

## INTRODUCTION

Each hotel finds and applies the necessary latest marketing tools. In such an environment, it is very difficult to find a special way of marketing to increase the flow of customers hotel chains need to find own way to the interest of more people in their hotels. There are many ways to promote a hotel. Therefore, the main place among them is occupied by Internet marketing and advertising in mass media. In order to be competitive hotel chains need to constantly learn new trends in the internet marketing and guest behavior. The quality and efficiency of business services are improved and stimulated by the use of innovative processes for logistics and service automation. Management, quality and data transfer speed have become key factors in competitiveness on the Internet.

**Purpose of research.** To analyze the corporate system of internet marketing of the hotel operator «Holiday Inn», develop methodological approaches and suggest an updated Internet marketing system in the hotel.

The tasks of the final qualifying paper are:

- to determine the nature and characteristics of the corporate internet marketing system of the hotel operator;
- to explore the main stages of the corporate Internet marketing system;
- to analyze methodological approaches to evaluating the effectiveness of Internet marketing in the hotel «Holiday Inn»;
- to explore the hotel's internet marketing environment;
- to analyze the corporate internet marketing system of the hotel;
- to analyze the effectiveness of the existing Internet marketing system of the hotel "Holiday Inn";
- to form an updated strategy for the development of Internet marketing of the hotel operator;
- to analyze the stages of development of Internet marketing strategy "Holiday Inn" based on digital technologies;
- to evaluate the effectiveness of the proposed approaches.

**The object of research** are the processes of the corporate system of Internet marketing of the hotel operator «Holiday Inn».

**The subject of research** are theoretical issues and practical aspects of the functioning of the Internet marketing system.

**Methods of research:** method of systematization, method of analysis and synthesis, method of generalization – used in the study of theoretical issues of the corporate system of Internet marketing of the enterprise; method of comparison, abstract-logical method, graphic method – were used in the study of the marketing environment of the enterprise, the development of its Internet marketing system; statistical method, and system-structural analysis – during the analysis of the effectiveness of the corporate system of Internet marketing of the enterprise; forecasting method – during the development of a set of measures for the formation of an updated strategy of Internet marketing at the enterprise and the calculation of economic efficiency of the proposed approaches.

The information base of the work was legislation and regulations, scientific works of domestic and foreign authors such as Oklander M., Lagodiienko V., Wang Y., Chiang I., Kataiev A, Skrynkovskyy R., Nevertii, A., also monographs of periodicals, analytical reports of research organizations, Internet resources, statistical reporting of the enterprise.

**Practical value.** The results of analysis of hotel “Holiday Inn Kyiv” and proposals for the whole hotel chain can be used in the practice of hotel, especially global hotel chains like Holiday Inn. The results of research were published in Scientific Journal “International Hotel Business” (Appendix A)

## PART 1

### THEORETICAL BACKGROUND OF CORPORATE INTERNET MARKETING SYSTEMS IN THE HOTEL INDUSTRY

#### 1.1. Literature review

Today Internet marketing is a powerful instrument that helps to increase sales at times, regardless of the field of activity. Those entrepreneurs, who have not felt an increase in profitability in their business, either use Internet marketing in a complex manner, or rely on the wrong promotion channels that could effectively influence their target audience.

Currently, the digital economy contributes decisively to an increase in competitiveness, especially as a digital transformation involves migrating to new technological models where digital marketing is a key part of growth and user loyalty strategies. Internet and Digital Marketing have become important factors in campaigns, which attract and retain Internet users. This study aims to identify main ways in which users can be gained and retained by using Digital Marketing [4].

Kotler and Armstrong defined the main definition of Internet marketing in 2009. They described it as a form of direct marketing that links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etcetera.

The following is classic definition by the American Marketing Association: “Marketing is the function of the organization, which includes a set of processes for creating, promoting and supplying consumer values based on the management of relationships with customers, resulting in that the organization takes risks and receives benefit”. It does not mention trends relative to the personification of relationships with consumers, because, when formulating this definition, the level of technology could not provide for personification of work with consumers [5].

Based on the above designations, we can come to a general explanation that Internet marketing is actions aimed at promoting goods and services on the Internet. The main goal of digital marketing is to convert website visitors into buyers, which leads to profit.

The adaptation of e-commerce websites to electronic devices to increase the number of visits gave way to a new concept: the APP or mobile application [6]. Also, the social commerce and especially, the collaborative economy is playing an important role in the aforementioned changes. Thus, for years, there is a similar model like collaborative consumption or social commerce: collaborative economy, although it has some distinctions that characterize it as an economic model of its own. Prior to its appearance, and especially before the Internet and Web 2.0 were born, product exchange was limited to the most immediate geographical area of the consumer. However, there would not be a collaborative economy, as we know it, without the appearance of the web technology. Hence, it is the result of taking out of the digital environment the culture created on the Internet for the last fifteen years [7].

Due to the total transition to mobile gadgets, the rapid and frequent change of search engine algorithms, it is necessary to use new Internet marketing tools. The high level of competition and the struggle for the attention of users in all directions force us to look for ways to attract customers through not only SEO and contextual advertising but also using many other tools. In addition to high competition, another reason for this is the desire not to depend on one traffic source.

By 2020, about 30% of all actions on the Internet will be done without the help of hands, and 50% of searches will be carried out using voice commands. Brands are looking for ways to develop apps like Siri, Google Assistant, and Bixby. However, as these forecasts come true, marketers will inevitably begin to optimize-content for voice search, which is very different from the traditional one. Voice queries are formulated more freely than printed ones, and their average length is approximately twice as long: from 1-3 words in a print search, it grows to 3-5 words in a voice search. The “restructuring” of content to voice may become one of the main trends of next year. Not all users use voice features yet. Surveys showed that 62% of marketers do not engage in the development of this area in 2019, largely because they do not realize all the advantages of this trend. But this is

only a temporary phenomenon. Marketing tools integrate with voice services: there are many applications for voice shopping, ordering food and receiving news [8].

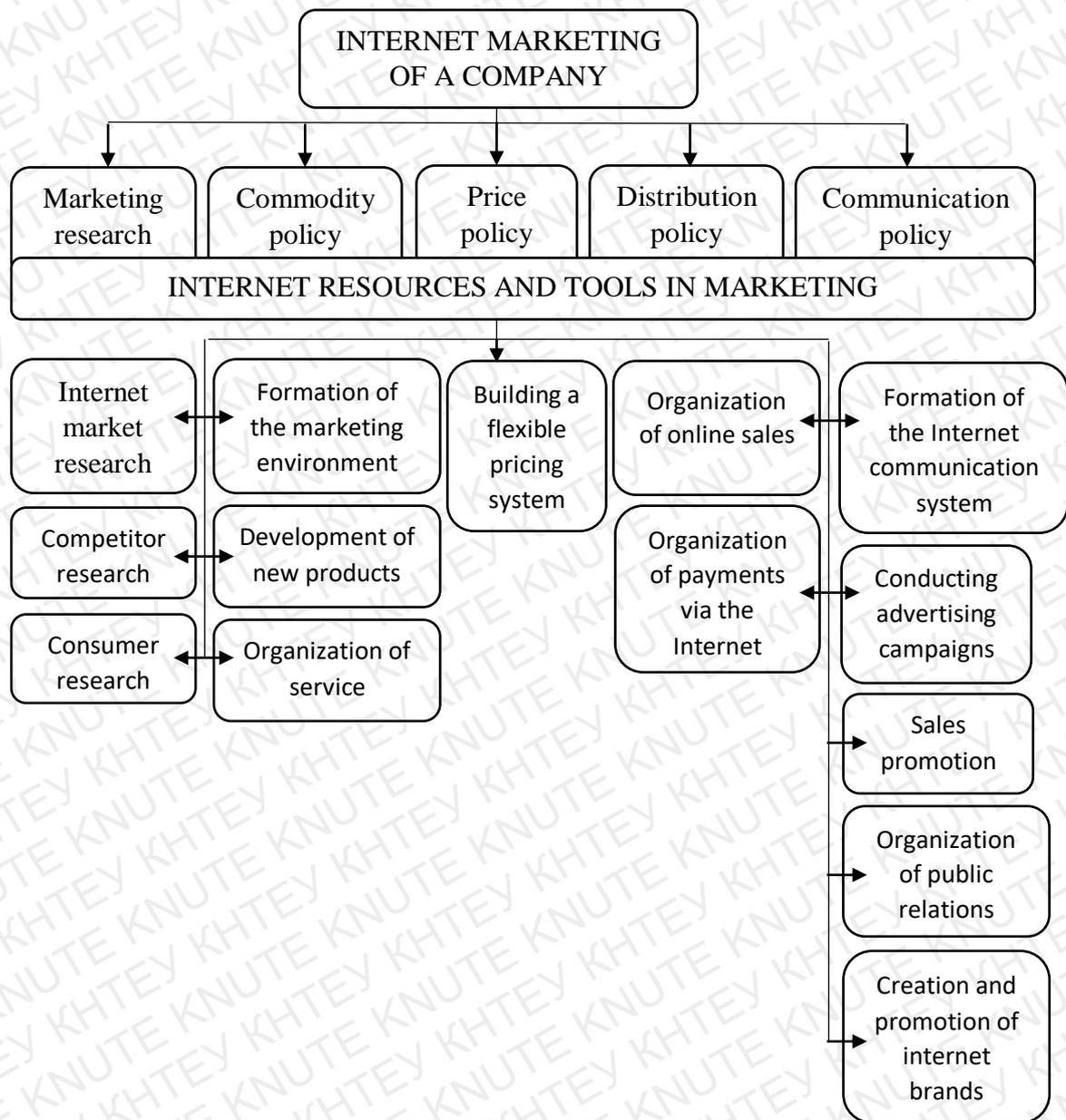
When selecting goods or services through the Internet, consumers are concerned about the design of web sites (42.15%), convenient navigation (35.87%), the access speed of the site (34.69%) and the functional features (33.51%). The above characteristics raise the consumers' sense of professionalism, convenience, pleasure, which contributes to enhancing the level of trust in the web site. From the perspective of trust marketing, it is important to use the design, convenient navigation, functionality and operational speed to attract consumers to visit web sites, to create a sense of trust, to encourage the Internet users to take certain actions and to create a positive emotional connection [9].

Customers have easy access to various products and services through online marketing. Since they perceive many advantages, online marketing services can be extended to various products and services. Customers also perceive certain drawbacks, which when eliminated or minimized help companies gain competitive advantage over their competitors [10].

Social media is an internet-based application group established on the technological and ideological foundations of web that allows users to create and exchange their generated content. In the marketing perspective, social media is a marketplace in which both sellers and buyers coexist with multiple facilities and interact in multifaceted ways with one another. SMM refers to the practice of using social media technologies to communicate with consumers easily by offering lower costs, building personal relationships, and exchanging offerings. For example, customer ratings in the hotel industry have a strong effect on customer preference for which hotels to book [11].

