

Hospitality Marketing, Sales and Advertising Day 1



DAY 1

Course Introduction – the syllabus in review

Part 1: The Relational Approach

1.The Relational Approach Explained

Purpose: articulate demand with supply through behavioral analysis

Application: McDonald's

2. The Relational Approach and Strategic Management

Purpose: use findings from behavioral analysis to develop strategies

1.The Relational Approach Explained

A) A look at Hospitality

Hospitality (industry): it is the business domain where all the tasks that are carried out have one common purpose, whether explicit or implicit, that of attending or even entertaining others.

Hence a domain with its own idiosyncrasies and relational challenges which are different from other industries.

1.The Relational Approach Explained

B) A look at Hospitality Organizations

Organizational project: Organizations, and in extension hospitality organizations are typically seen to be a group of individuals who come together because they have a *business project that is common to all of them and which is expected to take place for a long period of time.*

Consequence: The hospitality organization is seen to be a *unit.*

1.The Relational Approach Explained

B) A look at Hospitality Organizations



Distinction: But if a hospitality organization can be seen to form a closed group, it is also seen to be constituted by groups or teams of individuals, each having its own business project but only relatively to that of the organization as a whole.

Thus, groups/teams are seen to be the constitutive parts of a hospitality organization as a unitary system.

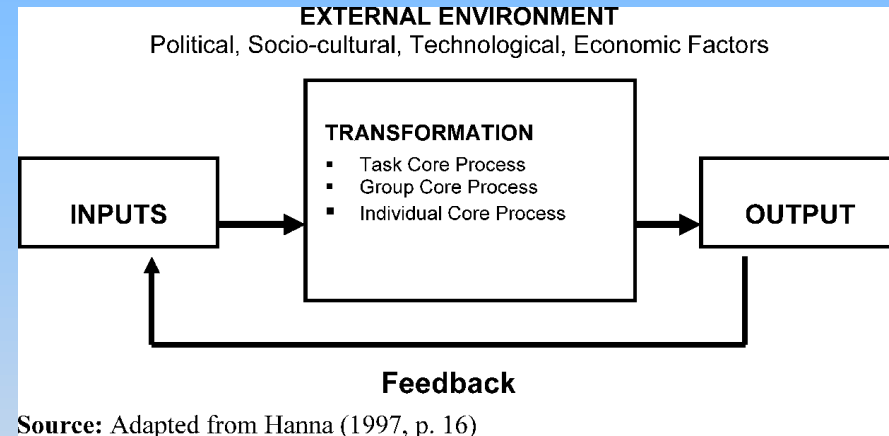
Summative perspective: organizations seen to be the sum of their constituent parts.

1.The Relational Approach Explained

B) A look at Hospitality Organizations

Critique: However, an organization is dependent on groups and individuals outside of it who have a relative influence on the processes and actions of individuals and teams in the organization

Hence: open systems perspective.



1.The Relational Approach Explained

B) A look at Hospitality Organizations

Critique: However, the open systems perspective centers on the organization and downplays the centeredness of its stakeholders.

Therefore: a *relational approach* is necessary!



1.The Relational Approach Explained

C) A look at Behavior

Behavior can be seen to be an enacted thought or desire. It is not just a way of doing that is publically observable as it is a relation and moreover *in* relation with ways of thinking.

A behavior is therefore an *act*. But “act” (*actum*), a what, presupposes “action” (*actio*), a how: the processes carried out within a hospitality organization determine specific acts.

Seen obversely, knowledge of acts gives clues as to the processes that yield them.

1.The Relational Approach Explained

D) A Framework for Analysis

Assumptions concerning organizational behavior:

1. Hospitality organizations as units display behavior = that which the hospitality organization does
2. Organizational behavior expresses an organizational identity = that which an organization is
3. Organizational identities are constructed and expressed = use of description

1.The Relational Approach Explained

D) A Framework for Analysis

4. Organizational identities are build on value assumptions = building trust and other values
5. Organizational identities are a function of organization processes = leadership, structure, culture, ...



