As today's travelers gravitate toward unique lodging accommodations, the boutique hotel scene is thriving.

According to a 2017 study from Expedia, independent hotels had greater overall average daily rate and faster growth than their branded counterparts. Not to mention, independent hotels have doubled the pace of branded ADRs since early 2014, proving these hotels are occupying much of the industry.

So, why are boutique hotels so successful? While there are a number of reasons why, three leading explanations are a localized approach, outstanding service and intricate details. Unlike others, independent hoteliers have the freedom to design their hotels in a distinctive manner, without the restraints of strict brand guidelines. They're able to personalize themselves in a way that is unique to their location. When waking up in a boutique hotel,
it's easy to quickly identify where you're at—there likely is no other hotel quite like it.

Furthermore, it's evident these unique properties have made a dent in the hospitality industry. Chain hotels are increasingly implementing soft brands to try to duplicate boutique hotels under the umbrella of a larger brand. In these situations, owner-operators agree to keep their identities while operating under the greater marque.

1. Local Focus

Boutique hotels prosper when they are tailored to their location. Oftentimes, they're able to mold their décor and overall aesthetic to the community in which they operate. This not only creates a unique accommodation, but it also creates a destination within a destination.

One thing travelers love about visiting new places is the opportunity to immerse themselves in the community and culture of that place. To create an ambience that is original to its surroundings, boutique hotels should incorporate products from local vendors with minibars, retail tenants and décor. Further, if retail space is available, the opportunity to partner with a local restaurant group can be instrumental in a boutique hotel's success. Not only will it increase foot traffic and brand awareness, but it's something that guests will be unable to get at any other hotel in the world.

2. Personalized Service

Guests are willing to pay more for the experience they get at a boutique hotel, which is a leading reason why these properties have become a force to be reckoned with within the industry.

When developing a boutique hotel, it's important to hire staff who have a shared vision, who will run the
property with an entrepreneurial spirit, and who will construct the personality of the hotel. When the right people are hired, the guest service provided is more likely to be exceptional, and the level of service provided at a boutique hotel stands out among competitors.

With the combination of personalized service and exceptional experience, it's no wonder many guests prefer boutique options to others.

3. Attention to Detail

One advantage independent hotels have over chains is that they can individualize their properties because there are no strict brand guidelines to adhere to.

Often, the inspiration of the hotel will be derived from the community it's located in, as previously mentioned. This gives hoteliers the chance to build the brand around the property and to figure out what will best attract future guests and employees. For instance, you wouldn't place a chic industrial hotel in a city dominated by colonial architecture.

In order to remain competitive, it all comes down to quality and details. To set yourself apart in the market, one must create a product that will leave a lasting impression. By incorporating local artwork with luxurious amenities and more, guests are more likely to enjoy their stay and return to your hotel. After all, even the smallest of details can play a large role in differentiating a brand.

When it comes to spending hard-earned money, consumers want to get the best value for their dollar—and value doesn't always come down to price. Hotels provide guests with something intangible. People don't walk out with a product, rather, they leave with a memory. Boutique hotels execute this best, which is a leading reason why these properties have flourished in recent years. By implementing a localized approach, executing outstanding service and including intricate details, it's no wonder why independent hotels are thriving.

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