



Paradigm Shift in Marketing Strategies of Hotel Industry in Bengaluru, Post Covid-Customer Perspective

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Abstract. The tourism sector in India is one of the vital contributors to the economy of the country. The Pandemic has caused a great impact on the Indian tourism and has also brought panic among domestic and international travelers both to travel and dine out. Lockdowns and intra state travel ban, and the fear of being quarantined has affected the Hospitality and Tourism Industry which has contributed to economic slowdown.

In this paper researchers have made an effort to find out the impact of the pandemic on hotel industry with special reference to Bengaluru city of Karnataka state, India. The marketing strategies of the hotel industry have witnessed an extreme change which is being analyzed in this paper. The objective of the study is to study the marketing strategies of hotel industry pre and post covid and to understand the customers opinion in relation to the paradigm shift observed in the marketing strategies of hotel industry in Bengaluru. Primary data was collected through questionnaire and analyzed with suitable statistical tools.

Keywords: Covid-19 · Marketing strategies · Hotel industry

1 Introduction

The pandemic Covid-19 has disturbed the system of all the sectors of the entire world. The Tourism and Travel industry, which is one of the most important supporters of the economy have also undergone an impact because of the pandemic. The hotel industry, as an important player in the tourism industry, is one of the most negatively impacted economic sectors due to its nature of business. According to statistics, more than 91% of the world population have travel restrictions which were imposed by public administrations. Pre COVID-19, hotel industry were depending on various techniques and marketing skills, but post COVID-19 the entire scenario has changed and those skills have lost its importance. Discovering innovative use of technology is the need of the hour which is essential for the survival of the hotel industry.

In this context, it becomes vital for the hotel industry to understand the impact of the pandemic on their industry and according change the marketing strategies to retain

and attract more customers and to keep their business going. There is a paradigm shift observed in the marketing strategies of the hotel industry. Cleanliness and hygiene, safety norms, comforting accommodation facilities, guest's hotel preference, social distancing, contactless system in virtual forms and online payments have become the new feature of the hotel industry.

1.1 Literature Review

A case study conducted by Redjki et al. (2021) among hotel industry in Indonesia revealed that to survive in the market during the pandemic time the hotel has made a change in the marketing strategies adopted before the outbreak of pandemic. The strategies had focused the foreign customers before the pandemic. That included great promotions to attract the foreign tourists. During the pandemic the marketing strategy concentrated on product life cycle strategy. More emphasis was given to ensure reliability in all sort of promotions made by the hotel by making a difference. During the pandemic, the total customer base of the hotel changed from international to domestic customers, as such the hotel followed concentrated marketing strategy to attract the domestic customers. The hotel also reduced the room costs and allowed the staff to go on leave with some allowances. This could result in reducing the operation cost. At the same time the hotel could successfully follow customer acquisition strategy.

Kaushal and Srivastava (2021) analyzed the hotel industries in India during the pandemic time to assess the strategies adopted by them to sustain the business during the pandemic. Their study highlighted the importance of having multi-talented and professionally qualified staff in this sector. It was found that better preparedness for the crisis had made many hotels in India to survive during the pandemic. During the pandemic the customers had an increased sense of sanitization and hygiene. As such awareness was created among the employees to ensure high level of hygiene and sanitization within the premises and employees were thoroughly educated. The hotels had optimism towards overcoming the crisis and media also played an important role making the hotels withstand during the pandemic.

Yacoub and ElHajjar (2021) Identified the strategies adopted by hotels in developing countries to manage the pandemic. The authors argue that the hotels which failed during the pandemic were the ones which did not have preparedness for the crisis. The hotels that survived during the pandemic had taken a quick change in the strategies by foreseeing the crisis ahead. Those include becoming more transparent with the employees as they are in the frontline, delegating the power and authority, concentration on safety issues etc. More importance was given to domestic tourists rather than depending completely on international tourists. The hotels changed the stringent policy regarding booking and cancellation and made those policies customer friendly thereby giving more freedom to the customers to cancel the booking in worst circumstances. Many of the hotels initiated technology driven services by replacing human services.

