

HAYEK GLOBAL COLLEGE

**MARKETING PLAN**

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## CONTENT

CONTENT	1
1. COMPANY OVERVIEW	3
2. STRATEGIC OBJECTIVES	4
2.1 Goals:	4
2.2 Mission	4
2.3 Customer Focus	4
2.4 Management Team	4
2.5 Competitive advantages:	5
3. SITUATION ANALYSIS	6
3.1 Industry analysis	6
3.2 SWOT analysis	8
3.3 Competition	8
3.4 Company analysis	9
3.5 Customer analysis	9
4. STP ANALYSIS	11
4.1 Segmentation	11
4.2 Targeting	11
4.3 Positioning	11
5. MARKETING STRATEGY	12
5.1 Services Offered	12
5.2 Price	12
5.3 Distribution	12
5.4 Promotion	12
6. FINANCIAL PROJECTIONS	14
7. IMPLEMENTATION PLAN	17
7.1 Objective - Growth	17
7.2 Marketing Objectives - Growth	17
7.3 Financial Objectives	17
7.4 Key success factors	17
8. EVALUATION & CONTROL	18

## 1. COMPANY OVERVIEW

Hayek Resort is a new full-service luxury hotel in Barcelona, Spain with unique agave collection. Owned by 4 local businessmen, the hotel will serve both local and international tourists who desire a comfortable and relaxing atmosphere. The Resort is designed with 6-story, and 100 luxurious rooms, with a restaurant, bar, pool, spa, event space, and with a fully equipped and spacious fitness center, with a breathtaking view of the city of Barcelona. The resort will be a perfect spot for weddings and events, meetings, retreats and many other activities with a touch of fun, comfort and luxury. The service and facilities will be excellent with a touch of first class and the caretaker will give guests high level care to ensure the hotel maintains high standards

The hotel will provide the following services:

- 96 luxury rooms, 4 presidential suites
- Swimming pool
- Full-service spa
- First-class restaurant and bar
- Complimentary wifi
- Parking service
- Concierge and butler service
- Conference hall
- Child care
- Transfer from and to the hotel
- Laundry service
- Spacious fitness center

## 2. STRATEGIC OBJECTIVES

### 2.1 Goals:

- Average annual occupancy 75% after 1 year of operation
- formation of a permanent customer base during 1st year of operation
- formation of sales channels for services (website, social media...) during 6 months of operation
- 9/10 on booking.com, 4,6/5 in Google review after 1 year of operation
- increase the percentage of repeat bookings up to 30% in 2 years of operation
- Net Promoter Score of above 40 from the customers after 1 year of operation
- Maintain the business and increase profit margin to at least 20% yearly
- Expand the business and offer other distinctive services within a year

### 2.2 Mission

The mission of the Hayek Resort is the best personal service, comfort, calm and refined atmosphere, a sense of taste and comfort!

Our philosophy is Caring for our Guests, as they are our Greatest Value.

To achieve our goals, the hotel employs high professionals committed to the concept of constant excellence. The Hayek Resort is proud, appreciates and cares about its employees working in a dynamically developing young company and makes every effort to improve their professional skills

Our main goal is continuous improvement and the formation of the highest level of customer service

### 2.3 Customer Focus

Hayek Resort will target the European population, travelers who come to Barcelona for work or entertainment. Guests have a high income, enjoy traveling, as well as visiting spas and expensive restaurants.

### 2.4 Management Team

Hayek Resort will be owned by Moses, Charles, Ksenia and Anton. The owners will form part of the executive management team heading major departments. There will be assistant managers supporting the owners and executive managers. Their main roles will be to communicate with all department heads and ensure that they are handling any and all issues that could affect the performance standards of the hotel. As the hotel grows, the assistant managers will each be assigned to oversee a specific division of the hotel.

The final tier of staff will be the operational and guest facing staff which includes all the people that work in the different hotel departments such as food and beverage; housekeeping;

the front desk; the bar; and the restaurant. We will continuously train our staff to ensure Hayek Resort is a profitable and successful business.

