

Based on SWOT Hotel Marketing Strategy Analysis -- Taking Economy Hotel as an Example

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Abstract

since entering the 21st century, with the rapid development of our country's economy and the improvement of its international status, the market pattern of our country's tourism industry has changed correspondingly, and China's tourism is facing an unprecedented new period. As one of the pillar industries of tourism, the hotel industry also ushered in a new period of development. But at the same time, with the rapid development of our economy, hotels are also faced with many constraints, local problems are still very big. Based on the meaning and characteristics of economy hotel, this paper summarizes the development course and marketing status of economy hotel, and analyzes the advantages, disadvantages, opportunities and challenges of economy hotel by using SWOT analysis method.

Keywords

Economy hotel; SWOT; problem; marketing strategy.

1. Introduction

In recent years, economy hotel as a new hotel business in China's big cities quietly rise, and won the love of many consumers. At present, the overall development situation of economic hotels in China is good, and a number of excellent hotel groups have emerged. However, there are still some problems, which need to be highly valued, deeply studied, and practical measures to change marketing strategies to ensure scientific development.

2. Overview of Budget Hotels

(1) Meaning of Economy Hotel

Economy hotel is a non-luxury hotel with high cost-performance and economic price, high quality service and comfortable environment. From the star, refers to three stars and three stars below or no star of all kinds of hotels; from the grade subdivision, refers to the middle and low grade of all kinds of hotels; from the scale analysis, generally refers to the middle and small of all kinds of hotels.

3. The Development Course and Marketing Present Situation of Economy Hotel in China

(1) Development of Economic Hotel in China

With the rapid development of domestic economy and tourism, the demand for economy hotels is becoming more and more intense. Economic hotels, which can be accepted by many consumers, have a fairly broad market prospect in China.

The initial development of economy hotel in China began in 1996. Jinjiang Star of Shanghai Jinjiang Group is the first economy hotel brand in China. Entering the 21st century, various economic brands have sprung up.

(2) The Marketing Present Situation of Economy Hotel in China

Since entering the 21st century, with the development of economy and the improvement of international status, the market pattern of China's tourism industry has also changed greatly, and China's tourism is facing an unprecedented new period. As one of the pillar industries of tourism, the hotel industry also ushered in a new period of development. As a new force in our country's hotel industry, economy hotel's emergence and development just fill the situation of "polarization" in our country's hotel industry for a long time, and meet the accommodation needs of domestic and foreign public tourists and ordinary business travelers. With the emergence of economy hotels, its development has become an important trend and has a growing impact on the hotel industry. Economy hotel is also called limited service hotel, its biggest characteristic is the price is cheap, its service mode is accommodation breakfast. Economy hotels take low and middle consumers as the object, take the economic price, the safe facility, the high quality service and the management satisfies the guest food, clothing, housing and transportation non-luxury hotel. The so-called economy hotel, in terms of investment scale, the investment amount is less than 10 million yuan; in terms of operating scale, the number of guest rooms available is less than 200; in terms of employees, the number of employees is less than 100; in terms of service items, the mode is simple; in terms of management, the hotel is non-star non-foreign, the average annual opening price is about 250 yuan in terms of sales price. Such hotels can meet the needs of low- and middle-income people because of their relatively cheap prices.

From 2000 to 2014, the size of our economy hotel industry's stores and rooms continued to expand outward. From 2000 to 2009, it is the golden decade of high-speed development of economy hotel. Starting in 2010, the growth rate of economy hotel tends to slow, and gradually forms the situation of oligopoly. such as home hotel ,7-day hotel, hanting hotel and jinjiang star all have high market share. The market share of the top ten budget hotel brands reached 67.7% in 2014.

