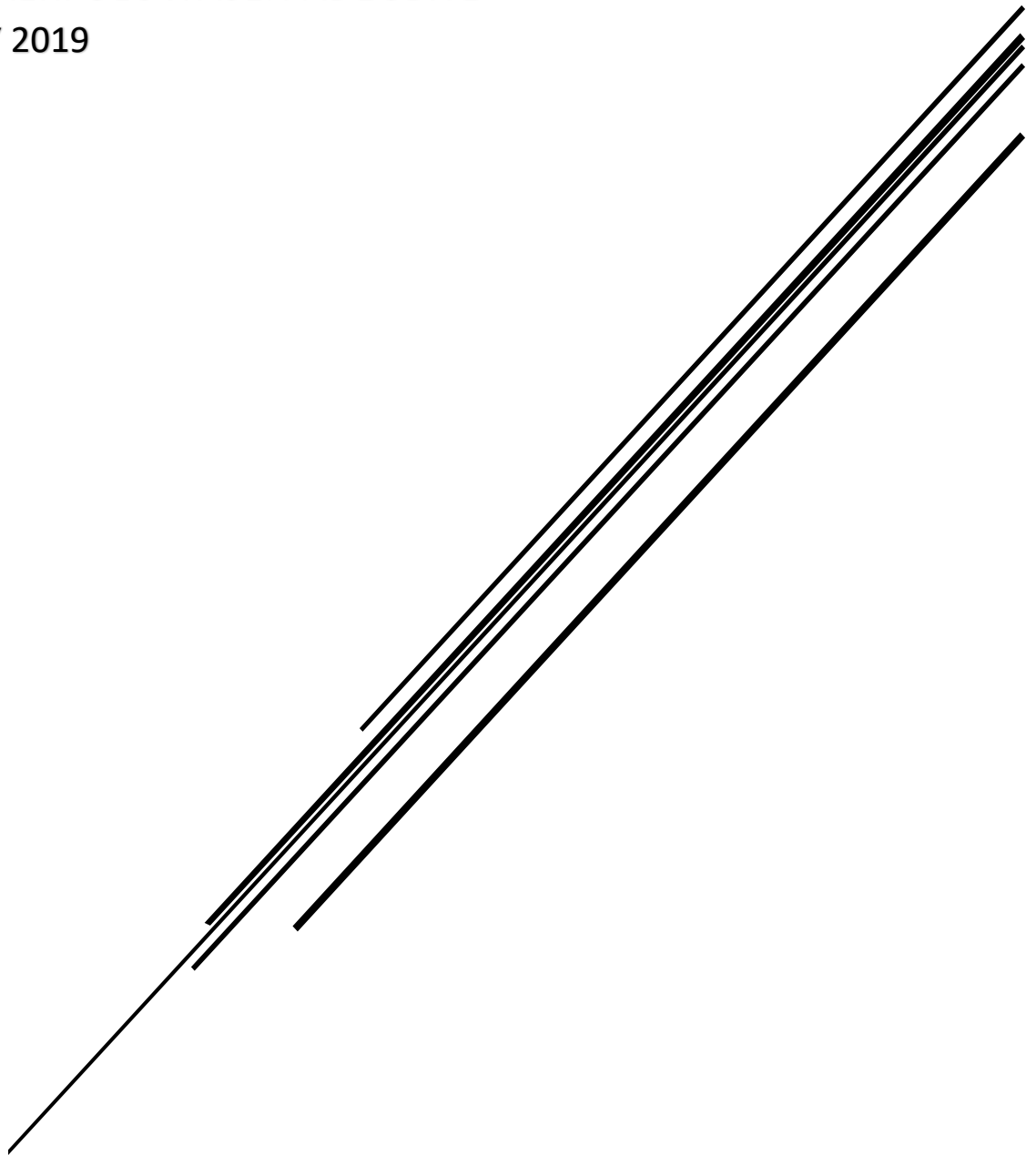


HOW DID MARRIOTT MANAGED TO SURVIVE THE TERRORISTS ATTACKS?

