

Research on Marketing Strategies for Parent-Child Hotel Products Based on the Needs of the 'New Middle Class' Family''-A Case Study of Hotel A

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Abstract: In recent years, the market demand for parent-child tourism has been robust, with many hotel products actively transforming towards parent-child themes to seize market share. However, many hotels on the market offer parent-child products with low experiential and participatory quality. During the marketing process, they often take advantage of the industry's momentum for parent-child travel, using children as a marketing theme to create hype and attract attention without substance. This paper takes Hotel A as a case study, analyzes the characteristics of hotel customer demand, and summarizes targeted product marketing strategies, with the aim of providing reference for the marketing of other parent-child hotels. In recent years, family travel has gradually become the main consumption method for consumers both domestically and internationally. Parent-child tourism, as a new type of tourism model, has also received increasing attention and emphasis. The market size for parent-child tourism continues to grow and expand. At present, the development of domestic parent-child travel products is still in its infancy, with the hotel industry investing resources and introducing a large number of parent-child themed hotel products. These parent-child hotels not only meet the needs of family travel but have also become an indispensable part of the accommodation and leisure entertainment for parent-child tourists during their trips. However, many hotels on the market offer parent-child products with low experiential and participatory levels. During the marketing process, they often exploit the trend of the parent-child travel industry, using children as a marketing theme to create hype and attract attention without substance. Therefore, it is very necessary to analyze the characteristics of hotel customer demand and to explore targeted marketing strategies for parent-child hotel products. This paper takes Hotel A as a case for analysis and discussion.

1. Analysis of the Operational Status of Hotel A

Hotel A is a resort-style hotel that opened in April 2018. Located in the suburban area of the city, the hotel is surrounded by abundant natural resources. The hotel is committed to creating a leisure and vacation model that integrates into the local lifestyle, catering to the guests' pursuit of a beautiful life and providing a local living experience that encompasses family togetherness, relaxation, and emotional bonding.

Through an analysis of the hotel's guests, it is found that married individuals account for 69% of the total number of hotel stays. The age group of 36-45 years old represents the largest market segment based on age breakdown. Concurrently, big data from the development of domestic tourism shows that middle-aged individuals, after striving and working hard in their youth, have essentially completed the largest family expenditures—housing and vehicles—by middle age. They possess a certain economic foundation, have slowed down their work pace, and begun to enjoy life. Compared to the elderly, middle-aged individuals are in a robust phase of life and constitute the main force in the domestic tourism market. Additionally, considering the average age of marriage and childbirth in China, the vast majority of this middle-aged demographic already has children, indicating a stronger demand for tourism. Therefore, the middle-aged, married segment has become the target market for parent-child hotels.

2. Analysis of the Demand Characteristics of Parent-Child Tourism Market for Hotel A

2.1 Analysis of the Guest Portrait of Hotel A's Guests

The guest portrait is a labeled user model abstracted from information such as user attributes, preferences, living habits, and behaviors.

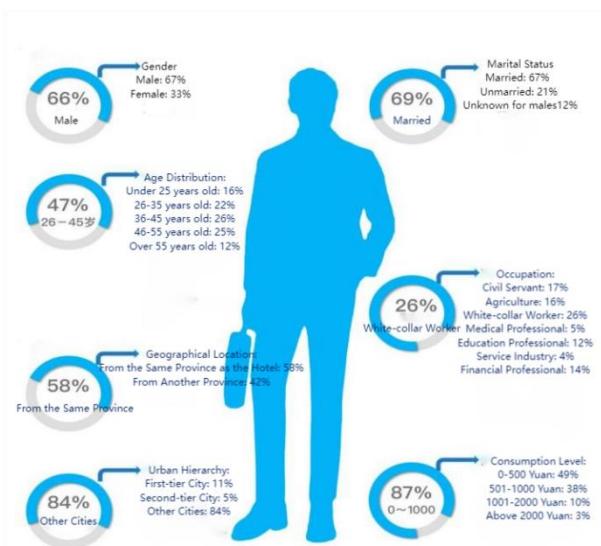


Figure 1. Guest Portrait

A total of 538 guests, who are considered very important and important to Hotel A, were selected. Through indicators such as gender, age, marital status, occupation, consumption level, and origin, a comprehensive profile of a user is abstracted to represent the target customer image of the hotel.