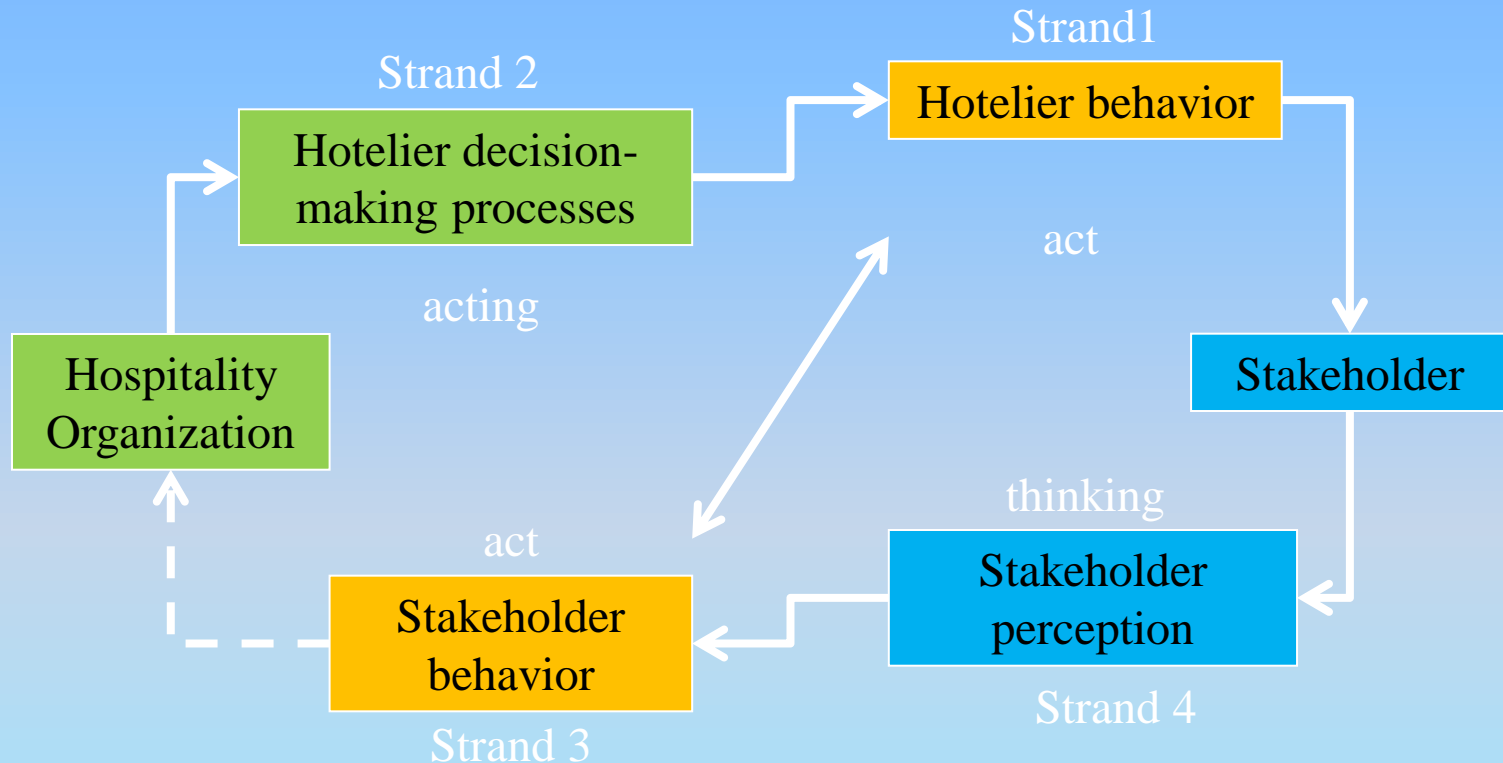
A relational approach is by definition not unilateral!

