

CHAPTER 3

Culture as a component of the hospitality product

Wil Munsters and
Daniela Freund de Klumbis

Learning outcomes

- Present the most important consumer trends observed and outline the major characteristics of cultural tourist behaviour.
- Define the cultural tourism product and understand the relationship with the hospitality product.
- Compare the box hotel and the lifestyle hotel as hospitality products.
- Characterize the historic establishment and the design hotel as examples of the lifestyle hotel product.
- Identify the main threats and success issues with regard to the lifestyle hotel product.

Consumer demand and cultural tourist behaviour

The rapid growth that cultural tourism has undergone since 1980 is a direct result of the rising interest in art, culture and history, which can be explained by demographic, social and cultural changes. These changes will be discussed here as far as they influence the choice of the hospitality product as an ingredient of the guest's cultural experience.

With respect to demographic factors, the strong increase in numbers of senior citizens in the Western world has significantly extended the market for historic hotels, since the interest for history and culture grows with age. The 'grey wave' is all the more an interesting target group for the luxury hospitality industry as it consists of a growing number of retired, moneyed and active people in excellent health. These 'whoopees' (wealthy, healthy, older people) have a lot of leisure time at their disposal and more money, which they like to spend on holidays. Thanks to increased life expectancy, they are still active in leisure activities, which make them feel young in spirit: the phenomenon of down-ageing.

Simultaneously, at the bottom of the demographic pyramid, a reverse process is taking place caused by the decrease in birth-rate, in the number of households and in the number of persons per household. There are more and more singles and 'dinkies' (double income, no kids). Dinkies use breakout holidays in hotels to escape from their busy professional life and to get charged up again by shopping and cultural activities. This holiday pattern stimulates cultural tourism in historic cities. Because of increasing individualism, there is a need for tailor-made products and services reflecting the guest's personal tastes and requirements, instead of a standardized supply. This explains the growing demand for single rooms without surcharge, as well as the emergence of unique and surprising hospitality products, such as the design hotel.

In social and cultural respects, both the historic and the design hotel benefit from the rising level of education: the more highly people are educated, the more frequently they travel and the wider their interest in art and culture. Being well-informed and critical consumers, familiar with travelling, the post-modern tourists want value for their money. For senior citizens quality and safety matter as choice criteria, while price is of secondary importance. The double-income households, who have less time because of their busy lifestyle, want to be pampered. For both target groups, comfort and convenience are important: post-modern guests expect from holiday accommodation the luxury they have at home, and even more. With regard to the hospitality product in general, they desire good quality and appreciate personal service and attention from the hotel employees.

As consumers living in the 'experience economy', tourists are increasingly searching for information that enables them to experience the destination instead of simply obtaining facts about 'how the destination is'. Travellers have become especially concerned not with just 'being there', but with learning, participating and 'experiencing the there' that they visit (Gilmore and Pine, 1999). This trend for tourism suggests that travel has become a means of finding personal fulfilment, identity enhancement and self-expression (Cho and Fesenmaier, 2001). Hotel guests are searching for unique experiences, new challenges and multi-entertainment in the form of action, emotion and (aesthetic) adventure. The lifestyle hotel is a hotel product meeting the needs of this special-interest market, and the same goes for 'eatertainment', a combination of eating and entertainment, for example, a medieval banquet livened up by troubadours, dancers and acrobats.

Another relevant trend is the rising interest in local, regional and national history and culture as an expression of its own identity. As far as this search for authenticity is a reaction to the uniformity and large-scale effects of globalization, it can be called localization. Averse to commoditization, the post-modern Western tourist is driven by nostalgia. Not only historic hotels respond to this 'back to the roots' trend, but also the regional gastronomy and the supplanting of fast food by slow food.

