Analysis On How the Londoner Hotel in Macau Responds to Public Crisis Events and Shapes Marketing Resilience Through Case Studies

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Abstract. After the outbreak of COVID-19, the global service industry has been greatly damaged. In particular, the hotel industry, as an important component of the service industry, has encountered an unprecedented dilemma. In recent years, China has attached great importance to the development of the tertiary industry, so the development of the hotel industry has shown a positive trend before the outbreak of the epidemic. Both the scale and number of hotels have been greatly improved. In addition, the hotel industry is more sensitive to public events, so in the current era of frequent public crises, how the hotel industry can improve marketing resilience and better respond to emergencies has become a problem that must be considered and paid attention to. By using a case study, the Londoner Hotel in Macau is the main case to analyze the changes in marketing strategies made in response to the COVID-19 epidemic. Its marketing strategy not only enables the hotel to complete the challenges brought by the COVID-19 epidemic, but also promotes the transformation and upgrading of its products, enhances its marketing resilience, improves its internal ability to respond to public crisis events, and promotes its sustainable development. This study integrates its strategies to provide feasible ideas and reference for other hotels to shape marketing resilience, and bring new inspiration to the sustainable development of the hotel industry.

Keywords: Public crisis events, hotel industry, marketing resilience.

1. Introduction

At present, the COVID-19 epidemic in China has entered the open stage, and the tourism, transportation industry and hotel industry in various places have begun to gradually pick up. However, the adverse impact of the sudden epidemic on the hotel industry is huge, and the development of the hotel industry has been hit hard by the short-term failure to recover. In the early stage of the COVID-19 epidemic, almost most parts of China (especially cities with good development and high population density) were closed. Most people were quarantined at home to reduce unnecessary going out, so as to reduce the spread of the coronavirus. This policy has led to a sharp decline in the number of tourists everywhere, almost to the "freezing point". Because residents can't go out, many enterprises have switched to online office, but the particularity of the hotel industry makes it impossible to use the same office. Most of the hotel employees are unable to work on site normally, coupled with the sharp decline in consumers, so most of the stores in the hotel industry are closed. Almost all brands of hotels are experiencing the problems of broken capital chain, declining performance, substantial loss of employees, and changes in the market pattern. Each problem is a great challenge for the hotel industry [1]. From 2021 to 2022, the COVID-19 epidemic has been effectively controlled, the areas under lockdown are gradually shrinking, and hotels in many areas have resumed business. However, due to the continuous mutation of the novel coronavirus, the continuous spread of the epidemic, and the insufficient attention of many countries, the COVID-19 epidemic cannot be completely eliminated in a short time. Therefore, the adverse impact of the epidemic on the hotel industry is long-term and continuous. Moreover, due to the economic decline caused by the COVID-19 epidemic, the income of residents has decreased, the consumption level has also decreased, and the willingness of consumption to travel is not strong. In addition, the epidemic

has caused a heavy impact on the hotel industry, so if the hotel industry wants to return to the pre-epidemic level, it will go through a long process.

At the same time, before the outbreak of the epidemic, with the development of the global economy, the positive development of the service industry was promoted. China's service industry is developing rapidly, which means that the hotel industry, as a leader in the service industry, has also received a new round of development, and its scale and quantity are also increasing year by year. In the future, the tertiary industry with the service industry as the main body will become China's main pillar industry. The development of the hotel industry, tourism and other industries is crucial [2].

The SARS incident in 2002 and the COVID-19 incident in 2019 made people aware of the frequent occurrence of crisis events led by public health and safety events. In addition, the economic crisis in 2008 and public crisis events such as natural disasters will have a great impact on the hotel industry. Negative impact. Behind this, it reflects the limitations of the development of the hotel industry. The hotel industry is extremely sensitive to public crisis events. At the same time, the hotel industry and other service industries are insufficient in marketing strategies, resulting in low marketing resilience to deal with sudden public crisis events. The so-called marketing resilience refers to the operation of hotels. When attacked, it will withstand and maintain a defined operating state (including downgrade) and restore and apply the attack to ensure the ability to achieve the task.

