



MARKET ANALYSIS: INTERCONTINENTAL HOTELS GROUP

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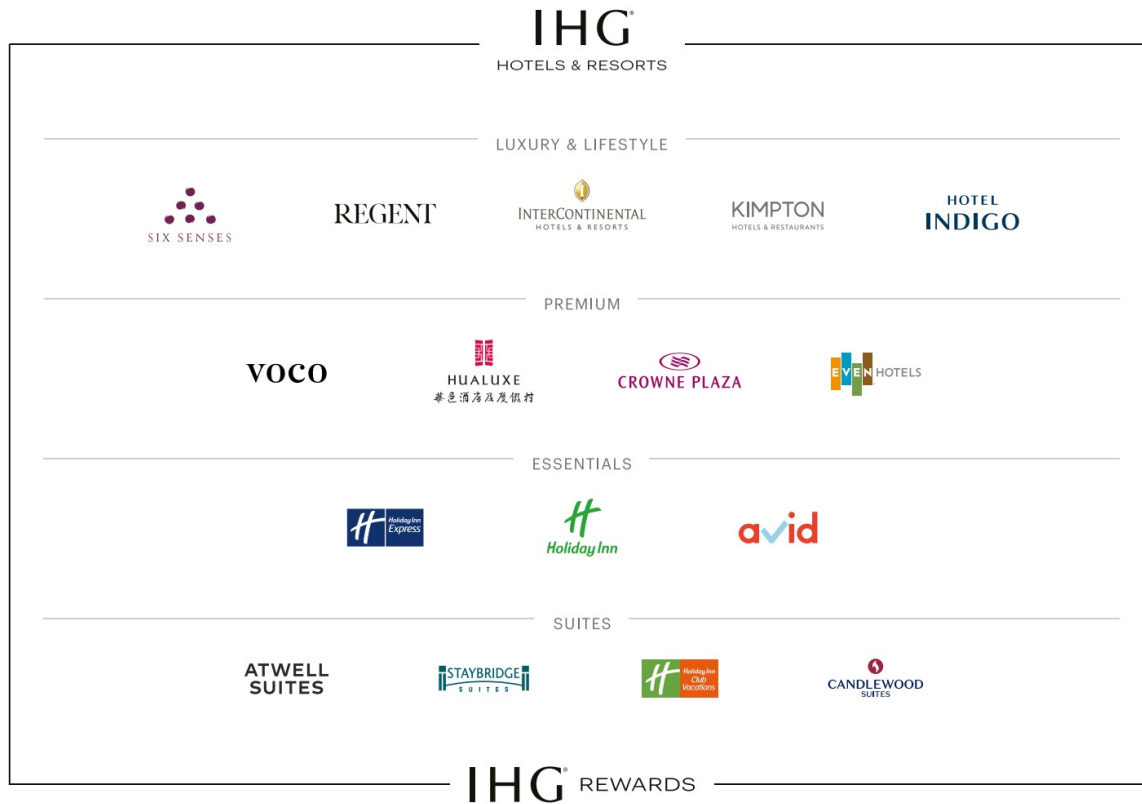
OCT 2TH 2021



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Brands



- As of December 31, 2020, the company had approximately 5,964 hotels and 886,036 rooms in around 100 countries.
- IHG owns, manages, franchises, and leases hotels in the Americas, Europe, Asia, the Middle East, Africa, and Greater China.

Sector: Consumer Cyclical

Industry: lodging industry

EXPANSION ANALYSIS

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- With its large size, India offers a huge range of attractions, including beach holiday destinations, eco-based tours, and cultural sites
- High-quality luxury accommodation is increasing in well-established tourist destinations
- The country's cultural sites are a major draw for tourists.

W

- While the domestic travel market is large, low average income levels mean it is concentrated in the budget travel segment
- India's tourism industry is vulnerable to economic declines in key source markets, especially in the Asia Pacific region.

O

- Development costs are relatively low, with a large labor pool and plenty of underdeveloped real estate.
- India is an attractive destination for alternative tourism and attracts a growing number of backpackers, as well as yoga, meditation, and spiritual enthusiasts.
- The extension of the e-visa for tourists has increased the number of tourists coming to India.

