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# The Impact of Servicescape on the Brand Image and Brand Identity of Boutique Hotels

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Nowadays, the hospitality industry cannot be imagined without the presence of boutique hotels, as the number of guests seeking for more than the traditional hotel service is increasing. Being innovative, intimate and design-oriented are some key features for boutique hotels which represent their unique hotel concept towards the outside world. This is accomplished through careful consideration of the hotels' servicescape components, such as: materials, designs, colours and capacity. Therefore, the question is raised to what extent the servicescape of a boutique hotel is able to influence the hotel's communicated brand identity? And even more important, how is this message perceived by the outside world, the stakeholder's constituted brand image? In other words, the aim of this Bachelor's thesis is to research to what extent the brand identity and brand image of boutique hotels are impacted by the appearance of the boutique hotel's servicescape.

The qualitative research method has been applied throughout the research, by means of a literature research, online observations and in-depth interviews. In the literature research, key concepts and theories were discussed, which provided direction and justification for this Bachelor's thesis. As the management of a boutique hotel is responsible for the hotel's strategic direction and its stakeholders perceive this message in a certain way, two research methods were used to highlight both perspectives. Six boutique hotels, either based in The Netherlands, Finland or Estonia, were studied during the execution of the research methods. To examine the impact of servicescape on the guests' perception towards boutique hotels, online guest reviews were observed and analysed. Secondly, to highlight the management perspective concerning the influence of servicescape on the company's strategic direction, in-depth interviews with managers of the studied boutique were conducted.

The compared results of the applied research methods revealed that brand identity and brand image are significantly influenced due to the prominent role of the boutique hotel's servicescape. As the brand identity represents what a company aspires to stand for, every visible element is considered carefully. In this respect, conveying a consistent brand identity is key in meeting the hotel's promises, which subsequently causes increased business performance. Moreover, servicescape is closely related to the constitution of the stakeholder's individual brand image. A positive perceived servicescape could influence behaviour of potential, existing and former guests in terms of overall satisfaction, revisiting and word-of-mouth advertisement. As brand identity and brand image should be aligned as much as possible to maximize business performance, the strategic direction of boutique hotels is significantly affected by the servicescape.

| **Keywords** |
|---|
| Servicescape, boutique hotels, brand identity, brand image, strategic direction |

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# 1 Introduction

Providing outstanding service, uniqueness and an intimate and personalized atmosphere are a couple of key features which are related to boutique hotel concepts. All boutique hotels are different from each other. Being different than others is a unique selling point, and therefore used as a marketing tool to stand out from the crowd. (Harrisson 2016.) However, what is the importance of the servicescape in influencing the brand image and brand identity and how is this communicated to the outside world? The Servicescape concerns the atmosphere and environment in which service takes place. Therefore, the perceived servicescape is connected to employees and customers, as they are crucial in the process of service exchange. (Chand 2016.) This Bachelor's thesis will focus on the role of servicescape, related to the brand image and brand identity of boutique hotels. In other words; how important is the physical surrounding for boutique hotel guests when forming an opinion and impression regarding the specific boutique hotel and to what extent is this image aligned with the brand identity the boutique hotel is trying to convey?

This research is concentrated on boutique hotels in The Netherlands, Estonia and Finland. In these three countries, several boutique hotels will be observed and data will be collected from these hotels. The purpose of this research is to get a better understanding of the impact of the physical surrounding on the brand image and brand identity of boutique hotels. Thus, the importance of the servicescape in the decision-making process of former, existing and potential hotel guests will be researched.

Already since the start of the author's studies, she has been questioning herself how she would decide which hotel to stay at, among the various hotel chains and concepts which are offered nowadays. For the author, personalized service and a unique experience are preferred over the standardized services of well-known and large-scaled hotels. In addition, a place in which the author is able to associate herself with is as important. As the author's interest for boutique hotels increased, it came to her mind to what extent the physical surrounding of boutique hotels would impact her experience and impression regarding these hotels. Moreover, she wondered if this information would impact the strategic direction of these hotels. Therefore, as the author's Bachelor's thesis could concern any related hospitality topic, she has decided to finally research this unanswered question.

## 1.1 Objective

The objective of this research oriented Bachelor's thesis is to understand and identify to what extent the brand image and brand identity of boutique hotels in Finland, Estonia and The Netherlands are influenced by the servicescape. In other words, what influence does

the appearance of the boutique hotel's physical surrounding have in order to stand out from the crowd? And how is this message communicated to - and perceived by the outside world?

These days, the amount of hotel guests seeking for more than the traditional hotel service is increasing. Unique concepts and personalized services of boutique hotels are more popular than ever. Looking from a marketing point of view, the unique concept of a boutique hotel is what differentiates them from other hotels. (Hidzhelitska 2011.) Hotel guests who choose to stay at a specific concept hotel are looking for recognition and would like to associate themselves with the hotel identity. Unique concept hotels are able to represent the guests' way of living. In this research, it is investigated how the physical surrounding of boutique hotels is able to attract a niche of customers who fit the identity of the hotel and the other way around. (Landman 2009.) To stand out and being able to offer a unique hotel experience, design and atmosphere are the most crucial parts (Ishaq, Bhutta, Hamayun, Danish & Hussain 2014).

Brand image is all about how customers perceive the company. It is a certain impression which creates particular perceptions in the minds of customers and other stakeholders. Brand image is considered a measurement of business success. The reason for this is that it represents customer confidence in quality of service and products. Several studies have shown that purchasing behavior is significantly influenced by brand image. (Fianto, Hadiwidjojo, Aisjah & Solimun 2014.) In the case of the hospitality industry, if the brand image of a certain boutique hotel is considered positive by former, existing or potential hotel guests, these guests are more likely to choose for this specific hotel. For this reason, it is of tremendous importance for the management of a boutique hotel to understand how their business is perceived by the outside world in order to convey an effective brand identity. Therefore, in this research it is examined how servicescape contributes to the brand image of boutique hotels in order for the business to respond correctly and maximize its business performance. (Aaker 1996, 69.)

Moreover, employees and customers are strongly connected to the servicescape and thus have a great impact on the physical surrounding (Chand 2016). In order to examine the level of influence the servicescape has on the brand image of boutique hotels, the brand image of the hotel guests will be analyzed extensively. Once the value and influence of the servicescape of a boutique hotel is fully understood, only then an efficient marketing strategy can be applied. As this causes the brand image and brand identity to be closely aligned, a specific target group would be attracted more successfully. (Keller 2013, 77.)

## 1.2 Research question and sub questions

Besides the main research question, the research problem is divided into four specific parts, the sub questions. These sub questions will contribute to the quality of the research and strucutre of the thesis process.

The main research question:

- o What impact does the servicescape has on the brand image and brand identity of boutique hotels?

Sub questions:

- o If only the servicescape is considered, how do boutique hotels differentiate themselves from their competition?
- o To what extent does the servicescape influence the behavior of boutique hotel employees?
- o How important is the servicescape for former, existing and potential hotel guests of boutique hotels?
- o To what extent does the brand image influence the strategic direction of boutique hotels?

## 1.3 Relevance of this research

Brand identity and brand image are closely related to each other. Whereas brand identity represents what the company stands for, the brand image concerns how the company is perceived by the outside world. When the brand image does not match the brand identity, attracting hotel guests does not work out as effective as it could be. Therefore, it is highly relevant for the management to break down the brand image and to analyse and understand what impression hotel guests get from their business. (Aaker 1996, 69.) Once it is totally clear and fully understood what impact the servicescape has on the brand image, the management is able to market themselves in a certain way and emphasize on the parts which play a dominant role in their brand identity. Efficient marketing is crucial for a positive business performance. Understanding the value of servicescape of boutique hotels, enables the management of these hotels to set up a relevant marketing campaign focused on a specific target group. The results of this research will support the management of boutique hotels to make the right decisions in terms of marketing and investing in the crucial parts which are considered important by their former, existing and potential hotel guests. (Keller 2013, 77.)

## 1.4 Thesis structure

In this Bachelor's thesis, it is researched to what extent the brand identity and brand image of boutique hotels are impacted by the appearance of the boutique hotel's servicescape. Moreover, this research clarifies the relationship between the influence of the brand image on the chosen brand strategy by the management, in order to differentiate the hotel from its competitors and to increase business performance. To deliver a well conducted research, the author has undertaken the following steps and structured the report as follows:

In the first chapter, the introduction, the thesis topic is discussed. An elaboration of the theme, together with the research questions, objectives and thesis outline is given.

The second chapter, the theoretical framework, aims to give the reader the necessary background information concerning the thesis topic. First of all, the theoretical framework provides the reader with an extensive explanation of terms and concepts which are used as building blocks throughout the entire research. In order to avoid miscommunication and to ensure the reader is on the same page as the researcher, an explanation is given of the following terms: boutique hotels, servicescape, brand identity and brand image. Thereafter, the servicescape framework is explained and illustrated in order for the reader to get a clear understanding of the key term 'servicescape'. The different parts of this framework, such as the dimensions, are discussed as well. In the last part of the theoretical framework, the correlation between the three main themes of this research are highlighted: servicescape, brand image and brand identity. First the correlation between servicescape and brand image is highlighted followed by the correlation between brand image and brand identity.

In the methodology, chapter 3, the chosen research methods are described. In order to find an answer to the research problem, the author has chosen to carry out a qualitative research. This is done by means of two different research methods. First of all, online reviews of the six studied boutique hotel were observed. Secondly, interviews were conducted with a manager of all the six boutique hotels. Additionally, the justification, validity and reliability concerning this research are highlighted in this chapter.

In chapter 4, the results of the two conducted research methods are presented. First of all, the retrieved results from the online review observations are presented. In the second part of this chapter, the results of the conducted interviews are discussed.

In the discussion chapter, the results of the literature research, together with the results of the conducted interviews and observations are compared. This comparison is used to eventually be able to answer the main question.

The conclusion, the final chapter of this Bachelor's thesis, presents the final answer to the sub questions and the main research question. Also, a suggestion is given to further research this subject. In addition, the limitations of this research together with the author's development during the research process are discussed.

## 2   Theoretical framework

In the theoretical framework, theory and literature concerning this thesis topic is studied. The theoretical framework provides direction and justification for this research. Key concepts and theories, which have been researched in previous works and studies, are discussed. First of all, the theoretical part will adress key concepts which are neccesary to understand in order set the right base for a successful research proccess. Then, the servivescape model, used as a framework during the research, will be explained, as well as an elaboration on the servivescape of hotels in particular. Lastly, the correlation between the key concepts of this research are defined.

### 2.1 Definitions and concepts

### 2.1.1   Boutique hotels and its characteristics

In the early 1980s, Steve Rubell came up with the term 'boutique hotel'. The boutique concept was created in New York when Steve Rubell and Ian Schrager created a small, luxurious hotel called 'Morgans', located at Madison Avenue in Manhattan. In contrast to the dominating largescale chain hotels at that time, this hotel, consisting of only 114 rooms, presented a total different appearance. This first boutique hotel was designed by French stylist Andrée Putman which caused the rooms and the entire atmosphere to be unique but luxurious. Rubell described this new concept as a small boutique store compared to the large department stores, which are the large chain hotels in this case. Ever since, this new concept has been growing in popularity enormously. Rubell came up with the term 'boutique' mainly because of the uniqueness and size of the hotel. Nevertheless, nowadays this term is also used to describe other features of the hotel such as lifestyle- and design hotels. (Rosner 2015.)

Although these days no standard definition of the term 'boutique hotel' has been defined, there are some primary features all boutique hotels share. To start off with, boutique hotels differentiate themselves from large hotel chains by offering personalized service. As boutique hotels are rather small, the connection between hotel guests and employees is way more personalized. As an example, employees are more likely to remember guest's names and their preferences. Nevertheless, it is argued by Ian Schrager, co-founder of the first Boutique hotel 'Morgans', that the capacity of the hotel does not matter, it is the attitude and approach which describes the term 'boutique'; the unique atmosphere. With this, the next primary feature is raised: unique interior design. all boutique hotels can be distinguished from each other, due to different concepts and their unique personality and design. Often, different themes are introduced in each hotel room.

To demonstrate, the Idol hotel located in Paris, offers 34 different rooms, representing a different music style in every room (Idol hotel Paris 2016). Hotel guest who choose to stay at such a specific hotel are looking for recognition and prefer to associate themselves with the hotel identity. The feeling of uniqueness is key in these concept hotels, as there is no specific box in which such hotels can be placed. (Anhar 2001; Covington Travel 2016; Landman 2009.)

Most boutique hotels are independent, or if not, it feels like they are not part of a bigger brand, due to the small size and intimate ambience. Most often boutique hotels do not contain more than about 100 rooms, however some professionals argue it should not exceed more than 200 rooms. As there is not clear definition of the term 'boutique hotel', the underneath table describes what is considered to represent boutique hotels and what is not. This table was created by professionals at the Boutique Hotel Summit in London in 2011. (Balekjian & Sarheim 2011.)

Figure 1: Features of boutique hotels (Balekjian & Sarheim 2011)



### 2.1.2 Servicescape

The area in which service interaction takes place between the company and the customer is called the physical surrounding. Another way to call this physical surrounding in which service is performed, delivered and consumed is 'servicescape'. As stated by Booms and Bitner (1981, 36), ''Servicescape is the environment in which the service is assembled and in which the seller and customer interact, combined with tangible commodities that facilitate performance or communication of the service''. Servicescape is able to influence the customer behavior and their level of satisfaction regarding the service businesses. As the place where service takes place cannot be hidden, it may have impact on the customer perceptions, such as the evaluation of the service interaction. Therefore, the servicescape is used as an important measurement tool to understand customer behavior. A commonly used example to explain this phenomenon is the experience a guest gets from a fast-food restaurant compared to a small family restaurant. Although the quality of

the food may be on the same level, the guest is likely to experience a higher quality when visiting the small restaurant, due to the physical environment in which the service takes place. (Booms and Bitner 1981, 36; Swarts & Lacobucci 2000, 35.) In a later stage of the theoretical framework, an extensive elaboration concerning the servicescape framework together with its dimensions and elements is given.