The research on the marketing strategy of the hotel industry in academic circles at home and abroad is relatively active, and a certain number of published articles have also accumulated. This article collects and studies relevant literature and finds that the research direction of existing relevant articles is mainly divided into two parts. The first part is mainly aimed at the hotel industry in the face of the COVID-19 epidemic and other public health. The marketing strategy of security incidents, the second part of the view is mainly aimed at the hotel's strategy to deal with internal crisis events. According to the classification and analysis of the above literature, it is concluded that the current research lacks analysis and suggestions on how to improve the marketing resilience of the hotel industry, so as to improve the response ability to public crisis events. In a word, the research of existing scholars is relatively in-depth and detailed, but there are shortcomings in some research angles and directions, and there is still room for in-depth research. This study integrates and analyzes the strategy of the hotel industry to improve marketing resilience under public crisis events, so as to make gaps in existing research, and provide suggestions for hotels to respond to public crisis events and promote the further development of the hotel industry.

This study adopts a case study, takes the Londoner Hotel in Macau as the main case, explains its marketing strategies and methods during the epidemic, refines effective practices, conducts in-depth analysis, and explores the reasons behind it, so as to form a feasible idea that can be extended to other hotels.

2. Introduction of the Londoner Hotel

The Londoner Hotel is located in the Macau Special Administrative Region. The Macau Special Administrative Region is a city with the gambling industry and the hotel industry as the main pillar industries. It is also one of the city’s most seriously affected by the COVID-19 epidemic. Macau's tertiary industry has a long history of development. Historically, Macau has been the most active trade transit port and shipping center in the Far East. The pillar industry of Macau's economy and the important basis for its development is the tertiary industry, which accounts for an increasing proportion of the economy. Statistics show that as of 2020, the proportion of Macau's tertiary industry has reached 91.3%. Since its return, Macau has established a relatively developed modern service industry with its advantages of a free port and extensive foreign economic and trade links, as well as its deep cultivation of gambling tourism. In particular, it has advanced experience in the fields of leisure and entertainment, international exhibitions, hotels, cultural creativity and other industries, and has a high industrial maturity [3].

However, the outbreak of the COVID-19 epidemic has dealt a serious blow to Macau's service industry. Affected by epidemic prevention and control and entry-exit control measures, the number of Macau's inbound tourists in 2020 decreased by 85.0% compared with 2019 to 5.897 million. The average occupancy rate of hotel rooms is only 28.6%, which is given to local hotels. The industry has caused an almost fatal blow [4]. As a five-star hotel located on Jinguang Avenue in the reclamation area of Taipa City, Macau Road, China, the London Hotel in Macau adopts a full suite design and is carefully built by Liang Zhitian Design Group in Hong Kong, China. The hotel has about 600 luxury suites, including 75 square meters of Louis Suite and Victoria Suite, and 113 square meters of Windsor Suite. The hotel is renovated by the center of Sands City and reshaped with an English theme. It provides London-themed accommodation, catering, shopping, entertainment and landmarks, presenting the richness of the United Kingdom. The history and culture and the British hospitality that combines tradition and modernity [5]. In 2021, in the middle of the development of the COVID-19 epidemic, Jinsha China's net income in 2021 was 2.87 billion US dollars, an increase of 70.4% year-on-year; the net loss was 1.05 billion US dollars, and the net loss in the same period in 2020 was 1.52 billion US dollars. Judging from the income of various properties under Jinsha China, the net income of Macau Parisians is the same as The decline was the largest, 33.7%, recording 67 million US dollars; followed by Macau Sands, with net income down 21.9% year-on-year, recording 25 million US dollars; Macau Venetian net income was 272 million US dollars, down 16.8% year-on-year. Macau Londoners and Macau Palace recorded net income of $139 million and $140 million respectively, up 46.3% and 22.8% year-on-year respectively [6].

From the perspective of hotel rooms, Macau Sands has the highest occupancy rate of 67%, a year-on-year decrease of 2.6 percentage points; followed by Macau Parisians, with a year-on-year occupancy rate of 50.8%, an increase of 0.8 percentage points. The occupancy rate of Venetian Macau, Londoners of Macau and Baili Palace in Macau is more than 50%. Among them, the occupancy rate of Venetian Macau is 44.2%, a year-on-year decrease of 5.1 percentage points; the occupancy rate of Macau London rooms is 41.5%, a year-on-year increase of 19.3 percentage points; the occupancy rate of Macau Belle Palace rooms is 43.9%, an increase of 1.9 percentage points year-on-year [6].

