

Hospitality & Guest Services in the Hotel Industry

[BMIH4003]

Week 4

Who are our Consumers and Competitors?

Recap – What did we discuss last week?

- Historical Developments in the hotel industry
- Hotel Segmentation



Early Beginnings

Question: What types of places offered accommodation to travellers during the **Middle Ages**?

Answer: Cloisters, abbeys, and inns, they provided shelter and food for travellers.

Industrial Revolution

Question: Why was the **Industrial Revolution** important for the growth of hotels in Europe and the U.S.?

Answer: It increased travel and trade, created new transport systems (like trains and steamships), and led to more hotels being built to serve travellers.

First Modern Hotels

Question: What was special about **The Tremont House** in Boston?

Answer: It was the first hotel to have inside toilets, locks on doors, and bellboys, setting a new standard for comfort and service

Famous Milestones

Question: Which hotel in New York opened in **1893** and became famous for introducing **room service** and the **Waldorf salad**?

Answer: The **Waldorf Astoria Hotel**

Recent Developments

Question: What new type of accommodation, launched in **2009**, started to compete directly with hotels by allowing people to rent private homes to travellers?

Answer: Airbnb

Today's content

- Who are our consumers?
- How to enhance the customer experience
- Knowing your competitors

Group Discussion



Who are the different type
of consumer/guests in the
hotel industry?

Consumers

People travel for many different reasons:

- **Business** (conference/meetings)
- **Vacation**
- **Leisure**
- **Other purposes**

Recent statistics indicate that approximately 41% of guests travel for business

The remaining 59% of guests travel for pleasure

(Hayes, Ninemeier and Miller, 2020)



An Interesting Detail

- A **customer** is someone whose relationship with the property is based only upon the exchange of money for products and services provided.
- The tactic of treating visitors as **guests** rather than **customers** helps establish the positive guest-service philosophy that is critical to a hotel's success.

(Hayes, Ninemeier and Miller, 2020)



Group Discussion



How do we know what guest services to provide to each guest?

Needs vs Wants

Task:

When you go on holiday, make a list of

5 x things you think you NEED

5 x things you think you WANT



Wants vs Needs

Needs

- A **need** is something needed to **survive**
- **Needs** are **limited**
- **Asked For** Needs: Some needs are very easy to identify, especially when someone asks for something.

Wants

- A **want** is something that people **desire** to have that they may not be able to obtain.
- **Wants** are unlimited

Case Study: Moxy Hotels



- What type of consumer can we find at a Moxy Hotel?
- What Guest Services does this brand have on offer?



Task – compare the different guest expectations

Leisure Guests

Business Guests

Locals

- What is the expectations of this guest?
- What specific facilities might this guest want?
- Find some specific examples from the hotel industry of how they meet these expectations

(for example – Hilton have loyalty schemes to offer discounts the more you stay which is very applicable to business guests)

Group Discussion



How can hotels enhance the customer experience?

Enhance customer experience by using the...



Group Discussion



Can you think of any examples of how the 5 senses can be used within different areas on the hotel?

The Five Senses



- **Sight** - Think visuals on Hotel websites, colours in branding and logos.
- **Sound** - According to Juslin and Västfjäll (2008), listening to sounds such as music and noise has a significant effect on our moods and emotions because **it can cause our brain to release dopamine**.

Think songs that bring back good memories, childhood films, lobby music etc

- **Smell** - Think the smell of popcorn, smell of bread, smell of hotel toiletries.

The Taj Hotels use a certain **Jasmin scent** in all their hotels specially made to enhance the scent in India

- **Touch** – Your skin is the largest organ in the human body (National Geographic, 2017).

In *Disney* touch of water is integral part of experience. In hotels it may be the fixtures and furnishings of your room, lobby or restaurant

- **Taste** – There are 10,000 taste buds in the human mouth, lots of opportunities to provide tastes in settings to enhance guest quality service.

Think Hilton cookies, or the different cuisines on offer throughout Disney parks.



Meeting and Exceeding Guest Expectations – How?