The way the servicescape is perceived by the company's stakeholders is of great influence when forming their initial impression. As the servicescape of a business is evaluated, tangible elements of a business are observed in order to determine to quality of the intangible elements. (Simpeh, Simpeh, Abdul-Nasiru & Amponsah-Tawiah 2011.) According to a study by Ishaq & al. (2014), servicescape significantly impacts behaviour of stakeholders in terms of revisiting, word-of-mouth advertising and satisfaction. Eventually, this all contributes to an increase in business performance

As servicescape is able to influence customer and employee perceptions enormously, the servicescape is able to perform a variety of roles simultaneously:

**Package:** When products are bought by customers, a package to cover the actual product is required. This package is used to present a certain identity and to provoke emotional feelings of the customer. Just like the package of tangible products, the physical surrounding of a company actually 'wraps' the service. The package plays a major role in forming expectations and perceptions. (Zeithaml & Bitner 1996, 40.)

**Facilitator:** Depending on the designed settings, efficient or inefficient performance is facilitated. A well-designed service setting causes the service experience to be pleasant from both the customer's point of view as well as from the employee's point of view. Whereas an inefficient design may provoke frustration. (Zeithaml & Bitner 1996, 40.)

**Socializer:** Thirdly, the physical environment of a company can act as a socializer. The design of a company's physical surrounding is able to clarify roles, behaviors and relationships of customers and employees. To demonstrate, the design of the facilities in a company are able to present in which parts of the servicescape employees are only allowed. This conveys the role between customers and employees. (Zeithaml & Bitner 1996, 40.)

**Differentiator:** Servicescape can also act as a differentiator. The design of the physical surrounding which is applied in a certain company differs from company to company. Besides differentiating from the company's competitors, the servicescape is also able to act as a differentiator within the company itself. As an example, the luxurious seats on an airplane differentiates the business class from the economy class. (Zeithaml & Bitner 1996, 40.)

### 2.1.3 Brand identity

According to Aaker (1996, 68), the identity of a brand represents what the brand aspires to stand for. Brand identity provides a strategic direction as it shows how the brand wants to be perceived by its stakeholders. These stakeholders represent the company's customers, members, potential customers and so forth. All the components that distinguish the brand value from other brands are included in the brand identity. The features that make up the brand identity such as; the brand name, logo and tagline, are used to appeal customers and other stakeholders. Brand identity reflects on the company's reputation. To illustrate, if a particular color is part of the brand identity, this color should stay consistent in order to maintain the brand identity. Consistency in the brand identity is vital in order to create a strong corporate culture and to be memorized by customers more easily. The brand identity represents long term values of the brand. (Aaker 1996, 68.)

### 2.1.4 Brand image

In contrast to brand identity, brand image does not express the way a company wants to be perceived by customers, but represents how customers actually perceive the brand. Brand image is a personal belief regarding a certain company. It is an individual perception. Brand image is created when the brand is observed by an external person. Knowledge, beliefs, reflection on the actual use of the product or service, together with whatever that person has heard and read about the specific brand, all contribute to the development of forming a brand image. (Business case studies 2016; MSG 2016; Peter & Olson 2005, 47.)

It is of tremendous importance for a company to analyze and understand the brand image, as the brand image is a vital factor in the purchasing decision process. The brand image is a mirror which represents the brand's most important elements. A positive brand image ensures consumer confidence in the products and services provided by this brand. In other words; if the brand image is positive, customers are more likely to decide to choose for that specific brand over other brands. (Bhasin 2016.) Analyzing the brand image is of great use as it provides background information for the company to understand what image customers have in their mind regarding the brand. This supports the brand to convey an effective brand identity. (Aaker 1996, 69.)

### 2.2 Servicescape framework

In order to understand why and how behavior is influenced by the servicescape of a company, a conceptual framework has been developed by researcher Mary Jo Bitner (1992). This framework illustrates how the environmental factors are perceived by the customers and employees of an organization.

In addition, the model shows how customers and employees may respond cognitively, emotionally and psychologically to the physical environment. Behavior of customers and employees is influenced by these internal responses which subsequently impacts the social interactions among employees and customers. In the end, this framework signifies the contribution of the servicescape to the business performance; the achievement of internal organizational goals as well as external marketing goals. (Bitner 1992, 65-67.)

| Physical Enviromental Dimensions | Holistic Environment | Internal Responses Moderators | Internal Responses | Behaviour |
|---|---|---|---|---|

**Cognitive:** -Beliefs -Categorization -Symbolic meaning  **Emotional:** -Mood -Attitude  **Physiological:** -Pain -Comfort -Movement -Physical fit

**Individual Behaviours Approach:** -Affiliation -Exploration -Stay longer -Commitment -Carry out plan

**Avoid** (Opposite of approach)

**Ambient Conditions:** -Temperature -Air quality -Noise -Music -Colour

**Space/Funtion:** -Layout -Equipment -Furnishings

**Signs, Symbols & Artefacts:** -Signage -Persinal artefacts -Style of decor

**Perceived Servicescape**

**Employee Responses Moderators**

**Customer Responses Moderators**

**Employee Responses**

**Customer Responses**

**Social Interactions** (Between and among customers and employees)

**Cognitive:** -Beliefs -Categorization -Symbolic meaning  **Emotional:** -Mood -Attitude  **Physiological:** -Pain -Comfort -Movement -Physical fit

**Individual Behaiours Approach:** -Attraction -Stay/explore -Spend money -Return -Carry out plan
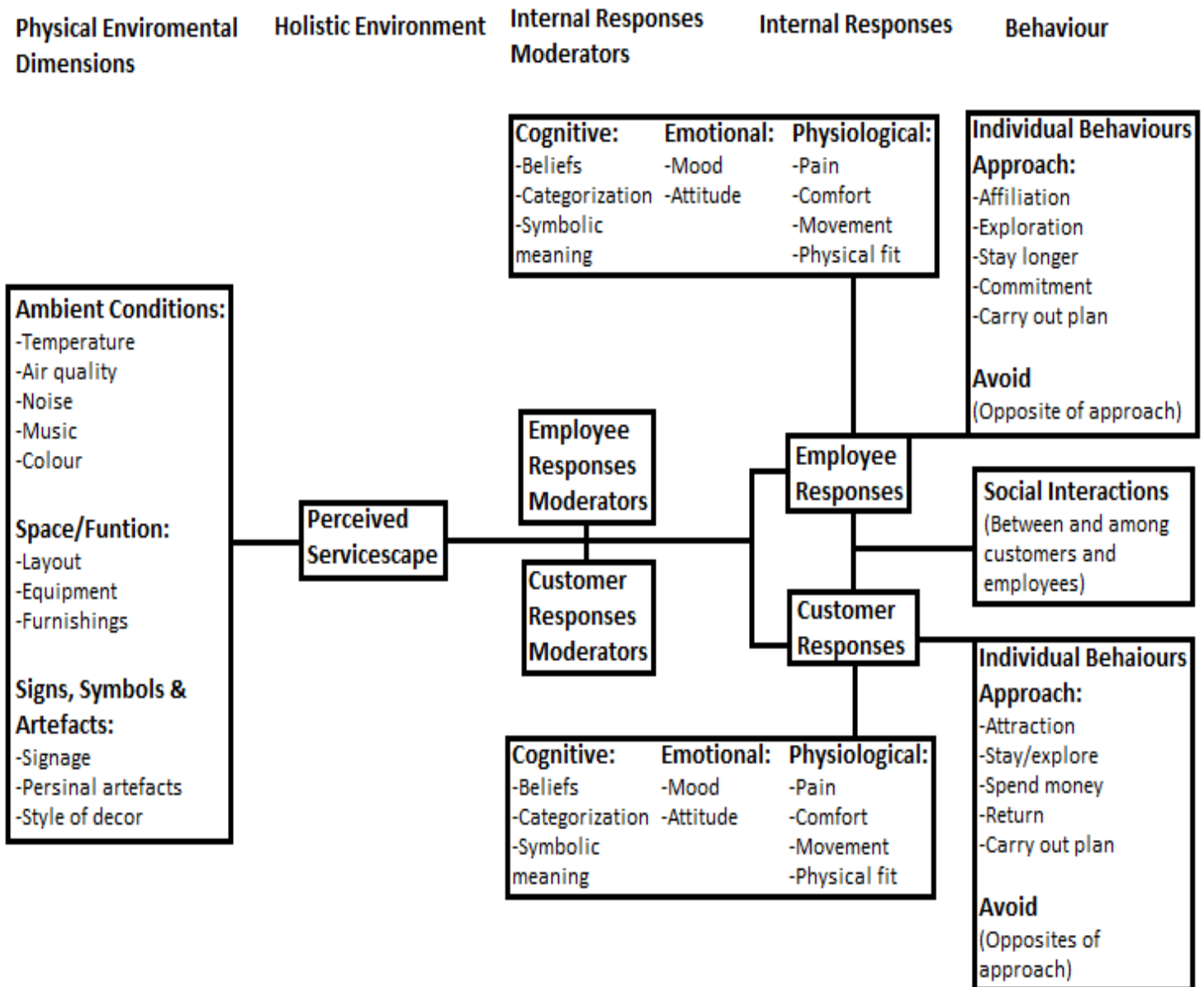
**Avoid** (Opposites of approach)

Figure 2: Framework for understanding environment-user relationships in the service organization (Bitner 1992)

### 2.2.1 Physical environmental dimensions

The servicescape consist of a several environmental features which are able to influence the perception and behavior of people. All these different features are captured in three separate dimensions. The servicescape of a company consists of the following dimensions: ambient conditions, spatial layout and functionality and signs, symbols and artifacts. All these three dimensions are able to influence a person's perception regarding the environment, either individually or in relation to other dimensions. (Bitner 1992, 58.)

**Ambient conditions:** These are background features of the environment, which most often affects the 5 senses of a human being. To demonstrate, the smell, temperature or music in a particular environment represents ambient conditions. Nevertheless, some ambient features, such as chemicals and gases, are unnoticeable, yet are able to affect human behavior (Russel & Snodgrass 1987). Ambient conditions are especially noticeable when they are present in an extreme way. An example of this dimension is an extreme hot or cold temperature in the physical surrounding of a company. (Bitner 1992, 65-66.)

**Spatial layout and functionality**: The organization of machinery, equipment and furniture within the physical environment of a certain company is called the spatial layout. Functionality refers to the ability of these objects to contribute to effective performance and goal achievement. A lot of research has been conducted concerning this dimension related to employees. To demonstrate, the organization of the front desk has a great impact on the efficiency of the employee's performance. On the other hand, research has shown that the effective spatial layout and functionality also is essential for customers in self-service environments, as in this case service interaction should succeed without the presence of employees. Moreover, when the tasks are complex to perform or when there is short in time, the spatial layout and functionality are of great importance for employees as well as for customers. (Bitner 1992, 66.)

**Signs, symbols and artifacts:** This dimension concerns tangible objects which can be seen by customers and employees and which communicates information about the company. As an example, a sign on the door of a building which says it is not allowed to smoke, communicates a certain rule of behavior (Wener & Kaminoff 1982). Moreover, artwork, quality of the materials used, photographs and so on are all able to create symbolic thoughts and contribute to the company's image. Signs, symbols and artifacts are essential to form the first impression for customers and employees. In addition, communicating new service concepts can be done through this dimension. These visible items are of great value for the company to differentiate themselves from its competitors. (Bitner 1992, 66; Finlinson 2008.)

### 2.2.2 Internal responses

As show in figure 2, the perceived servicescape does not immediately influence people's behavior. Instead, their response towards the servicescape causes someone's behavior to be influenced. Customers and employees are able to respond to their physical environment in three ways: cognitively, emotionally and psychologically. (Bitner 1992, 65-67.)

**Cognitive:** As the appearance of a company's servicescape is able to influence people's believes, it can actually be seen as a form of non-verbal communication. To demonstrate; the uniform of employees or the design of furniture in boutique hotels enables the guest to categorize the hotel. Perceptions regarding these physical elements lead to either positive or negative beliefs about the environment itself, as well as the people and products. (Bitner 1992, 62-63.)

**Emotional:** Emotional responses can be elicited as well. This is represented in two different dimensions: pleasure-displeasure and degree of arousal. According to researchers Mehrabien and Russell (1974), when emotional responses are measured in those two dimensions, the behavior, with regards to the environment, can be predicted. To demonstrate, a warm and pleasant environment provokes people to spend more money than these people would spend in unpleasant perceived environments. In addition, Obermiller and Bitner (1984) researched that people are encouraged to evaluate services or products way more positive in emotionally pleasant environments than evaluating the same services and products in unpleasant environments. (Bitner 1992, 63-64.)

**Psychological:** Lastly, servicescape could impact people on physiological level. For example, the comfort of chairs in a restaurant may influence how long guests stay. When guests feel uncomfortable they will probably not stay for a long time. Depending on how the physical environment is perceived by people, their behavior within the environment may be influenced. Moreover, according to Mehrabien and Russell (1974), the psychological response could also influence other elements at the specific location. For example, if the chairs in a restaurant are perceived as uncomfortable by the guests, these guests might respond in a negative way towards strangers. (Baron, 2010, 165-172; Bitner 1992, 64.)

### 2.3 Servicescape in the hospitality industry

Although servicescape is present in every service related business, the influence of servicescape components may differ per line of business. Lee points out that businesses operating in the hospitality industry should emphasize on servicescape components, such as ambiance, service, design and décor, in order to be and remain competitive within their market. Nevertheless, communicative elements, such as politeness and understanding,

also are of significant importance for a hotel to differentiate themselves from their competition. (Durna, Dedeoglu & Balikçioglu 2015.)

