

Memorable Hotel Experience Design – The GM's Perspective

Master Thesis submitted in fulfillment of the Degree

MBA

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AFFIDAVIT

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ABSTRACT

In today's highly competitive hotel market, the ideas of the experience economy are being used to give hotels a competitive edge and differentiate themselves from the competition. By creating memorable guest experiences, enables hotels to increase guest satisfaction and, in turn increase their revenues. A review of the existing literature on memorable experiences shows that there are multiple ways to create a memorable experience. The thesis offers an overview of hotel experiences provided by the 4-star hotels in Ljubljana. Statistical data on tourism in Ljubljana provides the context in which the hotel market has developed. Interviews that have been conducted with general managers (GM) of 90% of 4-star hotels in Ljubljana city centre, give an accurate idea of the GM's perspective on hotel experience. The study reveals the following key factors for creating memorable hotel experiences implemented in 4-star hotels in Ljubljana: *atmospheric and aesthetic factors; hospitableness; elements of surprise achieved mainly through personalised service, and the elimination of negative influences* on the guest experience. Given the rapid changes in guest lifestyles and the post-pandemic reality, this thesis also discusses the future prospects of memorable hotel experience and the future of 4-star hotels in general. Faced with the challenges of profitability, staff shortages and the search for a balance between automated and personal services, this study predicts an uncertain future for the 4-star hotel category and suggests two possible outcomes.

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LIST OF ABBREVIATIONS

ADR – Average Daly Rate

F&B – Food and beverage

GM – General Manager

1 INTRODUCTION

1.1 Background information

In recent years, the hotel industry worldwide has seen a huge increase in the number of hotels and the development of new hotel brands. Hotels are striving to follow the ever-changing lifestyle of guests and adapt to the new generations of travellers. The pandemic only briefly interrupted this development and the new health and safety protocols were quickly adopted by hotels and made an essential part of hotel operations.

Leisure travel is recovering quickly and some destinations are already seeing the same number of guests as before the pandemic (Adriatic coast, Austrian spas). Business travel will follow.

Currently, the hotel sector is preparing for the post-pandemic period. Competition is more fearsome than ever, and this is forcing hotels to look for new strategies.

By creating memorable guest experiences, hotels can increase guest satisfaction and, in turn, revenue. Unique guest experiences create a competitive advantage and should therefore be offered in hotels.

1.2 Research objectives

Research that directly relates to memorable hotel experiences is limited. However, there is a broad body of research that addresses aspects of the customer and tourist experience, as well as findings from the field of psychology on what makes events memorable.

To date, there is no research that has examined the Ljubljana hotel market and the general manager's perspective on the topic of creating memorable hotel experiences. The existing empirical works examine phenomena in other specific locations.

Therefore, this thesis brings together the findings on customer experiences and the factors that make them memorable and looks for ways to apply these theories to the market of 4-star hotels in Ljubljana by identifying the key factors that influence memorable experiences in a hotel setting.

The main research question for this thesis is: *What are the key factors for creating a memorable hotel experience and how are they implemented in 4-star hotels in Ljubljana?*

The research has the following objectives:

1. to provide an overview of the findings on memorable experiences,
2. to determine which factors constitute a memorable hotel experience,
3. to determine which factors are implemented in 4-star hotels in Ljubljana, and
4. to present the perspectives of GM's and experts on the future of memorable hotel experiences.

To achieve this, this thesis is structured as follows. The literature review chapter introduces research on the experience economy, customer and tourist experience, hotel experience and the factors that make an experience memorable. The next chapter presents an overview of the existing hotel market in Ljubljana, including the context in which the market has developed and by which it is influenced. After the chapter on the qualitative methodology of conducting interviews in order to get the perspective of hotel managers and hotel experts, the fifth chapter discusses the results of the interviews using the framework from the chapter on literature review. The final chapter summarises the findings and outlines future research opportunities.

At the time of writing this study, the Covid pandemic was in its second year of spread. The global hotel market was severely affected by the pandemic and travel virtually came to a halt for over a year. This fact had a strong impact on the hotel experience and GM's perspectives.

2 LITERATURE REVIEW

2.1 Experience design, memorable design

2.1.1 Experience economy and experience design

In 1998, Joseph B. Pine and James H. Gilmore introduced the term "experience economy" when they observed a shift away from the traditional product- and service-based economy. In doing so, they defined experiences as the next step in the evolution of economic value. In their research, they state that an experience occurs when a company intentionally uses services as a stage and goods as props to engage individual consumers in a way that creates a memorable event (Pine, Gilmore, 1998).

Gilmore and Pine define four dimensions of experiences. Entertainment is the first dimension and is characterised by passive participation of the consumer that leads to absorption of the experience. The second dimension is educational experiences where the consumer is passively absorbing rather than actively participating in the experience. Escapist experiences are the third dimension, which involves more active participation and immersion by the consumer with the intention of either teaching or entertaining. Aesthetic experience is the fourth dimension which describes an experience in which the consumer is fully immersed. The combination of all four dimensions is considered to be a rich experience according to Gilmore and Pine (1998) (Figure 1). Various studies conducted in the hospitality industry have confirmed that all four dimensions of customer experience defined by Pine and Gilmore have a positive and significant impact on consumer memories and loyalty intentions (Faizan et al., 2014; Khan et al., 2015).

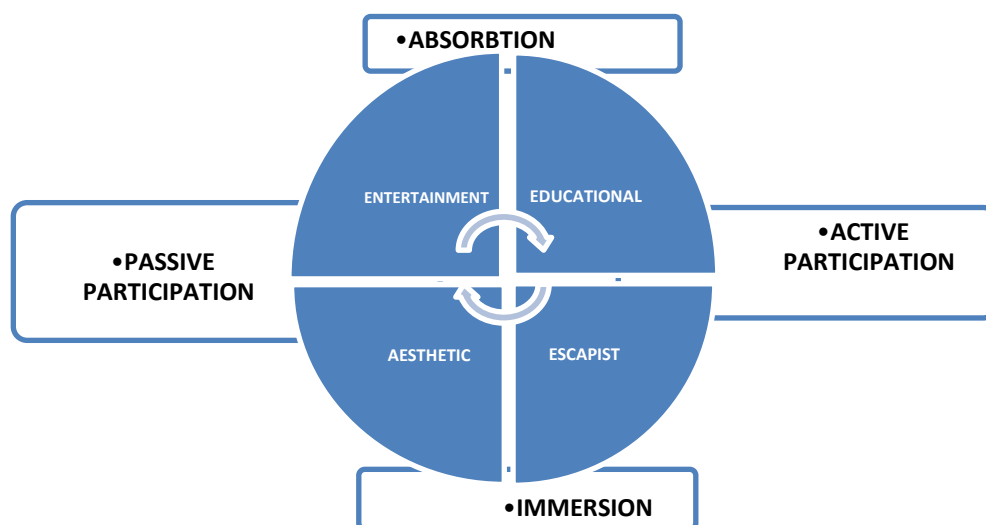


Figure 1 – The Four Realms Of Experience by Pine & Gilmore (1998)

While Blain&Lashley (2014) define hospitableness as hospitality with primarily altruistic motives, Mody, Suess, and Lehto (2019) define it as the fifth dimension of the experience economy structure. They describe hospitableness as an overreaching layer of hospitality that surrounds the inner layers, which include the basic needs for food, drink, and shelter; the entertainment needs for sociability, learning, and self-actualization; and the need for quality service.

2.1.2 Environment of experiences

Two prevailing research theories speculate about the conditions under which a consumer experience takes place: Kotler's (1974) Atmospherics and Bitner's (1992) Servicescapes.

Kotler (1974) uses the term atmospherics to describe spaces that are designed to influence consumers' emotions through sensory channels in order to increase their willingness to purchase. The building blocks of atmospherics are visual elements (colour, light, shapes), sound elements (soft music, volume), olfactory elements (floral scent, signature fragrance of a brand), and tactile elements (smooth and rough surfaces, textiles, warm wood).

Bitner (1992) extends the perception of atmospherics by using the term servicescapes. Servicescapes describe designed spaces where commercial exchange takes place and include ambient, social and design factors. Bitner (1992) argues that servicescapes influence consumer behaviour and are rich in commercial cues. She developed a typology of services-capes based on either the hedonic or utilitarian benefits of the service. She also distinguishes between lean and elaborate environments.

To illustrate the difference between a lean and an elaborate servicescape, Figure 2 shows two hotel restaurants in Paris. The first restaurant is located at Ibis Budget Paris Porte d'Aubervilliers. The materials and colours support the product characteristics of cleanliness, efficiency, and accessibility. In contrast, the restaurant at the George V Hotel in Paris is rich in design features such as textiles, flowers and lighting to support the attributes of an upscale product.



FIGURE 2 – DESIGN CUES IN SERVICE ENVIRONMENT. LEFT: AN EXAMPLE OF A BUDGET HOTEL RESTAURANT, RIGHT: AN EXAMPLE OF AN UPSCALE RESTAURANT, BOTH SITUATED IN PARIS.

Linking this information to the framework of the thesis, the environment of tourism, we can conclude that tourism is a hedonic activity as tourists seek aesthetic, experiential and enjoyment benefits from consumer offerings (Hightower et al., 2002). However, hotels combine hedonic experiences with utility elements by providing a place to sleep and eat. In doing so, Bitner's typology is considered in its full length in this thesis.

For organisations to develop and manage a servicescape, they must begin with a central theme and/or storyline. According to Mossberg (2008), servicescapes built on storytelling are more relevant when consumers seek hedonic benefits as opposed to utilitarian benefits. To achieve consumer immersion, the servicescape needs to be designed as a special world that allows consumers to temporarily escape from reality. Arnould & Price (1993) claim that immersion can only be successful if the special world is exciting, safe and controlled. However, it is the stepping out of the ordinary that makes an experience memorable.

Taken together, these theories mean that consumers are influenced by design, social, and ambient cues when evaluating experience-rich environments. These cues provide reliable information about product and service related attributes such as quality, price and the customer experience (Baker et al., 2002).

A holistic experience encompasses the way a customer feels, thinks, acts, and behaves (Schmitt, 1999). Verhoef et al. (2009) further developed the holistic approach by identifying the following determinants of customer experience: the social environment, the service interface, the atmosphere, and the offer. This approach also acknowledges the reciprocal influence of experiences across different channels, e.g. how an online review affects the guest's experience at the hotel (Verhoef et al., 2009).

2.1.3 What influences the perception of an experience?

The theory of experience economics derives from findings in behavioural economics and prospect theory. This theory states that human decision-making processes are driven by emotions and therefore tend to prefer hedonic utility (Tversky & Kahneman, 1979; Kahneman et al., 2011). Therefore, consumers are willing to pay more for hedonic pleasures. Moreover, prospect theory indicates that distorted memories lead to prediction errors regarding the duration and intensity of future emotions. In other words, given their current state, consumers incorrectly predict their future emotions because of the discrepancy between remembered utility and currently experienced utility. Moreover, decisions are heavily biased in favour of avoiding losses (Kahneman et al., 2011).

Traditional economic theories assert that consumers' decisions are rational and deliberate processes aimed at maximising the outcome utility between capital losses and gains. Experienced utility theory, however, focuses on the observed irrationality of consumers' decisions when they are willing to pay different amounts of money for the same utility gain. Experiential utility theory states that consumers tend to have different attitudes towards losses and gains for the same financial outcome because they psychologically perceive the disadvantages of a potential loss more strongly than the advantages of a potential gain (Kahneman, 2011).

It has been acknowledged that consumers are not aware of how their subconscious mind works and how it influences their decisions and actions. Therefore, expectations play an unconscious role in shaping taste perceptions (Zaltman et al, 2015). Furthermore, most emotions operate below the level of awareness and guests are rarely aware of how atmospheric stimuli influence their perception of the hotel experience.

Consumers' experiences with service providers can be studied using behavioural and psychological research, focusing on how service providers can influence consumers' affective responses to service. Four areas of influence have been identified. The first is the *sequence and duration* of impacts that affect a participant's evaluation of the experience. Behavioural research shows that consumers tend to place more weight on the end of an (experience) encounter and the more hedonistically extreme parts. Similarly, consumers prefer upward trends and prefer to separate highly pleasurable events (Chase&Dasu, 2001; Dixon&Walsman, 2014). The second area of influence is to at least give consumers a sense of control by *providing choices*, as this makes consumers more satisfied. Another area of influence is *rituals* that people expect and should not be left out (Chase&Dasu, 2001). The goal of experience providers should be that consumers associate the experience with good memories. Since emotions determine the importance of an experience (Dasu, Chase, 2013. p. 24), they may change during the service encounter and therefore should be anticipated to *shorten the negative emotions* (Dixon &Walsmann, 2014). It is important to gain the consumer's trust. Therefore, consumers should pay attention to subtle issues so that they can trust that the experience provider will behave appropriately.

Another fact to consider is that all interpretations are shaped by mental frames. The guest's current experience is always influenced by a previous experience at an earlier time (Verhoef et al., 2009). When guests talk about their hotel experiences, their testimony is influenced by the larger context of their lives (Zaltman et al., 2015). A study conducted using 13,410 hotel reviews in 80 cities worldwide on Tripadvisor examined the importance of the (mental) frames on hotel guest satisfaction. The study confirmed that hotel characteristics are the most important driver for guest satisfaction, but guest's personal characteristics and nationality are also important drivers of guest satisfaction (Radojevic et al., 2017), confirming the research of Ariffin & Maghzi (2012) who found that gender, nationality and purpose of stay also influence guest expectations. A frequent traveller may rate a hotel experience as ordinary, while a couple of friends on a weekend holiday may view it as special. Their evaluations should therefore be viewed through the lens of mental framing, which establishes the personal contexts in which evaluations are made.

It has already been established that an organisation can shape and influence a guest's experience through cues. Berry et al (2006) state that all cues should be clearly and consistently orchestrated, since often even small cues can influence the overall perception of the guest experience. The experiencescape consists of staff, other guests, the physical environment, products/souvenirs, and a theme/story (Moosberg, 2007).

According to Berry et al. (2002), an experience is more complex than the design of a space or competent service. It should therefore include a comprehensive positioning strategy that manages the consumer journey from pre-experience expectations to post-experience evaluation.

2.1.4 Memorable experience

Pine and Gilmore (1998) define a memorable experience as one that creates a lasting memory for the customer. They define the basic components needed to design memorable experiences by listing five key principles for designing experiences known as 1) theme, 2) positive cues, 3) eliminating negative cues, 4) memorabilia and 5) engaging all five senses. The first element of a memorable experience is a clearly defined theme that is concise and compelling. The theme combines design and stage elements to present a storey that captivates the customer. Since the impressions are what the customer gains from the experience, they should be harmonised with positive cues while eliminating the negative cues. This idea is further developed by Dasu and Chase (2013) who emphasise the importance of trustworthiness cues that convince the consumer that the provider is trustworthy. They consider gaining consumer trust as critical to success. The fifth principle of experience design identified by Pine & Gilmore (1998) is the stimulation of all five senses. They claim that the more senses an experience engages, the more effective and memorable it is.

An alternative definition of a memorable tourism experience is provided by Kim, Ritchie and McCormick (2012). They define it as a tourism experience that is positively remembered and recalled after the event has occurred. Herrington et al. (2019) build on this idea by arguing that tourism organisations should base their strategies on value-in-memory.

Memories are reconstructive rather than reproductive, meaning they are reshaped over time as some parts are forgotten and new parts are added. As time passes, people have difficulty remembering the details of an experience. They can be influenced by the form and sequence of questions asked, and they can be altered by recent experiences with similar events (Schacter, 2002). As Kotler et al. (2017) show in their research, the objective information that managers generally believe consumers consider important to their stay (e.g., the room rate) is forgotten almost immediately upon leaving the location. Another implication of this finding is that hotel experience designers need to create engaging hospitality experiences that are less likely to fade or be replaced over time (Zaltman et al, 2015). LaTour and Car-bone (2014) developed the sticktion method for the hospitality industry. It is based on the belief that when designing or re-designing an experiential offering, it is critical to understand customers' long-term memory of their service experience. The Sticktion method seeks to identify which memories of the experience "stick" and which are forgotten. Research has found that the final stages of the experience are the most memorable (Dasu and Chase, 2013).

A study by Hanefors and Mossberg (2003) found that experiences that customers find memorable are associated with excitement, curiosity, joy, and surprise.

Tung & Ritchie (2011) examined memorable experiences from a psychological perspective and identified four key dimensions: Affect, Expectations, Consequence, and Recollection. Focusing on psychological needs and affect, Kim et al. (2012) developed the Memorable Tourism Experience Scale, which includes seven domains: Hedonism, Novelty, Local Culture, Refreshment, Meaningfulness, Involvement, and Knowledge.

A study by Stone et al. (2017) identified five elements that make a culinary experience memorable. These elements include the food and drink consumed, location/environment, companions, the occasion and touristic elements. However, the study also found that only one single element was already sufficient to create a memorable experience.

A study by Servidio and Ruffolo (2016) concluded that emotions are the most important influencing component of the tourism industry and holiday experience. They argue that positive emotions predominate as the most common emotion is happiness, albeit closely followed by the second most common emotion, fear. Interestingly, this study finds that feelings of happiness occur primarily in the anticipation phase and less so in the on-site phase.

Pine and Gilmore (2002; 2011) emphasise that companies need to continuously offer engaging experiences that are not overpriced relative to their value and should be refreshed over time. In this way, they are able to create a memorable experience.

So it is the interplay of various factors within the servicescape that makes an experience memorable. However, it is also possible that only one particular factor creates a memorable experience.

Figure 3 summarizes factors associated with memorable experience design in tourism and hotel setting as they appear in the literature reviewed for this thesis.

FACTORS ASSOCIATED WITH MEMORABLE EXPERIENCE IN TOURISM AND HOTEL SETTING	
Theme or Story	➤ Pine & Gilmore, 1998, 2002; Moosberg, 2008; Moscardo, 2010
Special world, stepping out of the ordinary	➤ Pine & Gilmore, 2002; Arnould & Price, 1993; Zaltman et al., 2015
Co-creation	➤ Moosberg, 2008; Binkhorst&Dekker, 2009; Chathoth et al., 2013; Roy et al., 2019; Sanjit et al., 2019; Mody et al.,2019;
Emotions	➤ Kotler, 1974; Barsky&Nash, 2002; Chase & Dasu, 2013; Dixon&Walsmann; Pullmen&Gross, 2004; Koenig-Lewis&Palmer, 2010; Zaltman et al., 2015; Servidio & Ruffolo 2016
Human interaction	➤ Bitner, 1992; Berry et al., 2006; Walls, 2013; Khan & Rahman, 2017; Lariviere et al.; 2017
Exceeding expectations, surprise	➤ Hemmington, 2007; Mossberg, 2008; Tung&Ritchie, 2011; LaTour&Carbone, 2014; Chandralal&Valenzuela, 2015; Pijls et al., 2017; Azevedo; 2010
Warm welcome	➤ Ariffin & Maghzi 2012; Pijls et al., 2017
Personalization	➤ Ariffin & Maghzi 2012
Eliminating negative emotions	➤ Pine & Gilmore, 1998, 2002; Dixon & Walsmann, 2014
Mental frames	➤ Berry et al., 2002; Kahneman, 2011; Ariffin & Maghzi 2012; Zaltman et al. 2015; Radojevic et al., 2017
Design of phisical space and attributes	➤ Kotler, 1973; Bitner, 1992; Walls, 2013; Radojevic et al., 2017; Khan & Rahman, 2017

FIGURE 3 - A SUMMARY OF FACTORS ASSOCIATED WITH MEMORABLE EXPERIENCE DESIGN AS LISTED IN THE LITERATURE REVIEW

2.1.5 How to design experiences?

Experience design can be defined as making an emotional connection with guests or customers through careful planning of tangible and intangible service elements (Pullman&Gross, 2004). In other words, functional, mechanical, and humanic cues combine to form an experience that is perceived by the guest both rationally and emotionally (Berry et al., 2006).

According to Berry et al. (2002), designing an experience first requires a thorough understanding of the customer's journey. Customers have expectations before the experience takes place, and they evaluate the experience after it is over. Furthermore, their theory defines cues to the experience as anything the customer can perceive or feel. The cues can be either functional or emotional, with the latter referring to either atmosphere (cues emanating from objects, e.g., smells, colors) or service. All cues must be part of the same experiential motif, similar to Pine & Gilmore's (1998) description of harmonizing impressions through positive cues as an element of a good experience.

Moosberg (2008) emphasizes that many consumers want to be integrated and engage in a dialog with the company so that they can participate in the value creation. They want to be part of the creative process and co-create. Co-creation increases consumer immersion (Moosberg, 2008). Therefore, the design of servicescapes should be based on themes or stories and guests should temporarily visit the non-ordinary to promote entertainment, imagination and enjoyment. Analyzing the hotel concept of the Klaus K Hotel in Helsinki, Moosberg (2008) finds that the use of narrative techniques and non-linear dramaturgy in the hotel's interior design and marketing, as well as consumer immersion, are key factors for a successful hotel experience. It identifies the hotel staff as the storyteller and the link between various situations. The stimuli of the senses and the social interaction of the process influence the guests' feelings and emotions.

Mody et al. (2019) link co-creation to consumer authentication and brand experience by proposing that hotels use co-creation principles to achieve brand love, memorability, and well-being. This theory follows the research of Binkhorst&Dekker (2009), which defines co-creation in tourism as a source of value for the guest.

Alcántara et al. (2014) present a strategic approach to experience design that includes two phases. In the first phase, the market potential of the identified experiences is determined. In the second phase, the market value of the experience is assessed. They conclude that the value of the experience is derived from the perceived benefits of the experience by consumers. The challenge for the strategic approach, then, is to define and consequently measure the benefits. As mentioned earlier, Moosberg (2008) and Moscardo (2010) point out that creating a unique story (or theme) plays an important role in creating an experience and can lead to a competitive advantage as the concept is difficult to be copied by others, thus increasing its market value.

As this thesis applies the concept of experiences and memorable experiences to the hospitality industry, this will be discussed in more detail in the next section.

2.2 Hotel experience

Creating a guest experience, rather than just providing a bed and shower, is the next step in developing economic value (Pine&Gilmore, 1998; Sipe&Testa, 2018). This chapter therefore explores the distinctive characteristics of hotel experiences.

Experience theory is closely related to the definition of the hospitality industry. Indeed, Hemmington (2007) defines hospitality as a memorable guest experience that engages all five senses.

Measuring hotel experiences is a popular question in research. In fact, the common measures of success in the hospitality industry are: satisfaction, loyalty, value. To influence these drivers, hotels use atmospherics, Customer Relationship Management techniques, co-creation, service recovery protocols, neuro-marketing tools, and social media marketing tactics (Jauhari, 2017). Convenient location, service quality, reputation and friendliness are among the most important influences that determine guest satisfaction (Dolnicar & Otter, 2003). Another influence is the destination itself where the hotel is located. In addition, the purpose of the trip and the information about the hotel and destination attributes that is available in the pre-visit stage is shown to influence customer expectations (Ariffin & Maghzi, 2012). However, it starts with creating a memorable hotel experience as this is linked to guest expectations. For example, Ariffin&Maghzi (2012) state in their study that only "star rating" has a strong influence on the level of guest expectations. In measuring guest experience, Klaus&Maklan (2013) claim that guest satisfaction or Net Promoter Scores (as used by many hotels) are insufficient indicators. They propose a Customer Experience Scale that measures the experience across all channels and is based on the overall benefit to the guest, linking this to satisfaction, loyalty and positive word-of-mouth behaviour. Emotions evoked by guest experience are critical components of guest satisfaction and loyalty (Barsky&Nash, 2002). Therefore, Pullmen&Gross (2004) propose to measure and determine the key guest emotions that promote loyalty. This theory is supported by Koenig-Lewis &Palmer (2010) who argue that satisfaction is a poor predictor of loyalty and decreases over time, while positive emotions continue to be strongly associated with behavioural intentions after some time.

In 2002, Pine and Gilmore predicted that designing and orchestrating innovative experiences will become an increasingly important part of a successful hotel management company's core competencies. *Hotels that go beyond mere service and stage new experiences will take the lead in creating new value in the hotel industry.* They asserted that almost any service can be leveraged to stage an engaging experience and goods used as props. (Pine & Gilmore, 2002)

This prediction has proven to be correct. The last 20 years have seen a proliferation of new brands in the hospitality industry, all striving to create a unique experience for a specific group of consumers. While the big brands led the way in developing standards of impeccable service in the 1980s and 1990s when the service economy was on the rise, the new Millenia is experiencing a renaissance of creative independent brands. Big brands are quickly following suit by creating their own sub-brands or acquiring independent brands. Marriot comprised 6 brands in the 1980s, today they offer 31 brands. Accor also owned 6 brands in the 1980s, today they own 51 brands.

Value co-creation is particularly important for the hotel industry as the survival and growth of hotels largely depends on creating and delivering unique, memorable and personalised experiences for their customers (Roy et al., 2019). Chang (2017) argues that the monetary value of experiences is lower than that of services and that there is no significant difference between the financial values of experience types. However, statistical data shows that hotels which provide a superior customer experience generate 5.7 times more revenue than others (Morgan, 2019).

Another dimension of hotel experience is the **Hotel Brand Experience**. Brand experience, at its core a marketing strategy at its core, encompasses all experiences elicited at points of interaction with the brand that impact customer satisfaction and brand loyalty (Khan & Rahman, 2017).