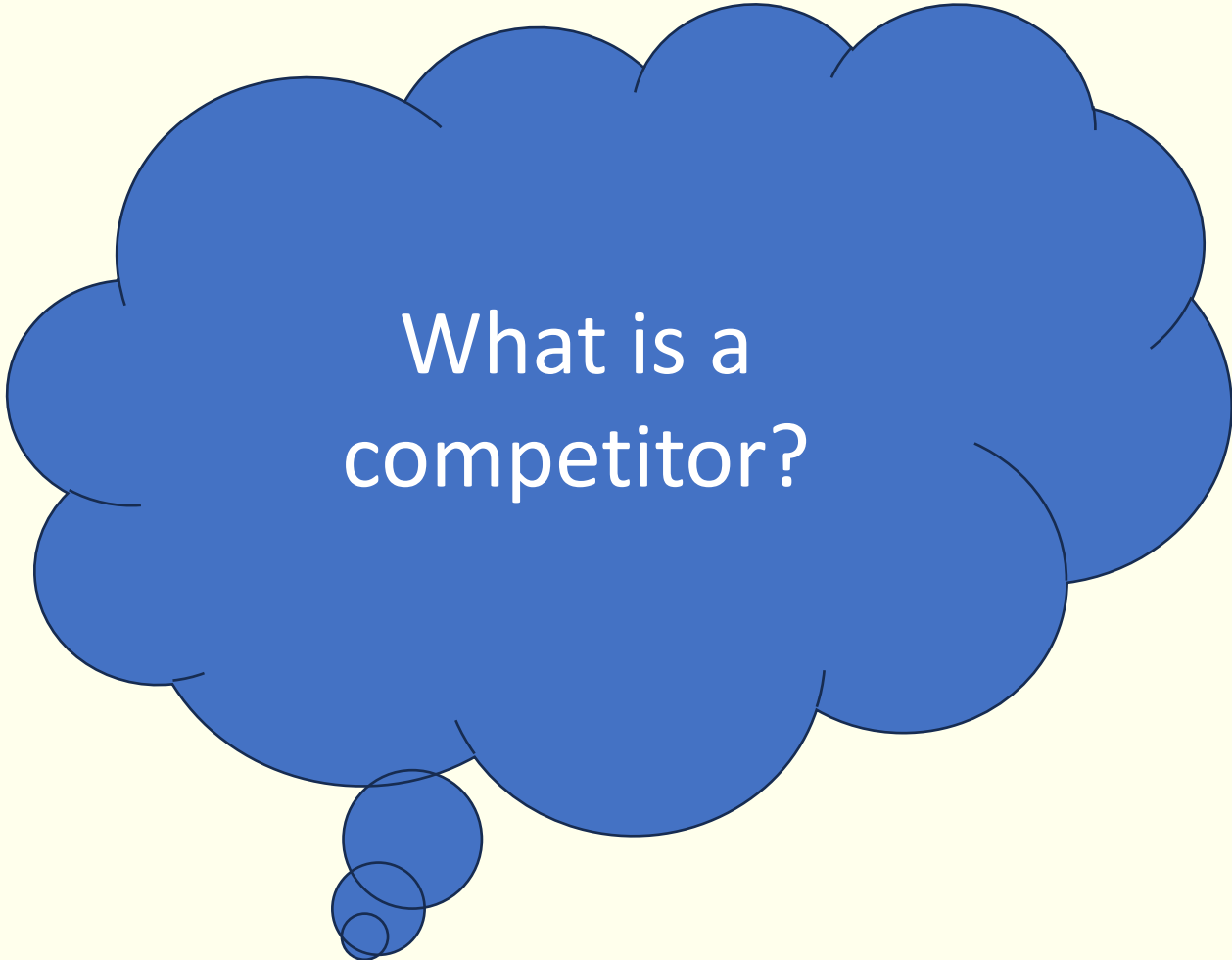
Appealing to all 5 senses to enhance the customer experience

Build relationships and connect emotionally (Emotional Intelligence)

Go the extra mile (WOW Factor)

