

A Study of Marketing Strategies for Mid-To-High-End Hotels Based on PESTEL And SWOT Analysis-Taking Atour Hotel as an Example

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Abstract. The global economic recovery has driven the development of various industries. With the growth of the tourism industry, the hotel industry has shown a thriving trend. In recent years, the emergence of many mid-to-high-end hotels has intensified competition within the hotel industry. Among the large scale of mid-to-high-end hotels, marketing strategies have become a core component of their development. High-quality marketing strategies can promote the rapid growth of hotels, and the competition among hotels is essentially a competition of marketing strategies. In order to investigate whether the mid-to-high-end hotel industry still has potential for future development and how mid-to-high-end hotels can formulate marketing strategies that suit their own circumstances, this paper will introduce the PESTEL analysis method and SWOT analysis method. First, it will analyze the impact of the macro environment, and then, using Atour Hotels as an example, it will analyze how the hotel adjusts its marketing strategy through internal and external development opportunities, as well as the challenges and risks it faces. Subsequently, this paper will provide recommendations for improving the marketing strategies of mid-to-high-end hotels based on the above analysis. Research has shown that although the mid- to high-end hotel industry faces some existing problems and future risks, there is still enormous room for growth. If hotels can seize opportunities and identify their own issues in a timely manner, they will be able to formulate marketing strategies that align with their own development.

Keywords: Marketing strategies; SWOT analysis; PESTEL analysis; Atour hotel.

1. Introduction

After the pandemic, with the gradual recovery of the global economy, the tourism industry began to flourish, which in turn drove the development of the hotel industry. According to data from 2023, the number of mid-to-high-end hotels in the hotel industry market expanded to more than 500, with a room supply of over 70,000 [1]. At the same time, to meet the diverse needs of consumers, hotels need to address existing issues while retaining their original strengths. An excellent marketing strategy not only enables a hotel to manage its internal operations smoothly but also ensures long-term, stable, and sustainable development externally. Among numerous mid-to-high-end hotels, Atour Hotels has stood out through its outstanding marketing strategy, becoming a model for many mid-to-high-end hotels and providing valuable insights into their development. According to data from 2019, Atour Hotels achieved a market share of 9.43%, leading the second-place competitor by nearly 2% in China's mid-to-high-end market, while other hotel industry players' market shares did not even reach 5% [2]. In terms of politics, while focusing on economic development, the government also advocates the integration of culture and tourism. Local governments actively promote the upgrading of cultural and tourism consumption, so mid- to high-end hotels have more resources and corresponding policy subsidies under this policy support. In terms of economics, technological development and upgrades have improved the productivity of raw materials, so that the quantity of materials has increased, and their prices have fallen. Engineering materials such as steel, cement, and glass have gradually decreased in price, which has saved a lot of costs for mid-to-high-end hotels such as Atour Hotels and increased their profit margins.

In terms of social aspects, with the recovery and development of the economy, consumer demands have become more diverse. Different consumer groups have different consumption needs,

and their requirements for hotel services and room environment quality have become increasingly rigorous. This presents both an opportunity and a challenge for mid-to-high-end hotels. In terms of the environment, environmental pollution has become a topic of social concern in recent years. Many countries require all industries to comply with green development and have restricted the use of disposable items in hotels. Some mid-to-high-end hotels, such as Atour Hotels, have replaced materials to meet environmental compliance and sustainable packaging requirements. However, changing materials may also lead to consumer dissatisfaction. In terms of technology, the gradual development of digital technology and the economy have promoted the effective integration and efficient use of data resources, driving the precision of marketing through data. For example, some software companies have cooperated with many hotels to enable customers to make advance reservations and arrange itineraries through the software. This not only provides convenience for customers but also brings a lot of online customer flow to hotels. In terms of legal issues, as the number of hotel franchisees increases, some franchisees may engage in illegal activities in order to obtain more profits, which will damage the reputation of the hotel brand and reduce profits. In order to gain a better understanding of the development potential of mid-to-high-end hotels, the above PESTEL analysis summarizes the opportunities and challenges faced by mid-to-high-end hotels in the macro environment. According to PESTEL analysis, mid-to-high-end hotels such as Atour Hotels have enormous development potential and offer many opportunities, but they also face existing challenges and unknown risks. Therefore, formulating high-quality marketing strategies plays a significant role in the development and expansion of the hotels' market influence. At the same time, this paper will use SWOT analysis to analyze the successful experiences of Atour Hotel's marketing strategy, identify some of the existing issues at Atour Hotel, and make improvements.

2. Atour Hotel's Marketing Strategy Analysis

Atour Hotel is a leading brand in China's mid-to-high-end hotel chain sector, established in 2013. The hotel fills the gap between budget and luxury hotels. Atour Hotel has a large scale, with data from 2024 showing that it operates in over 150 cities nationwide. Through innovative marketing strategies, the hotel has achieved rapid growth and significant revenue. This analysis of Atour Hotels' marketing strategies is based on SWOT analysis, which breaks down the analysis into four key points: strengths, weaknesses, opportunities, and threats.

