

Future Developments in the Field of Marketing

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Executive Summary

Overview

Marketing is an essential foundation of a business in order for it to survive. If this is strongly established, the healthier the business will become. Premier Inn, one of the best economical hotels in the UK, must also put an emphasis on its marketing strategies as this will help the company to place its name and services at the front of every customer's mind.

Problem Statement

Despite its effort to promote its brand and to increase its patrons, Premier Inn still encounters difficulties reaching its target audience, and it needs to double its effort to find a way into the customer's awareness. Full visibility of Premier Inn is not fully achieved due to the changing customer behaviours and the rapid development in technologies and in the world of marketing.

Recommended Solution

Product and service promotion has changed drastically over the years. Similar to Premier Inn's marketing strategy, what worked before may be entirely irrelevant today. To overcome these gaps and to stay competitive, the company must be willing to adapt to change as it occurs. Premier Inn must evolve and change its promotional activities using social media, search engines, and other digital channels. These, in return, will increase its visibility and will create more customer engagement. Rather than making decisions solely based on the performance of previous campaigns, the company needs to contemplate several variables to develop an appealing promotion plan. Considering artificial intelligence (AI) as part of the marketing plan and as predictive marketing analytics, it can create effective campaigns and generate profits in the long term. Working collaboratively with other brand names and engaging closely with the consumers will build the hotel's name and integrity. Being adaptive to the new trends with being economical and environmentally friendly saves more resources and attracts more customers.

Solution Value

By and large, having a well-defined marketing strategy directly impacts the overall performance of the business. Prioritising and observing the customer's behaviours and reaching out to the population will lead to them reaching out more to the business in return. This will improve Premier Inn's branding and in the long run, will increase its revenue and profitability. Building a strong bond between the hotel and the consumers constantly with the use of the correct marketing approach will multiply the purchase window and will result in the clients trusting the brand more. The aim of marketing strategy is to make the business discoverable to the world and this will be attained with the help of digital marketing, effective marketing analytics and the use of social media. It is significant to deliver the right message to the right people by utilising the right means at the right time.

Evaluation

For Premier Inn to overcome the challenges in the field of marketing, it needs to reform its strategies by integrating the new advancements in technology and upgrading its digital marketing systems to enhance customer participation. Social media is a powerful tool to bridge the gap between the hotel and the population. Creating a solid content strategy, knowing the customers better and building relationships with them and establishing key marketing metrics can improve the company's marketing operations. Launching a brand voice and implementing this consistently across the board will generate a strong communication channel between the hotel and the people.

1. Introduction

Marketing is a crucial element of any business. It is a dynamic field that has an enormous influence on trade and commerce. For decades, it has shaped and transformed industry into a gigantic world of opportunities.

With all its developments and contributions in the past years, this report intends to analyse and evaluate the important roles it has played in many organisations particularly in the Premier Inn. Essentially, the outcome of this study aims to identify the current situation of the hotel in terms of their future strategic plans and goals which can potentially impact the performance of the business.

According to Helsen and Kotabe (2020), emerging technologies, changing consumer preferences and new marketing channels have replaced the traditional methods of marketing practices such as the television, radio and newspaper. The digital tools have revolutionised the world of marketing and took it to a different level to reach new audiences, increase customer engagement and expand the business' operations.

In recent years, marketing professionals have been necessitated to adapt with current digital times by using technology and social media platforms. They are delegated to re-evaluate their marketing strategies for the companies to remain competitive in the market.

2.0 Main Findings

2.1 The concept and importance of marketing

Nowadays, the essence of marketing is to satisfy the customer's needs, wants and demands. Most successful companies have one thing in common when it comes to their marketing strategy, being committed to customer satisfaction (Baines and Fill, 2014). To succeed in the fast-paced marketing world, marketers should elevate their competencies to stay ahead their competitors (Bump, 2022). As for Premier Inn, it has won many awards including Best Business Hotel Brand, Business Traveller Awards 2022 and TripAdvisor Travellers' Choice Awards 2019 proving that customers are at the center of their business' operations (Premier Inn, 2022a).