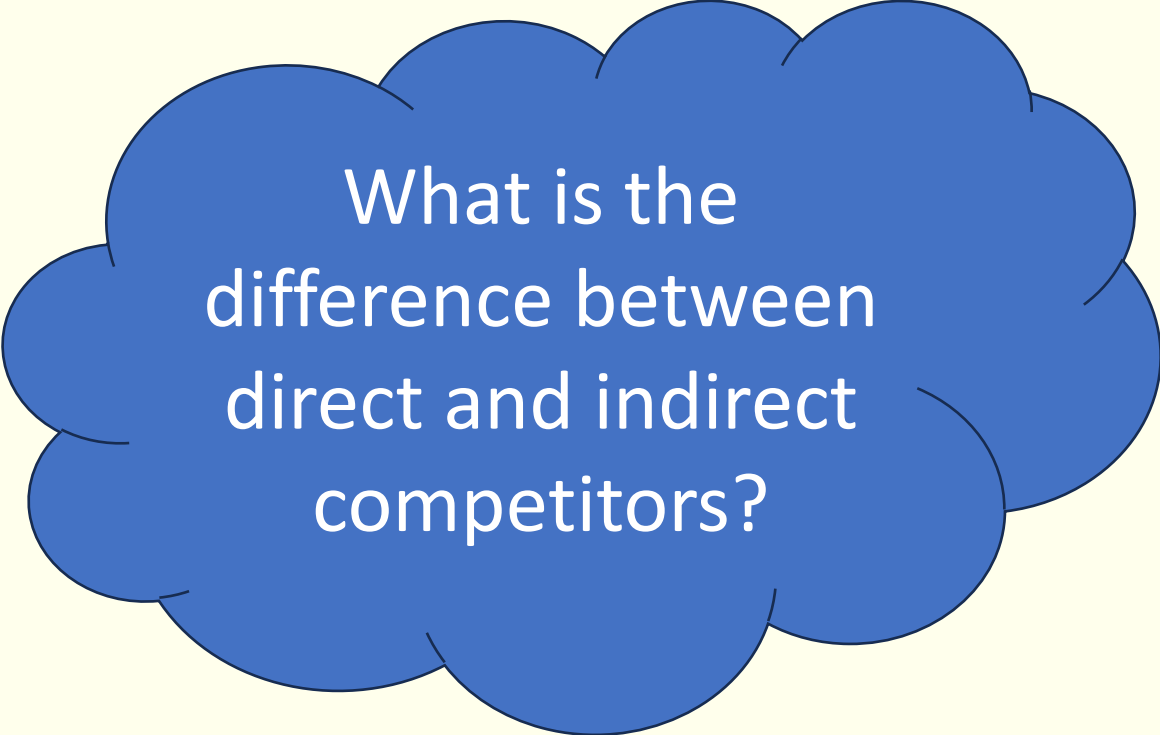
Research the purpose of a guest's stay and prepare their room accordingly

Competitors



What is a
competitor?

Direct vs Indirect competitors



What is the
difference between
direct and indirect
competitors?

Direct vs Indirect competitor

Direct competitor

“Serve the same product in the same market” (Tutor2u, 2019)

Indirect competitor

“Operate in the same market, but sell a different product” (Indeed , 2023)

Why is it important
to understand your
competitors?

Decision making based on knowledge of competitors

- Set the correct price of the room
- Host events
- Choice of menu dishes
- Introduce new amenities/ facilities

Direct Competitors

(Serve the same product — high-end boutique/luxury accommodation — in the same Swansea market)

Hotel	Rationale
Delta Hotels by Marriott Swansea	Offers comparable luxury accommodation, conference facilities, and marina views — direct competition for business and leisure guests.
The Dragon Hotel	Centrally located, established 4-star hotel; competes for both leisure and corporate travellers seeking comfort and prestige.
The Grand Hotel Swansea	Offers mid-to-upper range rooms and dining in a central location; competes for city visitors and business stays.

Indirect Competitors

(Operate in the same market — accommodation in Swansea — but offer a different product, such as budget or alternative lodging options)

Establishment	Rationale
Premier Inn Swansea City Centre	Competes for the same geographical market but offers a budget experience aimed at value-conscious travellers.
Ibis Swansea	Serves visitors to Swansea but targets a lower-cost, functional market segment.
Travelodge Swansea Central	Operates in the same area, focusing on affordability and convenience rather than boutique luxury.
Airbnb Rentals (Swansea area)	Alternative form of accommodation — competes indirectly by attracting guests seeking local, independent stays.

Any questions?



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Thank you for joining

➤ See you next week!

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References:

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