# BOUTIQUE HOTELS - NEW APPEARANCES IN HOTEL INDUSTRY IN ROMANIA

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**ABSTRACT**: The appearance in Romania of new forms of accommodation, with a unique specificity, has determined us to explore the boutique hotels in terms of the concept, the specificity, their typology, employment and the possibility for development in the still early market in our existing country. As recent studies in the field illustrate, the hotel market will meet a strong emerging development on share of small hotels, boutique-type. Increasingly popular in recent years, boutique hotels have emerged as an alternative to "mammoths" with hundreds of rooms and impersonal atmosphere.

**KEY WORDS:** tourism, boutique hotel, Small Luxury Hotels, boutique hotel market, trends

#### 1. INTRODUCTION

We witnessing today to the emergence of new forms of hosting demanding tourists with high attention to the finest/slender details, and we will not hesitate to refer here to Boutique Hotel which excel by design and the special attention to refinement and personalized services, which are translated by retention of demanding customers. As recent studies in the field illustrate, the hotel market will meet a strong emerging development on share of small hotels, boutique-type. Increasingly popular in recent years, boutique hotels have emerged as an alternative to "mammoths" with hundreds of rooms and impersonal atmosphere.

#### 2. DEFINING THE CONCEPT OF BOUTIQUE HOTEL

In order to define the concept of Boutique Hotel we proposed to define these two separate terms. Thus, boutique is the name given to small and luxurious stores that sell goods on small series and the hotel is the building with more furnished rooms that offers the possibility of hiring on short-term, by day, especially to travelers.

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Jointed these two definitions of two different concepts, in an attempt to define the concept be discussed, we can say that Boutique Hotel is a small hotel, offering luxurious rooms furnished to hire on short-term periods to tourists in particular. But it does not stop here, but in trying to clear up this new concept on hotel market in Romania, I continued my search and I found that Boutique Hotel is a word that encompasses a new world of meanings. It means a new way of looking at hospitality: a friendly reception and personalized services.

The word comes from the United States of America, the huge hotels with thousands of rooms which do not differ in appearance to one another, being furnish in the same manner all over the world. In 1984, watching vision Ian Schrager has created a hotel so avant-garde thus beeing uprised the hotel industry. By separation by the traditional and the revolution of inside it enshrined the term of "boutique hotel" and then hotels around the world have approached this concept.

The concept of boutique hotel is strongly opposed to big chains hotel that is supposed to be reduced size, located in a prestigious area, furnished with unusual furniture, intimate, family atmosphere. It is appreciated that boutique hotels have a unique design, but notes with a great personality. Certainly these hotels are smaller in size and can offer customers privacy and discretion. Boutique hotels get to know customers well and offer very personalized service that large hotels can not ensure to its guests. In North America, where came from the concept of "boutique hotel", so these type of hotel offers more then services luxury five-star, winning through the intimacy and design, hence the reduced number of rooms and the ability to serve more closely customers. Boutique hotels are aimed primarily to businessmen representing approximately 80% of customers and tourists.

Thus, it appears from the above said that the ace of boutique hotel lies in the personality of its own, attracting demanding customers or familiar with the unique atmosphere of some places that re-create the aristocratic style of past times or import items from other cultures.

#### 3. BOUTIQUE HOTELS TYPOLOGY

It was carried out a typology of this type of hotel and it arrived at dividing their style in modern and classical, as the establishment of country or metropolitan area, but regardless of category, all ensure safety and quality of service, peerless charm and easily accessible location, a warm, impeccable receiving. These hotels are often unique in terms of design and are designed with great care for the framework and with the central theme, which are visible from the scene until the general environments. We also found in the materials studied that the hotel's type name differs depending on the design, namely whether we are dealing with a contemporary design these hotels are called "design hotels" and those with a classic design / modern bears the name of "boutique hotels".

Most times, some boutique hotels are hidden from the public eye, both physically and in terms of trade. They can be found only in specialized guides or offices of luxury tourism. Not everyone has access to these hotels, in order to know them is the need for sufficient financial means to enable a luxury travel, you have to

find this type of hotel, known and experienced in terms of benefits, but also appreciated as a whole. It notes that it is necessary to promote towards a mass market, because advertising used by the major luxury hotel chains has not its purpose and finality.

