

TRAVEL AND HOSPITALITY

Marriott, Alibaba join forces to tap into Chinese tourism potential

August 7, 2017



Marriott and Alibaba are taking on the Chinese travel market together. Image courtesy of Marriott International

By STAFF REPORTS

Hospitality group Marriott International and ecommerce giant Alibaba Group are launching a joint venture aimed at creating a seamless global travel experience for Chinese tourists.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

The collaboration draws on the partners' expertise and reach, creating a link between their respective loyalty programs while also joining up to run Marriott's store on Alibaba's travel service Fliggy. Over the next five years, Chinese consumers are projected to make 700 million trips abroad, creating potential for travel brands such as Marriott.

"We have long admired Alibaba's digital expertise and deep understanding of Chinese consumers' needs and behaviors," said Arne Sorenson, president and CEO, Marriott International, in a statement. "By forming this partnership, we are pairing our hospitality expertise with Alibaba's digital travel platform, retail expertise and digital payment platform, Alipay, and driving membership to our loyalty programs.

"With the growing number of Chinese consumers exploring new destinations, this venture will introduce our hotels worldwide to this new and growing traveling class," he said.

Linking loyalties

Last year, Marriott International became the biggest hotel group in the world with its acquisition of Starwood Hotels & Resorts Worldwide ([see story](#)). Among the brands included in its stable are the Ritz-Carlton, the St. Regis and the Luxury Collection.

Extending Marriott's reach in China, the partnership with Alibaba leverages the audience of 500 million monthly active users who shop across its platforms. This joint venture will market directly to these consumers, offering Marriott the chance to tap into this valuable segment.

In addition, the joint venture will create content catered to Chinese travelers that will feature on Marriott hotel sites. Alibaba will also help Marriott properties launch programs and offers targeted to the Chinese audience.

For instance, Chinese travelers will be offered the chance to sit court-side at a game or attend a private concert

through its Starwood Preferred Guests Moments and Marriott Rewards Moments programs. The group's SPG ambassador program, which pairs those who travel at least 100 nights a year with a dedicated point person for VIP services, will also be open to certain eligible Alibaba loyalty members.



Chinese tourists are increasingly seeking high-end experiences. Image credit: Marriott International

From booking to stay, the partnership aims to make the process user-friendly. This includes solutions that simplify planning and managing activities while traveling, such as shopping and dining.

Marriott will be accepting Alibaba's mobile payment solution Alipay at hotels in select markets.

"We are proud to join forces with Marriott International combining our large-scale consumer base, leading-edge technology and consumer insights with their unparalleled hospitality expertise," said Daniel Zhang, CEO of Alibaba Group. "Together, we are elevating and redefining the travel experience for Chinese consumers to be more seamless and personalized as they embark on adventures to discover the world."

Kicking off the partnership, Marriott is giving Alibaba members the chance to sign up for one of its loyalty programs and reap rewards immediately. In honor of the ecommerce group's Members Day on Aug. 8, those who sign up for SPG Rewards or Marriott Rewards can book with member rates on Fliggy starting the same day.

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.