Cluster analysis has highlighted the following user tags:

Male, married, aged 26-45, white-collar, middle to high-income group

Based on the guest portrait, and in conjunction with the aforementioned positioning of the hotel's customer base, the "new middle class" family holiday travel market is chosen as the hotel's ultra-niche market.

2.2 Hotel Hyper-Segmentation Market User Analysis and Demand Judgment

2.2.1 Analysis of the "New Middle Class" Family Users

The "New Middle Class" is defined as follows: According to Baidu Baike, this class is characterized by four main attributes: youth, with post-80s and post-90s generations as the main force, accounting for 61.4% of the population aged 25-40; a good educational background, with 59.7% holding a bachelor's degree or above; an annual income of over 100,000 RMB; and a pursuit of a quality and attitudinal lifestyle, with a passion for travel and fitness.

According to the "2020 China Consumer Survey Report" by McKinsey, China's current middle-income population is vast, exceeding 300 million people. Moreover, it is projected that by 2025, the new middle class will exceed 500 million people, which means that over half of the urban population in China could be part of the new middle class, with a total disposable income reaching 13.3 trillion RMB. Among the nearly 300 million new middle-class individuals in China, the post-80s and post-90s generation of parents are the backbone of the parent-child tourism consumer market. They are characterized by high consumption capacity, strong willingness to consume, and high expectations for parent-child travel. Their selection criteria and evaluation factors for parent-child travel destinations are important standards for judging the quality of a destination.

2.2.2 Judgment of the "New Middle Class" Family's Travel Demand

Work Pressure Stimulates High-Frequency Leisure and Vacation Needs Modern people

Due to long-term exposure to adverse living environments such as air pollution and high-decibel noise, as well as long working hours and intense work pressure, often seek relaxation and a temporary escape from their daily work environment by immersing themselves in nature and breathing fresh air. The new middle-class population living in cities often has a strong demand for leisure and relaxation, leading to a higher frequency of travel and vacation behavior.

Family Travel Consumption Becomes Routine, with High Frequency of Travel on Weekends, Holidays, and Winter and Summer Vacations

According to the "Middle-Class Family Travel Consumption Survey Report" released by Ctrip, among middle-class families with an annual income mainly between 100,000 and 300,000 RMB, 42% allocate more than 10% of their income to travel. Travel consumption for the new middle-class family has become a routine, with many families opting for nearby travel once a quarter, and some even achieving a high frequency of suburban getaways once a month. Family travel is usually scheduled for weekends, holidays, and the longer winter and summer vacations when children are off school, as parents often choose to take time off to travel with their children during these extended breaks.

The "Micro" Vacation Becomes a Lifestyle for Many Middle-Class Families

Due to limited leisure time and the current promotion of "local travel" amid the pandemic, there is a strong demand from new middle-class families for short-distance travel and vacation options, with suburban getaways showing a clear trend. The core characteristic of a "micro" vacation is its brevity, typically centered around the city where the traveler resides, with self-driving tours as the main mode of travel, utilizing leisure time on weekends to visit destinations within a 1-hour drive, or at most 2 hours away. "Short distance, easy access, and high frequency" are the main features of

a "micro" vacation. A well-functioning suburban "micro" vacation destination for the city should meet the basic needs for a weekend getaway: leisure, accommodation, dining, and services.

Greater Emphasis on Hotel Quality and Value-Added Services In terms of accommodation expenses

The per capita spending on parent-child travel for middle-class families is more than 20% higher than the overall average, with a significantly lower price sensitivity compared to other market segments. As a result, they are willing to spend more on characteristic accommodations and hotels that are popular with children. In addition, "scenic landscapes," "cultural essence," and "parent-child experiences" are must-haves for middle-class family vacations, with dining experiences being a crucial part of the vacation. Nearly 80% of middle-class families value the dining experience, and more than half are more easily swayed by the desire to consume local specialty cuisine. Since families with children often travel together, dining at the hotel is the best choice for them. Therefore, the hotel's distinctive dining and various experiential activities are also important factors for middle-class families to consider.

High Demand for Diverse Hotel Products

In the category of family travel products, families with children aged 6-12 have the highest proportion, while the likelihood of children over 12 years old traveling with their parents decreases significantly. The demands of parent-child travel are greatly influenced by the age of the child, with different content dimensions for children of various ages. Children aged 6-12 and their parents are the main participants in high-end hotel parent-child travel products. Parent-child tourists hope that the destination can provide a variety of products and that these products have certain educational functions, are novel and fun, and have strong interactivity. Guests in this stage expect the hotel's parent-child travel products to be both educational and entertaining, preferring sports-oriented and relaxed activities. They hope to integrate a "cognitive" process into the parent-child travel activities, allowing children to learn knowledge and skills, enrich their understanding, and leave behind valuable and memorable experiences.

