

Hyatt



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Executive Summary Hyatt, one of the renowned international hotel chains has expanded their global operation across the world. The strong brand image along with efficient global account management, so far Hyatt has achieved great success in hospitality industry. Their success has created strong position in Asian market owning hotels in more than 10 nations. Even there are maximum of 3 hotels only in India. The mission is to provide authentic hospitality by making a difference in the lives of the people every day.

The focus on this mission in pursuit of goal of becoming the most preferred brand in each segment that serves the associates, guests, and owners. Hyatt supports the mission and goal by adhering to a set of core values that characterizes our culture. Hyatt manages, franchises, owns and develops Hyatt branded hotels, resorts and residential and vacation ownership properties around the world. As of March 31, 2011, the Company's worldwide portfolio consisted of 451 properties.

The hospitality industry in Bangladesh on the other hand is a very new industry specially the niche luxurious and premium hotel services. There are few international hotels operating in Bangladesh but are not sufficient enough to treat the locals and foreigner with same values. Therefore, government's positive signal towards the hospitality industry and successive tourism, have made the business more lucrative for foreign investors. At this point, it is quite predictable that Hyatt Corporation has potential in this not-so-matured hospitality industry with less than 10 actual 5 star hotels.

The environment of operating business for Hyatt seems to be very friendly as there is no fierce competition but indeed there is a potential threat for new comers in such attractive industry in near future. Considering the technical, financial and legal aspects or feasibility of investing in Bangladesh, Hyatt may take benefits of the allowances provided by the government and start their operation based on support and implementation strategy. In such strategy, Hyatt would be able to manage the business more efficiently.

Again, the pursuable headquarter level strategy should be Area or Geographic division structure to control the operations in Asia pacific region denying the existing matrix structure. Such implementation would not only let them succeed but also would allow them create a brand image over the market segment in Bangladesh. Market Segment Analysis Luxurious hotels in Bangladesh occupy a niche market of the hospitality industry. The services provided by the 5 star and 3 star hotels are premium charged. As a result, the customer segment purely contains of the people of upper class and upper middle class.

Another major source of the customer segment is foreign visitors or tourists coming from worldwide. Hyatt Bangladesh's prime focus would be to sustain the excellence of their premium service amongst the richest 20% of the population in Bangladesh and the others from secondary sources of foreign occupants. The above diagram shows the income distribution of Bangladesh and it is also shown that service sector allocates approximately 51% of GDP. So as lucrative new industry, hospitality has a niche yet growing market segment for Hyatt in Bangladesh. Positioning Vs. Resource Based Perspective

Considering the potential of hospitality industry, resource based perspective will not be appropriate as Hyatt provides diversified services along with localization. In such case, positioning based perspective would be the perfect choice for Hyatt. Strategic Group Map and Competitors The Information Technology and global management industry in Bangladesh has become very competitive within a very short time. Many global companies and MNCs have found the country lucrative for future investment. As a result, the incremental foreign operations have established a need for international hotel industries.

Hyatt being one of the specialized international hotels has potential to succeed in the industry of Bangladesh. There are many local and few global hotel and tourism services in Bangladesh. Therefore, there is a high need for specialized hotel services in the booming tourism industry in Bangladesh. A strategic group map of competing companies is shown below (based on geographic coverage): Local| Regional| Global| Price/Quality/Image Regency Hotel Radisson Pan Pacific Sonargaon Hotel Agrabad Hotel Sarina Low High Medium Seagull Hotel Washington Rupashi Bangla Geographic Coverage

Hyatt's Special Resources and Capabilities

Hyatt has few distinctive competencies that are the driving force in their company. Their superior organizational capabilities are generated by their superior personnel. Their recruitment screens out people motivated by money and focuses on people who are motivated by recognition. Hyatt specializes in deluxe hotels with meeting facilities and special services for the business travelers. It operates hotels in major and secondary cities, airport locations, and leading resort areas throughout the world. In many

cities Hyatt has made a significant contribution to revitalizing the area and spurring business and population growth.

With the new hotels it currently has under development, Hyatt International will be creating more than 20, 000 job opportunities throughout the world. Hyatt Hotels ; Resorts have a reputation for the quality of amenities and services provided. These special services include Hyatt Gold Passport, Hyatt's renowned recognition and award program for the frequent traveler; Regency Club and Grand Club, VIP concierge floors; complimentary morning newspaper; specialty restaurants; and custom catering. The Hyatt brand is synonymous with having a global spread of quality holiday resorts and hotels.

This image has been developed by the group over the last 50 years and continues to be fine tuned through the additions of strategically placed resorts and hotel facilities. Individual group facilities and resorts offer guests opportunities to broaden their horizons and rejuvenate. Lobbies and rooms are designed to reflect the best of the local cultures, the food and beverage outlets are inventive, and technology, meeting, and fitness facilities are available. Across the board, standards have been set to attract custom from the premium market end where higher added value can be attained.