The study conducted by Indra, S. R., & Damania, V. S. explored the changes in the standard operating procedures followed by star hotels in India. It was found that the management took initiatives for following the Covid protocols given by the government and ensured that every staff member of the hotel followed it with utmost care. The hotel authorities conducted frequent health checkups among the employees. Many of

the services which were rendered by the staff were replaced with technology to avoid human touch. Efforts were taken by hotel authorities to dispose of the waste and to make the guests secured.

According to Hussain and Kareem (2020), the guests in the hotel expect utmost transparency in the information provided by the authorities regarding the daily occupancy, guests with covid symptoms, facility for isolation etc. Few hotels in India focused on attending the customer's unique needs by considering the covid situation. This enhanced the word-of-mouth publicity. Some other hotels had a doctor on call to enhance the guest's confidence and to reduce their anxiety. The facility of in-room dining offered by the hotels was another strategy adopted by the hotels. Staffs were shifted from front office to service areas to cater the needs of guests immediately. Contactless delivery of food was also ensured. Many of the pre covid strategies were changed based on the feedback given by the guests.

1.2 Objectives

To study the marketing strategies of hotel industry pre and post Covid-19.

To understand the customers opinion in relation to the paradigm shift observed in the marketing strategies of hotel industry.

1.3 Statement of the Problem

This pandemic Covid-19 has triggered an economic crisis and its impact is seen in all the industries. The hotel industry faced a lot of changes due to this pandemic. Hotel industry had to think beyond to attract the customers, whose priority was health and safety, post covid. With this sudden shift in the minds of customers accompanied by lot of restrictions from the government, the hotel industry has been forced to change their marketing strategies to survive. Hence an Empirical study was conducted to analyze the customer's perception on paradigm change in marketing strategies of hotel industry.

1.4 Research Methodology

Primary data was collected through questionnaire and analyzed with suitable statistical tools.

Data was collected from 17 hotels (sample size).

Limitations of the study was restricted to Bengaluru city.

1.5 Marketing Strategies of Hotel Industry

The need for having the right hotel marketing strategies is difficult to decide but this is very important in optimizing the number of bookings, building brand awareness, and managing the reputation. There are some of the most important strategies which the hotel industry needs to always adopt, as well as some specific strategies to focus on during the pandemic Covid-19.

The marketing strategies most observed pre covid are online/ offline advertisement, seasonal packages, special discounts and offers, online personal relationships, customers

retaining management, regular customers considerations, special family packages, gift articles, complementary foods and beverages and transport facilities.

The hotel industry had to change the priorities of marketing strategies post covid as the preferences of the customer's changed and the importance of safety norms and health of the customers had to be considered as the main concern. The marketing strategies observed post covid are regaining customer confidence on hotels safety and hygiene standards, value added services and extended stay packages, audit of marketing assets, social media use, interview customers and employees, online reviews, digital marketing, and updates on Google.

1.6 Data Analysis and Interpretations

Present study conducted a survey among 17 hotels in the Bengaluru city to analyses the marketing strategies adopted by the hotels before the pandemic and after the pandemic. The survey pointed out that there is a paradigm change in the marketing strategies during the pre and post covid period. Figure 1 shows the major marketing strategies adopted by the hotels before the outbreak of Pandemic. The major marketing strategies were advertisement, seasonal packages, special packages, online personal relationships, customer retaining management, regular customer considerations, special family packages, gift articles, complementary food and beverages and transportation facilities.