Khan and Rahman (2017) conducted a research that included review of existing literature, interviews with experts and hotel guests to identify 17 Hotel Brand Experiences variables which they placed in a hierarchical order (FIGURE 4). Their study revealed three top-level variables. The first is *physical environment*, which includes attractive architectural design, pleasant noise level, indoor temperature, and cleanliness. *Human interaction* is achieved through the professional skills of the staff and the proper behaviour of other guests. The *dining experience* is also a means to engage customers and leave a lasting impression. The influence of these variables on a pleasant hotel brand experience is also confirmed by other studies (Adhikari et al., 2013; Alcantara et al., 2014; Walls, 2013).

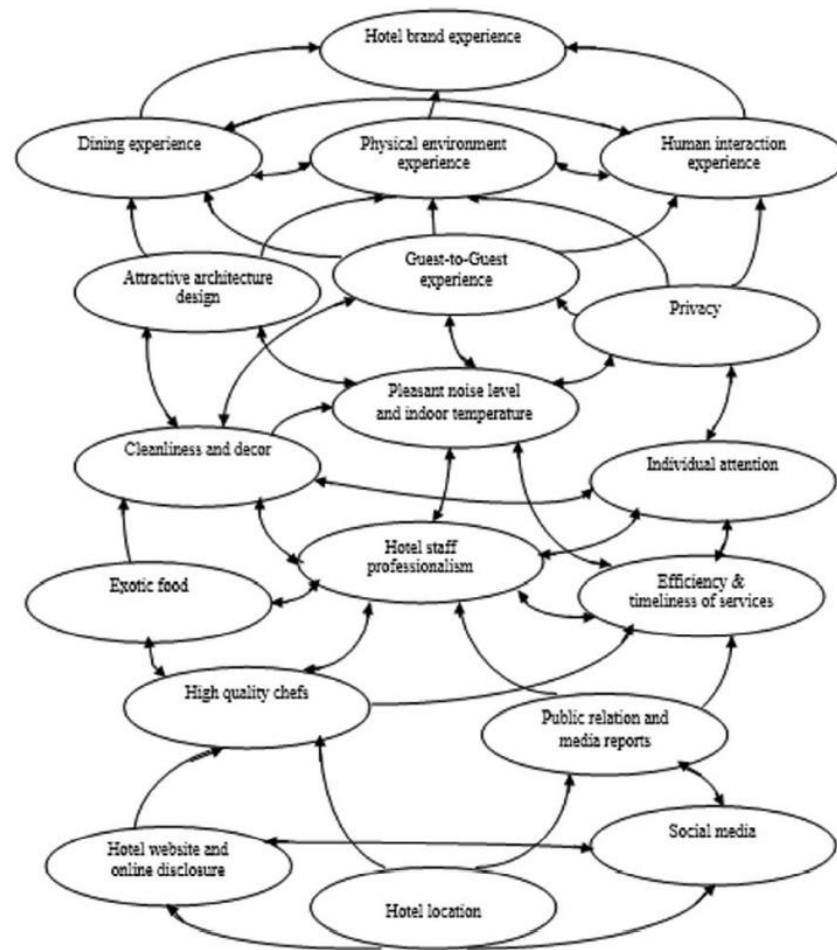


FIGURE 4 – INTERPRATIVE STRUCTURAL MODELING BASED HIRARCHY OF HOTEL BRAND EXPERIENCE VARIABLES DEVELOPED BY KHAN & RAHMAN (2017)

Three other variables are listed at the bottom of the hierarchical model as strong drivers of hotel brand experience. The representation of the hotel in the media, the influence of public relations and social media platforms that allow guests to share their experiences, and the hotel's own website all represent touchpoints for the hotel brand experience prior to the guest's actual arrival at the hotel.

A study by Mody et al. (2019) found that in a hotel setting, a high level of brand authenticity leads directly to a high level of brand love and thus brand loyalty. Authenticity stems from both the brand itself and the experiences it provides. They conclude that hotel guests rank an experience that matches the brand promise as more important than the experience offered by the hotel itself.

If we continue to the concept of creating memorable hotel experiences, Pine and Gilmore (2002) emphasise that creating a memorable hotel experience does not mean improving the functionality of the service, but rather adding a pleasant experience on top of the existing service.

Creating a memorable experience can be a powerful tool for differentiation between hospitality businesses (Pine and Gilmore, 2002). Providing a superior brand experience is therefore essential to differentiate a hotel brand from competing hotel brands, *as a unique and memorable hotel brand experience becomes a hotel brand's differentiator* (Pine and Gilmore, 2002; Khan and Rahman, 2017). A hotel's brand experience can be evoked through colour schemes, pleasant smells, hotel environment design, staff behaviours and uniforms of the employees. These elements create a unique hotel brand experience and it has been proven that consumers are willing to pay a much higher price when these experiences are seen as more than just a service (Adhikari et al., 2013).

Hotels include hedonic services that fulfil pleasure needs and entertain, and utilitarian services that are mandatory, such as providing a bed and shower. Studies confirm that consumers want to mix hedonic experiences with functional values offered where a win-win situation is possible (Jauhari, 2017). Both the physical environment and human interactions are significantly and positively related to perceived value (Walls, 2013). And as Moosberg (2007) points out, companies can only create the environment and circumstances in which consumers can have an experience. However, a study conducted in Indian 4-star hotels showed that there can be a discrepancy between guest expectations and actual guest experience (Manhas&Tukamushaba, 2015).

Knutson et al (2009) identified four dimensions of hotel experience: Utility, Convenience, Incentives, and Environment. Their factor analysis showed that these dimensions have a hierarchical order for the hotel guest depending on the demographic, psychological, social and other characteristics of the guest.

Pijls et al. (2017) introduce a measurement scale for hospitality experiences by using different perspectives. From the perspective of hotel experts, an experience can be defined as hospitable if there is at least one element that really "moves you" or exceeds your expectations. However, guests pointed out that in addition to a *warm welcome, efficient service, ease of service, and entertainment* (e.g., a drink or a toy) is also essential to a hospitality experience.

Since emotions define the importance of an experience (Dasu, Chase, 2013. p. 24), they may change during the service encounter and therefore should be anticipated to shorten the negative emotions (Dixon, Walsmann, 2014). Miao & Mattila (2013) state that guest-to-guest interactions are often a source of negative experiences, especially in areas where psychological distance is low (public areas, restaurants, group travel...). They recommend hotel managers to include guest-to-guest interactions in their service plans to avoid these negative influences.

Sandvik et al (2014) emphasise the need for constant innovation in the hotel industry. The main offering of hotels is services, therefore the problem of copying arises as soon as the hotel introduces a new experience. For this reason, most innovative services offered by hotels are imitated

by other hotels very soon. This makes hotels even more dependent on continuous innovation to maintain their competitive advantage in the market.

When hotels fail to respond quickly to changes in the external environment, they allow their competitors to exploit the competitive gaps. On the other hand, when a hotel introduces a new service, several market changes may occur. Either a competitor introduces its own new service, and thereby increases consumers choice, or new technology becomes available, allowing competitors to introduce more technologically advanced services, and finally, changes in economic conditions can also affect purchasing power. Indeed, hotel services often face an environment that is very different from the one in which they were developed and introduced. (Sandvik et al, 2014)

From the customers' perspective, the key elements they look for in a relationship with a service provider are *fairness*, *trust* and *identification*. Perception of fairness builds trust and improves customer identification with a hotel, which leads to value co-creation behaviour (Chathoth et al, 2013). It is therefore important to consider these key elements in relation to customer experience, as value co-creation is the aim of a guest experience. Special events for guests help to strengthen their interactions and relationship with the hotel. And since value co-creation behaviour improves guest' well-being and respect for the hotel (Sanjit et al., 2019), hotels create environments that enable value co-creation and provide benefits to motivate guests to engage in value co-creation behaviour.

A study conducted by Walls (2013) argues that guests in a hotel found attractive architectural design, suitably arranged interior furnishings made of quality materials, and pleasant noise levels and indoor air temperature to influence their experience of the physical environment. Staff behaviours, such as *sincerity*, *individual attention*, *friendliness*, *respect*, and *privacy*, also influenced interpersonal interactions, while guests' experiences of proper behaviour, respect, and privacy influenced interpersonal experiences. The study also shows that hotel guests perceive they receive more value for their money from the physical environment than from the human interaction dimension.

Ariffin & Maghzi (2012) studied the meaning of hospitality in hotels. They found that *personalization* leads to improved service which is perceived positively by guests who give a hotel better ratings. They also found that a *warm welcome* influences the feeling of hospitality and the comfort of the guest room and surroundings.

Figure 5 summarises the factors that influence the hotel experience at different stages of the guest journey. In the pre-arrival phase, information about the hotel influences the guest's expectations through various touchpoints. In the on-site phase, several elements of space and service design influence the guest experience. However, the basic needs of cleanliness, functionality, and connectivity must be met so as not to negatively influence the experience. In the post-

arrival phase, the hotel can still influence the guest experience by staying in touch with the guest.



FIGURE 5 - FACTORS INFLUENCING THE HOTEL EXPERIENCE THROUGHOUT THE GUEST JOURNEY

2.2.1 The role of the manager and leadership

Managing the guest experience is one of the most complex challenges facing service organisations worldwide (Klaus&Maklan, 2013).

Sipe (2016) highlights the importance of strategic leadership in hotels. It is the top managers who influence the organisations' ability to adapt and change, in other words, the ability to innovate. Innovation activities focus on the unique guest experience and require leadership practices that help develop a shared understanding of the overall experience. Sipe (2016) also suggests that innovation in hospitality and tourism organisations is viewed as a collective process of making small improvements over time rather than just a few big breakthrough ideas or products.

A successful way of managing a hotel tends to focus on the future, on 'what could be', rather than on the present of 'what is'. It is the imaginative management that finds competitive advantages and leads to innovative strategies and actions (Zaltman et al., 2015). A non-hierarchical and flexible orientation of the company culture is fundamental to foster innovation within the company (Sandvik et al., 2014).

In their article on the use of new marketing science in the hospitality industry, Zaltman et al. (2015) point out that most hospitality managers have a solid understanding of their business operations, but many do not have correspondingly deep insights into their own thinking and

actions and those of their customers. They argue for a deeper understanding of guests' emotions and feelings in the context of a particular situation so that managers can develop more effective strategies to improve the hotel guest experience (Zaltman et al., 2015)

It is the hotel managers who need to understand the factors that drive their customers to satisfaction and loyalty in order to develop strategies to create memorable experiences. As guest lifestyles are constantly changing, hotel managers should also constantly update their knowledge of the importance of certain hotel attributes. As mentioned earlier, physical hotel attributes such as star rating, free internet access, cleanliness, and suite spaciousness contribute positively to guest satisfaction (Radojevic et al., 2017). However, guests' travel experience and cultural background also influence perceptions of guest satisfaction.

LaTour and Carbone (2014) point out that guests are poor at predicting what they will remember in the long term as they may not immediately know what they will remember from an experience they just enjoyed. This phenomenon challenges the common approach in the hospitality industry of asking guests for instant evaluations, and argues for gathering guest feedback only after a certain amount of time has passed in order to obtain more accurate information. In turn, this also influences the design of experiences as this is an ongoing process. Managers learn what guests want from their experience and then help evolve the service as guests' needs change over time. Once the overall experience is understood, the design of the individual sub-experiences which constitute it can be fine-tuned. (LaTour & Carbone, 2014)

In a study conducted by Sipe (Sipe, 2016), hotel managers indicated that experience innovation requires maintaining service standards and incrementally improving existing offerings, but they also discussed the importance of introducing new offerings to remain competitive. They also stressed the importance of everyone having a shared understanding of the unique and often intangible nature of the guest experience (shared vision, hosting events,...). They conclude that differentiation through enhancing unique aspects of the overall experience offered by the hotel is a key success factor.

3 CASE STUDY

In order to understand the hotel market in the city of Ljubljana, it is important to first examine the context in which the market developed. It is the economic, political, cultural and infrastructural contexts that indirectly influence the development of certain hotel categories, locations and capacities.

3.1 Ljubljana as a visitor destination

Ljubljana is the capital and largest city of the Republic of Slovenia, located in the centre of the country and covering 275 km². With a population of 293,000 (Statistical Office of the Republic of Slovenia, 2019), it accounts for about 14% of the national population. With a population density of 1064 inhabitants per km², it is far less populated than other European capitals. One reason for this is that 20% of the city's area is green, consisting of either parks or forests. On the Global Peace Index conducted annually by The Institute for Economics and Peace, Slovenia is ranked 8th because there is hardly any crime and terrorism threats (Institute for Economics and Peace, 2019).

Ljubljana is the administrative, cultural, social and political centre of Slovenia, contributing 36% to the national GDP, and its workforce is mostly employed in the tertiary sector such as finance and tourism. The city is also the most important tourist destination in Slovenia, with a diverse range of tourist attractions, important historical sites, and bigger events such as Ljubljana Festival in the cultural segment and Ljubljana Marathon in the sports segment. Most tourist attractions are located within a 2 km radius making them accessible by foot.

3.1.1 Economy

41,000 companies are registered in Ljubljana. However, from an international perspective, there are only a limited number of international corporations present. Notable companies present in the city include mainly dominant national and regional brands with a strong presence in the Central and Eastern European markets (e.g. the oil distribution company Petrol Group and the retail company Mercator).

3.1.2 Accessibility

- BY AIR

Ljubljana's international airport, Ljubljana Jože Pučnik Airport, is located about 27 km north of the city centre and in the period before COVID offered connections to 25 European destinations, including major cities such as London, Amsterdam, Brussels, Paris, Copenhagen, Helsinki, Munich, Prague, Zurich, Belgrade, Vienna and Moscow. The national airline Adria Airways, which supported connections that were strategically important but not necessarily profitable, was discontinued in 2019. This fact led to a decrease in the number of flights in the same year (Table 1).

	2013	2014	2015	2016	2017	2018	2019
Passengers	1.321.153	1.338.619	1.464.579	1.411.476	1.688.558	1.818.229	1.727.136
Public traffic	1.267.532	1.307.379	1.438.304	1.404.831	1.683.071	1.812.411	1.721.355
-domestic carriers	884.383	906.966	951.563	853.534	985.555	1.024.778	739.207
-foreign carriers	383.149	400.413	486.741	551.297	697.516	787.633	982.148

TABLE 1 - LJUBLJANA AIRPORT: NUMBER OF PASSENGERS (2013 - 2019) (FRAPORT SLOVENIJA, 2019)

In the summer of 2021, a new passenger terminal was built at Ljubljana Airport. An additional 10,000 square feet was added to the existing passenger terminal, including a new departure lounge with a total of 22 check-in counters. Capacity was increased from 500 to 1,250 passengers per hour (Fraport Slovenija, 2021).

The few foreign airlines flying to Ljubljana include *AirSerbia*, *Air France*, *Aero-flot*, *Montenegro Airlines*, *EasyJet*, *LOT Polish Airlines*, *Turkish Airlines*, *British Airways*, *Wizz Air*, *Finn Air* and *Transavia*. Compared to competing destinations such as Prague and Budapest, Ljubljana is served by an extremely small number of airlines and flights. The Ljubljana Tourist Organisation and most tourist businesses see the lack of affordable and regular flights to Ljubljana as the biggest obstacle for further development of tourism in the city.

Other major airports near Ljubljana are Zagreb Franjo Tudman Airport (150 km from Ljubljana), Trieste - Friuli Venezia Giulia (about 122 km from Ljubljana), Venice - Treviso A. Canova (about 227 km from Ljubljana) and Venice Marco Polo (about 233 km from Ljubljana).

- BY TRAIN

The city's main railway station Ljubljana Railway Station is located in the city center. There are international connections to destinations such as Trieste, Frankfurt, Munich, Zurich, Prague, Vienna, Graz, Budapest, Zagreb and Belgrade. Slovenian Railways also offer InterCity connections from Ljubljana to Maribor, Slovenia's second largest city, and daily train services to Koper in summer. Regional trains connect the major cities with Slovenia's smaller towns and villages.

However, the existing railway system has been neglected in terms of modernisation and expansion, making train services slow and inefficient throughout the country.

- BY ROAD

The highway network in Slovenia is well developed and accounts for the majority of passenger and freight traffic in the country. The road network leading to and from Ljubljana provides access to various destinations via the main A1 and A2 motorways. These two motorways are part of the E57, E61 and E70 routes of the pan-European International Road network and connect Ljubljana with important cities and towns in Austria, Italy, Croatia, Spain and France.

- BY PUBLIC TRANSPORT

Public transport is mainly operated by buses. There are about 214 public buses operating in the city of Ljubljana, with the network covering about 93% of the Ljubljana urban area. The international bus terminal is located in the city centre and provides both domestic and international connexions to cities in 18 European countries, including Croatia, Italy and Bosnia and Herzegovina.

In addition, the city has an electric train, the Urban Train, which offers tourists a round trip to the city's main sights.

3.1.3 The visitors

After several years of growth, Ljubljana reached 2.23 million overnight stays in 2019, with an average growth rate of 14% per year. Compared to 1.17 million overnight stays in 2014, the market grew by 90% in only 6 years. The length of stay increased from 1.9 days in 2014 to 2.0 days in 2019. The pandemic affected international travel and the number of overnight stays decreased significantly, falling to 0.54 million overnight stays in 2020 (Figure 6).

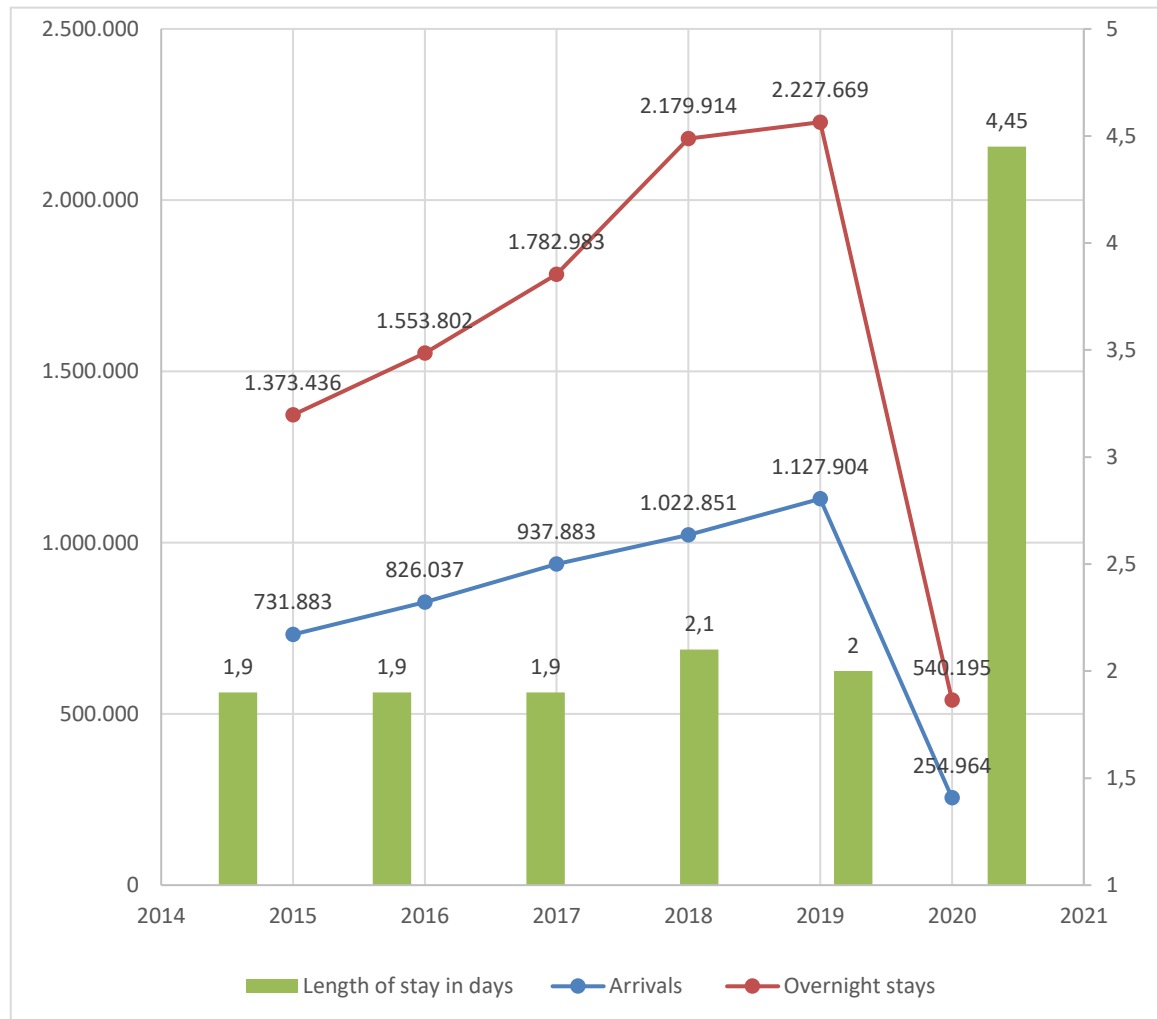


FIGURE 6 - THE NUMBER OF TOURIST ARRIVALS TO LJUBLJANA, OVERNIGHT STAYS AND LENGTH OF STAY IN THE LAST YEARS

The destination of Ljubljana is a mix of business and leisure travellers. The Ljubljana Tourism Organisation reports a gradual shift in the segmentation of visitors coming to Ljubljana over the past 10 years from a primarily business destination to a leisure destination as well. The growth in overnight stays in recent years is due to increased demand from leisure visitors, which is evident in the summer months and other peak holiday periods when growth is most pronounced.

This segmentation may be related to transportation modes. As the highway is the most developed transport system in the country, visitors from nearby countries such as Italy, Croatia, Austria and Germany are the most numerous (Figure 7). The high number of visitors from the UK and France can also be explained by the daily budget flights to these countries. Visitors from overseas arrive on charter flights and use Ljubljana as a stopover on their way through the Adriatic region.

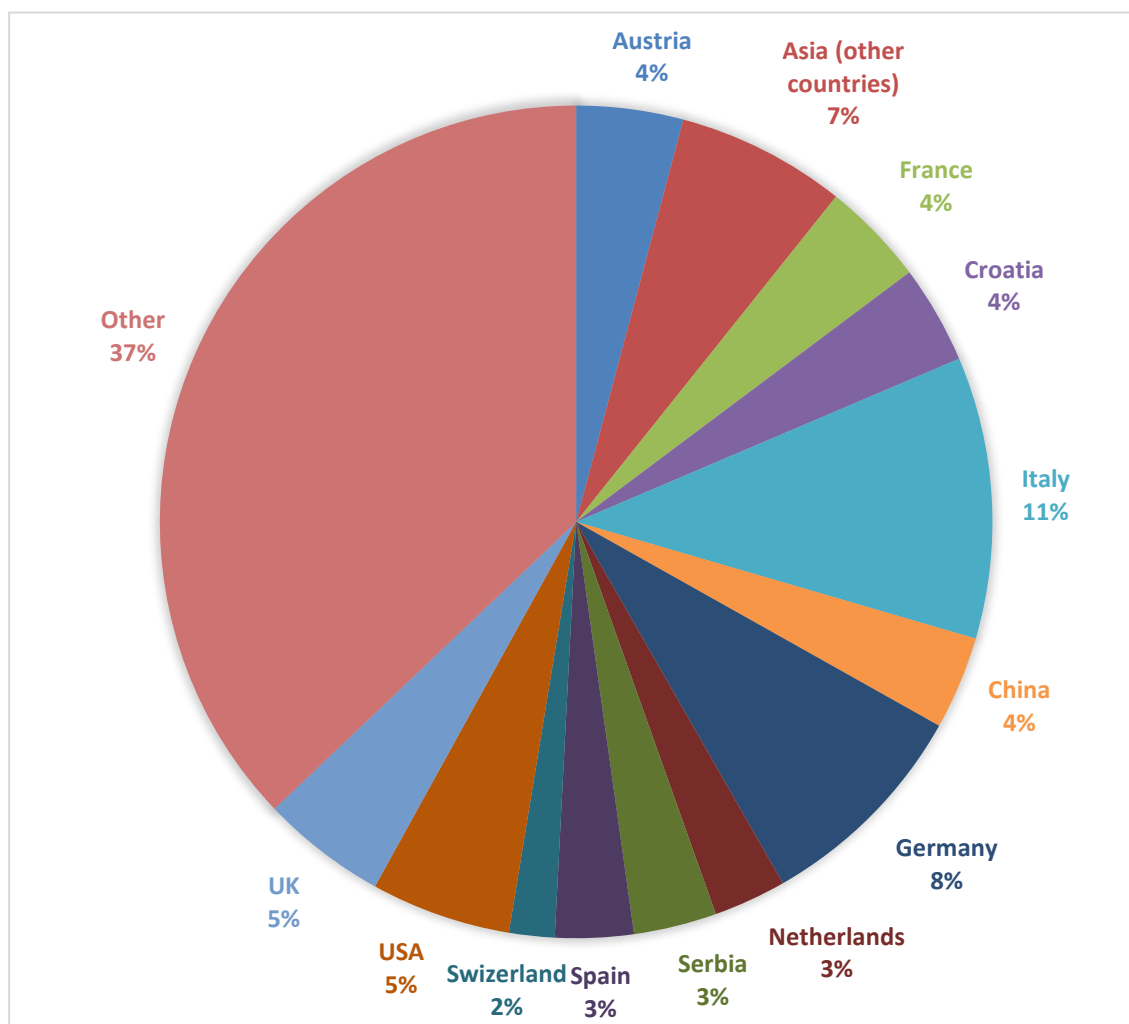


FIGURE 7 – VISITORS TO LJUBLJANA BY NATIONALITY

3.1.4 The hotel market

In 2020, there were 34 hotels in Ljubljana. Three- and four-star hotels dominate the market and account for about 89% of the hotel room supply. Most hotels are concentrated in the city centre and the Old Town.

