

## Case Briefing

# Services Marketing



## The Situation

The Westwood hotel chain owns a property that is underperforming. Most operational elements seem to be functioning well, so leadership suspects problems with marketing and potentially guest services. Leadership wants a quick improvement in the hotel's Balanced Scorecard, a measure of customer satisfaction, employee satisfaction, and profitability.

## Your Role

You have been hired as a marketing consultant. You have been tasked with creating and executing a marketing plan that includes paid advertising and PR activities aimed at the most likely guest demographics in your region. You have also been asked to set guest services policies to improve guest satisfaction.

## Learning Phase

In this phase, you will learn by working on a 'practice' hotel. Step-by-step instructions will guide you through the hotel's guest demographics report. From that, you will look at paid advertising and public relations marketing options to target the likely guest population. You will then book a PR event and measure the results. You will also be shown how to set a guest policy and monitor guests comments on a simulated social media site patterned after TripAdvisor.

## Challenge Phase

Your client, the Westwood hotel chain, has asked you to implement a marketing plan and review several guest policies. Their metric (goal) for you is to increase your Balanced Scorecard by a specified number of points. This score, common in services businesses, combines profitability, customer satisfaction, and employee satisfaction. You have one month to achieve the goal.

At the option of your Professor, you may be able to retry the Challenge Phase multiple times. Only your best grade will count.

## Services Marketing in the Simulation

This simulation of a fully working hotel lets you explore the world of services marketing. Each potential guest is modeled individually and has room preferences, price-sensitivity, desired length of stay, etc. There are also large groups who can book blocks of rooms at your hotel. The simulation gives you multiple marketing options to reach both individuals and groups, including paid advertising as well as public relations events. Services marketing is about service, so the simulation also gives you control of key guest policies.

## Discussion Questions

How do public relations marketing activities differ from paid advertising? What are the advantages of paid advertising? What are the advantages of PR activities, particularly for a service business?

How do decisions on customer policies in a service business affect marketing?

Why is employee satisfaction such an important metric in a service business?

Why is social media feedback so important in a service business? Do you think services businesses actively monitor social media channels to try to address customer concerns?