

Name: Syeda Nessa Begum

ID: 2109894

Lecturer: Dale Clarke

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Assignment 1

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Introduction

Marriott International and Hilton are examples of successful international hotel chains. Their ability to thrive despite the intense competition in their industry is a direct result of their willingness to experiment with new financial approaches. This article will examine the financial strategies and practices of these two international hotel groups and draw comparisons between them in terms of their impact on sustainable development, market share, rate of expansion, and corporate social responsibility initiatives. These multinational corporations have impressive histories contributing to their widespread appeal.

Comparison of Hilton Hotel and Marriott International

Market Position

For Hilton,

Hilton's ability to sell conventional products at competitive prices has helped the company win over major global markets. With an estimated worth of \$6.03 billion USD, Hilton Hotel's brand is the second most valuable in the world. To put it another way, Hilton's hotel brands control 17.5% of the U.S. and 4.5% of the global markets (Christie, 2018). Hilton is the largest hotel chain in the world by room count, with 584 properties offering a total of around 216,379 beds in more than 103 countries and territories. In a quarterly report, the company reported earnings of 99 cents per share on an annual revenue of roughly \$8.77 billion.

For Marriott International,

Marriott International, on the other hand, has made significant strides thanks to the building-wide reduction in reaction time. Because they offer reliable products at competitive costs, Marriott is able to win over significant markets throughout the world. Marriott International has an estimated total brand worth of \$6.03 billion, making it the most valuable hotel chain in the world. There is a 3% share of the hotel industry that is occupied by Marriott's brands. With 30 brands, 7642 locations, and more than 1.5 million rooms, Marriott is the largest hotel network in the world. The corporation earns a quarterly profit of 99 cents on revenues of about \$20.972 billion (Marriott, 2022).

Total Revenue

For Hilton,

Hilton Worldwide Holdings' revenue history and projected growth from 2011 through 2022. A company's revenue is the money it brings in after deducting all expenses. Subtracting costs from revenue yields net income. For the quarter ending December 31, 2022, revenues at Hilton Worldwide Holdings were \$2.444 billion, an increase of 33.12 per cent year over year (Walsh, 2015). Hilton Worldwide Holdings' revenue for the year ending December 31, 2022, was \$8.773 billion, an increase of 51.57 per cent year over year. Hilton Worldwide Holdings' annual revenue in 2022 was \$8.773B, an increase of 51.57% from 2021. Sales for Hilton Worldwide Holdings in 2021 were \$5.88B, up 34.39% from the previous year. Hilton Worldwide Holdings' yearly sales in 2020 were \$4.307B, a decrease of 54.43 per cent from 2019 (Hilton, 2022).

For Marriott International,

A review of Marriott's yearly and quarterly revenue and its growth rate from 2010 to 2022. A company's revenue is the money it brings in after deducting all expenses. Subtracting costs from revenue yields net income. When compared to the same period a year ago, Marriott's quarterly revenue of \$5.313B is a year-over-year growth of 34.64%. For the twelve months that ended September 30, 2022, Marriott reported \$19.296B in sales, an increase of 66.59% from the previous year. There was a 31.09% increase in Marriott's yearly sales to \$13.857B in 2021. For 2020, Marriott reported annual revenue of \$10.571B, down 49.59 per cent from 2019. In 2019, Marriott's yearly sales were \$20.972B, up 1.03% from 2018 (Brookner, 2022).

Growth Potential

For Hilton,

A recent press release from Hilton boasted of the company's record-breaking year of development, during which it opened 414 hotels and added more than 67,100 rooms to its portfolio. Over 6,800 hotels under 18 brands were operated by the corporation as of the end of 2021, expanding their global footprint by 5.6%. Plus, Hilton has almost 2,670 hotels planned, which amounts to around 408,000 rooms; currently, they have built or are in the process of building about half of those rooms (Farzad, 2018).

Including its 13 other brands, Hilton now has 36 hotels and approximately 12,000 rooms in the Las Vegas area. This includes all three of its luxury brands. Resorts World Las Vegas, a joint venture between Hilton and Genting Group, will open in June 2021 as the largest Conrad Hotels & Resorts property in the world, the first LXR Hotels & Resorts property in the United States (Crockfords Las Vegas, LXR Hotels & Resorts), and a flagship Hilton Hotels & Resorts resort (Las Vegas Hilton at Resorts World). The Curio brand by Hilton has also returned to Sin City with the opening of Virgin Hotels Las Vegas, Curio Collection by Hilton.

Throughout 2021, Hilton added all-inclusive resorts in the Caribbean and Latin America to its portfolio. All-inclusive resorts including the Hilton Cancun, the Hilton Vallarta Riviera, the Mangrove Beach Corendon Curaçao, and The Yucatan Playa del Carmen were among those mentioned (Starrett, 2020).

