSTS INCREASE AT SCALE

## 1 LABOUR SCALES DIRECTLY WITH VOLUME

Manual luggage systems require:

- One staff interaction per guest
- Physical handling of each bag

LOW VOLUME



HIGH VOLUME



As volume increases:

- More staff are required
- More hours are needed
- Costs rise proportionally

More bags = more labour = higher cost

## 2 PEAK PERIODS FORCE OVERSTAFFING

Hotels experience intense luggage peaks:

- Morning check-outs
- Early arrivals
- Group movements

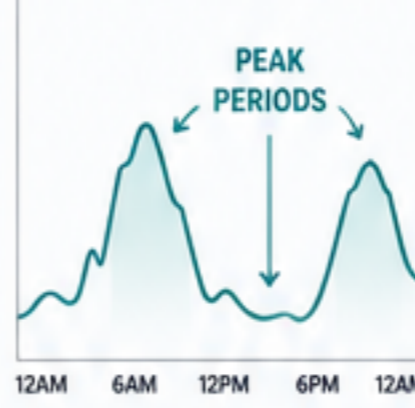
To manage this, hotels must:

- Staff for peak demand
- Maintain excess capacity

This results in:

- Idle staff during off-peak periods
- Poor labour utilisation

DEMAND OVER TIME



PEAK TIME OFF-PEAK TIME



Overstaff to handle peaks, underutilised during off-peak

## 3 DOUBLE HANDLING DOUBLES LABOUR DEMAND

Each bag is handled at least twice:

- Drop-off
- Retrieval

1 DROP-OFF



This creates:

- Two staff interactions per guest
- Increased workload
- Higher cost per bag

2 RETRIEVAL



Two touches. Two staff interactions. Double the labour.

## 4 RETRIEVAL IS LABOUR-INTENSIVE

Collection requires:

- Searching for specific bags
- Navigating disorganised storage
- Verifying ownership

As storage fills:

- Retrieval time increases
- Staff productivity decreases



More clutter = more time = lower productivity = higher cost

## 5 QUEUES CREATE ADDITIONAL STAFFING PRESSURE

When queues form:

- Additional staff are deployed
- Supervisors are required
- Front desk teams are pulled in



This creates a cycle:



More demand → more queues → more staff → higher cost

## 6 ERROR HANDLING ADDS HIDDEN LABOUR COSTS

Manual systems lead to:

- Lost or misplaced bags
- Incorrect handovers
- Guest complaints



This requires:

- Investigation time
- Management involvement
- Additional staff effort

Errors don't just cause frustration—they cost time, staff and money.

## REAL FINANCIAL IMPACT WITH AUTOMATED LUGGAGE SYSTEMS

	BEFORE (MANUAL)	AFTER (AUTOMATED)
<b>1. LABOUR COSTS</b> Reduce significantly	High (\$\$\$\$\$)	Low (\$\$)
<b>2. COST PER BAG</b> Decreases	High (\$\$\$)	Low (\$)
<b>3. STAFFING REQUIREMENTS</b> Stabilise	High & variable (5 staff)	Stable & low (2 staff)
<b>4. OPERATIONAL EFFICIENCY</b> Increases	Low (slow clock)	High (fast clock)
<b>5. ROI</b> Becomes predictable	Unpredictable (flat bar chart)	Predictable (rising bar chart)

**LOWER COSTS. HIGHER EFFICIENCY. PREDICTABLE ROI.**  
Automated luggage systems deliver measurable financial impact at every scale.

## THE BOTTOM LINE

Luggage storage staffing costs don't rise because of poor management.

THEY RISE BECAUSE:

**THE SYSTEM DEPENDS ON LABOUR TO SCALE.**

AT SCALE:



THIS CREATES A COST ESCALATION CYCLE THAT CONTINUES AS VOLUME GROWS.

THE SOLUTION IS NOT TO OPTIMISE STAFFING.

IT'S TO REMOVE LABOUR FROM THE PROCESS ENTIRELY.



