

The Investigation of the Strategies of Embedding Elements of Local Culture into Marketing Activities in the Hospitality Industry Based on a Case Study of Emirates Palace, Mandarin Oriental

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Abstract: Many hotels are now seeking brand differentiation to improve competitiveness in the modern market, strategies are diversified, but a localization strategy of embedding elements of regional culture into marketing activities is popular amongst an array of hotels. The strategies of Emirates Palace, Mandarin Oriental, a luxurious hotel in Abu Dhabi, are investigated in this research to provide an authoritative example worth studying by hotel managers. The aspects investigated include using Arabic elements during the design of the architecture, creating repeat experiences that emphasize the distinction and hospitality of the hotel, designing uniforms to highlight the culture of the hotel, and operating boutiques that provide memorable souvenirs facilitating revisits and word-of-mouth advertising. Several suggestions are then made. First and foremost, to provide more information regarding the local culture in architecture and cuisines. Moreover, moderately internationalize cuisines so that they would be more acceptable to customers. Furthermore, exploit high-quality and premium-priced souvenirs to emphasize the luxury and cultural DNA of the hotel. Last but not least, design unique, efficient, and easy-to-recognize uniforms for employees in different departments.

Keywords: culture, marketing, hospitality, service, case study

1. Introduction

In the innovative and competitive modern luxury hospitality industry, customers not only expect high-quality dining and accommodation services but also an array of aspects such as the uniqueness of activities, the style of architecture, the manner of servers, and most importantly, a distinct element that coherently holds everything together and gives the customer a memorable big picture that differentiates the hotel from rivals [1,2]. This can be the motif of fantasy in Disneyland resorts, a modernized and business-oriented style in some of the chain hotels, or a theme of cultural heritage dependent on the geographical location of the hotel [1]. The latter was proven to be one of the most popular methods in the past decades as it enables hotels to provide a unique experience to customers that will be extremely difficult to find alternatives. There are a considerable range of potential benefits. Sales and market share could increase due to the high attractiveness and competitiveness of the brand. More opportunities to build an experiential brand may be provided, such as a selection of leisure

activities and distinct, unforgettable services that anticipate the needs and wants of customers, to improve customer satisfaction and emotional bonding [3]. As customer satisfaction ameliorates, the overall brand image may be enhanced, which then improves the customer's perception, familiarity, and loyalty to the brand, and the hotel may then enjoy the benefit of a potentially improved financial performance considering occupancy, average daily rate and etc [4,5]. Last but not least, corporate social responsibility can be fulfilled and a possible chance for applying government funds will be created as the hotel plays a significant role in disseminating culture and fostering communication.

The benefits of embedding elements of culture into customer experiences are indeed conspicuous, but a large problem for hotels is determining how to successfully relate culture to marketing activities. Different hotel managers have different means of doing so, and it is clear that there is not a single formula that works in all situations. The scope in which elements of traditional culture are added to the hotel also requires careful consideration as the cost of building a new hotel with an antique atmosphere may be outrageously expensive, and it makes little sense if only several small pieces of furniture are changed without other services or designs to complement. Another problem that will lie before the hotel is how to raise the awareness of customers towards the presence of elements of culture in different aspects. It is crucial for the customer to understand the designs as well as experience them so that the effects of the investment can be maximized. Thus, finding an effective way to exploit culture for marketing activities is worthy of attention.

In order to solve the problem, one of the most successful and characteristic hotels, the Emirates Palace Mandarin Oriental, Abu Dhabi is investigated from the aspects of architectural design, dining experience, clothing of employees, and the souvenir shops that opened within the hotel. Advantages and disadvantages of their strategies were drawn, and several pieces of general advice are then formed, which will be further explored in the following sections.

2. General Information of Emirates Palace

Emirates Palace Mandarin Oriental, Abu Dhabi is the epitome of awe-inspiring luxury hotels in the hospitality industry. Located in Abu Dhabi, United Arab Emirates the hotel reveals one of the best facets of Arabic culture. With the geological advantage of the proximity to the presidential palace Qasr Al Watan, the Etihad Towers, and a private shoreline stretching 1.3 kilometers filled with sand imported from Algeria, it attracted hundreds of flocks of visitors each year [6]. 1002 Swarovski crystal chandeliers decorated the sumptuous interior of the palace, the largest one weighing 2.5 tons, and a total of 26247 meters of 22-karat gold foil are applied to the ceiling [6]. The construction of the building itself took 20,000 workers in 3 years from 2001 to 2003, with a total cost of approximately 3 billion US Dollars [6]. Traditional Arabic elements were embedded in its design, from the design of the marble carpet to the geometrical patterns on the ceiling. Designed by Wimberly Allison Tong & Goo, the palace was originally built for Sheikh Zayed to conduct the GCC Summit and was managed by Kempinski Hotels since 2004, then taken over by Mandarin Oriental in 2020 [6].

