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Module: Marketing Essentials (BMIH4005)
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Introduction

This Marketing plan aims to create a communication strategy for Hilton Hotels, Identifying a marketing opportunity in the current climate.

The Plan intends to establish a competitive advantage over its rivals by addressing the hotel's strength, weaknesses, opportunities, and threats.

The goal is to enhance customer satisfaction and loyalty to increase revenue and profits.

It targets Hilton Hotel's senior management team, investors, and shareholders, and employs frameworks like SOSTAC, 4'Ps, Bowmans, and PESTLE analysis to formulate strategies and tactics that align with the hotel's objectives. – (Kotler, P., & Armstrong, G. (2022))

Situation Analysis

To develop an effective marketing plan, it is essential to conduct a comprehensive situation analysis to identify internal and external factors that may influence Hilton Hotel's marketing activities. – (Aaker, D. A., & McLoughlin, D. (2010))

Company

With 6,000 hotels in over 100 countries, Hilton is a leading global hotel brand known for premium quality and a strong reputation. Yet, with intense industry competition, Hilton must seek out new growth prospects.

- Strengths: Brand recognition, Established management team, Customer loyalty, Strong financial position
- Weaknesses: High prices, Limited differentiation, Lack of diversity in services, High dependence on a few markets
- Opportunities: Expansion in emerging markets, Increased demand for eco-friendly services, Introduction of new services, Strategic partnerships, and collaborations
- Threats: Intense competition from other hotels and lodging providers, Economic downturns, Political instability, Changing consumer preferences and trends

Customers

Hilton caters a wide variety of customers such as individuals travelling for business or leisure, families, and groups. The company segments customers based on variety factors such as demographics, behaviour, or psychographics. The primary customer profiles for Hilton Hotels include luxury travellers and business travellers.

Competitors

Hilton Hotel faces high competition in the hotel industry, including from other global hospitality brands, such as Marriott and Hyatt as well as from local and regional hotels and accommodation providers.

Hilton's market position, compared to its competitors, is shown on a perceptual map based on two factors: luxury and price.

Collaborators

Hilton has a strong relationship with third-party booking platforms, such as Booking.com and Expedia. Furthermore, has partnership with airlines and travel agencies to offer bundled packages and promotions.

Climate

PESTLE analysis examines the macro-environmental factors that can impact Hilton Hotel's business. – (Hill, C.W.L. (2012))

Political – Travel restrictions and regulations and Government policies on tourism and hospitality

Economic – Economic recession and unemployment and Changes in consumer spending patterns.

Social- Demographic changes and shifts in consumer preferences in lifestyles.

Technological – Advancements in technology, such as online booking platforms and mobile apps and Changes in communication and marketing channels.

Legal – Changes in labour laws and regulations and Intellectual property and copyright laws.

Environmental – environmental regulations and sustainability concerns and natural disasters and climate change.

Objectives

The marketing plan for Hilton Hotels aims to increase customer satisfaction, loyalty, revenue, and profits by implementing targeted strategies and tactics that address the hotel's strengths, weaknesses, opportunities, and threats, while leveraging frameworks such as SOSTAC, 4Ps, Bowmans, and PESTLE analysis to achieve SMART targets.

Strategy

Hilton Hotels differentiates itself by offering luxury amenities and personalized experiences for diverse customer segments. Their value proposition centres around providing premium quality services that offers a memorable and comfortable stay. Hilton aims to communicate this through targeted advertising, social media promotions, and leveraging its reputation for outstanding customer service. They will deliver on their value proposition by investing in employee training, maintaining high cleanliness and maintenance standards, and using technology to enhance the guest experience. Linking their value proposition to customer segments will help Hilton better target and position itself in the market, tailoring services to meet specific needs. This approach can help Hilton differentiate itself from competitors (Abbott, A. (2022)) and position itself as a leader in the hospitality industry. Overall, Hilton's value proposition aims to provide a diverse range of customer segments with an exceptional experience that exceeds their expectations.

