

Marketing Management Practices of Hotels in Guangzhou

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Abstract: *With the recovery of the global economy, the hotel industry has regained vitality, demonstrating strong resilience and innovation capabilities. However, the industry faces fierce competition and significant product homogenization. Marketing management practices have become an important means to address intense market competition. Guangzhou's hotel industry holds a leading position in China, characterized by its maturity and highly competitive environment. This study takes Guangzhou's hotel industry as an example, selecting three different types of hotels to investigate their marketing management practices. By examining the extent of marketing management practices across different hotel types, the study analyzes whether there are differences in marketing practices among various types of hotels and their impact on hotel performance. The results show that there are no significant differences in marketing management practices based on hotel type, years of operation, or number of employees. However, marketing activities carried out by different types of hotels have a significant impact on hotel performance. Finally, the study proposes optimization strategies for marketing management practices in Guangzhou's hotel industry, providing guidance for the development of marketing strategies in the industry and offering reference value for similar hotels.*

Keywords: *Marketing Management Practices, Management Strategies, Key Performance Indicators, Guangzhou hotels*

1. Introduction

The competition in the hotel industry is becoming increasingly intense, presenting trends of diversification, digitalization, and experience orientation. Precise and efficient marketing strategies have become key tools for hotels to address competition, enhance brand influence, and attract consumers. At the same time, the hotel industry is gradually leveraging offline data mining and analysis technologies to enhance customer value, promote online and offline interaction, and strengthen brand competitiveness^[1].

Additionally, the integration of intelligent technologies into hotel marketing has improved market analysis capabilities and operational efficiency while reducing operational costs and risks. With the rise of online transactions and new media, hotel brands are continually innovating their marketing strategies, utilizing platforms such as TikTok, Facebook, and Twitter for global promotion. New marketing methods such as short videos, live streaming, and experience-based marketing have become essential components of industry marketing.

At the same time, consumers' accommodation needs have undergone significant changes. They are placing greater emphasis on personalized experiences and services, often preferring visually appealing, shareable boutique hotels. The widespread adoption of digital and intelligent technologies has also heightened consumer expectations for efficient and convenient service experiences. These evolving consumer demands require hotels to develop reasonable marketing strategies based on customer needs and available resources to attract and retain consumers, thereby generating greater value for the business.

As a leader in China's hotel industry, Guangzhou's hotel sector is ahead of the nation in terms of quantity and scale, but it faces multiple challenges and issues in marketing management practices. First, the large number of hotels in Guangzhou results in intense competition, and significant differences exist in the marketing practices of different types of hotels. Second, while hotels are continuously innovating marketing methods, they often struggle to meet the diverse and personalized needs of consumers, leading to the phenomenon of attracting crowds without increasing revenue. Moreover, the rapid development of digital marketing demands higher technical capabilities, yet many hotels face

issues such as insufficient investment in technology and data security during their digital transformation processes.

This study will conduct a questionnaire-based survey of three different types of hotels in Guangzhou to understand the current state of their marketing practices, analyze whether differences exist among the marketing practices of different types of hotels, and determine whether these practices ultimately affect hotel performance. Through this research, it is expected to provide a theoretical foundation for improving marketing strategies in Guangzhou's hotel industry in the digital era and offer specific strategic guidance for hotel managers to ensure the healthy and stable development of the hotel sector.

2. Review of Related Literature and Studies

This section delved into pertinent literature, studies, principles, and concepts that served as crucial guiding points for the current study. By reviewing existing research, the researcher gained valuable insights into similar studies conducted previously, providing a foundational understanding essential for shaping the present study. This exploration directed the researcher's focus within the research process, drawing upon findings from prior research to inform various aspects of the current study.

2.1 Marketing Management

In the process of the continuous development of marketing theory, different researchers and scholars have different definitions of it.

Kotler(1998) believed that marketing needs to create a social management process that can exchange products and values with others on an individual and collective basis. Different material desires and desires of human beings can be satisfied through marketing.

The Chartered Institute of Marketing had a different understanding of marketing: the main purpose of marketing is to identify customer needs, and predict customer needs according to customer consumption behavior, so as to take certain measures to meet customer needs, this process can achieve organizational profit, and can carry out effective management work.

