

Working with the Marketing Mix

Introduction

This exercise is designed to illustrate how the marketing mix works together to implement the organization's marketing strategy, which should meet the needs of a defined target market.

In this activity, we will use a hypothetical example for an up-market hotel chain, such as Hilton Hotels. Assume that Hilton Hotels (which are usually '5-star' quality) have decided that they wanted to introduce a chain of BUDGET hotels (at around 2-3 star quality), under a new brand name of course, in order to capture a greater share of the total hotel market.

Your task is to identify how would they need to modify their 7P's marketing mix to meet the needs of this new target market. Note: The first P (product) has already been completed for you below, to give you a better idea of the task requirements.

Marketing Mix

Product

Mix as a 5-star hotel	Mix as a 2-3 star hotel
High quality facilities	Basic/low quality facilities
Large rooms	Smallish rooms
Expensive furnishings	Budget/limited furnishings
Spacious balconies (where possible)	No/small balconies
Luxury swimming pools and spas	Perhaps a small outdoor pool, unheated
An array of high-quality supporting restaurants and bars	No added facilities

Student Discussion Questions

1. List the remaining 7Ps and how Hilton Hotels currently approaches these marketing mix elements (as per the above example). Note: Simply base your responses on your general understanding of this hotel chain.
2. Identify how they should adapt their marketing mix for a 2-3 star quality hotel chain (again, as per the above example).
3. To what extent do the two marketing mix structures differ? Do any of the marketing mix elements remain relatively unchanged across the two approaches?
4. What problems could occur if the marketing mix elements were inconsistent (such as a low-quality hotel, with an expensive room rate)?