It is not difficult to see that according to the data of the group's annual report, the London Hotel in Macau is a five-star hotel under the Sands Group. Compared with other hotels under the group, it is less affected by the epidemic, and the net profit and occupancy rate are growing, which means that the marketing innovation of the hotel is also higher than that of other hotels. In the face of the major public crisis of the COVID-19 epidemic, the hotel actively changed its marketing strategy and looked for new development opportunities. Therefore, the hotel has aspects worth learning and researching in the response to such public crisis events.

3. Analysis of the Marketing Strategy of Macau London Hotel

3.1. Change the Target Audience Group

The London Hotel in Macau has transformed the target audience during the epidemic. This measure is very effective. It not only accurately grasps the customer group that is most likely to bring profits during the epidemic, but also accurately analyzes the preferences and needs of this customer group, laying a good foundation for subsequent product transformation and upgrading. The foundation. During the special period of the epidemic, the hotel first subdivided the consumer groups and divided the tourists into foreign tourists and local residents. Before the outbreak of the epidemic, due to the market positioning and geographical location of the London Hotel in Macau, the hotel had always taken high-consumption foreign tourists as the main target audience, accounting for more than 70%. However, after the outbreak of the COVID-19 epidemic, due to the decrease in the number of foreign tourists, the hotel changed its target audience, taking local residents and local workers and students as the target audience during the epidemic. For this kind of customer group, because there is no distance problem and there is basically no overnight situation, the hotel's rooms and other facilities

are obviously not attractive and competitive, so the hotel shifted its marketing focus from the room department to the catering department and the shopping-centered entertainment department.

For enterprises, confirming the customer group is the basis and key part of the realization of their marketing strategy. At different stages of enterprise development, their target audience will also be different. Only by identifying the correct consumer group according to their own situation can the products be transformed and upgraded according to the preferences and satisfaction of the group, so as to achieve income generation and sustainable development [7]. For industries with broader consumer groups such as the hotel industry, it is necessary to further confirm the consumer groups after segmentation in some special periods.

3.2. Promote Product Transformation and Upgrading

After the Macau London Hotel found that its products (room rooms and services) had lost its competitiveness during the epidemic, it followed the trend of the development of science and technology, deeply integrated its products with VR, AI and other high-tech technologies to enhance the competitiveness of its products. For example, the hotel's lobby had set up a 1:1 the restored British-style bus model is used as a decoration that can reflect the hotel style. However, in 2021, the hotel replaced the glass of this model with a VR screen and installed comfortable seats inside to improve the comfort of the tourist experience project. The idea of the project is to bring guests an immersive experience with Beckham as a driver to take you through London's urban scenery in the form of VR. This entertainment project is also officially known as "Beckham takes you around London".

At the same time, with the upgrading of products, the marketing strategy of Macau London Hotel has also changed. During the epidemic, Macau London Hotel has transformed the marketing concept of providing guests with personalized and high-quality services into an immersive experience for guests according to the improvement of entertainment facilities. In addition to the VR entertainment projects mentioned above, the change in the hotel's marketing strategy is also reflected in the catering department. The most famous Churchill restaurant of the Londoner Hotel in Macau launched the immersive experience afternoon tea "Alice around the Tour Series" during the epidemic. During this afternoon tea, there will be staff playing relevant movie roles to interact with the guests. In addition, many meals are also transmitted to consumers in an interactive form. For example, rose-flavored pastries will be placed on a bouquet of roses, and then the service staff dressed as princess will give the roses to the guests for tasting.

These practices of the hotel not only attract many local residents to consume in the store, but also improve the quality of products and increase the sales price, so as to achieve income generation during the epidemic. These practices are very useful.

