

# Analyzing value net for omni hotel and resort

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s – The Texas hospitality industry generated \$14.2 billion to the Texan economy with over 12.7 million visitors annually in it also employed over 120,000 workers that received over \$2.5 billion in wages (Hantext, 2011). The customers must be the top priority of the company. Due to its luxurious facilities Omni Hotels targets both individual and corporate clients. The individual customers targeted by the company are middle and upper level social class members. The customers can create value for the firm in a variety of ways. A way the customer can create value for Omni Hotels is through word of mouth advertising. Customers that are satisfied with their experience are highly likely to tell their friends about it. A second way customers could add value to the firm is by becoming recurrent customers of the company.

Rivals – The company faces competition from direct and indirect rivals. All four and five star hotels in Texas are direct competition of Omni Hotels. Homes that rent their facilities for short monthly contracts are an indirect competitor of the firm as well as condos. Three direct competitors of Omni Hotels in the Corpus Christ marketplace are Days Inn Beach, Radisson Hotel, and Knights Inn. The rivals of the company represent a threat to the business organization. Omni has over 50 hotels across the United States (Omnihotels, 2011). The Corpus Christi hotel can add value and turn this threat into an opportunity by forming marketing alliances with other competitors. All the registered hotels in Corpus Christi can form a cash pool to advertise the region to tourist inside and outside of the United States. Such an initiative would increase the total tourism money that the region receives which would benefit the entire hospitality industry.

Suppliers – In the hospitality industry suppliers have little power over hotels. Hotel chains such as Omni enjoy several competitive advantages including power to buy in bulk and take advantage of economies of scale, high variety of supplier options, and greater brand value than their suppliers. Several key suppliers that Omni Hotel must emphasize include food suppliers, cleaning suppliers, and bathroom supplies. The food suppliers are instrumental toward the success of hotel operated restaurants. Tourists are willing to pay a premium prices as long as they receive superb service and quality food. The organization can add value in its supply acquisition by advertising to the customers that they can take for free any supplies in from the room such as towels, soaps, etc.

Partners – As a major player in the tourism industry Omni Hotels has to cooperate with other members of the local tourism industry to booster the sales of its partners and increase the level of service the hotel provides its customers. The company must form alliances with local water sports vendors that rent water vehicles to the tourists in the area. It is cheaper for the hotel to refer its customers to these specialize vendors than to buy and rent the equipment to the customers themselves. Other alliances that Omni must form are with the best restaurants in town. Due to the high gross margins in the restaurant industry Omni Hotel could negotiate a referral fee with the local restaurant owners. A third source of partnership that the Hotel has to obtain is connections with local tour guides. The company could pay the licensed tour guides a standard fee on a per customer basis. The three partnerships mentioned in this discussion can help Omni Hotel add value to the clients. Forming these types of partnership is mutually beneficial for

everyone due to the fact that Omni Hotel would negotiate preferential prices for its customers. From the perspective of the hotel the partnership helps the firm improve the quality and scope of its customer service.

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