Brands are vigilantly watching people; they are constantly trying to impose goods and services. You have to deal with this literally everywhere - on the street, in transport, on TV, in gadgets. The overwhelming majority of such advertising, of course, helps to solve a person's problem, and very annoying. Hence the actual banner blindness, ad blocking. According to statistics, every fifth user does this.

Regarding cross-channel behavior, when consumers focus on price and promotion information, they have an increased tendency to search for products through online and mobile channels. As could be seen via the online and mobile channels, performance in this regard is preferred; in this case, the distributor should continue to maintain this advantage.



**Figure 1.1. Possibilities of using the Internet in a company's marketing mix**

Therefore, online and mobile channel restaurant ticket purchasing processes should be improved to enable consumers to quickly order products [12]. This means that online advertising is ahead of its competitor. It provides more options,

allowing you to make changes almost instantly, adapting to the mood and needs of customers. With the help of virtual tools, it is much easier to select platforms for placing advertising, spend more wisely on the budget and get the desired result faster (Fig. 1.1.).

Digital advertising is always about how content is presented, so take advantage of opportunities to deliver more value to consumers than to encourage purchase. It does not have to be an advertisement focused on selling and forcing. Use paid channel media to promote your content, with the aim to be faster in delivering content to meet your goals. That way your ads will have a lot more value to your viewers in promoting your product brand [13].

Business Travel Industry forms a significant part of the ever-expanding International Tourism phenomenon. Online Travel Agencies provide a contact point through the internet so that the prospective customers can search and eventually book the travel products. If the brick and mortar travel agencies wish to have an online presence the management must attempt for providing higher value to internet customers. Online Travel Portals are facing fierce competition in the digital market place and they are feeling the heat to assess the efficiency of their websites. Online travel portals and suppliers of online travel products provide common array of travel products. The common elements include the content of information, structure, security aspects, ease of use [14].

Mobile applications need to be capable to advertise effective micro enterprises products in their respective areas, so potential customers know the current location and product information automatically. In addition to reach potential customers effectively, mobile advertising should be easy to use, save on battery and internet bandwidth usage. Server installation should be easy and affordable for micro enterprises [15].

It is very difficult to imagine modern business without internet marketing, because this is the very system of knowledge that helps a business to develop. Marketing does not consist in the arrival of a visitor to the site, you need to work with the visitor, understand, enthrall, and bring to a deal. And in a crisis, and even

more so, only strong brands survive, which have a clear program for promoting their products on the market.

## 1.2. Modern internet marketing systems

In the context of diversification and growth of the economy, competition intensifies in the market, an avalanche increase in the volume of goods and services produced and sold, information transmitted, and a radical change in technologies. For enterprises and organizations, the question of survival is acute. This situation forces companies to look for new effective forms of market promotion and positioning of their products or services (Table 1.1.). Modern information and telecommunication technologies open up new opportunities and prospects for consumers and organizations, increase their mobility and computerization. These factors are most significant for the development of internet marketing.

*Table 1.1.*

### Main areas of internet marketing use

Company marketing complex	Areas of internet marketing use
Product	Sales and organization of after-sales service. Creation of benefit of goods. Development of new products
Price	Participation in the formation of a flexible system of discounts
A place	Internet sales. Internet payment
Promotion	Building a promotion system via the Internet. Internet branding. Public relations
Segmentation	Allocation of target segments and the formation of a system of interaction with various audiences on the principle of "special for everyone"
Marketing research	Consumer research. Research of competitors. Market analysis

Currently, it is enough to go to the Internet to compare the prices of suppliers and the characteristics of alternative options for a particular product (service), as well as to obtain a large amount of other information. You can retrieve information about anywhere in the world, profiles of advertising brochures. A modern buyer can make an order without leaving home at a reasonable price for him, open a bank account, make an appointment with a doctor, and get a weather forecast, etcetera.

Using marketing strategies on the Internet is one of the main functions of Internet marketing. After all, this allows hotels to maintain contact with consumers, form an accurate statistical picture, easily adapt to changes and meet the needs of our time, as well as receive benefits and maintain a reputation. There are such basic modern internet marketing systems:

- search engines optimization;
- contextual advertising;
- social media marketing;
- social media optimization;
- Big Data technology;
- real time bidding;
- retargeting;
- search engine marketing;
- mobile marketing;
- viral marketing;
- mailings.

One of the main internet marketing tools is SEO (search engines optimization) is the optimization of a web site in search engines. It promotes a web site to the first page of queries at search engines. The more often your site is found in search engines, the more visitors you will receive. And the more visitors, the higher the sales. Therefore, you definitely need to do SEO. Search engine optimization should start with the creation of the Semantic Core. The semantic

core is a list of keywords that most accurately describe the activities of your site. Keywords (keys) are queries in search engines through which users search for information [16]. The keyword is often called a whole phrase of several words, for example: “hotels with a conference hall in Kyiv”.

Also an important element is contextual advertising is the context-based banners or text advertising announcements that are displayed directly below the search bar, or to the right of the search query results. The interface and tools for creating and customizing advertisements allow you to set the text and select the target audience to display in search results. An inexperienced user can launch an advertising campaign, attract a large number of visitors to the site, spend significant sums of money, but at the same time not get even close to the return that he expected. To create effective advertising campaign, you should turn to professionals, to those people who thoroughly master all the tools and capabilities of the advertising system.

There is also a brand contextual advertising. It is a type of advertising that is aimed at shaping the image of a brand and its popularization among the target audience that is interested in its products (services). It is necessary to understand that at the head of the brand advertising strategy, first of all, there is not a sale, but the popularization of the company's image and its association in the minds of buyers with the right products. A competent brand advertising strategy gives not just sales, but their stable growth in the long term. And media advertising is like no other suitable for brand promotion. Well-crafted image ads or videos with a brand logo are better remembered by users and focus on the brand. The user sees media branded ads on various sites, which leads to an unconscious memorization of the brand image and its association with the corresponding product (service).

The third important instrument is SMM (social media marketing) is the social media marketing, media advertising – advertising messages in the form of static or animated images, which are placed on pages of web sites to promote products. Social networks are an effective tool for creating and managing popular opinion about a product or service. In addition, social networks are an additional

and very significant channel for attracting target users. The activity of the Internet resource in social networks also has a positive effect on the position of the site in the search engine results. The more active users of various social networks discuss content on the site, put likes, repost, retweet, etcetera, the faster the site will take attractive positions in the search results [17].

Further, in developing corporate internet marketing system involved SMO (social media optimization) is the optimization for social networks, advertising on social networks, blogs, forums, dairies. The initial stage of promotion in social networks revealed the identification of the goals of the strategy for determining the target audience, depending on this decision, in which social networks (Facebook, Google +, Instagram and Twitter) the brand should be presented [18]. The correctly chosen SMM strategy for business, the constant attraction and retention of the target audience will lead to the popularization of the brand and, as a result, an increase in relevant traffic and the level of conversions on the site.

Big Data technology implies analysis of data arrays of large volumes. By using an opinion analysis in social media, it is possible to obtain results based on reviewing tens of thousands of opinions. To work with large amounts of information, you need a special set of tools and techniques in order to use them to solve specific tasks. In fact, the totality of various data and tools for working with them define the term Big Data. This socio-economic phenomenon is directly related to the emergence of scalable technologies that allow you to work with a huge amount of information. Processing the information field is necessary to provide users with a specific result for effective use in the future. That is, as a result, a person should receive the most useful information about various objects or phenomena, as well as weigh the positive and negative aspects to choose a further solution. Artificial intelligence builds a rough model of the future, proposing several options, and then tracks the achieved result.

RTB (real time bidding) is the real-time bidding, an auction of advertising announcements in real time. Various studies estimate that global video ad revenue was \$ 27,799 million in 2018, with an annual growth rate of 14.6% over the next

four years. RTB stands for a way to sell and buy advertising tools on a pay-per-impression basis using an automated instant auction. Despite the fact that this technology has already become widespread and its rules seem to be clearly defined, it is still actively developing. To participate in RTB as a seller (supply side) or buyer (demand side) one of the existing "platforms" should be used (Ad Exchanges, Supply Side Platforms, Demand Side Platform) [19].

Recently, marketers have begun to use retargeting, it is the multiple showing of the Internet advertising that has been already seen. The number of users who buy goods or services on the Internet when they first visit a commercial resource is extremely small - 5-8%. Accordingly, 92-95% of visitors close the site without completing the target action. Retargeting just works with this audience. In order for a target visitor to become a buyer, at least 5 of their interactions with product advertising are required. That is, the user is shown the product several times on different platforms, which helps to maintain communication after the main site, is closed.

A prerequisite for classic retargeting is the presence of a base of visitors who have visited the site earlier. The audience is selected according to several criteria. For example, the duration of the visit, the referral source, the execution of the target action, and others. After such filtering, the lists are replenished only by users interested in the product. The essence of retargeting technology is to try to convince the user that he needs the product of a particular seller. The goal is achieved by the technique of 5-7 touches - marketing contacts of the user with advertising of a brand, product, service. Depending on the tasks, retargeting databases are used to remind those users who have previously visited the site about their product. Lists are also used to increase conversions or average check when they are tuned to customers who have already completed the targeted action.

In many niches, this technology helps to increase the number of leads by at least 40%. Especially in business, where the client a priori takes a long time to make a purchase decision. Of course, the meaning of the method is in the current retargeting databases and the competent setting of the tool.

SEM (search engine marketing) is the search engine marketing activities, aimed at increasing the attendance of a web site. The times when for successful promotion it was enough to work only on the site and its link environment are over. In most industries, up to 80% of search engines and aggregators occupy results. Trying to bypass them and bring the site to the top 10 using the old methods is almost impossible. Search space optimization includes not only working with all groups of factors - from link to commercial - but also attracting users from external sources to the top three searches. For the development of this system, both external and internal analytical services are used for each stage of promotion.

SEM includes a set of tools and technologies: analysis of a niche and commercial indicators, technical site audit, internal content marketing, SEO optimization and search engine promotion, PPC contextual advertising, external content marketing. A flexible, comprehensive approach allows you to use all the promotion opportunities within the general strategy of Internet promotion. This contributes to greater efficiency than when using promotion channels separately, and obtaining the so-called synergistic effect.