The main products of the hotel industry are facilities and services, which is why the marketing resilience of the hotel industry is low. In addition to the experience, services can hardly be transmitted to consumers in other forms, and the development of the hotel industry is also limited by this. Therefore, when one of the products cannot be fully provided to consumers due to a certain crisis event, it is necessary to consider transforming and upgrading the product to meet the market demand at a specific time [8]. The Londoner Hotel Macau optimized and upgraded its products to meet the needs of consumer groups after the transformation during the epidemic. The usual room facilities were almost impossible to sell at that time, so the hotel optimized the catering department and entertainment facilities to stimulate the consumption desire of local tourists. At the same time, the transformation of the hotel's marketing strategy also needs to meet the needs of product upgrading. The marketing strategy of Macau London Hotel has weakened the sales proportion of "service" products and met its requirements of the times under the background of the COVID-19 epidemic.

3.3. Reintegration of Resources

At the same time, the Macau London Hotel took advantage of the "Internet +" to widely publicize it. During the epidemic, it used the hotel's official account on Weibo and other public platforms to

promote its VR project "Beckham takes you around London". At the same time, the hotel actively uses the current short video effect and cleverly uses the star effect to let some well-known TikTok or Little Red Book bloggers or stars punch in on the spot and publicize it on its public account, attracting many fans to spend in the store. Combined with the customer groups in the background at that time, the hotel will also launch targeted promotional videos. The bloggers or stars invited by the hotel are also well-known in the local area and are more popular with local people.

When the Macau London Hotel finds that its resources have lost its usefulness, such as its service personnel and guest rooms and facilities, the enterprise actively promotes other available resources, such as Internet dividends, on the network platform. At the same time, it makes reasonable use of the compensation funds given by the government for the transformation and upgrading of products. Gained a new round of competitive advantage.

The development resources available in the hotel industry are very limited and fixed. At different stages of development, in response to different development needs, hotels need to integrate and analyze resources to maximize resource utilization and expand their development advantages.

4. Suggestions

The transformation of the marketing strategy of the Macau London Hotel in response to the COVID-19 epidemic is very successful, mainly from three aspects: target customer groups, product transformation and upgrading, and integrated resources for vigorous publicity. The successful experience of the hotel can be integrated and extended to five-star hotels of similar size and positioning, forming a complete crisis response mechanism in each hotel [9]. The success of the marketing strategy of the London Hotel in Macau is mainly due to its capture of several major factors that can achieve revenue generation, that is, the factors contained in the so-called 4P theory: product (product), price (price), promotion (promotion), place (channel). The Londoner Hotel in Macau seizes the target audience that can achieve income generation in the context of the COVID-19 epidemic, understands their consumer needs, and transforms and upgrades its products. Product upgrades include two parts: saving production costs or increasing sales prices, so as to increase the profit of product sales. Macau London Hotel uses high-tech technology to optimize products. On the one hand, it can meet the needs of consumers, and on the other hand, it can also increase product profits to obtain profits. In addition, the Macau London Hotel will vigorously promote products and publicize them. Considering the background of the times, the promotion channels will be concentrated on the online platform.

If the hotel industry wants to shape its own marketing resilience, it must try its best to reduce the response of its products to some emergencies. The aspects considered should focus on the four elements contained in the 4P theory and expand with these four elements as the center. For example, if the hotel wants to optimize its products, it must first identify the current the target audience in the development stage should grasp their consumption needs [10]. The London Hotel in Macau uses the above theories and methods, so it can stand out in this epidemic and show a strong competitive advantage.

5. Conclusions

To sum up, the Londoner Hotel in Macau has actively adjusted the three aspects of transforming the target audience, carrying out corporate restructuring, and reintegrating resources to deal with the major public crisis of the COVID-19 epidemic. It is undeniable that the hotel's strategy is very successful and of great significance. The hotel's strategy not only enables it to complete the challenges brought by the COVID-19 epidemic, but also promotes the transformation and upgrading of its products, expands its competitive advantage, enhances its marketing resilience, improves its internal ability to deal with public crisis events, and promotes its sustainable development. This study integrates and analyzes the strategy of improving marketing resilience in the hotel industry under the

public crisis. If other hotel brands can actively learn from it and improve and adjust according to their own situation, it will promote the development of the entire hotel industry, and then promote the construction of the national tertiary industry.

The argumentation basis of this study needs to be improved; no practical investigation has been carried out. It is necessary to conduct an in-depth study on the degree of consumers' strategic response to the Londoner Hotel in Macau.

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