

**Kyiv National University of Trade and Economics**  
**Department of hotel and restaurant business**

# **FINAL QUALIFYING PAPER**

**on the topic:**

## **CORPORATE SYSTEM OF SERVICES PROMOTION BY «HILTON» INTERNATIONAL HOTEL CHAIN**

Student of the 2<sup>d</sup> year, group 8a,  
specialty 241« Hotel and  
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Faculty of	Restaurant, hotel and tourism	Department of	Hotel and restaurant
	business		business
Specialty	241« Hotel and Restaurant Business »		
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**Approved by**

Head of the Department  
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on \_\_\_\_\_, \_\_\_\_\_, 2017

### **Task for a final qualifying paper**

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1. Topic of a final qualifying paper: «Corporate system of services promotion by «Hilton» international hotel chain». Approved by the Rector's order from 17.10.2017 № 3328.

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3. Initial data of the final qualifying paper

*Purpose of the paper* is to develop theoretical and methodological regulations, methods of effectiveness estimation, guidelines and suggestions for the organization of hotel services promotion, and implementation of new principals in overall operation of the hotel industry based on the study of new conceptual framework and methodological approaches to improve the assessment of the development of hotel services promotion at domestic tourism enterprises and prioritize levers of effective promotion.

*The object of the research* is theoretical, methodological and practical aspect of services promotion at hotel industry enterprises.

*The subject of the research* is corporate system of services promotion by «Hilton» international hotel chain.

4. Illustrative material, Figures: "Services marketing triangle", "Marketing mix", "Property management systems", "Hilton Kyiv department", "Hotel Worldwide opportunities. Tables: "B2C and B2B definitions", "Comparison chart of needs and wants", "Price concept", "Groups of SMT", "SWOT of «Hilton Worldwide».

5. Contents of a final qualifying paper (list of all the sections and subsections)

INTRODUCTION

## PART 1. THEORETICAL FOUNDATIONS OF CORPORATE SYSTEM OF SERVICES PROMOTION IN HOSPITALITY ENTERPRISES

- 1.1 Essence of services promotion in hospitality
- 1.2 Peculiarities of corporate system of services promotion in hospitality industry
- 1.3 International experience implementing services promotion in hospitality

Conclusions to part 1

## PART 2. RESEARCH OF EFFECTIVENESS OF CORPORATE SYSTEM OF SERVICES PROMOTION IN «HILTON» INTERNATIONAL HOTEL CHAIN

- 2.1 Organizational and economic assessment of hotel
- 2.2 Assessment of hotel services promotion effectiveness in hotel
- 2.3 Assessment of factors that influence services promotion at the

Hotel «Hilton»

Conclusion to part 2

## PART 3. THE DIRECTIONS OF CORPORATE SYSTEM OF SERVICES PROMOTION IN «HILTON» INTERNATIONAL HOTEL CHAIN

- 3.1 Propositions for hotel services promotion improvement in the hotel
- 3.2 Propositions for branding improvement at the Hotel «Hilton»

Conclusions to part 3

CONCLUSIONS AND PROPOSALS

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APPENDICES



## 6. Time schedule of the paper

No	Stages of the final qualifying paper	Terms of the final qualifying paper	
		de jure	de facto
1.	Choosing and approval of the final qualifying paper topic	01.09.2017- 31.10.2017	01.09.2017 - 31.10.2017
2.	Preparation and approval of task for the final qualifying paper	01.11.17- 31.12.2017.	01.11.17- 31.12.2017
3.	Writing and defense of the 1 <sup>st</sup> part of the final qualifying paper in scientific adviser	02.10.2018- 11.05.2018	02.01.2018- 11.05.2018
4.	Defence of the 1 <sup>st</sup> part of the final qualifying paper I scientific adviser	14.05.2018- 18.05.2018	14.05.2018- 18.05.2018
5.	Writing and preparation for publication of a scientific article	18.05.2018	18.05.2018
6.	Writing and defence of the 2 <sup>nd</sup> part of the final qualifying paper in scientific adviser	18.05.2018 - 07.09.2018	01.06.2018 - 03.10.2018
7.	Defence of the 2 <sup>nd</sup> part of the final qualifying paper in scientific adviser	07.09.2018- 10.09.2018	18.05.2018- 07.09.2018
8.	Writing and defence of the 3 <sup>rd</sup> part of the final qualifying paper in scientific adviser	11.09.2018 - 28.10.2018	04.10.2018 - 11.12.2018
9.	Registration of the final qualifying work and abstract for preliminary protection in commissions	29.10.2018 - 31.10.2018	11.12.2018 - 19.12.2018
10.	Presentation of final qualifying paper and abstract on the department	01.11.2018	22.12.2018
11.	Presentation of the final qualification work to the Dean's Office for receiving a referral for an external review	12.11.2018- 16.11.2018	22.12.2018- 26.12.2018
12.	Preparation of final qualifying paper to defense in the Examination Board	19.11.2018 - 10.12.2018	26.12.2018- 10.01.2018
13.	Defending of the final qualifying paper in the Examination Board	According to the schedule	05.12.2018

7. Date of receiving the task: 28.12.2017

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Mariia V. Kulyk

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Margarita H. Boyko

10. The task received by the student

\_\_\_\_\_  
VVeronika. A. Bakradze

## 11. Resume of a scientific adviser of a final qualifying paper

Student Veronika A. Bakradze completed final qualifying paper in due time according to a calendar plan. Contents, structure and design of the work meet all the requirements. The work consists of introduction, three parts, conclusions, list of references and appendices.

In the final qualifying paper there were described theoretical bases of the promotional marketing strategies of the corporate systems of services promotion of the «Hilton» International hotel chain.

In the first part defined theoretical bases of the research of services promotions, corporate systems and international experiences services promotion.

In the second part analysed of hotel services promotion effectiveness, organizational and economic of hotel.

In the third part forms propositions for hotel services promotion and branding improvement

A final qualifying paper can be admitted to defence in the Examination Board and deserves a positive estimation.

Scientific adviser of a final qualifying paper \_\_\_\_\_ Mariia V. Kulyk

## 12. Resume about a final qualifying paper research

A final qualifying paper (project) of the student V. A. Bakradze can be admitted to defence in the Examination Board.

Manager of the educational program \_\_\_\_\_ Margarita H. Boyko

Head of the Department \_\_\_\_\_ Margarita H. Boyko

\_\_\_\_\_, \_\_\_\_\_, 2018

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## INTRODUCTION



The provision of high-quality services to consumers promotes customer loyalty and satisfaction, which in turn, enhances the profitability of the service provider. In the hotel industry, service quality received much attention from both researchers and practitioners because of its positive impact on financial performance, customer satisfaction, and retention. Ultimately, quality enhancement is a key determinant for the success of an organization in today's competitive market environment. In the service industry marketers should pay close attention to the issue of the service quality. In the highly competitive hotel industry, it is very important to differentiate one hotel's services from those of its competitors. It is very important to understand and satisfy customer's needs and wants by offering high-quality services.

To generate sales and profits, the benefits of services have to be communicated to customers. In marketing, this is commonly known as "promotion". Although promotion is not done only for these factors but for other such as to build brand loyalty, to remind and reassure customers, to launch a new product and maybe to defend market share by responding to competitors' campaigns with their own advertising. A business' total marketing communications programme is called the "promotional mix" and consists of a blend of advertising, personal selling, sales promotion, public relation and direct marketing.

It is very important for every hotel product to be promoted, that is to say it needs to be drawn to the attention of the market place and its benefit be identified. The aim of an organization promotional strategy is to bring existing and potential customers to a state of relative awareness of the organization's service and a not just that but also to a state of adoption.

**Actuality of research.** To understand how promotion can take on this vital role for the hotel units, we did an exhaustive search to get collect information about hospitality, hotel management, services promotion, corporate systems.

**Purpose of research** is to develop theoretical and methodological regulations, methods of effectiveness estimation, guidelines and suggestions for the organization of hotel services promotion, and implementation of new principals in

overall operation of the hotel industry based on the study of new conceptual framework and methodological approaches to improve the assessment of the development of hotel services promotion at domestic tourism enterprises and prioritize levers of effective promotion.

Achieving the goal of work involves solving the following tasks:

- To define essence of services promotion in hospitality;
- To consider peculiarities of corporate system of services promotion in hospitality industry;
- Give a general description of organizational and economic assessment of hotel
- Assess hotel services promotion effectiveness in hotel
- To consider how to improve services promotion in the hotel
- To evaluate International experience implementing services promotion in hospitality «Hilton Worldwide»

**Subject of research** is the subject of the research is corporate system of services promotion by «Hilton» International hotel chain.

**Practical value.** The results of analysis of Hilton Worldwide and proposals can be used in the practice of hotel, including assessment of hotel services promotion effectiveness in hotel and factors that influence on it.

The results of research are show in digest International Hotel Business and Tourism 2018 in article «Corporate system of services promotion by Hilton Worldwide» (Appendix A)



## **PART 1**

### **THEORETICAL FOUNDATIONS OF CORPORATE SYSTEM OF SERVICES PROMOTION IN HOSPITALITY ENTERPRISES**

#### **1.1 Essence of services promotion in hospitality**

Services marketing is a broad category of marketing strategies focused on selling anything that is not a physical product. This includes everything from personal services like medical care and spa treatments, to the rental of vehicles and spaces, to experiences like concerts and dance lessons. Any method that can communicate a service's appeal and benefits to customers is a valid approach, including informational content, promotional deals, advertisements, and many other kinds of marketing materials.

All organizations that provide services of some kind use services marketing strategies. These fall into the two, broad categories: organizations that provide services to individuals (business-to-customer, or B2C), and organizations that provide services to other organizations. (see Table 1.1)

Services marketing is most commonly used by companies that sell to individuals. They research consumer behavior to create advertisements that appeal to certain demographics, allowing companies to narrow the marketing focus to a concentrated effort.

Organizations that provide services to other organizations will apply these marketing techniques in their industrial marketing efforts a field dedicated to B2B marketing efforts. This usually requires an approach that involves more person-to-person contact, as a sales representative from the service provider negotiates with a representative from the client business. A company that provides technical support for another company's computers, for instance, would use services marketing to convince clients that its service is somehow necessary or a good investment.

*Table 1.1*

## B2C and B2B definitions

Business-to-consumer	Business-to-business
<p>Definition is an Internet and electronic commerce (e-commerce) model that denotes a financial transaction or online sale between a business and consumer. B2C involves a service or product exchange from a business to a consumer, where by merchants sell products to consumers.</p>	<p>Definition is an Internet business model that involves businesses that perform services or provide products for other businesses. Business information may also be shared. B2B is a form of e-commerce and it can involve businesses that manufacture a product, service or merchandise component that that is sold to another business.</p>
<p>Techopedia explains A business that sells online merchandise to individual consumers is categorized B2C. Experts have suggested that online B2C activities played a vital role in shaping the Internet, despite the dotcom bubble burst in the late 1990s. While many online B2C business websites shut down at that time, an electronic customer surge occurred shortly thereafter, which helped catapult e-commerce activities. Companies took advantage of this by creating electronic storefronts after discovering they could sell larger volumes of merchandise through B2C models.</p>	<p>Techopedia explains B2B may include outsourcing, which occurs when a business hires a contractor with knowledge and experience in that business's industry. The term B2B, however, is better known within the commercial trading realm, where wholesalers sell products to retailers, or a commercial original equipment manufacturer sells its products to wholesalers. Contained within a common supply chain execution are various business transactions. For instance, a home manufacturer will make purchases from lumber yards, window manufacturers, concrete.</p>

This is likely to include meetings, presentations, and contract negotiations in addition to creating advertising materials that appeal to businesses that use computers [8].

Marketing is a continuous, sequential process through which management plans, researches, implements, controls, and evaluates activities designed to satisfy the customers' needs and wants, and meet the organization's objectives.

*Table 1.2*

**Comparison Chart of needs and wants**

BASIS FOR COMPARISON	NEEDS	WANTS
Meaning	Needs refers to an individual's basic requirement that must be fulfilled, in order to survive.	Wants are described as the goods and services, which an individual like to have, as a part of his caprices.
Nature	Limited	Unlimited
What is it?	Something you must have.	Something you wish to have
Represents	Necessity	Desire
Survival	Essential	Inessential
Change	May remain constant over time.	May change over time.
Non-fulfillment	May result in onset of disease or even death.	May result in disappointment.

Promotion in hospitality industry requires an understanding of the differences between marketing goods and marketing services. To be successful in tourism marketing, organizations need to understand the unique characteristics of their tourism experiences, the motivations of travelling consumers, and the fundamental differences between marketing goods and services.

Until the 1930s, the primary objective of businesses was manufacturing, with little thought given to sales or marketing. In the 1930s, a focus on sales became more important; technological advances meant that multiple companies could produce similar goods, creating increased competition. Even as companies



began to understand the importance of sales, the needs and wants of the customer remained a secondary consideration should be satisfy. In 1944, the first television commercial, for Bulova watches, reached 4,000 sets. The decades that followed, the 1950s and 1960s, are known as an era when marketing began to truly take off, with the number of mediums expanding and TV and spending going from 5% of total TV revenues in 1953 to 15% just one year later.

The era from approximately 1950 to around 1970 was known as a time of marketing orientation. Customers had more choice in product, this required companies to shift focus to ensure that consumers knew how their products matched specific needs. This was also the time where quality of service and customer satisfaction became part of organizational strategy. We began to see companies develop internal marketing departments, and in the 1960s, the first full-service advertising agencies began to emerge.

Societal marketing emerged in the 1970s when organizations began to recognize their place in society and their responsibility to citizens (or at least the appearance there of). This change is demonstrated, for example, by natural resource extraction companies supporting environmental management issues and implementing more transparent policies. This decade saw the emergence of media we are familiar with today (the first hand-held mobile phone was launched in 1973) and the decline of traditional marketing through vehicles such as print; the latter evidenced by the closure of LIFE Magazine in 1972 amid complaints that television advertising was too difficult to compete with.

The mid-1990s ushered in the start of the online marketing era. E-commerce revolutionized every industry, perhaps impacting the travel industry most of all. Tourism and hospitality service providers began making use of this technology to optimize marketing to consumers; manage reservations; facilitate transactions; partner and package itineraries; provide (multiple) customer feedback channels; collect, mine, analyze, and sell data; and automate functions. The marketing opportunities of this era appear limitless. Table 1.3 summarizes the evolution of marketing over the last century[3].

Table 1.3

Evolution of marketing in the 20th century

№	Timeframe	Marketing Era
1	1920-1930	Production orientation
2	1930-1950	Sales orientation
3	1950-1960	Marketing department (marketing orientation, internal agency)
4	1960-1970	Marketing company (marketing orientation, external agency)
5	1970-Present	Societal marketing
6	1995-Present	Online marketing

Typically, the progression of marketing in tourism and hospitality has been 10 to 20 years behind other sectors. Some in the industry attribute this to the traditional career path in the tourism and hospitality industry where managers and executives worked their way up the ranks rather than through a postsecondary business education. It was commonly believed that to be a leader in this industry one had to understand the operations inside-out, so training and development of managers was based on technical and functional capabilities, rather than marketing savvy. And, as we will learn next, marketing services and experiences is distinct and sometimes more challenging than marketing goods. For these reasons, most businesses in the industry have been developing marketing skills for only about 30 years[10].

#### Difference Between Product Marketing and Service Marketing

Promotion of products and services ( being intangible, can be harder to show value. You can't see or touch a service. Often, then, the goal of marketing services is to create good relationships with your target audience, developing and building trust) involves different strategies due to

the dissimilarities in their characteristics. While in product marketing, the aim is to fulfil the needs and wants of the target population. As against, in service marketing, the firm seeks to create a good relationship with the customer, to win their trust.