The relationship between the cultural tourism product and the hospitality product

General definition of the cultural tourism product

A cultural tourism attraction in itself does not make a tourism product. For that the attraction needs to be embedded in a

whole range of services and facilities. On the basis of the elementary definition of the tourism product as an addition of attraction plus accommodation plus transportation, the cultural tourism product can be defined as consisting of:

- the core product: the cultural attraction (monuments, museums, cultural events) plus the related specific cultural tourist services, such as information and education rendered, for example, by museum guides
- the additional product: the general tourism product elements, either apart from or incorporated into the cultural attraction itself, consisting of:
 - general tourist facilities and services rendered by:
 - tourist organizations and travel intermediaries: tourist offices, national tourist organizations, tourist clubs, travel agencies, tour operators
 - primary tourism enterprises (companies that have their core business in the tourism sector and serve primarily tourists as customers): hotels, holiday parks, campsites
 - secondary tourism enterprises (companies that provide their products and services in the first place for the local population, but that are also frequented by tourists): catering industry (restaurants, cafés), retail (shops, banks)
 - transportation infrastructure:
 - accessibility (on their own or public means of transport), signposting, parking facilities
 - private and public transportation facilities: car, coach, train, plane, boat, taxi, city bus, underground (Figure 3.1).

General definition of the hospitality product

Belonging to the category of primary tourism enterprises, the hotel industry is an essential component of the cultural tourism product. Hospitality products need to fulfil customers' needs on several levels (Kotler et al., 2003):

- The core product refers basically to the benefits provided by the hotel to the consumer and not merely its features, e.g. room comfort and convenient location.
- Facilitating products are those services or goods that must be present for the guests to use the core product, e.g. a bellboy in a luxury hotel.
- Supporting products are extra products offered to add value to the core product and help to position it through differentiation from the competitors, e.g. full-service health spa.

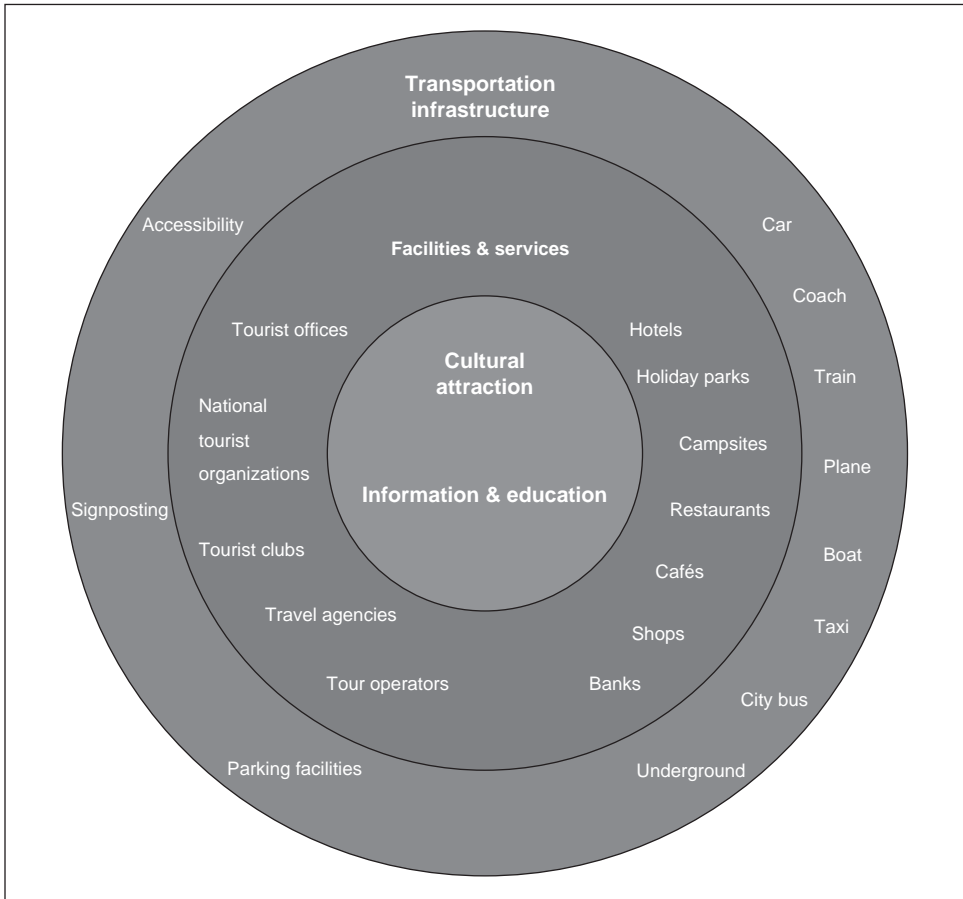


Figure 3.1
The cultural tourism product

- The augmented product includes atmosphere and customers' interaction with the service organization and each other, e.g. lobby socializing. The augmented product is an important concept because it is on this level where the main differences arise between the various hospitality concepts, e.g. atmosphere created by focus on lighting, marriage of textures and colours to please the senses.