The modern marketing thought traces its origins back to the early 20th century, marking a transition from traditional economics to management and ushering in the era of marketing management. By the 1950s, market segmentation and research emerged as prominent topics, introducing the concept of market segmentation and solidifying marketing's role as a crucial component of enterprise management. Over time, marketing theory has evolved through various stages, including the 4P, 4C, integrated marketing, 4R, 4D, precision marketing, and big data marketing.

The classic 4P marketing theory, introduced by Carthy in 1979, encompasses four key aspects. Firstly, Product involves developing unique selling points to meet consumer needs and gain a competitive edge. Secondly, Price entails determining appropriate pricing strategies to enhance product competitiveness. Thirdly, Place focuses on cultivating efficient sales channels to reach customers cost-effectively. Lastly, Promotion involves altering sales behaviors to attract customers and boost sales growth.

Marketing theory is an important tool to guide the marketing practice of enterprises, and the development of marketing theory has various forms. However, 4ps is an effective tool for enterprises to carry out marketing practices, which can help enterprises to carry out specific marketing activities.

2.2 Hotel Marketing Management

Hotel marketing theory is the application of marketing theory in hotel management, which has the commonality of enterprise marketing and the characteristics of hotel marketing. Hotel marketing is a process of activities aimed at realizing the interests of tourists, society, and enterprises through the conception, planning and execution of various elements involved in hotel products.

Hotel marketing involves understanding consumer needs and desires through research, leveraging internal strengths and conditions, identifying target markets, and implementing tailored strategies to meet consumer needs and achieve desired goals (Chen & Xu, 2018). Cai (2022) defines the essence of marketing mix as utilizing various customizable elements to formulate effective marketing strategies for specific markets. By accurately identifying consumer needs and adeptly managing product

development, pricing, distribution, and promotion, marketers can transform products into coveted offerings and cultivate a base of satisfied customers (Cai, 2022)^[2].

According to Zhang & He (2017), hotel marketing harnesses both internal and external resources to integrate marketing tactics and execute the hotel's marketing strategy, ultimately driving increased profitability for the enterprise (Zhang & He, 2017). This study posits that hotel marketing is a multifaceted process aimed at satisfying consumer, enterprise, and societal interests through conceptualization, planning, and execution of various hotel product elements. It underscores the importance for hotels to comprehend consumer needs, align with internal capabilities, target specific markets, and deploy tailored strategies to meet desired objectives.

2.3 Hotel Marketing Management Practices

The rapid advancement of the hotel industry has propelled research in hotel marketing forward. The gradual integration of intelligence into hotel marketing promises enhanced analytical capabilities and operational efficiencies, thereby reducing costs and mitigating risks. To capitalize on the growing trend of online transactions, hotels are continuously innovating in new media marketing. Domestic scholars have made substantial contributions to this field, focusing on four main areas: marketing management practices of chain hotels (Dong & Xu, 2022), marketing management practices of single-brand hotels within chain hotels (Zhu & Li, 2021), marketing management practices of independent hotels, and marketing management practices specific to certain types of hotels (Guo, et al. 2022).

In examining chain hotel marketing management practices, scholars have primarily delved into the strategies employed by major chain hotel groups in China, with a particular emphasis on well-established entities like Huazhu Hotel, Jinjiang Hotel, and Ctrip. For instance, Dong (2022) conducted a comprehensive analysis of Ctrip and its hotel business, scrutinizing aspects such as product offerings, pricing strategies, distribution channels, and promotional activities^[3]. Drawing insights from both internal evaluations and SWOT analyses, suggestions were formulated to optimize Ctrip's hotel marketing strategies.

Similarly, Xu (2022) utilized various research methodologies including literature reviews, case analyses, and in-depth interviews to underscore the significance of service marketing and brand efficacy within the hotel industry, using Huazhu Hotel as a case study^[4]. The aim was to offer practical insights for other hotel brands and groups.

Shang (2023) took a consumer-centric approach to scrutinize the "Huazhuhui" frequent guest program of the Huazhu Hotel Group, discussing implementation challenges and proposing solutions based on a review of domestic and international research on frequent guest programs^[5].