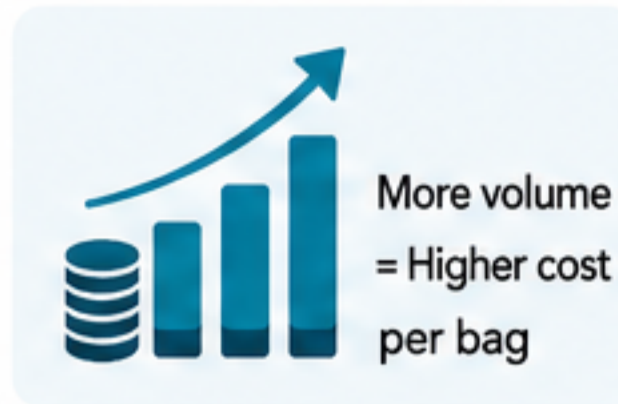
# THE HIDDEN COST MULTIPLIERS



## 1. COST PER BAG INCREASES

As operations scale:

- Handling time increases
- Efficiency drops
- Cost per transaction rises



## 2. MANAGEMENT OVERHEAD GROWS

More staff requires:

- Supervision
- Coordination
- Training



## 3. TIME BECOMES A COST DRIVER

Time spent:

- Handling
- Searching
- Managing queues  
...translates directly  
into labour cost.



## 4. OPPORTUNITY COST

Staff focused on luggage cannot:

- Serve guests
- Improve experience
- Drive revenue



THE REAL COST IS NOT JUST IN LABOUR – IT MULTIPLIES IN MANY INVISIBLE WAYS.

# WHY TRADITIONAL COST REDUCTION STRATEGIES FAIL



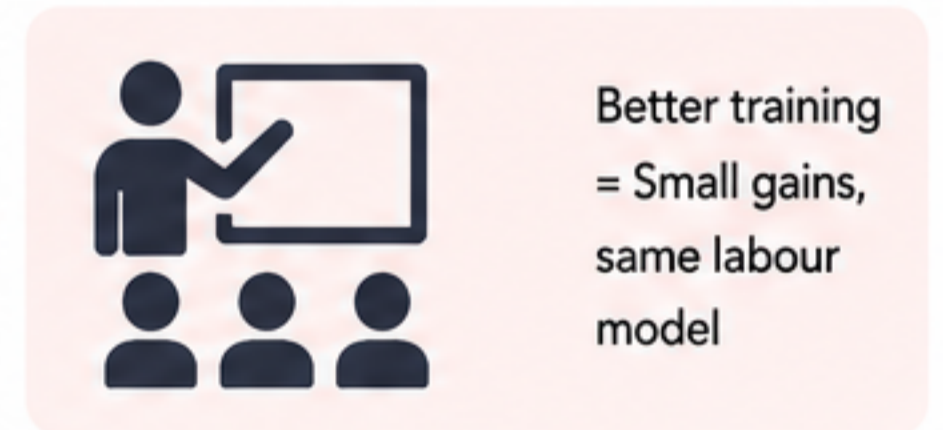
## 1. HIRE MORE STAFF

- Increases cost directly
- Does not improve efficiency



## 2. IMPROVE TRAINING

- Marginal gains
- Does not remove labour dependency



## 3. OPTIMISE STORAGE LAYOUT

- Helps slightly
- Still requires manual handling



## 4. SEPARATE LUGGAGE TEAMS

- Adds structure
- Does not reduce cost



THESE APPROACHES TREAT SYMPTOMS, NOT THE CAUSE. LABOUR DEPENDENCY REMAINS, SO COSTS CONTINUE TO RISE.

# WHY LUGGAGE STORAGE STAFFING COSTS SPIRAL AT SCALE (AND WHY LABOUR BECOMES THE BOTTLENECK)



Luggage storage looks simple. Guests drop bags. Staff store them. Guests collect later. But at scale, this process becomes one of the most expensive hidden costs in hotel operations.



THE MORE LUGGAGE YOU HANDLE, THE MORE STAFF YOU NEED — AND THE MORE **INEFFICIENT** EACH INTERACTION BECOMES.

## THE CORE PROBLEM: LABOUR-DEPENDENT SYSTEMS DON'T SCALE

Luggage storage is built on:



**MANUAL HANDLING**



**SEQUENTIAL PROCESSING**



**STAFF INTERACTION**

At scale:



Labour becomes both the **biggest cost** and the **biggest constraint**.