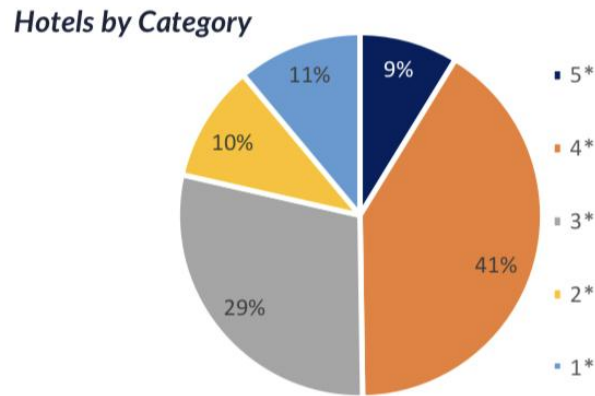
### **2.5 Competitive advantages:**

- Friendly, attentive, and highly responsive staff that caters to each guest and will be able to provide the best guest experience possible.
- Luxurious amenities throughout the hotel that will make each guest feel pampered.
- Modern and contemporary designed hotel tucked against a beautiful landscape perfectly suited to host any event.
- Competitive rates and frequent guest discounts.
- Differentiation of the services- having ample parking spaces, rooms for watching football, having fitness
- Having locals as part of the staff to blend with the culture and language of the community.
- Strategic location of the hotel with a favorable climatic conditions
- Robust infrastructure in the Barcelona City will make access to all
- Agility in management with flexibility in decisions influenced by changes in customer taste, choices and preferences.
- Use of technology in operations including digital marketing and data driven decision making
- Unique agave collection on the territory of the hotel

### 3. SITUATION ANALYSIS

#### 3.1 Industry analysis

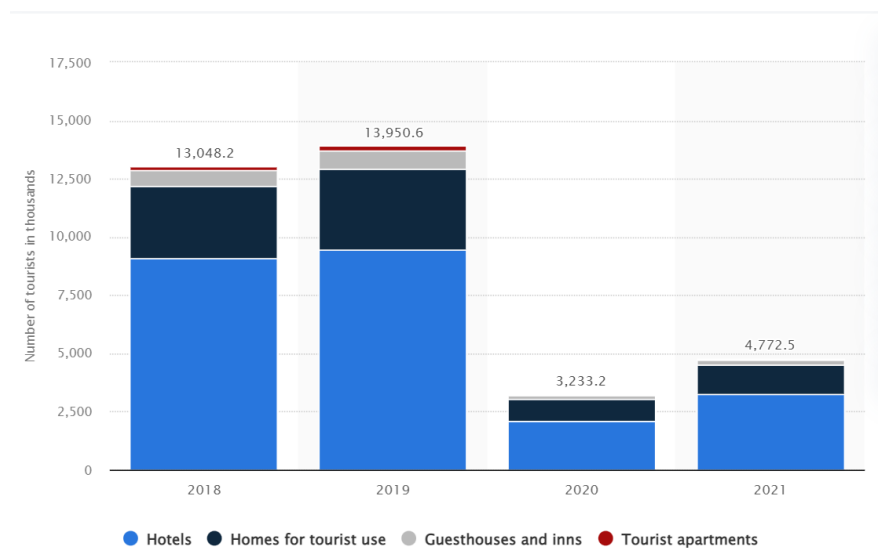
First of all, it's important to look at the structure of members in our segment, that is provided in the picture below.



Source: Catalan Statistic Institute

Source: Catalan Statistic Institute

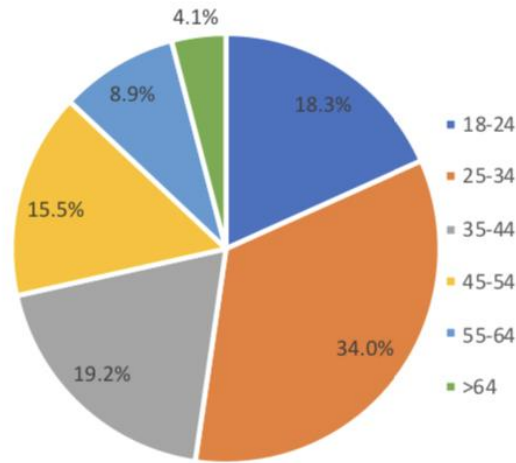
Number of tourists in commercial accommodation establishments in Barcelona, Spain from 2018 to 2021, by type



Source: Catalan Statistic Institute

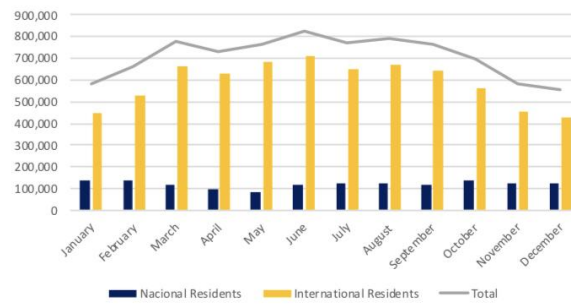
This information below will be useful to define the target market of the hotel.