1.The Relational Approach Explained

D) A Framework for Analysis

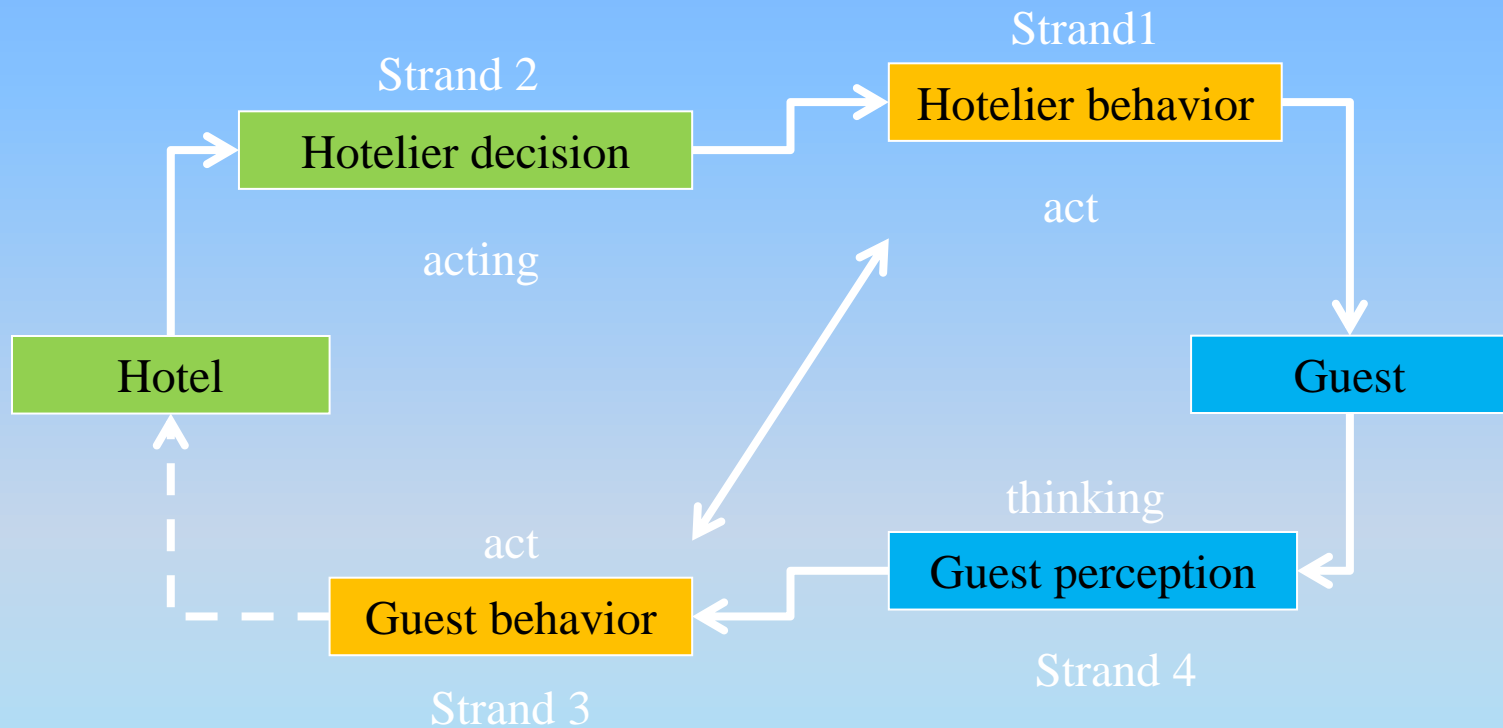
Hospitality Stakeholders:

- guests, communities, suppliers, destinations, governments, competitors
- shareholders, employees



1.The Relational Approach Explained

D) A Specific Framework for Analysis



1.The Relational Approach Explained

D) A Specific Framework for Analysis

Strands – hospitality organization

Strand 1 – external

Ways the hospitality organization uses to inform guests about its products, services activities and how it presents itself to them.

