

Marketing for marriott assignment

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MARKETING FOR MARRIOTT INTERNATIONAL Introduction: Marriott is a multi brand company with a Global Portfolio that providing lodging that fit within many market segments. This report will discuss briefly Marriott's Portfolio of hotels, what they do, briefly examine a number of their key marketing strategies and examine how they are implemented, measured and ask the question does this make them market leaders? The final part of this report will try to identify if there are services or products that can be improved upon or a marketing strategy that can be approved or changed.

THE BRAND Marriott International within their respective market segments are one of the largest hotel groups globally. The Marriott brand ranges from 5 star luxury products to 3 star moderately priced lodgings. Samples of Marriott's brands are: JW Marriott Hotels & Resorts (5 star luxury), Marriott Hotels & Resorts (4 Star), Renaissance hotels and resorts (4 star), Courtyard by Marriott (3 star), Residence Inn by Marriott, (long stay lodging) Fairfield inns (basic 2 ??? 3 star lodging) **MARKET SEGMENTS**

Marriott quickly identified that their travellers were becoming more sophisticated in what they wanted and needed, as there are many segments within the hotel industry. Marriott saw the opportunity to cater to these many different requirements, needs and wants. Marriott did this by identifying different lodging requirements, which ranged from 5 star to 3 star and introduced market segments for these needs. Within the hotel industry there are leisure and business travellers. Leisure travellers can fall into demographics ranging from low income to high income households.

This will determine where they will stay while on holiday. A higher income household is more likely to go for luxury, 4-5 Star hotel brands than those on lower incomes where price is a key factor and more moderate accommodation is required ??? It could be argued that Marriott's segmentation caters for all demographics with the brands detailed above. Marriott conduct extensive market research from GSS and the Loyalty Programme (Marriott Rewards) to measure brand awareness, consumer perception of the Brand and track the trends of the industry and the consumer.

From these programmes it enables Marriott to check brand performance against the competition and identifies an added extra for the customer. An example of how this information is used and executed: Marriott created a strategic alliance with Hertz Rental Car early June 2008. This allows guests access to do car rental at hotel level by one of the following services: ??? On-property concession stand or desk, ??? Direct dial lobby reservation phone, or ??? Concierge/hotel staff referrals. This is an added value service that goes above and beyond to meet and exceed customer needs.

There are few hotels groups that appear to have implemented such a dedicated system globally. In addition to this agreement, there are also cooperative marketing initiatives in the areas On-Property Presence, Marriott Rewards, E-Commerce, Marriott Vacation Club and Reservation Call Transfers. (Marriott Global Source Intranet Site, Marketing, International field marketing, hertz rental car partnership, April 26 2007) BRAND MARKETING Marriott have Individual Brand Marketing Plans for the following Business

Segments: JW Marriott International Marriott International Renaissance
Courtyard Executive Apartments

Marriott use Strategic Planning and product positioning for each of these segments that allow them to Drive, Manage, Capture Demand and Generate Loyalty. (Marriott Intranet site, Sales & Marketing, Marketing Plan 2007 /2008) CREATING & MANAGING DEMAND They key objective for Marriott in this segment is to maximise opportunities (Revenue) in each business segment. The Business Segments are: Business Accommodation, and Catering ??? (such as weddings, large diners etc). Marriott would appear to be leading the market by the systems, tools and inventory strategies that are in place and used on a daily basis to create, capture and manage demand.

Training is important to this segment to ensure that the revenue discipline have the most up to date knowledge of technical and revenue management function such as, Revenue Strategy/ Analysis, Business Evaluation and Inventory Management. Marriott use trend analysis that allows them to make better business decisions. An example of trend analysis would be the monitoring of market conditions on a local and regional basis that will affect demand in a positive or negative way.

For example a weekend concert will increase demand to the area, which in turn will show an increase in rate to ensure maximum revenue is achieved during this period, In order to drive and capture demand needs, Marriott use specific distribution and sales Channels, an example of these are: ??? Global Accounts ??? responsible for the entire portfolio of hotels on a global scale.

Account Managers are responsible for driving partnerships and joint initiatives that will give Marriott market share in key business segment and transient, business. Global Sales and Support Services ??? these provide Marriott with the necessary programmes, products and services that position Marriott within the industry as a leading provider. An example of these are, Hotel booking agent training programmes ??? Hotel Excellence and Wholesaler Support Desk. ??? E-Channels- Develop sales and educational programmes by providing incentives to drive preference for Marriott Brands within phone centre and channel staff. This ensures that the most appropriate and effective e-channel partnerships are in place. Any improvements in the operational or automation processes are given full support and training. DISTRIBUTION

Marriott use a number of marketing strategies that are executed in the following channels that create campaigns that will appeal and engage all audiences while reinforcing the personality of the brand. Marriott use a sample of the following: Marketing & Planning, Communications, E-commerce, Marriott Rewards etc. The Marketing Strategy in each of these segments is quite simply to build brand exposure and increase customer loyalty. This is executed by awareness in the brand driven by Public Relations Exercises, integrated communications, regional and national advertising ??? such as Television, Brochures/print, Direct Mailing campaigns.