The hotel supply in Ljubljana is outpaced by the ever-increasing demand. In the period from 2008 to 2017, the number of hotels in Ljubljana increased by about 89% (7.3% per year), while the number of hotel rooms increased by about 35.4% (3.26% per year) in the same period. According to Ljubljana Tourism Office, 1900 new hotel rooms in the pipeline for the following 5 years, ranging from the luxury to the budget segment.

➤ 4-STAR HOTELS IN LJUBLJANA

The hotel supply in Ljubljana currently consists of 43 hotels, 23 of which are situated in the City Centre (**Error! Reference source not found.**).

Hotel Categories	No of Rooms	No of Rooms in the City Centre	No of Hotels in the City Centre	No of Hotels outside the City Centre
5*	165	165	1	-
4*	1.710	877	11	9
3*	1.011	715	11	9
TOTAL	2.975	1.757	23	20

TABLE 2 - THE NUMBER, LOCATION AND CATEGORY OF HOTELS IN LJUBLJANA (LJUBLJANA TOURISM, 2021)

The 4-star hotel segment in the city centre comprises 11 hotels. The market leader in terms of number of rooms is the family owned and managed Union Collection Hotels group, which operates four hotels with over 600 rooms, accounting for about 20% of the total room supply in the city.

Currently, there are only a limited number of internationally branded hotels in the market. In the 4-star hotel segment, there are four international hotel chains present: The Best Western at Hotel Slon and the Marriott at Four Points by Sheraton Hotel Mons, Austria Trend Hotel and Radisson Blue at Plaza Hotel Ljubljana.

The 4-star hotel segment has experienced a steady growth in occupancy over the last 5 years, peaking at 76% average occupancy in 2019. The increase in average daily rate is more pronounced and has increased by 32% in 5 years (Figure 8).

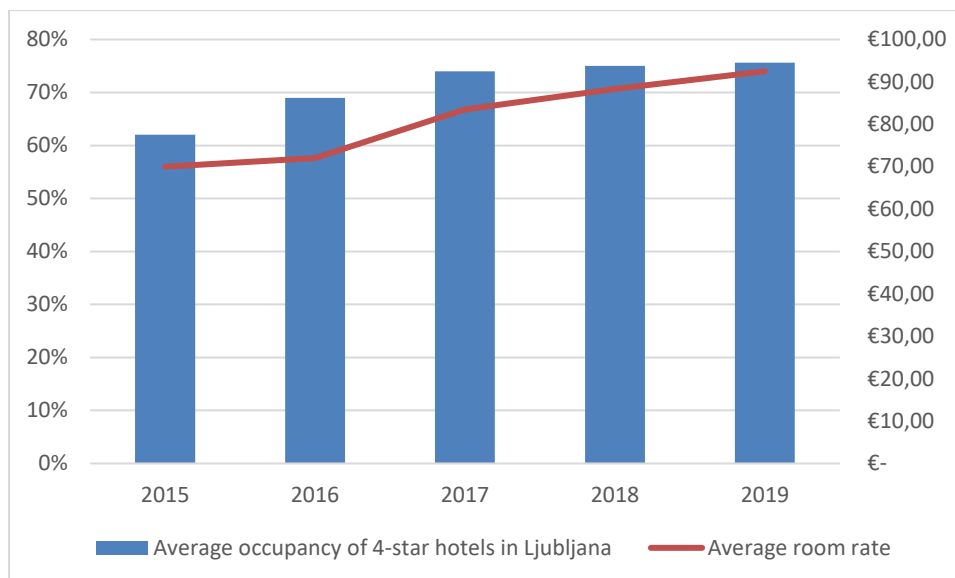


FIGURE 8 – AVERAGE OCCUPANCY AND AVERAGE ROOM OF 4-STAR HOTELS IN LJUBLJANA IN THE LAST YEARS (BEFORE THE PANDEMIC). SOURCE: STR

The pandemic had a significant impact on the number of overnight stays in 2020, with a decrease of over 76% compared to the previous year. Hotel demand in Ljubljana is forecasted to recover to pre-pandemic figures over the next three years. The recovery will be driven primarily by the leisure segment, followed by a steadily growing contribution from the business segment.

3.2 Conclusions

Ljubljana is a capital city and therefore many important government and local business organizations are based in the city. However, Ljubljana lacks international business headquarters and tourist attractions of global significance (such as UNESCO heritage sites). In addition, the city has poor air and train connections to other capitals around the world. Therefore, the luxury hotel segment has not developed and 4-star hotels account for half of the existing hotel market.

The number of visitors has increased significantly by 2019 and the hotel industry has been identified as a good business opportunity by investors. Consequently, new hotels are opening in the city every year.

The unified mid-range hotel market and increasing competition make the question of how existing hotels create their competitive advantage all the more relevant.

4 METHODOLOGY

4.1 Method

To explore the hotel GM's perspective on the design of memorable hotel experiences, the qualitative research method of conducting interviews seems to be the most appropriate. By using structured interviews, all participants were asked the same questions. This allowed the participants to be on point. However, digressions were frequent and numerous. In addition, the responses could later be analysed for similarities and differences in the GM 's perspectives on creating memorable hotel experiences.

The interviews were conducted face-to-face and lasted between 60 and 90 minutes each. They took place between April 13 and May 5, 2021, just after the third lockdown due to the Covid pandemic. The global circumstances of the Covid pandemic continued for over a year at the time of the interviews, so it is understandable that they also influenced the interview questions and answers.

All interviews (except with Ms. Maly-Gärtner) were recorded in Slovenian language, summarized and translated into English. At the beginning of the interview, each participant was given a brief summary of the research topic and research question.

In order to capture the local perspective of the GM's, two global experts with knowledge of the local hotel market were interviewed.

The interview with the Austrian expert Martina Maly -Gärtner could not be conducted in person due to travel restrictions at the time of the research. Ms. Maly-Gärtner was sent the interview questions and she responded by mail.

4.2 Sample

Four-star hotels are the most numerous category in the city of Ljubljana. Of the 20 four-star hotels in the greater Ljubljana area, only 12 are located within 10 km of the city centre. Furthermore, of the 12 centrally located hotels, only 11 have more than 30 guest rooms. Since one of the hotels does not currently have a GM appointed, the interviews were conducted for a total of 10 four-star hotels.

The demographics of the GM group are very consistent; the GMs are all male, aged between 40 and 55 and of Slovenian nationality (Figure 9).

	HOTEL ****	No. Of rooms	Last renovation	GM	Age	Appointed since
1	Austria Trend Hotel	214	2021	Jernej Osterman	41	2013
2	Four Points by Sheraton Hotel Mons	236	2021	Aleksander Valentin	40	2013
3, 4	Grand Hotel Union & Hotel Lev	572	2021	Miloš Likovnik	38	2018
5	Hotel Cubo	30	2008	Sandi Kovačević	47	2008
6	M hotel	137	2018	Bojan Velkavrh	57	2007
7	Nox Hotel	34	2016	Rudi Gubenšek	53	2013
9	Slon Best Western	170	2018	Gregor Jamnik	46	2008
10	A Hotel	30	2016	Luka Jeglič	45	2007

FIGURE 9 – THE SAMPLE OF THE RESEARCH

At the time of the interviews, the hotel group Union Collection was in the process of organisational restructuring. The positions of Hotel Managers were cancelled and a new COO was appointed. The change occurred on May 1, 2021, so the interview on May 5, 2021 was conducted with the former Hotel Manager of Hotel Lev, now Property Manager at UH Collection, who was willing to provide insights into the hotel experience at all of the company's four-star hotels.

Expert interviews were conducted with two participants who are employed by global hotel consulting and development companies. Mr. Tomo Čeh is the Director of Adriatic Region at the Vienna-based consulting firm PKF Hotel Experts. The company develops hotel projects around the world. In recent years, Mr. Čeh has conducted several hotel market researches and feasibility studies for locations in Ljubljana. Ms. Martina Maly-Gärtner is the COO at Arabella Hospitality, a hotel management company that operates 14 hotels throughout Europe. Through her work, she has become well acquainted with the hotel market in the Adriatic region.

4.3 Interview design

The interviews consisted of three parts. In the first part, participants were asked general questions about recent developments in the hotel industry, which are a result of changing travel habits and guest lifestyles. Participants also shared their ideas about hotel experiences in general.

In the second part, the participants presented the hotel experience of the guest visiting the hotel they manage. They shared their views on the part of the experience that is memorable. The participants were also asked to rate the most influential factors of the hotel experience.

In the third part, the future perspective is explored. The participants explain their ideas about the future development of the hotel industry. They also address the issue of the Covid pandemic and the impact it will have on the way people travel.

A summary of all interviews can be found in the appendix of this thesis.

5 RESULTS AND DISCUSSION

5.1 Interview summaries

5.1.1 The hotel guest

The interviewed GM's all have about two decades of professional experience in hotels. So the first question was aimed at their experience and what changes they have observed in the hotel guest during their careers. Most GM's agreed that the hotel guest has become more demanding (Figure 10). This change is attributed to the fact that guests are better informed, which is the result of information, ratings and reviews being available online. This fact is also related to the statement that booking habits have changed, a fact that was mentioned by two GM's. There is no longer Tourist Agency Offices to go to in order to book airline tickets and hotels. This process has moved online and is done by the guest themselves.

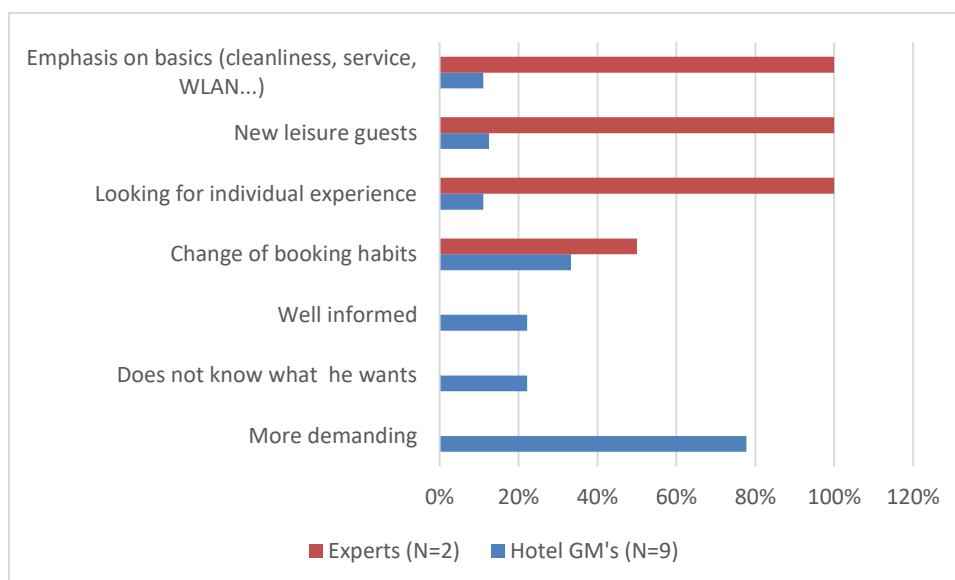


FIGURE 10 – HOW THE HOTEL GUEST CHANGED IN THE LAST YEARS

Only one GM mentioned that guests are looking for individual experiences, while both experts consider this a very important and trending shift in the habits of hotel guests.

Two GM's mentioned explicitly, but other GM's implied, that the contemporary hotel guests do not know exactly what they want. Earlier research by Arnould & Price (1993) already addressed the phenomenon of the consumer who may be unable or unwilling to articulate the meaning they truly expect from many service encounters and extraordinary experiences. In other words, guests not knowing what they want is not a recent phenomenon.

When asked about the biggest trends in the hotel industry at the moment, the GM's had similar opinions. Sixty percent agreed that the biggest trend is towards personalisation of services and forty percent mentioned the digitalisation of administrative processes, that will free up time for staff to have more time to interact with guests.

5.1.2 How they define ME

According to GM's of Ljubljana four-star hotels, the factor that separates a good hotel experience from a memorable one, is the staff and the service they provide. All GM's mentioned personalised service as being the biggest trend in the hotel sector either at the moment or in years to come. The personalized service is also described as individual approach, that can be offered, when the hotel has gathered many information on the guest. Another wording that was used is, that personalised service is the opposite of highly standardised, impersonal service of big hotel brands of previous decades. This perspective coincides with the study conducted by Ariffin & Maghzi (2012) which found that personalisation leads to enhanced service and is positively perceived by guests who give a hotel better ratings.

Only three GM's think that a WOW effect is necessary for achieving a memorable experience. One mentions creating this WOW effect upon arrival and another mentions that the ambience and setting can create such effect. In both answers, the WOW effect is connected to the design of the space. The third answer describes WOW effect as an element of surprise, that is not necessarily part of space design but can be an element of service as well (Figure 11).

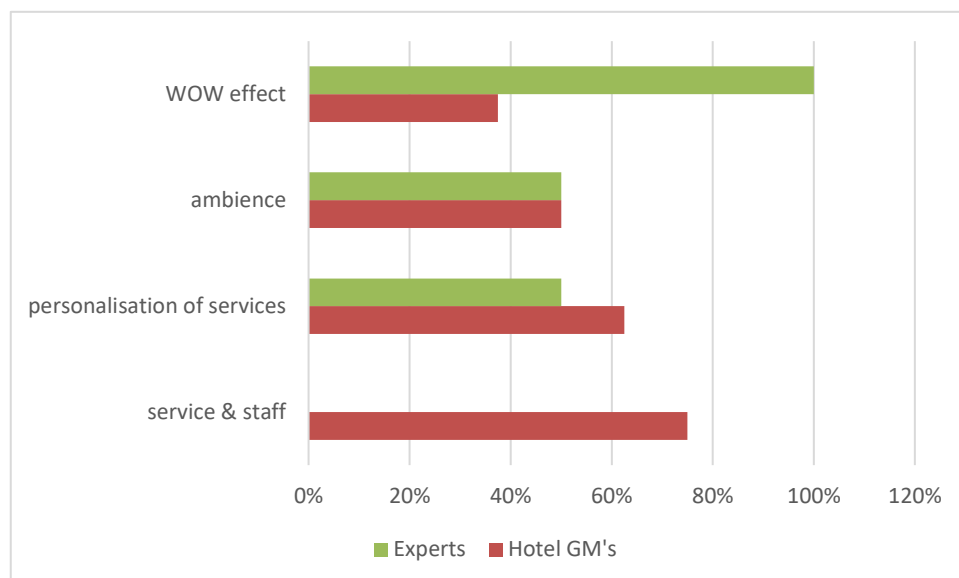


FIGURE 11 – ELEMENTS OF MEMORABLE HOTEL EXPERIENCE

According to the GM's of 4-star hotels in Ljubljana, the factor that distinguishes a good hotel experience from a memorable one is the staff and the service it provides. All GM's mentioned personalised service as the biggest trend in the hotel industry, either at the moment or in the coming years. Personalised service is also described as an individualised approach that can be offered when the hotel has gathered a lot of information about the guest. Another phrase that has been used is that personalised service is the opposite of the highly standardised, impersonal service offered by the major hotel brands of previous decades. This view is in line with Ariffin & Maghzi's (2012) study which found that personalization leads to better service and is perceived positively by guests who give the hotel better ratings.

Only three GM believe that WOW effect is necessary to create a memorable experience. One mentions that this WOW effect is created upon arrival and another that the ambience and surroundings can create such an effect. In both answers, the WOW effect is associated with the design of the space. The third response describes the WOW effect as an element of surprise that is not necessarily part of space design but can also be an element of the service.

5.1.3 How they put it into practice

All GMs were asked to describe memorable guest experience at their property. Below is a summarised and illustrated outline of their answers.

- **A HOTEL**

From the time a reservation is made until the guest checks in at the front desk, the hotel gathers as much information about the guest as possible to provide a customised hotel experience.

This hotel strives to surprise and delight its guests by offering unexpected extras such as a special breakfast for children, welcome gifts, or a take-home shoe shine kit. Luxurious details in the guest rooms such as an elaborate bed concept and tea and coffee making facilities attempt to exceed guests' expectations of a 4-star hotel (Figure 12).

The design of the public areas and guest rooms is light and optimistic, in deliberate contrast to the trendy dark colours of the latest hotel lobbies.

The GM and owner, Mr. Jeglič, emphasises that the hotel memorable experience can only be provided once the basic utility needs are met. Then, the hotel should offer something unexpected that will be remembered by the guest.



FIGURE 12 – LUXURY BEDDING IN GUEST ROOMS AND A LIGHT LOBBY, COMMUNICATING FRESHNESS AT A HOTEL

- **AUSTRIA TREND HOTEL**

The Austria Trend Hotel is located in a business district, which makes it less attractive for tourist. That's why they chose to cater to the niche market of sports groups. The entire hotel offer has been adapted to the needs of sports teams and their accompanying staff. By having all the facilities they need under one roof, their competitive advantage is guaranteed.

The hotel began by transforming the lobby bar into a trendy sports bar that caters to high profile clients. The renovation was a success and the bar is busy during the day and evening, which is important for the hotel ambience. The bar menu is carefully curated and the staff well trained. All sports teams staying at the hotel are required to leave signed memorabilia at the hotel to be displayed the bar.

All rooms have been refurbished this year, most with extra long twin beds for the athletes (Figure 13). Each floor has a dedicated treatment room and all sports teams are invited to use the conference rooms for team meetings.

The 24-hour gym will be joined later this year by a completely renovated wellness area. GM Mr. Osterman stresses the need for trained staff who provide personalised service and often use humour to make guests feel comfortable.



FIGURE 13 – EXTRA LONG TWIN BEDS FOR SPORT TEAMS AND 24-HOUR GYM AT AUSTRIA TREND HOTEL

- **BEST WESTERN PREMIER HOTEL SLON**

Hotel Slon has the longest tradition of all hotels in Ljubljana, as there has been a guesthouse on this spot for hundreds of years. It enjoys a very central location. A legendary story of the Bavarian King Maximilian II. is connected with the name of the hotel (slon is the Slovenian word for elephant) and is communicated to each guest on a note attached to an elephant plush toy in every guest room.

The hotel guest is connected to the staff via WhatsApp or Viber, allowing the hotel to offer a personalized experience similar to hotels of a higher category. The guests' stay is enhanced by other luxurious details like bed linen, branded coffee machine and branded cosmetics.

The hotel considers its breakfast to be the highlight of the guests stay, designed to create a WOW effect. The high-end menu is artfully presented and many dishes are available a la carte.

The key factors for a memorable experience at Hotel Slon, according to GM Mr. Jamnik, are: individual approach, well-designed and lively common areas, breakfast experience and guest rooms (Figure 14).



FIGURE 14 – THE DRAMATIC LOBBY AND A FULL BED CONCEPT IN THE GUEST ROOMS AT THE BEST WESTERN PREMIER HOTEL SLOAN

- **CUBO HOTEL**

Cubo Hotel is the best rated hotel in Ljubljana on booking.com, TripAdvisor and Holiday Check (Figure 15). The GM Mr. Kovačević believes that this is due to the highly personalised service that the hotel aims to provide to each guest. The personalised guest experience begins with customised booking confirmation emails and continues at the hotel with handwritten welcome notes and bathrobes with initials woven into them for regular guests. The GM personally greets the guests at breakfast and is present at their departure. He trains the staff to be enthusiastic about the destination and to transfer that enthusiasm to the guests.

Breakfast is another highlight of the hotel, as the recipes and presentation of each dish are carefully planned and skillfully executed.



FIGURE 15 – THE CENTRAL LOCATION AND ELEGANT GUEST ROOMS AT CUBO HOTEL

- **FOUR POINTS BY SHERATON HOTEL MONS**

The Four Points by Sheraton brand stands for "honest and uncomplicated comfort". All operations at the hotel are aligned with this motto to stay true to the brand.

The hotel is located on the outskirts of the inner city ring and is surrounded by a lot of greenery. Connectedness with nature is therefore the theme of the hotel design: natural materials such as wood and textiles are used to create warmth, patterns imitate motifs from nature, and the colour scheme uses earth tones. The robin bird is seen as a leitmotif in the guest rooms and public areas (Figure 16). The GM Mr. Valentin points out that the pre-arrival and arrival phases of the guest experience are the most important and have the greatest potential to be memorable. He also lists breakfast as an experience in itself, focusing on space design, quality of food

ingredients, attentive staff and live cooking. For him, however, personal contact with the guest by attentive staff is the most important ingredient for a memorable hotel experience.

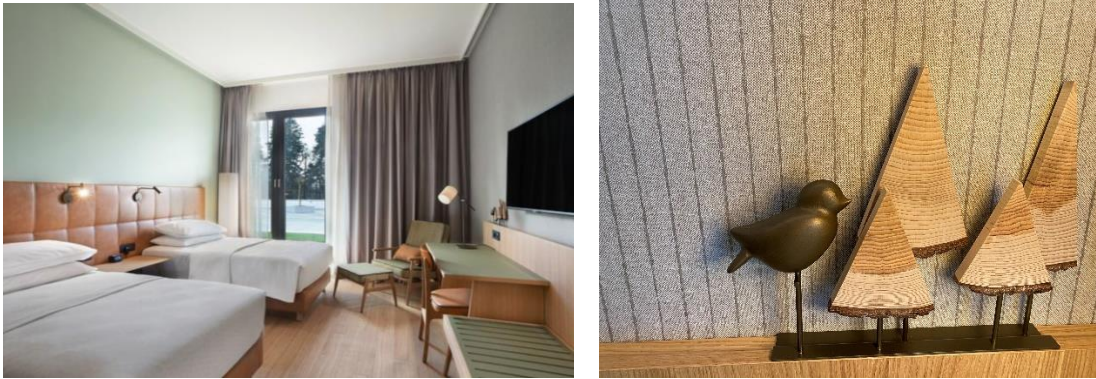


FIGURE 16 – DESIGNER ROOMS, MADE OF NATUARL MATERIALS IN NATURAL COLOURS AND THE BIRD ROBIN AT FOUR POINTS BY SHERATON HOTEL MONS

- **GRAND HOTEL UNION**

Grand Hotel Union is housed in a historic building dating back to 1905 and the Secession style that characterises the building is reflected in many details of the hotel (brand logo, interior design, staff uniforms, ornaments, furniture...) and is thus the main theme (Figure 17). The location is also central. Guests seeking such a stay also have high expectations of the staff. There is always a concierge present to assist, and the reception staff is well trained.

The historical theme continues in the original café and the large dance hall. The Hotel Manager Mr Likovnik, sees the hotel's history to be the main source of competitive advantage that can hardly be surpassed. He believes that good service is the key to a memorable hotel experience.



FIGURE 17 – THE HISTORICAL BUILDING AND THE ORIGINAL FIN-DE-SCIECLÈ CAFÉ AT GRAND HOTEL UNION

- **LEV HOTEL**

The renovation of the hotel took place in 2018. The design is contemporary and chic with humorous details. Throughout the hotel's 50-year history, many big parties have been hosted and many important guests have stayed at this hotel. The hotel design shows and highlights the interesting stories of the past era, so no further explanation of the hotel's theme is needed.

The common areas are designed to create a "wow effect", a lasting first impression on guests (Figure 18). Since this is a larger hotel, the staff is trained to provide efficient service and management is focused on preventing negative incidents. Whenever possible, staff should engage in conversation with the guest to make the stay more personal.

Part of the experience is the comfortable bedding in the guest rooms and a lion plush toy on each guest bed. Breakfast is offered in a well-designed breakfast room. It is plentiful and varied, making it an important part of the hotel experience.



FIGURE 18 – THE RETRO CHIC LOBBY AND SIMPLE BUT REFINED GUEST ROOMS AT HOTEL LEV

- **M HOTEL**

The GM and owner Mr. Velkavrh describes M Hotel as an atypical city hotel as it mainly accommodates transit guests with a length of stay of only 1 day. This does not give the hotel much time to impress the guest (Figure 19). He believes that a good first impression is the key to a good hotel experience. A good first impression consists of easily accessible parking and a warm welcome from the reception staff. The common areas should be well designed and modern, but also lively with other guests.

The hotel places great emphasis on the breakfast offerings. Only high quality ingredients are used and the menu is always based on the current preferences of the guests.



FIGURE 19 – ONLY HIGH QUALITY MATERIALS WERE USED TO RENOVATE THE HIGHLY FREQUENTED ROOMS AT M HOTEL

- **NOX HOTEL**

At Hotel Nox, each guest is treated individually. Because each guest room was designed by a different designer, the hotel is able to provide a unique experience for each guest (Figure 20). By learning about guest preferences, the front desk can suggest which room the guest would feel most comfortable in. These efforts are reflected in very high guest ratings on most online platforms.