4. Analysis on the SWOT of Economy Hotel in China

4.1. Advantages of Economy Hotel in China

In recent years, the hotel industry in China has developed rapidly, but the structure of hotel grade is not reasonable enough. On the one hand, high star hotel facilities are luxurious and expensive; on the other hand, some small hotels, guesthouses service quality and hygiene conditions are too poor, so that most ordinary business guests and tourists feel uncomfortable. In this case, the consumer's demand for cheap and affordable budget hotels is strong. To sum up, the main advantages of budget hotels are as follows:

(1) cost advantages

At present, all kinds of high-grade hotel costs remain high in our country; the hardware function configuration of economy hotel reflects practicability, does not need redundant furnishings, saves the initial construction cost. The high star hotel service is complete and meticulous, needs the staff number to be numerous, the labor cost is high; the economy hotel because the hotel scale is small, the matching is simple, the staff can one person many posts, thus greatly saves the labor cost.

(2) price advantage

Compared with high star hotels, the fixed cost and the later additional cost of economy hotels are less, the capital preservation point is low, and the management and service costs are also low. The management and service rates are far lower than the level of high star hotels. Economy hotels have the advantage of price competition. The price of economy hotels in China is generally between 150-300 yuan. Some data show that the per capita cost of tourism

in China is 394 yuan per time, of which the per capita cost of urban residents per trip is 614.80 yuan, the per capita cost of rural residents is 249.50 yuan, and 70% of the wage earners in China can accept the price of about 150-200 yuan. The consumption price of economy hotel in China can meet the actual consumption demand of mass tourism consumers in China, and has a strong price competitive advantage.

(3)sufficient customer advantage

In the context of China's sustained economic growth, convenient transportation, paid leave and so on all stimulate the travel needs of ordinary people. After China's entry into WTO, international exchanges at different levels have increased, and China has become one of the international preferred business destinations. In this way, budget hotels and high-star hotels, ordinary social hotels, there are relatively fixed, a large number of tourist background advantages. Economic hotels have positioned their customers in the public, general business people, small and medium-sized enterprises owners and ordinary self-funded tourists, which have won the advantages of the mass market.

4.2. Disadvantage of Economic Hotel in China

Economic hotels have the advantages of large market demand, relatively little investment and short payback period, and their development prospects are very good, but at the same time, the development of such hotels in China is also faced with the following factors:

(1) blind imitation, lack of personality

In China has just started, especially some domestic economic hotel investors, in the early stage of construction, there is no clear target market, not according to market research, market analysis to organize planning to operate, but one-sided imitation of those high-star hotels, resulting in market positioning confusion, In the choice of tourists is also very blind, no focus. On the other hand, some economic hotels transformed from middle and low grade state-owned hotels are designed according to the standard of ordinary star hotels in the initial stage of construction, and their business departments and functional departments are relatively complete.

(2)monomer management, scale advantage is not obvious

Many economic hotels in China are single-handed, no scale. The reason why economy hotel is "economy" is because of its lower cost, chain operation or group operation can unify purchasing, unified training, unified technical support, unified marketing and so on, thus reducing the cost and enhancing the market competitiveness.

(3)lack of brand building and incomplete marketing methods

Many budget hotels in China are small and medium-sized enterprises, owners and investors do not have strong funds to carry out brand building. And from the international experience, the hotel brand in the expansion process is accompanied by the development of strong marketing and reservation system, accompanied by the penetration of corporate culture and the expansion of market share. The operators of economic hotels in China often only pay attention to internal management, and lack the awareness and means of market development, brand building, network reservation and so on.

(4) price competition is chaotic

China's high-grade hotels are growing too fast, the main means of competition is price-cutting competition, which makes the corresponding law of hotel structure and tourist source structure broken, which not only reduces the overall benefits of the hotel industry, disturbs the competitive order of the hotel industry, but also leads to the deprivation of other hotel sources of customers by high-grade hotels.

4.3. Opportunities of Economy Hotel in China

(1) new opportunities in the domestic market

First, the reform of government institutions. Decoupling of affiliated units and government departments is the established direction of reform, so a large number of government guesthouse cancellation will go to the market, but also for the development of economic hotels to provide the tourist conditions. Second, the rapid integration of private capital. The restructuring, restructuring and sale of the hotel industry will also become the direction of economic hotel development, in this process, private enterprises will have great potential, will inject new vitality into the development of economic hotel. Third, the tourism environment is further optimized. Along with the success of China's bid WTO, Beijing Olympic Games, Shanghai World Expo and Hangzhou Leisure Expo, our government is making great efforts to adjust its reception mechanism, increase and improve the reception environment, establish a computer network reservation system, and establish a wide range of efficient and high-quality tourism network services.

