

Comparison of Shangri-La Hotel Group Hotels & Travelodge Hotels

Financial Management for the Hotel Industry

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Introduction

When considering how Shangri-La Hotel Group and Travelodge Hotels handle their money, there are a few things to keep in mind. If you look at their total income, you might learn a lot about their financial health and how well they run their business. Second, their position in the market can tell you a lot about their competitors and how much room there is for the company to grow. Third, look at how much they can grow. This shows how well they can respond to new possibilities and changing market conditions (Chan & Wong, 2019). Finally, the fact that they put money into corporate social responsibility (CSR) projects shows that they care about the community and the environment. Because Shangri-La Hotel Group is in a high-end market and offers high-end services, they often make more money, which gives them more room to grow and improve. Travelodge, on the other hand, may focus on keeping costs low to stay profitable in a market with lots of other cheap hotel chains. When giving suggestions, the specific needs of each group would be taken into account. By balancing high-end things with environmentally friendly activities, Shangri-La can make customers more loyal to the brand and attract people who care about doing good.

Total Revenue Analysis

Shangri-La Hotel Group

Shangri-La Hotels made \$1,539.8 million in 2022, which was 65.8 percent more than the previous year. The main ways that Shangri-La Hotels make money are:

The hotel business brought in \$968.4 million, or 62.9% of the total income.

With food and drinks making up \$418.9 million in sales, or 27.2% of the total income, \$152.5M US, which is 9.9% of Sales From Other Places

When COVID-19 restrictions were lifted around the world in 2022, more people wanted to travel and do business, which led to more money coming in. Shangri-La Hotels (2022)

says that both room prices and the number of guests staying at the chain's hotels went up.

Travelodge Hotels

Travelodge's 2022–23 Trading Update says that the company made a record £768.2 million in sales. In comparison to last year, this is a 35.6% rise in income. According to Travelodge (2023), most of the company's money comes from bookings at its cheap hotels in the UK.

After the pandemic, the UK tourism industry got back on its feet, and both domestic and foreign visitors brought in a lot more money for Travelodge. It was also successful because Travelodge took advantage of the need for cheap lodging and worked on growing its hotel business (Travelodge, 2023) .

Shangri-La Hotels made more money than these two businesses put together. It has worked well for a lot of different governments and businesses. Travelodge's sales growth rate went up compared to the previous year, though, because it did so well in the UK cheap hotel business.

It is important to remember that these income numbers are affected by how the businesses are organised, where they operate, and the markets they serve.

Revenue Trends and Factors Driving Growth or Decline

Both of these associations have seen an expansion in their income throughout the course of recent years, yet at very various paces of development. The extension of Shangri-La Inn Gathering into developing districts, expanding brand mindfulness, and solid client steadfastness are factors that have added to the progress of the organization's income development. Travelodge Hotels has effectively benefited from its practical business technique by situating itself as an appealing choice for explorers who are cost cognizant and by using web-based booking frameworks to produce income. Monetary circumstances, international worries, moving travel designs, and the elements of the cutthroat scene are a portion of the components that could impact the development or loss of income in the inn business (GlobalData, 2021). The income of Shangri-La Inn Gathering might be liable to changes in the interest for extravagance travel, while the

income of Travelodge Lodgings might be impacted by contest from other inn networks that mean to give reasonable facilities.

Market Position Assessment

Shangri-La Hotel Group

It has been achieved by the Shangri-La Hotel Group to set up a good foundation for itself as the most prosperous lavish inn brand on a worldwide scale. A decent market position is delighted in by the association inside the business because of its solid image notoriety, upscale offers, and tweaked administrations. These variables add to the association's current market position. The Shangri-La Lodging Gathering has been effective in its endeavours to draw in very good quality sightseers, which incorporate affluent relaxation voyagers as well as chiefs from noticeable enterprises. There are major areas of strength for a between the name of the brand and characteristics like extravagance, tastefulness, and uncommon encounters for the clients (Jones & Hillier, 2017).

Travelodge Hotels

Travelodge Hotels promotes itself as a worth driven inn brand, taking care of explorers who are stressed over their spending plans and are searching for reasonable facilities that don't forfeit quality over a reasonable cost. The arrangement of rooms that are perfect and agreeable as well as arranged in advantageous regions is the establishment whereupon the association's market position is fabricated. Travelodge Inns cooks for the most part to travellers, families, and business explorers who are searching for efficient facilities. These are the key socioeconomics that the organization targets.

Market Share, Customer Demographics, and Brand Perception

The Shangri-La Hotel Group holds a greater piece of the pie in the lavish inn area of the inn business when contrasted with its rivals in this area. As far as client socioeconomics, the association by and large takes special care of people who have major league salaries, clients who come from organizations, and the individuals who are excited about extravagance travel. Throughout its set of experiences, the Shangri-La Hotel Group has gained notoriety for having the option to offer heavenly rooms, extraordinary assistance, and encounters that are both particular and selective. The way that Travelodge Lodgings partakes on the lookout for minimal expense inns doesn't change the way that it faces

extreme contest from other inn organizations. Despite this, the association has been fruitful in getting a sizeable portion of the market by offering items that are of predictable quality, they are effectively open, and they are estimated sensibly. Various sorts of clients are taken care of by Travelodge Hotels (Kotler et al., 2017). These clients incorporate families who are worried about their monetary condition, individuals who are traveling solo, and business experts who put an emphasis on cost-viability and comfort.

