Research on the Organizational Management Problems and Development Suggestions of Marriott Hotels in the Context of COVID-19

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Abstract. The arrival of COVID-19 in 2020 has hit almost all industries worldwide, especially the tertiary industry and service sectors. During COVID-19, the tourism and hotel industry, as the major industries in the tertiary industry, also suffered from the dilemma of unsustainable operation and difficult income generation. The operation and management of the hotel industry are facing huge challenges. This article aims to introduce the market background of China’s hotel industry and the current business operation of Marriott Hotels in China. To understand the countermeasures for the operation and management of Marriott hotels in the Chinese market during COVID-19, diagnose and systematically analyze the organization and management problems that have not been addressed in the previous literature for Marriott hotels in China, and finally use the relevant knowledge of hotel management introduction/marketing theory and pricing theory to expand to the future outlook of the Chinese hotel industry market by putting forward relevant suggestions.

Keywords: COVID-19, Marriott hotels in China, Management, Countermeasures

1. Introduction

Marriott International Group entered the Chinese hotel market in 1997 and has grown rapidly since then. Currently, there are 52 hotels operated in China under Marriott International’s six hotel brands, they are Ritz-Carlton, JW Marriott, Marriott, Renaissance, Courtyard by Marriott and Ramada. Marriott Hotels is the flagship brand of Marriott International. With a history of more than 70 years, Marriott Hotels has more than 450 hotels located in many tourist hotspots around the world, providing all travelers with unforgettable and enjoyable stay experiences. Diversified services, delicious food and drink, comprehensive facilities and clean, comfortable environment, won the warm applause of passengers all over the world. I’ve stayed at the Marriott Hotel before. The Marriott Hotel impressed me with its upscale, comfortable, fresh environment, clean hygiene and delicious food and drink. I also feel that Marriott hotels offer customers a lot of diverse services and a variety of enjoyment.

1.1 Marriott’s current business mode

Marriott Hotels have unique style and indescribable appeal. Whether customers stay for a month, a week or a night, they can enjoy Marriott International’s world-renowned professional service. The hotel will provide a variety of catering, such as western food, Chinese food, beverages, etc. every day. The hotel will also carry out disinfection and cleaning to make every room very clean and tidy every day. The clean and comfortable accommodation allows customers to feel at home and forget all the stress of work. Broadband Internet access is available in every room, and these networks speed are very fast and unobstructed. Every room has a separate kitchen and state of the art entertainment facilities too, so that customers can enjoy themselves and work as if they were at home. The hotel also offers a weekly barbecue party and a time for customers to get together, so that customers can find the warmth of home away from home.

Marriott Hotel is the top popular hotel in the world, no matter when customers are traveling in many countries and regions, Marriott Hotel is the best choice for customers anytime. All Marriott Hotel staffs are very friendly and kind people, they all have a serious and high-end service attitude,
make Marriott Hotel has a happy and exciting atmosphere. Marriott Hotels are deliver an unforgettable, delightful and excited experience to all of customers at anytime.

Marriott Hotel will also further expand its hotel network, platform and competitiveness in the Chinese market, while consolidating and expanding various distribution channels, so that guests can enjoy diversified services and upscale, comfortable environment. Marriott is still growing in China, and from the hotel area, Marriott Group's hotel development is mainly concentrated in the Yangtze River Delta, Pearl River Delta, Hong Kong and Macao region.

2. Business model of the hotel industry under the epidemic

Under the epidemic situation, hotels need to optimize the management mode and improve the management efficiency. Hotel enterprises should pay attention to the inadequacies of the hotel business redesign, and timely supplement. At the same time, they will do all kinds of preparatory work, let professionals give full play to their aptitudes and advantages, establish the right development goals through high-quality talents, and build a solid corporate core, so that the hotel industry can operate normally and maintain profitability in difficult times.

The hotel also needs to optimize a variety of products and services to further enhance market competitiveness. Many hotels will extend their strategic layout to other related fields, such as catering and takeout services, so that consumers can enjoy diversified consumption experience through the hotel platform. Therefore, providing richer product content and high-quality and convenient service content is the necessary measure for hotels to attract consumers. Hotels and tourism companies also need to offer more innovative products and diversified services to meet the needs of consumers.

The hotel expands and strengthens its competitive edge through upgrading. Obviously, group enterprises with high quality system have stronger viability, and a few small companies will choose to survive in large enterprises. Therefore, this period is also a good opportunity for competitive enterprises to upgrade and further expand their scale through the promotion of good opportunities. Hotels also need to adapt to the changes of The Times, the use of intelligent means to operate. In the daily epidemic prevention work, it is also necessary to make extensive use of high technology and various methods to detect, control and track the epidemic. Many traditional industries will also use information technology to save costs, optimize business models and enhance enterprise competitiveness from now on. All walks of life gradually begin to transform and upgrade in a wider range by relying on scientific and technological means.