Arrivals are efficient, with parking provided to all guests. Upon entering the hotel, guests notice a very busy hotel bar frequented by business people and locals. According to GM, Mr. Gubenšek this lively bar is the heart of the hotel. He also stresses the need for the right staff profile and regular training, as he considers service to be the most important factor influencing the guest experience. The entire staff of the hotel is therefore trained to cater to the needs of the guests. GM himself takes care to eliminate any negative factors that may affect the guest experience. He believes that humour is important in making guests feel comfortable.



FIGURE 20 – THE UNIQUE BUILDING AND GUEST ROOMS, EACH WITH ITS OWN STORY AT HOTEL NOX

- **Measuring the hotel experience**

All nine GM's use online reviews to measure their performance and benchmark their hotels against their competitors. Five hotels also use STR to benchmark their financial performance as well. These reviews monitor the following factors: location, cleanliness, staff, value for money, facilities. According to Dolnicar & Otter (2003), these are the most important factors that determine guest satisfaction. However, several authors (Klaus&Maklan, 2013; Barsky&Nash, 2002; Pullmen&Gross, 2004; Koenig-Lewis &Palmer, 2010) point out that this type of measurement system provides incomplete information about the quality of the hotel experience, as it does not measure emotions, which are the most important outcome of a good hotel experience.

To analyse the hotel experience, all GM's evaluate guest reviews. Some have protocols in place, that define an effective way of conveying information from front office staff to the GM.

- **Summary:**

Creating a surprise for the guest by exceeding their expectations is the most common approach to creating a memorable experience for the hotel guest, according to the GM's. Either the hotel offers some elements of luxury (bed linens with very high thread count and branded toiletries at Hotel Slon, cashmere bed throws and doormen at Hotel Cubo, concierge and spacious rooms at Hotel Union) or a very personal and unique gift service (surprises at breakfast and take-home shoe shine kit at A Hotel, unique rooms at Nox Hotel).

Six out of nine GM's consider the breakfast experience an important part of the guest experience at their hotel (Figure 21). Given the short length of the average stay (1.9 days), hotels have little time to impress. While guests have to pay extra for breakfast in many city hotels around the world, in Ljubljana it is included in the room rate (except at Four Points by Sheraton Hotel Mons). For this reason, many GM's go to great lengths to provide a sumptuous breakfast experience for all hotel guests. Experts confirm the trend that gastronomy is an important part of the hotel offer, where guests meet other guests (or locals) and enjoy their meals in an attractive atmosphere.



FIGURE 21 – BREAKFAST EXPERIENCE AT HOTEL SLON AND HOTEL LEV

Having a story or a theme is only implied by some GM's. In Hotel Union, the theme and story is related to the historic building and its rich history. Similarly, Hotel Slon communicates the legendary history of its founding through a plush toy and makes branding (Slon is the Slovenian name for elephant) and merchandising part of the hotel experience. A notable exception is the Four Points By Sheraton Hotel Mons, newly renovated in spring 2021. The lush green surroundings of this hotel provide the central theme of nature and greenery, which is incorporated into the interior design, communications, dining experiences and room details. In the words of GM Mr. Valentin, " *We build the identity of the hotel through the entire guest experience. We are always honest about that narrative. (Otherwise) it's easy to get distracted. From the first day to the last, you have to stay honest about what you are.*" He also talks about staying true to the brand promise in everything you do. Since the Four Points By Sheraton Hotel Mons is the only true branded hotel among the 4-star hotels in Ljubljana (with the exception of Radisson Hotel Plaza, which was not available for an interview), it would be logical to argue that the well-developed hotel experience that takes into account all stages of the customer journey is a consequence of this. In fact, the blueprint for the hotel experience is provided by the Marriott brand. The brand provides tools for automated pre-arrival and post-arrival communications, guest data collection software, benchmarking information, interior design guidelines, and F&B adjustments.

The findings of this chapter are close to the research of Finnish hotels conducted by Sthapit (2018), which finds that a comfortable room, a good location and a good breakfast service are likely to provide guests with a memorable experience.

5.1.4 Trends and Challenges

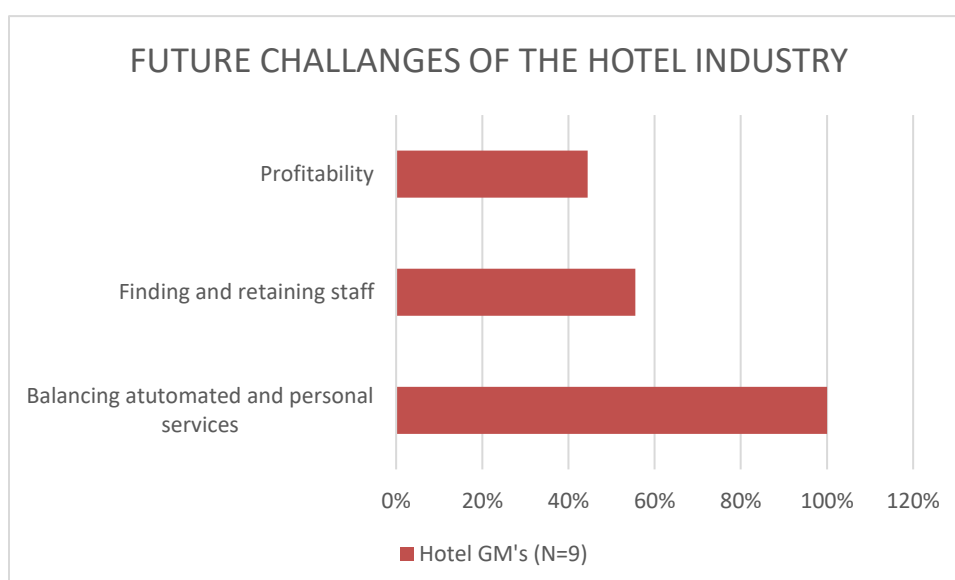


FIGURE 22 – FUTURE CHALLENGES OF THE HOTEL INDUSTRY AS IDENTIFIED BY THE INTERVIEWED GM'S

All GM's cite automation of services as the most important trend for the future. However, they also note that the balance between automated and personal services will be one of the biggest challenges in the future (Figure 22). However, Wuenderlich et al. (2012) argue that intelligent interactive services require a high level of human interaction and collaboration in addition to the services provided by the technology itself, as research shows that users still emphasize the need for personal contact and show a strong preference for face-to-face services. Currently, the hotels in this study rely exclusively on face-to-face services, but observing the changes in hotels in other cities, hybrid services are already commonplace in 4-star hotels; breakfast is often served via machines.

Another challenge that was mentioned by all GM's and also by the experts is finding and retaining talented staff. The work values and lifestyles of the new Generations Y and Z, who will make up the bulk of new hires in the coming years, are very different from those of previous generations. Hotels as they are currently organized and operated do not represent an attractive work environment (Chacko et al., 2012).

The third challenge identified is profitability, which is also related to the other two challenges. Staff is expensive and automation can replace staff to some extent. The factors that create a memorable experience are costly and are reflected in higher room rates. It will become more difficult to include luxurious services and amenities in the room rates of 4-star hotels, and competition from select-service hotels will increase. This explains the concerns of the GMs. Mr. Osterman of Austria Trend Hotel predicts longer renovation cycles due to low profitability. However, Mr. Valentin from Four Points By Sheraton Hotel Mons and Mr. Čeh from PKF both predict shorter renovation cycles as guests become increasingly demanding and are always looking for new and exciting accommodations. Mr. Čeh elaborates on this thought by explaining that this type of renovation does not need to be costly, but innovative and authentic.

5.1.5 Future perspective

Vibrant common areas where hotel guests have the opportunity to interact with each other and with locals are cited by GM's and experts alike as a key trend for the future. Mr. Čeh goes even further in his statement that: 'People do not expect a hotel to be beautiful, they expect it to be alive. The hotel has to be alive.'

This trend can be connected to the study of Miao & Mattila (2013) who investigated the influence of guest interactions on the hotel experience. They found that guest-to-guest interactions are an important part of the hotel experience. Therefore, they suggest that hotels should

strategically design spaces that bring guests together to enhance the holistic value of the guest experience. Vibrant community spaces frequented by the local community align with several dimensions of a memorable tourism experience as defined by Chandralal&Valenzuela (2015): They provide an authentic local experience, local hospitality and social interactions. The design of these spaces can influence the dimensions of novelty and surprise.

The increasing role of technology is changing the context in which hospitality services are taking place (Wei, 2016). Lariviere et al. (2017) challenge managers to decide on the balance between human and technological input, as the preferred combination is likely to depend on the customer segments involved, the product/service sold and the stage of the customer journey. They point out that technology is not always the preferred option given its inherent computational, creative and social limitations.

As indicated by the expert interviews, automation is most likely to take place at the reception desks of 4-star hotels, replacing receptionists with check-in kiosks and mobile room keys. Opinions remain divided, however, on the technical equipment in the guest rooms. Ms. Maly-Gärtner predicts expanded entertainment solutions in the hotel rooms and Mr. Čeh predicts basic room furnishings that require lower investment costs and are easy to clean and maintain.

Today's technology allows hotels to collect as much information about the guest as possible. Branded hotels have the advantage of being able to collect information about all the hotels visited by a particular guest. This information allows hotels to provide more personalised service as mentioned by several GMs (Hotel Slon, Four Points By Sheraton, Austria Trend Hotel).

The two experts offer different perspectives on the future of hotel design. Ms. Maly-Gärtner emphasises that good design is expensive, implying that good design will only be offered in high-end hotels. Mr Čeh, on the other hand, offers an alternative perspective with the idea of a constantly changing hotel design, which is about humour, freshness, trends and new ideas and does not necessarily have to be very expensive.

It is therefore logical to assume that the definition of the 4-star hotel experience will alter in the coming years.

6 CONCLUSION

6.1 Summary

Several key factors that create a memorable hotel experience have been identified. To answer the main research question for this thesis '*What are the key factors of creating a memorable hotel experience and how are they implemented in the 4-star hotels in Ljubljana?*', the following chapter brings together the findings of the literature review and the content of the interviews conducted.

If observed through the lens of Pine&Gilmore's (1998) four dimensions of experience, the 4-star hotels in Ljubljana provide the escapist dimension by default, as guests are mostly foreign. The interior design of the hotel provides the aesthetic dimension and the entertainment dimension could be equated with the food and beverage service offered. Two GM's also emphasise the importance of the fifth dimension - hospitableness (Mody et al., 2019).

The influences of atmospherics (Kotler, 1974) are also widely present at 4-star hotels in Ljubljana, mainly in the form of visual elements such as colour schemes (A Hotel, Four Points by Sheraton Hotel Mons, Best Western Premier Hotel Slon) and lighting (Hotel Lev); sound elements (Hotel Nox, Hotel Cubo), olfactory elements (Hotel M, Best Western Premier Hotel Slon) and tactile elements (Austria Trend Hotel, ...).

A review of the existing literature showed that there are several ways to create an experience. An experience can be created through the use of a theme or a story, but it can also consist of just one or more elements of surprise. It can be carefully and consistently planned throughout the guest's (or customer's) journey, or it can be just part of one or several touchpoints.

While many authors mention surprise as a key element of a memorable experience (Hemmington, 2007; Mossberg, 2008; Tung&Ritchie, 2011; LaTour&Carbone, 2014; Chandra-lal&Valenzuela, 2015), it is Azevedo (2010) who sees the potential competitive advantages of a hotel in personalised and unexpected surprises, followed by professional, sympathetic and responsive staff. This theory is confirmed by the interviews conducted.

The 4-star hotels in Ljubljana rely on single or multiple elements to constitute the hotel experience. None of the studied hotels offers a holistic experience as defined by Schmitt (1999), Berry et al. (2006) or Verhoef et al. (2009). Most of GM's and experts as well, consider the hotel experience as a set of positive impressions that the hotel guest gains. They mention that the hotel staff and the personal service they provide have the greatest potential to become memorable. The staff is trained to be professional and forthcoming but whether they are able to provide a memorable service is left to chance rather than being planned and provided for each guest. Memorabilia is identified by Pine&Gilmore (1998) as a key element of memorable experiences

and is also found in several hotels studied. In the Best Western Premier Hotel Slon it is a plush toy of an elephant with the historical story of the hotel's foundation and in Hotel Lev it is a plush toy of a lion as found in the hotel logo.

Personalization is another element of the hotel experience as defined by Ariffin&Maghzi (2012) and is common in the 4-star hotels of Ljubljana. Many hotels (Hotel Cubo, Hotel Nox, Best Western Premier Hotel Slon) rely on personalised services to provide a good hotel experience.

The GM's and experts agree that the breakfast experience is and will remain an important part of the hotel experience. In the 4-star hotels in Ljubljana, breakfast is included in the room rate (with the exception of the Four Points by Sheraton Hotel Mons), so all guests share in this part of the hotel experience. For this reason, GM's consider breakfast as the touchpoint where they have the greatest chance of impressing the guest. They have therefore developed very sophisticated concepts of hotel breakfasts, paying close attention to ingredients, versatility, presentation and ambience. This careful orchestration of a basic service creates a new value (Pine&Gilmore, 2002).

Using the framework of behavioural psychology research, one common element can be identified in all hotels in Ljubljana, which is the elimination of negative cues. The GM's all talked about the need to cover the basics of hospitality (cleanliness, maintenance, functionality) very well, which in other words means preventing negative influences on the guest experience. Some hotels also intentionally provide their guests with choices (e.g., the choice of customised rooms on Hotel Nox) so that guests retain a sense of control (Chase&Dasu, 2001).

There are also many suggestions in the literature on how to measure a (hotel) experience. Many authors claim that measuring guest satisfaction is an insufficient indicator. However, the interviews on GM showed that all 4-star hotels in Ljubljana measure only guest satisfaction, as this is the most readily available information for them (online reviews).

6.2 Contribution to knowledge

This paper answers the main research questions by outlining the following key factors for creating memorable hotel experiences implemented in 4-star hotels in Ljubljana: *atmospheric and aesthetic factors, hospitableness, elements of surprise achieved mainly through personalised service* and the *elimination of negative influences* on the guest experience.

The study also reveals two beliefs that all GM's have in common. The first is that service is the most important factor in creating a memorable hotel experience. The second common concern shared by GM's and experts alike is that recruiting new hotel employees will become increasingly difficult in the future.

When bringing these two beliefs together, we can argue that the future of the 4-star hotel industry is uncertain. The GM's say that they rely on their staff to provide excellent service in creating a good or memorable hotel experience. At the same time, the GM's admit that finding the right staff will become a great challenge in the future.

6.3 Practical implications

From these findings, two reactions can be predicted for the future of 4-star hotels. Either hotels will stop striving to provide a memorable experience and offer only utilitarian services, or they will have to redefine the memorable experience, as suggested by the experts, to include design factors. The first option questions the difference between 4-star hotels and hotels of a lower category. If the hotel offers only a comfortable bed in a clean room and breakfast from an automated buffet, the hotel falls into the category of select-service which is characteristic of 3-star hotels or lower. The second option represents a challenge for the profitability of hotels, since (in Ms. Maly-Gärtner's words) *good design is expensive* and so is staff. Only upscale hotels that charge premium prices will be able to recoup these costs. Based on these observations we can predict that the existence of mid-scale hotels is under threat.

According to the GM's, the health and safety protocols enforced by the Covid pandemic are now an essential part of their offering. Although the GM's have identified staff shortages as their biggest challenge post-pandemic, the problem has been shown to have existed for many years prior (Chacko et al., 2012). Hotel workplaces need to evolve and become more attractive to new generations of staff.

6.4 Limitations and future research

The study of this thesis is limited to the location of Ljubljana and to the segment of 4-star hotels. Since it has been shown that Ljubljana is a secondary destination that does not have good connectivity to other world capitals, and lacks international businessness, it would be useful to compare it with other secondary destinations in order to establish parallels in the development of the hotel market. It would also be interesting to compare memorable hotel experiences across hotel categories. Since 4-star hotels GM's believe that service is the most important factor for providing a memorable experience, is it then possible for a 2-star hotel to provide its guests with a (positive) memorable experience despite having very few staff?

Due to the limited scope of this thesis, the topic of customer journey is only touched upon in the context of creating hotel experiences. Identifying the factors that influence the hotel experience at each stage of the Customer Journey would provide a deeper understanding of the complexity

of the hotel experience and how it can be influenced. This could also have practical implications for hotel businesses.

Most research only looks at positive customer experiences, as these are what businesses strive for. It would therefore be useful to find out whether negative customer experiences are more likely to be remembered.

The literature on hotel experiences is limited to very specific locations. However, the literature review and the perspectives of GM's have shown that all hotels operate in a global market and offer their services to a global audience. It would therefore be useful to look for common factors that define a memorable hotel experience in general, regardless of the location of the hotel.

As indicated in the previous chapter, the hotel experience will need to be redefined due to the economic changes triggered by the Covid pandemic. If impeccable service and individual approach will only be offered in the upscale hotels, the 4-star segment will need to find other ways to maintain its competitive advantage. Many other industries have already created memorable experiences with minimized human factor. It would therefore be interesting to look for solutions from other industries that can be applied to the hotel setting.

While customer and guest experience is well researched in the literature, it has been noted that there is a lack of research on employee experience (Lariviere et al., 2017). And since hoteliers and experts see the biggest challenge for the future as finding and retaining employees, this type of research would help address that challenge.

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APPENDICES

INTERVIEW 1

A HOTEL	Date of interview: 19.4.2021
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Name:	Luka Jeglič	Age: 45
Position:	GM/ owner	No. of years in this position: 2007

Hotel location:	built in 2007, 2015 room refresh, 2016 new bathrooms	No. Of rooms: 30
Date of built/ last renovation		

1. How did the hotel guest change in recent years; how did his needs and his wishes change??

Yes, pretty much has changed. When I started working in this industry, I thought it was static enough that nothing much could change and that we deal with standard conservative work protocols. I now find that the hotel industry is a mixture of conservatism and a multitude of changes. Major changes have occurred e.g. in the field of reservations, which have almost completely switched to digital OTA channels, while classic travel agencies no longer exist. The individual guest started booking the rooms himself, researching the offer himself. With the accessibility of the Internet being as it is and with the new x, y and z generations, the digitization will only be further emphasized. In this direction, it seems to me, the trend will go.

The guest himself, however, became more demanding. It’s not just about merely sleeping. It seems to me that the guest has higher expectations than merely the accommodation. Over the last ten years, we have fully disclosed our offer through online reviews, first on Tripadvisor and then on all other channels. The guest cannot be misled, hotels must play fair with the guest.

The typical process of booking a hotel room is that most guests are only looking for hotels with a rating of 8+. This means that they don’t even see the hotels with a lower rating.

2. How did the hotel offerings change?

In part tangible, empirical changes have happened. For example, when we renovated the hotel, we knew bathrooms were in poor condition and needed improving. We added amenities, e.g. balms and shampoos. Then there are services. We always followed the feedback, read the comments on Tripadvisor, Booking and read the reviews the guests gave us. We knew exactly which guest provided the review, who did the check-in and check-out. I paid attention to all such things, especially the positive ones. I was always interested in which of the employees was to be thanked for a good review.

3. What are the biggest trends in the sector at the moment?

The pandemic turned everything upside down. I think local travel, in a radius up to 500 km, will be more in the forefront now. Digitization is in focus, contactless arrival, self-check in, registration as in the aviation industry, so a guest doesn't have to wait at the reception. Hotel management is becoming separated from property management. Personalization comes to the fore, the greatest possible focus on the guest. Maybe also the fact that the hotel design emphasizes homeliness, so there is no longer that cold feeling, inaccessibility. Everything is cosier. These seem to me to be the current trends in design.

At the same time, I believe that digitization cannot replace personal experience. People will still be the key factor. I think that experience one gets in contact with the staff is much more valuable than the equipment, the hardware, I think that this is that soft touch that is immeasurable.

In my opinion the trend will turn in the direction of relieving the staff so that they can really focus on the guests and create a guest experience before the service. In this sense, I am also currently carrying out a renovation. I want to digitize time consuming processes, which have to happen automatically. For example, we use a passport scan to save time. This permits the receptionist to provide the guest with some other information in the remaining time.

4. In your opinion, what makes a hotel experience great in general?

A top hotel experience is actually one that meets all guest expectations. What he bought and what he paid for must be provided. Equipment, cleanliness, technology and the service level - these expectations of guests need to be met to achieve a good hotel experience.

When I travel I also always collect ideas that I try to use in my hotel. For example, what I really liked in Istanbul, is that they gave the guest a lot of things in the room, e.g. in the closet there was a very neatly made bag with slipper pockets and a shoehorn. I think that the guests find such things very nice.

5. What is in your opinion a memorable guest experience? And how does this differ according to you from a top experience?

A top hotel experience is one that meets all guest expectations. However, a memorable one happens if the guest does not expect it. If he is in some way positively surprised, rewarded with something extra, impressed.

I think there should be an element of surprise, as the guest will not remember the things he expects.

6. Which factors are possible threats to the creation of a memorable guest experience?

It seems very wrong to me if the hotel does not meet the basic needs. This has a very negative effect on the guest experience. What he bought and what he paid for must be provided. Therefore, the basic conditions must first be met; equipment, cleanliness, technology, service level. You basically have to meet these expectations, only then you can start sharing bonuses. If a hotel does one thing terribly wrong, it loses credibility. And that's hard to fix. It can be done, but you have to give out many bonuses to make up for that lack.

7. How would you describe memorable guest experiences in your hotel?

Throughout the guest's stay we provide him with pleasant surprises in an unobtrusive and unexpected way.

For example, the rooms are equipped with a tea- and coffee-maker. If a guest celebrates his birthday, the standard protocol is that he gets a cake with a candle at breakfast. If the guest is a child and he orders eggs, he gets a smiley, two fried eggs and usually the guests take a picture of this. We try to make things a little different. Details matter, e.g. if someone has an anniversary, he gets sparkling wine and two glasses. We adapt the offer to the guest according to his age and profile. We have also started with personalized welcome messages. However, we do not have certain standard services, because I find it an ongoing process. One always has to work on discovering new things and introducing them to the hotel experience.

We focus on pleasing the guest and giving him something extra, something he does not expect, so that every guest who leaves our hotel is satisfied. I always emphasize to all employees that this focus is the most important in their work because we are here for the guest. We need to see the guest happy when he comes and when he leaves.

I always try to put myself in the guest's shoes. I'm a little more emotionally involved in this, given that the hotel is mine, but at the same time I try to assess as objectively as possible how I would

feel if I were a guest here; what I would miss, what else could be made. We had this in mind when planning renovations.

8. Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience?

It is first necessary to meet the basic expectations of the guest, only then the special and unexpected can occur. I think it is better if the guest does not expect a certain experience and is positively surprised. For example, he can be surprised by the bed arrangement, the bathroom, the cleanliness.

In any case, the guest must feel value for money, this is the basis of satisfaction.

9. Could you rate these elements in accordance with their importance?

Service factors and a personal approach is what makes the difference. The equipment of the room belongs to the basics, it is something that simply must be provided. Otherwise, you can play with top design, lighting, sound system and accessories, with which you also work on added value, but the equipment itself must meet the standards that the guest expects. I think soft touch, personnel, is important. Some say that the latter will be robotized, making this experience significantly poorer.

If I imagine a self check-in machine in the hotel giving the guest the key room and then on the other hand, there are gold hooks and taps in the room - top equipment, but no people with whom to exchange a few words I don't find this ok. Although the new generations use the phone a lot, the guest will still be communicating with the hotel, only maybe more through apps. I hope this doesn't happen, because in this case the very essence of the hotel industry is lost.

10. According to you, what factors affect the quality of the memorable hotel experience and why?

I think you can improve the quality already with some details, as long as they are unexpected. There does not have to be a sound system or some kind of pompous lighting in the room.

11. Could you say that either elements of service or elements constituting the hotel ambience prevail in terms of creating a memorable guest experience?

In our hotel, we designed the ambience in a way that there is warm light everywhere and moderate volume of music, although these are subjective criteria. The ambience is certainly important. We also had our own smell before the pandemic. We thought of that, too, as it's part of the first impression and the hotel experience. This makes the guest feel comfortable, albeit unconscious. In design, I wanted the furniture to be light, which makes a difference since a lot

of hotels currently have dark furniture. Otherwise I would recommend natural earth tones; vanilla, chocolate.

12. How do you 'measure' or track memorable guest experience in your hotel?

Our hotel is relatively small, so we can monitor each guest individually. I personally follow the notifications on all platforms, read all the reviews. We also have a guest book, but I have noticed that only those who are very satisfied or very disappointed write in it. Therefore, it is good to have it so that this guest does not publish his opinion on all channels.

For example, we were dealing with breakfasts for a year, because I was not satisfied with this element. We were working very hard to extend the offer, we were also concentrating on presentation and finally managed to raise the rating.

13. How do you keep track of your competitors and what do you consider to be your competitive advantage?

I think that now, especially due to the digital booking process, online reputation has become the most important. Guests follow the ratings of all hotels in the destination and then decide which one to book. Similarly, we also monitor the ratings of competing hotels.

I also find the revenue management important, as you can't sell a hotel expensively if it has a bad online reputation, and vice versa. I think the reason for the good reviews of our hotel is the personnel. We can thank the design to some extent too, but it's primarily about the people.

14. In your opinion, how will the concept of a memorable hotel experience be changed by the hotel industry in the future?

