

# J Hotel Marketing Strategy Study

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**Abstract:** This study takes J Hotel in Shahe City as the research object. First, it analyzes and studies there cent domestic and foreign hotel industry marketing strategies; Secondly, fully investigate and analyze the current macro and micro environment of the hotel industry, and use STP theory for market positioning; Finally, SWOT analysis method is used to comprehensively analyze the development advantages, disadvantages and external opportunities and threats.

**Keywords:** Hotel marketing, Marketing strategy, 7P theory, STP theory, SWOT analysise.

## 1. Research Background

In recent years, the development of China's hotel industry has shown obvious structural differentiation characteristics within the industry. Luxury hotels, represented by five-star hotels, are rapidly shrinking in consumer demand due to national restrictions on "three public" consumption and "eight central regulations". At the same time, due to multiple factors such as high operating costs and the peak of real estate investment, the development speed and scale growth speed of luxury hotels are decreasing year after year. Economy hotels represented by chain hotels such as Home Inns and Hanting Hotels, after experiencing the peak of rapid growth, are now facing a new development situation due to serious homogenization and oversupply.

Jiang, Y., & Wen, J. (2020) pointed out: In recent two years, due to the impact of the COVID-19 epidemic, the hotel industry has also been greatly affected, and the flow of people has been greatly reduced, and the passenger flow of hotels has been significantly reduced. People's living habits have changed greatly. Video conference has replaced face-to-face communication, and day trips have gradually emerged. Customers don't need to stay in hotels.

## 2. Research Question

### 2.1. Product strategy issues

1. The development of new products is not strong enough
2. Product innovation is not strong.
3. The product service level is low.

### 2.2. Pricing strategy issues

1. The product pricing mechanism is not flexible
2. Psychological pricing is not obvious.
3. Unreasonable differential pricing

### 2.3. Channel strategy issues

1. The online sales channels are not ideal.
2. Unreasonable use of new sales channels

### 2.4. Promotion strategy issues

1. The promotion method lacks novelty.
2. Lack of effective public relations management

### 2.5. Personnel strategy issues

Judging from the evaluation results of the interviewees, the evaluation of the service quality is high, with 67.5% of the

interviewees thinking that the service quality of the hotel is good or very good, but not many interviewees use other services, which shows that the hotel is not doing well in some unconventional services and needs to improve the service level. J Hotel is located in a village far away from the urban area. Most of the service personnel employed are from nearby villages, and their academic qualifications are not high. Only a small number of hotel service personnel have a college degree or above. Some employees are not active in service, and they are lazy when they see customers coming forward to help. The staff has not handled some special services properly, and the service of the hotel needs to be further improved and perfected.

### 2.6. Tangible display strategy issues

According to the evaluation and analysis of the respondents, customers are satisfied with the evaluation of hardware display, only 32.5% of the respondents have poor or lower evaluation of hardware display, and nearly half of the customers have stayed for three times, indicating that repeat customers pay more attention to the hardware needs of the hotel, and the hotel needs to pay attention to the needs of customers. It has been four years since J Hotel opened in 2018. Some of the hotel's facilities are relatively novel, the carpets are clean and tidy, and the dining chairs are comfortable and luxurious. However, some decoration styles need to be constantly updated to keep up with customers' aesthetic steps. J Hotel's business rooms, standard rooms and family rooms are all set according to the standards of five-star hotels, but they are all standard furnishings, and there are no personalized rooms, which are not attractive to customers. For some family rooms, some couples ornaments can be added. For families with children, some cartoon products and some small toys can better satisfy children's fun, which will also increase the occupancy rate of the rooms and get favorable comments from customers. J Hotel needs innovative design concepts and customize some personalized rooms.

### 2.7. Service process strategy issues

Buttle, F., & Bok, B. (1996) pointed out that customers' evaluation of any service is only a result, and hotels should pay more attention to the service process, and only when the service process is in place will customers give higher evaluation. The service process management of J Hotel is not systematic and comprehensive, and the old employees are familiar with the service process, and the new employees need to adapt slowly, which will easily lead to problems such as

low service level and lack of initiative. With the increase of consumption, the hotel's service process requirements are more stringent, and the hotel must strictly implement the service standards to make customers more satisfied.