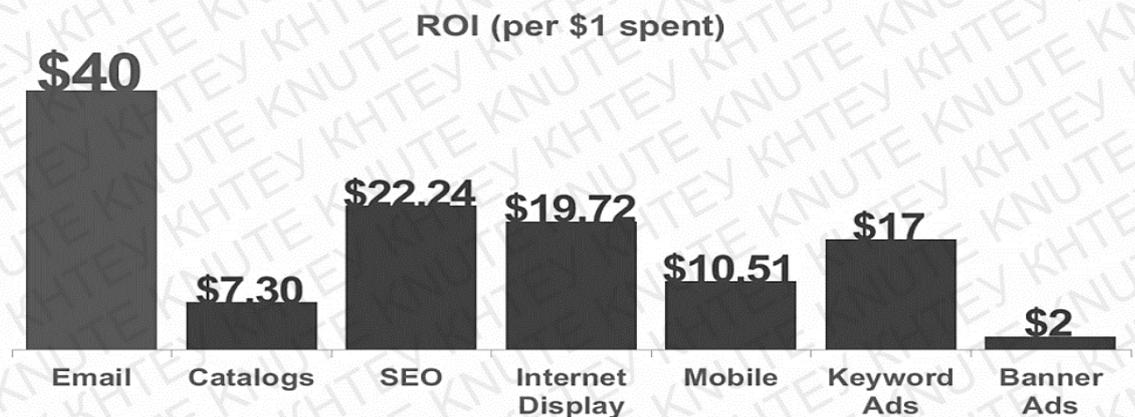
Mobile marketing is the marketing activities using mobile devices. According to statistics, about 68% of online purchases occur through mobile versions of sites or mobile applications. Digital mobile technologies have made voice search incredibly relevant. Consumers turn to Siri (a voice assistant for iOS devices) or apps on Google every day. Voice search has gained in popularity surprisingly quickly in recent years.

The more users interact with mobile applications and devices, the more companies, advertisers and software developers will study and analyze the colossal amount of data in the mobile space. This is not just demographic data - it is real information about behavioral factors: how, when and why users turn to mobile applications.

Viral marketing is the advertising strategy, whereby a person targeted by advertising is at the same time the transmitter of advertising. This is the impact on

the target audience, the promotion of goods and services at the expense and forces of the target audience itself, voluntarily participating in the marketing of information about the subject. Advertising communication influences a person in such a way that it becomes infected with an idea and consciously or unconsciously spreads information about a product or service, and it becomes an active advertising medium [20].

The popularity of viral marketing has grown noticeably in recent years: fast Internet channels allow users to easily share video clips, photos and music files; contributes to the spread of viral marketing and the growing popularity of all kinds of online communities and blogs. Third people who receives an interesting message forward it to their friend. In order to force a person to buy a product, it is necessary to form his need for this product. People send links that they find interesting, those that affect their area of interest and needs. Thus, a well-made viral product actualizes the problem that the product is intended to solve [21].



**Figure 1.2. Return on investment across different systems**

The last digital marketing system are mailings. Email marketing leads online marketing in terms of investment's profitability, with up to 40 dollar in revenue for every dollar spent (Fig. 1.2.). In addition, the number of active email users reaches an incredible 3.9 billion. The most important indicators of email marketing, such as open rate, click-through rate and the number of unsubscribers depend on the niche, time of day, subject line, etc. On average, 20% of subscribers open an email and

about 5% follow the link. Email marketing is a great tool for nurturing leads and promoting products and services for any business.

Therefore, there are many options for promoting goods or services with Internet tools, such as search engines optimization, contextual advertising, social media marketing, social media optimization, Big Data technology, real time bidding, retargeting, search engine marketing, mobile marketing, viral marketing and mailings. For effective results and achievement of the purposes of marketing services at expansion of a circle of potential consumers it is necessary to use these measures in a complex.

## **PART 2**

### **ANALYSIS OF CORPORATE INTERNET MARKETING SYSTEMS IN «HOLIDAY INN» HOTEL CHAIN**

#### **2.1. Organizational and economic assessment of Holiday Inn Kyiv**

Holiday Inn Kyiv is located at the city center, close to a variety of business centers, restaurants, parks, shopping centers and attractions, including Khreschatyk, in close proximity to Boryspil International Airport. The hotel brand is part of the InterContinental Hotels Group. There are also Holiday Inn Express, Holiday Inn Resort and Holiday Inn Club Vacations.

InterContinental Hotels Group is a British hotel chain operator. Formed in 2003 during the separation of Six Continents Plc. InterContinental Hotels Group operates the world's largest hotel chain by number of rooms (540,000 rooms). The company manages more than 4,200 hotels in more than 100 countries around the world. She owns brands such as InterContinental, Crowne Plaza, Hotel Indigo, Holiday Inn, Holiday Inn Express, Staybridge Suites, Candlewood Suites.

The hotel is a private joint stock company UKST"TORONTO-KYIV" that have 4 owners. It has been registered since 1995. Victoria Starovoit is the general manager of Holiday Inn Kyiv.

Renovated in February 2012, the hotel has 208 exquisitely decorated rooms located on 11 floors. There are also three small conference rooms that can accommodate up to 60 people. Holiday Inn Kyiv offers five types of rooms: Standard Room; Standard King Room; Executive Room; Family Suite; and Suite with City View. Room rates vary from UAH 1718 to UAH 7105.

The hotel infrastructure includes a reception, a business center of the hotel offers services for copying / printing documents, receiving and sending faxes, Internet access, a restaurant and bar area, conference rooms and car parking.

For efficient operation, any hotel needs a functional organizational structure. The general method of presenting the structure of the hotel - is the organizational chart of relations of 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. The organizational structure of Holiday Inn Kyiv includes Rooms Division with Front Office, Housekeeping department, Reservations, Night Auditors and Security; Sales & Marketing department; Food & Beverage with restaurant, bar zone, Room Service and conference rooms; Accounting department; Engineering; and Human Resources department (Fig.2.1.). The hotel owner and CEO, who make general strategic decisions, represent the highest level of hotel management. The general director of the hotel, elected by the general meeting of shareholders, has the following responsibilities and rights: management of all business activities of the hotel, use of all types of banking services, including loans, opening and closing current, current and other accounts; the right to sue and respond to the court, signing contracts, obligations and instructions.



**Figure 2.1. The organizational structure of Holiday Inn Kyiv**

Holiday Inn provides the following services:

- laundry service;
- cleaning the rooms;
- food and beverages;
- porter service;
- facilities for people with disabilities;

- free baby food.

The Towers restaurant, located on the first floor of the hotel, has a capacity of 60 people. Breakfast is served in the morning as a Swedish line. The restaurant serves Ukrainian cuisine. The lobby bar serves a variety of snacks, coffee and cocktails.

For meetings and seminars, the hotel provides event services in three conference rooms: Gorodetsky Suite, Meeting Room # 105 and Meeting Room # 107. The total area of conference halls is 80 square meters and accommodates 60 people.

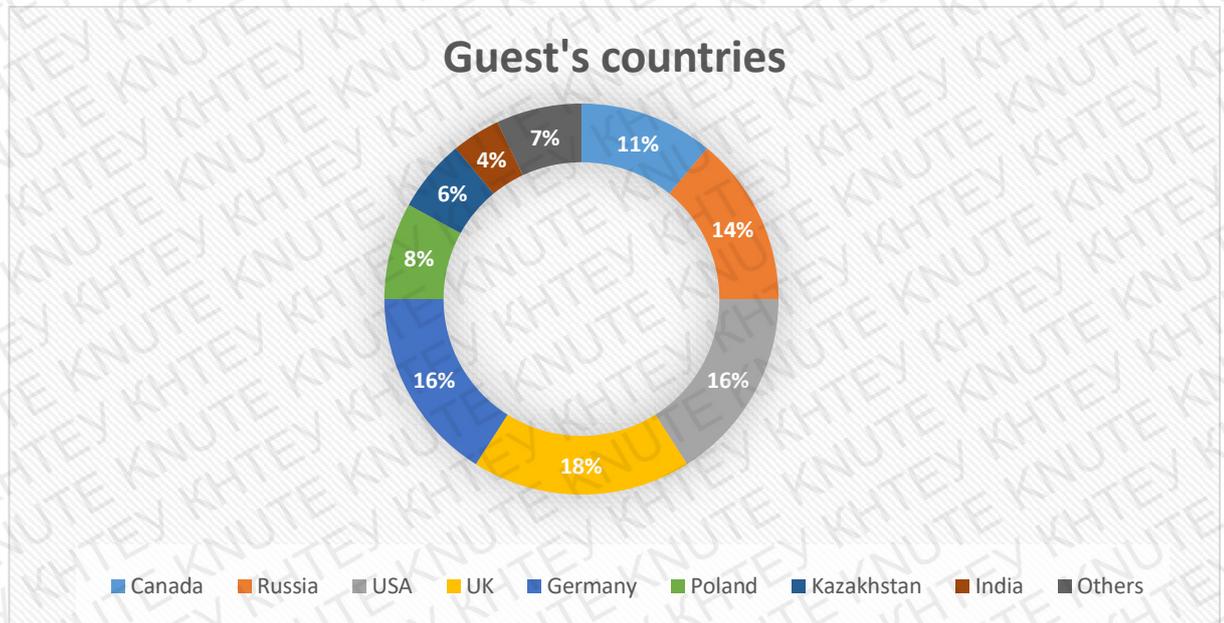
The main advantage of the hotel is its location, as it is suitable for businesspersons, freelancers, airline employees, traveling families and single tourists. Nikolaevsky Church is 100 meters away. The Kiev Planetarium is a 10-minute walk away. Khreschatyk Street with many stylish shops is 3 km away. The hotel offers an electric scooter rental service.

Holiday Inn Kyiv is a hotel with modern rooms and free Wi-Fi located in the center of the city. It offers an excellent location from which to explore the many attractions of Kiev. All rooms at the Holiday Inn Kiev are air-conditioned and designed with wooden furnishings.

The hotel provides a high level of comfort, which satisfies a variety of requests from guests. Every year, these requests and requirements for services increase. High quality tourist service is ensured by the collective efforts of employees of all hotel services, constant and effective control by the administration, work to improve forms and methods of service, study and implementation of best practices, new equipment and technologies, expanding the range and improving the quality of services. The goal of the staff is to create an open, friendly atmosphere. The tasks of each Holiday Inn employee are defined by 4T rules: true attitude, true confidence, true responsiveness and true listening.

Holiday Inn provides high-level services for domestic and foreign tourists from different countries (Fig. 2.2.). The main consumers of the hotel are foreign guests traveling on business, freelancers, families, military and international airline

personnel. In addition to foreigners, representatives of Ukrainian financial and banking institutions occupy the hotel. In 2019, 1895 guests visited this hotel; in 2018, it was 2051 guests. These indicators show that the demand for hotel services decreased in 2019.



**Figure 2.2. The structure of tourists from different countries in Holiday Inn Kyiv, 2019**

The operating income of the hotel is the providing accommodation services. Sales revenue is defined as the difference between the proceeds from the sale of services at the selling prices of the hotel (excluding value added tax, excise duties and other indirect taxes and fees) and the costs included in the cost of services.

And the main channels of income from booking occur through:

- direct reservations and own website;
- Booking.com;
- IHG application;
- Expedia.com;
- other systems.

The hotel uses the Fidelio computer system. The Fidelio Front Office (FFO) system helps to automate the main stages of hotel operation: from computer reservation of rooms, registration, accommodation and checkout of guests to room management, bookkeeping and finance.