Hotels are aware that they will have a competitive advantage if they have a good online reputation and this will become increasingly important.

15. Which are the future key trends to look out for when creating memorable guest experience?

A combination of digitality and automation, but still with a personal approach. The service will have to be upgraded in such a way that it will no longer be just a service, but a personalized unique experience, a higher quality of service by the personnel. The rest of the hotel work will be digitized so that the staff will not be burdened with it.

16. Which challenges and opportunities lie ahead of the hotel industry and why?

Quite dramatic times await us. Re-opening is a challenge itself. The challenge will also be managing costs, which will affect the profitability of hotels. Especially for city hotels, the challenge will be price elasticity (low prices), low demand, because the occupancy fell so drastically. And then there is the risk of re-lockdowns.

Health promotion might come in focus, as well as care for cleanliness. Covid has deeply ingrained this trend. We have also added a special section on this topic to our hotel website.

The initial costs for new technologies and apps will be higher, but this technology will remain while reducing costs in the long term. Now we have an URL link with which one can access information about the hotel and Slovenia in general. We also use personalization, services that the guest can order before arrival. With the PMS replacement, we would also like to establish a night self-check in, as I don't know if we will still have a night reception after reopening. But then you lose on first contact with the guest.

17. Do you have any other comments to share related to this topic?

I do hope that the situation will soon turn for the better, but I notice that at the moment small apartments and room providers adapt more easily. At the moment, everyone has switched to long-term leases, but when the demand is high enough, they will switch to short-term leases again.

We have a special Covid section on the website to build on trust, which is certainly greater in hotels. After the first lockdown, it turned out that the Italians didn't travel out of fear, and the Germans did. From June to September we had mostly German guests. It's about protocols, about the trust of guests when they come. The huge share of Airbnb's offer in Ljubljana as opposed to hotels is already alarming. A long-term strategy for Slovenian tourism is being prepared, and at the same time we have a multitude of offers which is not professionalized.

INTERVIEW 2

AUSTRIA TREND HOTEL	Date of interview: 23.4.2021
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Name:	Jernej Osterman	Age: 41
Position:	GM	No. of years in this position: 8

Hotel location:	3,5 km from City Centre	No. Of rooms: 214
Date of built/ last renovation	2021 complete renovation of all rooms and public areas	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

The basic change is in the length of stay. Guests no longer come for a whole week. The length of stay has been greatly reduced. I would say that basic needs have come to the fore even more, especially in terms of internet speed and accessibility, cleanliness and friendliness. These are basically the three elements that are more important every day and are so much more sought after and appreciated by guests.

Room service is practically gone, the minibar usage is minimal, or not even offered all at the moment because of the Corona.

Guests appreciate simple things; quality food, even if made of cheap ingredients - it is more important that the dish on the plate is nicely presented and served. Some employee contact with the guest is enough.

2. How did the hotel offerings change in recent years?

I would take our hotel as an example. When we decided to address athletes as the most important target group, we built the entire offer around the needs and expectations of this group. The first and the largest or the most strategic investment was in 2016 - the *Winners lounge* on the ground floor. We did an incredibly good job with this story and the business was also extremely good for a hotel bar. We basically changed the whole concept of the hotel bar. Before we had a bar and an a-la-carte restaurant on the first floor. Now only the upper restaurant is left, which ranks even higher in terms of price and quality, i.e. alongside Cubo and JB. In terms

of quality, not the width of the offer. We moved the bar to the ground floor next to the reception and arranged the outdoor terrace. We also changed the ambience, so we no longer have the VIP boards with photos of celebrities who slept here. We wanted to give the bar a soul, so we exhibited signed sports jerseys of the teams that slept in our hotel on the wall. When a certain team visits us, we replace the jerseys on display with the jerseys of the visiting team and everyone is happy. We basically arranged a sports bar. For example, last year there was a women's handball tournament. We exhibited the jerseys of all four teams that came and they were very impressed. They all takes photos for social media in the bar. In addition, there are also a lot of local guests who visit the bar, although it is almost three times more expensive than the neighbouring bars. This is how the selection is already made with the prices. It is really important that the offer and service are at the top level.

We have also adapted hotel rooms for athletes, we have massage rooms on each floor. During the Corona times, for example, a team can occupy an entire floor and an athlete can also leave his room in his underwear to get a massage. Such guests should not be mingled with business guests.

The lounge bar is the cohesive thread that connects all this together, from breakfast, conference halls, where we prepare a separate buffet for the athletes and they also have their own meeting and massage room. We also provide Covid tests, so we really adapted all the logistics to the sports teams. So basically the lounge is the heart of the hotel.

Parking is also not a problem, which makes visiting the lounge bar even easier.

3. What are the biggest trends in the sector at the moment?

Such a niche orientation that we have chosen is not a general trend. In larger cities, where there are a lot of tourists, air connections and charters on an annual level, the hotels do not need it. Big cities also host big congresses. However, due to the large number of hotels, there is also a lot of pressure on hotel room prices. As soon as five-star hotels lower the prices, those with three stars are no longer left with high enough prices to guarantee profitability. If the hotel is not well profiled, its whole business model collapses.

I noticed a trend that textile floor coverings are disappearing. They are replaced by floor coverings made of vinyl, laminate, wood ... These materials are significantly easier to clean, which became even more important during the pandemic. Also trendy are bed headboards from washable wallpaper. Upholstered headboards, on which each guest rests his head and can leave a

stain, are not practical. The trend in furnishing therefore goes in the direction of using materials that are as easy to wipe or replace as possible.

4. In your opinion, what makes a hotel experience great in general?

In my opinion, there are three factors for this. Wi-Fi must work flawlessly. The staff must be friendly and polite, the guest and his needs must be recognized and met. And the cleanliness in the hotel room must be impeccable.

5. What is in your opinion a memorable guest experience? And how does this differ according to you from a top experience?

For example, when we host the Slovenian national football team, they always want the same waiter to serve them and the same chef to cook for them. Namely, they like that these employees know their wishes and habits in detail.

It's similar with exhibiting the jerseys of national teams that visit us. It's a detail that impresses everyone.

The prerequisite is that all other parts of experience function flawlessly and that guests do not have to deal with details, as everything flows smoothly. That way, guests can dedicate themselves to what made them come here.

It is also important that our employees have an affinity for sports. If they serve footballers, they need to know what game they played the night before. Also, a waiter who doesn't drink beer shouldn't work in a lounge bar where 15 types of craft beer and two tap beers are on offer. I don't think everyone has to be a big beer drinker but at least he should be able to pass on the enthusiasm to the guest.

6. Which factors are possible threats to the creation of a memorable guest experience?

If the quality is not constant and if it does not grow at least a little. The problem is when one employee does his job superbly and the next day another employee does his job poorly. Ensuring consistency is the most difficult when it comes to service.

7. How would you describe a memorable guest experience in your hotel?

If I start from the beginning, the porters personally greet the regular guests upon arrival, as they know them by name and surname. As soon as the porter sees the car, he indicates the reserved place to the guest. He opens the door for him and asks if he can help with luggage, although 90%

of guests say they don't need help. Both porters have been employed with us for over 14 years. They know all the guides, coaches and regular guests by name.

Then it is important to make the guest at the reception smile a little. So he receives some positive energy from us.

We will also renovate the lobby and wellness. We will totally reshape the concept of spa, now pursuing the theme of an African savannah. The offer will be supplemented with therapeutic massages. We have carefully selected the spa operator who will also bring his guests. We also have a top fitness centre and its operator will also arrange a fitness clinic. Many of the sports clubs we host do not have such infrastructure at home, while we offer them everything; a bus will take them to the stadium, where they train and play matches, and they can have everything else here, in a completely private ambience. We are introducing a new category of rooms - executive sport room - which will all be located on the same floor. That's sufficient for the whole team, but they can also rent two floors. so they are completely separated from other guests, have a separate dining room, exclusive rental of fitness by hours ...

And these athletes also attract businessmen to our hotel. All of these athletes post on social media, which is great marketing. Handing us at least one signed jersey is always included in the contract with the sports teams staying with us. The last ones staying with us were female handball players, Slovenians and Icelanders. They took photos with a ball in the lounge, with signed jerseys, with our director and posted all these photos on their social media profiles.

8. Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience?

Globally, there are three key factors: personnel, cleanliness, and Wi-Fi. Wi-Fi is the most important thing for athletes, cleanliness not so much because they are young. When they don't train and don't sleep, they play PlayStation.

Ambient factors are also important, but this is a matter of taste. It seems important to me that the equipment is not outdated and that there are no visible signs of wear and tear. The equipment must be maintained and guests must notice that we at the hotel strive for both cleanliness and maintenance. If the hotel does not meet this minimum, the guest will be very dissatisfied.

9. Could you rate these elements in accordance with their importance?

In general, for all guests, I think the key factor is the personnel, followed by WiFi and cleanliness.

10. Could you say that either elements of service or elements constituting the hotel ambience prevail in terms of creating a memorable guest experience?

Part of the service is, of course, professional and competent staff. This part, in my opinion, prevails over the ambience.

I'm very occupied with ambience in the current period of renovation. We used a lot of wood for a warm and pleasant ambience. I am very pleased with the final look of renovated rooms. We equipped the standard and sports rooms with open constructions for the wardrobe, which is extremely useful, as most guests do not even unpack their suitcases. The design we used is timeless. We also enlarged the beds. There is a strong segment of businessmen in Ljubljana, but there is less focus on leisure and young people. That is why we have adapted the design to conference guests, businessmen and athletes.

11. How do you 'measure' or track memorable guest experience in your hotel?

We have an internally developed reporting system after each shift. In short, the operative summarizes how the shift went, if there were any special features, complaints, compliments. Individual departments (service, lounge, restaurant, reception) must write a short report before completing the shift. I receive these reports by mail and I am so aware of what is happening.

Employees need to get information from the guest, they have to ask them questions, as guests do not like to fill out surveys. Of course there are systems such as *Trust you* and *Booking*, but they constitute only part of the obtained information. It is therefore crucial that information is obtained by employees through questions. I get the feedback directly from the guests because I know them all.

12. How do you keep track of your competitors and what do you consider your competitive advantage?

Our competitive advantage is this niche story of athletes. We do not target the same segment as other hotels in the city. A few other hotels are also struggling in our segment, but they are far from having such a tailored offer as we do.

On the other hand, we want to justify the added value through the service and compensate for the (less advantageous) location of the hotel. During the Corona times we offer a-la-carte breakfasts, while in competitive hotels they hand the guests a breakfast bag to-go. The latter does not suit guests.

And it is more lively here due to the lounge. We open as early as 8 in the morning and immediately everything is occupied.

13. In your opinion, how will the concept of a memorable hotel experience be changed by the hotel industry in the future?

After the release of restrictions, ensuring profitability will be a major challenge. Renovation cycles will be delayed, which will affect the hotel ambience. Getting employees will be a big challenge, which will greatly affect the hotel experience.

14. Which are the key trends to look out for when creating memorable guest experience?

Personally, I am not in favour of automation. I think the hotel guest will continue to look for contact with the personnel in the future. The experience of hospitality includes having someone serve you, ask you for your opinion, thank you. The machine cannot replace it. And hospitality is key to the hotel as well. I think both guests and hotels will be even more differentiated. Those who appreciate a good experience will also be willing to pay for it. This opinion is based on our experience from our Lounge bar, where craft beer is three times more expensive than beer in regular bars, and guests are willing to pay for it. People will still be 100% willing to pay for quality service.

15. Which challenges and opportunities are ahead of the hotel industry and why?

The pandemic has been going on for so long now that it surprises me that all the hotels are still operational. As long as the state provides subsidies, we will be able to operate with a positive zero with reduced revenue. However, this means that the renovation cycle will be delayed by a couple of years. At the same time, the quality of service will generally fall because a lot of good staff has left the hotels.

The personnel will certainly be the biggest challenge. Even before the pandemic, when business was booming, we had trouble getting good personnel. However, those who have now spent months on hold will find it difficult to get back into a normal drive once all the restrictions are gone. And that will be the biggest challenge.

Once work on hold and government subsidies are cut, it will be revealed who is capable of surviving in the medium / long term.

INTERVIEW 3

FOUR POINTS BY SHERATON HOTEL MONS	Date of interview: 23.4.2021
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Name:	Aleksander Valentin	Age: 40
Position:	GM	No. of years in this position: 8

Hotel location:	4 km from City Centre	No. Of rooms:
Date of built/last renovation	2021 (public areas + 100 new rooms and a pool)	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

One of the big changes is how they now even book rooms. Digitization is definitely a big factor, above all the fact that today a great experience is happening on mobile applications. This is something that did not exist ten years ago. And today, this experience basically begins long before the guest arrival at the hotel and the communication of the guest with the hotel is much easier than it was before. Previously, if a guest wanted to communicate something with the hotel, he had to phone or furiously search for an e-mail address and then the return e-mail answer was not guaranteed. Now guest questions pop-up in our PMS system and we can start a conversation with the guest immediately. Everything is live, there are no chat suggestions. There is a lot of work with this service. But due to mobile check-in, there is also less direct contact with guests and receptionists have more time to manage chats. That has changed a lot.

Guests are increasingly demanding. The requirements are greater and transparency is greater. The guest also gets more. How he searches, where he searches, how he decides is different. On the one hand, there are pressures on price and on the other hand there is pressure on everything to be perfect. If the guest is a member of the Bon Voyage loyalty program, the needs are even greater. He knows how to recognize the benefits he should receive as a Bon Voyage member. Expectations are much higher here.

Demands have also risen on the hotel side. The greatest pressure is on cleanliness and safety. The situation must be perfect.

2. How did the hotel offerings change?

We abandoned some services that no one misses, such as mini bar and room service. By having pantry, however, the costs are a little lower. Communicating itself is a brand.

We abandoned certain things, but on the other hand, new products need to be developed. In all these years, social spaces have become very important, the world is becoming mobile, and on the other hand, people are looking for a "connection to do real life". Lobby experience, bar experience, restaurant experience... these spaces are much bigger than they used to be. It used to not be so important. The hotel restaurant has always been considered expensive and bad. It has to be good today and it has to be an experience where people need to have a good time.

It all revolves around genuine, simple comfort. The bar experience for example is all about beer. The guest knows that in Four Points it's all about beer in the bar and he will have a good time. We have now developed a new restaurant based on the same concept. It's basically simple, authentic, but it needs many flavours and good experience. F&B is becoming more and more important again, while in the meantime it was dying out. 10 or 15 years ago the F&B in a hotel existed, but was irrelevant. Now this is changing. F&B is evolving and it has become a necessity for hotels, because people want to be in company, they want to have someone around them. Currently Covid has changed things a bit, but this wish will come back.

3. What are the biggest trends in the sector at the moment?

F&B, living spaces.

4. In your opinion, what makes a top hotel experience in general?

I think alpha and omega is hospitality. And not just that the staff are friendly, but that the feeling you get when arriving to the hotel is that all the people take care of you, that they are there for you. This is hospitality. In my opinion this human-to-human relationship, from employee to guest, will continue to define it. And if you succeed in this, in my opinion, you always succeed. However, this is the hardest thing to achieve these days.

5. What is a memorable guest experience in your opinion? And how does it differ according to you from a top experience?

Attention! If you pay attention to those little details when you see a guest, who doesn't know exactly what he'd like, but you dig deeper and try to figure it out. In other words, the memorable experience is to determine the detail that really matters most to the guest, even though he can't even express it. Sometimes these can be petty things. For example, if you notice that a guest's luggage is very light, you may just ask him if he happens to need a shaver. And it will be unforgettable for him. Because this is exactly what he would need at the time and he didn't even know it. So you showed him your attention, you proved that he matters, that he's not just a transaction - you saw and felt him. The guest must be seen and evaluated. Sometimes it's enough that his favourite beer is waiting for him. It is often much easier, especially in large systems like we have, to do this pre-stay, because you have an arrival list that records previous guest experiences and what they wanted to have. You have a lot of information about the guests within this CRM system, and you should manage to provide those small details without being robotic. For smaller individual hotels it is easier to

know those few guests who return every week and to learn what they like to drink for example.

6. What do you consider important in creating a memorable hotel experience?

To be quite specific, we do not lie to ourselves about who we are. We always strive with our team to stay on the path that identifies us. We are honest from the start about what we are and what we are not: Four Points by Sheraton Ljubljana is a conference business hotel. These are unique selling points. The whole experience focuses on what our identity is and our people understand it. Everything is submitted to the needs of the guest. Efficiency, genuinely staying true to the brand (Four Points) and being human to other people. We are not fine dining, we do not want our restaurants to be fine dining. And if we go too high, we know how to tone down, because it's not us anymore.

We build the identity of the hotel through the whole guest experience. We are always honest to this narrative. You can get easily distracted. You're doing a new restaurant and you want it to be fine dining. But no... we are a casual restaurant. From the first to the last you have to stay honest about what you are, in our case a casual restaurant, a casual hotel. We need to stay true to this. Professionalism - yes, but not overdoing something we are not.

7. What factors can have a negative effect on the creation of a memorable hotel experience?

I think that cleanliness is still a major factor today. That is, if you fail with cleanliness, guests do not forgive it. The second thing they don't forgive is the arrogant or impersonal attitude of the staff. That is, if you are not hospitable, or if you do not care, the results will be bad, guest reviews will quickly be worse. They will no longer be 9 and 10, but quickly 7 and 8. But if there is dirt or such things, then you can also get a 6.

8. How would you describe memorable guest experiences in your hotel?

As I have already mentioned, the Four Points by Sheraton brand stands for "honest and uncomplicated comfort". The hotel is a business hotel. Catering addresses the business guest and the guest experience is the business guest experience. And accordingly, the experience of a leisure guest is less fun for him, because the hotel is a business hotel. Up to 90% of all overnight stays are Bon Voyage members. And a large part of these reservations are mobile, that is, the interaction happens already through the Bon Voyage application, or through the website, as in this way members are entitled to benefits. And this increases that touch point. Because the guest is a Bon Voyage member, the hotel already knows a lot about him, so a good pre-arrival can be arranged: which room will be given to him and why, what treatment he will receive, how the service will be personalized and so forward.

This is something that a guest will experience with us, especially if he is a Bon Voyage member. Even more so, if the guest is an *elite* member. When he enters, we quickly recognize him, and let him know we did. If the guest already stayed with us, he gets the same room again, if he liked it at the time, or a different one, if he had any comment on the previous one.

Even if they provide wishes in advance, such as not staying close to elevator, we will do so. These are these little things. The guest will experience it with us, because it is easy, because the system does it itself. We have a preparation, a *mise-en-place* for the reception. The night receptionist prepares a report and by the time the morning receptionist, who does the check-outs, arrives, he will already know everything. The afternoon receptionist will already have an arrival report in hand and will know which guests are coming and the benefits they should receive.

The advantage of our hotel is that it is in nature. It is the only hotel in Ljubljana inside the ring, which is in nature. So the whole idea of how to connect Four Points as a brand and Four Points Ljubljana Mons was through nature. The main theme was a bird, robin, and this bird connects the forest and nature with the hotel. All the materials used in the hotel are natural, genuine, such as wood. There is a lot of warmth. Earth colours have been used and the guest experiences this path of nature. The new façade is also a stylized forest on the aluminium façade. The theme characterises the entire hotel.

Also the F&B of the new restaurant is called Robin, its trademark is a robin bird. And the guest is constantly experiencing this same story. He is also experiencing the story of beer in the bar. We work with Union Brewery, with their unfiltered beer. We were also one of the first bars to have draft unfiltered beer.

It's a kind of craft experience inside the bar as the bar revolves around beer and snacks and it's also a very "Four Points story". There are such important things in the room as well: a typical stylish Four Points bed, which has been tested, comfortable, and makes a story that is part of the Four Points promise. Upon departure, the guest is warmly greeted.

It is also important to address the guests individually. If the management meets a guest in the hallway, they stop, address him briefly, ask how he is... especially regular customers. They need to be remembered. In the morning you need to check the arrival list and remember especially the VIP guests. When you see them, you address them by name. People feel good when they are recognized.

9. Could you pinpoint the key elements, which in your opinion create a memorable guest experience?

Good pre-arrival and arrival experience. Breakfast is also a very important experience. Above all, good service, attention, ingredients, quality offer. Now, thankfully, also the downstairs restaurant, where breakfast was previously served, is being renovated, and when the hotel enters the

post-Covid phase, and this restaurant comes to life in a new image, the breakfast experience at the hotel will also be much better. The buffet remains partly live cooking and partly classic.

10. Could you rate these elements in accordance with their importance?

People are the most important. Service, cleanliness and F&B as well. Another important thing that is not self-evident is the internet. It is a necessity, but it has become difficult to provide in hotels. Our hotel invested about 1000 euros per room to upgrade the entire wi-fi system. And if previously the average rating of the Internet (on a scale of 1-10) was about 6, in the following year, when we installed a certified system, satisfaction increased to 8.5. Today, everyone comes to a hotel with as many as five devices and you simply need a powerful system.

11. What factors do you think affect the quality of a memorable hotel experience and why?

12. Could these factors be divided into those that are part of the services and those that are part of the hotel ambience?

The ambience is important, not negligible. A newly renovated hotel or a new lobby makes the first impression. This gives you a chance to compete with grades 9 or 10 considering the guest satisfaction. A renovation is urgent. The hotel should not give an impression of neglect, wear and tear. It must be visibly maintained, beautiful, pleasant. People need to feel good. Renovation of soft goods should take place every 7 years, while the complete renovation every 14 years. This pace must be followed. Why? Because we know this is the basis, the service gives a memorable effect. You can have a memorable service that guests will be happy with, but in the end the overall image of the hotel will be decisive. And if then the tap leaks...

13. Which part do you think prevails in creating a memorable hotel experience?

Service in the positive sense, and often a problem with the equipment in the negative.

14. How do you measure or track memorable guest experience in your hotel?

The GSS satisfaction measurement system is important. It has two levels: a guest satisfaction survey, a questionnaire received by the guest and completed directly into the system. The second part are social networks - Google, Facebook, Tripadvisor, Booking.com. We use these two systems, both of which we monitor and update in one system.

Other Four Points hotels in Europe are our benchmark and our targets. The "intent to recommend" is the most important thing for us. The goal is to get a review 9 or 10, but you can't always get them. When you receive a review of 6 or less, it is necessary to establish contact with the guest within the following 48 hours and solve the problem one on one. Marriott monitors the ratings, we monitor the ratings, and in this way we also lead the team.

There is pressure on one side and guidelines on how to lead the team on the other. The system is transparent and gives focus to the team. It's not too scattered and shows trends. The Marriott

systems are good, because you see what the guest thinks. In addition, through CRM every error is recorded.

And when these two systems are combined, we know exactly who the guest was, which room he stayed in, what was going on in the building, and we can know up to the room level what was going on. The problem can only be one room. This system is so good that the team management can be monitored, which is what we need to pay attention to. It's automated in the sense that you can do reports, take time to go through them with your team.

Thirdly: the pre-arrival experience. Certain guest requests are very seasonal and things can be predicted in advance - three months, 90 days, 90 days in the next year in advance..., based on what guests will need. You can prepare more beds in advance because you know larger families would arrive. This can all be deduced from the system. But then it also depends on how well you lead the team, that they do the right things, and that they will be satisfied too and deliver good results. And that then comes back.

15. How do you keep track of your competitors and what do you consider your competitive advantage?

We monitor the competition from the quality aspect. Through reviews on Tripadvisor, Booking.com, Google, Facebook. We also benchmark at the level of pricing etc.

Booking.com, for example, has a well-designed structure. Booking and Tripadvisor let you know well, where you are positioned - in the front, in the back, which features could be better. For example, even though we love our location in nature, guests see it as unattractive, because it's far away. This is something you can't influence, but it's nice to see from the benchmark point of view, where we stand. Of course there are things we could do better to "compensate," make up for. But overall, guest service and cleanliness had the most positive effect on our rankings.

16. How do you think the memorable hotel experience will be changed by the hotel industry?

The F&B experience has changed. It's less personal, masks are an obstacle. However, guest security has become an influential factor.

17. Which are the key trends to look out for when creating a memorable guest experience?

Digitization, the guest experience will continue to become increasingly important, it really seems inevitable to me. But this is tricky - if everything is digital, there's no more service, we all become redundant. And I don't think that's going to happen. I think the transactional part of the experience will continue to become digitalized, transformed to as painless as possible. And then so on. Who manages to entertain, animate the guest, create a personalized experience, who knows how to deal with the guest in a different way – these will become factors of differentiation.

Why do you still have to go to the reception today? Because Marriott has not been able to get past the legislation determining the documents must be uploaded into the system. The moment this is possible, when the artificial intelligence itself matches the booking with the document, the guest will no longer need the reception to do the transaction. Also for checkout, you already have the card on the app, the systems are connected, you charge it and this is it. Where is the difference? The difference is in offering guest service: the guest comes by to ask something, you recognize him, you give him a great experience. F&B will be increasingly important. We humans will increasingly need human contact after Covid times. Will this be happening at a hotel? Yes, if the hotel has a good F&B product, otherwise the guest will go out and spend money somewhere else.

Yes, transactions will become automated and then differences will be made. Hotels where everything will be automatic will also exist: guest arrives, sleeps over and leaves. Has no experience with staff at all. And then there will be hotels where this experience will remain. It will not only be a transaction and accommodation, but everything else will happen. Service will function here.