### 3. Research Methods

#### 3.1. J Hotel Profile

##### 1. Geographical location

Shahe J Hotel was opened in 2018. It is located in Jingguang Road, Shahe City, a county-level city in Xingtai, Hebei Province (about 700 meters north of Shahe New Bus Station). The Shahe Expressway is about 4 kilometers away, adjacent to the North Ring Road in the south and Weisan Road in the north. The geographical location is superior and the traffic is smooth and convenient. J Hotel is equipped with a free parking lot with a total of 400 parking spaces. The parking lot is equipped with a new energy vehicle charging station, and professional service personnel provide parking services, which can provide customers with a more comfortable experience. In their spare time, customers can go to the leisure area of the hotel for entertainment and relaxation, so as to enhance their satisfaction and happiness. Handan Airport is 60 kilometers away from the hotel, Shahe Railway Station is 4 kilometers away from the hotel, and People's Park is 3.9 kilometers away from the hotel. The transportation is convenient on all sides. Bus No.101 leads directly to the shopping plaza of Tianyi Mall in Xingtai City, and bus No.901 leads directly to Handan City. It takes only 15 minutes to drive from the hotel to Zanshan Airport in Shahe City and 10 minutes to Shahe Railway Station, which provides great convenience for customers. There are many scenic parks around for tourists to visit and play, providing a visual feast for customers staying in the hotel.

##### 2. Hotel layout

J Hotel, a nine-story hotel, has five large banquet halls, 14 elegant rooms and nearly 80 high-grade rooms. It can provide 2,000 people with meals and more than 100 people with accommodation at the same time. It is a comprehensive

business hotel integrating banquets, housing and conferences. At present, the hotel has a total of 58 employees, including 53 service personnel and 5 management personnel. The purpose of the hotel is to "go through a city, find a room and get rid of your fatigue". The hotel's catering is concentrated on the first floor to the fourth floor, providing special food from all over China. There are many room types for customers to choose from, ranging from luxury rooms for family living to meeting rooms for business. Customers can choose according to their own needs. The rooms are fully equipped, and the meticulous and thoughtful service brings customers a feeling of home. The banquet hall hosts wedding banquets, full moon banquets, business meetings and other activities, and the hotel is responsible for scene layout, which is well received by customers.

##### 3. Hotel service

The hotel provides parking services, entertainment services, catering services, luggage storage services, flower reservation services, car rental services, car calling services, 24-hour lobby services, 24-hour security services, etc., among which parking services include parking lots, which can accommodate 200 parking spaces at the same time, and customers can park for free. Catering services include barrier-free rooms, Chinese restaurants, children's meals, etc., and entertainment services include tea rooms, book bars and other leisure and relaxation places. Luggage storage service: The hotel is equipped with a special safe for customers to store valuables free of charge, and it is supervised by a special person. The hotel has a special person on duty 24 hours a day, which can guarantee customers to be on call at any time and provide maximum convenience for each customer.

#### 3.2. J hotel SWOT analysis matrix

According to Downie, N. (1997) analysis, the internal strengths, weaknesses, external opportunities and threats of J Hotel are integrated into the SWOT analysis matrix, so as to better understand the situation of J Hotel and prepare for better strategy selection (as shown in Table 1).

**Table 1.** SWOT analysis matrix

internal factor	Internal advantage	Internal Weaknesses (weaknesses)
external factor	Located on the west side of Beijing-Guangzhou Road, the transportation is convenient: the surrounding tourist routes are rich and close to the high-speed exit; There are many tourists and business people.	The management technology is not high and the management system is not standardized; The professional quality of employees needs to be improved, management talents are lacking and the quality of personnel is low.
External Opportunities (opportunities)	SO growth strategy	WO strengthening strategy
The opening of Zanshan Airport will attract more passengers, rich tourism activities and improve the city's popularity, attracting tourists from all over the world: customers pursue spiritual enjoyment and improve the hotel occupancy rate.	With the help of rich tourism activities, we can lock in some enterprise users, improve service quality and efficiency, and bring more spiritual enjoyment to customers.	Increase advertising in the airport, increase exposure: strengthen staff training, pay attention to the core needs of tourists, improve guest satisfaction; hotel decoration and renovation, organically integrate with tourism activities in Shahe City, and form the differentiation of service experience.
External Threats (threats)	ST defense strategy	WT hedging strategy
The intensification of local competition has led to the outflow of passenger flow: affected by the COVID-19 epidemic, the number of trips has decreased, and the number of people gathering activities has decreased, resulting in a decline in passenger flow.	Give full play to geographical advantages, provide exclusive shuttle service, and reduce the threat of competition;	Join forces with other well-known brands to raise awareness: avoid the competitive threat brought by international hotels.