T

- India lacks a lot of sanitation infrastructure, which is a deterrent for tourism.
- Progress in terms of government reforms is slow and political competence varies across the country
- The market is at risk from extreme weather events, such as flooding, placing seasonal limitations on tourism.

IHG[®] HOTELS &
RESORTS

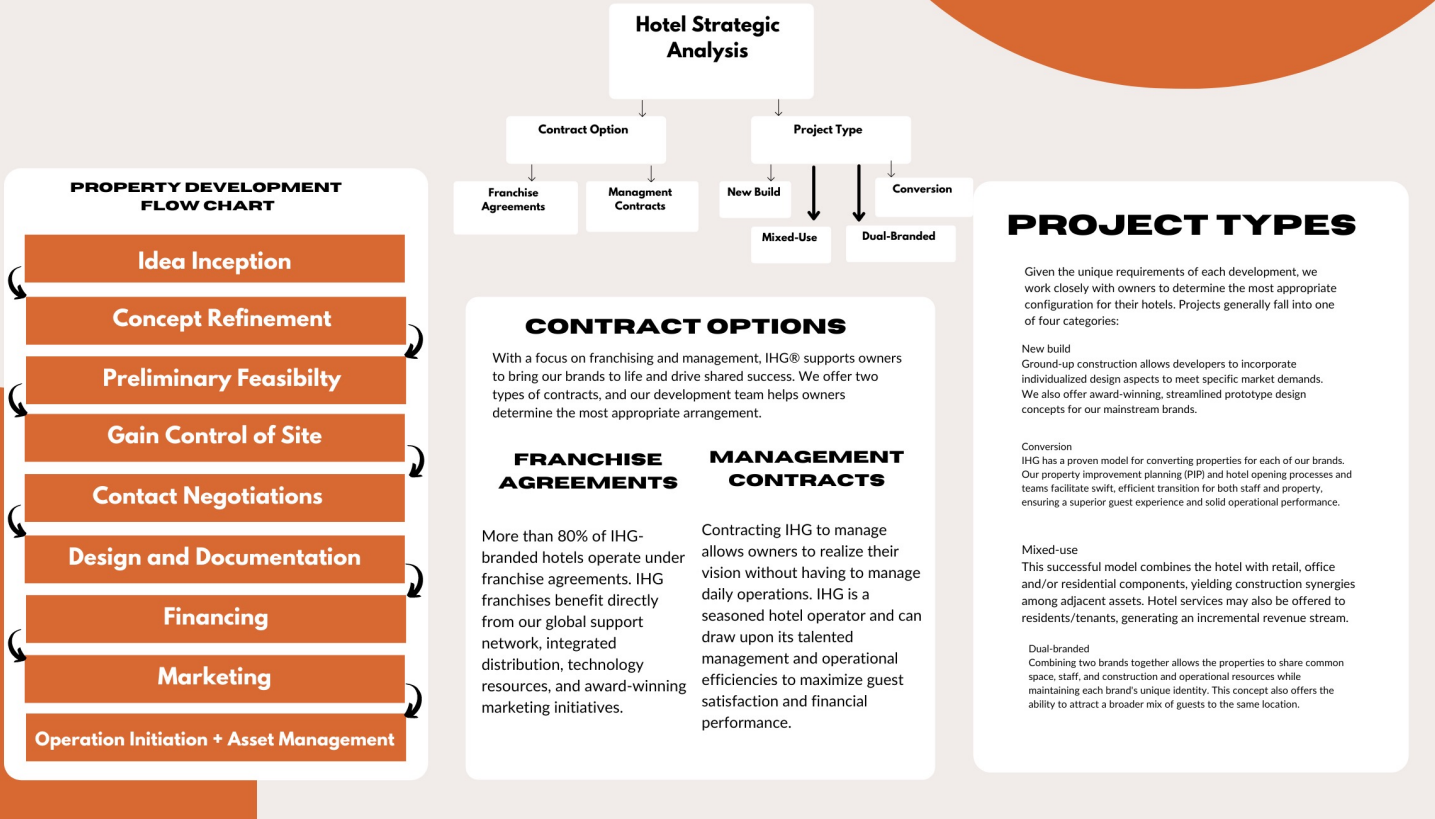
PRODUCT/SERVICE ANALYSIS

IHG has hotels categorized into collections for different accommodation needs. With hotels already located in India, their thoughts are to increase their footprints in the luxe arena.



