

Hotels to the loop

[Business](#)



On the business side the hotel also benefits from its location close to the Chicago loop where majority of the office space is located. The convenient location allows the hotel to capture both market reducing the risk of hotel depending on a particular sector. The hotel also benefit from the nearby Hyatt Regency, because during conventions the Yamaha may receive room night that the Hyatt cannot accommodate.

Another major strength of the hotel is its newly renovated properties. The hotel was newly renovated having reopened In late 2013.

This renovation allow the hotel to Improve and update some of Its faculty to compete with the older hotel located around their. For example the newly renovated lobby Is more appealing to the guest than the one of the older property such as the Weston (built in 1987). However, it should be noted that the hotel building itself is over 50 year old, which lead to some of the downside that will be discussed in the weakness section. Weakness The main weakness of the hotel is its brand.

Although, the Yamaha as a brand is the largest hotel group in the world by property, the Yamaha Grand itself does not eve much publicity in comparison to the other brand in the same level such as the double tree, theMarriott, or the Weston. Therefore, the hotel suffer from lower brand recognition and does have the same level of booking from the central system as the other stated brand. Another weakness of the Yamaha Is Its rating. In comparison to It competitive set the Yamaha Is ranked slightly lower than the other hotel.

The hotel having priced itself in the similar level to four stars hotel, but rank lower at three and half stars hotel.

The customer may perceive the value, as being inferior to the competitor. Also the hotel is a conversion, this put the hotel at disadvantage when compare to entirely new developed property such as the Wit and the Palomar hotel which was recently opened. Threat The hotel is affect by two Industry wide threat of the weather and new property entering the market.

As the hotel is catered toward tourist and business sector, the extreme weather discourage the tourist to vaults Chicago. This weather will lower the room sales In the already slow month of December through to April.

Beside the weather, another major threat to the hotel Is the oversupply of room night In the Chicago market. In 2015-2016, the room in downtown Chicago will increase by at least as rate may need to be discount to compete with the new property.

Opportunities In term of opportunities, the hotel have a potential to improve its performance through focusing on the leisure sector. Currently the city of Chicago is putting emphasis on the tourism sector, especially for the oversea visitors that would stay for extended period of time. The hotel could benefit from this increase in tourism, if proper strategy and promotion is implemented. Recommendation From the analysis, the hotel should really focus on increasing its business in both the convention market and also the leisure market.