

The Importance of Marketing Information Systems

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Written Assignment part 1

CUSTOMER
ANALYSIS
ADVERTISING
MARKET
SALES
PROMOTION
PRICE
INTERNET
TARGET



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Introduction

When asked to write a paper on the importance of marketing within today's market needs, it is better to start with a definition. **Kotler, (1991)** "Social and managerial process by which individuals and groups obtain what they want and need through creating, offering and exchanging products of value, with others." And by that we understand that marketing is more than just a tool in today's open world market, it is an industry alone that not only connects buyers with sellers, but also helps create a unified market, connecting sellers with their competition and buyers with others that are searching for the same thing.

With the evolution of the market, also came an evolution in marketing. The changes throughout history show how the market has switched the way it functions, in order to better cater to the buyers. From the initial production era tactics, with a change towards the sale orientated business world, to a time that the marketing concept appears we see how the world gets unified with the business community as various companies now have started targeting a whole new type of customer, society as one.

Marketing information systems are now an integral part of how the market operates. A lot of data is generated so the system has several components in order to help achieve better results.

In the hotel industry, marketing information systems have shown great value, for example: Marriott hotels use such systems to better calculate the best prices they can charge their guests by analyzing a series of variables like: promotions, vendor pricing, budgets, invoices from various vendor contracts and prices from subcontractors. This way they avoid pricing errors by automating their pricing schemes to best suit both the customers they serve, as well as keeping a level of profitability for their investors. According to **(Wernick, & Von Glinow, 2012)**.

In the high tech world of today, computer systems make up the hardware component whose role is to find patterns, analyze market research and find pertinent information about the customers wants and needs. The information generated on its own is useless without the people that can follow and completely understand what the tons of data reveal about market trends, thus creating a human component working with the hardware components who have the job of analyzing the information resulted and then creating a day to day report of what the consumers want and find useful and even discover what is best to avoid.

The types of data.

1. Acquired databases, generated by other companies whose role is to analyze the general departments of the market as a whole. With the acquisition of Starwood Hotel & Resorts, Marriott also obtained the companies database of past and present clients as well as all other information they had compiled about them up until that point.

2. Internal company generated data obtained through sales, production, internal analysis, this type of data shows an analysis within the company's history and internal environment. To increase their profitability Marriott constantly updates their databases, from billing information, to subcontractor invoices, all are found in the servers of one of the worlds largest hospitality based company.

3. Market intelligence generally consisting of information about competitors, win/loss percentages, pricing strategies, competitive positioning and messaging and product information.

4. Research, subjects include but are not limited to: advertising and promotion, product research, customer attitudes, behaviour and perceptions, environmental factors and corporate research.

All this information is useful as in the present conditions of the market, we as consumers all play a role in shaping what is trending and what is obsolete, thus continuously changing the market conditions.

Marketing information systems within The Marriott Hotels

Marriott Hotels is a brand with a very long history, that brings a high level of experience to the hospitality industry. Founded in 1927 by J. Willard Marriott and in present run by his son : Bill Marriott, this company has shown a continuous level of growth, and during the decades it has been operating has become a standard for hotel management systems around the world by continuously incorporating new and improved tools all while creating new ways to better serve the clients that have kept returning over and over again.

This hotel chain has a very complex system to manage the day to day business of over 6500 linked properties. In doing research on management information systems, i have chosen to underline some aspects in how such systems are used in present by a leading brand.

By having a large annual client base, this company in 2017 has generated a profit of US\$1.372 billion, according to ***www.macrotrends.net***. Retrieved 2019-03-11. with this high profit, there is also an abundance of data that is also generated. A company with this high level of profitability has an intricate platform to handle the needs of the various departments that constantly require a high level of inputted data to better serve the millions of guests that pass their threshold each week.

Examples of Systems used by The Marriott Hotels

Siebel Systems Inc. has created a complex customer relationship management protocol that was aimed at upgrading the way reservations, the individual properties and revenues are handled. (Rosen, 2001) this way, the internal organisation of data generated by the company has been streamlined to enhance the way it is analyzed by the managers and specialists in order to benefit guests and ease the way people are checked in , housed, taken care of and properly kept track of during their stay at anyone off the properties.

Another innovation used by the major brand was within the food and beverage department , in order to keep track of recipes used in all their properties, and the necessary conversions to imperial from metric for operations in countries that use the imperial measurement system like the UK. The ChefTec system keeps track of food

costs, inventory, as well as guest preferences and food allergies associated with individuals with declared medical conditions.(**Nation's Restaurant News, 1999**). By crossing different needs of their analytical systems they have thus been able to maximize usage as well as cut processing times so that once a preference is noted within any database within the company, it is registered tagged and then saved for future use. This is the nature of management information systems, creating new ways to incorporate new and old information and rendering a platform to aid in the process of catering to the specific needs of customers, to ensure their continued patronage and also see a satisfaction level that inspires repeat business.

Financial information is a major part of the operating basics of any system in the market today, handling the data of millions of people and keeping it safe as well as accessible to the accounting and billing departments is a requirement. The operating systems that handle such vast amounts of data also generate automatic and detailed documents that cut down operator times and also keep the all too monotonous information fast moving to eliminate errors and facilitate even more business. Spreadsheets and documents that in the past required an army of employees to compile are now self updating ,and the number of employees has gone down, with the system now only requiring operators to monitor , observe and protect the functioning protocols by keeping them up to date.(**Rosen, 2001**)

Human Resources is another department that has a major role in the companies structure. The Marriott has 177.000 employees around the world and is continuously looking for new people to fill new open slots as well as keep its work force strong. The Alexus System stores, files and keeps track of all resumes for all the properties of the hotel chain for easy access so that when a particular slot requires filling, the executives have access to a generated list of candidates.

Conclusion

All these systems combined create a unified fast paced, secure network in which information gets accessed fast by the people that need it, the fluidization of all aspects of the business leads to increased profits and investor returns, customer satisfaction, and employee productivity, The Marriott brand uses a large internal database compiled over decades worth of data collection, management and classification. The information used is easily accessible to the people that need to know it, and at the same time it is secure so that unauthorised access is stopped. The way the systems work together in perfect harmony is a testament to the accomplishments of the industry and their way of encompassing new technology with the old. To that effect CIO Magazine named the Marriott in its top 100 lists , five times , recognizing the excellence in informational technology and their commitment to the development of information systems for business fluidization. **(Lodging Hospitality, 2004)**

Pride and Ferrell (2010) state,that“**A database allows marketers to tap into an abundance of information useful in making marketing decisions**”, and i have found that marketing information systems that are operating in the structure of the Marriott Hotels are a major part of how this company has become what it is from its initial form as a root beer stand in 1927 to an international hospitality, hotel industry standard.

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