The hospitality product as a cultural tourism product

Box hotels versus lifestyle hotels

The expansion of the international hotel chains, in the vast majority, was accompanied and made possible by a process of

standardization and commoditization. This process generated the birth of the box hotel concept, characterized by the uniformity of the core and facilitating products. The lack of differentiation between the hospitality products and services resulted finally in a 'McDonaldization' of the global hotel industry. This systematic standardization of the hospitality product provoked a counter-movement inspired by consumers searching for hotels with unique or sophisticated and innovative characteristics, called boutique, design or lifestyle hotels. At the beginning of the 1980s the term boutique hotel swept through the market and was used to describe unique 50–100-room properties, non-chain-operated, with attention to fine detail and individual decoration in European or Asian influenced furnishings (i.e. a boutique as opposed to a department store). Sophistication and innovation explain the growth of the design and lifestyle hotel niches. In order to use a generic term for these new niches, hereafter the boutique, design and lifestyle concepts are referred to as lifestyle hotels.

Being independent enterprises, lifestyle hotels join voluntary groups (membership affiliations, consortia) to benefit from the advantages of chains, especially global marketing and promotion services, common packages and international reservation systems, without having the disadvantages of chain box hotels such as absence of management autonomy, architectural uniformity and standardized operational procedures (Yu, 1996; Andrew, 2001). Examples of these voluntary groups are marketing and sales reservation networks (e.g. SRS World Hotels) and free alliances (e.g. Relais et Châteaux).

The confrontation of box and lifestyle hotels by means of Kotler's product levels shows clear differences between the two concepts. On the core and facilitating product levels, box hotel companies present savings in building and staff costs, owing to standards of performance, as a major advantage to the hotel operator. In the marketing policy, the uniformity of the concept and the strong recognition of the brand are used to influence the consumer's choice. Commoditization generates, within traditional segments, a feeling of security and familiarity. For widely travelling tourists, however, the stay in a box hotel turns into alienation and anonymization. Many of them share the experience of awaking in a hotel room while asking: 'Where am I now?' This negative guest experience, caused by impersonality, predictability and boredom, has led to an important loss of clients and turnover with box hotel companies (Naber, 2002).

Since the supporting and augmented product level make it possible to add a memorable experience to functional lodging,

it is especially on these levels that lifestyle hotels can differentiate themselves from box hotels. It is difficult to transmit a memorable experience for a box hotel, where the operations are controlled by standardized manuals and staff procedures are defined to the finest details. Lifestyle hotels, in contrast, seek to offer a fully balanced stay by means of experiential branding, which refers to positioning strategies that promise a certain type of pleasurable experience, encompassing all or part of consumers' interaction with the brand (Dubé et al., 2003). It is possible to manage hotel attributes so as to create pleasurable experiences by applying a matrix including 'hardware' components (the 'what') and 'software' components (the 'how'). Through this matrix, the 'hard' components, on the core and facilitating product levels, are made subservient to the 'soft' elements, the pleasurable experiences belonging to the supporting and augmented level. In order to meet or exceed the customers' expectations, the pleasurable experiences of the guest need to be orchestrated properly. Optical stimulation is achieved, for instance, by the lighting, decoration and presentation. Olfactory stimuli include aromas, freshness and cleanliness. Music, conversation or silence are part of the auditory stimuli (Gretzel and Fesenmaier, 2003). The hotel stay can thus achieve the value of an authentic, surprising and memorable experience for the guest.

Finally, in contrast with box hotels, lifestyle hotels share a strong cultural component and often are cultural attractions in themselves rendering specific cultural tourist services such as brochures on the hotel architecture and guided tours through the building. Since they also offer general tourist services (e.g. the supply of local and regional information) and dispose of their own transportation infrastructure or facilities (e.g. signposting, shuttle buses), lifestyle hotels can even be considered as autonomous cultural tourism products.