For Marriott International,

Marriott signed 256 contracts in 2021, totalling roughly 51,000 rooms outside of the United States and Canada. Over the course of the year, the firm opened offices in Antigua and Barbuda, Belize, Bermuda, Grenada, St. Lucia, and Turks & Caicos. The firm plans to launch in Albania and Honduras in 2022.

In addition, the corporation opened 107 select-service hotels with almost 19,000 rooms in 29 different countries. Moxy Suzhou (China) City Center and Element Yangjiang Hailing Island are two notable upcoming openings in 2022 (Sloat, 2020). The "Michi-no-Eki" project, which involved the development of six Fairfield by Marriott hotels in prime locations throughout four prefectures in Japan, was completed in 2021 and significantly increased the brand's visibility there. Additionally, the Fairfield prototype has been unveiled to European and Middle Eastern markets.

By the end of 2021, Marriott will have updated 375 of its original Courtyard hotels in the United States and Canada. By 2024, both the interiors and exteriors of the properties will have been renovated to reflect the updated Courtyard brand. Already, improvements have been made to more than 60 buildings (St, 2020).

Financial Commitment to CSR

For Hilton,

Environment that is helpful to work: The Bottom Line concept recommends that businesses place a premium on creating positive social outcomes for their employees, communities, and all of their stakeholders. All employees receive the same number of hours per week to work, and those who put in extra hours are compensated for it (Hilton, 2022).

Investment in community programming: Community outreach initiatives are also supported by the corporation. Since the start of 2015, the company has actively supported local communities all over the world by implementing a wide range of volunteer projects. There are more people employed by volunteer projects than there are volunteers. More than two hundred people have been given the gift of travel thanks to Hilton Action Grants, which were first distributed in 2015 to benefit nearby communities and Hilton hotels, as shown by the study of the program's responsibility.

Donating time or money: At long last, the group has enough money to give to good causes. The company has a great community enhancement plan that has assisted a lot of people, such as orphans and poor people.

Foster good climate change: Hilton Worldwide Holdings, Inc. claims in its most recent annual report that it has a "compelling mandate" to combat climate change. With that goal in mind, the Company makes use of a wide range of cutting-edge, eco-friendly techniques to prevent the waste of water, carbon, and other resources (Robertson, 2014).

For Marriott International,

The hotel chain Marriott International has unveiled a new corporate social responsibility initiative called SERVE 360. Alignment with the SDGs as forth by the United Nations is the ultimate goal of this plan of action. In addition, the firm is committed to coordinating its operations with those of the United Nations. Using this approach, the company hopes to achieve sustainable growth while also satisfying the needs of its various stakeholder groups (including its shareholders, clients, employees, the general public, and the local community).

Shelter and Food

"The company seeks to alleviate housing and hunger problems."

Marriott is a "home away from home" for travellers from all over the world. And so it stands to reason that they would pitch up during times of crisis to build safe havens for the homeless and feed the hungry. Through a 12-year partnership with Habitat for Humanity International, Company employees and Clients have constructed over 300 houses in 15 countries, including the United States, Indonesia, and Mexico (Robinson, Lück and Smith, 2019).

Environment

"Striving for a cleaner, healthier Earth"

Efforts to clean the air Since becoming the first hotel chain to ban smoking in all of its U.S. and Canadian properties, Marriott has helped to improve the quality of air in hotel rooms, restaurants, lounges, meeting rooms, public areas, and workplaces. This was the most extensive ruling of its kind in the hotel business, affecting over 2,300 properties.

Readiness for Hotel Careers

The organization remembers this process as one of "training the next generation."

Marriott International is committed to investing in the future by opening doors for young professionals. The company's primary objective is to provide young people with difficult situations and to assist them in making the most appropriate decisions possible under the circumstances (Holloway and Humphreys, 2020).

Vitality of Children

"Helping kids who are ill or poor"

It's an expression of the global Marriott staff's genuine desire to help disadvantaged and unwell kids. When living in a poor community, children are more likely to be victims of crime, neglect, and exploitation.

Embracing Diversity and People with Disabilities

"Making possible, in particular in the context of employment"

The employees of JW MARRIOTT understand the value of fostering a welcoming and diverse workplace in order to boost morale and productivity (Goeldner and Ritchie, 2017).

Recommendation

From the above comparison, it is clear that both hotels are doing great in their marketplace. It is important for hotels to develop their systems to grow in the market. It is recommended that Marriott International concentrate on market position and development strategies to maintain the first position in the market (Christie, 2018).

On the other hand, it is recommended for Hilton hotels concentrate on their CSR activities more to get the top position in the market and increase their revenue by attracting more customers. However, both hospitality organisations are doing great with their strategy to attract customers and generate more revenue.

Conclusion

The report has shed light on the strategy of the two hotel chains and their respective histories in the hospitality and tourism industries. The Hilton Hotel, along with Marriott International, stands out as one of the world's most prosperous hotels and travel companies. They've expanded their company by building a plethora of international outposts in various markets. Despite their success, they still have to contend with rival companies, which requires them to take a hard look at their operations and implement new marketing techniques.

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