Table 2.1.

**General financial indicators of Holiday Inn Kyiv during 2017-2019**

Indicators	Years		
	2017	2018	2019
Assets, thousand UAH	18 735	21 068	23 189
Revenue, thousand UAH	2 622	3 941	3 073
Occupancy, %	74	89	82

After analyzing the financial performance of the hotel over the past few years, there is an increase in the company's assets, and profits in 2019 decreased by UAH 868,000 compared to 2018 (-21,9%). In 2019, total revenue is UAH 3073000. This is due to the unstable political and economic situation in the country, as well as the level of investment. In addition, the situation in the world is also not stable.

Appendix B shows the gross revenue of Holiday Inn hotels worldwide from 2007 to 2019. Holiday Inn hotels generated approximately 6.3 billion U.S. dollars in gross revenue in 2019 [22].

Table 2.2.

**Main competitors of Holiday Inn Kyiv in 2020**

Hotels	Price, UAH	Booking.com rate
Park Inn by Radisson	1960,00	8,9
Radisson Blu	2555,00	8,6
Reikartz Raziotel	1530,00	8,6
Twin-Apart Hotel	1424,00	9
Holiday Inn Kyiv	1718,00	8,7

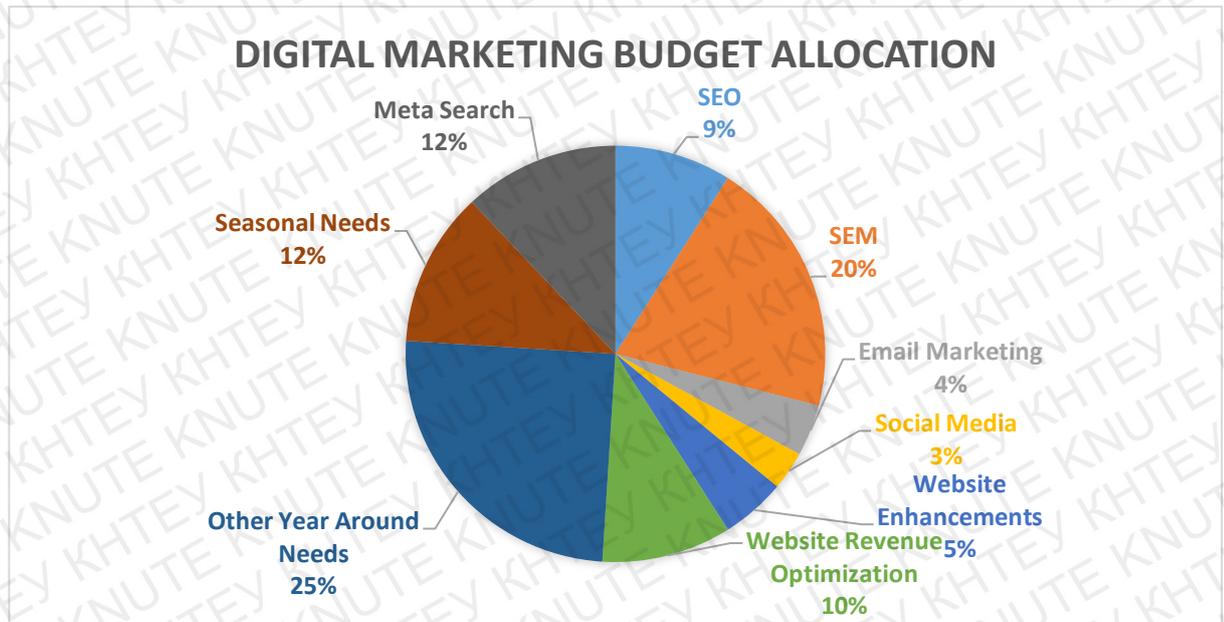
Holiday Inn Kyiv has a lot of competitors in the city center. In table 2.2. considered four main competitors, comparing with Holiday Inn by price category and rating of the popular booking site.

In 2020, revenues from the main services of the hotel decreased significantly due to the difficult epidemiological situation in the country and in the world. In the first and second quarters of this year, the occupancy of the Holiday Inn fell to 4.8%. When the borders were closed for several months, the hotel served about 8-15 customers who could not leave Ukraine. In the third and fourth quarters, quarantine conditions were relaxed, which returned the hotel to normal. But the occupancy rate of the hotel has grown only to 15-28%, and the operation of the Holiday Inn in Kiev does not even reach break-even point.

## **2.2. Main features of the hotel internet marketing system**

Promotion of a hotel on the Internet is an important way to present your business to the public, inform about your existence, benefits and, most importantly, find your customer. Internet marketing is an investment that should definitely lead to increased sales and income. First, this is advertising on the Internet. Contextual advertising, indirect and direct requests, retargeting management, reducing the number of synonyms and inappropriate visits, changing sites for customer requests, creating landing pages, communicating on the site with potential guests and much more.

Marketing budget of a hotel is around 5% of total revenue. Though, while this is a little amount compared to the total, a success of a hotel is in most cases directly proportional to the budget that used effectively. Besides, most reservations are currently made online. Therefore, hotels need to properly measure their digital marketing return on investment to be successful. The approximate distribution of the budget for Internet marketing systems is considered in figure 2.3.



**Figure 2.3. Hotel Digital Marketing Budget Allocation Ranking**

In Internet marketing, the following lines of funds are provided by the most popular hotels:

- SEO (Search Engine Optimization);
- contextual advertising;
- SMM (Social Media Marketing) - social media promotion;
- email marketing;
- thematic sites - blogs, forums, etcetera.

The most common, effective and at the same time expensive are search engine optimization and contextual advertising. Their combination ensures the maximum audience coverage. The rest of the internet marketing tools are often optional. Analytics allows you to track the effectiveness of each promotion method and correctly distribute financial investments in promotion.

*Search engine promotion.* According to a study by NPD Group, Google search engines bring about 55% of buyers to a website. At the same time, the conversion rate of website visitors to customers is 15 times higher than the conversion of any other traffic sources, and the conversion across the entire site is 7-8 times. Thus, among modern methods of Internet marketing, search engine promotion gives the highest return on investment (ROI) - in 42% of cases (despite

the fact that, for example, banner ads provide the highest return on investment in only 4% of cases).

The main goals of search engine optimization, in addition to reaching the top, are clicks on feedback forms, reservations, calls, applications. In order to achieve a result, an Internet project must meet the requirements that Google system imposes on content, design, usability and site structure. A high-quality internet hotel project should have:

- unique, structured, concise, truthful, content (this applies to any content - texts, photos, videos);
- well thought-out design that matches the theme of the site;
- convenient navigation for efficient data search and quick transition to the required section;
- well-thought-out structure, in which the following pages must be present: Contact information, About the hotel, Special offers / Promotions.

Thus, optimization covers a wide range of works related not only to promotion in search engines as such, but also to improving usability, attracting targeted traffic and increasing the interest of the target audience in the promoted hotel and the services provided to it. In the process of competent search engine optimization, gross errors in the work of the site, deficiencies in content, structure, design are revealed. In addition, SEO provides ample opportunities to find new unoccupied niches in a specific area and use them in order to improve the Internet project and increase its traffic and conversion rate.

A large number of search engine requirements with high competition forces hoteliers to spend a lot of time and money in order to provide an Internet project with a place in the TOP-10. However, even when reaching the highest positions, the site owner still has work to do. It is important to understand that even when choosing a hotel from the top positions, the user can choose one of ten possible options. In doing so, he will be guided by subjective reasons, which, as a rule, coincide with the bulk of people. The user goes from the search to a specific hotel site if he sees the most complete and valuable information about the hotel. For

different people, different information is of value, so it is important to provide a list of all important services and key information about the hotel, including its stardom, contact information (address and phone number), special offers and services. It is important to provide the user with quick access to any information that may interest him; quick links will help with this.

*Contextual advertising.* Contextual advertising is a type of marketing tool that differs from any other types of online advertising by targeting the target buyer. PPC ads appear in the top or side lines of search results and correspond to the query entered by the user. Thus, a potential buyer sees advertising "on demand", which allows achieving the maximum coincidence of interests.

It is used as the main method of popularizing the site and the services it provides, along with search engine optimization. These two methods complement each other. So, it takes about 3 months to get SEO results, and contextual advertising begins to give results immediately after placement. Contextual advertising opens up wide opportunities for website promotion, but it plays a special role, if necessary, to convey to the target audience information about current special offers and promotions of the hotel.

One of the main advantages of contextual advertising is that when using it, the advertiser pays not for the planned, but for the result. This is ensured through the use of a click-through payment system; payment for impressions does not provide such conditions. The cost of one click (that is, for each attracted user) varies depending on the site's topic and regional placement.

The effectiveness of contextual advertising depends on several factors, among them:

- the correctness of the selected key queries;
- compliance of the advertising text with keywords;
- regular advertising update.

Considering these factors is a guarantee of the effectiveness of contextual advertising for promoting hotel services. Moreover, it allows to increase their conversion rate.

*Social media marketing.* Social networks developed for communication and exchange of information are actively used today to promote hospitality services. Their main advantage lies in reaching a wide audience. At the moment, there are three social networks in the world that hold leading positions in this segment of the Internet market. These are Instagram, Facebook and Twitter.

These large-scale Internet projects are sources of information in which a unique atmosphere of trust has developed, which can be profitably used to increase targeted traffic. SMM is an actively developing area of Internet marketing, which, with high conversion rates, has an acceptable cost.

Social networks are suitable for popularizing the hotel and its individual services, for collecting subscribers on the pages for further active interaction with them. Also, social networks can be used as a communication channel with the guest.

*Topic forums and blogs.* Promotion on forums is aimed at forming a specific target audience as a result of long-term and regular communication with regular visitors. The main task of a specialist who uses thematic forums and blogs as a means of promotion is to establish contact with forum users and offer them advertising information from the position of not advertising, but relevant advice. In order to achieve efficiency in this marketing direction, it is important:

- publish hotel information that meets the needs of the forum audience;
- use useful and reasonable information for messages, positioning it as advice and assistance;
- do not use direct advertising.

Forums and blogs are an inexpensive way to drive targeted traffic. However, to get it, you need to establish friendly relations with forum users. This will help attract customers to the hotel website and to the hotel at a minimal cost.

*Email Marketing.* Email marketing is often confused with email marketing. The latter is a haphazard sending of letters without a goal and strategy. Email marketing is all about communicating with guests - real and potential - to inform

them about your interesting offers. Newsletters are aimed at building loyalty and, of course, at selling.

Many more methods to increase your traffic and to attract the target audience are available to modern restaurant and hotel owners. However, choosing this or that option, it is important to understand that only a professional approach, knowledge of the matter and responsibility will help to achieve the desired result. Absolutely all sources of attracting the target audience can be important and effective. And all of them can be applied. However, it is necessary not only to spend on advertising, but also to analyze its effectiveness. Thanks to traffic analysis, you can see how many visitors each source brings, and which of them is the most converting (which source's visitors become real customers of the company). Only competent analytical activity will help to see how effective this or that advertising is and to correctly distribute the advertising budget.