2.1. Strengths

As times change and evolve, the hotel industry needs to adapt to changing consumer demands. For hotel marketers and marketing professionals today, it is crucial to recognize that marketing has moved beyond traditional models [3]. Existing research shows that marketing activities targeting baby boomers, Generation X, and Generation Y require completely different marketing strategies in order to maintain profit margins [4]. Atour Hotel combines local culture and lifestyle to offer activities such as the Bamboo Residence Library and local photography, enhancing the cultural experience for guests. At the same time, it collaborates with various apps, such as NetEase Cloud Music. Additionally, Atour Hotel has launched themed suites, attracting significant interest from guests. These two strategies have enabled Atour Hotel to establish its unique identity and gain a competitive edge in the market.

Pillows are a huge advantage for Atour Hotel, and many customers are extremely satisfied with them. Therefore, Atour Hotel has combined the hotel industry with the retail industry, using hotels as showrooms for pillow retail. This has greatly reduced showroom costs, customer acquisition costs, and more, while also expanding online retail business, forming a dual-channel profit model combining online and offline channels.

2.2. Weakness

Atour Hotel still has room for improvement in managing its franchisees. To meet the demands of expansion, Atour Hotel has been optimizing its supply chain to continuously reduce costs for franchisees. According to data from 2025, Atour Hotel added 121 new hotels, all of which are franchisees. On the surface, this seems like a profitable move, but in reality, the opposite is true. If franchisees fail to achieve the expected returns, they will naturally withdraw from the partnership over time. At the same time, franchisees will seek to improve efficiency by cutting costs, which may compromise quality and potentially lead to a decline in quality as prices decrease. For example, many franchisees' hotels have experienced hygiene issues, which have seriously affected the reputation and influence of the hotels and caused them to lose many consumers. Therefore, Atour Hotel should continue to improve its management of franchisees.

In addition, Atour Hotel still has room for improvement in terms of retail sales capabilities. Pillows are a signature product of Atour Hotels and are popular with the public, but in 2024, Atour Hotel's inventory size increased significantly, reflecting a lack of sales capabilities, with production outpacing sales.

2.3. Opportunities

In recent years, environmental protection has gradually become a topic of public concern. Environmental destruction and excessive waste of resources have made consumers aware of the importance of protecting the environment. As a result, the demand for green restaurants has been growing year by year, so hotel managers are also actively promoting the implementation of green environmental protection plans [5]. Nowadays, many consumers are willing to pay a premium for green hotels, which provides a great opportunity for the development of Atour Hotel. By replacing traditional materials with eco-friendly alternatives, Atour Hotel can not only meet consumer preferences but also reduce costs. With the development of the times, digital platforms have gradually become popular, which is a potential opportunity for the hotel industry to benefit. In terms of utilizing digital platforms, Atour Hotel has optimized its investment model and reduced the cost of engineering materials, which has greatly improved work efficiency. At the same time, Atour Hotel can also invest the savings in other beneficial areas.

2.4. Threats

Consumers are increasingly able to obtain information through multiple channels, and they use information from different platforms to make comparisons, which increases competitive pressure on businesses [6]. With the rise of various digital platforms such as TikTok, Meituan, and Dianping, these platforms have collected a wealth of information about hotels, as well as consumer reviews of their stays. This not only affects the reputation of the hotels but also influences consumers' choices. Many consumers often choose a hotel based on positive reviews, so competition among hotels is gradually becoming more intense. Some hotels purchase positive reviews from consumers to improve their reputation and even attack other hotels, which seriously disrupts competition in the hotel market.

In 2024, the number of rooms in China's chain hotels increased by 316,100, reflecting increasingly competitive conditions in the hotel industry. During 2024, price wars continued in various hotel sectors. For example, Huazhu Hotels lowered its prices in a cost-effective manner to increase revenue, forcing Atour Hotel to follow suit and lower its prices as well. However, reducing prices without changing costs cannot expand profit margins. Meanwhile, cutting costs does not necessarily guarantee quality, which in turn affects revenue. This is also a challenge for Atour Hotel.

3. Suggestions for Improving Marketing Strategies for Mid-to-High-End Hotels based on SWOT Analysis

Through SWOT analysis, scholars can learn about the successful practices of Atour Hotel, as well as identify its existing issues and future challenges. Therefore, mid-to-high-end hotels can optimize and adjust themselves based on Atour Hotel's successful experiences and challenges. The following recommendations are suggested in this paper.