Usually, different types of guests are attracted to the same hotel and will stay at this hotel for different reasons. Moreover, all of these hotel guests are individuals and thus will have different interests, expectations and personality characteristics. To demonstrate, a hotel guest who just checked-in might be tired and moody because of the guest's tiring journey. This particular hotel guest probably prefers a quiet room and good bed over drinking a beer in the bar as some other guest might choose for. Based on this guest's mood, the quality of the hotel bed and design of all other parts of the hotel is evaluated. All hotel guests are different from each other and have individual intentions and expectations. Therefore, ensuring all hotel guests are pleased and satisfied may be quite hard for the management of the hotel to achieve. Nevertheless, to learn more on how the hospitality industry successfully could attract the hotel's target group by being able to relate the effects of guests' mood and their perceptions on servicescape, a research was carried out by Lin (2010). This study highlights the influence of gestalt versus non-gestalt circumstances, related to the arousal seeking tendency of hotel guests concerning servicescape components such as colour and light. Gestalt describes a servicescape which matches the ambience, whereas non-gestalt concerns a servicescape which does not match the ambience. The arousal seeking tendency (AST) is defined as the individual preference for a certain ambiance. To illustrate, some people prefer a calm ambiance whereas others prefer lively, complex settings instead. In order to test this relationship, video clips of a certain hotel bar and hotel rooms were manipulated by using specific music and colour schemes. These videos were shown to 255 participants and afterwards their response concerning the arousal seeking tendency was retrieved via a survey. The results of this study showed that music and colour significantly impacts guests' responses. To conclude, servicescape components which matches the ambience should be present within a hotel in order for hotel guests to perceive the servicescape in a positive way. To demonstrate, hotel rooms mainly serve as an area of relaxation and therefore, the ambience should convey this feeling by matching music and colours. (Lin 2010.)

## 2.4 Brand Image and brand identity

Beliefs, knowledge and observations regarding a brand all contribute to the constitution of someone's brand image. Looking from the company's point of view, a positive brand image is created by the strong, favorable and unique associations related to the brand memory. This could be accomplished through effective marketing programs. Elements of the brand associations are displayed in brand attributes and brand benefits. Brand attributes describe the characteristics of services or products, such as the servicescape. Brand benefits on the other hand represent the emotional meaning customers get from using the service or product. Although the marketing strategy is of significant importance

in the creation of customer's brand image, brand associations are also created through several other ways such as: own experience, word of mouth advertisement, online surfing, assumptions, country of origin and so forth. Therefore, companies highly prioritize to analyze and understand the impact of these sources in order to design effective communication strategies. (Keller 2013, 77.) According to Aaker (1996,69), analyzing and understanding how the company is perceived by the company's customers and other stakeholders provides vital information to convey an effective brand identity.

## 2.4.1 Correlation between servicescape and brand image

The environment in which service is performed, delivered and consumed and where employees of the company and its customers interact with each other is called the servicescape. The servicescape is able to influence employee as well as customer behavior and their perceptions regarding the service business. (Booms and Bitner 1981, 36.) Research has shown that the servicescape plays a major role in determining the brand image of customers and other stakeholders. A positive evaluation of the servicescape experience affects the overall level of satisfaction and thus the perception on the company. The elements which are part of the servicescape (ambient conditions, spatial layout & functionality and signs, symbols & artifacts) such as the design, logo and temperature all play a significant role in how the brand is perceived by the outside world. To demonstrate, the logo of a specific service company contributes to the emotional meaning the customer attaches to the image of the brand. (Mukherjee & Shivani 2013, 15-28.)

In addition, according to a study by Durna & al. (2015), research has shown that there is a clear connection between servicescape and the overall brand image. Moreover, a positive brand image could contribute to a positive effect on satisfaction, word-on-mouth advertising and re-visiting. As mentioned by Barich and Kotler (1991), brand image plays a crucial role in customer behaviour which is related to the customer's purchasing decision process. Therefore, in order for a company to stimulate their business performance, it is of tremendous importance for the company to make sure their servicescape is perceived in a positive way by its stakeholders. Trend following and designing unique servicescape components are considered as a great contribution for companies who intend to convey a positive servicescape and thus -brand image. According to Grubb and Gratwohl (1967), if businesses do not keep track on current trends, their former positive brand image could change in a negative way. The reason is that, on average people are not willing to buy products or services which are considered out-dated by the society. (Barich and Kotler 1991; Durna & al 2015; Grubb & Gratwohl 1967.)

## 2.4.2   Correlation between brand image brand identity

The brand identity of a company represents everything the brand stands for; vision, mission, values, beliefs layout and so forth. The meaning of the brand is communicated to the outside world through a certain marketing communication strategy, which contributes to the constitution of someone's brand image. In order to create the most effective business outcome, the brand identity should exactly match the stakeholder's perception regarding the brand. Nevertheless, this is often not the case. The brand identity is not effective until the company's stakeholders perceive it the same way as it is communicated by the company. (Aaker 1996, 68.)

As illustrated in figure 3, according to Kapferer (2008, 99), the brand identity (how the brand wants to be perceived) is placed on the sender's side, the company. The aim is to present the brand values and self-image. On the other hand, the brand image (how the brand is actually perceived by its customers) is situated on the receiver's side, the customer. As shown in the underneath figure, before the brand is able to send their identity to the customers, the brand should know what to send and how to send it, in order for the customer to receive this message. The received signals, such as the services and communication by the brand, are decoded by the customer which contributes to the customer formation of an individual brand image. (Kapferer 2008, 99.)
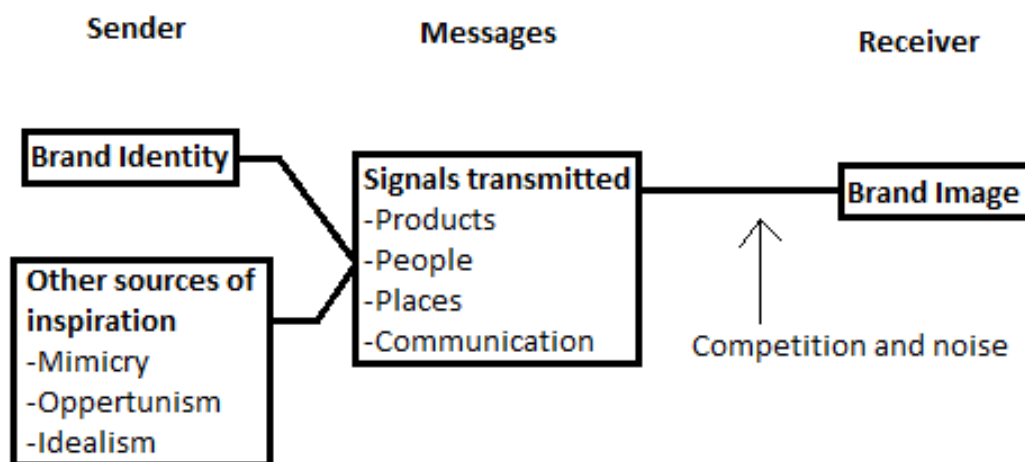


Figure 3: Identity & Image (Kapferer 2008, 98)

In order to get and maintain competitive advantage, the applied branding strategy of a company plays a major role. Nevertheless, a gap may appear between what the brand communicates and how the brand actually is perceived (figure 4). This causes ineffective brand management. Therefore, companies highly prioritize to be constantly in touch with their stakeholders. In order to manage the company's brand, an inside-out approach is

often applied. The aim of this approach is to align the brand identity and the brand image. Thus, two important questions should be answered: What does the company portray? And how is this message perceived by its stakeholders? The insight-out approach emphasises on managing the core of the company, which is the brand identity. Brand image will follow. The brand identity represents the company's vision, mission, and culture; every element should support the message which is conveyed to the outside world. The more consistent the brand identity is displayed, the stronger this identity comes across. (Kapferer 2008, 272.)
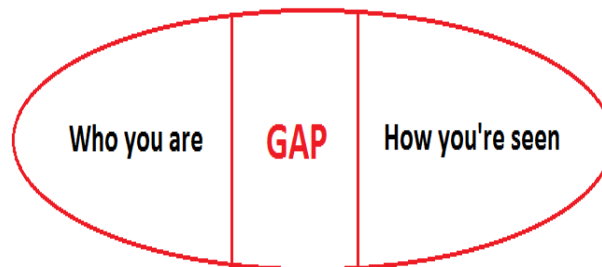


Figure 4: Image Identity gap analyses (Aaker & Flink 2013)

Aligning the brand identity and the brand image requires a brand to manage everything that creates value for the company's services and products. This involves the intangible elements (e.g. name and communication) as well as the tangible elements of a brand (e.g. signs and design). One of the most important factors which influences the gap between brand identity and brand image is the consistency of employees while conveying the brand identity towards stakeholders. If even the employees do not have a clear view on the brand identity, stakeholders will never perceive the brand according the way the company desires. Brand management can only be controlled once the brand identity is communicated consistently. (Taylor 2015.)
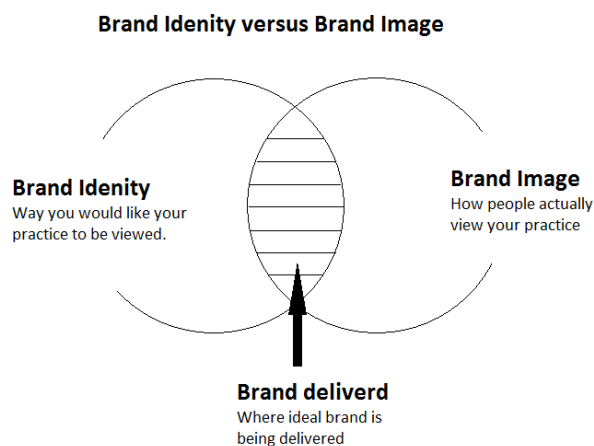


Figure 5: Brand identity versus brand image (Cobb 2014)

As shown in figure 5, the inside-out approach should eventually ensure an overlap between the brand identity and brand image is created. Aligning the brand identity and the brand image is a vital factor in differentiating the company from its competition. Moreover, narrowing down this gap provides vital background information in order to attract the company's target group in an effective way. (Cobb 2014.)

# 3   Methodology

In this chapter, the research framework is described. To be able to conduct a trustworthy research of high quality, this framework is served as a base and is followed throughout the entire research. A description of the used research methods together with a clarification of the selected studied boutique hotels and the positions of the interviewed managers is given. Afterwards, a justification of why these specific research methods have been chosen is included in this chapter. In addition, the reliability and validity of the research is discussed in order to examine the quality level of the research.

## 3.1 Qualitative research

The qualitative research method has been applied throughout the research. The data derived from the sampling methods is descriptive and contributes to get a clear insight on the topic. (Patton & Cochra 2002.) It was decided to conduct a qualitative research as the perspective of the studies' participants were identified through qualitative sampling which provided an in-depth understanding of the research problem. Moreover, this research was applied on specific hotels only, namely boutique hotels. Meaning to say, only a selected sample could be used to collect the data. Therefore, six different boutique hotels were selected which were studied during the two applied qualitative research methods. Thus, qualitative research has been applied by means of observations and in-depth interviews. Online guest reviews of the selected boutique hotels in The Netherlands, Estonia and Finland were observed and analysed. In addition, in-depth interviews were conducted with managers of the same studied boutique hotels. As qualitative research emphasises on the 'human' perspective of a research, behaviours, opinions and emotions were identified through the observations and conducted interviews. The used research methods were considered suitable for this research, as these research methods clarified the guest perspective as well as the management perspective concerning the research problem (Hennink, Hutter & Bailey 2011, 8). After the data was collected, all the derived information was evaluated and analyzed in order to discover patterns and correlations between the literature research and obtained data.

## 3.2 Introduction of the studied boutique hotels

In order ensure the two research methods were successfully applied, six boutique hotels were selected and studied throughout the research. These boutique hotels, located in The Netherlands, Finland and Estonia were used as input for the online guest review observations. Moreover, in the second part of this research an in-depth interview was conducted with a manager of every participating boutique hotel. Refer to table 6 for an overview of the studied boutique hotels. Please note that due to privacy reasons, the

names of the interviewees have been changed into coding names. Quotes and results which were obtained from the conducted interviews are referenced by the coding name shown in table 6.

Table 6: Interviewed boutique hotels

| Boutique hotel | Where | When | Coding name of the interviewee | Position interviewee | Language spoken during interview |
|---|---|---|---|---|---|
| Hotel 't Keershuys | Den Bosch, The Netherlands | 09-01-2017 | Manager 1 | Owner, General Manager | Dutch |
| Bliss Boutique Hotel | Breda, The Netherlands | 17-01-2017 | Manager 2 | Owner, General Manager | Dutch |
| Boutique Hotel Straelman | Nijmegen, The Netherlands | 23-01-2017 | Manager 3 | Owner, General Manager | Dutch |
| Klaus K Hotel | Helsinki, Finland | 17-02-2017 | Manager 4 | Marketing Manager | English |
| The Three Sisters Hotel | Tallinn, Estonia | 01-03-2017 | Manager 5 | Operations Manager | English |
| Hotel Haven | Helsinki, Finland | 03-03-2017 | Manager 6 | Duty Manager | English |

In order to get a clear understanding why these specific hotels were selected for this research, a description of the boutique hotels and position of the interviewed managers is given.

1. Hotel 't Keershuys:
   This independent boutique hotel is located in Den Bosch, The Netherlands. The hotel has six rooms and also serves as a restaurant. This boutique hotel is established in the second oldest historic building of Den Bosch, which is a significant feature for the appearance of the hotel. The interview was conducted with the owner as well as the Day-to-day Manager of Hotel 't Keershuys. (Manager 1 9 January 2017.)

2. Bliss Boutique Hotel:
   The second boutique hotel which was used as input for this Bachelor's thesis is called Bliss Boutique Hotel and is located in Breda, The Netherlands. This boutique hotel is also independent and has a capacity of 9 suites, in which all suites represent a different theme. The owner as well as the manger was interviewed. 2.5 years ago she has taken over the hotel from the former owner. (Manager 2 17 January 2017.)

3. Boutique Hotel Straelman:

The third boutique hotel is called Boutique Hotel Straelman in Nijmegen, the oldest city of the Netherlands. This boutique hotel is quite a new hotel, as it opened in march 2015. The person with whom the interview was conducted is the owner and Manager of the boutique hotel. 2.5 years ago she rebuilt the historic building from student house to luxurious boutique hotel, accommodating 5 themed rooms at the moment. (Manager 3 January 2017.)