**Average Tourist Age**



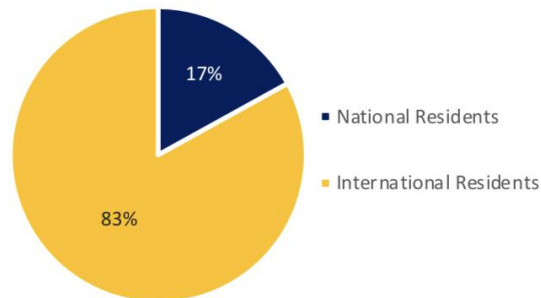
Source: Catalan Statistic Institute

**Barcelona Travellers**



Source: Catalan Statistic Institute

**Tourist Origin**



Source: Catalan Statistic Institute

### 3.2 SWOT analysis

Strength	Weaknesses
<ul style="list-style-type: none"> <li>● Parking</li> <li>● Wellness spa services</li> <li>● Close proximity to the sea</li> <li>● Modern renovation</li> <li>● Transfer from airport</li> <li>● Restaurant and bar for hotel guests</li> <li>● Swimming pool</li> <li>● Entertainment activities for children</li> <li>● High quality of services</li> <li>● View from the window to the sea</li> <li>● Customer segment medium +</li> <li>● Availability of an event hall</li> <li>● Convenient location</li> <li>● Continuous staff training</li> </ul>	<ul style="list-style-type: none"> <li>● Lack of customer base</li> <li>● The site is under construction</li> <li>● Low recognition of the hotel</li> <li>● Lack of loyalty program and discount system</li> <li>● Need of constant cleaning service due to the light style of the hotel</li> <li>● Seasonality of the hotel</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>● Increasing number of tourists in Barcelona</li> <li>● Increase in public investment in the tourism sector</li> <li>● Decrease in the number of small hotels in connection with the tightening of control over compliance with legislative norms</li> <li>● Popular people can record life blogs in our hotel</li> <li>● Potential to expand the territory of the hotel by buying it from a neighboring hotel</li> <li>● Potential reduction on consumables</li> </ul>	<ul style="list-style-type: none"> <li>● Increase in the number of competitors</li> <li>● Demand will exceed supply</li> <li>● Increasing tax pressure</li> <li>● As a result of the war in Ukraine, the purchasing power of the population may decrease</li> <li>● Tightening sanitary requirements</li> <li>● Decline in profits due to inflation and rising cost of expendable materials</li> <li>● Headhunting on trained staff</li> <li>● Increasing competition</li> <li>● Restriction due to Corona-19 pandemic</li> <li>● Market saturation</li> </ul>

### 3.3 Competition

Improving and maintaining the best quality services and exceeding the expectations of the guests is one way to challenge the competition as research reveals that most hotels are struggling with increasing customer satisfaction. Having rating applications and reviews for the guests among other methods will keep Hayek Resort in check to always deliver quality.



Another threat to competition in the hotel industry is managerial challenges in human resources. Our resort will create a dynamic climate in which all staff members actualize their potential and have a sense of ownership cultivating the culture of “one people”. This will be achieved through bottom-up policy and decision-making process ending up in a friendly atmosphere for both guests and colleagues.

Most hotels pay less attention to innovation despite the frequent change in tastes, preferences, and choices of the customers. Hayek resort will collaborate with hospitality institutions for innovation and research work aimed at using new technology, repositioning, renovating, and launching new products and services to our guests constantly.

Our main competitors in Barcelona are 4 and 5 star hotels. Barcelona hotel market is full of offers and you have to be always one step ahead to compete with them. Examples of such hotels are NH Collection Barcelona Gran Hotel Calderon, Hotel Bagués, Gran Hotel La Florida G.L Monumento. They provide a similar range of services and are in the same price category with us.

### **3.4 Company analysis**

Hayek Resort will be serving both the international market (tourists) as well as local restaurants. It will be operational in 6 months' time.

To succeed in developing a profitable business Hayek Resort will focus on quality and flexibility. Demand for quality hospitality services and memorable experiences is key to tourists who are our main guests. Our pursuit of quality coupled with flexibility will allow us to exploit market opportunity and growth.