Lifestyle hotel products

Historic establishments • • •

The growing interest in art, culture and history is at the origin of the demand for hotels and restaurants offering a historical ambience. The number of historic buildings (castles, farmsteads, houses, churches and even industrial monuments) fulfilling a hospitality function after restoration or renovation is ceaselessly increasing. The guests belong for the greater part to the cultural tourist target groups having a high or average interest in culture and wanting to discover, experience and

broaden their knowledge of art and history during their leisure time. That is why they prefer small-scale historic accommodation with a high experience value, personal hosting and regional gastronomy.

An illustrative example of this is Saint-Gerlach, a historic country estate near Maastricht in the extreme south of the Netherlands, consisting of a monumental castle, a convent and a farmstead. It owes its name to a pious hermit who died in 1165 and is still worshipped by pilgrims in the local church next to the estate. Being situated in a river valley rich in natural beauty, the complex constitutes a unique site. In the course of the twentieth century the buildings deteriorated, but in 1997 the estate gained a tourism function, preventing its complete ruin. Camille Oostwegel Holding, a chain of historic hotels and restaurants and a member of the voluntary group Small Luxury Hotels, is the new proprietor of the entirely restored complex, which now offers:

- commercial facilities for the guests
 - a restaurant in the castle and a hotel in the farmstead
 - an apartment complex in the convent and the adjoining buildings. The external architecture has been based on the original style and the number of apartments has been limited to prevent physical pressure on the nearby conservation area
- social and cultural facilities for the parishioners and pilgrims
 - a new presbytery, sacristy and chapel dedicated to Saint-Gerlach, as well as a room for religious education
 - a museum with a treasure-house (Figure 3.2).

The exploitation philosophy is founded on a balance between the commercial, cultural and religious functions of the complex. A stay on the estate provides the guests with an enriching holiday experience in an authentic historical and natural setting. The management is constantly striving for co-operation with the parish when organizing cultural events for the hotel guests, such as organ recitals in the church. To ensure that worshippers are not disturbed, the hotel restaurant has been separated from the religious buildings by means of an intermediate buffer space. In this way cultural tourism can peacefully go hand in hand with religious tourism.

The carefully studied set-up of the Saint-Gerlach project constitutes a sound basis for the public support of the local community. From the point of view of the local authority, the project matches perfectly with the upgrading of the tourism product, involving a shift from mass tourism to quality tourism



Figure 3.2
Château Saint-Gerlach and the local church

that will benefit the well-being of the population. Thanks to the co-operation between the different parties aware of their common interests, the preservation of both the material and the immaterial cultural heritage has been guaranteed, and so Saint-Gerlach can serve as an example of best practice in the sustainable development of cultural tourism (Munsters, 1996).

Design hotels • • •

Having started in the late 1970s with Studio 54, the New York disco club that set the standard for hedonistic excess, Ian Schrager burst on to the hotel scene in 1984 when he opened Hotel Morgans in New York. He brought with him an unconventional approach and outsider mentality that was deeply rooted in the spirit and ethos of the entertainment industry. Design as décor for the hotel experience has always been part of his philosophy. Schrager's Morgans Hotel was the first property to emphasize the experience of hotel design from the inside, giving rise to the terms design hotel and designer hotel. It was the Royalton – the next hotel he opened in New York and

the first in close collaboration with Philippe Starck, a renowned French designer – that would provide the blueprint for the Schrager hotel empire.

The most important turning point in the development of interior design trends for hotels was the introduction of the narrative into design brought by Ian Schrager and followed by Jean Nouvel (e.g. The Hotel, Luzern), requiring that the designer views the project more as a film director, theatre set director or author of fiction (e.g. The Park Chennai in India). It is the experience of this overall design concept that guests will identify and carry away as their memory of the hotel (Curtis, 2003).

More and more independent hotel operators embraced a modern approach in styling and equipping their hotels, extending the use of the term design hotel, trademarked by Lebensart Global Networks, the holding company of Design Hotel Inc. Subscribing to the view of design as a measure of living, not as a temporary trend, this company began to co-operate with forward-looking hoteliers and designers who shared a similar vision, such as Matheo Thun from The Side Hotel, Hamburg. For Europe, it is interesting to mention the evolution of the Sorat Group of Hotels, the Berlin group that started with a spectacular design hotel in 1990. This medium-sized company now has twenty-four town hotels all around Germany, becoming the European leader in terms of size in 2003.