Families with children aged 3-6 are also an important target for family travel. Children in this stage are mainly in the "curiosity" and "interest" phase. Guests in this stage hope that high-end hotels can provide parent-child travel products that satisfy the children's curiosity and enthusiasm, focusing on communication and connection between children and parents during the participation in hotel parent-child travel products. The activity process requires many games, and parents mostly take on the role of partners, with extremely high safety requirements for the facilities and equipment of the hotel's parent-child travel products.

Families traveling with children aged 13 to 18 place more emphasis on the rebellious psychology of adolescence, hoping to increase communication between parents and their adolescent children through special hotel parent-child travel activities. This allows both parties to appreciate family bonds, learn to be tolerant, and bridge generational gaps during the hotel experience with parent-child travel products. Guests in this stage consume hotel products that are child-led, preferring adventurous and exploratory activities.

3. Analysis of Sales Channels for Guestroom Reservations at Hotel A

A review of the guestroom reservation data from the past three years at Hotel A indicates that the majority of guests reserve their accommodations through the hotel's booking center, walk-in traffic, and corporate agreements, with government entities and travel agencies following as secondary sources of bookings. Notably, there have been minor annual fluctuations in these figures between 2018 and 2020.

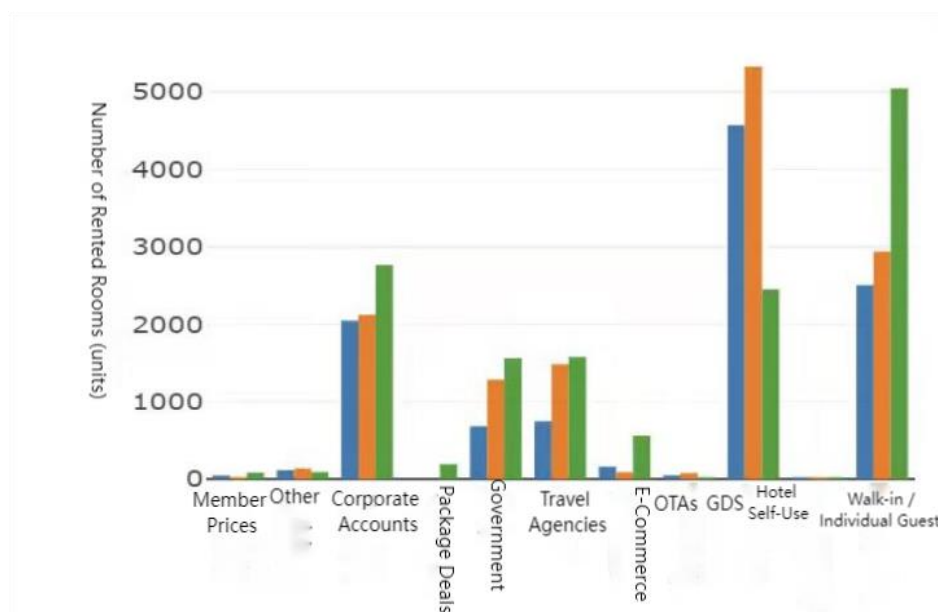


Figure 2. Analysis of Sales Channels for Guestroom Reservations at Hotel A

The analysis of the data reveals that Hotel A has successfully developed a robust sales channel infrastructure, which includes both direct and indirect routes to market.

A closer look at the sales volume for guestrooms shows that a substantial portion of bookings are processed through the hotel's reservation center and walk-in guests, indicating a preference for direct booking channels. This preference for direct channels enables the hotel to exert more immediate and targeted control over its market strategy.

Firstly, it allows for the direct collection of pertinent information from potential travelers, leading to the creation of detailed customer profiles. This, in turn, aids the hotel in gaining a deeper insight into the needs and preferences of its clientele, informing continuous improvements in product offerings and overall service quality.

Secondly, by bypassing intermediaries, the hotel can provide its products at competitive prices, enhancing its value proposition to consumers. When the hotel's target demographic is more focused, leveraging direct sales channels can eliminate intermediary costs, reducing overall distribution expenses.