All means of promotion can be used together (integrated internet marketing) or separately. The choice in favor of a particular toolkit depends on the financial capabilities of the clients and the goals to which the marketing campaign should lead. During the entire duration of the advertising campaign, it is important to evaluate the profitability of each method used. This will allow timely abandoning ineffective ones and optimizing costs.

It is important to consider the fact that an effective marketing policy begins with the reorganization of the promoted Internet project. Since financial investments in a website that does not meet the requirements of potential customers are initially meaningless and not only will not pay off, but will also bring impressive losses. When starting a new marketing campaign, the site owner must first of all be sure of his readiness to solve the main tasks: to make the site guest-oriented and start conducting continuous analytical activities.

### **2.3. Corporate internet marketing system in «Holiday Inn» hotel chain**

The international hotel chain Holiday Inn is committed to following the European industry standards, as well as introducing new and supporting the

existing InterContinental Hotels Group travel and tourism guidelines. Among many others, such advantages as special loyalty programs for regular customers, a high-speed on-line placement system (Internet, Facebook, Twitter microblogging service) have become the main trends in the travel industry and have influenced the development of the industry in the past few years.

There is already some level of integration between the communication strategies of its consumer and corporate brands, with a single community of employees working across all of IHG's digital channels. Community managers for each individual hotel brand promptly forward requests or comments regarding the IHG corporate brand to the public relations team. The corporate components of the broader digital community of IHG extend to social media sites that are linked from the main website. These accounts have a slightly different tone of voice. Tweets will not just copy or promote press releases. Even with the size of IHG's consumer-facing hotel operations, a three-person team is tracking digital media conversations from IHG's global headquarters in Buckinghamshire. Their shifts are sequentially distributed with someone watching the wires seven days a week [23].

Promotion of Holiday Inn hotel services is carried out through travel agents, corporate partners, online platforms, social networks Instagram, Twitter, Facebook and own website.

Corporate internet marketing system of Holiday Inn include:

- digital display advertising;
- internet advertising;
- search engine marketing;
- web advertising;
- contextual advertising;
- video advertising;
- online public relations;
- social media marketing;
- E-mail marketing.

*Holiday Inn website* is the main advertising tool designed to promote hotel services. Having identified its own market segment and, accordingly, the target audience format, the hotel on its own website offers the best price in its segment, winning in the competition for groups of potential consumers. Mobile friendly branded websites, offering over 100 language combinations.

As a result of work on the project of creating a website for the Holiday Inn, all the tasks were implemented. The site turned out to be modern, informative and consistent in the corporate style of the Holiday Inn, in accordance with the brand book of the hotel chain.

*Holiday Inn Application.* In addition, one of the important tools in the promotion of hotel services of the corporate Internet marketing system Holiday Inn is a mobile application «IHG: Hotel Deals & Rewards». More than 100 million members use this application and participate in the loyalty system «Rewards Club».

Holiday Inn hotel chain is quite popular among people in social media. Compared to competing hotel chains, the Holiday Inn has more followers on Twitter and Facebook, and is inferior to Radisson Blue on Instagram. The large number of subscribers reflects the fact that people are fans of this hotel chain, they are interested in learning something new about their favorite hotel and are ready to return there. Moreover, it gives a high probability that when they travel to another country or city, they will choose this hotel (Table 2.3.).

*Table 2.3.*

**Holiday Inn social media followers versus competitors, thousand**

Social media Hotel chain	Twitter	Instagram	Facebook
Holiday Inn	119,2	62,7	1065,0
Park Inn by Radisson	1,5	8,9	160,7
Aloft hotels	35,2	37,9	177,7
Radisson Blu	20,1	63,2	372,8

*Internet advertising of the hotel website.* To make it easy for consumers to find the website of a hotel chain, Holiday Inn uses the following types of advertising on the Internet: contextual, display and video advertising. Holiday Inn advertising are shown on all types of mobile devices, computers, laptops and tablets. They advertise on Google Ads, Bing, as well as on their social networks.

*Hotel contextual advertising.* Holiday Inn marketing and sales specialists have developed small ads on the search results page, which can be seen at the top, right or at the end of the main block of results in Google, Bing and others. This has proven to be the most effective method for attracting target audience to the Holiday Inn website.

*Digital display (banner) advertising.* Hotel display ads include graphic banners of various sizes on the Internet. This effective Internet marketing tool not only promotes website promotion, increases traffic, but also significantly increases the Holiday Inn brand awareness and loyalty of their consumers.

When placing display ads, the following was analyzed:

- 1) Which sites, which sections and which sites potential buyers of Holiday Inn visit.
- 2) What are the possibilities for selecting (targeting) the audience, on what grounds?
- 3) Where will the banners spin and where will the Holiday Inn banner be displayed, on the first or on the residual basis?
- 4) What banner format should be made for the site that was selected for placement? What are the technical requirements for the site?
- 5) Purchase of space - there are reservations, price per CPM, statics, the possibility of limiting the display setting to unique and discounts for agencies.

*Advertising in social networks.* Nowadays, all users of the worldwide network are familiar with social networks, are registered and actively use them every day, both for personal and commercial purposes. Advertising Holiday Inn in social networks makes it possible to customize the display specifically for the interested audience, their subscribers and potential consumers. Different

parameters are set, from gender, age, marital status, to place of residence (up to the street), interests and hobbies of each person.

The main advantage of online advertising for Holiday Inn is the rapid increase in targeted traffic to the hotel website. Visitors appear on the Holiday Inn website within a few minutes after the online advertisement was launched.

Price aggregators are providers of sufficiently high-quality and conversion traffic. The general principle of operation is that price aggregators create a list of hotels, place prices from various hotel sites in this catalog, attracting users to compare prices and choose the best option for themselves. And the hotel pays its price to the price aggregator for each user click.

The procedure for building a sales channel for Holiday Inn services when working with price aggregators and marketplaces:

- select the most effective sites;
- provide support for the technical implementation of the necessary import and synchronization files;
- provide content support;
- make the most of the available platform tools to increase efficiency;
- constantly expand the volume of effective traffic and sales by expanding the range and increasing the level of representation in the catalog of sites and by expanding the list of sites;
- increasing sales by increasing the level of trust in the hotel (reviews and ratings).

*Email marketing.* A well thought out email marketing strategy can achieve many different long-term and short-term goals. Email newsletters are a great opportunity to remind customers of the hotel brand. The more often they see this company's inbox, the more likely they are to pick them when looking for accommodation. The hotel can inform subscribers about upcoming sales, hot deals and provide them with personalized offers. They can also add reviews and testimonials to emails so that subscribers have proof that their brand is trusted. The hotel may also provide a link to the customer reviews page of its website. The

hotel can build a mailing list through online and offline events, giveaways, landing pages, surveys, quizzes, social media accounts and partner sites. To get users to subscribe, they can not only use lead magnets, but they can also provide social proof and allow people to set preferences for their desired mailing frequency and content.

For better interaction, the hotel chain can create a series of welcome emails. This is sending multiple emails over several days to tell customers about their product.

Therefore, Holiday Inn hotel chain uses many corporate internet marketing tools to promote its services and brand worldwide. The main focus of Marketing and Sales department is on the website promotion, mobile application, contextual advertising, video advertising, and site conversion optimization.

These are effective tools for quickly increasing sales and finding new potential customers. The use of these systems in the corporate Holiday Inn system helps to increase traffic and attract the target audience with minimal costs. Holiday Inn also conducts regular analysis to identify problems in the sales funnel and to improve the efficiency of the website, mobile application, as well as its pages on social networks such as Twitter, Facebook and Instagram.

**PART 3**

**THE DIRECTIONS OF CORPORATE HOTEL INTERNET  
MARKETING SYSTEM IMPROVEMENT IN «HOLIDAY INN» HOTEL  
CHAIN**

**3.1. Propositions for hotel internet marketing system improvement in  
«Holiday Inn» hotel chain**

Integrated marketing information systems with advanced analytics capabilities as a digital marketing tool play a critical role in this area. The integrated marketing information system provides automation of marketing business processes at all levels of management. Digital marketing requires modern management methods based on a marketing information system, which is used primarily to support decision-making, control and coordinate marketing activities, and allows hotels to successfully apply appropriate methods and tools. Digital marketing generates significant amounts of marketing information and requires state-of-the-art analytical techniques and tools.

It is interesting and difficult at the same time to work on the promotion of tourist sites. High competition for the guest does not give room for error. Confusing navigation, excessive creativity, lack of online booking options, incorrect prices - this and much more leads to the loss of potential customers.

The following measures are recommended for the effective operation of the Internet marketing systems of the Holiday Inn hotel chain:

**1. *Use videos and live streams to attract potential guests***

While photos played a priority role during the formation of Social Media platforms, today users are more attracted to video content and online broadcasts. The hotel should use social media videos wherever appropriate. This will allow them to attract their target audience and keep it for as long as possible.

**2. *Collect data and personalize your hotel marketing campaign***

More and more travelers, when choosing a hotel for their next trip, expect to receive a personalized service. With a wealth of information on what the customer

prefers, the hotel can create a personalized marketing strategy. Make targeted advertising offers that meet the interests of their potential audience.

**3. *Improve the mobile app to promote customers to make direct bookings***

For example, offer the person booking accommodation via the app some additional benefits: the ability to choose a specific number, order a room service from a smartphone, etc.

**4. *Use virtual technology so that the guest can test the product before buying***

Offer the site visitor a virtual tour of the selected number. Virtual reality technology provides a full effect of presence: the guest will be able to assess how the room is planned and equipped, what additional amenities it has.

**5. *Invest in marketing of the moment***

Provide the consumer with information at the most appropriate time. For example, you know the dates of your guest's planned trip. Offer him a "hot offer" the day before.

**6. *Launch a content marketing campaign to create an informational background***

Creative ideas are needed for users to share content posted on hotel social media pages. This could include creating a tour guide around the hotel, publishing interesting biographies of employees, or publishing stories from guests.

Furthermore, targeted advertising on social networks is not tied to the content of the pages, but to users: gender, age, place of residence, circle of interests. By setting up an impression, you can find your potential customers among these millions of people. Holiday Inn hotel chain should:

- address directly and only to the target audience;
- get referrals to a group or website at a low cost;
- use handy tools to analyze and correct advertising.

To achieve these goals, you need to study the specifics of setting up online advertising, conduct market analysis, understand audience expectations and correctly set up targeting.

Use the Google Ads budget forecast before launching your ad campaigns. These tools will help you estimate your estimated monthly PPC spend. Services tend to overestimate the estimated budget, and with skillful setup, you can get leads at a much lower cost per click.

The average cost per click for tourism varies greatly by region and seasonality. Expectedly high cost in megalopolises, where business travelers flock, resort towns, tourist centers. The campaign for high-frequency queries of the "hotel / city" type will be expensive.