The two most important activities undertaken by the business is production or procurement of products and its distribution to the end user. The procurement of raw materials and its conversion into a finished product is an easy job. However, the disbursement of the product is a strenuous one, because creating a place for a product in the market is a bit difficult task, where no one knows about your product and in this way the marketing comes into the picture.

Nowadays, promotion is not confined to the product, but services, ideas, property, experiences and even people are marketed. The marketing and promotion activities are aimed at creating an impression of the product or service in the consumer mind, in such a manner, that your brand becomes a synonym for that particular product or service. Here, in this article, we are going to talk about the differences between product and service marketing, read carefully (see table 1.4).

To ensure effective services marketing, tourism marketers need to be strategic in their planning process. To ensure effective services marketing, tourism marketers need to be strategic in their planning process.



Table 1.4

### Product Marketing and Service Marketing

Basis for comparison	Product marketing	Service marketing
Meaning	Product marketing refers to the process in which the marketing activities are aligned to promote and sell a specific product for a particular segment.	Service marketing implies the marketing of economic activities, offered by the business to its clients for adequate consideration.
Marketing mix	4 P's	7 P's
Sells	Value	Relationship
Who comes to whom?	Products come to customers.	Customers come to service.
Transfer	It can be owned and resold to another party.	It is neither owned nor transferred to another party.
Returnability	Products can be returned.	Services cannot be returned.
Tangibility	They are tangible, so customer can see and touch it..	They are intangible, so it is difficult to promote services.
Separability	Product and the company producing it, are separable.	Service cannot be separated from its provider.
Customization	Products cannot be customized as per requirements	Services vary from person to person, they can be customized
Quality comparison	Quality of a product can be easily measured.	Quality of service is not measurable.

Using a tourism corporate system requires carefully evaluating multiple alternatives, choosing the right activities for specific markets, adapting to these

challenges, and measuring success. Marketers can choose to follow a strategic management process called the PRICE concept, where they:

Table 1.5

### Price concept

<b>P</b> -plan	where are we now?
<b>R</b> -research	where would we like to be?
<b>I</b> - implement	how do we get there?
<b>C</b> - control	how do we make sure we get there?
<b>E</b> -evaluate	how do we know if we got there?

In this way, marketers can be more assured they are strategically satisfying both the customer's needs and the organization's objectives. The relationship between company, employees, and customers in the services marketing context can be described as a services marketing triangle, (illustrated in Fig 1.1)

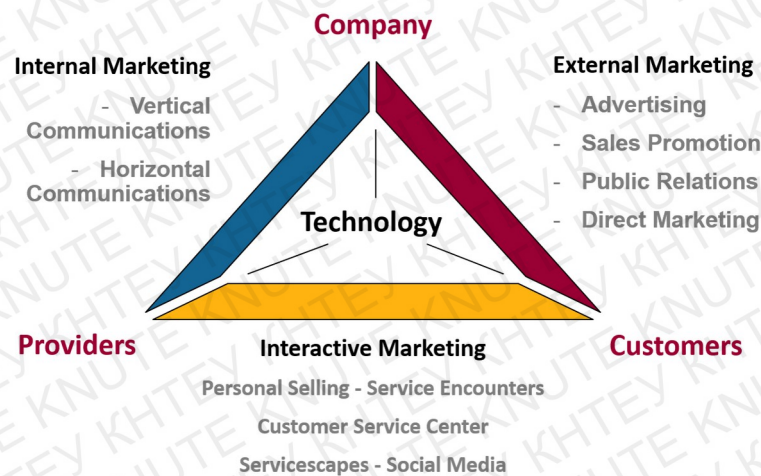


Fig. 1.1 Services marketing triangle

What about points of the Triangle -each side of the service marketing triangle represents a type of marketing, and the types interact between the entities on the points where the sides meet. At the top of the triangle sits your business organization. At each corner at the bottom of the triangle are your customers and your employees who interact with and provide the services to your customers [44].

Service Marketing Triangle Example

Marriott markets internally by referring to its employees as 'associates,' and cultivating loyalty through its development program and performance incentives. To refine its external marketing, Marriott created a content studio aimed at attracting younger guests with short films, videos, and infographics. As part of Marriott's interactive marketing, all associates undergo customer service training, regardless of whether they will ever interact with guests. At all three levels of the triangle, Marriott ensures that it communicates its culture and values. This marketing has helped brand the company as one of the hippest and most customer-friendly hotel chains in the world [2].

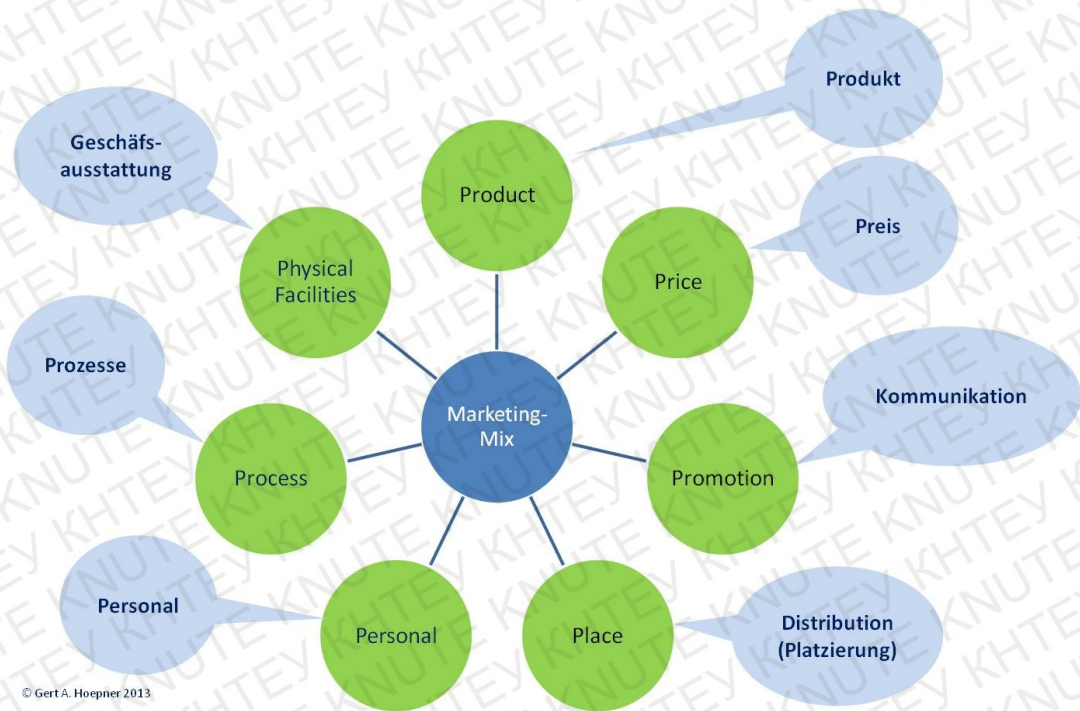
*Table 1.6*

Groups of SMT		
External marketing	promotional efforts aimed at potential customers and guests	creating a promise between the organization and the guest
Internal marketing	training, culture, and internal communications	enabling employees to deliver on the promise
Interactive marketing	direct exchanges between employees and guests	direct exchanges between employees and guests

In traditional marketing, a business broadcasts messaging directly to the consumer. In contrast, in services marketing, employees play an integral component. The communications between the three groups can be summarized as follows (see table 1.6)

The direct and indirect ways that a company or destination reaches its potential customers or guests can be grouped into eight concepts known as the 8 Ps of services marketing [8].





**Fig.1.2 Marketing mix**

## **1.2 Peculiarities of corporate system of services promotion in hospitality industry**

Corporate culture is one of the most important aspects of modern business management, in particular, it is closely linked with the organization's strategy and its human resources. Therefore, research on corporate culture is relevant. The corporate culture of a hotel company directly affects its competitiveness, accelerates and increases sales, is an instrument for achieving the strategic goals of a hotel oriented to the future, which is especially important in the context of the current crisis.

Over the past few decades, the hospitality industry has changed beyond recognition. Today, the global network of hotels can satisfy any, even the most demanding, taste. Customers expect high standards of service from the hotel company. In this regard, hotel managers, whose focus until recently has been focused on operational management of production, must address new challenges, otherwise approach the development and maintenance of the competitive position of hotel infrastructure, since it is primarily responsible for creating an effective

business Revenue and success of the hotel are directly related to the corporate culture.

Corporate culture is a system of values and beliefs that each employee of the firm shares and which implies his behavior, determines the nature of the life of the organization.

Other scholars in the corporate culture understand the system of values and beliefs shared by all employees, the collective consciousness and mentality of the organization. Corporate culture determines the behavior of the hotel staff, its relationship with customers, management, intermediaries, suppliers, which is why they know how to act and what to expect from an employee. Corporate culture gives employees a sense of purpose and builds commitment to their organization, responsibility for everything that happens, awareness of the importance of communications, creates the basis for stability, control and a single whole. Researchers of corporate culture offer the following tools for its transformation and influence on the behavior of workers .

- change of objects and objects of attention from the side of the manager. This is one of the most powerful methods, since with its repetitive actions the manager gives employees know what is important and what is expected of them;
- changing the style of crisis management and conflict;
- transformation of study programs. Aspects of corporate culture are assimilated by subordinates because of how they should fulfill their roles;
- change of the system of motivation. Culture at the enterprise can be transformed through the change of the system of awards and privileges;
- change of emphasis in personnel policy;
- a change in organizational symbolism and rituality.

A corporate culture of its kind is a "highlight" of the hospitality industry. Corporate culture is also a certain system of organization, emphasizing the individuality and uniqueness of the hospitality industry [6].

An important place in the industry is occupied by the hotel business, whose broad and diverse nature also covers the elements of the related industry sectors,



such as food, leisure, entertainment, and more. Accordingly, the hotel business has a wider and diverse organizational structure than other sectors of the industry.

However, today, guests are also seeking other services and services. To improve the quality and culture of customer service, as well as competitiveness in the world market of hotel services, enterprises must have not only a high level of comfort, but also a wide range of additional services.

Hospitality professionals should understand: hospitality is the quality of service based on the level of specialist training, experience, education and internal culture. It is the behavior of the personnel, the level of its professionalism has a great influence on the final result of the enterprise hospitality.

What is important is the fact that there are common values in the management of workers who ultimately transform into norms of behavior, which contributes to improving the quality of services provided and joint efforts to address current and long-term problems.

A key figure in a hotel that creates its corporate culture is the leader. One of its main tasks is to ensure that the behavior of hotel operators is consistent with the objectives of the hotel and its strategy. As practice shows, the most profitable and efficiently functioning hotel will be the one headed by a man who has gone through all stages of the career ladder of the enterprise, whose head it is. After all, it is then that he knows all the peculiarities and can more clearly control the formation of the culture of his enterprise.

In the hospitality industry, there is now a great need for those who love and are able to serve others. Kindness, interest in others and the ability to communicate - the main requirements for the personal qualities of an employee of the hospitality industry. If a person needs to make an effort to smile once more, this profession is not for her. According to experts, the ideal hotel employee is an artist (because he can congratulate the guest in twenty different ways) with a great memory (because he knows in the face and on behalf of all the living) and manners gentleman.

The work of the hotel directly depends on the activities of its employees. Therefore, for the hospitality industry it is especially important that each employee



shares the principles of corporate culture adopted at his enterprise. For all companies working in the service sector, the number one priority is employees focused on working with clients. Smile, courteous service, professional knowledge of all business processes in the hotel - this is the golden standard that needs to be cultivated. The current trend in the hospitality industry as a whole is the care of its employees - about people who, in fact, create this industry. "The better the company will relate to its employees, the better employees will be customers" - the motto of the most sought after hotel chain in the world of Marriott. This American hotel chain manages nearly 2,500 hotels in 64 countries. About 2000 hotels are located in the United States. Managed under the brands of Marriott, JW Marriott, The Ritz-Carlton, Renaissance, Residence Inn, Courtyard, Suites, Fairfield Inn, Spring Hill Suites and Ramada International ".

The hotel chain Marriott, Inc. includes: - 400 Marriott Hotels, Resorts and Suites, of which 264 are in the United States, 136 hotels in other countries; - 17 JW Marriott Hotels, of which 6 are in the United States, 11 are in other countries; - 42 The Ritz-Carlton Hotel Company, L.L.C., of which 25 are in the United States; - 114 Renaissance Hotels and Resorts hotels, of which 61 (except for the USA); - Courtyard by Marriot - 537 hotels, including 537 in the USA; - Residence Inn - 372 hotels (362 - in the US); - Renaissance, Courtyard, Towne Place Suites, Fairfield Inn, Sprin Hill Suites and Ramada International (Mill has a license to use the Ramada brand in the US and Canada, but does not manage them).

These hotels are managed by Cendant Corporation. Also, Marriott International, Inc. develops Club Vacation Clubs, Marriott Vacation Club, Horizons, Marriott Grand Residence Club; Marriott Vacation Club has 57 hotels, 42 of which are in the United States and Ramada International Hotels & Resorts - 70 hotels, all located outside the United States [14].

Another important feature of the formation of a corporate culture in hospitality - standards. The hotel business works well as a well-established mechanism, if everything is regulated in it. The success of large hotel networks, in particular, is determined by the single, clear style of service in each hotel.

The main task of the standards is that all employees of the hotel, who occupy the same position, perform their duties equally. Continuous attention is paid to the appearance - the internal layout of each hotel regulates the appearance of their receptionists, maids and other employees. Common in them: cleanliness, cleanliness of clothes, hairstyles and shoes. Attention is also paid to the duties of staff and behavior in a particular situation. Literally by items is prescribed, what to do, what to see, what to pay attention to, how to answer by phone and so on.

One of the main directions of forming the corporate culture of hotels is the provision of services of higher quality in comparison with competitors, services that must satisfy and even exceed the expectations of the guests. Expectations are formed on the basis of experience already available from clients, as well as information received from personal or mass channels. If the idea of the service received does not meet the expectations, guests are losing interest in this hotel, and if they answer or exceed, they can re-select it. Therefore, for the hospitality industry, it is important not only to produce a good first impression, but also to anticipate the desire of the guests, showing a sincere interest in their problems.

The corporate culture of the hotel company will ensure its success, will help to become more competitive and effective. But for this it is necessary to take into account the specifics of the chosen profession. In the hospitality industry, first of all, you need to take care of your employees - the service providers. The guest's opinion about the hotel depends first of all on the efficiency of the work, which is directly related to the mood. In order to maintain the necessary organization of working mood, it is necessary to constantly carry out various trainings, to introduce and fix the standards, to constantly train the personnel, to develop new systems of motivation. For the hotel staff it is also important to feel the unity of the team (here it is necessary to carefully consider the motto of the company), work in the team and see the result of such activities [49].

The nature of corporate culture in the hospitality industry is described by a system of attributes determined by several criteria. Corporate culture:

- positive - it captures the significance and importance of professional work of specialists in the sphere of hospitality;

- negative - reflects the situation when the situation at a particular enterprise in the sphere of hospitality as a whole is positive, but for an individual employee in terms of self-development and self-fulfillment - disadvantageous.

An important component of the corporate culture is the General Quality Management System (QMS), oriented to meet customer demand. At the top of the pyramid is QMS - a comprehensive, total quality management that aims to high-quality work throughout to achieve the required quality of service. First of all, this work involves ensuring a high organizational and technical level of service delivery, necessary working conditions. The quality of work involves the validity of the management decisions taken, the planning system.