Indicators (observable & measurable) : advertizing, official communiqués, websites, social media, brochures

1.The Relational Approach Explained

D) A Specific Framework for Analysis

Strands – hospitality organization

Strand 2 – internal

What the hotelier does internally so as to maintain a level of trust with the guests

Indicators (observable & measurable): value descriptions, quality systems, division of labor, ecological concerns, social responsibility, leadership and management styles, team management

1.The Relational Approach Explained

D) A Specific Framework for Analysis

Strands - guest

Strand 3 – external

How guests behave relative to having interpreted organizational acts (i.e. interacted with external indicators)

Indicators (observable & measurable): guest opinion polls, press reports, statistical measures

1.The Relational Approach Explained

D) A Specific Framework for Analysis

Strands - guests

Strand 4 – internal

What guests think of the hospitality organization in terms of its behavior, activities and products.

Indicators: none as they are neither observable nor measurable – belong to the domain of perception

1.The Relational Approach Explained

E) Example: McDonalds

Strand 1: website, advertisements, surveys

Strand 2: corporate info; getting into the company

Strand 3: -

Strand 4: research, articles, critiques, statistics, surveys

1.The Relational Approach Explained

D) A Specific Framework for Analysis

Hospitality organization (strand 1)

1.Choose hotel

2.Analyze ads, pics, and descriptions of hotel website

3.Further look into the hotel's social media

4.Establish behavior of the hotel: how does it appear to you as a guest/customer (stakeholder)? (use brand-qualifiers)

1.The Relational Approach Explained

D) A Specific Framework for Analysis

Guest (stakeholder) (strand 3)

1.Find guest/consumer comments on and about the hotel you have chosen through [Tripadvisor](#) or other sites

2.Establish the behavior of the guest/consumer: how does the guest appear to you as the hotelier? (use [person-qualifiers](#))

1.The Relational Approach Explained

D) A Specific Framework for Analysis

The relationship

How would you qualify the relationship between the hotel and its guests? (you may use relationship-adjectives)



2.The Relational Approach and Strategic Management

A) Why is the Relational Approach necessary?

The Relational Approach to understanding the relationship between the hotelier and its stakeholders considers that both hoteliers and stakeholders are important in the relationship.

There is interdependence rather than unilateral dependence: if hoteliers depend on their stakeholders for maintaining the business, stakeholders depend on hoteliers to satisfy their own needs.

2.The Relational Approach and Strategic Management

A) Why is the Relational Approach necessary?

However, from a power viewpoint, stakeholders seem to exercise political, economic, market, cultural and even legal power on hoteliers to satisfy their own needs.

In a way, stakeholder power is what enhances or what upsets business activities (e.g. consumer dictatorship).

Knowing the effect of power (enhancing or upsetting) enables hoteliers make use of organizational power to balance out stakeholder power.

2.The Relational Approach and Strategic Management

A) Why is the Relational Approach necessary?

On the other hand, hoteliers make use of organizational power to overpower stakeholders especially consumers (deceive guests), employees (underpays and layoffs), governments (evade taxes, pollute at will) and competitors (buy offs, misleading advertising).

However, if the hotelier seeks to maintain a long-lasting relationship with the stakeholders s/he is dependent on, such malpractices are only short-term.

2.The Relational Approach and Strategic Management

A) Why is the Relational Approach necessary?

To sum, the relational approach forecasts a balanced power relationship.

It is an a-moral approach as it is not based on premises of good/bad, but on an antagonism of interests and power sources that are zero-summed at one point or another.

(...it is the conceptual/philosophical premise of market economics that is missing in traditional economics textbooks 😊)

2.The Relational Approach and Strategic Management

A) Why is the Relational Approach necessary?

This will ensure the long term survival of a business organization in intelligent and respectful ways!

This is achieved through a managed strategy and managed marketing!