Furthermore, the data hints at a lower frequency of bookings made through membership rates, which may suggest that the hotel's guest loyalty could be improved, or that the current membership program does not sufficiently incentivize its patrons.

Hotel A has also garnered a reliable stream of clientele through collaborations with corporate partners, travel agencies, and government bodies, with corporate agreements constituting the most significant segment of indirect sales channels. However, the hotel's operational data indicates a lower occupancy rate on non-peak days, which may warrant the exploration of additional indirect sales avenues to ensure a more consistent flow of reservations.

4. Marketing Strategies and Recommendations for Parent-Child Tourism at Hotel A

4.1 Deepen the Development of Family Resort Hotel Products

Resort hotels, as one of the most crucial carriers in the current transformation of the tourism industry from sightseeing to leisure and vacation, are essential supporting facilities for enhancing

visitor experiences and increasing the per capita spending of guests. Resort hotels are not only places of repose during a journey but also destinations in their own right, tailored to brands that offer comprehensive functionality, high-quality environments, and align with the lifestyle of the middle-class family.

4.1.1 Create Distinctive Family Accommodations

Beyond the standard family rooms and children's rooms, Hotel A can develop unique lodging options such as wooden cabins, RV camping, tent camping, and treehouses. These non-traditional accommodations can be combined with the hotel's distinctive features to showcase the essence of parent-child products, thereby enhancing competitiveness. The hotel can incorporate child-themed facilities that align with the characteristics of different departments. For example, a dedicated children's dining area with an animated theme can be established in the hotel's Western restaurant, complete with a variety of children's dining chairs, child-friendly tableware, and a menu featuring family-oriented meal sets.

4.1.2 Position the Hotel as a Family Travel Destination and Develop Supporting Products

In addition to favoring hotels with a good ecological environment and natural scenery, resort guests place great importance on the hotel's supporting facilities and products. Currently, Hotel A offers a range of parent-child facilities and activities, including swimming pools, children's playgrounds, farm picking, petting zoos, and family education courses. Modern parents value the nurturing of abilities during play more than the mere provision of equipment and items to create a parent-child interactive environment. Therefore, it is crucial for the hotel to create a high-quality parent-child vacation project by employing a multi-faceted approach that breaks through the limitations of traditional environments and settings. For families with younger children, the hotel should provide a range of supporting services and care, as parents may struggle to keep up during play. The service personnel and staff involved in the parent-child travel project should possess specialized experience in accompanying and caring for children.

4.1.3 Emphasize Parent-Child Interaction in Hotel Product Design

A rich array of parent-child interactive products can significantly enhance the experience of parent-child travel programs. The hotel should develop and incorporate more content and segments that foster parent-child interaction. In addition to parent-child facilities, the hotel should focus on creating products that cater to children's preferences, as meeting the needs of children can also retain the interest of their parents. The demands of family travel are not solely product-centric but also consider the personal needs and desires of the parents. In this process, it is essential to consider various factors that can influence the emotional experience between parents and children, such as interaction and emotional resonance.

4.1.4 Integrate Education and Entertainment in Hotel Product Design

There are category differences in hotel product selection for families with children of different ages. Products featuring natural scenery meet the outdoor experience needs of family users and are the preferred choice. Children aged 12 and under, who are in the cognitive development stage, favor products with strong entertainment elements, such as theme parks and botanical gardens. Older children place more emphasis on the cultural connotations of travel products, seeking self-improvement, and nature study tours become the guiding demand for this group of users.

Continuously exploring the interests of children of different ages, stimulating, and matching user interest points, and increasing the level of differentiated services in terms of theme types and experience depth will continue to be a focus for future parent-child travel operations by tourism enterprises and suppliers.

4.1.5 Design Family-Friendly Products Suitable for All Ages

On the basis of focusing on family travel products, it is also necessary to consider the vacation needs of the elderly and married couples without children, designing hotel products that are suitable for all ages, such as exquisite meals, fruit and vegetable picking, music parties, afternoon tea, and chess and card rooms.

4.2 Establish Reasonable Pricing Setting

Reasonable prices can give Hotel A a competitive edge and maximize the value of the hotel enterprise. In line with the hotel's positioning and the main consumer groups, the following strategies are proposed.