The basis of QMS form the following principles: - consumer orientation. The hotel company should provide current and future needs of its clients, fulfill their wishes and try to exceed their expectations; - leader leadership. Leaders ensure the unity of the purpose and direction of the organization. They must create and maintain an internal culture, provide full involvement of the hotel staff in solving the tasks of the organization; - Employee involvement. The staff of all levels is the foundation of the organization, full involvement leads to the full use of their abilities;

- approach to the quality system as a process. The objectives of a hotel enterprise are achieved much faster when activity and resource management are carried out as a process;
- system approach to management. Quality management is effective in the case of a comprehensive understanding of problems and the effective management of interrelated processes as a system for improving the organization's effectiveness in achieving its goals;
- constant improvement of the results of the organization as a whole, which should be considered as the main, unchanging goal of the hotel company.

In the last 10 years, for the internal hotel industry reputation plays extremely important role. Today, in the positioning of the hotel to the forefront are no longer



such purely material factors as the price or interior of rooms, and interpersonal characteristics - the level of service, an individual approach to the client, maximum comfort and convenience of the guest. The current global trend is to speed up the process of working with guests: booking, check-in and check-out faster.

ASM for hotel complexes is a complex of integrated subsystems that create an effective environment for the interaction of employees, clients and business partners - travel agencies, corporate clients and tour operators. Though the price of such systems is high, according to studies by Microsoft, most hotels in the West (especially the network) periodically install a new management system. This is due to the pace of growth of competition and technological progress - if earlier hotels have changed the technical equipment on average every 7-9 years, then today - every 3-5 years, and the tendency to reduce this term is preserved.

Expectations are formed on the basis of experience already available from clients, as well as information received from personal or mass channels.

The most popular automated systems in hospitality industry are:

- Micros Fidelio,
- Lodging
- Touch LIBICA,
- Amadeus PMS,
- OPERA
- "Edelweiss"
- "Hotel Z"
- "KEI Hotel"
- "UCS Shelter"

Almost all software vendors have a version of their PMS specifically designed for remote use. These systems are developed with the use of Internet technologies: ASP (Application Server Provider) and "client server" based on Standart Query Language. In Russia, these products are represented by KEI Hotel and Nimeta systems [17].

The introduction of automated systems in hotels in Ukraine began in the mid-90's. As to the processes of automation, the domestic hotel business is inferior to the Western hospitality industry. Thus, within the corporation Maria about 300 highly skilled programming specialists are engaged in the support and development of software products that determine the technology of work and reporting of executive directorates of hotels scattered around the globe. In this case, only the development of such products is about \$ 120 million annually, which is considered an economy to calculate the cost of one hotel.

There are three main criteria for assessing the feasibility of investments in automated hotel management systems:

1. Achieve competitive advantage.
2. Increase productivity.
3. Maximum use of available hotel resources.

The main requirements of hotels for automation systems are:

- Powerful functionality of management of tariff policy, number fund and service of guests;
- Use of all existing sales channels of hotel services (Internet, GDS (Global Distribution System), call centers);
- Wide possibilities of financial control and audit;
- Managing profit centers (number room, restaurants, bars, fitness, laundry, business center);
- Organization of events (congresses, banquets, conferences);
- Availability of interfaces with automatic credit card authorization systems;
- Availability of interfaces with peripheral systems (interactive TV, telephony, locks, mini-bars, power management);
- Ability to implement programs of regular guests and participation in bonus programs of airlines
- Calculation of commission fees due to travel agencies;
- Ability to make group booking with a flexible system of individual settlements with guests;

- Reliability and fault tolerance;
- Support and round-the-clock support.
- Permanent development of systems in accordance with market requirements.

All of these tasks are solved by means of automated systems. The choice of system depends on many hotel options: the size of the room suite, the availability of additional services (communication, pay channels, electronic keys, spa), location, guest contingents, etc. To provide the hotel services for communication services are designed automatic telephone exchanges (Alcatel, Ericsson, Siemens, NEC, Meridian, GDX, Bosch, Panasonic). In the presence of special automation software for hotels the system can support station management functions: online billing of calls with simultaneous fixing.

Among the access control systems for paid television channels are General Satellite and Guest-Link. Increasingly popular are access control systems in the rooms (electronic locks). Among the most famous systems in this area are American VingCard, Swedish Timelox, Spanish TESA, Italian CISA. However, the basis of any hotel ACS is PMS, or a number management system. It focuses on information about its current status, residence, expected guests and their accounts. To date, the most common automated hotel systems used in world practice, are





**Fig. 1.3 Property Management Systems**

Business processes that are subject to automation in a hotel can be divided into two blocks: the front office (external business processes) and back office (internal business processes). Under the front office of hotels are understood structural units, employees who interact directly with clients - marketing, reception and accommodation, booking and sales, maintenance and service. The process of completing the booking of a special function depends on the availability of sleeping rooms for guests.

*Table 1.7*

**Automated hotel management systems**

ASM	Key Representatives
Property Management System (PMS)	Micros Fidelio, Lodging Touch LIBICA, Epitome PMS, Amadetis PMS, OPERA, Optima, Cenium, Nimeta, Едельвейс, Готель 3, KEI Hotel, UCS Sheiter,
Point Of Sales (POS)	Epitome POS, InfoGenesis POS,

Sales & Catering (S&C)	Rkeeper, Micros, Паpyc-Ресторан, 1С: Sky ware Hospitality Solutions Sales and Catering, OPERA Sales & Catering Full Service
Telephone Management System (TMS)	Alcatel, Ericsson, Siemens, NEC, Definity? Meridian, GDX, Bosch, Panasonic
Key System (KS)	VingCard, Timelox, TESA, CISA, Salto, Onity, Messerschmitt, Saflok, Inhova
Mini bar System (MBS)	Fidelio Suite 8, Opera Property Interfaces
Video Services System (VSS)	Video Services System (VSS)
Energy Management System (EMS)	StruxureWare software, Powerstar, Hotelstar
Credit Card Authorization system (CCAS)	Mercury Payment Systems, Tsys Acquiring Solutions, Heartland Payment Systems
Food & Beverage (F&B)	Quintiq, Libra F&B
Accounting System (AS)	Scala, Navision, 1С
Centrai Reservation System (CRS)	Amadeus, Sabre, Apollo, Galileo, Worldspan, Abacus, Infini, Core CRO
Web Reservation System (WRS)	Genares, Pegasus IDS Systems
Human Resource System (HRS)	Faraon, mySAP HR, ScaiaHR, E-

However, the underlying business is always internal back-office processes - structural units, hotel staff, which, as a rule, do not interact with customers directly - the services of hotel services, finance, personnel, supplies, logistics. Considering the hotel enterprise as a set of functional departments, we get the next (table 1.8)

*Table 1.8*

**Structure of the automated hotel management system**

№	Name of module
1	Database on the server
2	Module porter
3	Restaurant module
4	Administrative module
5	Accounting module
6	Additional functional modules



Automated workstations are united by a local computer network, providing comprehensive management of all departments and services of the hotel.

The core of the hotel automation system is the Room Number Module (ARM Porter), the main tasks of which are the following:

- Request for booking information (name and coordinates of the guest, terms and parameters of the reservation, its ID);
- search for a number that satisfies the request, its reservation;
- arrival of the client, his identification registration;
- Regular service control (cleaning, delivery of the press, breakfast, etc.);
- information about payment of accommodation, services, deposits made (balance of the guest account);
- a warning about the expiration of the residence and the procedure of eviction and settlement, or extension of the term for the provision of placement services.

The toolkit of a typical automated control system includes an information repository, multidimensional analytical processing tools MOLAP and a library of standard forms of reporting and analysis. In addition, such systems include the Business Intelligence system, designed for multidimensional analysis and strategic business planning throughout the enterprise. Using such a set of tools allows you to receive the necessary information in a timely manner for marketing and strategic analysis of the company's activities in order to expand the market share, increase revenues and increase occupancy of the hotel [33].

To assess the performance of the hotel, the business analytics system uses the key performance indicators used in the hotel industry, such as the average revenue per room, average guest income, average vacation rate. In addition, the system allows you to consider the performance of the hotel in various sections with flexible possibilities of detail information.

Thus, modern integrated automated control systems, combining in a single cycle all the vital elements of the hotel business, allow you to minimize loss of profit at all stages, effectively monitor the work of staff, improve the quality of service.



At the same time, the greatest impact when using modern computer control systems can be expected from an increase in the effectiveness of making managerial decisions on hotel positioning, dynamics and industry development. The promising direction of automation of the rapidly developing hotel industry is the "Smart Home" concept, which means even more interconnected hotel management systems with ACS utilities, energy saving, etc.

To date, most domestic hotels are implementing automation systems that meet modern requirements. The functional part of different systems is similar, differences only in the approach to solving identical tasks. In this case, the special value of ACS is the integration of automation in global booking systems (GDS). These include four major global booking systems: Amadeus, Galileo, Sabre and Worldspan. Together, these systems account for approximately 500,000 terminals installed in hotels around the world, which is about 90% of the market: they are not accidentally called the "golden four". In Ukraine, the most common of these systems is Amadeus.

### **1.3 International experience implementing services promotion in hospitality**

International Hotel Association divides hotel chains into the following groups:

- 1) corporate networks - hotel corporations owning a large number of enterprises;
- 2) a network of independent enterprises, united for the use of a common booking system, marketing concepts, advertising and other services;
- 3) networks providing management services.

The establishment of hotel chains plays an important role in the development and promotion of high standards of customer service, organization and management on the world market. Today, hotel chains cover 30% of the world's hotel market, more than 200 corporations, of which 25 are largest and control 25% of the global profile market.

There are two main types of hotel chains: integrated networks that are made up of homogeneous units, and hotel consortia that combine independent hotels. Integrated hotel networks are managed directly or indirectly through a franchise system or under a management contract. All hotels in the integrated network have a common name and trademark. The largest integrated networks operate in the US - Hospitality Franchise Systems, Holiday Inn Worldwide. The French group "Accor" ranks fourth in the world, the British "Forte" - the ninth.

In order to withstand competition from integrated hotel chains, independent hotels combine into hotel consoles. The concept of hotel consortia is popular, its number is significantly increasing. Increasing the scope of activities, when merged into a consortium, allows to achieve significant savings in marketing costs, hardware purchases, computer networking sites, and more. The world's largest hotel consortium - the American "Best Western International" has over 3350 hotels with a fund of nearly 300 thousand rooms. The cost of membership in this international consortium is 1% of turnover after tax.

Another form of association of hotels is the so-called families, the largest of which are hundreds of hotels in different places of the world. The quality of hotel services in the "families" is controlled by independent commissions. Famous hotel families are Relais & Chateaus, Preferred Hotels and Resorts Worldwide, Leading Hotels of the World, and Small Luxury Hotels of the World. For example, the last two families combine 300 and 200 hotels around the world, respectively. Typically, this is a high-category hotel located in different locations (central city, suburban or provincial) and serves customers with different incomes.

The most common form of organization of hotel chains is a franchising system. According to the definition of the International Organization of Franchising Organizations, franchising is a way of doing business, in which a leading business entity provides advanced technology and the ability to function under its brand name to other organizations. In this regard, franchising as a method of hotel business involves the creation of a wide network of homogeneous hotel enterprises

that have a single trademark (hotel brand) and adhere to the same conditions, style, methods and forms of hotel services.

Thus, the essence of franchising lies in the fact that the large franchisor-franchisor gives the small firm-operator (franchisee) the right to use its own brand name, used technologies and methods of service, marketing procedures, facilitates the organization of hotel business, etc. The franchisee undertakes to carry out business on the rules of the franchisor and deduct a franchisor a portion of the proceeds from the sale of hotel services. Relations between the franchisor and the franchisee are fixed by the conclusion of the contract. The contract refers to the work of hotel enterprises in a particular geographical region or market environment, the number of enterprises covered by franchising [28].

Under the terms of franchise agreements, individual hotels, while maintaining their legal independence, must meet all qualifying requirements of the hotel chain and pay the appropriate fees. Therefore, one of the most important elements of the franchising agreement is the harmonization of forms of payment. World practice distinguishes four types of payments to the franchisor: 1) initial franchise free payment; 2) royalty free; free) A comparative analysis of typical franchise payments in the leading hotel networks of the world is given in the (table.1.9)

In addition to economic aspects, a franchise agreement defines the requirements for the hotel's appearance, the interior of rooms, lounges and other premises, the number of rooms, the range of additional services, and the level of service.

The undoubted advantage of the franchise system is the ability to use a centralized reservation system and, as a result, serve customers who are directed to the hotel through the entire hotel network. There is no doubt that the hotel, which receives the name "Hilton", is mostly provided by the client before its discovery, so powerful affects the trademark. In other words, the franchise system for a hotel franchisee represents a real opportunity to effectively develop business, and for consumers guarantees a high level of quality of service.



In modern conditions, it is difficult to overestimate the enormous influence of franchising on the world's hotel business, since a significant part of hotel chains is formed and functions precisely by concluding franchise agreements. The largest franchise companies in the world are Choice Hotel International, Holiday Inn Worldwide, Promus Company, Forte Hotels, Marriott International Inc, Hospitality International Inc., Accor, Carlson Hospitality, Sheraton Hotels, Hilton Worldwide Holdings, Hyatt Hotel Corporations, Wyndham Worldwide Corporation.

*Table 1.9*

**Comparative analysis of typical franchise payments in the leading hotel chains of the world**

Hotel chain	Entrance fee	Annual payment	Annual marketing contributions	Payment for connecting to the reservation system
Accor	2000/room	4% gross income from the implementation of placement services	2 % gross income from the implementation	The amount is not fixed, it is approximately 30 euros for booking
Choise Hotel Internationa l	120 dollars/room	1 st year: 1% of gross revenue 2nd year 2% of the gross income 3rd year 2.5% of gross revenue	1% of gross revenue from the sale of placement services	6 dollars for one backup operation
Grupo-Sol	Contractual price	4% gross income from the implementation of placement services	1.5% gross income from the implementation	4% of the declared rate and 8% of the discount rate
Holiday Inn	400 dollars/room	4% gross income from the implementation of placement services	Fixed annual payment of 2-3% of gross revenue from the implementation	Included in the cost of marketing research and promotion

Marriott Internationa l	300 dollars/room	4% gross income from the implementation of placement services + 1% from sale of F&B	1.5% from sales	12,5 dollars for one reservation
Radisson Sas Hotels	About 40000 dollars	3% gross income from the implementation of placement services	2.5% gross income from the implementation of placement services	11 dollars for 1 reservation

The hotel chain is centrally engaged in promotional activities, refresher training and retraining of hotel workers and other types of work. Thus, the franchisor provides marketing assistance to his hospitality companies. In addition to the above, it is implemented when choosing a region, area of activity and user segment of hotel services, developing recommendations for customer service, organization of local advertising, etc. For a franchisor, a significant advantage of marketing is the ability to immediately offer customers services in different regions and countries [24]

It must be admitted that for today the real output of large operators on the market of hotel services of Ukraine is presented by individual examples. The first example in Ukraine of the domestic hotel in the international network "Odessa-Kempinski" was unsuccessful. The agreement with the Kempinski network was terminated, the hotel left it and is now operating as a hotel "Odessa". Another example of franchising integration is the "Radisson Sas Kyiv" project. Hotel operator Radisson Sas is a large hotel chain that has 199 businesses in 40 countries. Since 2002, Radisson Sas has become one of the hotel brands of the RezidorSas group, which also includes Park Inn, Country Inn, Cerruti, and Regent Hotel Networks. The Radisson Sas Kyiv hotel complex has 256 rooms (including 31 suites and junior suites, one presidential suite), 2 restaurants, 2 bars, a business center and conference room with offices, a gym and aerobics hall, sauna, underground parking for 57 people, autonomous laundry and dry cleaning.