The performance will be monitored through Revenue: monthly and annual, Expenses: monthly and annual, Repeat guests, and Customer satisfaction metrics.

### **3.5 Customer analysis**

Business clients.

Cooperation with business clients can be considered in two dimensions.

Holding events in the conference hall. The hall can be rented for events. At the event we can promote hotel services: catering, cleaning, furniture, audio equipment, etc. Also, the clients of the event can use the targeted services of the hotel, namely accommodation in rooms.

Travel companies are a serious tool for increasing the reach, recognition and overall profit of the hotel. Of course, the hotel will earn less from each client from the travel agency, but this tool has its big advantages: full outsourcing. Promotion and sale of hotel services falls on the shoulders of tour operators.

Private clients are tourists, travelers. They are representatives of the medium + segment and prefer a family, relaxing holiday. They come to one of the most popular resorts in Europe to relax by the sea and see a very beautiful city.

Such clients know the value of money and want the price to be justified by the quality of the services provided and the rest.

## 4. STP ANALYSIS

### 4.1 Segmentation

Hayek resort will be segmented based on location of the customers, age, marital status and purchasing power. The segments will be called Tiers for identification from Tier 1 (lowest) to Tier 4 (the highest).

**Tier 1** – This will be made up of regular locals interested in simple common meals.

**Tier 2** - is made up of young both unmarried (dating or Single) and married couples, who are primarily interested in affordable, eco-friendly vacations in exotic locations.

**Tier 3** - families with incomes above average (3500+ Euro), that are keen on safe, family-friendly vacation packages that make it easy and fun to travel with children.

**Tier 4** - comprises of upscale retirees, rich and affluent, who are looking for stylish and luxurious hotels and are willing to spend more on their comforts. Mostly foreign tourists who are keen on staying a week or longer.

### 4.2 Targeting

The most profitable audience are families with a good income, pensioners and businessmen/wealthy people. Most of these people are living in Europe.

A quiet family vacation will be provided with an impeccable climate, a city with a rich history, as well as high quality services. Business people will be able to combine work and leisure at sea.

### 4.3 Positioning

Hayek Resort positions itself as a premium hotel with the highest quality of service for wealthy people. It will be comfortable for families with children, pensioners, as well as young people and businessmen with their partners.

## **5. MARKETING STRATEGY**

### **5.1 Services Offered**

Hayek offers its visitors an unforgettable vacation by the sea in very popular tourist city Barcelona.

The hotel is equipped with parking, playground, swimming pools, bars, restaurant, conference room and spa.

Parents can entrust their child to responsible people who will entertain children as much as possible and make their pastime unforgettable. And at the same time, parents will be able to enjoy the rest together on the seashore, or in the pool at the bar.

Business people can combine holidays in Hayek with their work, as the hotel services include a conference room with all necessary equipment. There you can both hold a meeting and organize an event that will not interfere with other vacationers in the hotel.

Also, the conference hall can be rented by ordinary residents of Barcelona who are involved in events.

The on-site restaurant is open all year round. This allows the hotel to make a profit even when the season has already ended.

### **5.2 Price**

Prices are fixed at the “Above average” level. May vary in proportion to average market prices. It is supposed to have a loyalty program for regular customers. A regular customer is one who makes a booking for the third time. There may also be unique discounts in advertising integrations of bloggers.

### **5.3 Distribution**

Direct sales: will be carried out directly through the official website of the hotel, social networks, the official page on Booking.com and by phone. Also, the client can book a room directly at the reception.

Travel companies will be a particularly important sales channel at the initial stage, because the hotel has not yet been heard and the image has not been formed. With the help of travel companies, we can collect the first customer base, the first reviews and launch word-of-mouth distribution. The latter will help you start making direct sales.

In the first 6 months of operation Hayek Resort will use four distribution channels.

1. Direct website booking

Hayek Resort will consider the hotel website as the primary source of direct booking. The hotel website will be updated frequently with all products and services and the pricing.

## 2. Direct phone bookings

Hayek Resort will ensure to have professionally trained call center agents to monitor the reservation line at the front desk and offer the best customer service and establish perfect relationships with customers.

## 3. Travel Agencies

Hayek Resort will also utilize some of the best travel agencies to market its products and services. The hotel will offer competitive but affordable pricing in order to attract customers.

