

Rosewood hotels and resorts



**ASSIGN
BUSTER**

Rosewood Hotels & Resorts, a private luxury hotel management company running a collection of 12 individually branded hotels and resorts across multiple countries, is wondering how to increase cross-property stays and increase lifetime customer retention. The luxury hotels under Rosewood follow individual branding which provides freedom and a sense of uniqueness—but without the support of a major affiliation and it is also tailored to the local community and culture.

The major issues faced by Rosewood are: 1. Assessing whether the potential economic benefits from increased guest retention can outweigh the one million marketing investment needed to implement the corporate branding strategy. 2. Rosewood has always allowed its hotels to stand out as unique brands while it itself remained a muted sub brand. Owing to market competition, Rosewood is rethinking its marketing strategy and looking at a shift from individual branding to corporate branding as an option. 3.

Rosewood needs to market the brand in such a way that distinctiveness of the individual property is not lost. This is an issue as most customers identify with the original, unique brand and there is low awareness of Rosewood as a brand name. This might lead to disassociation of the existing customers with the hotels. 4.

Multi property visits are the main target of the Rosewood Company which right now is at very low at 5%. The recommendations for Rosewood are: 1. Most of the hotel managers would be averse to the idea of their hotels being shifted under a parent brand. Financial incentives for the hotel managers to

cross-sell properties rather than relying purely on the marketing and advertising of the Rosewood name would be a good idea. 2.

Also, incentives should be present for the travel agents to push more Rosewood properties to their respective clients. 3. The company should also shuffle hotel employees between different Rosewood properties so that they could help increase cross-selling by engaging in word of mouth publicity of the particular property. 4.

A customer database should be maintained using CRM or other IT tools to keep track of comprehensive guest profiles which could be pushed across Rosewood properties to expand the company's customer preference program. 5. The brand of Rosewood should not superimpose the individual brand names of the hotels till it has been properly developed and has achieved enough customer exposure. The Rosewood brand should target setting up more hotels and leave the existing one untouched as of now. After its promotion as a standalone brand, it should start putting in their brand name and logo beside the existing ones of hotels like Carlyle and Mansion of Creek, but it should be projected side by side and not instead of. Building brand equity should be the first priority of Rosewood.

The best solution proposed by me should be to first build and strengthen brand Rosewood and build brand awareness, loyalty, quality and association to the brand. As per the CLTV, it is seen that Rosewood's Net Present Value is higher if it goes for corporate branding. So it should look at ways to achieve it, through event promotion and advertisements, service

standardizations across all hotels and locations, reshuffling staff across the properties and also promoting customer loyalty.