4. Klaus K Hotel:

The Klaus K Hotel is located in the city centre of Helsinki, Finland. This hotel is advertised as design hotel instead as boutique hotel. Nevertheless, due to its trendy and unique appearance, size and the provided personalized services, this hotel could also be advertised as boutique hotel. In total, Klaus K has a capacity of 171 rooms, offering 10 different room types. Out of all these rooms, 168 rooms are unique from each other in size, colour scheme and so forth. Only three rooms are kind of identical. The Klaus K Hotel is owned by Kämp Collection Hotels. The Marketing Manager of the Klaus K Hotel was interviewed. (Manager 4 17 February 2017.)

5. The Three Sisters Hotel:

This boutique hotel is the only studied hotel which is located in Estonia. In the heart of the old town of Tallinn, three houses, dating back from 1362, were renovated into a small luxurious boutique hotel in 2003. The boutique hotel counts 23 rooms and suites, all unique in size and lay-out. The Three Sisters Hotel is part of the prestigious Relais & Chateaux group. The interview was conducted with the Operations Manager. (Manager 5 1 March 2017.)

6. Hotel Haven:

Hotel Haven is the second Finnish studied hotel located in the city centre of Helsinki. The hotel name is derived from its location, as the hotel is located next to the Helsinki harbour. This boutique hotel counts 137 rooms, of which 60 new rooms have been launched in February 2017. Hotel haven offers 6 different room categories which differ in space, interior and colour scheme. By using certain colours, lights and design the hotel aims to convey a luxurious but cosy home-like feeling. Just like the Klaus K hotel, Hotel haven is owned by Kämp Collection Hotels. The interview was conducted with a Duty Manager of Hotel Haven. (Manager 6 3 March 2017.)

**3.3 Online guest reviews**

The first part of the qualitative data collection was done by observing and analysing online reviews written by guests who stayed at one of the studied boutique hotels. It was decided to use this research method in order examine to what extent the servicescape is able to impact the guests' perception towards the boutique hotel. In order to do so, reviews on two different online review platforms were observed.

According to a study by Bright Local (2016), online reviews play a significant role in the buying decision process of potential customers. Around 90% of the customers read online reviews before purchasing a product or service. These online reviews are trusted by 84% of this group. In addition, 31% of the customers tend to spend more money and time in businesses who score high on online review websites. (Bright Local 2016.) Looking at service related businesses, the provided service is experienced by the company's customer. Nowadays, customers' experiences are often communicated through online platforms, such as www.TripAdvisor.com. Elements which are mentioned in these online reviews could include everything the customer finds worth to mention, such as: quality, hospitality, comfort, atmosphere, design and so forth. (TripAdvisor 2017a.)

The online observations were based on reviews of former hotel guests who stayed at one of the studied boutique hotels. During the observations, emphasis was placed on all the reviews which included information regarding the servicescape of the boutique hotels. This information was used in order to get more insight on how customer behavior is influenced by the servicescape and thus to what extent the servicescape is able to impact the individual brand image of customers.

The author used two different review platforms to observe the online reviews:
1. www.TripAdvisor.com
2. www.Booking.com

**3.4 Interviews**

In order to highlight the management perspective concerning the influence of servicescape on the company's strategic direction, in-depth interviews with the studied boutique hotel managers were conducted by the author of this Bachelor's thesis. The author selected several boutique hotels, located in The Netherlands, Estonia and Finland. It was decided to carry out the interviews with managers in order to get a clear understanding of the management perspective on the influence of the hotels' servicescape and how this would impact the decision making process. Due to managers' daily tasks and responsibilities, persons who fulfil this function were able to share their view on the research problem. The managers who were interviewed were selected based on the hotel they work for. As this research is focused on boutique hotels only, the

approached hotels correspond with the boutique hotel characteristics described in the first part of the theoretical framework.

### 3.4.1 Interview guide

To ensure all the different elements were covered in order to find an answer to the research problem, an interview guide was created. This interview guide did not serve as a questionnaire, but was used as a memory aide during the interview. The interview guide directed the conversation into the right direction. It was decided to conduct semi-structured interviews, as this contributed to more flexibility and eventually more insights in the specific boutique hotel. This interview approach ensured all the interviewed managers to respond to the same questions. Yet, depending on the responses, it enabled the interviewer to react differently and to ask different follow-up questions, when more insight and information was needed. Moreover, due to the fact the main interview questions were asked to all the interviewed managers, the given answers could be compared easily, which contributed to an in-depth analysis. (Hennink, Hutter & Bailey 2011, 112.) The interview guide is attached in appendix 3.

### 3.4.2 Interview questions

To encourage detailed and in-depth responses from the interviewees, the interview questions were all open-ended questions. Due to the fact an interview guide was created beforehand, every separate question was divided into the four different categories: general information, servicescape, brand image and brand identity. This encouraged the interview to cover every essential topic and caused the interview to be easy to follow for the interviewee.

All the interviews started off with a short introduction by the interviewer. In order to ensure the interviewee totally understood the context of the interview questions this introduction included the objective of the Bachelor's thesis together with some explanations of terms used throughout the interview. Immediately after the introduction, general information about the hotel and the manager was asked.  Information such as the manager's name, position, and amount of hotel rooms were covered in this first part. Then questions concerning the servicescape of the boutique hotel were covered. The answers on these questions gave a clear insight on how the interviewed hotel distinguishes themselves from other hotels, and to what extent the servicescape is important to the employees and its hotel guests. Subsequently, the interviewer moved on to the third part of the interview, the brand image of the boutique hotel. These questions dealt with how the hotel guests and other stakeholders perceive the boutique hotel, as far as the manager knows by analysing comments and reviews. Moreover, by asking these brand image related questions, it became clear for the interviewer on which servicescape aspects is focussed on, in order

to ensure a positive brand image is created by the outside world. The last category which was discussed in the interviews concerned the brand identity of the interviewed boutique hotel. These questions did not focus on the context of the hotel's brand identity, but instead focused on how this brand identity is communicated towards the outside world. In addition, by asking the brand identity related questions, it became clear whether the boutique hotel ever experienced a gap between the brand identity and brand image, and if so, how this gap is handled by the management.

Depending on the responses of the interviewees, the interviewer came up with different follow-up questions in order to dive deeper into the covered topics. This contributed to an in-depth conclusion of the research problem in which all the gathered information was considered carefully.

### 3.4.3   Interviewees

The interviews were conducted in The Netherlands, Estonia and Finland between the 9th of January until the 3th of March 2017. All the interviews were conducted with a manager of the studied boutique hotels. These in-depth interviews revealed the management perspective on the servicescape of the boutique hotel, related to the brand image and brand identity. In total 6 boutique hotels across The Netherlands, Estonia and Finland participated in this research.

Although no standard definition of the term 'boutique hotel' has been defined, the selection of the boutique hotels was based on the features and characteristics all boutique hotels share. Features to which the author paid attention to when selecting boutique hotels were: capacity, uniqueness, design, personalized service, location and so on. (Anhar 2001.) Some boutique hotels were selected due to the fact the author knew the hotel already, yet most hotels were selected by taking a look at the hotel website and reading online reviews. As shown in table 6 on page 19, some participating boutique hotels carry the name 'boutique hotel', whilst others call themselves 'hotel'. This has everything to do with how the hotel wants to present themselves towards the outside world. Yet, when looking at the characteristics of these hotels, all studied hotels fit into the list of being a boutique hotel (Balekjian & Sarheim 2011).

All interviews were conducted on the premises of the boutique hotels and took around 30 minutes each. To ensure no given information was forgotten and to be able to make a thorough analyzation, the interviews were recorded. Subsequently, transcriptions of the interviews were written and a coding system was applied. By making use of codes, patterns in the interview transcriptions were noticed, which contributed to an in-depth analyzation of all the gathered data (Straus & Corbin 1998, 13).

### 3.5 Justification

The author has chosen to carry out this research in order to examine how the strategic direction of boutique hotels is influenced due to the perceived servicescape of hotel guests. If there is a gap between the brand image and brand identity, the company's values and standards are not perceived correctly according to the company, which results in ineffective marketing. (Cobb 2014.) By highlighting how the servicescape is perceived by the company's guests, this vital background information could be used to adjust and manage the servicescape. Eventually this will contribute to creating a strong brand identity.

It is chosen to specifically focus on the servicescape of boutique hotels. These days, boutique hotels are more popular than ever. It is expected the amount of travelers seeking for a unique experience, rather than a usual hotel stay, will increase further. Boutique hotels distinguish themselves from other hotels through the unique offered concepts. Besides the personalized and intimate services of boutique hotels, the physical characteristics also play a significant role in how the brand identity is exposed to the outside world.  (Hidzhelitska 2011.) Another reason why specifically boutique hotels were researched in this Bachelor's thesis is because of the individual identity they convey. The majority of the boutique hotels are independent, or if part of a boutique chain, these boutique hotels are entirely different from all the other properties part of the chain. Large chain hotels, which are operating several hotels around the world, should always consider the entire chain brand identity. When something small changes at a specific property, it should not contradict the brand identity of the chain. On the other hand, small boutique hotels only have to consider how they want to be perceived by their stakeholders. Therefore, adjusting the strategic direction in order to align brand image and brand identity is way more feasible and adaptable for boutique hotels than for large chain hotels.

Many studies have been conducted concerning the influence of servicescape on the behaviour of employees and customers. In addition, research on the impact of servicescape concerning the brand image has also been carried out. Nevertheless, it has been noticed that there is a lack of research regarding how the servicescape is used by the management of a company in order to align the brand image and the brand identity.

Two different research methods were used to collect data: online guest review observations and in-depth interviews with managers from boutique hotels. Due to these two different approaches, the influence of servicescape could be examined from two different angles: the guest perspective and the management perspective.

### 3.6 Validity and reliability

In this part, the validity and reliability are examined in order to determine the quality level of this research.

First of all, instead of telephone/email interviews or interviews through any other kind of medium, all the conducted interviews were carried out in real life. These real life interviews contributed to the reliability of the results, as miscommunication and misunderstanding was avoided. To demonstrate, in case the interviewer did not totally understand the interviewee, this could be mentioned in order to ease out all the misunderstandings. Moreover, all the interviews were recorded, which enabled the interviewer to listen the tape again which prevented the data analyzation to include uncertainties. In addition, in order to ensure the management perspective on the discussed topics was highlighted, only managers of boutique hotels were interviewed

Secondly, observing and analyzing online guest reviews was a valuable way to collect data. Former customers and guests share their experiences regarding the particular product or service because they feel the need to share their opinion with others. It is possible to write anonymously, which encourages the hotel guest to express their honest thoughts. Only guest reviews from the selected studied boutique hotels were observed. Therefore, the guests' point of view could be easily compared to the management perspective. This contributed to an in-depth, high-quality conclusion to the research problem.

# 4 Results

In this chapter, the results of the applied research methods are presented. Two different research methods were used in order to highlight the hotel guests' perspective regarding the research problem, as well as the perspective of the interviewed hotel managers. First of all, in this chapter the guests' voice is highlighted by presenting the research data that was collected by observing online guest reviews on two different booking websites. This contributed to the understanding of the perception of servicescape in eyes of boutique hotel guests. The second research method concerned in-depth interviews with a manager of all the six studied boutique hotels. The data that was retrieved from the interviews is discussed in the last part of this chapter.

## 4.1 Results online guest reviews

The first research method that was carried out is focused on retrieving the guests' perspective concerning the servicescape. In order to understand how the servicescape of a boutique hotel is able to influence former, existing and potential hotel guests, online guest comments on two different review platforms were observed. These observations were based on reviews of former hotel guests who stayed at one of the studied boutique hotels (table 6). The two online platforms which were used to observe the online guest reviews are: www.TripAdvisor.com and www.Booking.com. In appendix 1 the overall TripAdvisor rating scores of all the studied boutique hotels are presented in form of pie charts. In appendix 2, the rating score of Booking.com per category is displayed.

As mentioned earlier in the theoretical framework, the servicescape describes the area in which service interaction between the company and the customer takes place. Total ambience as well as the physical objects represent the servicescape of every business. As servicescape is able to influence customer behaviour, it is often used as a measurement tool in order to understand how customers and other stakeholders create their brand image regarding the specific company. (Bitner 1981,36; Swarts & Lacobucci 2000, 35.) Therefore, online guest reviews, concerning servicescape in particular, were observed.

### 4.1.1  Hotel 't Keershuys

A total of 154 guests reviewed their stay at boutique Hotel 't Keershuys on TripAdvisor. Out of these 154 reviews, 90% of these former hotel guests rated their stay as excellent. No hotel guest who shared their experience on TripAdvisor rated it as poor or terrible. It has been noticed that the rating score on booking.com corresponds with the score on TripAdvisor, as it scores a 9.5 out of 10. This review score is based on 632 reviews. (Booking.com 2017a; TripAdvisor 2017b.)

As the author analysed the comments on both review websites, it has been noticed that only one person reviewed the hotel experience as insufficient on Booking.com (5.4 out of 10). This former guest stayed for one night at Hotel t' Keershuys. This review was written in Dutch and posted on the 1st of May 2016. In the comment, it is mentioned that the guest felt the staff did not act attentive at all. On the other hand, a positive note mentioned by this guest pointed out the room was great and equipped with everything which was needed and expected. So to say, the main reason the particular guest rated this hotel stay insufficient is not directly because of the servicescape, yet because of the employees' attitude. On the contrary, some elements of the servicescape were even mentioned positively. Still, the negative remark concerning the staff does not immediately mean it is not related to the servicescape. As described earlier in the theoretical framework, the servicescape of a company is not only able to influence the customers' internal responses, yet it also could influence employee behaviour (Bitner 1992, 65-67). To demonstrate, elements such as the efficiency of furniture or room temperature could have had a negative influence on the employee behaviour, causing them to act differently. Nevertheless, looking from the guest's point of view, based on what this particular guest commented, the guest would not recommend the hotel to potential guests, because of the staff's behaviour. On the other hand, if the staff would not have disappointed the guest, the only comment written by this guest would concern the hotel room, which represents the servicescape in a positive way. (Booking.com 2016a.)

