

Factors of Guest Experiential Value of Boutique Hotels in the City of Kuala Lumpur

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Abstract

This study discusses the existence of the boutique hotels on the central of the city of Kuala Lumpur and the main factors which affects guests staying experience in these hotels. This study takes all the elements; definition and overview, and the characteristics of the boutique hotels in the contact of Malaysian cultures. It also aims to investigate the factors that impact guest staying in the boutique hotels in Kuala Lumpur. To achieve this goal, the methodology includes site observation, literature reviews, and questionnaires surveys involved 13 boutique hotels in Kuala Lumpur. Two-step sampling process was used for this study. In the first step census sampling were applied followed by convenience sampling to collect the data. The time horizon of this survey is in a suitable one month followed by processing the collected data. Finding clearly revealed the important insights related to the topic of interests were obtained through a series of analysis. Generally, the findings also explained the main relationship of all variables and provided insight into the experiential nature of boutique hotels and offered important implications for hotel marketers.

Keywords: Guest; Experiential value; Boutique hotels

Introduction

Guests today, seek unique experience in today's service industry, which create unforgettable and long-lasting experiences. This service experience can provide guests' unique personal tastes and developing value-added components to their product and service offerings [1]. Boutique hotels are an example of customer experience differentiation and variety because guests are treated with personalized service. The definition of the boutique hotels as small-scale and design-conscious operation with individuality [2]. In spite of that, the design and uniqueness of boutique hotels are the focus of a differentiation strategy that competes with mainstream hotel chains.

In the past twenty years, market change, shifting production and varying guest trends have encouraged product differentiation in the hotel industry [3]. Therefore, product differentiation puts pressure on hotels to improve their performance, anticipate change, and develop new structures. Rogerson [4] emphasized that guests currently search for new and unique experiences that are totally different from traditional hotels. These guests intentionally search for accommodations that are distinctly different in appearance and experience from chain hotels [5]. Boutique hotels were invented in the early 1980s because of this search for unique experiences. And today, this sector - the boutique hotel - is growing worldwide.

Boutique hotels in Malaysia are designed individuality features of each [6]. It is a hotel that has individuality characters such as art, history and culture. It would probably have incorporated contemporary luxuries in its premises individuality. Sixty three (63) boutique hotels were available because it has distinctive multicultural architectural heritage such as Islamic, Chinese and Western influences and rich in heritage elements such as historic building, historical sites and unique local cultures has open opportunities for developer and boutique operator to utilized it. There are boutique hotels in Malaysia were built from private mansion such as Chymes in Penang, former shop houses such as Courtyard@Heeren in Melaka and historical Anggun Boutique Hotel in Kuala Lumpur that create individual style for each property.

These boutique hotels were built in line with the method of the boutique hotel operators' ensure the unique concepts of their hotels to create guest memorable staying experience. As boutique hotels are examples of guest experience differentiation. Meanwhile, guests are treated with much personally and singular experience by the providers. Previous researchers have looked into the segments of boutique hotels all over the world covering United States [7,8], United Kingdom [6,9], South Africa [4], Turkey [10], Australia [11], Thailand [12], and Singapore [13]. Unfortunately, even though there are 63 boutique hotels existing throughout Malaysia, research in this area is still very limited.

This study tries to find out all the factors that influence guest experience in the boutique hotels in Kuala Lumpur. This study identifies the factors that inspire guests to stay in boutique hotels, which explain what guests need in particular in a boutique hotel.

The paper contains four sections. The first section examines the definition of boutique hotels that includes the current definition. The second section discusses the development of boutique hotels in Malaysia, and the third section examines the most important characteristics of boutique hotels there. Finally, the last section in this study focuses and discusses the main factors that affect guests to stay at a boutique hotel.

Literature Review

Defining boutique hotel

The universal definition of boutique hotel is still being basically

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Received March 15, 2018; **Accepted** March 28, 2018; **Published** April 04, 2018

Citation: Arifin AS, Ahmad A, Jamal SA (2018) Factors of Guest Experiential Value of Boutique Hotels in the City of Kuala Lumpur. J Tourism Hospit 7: 342. doi: [10.4172/2167-0269.1000342](https://doi.org/10.4172/2167-0269.1000342)

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debated among scholars [7]. Researchers noticed the evolution of the boutique hotel's definition from 2005 to 2009. The definition involves uniqueness [9,14], personalised service [9,10,14], home-comfort, involved emotions, and an individual design [6]; boutique hotels are also furnished in a stylistic and a thematic way [10]. In addition, scholars agree that location [6,9] is important to the hotel's success.

A maximum number of rooms in a boutique hotel may only be 100 rooms [9,13]. It seems to be easier for guests and employees to have the integrity if exchange and ability to deliver personalized service with smaller rooms and property than mainstream hotels [13]. Furthermore, lack of the flexibility and degree of employee empowerment in main stream hotels required to deliver the highest level of personalized service as compared in a boutique hotel [13].

