

# The Effectiveness of Today's Hotel Marketing

While the hotel industry may be very good at some things, marketing has rarely been one of them. Even today, the hotel industry in general lags behind the product sector as far as marketing sophistication and analysis goes. I think that is because intelligent, aggressive marketing became a priority for products and merchandise much longer before it did for hotel products.



## **Beneficial War**

However terrible World War II was, in other respects it was actually good for manufacturing businesses. A war consumes significant volumes of machinery and material goods, and many industries benefited with growth. When the war ended so did most of the tremendous demand for products that it had just generated.

Many companies found that the demand for production output had suddenly shrunk. They looked around at the competition and were faced with inexorable conclusion that peaceful coexistence was not on the cards if they wanted to prosper. So they determined that faced with finite demand they had to quickly develop marketing, to know how to determine what the customer wanted, to work out how to produce it better and more economically than their competition, and communicate it through advertising and other forms of marketing communication.

## **No Competition**

Things couldn't have been more different for the hotel industry. The end of war brought a feeling of well being, it was a time to celebrate and part of that celebration took the form of travel that was now far more freely available as a result of the rapid technological advances made during the war – such as the jet engine. Competition in the hotel industry at that time was minimal if non-existent.

Apart from the renowned, elitist “grand luxe” hotels of the world, you had to take what you got with hotels – often the major benefit to the guest was relocation of the bathroom from down the hall to within the guest room. Few hoteliers were knocking themselves out to win your business with new and improved price competitive products and services. It was into this product vacuum that the holiday inn concept was introduced and was soon followed by a wave of similar products or standardized chains – many of whom are still operating today.

The sum total of hotel motel marketing at that time (and unfortunately for owners and investors with many hoteliers today) consisted of location, location, and location. Get a good site, build a decent product, turn on the vacancy sign, and collect the money.

There existed no highly refined body of hotel marketing knowledge, a situation that has advanced precious little today. Further, it seems there was also something akin to a “club” agreement in the industry. It was frowned upon to be too aggressive in marketing your product versus the competition. Today, such a “club” agreement, if that’s what it was, has outstayed its welcome.

Additionally, today’s stereotyped traditions of hotel advertising characterized by the troika of edifice, orifice and cleavage is mundane and lacking in market focus. Let me explain:



### **The Edifice**

Who has not been exposed to countless photographs of hotels presenting yet another imposing building towering over the landscape? I have to question the logic of that unless the guest is spending a night on the footpath or roadside. Wouldn’t a building facade have a limited impact on the utility of their stay?

### **The Orifice**

The empty banquet room – at least it shows usable space but without warmth or invitation for the viewer. This sort of marketing communication is that of a room all dressed up with no place to go.

### **The Cleavage**

If those are two examples of showcasing the hotel product in its most unadorned fashion there is another form of advertising in which the hotel product seemed almost incidental – the “cleavage”.

One example of this is the drop dead gorgeous poolside women in bathing suits looking like fashion models or an aerobics dream (they are!). Maybe I, and my colleagues, stay in the wrong hotels or swim at the wrong time!

Someone may have thought of the hotel when shooting these advertisements and promotional materials, but that’s as close as they got when it gets to be actually represented and communicated to the hotel’s target markets.

Another variation of this productless theme is the beautifully shot landscape or still life, both of which have the hotels brand name artfully appliquéd across the layout. Interesting – but I would question its effectiveness.

## **Effective Marketing**

On the other hand, the good marketing campaign should focus on a product's strengths. Maybe we can infer the ability to afford an artistic photographer is their biggest strength. The ultimate failure of these campaigns in my view is they don't provide the customer a compelling reason to buy.

They communicate in a vacuum giving us pretty pictures and impressive form, but without a framework on which to base a purchase decision. That can be fatal in view of the increasing sophistication of today's customers and their awareness, value for money, and comparison shopping in order to make informed decisions.

I think hoteliers are beginning to realize this over the past year or so. The biggest change in the hotel industry is the move towards strategic, aggressive marketing campaigns based on professional ongoing market research and analysis, and looking beyond the corporate training manual.



## **Successful Hotels**

Today's successful hotels generally are focusing more on customer benefits. Whether they take the form of features, amenities, rates, service premiums or frequent travel programs, they often make direct comparison to the other types of hotel options available – and the customer is a real winner in this marketing environment.

Operators must seek out market analyses and think more strategically about how their product meets customer needs, and how to communicate it in a framework that enables customers to make an informed decision.

Operators and owners must go from having something and trying to get someone to buy it, to investing in finding out what potential customers want and working out how to deliver it and communicate it.

In the coming era when it looks like demand will take several years to recover, competition can quickly copy and therefore neutralize a hotel's architectural and physical advantages. Investors and developers must look for other advantages.

Strategic marketing, together with ongoing objective professional assessment, is going to be a clear

point of difference in determining the success stories in the lodging and hospitality industry.

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