One more example of a network hotel is Hyatt Regency Kyiv Hotel. Hotel chain Hyatt has 217 hotels in 43 countries. In the Kiev hotel of this network - 234 rooms, of which 25 - apartments. The 140 m<sup>2</sup> diplomatic suite includes a kitchen, a lounge with a home cinema, a bedroom, a bathroom with a sauna, a toilet with several modes of use. All equipment is exclusive, made by sketches of French, English and Italian designers. The hotel has a nine-room SRA-center, a fitness club, and a swimming pool. An example of access to the Ukrainian hotel market of international hotel chains is also the opening of the resort hotel "

At the end of 2016, the first budget hotel (budget hotel is a budget hotel with a good quality of service) plans to enter the Ukrainian market of hotel services - Ibis Hotel for 213 rooms under the leadership of the French hotel chain Accor Hospitality, which includes more than half There are thousands of hotels practically around the world. It should be noted that the hotel operator "Accor" has declared a large expansion in the Ukrainian market of hotel services, planning to build up the first five hotels "Ibis" and "Etap" for Euro.

Moreover, in general, under these brands, "Accor" plans to serve a network of 25 budget hotels in the largest cities of Ukraine, with the budget of this project, the average cost of the hotel room is 250-300 UAH per day. This is a particularly positive trend in the development of hotel business in Ukraine, as the market for budget hotels has become almost the norm for a large number of European tourists, and in Ukraine it is not fully developed. Even those hotels operating in Ukraine in the so-called economy format are not presented at reservation systems and are simply not available to many of their potential clients, both foreign and Ukrainian. Even in Kiev of 86 hotels only 18 are connected to international booking systems. Many hotels, which are difficult to promote themselves on the market, have serious difficulties with the lack of customers. Hotels with extensive experience in the market are kept at the expense of regular customers. At the same time, the average occupancy in hotels that are part of hotel chains, at present is 65%.

Our preliminary research found that one of the most pressing problems of the growth of the hotel industry in Ukraine is the creation of a favorable



investment climate and the search for sources of financing for the construction of new and reconstruction of already functioning enterprises. The development of hotels by business entities at the expense of all sources of financing was invested 1423.2 million UAH, but constitutes 84.8% of the volumes. The share of investments aimed at the development of hotels and other places for temporary residence, in the total volume of capital investments, compared increased threefold and amounted to 1.5%. At the expense of the state budget, UAH 19.8 million, or 0.9% of investments aimed at these activities, was mastered. The volume of direct foreign investments in the development of hotels and other places for temporary residence, amounted to \$ 258.9 million, which is only 0.7% of the total investment in the Ukrainian economy

Foreign investors can enter the Ukrainian market of hotel services not only by investing money in the construction of new hotels, which poses a significant risk due to the unresolved issues in the legal, economic and political sphere, but also on the terms of franchising. Today, Ukraine's hotel market has not yet been mastered by international hotel companies. Undoubtedly, holding in Ukraine Euro 2012 contributes to the development of the hotel industry and makes it more attractive to prestigious foreign hotel companies. Orientation toward European service standards and vigorous transition to such standards make up the distinctive feature of this sector. Similarly to any other economic activities, the hotel business aims to increasing its income and seeks tools and efficient ways to achieve the desired financial results. In accordance with the data of the State Statistics Committee, there are 1218 hotel businesses in Ukraine including sanatoriums, rest homes, vacation houses.

The hotel industry in Ukraine is reflecting the main trends that exist today in the hotel business world. The further successful development of the hotel industry in Ukraine needs due attention and support from the state, especially as regards the creation of a favorable marketing environment for attracting investment and credit, as well as the adequate use of the benefits of the integration processes of the world's hotel business. Increasing the competitive position of the Ukrainian market

of hotel services will help to improve its functional structure, introduction of modern thinking and technologies, improvement of methods and forms of service, carrying out of a consistent marketing policy. Consequently, the hotel business in Ukraine needs further serious analytical and forecasting work for successful activity and the most complete satisfaction of clients' needs.

## **Conclusion of Part 1**

Corporate systems of promotion of services plays a vital role on the success of any business organization. Since all aspects of the business depend on successful marketing, it is difficult to highlight all the roles which promotion plays in a company.

Proceeding from this diploma part 1, the basis peculiarities of corporate system is the growing role of international hotel business. Promotion helps in building a company's brand name and placing the company's product or service in the heart of prospective customers. In the hotel industry, the success of any hotel often depends on good reputation. As the reputation of a hotel grows bigger within society, more customers will lodge in the hotel, thereby making the hotel's room occupancy rate increase and generate more income to the hotel. The hotel industry is an industry with perishable products, in other words, if a room is not occupied during a particular period, the income that is supposed to be realized on that particular room is lost forever and it cannot be regained. Efficient marketing helps in ensuring that the hotel has a high occupancy rate at all time. As more people get to know about a company's products and services, the company's share of the market increases as well as its sales.



## **PART2**

### **RESEARCH OF EFFECTIVENESS OF CORPORATE SYSTEM OF SERVICES PROMOTION IN «HILTON» INTERNATIONAL HOTEL CHAIN**

#### **2.1 Organizational and economic assessment of hotel**

Hilton Worldwide Holdings, Inc. (formerly, Hilton Worldwide and Hilton Hotels Corporation) is an American global hospitality company. As of March 2014, Hilton brands encompass 4,112 hotels with over 680,117 rooms in 91 countries. Prior to their December 2013, Hilton was ranked as the 36th largest privately held company in the United States by Forbes.

It was founded by Conrad Hilton in Cisco, Texas and was headquartered in Beverly Hills, California from 1969 until 2009. The company moved to Tysons Corner, unincorporated Fairfax County, Virginia, near McLean in August 2009.

Hilton vision is to fill the earth with the light and warmth of hospitality.

Hilton mission is to be the preeminent global hospitality company - the first choice of guests, team members, and owners alike.

From the pinnacle of luxury to comfortable extended-stay suites and affordable focused-service hotels, our twelve world-class brands delight our guests and reward our partners. And they're all supported by our best-in-class revenue delivery and customer service programs.

Hilton Worldwide which includes Conrad Hotels & Resorts, Curio – A Collection by Hilton, Hilton Hotels & Resorts, DoubleTree by Hilton, Embassy Suites Hotels, Hilton Garden Inn, Hampton Inn, Homewood Suites by Hilton, Home2 Suites by Hilton and Waldorf Astoria Hotels & Resorts (see table 2.1).

One of the most recognizable Hilton brand in the world is Hilton Hotels and Resorts. With more than 540 properties in 78 countries across six continents, Hilton Hotels & Resorts stands as the stylish, innovative leader of hospitality. As

the most recognized name in the industry, Hilton remains synonymous with the word "hotel."

*Table 2.1*

Characteristics of the Hilton Worldwide brands

Brand category	Brand	Characteristics
Luxury	Conrad Hotels and Resorts	Smart luxury is at the core of everything Conrad Hotels & Resorts does. We offer access to a world of infinite connections, intuitive services, and inspired experiences along our guests'
	Waldorf Astoria Hotels and Resorts	With a fresh, modern expression of its rich, authentic legacy, WA provides guests the exceptional environment and the personalized attention
Full Service	Hilton Hotels and Resorts	One of the most recognized names in the industry, Hilton Hotels & Resorts offers travelers a world of authentic experiences. The brand continues to be the innovative.
	Double Tree by Hilton	It all starts with a warm chocolate chip cookie, a simple touch that sets the tone to create a rewarding experience for a guest's entire stay. This hotel understands that doing the little things well can mean everything.
	Embassy Suites	At Embassy Suites by Hilton all of the guests are welcomed with a two-room suite, free made-to-order breakfast each morning, and complimentary drinks and snacks for two hours every night.
	Curio, A Collection by Hilton	Curio is a collection of independent, remarkable hotels whose only unifying characteristic is their individuality. Each hotel is hand-picked for its character and personality, appealing to passionate travelers seeking local discovery.
Select Service	Hilton Garden Inn	Hilton Garden Inn is the award-winning, upscale, yet affordable hotel brand that enables travelers to discover and connect while on the road with more than 650 locations worldwide.
	Hampton Inn	Hampton by Hilton is about celebration and diversity – embracing local culture and giving guests a true experience
Extended-stay suites	Homewood Suites by Hilton	Homewood Suites by Hilton offers a unique approach to longer stays allowing guests to stay in their routine while traveling for business or leisure. Suites are equipped with a full kitchen where guests can cook home-like meals without leaving their suite
	Home2 Suites by Hilton	Home2 Suites by Hilton is the innovative extended stay hotel thoughtfully designed for sophisticated travelers staying a few months or a few nights.

From inaugural balls and Hollywood award galas to business events and days to remember, Hilton is where the world makes history (see table 2.1).

Analyzing the internal activity of the 5-star hotel Hilton Kyiv, we can admire that it consists of the 16 departments: administration, security, booking, housekeeping, conference and events, sales, purchasing, stewarding, front office, informational technology, kitchen, spa, food and beverage, human resources, business development, finance. Each department has their own function and responsibility to operate. Due to the figure 2.1 we can analyze the variety of hotel departments. With the current amount of staff more than 200 members, Hilton Kyiv operates with a great human forces within one hotel organization [12.]

The biggest department is food and beverage department and front office department.



**Figure 2.1 Hilton Kyiv Departments**

The Food and Beverage department (see fig. 2.2) in a hotel is responsible for the operation and maintenance of the dining rooms, restaurants, room service, and the needs of any other function such as a meeting or party that might desire food and beverages. [40].

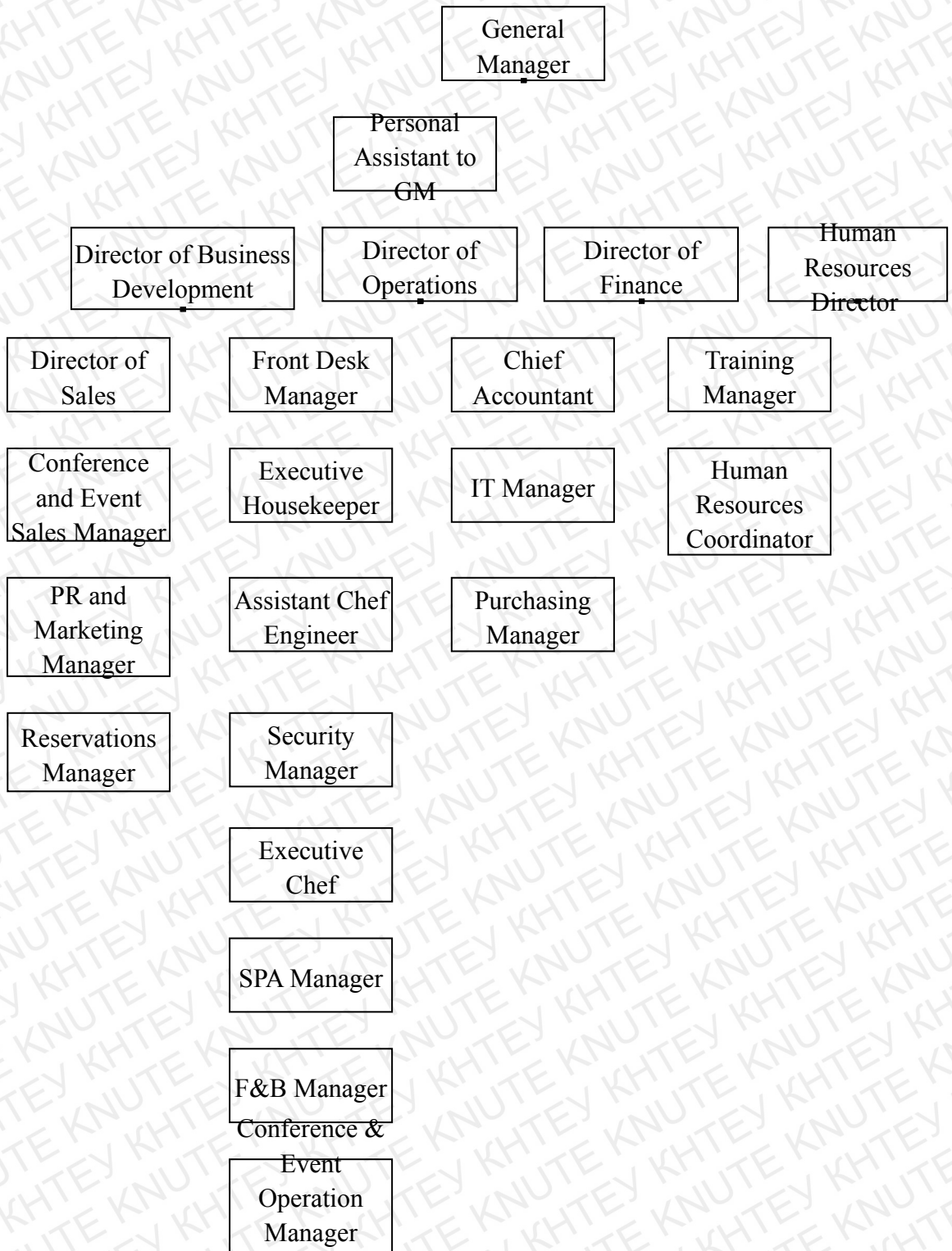


Analyzing the organizational structure of the hotel «Hilton Worldwide» we can admire the main functions and responsibilities of each hotel department (see fig. 2.2).

The purpose of the Front Office Department is to provide guests assistance with luggage, transportation, information concerning the hotel and the city, and any other service arrangements needed during their stay. Employees of the Front Office Department often provide the first and last impression of the hotel to our guests. It is therefore vitally important that employees display a prompt and courteous attitude to all guests and demonstrate the excellence in service.

The function of housekeeping department is maintained the cleanliness and order, building and furniture in the hotel. Besides cleanliness, housekeeping department must make sure the comfortable in the hotel such as softness of pillow, comfort of mattresses and quality of bed. These department personnel include chief of housekeeping department, supervisors, senior maids and maids which their jobs are checking the quality in the hotel periodically. Housekeeping department is one of the hotel services that are very strict regulation. Each position has its own well defined instructions (see fig. 2.2).

The main function of sales and marketing department is to promote the hotel products and services to the customers. They offer and selling the hotel's room to individual guest for holiday purpose or diverse conferences facilities to certain customers. In addition, they also make an improvement on sales and public relations and brand image of hotel in the market. The department always acts as an agent to provide latest information and updating to the hotel.



**Figure 2.2 Hilton Worldwide organizational structure**

Human Resource Department is a department that combines the traditional administrative function and well-being employees within the organization. They involve the activities such as planning, organizing, directing, and controlling employees at work. The department is responsible on hiring, terminating and

training staff for the development and application of ongoing research on strategic advances. They also responsible for understanding their employees and identify their individual needs and career goal, develop positive interaction between workers to ensure verify and constructive enterprise productivity and provide remedial measures in the form of seminars or workshops for the worker who are lack of knowledge or insufficient training. On the other hand, HR also focuses on recruit the required workforce and manages staff effectively to success meet strategic goal [7].

The accounting department is monitoring the financial activities in the hotel. They prepare the budget and assign revenue to different department. They also prepare the financial statement of the hotel. Meanwhile, the department also collects the revenue from guests and giving salaries to employees. They always keep check on the account of F&B cost, other purchases and expenditure under several heads for each department.

The security officers in the Hilton Worldwide hotel is responsible provide a safety and security environment to the hotel workers to work and business man to do business even customers who are stay in the hotel. Apart from that, security in the hotel also became an essential and strongly force in preventing losses and missing property. In addition, security guard also working as cleaners in the guard house and staff in the control room to control all the air-conditioner and PA system in the hotel while any activities were in the progress.

This main departments working together as one good mechanism so the Hilton Worldwide hotel occurs one of the highest ratings in Kyiv. And thanks to this factors and Hilton Worldwide polices hotel «Hilton Worldwide» is one of the largest and fastest growing hospitality companies in Kyiv region and Ukraine.

