

Rosewood case study

Business



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Many companies spend much time and effort in assessing their company's health by looking at their company finances. While this is incredibly important, a company's marketing positioning and efforts should not be overlooked as they are just as critical. Using marketing metrics, we have reviewed the current branding position for Rosewood Hotels & Resorts to determine whether the company should continue their individual branding practices or create a strategy for corporate branding.

After calculating and reviewing the Customer Life Time Value (CULT) we recommend that Rosewood Hotels & Resorts change their current strategy and move to corporate branding across the board as the company will benefit greatly from doing so. With this change in focus, there will be greater brand recognition and loyalty of Rosewood Hotels & Resorts, an increase in revenues and profits and an increased customer base.

Increased brand awareness is a result of corporate branding.

Guests will recognize that Rosewood Hotels & Resorts is the umbrella hotel chain that holds many world class hotels offering unique experiences worth visiting. There is attention for the guests to identify that the brand signifies quality and therefore, customers would benefit and enjoy this higher level of service with any hotel stay under the umbrella of Rosewood Hotels & Resorts. This quality standardization does not mean that the hotels will ultimately lose their individuality.

Rather, the intent is that the service level, promise and mission of all Rosewood Hotels & Resorts is reflected at all properties.

Guests who visit a property in San Francisco can expect that while visiting a property in New York City, both will possess the same standards of quality and level of service even though each hotel is unique in nature and has its own creative flare. The goal is for the consumer to identify with the brand and make an automatic connection of excellence when staying at the various properties. Ultimately, brands are only valuable to businesses because they are valuable to consumers. Because people rely on brands to deliver a consistent level of quality and reliability, they will pay more for a branded product than a generic one, and more for a favored brand than the alternatives. ” (Brown, Mallard, n.) This results in the additional advantage of how the added brand recognition contributes to increases in revenue and profits.

Many will argue that corporate branding involves added expenses in Marketing.

However, the benefits outweigh the associated cost. Shareholder’s value the direct impact that corporate branding has in revenues and profits, and do not give much thought in the investments required to achieve such gains. The more a customer knows and identifies with a brand, the higher the likelihood that the customer will use the brand not only once but also as a repeat customer, as shown in the CULT attached in Exhibit A. In the end, maintaining the customer base and creating repeat customers from that base is more cost effective than bringing in new customers.

The creation of a centralized customer data warehouse collecting guest preferences across the corporate brand will result in customer satisfaction.

This will also increase repeat visits to several properties under the brand umbrella. A strategy for implementation of corporate branding across the notes Ana resorts will increase ten company's customer pool through cross-promotion of other properties. A single property would not see the benefits of this type of promotion with a marketing and promotion strategy of individual branding.

In addition, other properties within the larger brand would not have access to customer information to improve the customer experience. Working as one unit with the collection and sharing of customer data allows for greater knowledge and improvements that the customer can enjoy.

In order to effectively implement a corporate branding strategy, Rosewood Hotels & Resorts would have to take steps to unify the properties through standardization of a set of services and amenities common across their hotels and resorts.

In addition, a centralized system for customer data would be implemented to ensure positive customer experiences for all guests visiting a Rosewood Hotels & Resorts property. Working with the individual property management teams, a consistent customer service model would be followed and implemented through training supported with corporate manuals describing excellence in service delivery. In addition, to ensure the umbrella brand be branded with the individual property names, a common badge for all employees with the Rosewood Hotels & Resorts logo would be required.

The brand would also physically be present in marketing collateral and brochures as well as, signage on the property. A thorough analysis and plan

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would have to be created so that a systematic and detailed approach to the implementation of the corporate branding initiatives among properties would remain consistent and timely.

The recommendation to implement corporate branding would continue to be the preferred strategy because the difference of the total NP of the CULT would still lie positive gains resulting in greater revenues for the Rosewood Hotels & Resorts.

As indicated above, the implementation of a corporate branding strategy will result in an increase to the company's customer base as they already have a pool of potential customer's for other properties. This not only influences the retained customer cofflaws, but the retention rate as well. In our CULT calculations, we show a 10% increase in consumer retention using corporate branding vs..

Individual branding. The result is increased revenue and profits for Rosewood Hotels & Resorts.