Except for this only adverse comment present on TripAdvisor and Booking.com, it has been noticed that the majority of the comments especially concern the historical building in the positive sense of the word. This is also shown in the rating score per category on Booking.com. As shown in appendix 2, a 9.8 is scored on the category 'location' by Hotel t' Keershuys, which is the highest score out of all the categories. (Booking.com 2017a). To demonstrate, on the 27th of June 2016, a former guest who is named 'Gdewaal' on TripAdvisor commented the following regarding the historical building: ''The historical building consists of modern furnished rooms which exudes serenity and luxury. If you step out of the hotel, you are right in the vibrant city centre of Den Bosch''. (Tripadvisor 2016a.)

Many former guests who shared their experience on the review websites suggest to stay again at this hotel. Moreover, in majority of the reviews it is mentioned that this boutique hotel is highly recommend to anyone who is visiting Den Bosch in the future and is looking for a place to stay. (Booking.com 2017a; TripAdvisor 2017b.)

### 4.1.2 Bliss Boutique Hotel

The Bliss Boutique Hotel counts 115 reviews on TripAdvisor. 63%, the majority of these reviewers, rated their hotel stay as excellent. In contrast to TripAdvisor, no Booking.com

reviewer rated the Bliss Boutique Hotel poor or terrible and the average score is a 9.4, based on 377 reviews. (Booking.com 2017b; TripAdvisor 2017c.)

On the 16th of June 2012, a former guest, who is named 'Stan658' on TripAdvisor shared his experience regarding his stay at the Bliss Boutique Hotel. On average he rated his stay as poor and clarified this choice by the following review:

> We have stayed in this hotel a number of times over the last few years and liked it very much but having stayed in the Nottinghill room this time (previously the long island suite or the honeymoon suite) we found the room looked very tired with stains on all the stone surfaces in the sitting and bathroom areas making the room look dirty. A vase in the room had water stains around the glass and the room faced the street and was very noisy till early morning.
> The breakfast which used to be in a small dining area is now in the main restaraunt and was previously cooked to order now served on an airline type tray (very off puting for a hotel of this so called standard). Also some of the food appeared dried out as if prepared sometime earlier.
> All up pretty disappointing. We did point these things out to the staff.
> We hope we read more positive views before we return.
> (TripAdvisor 2012.)

In this review it is clarified that this guest stayed in the hotel before. Due to previous positive experiences the guest decided to choose again for this hotel and try out another room. As the guest knew the hotel before, his previous stays significantly contributed to the guest's perception of the hotel, the brand image. Therefore, the guest created a certain pattern of expectations. Nevertheless, apparently when the guest stayed at the Bliss Boutique hotel again, these expectations were not met. This caused the guest to rate his hotel experience this time as poor. As is written in the above quoted review, the cleanliness of the hotel room was not up to standard. Moreover, during previous stays breakfast used to be served in a small dining area. Yet, this time the guest found himself eating less tasty food from a tray in a bigger restaurant. All the mentioned comments refer to the servicescape of the hotel, as it concerns the area in which service is performed, delivered and consumed (Booms & Bitner 1981, 36). The mentioned servicescape components were perceived in a negative way by the hotel guest. Due to this, the evaluation of the quality and thus the experience of the hotel stay was influenced unfavourably. Nevertheless, as mentioned at the end of the review the hotel guest suggests to return. Yet the guest's positive perception, the brand image of the Bliss Boutique Hotel, definitely is adversely affected. (TripAdvisor 2012.)

### 4.1.3   Boutique Hotel Straelman

The last studied Dutch boutique hotel significantly counts less reviews on both TripAdvisor as well as Booking.com. Nevertheless, this is probably due to the fact the boutique hotel opened its doors recently. Moreover, this small boutique hotel only counts 5 rooms, which is significantly less compared to the majority of the other studied boutique hotels. Despite only 37 reviews were written on TripAdvisor, 89% reviewers rated their hotel experience

as excellent and the other 11% as very good. On Booking.com 260 former hotel guests shared their opinion concerning their hotel experience, which caused Boutique Hotel Straelman to score a 9.6 out of 10. (Booking.com 2017c; TripAdvisor 2017d.)

As the author analysed the online reviews, it has been noticed that many former guests mentioned that the design and interior serve as a great asset for the boutique hotel. This corresponds significantly with the rather high rating scores on Booking.com which are shown in appendix 2. (Booking.com 2017c; TripAdvisor 2017d.) To demonstrate, the following review represents to what extent the guest's brand image was impacted by the design and hospitality of Boutique Hotel Straelman. This review was written on April 26 2016, by a person named 'GabyML1301' on TripAdvisor. (TripAdvisor 2016b.)

> Very small hotel, in a gorgeous house recently renovated very close to the center of the lovely Nijmegen. This is for peaceful sleep and elegance-seeker lovers. Every detail in the hotel is very well planned and with a lovely taste. Design and decoration are very trendy. And breakfast is very, very good. A high-class hotel definitely. Will be back again if I get to get back to Nijmegen.
> (TripAdvisor 2016b.)

The review of this former hotel guest mainly highlights the design and ambience of the boutique hotel and how this contributed to the guest's entire hotel experience. The design and decoration were perceived as really tasteful and contributed to enjoying a good night's rest. In addition, the small details were definitely noticed and appreciated by this hotel guest. So to say, the servicescape of the hotel was evaluated positively and accordingly affected the overall satisfaction level. As mentioned in the theoretical framework, a study by Durna & al. (2015) pointed out that a positive brand image causes positive word-on-mouth advertising and re-visiting. Therefore, it is no surprise this guest shared his enthusiasm regarding this boutique hotel on the internet and suggests to return. (TripAdvisor 2016b.)

### 4.1.4  Klaus K Hotel

The Klaus K hotel, located in the city centre of Helsinki, has received many reviews on TripAdvisor as well as Booking.com. In total, 1.206 former hotel guests shared their experience on TripAdvisor. 42%, the majority of the TripAdvisor reviewers, rated their hotel stay as very good. Based on 2.770 reviews on Booking.com, Klaus K scores an 8.6. (Booking.com 2017d; TripAdvisor 2017e.)  Please refer to appendix 1 and 2 for a clear overview of the rating scores.

On both TripAdvisor as well as Booking.com it has been noticed that many former hotel guests who shared their experience mentioned the disappointing size of the room, compared to how the photos on the internet make you believe. Also, several former hotel guests experienced the hotel room too hot. (Booking.com 2017d; TripAdvisor 2017e.) Underneath review written by a former hotel guests describes how some of these servicescape elements caused the hotel guest to leave the hotel disappointing. This

review was written on the 19<sup>th</sup> of August 2014 by a former guest who is named 'Philip K' on TripAdvisor. (TripAdvisor 2014.)

> I have just spent a very disappointing weekend at this hotel.
> The bedroom (Passion Double) was very small and the bathroom was tiny. Probably the smallest bathroom I've had this misfortune to use. The shower leaked water all over the floor and the toilet seat was broken. Despite mentioning this to the receptionist, nothing was done. I was offered a move to another equally tiny room- what was the point?
> The rooms are very hot and air conditioning is non-existent. The hotel staff that the air con was controlled centrally and nothing could be done. I noticed however the reception area was very cool compared to the bedrooms- convenient.
> On two consecutive days, the room hadn't been made up when I returned to the hotel late in the afternoon. The hotel staff, including the desk manager could offer no explanation why this had happened.
> This hotel seem to confuse "boutique" at the expense of comfort, service and quality.
> If you are a discerning traveller who requires a decent level of comfort, a comfortable bedroom and a reasonable sized bathroom where you don't get your feet wet everytime you use it, do not stay at this hotel. Book somewhere else.
> If however, you want to stay at a so-called "boutique" hotel which is uncomfortable and over priced, then this is for you.
> (TripAdvisor 2014.)

As described in this review, the guest's expectations were not met during this stay. Due to the guest's negative experience, the guest's behaviour regarding the hotel was also influenced in an adverse way. The guest mentioned he would never stay at this hotel again and does not recommend potential guests to stay in this hotel as well, unless these guests do not have high expectations. (TripAdvisor 2014.) To conclude, some elements of the servicescape were not perceived positively by this former hotel guest, which according to researchers Barich and Kotler (1991) does not stimulate the business performance. If guests' expectations are not met due to the servicescape of a company, a gap between the created brand image of the hotel guests and the brand identity might emerge This will subsequently contribute to ineffective brand management. (Barich & Kotler 1991.)

Besides the adverse reviews concerning the room space, temperature and other elements, also many enthusiastic former guests shared their opinion regarding their stay. This caused the overall score to be far above sufficient on both review platforms. Both the design of the hotel as well as the decorations were often mentioned in a positive way. To point out such a review, the following review written on the 1<sup>st</sup> of July 2016 by a person named 'Lauren' on Booking.com, concerns the following: ''The location of the hotel was perfect. The staff were friendly and helpful, the decor of the hotel was incredible, and the sky terrace was amazing! Would definitely go back and recommend to friends''. (Booking.com 2016b.) In this review, it is clarified how the guest's expectations were clearly met and contributed to a positive perception of the brand. As this guest mentioned, due to the hospitality and other elements such as the décor, the guest's behaviour is definitely influenced positively in terms of re-visiting and positive word-on-mouth advertisement.

### 4.1.5   The Three Sisters Hotel

The Three Sister hotel, located in the old town of Tallinn, has been reviewed 456 times on TripAdvisor. Out of all these reviews, 64% of the former guests who shared their opinion on TripAdvisor rated their stay as excellent. Only 6% of all reviewers rated their stay at The Three Sisters Hotel as poor and terrible. Out of the 498 reviews written on Booking.com, the hotel scores a 9.2 out of 10. (Booking.com 2017e; TripAdvisor 2017f.)

Besides the extensive breakfast, location and cleanliness, many reviewers also mentioned how they liked the medieval building and the combination of the old impression mixed with modern luxury. On the 13th of October 2016 Booking.com-reviewer 'Thomas' wrote the following which is closely linked to this statement:

> We loved this hotel! One of our favorites in all our travels around the world. The building and architecture are completely unique. Great location in Old Town. The use of wood, stone, and the winding staircases are cool. Our room (suite) was amazing. Huge, tastefully decorated, the bed and pillows were totally comfortable. The staff was friendly, helpful and professional. Three Sisters is one of those unique, great finds with a good vibe. (Booking.com 2016c.)

Considering how enthusiastic and positive this former hotel guests described his stay at Three Sisters Hotel, it is no surprise the guest rated his hotel experience with a 10. As mentioned in this review, especially the design, use of material and decoration was received in a very positive way. Based on this review, it could be said that the servicescape components significantly impacted the guest's perception towards this boutique hotel. The way the hotel guest experienced the hotel's look and feel caused this person to share this enthusiasm by means of an online review, in order to inform potential hotel guests. (Booking.com 2016c.)

By presenting the following review it is highlighted how some people could perceive the design and décor as tasteful, whilst for others it might come across as weird and bleak. The following review concerns the latter one, written on 28 October 2016 by 'JaK_travels7' on TripAdvisor: ''This hotel is in a good part of the city very near the tourist attractions. However, the layout is very strange (understandably based on the conversion from an old building) no ac which wouldn't be a problem except for the fact that it's on a busy street so makes leaving the windows open at night somewhat difficult. Originally we were put in an accessible room which was a nice room on a high floor but the bathroom layout was not desirable''. (TripAdvisor 2016c.) As discussed earlier in the theoretical framework, all hotel guests are individuals with individual interests, expectations and personality characteristics. Meaning to say, depending of the purpose of the guest's stay, the guest might experience the servicescape differently than other hotel guests. In this case, the design and decorations were perceived as weird, whilst other former guests who shared their review on the internet mentioned they simply love the layout. Nevertheless, trying to please all guests will not work out, as this causes the gap between the brand

identity and brand image to enlarge, which eventually encourages ineffective brand marketing. (Keller 2013, 77; Lin 2010.)

### 4.1.6   Hotel Haven

The last studied boutique hotel is Hotel haven, located in the city centre of Helsinki and overlooking the Helsinki harbour. On TripAdvisor, 899 reviews were written by former hotel guests of Hotel Haven. Out of all these reviews, the majority, 63% rated their stay as excellent. Moreover, 2% of these reviewers reviewed their stay as poor and terrible. On Booking.com, a total of 964 reviews were posted. On average, the hotel is rated with a 9.1 out of 10. Refer to appendix 1 and 2 for a more extensive image of the scoring rates. (Booking.com 2017f; TripAdvisor 2017g.)

As the author analysed the comments on both review websites, it has been noticed that many former hotel guests left the hotel satisfied and took their time to share their positive experiences with others. Especially the central location and kind and helpful staff members were mentioned by most of the reviewers. Underneath review is one of the many reviews which concerns the guest's positive experience with regards to the hotel's location and staff members. This review was written on the 30<sup>th</sup> of December 2016 by a former guest who is named 'Maksim on Booking.com. (Booking.com 2016d.)

> Excellent location - just walking distance from Central station. Everything is in the proximity. Very quiet street at night - absolutely no noise. Professional and very friendly staff, they answered all my questions and extended my room till 2pm without any problems. In general - charming atmosphere at the hotel, and great breakfast with local food. Pickled salmon was delicious!
> (Booking.com 2016d.)

As mentioned by this former hotel guest, the guest's stay was especially experienced positively due to two servicescape components: the location and friendly staff members. Therefore, the guest's impression on the hotel, the brand image, was influenced positively. On top of that, the former guest also found it worth to share how this guest liked the entire atmosphere of the hotel and offered breakfast selection. Due to all these positive comments on the servicescape it is no wonder this former hotel guest rated his hotel experience on average with a 9.6 out of 10. (Booking.com 2016d.)

Although many positive reviews of Hotel Haven concern the location and staff members, still other elements are able to overrule these positive experiences which eventually could cause hotel guests to evaluate their hotel stay less positive. Once certain servicescape components are appreciated a lot, it does not automatically mean the brand image is evaluated positively. To demonstrate, the following review on TripAdvisor shows how the two earlier discussed components do not compensate the disappointing experience of this former hotel guest. This caused the guest to eventually rate his hotel experience as

terrible. Underneath review was written on the 10th of June 2016 by a guest who is named 'Sebastian R' on TripAdvisor. (TripAdvisor 2016d.)