## 4. Global distribution Systems

In order to connect with travel agents, Hayek Resort will use Global Distribution Systems (GDS). This is used by travel agents to browse hotels, view rates and check availability.

## **5.4 Promotion**

The hotel and its services will be promoted in different ways.

Popular personalities are a very good option for promoting hotel services. We can invite them to stay in our hotel as part of a promotional agreement. Throughout the rest period, this person will talk about his emotions and impressions about our hotel to his millionth audience. Lifestyle bloggers can just keep blogging, but our hotel will always be in the background. This ad can be either direct or native.

Booking.com is also a good way to sell hotel services. In almost 100% of searches for hotels, this website is the first in Google searches. This website can shape the image of the hotel and increase its awareness. Also a big plus is that only those people who rested in it can publish reviews.

A premium hotel must have its own website, which lists all the benefits and services of the hotel. The promotion of this site is possible both in Google.ads and simply in blogger's publications.

Social networks are also one of the important elements of marketing communications with the client. If a brand can openly communicate with customers, as well as create a social account that is interesting to follow, then this can give a big impetus to the development of both the brand and the business as a whole.

Also very promising is advertising on the websites of airlines and at the airports themselves. Due to the fact that the plane is quite an expensive mode of transport, not everyone can afford

it. That is, people who are not included in the segment of our audience are automatically eliminated.

Logo examples:



Video for promotion: <https://youtu.be/GSl8b0q7GC4>

## 6. FINANCIAL PROJECTIONS

### Sales Projections

Hayek resort will be open to offering breakfast, lunch, and dinner, with a focus on the business professional lunch crowd and accommodation. The following are the assumptions upon which the financial projection is built on;

### Sales Assumptions

1. Average bookings of the room per day is 50 out of 100
2. At full capacity the restaurant will serve 200 people for breakfast, 200 for lunch, and 200 for dinner
3. We will have 1 month of expenses, renovation, and training before we begin operations
4. First-year sales will be at 30%, second year at 60%, third year at 70% and the rest of the years at 100%

### Revenue Projections

At a full capacity of 100 rooms each having 2 beds,

Per night we shall be charging 180 €

Per meal, we shall be charging 35 € but breakfast is included in the accommodation cost.

Accommodation revenue will be  $100 \times 2 \text{ beds} \times 180 \text{ €} = \text{€ } 36,000$

Meal revenue will be  $100 \times 2 \times \text{€ } 35 = \text{€ } 14,000$

Total revenue = € 50,000 per day

In a year, revenue will be  $30 \times 12 \times \text{€ } 50,000 = \text{€ } 18\text{M}$

### Expense Projections

Operating expenses will be salaries, wages, taxes, advertising, maintenance, and miscellaneous. The owners will be working for free initially to help stabilize cash flow during the first year.

Labour costs to be 20% of the sales

Cost of food to be 10 % of the sales

Marketing to be 5% of sales

Miscellaneous to be 10% of sales

Taxes to be 48% of the gross profit

Expenses at a full capacity will be;