The business values and mission of the company are effective which a perfect sign is for the company in particular. The mission of the company is “to be the preminent global hospitality company, the first choice of guests, team members and owners alike. Apart from the mission, the company has a dominating and effective vision as well. The vision of the company is “To fill the earth with



the light and warmth of hospitality”. There are competitive advantages and values of the company are their effective hospitality, leadership, their integrity and intelligent ownership. From this entire description related to the company, it is found that the financial and strategic position of the company is effective and wealthy and it will be on the same mechanism in the near future. There are a number of strategic management methods which will be used in the same analysis and it will be used for the same purpose. Some of the major methods like SWOT and Porter’s Analysis are quite essential for an organization to analyze the loopholes in their current operations and then recommend the effectiveness in it.

#### SWOT Analysis of Hilton Worldwide:

Running a business is hard work. With so many different things pulling at your attention, it's easy to get caught up in the minutia at the expense of the big picture. The only way to make sure your business sticks around for the long haul is to periodically step back and look at things from a broader perspective. That's where SWOT analysis comes in. A SWOT analysis will push you to look at your ecommerce business's potential.

A strategic management tool which is used to analyze the strengths, weaknesses, opportunities and threats of an organization is known as SWOT analysis. It is one of the most important strategic management tools which is used to assess the effectiveness of a company along with analyzing its loopholes as well. By analyzing the loopholes of a company, management official of an organization would become able to manage their problems, complains and sometimes their operations as well. The main mantra of SWOT analysis is merely to strengthen the operations of the company by taking effective decisions based on the information available. This particular tool is very important even making a business plan. Both new and old companies can apply SWOT analysis techniques on their operations merely to have the information related to the loopholes of the company.

*Table 2.2*

#### **SWOT of Hilton Worldwide**

Strenghts	Weaknesses
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<ol style="list-style-type: none"> <li>1.High brand recognition</li> <li>2. Technical innovations to improve customer experiences and Constant upgrade of business processes</li> <li>3. Good employee retention</li> <li>4.. One of the most popular hotel chain brands</li> <li>5..Good reputation in the market</li> </ol>	<ol style="list-style-type: none"> <li>1. Limited market share inspite of good brand recall</li> <li>2. The brand name comes with a perception of being expensive</li> </ol>
Opportunities	Threats
<ol style="list-style-type: none"> <li>1.High potential in emerging market</li> <li>2. Innovation in customer services</li> <li>3. Digitalization and better use of technology</li> <li>4. . Country specific seasonal offers</li> </ol>	<ol style="list-style-type: none"> <li>1. Entry of several international brands along with the strong hold of long standing</li> <li>2. Competition on price point</li> <li>3. Economic and political turbulence.</li> </ol>

Rivalry among the Competitors: (High) The essence of competition is now evolved in every field on the earth and the current stance of industrialization is saturated with high amount of competition. Hospitality industry is fully saturated as there are numerous players which are already operating in the industry, therefore the proportion of the rivalry among the competitors is at high stake and new companies cannot gain their market share easily because of the giants who have already captured the entire market. Hilton Worldwide is in the industry since the last 93 years, so it has been a long time period since the company is operating in this particular industry. Hilton Worldwide has to maintain their current status and should remain in the same mechanism to enhance their productivity accordingly, as it is the only thing from which they can compete with their new and existing competitors.

Bargaining Power of Customers: (High) Consumers or customers are known as the end users of a product or service for a company and the provision of consumers could be extremely important and vital for the sake of an organization. An organization with a weak and unsatisfied customer base cannot grow effectively in the market because industries are now moving towards excellence



and customer satisfaction is an important element that comes in the same scenario. As mentioned in the above section that the amount and level of competition in the field of hospitality is increasing heavily, in fact the industry is already saturated with different domestic and international companies which are creating different problems and issues in the market. Due to high competition in the industry, the power of bargaining of the consumers is on a higher scale as well, because the customers have different options from which they can buy the products and satisfy their needs; however the scenario is totally different with the companies. Hilton Worldwide has perfect brand recognition and customer base, however the company should be more vigilant to pay more attention towards their consumers as it is a secret of exceptional growth in future as well [34].

*Bargaining Power of Suppliers: (Low)*

Suppliers are some of the most important professionals for organizations, especially for manufacturing and hospitality organizations because these organizations require products and raw material in regular intervals. Hilton Worldwide has its headquarters located in the United States (US) and it has its active recognition in different markets as well, in which suppliers are very strong. Finding of suppliers in the United States (US) and any other country is not a tough task because there are many suppliers who are operating in different countries which are more than ready to deliver their services specially to manufacturing companies and hospitality companies. Due to this particular aspect, the power of bargain from supplier side is quite low which an effective sign is for the companies operating in this particular industry.

*Threats of Substitute Products: (High)*

It is already mentioned above that the level of competition is increasing in almost every industry of the world, therefore the threats of substitute products are increasing day by day. Some of the substitute products of Hotel Worldwide are motel and small hotels; however these products are not the entire competitors of the company. Though, there is no problem associated with Hilton Worldwide with



having these competitions because of the large portfolio of the company, however, the company has to get ready for every event in the future, because of the globalization.

*Threats of New Entrants: Barriers to Entry:*

The barriers to entry in opening and establishing a hospitality company is quite low, which is not an effective sign for Hilton Worldwide and other players operating in the market because new entrants may increase the level of competition and pressure on them. Barriers to Exit: The barriers of exit in this particular industry are also high, which is again not in the favor of the company, as companies entered in this industry are not allowed to get out easily.

*Ansoff Matrix Analysis:*

ANSOFF grid planned by Igor Ansoff, arranges and clarifies development methods of a substance. Ansoff is a vital administration apparatus used to connect the firm with its key choices and course. The immaterialness of this specific network lies on those organizations that have a development target or particular methodology towards entering in new markets or new items or both.

*Market Penetration:*

For any start-up association, entrance in business sector focused on is to a great degree essential in the light of the fact that, it is the component that helps substances so as to build its income distinguish the organization size. The methodology underlies in Ansoff Matrix is about to enter in a business sector with existing item. This specific segment of the grid notifies the investigators and the administration in regards to the technique to enter in another business with powerful procedures. Hilton Worldwide is not a new company and it is in these particular operations from a number of years, hence the market force of penetration would not impact over the financial and strategic position of the company further in the market.

*Product Development:*

The second segment of the Ansoff framework is about upgrading the aptitude in new items and administrations in the current business. Existing organizations,

utilize this specific gimmick of the network so as to expand monetary success of the organization overall. This specific growth of item expands the gainfulness of the organization, as well as builds the measure of the focused on business as well.

*Market Development:*

This specific part of the framework is about creating new markets for existing items. Expanding the arrangement of the businesses for the current items unquestionably builds the scale of productivity of the organizations overall. Ansoff lattice gives the stage to the organizations to enter in new markets with existing items by instating diverse systems and methods. Hilton has already captured numerous countries of the world, however the company will soon check out new strategies to further expand their market.

*Diversification:*

Expansion obliges organizations to dispatch new items for new markets. This is the method with high measure of danger and ought to just be embraced by organizations when they have significant skill and assets. Likewise the business sector has a tendency to enter additionally by expanding and expecting an ascent.

*Financial Competitiveness Analysis:*

There are three different rations which have been used and computed in this particular section, which are net profit margin (NPM), Gross Profit Margin (GPM) and Price to Earnings (P/E).

Table 2.3

## Key statistics of Hilton Worldwide Holdings INC 2018

Revenue	9.14B
Net Income	1.26B
Net Profit Margin	14.89
Enterprise Value	28.64B
PEG(Price/Earnings Growth) Ratio	2.98
EBITDA	1.68B
Return on Capital %	10.18

Table 2.4

## Financial health of Hilton Worldwide

Financial Ratios	Company	Industry
Debt/Equity Ratio	13.17	4.24
Current Ratio	0.84	0.64
Quick Ratio	0.71	0.54
Leverage Ratio	24.64	10.31
Book Value/Share	1.94	4.89

Table 2.5

## Management effectiveness of Hilton Worldwide

Key Metrics	Company	Industry
Return on Equity	142.90	54.83
(5- Year Average)	(18.20)	(34.40)
Return on Assets %	10.18	7.80
(5- Year Average)	(3.40)	(4.68)
Return on	21.81	7.93
(5- Year Average)	(7.80)	(8.12)
Income/Employee	8.86K	10.36K

For an organization to become economically prosperous and active, it is more than essential to have different application moves at the same time. Financial capability and strategic capability are some of the major forces which are some of the essentials for an organization to become economically prosperous. Entities always want to increase their portfolio and financial belongings from different angles and for that purpose they have to undertake different positions into consideration [18].



History and analysis revealed that those organizations which are effective and responding towards overcoming their loopholes are more effective and productive as compared to those organizations which are not. For this very purpose, organizations use different strategic models and units which have been made specifically for the purpose of overcoming them. The main perspective of this assignment is to analyze the strategic capability of a chosen hospitality company. The company which has been chosen for the same analysis is Hilton Worldwide. We have applied SWOT analysis, Porter's Analysis and other strategic management tools to analyze the functionality and mechanism of revenue generation of Hilton Worldwide and found that the strategic power of the company is effective, however there are some aspects that needed to be looked over and change accordingly in order to bring economic and strategic prosperity on the company particularly.

Recommendations: First of all, it is needed to change the pricing strategy of the company, as the company has the same amount of pricing strategy for each of their consumers which is not right, in this way the company has to change their pricing as per the affordability of the consumer. 12 Secondly, there is a need to enhance the level of motivation among the employees of the company through the Management Bi Objective (MBO) approach in which employees should become a regular part of the decision making of the company. Thirdly, the company has to make new strategies and policies to compete with other organizations operating in the same line of business to prevent any sort of external assault and to have high market share.

#### Construction of the organizational structure of the hotel

For an effective work of any hotel, a functional organizational structure is required. The general method of presenting a hotel structure is an organizational scheme, that is, a scheme of relationships between units. It shows the location of each service and position in the overall organization of the hotel and illustrates the division of powers and responsibilities [26].

The organizational chart may vary. It should be periodically reviewed, especially with significant changes in the structure of hotel management. The responsibilities of different workers may vary depending on their qualifications and numerical strength. The organizational structure of the hotel (A hotel organizational structure is a comprehensive plan by a hotel owner to define departmental activities and responsibilities. This structure brings order to every aspect of hotel operation from the front desk and room service to the human resources department. Hotel organizational structures are necessary to ensure maximum profitability from each room, restaurant and bar on a daily basis. Your hotel can run efficiently if it creates an organizational structure that is easy to understand.) is generally constructed in the following way. The management units include executives, their deputies, who manage several structural subdivisions, structural subdivisions themselves and leading specialists who perform certain functions or part of them. They are subject to direct performers (service staff). At the top of the hotel management structure are the owner and general manager.

Distribution of tasks, determination of powers and responsibilities, as well as relationships between the hotel staff can be built on a personal and informal basis. But most hotels require a certain structure, through which distributed and coordinated interpersonal relationships. In large hotels, there is a need for a neatly composed and purposeful organizational structure.

## **2.2 Assessment of hotel services promotion effectiveness in hotel**

Currently, Internet is the most convenient and popular source of information. The Internet is available to everyone, so nowadays almost all companies have their own Internet resources, as this is one of the most effective ways to advertise and promote hotel, as well as a place to host various services.

Hilton, like all other companies, needs an Internet resource where information material and contact information for hotel staff and its visitors should be presented, as well as after-sales service that allows you to book a room, learn about prices and current promotions. The hotel business market in the Internet is constantly evolving, developing new technical capabilities, creating and expanding advertising space.

Consumers of the hotel services market have a great need for information (detailed descriptions, photographs, reviews) which neither the print media nor the media such as television and radio can satisfy. All clients around the world of hotels value their time and select services in the most convenient and rational way in Internet portals and search engines. Hotel advertising and promotion of its services have become particularly necessary in the last decade, due to the rapid growth of the hotel services market and the emergence of many hotels. It is becoming increasingly difficult to advertise hotel services, it is increasingly required both financial resources and human efforts to attract customers.

For Hilton hotels, advertising on the Internet may well be the only way to convey information to consumers. There is a need to advertise a hotel with the help of Internet advertising, creating and promoting your own enterprise site as one of the most effective means of promoting services.

A quality marketing campaign is one of the most important components of support. After all, it provides the popularization of the site of the hotel. The marketing campaign of any developing enterprise of our time implies two directions that should work simultaneously. This is an online and offline



advertising. The most popular and popular web-tools (Internet marketing methods):

1. Contextual advertising of the hotel is the placement of textual advertising of a hotel on the search results page of Yandex, Google, Rambler. In addition, text advertising of the hotel can be displayed on many other sites-partners of search engines. Hotel advertisements will be displayed above and to the right of the search results. Placement of hotel advertisements in Yandex, like in other search engines, occurs by acquiring keywords for a month. Contextual advertising is suitable for the promotion of hotel services, promotion or its advertising. Contextual advertising of a hotel in Yandex, Google, Rambler gives a powerful and quickest effect. Contextual advertising is ideal for advertising special offers

2. Search promotion of hotel services is an online advertising tool aimed at increasing site traffic by search engine clients. The link to the hotel website is shown in natural search results. Getting the hotel site in the TOP-10 Yandex search results for certain keywords, can lead many clients from the Internet. But the achievement of such results requires considerable time and is therefore not suitable for instant information to potential consumers.

3. Context-banner advertising - placement of graphic animation blocks in search results and on partner sites of search engines. Such Internet advertising of the hotel attracts attention with its dynamics and brightness. It can be successfully used in competitive topics when the cost of keywords is high.

4. Advertising the hotel in social networks is a fairly effective way of online advertising of hotel services, which are currently widely used by hotels. An example of hotel advertising is the presence of more than 5,000 groups promoting hotel services and promoting hotel deals. Creating a special group of hotels can replace your own website - report new offers, inform about special offers, accept applications and much more - can be directly from the group on the social network. A popular active group in a social network can serve as advertising for a particular hotel, as well as individual services and offers.

5. Advertise hotel in forums - this is another fairly effective way of online advertising of the site of the hotel and PR promotion services. There are many sites and portals in which visitors post their photos, share their impressions about leisure, travel, hotel; find out information about the upcoming trip and read reviews. PR support and advertising of hotel services in the forums can neutralize negative comments about the hotel. Advertising services in this format allows to tell in detail about all the advantages of a trip, and the level of confidence in such information can be very high, as it is presented in the form of a story or advice from a seasoned traveler [5].

All these advertising tools are attractive to the advertiser in their own way. They have a different system of work and results and require different investments. However, they are all designed to bring profit to the owner of the site of a hotel or restaurant. Despite the fact that the official website of the hotel can serve good service, solve a wide range of tasks, and bring tangible profits for the hotel, many official websites of hotels leave much to be desired. hotel owners are often unhappy with their work.

*Table 2.6*

**The main mistakes of the official sites of hotels**

№	Factor
1	The lack of clearly defined tasks for the site that it must solve
2	Low quality content
3	The desire to surprise visitors to the site design and special effects
4	Dark or black background of web pages
5	Visitors to the hotel site may be people from different countries whose color perception is somewhat different. Therefore, the design of the hotel site is best done neutral, designed for the widest possible audience.
6	Small site budget
7	Site support by people who are not experts in the field of web design, or the complete lack of site support.

The main differences of the site of the Hilton hotel from most sites:

- 1) It is desirable to create a multilingual site, one of which versions in English;
- 2) Higher quality requirements and information content of photos and videos illustrating the services offered;

3) The site budget should be higher compared to sites of similar volume and technical level of complexity.