> You can write a lot of things about this hotel - for example about its excellent location, the large and tastefully decorated rooms, the friendly staff or the beautiful view over the harbor of Helsinki.
> But then again what hotels really sell is a good night of sleep and a rested wake-up next morning. This is surely not provided when you are being woken up by drilling and construction noise at 8 AM on a holiday morning. We were not given any sort of warning about this, neither during the booking process nor during our stay. For a hotel of this category that is outright insulting. Would have had probably gotten more and better sleep at the Hostel around the corner.
> (TripAdvisor 2016d.)

## 4.2 Results interviews

All the boutique hotels which were studied earlier in this research were analysed again when carrying out the second research method. Six in-depth interviews were conducted with mangers from boutique hotels located in Finland, Estonia and The Netherlands. In this chapter, all the relevant results which was obtained during these in-depth interviews are highlighted. Please refer to paragraph 3.2 for a clear description of the studied boutique hotels and the position of the interviewed managers.

The interview results are structured according to codes, which were used in order to determine common themes and patterns in the retrieved data. In appendix 3 the interview guide is attached. This interview guide includes a detailed description of the interview order and interview questions. After all the interviews were conducted, the author of this Bachelor's thesis analysed the most important results of the interviews by looking at three common themes, the codes. These codes are: servicescape, brand image and brand identity.

### 4.2.1   Servicescape

Based on the in-depth interviews, it could be said there is a strong consensus among boutique hotels that the presented ambiance plays a major role in distinguishing boutique hotels from traditional hotel concepts. The interviews showed that boutique hotels highly prioritize the design of the hotel appearance and therefore carefully consider the use of colours and materials. To demonstrate one of these approaches, by using dark colours and blending this with rich fabrics, a calm vibe is created easily. It is not necessary to use the most expensive materials and only fill up the area with high-end furniture items from famous designers. Instead, it is of significant importance to ensure the looks and feel of the boutique hotel matches the identity which is presented towards the outside world. To demonstrate, The Three Sisters Hotel, located in the medieval old city of Tallinn, is established in a building which dates back from 1362. Everything in this boutique hotel exudes a medieval ambiance, yet in a contemporary way. Nevertheless, if all the walls

would be painted in a sterile white colour or only LED-lightning will be used, the looks would not match the ambiance and thus identity of this boutique hotel.

The results of the in-depth interviews showed that trends do not have a significant impact on whether or not to change the boutique hotel's servicescape. It seems that if the current way of doing things works fine for boutique hotels, the management does not feel the need to change the servicescape. To mark this statement, an interviewed manager mentioned the following: ''why would you change a winning formula? It should work for the guests as well as for the employees. If this is the case, no time and money should be spent on unnecessary changes''. So to say, If servicescape components are being changed, this will most often be because of the feedback the hotel management received by its hotel guests or employees. To demonstrate, one of the interviewed managers indicated how well thought-out the management thought the change in the breakfast area would be. Nevertheless, following the guests' feedback as well as watching the guests' flow, the management of the hotel realized it actually did not work out and therefore changed it back to the usual set-up. This boutique hotel wanted to do something different than all other hotels, yet it actually backfired them. This example is acknowledged as the interview results showed a strong consensus among boutique hotels to only follow trends once the specific trend appeals to the hotel guests and fits the brand identity. To highlight this statement, one of the interviewed managers indicated that she initially followed a certain trend and applied this within the boutique hotel. According to this specific trend, a bedroom which is directly connected to the bathroom is more popular than ever by hotel guests. Therefore, the manager changed all the hotel rooms in order to create an ensuite bathroom. Unfortunately, it appeared that this trend was not appreciated by the hotel's target group. Due to the adverse feedback the manager received regarding the ensuite bathrooms, the bathrooms where changed back to private bathrooms again.

Based on the obtained interview material, it could be said that servicescape has the capacity to influence employee behaviour in either a positive way as well as in a negative way. Hotel staff is of tremendous importance in order to convey the right brand identity towards the hotel guests. If the hotel staff is not able to work properly due to lack of comfort, inefficient machinery and so forth, this negative attitude will be seen and transferred towards the guests. Moreover, the interview results revealed that the area in which service is provided by the employees should serve the purpose. As employees are working 8-hour shifts, priority number one is that the working area should work efficiently and comfortable. Only once the employees feel comfortable within their working area, they will be able to make it look pretty towards the hotel guests.

### 4.2.2 Brand image

The obtained interview results revealed that the provided service serves as the most important asset to ensure hotel guests positively perceive the specific boutique hotel. Nevertheless, two different opinions concerning this statement could be defined from the interview results. Firstly, it seems that smaller boutique hotels, having a capacity of less than 25 rooms, strongly emphasize on the attitude of staff members. The provided service on a personal level contributes to differentiating these small boutique hotels from larger properties. The small size of these boutique hotels causes the interaction between staff members and hotel guests to be on a very personal level as there are considerably less employees and guests. On the other hand, based on the interview results, it could be defined that larger boutique hotels still try their level best to create an intimate atmosphere by paying a lot of attention to staff behaviour. Yet this is achieved by applying a different approach. To demonstrate, Hotel Haven, which has a capacity of 137 rooms, still aims to deliver personalized service. This is done by keeping track of guests' preferences digitally and surprising them with small gestures. Nevertheless, besides the statement saying that boutique hotels highly prioritize the provided service in order to ensure the boutique hotel is perceived positively by its stakeholders, the interview results also revealed another way of thinking. The provided service might be outstanding and the lay-out of a hotel could look pretty. Yet, it is argued that it should be the management's main priority to ensure everything is well maintained and well cleaned. Even though a lot of effort is put in the design of the area in which service takes place, if it is broken or not properly cleaned it could destroy someone's entire brand image. Therefore, based on this opinion, maintenance and cleanliness is prioritized and the rest comes afterwards.

Based on the in-depth interviews, it could be said there is a strong consensus among boutique hotels that the appearance of the servicescape significantly affects the guest satisfaction level. Nevertheless, when analysing the obtained results, two different views on this statement could be highlighted. To begin with, the servicescape of a boutique hotel especially is essential when guests are forming their first impression of the hotel. To demonstrate, most often, potential hotel guests base their choice for a specific hotel on the online appearance of the hotel. From that moment on, guests have certain expectations. Once the guest visits the hotel for the first time, everything the guest sees is evaluated. If the physical surrounding is appreciated by the guest, the final evaluation will subsequently be impacted positively. On the other hand, although the interview results revealed that servicescape could significantly influence the satisfaction level of guests, it is argued that it is most important to ensure everything is in line with each other. In other words; the way you speak and communicate online should align the service and looks which are provided in reality. As an example, this could be achieved by asking every hotel guest for feedback and subsequently consider this information carefully. Eventually, this

will support the boutique hotel to get to know their hotel guests and to be able to serve them even better next time. Based on the interview results, this applied approach considerably contributes to a higher percentage of returning guests.

### 4.2.3 Brand identity

The interview results revealed that the personal website of boutique hotels is of tremendous importance for boutique hotels to convey a certain brand identity towards its stakeholders. Based on the obtained information, it could be said that a lot of time and effort is put in the appearance of the hotel website. The guest's journey and experience gets going once the guest finds out about the hotel's existence. Nowadays, most people find out about hotels via the internet; booking websites, personal websites, social media and so forth. Therefore, it is important to ensure the online identity is realistic and aligned to the reality of the hotel. There is a strong consensus among boutique hotels to not use filters or fisheye lenses to make the rooms look extra cosy or bigger. Based on the interview results it could be said that being present on third party booking channels, such as Expedia and Booking.com, serve as a great support for boutique hotels to attract attention. Yet, despite the fact the appearances of these booking websites are always the same as certain formats are applied, it is still important to update these platforms by uploading the most recent pictures and up-to-date information of the advertised boutique hotel. Nevertheless, besides social media advertisement, another approach was highlighted during the in-depth interviews as well. It was stated that due to the fact this specific boutique hotel did not open its doors a long time ago, brand awareness still needs increase. To build op brand awareness, it was decided by the management to create a brochure which is handed out to large organizations located in the region near the boutique hotel. It took a long time to create this brochure, as the management wanted to ensure a realistic image of the boutique hotel is created by reading this brochure. Therefore, the lay-out, texts and quality of the brochure were carefully considered. Everything which presents the boutique hotel should match the physical surrounding. Once a consistent brand identity is presented in every way, only then hotel guests are able to create a realistic impression of the hotel.

Based on the interview results, there seems to be a relatively strong consensus among boutique hotels that the way the hotel is perceived by the outside world is significantly affected by the appearance of the servicescape. It could be notified that especially the ambiance, which is created by using certain materials, colours and lights, is considered carefully by hotel guests. The impact of servicescape on the guest's perception is of tremendous importance, as direct feedback and comments on review websites confirm these thoughts. To mark this statement, one of the interviewed managers mentioned that this specific boutique hotel receives a lot of feedback concerning the medieval building

and style, which is the calling card of this hotel. Hence, the perception of these hotel guests is impacted for a large part by the medieval servicescape.

It has been noticed by the interviewer that boutique hotels do not provide regular trainings for current staff members in order to strengthen the cohesion of the conveyed brand identity. Nevertheless, based on the interview results, it could be said that new staff members of boutique hotels are offered trainings and/or manuals to familiarize themselves with the procedures, norms and values of the hotel. Based on the obtained information, depending on the size of the boutique hotel, two different approaches are applied to familiarize new staff members. It seems that larger boutique hotels, exceeding more than 25 hotel rooms, do offer standardized manuals, whilst on the other hand smaller boutique hotels do not provide new employees with standard manuals. Instead, newcomers of smaller boutique hotels are taken by the hand and everything they should know is explained on the spot. Although it could be said that every boutique hotel applies their own appropriate approach, there is a strong consensus among boutique hotels that it is most important to make the procedures your own. Based on the interview results, it could be said that the offered manuals and trainings should be used as an indicator to show newcomers the right direction. The way of greeting, answering the phone, the check-in procedure and the hotel vision and mission are examples of topics which are explained in these manuals. As acknowledged by the interviewed boutique hotel managers, employee behaviour is a key element in conveying the hotel's brand identity. Therefore, it is important for new staff members to familiarize themselves with this from the beginning onwards. Nevertheless, the interview results also highlighted that it is even more important for newcomers to make these procedures their own and mix it with their own personality to come across in a natural way.

The obtained interview results showed that there is a difference in personality characteristics of employees that work for boutique hotels compared to large-scaled hotels. Nevertheless, it has been noticed that some interviewed managers responded more ardently to this question than the others. When analysing the opinions of the managers who moderately agreed on this statement, it could be said that people deliberately choose to work for a boutique hotel, due to the intimate and personal atmosphere. One of the interviewed managers came up with an example concerning her current trainee. At the trainee's previous internship at a large chain hotel, this trainee felt a bit lost due to the large number of colleagues. She did not like the feeling of being anonymously among the guests and her colleagues, but instead preferred to be trained and directed by one person, just like her traineeship at this small boutique hotel. On the other hand, the second opinion which could be defined from the obtained information is more ardently. According to this point of view, people who are attracted to work at a boutique hotel do it from their heart, because they get a good feeling of working for such a

personal and unique hotel concept. When you work for a larger chain hotel, often someone's responsibilities and tasks are limited and restricted by manuals. If this is the case, most often, these employees just do this work as their job to pay their monthly rent. Yet, if you are willing to work for a small, luxurious hotel which requires you to work on a very personalized level, most people do this because they truly love it and are passionate about their job. As the interviewer noticed many boutique hotels agree with this opinion, she realized this opinion could be a bit generalized. Nevertheless, follow-up questions revealed that the managers based their opinion on their own experience in working in large-scaled hotels/organizations.

Based on the in-depth interviews, it could be said there is a strong consensus among boutique hotels that the brand identity which is conveyed to the outside world should align the guest's brand image. It has been noticed by the interviewer that smaller boutique hotels, with a capacity of less than 25 rooms, seem to only experience a gap between brand identity and brand image rarely. On the other hand, the interview results showed that larger boutique hotels do experience this gap more often. Nevertheless, despite the size of boutique hotels, it seems that all boutique hotels strongly agree on the fact that in an ideal scenario, there should be no gap between brand identity and brand image. This would ensure all guests expectations are met or even exceeded. When analysing the interview results, it could be said that boutique hotels to whom this gap seems to appear more often, quickly detect this phenomenon by taking received feedback and other signals seriously. Most often, hotel guests share their disappointing opinion which subsequently enables the employees to make it right, right away. Nevertheless, if the feedback is received after the guest already left, this feedback is recorded and considered for future decisions. Based on the results of the in-depth interviews, it could be said that boutique hotels mainly concentrate on their brand identity, as their identity is what makes the hotel concept to be perceived as unique. Secondly, the brand image of the aimed target groups is carefully considered to prevent possible misunderstandings and disappointments. To mark this statement, one of the interviewed manager came up with an example which explains why brand identity and brand image are closely aligned in this rather small boutique hotel. As this boutique hotel is fully booked most of the time and even has a waiting list, potential hotel guest carefully read about the hotel and consider whether they find it worth to wait and pay the rather high room rate. Because it is required to book a room for this hotel far in advance, potential guests know what to expect. People who would like to stay at a hotel spontaneously are more likely to create an adverse impression as the hotel might not provide what these guests were looking for. Eventually, based on the interview results it could be concluded that boutique hotels highly prioritize to stick to their brand identity. Once the hotel created a certain brand identity, it is most effective to be truthful to that identity and act consistent. If you try to be everything for everybody it will not work out, because you can't please everyone.

# 5 Discussion

In this chapter the main findings of the applied research methods are discussed by answering the key issues of the research problem. By means of the literature review and two applied research methods, information was gathered which is used to provide comprehensive and high-quality answers. In this chapter, the existing theory presented in the theoretical framework, together with the results of the observations and conducted interviews are compared. By doing this, the research problem is viewed from different perspectives. First, the guest perspective on the impact of servicescape concerning the brand image and brand identity is highlighted. Afterwards, the management perspective regarding this issue is clarified. In this way, eventually the impact of servicescape on the strategic direction of boutique hotels is exposed.