Furthermore, Yang (2019) focused on the Huazhu Hotel Group, examining its self-established distribution channels and assessing their impact on operational performance through indicator analysis, aiming to provide guidance for other Chinese hoteliers in establishing direct sales channels.^[6]

Conversely, Qin (2021) explored the evolving landscape of hotel brand communication, using the Jinjiang Hotel Group as a case study to investigate changes in advertising, sales promotion, public relations, and interpersonal communication in the digital age. The study also discussed innovations and applications in hotel brand communication strategies^[7].

The practice of hotel marketing management for single brands typically involves selecting a prominent single hotel brand and examining it from various angles. For instance, Zhu (2020) conducted a case study on the domestic economy hotel chain brand, 7-Day Hotel. Through an analysis of the marketing environment of the 7-Day Hotel chain, she conducted an extensive exploration of the hotel's service marketing strategy, focusing on the seven Ps. Additionally, she identified existing enterprise marketing challenges and proposed solutions^[8].

Building on this foundation, Yang (2021) delved deeper into 7-Day Hotel's service marketing and its impact on customer satisfaction^[9]. Meanwhile, Li (2020) utilized Jinjiang Star as a case study to emphasize the pivotal role of hotel service quality in brand construction. He advocated for strengthening the influence of hotel brand service culture to enhance management awareness and talent, improve overall hotel strength, and employ new media marketing for brand-building purposes^[10]. Identifying shortcomings in enterprise network marketing, Li proposed strategies covering product, price, network, channel, and promotion, along with corresponding safeguard measures.

Research on individual hotel marketing practices predominantly revolves around local hotel studies,

focusing on specific areas such as network marketing, service marketing, and digital marketing. Guo (2022) examined the marketing innovation of DH Hotel Kaifeng, emphasizing Internet marketing's role in enhancing customer satisfaction and creating innovative consumer service experiences. Similarly, Wei (2018) explored digital marketing practices and theories in China's hotel industry, proposing distinctive business strategies and researching innovative models for hotel marketing development. Drawing on A Hotel as a case study, Wei advocated for optimized marketing strategies tailored to the post-epidemic era^[11].

Furthermore, Zhang (2021) employed questionnaire surveys to conduct an in-depth analysis of hotel marketing strategy issues, gathering customer information to formulate actionable marketing strategies based on the 7P marketing strategy theory. Through this research, the pivotal role of service alongside product sales, personalized, humanized, and diversified marketing in shaping customer evaluations became evident. Additionally, many scholars opt to study the marketing practices of individual hotels, further enriching the field's understanding^[12].

Various types of hotel marketing management practices have been researched. Zhou (2022) employed network text analysis to scrutinize the service experience across different comfortable hotel brands in Guiyang City^[13]. The findings revealed a general satisfaction among customers with these establishments, particularly highlighting staying comfort and hotel service as paramount elements of the customer experience. Moreover, the integration of scientific and technological advancements has introduced new competitive edges to hotels, offering valuable insights for future service enhancements and marketing strategies. Additionally, the study underscores the significant impact of staying experience on the overall brand effect of a hotel.

In a separate study, Li (2023) delved into common issues prevalent in hotel marketing, including deficiencies in online product display attraction, excessive dependence on OTA platforms and pricing systems, and the absence of seamless official online marketing channels^[14]. Furthermore, Li identified the underutilization of big data technology in promotional endeavors. To address these challenges, the paper suggests targeted optimization strategies aimed at bolstering enterprises' market competitiveness and fostering sustainable development.

Furthermore, Huang (2020) conducted research on hotel marketing strategies tailored for internet celebrities in Guangzhou. By surveying hotel customers associated with internet celebrities^[15], Huang discerned the pivotal roles of internet celebrities in hotel marketing, particularly in terms of product design, endorsements, and online reviews.

Diverging from prior studies, Wang (2021) advocated for a novel marketing approach that integrates theme hotels with the distinctive cultures of their respective regions under the burgeoning new media landscape^[16]. This strategy aims to heighten customers' experiential satisfaction in marketing endeavors while leveraging multiple platform marketing modes for enhanced outreach and engagement.

