

A Comparison of the Marketing Methods of Two Multinational Hotel Chains

Student Name: Marius Tanase

Student ID: 2111272

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Introduction

Marketing is an essential tool used in the hotels in order to reach the customer and using creative and appealing marketing methods to attract the customer (Stokes, 2013). Marketing is the set of activity where the marketer communicate and deliver the product through various marketing tools and showing the value of the product through those activities. A student can learn the basic marketing methods and strategies to promote a product brand and also create an affluent distribution channel by studying the marketing essential course. The hotel industry has huge contribution in the global economy and the hotel industry has been great impacted by the Covid-19 pandemic (Lai, 2020). This report will also compare the two hotels chain marketing method, their current strategies under the circumstances and their position in the global economy.

A Comparison of the Marketing Methods of Two Multinational Hotel Chains

Marriott International is an American multinational chain that operates worldwide and they are operating their business in almost 8,484 locations. The Marriott family own 88% share and they managed come this far from a small root bear shop in DC (Zhang, 2015). The company is has witnessed reduced revenue in the year 2020 because of the Covid-19 pandemic and reported about \$234 million loss. The company has activated new marketing strategies gain the business again rather than trying to focus on the losses. The company is spending their money to advertise the company through social platform and digital media so that the customer can look for them whenever they are visiting a location.

Premier Inn is a British hotel chain that runs it hotel in six countries and they operate about 800 hotel in the centre and airports area if the city. The hotel was started by the name Travel Inn in the year 1987 and in the year 2006 it acquires two hotel chains and renamed the hotel by Premier Inn (Bilal, 2015). In the year 2020 the hotel has chain has faced almost £1 billion loss because of the Covid-19 pandemic and the halt that caused by the pandemic. The company reported that they have seen almost 71% reduction in the revenue and they are suffering a huge loss because of this pandemic. The company has introduce the Premier Inn clean protect strategy to enhance their hygiene promise.

Marriott International Started their business back in 1927 as a small root bear stand in the DC (Zhang, 2015). They felt the needs of the people and come up with the solution to start their business and from that they move to the restaurant business and also they expand their business into chain of Hot Shoppes which became public company in 1953. Marriott International Inc. was introduced in the 1993 and they are the first company to introduce the online reservation system in the hotel business and they started a revolution in the hotel industry. The company keep growing bigger and bigger and by the year 2015 it acquire many popular hotel chains and become the largest hotel chain. **The Premier Inn started** their business as hotel in 1987 in Basildon, England and the parent company is Whitbread. Throughout their hotel business they have acquired many hotel chain and they keep changing their name. After acquiring many

hotel chains they finally rename their chain as Premier Inn in 2007 and they keep doing business with this name till the date. Premier Inn is very popular in the UK and they run almost 85,000 bedrooms in the UK. The two hotel have different marketing approach in case of the market expansion because Marriott running their business in 132 countries whereas Premier running in only 6 countries. Marriott focuses more in the internationalisation and more expansion in the global market where Premier focuses on the local market as they operate most of the business in UK.

Market positioning is the core aspect of an organisation where they want to achieve the competitive advantage in the market. Marketing mix product, price, location and promotion is the tool to differentiate the two hotel marketing method and positioning (Khan, 2014). The two hotel chain has different market positioning in the current market. Marriott International keeps their position in the market by focusing more on the affordable luxury whereas the Premier Inn is a budget hotel targeting the customer who wants peace of mind within their budget. **The Marriott marketing strategy** based on their **product** and the **price**. Marriott provides the best luxury experience with their variety of hotel and room options in very popular locations worldwide (Nyangwe, 2018). Their pricing strategy is not for the all type of customer rather than the target only the customer who wants luxury in their hotel stay. They operate in the **locations** where the customer wants to enjoy their vacation with quality experience and to stay in a premium hotel. They also target the location where the business customer comes more often. They **promote** their hotels by more focusing on media strategy to ensure more real time data to the customer so that the customers can come again to stay in the hotel. **The Premier Inn marketing strategy** is to reach all range of customer and keep remain the largest hotel brand (**product**) in the UK with their unique pricing strategy and having hotels in the prime **location**. Premier has hotels in every prime locations of UK like in the centre of the city, airports and suburb area. They have flex strategy which gives the flex **pricing** to the customer where the customer can make up or change their mind at the last moment without any fees or penalty. The hotel tries as much cost effective to provide reasonable price to the customer and provide a very neat and clean hotel experience (Sandor, 2010). Premier Inn advertises their hotel in every local electric and digital media and also **promotes** their hotel in social platform in the UK. Marriott hold

their current market position by their brand image, their target customer, their loyalty program and Marriott has the largest loyalty program globally named as Marriott Bonvoy. Marriott has more focused on their room design and giving more pool access to the customer to increase the luxury of the hotel room (Nyangwe, 2018). The Premier Inn is the largest hotel brand in the UK and they hold their market position by effective cost strategy and providing complete cleanliness in their hotels.

Marriott International has program like sustain responsible operation to contribute to the environment and don't become a burden to the nature. The company understand the climate risk and above all the hotel use the natural source responsively and also promote sustainability in all of their hotels by advanced waste management system (Deale, 2013). The company also focuses on using less energy and water and to initiate that Marriott has made water treatment plant in their hotels to re-use the water. The company chose their supplier who has the similar mind-set to contribute to the environment and using the source responsively. **Premier Inn** has concentrated on the sustainability issue and they are committed to reduce the carbon emission by 50% by the year 2025 as part of the Whitbread science based carbon target (SBT). Premier always look for creative ideas to help the environment and look for opportunity reduce the heavy uses of resources and recycle them. Premier has aimed to move towards zero gas hotels in all new build Premier Inn hotels and promote green gas in every Premier Inn Hotel. The company is also aiming to use electric base vehicle for the transportation purpose which will reduce the gas and oil use (Deale, 2013).

Both hotel chain have suffered the halt that happened by the **Covid-19 pandemic** and they are developing the recovery plan from the beginning of year 2021. The hotel industry has seen the worst halt of business ever in this pandemic (Hao, 2019). Because of the Covid-19 pandemic there are many changes observed in the traveller behaviour and the company is focusing to attract the customer by ensuring the full hygiene environment in this pandemic (Gursoy, 2020). Marriott has focus more on the distribution channel and their partners to engage more customers in this pandemic. The Premier Inn gives more priority to the cleanliness of the hotel in this pandemic (Awan, 2020). The hotel chain has collaborated with the Diversey (a global cleaning and

hygiene supplier company) to provide complete cleanliness to the customer. The vaccination campaign is running fast in the UK which allows the company to reopen their business and run their operation with higher occupancy percentage. The hotel focuses on the cleanliness of the hotel and ensures complete hygiene in their hotel which is their basic strategy to make a better start after the business halt in the pandemic. The company has introduced the Premier Inn clean protect strategy to enhance their hygiene promise with collaborating with the Diversey company.

Conclusion

The marketing methods define a hotel market position, its brand image in the market. This report is an evaluation of two international chain marketing methods which they use to get the competitive advantage in the market. The sustainability of the hotel business is also focused by them in order to contribute to the environment by reducing the carbon emission with creativity in their hotel operations. The hotel industry business is halted by the Covid-19 pandemic and both hotel chains developed unique marketing strategies to reopen the hotel business again and make the customer stay at their hotels.

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