(2) new opportunities for international markets

"China will become the world's largest tourist host country by 2020, with more than 137 million foreign visitors coming to China," the World Tourism Organization's research report predicts. In the next 20 years, the influx of international tourists will further promote the rapid development of China's tourism hotel industry, economic hotels in the future development will be a bright future.

(3) the opportunity of unreasonable supply structure

At present, the hotels that have been built in our country show obvious "polarization" unreasonable state in quantity structure, that is, high star hotels with good quality, high price and social hotels with low quality are very large in quantity, and less in quality and moderate price. This consumption fault, to the development of economic hotels to provide a good opportunity.

4.4. Challenges Faced by Economic Hotels in China

(1) challenges from markets

Past success stories do not guarantee future success. Moreover, the success of economy hotels in China over the past 10 years is not so much a result of marketing as a bus ride to China's rapid economic development. Traditional, original marketing techniques, such as handing out leaflets, running customers, opening intermediaries and signing contracts, continue to work, but this is far from enough.

(2) challenges from the organization

Budget hotels with more than 200 rooms have emerged in recent years. Economic hotels have no marketing department and personnel organization structure, can no longer cope with such a large number of rooms caused by the long-term rental rate can not break through the dilemma, a large number of rooms due to poor management, marketing, sales promotion, and into trouble. This is an opportunity, but it is also a challenge. Because these hotels generally have large rooms, the old-fashioned approach of budget hotels and the organization without middle-level managers and department managers have been unable to effectively organize the marketing of stores.

(3) challenges from new technologies

Internet marketing has become one of the most important marketing tools in marketing, but it is difficult to recruit a budget hotel with a network marketing manager. China Economic Hotel calls for the introduction of marketing theory suitable for China Economic Hotel.

5. Marketing Strategy of Economic Hotel in China

(1) accurately locate the source level. In carrying out market positioning, economy hotels should focus on selecting one or more as specific market objectives, "avoid high and low", avoid high-level customers of high-star hotels as far as possible, and then screen according to different levels of customer demand in the target market, find out the core concerns of target customers, and give the right remedy to meet their core needs. No hotel can meet the needs of all types of guests when operating, the more complex, the more source, often the hotel is in a passive situation, so that some guests produce dissatisfaction. Economic hotels pay attention to economy, comfort, convenience, safety, in the market positioning should focus on the medium level of consumption, with a certain cultural taste of customer groups, such as: business guests, family travelers and young students.

(2)do a good job of market segmentation. After choosing a certain target market, it also clarifies the hotel's future management center of gravity. The economic hotel market in China can be further subdivided into the market of business guests, family travel market, young students market and so on. At present, China's best segment of the market is the hotel group, in its XiYue hotel, all-season hotels, Xingcheng Hotel, Hanting Hotel and Haiyou Hotel, respectively corresponding to different levels of consumption, different levels of demand. Accurate market segmentation ensures the accuracy of hotel marketing and avoids the waste of manpower and material resources.

(3)keep pace with the development of the times. In recent years, China's economy has developed rapidly, the income level and consumption level of residents have been significantly improved, consumers have shifted from the original quantity consumption, quality consumption to personalized consumption, and today's popular products may soon be replaced by new consumption. The rapidly changing trend requires us to research and position the customer market quickly and accurately.

By using the mobile phone WeChat function, which has the highest usage rate and the necessary manpower, the hotel can apply for the public number of the relevant name and introduce its hotel name and accommodation environment, hotel consumption concept, room vacancy rate and so on in a simple way, so as to facilitate guests to understand the basic situation of their hotel, to reserve a room for a certain period of time, to make a reservation system for guests to use the function of mobile phone anytime, anywhere to book their favorite rooms, and then to use the WeChat Pay function to pay the room fee quickly and conveniently, the hotel can also adopt membership system and VIP discount system, Recruit new customers and retain some old customers as regular customers. Times are advancing,

(4)Our development should adapt to the development of the times to the level of development requirements, steady development, to provide more quality services, so that we travel and travel life excellent helper.

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