E- Commerce Marriott appears to be the leader for online sales as total revenue created by this system is 25% (reference) Marriott have created their own online reservation system as there was serious competition from <https://assignbuster.com/marketing-for-marriott-assignment/>

third party internet channels that could also reserve a hotel bedroom (expedia, laterooms, etc). These internet channels are fast growing, taking a large share of hotel room bookings which affects demand for hotels, these third parties also negotiate on lower rates, in addition, hotels have to pay them commission for every room booked, which in turn affects bottom line profit of the hotels. Wikinvest, www.wikinvest.com/stock/marriot_internations 2008) Marriott created Marriott. com and Marriott. co. uk. This was because Marriott decided that stand alone hotel information needed to be greater than just the generic information that can be found on most other websites. Marriott created an interactive site that is highly visual and is easy to use. Marriott also created a very simple but effective online booking tool within the WebPages that allowed customers to not only book a hotel room, but offers different rates, room types and packages.

This information comes directly from the revenue function at each hotel that load rates, packages etc, so the customer receives a better choice of product, could this therefore be the differentiator required to become market leaders. Marriott's Global websites are created, ensuring that they speak to their customers in their own language, and have cultural information and content that is relevant to that country.

Over the years a number of hotel groups (Hilton, Intercontinental) have copied this format, however Marriott continue to update, measure and monitor their internet pages by on property contacts and a strong marketing team that review competitors, undertake research initiatives that ensures the brand is listening to the voice of the customer and ensuring the web

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page(s) are cutting edge. Each Brand also produces marketing for the field in each business and leisure market. This is produced in promotional material ??? such as brochures and flyers etc.

All brands use the GSS (Guest Satisfaction Surveys) programme that identifies and measures key drivers of guest satisfaction and loyalty, which enables them to understand and change areas that the competition are doing better or introduce a service that the competition does not have. This information allows Marriott to keep up to date and meet customer needs and expectations. WHAT CAN BE IMPROVED This section will briefly outline and examine a key area that has potential to add value to the customer from a service and product prospective. This report will identify: Which product /service can be improved?

It will also discuss why this particular area has been chosen and finally, what can be done about to make it more effective THE ISSUE With a few exceptions, unless you live in London where you can get celebrity chefs to endorse your restaurant, there are very few hotels who have customers that are not residents come to dine at the hotel as a destination. Even those Restaurants that have food accolades still struggle to capture a piece of the business that stand alone restaurants have. UNDERSTANDING THE CHALLENGES There are a number of questions that need to be asked, Is there a perception of eating in a hotel restaurant? ??? What is this perception? ??? What can be done to change this perception? ??? Is it just because people do not associate hotels restaurant with going out for dinner? PERCEPTION ??? THE ISSUE Unfortunately the use of a hotel restaurant that you are not staying at does not convey a positive image and it is on most <https://assignbuster.com/marketing-for-marriott-assignment/>

occasions not the first idea you think on when booking for a meal. The Restaurant could market itself as a standalone food and beverage outlet, with its own webpage and contact details and have separate listings and ensure it is distinguished from the hotel.

Re-educate people on the perception of the restaurant, key objective are to educate people to think as an independent restaurant, not a hotel restaurant. Promote the high standards of food that are produced and again re-educate customers that the food is modern, the menus are well thought out, and the choice food is varied and exciting. Encourage and market new ideas and move customers from the perception of a very seventies feel menu??? prawn cocktail and black forest gateau. People are very surprised when they eat inside a hotel restaurant at the quality of the food.

IMPROVEMENTS

The restaurant needs to look at the competition, see what they are doing, are they and why they are so popular, and understand what they do better or could be done better. Identify which demographic you are looking to target and create a marketing strategy around this. Marketing Strategies depend on the market you are looking to connect with, they could be: young single people with a higher disposable income where it is trendy to be seen, is it families where price and quality of food is of importance, or is it the mature customer who will pay a premium for a quality product and expensive wines.

Extensive Market research could also be undertaken to understand fully why hotel restaurants are not a first choice when booking a table for dinner. Once

this has been identified the restaurant can then make the decision of type of food, cost of food, who will use the restaurant more often in other words - where is the biggest area of demand? That will give the biggest return on investment and increase profit.

A direct marketing campaign could be created that will capture the market segment that has been identified; again this has to be in line with the target audience ??? or the market segment. The restaurant should also ensure that the appropriate staff is recruited. By recruiting the right staff and giving them full training in service and delivery this will allow them to develop interpersonal skills and develop a natural aptitude for delivering a first class service. This is important as customers could make judgements on the restaurant partly based upon the staff that they interact with.

Positive interaction should result in a reputation of excellent service delivery which could form a competitive advantage. The restaurant could also introduce a loyalty scheme; this would enable them to build a robust database in which they can further research their target audience, not just for the restaurant but any special offers for the hotel. This scheme could offer incentives to ensure that the guests continue to return. Again this would have to be in line to what the market segment would buy.