MARKETING ESSENTIALS | M4X01916

LECTURER: OLUWASEN ADEGBITE

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UNIVERSITY WALES TRINITY SAINT DAVID
IONELA DANIELA TARCOLEA | 1816283

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Introduction

The purpose of this report is to investigate the effectiveness and the process is taken behind the Marketing Information System. This report will also recommend how these factors are influencing a company's wellbeing as well as it will highlight the importance of a balanced MIS. "A Marketing Information System (MIS) consists of people and procedures dedicated to assessing information needs, developing the needed information, and helping decision makers use the information to generate and validate actionable customer and market insights." (Armstrong, et al., 2016) Therefore, a defined MIS is at its base a process that operates the data given (primary or secondary) and analyzes it in order to identify the next decision that should be taken accordingly. Moreover, MIS helps the one using it to analyze the information and develop the targeted customer insights, taking decisions as mentioned before, managing the relationship between the company and its customers and maintaining the engagement. The company which will be assessed in this report will be constituted by Marriott International, a company in the hospitality industry described as a hotel-chain.

In-sight approach of MIS and Marriott

Marriott International is one of the biggest companies in the hospitality industry worldwide founded in 1927 and has its headquarters in Bethesda, Maryland, United States of America. The hotel-chain have a couple of brands including luxurious ones, the signature of the company which is JW Marriott (the name of this brand came from the founder of the company, John William Marriott) and other brands for millennials, businessmen class etc. Marriott International started to acquire other brands in 1957 (e.g. Renaissance, Residence Inn and Fairfield Inn etc.) being the first-ever company to offer a large portfolio of brands. "With our foundation built upon the wellbeing and happiness of our associates, embracing differences is critical to our success as the largest hospitality company with an ever-growing global portfolio." (Marriott, n.d.) The core values of Marriott International are diversity and inclusion, an important aspect of the nowadays globalization of this industry.

A statistic that shows the operating income of the Marriott International which dropped in 2009 which made Marriott International to lose money and their net worth dropped as well due to some external factors (these factors came from a macro-environmental scheme, specifically PESTEL analysis). The terrorists attacks which were conducted in Jakarta, Indonesia in 2009 affected a lot the business and it needed to cut the costs as much as they could in order to reposition the hotel. A CCTV captured the whole moment of the terrorist attack and it is shown on the streaming platform YouTube in 2009. The signature hotel

