

Article Title

Airbnb and the Hotel Industry: The Past, Present, and Future of Sales, Marketing, Branding, and Revenue Management

Citation

By: Makarand Mody; Monica Gomez. In: Boston Hospitality Review, Vol 6, Iss 3 (2018); School of Hospitality Administration, 2018

Abstract

For a long time, the hotel industry did not consider Airbnb a threat. Both the industry and Airbnb claimed they were serving different markets and had different underlying business models. Over the years, as Airbnb become more successful and grown to being larger than the companies in the hotel industry, the rhetoric has changed. The hotel industry began to realize they had something to worry about. This article looks at the past, current, and future states of Airbnb and the hotel industry in terms of sales, marketing, branding, and revenue management.

Conclusion

In sum, hotels must adopt a sales, marketing, and revenue management approach that is both strategic and tactical. At a strategic level, hotel brands need to re-think their story, and how they portray and fulfill their authenticity and brand promises. Storylines are important to the younger generations that are upcoming and future customers. At a tactical level, it's the experience and value beyond the guestroom that must be factored into what is presented to current and potential guests, what they are charged for it, and how it is leverage to create "memorable memories" that lead to higher net promoter scores and brand loyalty. We have reached the age of "experience marketing" and hotels must cash in in order to maintain an edge and turn a profit.