2.1 The development status of hotels under the epidemic

The hotel needs to maintain a stable and sustainable level of operation and management. All posts should carry out their work in an orderly manner according to the responsibility plan, and continue to do a good job in fire protection, public security, epidemic prevention and other safety work; Sorting out the official website and other sales channels, keeping the booking channel smooth, keeping the price moderate and the booked guests must contact in advance to confirm the trip.

According to the government, epidemic protection and registration work, they should do a good job in the reception of guests. Hotels can also insist on market influence publicity work. Publicizing the progress of the hotel's anti-epidemic work through the official website, official account, circle of friends and other forms, providing effective material or spiritual support to anti-epidemic personnel, such as providing food and beverages, and providing preferential accommodation activities for those participating in anti-epidemic activities after the epidemic, so as to call for the national fight against the epidemic.

Paying attention to the long-term room prices after the epidemic. Paying attention to the dynamics of corporate customers and team customers timely, especially taking the initiative to contact former customers, asking about the recent resumption of work. Introducing the local situation and the normal operation of the hotel, so that customers have a sense of confidence, and making the hotel the first choice when customers need.
3. Specific problems

Since the global COVID-19 in 2020, Marriott Hotel Group, which had been developing well before covid-19, has also suffered a blow. The Chinese market bears the brunt, and the Marriott Hotel in China has suffered the biggest crisis since the financial crisis in 2008. Marriott Hotel belongs to an international chain of five-star hotels. In terms of brand image and integrity of five-star chain hotels, Marriott's reputation and market scale have been developing rapidly and steadily. But since the covid-19. First of all, Marriott has been constrained by the industry’s overall trend. Yang and others believe that more resources will be transferred to the medical industry in the context of the epidemic. And because travel will increase the risk of virus infection, governments of all countries have also issued travel bans, which have exacerbated the impact of the epidemic on the tourism and hotel industries [1]. As a public service venue, the number of hotels operated by Marriott in Greater China in the early days of COVID-19 has dropped sharply in almost a very short period. Under the influence of the external impact of the epidemic, the market response was rapid and violent. STR data shows that with the advent of the Spring Festival holiday in 2020, the hotel occupancy rate in mainland China reached a high of 70% in early January 2020, but this data fell sharply after the outbreak of the epidemic, falling to a super low of 17% on January 26 [2]. When covid-19 was at its worst in early 2020, Marriott's occupancy rate in China is 7% to 8%. Although the Marriott Hotel has gradually recovered with the control and mitigation of the epidemic, it still encountered many problems in its operation and management under the epidemic.

The outbreak of COVID-19 will lead to the unexpected suspension of services of hotels and public places in the areas affected by the COVID-19, which will stagnate the operation of hotels, make it difficult for the hotel culture to adapt to the current situation, and upset the hotel development plan due to the imbalance of hotel positioning. The disruption of the development plan also leads to price fluctuations and vague pricing strategies. There will also be problems in the management of hotel employees, and all these problems will eventually hurt the normal marketing activities and customer groups of the hotel.

3.1 Brand culture image and safety

In terms of the balance between integrity and interests, Marriott Hotel ignores integrity. Trust is like a hotbed of brands, allowing them to ignore the price war and retain the inherent consumer groups in a weak economy. For a long time, under the influence of the New Coronary Pneumonia epidemic, the Chinese people's demand for tourism and related hotel accommodation has been growing in a closed and depressed social environment. When the epidemic of NCP in some areas slows down slightly, their travel and accommodation activities will be "retaliatory" and positive. Marriott hotels in some regions take advantage of consumer demand to sell "discounted room vouchers" on online platforms during local restrictions and closures. Their room vouchers promise to be used directly for some time. However, when New Coronary Pneumonia improved, consumers were told that "they cannot use room coupons because they are fully booked. The hotel brand culture was lost for immediate profits.

Another concern related to hotel culture; Wang found that the attitude of consumers after the outbreak of the epidemic was highly related to the attitude of hotels. Atari and others investigated customers' views on hotel safety and found that hotel hygiene also greatly affected consumers' choice of hotels [3]. Wong et al. studied the hotel crisis management strategy from the initial stage of the epidemic and the epidemic period during the epidemic period and believed that epidemic prevention measures should be the first consideration of all strategies during the epidemic period [4]. If Marriott Hotel continues to lose its integrity, it may not be able to become a sustainable brand even if the hotel’s health problem has not subsided.
3.2 Market positioning and pricing strategy

Marriott Hotel Group's positioning in the COVID-19 has not changed rapidly in the early stage of COVID-19. It still takes the profit and occupancy rate of the hotel as the main market target, and the target group is still positioned as the high-end high-income group. Marriott hotels in some areas, faced with the sudden closure of the epidemic, directly decided to close customers in the hotel to reduce economic losses, and still forced them to provide isolation accommodation services according to not low room fees. This method violates the social responsibility of the hotel enterprise, and there is no specific analysis of specific problems. This method of Marriott Hotel only manages according to the rough instructions of high-level managers, without considering the needs and feelings of customers and adjusting the market positioning of the hotel. This way has led to the rapid loss of hotel customers and the decline of public praise.