Being present on social networks is a must have for an international hotel of this level. The goals of promoting the hotel in social networks:

- work on brand awareness and reputation;
- communication with guests: clarifying needs, working with negativity;
- sales. Social channels provide them last, as people go there for entertainment and information.

A good strategy is to get your website visitors by retargeting. Do not forget to exclude from segments users whose visits were counted as bounced by Google (one page was viewed per session by default less than 30 seconds). Use the power of Google Ads: targeting to email addresses, similar audiences, location. A structured advertising account will help you easily navigate campaigns, edit ads, and manage bids. Do not forget to consider the seasonality of demand. If the goal of your campaign is to fill the hotel during off-season, you can create a landing page for a limited-time promotion to collect applications.

Suggestions for more effective online marketing strategies to tailor to the audience:

- headers and advertising texts must contain benefits for the target audience. The Holiday Inn hotel in Ukraine and Mexico has a different set of advantages;

- create a separate mobile ad campaign and target airports and train stations for your first customers;
- the information on the site must correspond to what is written in the ad. This is especially true of the minimum price per room;
- for additional services (exit registration of marriage, corporate parties, children's parties, etc.) it makes sense to advertise for these groups of requests.

Corporate design of the profile in all social networks: name, logo, cover, contacts; a link to the site is required. Where possible (eg on Facebook), place the Book CTA button. Promotion in social networks, especially at first, does not work without targeted advertising. To achieve the minimum effect, the coverage of the post should be at least 1000 people.

A more time-consuming way to build up a subscriber base is to manually like relevant photos in the feed. Groups should be lively, publications should be regular, answers to questions and especially negative should be prompt. Use different content formats: photos, videos, VR, Instagram stories, contests, polls, polls.

Do not be limited to promotions, news and interior photos. Choose location-based news feeds, travel tips, restaurant reviews and additional services for post topics. Tell us about the sights or beauties of nature near the hotel - the term destination marketing has already been coined for this. This is especially true for hotels in less popular tourist destinations. Do not go overboard with sponsored posts, the optimal ratio is 30% of advertising content to 70% of entertainment and educational content. Employees of Holiday Inn hotels should be aware of all promotions posted on social networks and provide discounts or additional services for likes and reposts. Offer small compliments for check-ins, such as a free cup of coffee or branded souvenirs.

Influencer marketing from bloggers works well in the travel business. A significant part of the audience trusts their favorite bloggers more than impersonal reviews on hotel and aggregator websites. They have a large loyal audience, the

bulk of the posts are devoted to one topic: cooking, gadgets, parenting, psychology, and whatever. Cooperation with travel bloggers is suitable for hotels.

Holiday Inn can find travel bloggers by hashtags on Instagram, in the Trending section or by thematic queries in YouTube search, as well as on blogger exchanges such as GetBlogger, Epic Stars, LiveDunier and Plibber.

When choosing a blogger, evaluate the following indicators:

- ✓ number of subscribers;
- ✓ involvement;
- ✓ geolocation;
- ✓ whether there is brute force with advertising posts;
- ✓ the ratio of likes, approving comments and negative comments;
- ✓ the portrait of the target audience.

Holiday Inn should definitely monitor the effectiveness of advertising in social networks: mark links to the site with utm-tags, monitor the dynamics of brand traffic immediately after a post or video is released, give a promotional code for a discount to the blogger's audience.

It is impossible to effectively promote Holiday Inn on the Internet without these web analytics systems. This hotel chain must monitor the dynamics of traffic by channel, behavioral reports in Google Analytics, put forward hypotheses and conduct A/B testing, disable inefficient channels and develop marginal ones. All the described tools in the hands of a professional internet marketer will help turn users into guests.

Consequently, the complex of work on site promotion and promotion begins with a detailed audit, which includes technical, search, usability analysis, competitor analysis, and so on. According to its results, specialists assess the state of the resource and determine the path of further work within the framework of the chosen marketing strategy. The main goal is to increase the effectiveness of online marketing strategies to attract new customers to the hotel.

Social media followers matter a lot, and engagement (likes, shares, comments, clicks) is a good way to evaluate an ad campaign and its creative

success. Users are divided into two categories: those who like and those who prefer to watch. Some people react to advertisements with actions, but there are those who will never appreciate an advertisement with a click on the heart. Successful marketing doesn't require likes; it requires persuasiveness. A non-user may not mark the content in any way, but it still affects the decision.

### **3.2. Confirmation of improvement measures for hotel internet marketing in «Holiday Inn» hotel chain**

Fierce competition in the hospitality industry is forcing hotels to develop new more creative marketing strategies. For example, things worked 2-3 years ago, is no longer relevant today.

All of the proposed measures to improve the corporate Internet marketing system, discussed above, should be cost-effective to implement them in the Holiday Inn hotel chain.

Many hoteliers are still limited to creating a website for their hotel and are surprised that it does not bring them additional orders. They have no idea what else they can do to promote their business online.

Even an ideal site requires promotion in order for it to be useful. Online advertising is essential for any hotel. Online marketing bounces back quickly and has a lot of potential.

Due to the ever-growing number of hotel and travel sites online, consumers will be looking for the most up-to-date information. This year, search engines have changed the search algorithm, which primarily produces updated information in real time. The Covid-19 pandemic has brought a lot of problems to business and tourism, but has given impetus to the development of online marketing. In addition, the new search algorithm will take into account social sources, the geographical location of the consumer and past search behavior.

The proposed methods will help segment potential customers and weed out random ones. To do this, you need to revise the content of the keywords, links and

focus on the search behavior of your potential customer, and not on the hotel or brand.

The price of website promotion depends on factors such as the scale of the project and the goals it pursues, the channels and promotion tools used in the chosen marketing strategy, the number of specialists involved in its implementation, etcetera. We develop both economic and complex individual service packages at a cost that will fit into the planned marketing costs. SEO costs include:

- complex SEO website promotion service cost - from \$ 500 per month;
- SEO at the stage of website development - from 1000 \$;
- SEO audit - from \$ 150;
- internal and technical website optimization - from \$ 150;
- consulting - from 100 \$ per hour.

Overall, SEO costs per year are \$ 7,600.

SMM costs include:

- complex SMM promotion cost - from \$ 1200 per month;
- setting up targeted advertising - from \$ 300 per month;
- social media audit - from \$ 150;
- consulting - \$ 100 per hour.

Total social media marketing costs are \$ 18,450.

Contextual advertising costs include:

- comprehensive support for Google AdWords account service cost - from \$ 300 per month;
- auditing existing Google AdWords account - from \$ 200;
- restructuring Google AdWords account - from \$ 380.

Total contextual advertising costs are \$ 4180.

The costs of the described methods are discussed in more detail in table 3.1.

Table 3.1.

**Program of implementation of hotel internet marketing**

Task	Responsible	Frequency	Costs
Complex SEO website promotion	Promoting a web site to the first page of queries at search engines	Four times a year	500 US dollars
Internal and technical website optimization	A set of measures aimed at raising the position of the site in the results of search engines for certain queries	Each month	150 US dollars
Targeted advertising	Advertising mechanism that allows to select from the entire audience only the target audience and show ads to it	Each month	300 US dollars
Complex SMM promotion	A set of services that are necessary to attract customers from social networks, as well as production, video development, photo and photo sessions	Four times a year	1200 US dollars
Contextual advertising	The placement and display of site advertisements for the	Each month	300 US dollars

	target audience using the search advertising service Ads from Google.		
Auditing Google AdWords account	Planning and improving an advertising campaign in Google Ads	Each month	200 US dollars

The hotel business is one of the ones where there is the most intense competition for customers who come from the Internet, so the role of Internet marketing in the business processes of the hotel is extremely high.

It is possible to determine the effectiveness of the implementation of marketing tools in the hotel niche with the help of visual investment return periods.

Contextual advertising pays off within 2-4 weeks from the start of the advertising campaign.

SEO is one of the hardest channels to measure in terms of performance. Depending on the initial position of the site, the return on investment is from 6 months to 1 year.

Email marketing can deliver results in one week thanks to a loyal customer base that has already been a guest and does not take time to make decisions.

An online consultant pays off in one day, that is, from the first visitor. The hotel receives 2-3% of the total number of guests per month, but due to the minimal cost of such an application, the benefits of using it are obvious.

Usability, which includes revamping an existing site or developing a new site, can take up to 3 years for a full return on investment.

In addition, the effectiveness of these digital marketing channels in the hotel business can be tracked using specialized analytics systems. As you can see, the Internet in the hotel business plays one of important roles. The first thing a hotelier

needs to focus on is sales. Only then can you study the number of direct calls and applications from the network, audience loyalty and brand awareness.

If the hotel chain contacts agencies that provide Internet marketing services for companies, the Holiday Inn will have to pay a minimum of \$ 30,230 for one year. These measures are estimated to increase sales of services at Holiday Inn hotels by about 5-7%.

In 2019, as indicated in the appendix B, Holiday Inn hotel chain generated \$ 6,3 billion in gross revenue. As a result, sales revenue for all Holiday Inn hotels should increase to \$ 6.6 billion. And hotel occupancy will increase by 8-12%.

That is, with the cost of the Internet marketing corporate system of hotels Holiday Inn in 30 thousand dollars, they can get revenue of 315 million dollars from all hotels in the network.

If earlier one person could tell about his impressions, for example, to 10 other people, then with the advent of social networks this number has grown. Even if the author of the review does not have many subscribers, his post can easily be found by search or hashtags.

The Internet can increase revenue by a third, and some hotels are achieving even greater results. Investing in internet marketing pays off faster than in any other type of marketing, most hotels get results immediately. In addition, the impact of Internet marketing can usually be measured evaluated and at any time to make adjustments to improve results.

Many search engine optimizers attract non-targeted visitors to the site due to incorrect keyword selection and irrelevant link exchange. They believe that the number of visitors, not the number of booked rooms, should measure the success of the site.

Creating a hotel site with relevant visitors requires research, experience and knowledge of the process of choosing and booking hotels. The number of orders, not the number of site visitors, determines the success of the site.

One of the tasks of the site is to be competitive in search queries. To achieve this, Holiday Inn need to constantly analyze the sites of competitors. Competition on the Internet is different from competition in the real world.

Today one of the most popular areas is the use of insider content. As practice shows, clients really like it. They are interested in “spying”, looking at the “behind-the-scenes” life, looking inside the organization. Any hotel of the Holiday Inn chain can use the insider's strategy. It is important to form a bond with your customers that goes beyond the product itself, but is linked to the perception of the brand itself.

Internet marketing combines creative and technical aspects such as website design, development, advertising and sales. Online marketing techniques and strategies include search engine optimization, pay-per-click advertising, image and behavioral advertising, mailing lists, and press releases.