There will still be local customisation. Local stories, however, are not difficult to implement, you just need to pay attention to the surroundings.

18. Which challenges and opportunities are ahead of the hotel industry and why?

I think 4-star hotels will have big problems in the long run. Two segments will develop in the long term: the budget and the luxury segment. 4-stars don't make much sense. E.g. we will have a big problem with congresses. Unsustainable will have so many services because you will not be able to charge for them. Another problem will be if digitization remains slow, the costs will increase. On the other hand, we can't afford a 5-star service, because it even more depends on people. 4-star hotels have a problem.

The staff will be increasingly expensive. A big shift will be needed here. 4-star hotels will really have problems. With this upgrade, Four Points has become an even more a conference hotel, because it finally has enough rooms and capacity to host "normal" events. This part will still somehow allow survival. If such a hotel was in the centre, which is difficult because there is no such luxury with space, I would start to wonder if we should shift into luxury or budget.

19. Do you have any other comments to share related to this topic?

In the long run, boutique hotels will have problems. Such a hotel industry will only survive if there is a family run business supporting it without a hierarchical personnel structure.

Considering design hotels I think, in general, it's nice to see extravagant designs. How rational this is from the investor's point of view, however, I do not know. Such a design comes quickly and also disappears quickly. There is no such cycle of 7 or 14 years, but it needs to turn in 5-6 years. And here the question arises about how much to invest in design and how much to waste

if it then becomes outdated very quickly. A good example are the W hotels - trendy, minimalist, but today the story is out, it's over. W has been in terrible decline for several years.

Brand consolidation will start happening because it has not been sustainable. Innovation will therefore start to decrease, some new players will come... Now we have reached a kind of peak, hotels will start to play dirty with each other and later also unite. Even Marriott with 30 brands.

The brand has helped us to keep some focus and develop the team. Branding was necessary to get us out of trouble. When the hotel was independent, it was somewhere on the periphery and not a serious player in the market. Something needed to be done and this focus brought it about, because our team started to believe in it.

INTERVIEW 4

HOTEL CUBO	Date of interview: 15.4.2021
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Name:	Sandi Kovačević	Age: 47
Position:	GM	No. of years in this position: 13

Hotel location:	City Centre	No. Of rooms: 30
Date of built/ last renovation	2008	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

The changes have happened because of the internet. Today's guest is more knowledgeable, more educated and has higher expectations. His expectations depend on whether he is visiting a resort or a boutique hotel. The reason for the visit is important. A guest who spends very little time in the room appreciates services, value for money and everything being delivered to the room. The business guest, on the other hand, is in a constant hurry. He does not stay long in the room, check-in and check-out must be fast, the hotel service has little time to impress him.

In general, the expectations of guests in our region are lower than when visiting world capitals. After all, there is only one 5-star hotel and one Michelin-starred restaurant in Ljubljana.

2. How did the hotel offerings change?

Changes have been going on for some time. The expansion of Airbnb has forced us to consider the necessary changes. Significantly higher costs incur in hotels, and at the same time our guests don't have an understanding of being charged extra for some basic things. That is why today there is practically no charge for internet, parking, freshly squeezed juice at breakfast. We only charge for real luxury, as the previously mentioned parts of the offer have become standard.

3. What are the biggest trends in the sector at the moment?

The biggest trend globally is a modern traveller expecting the aforementioned hybrid between Airbnb and a hotel. The hotel room will contain all the comforts of a homely living room and a superior bedroom, so more rooms will be set up as a two-part suite. The guest will be able to

watch TV from the couch, not the bed. He will be able to order local room service and won't need to leave the room. The same must happen with digitization, it must complement the effect of homeliness.

I think the concept of huge American hotels with enormous square footage is dying out. There's no use in a huge room when you have nothing to do other than watching a chargeable TV, which cannot be connected to a computer, to a phone ... This way of hotel business is going to go extinct.

4. In your opinion, what makes a hotel experience great in general?

It depends on us, hotel employees, how a guest will behave. Many hotels have turned the hotel experience into an industry; check-in, check-out, check-in, check-out ...

I consider Slovenia an excellent boutique destination, and the approach to guests must take this into account. In our hotel we note everything about the guest; what they eat and what they drink at breakfast, what they told us at the reception ... We have an attractive hotel app that also collects certain information about our guests and helped us design certain guest profiles, according to demographics. This way we know how to anticipate well what we expect and how we can surprise our guests.

For example, an elderly couple from the USA is advised exactly which places to visit to experience something really special and local.

We are a boutique hotel and we have to treat our guests in the same way, ie individually. This starts before arrival, when the guest must receive an e-mail with all the necessary information, but at the same time he shouldn't get an impression that he is just a number. We try to write each booking confirmation separately, without a pre-set sample.

As many administrative work processes as possible need to be digitized so that staff can deal with the guest. There's nothing worse than a concierge being on the phone all the time and ignoring a guest with a question standing in front of him. There must always be someone at the reception who communicates with the guests and has time for them. We must never forget about communication and treat guests as intelligent people, not some donkeys.

5. What is in your opinion, a memorable guest experience? And how does this differ according to you from a top experience?

Some hotels have large rooms, some small rooms, some new, some old rooms - the only difference is the service. Service is the only difference between hotels and Airbnb. There is nothing else different between private apartments and a hotel room.

But hotels know the situation better and are aware of the difference that service makes. How important it is that every time a guest passes by, you greet him. To know him by name and surname. What will be remembered is the professionalism, the helpfulness, that extra mile you made. We really try to alleviate the guest's problems and please him as much as possible. And this is the main advantage of a hotel over Airbnb. Without service, there is no tourism. People are tourism. This slogan, which we started using years ago, has now been forgotten.

6. What do you consider important by creating a memorable hotel experience?

The staff must know the destination, the offer, the events well in order to be able to advise the guest really well. With a good tip, we can greatly influence a good guest experience.

7. Which factors are possible threats to create memorable guest experiences?

The hotel experience is negatively affected by the carefree attitude of the employees, »check-in, check-out logic«. It is perceived negatively if the guest feels that he is only one of thousands.

8. How would you describe memorable guest experiences in your hotel?

We do our best for each guest and try to bring the destination closer to him. First, we invite him to have a seat, offer him a glass of sparkling wine and try to find out more about him so that we can suit him as much as possible. Care must be taken that the welcome drink does not turn out cheap. We try to convey the destination enthusiasm to the guest. And if there isn't a right person at the front desk to know how to do that, you've lost in advance. Don't invite a man to your home if then you're not happy to see him.

The second most important thing is breakfast. It should be an opportunity to talk to guests. As the director I am always present at breakfast, asking the guests how they slept and what they have planned for that day. The breakfast itself has to impress too, so we prepare it a la carte, from selected ingredients, on custom-made trays and plates.

After breakfast, the most important thing is check-out, where you can possibly correct a bad impression before the guest leaves. Many guests do not say anything if they are dissatisfied. I take care of the things that the guests otherwise wouldn't even have mentioned.

We also have some crazy ideas, such as a picnic basket, which we attach to the guest's bike. In addition to great food and sparkling wine, it also contains a blanket and a message *Do not forget to tell your partner you love her*. These details make this an experience that makes the guest come back to us. And if you offer a picnic basket, you also need to know a special place where you can send guests on a picnic.

Our regular guests have their names embroidered on the bathrobes they get in the room every time they come. Only this guest uses them, so he is not just one in thousands.

9. Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience?

In addition to a personal approach, employee enthusiasm, authenticity and breakfast, the hotel room is also important. And not only the floor plan configuration, but also for example the amenities.

Another thing is a personalized welcome letter. The guest must feel that someone has taken 10 minutes only for him. And then treats follow; free minibar, room upgrade, chocolate and fruit in the room ...

10. Could you rate these elements in accordance with their importance?

The most important is the personalized attitude, from the moment you received the reservation to the moment the guest left. At no time should we let a guest pass us by without personal interaction with him. The second thing is value for money, and the third are sweet extras or treats.

11. According to you, what elements influence a memorable hotel experience and why?

The main factor is proper guest profiling, proper segmentation.

12. Could you say that either elements of service or elements constituting the hotel ambience prevail in terms of creating a memorable guest experience?

The aforementioned personal approach is part of the hotel service.

The ambience is also important. It must suit all segments of guests. It should not be kitschy, it should not stand out with strong colours, it should not be too modern, because in this case it is out-dated in ten years.

Also, a guest who is willing to pay more knows very well what glasses to drink from. So you have to be very careful with the quality of the materials. It is not a problem for a guest to give out a lot of money for a certain experience if the experience is perfect.

13. Which part do you think prevails in creating a memorable hotel experience?

Service.

14. How do you 'measure' or track memorable guest experience in your hotel?

With online communication, we have our own questionnaire. However, comments on booking.com are among the most important. We follow all online comments.

It is necessary to talk to each guest and record the information received. Guests no longer complete questionnaires in the hotel room. But I believe they can answer you if you communicate with them through an app, you might offer them some rewards for doing so.

We take every complaint seriously, examine it and respond appropriately.

15. How do you keep track of your competitors and what do you consider your competitive advantage?

Since we have few rooms, a narrow circle of people, a special chic scene, I think our main competitive advantage is the individual treatment we can offer to each guest.

16. In your opinion, how will the hotel industry change the concept of memorable hotel experience in the future?

The challenge will be how to combine personal service and digitization.

17. Which are the key trends to look out for when creating memorable guest experience?

The interior, timeless design is very important. Good mattress, a big bathroom still matter. Creating a personalized story, for guests that keep coming back.

18. Which challenges and opportunities are ahead of the hotel industry and why?

Adapting to current conditions. Adapting to the modern traveller. For the most part, hoteliers no longer study the needs of guests at all, but only how to survive. We deal too much with ourselves, with our owners, operating systems, employees, and forget that we have a guest on the other side. Managers forget to be with the guest.

There will be no more hotels without personal contacts. The hotel no longer needs a restaurant. We can call food delivery and not need one another.

In the post-pandemic period, the difference between hoteliers and economists who run hotels will be emphasized. As soon as the crisis began, economists began to cut costs. And this began in the guest's field of vision; no more uniforms, no more water in the room, no more free coffee ... The fact is that after the pandemic we will be working with fewer staff, but guests will expect the same service. The guest expects you to recognize him and serve him. And if you don't have enough people, that won't be possible. Eg. the competing hotel switched to maid outsourcing to save money. Their guests return to the hotel in the evening, and nothing happened in their rooms in the meantime. No one even parted the curtains or let fresh air into the room. It's not an experience. Maintenance fails. These are the challenges of the post-Corona period.

INTERVIEW 5

HOTEL NOX	Date of interview: 14.4.2021
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Name:	Rudi Gubenšek	Age:
Position:	GM	No. of years in this position: 8

Hotel location:	6,5 km from the City Centre	No. Of rooms: 34
Date of built/ last renovation	Built in 2013, 10 rooms added in 2016	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

I have been noticing for a long time that the guest is not even aware of his own expectations. When he arrives, he acts like a child. He knows that a receptionist will preferably greet him nicely, direct him to the elevator, to his room, tell him when breakfast is... because this is expected from a 4-star hotel. But he doesn't know it's possible to get something more, and that's what we want to offer. It means a kind greeting. The first impression accompanies you throughout your whole stay. If you failed with it, you can improve the whole impression by 10%, but not by 100%. Therefore, for example, there should be flowers at the entrance ...

At our business hotel, our type of guest is an average man, about 45 years old, modern. Being a businessman, he probably studied something similar to what we did, economics, tourism sciences... and we all studied business communication too. So he knows exactly what to expect, both verbal and nonverbal communication. Regarding clothing, formal guidelines are increasingly being blurred. For many years, we were being taught business communication and the inappropriateness of tattoos and wild colours. And because our hotel is intended for business guests, we still consider such details to be inappropriate.

2. How did the hotel offerings change?

I think I can understand our guests very well, because I also know what I would expect and want. The offer is perfectly tailored to the needs of guests. When we have business guests, we know they need a quiet spot for meetings. We have a room, a hall upstairs, we book a table for them

and are flexible in doing so. We cannot guarantee peace and quiet in the lobby, so we offer a room and other services (photocopies, printing...) in the upper floor.

3. What are the biggest trends in the sector at the moment?

Ethics and safety. And the ever-increasing individualization of the offer, tailored to the wishes of each guest.

4. In your opinion, what makes a top hotel experience in general?

It is important that the basic product is good. The »cherry on the cake« is then the staff. It is important that the hotel employs the right people who are motivated and have a desire to work well.

5. What is a memorable guest experience in your opinion? And how does it differ according to you from a top experience?

Our hotel has a very high percentage of return guests, so we can conclude that we have come close to the ideal of a memorable experience. As already mentioned, we have the basics at a really high level: the highest rated cleanliness in Ljubljana, the best rated staff in Ljubljana, and the breakfast is also top notch. I paid a lot of attention to the selection and training of the breakfast staff. Add to that a relatively new and well-maintained hotel, where every room is different ... and that's it.

6. What do you think is important in creating a memorable hotel experience?

Regarding employees - choosing the right people, you need to train them.

Ambient part - our rooms are something special, each designed by a different architect. Still, it's a design you can't buy anywhere and it's timeless.

Regarding chambermaids - a detailed cleaning plan with a high frequency of cleaning common areas.

7. Which factors are possible threats to the creation of a memorable guest experience?

An incident that happens to a guest can have the worst impact on the experience, something you don't know how to solve and you let the guest leave in a bad mood, with an unresolved problem.

8. How would you describe memorable guest experiences in your hotel?

We don't want to have a standardized experience, each one has to be special. Custom-made. We nourish an individual approach to the guest from the first contact with him. Our booking confirmations are never generic, copy-paste is prohibited. When a guest arrives at the hotel, he always gets a parking space. A kind greeting awaits him after he enters the hotel. The specifics are the temperature, there is no noise, no music, we do not talk too loudly in the background,

people talk at room volume. There is also always a free seat in the lobby if it is necessary to wait for the receptionist or another guest.

We adapt the story of the hotel to the hotel occupancy. The furniture display is facing the road, it is also presented on the website. It is all visual and does not need much explanation. Regarding the communication with the guest, it is good to involve some humour that relaxes the atmosphere.

Our main asset are uniquely designed rooms. Before offering or assigning a room to the guest, his psychological profile should be assessed. For example, a room, which is designed as a hayloft, is best suited for older travellers from the Germanic lands. While a room, modelled after the movie *Scarface*, is intended for those who are more adventurous, but it would never be offered to a conservative older lady. We try to allow each guest to choose a room. There are usually 6 rooms of a certain category, which guests view in the catalogue and choose for themselves.

9. Could you pinpoint the key elements, which in your opinion create a memorable guest experience?

For me, the basis is a clean room. Customer service comes first. Especially nowadays, a genuine, warm attitude is important.

In second place, however, are the ambient elements, because they build the story and help to make each experience individual.

10. Could you rate these elements in accordance with their importance?

Kindness to guests comes first, followed by ambience.

11. What factors do you think affect the quality of a memorable hotel experience and why?

Customer service is crucial to the quality of the experience. As soon as the guest enters the hotel, someone greets him nicely, the waitress brings him fine-smelling coffee ... He is immediately full of pleasant feelings. We have it all studied, of course. We have the side door closed so guests always enter through the main entrance and experience this.

12. Could these factors be divided into those that are part of hotel service and those that are part of the hotel ambience?

Staff and ambience.

13. Which part do you think prevails in creating a memorable hotel experience?

Service.

14. How do you measure or track memorable guest experience in your hotel?

Questionnaires in the rooms are filled out by as many as half of the guests. Positive impressions motivate us anew and I always reward praised employees. In case of criticism, we also react immediately.

We also monitor online ratings.

15. How do you keep track of your competitors and what do you consider your competitive advantage?

We monitor our competitors through a comparison of online ratings.

Regarding our competitive advantage ... I think professionalism is key in our business, but we can be a little relaxed today. A combination of professionalism and playfulness. This is exactly what our hotel is.

16. How do you think the memorable hotel experience will be changed by the hotel industry?

I can't imagine our industry being fully automated. I think there will be an even greater emphasis on personal approach in 4-star hotels.

17. Which are the key trends to look out for when creating memorable guest experience? How do you intend to follow or integrate these trends in your hotel?

Even more individualization regarding the guest approach.

18. Which challenges and opportunities are ahead of the hotel industry and why?

There will be pressure on greater automation of services.

Despite the fact that Covid has temporarily disabled MICE events, I am confident that such events will return. Because we humans are sociable beings. Nothing can replace live meetings.

INTERVIEW 6

BEST WESTERN PREMIER HOTEL SLON	Date of interview: 19.4.2021
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Name:	Gregor Jamnik	Age: 46
Position:	GM	No. of years in this position: 13

Hotel location:	City Centre	No. Of rooms: 170
Date of built/ last renovation	lobby, reception, bar, restaurant, shops, windows, 8 delux rooms - 2018	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

When I stay in five-star hotels myself, I find that classic hotels and pre-designed services put down by some managers, based in an office thousands of kilometres away, are disappearing more and more. Those managers usually compose a list of what a five-star guest is supposed to need and put this list out to all their hotels, which then offer those services. And then hoteliers find that in certain destinations, there is no or very little demand for such services. However, we hoteliers need to act in a profitable way all the time. So guest's needs to be listened to and also the location should be considered. The guest is not the same in Ljubljana as in New York, Dubai, Tokyo or Cape Town. There is also a difference between leisure and business guests. Also a mix of both is very important - how many leisure and how many business guests there are in a hotel. Another important feature is whether the hotel has mass conference guests or individual businessmen. The location of the hotel also play a very important role, as the habits of the guests depend on it. Besides, it is very important if there are night flights to the destination or only local flights. The overall behaviour of guests and the structure of work in the hotel depend on this. But if I a hotel chain, for example, has it standardized that there is a gourmet steak on offer in Ljubljana at three in the morning, prepared by the chef, and then there is no demand for night food because there are no night flights, then the hotel loses millions instead offering the Ljubljana guest something else. It seems to me that things are changing here. Basically, every guest wants a tailor-made offer.

The essential change I've been noticing in recent years and is expanding at the speed of light is that the guest doesn't even know what he wants. He only knows that he wants something that

will be tailor-made and he wants to be surprised. Basically, we have to think instead of the guest and suggest his wishes.

Another thing that has changed is that 10 years ago the guest identified everything he would be doing for three months ahead in the process of customizing. This is a thing of the past, as the guest easily decides on spot, according to how he feels, according to the weather, according to whether his children are crying, sleeping, happy, whether he quarrelled with his wife or not... This is a tremendous challenge, but we now have the technology for it.

Also, the guest requires constant communication with the hotel. The hotel should be within easy reach, on screen. What is sad, however, is that the need for a genuine human contact is diminishing, even though this may already be a consequence of Covid. The change that Covid has brought is that the guest is still looking for a warm person to constantly advise him, help, resolve situations and suggest services. But at the same time this no longer needs to be a person standing in front of him. It is enough to have it on the screen. It's a Covid consequence.

Firstly, we humans are so different. Secondly, the cultures of nations are different. Thirdly, habits are different in different countries. Different mixes of guests take place in different hotels and so it seems to me that rigid standardizations of hotel brands are not the answer. It is necessary to have your own standardization, which, however, must be very general. Flexible people should be hired and follow each guest and his needs. A great example is Four Seasons, which is very relaxed, nothing is standardized. For example, in the Intercontinental or the Hilton you are being asked exactly the same questions by the receptionist as was a guest in front of you. That doesn't happen in Four Seasons and you feel as if coming to visit an acquaintance whom you've already met.

2. How did the hotel offerings change?

We no longer have a shoe shine service. For example, Hotel Stars, the European categorization of hotel stars, updates its standards every year and there are fewer and fewer mandatory elements, and more and more voluntary elements that allow the hotel to obtain additional stars. Hotel offer flexibility is therefore increasing. The optional elements are elements of luxury, surplus, and then it depends on an individual hotel what it actually offers, as it chooses the standards for the upgrade to the next category itself. Those strict rules of what a four-star hotel is and what a five-star hotel is no longer apply. These standards have finally fallen all over the world, except in individual rigid chains. Eg. standards that you need a pool, garage house, 24-hour room service, shoe-shine service for five stars. These are the standards from the 80s of the last

century, when uniformed hotel industry began to flourish. It seems to me that this uniformity will be gone very soon due to the individual needs of guests. Hotels will take advantage of digitalisation to help surprise guests, according to their current mood.

3. What are the biggest trends in the sector at the moment?

What I said already can be repeated. The guest is looking for solutions and surprises according to his current mood, when he is already at the destination, already in the hotel. This is the biggest trend and this is the biggest challenge - how to listen to every guest. The only solution is to be in constant contact with the guest.

The hotel should be the guest's chat friend and should respond within half a minute when he requires something. He may be on the beach or at the pool and suddenly thinks of dining in a Japanese restaurant. He wants it arranged for him immediately, he wants the best restaurant, a table for four - things like that.

Until now, large hoteliers have not been competitive with small ones, so the small hoteliers have always been rated better than large ones. Large hoteliers simply did not have access to every guest, because they had too many rooms and too few employees to listen to every guest. Now, however, technology allows us to do so. And what we give as a recommendation must be top notch. It must be verified and correspond to brand standards.

4. In your opinion, what makes a hotel experience great in general?

I think the answer to this is very simple. It's the employees who have a feeling for people and, of course, absolutely also the management that has to guide and direct these employees. I think the management only deals with guests. Ideally, managers do not deal with real estate itself. The trend in the hotel industry is to separate property management from hotel business.

Service is the most important. For example, if it's raining outside and you're coming to a destination you've already discovered a hundred times, such as London, Paris, then it's very important what's going on inside the hotel, that this hotel is memorable. After all, if a guest is coming to a very exciting destination for the first time, then the hotel itself is not the primary goal and it cannot make a memorable impression on the guest except if destination experiences are being well recommended. The purpose of the visit is very important, and it is necessary to find out in the check-in process why the guest is here. If he's in our hotel for the first time - red alert. In this case we have to dedicate a lot of time to extra recommendations about the

destination in order to make a good impression on the guest. These general essential answers to the questions of the purpose of the visit simply need to be identified in the check-in process.

The location is absolutely important in the process of booking and choosing the hotel. But once you get there, it's no longer a topic of conversation.

As for the ambience, there are so many different tastes, styles and individual preferences of guests, that I think hotels' design should be as simple as possible. No exaggeration in style, because it will be very disturbing for those who do not like or prefer the particular style. The ambience doesn't need to be generic, but simple have identity and some design. It's especially nice if the hotel is located in an old building, because you already know what your identity is, you just need to upgrade it and build a story on that tradition. But if the hotel is new, it's nice to have some local stories embedded in the design, local art, craft, paintings, sculptures, lace..., at least a little touch of identity. Exaggerating also somehow blurs the service as a prime point. The prime point in a hotel is service and comfort, because overdoing the design is then compromised by less comfort.

5. What is in your opinion a memorable guest experience? And how does it differ according to you from a top experience?

Music, smell, fresh flowers are absolutely important. This is what makes the guest impressed or repelled by.

The atmosphere seems to me to be one of the key elements for a good hotel experience. Why do we go to hotels? Because they are the meeting points of sociability - to see and to be seen. To see others and for others to see you, to show off, go out for a glass of sparkling wine ... You chose ambiances where you feel comfortable and where you like to stay and where you also see other people enjoying themselves at a private table. You observe a little, you chat a little ... you only do that in those ambiances that are pleasant. What is pleasant, however, is the big question - colours, patterns, lighting, temperature, view, smell, everything. Care should be taken not to overdo any of these elements. There must be harmony of everything, only one thing shouldn't prevail. If expensive, luxurious elements dominate, that means everything will be in stone and it can look like a tomb, which is again not ok. There must be some harmony of homeliness, some certain modern trends, comfort and a pleasant feeling.

6. Which factors are possible threats to create memorable guest experiences?

The most disturbing thing can be the location - for example along the highway, in the middle of a construction site, in a degraded area ... The hotel can try its best, but if a guest arrives at a

problematic location he is disappointed and his positive experience ended before he even arrived at the hotel.

When a guest enters a hotel, the first 10 seconds of employee interaction are crucial. If this employee is in a bad mood, if the first interaction is bad, this is very difficult to correct, because the guest has already created an opinion that is very difficult to correct. You cannot get a second chance to make the first impression. This is part of every person's psychology and if the first interaction is bad, the guest already thinks that all the management is bad, that everything will be wrong, that the quality is poor and starts looking for mistakes.

I would put room condition in the third place - the room is extremely important. Because the guest sees the room best. But still, the room may be beautiful, but if the common areas are not in order, the guest is unhappy. The guest seems to tolerate a bad room easier than bad common areas.

7. How would you describe memorable guest experiences in your hotel?

Unfortunately, Hotel Slon has been waiting for a building permit for 5 years and during this time we have not been able to change anything significantly, we are still waiting for renovation.

We use WhatsApp and Viber and we promote these channels. The guest is connected with us anywhere in the destination. We absolutely cannot pay attention to each individual the way we would like to, because we are not five star and we have a limited number of employees in these difficult times. But at the moment there are so few guests that it is easier to focus on them. During Covid, we cut back on services, especially what seemed less important to guests, and I have to say that guests are forgiving and we don't receive complaints. Now we upgrade every guest because we have space, we offer the maximum to everyone, we deal with them more, we talk to them...