According to the measures of an ideal site firstly should to begin with, it is worth noting that the "hotel" site must be multilingual, even if the guest does not focus on a foreign clientele at all. Among the list of languages supported by the site, English must be present, other options may vary. The support of several languages by an Internet resource will unwittingly raise the status of the hotel to which it is dedicated to very high limits. After all, it will cause the association of work at the international level.

2. The hotel's website must contain a detailed text description of the hotel itself, its infrastructure, rooms, services, etc. It is very important that the text information is confirmed by numerous photos, videos and other graphic design. Particular attention should be paid to the quality of both textual content and graphic content. To create photos it is better to invite a professional photographer. But it will not be superfluous if the site will be able to post photos and visitors who previously managed to visit this hotel.

3. Particular attention should be paid to the availability of the price list. Visitors to the hotel's website should have the opportunity not only to visually familiarize themselves with the hotel's "beauties", but also to receive information on how much it will cost to stay in a hotel. Most people are not accustomed to throwing money away, rather - to consider them. And therefore, if you do not place information on the cost of services on the site, most of the clients will simply leave the Internet resource and continue searching.

4. The design of the official website of the hotel in no case should not be decorated in dark colors. Everything should be bright, but at the same time bright and fresh. In other words, the visitor of the site should have associations with rest and peace.

5. It is necessary to organize the feedback of potential customers with the hotel staff. And in this aspect it is better not to be limited to just one e-mail. In addition, it is recommended to place on site the number of Skype, ICQ and other similar



programs. Employees who will answer customer questions should not only respond to requests in a timely manner, but also know several foreign languages (if, of course, the owner of the hotel is still interested in attracting a foreign audience).

6. Should pay attention to the navigation of the site, it should be as simple as possible - intuitive. It is unlikely that a potential guest of the hotel will appreciate the need to spend a lot of time trying to find information of interest to him.

7. Online booking module. It is recommended to introduce a room reservation module directly from the hotel's website, even better if each individual page with a description of the class and room type will have a direct link to the reservation of this particular number. Integration of on-line booking system requires a lot of financial and time costs. There are also ready-made reservation systems that provide the ability to instantly integrate into a hotel site.

8. Finally, it is especially important to go up to the choice of the company, which the hotel decides to entrust the creation and promotion of the site. First you need to clearly articulate what exactly the hotel wants to get in the end, to make a selection of successful and logical sites. In no case do not need to contact the web-studios, which are just beginning to master the relevant sector of the market. It is likely that they employ talented web designers and programmers, but the lack of proper amount of experience can still play a cruel joke. It is better to use the services of specialists who stand firmly on their feet and have an extensive clientele, satisfied with the results of cooperation.

Functions and structure of the corporate website. Corporate site is usually referred to as "the face of the company." And there is a grain of truth in this - quite often it is from him that the client gets acquainted with the company. Appearance at the first visit is even more important than the content of the resource. Unique design in corporate colors, nice looking colors, easy-to-read fonts, fast loading, intuitive navigation system - this is what must be in order on the corporate website.

*Corporate site features:*

1. Promotion of goods and services of the company on the Internet. Of course, one site, just its presence, is not enough for this. Advertising, online PR and other means are needed to attract visitors to the site - potential customers. However, what visitors see on the site plays an equally important role than the advertising with which they were brought to the site.

2. Although the language barrier is a problem, it can be solved quite easily by creating an English version of the site. It is also possible to create versions in other languages if the Internet audience of any specific countries is targeted at a company.

3. Forming a dealer network, attracting franchisee organizations. Many companies are interested in promoting their products in regional markets. One of the common ways to work with the regions is to enter into agreements with regional dealers and franchisee organizations (dealers with extended powers and owning the technology of the company). Often, these dealers are small businesses, and their number can be measured in the thousands. To attract them on the site, it is advisable to create a special section containing information about dealer discounts and working conditions, a standard package of documents (dealer agreement, etc.), price lists, additional information for dealers on legislation, technology work.

4. Opening a new sales channel. A corporate site in the form of a structural element may contain an online store. Often, companies creating a website are limited to giving the customer the opportunity to order goods directly on the website. As a rule, discounts are provided, but the client needs to visit the company's office in order to receive the goods.

5. Formation of a positive image of the company. Currently, the lack of a website from a company is perceived in the same way as the absence of a business card and advertising materials from a sales manager who came to the first meeting with a potential buyer. This state of affairs has already become a habit with a significant number of company managers and ordinary citizens. Therefore, the

opinion of the company is directly related to how its site is perceived by customers and partners.

6. Customer support and partners. A client of a company who has bought a product from her may at any time find himself in a situation when he needs some additional information about this product, possible causes of its malfunction, addresses and telephone numbers of warranty workshops, etc. However, it may be located anywhere in the world, and the opportunity to receive information on the company's website, ask a question to the support service in the forum or by e-mail and get an answer to it will be extremely useful for him. Having received such support, the client will establish itself in the correctness of his choice of company. A similar situation is possible with the partners of the company. Partners can be dealers and franchisees, members of various affiliate programs. The site should provide partners with not only informational and consulting support, but also give them the opportunity to view online statistics of their work with the company.

7. Optimization of business processes within the company and the use of the network for the interaction of its various divisions. The presence of the company branches and remote jobs creates a number of problems. One such problem is the sharing of information. Telephone and fax are not always convenient, because long-distance and international communication are associated with certain costs and, in addition, the transmission of large amounts of information through these channels is difficult. Another important problem is the need, in some cases, to update information online. This opportunity provides the Internet. In a special section of the site there can be constantly updated information on product balances in the company's warehouse, current prices [38].

*Table 2.7*

Main sections of the corporate site structure

№	Definition	Description
1	About company	This section publishes general information, for example, when the company was founded, the main activity, briefly about partners, customers and merits
2	News	Companies where nothing happens can be treated differently, but



		companies where the news is updated once a year will be clearly negative, therefore you should take this into account when including this section in the site structure and update the news more often
3	Products/ Services	It is necessary to describe concisely and clearly the essence of the organization's activities, list the services, disclose their purpose, if it is production, describe the main directions, without going into deep technological details, if there is a list of products manufactured or sold, put it in a structured catalog
4	Questions/ Answers	Do clients often ask the same questions? Then it will be useful to have a section where you need to publish competent answers to customer questions, as well as provide them with the opportunity to ask their question, because the site is also an opportunity for the company to dialogue with its partners and customers
5	Reviews/ Recommendations	If companies have something to be proud of, then undoubtedly this section should be present on the site, moreover, as practice shows, many turn to these or other companies.
6	Vacancies	Why should organizations, as a direct employer, not use their site to search for employees? You can publish free vacancies and online application form and receive information about applicants
7	Contacts	One of the most important sections in the structure of a corporate site. Be sure to provide customers with maximum information. Address, phone numbers, fax number, e-mail addresses of key services, directions, details, everything you need for quick contact with the company

One of the most important sections in the structure of a corporate site. It is very important to provide customers with maximum information. Address, phone numbers, fax number, e-mail addresses of key services, directions, details, everything you need for quick contact with the company.

Everyone has heard of such a concept as “hosting sites”, but not everyone knows even approximately what it is. Hosting is a home service for a website. This can be understood and purely logical, because when visiting a website, we usually see text pages, images, audio or video information — all of these are files that are presented to us in a special way in the form of web pages. And since these are files, it means they have a certain amount and they need storage space.

The name itself comes from the English "host" - the main device, the main server, and the service for providing space on the "main server" for the sites was called "Hosting".

In order to occupy high positions in search results, you need to actively engage in site promotion - SEO optimization. There are many different methods of website promotion and the task of webmasters and optimizers is to find the most effective solutions. But when using this or that method, you need to be very vigilant, otherwise there is a risk of running into an illegal method from the point of view of the search engine and to tarnish your site. To avoid this, you need to have an idea about all dangerous and safe ways to promote the site.

Methods of website promotion are divided into black, gray and white:

*Black methods of site promotion include:*

1. The use of invisible text that coincides with the background in color or is very close to it, which makes text invisible to the eye. Text consists of phrases that are not related to a specific site, the purpose of this trick is to attract visitors to the site, not targeted, who got here only because of deception. But search engines, including Yandex, have learned to recognize this trick and automatically send the site to the blacklist. In other words, the site is sent to the ban.
2. Cloaking - different issue of the text content of the page to the search robot and the visitor.
3. Search spam. Putting keywords in the text, it is important not to overdo it, since the abuse of keywords in the text can be regarded as search engine spam. This will also lead to the autobahn.
4. Spam by mail - indiscriminate sending messages using programs with a request to visit the site of millions of network users. This is not worth doing, and in some countries it is considered a criminal offense.

*Gray methods include:*

1. Non-thematic exchange of links and non-thematic articles, as well as the purchase of links on other sites.

2. Using the services of automatic exchange of articles, although so far the search engines can't recognize the sites that use them and participate in them. Search engines know how to recognize the rapid increase in the number of low-quality links, now these actions do not lead to the desired result.

3. Buying places for articles on other resources or posting paid articles with links to your site. Owners of such sites that sell places for articles may be subject to sanctions from search engines, it would be nice if the articles are simply under the neglect of the reference ranking of the text of the articles, and buyers of places will risk only that external links from such articles will not be taken into account by search.

*White promotion methods include:*

1. Constant addition of unique and interesting content on the site, publication of various informational materials and news.
2. Request other popular and reputable sites to place a quality article with links to your site.
3. Creating your own newsletter, which will allow to get additional traffic.
4. And of course the purchase of contextual advertising to get targeted visitors.



### **2.3 Assessment of factors that influence on services promotion at the hotel «Hilton»**

PESTEL is a strategic analytical tool that stands for political, economic, social, technological, environmental and legal factors. Hilton Hotels PESTEL analysis involves the analysis of potential effect of these factors on Hilton's revenues and its long-term growth prospects. The following is a brief Hilton PESTEL analysis for the UK market in particular.

One of the most important element of factors that influence services promotion is PESTEL analysis of Hilton Worldwide. Technologically part of PESTEL: Revolutionizing customer experience with digitization: Customer experience is the cornerstone to success for players in the hospitality sector. With the advent of technology, hospitality sector needs to be abreast on the latest technology trends and how the same can be leveraged to achieve customer delight. Hilton has set global benchmarks in customer experience which has resulted in strong customer loyalty and has leveraged the latest innovation in its operations. In what was a first for the hospitality industry, Hilton allowed their guests to use digital check-in and room selection. Hilton announced in 2017 that it is personalize its bedrooms for guests using digital technology so that they can choose their preferences before they arrive [21].

Using of artificial intelligence and robotics powered by artificial intelligence is turning out to be the differentiating factor in the hospitality industry. Hilton has added artificial intelligence to its suite of digital concierge services which helps to number of potential customers to use Hilton's website for booking rather than third-party websites like hotels.com. This also helps Hilton to strengthen its relationship with more than 34 million guests it serves annually. The chatbot is built using a predictive technology by Inc and IBM Watson. Hilton is also testing quasi-concierge robot at Hilton. These technologies is adding to the differentiated customer experience provided by market leaders such a Hilton.

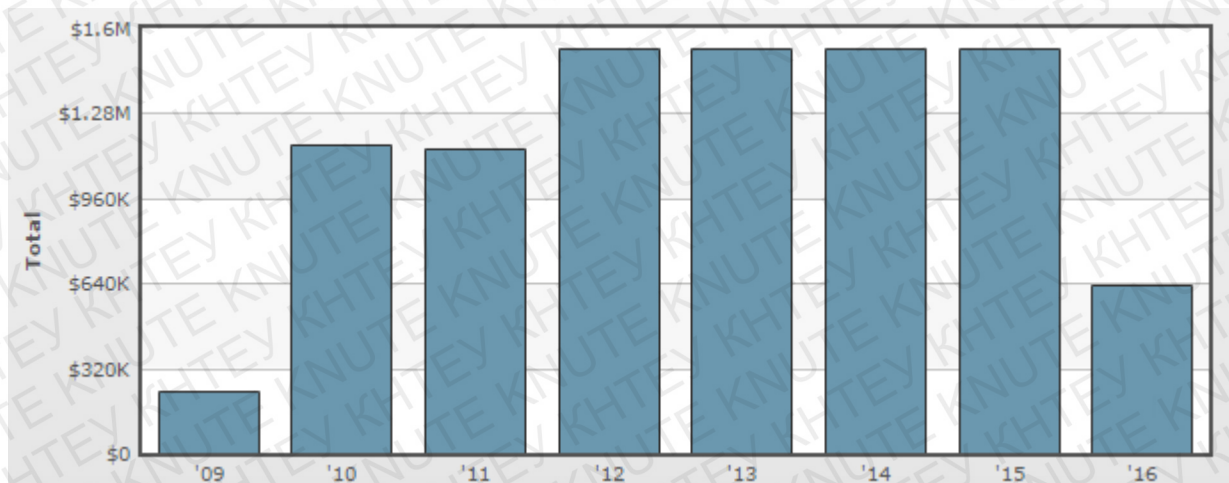
What about legal part of PESTEL. Travel ban imposed on certain countries: Recently travel restrictions imposed by the Trump administration on certain

Middle Eastern and African countries have reduced inbound US travel impacting the hospitality sector. Though the restriction appears to be temporary but still the impact was 17% less searches on US flights which shows a direct correlation of reduced sales.

### *Political Factors*

Political stability is a basic requirement to success regardless of the industry. In the hotel industry in particular, political factors can influence the number of visitors, both tourists and business travellers' visits to a country in direct and indirect ways.

Hilton Worldwide actively engages in lobbying in order to be able to influence certain political factors upon the business to a certain extent. As it is illustrated in the figure below, the company has been spending more than USD 1.5 million during the past four years for lobbying purposes.



**Fig. 2.3 Annual lobbying budget of Hilton Worldwide**

Moreover, as a direct result of the global economic and financial crisis, some hotel sales went down by 20 percent and profits by 40 percent by the fourth quarter of 2008. Although more than five years have passed since the global financial and economic crisis, national economy in UK is faced with a set of significant challenges and a risk of another economic crisis may not be too distant. Additionally, GBP exchange rate against other major currencies and inflation rate



in the UK represent significant factors that can impact Hilton performance in the country.

Hilton Worldwide Holdings Inc. Report contains the full discussion of Hilton Hotels PESTEL analysis. The report also illustrates the application of the major analytical strategic frameworks in business studies such as SWOT, Porter's Five Forces, Value Chain analysis and McKinsey 7S Model on Hilton. Moreover, the report contains analysis of Hilton's marketing strategy, its leadership and organizational structure and discusses the issues of corporate social responsibility.

One of the most famous business management tool is - BCG. Created by the Boston Consulting Group, also known as the Boston or growth share matrix – provides a framework for analyzing products according to growth and market share. The matrix has been used since 1968 to help companies gain insights on what products best help them capitalize on market share growth opportunities.

Reeves Martin, senior partner and managing director of the Boston Consulting Group, said that nearly 50 years after its inception, the BCG matrix remains a valuable tool for helping companies understand their potential [4].

According to the Hilton Worldwide it's possible to separate all brands into BCG matrix. Namely: Stars. Cash cows. Dogs and Question marks.

1. The category of Star is representing a high and effective share and growth in the fast growing industry. Usually start companies require high funding to fight from the competition.

2. Cash Cow is a company which has a high market share in a slowly growing industry. These companies usually generate high amount of cash needed to maintain their business than the initial cost.