Labour costs -20% x 18M

Cost of food to be 10 % x 18M

Marketing to be 5% x 18M

Miscellaneous to be 10% x 18M

### **Net Profit Projection**

Total expense will be 8.1M

Gross profit (GP) = Revenue – expenses = 18 M – 8.1 M = 9.9M

Tax = 48% of GP = 0.48 x9.9 = 4.75M

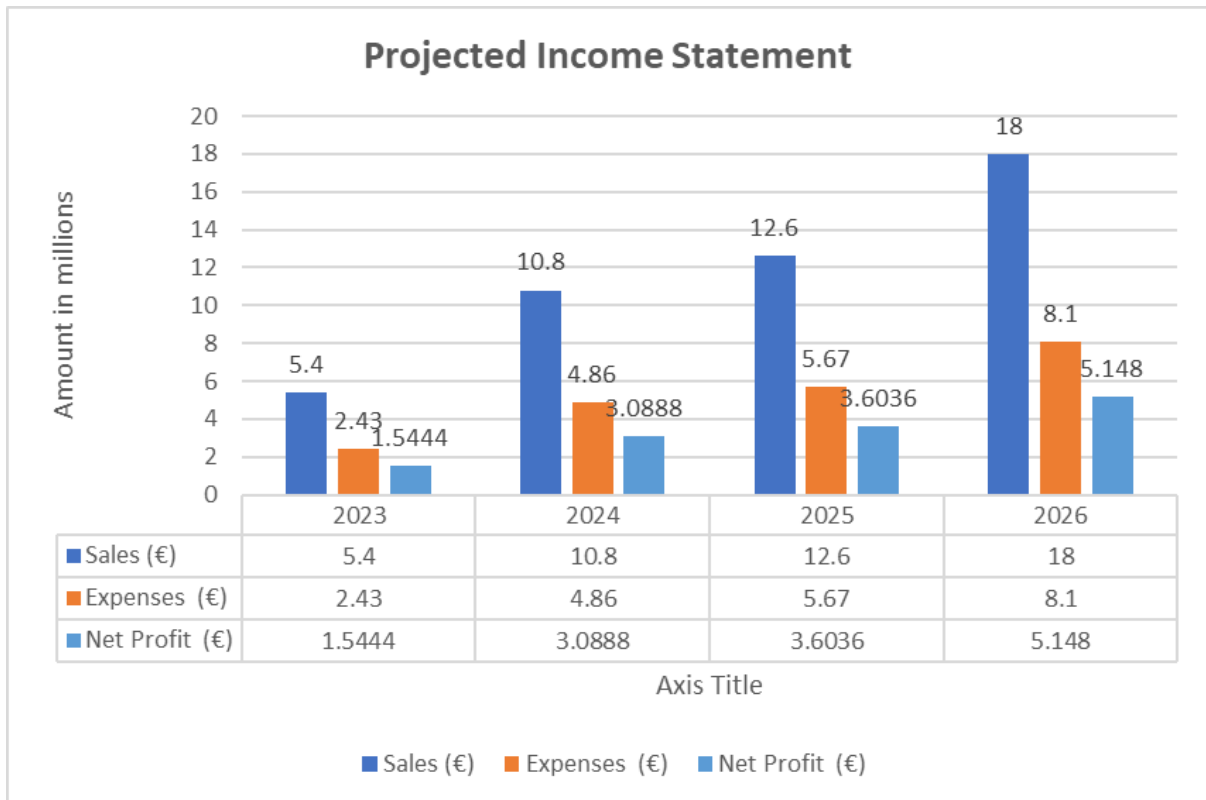
Net Profit = GP-Tax = 9.9M-4.75M = 5.148M

The projected Net profit at full capacity is € 5.148 M

With the 30%, 60%, 70% and 100 % projected trend of occupancy, summary will be as follows

<b>Projected Income Statement</b>				
<b>Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Sales (€)</b>	5.4	10.8	12.6	18
<b>Expenses (€)</b>	2.43	4.86	5.67	8.1
<b>GP (€)</b>	2.97	5.94	6.93	9.9
<b>Taxes (€)</b>	1.4256	2.8512	3.3264	4.752
<b>Net Profit (€)</b>	1.5444	3.0888	3.6036	5.148





## 7. IMPLEMENTATION PLAN

An advertising campaign to attract customers for the summer season will be launched in October. A spa salon is planned to open at the end of November, and visitors will be offered discounts when booking a hotel for the summer season. It is necessary to achieve the highest possible level of recognition of the hotel so that in the summer season you can get as many customers and reviews as possible. This will form the initial image of the hotel, which will subsequently lead to an increase in the number of visitors and profits, respectively. The hotel will operate all year round.

### 7.1 Objective - Growth

The first six months are planned as preparation for the summer season and do not imply high room occupancy. The purpose of the preparatory company is:

- Pre-booking 30% of the available rooms for the summer period, as it implies the main profit.
- 25% hotel occupancy from October to May.

The second half of the year implies the formation of an image, receiving feedback and feedback. The goal of the second half of the year is:

- 60% occupancy of rooms for the summer period.
- Pre-booking for the winter period 30%.

### 7.2 Marketing Objectives - Growth

Marketing goals for the first year are:

- Building a customer base;
- Formation of the hotel's image;
- Getting ratings and reviews in Google and Booking;
- Increasing the visibility of the hotel;
- Increase in repeat bookings for different seasons.

### 7.3 Financial Objectives

#### Revenue objectives

1. Revenue growth (percentage or value) - Aiming to grow total revenues by 30% on average, reaching €1 million in annual revenue.

2. Sales maximization - maximizing total sales no matter profitability.

3. Grow market share to 40%.

### **Cost objectives**

minimize the cost of production without lowering the quality of service by basically cutting variable costs to € 20 per unit.