My answer to the increased competition are the luxury details that were previously reserved for better rooms, and are now in all rooms (L'Occitane cosmetics, Illy coffee machine ...) We add value to the room.

Even during Covid times, we decided to keep breakfast the way it is. We take into account the 2 meter distance between the tables, the use of gloves at the buffet is obligatory, we have increased the a-la carte offer. Other four-star hotels have abolished the porter service. We haven't

done so, because we think it is very important. However, we have closed the restaurant and abolished room service, instead we have an outsource contract for food delivery.

In our hotel, the guest is most impressed by the breakfast. The guests comment it most. In addition, an extremely comfortable bed and a plush elephant on the bed.

In their room, all our guests find out that they are in a hotel with a long tradition. In each room there is a plush elephant on the bed, with a text about the history of the hotel Slon (slon meaning elephant) from 1552. History explanation awaits you on each bed, this identifies us the most. This is our added value because it is our legacy.

8. Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience? Could you rate these elements in accordance with their importance?

The most important of these factors are the individual approach, the room, the common areas. I think breakfast is also very important, but the memory of it fades, right? There must be something that lasts. On the other hand, breakfast is already included in the price of the room, which is why it has such a high value - it is part of everyone's experience. Having said this, the first key element is an individual approach, then breakfast, then the room.

9. What factors do you think affect the quality of the memorable hotel experience and why?

Common areas need to be sociable, liveable, trendy - but not excessive. Large hotels can have several restaurants, each having its own theme and offer. In Ljubljana, the hotels are too small for that.

The guest always remembers what is different or better than what he expected for that money. Of course, this is based on his knowledge and experience with past hotels, he also makes comparisons. Still, he always considers the price – if a hotel is a little more expensive, it has to be better. What is tricky is that you are in a global market and therefore compared to hotels all over the world. We are also compared to hotels in Southeast Asia, where labour is practically free and service five times cheaper. That's the problem.

An unforgettable experience for a guest happens when the hotel employees dedicate themselves to him.

10. How do you measure or track memorable guest experience in your hotel?

First, after the check out, the receptionist writes what the guest had said in the PMS. He asks everyone everything and takes notes. We discuss this at meetings every morning. During Covid, we shortened the meetings, as we usually read Trust You reports of all online channels. Trust You is the most powerful tool, as it offers a comparison with the competition also by individual departments; reception, housekeeping, maintenance. If we fail in any assessment, we investigate why we failed, if we grow, I praise the employees. I praise each employee who got a good review from guests by name, and the other employees also get this information.

11. How do you keep track of your competitors and what do you consider your competitive advantage?

We monitor the competition through Trust You.

Our competitive advantage is breakfast. Breakfast and a phenomenal bed. So our advantages are basically comfort in the room, breakfast, location and friendliness - we are very friendly and sincere. I do this analysis through Trust you.

12. How do you think the memorable hotel experience will be changed by the hotel industry?

As I said before. Not only digitalization, but also select service will come to the fore, so we will no longer offer what the guest does not need. The hotel industry will be divided; five star full service will become only five star service, while four star is increasingly becoming select service. Automation may happen, which makes me very sad... The trend goes to two extremes. There are no more typical categories, but we only have three and five stars left as the four stars disappear.

Four stars now only mean more comfortable buildings and a more attractive ambience than three stars. However, there will be an increasing emphasis on select service, because the hotel sector is profit driven and because we will be recovering for a long time in this post-Covid era. There will be a shortage of staff, which is also an increasing cost. In the last 18 months many hotel employees started to work in other industries, where they are better paid and will not come back. Enrolment in tourism schools has been greatly reduced and we will therefore be forced into automation.

13. Which are the key trends to look out for when creating memorable guest experience?

The fact is that Covid is leaving severe consequences and that urban tourism is mostly affected. Conference and intercontinental tourism is most affected. We need to focus on the guest who will come back first, who will have the fastest recovery and that is the leisure, individual tourist.

We will make the majority of new contents for him. We are creating a city resort hotel - this seems to me to be a trend. One of the elements for this is certainly an extensive spa - a 20-meter pool, saunas, treatment rooms, a large gym, etc. In short, we will already have resort elements in a four-star hotel in order to try to attract as many leisure, individual tourists as possible, and, after all, also individual businessmen.

Another thing that has a resort element are terraces of rooms on the upper floors. People will be able to sunbathe in the city centre. I think this is the solution to the problem. To transform a hotel from this impersonal, big, conference, business, dinosaur hotel that has no soul, into a resort hotel. The hotel must also contain a theme, a leitmotif. For example, we will dedicate ourselves to Plečnik, the most famous Ljubljana architect. Our corner suites will have a back wall next to the bed made of the famous Plečnik's church wooden ceiling. We will also have such a ceiling in the pre-function space. All this will be explained with some information in the room - "you are in a room where there are elements of Plečnik's architecture", maybe we will also put some of Plečnik's books in the suites.

14. Which challenges and opportunities are ahead of the hotel industry and why?

In the short term, the biggest challenge will be profitability, recovery. We are currently borrowing in order to survive, but then we will have to repay these loans and renovation will be a challenge. We will have to look for increasingly profitable business models, which are not necessarily to the liking of our guests. This is the challenge - how to convince the guest that the now automated breakfast buffet is better than what we have now.

15. Do you have any other comments to share related to this topic?

Opportunity of Covid is a reset. Covid, in essence, helped us get through the Airbnb crisis. Airbnb has actually disappeared. The hotel industry stagnated from 2014 to 2019. We have done research for Slovenia and Ljubljana, Peter Vesenjok did it. He made an evaluation of what was done in the previous strategy and what was not, as a basis for the new strategy. There was an affirmative sentence in the strategy that the hotel industry in Ljubljana is stagnating and that the share of tourists is increasing in private accommodation - and this is pure truth. Covid is therefore another opportunity for the hotel industry.

Post-Covid and Covid tourism relies primarily on security, on the broader element of security in the hotel. We were indifferent to safety it until 2019. We didn't consider the threats of something happening to us in Airbnb, threats of a fire, we weren't insured. All of a sudden, health security has become more important. In our hotel, we have a contract with Juventina Clinic to

do PCR tests in our hotel. We allow quarantines and already have positive experience with this. And we also exaggerate a lot with sanitation.

INTERVIEW 7

M HOTEL	Date of interview: 22.4.2021
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Name:	Bojan Velkavrh	Age: 57
Position:	GM/ owner	No. of years in this position: 2007

Hotel location:	3 km from City Centre	No. Of rooms: 137
Date of built/ last renovation	2018	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

I think the biggest change is in the expectation of hotel services, as guests require more comfort. What matters is the service - what the guest gets, cleanliness, size of the room, comfort, equipment. And these expectations are continued with other services as well - e.g. food - the most important are good coffee and natural orange juice. For example, in 2007, the guests were used to drink powdered juice, as long as they had something to drink. First it got complicated with coffee as most of the guests' comments targeted bad coffee. If coffee was bad in the morning, everything was wrong, the overall impression could not be corrected. The industry that supports us, the suppliers, has also developed. If filter coffee was considered something extra in 2007, we have vending machines today where coffee is ground on spot and prepared with the same quality as in a classic coffee machine. And if the guest doesn't have a really sharpened taste, he can't distinguish how the coffee was made. Moreover, coffee from a coffee machine can even be significantly better than the classic one.

Something that used to be a bonus is today standard. This is exactly what turned out to be true also on our case. When renovating the hotel, we radically changed the restaurant offer, especially breakfasts, and we can see how satisfied guests are now, which is reflected in reviews. The cleanliness remained at the same level, but it had not prevailed so much even before. If the hotel has good juice, good coffee, freshly baked quality croissants and fruit, it has won - then no one cares about salami anymore. Once the most consumed breakfast ingredients were cheese and

salami, today we consume 70% less meat than before. Consumption of fruit, cereals and whole grains has increased.

2. How did the hotel offerings change?

We had to respond with better quality products and a more refined offer.

3. What are the biggest trends in the sector at the moment?

It is difficult to estimate how the hotel industry will develop. It's all about costs. I recently spotted news that large hotel chains are going to offer food from vending machines, a breakfast buffet. We already offer dinner in this way, due to easier logistics and ensuring the same standards.

Automation will certainly become a trend, so will workforce reduction, as labour is becoming more and more expensive. It is difficult to say to what extent this will continue. Although personally, I wouldn't go to a hotel where I would get breakfast from the vending machine. I don't imagine that in our hotel. We're stressing individual approach and contact with the guest, but aren't we losing it this way? Coffee from a vending machine is something different than when a friendly waitress brings you a cup of coffee with a smile and puts it on your table. And because of this balance, there won't be much automation in the hotel industry. By automating the reception, a lot of work can be saved in the back office, such as processing documents, invoices, delivery notes... Last but not least, self-check-in at the reception is also possible. However, the restaurant work will be difficult to automate.

4. In your opinion, what makes a hotel experience great in general?

Attitude towards guests. And for this you need a person. Already the reception would be difficult to automate, I rather think partial automation of work processes in the hotel industry is possible.

We first renovated the reception at our hotel, while the rooms were still old. Despite of extremely good maintenance and although the furniture has not been worn out, all the equipment still had its age. And people came to the reception with the impression that everything was ultra modern, but then they came into the rooms and realized they weren't renovated. Because of this need the renovation of the rooms followed very quickly. I notice very often that hotels around the world have a top reception, while the rooms are being forgotten about. New rooms, new bathrooms with a new design, created a fresh look, as if coming to a showroom and it has been a feast for the eyes. It's not the same design one has at home, but it has to be something a little more modern. The materials must be durable, beautiful, the design practical and at the

same time easy to maintain. All materials used were pre-tested to see if they can be cleaned well.

The guest also has a feeling that the level of quality is higher. Quality justifies a bad room, and no top service can fix it. Human factor is important, but we must be honest that the guest spends most of his time in the room, even if only sleeping there. And it is completely different whether you are in a pleasant environment that calms you down or you are in some kind of environment where you find it difficult even to get up and go to the bathroom. But if the ambience is beautiful, the experience is completely different. Guests are even willing to pay only for the ambience. We nailed it with this.

5. What is in your opinion, a memorable guest experience? And how does this differ according to you from a top experience?

For me, the hotel experience encompasses just about everything. I never consider a single factor, but the whole. Even if something was significantly below expectations, I can still have a good impression of the hotel on the whole. I will return to the hotel and won't expose that lack, but take it as part of the whole experience. However, very few people think in this way and therefore I should not judge by myself. I observe the guests, their responses, comments in general. I make an assessment based on this, which is often contrary to my desires and needs, which I need to ignore.

In any case, we are not building the story of a boutique tourism in our hotel, but work on the masses, because only this can lead to the breaking point, where hotel management pays off. One needs to consider an average guest to satisfy as many people as possible.

6. Which factors are possible threats to create memorable guest experiences?

There are more negative factors that can affect the guest experience than positive. For example, a well-humoured and not picky guest will not likely find something that disturbs him. However, all parts of the hotel experience can have a negative effect, starting from the access to the hotel, parking being a nightmare for all hotels. At the reception, the receptionist must smile at the guest, he shouldn't look at the floor, he must be discrete. Chambermaids also play a very important role, being as important as a receptionist or a friendly waiter. Because when a guest leaves a hotel room, there is a 90% chance that it is a chambermaid whom he will first come across. And if the chambermaid is tidy, kind, and smiling to greet everyone, it's something quite different than if she ignores the guest. The guest can stay in the elevator for an hour, but he will remember the chambermaid who smiled kindly at him. The entire staff is therefore key to

avoiding all negative comments and experiences. Such tiny little things lead to that whole picture the guest gets.

7. How would you describe memorable guest experiences in your hotel?

We are an atypical city hotel because we are on the outskirts of Ljubljana. We host transit guests who stay here for a maximum of one night or two. Hotels in the centre have a longer stay of at least one day. We have only between 10 and 20% of tourists staying longer than two nights. These guests have completely different requirements, expectations and needs than someone who stays in the centre and takes Ljubljana as a holiday destination. Our guest is fast, he sees only certain sights. If he has some more time, he drives to Bled and visits Postojna Cave, then hurries on. Our guest is a little more hectic, he doesn't have much time, so he has different expectations than a guest who stays in Ljubljana for four or five days and will perform all activities more slowly, spend more time at the hotel and also stay at the reception for a longer period of time.

Personally, if I go somewhere, I only spend a little time in the room, I prefer to sit in the lobby, reception or terrace and just observe the surroundings for hours. I enjoy the ambience and that is why such hotels need common social spaces that are bigger and more luxuriously furnished. However, in our hotel, our guests need express service at the reception. They have already seen the offer of the hotel and the destination on the Internet, so they already have a carefully planned itinerary. Only if they get stuck somewhere they need advice of a local and in that case they visit the reception with questions. Then they need a quick response, which the receptor must shake out of his sleeve and give them directions.

8. Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience?

Parking and greeting at the reception must be guaranteed. However, the ambience is also important - the design must be modern, common spaces shouldn't be a house of fear.

9. Could you rate these elements in accordance with their importance?

The most important is personal contact or staff. I would put the ambience in the second place. In third place are the quality, taste of food, its presentation and service. The latter is very close to the ambience - most guests consider service is even more important than the ambience.

We must be aware that some guests consider equipment very important, as they also live in comfortable homes. However, this is not the case for most people, to whom food is more important. So if we satisfy both, food and ambience, this is a great success.

When renovating a hotel, it is best to renovate all the rooms at the same time. Otherwise, at the end of the renovation, the first room is already out-dated and then you are constantly in the renovation process. We will certainly not use some ultra-modern approach. Unless humans become robots - I don't know what will happen in the next 20, 30 years.

10. Could you say which elements influence the quality of a memorable hotel experience and why?

There is always something memorable at a particular location you have visited. There is always one thing that comes to mind first and that is the one you have the best experience with... or the worst.

11. Could these factors be divided into those that are part of service and those that are part of the hotel ambience?

This is exactly the thing that is most important to an individual. I can't define just one factor. Someone who likes friendly, communicative people will remember this, food and ambience are not important to him. Someone who is a gourmet, will remember the food. An aesthete will remember the ambience. We do try to make that all these segments balanced and then everyone can find something. The more balanced everything is, the more the guest will remember things that are his priority.

12. What do you think prevails in creating a memorable hotel experience?

It is a matter of an individual and his priorities.

13. How do you 'measure' or track memorable guest experience in your hotel?

We don't have our own system, we follow the responses on the internet. If we detect any extreme deviations, we determine where the guest was staying and then see, and if we notice a history of negative comments, whereby we exclude extreme reviews. We therefore monitor the average ratings.

14. How do you keep track of your competitors and what do you consider your competitive advantage?

We have the best cleanliness ratings. However, we have bad location ratings, as we are not located in the city centre. Although it suits a few guests that the highway is close by.

15. How do you think the hotel industry will change the memorable hotel experience in the future?

People will soon forget about the pandemic, they already find it pointless. We already see that people are not even interested in Covid restrictions. They only want to have a certain standard

of service. It's hard to explain to them we're doing business under strict limitations. Those who are already traveling are usually already vaccinated. People want to forget Covid and get back to normal life. Therefore, the pandemic will not be a reason for excuses, no mistake will be forgotten. Guests expect a certain standard, so it has to be provided. It would be bad to adapt to Covid protocols too much, as the situation will be different in 3 to 5 years. For example, how are we going to require the staff to thoroughly clean the rooms again every day when they did not even enter the room until the guest had left for a whole year? That is why we need to start with high demands immediately. There will be no excuses because of Covid anywhere, neither in the financial, nor in the quality, nor in the service area, nowhere. It will be difficult.

16. Which are the key trends to look out for when creating memorable guest experience?

Automation will need to be balanced with personal contact.

In the short term, it will be necessary to restart normal operation - this short period will last about 2 years. During this time, we will try to find our way. In the first year we will adjust the amount of work to our human resources, in the next year we will chase the pace. And during this time, a lot of things will be clarified. Then we will see what the trends are, how fast we will turn to automation. Either the development may come to a halt a little or it will be even more intense. Today, it's hard to say how the hotel will operate in 5 years. You're swimming with the current, but you can't swim against it because we can't go against world trends. They come to us within 1 year.

17. Which challenges and opportunities are ahead of the hotel industry and why?

We are not even aware of the problems we are yet to face. I said at the beginning of the epidemic that it is not bad now when we are not working, it will be worse after we start. First, there will be a problem with the staff, not only where to get it, but to start working in general. We were at home for almost a year and a half, nobody was working. This will be the first problem. The next will be getting staff. Maid work is not a prestigious job, holidays and weekends are not free. In the offices people work from Monday to Friday, even if in afternoon shifts. As a result, many of our former employees found work elsewhere, outside the hotel industry. This will be a very, very big problem. At the reception you have a wider range of staff, you can rotate there. I can also go to the reception, but I can't cook for 50 people. Therefore, the next big problem will be the kitchen and chefs.

Due to the challenges that await us, it will be difficult to meet the expectations of the guests and this will be reflected in the ratings.

In our hotel, we have a healthy core team left. That’s 18 people who want to work and can’t wait to get back. When we meet every once in a while we are pleased to see each other, see we are healthy, but that is not good enough. We will have to hire twice as many of them again and when we do, I expect a lot of fluctuation with the first half of the staff.

INTERVIEW 8

UNION HOTELS COLLECTION: GRAND HOTEL UNION, U HOTEL, HOTEL LEV	Date of interview: 5. 5. 2021
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Name:	Miloš Likovnik	Age: 38
Position:	Hotel Manager	No. of years in this position: 3

Hotel location:	City Centre	No. Of rooms: <ul style="list-style-type: none"> • Grand hotel Union: 111 • U Hotel: 230 • Hotel Lev: 231
Date of built/ last renovation	<ul style="list-style-type: none"> • Grand hotel Union: 2021 • U Hotel: 2009 • Hotel Lev: 2020 	

1. How did the hotel guest change in recent years; how did his needs and his wishes change?

The hotel guest has changed drastically since 2006 when I entered this business. The average guest in 2006 was a businessman who came for one or maximum two days, who was also a congress guest. This has changed over the years with cheaper airline tickets, the construction of motorways in Slovenia, accessibility and recognition of Slovenia as a destination in Central Europe. In this way we attracted leisure guests from approximately 500-kilometer ring of the surrounding countries. It's a kind of a profile. With greater competitiveness, larger capacities in Ljubljana, accommodation prices decreased, which means that Ljubljana also became more accessible and younger guests, leisure guests, guests with cars began to get to know Ljubljana. There are more and more leisure guests. With the abolition of the airline Adria Airways, congress tourism died out. As far as businessmen are concerned, air connections or non-connections have also caused that the number of business guest has declined in recent years. It has declined also because of modern technologies. Especially in the Corona crisis we saw that we do not need to go to every meeting if we have, say, Zoom. Not to mention Booking channels, OTAs that made a revolution in the hotel industry.

As for the needs of the guests, before the guest only needed a good bed and peace. He hoped for internet, the possibility of connection or LAN cable or card that he had to pay at the reception, or he took advantage of the cyber corner in the hotel. These were somehow their climaxes of desire, the guest wasn't too demanding. Of course we wanted the guest to be happy, but

people didn't know about Booking, about Expedia. In short, let's be realistic, you didn't care much about the guest, about whether you'll arrange something for him, please him, or accept him a manner "take it or leave it". Today, it is unimaginable that not everything is as promised in the small print, and even that will hardly be enough for the guest. Difficulty raised to heights and accommodation prices went down. How to achieve some cost efficiency and balance is already a bit of an art in Ljubljana.

2. How did the hotel offerings change?

What do guests need now? As far as technical matters, modern technologies are concerned, the Internet must be installed in every room of the hotel and must be free. Another thing, televisions have gone from the big ones to LCD, you have to offer the most modern television. If there's a possibility to connect a phone with the TV, that's great, that's also some basis.

Now there are also hotel apps, in hotels we have the phone check-in option, you can also have a key on your phone. This means that now you don't even have to check in at the reception, you just download the app and use it to access the room. Telephones in rooms will become a thing of the past, or have already become a thing of the past in some hotels, including in our country. That is, communication takes place via Whatsapp. For example, we have a QR code in the room, which you scan and get a menu. This has in current, Covid times, already become normal. You also have an online menu - you can order, they get an order in the kitchen, prepare and bring the food to you. Guests have become antisocial over the years. We'll see what else the Corona will do, but it certainly won't contribute to guest connectivity. The guest's basic accessory is the phone, so whatever he can do in the hotel with the phone is welcome.

3. What are the biggest trends in the sector at the moment?

Due to greater competition, with more rooms on the market, with less demand, there is a drop in prices, dumping and it is necessary to be inventive. The easiest way you do so is to try to reduce the cost of energy. Energy efficiency, to be as economical as possible, is crucial. And then there are the labour costs. The porter, the bell boy as such is becoming a thing of the past, because if there are instructions on an app, you can communicate with the guest enough - you tell him for example where to park, so you no longer need a porter to bring his car to the garage, the suitcases are no longer carried. The porter is definitely an added value, but he is no longer necessary and too expensive in such conditions, let's be realistic. As for the cuisine, the hotel's a-la-carte restaurants have always been intended just for hotel guests. The local people of Ljubljana did not go to hotels to eat, while the cost of such kitchens was enormous. With us, at least in Lev, we shifted to pre-prepared food offer, which the waiter only warms up a little or

adds a little, prepares the salad himself. So by abolishing the kitchen, we try to save something. Then we try to make housekeeping easier with a clearer organization. We try for example to make the time that the maid needs to bring sheets more effective. If she can take care of one extra room a day, that's in the end so many rooms that the savings are already visible.

4. In your opinion, what makes a top hotel experience in general?

I have been dealing with this issue also myself. Service, cleanliness, safety, that's it. This is the basis. Cleanliness is crucial, and this also involves room maintenance. If the room doesn't look clean, or uncleaned dust will be found, or, God forbid, some kind of garbage remains, you certainly won't get a 10 from a guest on Booking. Also 9 is questionable. If there is no quick check-in or if there is no friendly service in the bar or breakfast room, if there are no fast, friendly and at the same time helpful employees, the guest immediately expresses dissatisfaction. These two basic expectations must therefore be met.

5. What is in your opinion a memorable guest experience? And how does it differ according to you from a top experience?

Experiences can be positive in many ways. An older hotel has some patina. But although it isn't refurbished, it can have employees who take care of the guest, are helpful. Or the hotel breakfast isn't good, but there's someone there who's smiling, who greets you, who escorts you to a table and you see that he's authentic and truly lives for his profession. Then I would personally forget that the bathroom is outdated and that the carpet doesn't match with the rest of the equipment – you forget it, for me service is important. All we can do is service. You can renovate a hotel into an Instagram dream, but if you have a man there who won't serve you nicely, who won't greet you nicely, you will only be another beautiful box with no content.

No one remembers cleanliness. I don't remember where it was clean or where it wasn't. But it is important to give an assessment then. But in the long run I forget. Cleanliness is a precondition, a foundation from which you can build.

6. Which factors are possible threats to the creation of a memorable guest experience?

Lack of cleanliness or maintenance and unfriendly service can have a negative effect.

7. How would you describe memorable guest experiences in your hotel?

Let's start with the Hotel Lev.

We would have to ask our guests to describe our hotel experience. My opinion is as follows; we have a renovated public part, 130 rooms out of 230 are renovated, so we are infrastructurally

equipped for offering a nice environment, have a potential for a wow effect. We have the pre-conditions for that with the ambience, with the novelties, with a little bit of modern technology, with some warmth of the space. Again, the most important factor is the service or staff. Proper management, the right people in the right positions help us detect potential problems in a timely manner, such as anticipating a possible breakfast jam, and providing additional staff. The right employees in the right positions who know how to anticipate problems are crucial, because there are always challenges. The hotel is a living thing. If you're just waiting for something to happen and you haven't done anything to prevent it, you're already too late.

The path of the guest is as follows: he arrives at the hotel, the hotel is beautiful, there is enough staff at the reception. We hope that the guest was served quickly, serviced, that there was a quick check-in, that the policy of taking credit cards is now clear to everyone, that he has to present a card for a guarantee and that if a hotel wants to charge in advance, this is normal. Then you hope that the receptionist has enough for the orientation of the guest, where the food is good, where he can go on a trip, etc. Of course we have a frenzy in July and August. The hotel is then full of leisure guests, each with two more children and two dogs, and the guest is tired from the trip to the sea and back. If we manage to dedicate ourselves individually to one guest, this is an advantage. The guest remembered that the receptionist was friendly, maybe he gave him another free upgrade, which we also try to do it, if possible.

The room in the Hotel Lev is quite small compared to other hotels in Ljubljana. Unfortunately, they date from 1964, each wall is load-bearing, we cannot join them. We try to make them as tempting, enticing as possible. Sleeping is definitely important. If you have a good mattress, you win and if you are lucky, then people even call you where they can buy this mattress ...

We have reduced F&B after the renovation, but breakfast is definitely important. Wherever, whenever we go, we find it important to have a nice table, that there may be a newspaper on the table, a pleasant ambience, that things are fresh and that there are no empty chefings. The guest should have a feeling that he can take what he wants. It's important at breakfasts that the desertions and servings are quick, that there's someone who makes sure there's enough coffee, that someone makes sure the vending machines are filled with juices, and that the chefings are full.