## 5.1 Impact of servicescape on the uniqueness of boutique hotels

According to Steve Rubell, the person who defined the term 'boutique hotel', boutique hotels represent new, innovative and personalized hotel concepts, in which no concept is identical to one another. This is accomplished by creating a unique atmosphere through carefully consideration of materials, designs, colours and capacity. (Rosner 2015.) These components are part of the servicescape of boutique hotels as it represents the environment in which service interaction takes place. As the area in which the service interaction cannot be hidden, it may affect the perception of the company's employees and its guests. In other words; the use of physical elements is evaluated by stakeholders and is considered when deciding whether to perceive the organization as unique. (Booms and Bitner, 1981, 36.)

Based on the online guest review observations, the above-mentioned theory is acknowledged. By observing the online guest reviews, it became clear the servicescape either positively or negatively affects the perceived uniqueness of boutique hotels. Yet, many reviews of former guests who stayed at one of the studied boutique hotels concern how the physical environment contributed to their unique experience. Although this is a matter of personal taste, it demonstrates to what extent the servicescape causes boutique hotels to be perceived as unique. The individual's perception of the hotel's uniqueness subsequently contributes to the constitution of their brand image (Peter & Olson 2005, 47).

As stated by Aaker (1996, 68), everything that distinguishes a certain brand from other brands is presented in the brand identity. The brand identity presents what a company aspires to stand for. Therefore, every element of a company which is visible for stakeholders should be considered carefully in order to convey a realistic identity. (Aaker 1996, 68.) Based on the in-depth interviews, it can be said there is a strong consensus

among boutique hotels that the hotel appearance is of significant importance in presenting the company's brand identity. By using certain colours, music, design and materials, an ambiance is created which contributes to the uniqueness of the boutique hotel. Nevertheless, although the use of these physical components might contribute to the unique identity of the brand, the interview results revealed that it is most important to stick to this identity. Once this is done, it causes the perceptions of company's stakeholders to be closely aligned to the brand identity, due to consistent brand promises and subsequently realistic expectations.

## 5.2 Impact of servicescape on employees of boutique hotels

As demonstrated in previous studies, the servicescape of any organization could influence employee - as well as customer behavior (Booms and Bitner 1981, 36). A conceptual framework, developed by Bitner (1992), explains how servicescape could cause someone's perception to be influenced. In this section the focus is put on the influence of servicescape regarding employee behavior. In the servicescape framework (figure 2, paragraph 2.2) it is illustrated how employees could respond differently due to the servicescape of the company they work for. As explained in the theoretical framework, the servicescape of a company is able to perform four different roles at the same time; package, facilitator, socializer and differentiator. To demonstrate, one role which is related to employee behavior is servicescape as facilitator. If the physical surrounding in which employees provide service towards guests is not designed in an efficient way, inefficient performance is facilitated. Secondly, servicescape is also able to serve as socializer. The socializer role could influence employee behavior, as servicescape is capable of clarifying roles, relationship and behaviors. For example, a private office could show someone to have more responsibility than an employee sharing his office with colleagues. (Zeithaml & Bitner 1996, 40.) As illustrated in the servicescape framework, the servicescape of any service related business consists of three different physical environmental dimensions. This causes the servicescape to be able to adopt different roles and simultaneously influence employee behavior. These physical environmental dimensions are: ambient conditions, spatial layout and functionality and signs, symbols and artifacts. To illustrate, spatial layout and functionality refers to efficiency and organization of equipment and furniture, which is similar to the adopted facilitator role of servicescape. If work cannot be performed properly, it could interfere effective performance and goal achievement. (Bitner 1992, 66.) The three different dimensions of servicescape could cause employees to response in either cognitively, emotionally or psychologically way (Bitner 1992, 65-67).

The above-mentioned framework is confirmed when looking at practical examples given by the interviewed mangers of boutique hotels. The interview results revealed that the servicescape could significantly impact employee behavior, in which especially the impact

on the interaction with guests is emphasized. It could be said that hotel staff is key in conveying the right brand identity towards hotel guests. Therefore, employee well-being is highly prioritized. Whenever the servicescape is considered as uncomfortable and inefficient, employees could easily be inclined to convey this negative feeling towards each other and the hotel guests. Many given examples by the interviewees refer to the facilitator role of servicescape. As stated by one of the interviewed managers, the area in which service interaction takes place should serve the purpose from both sides, the guests as well as the employees. The servicescape could only be perceived as positive by hotel guests, once the servicescape positively stimulates work efficiency and goal achievement of employees.

Boutique hotel concepts are distinguished from other hotels, by means of the servicescape characteristics such as size, design, materials and so forth (Rosner 2015). According to the results of the in-depth interviews, it can be said there is a strong consensus among boutique hotels that their servicescape definitely is taken into account when people consider to work for such a hotel concept. Personality characteristics differentiates the kind of people working for a boutique hotel, compared to large-scaled hotels. To demonstrate, the size of a hotel is a key feature for being perceived as boutique hotel. This feature allows the interaction between employees and guest to be more in-depth and personalized. (Rosner 2015). The obtained interview results showed that the kind of people who are willing to work in such an intimate atmosphere, truly love to interact with hotel guests on such a personal level. Yet, once someone worked for a large-scaled hotel, it does not mean this person could not work for a boutique hotel anymore. Besides someone's initial personality, the servicescape components, which characterizes the brand identity, significantly could guide desired employee behavior.

**5.3 Impact of servicescape on guests of boutique hotels**

The conceptual servicescape framework, which was developed by Bitner (1992), does not only indicate how employee behavior could be influenced. Yet, this framework also shows how the servicescape of an organization could influence guest behavior. Similar to employee behavior, the servicescape could perform different roles which causes the behavior of guests to be influenced. As an example, the packaging role of servicescape is used to present the offered service according to the company's brand identity. This cover could provoke emotions which causes guest to response either in a cognitive, emotional or psychological way (Bitner 1992, 65-67; Zeithaml & Bitner 1996, 40). The physical environmental dimensions represent all the servicescape components which could influence the behavior of former, existing and potential hotel guests. To demonstrate, the ambient conditions represent the intangible features of a servicescape. Most often, these background features could affect any of the 5 senses of human beings. Supposing the

temperature of a hotel lobby is not perceived as comfortable by a potential hotel guest. This potential hotel guest, who initially wanted to make a walk-in reservation, could forego his choice and go to another hotel instead. So to say, the unpleasant perceived servicescape resulted into an emotional response. The potential hotel guest was not provoked to stay in the disappointing physical surrounding and behaved accordingly by going to another place. (Bitner 1992, 58-66.)

As stated by Ishaq & al. (2014), servicescape could significantly influence behaviour of potential, existing and former guests in terms of revisiting, word-of-mouth advertising and satisfaction. Based on the observations of online guest reviews, it could be said that the servicescape is able to provoke the above-mentioned guest behavior. It has been noticed that many comments of former boutique hotel guests concerned the servicescape of the hotel. According to Durna & al. (2015), the servicescape of an organization is closely connected to the constitution of someone's individual brand image. A positive perceived servicescape contributes to the overall positive impression, which eventually could provoke guests to return to the hotel and to spread their enthusiasm with others. To demonstrate, besides the guest's opinion concerning the servicescape, the majority of the reviews were followed by a recommendation. Depending on how the servicescape was perceived by the writer of the comment, potential hotel guests were recommended or warned to visit the concerned hotel. According to a study by Bright Local (2016), these online recommendations do significantly impact guest behavior. For many potential guests, reading online reviews could be the determining factor whether or not to choose for the specific product or service. (Bright Local 2016.)

Also, the results of the in-depth interviews showed that the servicescape of the studied boutique hotels significantly could influence the overall satisfaction level of guests. It is said that most guests do have certain expectations before visiting the hotel. Based on how the servicescape is perceived in reality, the guests' experiences and final evaluation subsequently is impacted in either a positive or adverse way. As a positive perceived servicescape brings many benefits in terms of business performance, the interview results indicated that received feedback regarding the servicescape is carefully considered by boutique hotels. Nevertheless, it is also argued that consistency is key. Trying to please all guests will not work out. Sometimes you should lose something in order to minimize the gap between brand identity and brand image, which eventually could yield even more results.

## 5.4 Impact of servicescape on the strategic direction of boutique hotels

The thoughtful course of actions, intended to guide the company towards achieving certain goals, is highlighted in the strategic direction of any kind of business. According to Aaker (1996, 68), the strategic direction of a company is strongly connected to the brand

identity. The brand identity presents how the company aspires to be perceived by the outside world. All the items which are visible and known by the company's stakeholders are part of this brand identity. Therefore, the way the brand identity is conveyed to the outside world is carefully considered. (Aaker 1996, 68.) To highlight this statement, the obtained interview results showed that the marketing communication strategy of a company should ensure the online presentation of the boutique hotel is aligned to the physical appearance of the hotel. Once the brand identity of a company is closely linked to the guests' expectations, the most effective business outcome is obtained. As indicated earlier, research has shown that the servicescape of a company has a significant impact on the brand image of guests. As guests tend to determine the quality level of the overall service based on how they evaluate the servicescape, the main part of their brand image is devoted to the physical appearance of the company. (Durna & al. 2015; Simpeh & al. 2011.) As demonstrated by Barich and Kotler (1991), brand image could greatly affect guest behavior in terms of their purchasing decisions. Therefore, to stimulate business performance of a company, the servicescape could play a dominating role in deciding the strategic direction.

Due to the influence of servicescape on the overall performance of company, the way the physical appearance of a boutique hotel is perceived by its guests is of tremendous importance. According to Grubb and Gratwohl (1967), one way to achieve positive guest perceptions concerning the servicescape is by following the trends and offering unique servicescape components. However, based on the in-depth interviews, it can be said there is a strong consensus among boutique hotels that trend following does not always work out in practice. The boutique hotel's look and feel of the current appearance of the servicescape is served as a unique asset. This is often one of the main reasons for potential guests to choose for the boutique hotel. Therefore, it could be said that boutique hotels do not strictly adhere to trend following.

As stated by Kapferer (2008, 272), in order to increase business performance, understanding how the brand is perceived by the company' stakeholders is highly prioritized. Once the way the company is presented to the outside world is connected to how the company is perceived by its stakeholders, the overall business performance of the company could be optimized. Therefore, analysing the roots of the created brand image could result in an effective strategic marketing communication plan. (Aaker 1996, 69.) If the brand identity and brand image are not considered carefully, a gap between these two components could appear (Aaker 1996, 68.) It is recommended by Kapferer (2008, 272) to apply an insight-out approach to overcome this problem. This approach is focused on the brand identity, the core of the brand. The more consistent the brand identity is presented, the stronger this identity comes across. Eventually, this consistency could lead to an aligned brand image of the company's target group. (Kapferer (2008,

272.) As stated by Taylor (2015), brand management and thus, increased business performance, could only be achieved once a consistent brand identity is communicated to the outside world. Based on the obtained interview results, this statement is acknowledged. The interview results revealed that it is most effective to be truthful to the identity which was once created, and act accordingly and consistently. It is impossible to please everyone as the strategic direction should focus on the core of the business and its corresponding target group. Brand identity should closely align the brand image of boutique hotels in order to meet and exceed guest expectations. Although it has been noticed that smaller boutique hotels, offering less than 25 rooms, do barely experience this problem, it is still indicated that the gap between brand identity and brand image should be minimized as much as possible. Nevertheless, based on the interview results, it could be said that larger boutique hotels, to whom this gap seems to appear more often, do not take long to detect when the brand identity and the brand image are not aligned. Due the intimate and personalized atmosphere at boutique hotels, guest's signals are quickly recorded, understood and subsequently listened to. Moreover, as the servicescape is of significant importance for boutique hotels to stand out from the crowd and to be perceived as unique by its stakeholders, these specific features are used to attract the hotel's target group (Rosner 2015). Yet, based on the interview results, there is a strong consensus among boutique hotels that if a gap between brand identity and brand image appears, the inside-out approach is applied. Besides the focus on the boutique hotel's own brand identity, the brand image of the aimed target groups is also carefully considered. This subsequently guides the strategic direction of boutique hotels to be effective and aligned to the expectations of their guests. (Keller 2013, 77.)

To conclude, brand identity and brand image are significantly influenced due to the prominent role of the servicescape of boutique hotels. As brand identity and brand image should be aligned as much as possible to maximize business performance, the strategic direction of boutique hotels is significantly affected by the servicescape.

# 6  Conclusion

The main goal of this Bachelor's thesis was to research to what extent the brand identity and brand image of boutique hotels are impacted by the appearance of their servicescape. All the applied research methods and retrieved results were examined, which allows the final answer to the research problem to be concluded in this chapter. At the end of this chapter, further research suggestions and the encountered limitations during this research are covered. Lastly, an elaboration regarding the author's learning and development is given.

In the process of highlighting the impact of the servicescape regarding boutique hotels, the perspective of the employees as well as the guests were considered carefully. After comparing the view from both parties, it can be concluded that the brand image and brand identity of boutique hotels are significantly influenced by its servicescape.

The conducted literature research demonstrates how the servicescape plays a major role in the business performance of boutique hotels. First of all, the appearance of a boutique hotels' servicescape is of significant importance for the hotel concept to be differentiated from other hotels. Being innovative, intimate and design-oriented are some key features which is focussed on in order to convey the unique concept towards the outside world. The importance of the servicescape is recognized by managers of boutique hotels in The Netherlands, Finland and Estonia. According to these managers, this desired unique atmosphere is created by careful consideration of the presented servicescape such as the use of materials, colours, designs, capacity and so forth. All the conscious and unconscious choices which are visible for the outside world significantly impacts the conveyed brand identity. As everything a brand aspires to stand for is presented in the brand identity of a boutique hotel, the boutique hotel's visible elements are carefully considered. To demonstrate, even the music that is played in the lobby area and the way the boutique hotel is presented on the internet contributes to the specific identity which the hotel aims to convey towards the outside world. As clarified by the results of the conducted research methods, the hotel staff is also of tremendous importance in conveying the right brand identity towards the hotel guests. The way the servicescape is perceived by the hotel staff plays a decisive role in this respect, which ensures the employee's perception concerning the servicescape is strongly considered. A consistent brand identity of a boutique hotel contributes to an effective brand management strategy and eventually could lead to increased business performance. The reason for this is that consistency in brand identity arouses realistic brand promises. Subsequently, realistic expectations are created by hotel guests which are surely met, due to the consistency of the brand identity. Nevertheless, this could only be accomplished once all the visible elements of the boutique hotel are aligned to the conveyed brand identity. As the

servicescape significantly impacts the brand identity of boutique hotels in order to distinguish themselves from their competition, the servicescape is considered as an important aspect.