4.2.1 Discount Pricing Strategy

The essence of discount pricing in pricing strategy is to reduce prices while maintaining costs to expand marketing. The hotel's product discount marketing can take several forms:

Firstly, weekday (Monday-Thursday) discounts: According to Hotel A's data, the periods with higher occupancy rates are concentrated during winter and summer vacations, holidays, and weekends. The off-peak seasons coincide with the children's vacation times when many families choose to travel. However, during the weekdays (Monday-Thursday), there are fewer guests. Offering discounts on room rates during these times can yield excellent results, fulfilling the hotel's sales tasks and ensuring sales revenue.

Secondly, quantity discounts: Price preferences based on the different consumption quantities of guests. This is mainly aimed at multiple family guests composed of friends and relatives. For example, several groups of family guests can enjoy a 10% discount on room rates, and those who stay for a longer time can receive a 20-30% discount. The front desk can recommend these offers when guests check in or during hotel promotions. Guests who choose parent-child products will receive greater discounts than other guests, enhancing their consumption experience.

When consumption reaches a certain amount, the hotel can offer tickets and admission vouchers for some hotel activities, which can also increase customers' enthusiasm for consumption.

4.2.2 Psychological Pricing Strategy

Consumers are very sensitive to the numbers in purchase prices. The hotel can add a small fraction to the normal selling price, which guests often do not pay much attention to. At the same time, for the pricing of supporting products, the hotel can adopt a psychological pricing strategy, such as 19.9 yuan, 9.9 yuan, etc., to cater to customers' desire for a good deal. Therefore, the hotel can make full use of customers' perceptions and feelings about the product and numbers to set prices for specific products.

4.2.3 Expand Marketing Channels

The marketing of the hotel's parent-child products can be based on the hotel's own conditions

and geographical location, targeting different needs to develop a combination of products that are popular with consumers and attract sources of customers.

(1) Direct Channels

Increase the proportion of guests who purchase products directly from the hotel. The hotel can sell through the following channels: The hotel should improve its website construction, homepage design, and product update information, etc., and sell products and services to customers through the hotel booking platform, WeChat official account, telephone, fax, or accept guests to come in person, thereby strengthening marketing effectiveness.

Introduce the Best Rate Guarantee (BRG) clause and corresponding hotel loyalty program to attract guests to stay, requiring guests to book through the hotel's official website, APP, or reservation center to obtain the corresponding rights and interests.

When members of the hotel group stay at the hotel, they can accumulate points, Stays (indicating one stay), and Nights (indicating the number of nights stayed). When these three indicators reach a certain standard, the member's level can be upgraded. After the member's level is upgraded, the hotel will provide different rights and benefits such as room upgrades, dining, and welcome fruit. Members can only accumulate and enjoy the corresponding membership benefits by booking through the official website, APP, or the hotel group's telephone reservation center. No benefits are available for bookings made through third parties.

(2) Indirect Channels

Can quickly expand the hotel's product sales, and the hotel can sell through the following aspects of indirect channels: Set up a reservation system through third-party websites such as Dianping and Meituan, allowing customers to make evaluations, promote strengths from evaluations, seriously reflect on shortcomings, and make corrections. It can also push the latest information of the restaurant to customers through industry WeChat official accounts, and also display and publicize in food magazines; strengthen cooperation with agreement companies, travel agencies, governments, etc., and pay a commission to travel agencies according to the number of customers they bring.

(3) Combination Promotion

Reasonable product promotion can effectively publicize and introduce accurate product information, service features to the target consumer groups, helping customers understand and recognize the product, thereby stimulating their consumption needs.

Advertising Strategy

Quickly convey hotel information through various communication media to promote the hotel's corresponding products and services. Hotel A can combine the hotel's customer source positioning and advertise in places where there are more target customer groups. For example, you can post large wall advertisements in some children's entertainment venues, use LED screens for advertising in places with more people during holidays, or set up posters and displays, etc.

WeChat Promotion Strategy

Promote through the establishment of a WeChat official account, allowing more consumers to gradually become aware of Hotel A. Regularly hold activities on the official account, such as getting free parent-child tours by collecting likes from friends in the circle of friends, and getting coupons by forwarding, to promote. Through these stimulating strategies, stimulate customers' desire to consume, and complete transactions in a short period of time.

Cooperate with OTA and other online travel merchants

Cooperate with Ctrip, Qunar, and other websites to promote the advantages of the hotel's parent-child products, improve the hotel's visibility, and make this cooperative relationship a major way of parent-child marketing. Promote products through a large number of online clicks, highlight the advantages of parent-child products in a prominent position, and play outstanding advantages to target consumers who come to play, which can enrich the promotional methods of parent-child

products.

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