From the Fig. 1 it is clear that during the pre-pandemic period the major marketing strategies adopted by the hotels were providing complimentary or gift articles, offering transportation facilities and maintain personal relationships. Priority was also given for family packages which attracted many customers. The hotel management constantly upgraded the customer retention policies and considerations were given to regular customers. Among the marketing strategies less priority was given to online or offline advertisement. The reason being most of the hotels had good network of regular customers. As such they did not go for heavy advertisements. The hotels tried to retain the

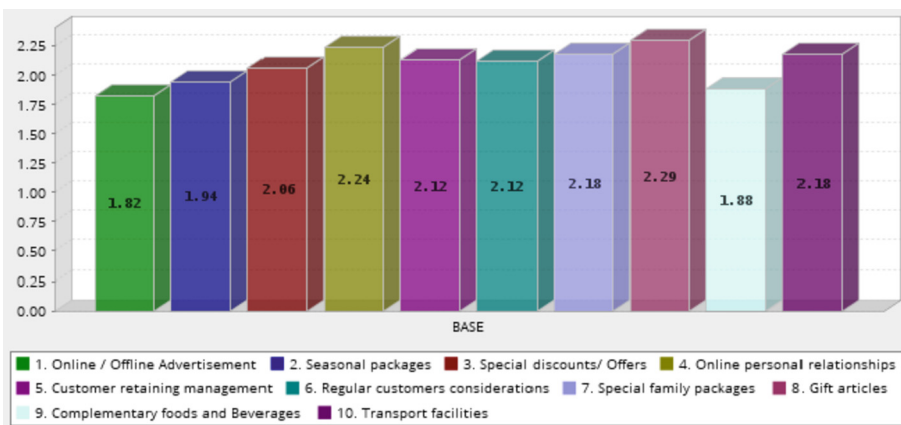


Fig. 1. Marketing strategy adopted to promote your business before Covid 19

existing customers by offering complimentary gifts, family packages etc. The responses expressed by the respondents are given in Table 1 (Fig. 2 and Table 2).

Table 1. Table showing responses towards Marketing strategy adopted to promote your business before Covid 19

Sl. No.	Particulars	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	Online/Offline Advertisement	29.41%	58.82%	11.76%	0.00%	0.00%
2	Seasonal packages	11.76%	82.35%	5.88%	0.00%	0.00%
3	Special discounts/Offers	11.76%	70.59%	17.65%	0.00%	0.00%
4	Online personal relationships	23.53%	41.18%	23.53%	11.76%	0.00%
5	Customer retaining management	18.75%	56.25%	18.75%	6.25%	0.00%
6	Regular customers considerations	17.65%	52.94%	29.41%	0.00%	0.00%
7	Special family packages	23.53%	47.06%	17.65%	11.76%	0.00%
8	Gift articles	17.65%	52.94%	17.65%	5.88%	5.88%
9	Complementary foods and Beverages	23.53%	64.71%	11.76%	0.00%	0.00%
10	Transport facilities	23.53%	47.06%	23.53%	0.00%	5.88%

In the post pandemic period the hotels have changed their marketing strategies. During the post Covid period major marketing strategies adopted were regaining customer confidence, value added services, wide publicity through social media, auditing marketing assets, interviewing customers and employees to identify their expectations and importance was given more on online business promotion. As compared to pre pandemic period the emphasis was given more on online advertisements and regaining customer confidence. The detailed information is depicted in Fig. 1. From Fig. 1 it is evident that the hotel management has completely changed the marketing strategies in the post pandemic period. Offering gifts and complimentary products were no longer included in the top marketing strategy. This strategy was replaced with valued added services and extended packages. They have also concentrated on giving publicity through social media by highlighting the videos of customers. The major concern for the hotels were

Table 2. Table showing responses towards Marketing strategy adopted to promote your business after Covid 19