Design has become one of the key elements in the evolution of the hotel product, and not only for independent entrepreneurs. With the launch in 1998 of its hotel concept 'W', Starwood is the first example of a traditional box hotel company moving into the design hotel sector. W tries to combine what is popular in contemporary home furnishings with the latest technology.

The cultural tourist target group catered to by the design hotels comprises consumers who want to be associated with other like-minded groups, and their choice of products and services is becoming a statement in itself. The demands from this community are very different from the traditional cultural segment. The typical clientele of design hotels can be described as art interested, early adopters of fashion, media and technology, who share a passion for quality and luxurious living. The latest technology and furniture extravaganza do not, on their own, provide the key elements to appeal to this target group. Instead, these guests feel attracted by the delivery of a total experience combining art, music, entertainment, novel architecture and interesting interiors in an uplifting package to enjoy (Figure 3.3). The design hotel product therefore offers not only quality in its exterior and interior, but also a feel-good element for its customers. This emotional value is achieved by



Figure 3.3
Hotel Omm in Barcelona, designed by architect Juli Capella: a view of its façade

the combination of traditional quality of service and the offering of additional services appreciated by this market segment, such as locality, surprise and originality (Freund de Klumbis, 2002).

The future of the lifestyle hotel product

Competition is fierce on the international hotel market and the imitation of successful concepts is a proven method to attract new target groups. So it is no wonder that many of the ingredients that contribute to the lifestyle hotel experience have been adopted by box hotels. Globalization, the combination of globalization and localization, has been introduced as a leading principle in marketing policies of chain hotels. In promotional campaigns of box hotels, the role of local culture as a component of the hospitality product is highlighted by means of such slogans as 'Think locally, act globally' (Holiday Inn) and 'International standards, local flavours' (Golden Tulip). Whereas ten years ago design and style were unique selling propositions, nowadays they are minimum requirements to attract the sybaritic post-modern guest. Large hotel groups are even causing lifestyle fatigue through overbranding and, at the same time, the number of low-service stylish concepts is increasing, with design becoming an element adopted by various hospitality products, e.g. Base, the backpacker concept of the Accor group.

In this competitive struggle, the cornerstone of success for the lifestyle hotel product will be to pursue to satisfy the rapidly changing needs and wants of the post-modern consumer by offering an inimitable individuality and a fully balanced hospitality experience. The effective use of customer relationship management databases and one-to-one marketing actions has to be strengthened to be able to personalize products and services, thus increasing satisfaction, retention and loyalty. The quality of the staff will continue to be a key success issue because the lifestyle traveller seeks more than advice or recommendations. Hotel employees should not only be trained to manage the information exchange, but also be required to match guests to experiences. To perform such a consultancy task, they are expected to be informed about the hospitality product itself as well as its cultural environment (Freund de Klumbis, 2002). Furthermore, hospitality employees will be required to possess commercial skills based primarily on making the most out of each customer transaction by creating experiential programmes that push guests to spend the greater part of their money at the hotel.

It should be noted in this respect that consumers see food, accommodation and culture merely as elements of a greater whole relating to a total experience. Because of this, a relevant opportunity for lifestyle hotels, from a marketing perspective, consists of co-branding the property with a leading brand outside the tourism industry, e.g. fashion designers, retail companies, lifestyle brands. As the allocation to an existing brand name enables a quick transfer of the product values and contents to the client, co-branded hotels (e.g. Cerrutti Hotels and Bulgari Hotels) have a competitive edge in penetrating the market. However, co-branding in the hospitality industry requires a profound evaluation of both brand partners' strengths and weaknesses, a strategy for long-term co-operation and, above all, prudent implementation.

At the same time, it remains important to address the role played by the Internet as the most relevant promotional and distribution channel for the lifestyle hospitality products. The Internet still has great potential to link local suppliers to a vast global market of consumers. However, the same Internet and the growth in competition have made travellers increasingly experienced and demanding. Equipped with better knowledge and understanding, tourists will search out trips that conform to their new social awareness. That is why websites have to be designed to convey the types of pleasurable experiences promised by the hotel while ensuring pleasant browsing experiences (Dubé et al., 2003). Despite the high cost level of investment in information and communication technology and the complexity of the global distribution model, further investments and well thought-out planning of the electronic distribution strategy will be of vital importance.

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