The above presented information concludes how servicescape affects the brand identity of boutique hotels in order to be perceived by their hotel guests in the desired way. Meaning to say, the way a boutique hotel is perceived by a guest is significantly influenced by the appearance of this servicescape. Research has demonstrated how the servicescape of any service related business could influence guest behaviour. The entire servicescape is captured in three physical environmental dimensions, which are all able to influence the perception and behaviour of guests. The servicescape of a company consists of the following dimensions: ambient conditions, spatial layout and functionality and signs, symbols and artifacts. According to the existing theory, it is the guest's response towards these dimensions which causes someone's behavior to be influenced. Service interaction within the servicescape of a boutique hotel could arouse a cognitive, emotional or psychological response. As resulted from the applied research methods, it could be said the servicescape of a boutique hotel definitely does influence guest behavior in terms of guest satisfaction, revisiting and word-of-mouth advertisement. Supposing the servicescape of a boutique hotel is perceived positively by a guest, the overall impression, the guest's individual brand image, is impacted in a positive way. Subsequently, sharing this enthusiasm and revisiting are ways of how guests' behavior could be influenced. As guests tend to determine the quality level of the overall service based on how they evaluate the servicescape, the main part of their brand image is devoted to the physical appearance of the boutique hotel.

As concluded in the above, brand identity and brand image are significantly influenced due to the prominent role of the servicescape of boutique hotels. Nevertheless, to meet and exceed expectations of the hotel guests, which subsequently will increase business performance, the brand identity and brand image should closely be aligned. If the brand identity and brand image are not considered carefully, a gap between these two components could appear. This gap could cause the boutique hotel to not be able to meet and exceed guest expectations, as according to the guest's brand image the hotel does not live up to their brand promises. Research has demonstrated that this gap could be overcome by applying an inside-out approach. This approach is intended for boutique hotels to concentrate on their own brand identity and the brand image of the aimed target group. Thus, alignment between brand identity and brand image causes the brand identity of the hotel to meet and even exceed the expectations of the hotel's target group, which is achieved by applying an appropriate strategic direction. The strategic direction of a boutique hotel should focus on the core of the business and its corresponding target group, which eventually contributes to maximizing the hotel's business performance.

## 6.1 Suggestions for further research

The above presented results conclude how the brand image and brand identity of boutique hotels are influenced by the presented servicescape. However, boutique hotels only represent a small part of the entire hospitality industry. There are many more types of hotels, classified according features such as: size, target market, provided facilities and level of service. This research has demonstrated how the servicescape is of great importance for boutique hotels to stand out from the crowd and to attract the hotel's target group in the most effective way. Therefore, it would be interesting to research the impact of servicescape on the brand image and brand identity of other types of hotels. This could be examined by applying the same research methods, yet narrowing down the focus to for example conference - or budget hotels. Further research regarding the influence of servicescape on the brand identity and brand image of every type of hotel could highlight which marketing strategy is most effective for which type of hotel. The results of this suggested research would offer support for all hotel types in making the right decisions and eventually to increase their business performance in a proper, comprehensive way.

## 6.2 Limitations

Brand identity is closely related to the management perspective of boutique hotels. Whereas on the other hand, the guests' voice is represented by their constituted brand image. To be able to highlight the influence of servicescape on these two main features, both parties needed to be considered thoroughly. In-depth interviews were carried out with managers of boutique hotels, which caused the management perspective on this research problem to be revealed. Then, in order to highlight the guests' voice, data was collected by observing online guest reviews on two different booking websites. Nevertheless, there are many guests who do not feel the need to share their opinion with the entire world. Moreover, if guests are willing to write a review about their experiences, these guests are most often very enthusiastic or deeply disappointed. Based on the observations on two online review platforms, a balance between these two extremes was hardly noticed. Moreover, the author only observed two review websites, although there are many more ways for guests to share their experience with others. By narrowing down this research method to only two different review platforms the author realised that she could have missed out on essential information. Furthermore, in order for all studied boutique hotel guests to have an equal chance in speaking out their opinion, in the ideal situation, direct guest questionnaires would have been carried out. Guest satisfaction surveys, focused on the servicescape, would have been a great way to receive feedback from all guests, even the guests who do not feel the need to share their experience on the internet. Yet, the author quickly figured out most boutique hotels would not grant permission for carrying out such a survey on their premises.

Secondly, the in-depth interviews with managers of boutique hotels were either conducted in The Netherlands, Finland or Estonia. As all managers shared their opinion through the eyes of their geographical location, this could have influenced the results of the interviews. Moreover, the in-depth interviews which were conducted with managers of boutique hotels in The Netherlands all represent a boutique hotel with a capacity of less than 10 rooms. The two interviews which were conducted in Finland both represent rather large-scaled boutique hotels whereas the size of the Estonian boutique hotel is in between. The results of the in-depth interviews could assume brand identity and brand image is handled in a total different way in Finland, compared to The Netherlands and Estonia. While in fact this difference is mainly dependent on the capacity of the boutique hotel. Therefore, as the size of the boutique hotel was not carefully considered geographically seen, this could be regarded as limitation of the research.

Lastly, not as many interviews were conducted the author initially assumed to conduct. Many boutique hotels were asked if they would be willing to participate in this research by conducting a 30-minute interview. Unfortunately, the majority responded they could not help further, due to lack of time and the many requests they already received from graduating students. Initially the author expected to conduct at least 8 interviews, of which 4 in The Netherlands and 4 in Finland. Nevertheless, as the author only spent a certain amount of time in The Netherlands, arranging the interviews went slower than expected and the Bachelor's thesis deadline was getting closer, 6 interviews were conducted in total. Although less interviews were conducted than initially was hoped for, enough relevant and reliable information was obtained in order to provide an in-depth answer to the research problem.

## 6.3 The author's learning and development

The process of conducting research and concluding the results by means of writing a Bachelor's Thesis has been experienced as a long, yet meaningful road. Although some problems were encountered throughout the process, it does not outweigh the author's acquired skills and abilities. Arranging the interviews and the actual execution of the interviews has been experienced as the greatest challenge. The majority of the selected boutique hotels were not willing to participate in this research. Moreover, it was the first time the author conducted interviews with professionals entirely on her own. Although some anxiety was present during the first interview, the author quickly learned how to behave during these interviews in order to receive the most relevant information possible. Then, comparing the results of the different conducted research methods has been experienced as the most interesting part by the author. According to the author, it has been interesting and surprising when two different perspectives were highlighted by comparing the literature research, online observations and in-depth interviews. Furthermore, the author's time-management skills definitely improved throughout the

process, as this research was distributed over a long period of time. In order to hand in an in-depth, high-quality Bachelor's thesis, the author pushed herself to create a feasible schedule. The author realized that a well-thought-out preparation and planning are key elements in a successful Bachelor's thesis process. Therefore, the realistic guideline, which was created at the very beginning of the process, supported the author to stick to the planning and to avoid unnecessary stress.

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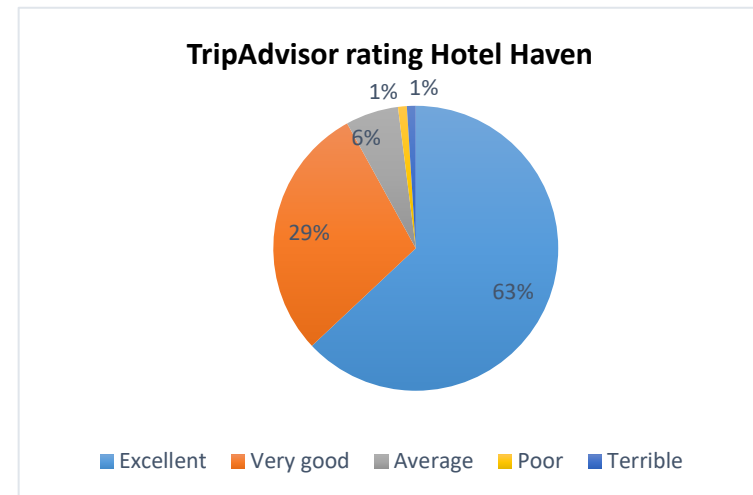
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# Appendices

## Appendix 1. TripAdvisor rating

### TripAdvisor rating Hotel 't Keershuys

- 90% Excellent
- 8% Very good
- 2% Average

Legend: Excellent, Very good, Average, Poor, Terrible

### TripAdvisor rating Bliss Boutique Hotel

- 63% Excellent
- 26% Very good
- 8% Average
- 2% Poor
- 1% Terrible

Legend: Excellent, Very good, Average, Poor, Terrible

### TripAdvisor rating Boutique Hotel Straelman

- 89% Excellent
- 11% Very good

Legend: Excellent, Very good, Average, Poor, Terrible

### TripAdvisor rating Klaus K

- 41% Excellent
- 42% Very good
- 12% Average
- 4% Poor
- 1% Terrible

Legend: Excellent, Very good, Average, Poor, Terrible

### TripAdvisor rating The Three Sisters Hotel

- 64% Excellent
- 24% Very good
- 6% Average
- 4% Poor
- 2% Terrible

Legend: Excellent, Very good, Average, Poor, Terrible

### TripAdvisor rating Hotel Haven

- 63% Excellent
- 29% Very good
- 6% Average
- 1% Poor
- 1% Terrible

Legend: Excellent, Very good, Average, Poor, Terrible

(TripAdvisor 2017h)

**Appendix 2. Booking.com rating**



## RATING CATEGORIES BOOKING.COM

Legend: Hotel t' Keershuys, Bliss Boutique Hotel, Boutique Hotel Straelman, Klaus K Hotel, Hotel Haven

| Category | Hotel t' Keershuys | Bliss Boutique Hotel | Boutique Hotel Straelman | Klaus K Hotel | Hotel Haven |
|---|---|---|---|---|---|
| CLEANLINESS | 9,6 | 9,4 | 9,9 | 8,8 | 9,2 |
| LOCATION | 9,8 | 9,6 | 9,6 | 9,5 | 9,6 |
| STAFF | 9,7 | 9,6 | 9,9 | 8,8 | 9,2 |
| FREE WIFI | 9,2 | 9,1 | 9,6 | 8,9 | 8,9 |
| COMFORT | 9,5 | 9,6 | 9,7 | 8,5 | 9,2 |
| FACILITIES | 9,4 | 9,1 | 9,4 | 8,3 | 8,9 |
| VALUE FOR MONEY | 9,1 | 8,8 | 9,3 | 7,7 | 8,2 |
| AVERAGE | 9,5 | 9,4 | 9,6 | 8,6 | 9,1 |

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# The Impact of Servicescape on the Brand Image and Brand Identity of Boutique Hotels

The main research question:

- o What impact does the servicescape has on the brand image and brand identity of boutique hotels?

Sub questions:

- o If only the servicescape is considered, how do boutique hotels differentiate themselves from their competition?
- o To what extent does the servicescape influence the behavior of boutique hotel employees?
- o How important is the servicescape for former, existing and potential hotel guests of boutique hotels?
- o To what extent does the brand image influence the strategic direction of boutique hotels?

**Introduction**

my Bachelor's thesis concerns the impact of the physical surrounding (the servicescape) on the brand image and brand identity of Boutique Hotels. In other words; to what extent does the area in which service takes place influence former, existing and potential hotel guests? And how is this information used by the management of the hotel in order to maximize business performances?

As the place where service takes place cannot be hidden, it may have impact on the customer perceptions, such as the evaluation of the service interaction. Therefore, the servicescape is used as an important measurement tool to understand customer behavior and their created brand image. In order for a brand to create the most effective business outcome, the gap between the brand identity and brand image should be minimized. By conducting interviews with managers of several boutique hotels, it will be identified if and how analyzing the brand image is of essential information for the management team in order to align brand image and brand identity.

**General information:**

- o Name of boutique hotel:
- o Name and position of the interviewed manager:
- o Number of rooms:
- o Target group:
- o Date and time:

**Servicescape:**

1. Which servicescape components are of significant importance for the appearance this boutique hotel conveys?
   - *Which factors causes to this concept to be unique?*
2. What causes the servicescape to be adjusted or changed (partly)?
   - *Are trends being followed? Feedback from hotel guests?*
3. In your opinion, to what extent does the servicescape (e.g. temperature of the lobby area) influences employees who subsequently interact with hotel guests?

**Brand image:**

4. The image guests and other stakeholders get from the boutique hotel are significantly influenced by the physical surrounding (servicescape). On which aspects (concerning the servicescape) is emphasized mostly to ensure the outside world gets a positive impression of the boutique hotel?
5. To what extent do you think the servicescape plays a role in the level of guest satisfaction?
   - *Are there many returning guests?*

**Brand identity:**

6. How is the brand identity (what the brand aspires to stand for) conveyed to the outside world?
   - *Is the hotel affiliated to a larger organization which takes care of this?*
   - *Collaborations with e.g. restaurants in the surroundings?*
7. To what extent is the servicescape part of how the boutique hotel wants to be perceived by the outside world?
8. Are regular trainings given to staff members in order to ensure every employee is on the same page and conveys the same brand identity?
9. Do you believe there is a difference in personality characteristics of employees that works for a large (chain) hotel compared to a boutique hotel?
   - *Amount of employees working in this boutique hotel?*

10. The way the brand is perceived by the hotel's stakeholders (brand image), often differs with what the hotel tries to convey (band identity). Do you believe it is of significant importance to minimize this gap?

    - *Why?*
    - *How do you find out if there is a gap?*
    - *Do you experience this gap in this boutique hotel?*
    - *If yes, how are the brand image and brand identity aligned again?*