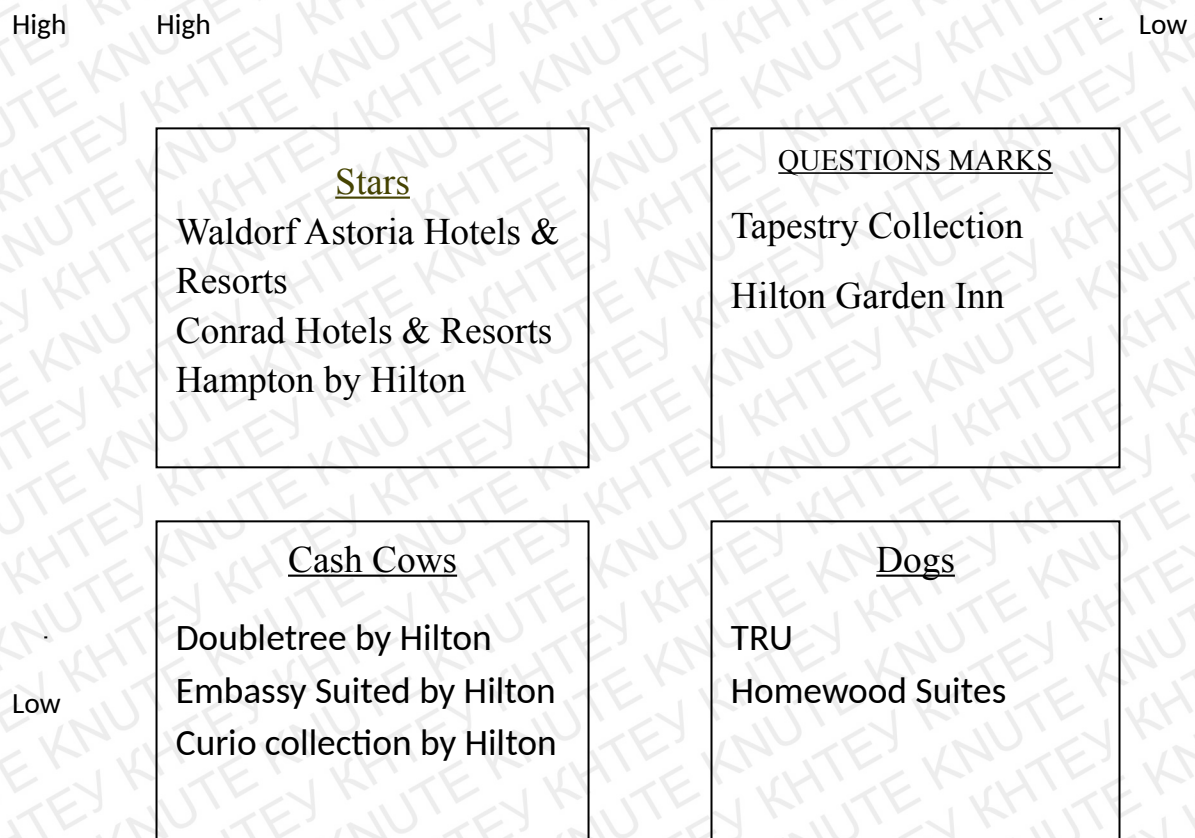
3. Dogs are the companies who have low market share in a mature and fast growing industry. Companies operating in this particular aspect are quite miserable and unfortunate because they are unable to catch up the growth and pace of the companies operating in the same line of business.



4. Question marks - usually companies which are new and wishing to enter in a high growth market with a limited share are known as Question mark companies.

Table 2.8

### BCG Matrix Analysis of Hilton Worldwide



*Stars:*

**At Conrad Hotels & Resorts**, luxury is a style that everyone can connect with and service that is attuned according to needs. A style that is sophisticated, global and thoughtful. Service so smart, it helps to be an even better. It's the Luxury of Being Yourself.

Hilton describes **Waldorf Astoria Hotels & Resorts** as "inspirational environments and personalized attention that are the source of unforgettable moments." It's no wonder these famous properties are known throughout the world for providing a luxury experience from start to finish. This luxury brand has 26

properties scattered across the globe. These properties are highly sought-after by those who want to relax at a spa, enjoy world-class restaurants, and have access to amazing concierge services.

With over 2,200 locations globally, Hampton by Hilton hotels offer high-quality and consistent accommodations and amenities. Guests enjoy free Wi-Fi, and free, hot breakfast with fresh baked waffles and hearty oatmeal with toppings.

*Cash Cows:*

**DoubleTree** by Hilton is a place that's a world apart from everything, yet with a feeling of the comforts of home. Full-service and full of warmth, DoubleTree by Hilton has more than 400 wonderful places to stay, occupying prime locations in gateway cities and getaway destinations around the globe. Every hotel greets each guest with our warm chocolate-chip cookie welcome — a simple touch that sets the tone to create a rewarding experience for a guest's entire stay.

At **Embassy Suites by Hilton Hotels**, anticipate travelers' needs and deliver what matters most. All of our guests are welcomed with a two-room suite, free made-to-order breakfast each morning, and complimentary drinks\* and snacks for two hours every night. They delighted to welcome in over 200 unique locations, so stay with us and come experience all Embassy Suites by Hilton has to offer.

*Dogs:*

The Tru brand was introduced in early 2016, and currently only has 2 hotels. It's very minimalist and modern, with a young, social vibe. And it's cheap.

Homewood Suites is the all-suite hotel brand between the upscale Embassy Suites and mid-scale Home2 Suites.

At **Homewood Suites by Hilton** nobody do think going away should mean leaving customer's whole life behind. So in every suite hotel propose to guests a spacious living room and a real kitchen with a full-sized fridge, and a comfortable bedroom with space to spread out and organize. Guests may be surprised at.



*Question marks:*

**Tapestry Collection** - the last of the brands launched by Hilton. The first seven hotels opened in January 2017 in the USA. This is an attempt to Hilton to gain a foothold in the segment of independent hotels. Previous attempt - the brand Curio, opened in 2014, was recognized as successful. Tapestry must consolidate success.

**Hilton Garden Inn** is one of the largest Hilton brands, 740 hotels, relies on business travelers, promising to create all the conditions for productive work. Another special feature of the hotels of this brand is a huge lobby with areas for relaxing and socializing. Most of the hotels are located not very centrally, but no matter how in any industrial zones.

There are some limitations to the use of this popular matrix as well. These limitations mean a decline in the once extensive use of this tool. These include:

- There is an underlying assumption that the business units are operating in isolation in relation to each other. In reality, a dog may be helping another unit gain a competitive advantage for example.
- The definition of a market is taken in the broad sense. This fails to take into account different situations such as a business unit that is dominating a niche but is overall less dominant in the larger industry. The way a market is defined in such an instance may change its definition from a dog to a cash cow.

Respectively to the analysis, it is found that Hospitality Industry is slow moving and an emerging industry of the world in which the companies require time to have their market share. New companies would not be very effective in this particular industry. Hilton Worldwide has a great market share and brand recognition in the market or in the hospitality industry, therefore the category in which Hilton Worldwide currently lies is “Cash Cows”. The company has to maintain their same effectiveness for a long span of time in the industry to stay competitive and edge. Management of the chosen company has to be more cautious in their future and should devise such strategies from which they can maintain their current market share.



Large-scale online travel sellers have the reach and the marketing power to deliver big numbers when it comes to room nights sold. They have names that nearly every travel consumer knows, with dedicated websites supported by advertising campaigns in markets around the world. They contract both large chains and independent properties, selling hotel rooms at a discount online. The exposure they provide can be invaluable and well beyond the means of any small-business owner to attain independently.

People searching for a room in a given location will look up the available hotels, and yours will pop up as an option. Online travel sellers select properties based on their location, the selection of available amenities, and the ownership's willingness to provide commissions and special rates.

The use of travel agencies as a selling tool tends to be more of a targeted effort than national mass sellers. Agencies have had to develop in new ways to compete with large online sellers, and as a result, they have turned their focus more toward specialties or market niches in many cases.

For example, some agencies will specialize in a given region, such as an area known for winter skiing, and will provide agents who know that region inside and out: where to stay, what to eat, how to save, and where to shop. These specialized agencies are often a place for independent and lesser known properties to make their case as a viable option versus major chains and costly luxury brands. Specialized agents will take the time to learn the property and convey its unique marketing message to the traveling public in a way that mass market sellers will not be able to [42].

Discounting works much the same way in the hotel business as it does in any other: Potential guests are promised rates that are lower than normal for rooms booked under certain conditions. A hotel might offer discounts for extended stays or frequent visits, for example, or during slow periods. In theory, these promotions all lead to more room nights sold and to customer loyalty. They fall short with pass-through travelers who will visit only once, and who cannot, therefore, benefit

from long-term rewards. In this case, the use of a one-time special-rate discount is key, no matter the season or the potential for a future stay.

Independent hotels that work with local government tourism boards to promote special rates on tourist maps and in welcome-center brochures stand to gain a lot of traffic even from the one-night-in-town set. The costs of ads or sponsorships in tourism literature is relatively low, and the potential for return is high.

Promotional strategies that incorporate the needs of more than one business are often cheaper to put together than solo marketing efforts, and appeal to a broader audience. For instance, if you sign a partnership marketing agreement with a local surf shop, you will gain an audience of surfers that you might not otherwise have been able to reach. The surf shop in turn gains the attention of all of your guests, some of whom may be considering their first board purchase or lesson. When the two businesses go half on the costs, the expense is reduced and the reach of the strategy can extend further than an individual campaign would have been able to. Promoting local businesses is always beneficial to local business as a whole, and the same goes for hotel marketing.

Value-added promotions are appreciated by sellers and clients alike. They provide rewards to the customer for a basic night's stay and help make your property easier for travel agents to sell. Probably already have Internet service at the hotel, airport transfers will only apply to some guests, and breakfast is inexpensive to put together. The cost is low but the potential for return is high. Value-added items can be customized to fit the style and amenities of the hotel, and can include such amenities as spa treatments, dinners, champagne or free parking.

## Conclusion of Part 2

In this part of the qualification work we analyzed the organizational and economic assessment of the Hilton Worldwide, also we reviewed «Hilton Kyiv».

Hilton employ promotion strategy that utilises various components of promotion mix. Generally, major elements of promotion mix include advertising, public relations, personal selling, and sales promotion.

Communication strategy should be able to connect personally to the customer, and convincing in order to persuade a customer that your services are better than the rest. A summary of services offered by the Hilton is communicated to the target market, which includes businesspersons, tourists, delegates, and families who go for vacations. It is obvious that the Hilton Worldwide own its' success to its' effective marketing strategies.

Also we can admire that evaluating of the marketing and economic activity is very important for the investigating the financial condition in any hotel. Analyzing the main indicators of the activity in hotel «Hilton Kyiv», we calculated the total amount of person/day, 2 types of hotel capacity, hotel occupancy ratio and utilization bed's ration. Also we implement indicators of the irregularity of the tourist flows and proved that the seasonality ratio doesn't influence the hotel activity in general.



### Part 3

## THE DIRECTIONS OF CORPORATE SYSTEM OF SERVICES PROMOTION IN «HILTON» INTERNATIONAL HOTEL CHAIN

### 3.1 Propositions for hotel services promotion improvement in the hotel

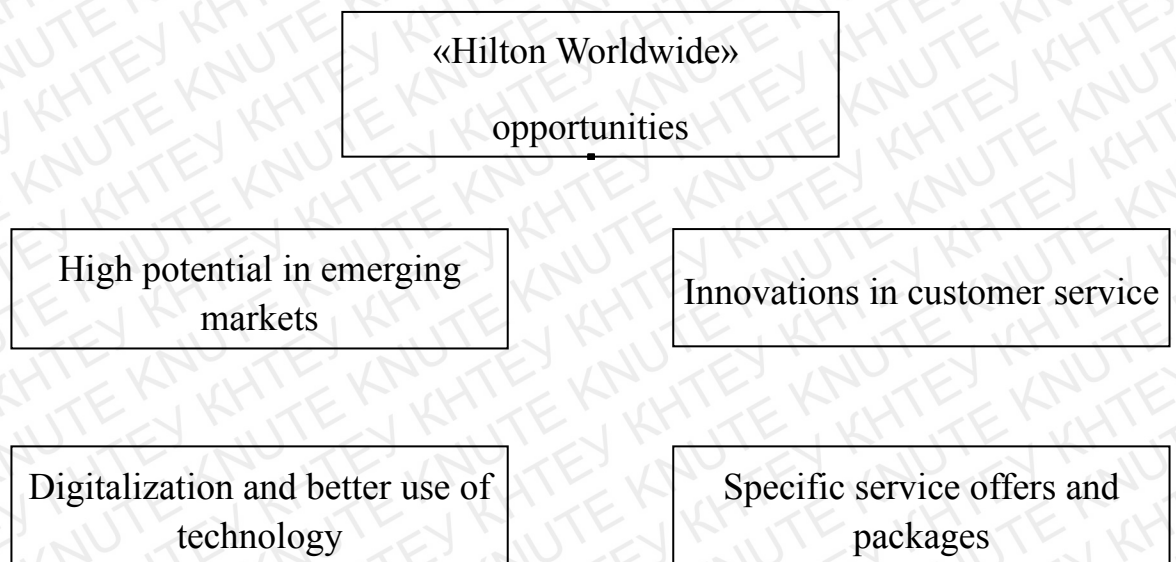
Running a successful hotel is an ongoing challenge that requires the combined forces of both management and staff. Policies must be in place to make sure that daily operations run smoothly and all hotel guests are treated well. It is fair to say that the primary goal of almost every owner and operator of a hotel is to make as big a profit as possible. To achieve such a goal the focus needs to be on both revenues and costs. Hotels can boost their bottom line by increasing revenues or decreasing costs.

The benefits of service innovation are apparent. What is not as clear is how managers should decide on which innovations to implement. In some cases, innovative service offerings are necessary just to maintain a firm's current market share. However, innovations may enhance service differentiation and induce financial gains. Thus, it is important for managers to implement innovations which are not only desired by customers but also are economically beneficial to the firm.

Hospitality firms, such as hotels, are an ideal example of a market which could benefit from the implementation of service innovation. First, from a customer's perspective, the hospitality market is perpetually inundated by many similar, often easily substitutable service offerings. This can cause difficulties for hotel managers as they attempt to differentiate an individual hotel from its competitors. One solution to this challenge may be to offer new and innovative features to customers. Secondly, the hospitality industry is rapidly changing due to accelerations in information technology. Managers will need to make proactive changes which focus even more intensely on customer preferences, quality, and technological interfaces in order to stay competitive in such a dynamic environment. Thirdly, travelers today do not exhibit, as in past decades, a truly brand loyal behavior. Travelers instead are choosing to patronize hotels that offer

the best value proposition under existing budgetary constraints. In order to add value to the guests' experience, hotel managers and marketers must meet the challenge of determining which services are preferred by hotel guests. Once a manager understands customers' preferences, the challenge then becomes prioritizing those preferences which add the greatest value to the hotel's existing service offering. By creating this opportunities and improving the existing strategies and services Hilton Worldwide can become a leader around the World [31].

Main opportunities in Hilton Worldwide are: high potential in emerging market, innovations in customer service, digitalization and better use of technology, specific service offers.



**Figure 3.1 Hotel «Hilton Worldwide» opportunities**

Great opportunities can be achieved by Hilton through specific offers and packages for the conference and SPA services. Also Hilton Kyiv can improve its own strategy for penetration in the emerging markets in such countries as Ukraine, especially in Kyiv region (see fig. 3.1).

This will increase the awareness and loyalty for the brand from the domestic visitors. More than, Hilton Kyiv can expand its marketing strategy in social networks in the same time with the digitalization and better use of the

technological progress. Some interesting publications in Facebook account such as information about the city, main attractions around the hotel. Also could be launched innovations in customer services, for example pocket maps in the reception or brochures with the short but useful information about the main attractions and dining facilities in the city.