Tactics

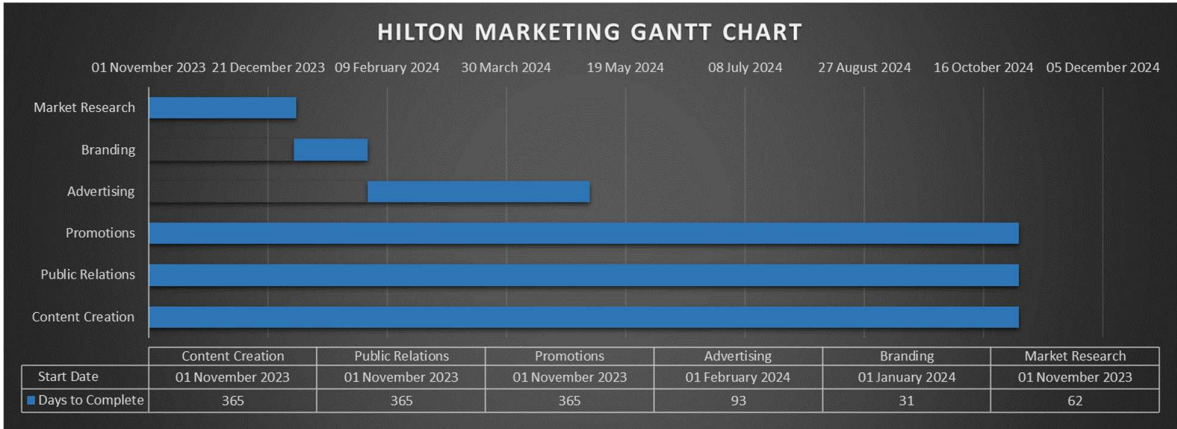
Hilton Hotels is a premium hospitality brand that provides guests with a luxurious experience and personalized services (*Benefits and member tiers with Hilton Honors (2010)*). Their rooms are designed to cater to the needs of both business and leisure travellers and are equipped with modern amenities. In addition to accommodation, Hilton Hotels also offer guests an array of dining options, fitness centres, spas, and other services designed to enhance their experience. Hilton Hotels' reputation for exceptional customer service has earned them high ratings, and they continue to maintain this by providing guests with high-quality services.

Hilton Hotels are in prime locations (*Hotel locations (2010)*) in major cities and tourist destinations worldwide, making them easily accessible to customers. Customers can locate Hilton Hotels through various channels such as online travel agencies, the hotel’s website, and direct bookings. The website provides a user-friendly platform where customers can view the hotel’s features and amenities, room types, pricing, and make bookings. Hilton Hotels also have partnerships with airlines and travel agencies, making it easier for customers to book their stays.

Hilton Hotels use a pricing strategy (*research-methodology (2016)*) linked to market research and customer value. They offer a variety of price points for visitors depending on their needs and budget, taking into consideration local market demand, season, and competition. During peak seasons or major events, Hilton Hotels may charge higher prices due to high demand. Conversely, during off-peak periods, they may offer discounted rates or promotional packages to attract customers. Pricing is communicated through various channels such as the hotel’s website, online travel agencies, and promotional offers.

Hilton Hotels use a variety of advertising (*First Global Brand Platform (2022)*) strategies to reach their target audience. They leverage social media platforms such as Facebook, Instagram, and Twitter to promote their hotels and services and engage with their customers. They also use email marketing, search engine optimization, and content marketing to reach a wider audience. The RACE communications mix is a key strategy used by Hilton Hotels to ensure that their advertising campaigns are effective in reaching and engaging customers. This involves creating engaging content, leveraging influencers, and using data analytics to optimize their advertising campaigns.

Action



Hilton Hotel's marketing plan involves conducting 2 months of market research, developing a brand identity in 1 month, launching a 3-month advertising campaign across various channels, ongoing promotions to attract and retain customers, executing a public relations strategy to build and maintain the hotel's reputation, and ongoing creation of high-quality content such as blog posts, social media updates, and videos to engage customers and increase brand awareness.

Control

The success of Hilton Hotels can be measured through metrics such as an increase in new customers, positive attitudes towards the brand, and an increase in profits. These measures can be assessed through customer satisfaction surveys, online reviews, social media engagement, and financial reports. By analysing these metrics, Hilton Hotels can evaluate the effectiveness of their marketing strategies and make necessary adjustments to achieve their goals in the competitive hospitality industry.

Conclusion

The challenges in the marketing plan for Hilton Hotels include increasing competition in the hospitality industry, changing customer preferences and behaviours, and the impact of the COVID-19 pandemic on the travel industry. To overcome these challenges, Hilton Hotels can focus on enhancing their digital marketing efforts, leveraging customer data to provide personalized experiences, and adapting to new trends and demands in the industry. Additionally, they can implement safety protocols and procedures to ensure the safety and comfort of their guests during the pandemic.

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Appendix



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Company

The purpose of the marketing plan is to increase the revenue and market share of Hilton Hotels by 10% within the next year.

S

Strength

- Established brand
- High-quality service
- Strong loyalty program.

W

Weaknesses

- Limited presence in some key markets
- High prices.

O

Opportunities

- Growing demand for luxury hotels
- Increasing use of technology in the hospitality industry.

T

Threats

- Intense competition from other luxury hotel chains
- Changing consumer preferences and behaviors.

