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***A comparison of the marketing
methods of two multinational hotel brands***

***Marketing Essentials BMIH4005
Group D***

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The purpose of this essay is to compare and contrast the marketing methods of two multinational hotel brands - Six Senses and Holiday Inn, which cater to distinct market segments despite being part of the same parent company, InterContinental Hotels Group (IHG).

A detailed understanding of their respective marketing strategies offers valuable insights into how multinational hotel chains can segment their market, position their brands, and tailor their marketing efforts to attract and satisfy different customer profiles.

The comparison between Six Senses, a luxury wellness-focused brand, and Holiday Inn, an accessible, family-friendly brand, illuminates how positioning, messaging, and marketing tactics can vary widely within the same industry. These disparities reflect the brands' alignment with their target markets' needs and expectations.

Analysing these contrasting strategies can also provide vital lessons for other businesses in the hospitality industry or other sectors with diverse customer bases. These lessons can range from how to differentiate brands under a single corporate umbrella to tailoring the marketing mix to suit specific customer segments.

The essay will contribute to a deeper understanding of strategic marketing and brand management in the global hospitality sector. It will also serve as a reference for practitioners seeking to refine their marketing strategies or for academics exploring the dynamics of brand management and marketing in the context of multinational hotel chains.

Six Senses, part of the IHG Hotels & Resorts portfolio, specializes in luxury resorts and spas, setting itself apart through a focus on wellness, sustainability, and unique experiences in exclusive, often remote, locations. The brand aims at the higher-end market, targeting affluent consumers who appreciate the intertwining of luxury and environmental consciousness (Tussyadiah & Fesenmaier, 2009).

On the other hand, Holiday Inn, also under IHG, is a widely recognized name in mid-scale hospitality. Providing comfortable and affordable accommodations, it appeals to a broad audience, encompassing both business and leisure travellers who appreciate value for money and convenience (Law, Buhalis, & Cobanoglu, 2014).

By comparing these distinct brands, we aim to understand how different target audiences and brand positions shape marketing approaches, offering important takeaways for other businesses in the hospitality industry.

The assumed marketing strategies of Six Senses and Holiday Inn reflect their target customer bases. Six Senses, given its focus on wellness and sustainability, likely targets wealthy individuals seeking unique, luxury experiences, possibly skewing older (Hwang & Lyu, 2020). Holiday Inn, with its emphasis on affordability and reliability, possibly appeals more to younger generations and budget-conscious travelers (Kim & Perdue, 2013).

We predict that the exploration of these strategies will confirm these assumptions.

We'll compare the brands using key marketing frameworks, particularly the 7Ps marketing mix (Booms & Bitner, 1981), segmentation, targeting and positioning (STP) strategy (Smith, 1956), and SWOT & PESTLE analyses (Kotler & Keller, 2016). These frameworks will enable a comprehensive evaluation of each brand's marketing approach.

A SWOT and PESTLE analysis can provide a comprehensive understanding of both Six Senses and Holiday Inn's internal and external environment.

****SWOT****: Six Senses may have strengths in unique luxury offerings and a strong commitment to sustainability, while weaknesses might be higher prices and limited accessibility. Opportunities could include the growing demand for eco-tourism and wellness tourism, while threats could stem from the economic uncertainty affecting the luxury travel sector (Buckley et al., 2019).

Holiday Inn, on the other hand, has strengths in its wide geographic reach and affordability, with weaknesses perhaps in less distinctiveness compared to luxury or boutique brands. Opportunities might arise from the growth of budget-conscious travelers, and threats might emerge from intense competition in the mid-scale segment (Ivanov & Webster, 2017).

****PESTLE****: Both brands face similar external factors, like technological advancements in booking systems and customer service (Sigala, 2017), and changing travel patterns due to socio-economic factors (Scott & Laws, 2006). However, Six Senses may be more affected by environmental regulations due to its sustainability focus.

A comparison of Six Senses and Holiday Inn through the lens of the 7Ps marketing mix (Product, Price, Place, Promotion, People, Process, Physical evidence) could present as follows:

Six Senses offers high-end, unique experiences (Product), at a premium price point (Price), in exotic locations (Place). Their promotion highlights luxury, wellness and sustainability (Promotion). They employ skilled and hospitable staff (People), provide a seamless booking and service process (Process), and physical evidence is presented in their luxurious amenities and beautiful surroundings (Physical Evidence) (Chen & Prebensen, 2017).