*Table 3.1*

**Improvement action plan in the hotel «Hilton Worldwide»**

Improvement area	Improvement tools	Terms for developing improvements	Person in charge
Conference and meeting service	1. Meeting room packages	1 month	- Conference and Event Operation Manager
	2. New conference offers	1 month	- Conference and Event Sales Manager
SPA	1. New seasonal packages	1,5 month	- SPA Manager - PR and Marketing Manager
Customer travel services	1. Launching new brochures with the information about the city and main attractions	3 months	- PR and Marketing Manager
	2. Pocket maps of Kyiv in the reception area	2 months	- Director of Business Development
Social media strategy	1. Adding the new content in Facebook account	1 month	- PR and Marketing Manager
	2. Tourism information about the main city sightseeings	2 months	- PR and Marketing Manager

One of the most deserving example of Hilton Worldwide is Hilton Kyiv hotel, that provides the space, style and personalized service that guests want and expect.

*Table 3.2*

Hilton Kyiv meeting rooms` capacity

			Classroom	Theate	Banquet1	Conferenc	U-
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Meeting Room	Total, sq ft	Seiling	m	r	0	e	shape
			Maximum number of people per seating style				
Amsterdam Meeting room 1	840	10	n/a	n/a	n/a	18	n/a
Dallas Ballroom 1	2,028	19	110	230	130	40	46
Dallas Grand Ballroom	4,266	19	220	450	260	68	78
Istanbul Meeting room	1,239	10	60	70	70	40	44
Istanbul Meeting room 2	378	10	16	20	n/a	16	18
Munich Meeting room	280	9	12	20	n/a	12	12
New York Meeting Room	702	10	32	60	40	40	44
San Francisco Meeting Room	1,296	10	56	110	80	44	48

From conferences, meetings or private events, Hilton Kyiv has the impeccable venue for all occasions (see table 3.2). Flexible meeting space, natural daylight, 11 interconnecting meeting rooms and boardroom make this hotel the ideal destination for corporate and leisure events (see table 3.2). Consider a gala event in the pillar-free ballroom that accommodates up to 400 people. Benefit from the latest A/V equipment, a full range of services and the dedicated support of attentive Hilton Team Members, who will take care of every detail.

Investigating the characteristics of the conference facilities in Hilton Kyiv (see table 3.3) it is seen that the hotel has a great opportunities for any kind of the business events and celebrations.

This is the most spacious and grand rooms of the conference centre are Dallas Ballroom and Grand Dallas Ballroom. The hotel's glittering Ballrooms can

host any occasion – from a meeting to elaborate weddings, fashion shows, product launches, press conferences, etc.

Wedding parties have often resulted in a complete transformation of the Ballroom. Weddings are one of the most popular events to be held in Hilton Kyiv's Ballroom, with more than 30 taking place already just within last year. The Hilton's impeccable service and magical atmosphere is reflected in the beautiful wedding receptions carried out. We often cater to more than one generation of families, creating an extended sense of family.

The room features a wooden floor, two large panoramic windows to The National Botanical Garden and state-of-the-art communications technology. Situated on the first floor, the Ballrooms are elegant and classic yet with contemporary twist, with stunning Swarovski chandeliers, ivory wooden paneling on the walls and built-in mirror-niches. Suitable for up to 230 and 450 people for dinner and for a meeting in theatre style [50].

Analyzing the hotel meeting rooms' capacity we can admire that it has 11 meeting rooms and 2 ballrooms (see table 3.2, 3.3). So the facilities are great even, comparing to the other hotel-competitors are the best. (see table 3.3).

Conference services at Hilton Kyiv include complete audio-visual and technical support to meetings, conventions and presentations. Carefully selected external providers of audio-visual equipment have all the resources on hand to offer you the most effective technical resolution for the special event.

Table 3.3

**Characteristics of the conference and meeting facilities in hotel «Hilton Kyiv»**

Meeting Room	Total, sq	Maximum capacity, persons	Characteristics
Amsterdam Meeting room 1	840	18	Offers a sophisticated blend of ultra-modern design with the ambience of a traditional gentleman's club. The furnishings include contemporary classics to enhance the comfort and elegance of the room.
Amsterdam Meeting room 2	399	40	
Dallas Ballroom 1	2,028	230	The hotel's glittering Ballrooms can host any occasion – from a meeting to elaborate weddings, fashion shows, product launches, press conferences, etc.
Dallas Grand Ballroom	4,266	450	
Istanbul Meeting room	1,239	70	Istanbul meeting rooms are a group of three medium-sized rooms on the second floor of the hotel. They are situated next to each other and can be used in any combination - either individually, in pairs or with all three hosting the same event.
Istanbul Meeting room 1	588	30	
Istanbul Meeting room 2	378	20	
New York Meeting Room	702	60	The rooms are designed with simple elegance to suit every type of event. With a big panoramic window, the room features natural daylight and a full range of business technology such as Internet access. Blackout facilities are also available.
New York Meeting room 1	360	30	
San Francisco Meeting Room	1,296	110	Flexibility is the key to Sydney rooms, where both business and social events can take place within different yet complementary rooms and self-contained areas.
San Francisco Meeting room 1	609	56	
San Francisco Meeting room 2	312	20	

Conference services at Hilton Kyiv include complete audio-visual and technical support to meetings, conventions and presentations. Carefully selected external providers of audio-visual equipment have all the resources on hand to offer you the most effective technical resolution for the special event.

At Hilton Kyiv, meeting planners can expect to be provided with constant technical support as well as assisted in equipment rentals of video production



systems, video projection, laptops, sound and lighting systems. Whether guests are planning a one-off, one-projector presentation, or a large-screen multi-media extravaganza, Hilton Kyiv can provide through business partners:

- The full range of state-of-the-art technical equipment
- Most equipment available with one day's notice
- Highly skilled and experienced technicians ensuring the best possible support
- Reliable and prompt service

Other 5-star hotels in Kyiv has less meeting rooms or worse facilities, so Hilton Kyiv has the biggest opportunities for making conferences and events. With the good promotional development strategies Hilton Kyiv can become a leader in hotel business sphere.

As for the SPA in Hilton Kyiv, so the fitness center in our luxury hotel in Kiev houses the state of art gymnasium is fitted with the latest equipment from Technogym such as Cardiovascular Machines, free weights and high-tech audio visual equipments. Technogym equipment has been fitted to ensure that all body work-out requirements are met.

This unique fitness center in Kyiv offers personal trainings and tailor made fitness programs to meet individual requirements. Unique seasonal offers can make this place more popular not only among the visitors of the hotel, but also among all the people in Kyiv and in Ukraine [41].

Customer travel service also needs to be improved especially in the front office (reception area). Most of the Hilton Kyiv's guests are foreigners, so they want to explore the city quickly. But in the hotel there are no tour guides brochures or even maps of the city. Creating all these things will increase guest's interests in our city and the hotel in general.

Nowadays one of the most important and fast-growing trend in hotel marketing promotions is Internet marketing, especially using the social media networks. Different social media channels are suitable for sharing different types of information. For instance, YouTube can be used to create a video library of the

hotel, including guided tours of the facility and the surrounding attractions, special features, interviews with staff and customers,.

Social media platforms such as Flickr and Pinterest can be used to upload images of the different areas of the hotel and surrounding locales. Because 80% of Pinterest subscribers are women, this channel is of special significance to hotel marketers, since leisure travel is predominantly planned by women.

Social networking sites like Facebook can be used to share the latest updates about the hotel, such as the opening of a new annex. Using social channels to distribute information offers a wealth of benefits, such as reduced traffic to costly channels like contact centers and a better customer experience.

The information conveyed on social media improves the decision making process for potential guests, especially because it can be shared in real-time. So diversifying the social media promotional strategy in the popular networks can be as effective as usual promotion marketing tools [27].

Making a conclusion of this section we can admire that every hotel needs to change its activity and its services as fast as the external environment and customers will change. In this context we affirmed that despite that fact that hotel «Hilton Worldwide» is a new contemporary hotel in the hospitality market of Ukraine, it has to be improved some areas of the internal hotel activity: conference and event services, spa, customer traveling service and social media Facebook strategy. The result of making this improvements and innovations will increase the awareness of the Hilton Worldwide's guests and will increase the profitability.

### **3.2 Propositions for branding improvement at the hotel**

In the competitive hospitality industry, setting your company apart is crucial to establishing a firm customer base. This is true of small, independently owned hotels as well as national chains. You can position your hotel, motel, or bed-and-breakfast for success when you brand everyday and luxury items so that customers remember you the next time they need to book a reservation. By making smart choices about item type, branding method, and monetary expenditures, you can find a branding strategy that makes your hospitality company memorable.

The purpose of branding is to help ensure customers will return again, and even recommend your business to others. Traditional branding options include pillow mints, tea, and travel toiletries. You can also brand special items designed for your guests to enjoy long after they have left your property, such as luxury bath robes or gourmet jams and jellies. Some products can be complementary, while others can be sold in your property's gift shop [35].

Consider co-branding to set your hospitality business apart. Co-branding is when two separate companies form a partnership to enhance both of their brand images. For example, when a well-known bath products company co-branded with a major hotel chain, the bath company was able to boost its profile while the hotel offered its customers standard branded amenities with a luxury twist.

Brand segments its services on basis of its unique ambience and experience, the bundle of offerings and other complementary services like Spa, Gym, Hygiene factors, pricing, and staffs. The brand focuses on premium pricing strategy thus catering the high profile business class and upper class of the society. It uses a differentiating strategy to make it promising for its customers.

Brand recognition and brand trust are most essential for the player in the hospitality industry to flourish. Hilton as a brand over the years has been successful in making trust among its customers.

1. By making Technical innovations to improve customer experiences and Constant upgrade of business processes



2. Exceptional employee retention
3. Showcasing a strong brand presence with around 540 hotels in over 78 countries
4. Old is Gold: They have been in the industry for 93 years now making them real experts at what they do [43].

The Hilton Honors application has been utilized 19 million times for Digital Check-in since its inception, a rate of one million times each month. Hilton keeps on scaling its Digital Key innovation, with visitors ready to utilize their cell phone as their room key at 1,000 lodgings today.

#### Brand equity in the Marketing strategy of Hilton

Hilton features as 54<sup>th</sup> position on Forbes top 100 brands list and at 9<sup>th</sup> position on the top regarded company as of June 2018. Hilton topped Brand Finance's 2018 list of top 10 Most Valuable Brands list for the third year in a row and recorded a BSI score of 82.39 and an overall brand value of 6,330.

What about Hilton Worldwide, there are a lot of marketing solutions to improve branding, such as:

#### 1. Suggestions and Recommendations:

- TripAdvisor: Work on attracting positive feedback and user-generated content.
- Groupon and LastMinute.com: Optimum platforms for placing the best stocks.
- Special Offers: Encourage direct bookings with great deals.

#### 2. Individual approach

- While large chains focus more on the number and variety of services, small hotels can focus on the most individual service.
- The hotelier is obliged to meet and anticipate the most daring expectations of guests.
- Give guests memories that will stay with them for life.

#### 3. To promote own uniqueness

- Talking about food, it can be something like festivals or weekends with a guest chef.

- Promoting spa services, focus on health, backing it up with lucrative offers.
- If you can boast a unique interior, position the hotel as an ideal place for photos.

#### 4. Right combination of marketing and PR

- Attract journalists to highlight the key benefits of the hotel.
- Conduct individual campaigns, otherwise the result will be inconclusive.
- Create digital brochures.
- Spread virtual tours on the site

#### 5. Strengthening of brand identity

- Decide on brand positioning.
- Create and promote competitive offers.
- Regularly conduct checks by secret buyers

#### 6. Pricing strategy

- Carefully approach the issue of pricing - one of the defining moments of a successful marketing plan.
- Implement dynamic pricing to increase profits.
- Attract guests with seasonal discounts.

#### 7. Social networks

- Working in social networks is the main engine of brand awareness.
- A great way to build relationships with an audience.
- Can be used to communicate and interact with existing guests.

#### 8. Encourage re-bookings

- Tell former guests about all the important news.
- Give them a discount when booking later.
- Appreciate the recommendations of loyal guests.

### Conclusion of Part 3

Making a conclusion of this part we can admire that every hotel needs to change its activity and its services as fast as the external environment and customers will change. In this context we affirmed that despite that fact that «Hilton Worldwide» is a contemporary chain in the around the world, it has to be improved some areas of the internal hotel activity: conference and event services, spa, customer traveling service and social media Facebook strategy. The result of making this improvements and innovations will increase the awareness of the Hilton guests and will increase the profitability of the hotel.

Also we can emphasize that that for hotel «Hilton» it is necessary to create new promotional packages for the guests. As this service is not so popular in «Hilton» it would be good to popularize the conference service through advantageous conference packages. Another direction of the improvement in «Hilton Worldwide» hotel is diversifying the Facebook social media strategy.

Has its own account on this web-site with the information about the hotel, promotional discounts, Sunday Branch etc. But there is no information about the city where the hotel located or about the main attraction near the hotel.

It was offered a week plan for promoting Hilton Worldwide as a destination for the tourism. As to the hotel «Hilton» come foreign guests who don't have so much time to explore the city, we can give every day short information about one tourism attraction near the hotel. It will help guests to explore and discover the city quickly and efficiently. Moreover it was calculated the total cost of the advertising promotional campaign by each type of the media source. And finally it was calculated the economic effect and effectiveness of all the proposed activities for improvement the marketing activity in the hotel.



## CONCLUSIONS AND PROPOSALS

In the result of investigation the promotional marketing strategies of the hotel «Hilton Kyiv» in the final qualification work it was made the following conclusions, that the hotel business was defined that the promotional strategies of the hotels includes the planned promotion tools and techniques, which are very important for the hotel industry and play a major role in achieving the competitive advantage. It was analyzed the main essence of the promotion strategy and promotional mix elements (advertising, personal selling, public relations, direct marketing, sales promotion. Also we given the definitions of promotional strategy and the promotional mix, characterized the promotional mix elements in the relevance to the hotel business and the whole industry in general.

Defined and described modern innovative tools of implementation promotional services in the hotel enterprises, its functions, purpose and the importance for the future hospitality marketing development.

Characterized in the context of the Hilton Worldwide:

- additional services offered in the hotel;
- promotional strategies used in the hotel with the various modern tools of its implementation;
- external and internal environment of the enterprise «Hilton Worldwide» using PESTEL and SWOT analysis;
- implemented organizational and economic analyses in the hotel.

It was made a comprehensive analysis and defined the average portrait of the Hilton Kyiv`s guest. Implemented that summary of services offered by the Hilton Kyiv is communicated to the target market, which includes businesspersons, tourists, delegates, and families who go for vacations.

Affirmed that despite that fact that hotel «Hilton Kyiv» is a new contemporary hotel in the hospitality market of Ukraine, it has to be improved some areas of the internal hotel activity: conference and event services, spa, customer traveling

service and social media Facebook strategy. The result of making this improvements and innovations will increase the awareness of the Hilton Kyiv's guests and will increase the profitability of the hotel.

Defined one more direction of the improvement in «Hilton Worldwide» hotel - diversifying the Facebook social media strategy. Hilton Worldwide has its own account on this web-site with the information about the hotel, promotional discounts. activities for improvement the marketing activity in the hotel «Hilton Kyiv».

Summarizing all the above, this research mainly focused on understanding the promotional strategies that can be applied today keeping apart the traditional ones. Ultimately what the hotels be achieving after employing such marketing strategies, they are: increase in the room bookings, reduction in operational costs, improvement or increase in the rate of income, build good brand image, gain popularity in the national and international arena, gain competitive advantage to sustain and grow amidst of hectic competition. Hence the outcome of the study ended with developing completely new marketing strategy directions and plan that could help the investigated hotel to sustain and grow in this dynamic competitive world.

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