Customers

Hilton's Customer Segments:

- ❖ Individuals traveling for business or leisure
- ❖ Families
- ❖ Groups

Primary Customer Profiles:

- ❖ Luxury travellers
- ❖ Business travellers



Competitors

HYATT®

IHG
HOTELS & RESORTS

MARRIOTT

Collaborators

Expedia

Booking.com



Climate

P	<i>Political</i>	Travel restrictions and regulations and Government policies on tourism and hospitality
E	<i>Economic</i>	Economic recession and unemployment and Changes in consumer spending patterns.
S	<i>Social</i>	Demographic changes and shifts in consumer preferences in lifestyles..
T	<i>Technological</i>	Advancements in technology, such as online booking platforms and mobile apps and Changes in communication and marketing channels.
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E	<i>Environmental</i>	Environmental regulations and sustainability concerns and natural disasters and climate change.

Objectives

Specific

Increase hotel bookings by 10% for the next quarter

Achievable

Implement targeted marketing campaigns to drive bookings and offer competitive pricing

Measurable

Track the number of hotel bookings made during the quarter

Relevant

Increasing hotel bookings will lead to higher revenue for Hilton

Time-bound

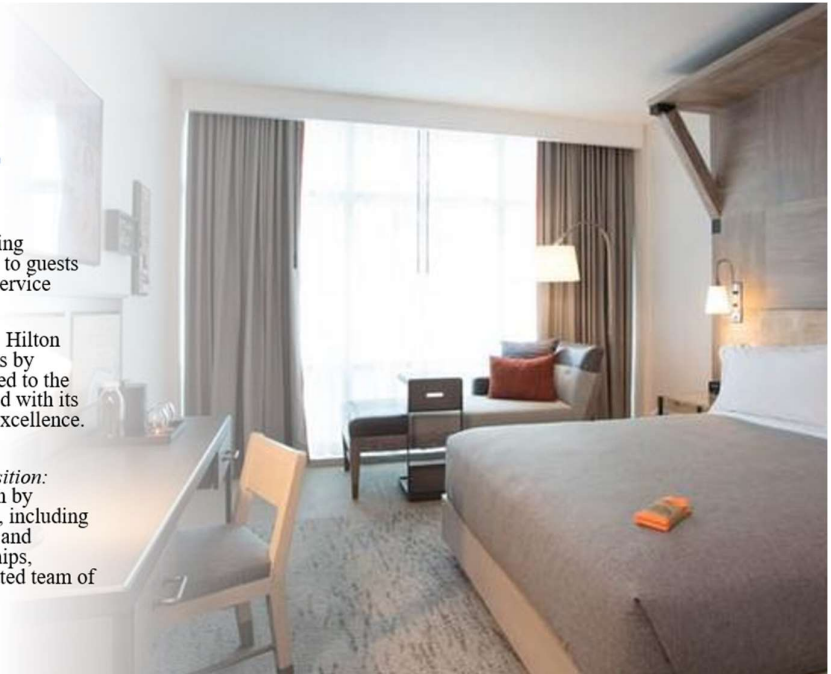
Achieve the 10% increase in hotel bookings by the end of the next quarter

Strategy

- *Hilton's value proposition:* Offering luxurious, personalized experiences to guests with a commitment to exceptional service

- *Differentiation from competitors:* Hilton differentiates itself from competitors by providing unique experiences tailored to the needs of individual guests, combined with its global presence and reputation for excellence.

- *Approach to deliver value proposition:* Hilton delivers its value proposition by focusing on key customer segments, including luxury travelers, business travelers, and families, through strategic partnerships, innovative technology, and a dedicated team of hospitality professionals.



Tactics

- Pricing Strategy:
 - Dynamic pricing based on demand
 - Loyalty program with discounts and exclusive offers
- Advertising:
 - Digital marketing campaigns targeting specific segments
 - Sponsorships and partnerships with major events and organizations
- Promotion:
 - Seasonal promotions and packages (e.g., holiday deals, spa packages)
 - Referral programs to incentivize customers to refer friends and family

These tactics have helped Hilton Hotels to effectively reach and attract their target customers, increase brand awareness, and drive revenue growth.



Conclusion

- Hilton Hotels' value proposition centers on offering a unique, luxurious experience to its guests that sets it apart from competitors.
- The marketing plan's SMART targets focus on increasing brand awareness, driving customer loyalty, and boosting revenue.
- Hilton Hotels' marketing tactics include targeted pricing strategies, strategic advertising, and promotions to attract and retain customers.

• Next Steps:

- Implement and monitor the marketing plan's tactics to achieve the SMART targets.
- Continuously analyze and assess the plan's effectiveness, adjusting as needed to ensure its success.
- Explore opportunities for further growth and expansion of Hilton Hotels' market share.