### **Profit objectives**

1. Grow revenue and cut the cost of operation to generate a higher profit.
2. Achieve an operating profit of € 0.5 million.
3. Achieve an operating profit margin of 20% as the profitability rate.
4. Maximise the total profit for the year.
5. Exceed the industry by growing the gross or operating profit margin higher than the competitors

### **Cash flow objectives**

Improve the cash flow through.

1. Reducing borrowings,
2. Minimising interest costs,
3. Reducing inventory and credit sales,

### **Investment objectives**

Invest 10% of revenues per year on expansion through adding more assets and opening new branches.

## **7.4 Key success factors**

### **Location and seasonal offers.**

The hotel has an ideal location for relaxing by the sea. It is located on the first coastline in the heart of Barcelona. In winter, the hotel also functions, as it has a heating system and an excellent spa complex. Also, a restaurant is open all year round, which can offer customers only high-quality and gourmet food.

### **Professional staff.**

All personnel will be trained before the offense to work. The hotel will offer the best working conditions for staff in order to keep the level of motivation at the highest level and reduce staff turnover to a minimum, since it is much easier and more efficient to work with permanent staff.

### **A unique collection of Agaves on site.**

The hotel is a full-fledged nature reserve with a collection of agaves from around the world. The visitor will always be pleased to spend their holidays in the green zone. This has a positive effect on both human health and emotional mood. This beautiful plant is also depicted on the hotel logo.

### **Continuous feedback tracking**

The hotel will be completely client-oriented. Feedback will be analyzed on a regular basis in order to continuously improve the quality of the hotel's work. After the rest, all guests will be sent a questionnaire to find out the assessment and their comments regarding the work of the hotel and staff.

### **Rest diversification**

Our hotel is ideal for both a cozy family vacation and business meetings.

## 8. EVALUATION & CONTROL

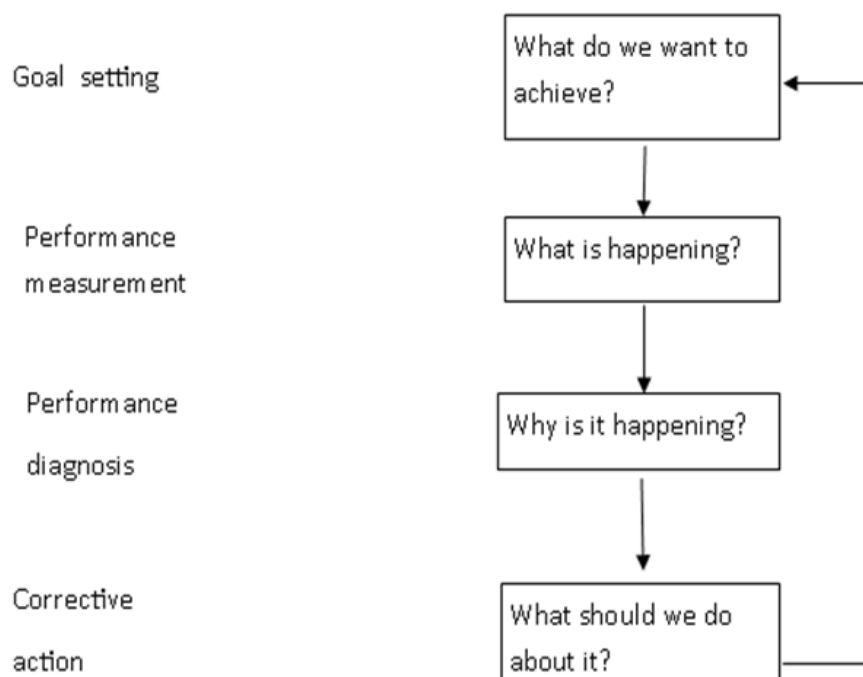
### Evaluation

Management at Hayek Resort will every month evaluate the performance of all personnel in the marketing and sales department. Management will ensure to evaluate whether employees fit the positions they hold and are actually qualified to hold their positions. This will be done in order to ensure efficiency and effectiveness in terms of service delivery to customers and allow the organization to build a good relationship with both customers and employees.

### Control

In order to achieve marketing objectives and general organizational objectives, Hayek Resort management will establish a control process that will set performance standards, evaluating actual performance by comparing it with set standards and reducing the difference between desired and actual performance. The company will use the control process shown below.

#### Marketing control process



Source: iEduNotes.com

Evaluation and control will be done mainly to find new opportunities and avoid threats, keep performance on track and solve problems efficiently and effectively.