Facebook has made it possible to broadcast videos to their business accounts live. This way of interaction is becoming more and more popular. Even today, according to experts, every fifth video on the network is a live broadcast. The tool is becoming relevant for advertisers and hospitality business owners. The function makes it possible to conduct live broadcasts of what is happening at the moment in the hotel on the pages of hotels, conduct online tours, demonstrate in live mode how the rooms look, what restaurant is in the hotel and what additional services. Among other things, it is possible to arrange broadcasts in the "Question-Answer" mode of conversation with users. Such live communication with potential guests makes the interaction more "lively" and personalized, which is appreciated among modern tourists.

The proposed methods will help the Holiday Inn hotel chain in the following:

- ✓ to expand the target audience of the chain's hotels;
- ✓ to increase the number of potential consumers;
- ✓ to increase the volume of sales of hotel services;
- ✓ to increase consumer loyalty;

- ✓ to build a special opinion in people's perception of hotels;
- ✓ to increase the level of interest of regular and new guests;
- ✓ to become more competitive in the market;
- ✓ to be always in the spotlight in social networks and people's thinking;
- ✓ to develop modern technologies in hotel management;
- ✓ to find an innovative approach to each consumer;
- ✓ to increase the level of profit of the chain.

This whole set of works is very difficult and individual from site to site, but the experience gained in this area allows us to bring this service as a separate area, because the reputation on the Internet becomes a very important element of building a brand of any company or product.

## CONCLUSIONS

The favorable positioning of a hotel chain on the Internet is one of the most important components of its success. Moreover, the lack of a hotel site is perceived by the target audience as an indicator of a low level of the enterprise, regardless of the actual quality of the services provided. The Internet can become a tool for the effective promotion of services for the hotel business only if the site is a sales channel and it correctly presents the products and services offered by the hotel.

There are many options for promoting goods or services with Internet tools, such as search engines optimization, contextual advertising, social media marketing, social media optimization, Big Data technology, real time bidding, retargeting, search engine marketing, mobile marketing, viral marketing and mailings. For effective results and achievement of the purposes of marketing services at expansion of a circle of potential consumers it is necessary to use these measures in a complex.

Promotion of Holiday Inn hotel services is carried out through travel agents, corporate partners, online platforms, social networks Instagram, Twitter, Facebook and own website. The main focus of Marketing and Sales department is on the website promotion, mobile application, contextual advertising, video advertising, and site conversion optimization.

The use of these systems in the corporate Holiday Inn system helps to increase traffic and attract the target audience with minimal costs. Holiday Inn also conducts regular analysis to identify problems in the sales funnel and to improve the efficiency of the website, mobile application, as well as its pages on social networks such as Twitter, Facebook and Instagram.

Internet marketing requires modern management methods based on a marketing information system, which is used primarily to support decision-making, control and coordinate marketing activities, and allows hotels to successfully apply appropriate methods and tools.

Certain measures have been proposed to improve the efficiency of the Holiday Inn corporate internet marketing system:

- to use videos and live streams to attract potential guests;
- to collect data and personalize your hotel marketing campaign;
- to improve the mobile app to promote customers to make direct bookings;
- to use virtual technology so that the guest can test the product before buying;
- to invest in marketing of the moment;
- to launch a content marketing campaign to create an informational background.

The proposed methods will help the Holiday Inn hotel chain to: expand the target audience, increase the number of potential consumers, develop modern technologies in hotel management, increase the volume of sales of hotel services, find an innovative approach to each consumer, become more competitive in the market and increase the level of profit of the chain.

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# APPENDICES

**ARTICLE: "INTERNET MARKETING IN HOTEL CHAINS"**

**КИЇВСЬКИЙ НАЦІОНАЛЬНИЙ  
ТОРГОВЕЛЬНО-ЕКОНОМІЧНИЙ УНІВЕРСИТЕТ**

***HOTEL RESTAURANT  
AND TOURISM BUSINESS:  
FOCUS ON INTERNATIONAL  
TRENDS***

**Articles  
of master programs  
students**

**Київ 2020**

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and support them with the real actions of the authorities, international investment inflow will really increase. Ukraine needs strong advertising, guarantees that the investor can fulfill, and clear fulfillment of its obligations.

Today, we live in a globalized economy. Businesses shouldn't just strive to have the most market share locally or even nationally, but should instead consider their position on a global scale. Creating a culture of innovation is important for gaining any kind of competitive advantage, particularly when utilizing a differentiation strategy. However, building an inventive culture within business is even more essential when trying to gain global competitive advantage. More businesses than ever before are expanding into international markets, making competition more intensive. Distinguishing and communicating the value of your company's offerings against ever-rising international competitors is essential for gaining global competitive advantage and increased market share.

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## INTERNET MARKETING IN HOTEL CHAINS

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*The article considers the essence of the concept of «internet marketing». Theoretical principles and the main technological innovations of internet marketing are considered. Possible ways to access the Internet for a hotel business in order to distribute and sell their services are recognized. The online customer phases of behavior are recognized. Internet marketing and sales strategies that produce the direct results for hotel chains are given.*

**Keywords:** marketing, internet marketing, hotel chains, business processes, online booking, global distribution systems, internet booking systems.

*У статті розглянуто сутність поняття «інтернет-маркетинг». Розглянуто теоретичні принципи та основні технологічні інновації інтернет-маркетингу. Визначено можливі способи доступу до Інтернету для готельного бізнесу з метою розповсюдження та продажу їх послуг. Визначено фази поведінки споживача в Інтернеті. Наведено стратегії інтернет-маркетингу та продажів, які дають прямі результати для мережі готелів.*

**Ключові слова:** маркетинг, інтернет-маркетинг, готельні мережі, бізнес-процеси, онлайн-бронювання, глобальні системи розподілу, системи інтернет-бронювання.

*The actuality of the article.* Each hotel finds and applies the necessary latest marketing tools. In such an environment, it is very difficult to find a special way of marketing to increase the flow of customers hotel chains need to find own way to the interest of more people in their hotels. There are many ways to promote a hotel. Therefore, the main place among them is occupied by Internet marketing and advertising in mass media. In order to be competitive hotel chains need to constantly learn new trends in the internet marketing and guest behavior. The quality and efficiency of business services are improved and stimulated by the use of innovative processes for logistics and service automation. Management, quality and data transfer speed have become key factors in competitiveness on the Internet.

*Setting objectives.* Generalization of the theoretical basis and creation of practical recommendations for internet marketing in hotel chains.

The high level of competition and the struggle for the attention of users in all directions force us to look for ways to attract customers through not only SEO and contextual advertising but also using many other tools. In addition to high competition, another reason for this is the desire not to depend on one traffic source.

The main tools of internet marketing are the following.

1. SEO (search engines optimization) is the optimization of a web site in search engines. It promotes a web site to the first page of queries at search engines.
2. Contextual advertising is the context-based banners or text advertising announcements that are displayed directly below the search bar, or to the right of the search query results.
3. SMM (social media marketing) is the social media marketing in Instagram, Facebook and other social networks, media advertising – advertising messages in the form of static or animated images, which are placed on pages of web sites to promote products.
4. SMO (social media optimization) is the optimization for social networks, advertising on social networks, blogs, forums, dairies.
5. Big Data technology implies analysis of data arrays of large volumes. By using an opinion analysis in social media, it is possible to obtain results based on reviewing tens of thousands of opinions.
6. Retargeting is the retargeting, multiple showing of the Internet advertising that has been already seen.
7. SEM (search engine marketing) is the search engine marketing activities, aimed at increasing the attendance of a web site.
8. Smartphone marketing is the marketing activities using smartphone devices.
9. Viral marketing is the advertising strategy, whereby a person targeted by advertising is at the same time the transmitter of advertising.
10. Mailings are the text messages sent by e-mail. [1]

We consider possible ways to access the Internet for a hotel business in order to distribute and sell their products, including online sales and smartphone sales from the hotel's own website; Central reservation system for chain hotels; Global reservation systems; and Internet booking systems.

*Online booking.* To do this, the hotel must have its own official website, which must meet modern requirements and have sales force, and install an online booking module on this site. The online booking system should reflect the availability of real rooms in the hotel, make a reservation for the customer and provide him with information about the completion of the booking within one minute. With the help of smartphone devices, those who travel a lot, as well as those who like to postpone booking until the last moment often book hotels. The smartphone site of the hotel company can be targeted at several groups of potential guests: those who are looking for bargains, frequent guests of hotel brands who want to get bonus points, and many others. The functional interface of the site allows users of any smartphone to search and book without downloading special applications. Installing an online booking module and using the smartphone version of the site in hotel companies significantly increases the number of bookings and helps increase their profitability.

The Central Reservation System for chain hotel enterprises is the only electronic representation of all hotels in the network. CRS provides hotel chains and management companies with the opportunity to book hotel rooms from the central office. The entry of a hospitality company into the network, in addition to service standards, gives the hotel a powerful sales tool: the hotel begins to use all existing electronic sales channels, access to which is available online. CRS is not limited to making and submitting booking applications to hotels, but includes additional features such as accounting for guest preferences, booking itineraries with accommodation in various hotels, obtaining information on previous guest arrivals, processing commission payments of travel agencies and invoicing corporate clients. CRS is ideal for both small and large booking centers. CRS allows centralized management of the availability of rooms and rates for sale through all existing booking channels, such as the hotel, headquarters, global booking systems and websites.

Global distribution systems are designed for professionals, so read and understand the information presented in them can only be trained professionals in this field, including employees of travel agencies and providers. About 800,000 travel agencies around the world work with GDS, booking travel and hotel services. Travel agencies place in GDS information about hotels of the following nature: price, room availability, room categories, additional services and location. Hotels can operate in the GDS system through the use of providers. Using this booking system, the hotel pays a flat fee for the transaction to the provider, interest to the travel agency booking the hotel, a fixed cost for using the channel (the GDS system itself) and the cost of translating all these fees. In general, these commissions range from 15 to 30%.

Internet booking systems acted as an alternative to global distribution systems, allowing private individuals to make reservations without resorting to travel agencies. By visiting any of the portals, the customer can choose the hotel and room type he or she needs for certain dates, book accommodation in real time and gets instant confirmation of the booking in his or her e-mail. There are currently several hundred international online booking systems. The most famous among them are Booking.com and TripAdvisor. In addition, there are regional projects. The principle of operation of hotel enterprises with Internet booking systems is approximately the same as GDS, so on the basis of commissions, the amount of which varies in the range of 15-30%. But in the case of ADS when working with customers, the percentage of remuneration is lower compared to GDS. This is due to the fact that the hotel's ADS systems work both through the provider and independently, concluding a contract with the selected portals.

Most hotels are now using the internet to communicate about, promote, and sell products and services. The advancement of technology has changed the way many hospitality organizations conduct business through Internet Marketing. Internet marketing benefits both buyers and sellers, as shown below:

#### *Benefits to buyers*

- It is convenient and easy to use, and it offers privacy – buyers do not have to leave even their rooms to buy. They do not have to face the sales people and their proposals.
- It offers great product access, selection and hence comparative information – buyers have easy access to a wide range of alternatives and it is much easier for them to make comparisons.
- It gives buyers greater control over the buying process. Example: customers can choose their in-flight seats via the internet.