The evolution of marketing has five eras and according to Hive Studio (2017) website, these are:

- The Production Orientation- from the beginning of capitalism to the mid 1950's. The business mindset is to sell good quality products that would simply sell itself. Most organisations focused on production during this period.
- The Sales Concept- began in the 1920s through the 1950s. Technological advancement took place to accelerate productions and undertaking aggressive improvements on selling tactics and promoting products seemed important. All available forms of media became prevalent.
- The Market Orientation Concept- started in the 1950s and production continued to expand. The demand for goods and services increased rapidly. There is a need to sell the products through effective and attractive advertising and promotional campaign, but the sales and success were not guaranteed.
- The Societal Marketing Era- began in the late 1960s to early 1970s. To attain profit and recognition, the customers' wants and needs were considered important.
- The Customer Relationship Era- from the late 1990s and up to the present. Organisations focused more on customer satisfaction and establishing long-term relationships with clients.

Marketing management is a complex concept that integrates strategic planning, implementation, execution, and control of marketing activities (Marketing Business Network, 2019). This allows brands to understand their target audience, satisfy customer needs and exceed expectations (Hummus, 2022). Kotler and Armstrong (2013) defined marketing as the social process by which companies create value for customers and build strong relationships with them in order to capture value from customers in return. Drucker (1958), who is the father of business consulting, agreed and supported Kotler and Armstrong's statement and mentioned marketing is certainly the most scientific of all functional business disciplines.

The role of marketing is vital as this serves as the backbone of all businesses as explained by Doyle and Stern (2006). Marketing management allows organisations to explore the market trends and monitor contemporary market changes. This was supported by a study conducted by Hooley et al (2012) stating that an effective marketing strategy benefits the company by sustaining its value in a highly competitive and digital marketplace. Having an efficient marketing approach can attract new customers, increase sales and profitability and promote customer loyalty.

Marketing is an operational tool used to establish pricing strategies, promote brands, and persuade consumers to create a purchase. CoolTool blog (2019), nonetheless, claimed that marketing is not only valuable to business functions but also shapes and influences consumer behavior and drives economic growth.

The Premier Inn hotel is a leading budget hotel chain owned by Whitbread. The company's CEO, Dominic Paul, stressed that brand marketing is a powerful tool to drive bookings which amplified

the profits by five-hundred-fifty six percent in 2022. Its latest brand marketing campaign Rest Easy is effective in attracting customers, reducing acquisition costs and sustaining the company's brand awareness scores. Paul accentuated the company's reputation for quality and value to help increase the sales and draw large volumes of customers. He highlighted that their key driver to deliver astounding performance is incorporating highly effective marketing strategy to its websites and social media accounts using an integrated operating model (Stephenson, 2023).

2.2 The macro and micro marketing environment of Premier Inn

There are two elements within the external marketing environment, the macro and micro (Jobber and Ellis-Chadwick, 2020). These factors greatly influence the decision making when creating and implementing strategic marketing plans and the effects are beyond the marketer's control.

Microenvironment aspect refers to in-direct contact of the business which can affect its operation. These include suppliers, resellers, customers, competitors and the public. Whereas macro environment lies within the economy and can influence the business' performance and decision-making. These are the demographic forces, economic factors, natural/physical forces, technological factors, political and legal forces and social-cultural forces (Oxford College of Marketing, nd).

Micro analysis

- *Suppliers* can control the competency and success of businesses by using their ability to influence the supply of the products, particularly if it is in demand. Nevertheless, the operations are jeopardized once the suppliers are unable to meet the business standards and requirements.
- *Resellers* can immensely impact the success of marketing. If the retail seller is well known to have a good reputation, this is advantageous in terms of promotion when traded by third party resellers.
- *Customers* are categorized as Business-to-Business, Business-to-Consumer and local or international. Marketing strategy relies on the reason and needs of the customers when purchasing products.
- *Competitors* are businesses that sell similar products and services, and their marketing strategy must be taken into account to differentiate prices and stay ahead of the curve.
- *General Public* must be considered in decision-making. Considering the public's satisfaction, it can either help the business reach its goals or it can be a hindrance if not accommodated.

Macro analysis

- Demographic forces including age, ethnicity, country, region and lifestyle can impact different market segments by meeting individual's needs.
- Economic factors including inflation rate, supply and demand and wages can help predict consumer spending behavior to generate effective marketing strategies.

- Natural and Physical factors like marine, agricultural products and non-renewable resources, such as minerals, coal and oil, can influence the company's production.
- Innovations and materials required for production of goods are technological factors that can affect the business operation.
- Political and legal factors are considered when making marketing decisions as rules and regulations in the industry are constantly developing and improving.
- Social and cultural forces are harmful to the society and must be eliminated. Endorsing environmentally friendly brands can win more consumers and reflects that the social responsibility is taken seriously.