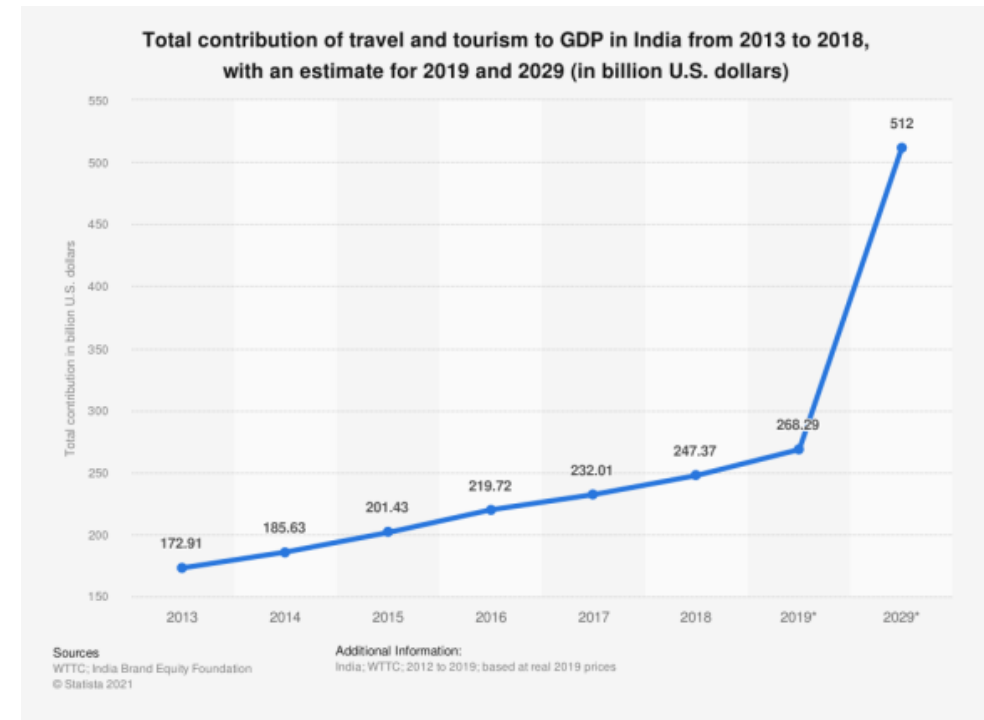
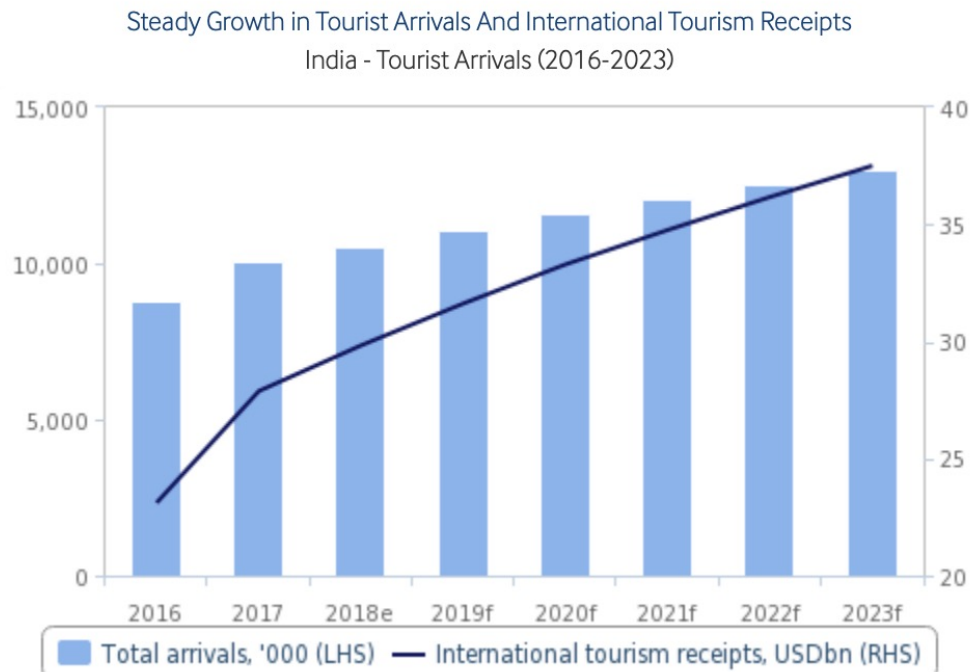
MARKETING DATA FLOW CHART