Growth Potential Evaluation

Shangri-La Hotel Group

The Shangri-La Hotel Group has shown that it has a critical potential for development by expanding its presence in developing business sectors, especially in the Asia-Pacific district. Various different extension techniques are being executed by the association, for example, connecting with into vital unions, buying existing properties, and growing new inn plans. The Shangri-La Inn Gathering has perceived potential in business sectors that poor person yet been taken advantage of and is exploiting the developing interest for rich cordiality encounters.

Travelodge Hotels

Determined to broaden its presence in significant business sectors, especially in Europe, Travelodge Hotels has carried out a development procedure that spotlights on growing its impression. By zeroing in on both metropolitan and rural regions, the association tries to accomplish its objective of expanding its piece of the pie. Furthermore, Travelodge Lodgings has made interests in the redesign of their properties and in drives to advance their image to obtain a bigger client base. The potential for development of the association lives in its capacity to meet the developing requirement for sensibly evaluated dwelling choices and to profit by mechanical progressions to work on the nature of encounters gave to clients.

Expansion Strategies, Market Opportunities, and Barriers to Growth

The Shangri-La Hotel Group is wanting to venture into new locales, with an emphasis on emerging countries with developing interest for very good quality excursions. Careful statistical surveying, shopper inclination appraisals, and cutthroat scene assessments assist the association with recognizing market possibilities. In any case, challenges in

venturing into new regions might be hampered by social contrasts, financial vulnerability, and legitimate obstacles. One way that Travelodge Lodgings makes the most of market potential open doors is by setting its properties in ideal spots, near significant avenues, organizations, and traveller areas of interest. The organization changes its costs and conveniences in light of the interest for minimal expense dwelling in unambiguous business sectors (PwC, 2020). Travelodge Hotels faces difficulties in growing its business, for example, fierce opposition from rival minimal expense inn networks, the chance of market immersion in specific regions, and the continuous necessity to meet the developing preferences of its clients.

Financial Commitment to CSR Analysis

Shangri-La Hotel Group

Shangri-La Hotel Group exhibits areas of strength for a promise to corporate social obligation (CSR) drives. The association effectively participates in ecological manageability endeavours, local area commitment, and worker government assistance programs. Shangri-La Lodging Gathering puts resources into energy-productive advancements, squander decrease practices, and schooling projects to advance maintainable the travel industry (Shangri-La Hotel Group, 2021). The association's CSR drives are driven by moral contemplations as well as add to mark notoriety and client reliability.

Travelodge Hotels

Travelodge Hotels perceives the significance of CSR and has executed different drives to help neighbourhood networks and limit its ecological impression. The association centres around energy protection, squander the board, and magnanimous exercises (Smith & Puczko, 2017). While Travelodge Hotels' monetary obligation to CSR might be somewhat more modest contrasted with lavish inn networks, the association endeavours to have a constructive outcome inside its functional degree (Travelodge Hotels, 2021).

Financial Commitment to CSR Initiatives

The two associations designate a piece of their monetary assets to CSR drives, but at various scales. Shangri-La Hotel Group's more prominent monetary limit considers bigger interests in CSR undertakings and organizations, empowering the association to have a

more tremendous effect. Travelodge Hotels being a spending plan inn network, balances its monetary obligation to CSR with the need to keep up with cutthroat evaluating and benefit.

Recommendations

Shangri-La Hotel Group

a) Further enhance income streams: Investigate potential chances to extend income past conventional sources by presenting inventive administrations or associations, for example, wellbeing programs, experiential bundles, or coordinated efforts with neighbourhood organizations.

b) Reinforce statistical surveying abilities: Improve statistical surveying capacities to distinguish arising patterns, customer inclinations, and undiscovered market sections. This will empower the association to proactively adjust its contributions and catch new market amazing open doors.

c) Improve advanced showcasing systems: Influence computerized stages and virtual entertainment channels to draw in with existing and expected clients, upgrade brand perceivability, and drive direct appointments. Put resources into designated web-based publicizing efforts and customized showcasing drives.

Travelodge Hotels

a) Put resources into innovation and mechanization: Embrace mechanical progressions to smooth out tasks, further develop visitor encounters, and upgrade functional productivity. Carry out self-registration stands, portable applications, and robotized cycles to decrease expenses and improve comfort for visitors.

b) Extend in developing business sectors: Recognize developing business sectors with developing interest for spending plan convenience and decisively grow the association's impression in those locales. Consider associations or joint endeavours with nearby neighbourliness suppliers to speed up market section.

c) Improve client devotion programs: Create and elevate client unwaveringness projects to boost rehash appointments and increment client maintenance. Offer customized

rewards, selective limits, and improved administrations to faithful clients, encouraging long haul connections and brand support (UNWTO, 2020).

Conclusion

All in all, the monetary administration methodologies and practices of Shangri-La Hotel Group and Travelodge Hotels assume pivotal parts in their particular market positions and development potential. The two associations have shown qualities in income age, market situating, development systems, and obligation to CSR drives. Nonetheless, every association faces novel difficulties and open doors that require fitted suggestions to upgrade their strategic advantage and support development in the powerful neighbourliness industry.

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