Mandarin Oriental, on the other hand, is an international hotel group operating 36 hotels in 24 countries across the world by the end of 2022 [7]. Although the pandemic greatly affected the performance of the group in the years 2020 to 2021, it managed to recover rapidly in 2022, with a total revenue of about 1.5681 billion US dollars, even with an 18% increase from the pre-pandemic level in 2019 [7]. It values cultural heritage and unique designs. All of the hotels have an iconic fan symbolizing their culture, and the one for Emirates Palace is exhibited to visitors in the lobby, composing the colors blue and gold, and decorated by more than 200 pieces of pearl, suggesting the blue sea water in the Persian Gulf and the desert landscape, and commemorating the pearl fishing industry that was once the main source of income of residents.

As stated in the annual report for 2022, Mandarin Oriental strives to be a leader in the innovative luxury hospitality industry, aiming at customers with relatively high socioeconomic status. The

recognition program, Fans of M.O., has over 1.4 million members by the end of 2022, increasing by 32% in a single year [8]. As a long-term goal, Mandarin Oriental aims to enhance the brand by providing services not only limited to the hospitality industry to reach wider sectors in the market and to evolve the cultural DNA, the most recognizable unique selling point of the brand, to improve brand loyalty and differentiation amongst rivals [8].

As cultural DNA plays such a significant role in the branding of Mandarin Oriental, and its performance proved its marketing strategies to be successful, it is fair to deem their means as an example of an authoritative way to blend culture into the hospitality industry that is worth investigating. Several strategies will be analyzed exhaustively in the next section.

3. Strategies of Emirates Palace

3.1. Strategy 1: Architecture

Gold is extensively used in the palace, symbolizing not only wealth but the color of the sand. The grand atrium with a diameter of 42 meters has a ceiling composed of gold and silver mosaic, representing an ultimate luxurious Arabic architectural style [6]. 13 types of marble were used on the floor, imported from India, China, Spain, and Italy, from mellow yellow to dark red, representing the different hues of the desert from sunrise to sunset [6]. 114 smaller domes are located in other areas of the building, together giving a regal Arabic air [6].

The conspicuousness of the design enables it to have significant impact on the customer's experience. From the moment of entrance, the customer will be immersed in the unique surroundings of Arabic architecture. The visual impact on customers will be immeasurable and the experience could easily become indelible due to the straightforward presentation of Arabic culture. Moreover, the pictures taken by guests can foster word-of-mouth advertisement and attract potential customers and positively influence their purchase intention if it is posted on the internet [9].

On the other hand, building a distinct architecture based on the local culture can have low feasibility and efficiency. In order to ensure the security and longevity of the architecture, changes must be made from the original styles, which takes a huge amount of capital for design [6]. In this case, the royal family was responsible for the expenses of the design process for Emirates Palace, and it will be almost impossible for any other companies to build another architecture with similar delicacy. Furthermore, some of the design concepts can be miscomprehended by customers, and some of the deeper meanings of the culture reflected by the architecture can hardly be understood without tour guides.

3.2. Strategy 2: Dining

The dining experience plays an integral role in shaping the customer experience, as it involves not only the customers' visual sense but also gustatory, olfactory, and possibly tactile and auditory. The use of different senses can engrave a long-lasting image that highlights the unique selling point of the hotel, especially if the cuisine is distinct from what the customer is accustomed to [1]. Moreover, it can be easier for the hotel to satisfy customers with a cuisine that they have never tried before as their experiences and tastes will not raise their standard of satisfaction [10]. Dining can also be integrated with the room services for example providing complimentary afternoon tea when the customers arrived and small sweets every day during housekeeping to accentuate the hospitality and luxuriousness of the hotel. Moreover, through investigating the cuisines provided, the customers may be able to understand the geological and cultural influences on the dining culture in the history that resulted in the particular recipe. For instance, the abundance of sweets in most Arabic cuisines indicates the need of high energy when traveling in deserts and the cuisine kebab suggests the history of nomadic Bedouin tribes in the middle east hunting and grilling animals on swords to maximize the

efficiency of cooking as little utensils were needed. In the Emirates Palace, an array of hummus, dates, and sweets are available in the breakfast buffet and grilled meats, especially kebabs can be found in the Lebanese restaurant, aiming to provide customers that are interested in a classic Arabic feast.

However, there are several concerns about bringing local cuisines to international customers. Research has shown that it takes eight to nine times for children to grow an affinity to a certain type of food [11]. While it is hard for the customer to be fond of the new cuisine the first time trying it, it will be almost impossible for a customer to be accustomed to a new set of cuisine in the short period that they are staying in the hotel. An aversion caused due to the different tastes of the cuisine may negatively affect the whole perception of the customer to the culture or to the hotel. Moreover, many may not be able to ascertain the ingredients of a sophisticated cuisine or understand the culture that lies behind. Without careful explanation, the aim of letting customers experience and learn more about the culture cannot be met and could lead to further confusion thus disinclination to explore more about the culture.