Surbhi (2020) recommends that it is essential to analyse both macro and micro environmental factors to develop an effective strategic marketing plan. Premier Inn must identify the potential influences that can greatly affect the success of their marketing activities. Considering these factors, marketing campaigns and brand awareness will tremendously improve in general. Conversely, Gotter (2019) disputes that producing and implementing an effective strategy requires a thorough understanding of the target market. Identifying the customers' wants and needs are crucial to create a unique selling proposition (USP) that will lead the business to prosper.

2.3 Target markets

Big Difference Marketing (2023) website explained that Premier Inn's Strategy is to work closely with a technically capable data processing and analysis specialist which assists the brand in designing and building an actionable customer segmentation for the whole Whitbread Company. The principle is to understand, manage and engage with customers with similar needs and behaviours through segmentation, treating each segments in different ways. It is significant to highlight the role of segmentation across the business by utilising a thoroughly thought roadmap.

As recommended by IMS Marketing (2023), Premier Inn would have the power to put data together and show correlations between various key characteristics of groups of customers using customer segmentations. The company has built two market segmentations, business and leisure. Both types of guests share the same four key variables which are price sensitivity, reservation lead time, location and number of hotels used, and purchase of any additional products and services. Market segmentation is crucial because it enables marketers to plan and tailor campaigns more easily by focusing on the wants and needs of the customer groups instead of the mass market.

Customer data is gathered and held in various operating and web booking systems located in different Premier Inn hotels including the main headquarters. All data is collected and combined to form a Single Customer View. This reflects that the busiest days at Premier Inn for leisure guests are during weekends and midweek for business stayers. Business guests spend three times more than the average leisure stayers per year, but both contribute to boost the business sales

and revenue. Differentiating leisure from business travelers is an essential starting point to establish the target markets of Premier Inn hotels.

Premier Inn operates and plans strategies based on the necessities of the target market. For example, the pricing strategy captures the way customers choose to stay in the hotel. Customers on business travels spend an average of £100 to £1,000 over leisure stayers who pay about £50 to £180. The consumers' ability to afford products and services became the basis of marketers to plan for effective promotional materials and campaigns.

Hanlon (2022) emphasised that Segmentation, Targeting and Positioning (STP) marketing model is vital to drive the hotel's digital marketing approach. As for Premier Inn, it has the Early Bird Promotion to offer lower price to those who booked ahead compared to those who reserved later. To attract more leisure guests, the Premier Inn (2022b) created its children under 16 eat for free up to a maximum of two children per adult paying full price promotional campaign making it more affordable for leisure guests to stay in the hotel. Furthermore, they are meeting business clients' expectations by offering suitable rooms, flexible rates, business tools for hassle-free bookings, business account for managing expenses and payment and free Wi-Fi in all hotels and restaurants.

There are four steps to follow when creating and improving marketing campaigns and it is an important tool for highlighting the critical stages of business and customer relationships (Chaffey, 2022). The RACE (Reach, Act, Convert, Engage) Planning Framework is used by most hotels, including Premier Inn, to manage and enhance their digital marketing using a more strategic, structured and data-driven approach. STP marketing models and RACE planning framework are suitable and effective to achieve Premier Inn's objectives. Both contribute to the effectiveness and efficiency of customer relationship management.

Moreover, Twin (2023) proposes that Jerome McCarthy's 4 Ps (Price, Promotion, Place and Product) marketing mix is essential to consider as it encompasses a range of factors needed to popularize the brands. By understanding the four key elements, the marketing process is managed efficiently. This marketing mix should be carefully balanced and adjusted according to the target market and competitiveness of the environment.

2.4 Selection of media

Selecting an appropriate media to reach the target audience is a critical aspect of market research because it determines the success of an advertising campaign. According to Digivizer (2022) website, media is categorised in three elements. Firstly, the paid media that businesses need to pay for to be featured in television, social media, search engine pages and online websites. Another type is the owned media marketing campaign and contents. Companies can publish ads for free using their own emails and social media channels in their marketing operations. Lastly, there is the earned media where supporters, advocates and influencers review and re-post contents on their own social media account. All elements are significant for the company's promotional activities. Despite having all these approaches to attract customers, Digivize found

out that 92% of the population trust more the recommendations from friends and family over other types of media which attest that word-of-mouth is still more effective than paid advertisement.