Conversely, Holiday Inn offers comfortable, reliable accommodation (Product), at an affordable price (Price), in numerous convenient locations (Place). Their promotion emphasizes value, reliability, and consistency (Promotion). They prioritize friendly, efficient service (People), ensure a smooth reservation and stay process (Process), and their physical evidence includes clean, standardised rooms and facilities (Physical Evidence) (Lashley, 2015).

The brands' marketing mix confirms our initial assumptions about their target markets and positioning strategies.

The customer segmentation, targeting, and positioning (STP) of Six Senses and Holiday Inn differ significantly in line with their unique brand strategies.

Six Senses segments its market by psychographics and income, targeting high-income individuals seeking luxury, wellness-focused experiences (Manhas et al., 2016). Its positioning as an eco-luxury resort brand sets it apart from other luxury hotel brands, aligning with the situational trend of increasing interest in sustainable tourism (Budeanu et al., 2016).

Holiday Inn, meanwhile, focuses on demographic and geographic segmentation, targeting middle-income travellers, both business and leisure, who value comfort and convenience (Zhang et al., 2011). Its positioning as a reliable and affordable hotel brand situates it within a competitive market segment, which we've observed through the SWOT and PESTLE analysis.

These findings align with our marketing mix analysis and confirm the initial assumptions regarding each brand's distinct target markets and positioning strategies.

The thesis that Six Senses targets high-income individuals seeking luxury, wellness-focused experiences, while Holiday Inn targets middle-income travellers, both business and leisure, who value comfort and convenience, has been confirmed by the analysis. Both brands' marketing strategies are well-aligned with their respective target segments and positioning, as expected from established, successful hotel brands (Jones et al., 2018; Xiang et al., 2017).

We analysed the marketing strategies of Six Senses and Holiday Inn using various marketing frameworks. The analysis confirmed that Six Senses caters to a high-income, luxury-seeking clientele, with a unique focus on wellness and sustainability. Holiday Inn, meanwhile, targets middle-income travellers, providing reliable and affordable accommodation across numerous locations globally. Both brands leverage the 7Ps marketing mix, segmentation, targeting and positioning, and situational analyses to cater to their specific target markets effectively, demonstrating a strong alignment between their brand strategies and marketing activities.

An interesting revelation is the marked difference in the branding and marketing strategy between two brands within the same parent company, IHG. It presents a unique case of how a single corporation successfully caters to different market segments by maintaining distinctly positioned brands.

Our comparison has revealed how distinct branding and marketing strategies can be effectively implemented within the same parent company to target different market segments. This finding itself suggests several areas of further exploration:

1. **Consumer Perception and Brand Loyalty**: While the broad marketing strategies of both brands have been analysed, a valuable extension to this study could be understanding the consumer perception of these brands and how it translates to brand loyalty. It would be beneficial to understand how consumers perceive the value delivered by Six Senses and Holiday Inn, and how this perception influences their loyalty to the brands.

2. **Impact of Emerging Market Trends**: The market trends of experiential travel, digital transformation, and sustainability are increasingly important in the hotel industry. Future research could delve into how Six Senses and Holiday Inn are adapting their strategies in response to these trends. Such a study could shed light on the effectiveness of their responses and provide an indication of their future success.

3. **Workplace Culture and Brand Alignment**: Another intriguing aspect that future research might explore is the correlation between the brands' internal culture, employee engagement, and external marketing strategies. It could be insightful to understand how employees at Six Senses and Holiday Inn perceive their brands and to what extent this aligns with the brand image portrayed to customers.

4. ****Influence of the Pandemic and Post-Pandemic Travel Trends****: The Covid-19 pandemic has dramatically altered the global tourism and hotel industry. Future studies could explore how these two brands have adapted during the pandemic and are strategizing for the post-pandemic era. Topics could include changes in their marketing strategies, modifications in their services, and their plans to attract and reassure customers in a post-pandemic world.

5. ****Digital Marketing Strategies****: Given the increasing significance of digital platforms in marketing, a comprehensive evaluation of the brands' digital marketing strategies can be a crucial area for future research. This analysis could focus on their use of social media, search engine optimization, content marketing, and online customer engagement strategies.

These explorations could further enhance our understanding of branding and marketing strategies in the hospitality industry and how hotel brands can adapt to changing market dynamics and consumer preferences.

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