As explained earlier, Marriott Hotel made a wrong estimate of customers' needs due to its lack of COVID-19 prevention management experience and long-term consideration during the epidemic period. In terms of pricing strategy, the sometimes good and sometimes bad COVID-19 situation has brought some demand, and social and economic inflation has also increased the operating costs of hotels. However, Marriott believes that it can still continuously expand the hotel market by raising prices, and in some popular tourist cities, Marriott hotels, together with local major international five-star hotels, connives with some investors who speculate in real estate to speculate and buy out hotel rooms and resell them in batches at high prices. In this process, it is very easy to lead to extreme behavior of hotel management. Due to the lack of relevant policy regulation and restraint in the operation of hotels under the epidemic situation, hotel managers have arbitrarily increased or decreased prices [5]. So during the more serious period of COVID-19, the hotel room price was even pushed up by more than 10000 yuan/night, resulting in a sharp drop in the hotel customers' sense of experience and accommodation demand.

3.3 Employee policies

With the decline of population flow caused by the COVID-19, the occupancy rate of Marriott Hotel has also decreased. Therefore, Marriott Hotel introduced the policy that employees and executives should bear risks equally, decided to let tens of thousands of employees take temporary leave, and at the same time reduced the salary of executives. At the same time, frontline workers fighting COVID-19 are allowed to stay in the hotel free of charge. Through this employee policy, Marriott hopes to retain employees in the face of difficulties in the social environment and socio-economic development and finally become more competitive in the post-COVID-19 era of global social stability [6]. Although this policy can temporarily retain employees, due to the uncertainty of COVID-19, the duration of this "leave" may be extended indefinitely, which will eventually lead to huge cost consumption and staff turnover.

3.4 Customer management

3.4.1 In terms of customer marketing

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3.4.2 In terms of customer loyalty

During COVID-19, Marriott extended the member benefit period of its loyalty program "Marriott travel home" in Greater China. This method has attracted more consumers to join the membership while stabilizing the original member loyalty. However, with the gradual expansion of the hotel membership and customer system, online customers' data maintenance and management problems are also becoming increasingly prominent. Before and during COVID-19, Marriott hotels' user data security problems occurred frequently. For example, in January 2020, Marriott hotels suffered major data leakage, affecting about 5.2 million people.

4. Put forward development suggestions

4.1 Strengthen the shaping of brand culture

According to the question in 3.1, integrity is an important condition for the normal operation of society. During this special period of COVID-19, the requirements for enterprises are more stringent. Marriott Hotel needs to consider the balance between interests and integrity, and maintain the excellent culture of the hotel. Strengthen the shaping of brand culture and embody social responsibility [9].

4.2 Analyze market positioning and adjust pricing

According to the question in 3.2, Marriott Hotel needs to rationally analyze the impact of COVID-19 on the national hotel market, re-analyze the internal and external environment of the market, re-adjust the scope of target customer groups, clarify the cost, take a long-term view instead of focusing only on immediate interests, constantly localize and flexibly, and finally make reasonable pricing.

4.3 Policies and employee management methods

According to the question in 3.3, the Marriott wine list needs to comprehensively consider the hotel's COVID-19 prevention measures and the employee’s actual work willingness. Under the condition that the hotel's hygiene standards are reasonable, the attendance rate and treatment of hotel employees are greatly guaranteed.

4.4 More active use of new media and Internet publicity and marketing

For question 3.4: To enrich and diversify the content and channels of products. Under the situation of limited customer behavior due to COVID-19, Marriott Hotel can actively use the online network platform to actively promote marketing, update digital channels, provide a more convenient and smooth online booking experience, high-quality offline hotel products and services, and rich membership benefits. Ensure the convenience, efficiency, and quality of customers' consumption of hotel products [10]. And Marriott Hotel should not take the collection of customer data as a burden, but need to use this business resource more safely and reasonably. Special websites and call centers can be established and improved to handle data security and customer care.

5. Conclusion

According to the above-mentioned problems and their corresponding solutions, combined with the current situation of COVID-19 in the whole country and even the world, Marriott Hotel needs to be brave in changing the status quo, constantly innovating and improving its management mode in the face of new business management problems brought about by the COVID-19. Stick to the bottom line of hotel culture, adjust market positioning and pricing strategy in time, Improve employee system, pay attention to marketing and customer management, and treat COVID-19 as a very common phenomenon to deal with it. Like Marriott hotels, the national hotel industry market should take a long-term view and take the normalization of COVID-19 as the trend of the future market.
environment. Hotel enterprises should be more active and ready to face new safety, health, and management problems. Transformation and upgrading, forming a stable and efficient new industry form. And finally, become a set of perfect and efficient management measures can be formed to solve these problems.

References