2.The Relational Approach and Strategic Management

B) Managed Strategy

It is not only the setting of long-run business objectives but how to ensure business survival in a way that:

- Ground is not lost relative to your competitors (i.e. your market share does not decrease);
- Continuity is assured by entering and evolving in new markets (not all-the-eggs-in-one-basket principle!);
- Competitors are outwitted (where the markets seem saturated) for one's own benefit. !

2.The Relational Approach and Strategic Management

B) Managed Strategy

This is a managed process because the hotelier needs to have control over the process itself (the ‘how’) and its intended outcomes (the ‘what’).



2.The Relational Approach and Strategic Management

B) Managed Strategy

MAIN STAGES	EVOLUTIONARY PHASES	PROCESS FEEDBACK	STRATEGY DOCUMENTS
	Preparation		
	Vision building		Mission statement
Organizational scanning	External audit		External success indicators
	Internal audit		Internal success indicators
Strategy development	Synthesis		SWOT analysis
	Decision	Organizational scanning audit	Strategy analysis
	Formulation		Strategic plan
	Development		Development plan
Strategy implementation	Transformation	Strategy development audit	Research tools
	Institutionalization	Strategy implementation audit	Research tools
Strategy evaluation	Strategy audit		
	Readjustment		
		Strategic management audit	Research tools

2.The Relational Approach and Strategic Management

C) Managed Marketing

It is the process through which a business organization seeks to understand and qualify the nature of its market – the latter is that which provides the business organization with its revenue: contributes to the survival of the business (i.e. it is about the achievement of strategic objectives).

2.The Relational Approach and Strategic Management

C) Managed Marketing

It is a managed process because the hotelier needs to:

- Be in control of the progression that contributes to such an understanding (i.e. research to understand your markets and customers);
- Find ways to ensure that guests still buy products and will be doing so in the future.

2.The Relational Approach and Strategic Management

D) Managed Strategy VS Managed Marketing

- Former concerns the whole of the business organization where marketing is a (management) function that contributes to the achievement of (organizational) strategic objectives.
- Latter considers that (within an overall strategic approach to managing a business) marketing has its own objectives to achieve and this is to happen in a strategic manner.



2.The Relational Approach and Strategic Management

D) Managed Strategy VS Managed Marketing

Beware of linear models!

- A process, to which you may arbitrarily assign a starting point (event and time), is by far not linear;
- It may be reduced to a (time) line but in fact it is not linear: it is discontinuous

Beware of virtuality!

- An objective to be achieved is virtual; an objective that you have achieved, now, or so far, is actual.
- A virtual objective is intent, a vision, a 'possible there'. An actual objective is here.

2.The Relational Approach and Strategic Management

D) Managed Strategy VS Managed Marketing

The former is a bit like trying to figure the best way to go from Lausanne to Geneva

- in a manner to get to your destination (i.e. effective)
- in the quickest way (i.e. efficient),
- and cheapest way (i.e. economical).

The marketing process is to try and understand those environmental factors that will help you get to Geneva

2.The Relational Approach and Strategic Management

D) Managed Strategy VS Managed Marketing

But *how do you know that you are where you wanted to be?* In other words, *how do you know that you have arrived in Geneva (remember, this was your intention)?*

To know this you must know Geneva beforehand, which means that you were in Geneva before! (i.e. you presuppose that which you need to prove!). Obviously, this is *not* the case.

2.The Relational Approach and Strategic Management

D) Managed Strategy VS Managed Marketing

But you need to know that you got to Geneva. So, *what indicators do you use to say you are in Geneva?* In other words, *you need to measure (quantitatively and qualitatively) your virtual objectives the moment they have become actual objectives – and this is so because a virtual objective cannot be measured. But to do this you need to know the moment when to measure and what to measure. This means that your virtual objective, i.e. Geneva is the criterion by which you say that you have arrived at Geneva.*

If so, where is it that you wanted to be?