IHG New Market Development: India



QUANTITATIVE ANALYSIS

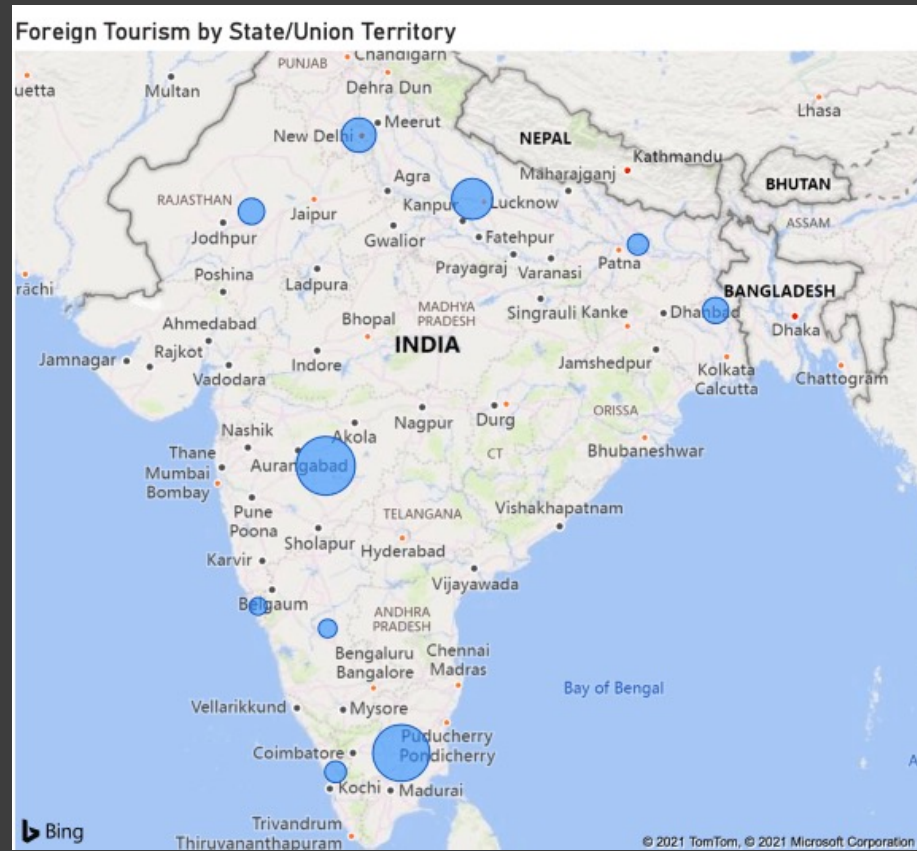
- Travel and tourism is one of the largest industries in India, with a total contribution of over 247 billion U.S. dollars to the country's GDP and estimated to double in the coming years. (Statista, 2021).



TARGET AREA ANALYSIS



- IHG is planning to increase business in locations in Tier I and Tier II cities such as New Delhi in the North; Bangalore, Chennai, and Cochin in the South; Kolkata in the East; and Mumbai and Pune in the West
- Tourism is one of the many areas targeted for growth by the Indian government.



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