

Identifying key quality factors of a small hotel: Article researching Business Success Model of a High-quality Small Hotel in Ljubljana

Research article and Guidebook by Dr. Tali Rezun

Abstract

The purpose of this research article was to construct a guidebook, identifying the key quality factors that forge a successful small high-quality hotel business model. The research reveals and identifies the key success components needed for successful high-quality small hotel to operate.

Keywords: Small Hotel, Small Hotel Quality, Small Hotel Success Factors, City Hotel

Introduction

Hotel is often referred as a “Home away from home” (LE, N. 2010). According to Maria, I., Madalina, T., Catalina, B., & Diana, I. (2008), tourism is a sector in which the structure of supply is extremely volatile and the solid and consistent part is the demand. Tourism exists only because, for various reasons – pleasure, business etc. – people want to travel and are willing to spend money; consequently, they create demand for tourism products and services. The demands of hotel guests and their expectations tend to change dynamically in the modern hotel industry. When asked to define service, most hotel guests (Mola, Jusoh, 2011) answer using commonplaces such as “getting what I want, when I want it, with a smile and respect”. According to Ryan and Huimin (2007) found that different attributes were given different importance levels by guests. They did a research in the hotel market that showed that the most importance is given to “cleanliness of the bedroom”, “having a comfortable mattress and pillow” and the “cleanliness of the bathroom”, “quiet room”, “quality of the food” and “security”, “check-out services”, “friendliness of staff”, and “reputation of the hotel” and “price”.

Short hotel industry history

According to LE, N. 2010 the hotel maybe one of the oldest world industries, connected closely to civilization of mankind. The birth of hotel industry took place in

Europe. At the beginning of the fifteenth century, in France, the first time, there was a law required that hotels keep a register. During this period, the first guide books for travellers were also published (LE, N. 2010).

Research subject

To gather most valuable, up to date information, a real hotel business is a part of this research article. The research subject is a new four-star hotel in Slovenian capital Ljubljana. The research subject was chosen, due to the fact that the investors wanted to build best possible small hotel experience, and that the room commodity and quality was number one. The hotel was built in 2018 as an answer to growing tourism and business accommodation demand in Slovenia capital, with the main focus to fulfil more demanding travellers. The Vault Hotel Ljubljana focuses on tourist stay and business guests, under two separate brands Vault Hotel Ljubljana and Vault Hotel Business.

Research Methodology

This study involved both primary and secondary research. Secondary research focused on literature review. Primary research was undertaken to gain a better understanding from the perspective of small hotel managers/owners identified small high-quality hotel in Slovenia. Research was undertaken in the spring of 2019 in the Slovenian capital Ljubljana, which is one of the

most important tourist destinations in the country, since it attracts many international and domestic tourists.

Research instruments

To justify [Vault Hotel Ljubljana](#) as small high-quality hotel referential research subject, research focuses on interviewing the hotel manager, inspecting the property and researching guest reviews from two online sources (i.e. Booking.com and Google reviews).

Deriving from the main objective of the research – to identify key quality factors of a small hotel – two research sources materialise; (1) to get a clear hotel perspective from architectural, investor and manager view, interview with Vault Hotel Ljubljana manager was conducted; (2) to understand the guest perceptions, hotels Booking.com and Google reviews were examined and researched.

The Data Collection Plan

Data collected from the interview and guest reviews was analysed. The interview with [Vault Hotel Ljubljana](#) Manager took place in January 2019, where key facts were acknowledged and high-quality small hotel success factors framework established; (1) location; (2) room quality; (3) bed quality; (5) breakfast, and; (5) hospitality. In the second phase, guest reviews from two online major sources were analysed, confirming the established framework.

Result analysis

The results presented here (see Exhibit 1), reflect on 124 guest reviews collected from two sources in the period of eight months, from September 2018 to April 2019. Following this article, the interview findings will be disclosed, supported by the review of relevant literature.

Exhibit 1: Hotel Vault Ljubljana Booking.com and Google reviews

Booking.com	
Period	September 2018 to April 2019
Number of reviews	102
Average property score	9.0 of 10
Average hospitality score	9.6 of 10
Average location score	8.0 of 10
Average room comfort	9.3 of 10
Google reviews	
Period	September 2018 to April 2019

Number of reviews	22
Average property score	5.0 of 5.0

Findings and Discussion

According to Marić, D., Marinković, V., Marić, R., & Dimitrovski, D. (2016) overview of literature shows that hotel guests most frequently tend to consider the following attributes when making a decision on the choice of hotel: cleanliness, location, price, safety, quality of service and reputation of the hotel itself. Upon review of the available literature and the research done at the chosen small Ljubljana hotel, key success factors were determined; (1) location; (2) room quality; (3) bed quality; (4) breakfast, and; (5) hospitality.

Hotel Quality Definition

According to AA Quality Standards for Hotels, there are five levels of quality ranging from One to Five Stars. To obtain a higher star rating a progressively higher quality and range of services and physical facilities should be provided across all areas with particular emphasis in six key areas; (1) cleanliness; (2) service; (3) food; (4) bedrooms; (5) bathrooms, and; (6) hospitality. Research indicates that quality is of key importance but visitors also expect the level of services and range of facilities in hotels to increase at each star rating level.