2.4 Synthesis

According to the summary, the research results of hotel marketing management practice were relatively rich. Scholars had studied large chain hotels, single brand hotels, single hotels and local hotels, and the research content was rich. However, there was a lack of research on different types of hotel marketing practices in the existing literature, especially the lack of research on the marketing practices of Guangdong hotel industry. Therefore, the marketing management practice of different types of hotels in Guangdong was worthy of further study, and its research could also provide references for other similar types of hotels.

3. Methodology

3.1 Research Design

In this study, the researcher utilized a mixed research approach employing both the quantitative and qualitative methods.

The quantitative method, particularly the descriptive correlational research design was used to determine the hotel's profile variables, the extent of implementation of marketing management practices by the hotels and their level of performance in terms of the key product indicators.

In addition, the correlational analysis was used to establish the significant relationship between the extent of implementation the marketing management practices by the hotels and their level of performance in terms of the key performance indicators.

Finally, the qualitative part used a thematic analysis to analyze the problems/ challenges encountered by the hotels in implementation the marketing management practices which served as baseline data in coming up with a plan of action improve/enhance the implementation of marketing management practices by the hotels.

3.2 Participants of the Study

The participants in this study comprised managers, employees, and customers from three representative hotels in Guangdong. A random sampling method was employed to select 10 hotel managers, 20 hotel employees, and 120 hotel consumers from each of the three hotels.

Subsequently, the participants were randomly assigned to consumers via the Internet.

3.3 Data Sources & Data Analysis

The data utilized in this study were collected through two methods: hotel internal data and survey questionnaires.

The hotel's internal data encompassed relevant information pertaining to the hotel's marketing strategies and key performance indicators, including the number of hotel rooms, room availability, average hotel prices, online ratings, and more. These data were gathered through interviews and supplemented by information sourced from industry research firms, the China Tourism Statistics Yearbook, the Guangdong Tourism Statistics Yearbook, and major online travel agency data centers.

For data collection in this study, a questionnaire served as the primary tool. This questionnaire was adapted from previous research conducted by Guo (2021) and Lin (2022). To ensure the questionnaire's validity, input was sought from hotel managers and researchers. The survey aimed to gather feedback from hotel managers, employees, and customers regarding the hotel's marketing practices.

This study utilized SPSS 26 for data analysis.

4. Results And Discussion

4.1 Profile of the Hotels

This study selected three different types of hotels in Guangzhou. Hotel A is a high-range hotel with 10 years of operation and 550 employees. Hotel B is a mid-range hotel that has been operating for 4 years with 108 employees. Lastly, Hotel C is an economy hotel with 15 years of operation and 78 employees.

4.2 Participants' Assessment of the Extent of Implementation of the Marketing Management Practices of the Three Hotels

Table 1: Participants' Assessment of the Extent of Implementation of the Marketing Management Practices of the Three Hotels

Dimension	Hotel A	Hotel B	Hotel C	Category Mean	Descriptive Interpretation
Product	3.09	2.63	2.41	2.69	Great Extent
Price	3.02	2.78	2.52	2.76	Great Extent
Place	2.69	2.83	2.49	2.67	Great Extent
Promotion	2.66	2.72	2.41	2.59	Great Extent
Overall Mean	2.87	2.74	2.46	2.68	Great Extent

Table 1 presents participants' assessment of the extent of implementation of the marketing management practices of the three hotels in terms of product, price, place and promotion.

The data analysis reveals that the implementation of marketing management practices across the four dimensions—product, price, place, and promotion—was generally assessed as being at a "great

extent" in the three hotels, with an overall mean of 2.68. Hotel A consistently scored the highest across all dimensions, with a mean of 2.87, indicating stronger implementation of marketing strategies compared to Hotels B (2.74) and C (2.46). Notably, Hotel C received the lowest scores in all dimensions, suggesting a relatively weaker implementation of marketing management practices, particularly in the dimensions of "product" (2.41) and "promotion" (2.41). This highlights potential areas for improvement for Hotel C to better align with market demands. Furthermore, the results underscore the importance of the four Ps of marketing—product, price, place, and promotion—in driving customer satisfaction and operational success, as hotels with higher scores demonstrate stronger alignment with customer expectations and market needs. These findings align with existing research emphasizing the critical role of tailored marketing strategies to enhance performance and competitiveness in the hotel industry.