Sl. No.	Particulars	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	Re-gaining consumer confidence on the hotel's safety/ hygiene standards	66.67%	22.22%	11.11%	0.00%	0.00%
2	Value-added services and extended stay packages	55.56%	27.78%	16.67%	0.00%	0.00%
3	Audit Your Marketing Assets	55.56%	22.22%	22.22%	0.00%	0.00%
4	Record Videos Today for Social Media Use in the Future	66.67%	11.11%	22.22%	0.00%	0.00%
5	Interview Customers and Employees	72.22%	16.67%	11.11%	0.00%	0.00%
6	Improve Your Online Reviews Strategy	77.78%	22.22%	0.00%	0.00%	0.00%
7	Evaluate and Enhance Your Digital Marketing	83.33%	16.67%	0.00%	0.00%	0.00%
8	Update Your Hotel's "Google My Business" for Customers	88.89%	11.11%	0.00%	0.00%	0.00%
9	Brand Photoshoot and Video	72.22%	22.22%	5.56%	0.00%	0.00%
10	Update Your Website	83.33%	5.56%	11.11%	0.00%	0.00%

to regain the confidence of the customers regarding the safety and hygiene in the hotels. Online promotion of business was not at all a key strategy in the pre pandemic period. But in the post pandemic period this strategy gained more attention. The hotels also give more promotion through various online platforms so that they can attract more customers to substitute the customers they lost during the pandemic. The hotels involved customers and employees while framing the marketing strategies to identify the expectations. Accordingly, the strategies were changed. Video shoots and photo shoots became a regular practice in all the hotels. And these photos and videos were used for their promotion. The opinion expressed by the respondents who participated in the survey are given in Table 1.

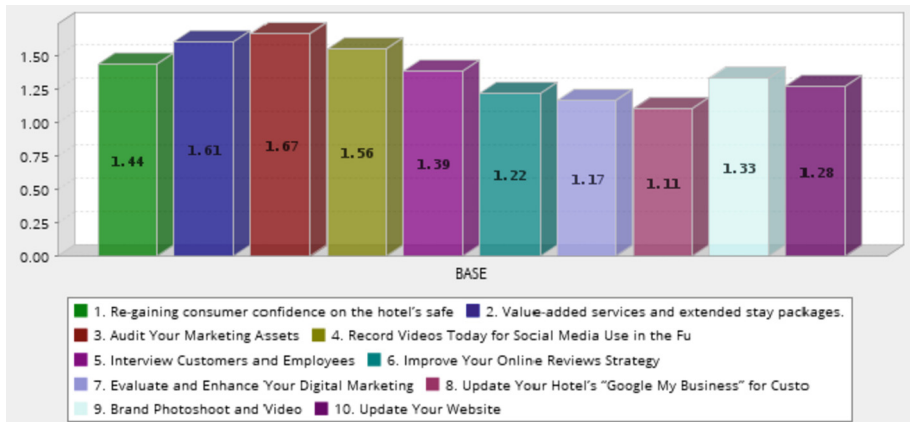


Fig. 2. Marketing strategy adopted to promote your business after Covid 19

1.7 Conclusion

Covid-19, pandemic is a harsh reality that cannot be ignored. It is true that this pandemic has disturbed the various sectors of the economy including the hotel industry. The survey pointed out that there is a paradigm change in the marketing strategies during the pre and post covid period of hotel industry. The major concern for the hotels were to regain the confidence of the customers with regard to the safety and hygiene in the hotels. Pre Covid, among the marketing strategies, less priority was given to online or offline advertisement. The reason being most of the hotels had good network of regular customers. As such they did not go for heavy advertisements. The hotels tried to retain the existing customers by offering complimentary gifts, family packages etc. During the post Covid period major marketing strategies adopted were regaining customer confidence, value added services, wide publicity through social media, auditing marketing assets, interviewing customers and employees to identify their expectations and importance was given more on online business promotion. The hotels involved customers and employees while framing the marketing strategies to identify the expectations, accordingly the strategies were changed.

1.8 Future Research

The aim of the present study is to focus on the marketing strategies of hotel industry in Bengaluru city, pre and post pandemic. Future research may be carried out by focusing travel facilitation, attractions and entertainment opportunities provided by the hotel industry in different parts of the country which could give more insights on the impact of pandemic on the hotel industry as they are an important player of the tourism sector.

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