As for the story of the Hotel Lev and its DNA ... With renovation we wanted a chic ambience, modern, but with a touch of the 60s / 70s. The guest instinctively perceives this, no explanation is needed, as we communicate warmth through colours, through materials, feeling of

homeliness. How do we try to satisfy guests? Regular guests and VIP guests get some surprise in the room, or free water in the summer season in all rooms. Hotel Lev (meaning Lion) is named after a lion, which is our mascot. We have plush toys in the rooms, and guests can buy them, or we give them to some guests for free. If someone comes with children, we give them picture books with the motif of the Hotel Union or Hotel Lev, they can colour them and take them with them. We have an option of some packages, so it is not necessary to book only a room and breakfast. You can also have a beer experience, that is, a tour of the brewery nearby, you can go to Woop trampolines, you can go along the Ljubljanica river, to the Zoo. All the things you don't yet have to worry about, but you have it at disposal in addition to the room. The receptionist gives you everything you need.

Hotel Union

The guest type in the Union Hotel is quite different from the one in Lev. The typical guest we want is an elderly American couple. Anglo-Saxons who have come to travel around Europe, who want big rooms, who want a touch of tradition. For them, the hotel must have a history, if there is a story behind it, they buy it and it is great for them. Our hotel is in old building in the Art Nouveau style, our logo is also in the Art Nouveau style. There is a concierge who makes sure he is available to guests at all times. A Union guest is a guest who pays a better price than in Lev and therefore staff should give him more attention. The Union Hotel also has a spa, a better and bigger fitness. That's this comfort. 25 rooms have been completely renovated, they have a touch of Art Deco. Rooms are really beautiful, vintage, tasteful. Once a guest comes into this room, he will really feel he is in a historical building.

The history accompanies the guest throughout his stay. The uniforms of the employees are also in a historical style, the receptionists have dark tailcoats, the maids will get antique white aprons. There is a café, beautiful, huge, once the centre of cultural life in Ljubljana ...- again Art Deco. And the Union Hall, huge, again totally Art Deco. A large staircase with stained glass ... You see that you came to a hotel that is a flagship, the main hotel in Ljubljana, a landmark. And no new hotel, no glass building, no matter how luxurious, can compete with it as far as this story is concerned.

8. Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience?

I would say location is not the most important thing. Even if you're not located in the centre, but you have a tidy environment, you are not in deficit regarding the guest satisfaction. Ultimately,

the guest who booked your hotel knows where he came at. However, if you are in an industrial zone and the hotel looks in this manner, you will get lower ratings due to the location. With good service and satisfied employees you can fix a lot of things. Even if you have an old room, and the room is clean, if the sheet is in line, if all the sockets are solid, you will be able to disguise with good service that the hotel is not newly renovated.

9. Could you rate these elements in accordance with their importance?

Service is certainly more important than good equipment. The latter certainly cannot replace poor service. You have to know that you will be new for a year or two, and then you are no longer the newest. The equipment will already be worn out. If you do not have a good service, maintenance, since employees are also users of everything, the new story will also get old and then if you don't have a service, newness will be irrelevant.

10. What factors do you think affect the quality of a memorable hotel experience and why?

11. Could these factors be divided into those that are part of the services and those that are part of the hotel ambience?

12. What part do you think prevails in creating a memorable hotel experience?

13. How do you measure or track memorable guest experience in your hotel?

We monitor the online reviews. Hotel Lev received approximately 5,000 reviews a year, which is a total of 5% -7% of guests. 7% is very good. I know that the City Hotel received the most reviews of all hotels in Ljubljana, namely 10%. Not more than so many people provide a comment, but this is the comment or the rating which will be seen by a potential guest who wants to book a hotel.

Out of those 7%, 80% of people are positive, 15% are neutral and 5% negative. But in today's world, a neutral comment is also a bad comment.

That is, the expected ratio is 80% / 20% . Online reviews are a source of basic information on how satisfied guests actually are with you. There are programs that combine all the channels where people comment on something, which then give you subcategories, supercategories. You can check cleanliness, service, how better or worse you were last year, last month. You can watch benchmarks, you can compare with other hotels, everything is possible. Nowadays, you can collect all the data on the internet and put it into some useful form.

14. How do you keep track of your competitors and what do you consider your competitive advantage?

We monitor others with the same apps as we measure our performance. The competitive advantage of Hotel Lev is its location; it is in the centre, but not in the noisy centre. It is also affordable. We are the third in the Union Collection chain and we are more affordable than the Grand Hotel Union and the U Hotel. And we invite guests with ambience and everything we have invested. Our guests are looking for value for money and they may like the equipment. Grand Hotel Union has the advantage of a completely central location, its advantages are also its tradition, history, even the room as such, which is very spacious. The advantage are also accessories that the guest receives, the service is at an even higher level and there are also more outlets; they have a cafe, aperitif bar, the opportunity to walk to the U Hotel, which has a wellness. Guests of the Union Hotel can use the wellness, they can use the gym, also a fitness in a fashion house, which is huge and on three floors. That is, there are more opportunities for more money.

15. How do you think the memorable hotel experience will be changed by the hotel industry?

As people have become unsocial and antisocial, it seems to me that people will no longer miss receptionists, they will no longer have the need to have porters. Young people no longer know what a porter even is, robots will clean rooms. The reality is that in 10 years you will be able to rent a building where you will not meet one employee. This is the future. I'm not saying that this is a good future, nor it is something I would like, but that this is a kind of cruel reality, given all the competitiveness in Ljubljana in general. Regarding the pricing policy, if you want to renovate rooms every 10 years, if you want to keep close to others, you will lower the price enough to get guests. But if you've dropped the price to get guests, that means you can't provide them with everything that they are entitled to.

They can't get the same comfort if there is no porter, if the reception is online. We have a virtual concierge if they happen to need anything. We have one reception for three hotels, the guest has a phone and he can call from the room, get a receptionist who explains everything. 90 % of things can be arranged from the location of another hotel, but if necessary, someone gets there in 5 minutes to arrange everything. I'm a little sceptical about the robots that will replace the chambermaids. We are not that far yet. But yes, some automation of jobs, say confectioners we used to have are all outsourced now.

Another important trend is the polyvalence of employees. The tasks of the employees will be intertwined, there will no longer be jobs that would always perform the same tasks in the same position, but one employee will cover more jobs, e.g. reception, bar, maintenance ...

16. Which are the key trends to look out for when creating memorable guest experience??

At the global level, the trend is certainly automation. Eyes are fixed on chains like Hilton, Marriott, etc. We'll see what they do, and copy it with some delay. We can't figure it out for ourselves.

17. Which challenges and opportunities are ahead of the hotel industry and why?

The biggest challenge will be the staff. How to attract good employees and how to pay them.

18. Do you have any other comments to share related to this topic?

EXPERT INTERVIEW 1

PKF	Date of interview: 5.5.2021
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Name:	Tomo Čeh	Age: 49
Position:	Director, Head of Adriatic Sea Region	No. of years in this position: 3

At the beginning I would like to ask you for your thinking on what constitutes a guest user experience? Where does the guest come into contact with the hotel offer and how can a hotel experience be built? How has the hotel guest changed in recent years; how have his needs and wishes changed?

If we start with guests themselves ... what I can say for Ljubljana in general is that Ljubljana was a sweet surprise in Europe a few years ago. Slovenia and the green Ljubljana were unknown. The only branded hotel in town was the Best Western, everything else was unbranded. One McDonald's in the centre, no Starbucks, no other brands when it comes to food. Exactly what people were looking for, they were looking for something new. Everyone wants to be Amerigo Vespucci and discover America, and so tourists discovered Ljubljana. Ljubljana tourism was a success, it had an element of surprise. The prices were great too, it was a cheap destination. There were still quite a few flights, if we only talk about Ljubljana.

People were arriving, the food was good, there were almost no tourist menus, there was no overcrowding in the centre, the market was great. There was a Friday "Open Kitchen" food market, where tourists could meet the locals. Unfortunately, locals can no longer be seen there, as the event has become overly commercialized, the quality has fallen sharply.

All of a sudden Ljubljana became a destination, people started talking about it, the promotion was carried out very well and Ljubljana became interesting for foreign investors as well. Suddenly, new hotels began to be considered. If we look at what Ljubljana offered then and what it offers today, we see that today the guest is searching for experience.

New experiences. He is satisfied with the locals, but he would like to try local, different food. He is not interested in French sparkling wines, but in local sparkling wine, in local experiences. He would like to attend events for locals, not tourists. These are the things tourists are looking for - for something new, they are fleeing from the crowds, fleeing from mass destinations, from Covid, from Paris, from Venice. They are looking for experience that is unique only to them and enjoy being in touch with the locals. This goes for the perspective of city tourism and city hotels. In Ljubljana, leisure guests predominate.

How did the hotel offerings change in recent years?

The hotel offer in Ljubljana in 2014 was of very low quality. Even today, Ljubljana has extremely poor hotels. Even if we consider the new five-star InterContinental, it is in fact an extremely outdated hotel. To illustrate - if you're 20, you don't marry a person who's 80 - and that's a similar story; when InterContinental came to Ljubljana, it was an already outdated brand.

Hotels in Ljubljana are too small. But a lot of small hotels definitely bring better quality. After all, there are also many very high quality Airbnbs in the centre, which definitely enriched the offer. Basically I don't see Airbnb as a problem but as something positive.

Currently, the prevailing opinion is that Ljubljana lacks brands. However, this was fashionable in the hotel industry 20 years ago. If we consider which brands will still be on the market in 15 years, this is a very complex question. Will they just be new or more unbranded hotels? In my opinion, there will still be a lot of branded hotels because of the contract types. Still, some new brands will appear and some new stories, eg. resorts. Maybe the stories will go back in time then.

If we take for example the Union hotel, which has a really rich history. Under the Austro-Hungarian Empire, the Slovenes summoned their money to build a hall for political and cultural meetings, and because this is impossible to do without an inn, the Cafe - Kavarna was also built. And they added a couple more rooms for tourism, I think 90 rooms, and they built a hotel. And at the beginning, locals gathered there and foreigners slept where the locals slept. They went to the Cafe for coffee and something to eat in the bistro, where everything possible was served and people got drunk there, hung out with the locals. So when the Union Hotel was built at the beginning of the last century, its founders were actually trend-setters. The hotel had plumbing, central heating, telephones, bathrooms in every room ...

From today's perspective, however, these standard hotels, where everything is standardized, are the most conservative in the business.

In addition, lifestyle hotels are already emerging, returning to what hospitality once was. Before a decade all these classic brands were outsourcing their catering facilities, completely separating the accommodation and catering part. All of a sudden, however, these new chains realized that the story of F&B is not only a story of good revenue, but also a story of good marketing. And in fact, all of a sudden they started using F&B to do good marketing for hotels, in a way that they started inviting locals to hotels. F&B facilities were provided in cities, hotels offered work for the local population. And these hotels were thinking as broadly as possible; there might have been a gallery nearby, other contents, events and congresses, including spas. All these accompanying facilities that make the hotel's accommodation facilities part of the public life of the city. Unfortunately, in 99% of cases this is not the case in Ljubljana, and this is a problem.

The point is this - you do the F&B for locals and as a result get free marketing on Instagram and other platforms In this way you attract foreigners who come to the city and will of course sleep in your hotel - that's the point. F&B is done for locals, rooms are made for foreigners.

As for the theme in the hotel - it is necessary to have a good idea. First, you should check to see if you're dealing with an old hotel with a tradition. In this case, you should take this into consideration. You can also consider the location: Slovenia, Ljubljana and then the microlocation within the city. Marketing is mainly about a product. You need to think well about the concept, do a good marketing research. If you look at what is available within your microlocation in Ljubljana, marketing gives you the answer to what is possible, what is not... You need to compare this with trends in the world, make a hotel concept and make a study resulting from all of this. Then it's easy because you know what you're playing with. The essential thing is to dedicate yourself to the concept of the hotel, the idea.

Only to think about which brand can be seen in Ljubljana city centre, seems irrelevant. Having a central location, such as Hotel Union and Hotel Slon, you do not need any brand, just a good concept and top service. Everything is in service.

In 2016, I attended at the European Congress of the Association for hotel General Managers. On stage, an old Italian hotelier and a modern Dutch hotelier were confronted. The debate was very heated. The classic hotelier emphasized the importance of standards for everything, determining exactly what employees can and cannot do. My opinion is that for such work you do not need intelligent and resourceful people. As a result of such thinking, the hotel industry has lost

its primacy, it is no longer a trendsetter but just a follower. The modern lifestyle hotelier, however, only talked about the product, what they do and how they access the guest, how important the guest is to them. The final finding was that "old" hoteliers prioritise standards and new hoteliers the "organized chaos".

In summary, a good product needs to be made.

What are the biggest trends in the sector at the moment?

Public spaces in hotels for locals and guests. When guests arrive at the hotel, someone has to receive them. This can either be a receptionist, a concierge, an entertainment officer ... someone who brings coffee, makes arrangements, makes a reservation... And a good breakfast, everyone comes to breakfast...

As for the hotel as such, I don't believe smart rooms will prevail. If we return to the basics of hospitality in terms of rooms, then cleanliness and quality sleep are important. Sound isolation must be great, the shower must be unique - better than at home. The bathroom needs to be top notch if we are just talking about these technical matters. This means you don't need jammers, such as a bunch of electrical wires and signals... All you need is an app through which you can order everything. A typical example of such an economically designed hotel is Motel One - a good room, a good night's sleep, a good shower, great breakfast. And they have fixed prices.

The role of local agents will also be increasingly important in resorts. The guest has access to all information, itineraries and guides via the World Wide Web. He no longer needs his agent in New York. But if a local agent has good products and does things well, he is a winner. These sales channels have been greatly shortened.

The future of midscale is definitely not the reception. The future of midscale is a good idea. That is, the product itself, which takes into account local, authorial ideas. Which is included in the life of the city, in this case Ljubljana. The reception is not essential, you don't expect the hotel to be nice, but to be vivid. The hotel must live. The rooms are just an addition. Some hotels still have a reception, but it is more and more becoming only an extension of the bar. At certain hours, when there are more arrivals, an additional employee helps. But the future is that all the data will be on the phone. When the guest has sent all the information in advance, he will open the room by phone. All hoteliers will avoid unnecessary costs. The design will also go in the direction

that the rooms will be easy to maintain and durable, so that the investment in these rooms will not be too high. Ljubljana does not allow high average prices and I think considering luxury brands is over the limit. If we are talking about the future of the Ljubljana hotel product, I think we should deal with the story of the location. This would be the winning hotel in Ljubljana today. Both foreigners and locals would like to go there.

Above all, the problem is that hotels do not make enough comparisons with the hotels abroad. But if investors are already checking the hotels abroad, they make a hotel to their liking. However, the one who is important, is the guest! The guest is the one who confirms the success or not.

In your opinion, what makes a hotel experience great in general? What is a memorable guest experience in your opinion? And how does it differ according to you from a top experience?

Which factors are possible threats to the creation of a memorable guest experience?

Good location, which doesn't mean it has to be in the centre. Guests are looking for stories, happenings, which are not touristy, but local. When I arrive at the hotel, I must be impressed by the entrance. That doesn't mean it has a big lobby, but that it has a story. When you enter, you recognize the story that is happening, you notice that the hotel is different from all the others. When you enter, you immediately notice people, events taking place there, the smiling and friendly staff, the fast procedures at the reception. When I get to the room, the room has to impress with an idea, cleanliness, good sleep, and everything I've listed before.

For me, a good hotel product is always connected to the location, the story of the hotel and friendliness. If we talk about the service itself, then cleanliness, a good shower and breakfast also matter. For me, breakfast is very important. I expect great coffee, local teas, I hate international brands herbal teas. As much food as possible on the table should be good and interesting. Motel One is the world winner in breakfast considering the quality they sell.

In Ljubljana, all hoteliers seem to brag about their breakfast...

Apparently they're dealing with breakfast in the wrong way. In my experience, the breakfast still the best in Slon and I always go to Slon if I have to go for breakfast. If breakfast was really that

good in hotels, the people of Ljubljana would go to hotels for breakfast. I think that Slovenian hoteliers consider food a cost, not as a competitive advantage. It is especially necessary to involve staff. Although there is talk of an automated breakfast, the competitive advantage will still be that you will take care of certain things yourself. If you decide that breakfast will be your competitive advantage and you will be able to sell it, then this is great.

What is then in your opinion, a memorable guest experience?

In Split we actually moved the breakfast room from the last part of the ground floor to the third floor on the terrace to have an unforgettable view of the sea. You always have to create wow effects in the hotel. The room can be crazy to make you remember it. Lifestyle hotels always have some good ideas in the rooms and in public areas. I recently visited a hotel that had a wow breakfast and was a lifestyle hotel. The room wasn't special, but the breakfast and the public part were very good...

In fact, chefs will no longer be able to take breakfast as something where you throw food on the table, but as part of the story.

When designing this experience, do you think that you have to provide individual wow elements? Do you have to build a story from the beginning, from pre-arrival to check in, or is it enough for a memorable hotel experience to surprise at two ends?

No, it's not enough, you have to lead the whole experience. Unfortunately, in the case of Ljubljana hotels, there is no one who would put some wow effects into the story.

There must be a whole story, starting from the website, the photos, the booking method.

It is important not to confuse guest segments. When we talk about the hotel experience, we also talk about the hotel deciding who to address and giving up all the other guests.

Could you pinpoint the key elements, which in your opinion constitute a memorable guest experience? Could you rate these elements in accordance with their importance? You said breakfast, friendly staff, location ...

And I said the product. For me, the hotel story is comprehensive and one mistake within it can mean that all other things are forgotten, and the one that is bad outweighs and leaves a bad impression.

The first impression, which makes the story of everything else, seems to be extremely important. The first impression is the wow effect when entering the hotel to attract you inside. That is the ambience. And then of course the service. Reception is not necessary, there may be vending machines, if you have employees behind the bar who take care of the guests and help with the check-in. Interaction with the guest exists, but not necessarily in a physical way through the reception, because it is a waste of money.

If we talk about costs, it is essential that the hotel has chambermaids, and the rest of the staff is multitask. You educate everyone in the same way, stressing that everyone does everything for the hotel guest. And that's basically the point of the hotel, the ambience. I'm talking about an ambience that matches the service and a service that matches the ambience. That's the story you have to make. And both are equally important. However, when we talk physically about a room, it is important that it is clean, even if it is outdated.

Which factors do you consider possible threats to the creation of a memorable guest experience?

Staff, definitely. Spoiled first experience. The hotel must be transparent and realistic, it must show the real situation, not to spoil expectations. Sell what you can offer, don't offer empty promises.

How do you measure or track memorable guest experience?

Surveys. And I still believe in the hidden guest.

What are the specific trends at our location?

We do not follow global trends. Hotel Lev is in trend with public work, which deviates from everything in Ljubljana. However, it did not carry out the idea to the end, because their owner intervened.

The Slon Hotel is a typical example of how not to work, as the cafe in a prime location was rented out to the famous local confectionery Zvezda. However, you shouldn't let a cafe, which is a key part of the hotel, forming the hotel's image, be managed by others. The Zvezda confectionery have their own image in Ljubljana. It's beautiful there. But, isn't exactly this the hotel's job - to run such a facility in such a location?

And how do you comment on the fact that everyone chooses the phrase »timeless design«? Timeless, but not too modern.

Sounds a little unimaginative to me. Today, there are hotels that change the public part every year or two. It means that you have good designers who know how to use cheap materials appropriately, materials that look good and have a good idea. This is good and it is not a timeless design. We humans are spoiled and the problem we have is that we constantly need new impulses.

Do you think that when a guest comes to Ljubljana, he has different expectations from the hotel than he has in Paris or in London, in New York?

This is a good question that does not have a single answer. First of all, it is difficult to compare Paris and Ljubljana, because Paris has everything; from the worst hotels, to the best in the world, within hotel groups. Classic hotels, historic, lifestyle hotels, it has them all. In Ljubljana, however, you don't have much choice. When you choose a hotel, you choose it based on location, the budget you have, and your preferences. Expectations are no different.

Do you think this importance of breakfast, mentioned by Ljubljana hoteliers, is also a global trend?

Yes. F&B is a global trend in general, good F&B is today one of the hotel stories.

What do you think will be the future of the hotel experience, given how we people change, how our expectations, our lifestyle change?

I think renovation cycles will be shorter. Every year, the hotel will have to give out some money for renovation. Already at the time of the investment it should be clear to you that it is not being built for the future but for the moment. Implementation of IT technology where needed; from the moment you book, to how you order extra service at the hotel.

However, when it comes to design, focus should be given to constant care of refreshing the product. Public parts need to be constantly changed, or at least some room details. On the other hand, there is also the offer of food and drinks. Otherwise, the story fails. You always have to be in trend, or even set trends if possible.

How do you see the future of these wow effects?

It is very possible that we will go back to a more conservative environment. Generations are changing and in 10 years we will be talking differently than we are today. We'll see what happens, very possibly going to go back in time in the stories. But maybe the standards will be set again in 10 years, some things will definitely turn out to be good and come back. If I see anything good in hotel chains, it's the systems behind it that work. You have to have supporting standards and regulations, but you can't see that in the front, that's the difference now. This was passed on to the guest. There is only one SOP and that is "the guest is the boss". And this is the supra-law, the guest is our king, let us adapt to him

What are the challenges facing our post-epidemic hotel industry?

Definitely staff - a lot of people have left the hotel industry and will not return. Or it will take time for them to return. This is very global. Working conditions, in terms of wages, will have to be raised. When we talk about cities and if epidemics reoccur, people will have a sense of fear. Buffet breakfasts will be abolished and everything will be a-la-carte. This is my idea of the breakfast of the future in the mid-scale.

Do you also find profitability a challenge given these aspects that we have listed so far?

It will definitely be a challenge, this is again a question of the product. It will be very necessary to study your main activity and how much you can spend on investments. It will have to be clear to the investor, more than before Covid, how he will change and adapt his product to what is happening in the market every year. People will definitely be the decisive factor. We will have to pay them well, otherwise we are threatened with the closure of hotels, and we will have accommodation without content.

EXPERT INTERVIEW 2

PKF	Date of interview: 5.5.2021
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Name:		Age: 49
Position:	Director, Head of Adriatic Sea Region	No. of years in this position: 3

My first set of questions concerns the global hotel market:

How did the hotel guest change in recent years; his needs and his expectations?

Guest are seeking for more individual experience, experiences hat make their stay memorable

How did the hotel offerings change in recent years, and why?

More select service products, more life style products

What are the biggest trends in the hotel sector at the moment?

After covid: Digitalisation, Multi Generation Travel, S

In your opinion, what makes a hotel experience good in general?

Attention to detail, customer focus, design

What is in your opinion, a memorable guest experience? And how does this differ according to you with a good hotel experience?

To do something unexpected for the customer.

From what has been just said - could you pinpoint the key elements, which in your opinion constitute a memorable guest experience?

Unexpected actions by hotel staff, special services, unprompted services

Is it possible to rate these elements by importance?

Overall experience

Could you say that either elements of service or elements of the hotel ambience prevail in terms of creating a memorable guest experience? In other words – is service more important to the creation of a memorable hotel experience or has the hotel design greater impact?

Even in a hotel that is due for a refurbishment, service can overcome interior malfunctions **What is in your opinion the proper way to consider memorable hotel experiences; as a set of independent impressions on the guest or as continuous experience which starts in the pre-arrival phase, ends post-arrival, and embraces all touchpoints in between?**

You need to connect at the moment a guest is trying to make a booking, stay in touch before arrival to offer service, ensure great stay, and stay in touch after departure

Which factors are possible threats to a memorable guest experience?

Team not properly trained, empowerment of team lacking.

What is a good way to track memorable guest experience in hotels?

Customer survey.

The second set of questions deals with the hotel market in SEE region, specifically Ljubljana:

Do you see specific trends in the hotel industry in the regions of Ljubljana or SEE?

Leisure tourism will develop faster after covid than business hotels and destinations

Do you observe different guest expectations when they are travelling to this region? Or is the guest experience in a 4* hotel in Ljubljana being measured against those of global tourist destinations like London, Paris or NY?

Typically, locations will less head offices, banking locations and leisure attractions focus more on the 3-4 star segment

All 4* hotels in Ljubljana choose 'timeless design' when renovating their properties. The bold hotel designs that have been emerging all over the world in recent years are missing in Ljubljana. Why do you think is that?

Design is also costly! Also more international chains will bring more design. Eventually room rate needs to increase in order to be able to afford better design

In Ljubljana, breakfast is included in the room rate of (almost) all 4* hotels and most hotels consider excellent breakfast as their competitive advantage. Could you comment on this fact by giving it a global frame?

Agree.

The third set of questions is about the future of the hotel industry:

In your opinion, how will the hotel industry embrace the concept of memorable hotel experiences post-corona and the future?

Increasing demand, as travelling and experiences were very restricted. Everybody will create their bucket list where to go and places to see.

Which are the key trends to look out for when creating memorable guest experience in the future?

Bringing the family together, unexpected service gestures, digital convenience, cleanliness, hygiene standards

How do you imagine the future of 4* hotel sector in regard to automatization of services?

Digitalization will be important such as WLAN, mobile room key, availability of 24hr services, Guest Room Entertainment

Do you see different or modified trends for the future of the Ljubljana / SEE hotel market?

No, global trends

Which challenges and opportunities are ahead of the hotel industry and why?

Find good and experienced hotel staff after the crisis