Boutique hotels in Malaysia

Many traditional hotels in Malaysia are classified as economy, mid-scale, upscale, upper-upscale, and luxury. Those which can be classified as luxury and upper-upscale typically provide fine services and amenities, large rooms, and the best location for a hotel or resort. Most of the upscale hotels emphasise quality and comfort, and are basically used by business travellers. On the contrary, mid-scale and economy hotels cater to the basic needs of short-term business and budget-minded travellers; a low price and minimum services and amenities can be provided by these properties [5].

Individuality in design is the main feature in the boutique hotels in Malaysia [6]. A boutique hotel has an individual quality in culture, art and history and has likely incorporated contemporary individual luxuries on its premises. Moreover, boutique hotels in Malaysia are constructed from private mansions such as Chymes in Penang, former shop houses such as Courtyard @ Heeren in Melaka and historical buildings such as Anggun Boutique Hotel in Kuala Lumpur. Each property has its individuality in style. In addition, personalised service between guests and employees can create a good experience which affects guest satisfaction [15], conveys guest loyalty [16] and instils confidence [17]. According to Tripadvisor.com, Malaysia have sixty-three boutique hotels. Table 1 shows the distribution of boutique hotels according to States in Malaysia in 2013.

Methodology

The methodology for this study includes site observation, literature reviews, and self-administered questionnaire that has been designed in

gathering the needed information for this study. There were thirteen (13) boutique hotels selected in a way of researcher to get high number of respective respondents for this study, these boutique hotels including sub area such as Bukit Bintang, Chowkit and others potential sub-area.

The questionnaire was designed to measure the respondents' level of agreement or disagreement with various statements or items developed. Each scale has a minimum of "1" and a maximum of "7". A score close to "7" means a very strong attitude in favour of the statement, while a score close to "1" means a very strong attitude against the statement.

Guests who stayed in Kuala Lumpur boutique hotels are the main criteria of the respondents that researcher want to reach. Six hundred (600) questionnaires were printed out and a total of four hundred and twenty (420) completed questionnaires were collected. Only four hundred and seven (407) out of the total completed collected questionnaire were eligible to use. The response rate for this study was 62%. Subsequently, the eligible data was then coded and keyed for analysis using a Statistical Package of Social Science (SPSS21).

Results and Discussion

Using descriptive test and regression, significant insights on the study were obtained. Majority (56%) of the respondents age below 30 years old, international male guests and stay for three to four days in Kuala Lumpur boutique hotels. It's clear that, most (62.2%) of the respondents spent their leisure in Kuala Lumpur because of lifestyle, design, style and the location. Majority (29%) of monthly incomes of respondents were below RM3000 as they like better funky design hotels and value for money. Finally, majority (33.9%) were Master/ MBA degree holders.

The intensive looking at the dimensions of the guests' experiential value in boutique hotels clearly revealed that the highest frequency of the dimensions is human interaction in particular and followed with physical environment of Kuala Lumpur boutique hotels. The human interaction experience in the hotel was rated 91.6% of respondents to play an essential role in creating memorable experience. According to the study, employee are friendly, courteous and make sure everything is ready before guest arrive are likely to have a favorable experience. Therefore, majority the respondents feel well treated and satisfied with the hotel employees. All that make the result supported by previous research, with smaller property size of boutique hotels make it easier for guest and employees to have the integrity if exchange and ability to deliver intensive personalized service [9,13,14].

In the boutique hotels setting, majority of respondents satisfied with the room alleged design such as design is in line with the theme created, attractive decoration and interior design impacted the respondents' physical environment experience. Thus the researcher believes that boutique hotel operators need to create experience with new, un-typical, unique and impressive design [18-24].

Conclusion

It was needed to shift the focus in competition from differentiation in production, and service to differentiation in guest experience, in order to face globalization. It is all about the challenge to delivering memorable guest experience. The identification of guest experiential value dimension could help towards supporting growth in this sector, and may be of particular interest to anyone wishing to enter the market, as they may gain an understanding of what is required of them in order to be successful. Those with small hotels are included. These findings suggested that majority of the respondents feel more comfortable, well

No	State	Operators
1	Melaka	7
2	Johor Bharu	6
3	Kuala Lumpur	13
4	Sarawak	3
5	Perak	4
6	Sabah	3
7	Putrajaya	1
8	Penang	9
9	Selangor	5
10	Negeri Sembilan	1
11	Pahang	6
12	Kelantan	1
13	Kedah	4
Total		63

Source: Tripadvisor.com.

Table 1: Distribution of boutique hotels to States in Malaysia for 2013.

treated and satisfied with the employees. Moreover, guest-to-guest relationship such as displaying proper behavior, feeling privacy is valued by hotel employee and respect other guests are likely to have satisfied feeling. It can be concluded that Malaysian boutique hotels can be differentiated from the mainstream hotels. Therefore, from the researcher opinion, boutique hotels can be defined as the combination of unique, individual, personalized and cultural identity. In future research, guest perceptions could be included in order to provide clear definition of boutique hotels especially in Malaysia.

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