## THE SCALABLE ALTERNATIVE: AUTOMATED, SELF-SERVICE STORAGE

To control costs, hotels must shift from:



**GUEST-LED**



**AUTOMATED**



**PARALLEL**

**SEQUENTIAL**



## SMART LOCKER SYSTEMS FOR HOTELS

Smart lockers remove labour from the luggage process.



**ELIMINATE STAFF HANDLING**

Guests store and retrieve bags themselves. No manual interaction.



**ENABLE PARALLEL USAGE**

Multiple guests at once. No throughput limits.



**REDUCE COST PER TRANSACTION**

Higher volume without more staff. Lower operational cost.



**REMOVE QUEUE MANAGEMENT**

No waiting. No additional staffing pressure.



**IMPROVE EFFICIENCY AT PEAK TIMES**

No need to overstaff. System scales automatically.



**AUTOMATE LUGGAGE STORAGE. BREAK THE LABOUR CYCLE. REDUCE COSTS. IMPROVE OPERATIONS.**

**vpod** Smart Solutions



Smart locker solutions help hotels break the cycle of rising staffing costs and build operations that scale.



Lower costs



Stronger control



Happier guests



Future-ready operations

# THE HIDDEN COST MULTIPLIERS



## 1. COST PER BAG INCREASES

As operations scale:

- Handling time increases
- Efficiency drops
- Cost per transaction rises



More volume = Higher cost per bag



## 2. MANAGEMENT OVERHEAD GROWS

More staff requires:

- Supervision
- Coordination
- Training



More staff = More management cost



## 3. TIME BECOMES A COST DRIVER

Time spent:

- Handling
- Searching
- Managing queues
- ... translates directly into labour cost.



More time = Higher labour cost



## 4. OPPORTUNITY COST

Staff focused on luggage cannot:

- Serve guests
- Improve experience
- Drive revenue



Lost opportunities = Hidden cost multiplier



THE REAL COST IS NOT JUST IN LABOUR – IT MULTIPLIES IN MANY INVISIBLE WAYS.

# WHY TRADITIONAL COST REDUCTION STRATEGIES FAIL



## 1. HIRE MORE STAFF

- Increases cost directly
- Does not improve efficiency



More staff = Higher cost, not better results



## 2. IMPROVE TRAINING

- Marginal gains
- Does not remove labour dependency



Better training = Small gains, same labour model



## 3. OPTIMISE STORAGE LAYOUT

- Helps slightly
- Still requires manual handling



Better layout = Slightly faster, still labour-intensive



## 4. SEPARATE LUGGAGE TEAMS

- Adds structure
- Does not reduce cost



More structure = More cost, not less



THESE APPROACHES TREAT SYMPTOMS, NOT THE CAUSE. LABOUR DEPENDENCY REMAINS, SO COSTS CONTINUE TO RISE.



## THE SCALABLE ALTERNATIVE: AUTOMATED, SELF-SERVICE STORAGE

Smart locker systems remove labour from the luggage process – delivering measurable financial impact.



**REDUCE LABOUR COSTS**  
Significantly lower staffing needs and operating cost.



**LOWER COST PER BAG**  
Higher volume without more staff – lower cost per transaction.



**STABILISE STAFFING REQUIREMENTS**  
Predictable staffing levels regardless of volume.



**INCREASE OPERATIONAL EFFICIENCY**  
Faster throughput, no queues, better utilisation.



**PREDICTABLE ROI**  
Consistent savings with clear, measurable returns.



# REAL FINANCIAL IMPACT

WITH AUTOMATED LUGGAGE SYSTEMS:

	BEFORE (MANUAL)	AFTER (AUTOMATED)
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 <b>4. OPERATIONAL EFFICIENCY</b> Increases	 Low	 High
 <b>5. ROI</b> Becomes predictable	 Unpredictable	 Predictable



**LOWER COSTS. HIGHER EFFICIENCY.  
PREDICTABLE ROI.**

Automated luggage systems deliver measurable financial impact at every scale.

# THE BOTTOM LINE



Luggage storage staffing costs don't rise because of poor management.

**THEY RISE BECAUSE:**

**THE SYSTEM DEPENDS ON LABOUR TO SCALE.**

**AT SCALE:**

  
VOLUME  
INCREASES



  
STAFFING  
INCREASES



  
COSTS  
ESCALATE



THIS CREATES A COST ESCALATION CYCLE THAT CONTINUES AS VOLUME GROWS.



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