

Sample essay on brief description of products and services

[Business](#), [Marketing](#)



Marketing at A. R. I

Introduction

Hospitality is one such industry that depends largely upon the marketing initiatives. Since most of the companies in this sector provide more or less the same kind of services, the marketing and promotional efforts a particular company can go a long way in ensuring that it has a competitive advantage over others. It is vital for any hospitality company to create a comprehensive and detailed marketing plan based on its target markets and long term objectives. This marketing plan is necessary to create a win-win situation for the company as well its customers. This case deals with the marketing activities of American Resorts International, or ARI, which is an international holiday network that is based in Oak Brook Illinois.

It is a hospitality company that provides various holiday options in different locations to its customers. The members of American Resorts International can choose from four different five star destinations, which are in Austria, Antigua and Netherlands Antilles (My Resort Network, 2014). Two of its resorts are located in Austria; one is in Antigua and one in Sint Maarten in the Netherlands Antilles.

As per American Resorts International, its resorts provide best in class amenities such as restaurants, kitchen, laundry services, television, outdoor swimming pool, whirlpool spa, and other facilities. The rooms are divided into different categories such as studio apartments and 1- or 2- bedroom luxury suites. The resorts in Austria include Aplenland Sporthotel & St. Johann I Pongau in Salzburg and the Maria Alm resort in Maria Alm. The first one is

located in Austria's prime Ski area, and it offers amenities such as four different restaurants, nightclub, saunas, and gym. It also offers some irresistible attractions such as skiing, climbing and hiking. Maria Alm resort is a chalet style resort and is perfect for swimming and water skiing (My Resort Network, 2014).

Market Analysis and its size

If we look at the overall hospitality market in America, we see that it is one of the most prominent parts of the overall travel and tourism industry.

Hospitality sector is generally divided into accommodations, food services, recreations and attractions. Let us have a look at these subsectors (Travel, tourism and hospitality, 2013).

- Accommodations: This is the biggest part of the hospitality sector and consists of about 19 percent of the total travel industry revenues. ARI needs to consider this factor, and it needs to place importance on improving its accommodation facilities. It already has four great resorts, it needs to further improve and add new services that can give it an edge over its competitors.

- Food services: This subsector contributes around 16 percent of the total travel industry revenues. ARI needs to effectively market this aspect while promoting its resorts. After all, good food is one of the very important reasons why people go on vacations!

- Recreation and attractions: This is one of the less significant subsectors. Although small, it still comprises of about 10 percent of the total travel revenues in America. ARI needs to advertise recreation facilities such as

skiing, swimming, hiking and mountain climbing that its group of resorts have to offer.

Demographic Analysis

As per the U. S. travel answer sheet (Travel, facts and statistics, 2012), it is important to note some of the recent demographic trends that can be helpful for ARI.

- The number of adults travelling with their children has been going down over the years.
- Nearly eight in ten leisure trips were by automobile as compared to air travel.
- Leisure travellers are older than business travellers. This is one of the most important demographic information for ARI. The average age of a leisure traveller is around 47. 5 years.
- People who travel for leisure have a higher household income as compared to those who do not travel. They generally belong to the upper middle class income groups.
- Travellers have started relying on social media and mobile devices while planning their trips. In 2012, about 23 % of the total leisure travellers took advice from their friends in order to plan their trips, while about one third made decision based on their past experiences, and about 9 % used websites to book their holidays.

Competitor Analysis

If we look at the larger picture, we can say that the kind of market in which ARI is operating, everyone who is present in the resort business is its

competitor. In today's globalized world, it is very easy to make a choice just by sitting in front of a laptop with an internet connection. Some of the best resorts in America include brands such as MGM, Ritz Carlton, and Hyatt Regency and so on. The list is endless! ARI needs to take cognizance of the fact that it is operating in an industry where players need to operate on a specific competitive advantage, if they have to sustain in the market. ARI needs to find its own competitive advantage and concentrate on strengthening it further. The competition will keep on increasing, but its competitive advantage would make sure that ARI is able to sustain itself in the hospitality and leisure market.

Market Strategies that will be used for introduction of services

Based on the above situation and its analysis, we are now in a position to create specific marketing strategies that would ensure that ARI is able to effectively introduce its services and products to its target consumers. Let us have a close look at these marketing strategies:

- Pricing: Considering the market size and by analysing the kind of competition it faces, one can easily infer that in order to sustain in the market, ARI needs to adopt a competitive pricing strategy, where its packages offer several group discounts, rebates and gift vouchers. If it tries to set a high price for its resort packages, then it needs to compete with players like MGM and Ritz Carlton. It would be extremely difficult for ARI to sustain itself against these giants. So, the best pricing strategy is to keep the price competitive and offer several discounts based on the number of bookings. This can be a source of a competitive advantage for ARI. It can

become a low cost –high volume player of the hospitality sector.

- Promotion: In order to focus and decide on this particular strategy, the company needs to go back to its demographic analysis. As per the analysis, it was seen that most of the leisure travellers were above 47, most of them belonged to upper middle class income groups and most of them travelled by car.

As per the trend, ARI needs to target elderly couples with promotion vehicles such as print advertisements in news papers, gigs in local radio channels, malls, shopping centres and display boards. It can also send mailers and make phone calls to its previous customers, and offer them additional discounts and membership benefits. One of the best promotional schemes would be to start a referral program, where a person who refers any one would get additional discounts during the next holiday. These efforts would ensure that ARI targets its potential and existing customers with appropriate messages. Also, the company must keep on advertising itself on timeshare networks such as ‘ My Resort Network’ (My Resort Network, 2014).

- Distribution: The distribution of its services should be done based on the effective balancing of various distribution factors such as proximity to the customer, ease of distribution, availability of the service and choice of distribution. Apart from distribution through its affiliate website, ARI needs to focus on developing a good social media presence, since many people have started making their decisions on social media. Also, it needs to open more customer branches in U. S. in shopping malls and movie theatres, where it can effectively target its potential customers.

- Sales Support: Sales support is the backbone of any marketing initiatives;

they are the face of the company and play a crucial role in determining the customer's satisfaction levels. ARI must focus on developing its sales support team. It must create a 'sales support chat team', which can answer queries of potential customers as soon as they log on to the website. If the query is not resolved, there must be a facility where both potential and existing customer can call and give their feedbacks and requirements. Apart from this, a dedicated sales team is needed to see that the customers do not face any issues during their vacations, and provide them with all the necessary details along with the local contact information.

Conclusion

In today's world of cut throat competition, it is extremely important for a hospitality company like ARI to develop a niche market by focusing on its competitive advantage. In order to sustain in the market and compete with players of different sizes and reputations, it is extremely important for ARI to develop and follow a comprehensive marketing strategy.

References

My Resort Network (2014) American Resorts International Holiday Network in Oak Brook. Retrieved April 10, 2014 from [www. myresortnetwork. com](http://www.myresortnetwork.com)

U. S. Travel Association (2012) Travel Facts and Statistics. Retrieved April 10, 2014 from [www. ustravel. org](http://www.ustravel.org)