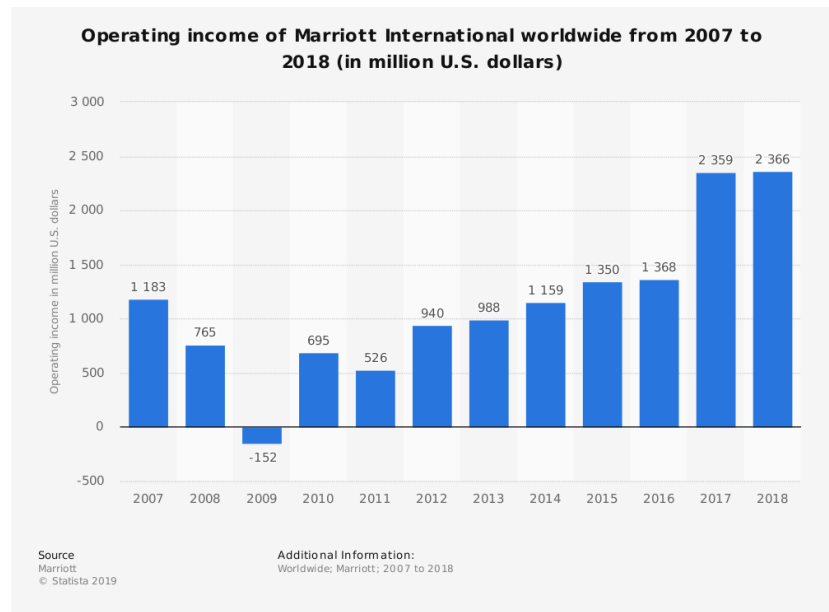


Figure 1: Operating income of Marriott International

was then targeted in order to raise the awareness of the terrorists' fury after the police stepped up in order to find the criminal, an affiliate of al-Qaeda, which later the terrorist group confirmed their attack upon the American company. These political factors cannot be avoided since they become a part of the external factors and can lead sometimes to a hazard like in the case of Marriott.

The executive-chiefs, then, started to think about a solution on how to redesign the hotel and its ethical procedures and policy. For example, as the reports and statistics which were falling down indicates an urgent need of a change. So, they have decided to cut the costs, but in a manner that it would not affect the qualitative service they have been provided since the company was founded. (Fortune, 2009) In order to complete the first step of the Marketing Information System, the data collection, the managers thought that a blind test would be useful in order to analyze some problems. Specifically, they have found that the classic six stripes of the bacon at the breakfast time tastes as delicious as six stripes of bacon with asymmetrical forms. So, the primary data was gathered throughout a sampling method (4 of 5 people referred as the taste had no difference).

Analyzing it, they have concluded to the fact that they would save at least \$2 million each year for this change. Also, instead of reducing the services provided, they had lowered their price per night for a room in Jakarta to \$85. This was to encourage people, especially the businessmen class, that their services are still running for them, the focused customer segment. Moreover, as other incidents happened in the past with other terrorist attacks at their hotels in Indonesia (Islamabad Marriott Hotel bombing in 2008, 2002 bombing at Ritz-Carlton etc.), Marriott International went to a hard time to redesign itself. (International Crisis Group, 2006)

However, the company managed to have growth in sales starting with 2010, as Figure 1 shows, and nowadays it has a colossal revenue. "Marriott revenue for the quarter ending March 31, 2019 was \$5.012B, a 0.06% increase year-over-year." (MacroTrends, 2019) This shows how a marketing information system performs and following Kotler's (2017) structure, it can generate a lot of outcomes especially in the financial area, in which there was an urgent need for the company to survive to the terrorist attacks. The data generators were the people who participated in the primary

research conducted by Marriott who gave Marriott the answers needed in order to take a decision after analyzing the whole situation. Moreover, analyzing the answers for the issue is a rigorous work because of the attention needed for each detail. For example, if one detail is missed, it can lead to inaccurate statistics, reports or other forms of interpretation of the data.

Conclusion

Marriott International managed to overcome the issues they had and now the company is one of the leading hotel-chains worldwide. As Ismaeel (2015) refers to the MIS, it is “a continuous organized process to record, categorize, store and analysis of past, current and future information related to hotels business and the factors affecting it in order to obtain accurate marketing decisions to achieve the aim of the hotel.” The effectiveness of this marketing information system was analyzed and it helps enormously a company to solve its issues, to forecast new trends regarding the hospitality industry and not only and other issues the company might face. Without a research of the problem, there would be no solution to solve it and, therefore, the company will fail to meet the standards of the society or of the targeted customer segment. Different manifestos were recorded during the time like „The Company: Apple” (99U, 2011) In that time, Steve Jobs came up with a new technology, based on the in-depth research of the evolution of the technology-era, the iPhone.

To sum up, there is always place to reinvent an industry or to change the „normal” aspects of life, business or any other field. This is what marketing information system does, it helps managers to conclude to agreements and to decide what is the best for the company, based on the outcomes of the research conducted previously. In order to have something to analyse, there is also the evidence that should support the core idea. Marriott International did not only show how a company can succeed in 2009 even if the external factors attacked the hotels’ ammenities and buildings, but it also strived to be on the successful road again.

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