Social media platforms like Facebook and Instagram are the Premier Inn's main key channel of communication for marketing. They post current campaigns and promotions on those platforms for easy access for customers. Although social media is their preferred marketing tool, the Rest Easy brand platform campaign was first launched as a 60 second Television advertisement according to Whitbread (2021). Their campaign covers other forms of media such as Out-of-home (OOH), print and radio. Using various methods has worked effectively and can express the hotel's whole campaign message across every customer interaction.

To prevent negative branding, Premier Inn must be aware of the risks involved with using social media, such as gaining destructive comments and privacy concerns, and they must have an action plan in place to address and overcome these issues as suggested by Slade (2019).

2.5 Measuring success

Premier Inn uses a variety of metrics to measure the effectiveness of its campaigns and activities. These are customer satisfaction surveys and analytical tools like SimilarWeb and Statista. Using these metrics can be valuable to advance the insight of the business on marketing strategies. They can also provide relevant information, facts and figures for future re-planning and decision making. SimilarWeb (2023) data showed a boost in customer volumes from four million to five million in 2022 and its profits increased by nineteen percent compared to the previous years.

While measuring success can drive business advantage and effectiveness, reporting these can also impact the board which can be a drawback as claimed by the Chartered Institute of Marketing (CIM) (2018). For instance, it is a challenge for marketers to determine the success of campaigns, brand awareness, sales and revenue as all of these might produce inconsistent and contrasting performances. Furthermore, the financial return on investment (ROI) is a core performance metric and must be consistently presented and demonstrated to the board of directors and investors. Therefore, regular assessments and evaluations of results to identify the best practices are essential to re-adjust the strategic plan. This ensures that the company is meeting its objectives and the market expectations, as well as staying ahead of the competition.

2.6 The challenges of marketing management

Marketing management encounters numerous challenges today which greatly transforms the business' operation. Forsey (2022) stated that many marketers had to adjust their campaigns to keep up with the challenges and address the issues affecting the business. Generating traffic and leads is one of the biggest marketing challenge in the year 2022 and this will be the focus this 2023. A survey conducted by Forsey's group found that 19% of marketers emphasized that this challenge is their biggest hurdle and they need to find solutions to improve their metrics. Lee (nd), the Head of Evangelism at Microsoft Advertising, similarly mentioned that marketers have

difficulty generating leads because it is tough to sustain the progress without reaching new prospects and drawing new clients. The sales funnel will be empty if there are no customers visiting the company's website. Harris (2019) underlined that businesses must enhance their search engine optimisation (SEO) to overcome this challenge. Elevating the search engine is the key element to be more visible and to be found easily on web portals such as Google and Bing. Achieving this will bring more customers to check the website.

3.0 Conclusion

In general, the marketing field is evolving rapidly and many businesses relied on it to be able to survive the constantly changing industry. Before it can implement any innovative strategies to remain sustainably competitive, Premier Inn must stay abreast of the latest trend and must cope with the evolving consumer behaviours and technologies. Social media platforms plays a crucial role to the success of the hotel's marketing campaigns. Incorporating digital technologies significantly enhance customer engagement and experience.

Having a strategic approach and by continuously monitoring and adapting to the consumer's demands and the competitor's responses, marketing management will be a powerful ace for the business' success. Effective marketing strategies can help organisations to achieve their goals, build stronger customer relationships and ultimately increase revenue and profitability. Being adaptable, flexible and agile are core qualities that a marketer should have to be able to stay ahead of current trends and succeed. A successful marketing department requires a combination of effective marketing technology, tools, ethics, cultural sensitivity and communication to thrive.

4.0 Recommendation

Integrating artificial intelligence (AI) and modern learning machines is essential to drive marketing automation and personalisation in the future. It is beneficial for marketing departments to continually stay in touch with their current clients and potential customers through digital channels, such as social media platforms. According to O'Connor (2023), the advancement in data analytics will efficiently enable marketers to gather and analyse vast amounts of consumer data which allows them to tailor campaigns and promotions to specific target audiences. He accentuated that building strong partnerships and collaborations with other brands and organisations can be considered as an effective marketing strategy. Premier Inn can explore cross-promotions, product bundling and collaborations as one of its marketing strategies to enhance its reputation and credibility.

Most businesses, including the Premier Inn, should adapt to be eco-friendly and must emphasise its Corporate Social Responsibility (CSR). Gartner (2020) believed that becoming economically friendly and by utilising sustainable products, businesses will be able to adapt to the new trends.

Lastly, gaining new skills are required to excel in the field of marketing. Being proficient in data analysis, digital marketing and emerging technologies like virtual and augmented reality will contribute to Premier Inn ethical marketing practices.

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