First, hotels should optimize employee management and improve service quality. In the new era, the services provided by hotels need to be combined with customer needs [7]. If consumers have an unpleasant experience during their stay at a hotel, they will not return for future consumption, resulting in a loss of potential revenue for the hotel. Excellent employees can retain customers through high-quality service, so optimizing employee management and improving employee service quality are essential steps. The hotel can regularly organize relevant staff training to cultivate the concept of attentive customer service among employees. At the same time, it can hire experts to provide new employees with professional knowledge and skills training. It can also use a reward and punishment mechanism to regulate the quality of employee service. On the other hand, employees will not work for managers and management with a bad attitude. If managers cannot set a good example, it will be difficult to develop excellent employees. Therefore, it is possible to motivate employees by increasing their salaries and giving them more opportunities for development. At the same time, managers need to treat employees politely, provide guidance and encouragement to employees who are unfamiliar with their work, and communicate with employees to understand their wishes.

Secondly, hotels should also focus on green development strategies. As mentioned in the opportunity section of the SWOT analysis above, customers are willing to pay a premium for green hotels, so hotels should focus on the health-oriented emotional value of consumers. The health-oriented emotional value of a hotel refers to the extent to which a hotel promotes and maintains the happiness and health of its consumers [8]. This includes hotel design and atmosphere, good service quality, attention to customer health, and comprehensive medical services [9]. Through the use of lighting, eye-catching decorations, and background music, it is possible to leave a deep impression on consumers while also enhancing their experience and satisfaction levels [10]. Therefore, by continuously improving strategies and prioritizing health-oriented emotional value, it is possible to leave a profound impression on customers even during different periods [11]. This is also a reflection of empathetic thinking. The needs of consumers are the goal of hotel development. By focusing on consumers, hotels can enhance their reputation and development, thereby increasing revenue.

Finally, hotels need to use digital tools reasonably. The opportunities mentioned in the above SWOT analysis refer to the development of digital technology. With the advancement of technology, more and more companies will integrate and organize resources through digital platforms and AI tools according to their own circumstances. This will not only improve work efficiency but also reduce costs. The hotel industry can introduce intelligent service machines to allow customers to complete check-in and check-out processes in one place, which not only increases the hotel's efficiency but also saves customers' time.

4. Conclusion

This paper studies the marketing strategies of mid-to-high-end hotels and finds that the mid-to-high-end hotel market still has enormous potential for development. By actively adjusting internal development, taking advantage of opportunities brought about by the external macro environment, and formulating high-quality marketing strategies, it is possible to greatly stimulate the potential for hotel development. Through PESTEL analysis, this study found that the government actively promotes the integration of culture and tourism and provides subsidies to hotels that suspend operations, improvements in economic productivity have reduced costs, advances in digital platforms in the field of technology have improved the efficiency of resource allocation, while the diversification of people's needs in society also presents opportunities for the development of mid-to-

high-end hotels. Mid-to-high-end hotels can analyze these opportunities to identify those that are suitable for their own development, design a set of distinctive marketing strategies, and also explore new opportunities on their own. However, there are also challenges that mid-to-high-end hotels need to overcome, such as the depletion of natural resources in the environment, government policy restrictions, and franchisees' illegal operations that damage the interests of hotels. If these issues are not resolved, it will be difficult for hotels to move forward. From the current macroeconomic environment, the opportunities available to mid-to-high-end hotels still outweigh the challenges they face. Therefore, there are many potential profits waiting to be tapped into by mid-to-high-end hotels. Among these competitors, Atour Hotels have performed relatively well. Therefore, this article uses SWOT analysis to analyze Atour Hotel's successful experiences, existing problems, and potential future risks. For example, Atour Hotels analyzed the diverse needs of consumers and cleverly took advantage of the government's promotion of culture and tourism to launch a model that combines culture and lifestyle, attracting many consumers to come and experience it. At the same time, it actively cooperates with Internet platforms to create a win-win model. Atour Hotel also benefits from retail channels by using its signature pillow products. These are all clear examples of Atour Hotels' success. By making use of the hotel's unique characteristics and actively seizing opportunities in the external environment, they have created their own marketing path, which many mid-to-high-end hotels can learn from. However, Atour Hotel's inadequate management of franchisees, hostile competition among peers, and intensifying competition in the hotel industry have all put a lot of pressure on Atour Hotel's development and have helped mid-to-high-end hotels avoid some pitfalls. Based on the above analysis, this paper recommends three strategies for mid-to-high-end hotels in terms of marketing: optimizing internal employee management, promoting green strategies, and actively utilizing digital models. In summary, this study provides some references for future research on hotel marketing strategies, offering researchers a macro-level direction and also providing the hotel industry with references for improving its marketing strategies. However, this study still has some shortcomings in terms of insufficient data collection. The data and information collected may be outdated. In future studies, data collection can be more detailed to obtain more comprehensive first-hand data for analysis, thereby facilitating more in-depth research.

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