In Romania can not talk about a market at this time, however, there are such units reception in Bucharest occurred in the last eight years and as such example can give the Parliament, Carol Park Hotel, Le Boutique Moxa Hotel, Rembrandt, El Greco, Duke, Opera, Central, Palas or Venezia, who borrowed elements of classical style Baroque and Venetian. A possible explanation for the early development of boutique hotels in Romania, particularly in Bucharest city, is the closed circuit itself where is working the niche target. Here, the average occupancy degree is between 75% and 80%. Also in Oradea town there is still a small luxury hotel named Black Eagle.

Certain is the fact that they are part of the luxurious market of this industry and a decisive importance is the direction of decoration, quality of architects and designers, importing materials and luxury furniture in classic style. It says that boutique hotels are par excellence, synonymous with the wealthy design.

For example Carol Parc Hotel is a restored palace on the old walls, spaces are different, have different sizes, are high ceilings and an attic, and every space in the hotel create a personalized design. To better understand what it means these luxury tourist locations must point out that the design belongs to a company in Italy, the bathrooms bears the signature of Laura Biagotti, cosmetics are provided by designers like Bogner or Bylgari, silk or wood are the best quality, persian carpets, and Murano lamps, all this items however creating a special world in the hotel industry

In another building in old Bucharest, more precisely in a high-block and oval facade next to Cismigiu, opened Hotel Opera, arranged in the style of early"20. From furniture and finishing with room maids skirts, everything has turned us back in time while the George Enescu delighted the Bucharestian salons with the music of Wagner.

Additional services offered by these receiving units consist in the permanent room-service, at the reception which does not form any tails, cleaning services twice a day, books on the shelves of the room and found flowers on future customer taste, luxury cosmetics, all these however justifying the higher price of nights in a hotel boutique. The rooms are notes by the unique design and combining history with elements of modern technology, which gives a note of originality of such a boutique hotel. Boutique hotels in the country are still between admiration and skepticism, maybe because the market is just in training, and tastes of Romanians with money should be educated towards this direction, where less may mean more. In Romanian country, luxury is still associated with size, think most part of field specialists.

### 4. INCLUDING BOUTIQUE HOTEL IN SMALL LUXURY HOTELS

In the richmen's world has issued a new fashion in terms of holidays. It seems that times when Las Vegas, Monte Carlo, New Zealand, Dubai or "classic" Honolulu were considered luxury destinations for those with money are to sunset. In 2008 was at great search exclusive destinations, places at the end of the earth, holidays without paparazzi and without neighbors.

NetworkSmall Luxury Hotels (SLH) includes 360 hotels for the persons which category 5 stars means too little and is considered by international media tourism as the most wanted holiday location. This network can be seen by some significant attributes, namely: secret, discreet, luxury dazzling, at the end of the world, issues which have raised the network of villas developed by a group of American investors in the most hidden areas around the world, to the degree of "holiday destination of 2008".

Given these circumstances, it is not difficult to understand why SLH has chosen to integrate a wide range of locations: from buildings in the medieval style in full center of American metropolises, to the podgorene French castles, Austrian huts and bungalow sites in Seychelles. This choice depends in large part by the two major requirements of consumers of luxury: a business trip or relaxing trip. For business travel, there are locations in central city, but very small number of rooms (boutique hotel), or placed at a strategic distance to the city, so customers can enjoy peace and a specific holiday, and could reach quick to meetings of the center. So in this case appear boutique hotel as part of the SLM.

If we talk about vacations situation is quite different in the sense that real castles, equipped with a whole army of cooks, waiters, housekeepers and sommelier, all educated to be "invisible", are widespread in the most unexpected locations. There is, obviously, on the traditional countries from tourism map (France, Italy, Greece, USA, Austria, etc.). But there are more exotic locations (India, Laos, Tanzania, Kenya, Cook Islands or the Channel Islands, Dominican Republic, Czech Republic, Slovakia, Mauritius, Taiwan, West Indies, Vietnam, South Korea, but China and Russia), but also locations in all archipelagoes and heaven islands (Fiji, Indonesia, Maldives, Bahamas, Greece, Sri Lanka or New Zealand).