(1) Location

The selection of a business site is one of the most important decision that should be prepared by an entrepreneur (Yang, Wong, & Wang, 2012). According to Maria, I., Madalina, T., Catalina, B., & Diana, I. (2008), the main external success factor of the hotel is its location and access. The location for this article research subject Hotel Vault Ljubljana was chosen carefully regarding several factors; (1) the hotel must be close to the city centre (i.e. the Hotel Vault Ljubljana is 2.6 kilometres from old town); (2) the hotel must be close to a city highway ring (i.e. [Hotel Vault Ljubljana](#) is 2 kilometres from the highway ring entry point); (3) the hotel must be in the safe, possible green and quite neighbourhood (i.e. the article research subject Hotel Vault Ljubljana location was chosen also due to its proximity to the city hill Roznik and main city park Tivoli), and; (4) hotels proximity to tourist attractions (i.e. most of [Ljubljana's tourist attractions](#) are walking distance from Hotel Vault Ljubljana).

(2) Room Quality

Rooms are the foundations of every hotel, in order to achieve high quality room standard, rooms must be designed correctly from the start. In the [Hotel Vault Ljubljana, rooms](#) were built according to exact blueprint and the following factors were considered; (1) efficient room size for four-star commodity with industrial design with combination of mass wood; (2) efficient bathroom size and minimalistic design with combination with stone, glass and mass wood; (3) natural materials (i.e. stone, wood and glass), and; (4) additional room noise protection was designed (i.e. doors are isolated to phase out most of the corridor noise, room walls and floor designed with extra noise isolation). Room soundproofing provided excellent measured noise results from +10 to 25dB. (e.g. 40dB is considered to be already excellent result).

(3) Bed Quality

Sleep plays a big part of hotel experience; therefore, hotel beds are one of the most important factors. According to Westin hotels the most important service a hotel can offer is a good night sleep. Hotel bed quality depends on combination of bed frame, bed base, mattress, mattress topper, sheets, doona and pillows.

“Over a year was spend on choosing the right bed combination” explains Hotel Vault Ljubljana manager Natasa Kutlaca, until the perfect hotel bed combination was found.

[Main Vault Hotel bed components](#); (1) bed frame, made from mass Oak wood; (2) anatomic flexible slatted bases support the mattress; (3) 100% natural Latex foam mattress, provide full body support; (4) goose down mattress topper, gives extra bed softness; (5) extra-long cotton sateen pure white sheets; (6) natural fabric doona, and; (7) allergen-free, natural fabric (i.e. feathers and cotton) pillows.

(4) Breakfast

According to Juvan, E., Grün, B., & Dolnicar, S. (2018) hotel breakfast buffets stimulate guests that bite off more than they can chew, what results in unnecessary food cost for hotels as well as an unnecessary burden on the environment, therefore other breakfast serving options are viable to explore. The [Vault Hotel Ljubljana serves high-quality continental breakfast](#), which is equivalent to simple morning meal (What is Continental breakfast - ultimate guide). Vault Hotel Ljubljana Continental breakfast menu consists of light food selection; (1) pastry products (i.e. bread and croissants) served with butter, jam, honey and chocolate topping;

(2) meat and cheese (i.e. Italian ham, prosciutto or mortadella); (3) hot and cold beverages (i.e. natural orange juice, milk, Italian coffee, tea, sparkling and natural water); (4) fresh fruit (i.e. apples, bananas, grapes ...), and; (5) miscellaneous food items (i.e. yogurt, cereal and boiled eggs)

(5) Hospitality

LE, N. (2010) presented an interesting view on the right and wrong hotel staff welcome. According to LE, N. (2010), the service performance is the critical to the customer satisfaction, but also the service failure is inevitable. Hotelbrand.com “brandscore” research (i.e. track scores on over 120,000 facilities), showed, that small hotels (i.e. up to 30 rooms) are able to offer extremely accurate, unique and personalized service, due to a great attention from the owner and staff. On the contrary to the big hotel chains that often exhibiting slow and unpersonal service.

Example of Vault Hotel Ljubljana hospitality and service blueprint; (1) warm, fast, flexible check-in and check-out; (2) check-in and check-out welcome drink of [coffee](#); (3) 16/7 phone support with transport management, local assistance and general help, and; (4) on-time room-service custom breakfast.

Conclusion and Implications

The main goal of this research article, was to Identify key quality factors needed for a small city hotel to succeed. Literary review clearly established, that Small hotel have specific advantages over big ones. According to Cotter, W. (2016) there are ten significant; (1) small hotels have greater scope for creativity and identity; (2) no need to adhere to multinational standardization; (3) more margin to explore new approaches; (4) greater freedom on commercial strategies; (5) the ability to be more proactive; (6) budget is targeted towards making an impact on one hotel; (7) an independent’s originality is more appealing to travellers; (8) independent hotels can survive with lower occupancy rates, giving them freedom to refine strategies; (9) freedom to focus on their guests experience and give personalised service, and; (10) no need for expensive back office.

The manager interview and property inspection gave a clear picture helping with identification of key success factors and property high-quality validity what was later strongly confirmed by guest high reviews.

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Bios

Dr. **Tali Rezun** is Slovenian, of Slovenian and Jordanian origin. Born in Ljubljana in 1978, he started his entrepreneurial career at the age of 18 and grew his business organically until this day. Dr. Rezun specializes in various fields of tourism, management, leadership, online brand marketing and Blockchain technology. In 2012, Tali finished his EMBA and later in 2018 his Business Doctorate (i.e. DBA) specializing in online brand development, SEO and Social Media Marketing under the domain of Cotrugli Business School, where he also enjoys the title of a lecturer. Currently Dr. Rezun acts as supervisory board member in Naton HR group, publishes articles associated with his expertise, serves as projects consultant and appears as a guest speaker to the media. (<https://talirezun.com/>, contact@talirezun.com)