### 3.3. Data collection and analysis

In order to better grasp the problems existing in J Hotel's marketing strategy, this study adopts the form of questionnaire, which is designed in three parts, collecting and analyzing data from the basic information of customers, the situation of customers staying in the hotel and the evaluation of customers on the hotel. The first part of the questionnaire is the basic information of the customers, with five questions, including gender, age, occupation, monthly income and city of origin. Through the analysis of the basic information of customers, we can better grasp the customer groups of the hotel, provide a basis for better analyzing the marketing

strategies of the hotel and formulating more reasonable marketing strategies for these problems. The second part is about the check-in situation of customers, setting up four questions, including through what channels to reach the hotel, the number of times to visit the hotel, the types of products experienced and the services used, so as to provide better products and services by mastering the customers' use of products and services. The third part is about the evaluation and analysis of the hotel by customers, setting up 10 questions. Through the analysis of these questions, we can fully grasp the customer's consumption direction, understand the problems existing in the hotel marketing strategy, and make more targeted decisions according to these evaluations.

**Table 2.** Basic information of consumers

name	category	quantity	Proportion (%) = quantity/total number of people
gender	man	101	50.5
	woman	99	49.5
age	Under 25 years old	17	8.5
	26-40 years old	82	41
	41-60 years old	eighty-five	42.5
	Over 60 years old	16	eight
occupation	Government and institution staff	51	25.5
	Enterprise staff	63	31.5
	self-employed entrepreneur/businessman	fifty-six	28
	student	six	three
	wait for employment	five	2.5
	other	19	9.5
place of residence	City area	103	51.5
	Outside the city and within Hebei Province	67	33.5
	Other areas	30	15
Monthly income situation	Below 2000 yuan	46	23
	2000-5000 yuan	63	31.5
	5000-7500 yuan	sixty-nine	34.5
	More than 7500 yuan	22	11

## 4. Analysis of Results

### 4.1. Market segmentation

The hotel market is made up of many people with different consumption needs, so hotels must adopt differentiated and personalized marketing strategies by Jeffrey, D., & Barden, R. R. (2000). Therefore, hotels should provide corresponding services according to the characteristics and needs of their customers when subdividing the market, and then choose certain groups as their target markets according to their own business environment and conditions. This paper mainly divides the market according to consumer demand level, consumer income level and consumer age.

#### 1.Consumer demand level

Business guests pay more attention to the convenience of transportation and tend to hotels with convenient geographical location. They have higher housing standards. J Hotel can provide sanitary and comfortable rooms and charge them at reasonable room prices. Tourism consumers have strong seasonality, are sensitive to prices, and pay attention to the warm family atmosphere. J Hotel can provide family

rooms, and comfortable and thoughtful service can bring customers the feeling of home. Conference consumers mainly include companies, enterprises and government agencies. They tend to buy in large quantities and with high total amount, and are insensitive to price. The conference room of J Hotel is well-equipped, which can meet the various conference needs of guests and provide business meetings, political meetings, cultural exchange meetings, professional academic meetings, etc. The layout of the conference venue needs to be selected according to the different contents of the conference.

#### 2.Consumer income level

Low-income groups often go to hotels to eat delicious meals, and they are more in pursuit of material satisfaction. Although their consumption structure has been greatly improved, they are still less in pursuit of enjoyment, while consumers of high-income groups mainly meet their spiritual needs. J Hotel can provide a good dining and accommodation environment and bring a better entertainment experience.

#### 3.Consumer age

Young people are often more willing to travel. Young

people are full of curiosity about the unknown. Every holiday, they become consumers of hotel accommodation. Middle-aged people have more needs for business trips and meetings. At the same time, they will also take their families to travel, bringing a large number of customers to the hotel. Older people are more likely to be brought by their children to travel or hold birthday banquets, and they can all see the old people. Groups of different ages also have different choices for hotel consumption.