A hotel can shelter from 20 people (most expensive) to 100-150 guests, the most popular, although they are few places where get groups on the one hand because to the high luxury is not much place from the "discount" and because on the other hand services tend to stop inside the property. It is people who gathered the same complex tailors, fashion houses, jewellers, professional masseur, professional cosmetic schools, cooks from which fight all the restaurants and sommelier who has taught every wine at his home and that, together, provide a few days away the world. It is known that the emergence of these new standards, hotel stocks were inovate: five stars is the lowest rank of the category, followed by "education", "deluxe", "apartment/flat junior" and senior apartment/flat", the finally degree means even a whole castle to rent for a few days. Beyond the settlement, it is essential that the villas are located in places extremely well guarded, in locations where access is only by special means of transport, as jeep to the helicopters and water planes.

The easier way to gain access to your network is to entry site SLH, which brings to the forefront as a picture as clear about what gives such accommodation units. It requires filling out a questionnaire in which questions range from flat pillows the way in which it enters the room (to descend, ascend at the same level) or distance from the elevator, from what kind of spare time attract the more (golf, kayaking, windsurfing, sailing, etc..) pending the completion of the sections about what it wants to the destination conditions for a particular sport, total silence, lapon kitchen or whatever it may think.

## 5. TRENDS IN THE BOUTIQUE HOTEL EVOLUTION

It considers by the study conducted by consulting company Jones Lang LASalle, regarding the investments in regional real estate market, that by the end of 2009, at least 2830 new rooms will be put into service, particularly in accommodation units' boutique hotel', which become increasing in demand on the local market. It also specifies that at present the hotel market includes approximately 9.000 rooms, divided between 3 and 5 stars being dominated by four-star hotels, in response the demand of business tourism. It awarded almost 80% of the number of tourists stayed in hotels, Bucharest beeing the most appropriate example of this kind.

It considers that there is a shortage of accommodation places, and in the future will become interesting hotels with a small number of rooms, but with personality. This will be the trend: small hotels, but not necessarily luxury or boutique, which in fact involves investements high enough. Also in the opinion of specialists in the field is the idea that the number of units "three-star with four stars services" will progress faster, even if there is still room in the market for 4-5 star hotels.

According to the study mentioned above, concluded that the yield in the hotel industry is currently stable, as the decrease in employment is offset by higher prices of accommodation, a situation common in units of 4-5 stars, where the rate of occupation decreased in early 2008, from 80% to an average of 60-65%.

By contrast, hotels of small luxury type or boutique are occupied in the proportion of 75-80% annually, and the percentage exceeding 90% in peak months, given the small number of rooms available in these locations.

It is clear that there is interest in boutique hotels in Romania, this issue beeing demonstrated by the occupation degree of which enjoy these hotels and the growing number of such locations. For example Opera hotel, located in the historic center of the capital, has 33 rooms and 22 employees, had revenue of 405.000 euros in the first half of 2008 and an employment of 78%. Estimated turnover for 2008 is approximately 820.000 euros, representing an increase of 5% from 2007. However, it was noted that during 2008, business target has changed, boutique hotels getting more and more tourists from many countries such as Holland or America, but very few tourists from Romania.

For smaller hotels or small luxury location remains an important item, also historic center of Bucharest, in renovation, will still remain a target for the small hotel which may be in a more isolated area, very special. For example, Carol Parc Hotel, located in the area of Carol Park in Bucharest, the hotel's architecture reflects the quality, elegance and style of aristocratic life in Romania of the last century, as I stated before. Employment degree of a boutique hotel reaches the peak season, similar to the luxury hotel in the Capital, 70-80%, although it is considered improper a comparison between an exclusive hotel with a small number of rooms and large luxury hotel units in the country with hundreds of apartments. In general, exclusive hotels will always have an occupation rate of similar to industry, accordingly to the active periods.

Demand for accommodation spaces could boost the development of small hotels, especially by foreign investors, who will work mainly in Bucharest, especially

after "during 2006 and 2007 have seen a moderate increase of yield in hotel industry" under study Jones Lang LaSalle regarding real estate investment in Bucharest

#### 6. CONCLUSIONS

Given the above said we can conclude that the boutique hotel market in Romania, even if in the beginning, has clear prospects for development, as a segment of the hotel industry in which foreign investors want to get involved considering that not do in vain. And it is sure that Romania offers many possibilities for developing this new segment created, given that tourism business is growing rapidly. Forecasts made by various institutes and authorities concerned in this regard clearly shows that the trend is upwards, which was helped somewhat, after our opinion, by the crisis on the real estate market that allows the purchase of buildings that are suitable for conversion into a hotel at prices much lower then in 2008.

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