#### *Benefits to sellers*

- It is a powerful tool for guest relationship building – hotels can interact with their guests online and learn about their needs and wants through comments provided by the guests.
- It reduces costs of doing business and increases speed and efficiency.
- It offers greater flexibility. It allows hotels to make ongoing adjustments to its offers and programs. For example, a hotel can easily adjust their room rates based on the projected

#### *Applications*

- Hospitality organizations are making the best use of internet to reach and serve their guests more effectively and efficiently. Most of the hotels have websites that show the room types with rates in details. Guests can choose and book directly from the websites.
- The availability of internet has created a platform for consumers to buy or exchange goods directly with another. For example, guests can make online orders for home deliveries of food and beverage in many restaurants nowadays.
- Guests can provide instant feedback and pose questions to the hospitality organizations via the web sites or social networking site.

Modern hotel industry, in its business concept and philosophy necessarily brings into sharp focus the thinking of the end consumer, the customer of its products and services, therefore the guest. Accordingly, the marketing concept has a dominant role in all of the hotel's philosophy and business. 'The essence of marketing in the hotel industry is in the definition that marketing is analyzing, organizing, planning and controlling potential sources of customers, from the standpoint of satisfying the needs and requirements of the chosen group of guests, and on this basis realizing a profit' (Unkovic, S., Zecevic, B, 2011). 'The function of hotel marketing is to test the opportunities and conditions for placement of existing and future services, and sales arrangement, i.e. selection of services that are assessed to have a sale value on the tourist market[5].'

The rapid development of Internet technology and marketing opportunities provided by modern digital technology has enabled radical changes in traditional marketing activities and opened a new space for the development of specific types of marketing – the Internet marketing. Because of the ruthless competition in the demanding tourist market, in order to retain the existing users of products and services and attract new ones, any serious hotelier, regardless of the capacity, season and market position, must, when defining marketing concepts, develop specific marketing activities through the Internet. The most powerful and most effective Internet marketing activities, which can improve sales and attract new customers, include:

1. Internet marketing through the hotel website
2. Internet marketing via e-mail
3. Internet marketing through social networks

Through modern advanced technologies and instruments, the consumer now has access to more information and more active control over his own experience. This, in turn, affects how hoteliers build and maintain relationships with existing and potential customers. Here is a list of proven and tested digital marketing and sales strategies that organically produce the best direct results for hotel chains in future:

#### 1. Your Hotel Website and Booking Engine are Number One.

The most potential guests will visit your hotel's website before booking your destination. Your website is the first acquaintance with the hotel for customers, the best opportunity for communication and sale to their guests. On average, guests spend 6 minutes on hotel websites, which gives many opportunities to attract future guests with bold photos, easy-to-read room descriptions and attractive offers to make a reservation decision simply and consistently. It is important to show how guests will feel when they arrive at their destination. If you make sure that the video is part of your web strategy, you will mesmerize your guests. But of course, a great website on its own is not enough. You must also have an optimized booking engine.

Additionally, smartphone is increasingly important each year and it's where guests in many markets prefer to book. If your smartphone experience is poor, expect them to book on Online Travel Agencies.

#### 2. Differentiate your Hotel and Direct Channel from Online Travel Agencies.

If you do not have enough resources to do this yourself, do not worry. You can still focus on differentiating yourself from your competitors by using multiple channels and always optimizing for direct. Here are some ways you can distinguish your hotel from OTA:

- Encourage customers to book directly: Encourage returning guests who book directly through your site. This can be easily achieved, for example, by providing a 10 percent discount code for any returning customer who is still much less than the commission paid by OTA.

- Conduct targeted marketing campaigns: to provide your guests with the appropriate offers and experience, you need to understand what do they want. Useful resources for finding such information include polls, online reviews, Google Analytics, as well as ideas from Facebook and Twitter. By exploring existing data from various sources, you can better give your guests what they want.

- Customize your guest experience: provide additional opportunities for customers making reservations. Create partnerships with local attractions, tours, restaurants and offer them as extras after a customer has booked a room with you.

- Differentiate your reservation packages: use innovations with room types as product offerings. Use your own booking engine to offer promotions and special offers that you don't offer in OTA. Regardless of the channels through which you sell your property, highlighting your strengths and offering them as benefits, you can stand out from the crowd and effectively promote your hotel.

### 3. Remember that 60% of Customers are Social Travelers.

According to Forrester, 60% of guests use one or more social networking platforms during their search, shop and buy process. Furthermore, social media is critical to manage TripAdvisor ratings, have a professional-looking presence on Facebook, and allow guests to engage over Twitter.

### 4. Ensure your Website and Booking Engine are Optimized for Smartphone.

When optimizing your hotel's website for smartphone devices, you need to follow 5 key principles:

- Pay attention to the need for speed: more than half of people leave the website if the download takes more than 3 seconds.

- Offer a clear value proposition. A good value proposition uses a customer-oriented language that answers the question: "Why should I book with this company?"

- Provide a clear call to action: use contrasting colors and fonts for greater clarity and that the action that the user needs to take is obvious.

- Prioritize visible content: over smartphone devices over folding space the most attention, so it's extremely important to indicate what is most important to the user.

- Customize key information: automatic completion of a target or product-specific search query, providing links to recent searches and using the automatic suggestion functions. [2]

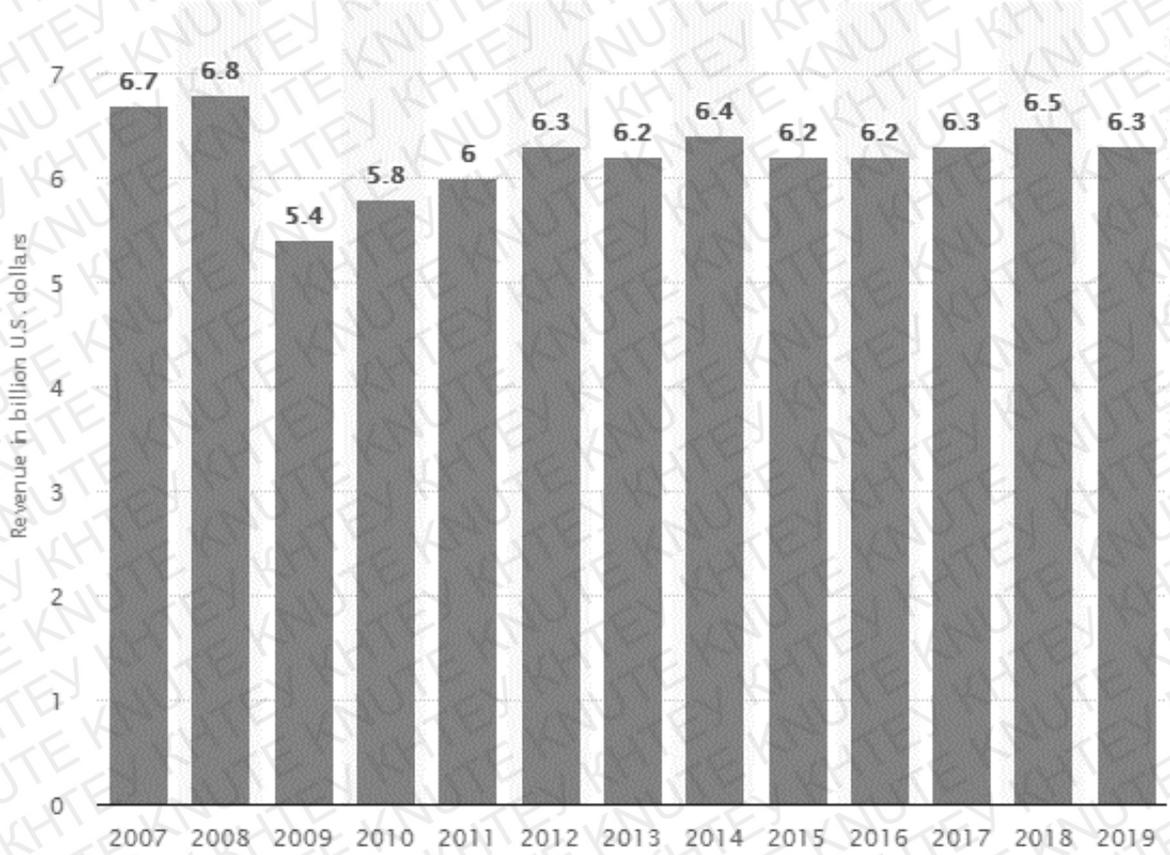
**Conclusions.** Internet marketing is a set of techniques aimed at attracting attention to the product or service, the promotion of this product or service on the network and its effective promotion for sale. The use of Internet marketing tools is one of the main ways to promote the brand and attract new customers for the effective functioning of hotel chains. Instead of racing for followers and likes on social media, hotels need to select sites and tools that are relevant to the business sphere that will attract the customer's attention to the purchase of a product and service. It is impossible to limit oneself only to social networks, the user should see the company's offer also in other communication channels: website, email, instant messengers, contextual advertising, video advertising, Internet media, on Facebook, Instagram or Twitter.

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Gross revenue of Holiday Inn hotels worldwide from 2007 to 2019(in billion U.S. dollars)



### SWOT Analysis of Holiday Inn corporate system

<u><b>Strength</b></u>	<u><b>Weaknesses</b></u>
<ol style="list-style-type: none"> <li>1. High reputation of the hotel chain in the world.</li> <li>2. Famous hotel chain operator (IHG).</li> <li>3. Average prices for services.</li> <li>4. The price corresponds to the quality of the services provided in the hotel.</li> <li>5. Developed corporate culture of the chain.</li> </ol>	<ol style="list-style-type: none"> <li>1. Not fully developed loyalty system for all guests.</li> <li>2. Conference service is not developed; there is no administrator responsible for the provision of conference room services.</li> <li>3. Low advertising intensity of the hotel on the Internet.</li> <li>4. Absence of unique selling proposition for new guests.</li> <li>5. Limited service range, what guests would like to see.</li> </ol>
<u><b>Opportunities</b></u>	<u><b>Threats</b></u>
<ol style="list-style-type: none"> <li>1. Availability of qualified labor on the Market.</li> <li>2. Good location and distances to the main city places.</li> <li>3. Located in the center of business city that attracts business travelers.</li> <li>4. Reasonable market regulations in the country in recent years.</li> <li>5. Growth of foreign investment in the country.</li> </ol>	<ol style="list-style-type: none"> <li>1. Economic crisis in Ukraine and in the world.</li> <li>2. Quarantine restrictions related to hard pandemic situation with COVID-19.</li> <li>3. Low population income in the country.</li> <li>4. Political instability in Ukrainian government.</li> <li>5. Instability of services consumption.</li> </ol>