## **4.2. J Hotel Target Market Selection**

According to the previous market segmentation of Murphy, J., Forrest, E. J., Wotring, C. E., & Brymer, R. A. (1996) the hotel and the current market situation, choose the purpose of J hotel bid market.

### **1. Consumer income level**

The construction level and scale of J Hotel are relatively high, at the middle and high-end level. The economic development level of Shahe City and people's economic income have been greatly improved. In addition, the tourism market has developed well in recent years, and more and more people come here for sightseeing. The hotel faces the middle and high-end market and provides higher standards of accommodation and catering.

### **2. Consumer demand level**

Combined with the development of Shahe City in recent years, tourism resources are gradually enriched. Every certain season, there are many tourists here, which brings huge benefits to the hotel's accommodation and catering consumption. J Hotel takes advantage of the tourist season in Shahe City to meet the needs of more leisure and holiday consumers. With the rapid economic development of Shahe City, there are more and more business activities, the number of people coming for business exchanges is increasing, and the conference market is also rich. Business meetings, political meetings, cultural exchange meetings and other forms of meetings emerge in an endless stream. These are activities that happen around us in daily life. J Hotel seizes the opportunity to develop these markets.

### **3. Consumer age**

Hotels can provide a variety of products to attract consumers of all ages, and the excellent service of J Hotel also provides a good experience for these customers. However, judging from the current development of the hotel, teenagers and middle-aged people are the consumer groups chosen by J Hotel, and they are rich in social activities and are more willing to use the hotel environment to meet their own needs. J Hotel is dedicated to service and treats every consumer sincerely.

## **4.3. Positioning**

The market positioning of J Hotel in Shahe City is to create brand image in the target market through effective differentiation. The purpose of the hotel is to "create and retain every customer", and with its convenient geographical location, complete hotel rooms and facilities and thoughtful service, J Hotel in Shahe City is positioned as a "convenient home to live in". The positioning of the hotel is reflected in its geographical location, surrounding environment and consumption, which can bring customers a convenient experience. Shahe J Hotel is located on the west side of Beijing-Guangzhou Road, with superior geographical location and convenient transportation. It is only 15 minutes' drive from the railway station and 10 minutes' drive from the

high-speed exit. The hotel provides a large number of parking lots, complete security facilities, and many bus routes around it, which facilitates customers' travel. There are many convenience stores around the hotel. All kinds of gourmet snacks and creative shops abound, providing customers with a leisure shopping environment. The hotel rooms are also warm and comfortable, and the service is meticulous and thoughtful, which makes customers feel at home. The hotel lobby is spacious and bright, and you can have tea and relax your body and mind. The hotel provides delicious food from all over the world to meet the needs of customers' taste buds. The banquet hall and meeting room can meet the business needs of customers, and customers can enjoy a full range of living experience. Through the market positioning of the hotel, J Hotel in Shahe City can establish a unique and competitive image in the hearts of consumers, occupy a large market position in the hotel industry, enhance the competitiveness of the hotel and help improve economic benefits.

## **5. Discussion and Suggestions**

### **5.1. Product strategy improvement**

1. Intensify product innovation research and development
2. Improve product service level

### **5.2. Improvement of pricing strategy**

1. Improve the flexibility of product pricing mechanism
2. Develop psychological pricing strategy
3. Improve the differential pricing level

(1) Time difference strategy. The time difference is to set different prices according to the different time of customer demand. Hotel products have strong seasonality. When it is in the tourist season, the passenger flow will increase accordingly, and the demand for hotel products will be great, so the price can be raised appropriately.

(2) Quality price difference strategy. High-quality products often involve more socially necessary labor, so the strategy of high price should be adopted. Hotel products are quite different in quality, so different prices should be set.

### **5.3. Channel strategy improvement**

1. Optimize the distribution channel model
2. Rational use of new sales channels

### **5.4. Promotion strategy improvement**

1. Innovative promotion methods
2. Strengthen public relations management
3. Increase publicity efforts

### **5.5. Personnel strategy improvement**

1. Strengthen employee skills training.
2. Improve employee satisfaction
3. Develop professional talents

### **5.6. Tangible display strategy improvement**

1. Improve the hotel layout
2. Update local facilities
3. Improve employee image

### **5.7. Service process strategy improvement**

1. Get ready before service
2. Timely response in service

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