3.3. Strategy 3: Arabic Dress

Traditional Emirati dresses such as Kandura and Abaya are worn by some employees in the concierge department in the Emirates Palace, providing an Arabic flavor to customers that just arrived at the hotel. The dresses are very eye-catching and will create a first impression on the customer that accentuates the hotel's hospitality and uniqueness. The customer's interest in Arabic culture and the hotel may augment if the origins of the costumes and the weather and cultural influences of dressing are learned, resulting in a potentially distinct and improved customer experience.

On the other hand, the use of traditional clothing for some employees may lead to confusion as their garment is different from others in different departments and it can be in a similar design to other customers, which could potentially result in reduced efficiency of service and thus an unsatisfactory customer experience.

3.4. Strategy 4: Boutique Shops

There are a wide range of boutique shops located in the hotel providing souvenirs from gorgeous Persian carpets to delicate jewelry cases made of camel bones. Many are displayed in showcases around the lobby, attracting customers to bring home an epitome of Arabic art. Souvenirs are almost always indicative of the traditional culture and evocative of the travel experience. The Persian carpet, for example, shows the distinct style of using geometrical patterns to form magnificent images, the craftsmanship of Islamic art and reminds us of the nomadic history of Persians when they are using carpets for warmth and aridness. The desert landscape and the nomadic lifestyle of early Arabians can be shown by the works of camel bones. If pieces of art are brought back by customers, it will constantly encourage them to recall the travel experience, and if souvenirs are given to friends or families as a gift, the hotel may be able to reach more potential customers. Furthermore, traditional Arabic dresses are also provided in stores. Wearing them enables the customer to feel a sense of belonging in the local community and some novelty when traveling and taking pictures, which again highlights the uniqueness of the trip to make the experience more memorable.

The quality of the souvenirs is a major concern. If the souvenir is of poor quality, then customers may have an aversion not only to the boutique store but the hotel due to poor management. Repulsion could also be caused by the high price of the products sold in the hotel compared to adjacent markets, resulting in a worse customer experience. Moreover, if the brand or elements of the hotel is not embedded into the design of the product, it may not be easily recognizable thus its promotional effect towards potential customers will be minimal.

4. Suggestions Concerning the Current Strategies

The strategies analyzed above worked fine for Emirates Palace thanks to its mature management skills, but there is still room for improvement and problems may occur in areas of feasibility and management. Several suggestions will be made in the following section.

First and foremost, it is crucial to ensure that plenty of information regarding architecture and dining is provided to the customer either in the form of written words, tour guides, or videos. This can maximize the effect of the investment and quell confusion and doubt. With architecture, a careful explanation allows the customer to better appreciate it and understand its value. For dining, it is important to fully introduce all the ingredients to prevent allergies or aversions for a satisfactory customer experience and the origins of the cuisine may also be introduced to give a more comprehensive view to customers that are interested.

Furthermore, internationalizing the flavor of dishes on a certain scale can make it easier to be accepted by customers. The seasoning in some cuisine may be overwhelming for international customers while it may be deemed mild for local residents due to the abundance of spice in history caused by spice trading. While some original tastes can be preserved to help elucidate the historical and geological influences on dining, the bulk of the food should blend local and international flavors to be novel and acceptable.

Moreover, the design of souvenirs sold in the hotel requires attention. The souvenirs play a significant role in providing long-term memories, persuading for revisits, and building brand loyalty, and their quality relates to the management and brand image of the hotel, so it is essential that the quality is commensurate to the other aspects. If applicable, it will also be advantageous to the hotel if a clear symbol or image of the hotel is included in the souvenirs, to maximize the effects of word-of-mouth promotion. Furthermore, the product should be priced in a reasonable range a little higher than the market price. While a premium price may symbolize better quality due to the price-quality inference of customers, a significantly overpriced product may cause aversion that affects the sales and profit of the boutique and possibly damage the brand image and customer loyalty.

In order to guarantee the efficiency and quality of services, it is critical that as the uniform of employees in different departments is distinctive with elements of local culture, it is both unified and easy to be discriminated by customers that are not familiar with the small differences in local garments. Solutions may include adding badges and nametags that symbolize the hotel departments and exploiting color differences in designing the dress of different employees. Uniforms should be designed in a way that will not be grandiose to hamper the movement of employees as service quality is always pivotal, for example, sleeves and skirts in some traditional costumes may need to be tailored.

5. Conclusion

Embedding culture in marketing activities is indeed an effective way to enhance brand image, differentiation, and competitiveness. Different hotels have distinct strategies to achieve this, and in this research, the strategies of Emirates Palace, Mandarin Oriental, a grand luxurious hotel located in the Middle East, were investigated from the aspects of architectural design, dining experience, uniform design, and management of boutique shops. Several suggestions are made and listed as follows: to provide introductory information to dining, architecture, and collections, to moderately internationalize the flavor of cuisines, to carefully manage the quality and price of souvenir products and add elements of the hotel, and to form a uniform that is distinct, unified, and recognizable. This research is on a theoretical base that explains some of the cultural elements used in marketing and may be helpful to hotel managers that seek an alternate route to build their brand. However, practical research and analysis were not included. Future research can focus more on the collection of

quantitative data that proves the effectiveness of these strategies on a practical basis in order to bridge the gap between theory and practice.

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