"The new Swiss Made label promoting authenticity in the Swiss 2 & 3 stars hotel industry"

Thinking of Switzerland, the first things that come to mind generally include; the accuracy of its watches, the fabulous taste of its chocolate, and the punctuality that rules the country. All those elements have in common the excellency and precision that inspires the "Swiss made" label. However, this image is too rarely associated to the hospitality industry, especially for the smaller establishments such as 2 and 3 stars hotels.

2 & 3 stars hotel in Switzerland



Since several years, this branch of the industry struggles to attract customers due to several external factors including new comers such as AirBnB or Couch Surfing. Because of their extremely low rates and costs, these competitors are able to offer services much more adapted to guests looking for a stay on a budget. On the other hands, 2 and 3 stars hotels seem to have trouble keeping up with the market's evolution. This has led them far behind and for many of them on the edge of bankruptcy. Since the quality of their services has nothing to envy to its

Figure 1: Hotel Waldhotel Unspunnen , in Interlaken, is a 2 stars hotel that could typically benefit from offering authentic offers

previously mentioned torturers, it is obvious that the core problem lies in the pricing of the former category. If we take the example of a traveller booking through AirBnB, we can easily understand that his choice has been mostly motivated by the price rather than the actual comfort or service offered. When we think about it, why would we choose a hotel charging more expensive fees for a similar or even poorer quality? It simply doesn't make any sense... In this regards, the lowest ranked hotels have to find a solution to offer more in order to justify their fees. It is in this case that authenticity could be used to attract customers with more complex taste and who would be willing to discover the local habits and culture of their hosts.

Authenticity

As authenticity only exists in the mind and expectation of the visitor, its interpretation can therefore only be defined by the guests. Whereby the main problem that hotels would have to face is to define and identify the needs of their future customers. It is clear that small establishments won't have the financial means to launch large scale market's studies. Therefore, hoteliers could suggest customized offers in order to provide a bespoke service.

Let's imagine that one small 2 stars hotel, located on the outskirt of Lausannne, sends a short questionnaire for every room booked, prior the tourists arrivals. It asks the customers on the type of stay they are looking for and what are their interests. The customer replies and informs that he will be travelling with his wife, they crave for

delicious gastronomy with a strong interest in Wine. They are also willing to discover the history of Switzerland through local museum. They are not really looking for mainstream activities as they want to keep their holidays intimate. The hotel can therefore suggest to his customers some small restaurants that are not recommended by tourist guides, as well as wine tasting activities with local producers. Finally, the hotel could also make a list of the small exhibitions which focus on the history of the country and region, avoiding the crowd of the largest museums.

The customer could then rely on the knowledge of the hoteliers without spending too much time and effort in any sort of research and they would benefit from an authentic experience based on their interests and ideas of what Switzerland would look like.

In this case, it is clear that only visitors with more complex tastes would be interested by this kind of offer. It requires guest willing to discover a country and its culture, but since Switzerland is an expensive land, offering customized advices can only represent a strong added value for the tourists. Whereas hoteliers could apply personal knowledge of their region and use it as a competitive advantage.



Figure 2: http://www.hotel-bahnhof.com/

"Swiss Made" for hotels

Allow me to develop the reflection further, assuming that this couple had amazing holidays in Switzerland (of course they did...), they loved every single piece of advice the hotel gave them. Once they return home, they would receive another email from the hotel asking them if they enjoyed their stay and inviting them to rate the establishment on a website similar to Tripadvisor. However, instead of simply giving rates and comments, the registered hotels could receive an official label, called "Swiss Made", according the quality of their service. Actually, this concept could be extended to any business in the service industry and be a representation of Swiss authenticity as "Swiss Made" product is an internationally famous appellation. With this kind of brand name, the country could justify the higher prices and would attract tourists who would be less reluctant to consuming and spending.



Figure 3: http://en.aluart.com/

"Swiss made" could be a participative and interactive brand name which My Switzerland could use as complement to its actual classification system. Customers would rate the business based on the quality of their services. It could include different aspects, such as comfort of rooms, host's warmth, or the food's quality, that would be required to be entitled to the certification. This system would then be valuable for both consumers and service providers, as the former could choose his accommodation based on other clients' point of view and the latter would know exactly how to improve his service.

There is a clear trend of downsizing in economy as well as an increasing interest in supporting local businesses. Even though, it doesn't mean that the market's

competition will grow softer and the smaller businesses will be exempted of risks. We can definitely say that they have a card to play, in order to remain successful and sustainable. Hence imagine that if this class of hotels starts creating added value to their offer, they will be able to compete and maintain their activity. However, if they keep trying to attract guests by offering redundant services, it is very likely that they are doomed to a suffocating end. To conclude, using a brand name, such as "Swiss Made" that talks to a wide public and represents one of Switzerland's best known symbol, is a solid option to promote the country's smallest establishments.

Sources

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Tags

#Tourism, #Innovation, #2starshotels, #3starshotels, #hospitality