4.3 Significant Differences in the Extent of Implementation of the Marketing Management Practices by the Three Hotels when Grouped According to Profile Variables

Using SPSS 26, further analysis was conducted to examine the significant differences in the extent of implementation of marketing management practices among the three hotels. The results revealed significant differences in the implementation of marketing management practices across the four dimensions: product, price, place, and promotion.

Based on the means, the high-range hotel received higher ratings in the dimensions of product, price, and promotion compared to other types of hotels. However, in the dimension of place, the mid-range hotel received a higher average rating than the other hotel types.

Based on the means, in terms of product and price, the hotel that have been in operation for 5 to 10 years received higher mean assessments compared with the other hotels. On the other hand, in terms of place and promotion, hotels that have been operating for less than 5 years received higher mean assessments compared with the other hotels.

Based on the means, in terms of product and price, the hotel with more than 200 employees received higher mean assessments compared with the other hotels.

On the other hand, in terms of place and promotion, the hotel with 100-200 employees received higher mean assessments compared with the other hotels.

4.4 Level of Performance of the Hotels in terms of the Key Performance Indicators when Grouped According to Profile Variables

This study selected the average room rate and occupancy rate of three hotels as the key performance indicators. Further analysis was conducted to examine the impact of hotel marketing management practices on performance. The results revealed that there is a significant relationship between the extent of implementation of the marketing management practices and the hotel's performance in the key performance indicators.

This further implies positive correlation indicate that there is a direct relationship between the two variables. This further implies that the greater the extent of implementation of marketing strategies by the hotels, the higher their level of performance in terms of the different key indicators. In other words, there exists a positive correlation between the adoption of effective marketing management strategies and the hotel's ability to maintain a heightened level of key performance indicators.

The findings of the study were corroborated by Wang (2021), who used Huazhu Hotel as a case study and discovered a substantial correlation between hotel marketing management practices and performance indicators. Specifically, Wang found that the average hotel room rate is most influenced by marketing efforts.

5. Conclusion and Recommendations

5.1 Conclusion

Based on the findings of the study, the researcher drew the following conclusions:

The three hotels successfully implemented their marketing management practices on product, price, place, and promotion which have enhanced their competitiveness and overall performance in the

market.

The significant variation in implementation extent on the marketing management practices based on factors such as hotel type, years of operation, and the number of employees suggest that there isn't a one-size-fits-all approach to meet the needs of the hotel industry. This underscores the importance of a nuanced and adaptable approach to marketing management, wherein hotels need to assess their unique context and adjust their strategies accordingly. Furthermore, it emphasizes the need for ongoing evaluation and adjustment of marketing practices to ensure alignment with changing organizational needs and market dynamics.

The observed substantial performance differences in key performance indicators among Hotels A, B, and C highlight the influence of various factors on hotel performance beyond just the implementation of marketing management practices. This suggests that while effective marketing strategies are crucial, they are not the sole determinant of hotel success.

The clear correlation identified between a hotel's marketing management practices and its key performance indicators emphasizes the critical role of marketing strategies in driving overall performance outcomes within the industry.

5.2 Recommendations

Based on the conclusions drawn, the researcher proposed the following recommendations:

The hotels may

a) implement distinct marketing management strategies, utilizing their own resources effectively and employing the 4Ps marketing mix.

b) utilize digital marketing strategies, leveraging the internet and social media platforms to increase the hotel's online exposure, improve online booking rates, and enhance customer interactions. Enhance collaboration with social media by launching various digital marketing campaigns.

c) continuously innovate products based on market demand, optimize hotel services, improve service quality, establish a strong reputation, and enhance the hotel's attractiveness.

d) adopt flexible pricing strategies, using different pricing strategies for consumers in different markets to maximize hotel revenue.

e) diversify market promotion channels: Explore various marketing channels, including cooperation with travel agencies, online travel platforms, local event sponsorships, etc., to expand the hotel's visibility and influence.

f) utilize new media marketing methods, such as short video marketing, content marketing, and leveraging online platforms to launch various forms of promotional activities. Collaborate with platforms such as TikTok, Xiaohongshu, Kuaishou, WeChat, etc., and build an operational team to integrate into short video marketing quickly; and

g) implement customer relationship management strategies: Establish customer databases and implement customer relationship management systems, enhancing interaction and communication with customers through personalized communication and customized services.

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