



Marketing strategies for boutique hotels: The case of Istanbul

Fusun Istanbul Dinçer
Istanbul University

Mithat Zeki Dinçer
Istanbul University

Zehra Binnur Avunduk
Istanbul University

Recommended Citation

Dinçer, F. I., Dinçer, M. Z., & Avunduk, Z. B. (2016). Marketing strategies for boutique hotels: The case of Istanbul. *International Interdisciplinary Business-Economics Advancement Journal*, 1(2), 94-106.

Marketing Strategies for Boutique Hotels: The Case of Istanbul

Füsun Istanbullu Dinçer¹, Mithat Zeki Dinçer², and Zehra
Binnur Avunduk³

Faculty of Economics,
Istanbul University, Turkey
¹istanbul@istanbul.edu.tr
²mzdincer@istanbul.edu.tr

Vocational School of Social Sciences
Istanbul University, Turkey
³avundukz@istanbul.edu.tr

Abstract

With the advent of the internet, the rapid development of highly sophisticated information and communication technology (ICT) has had a paramount impact on both consumers and tourism enterprises in the 21st century. The fiercely competitive environment of the global tourism market has inevitably encouraged hotel operators to invest more in the latest information technologies (ITs), to give prospective tourists access to lodging information, vacation experiences, and comments about the destinations shared on Social Media (SM) or websites. As a result, hotels, and particularly Boutique Hotel (BH) operators need to closely follow rising tourism trends and harness the newest communication technologies. According to recent research, new tourist profiling shows a preference for small and medium scaled “BH” having a differentiating quality such as in its architectural design, decoration, furnishings, or quality of service. In our study, we will be primarily focusing on the effective marketing strategies that should be considered by BHs, and endeavor to put forth a coherent model for BH owners. Finally, we will perform an elaborate SWOT analysis about the marketing strategies of BHs operating in Istanbul, from which to draw some key recommendations.

Keywords: accommodation sector, BHs, marketing communications, tourism

Introduction

The unprecedented advance, which has been seen in the ICTs since 1980s, has undoubtedly attributed a global dimension to the tourism activities (Buhalis & Law, 2008); the progress in the ICTs also dramatically changes the business practices and industrial structures as well. Porter (2001) claims that the pace of development in information technologies offers better opportunities for the corporations than that of the previous generations in order to build a strategically distinctive position. In our continuously changing and improving World, the preferences of individuals also show an alteration (Ali, Omar, & Amin, 2013). Within this scope, primarily the various changes observed in the world tourism and communication sector are studied, and the BOUTIQUE Model is built by appreciating the significance of social media in tourism and the marketing strategies of boutique hotels. Besides, the opinions of boutique hotels located in Istanbul are received by conducting a meticulous SWOT analysis. Then an overall

assessment is carried out, and some suggestions are offered by analyzing the marketing strategies of boutique hotels participated to this research.

The Changing Aspect of Marketing Communications in Tourism Industry

Along with the paradigm shift started in 1990s, which basically transformed the sense of marketing from traditional to relationship marketing (Grönroos, 1999), and thanks to the intertwining of media and computer technologies, it is now probable to get faster and even real-time feedbacks and deliver them to more recipient. In another words, what significantly differentiate the relationship marketing from traditional marketing are the speed, quantity, and quality of a feedback (Duncan & Moriarty, 1998). As indicated by Almedia, Silva, Mendes, & Oom do Valle (2012), it is a very well known fact that the huge amounts of money paid to the advertisements, the researches for prospective customers (lodging tourists), and the travel agencies for their support in the process of gaining potential customers burden tremendous costs to the hotels. ICTs have become crucial for business processes to compete internationally (Kleinrichert, Ergul, Johnson, & Uydacı, 2012). DiPietro and Wang (2010) state that, hotel industry have often adopted ICTs, especially in the areas of operation, information, communication and customer relationship management since overcoming information and communication problems to facilitate operation and enhance customer experience should be ultimately the goal of technology implementation. Seeing the decline in usage of their traditional consumer communication forms such as print and broadcast, and a decreasing share being generated by their brick-and-mortar operations, companies are seeking best practices in, what is to date, an untested consumer interaction paradigm called SM (Naylor, Lamberton, & West, 2012; Schultz & Peltier, 2013). SM is perceived as one of the newest in a series of hot marketing tools (Schultz & Peltier, 2013). SM is now widely used all around the world (Chan & Denizci Guillet, 2011). Due to its versatility, SM can be defined as a virtual platform. It is explicitly seen that the status of advertisement recently located at the heart of media environment has already changed (Chiou, Wan, & Lee, 2008).

The Role of SM in the Marketing Strategies of BHs

While there is a large variety of definitions about the concept of BH, the basic characteristics that are widely agreed on by the leading players of lodging industry, may be summarized as follow (Anhar, 2001):

- Having a distinguishing architectural structure and design, intimate and warm environment, and different outlook from each other,
- Having not more than 150 rooms, providing custom-tailored services, offering a differentiated experience by facilitating the hotel employees to call the customers by their names which is rarely encountered particularly in the hotels with big scale,
- Having a target audience of people between the early 20s and mid 50s age group, and appealing mid income and higher income level groups.

BHs are typically small hotels that offer high levels of service, tend to be stylish, trendy, and cool and provide an intimate hotel experience. BHs often provide authentic cultural or historical experiences and interesting services to guests and BHs are unique (Jones, Day, & Quadri-Felitti, 2013). Khosravi, Malek and Ekiz (2014) identified tourists' perceptions toward BHs attractive attributes in Malaysia. Based on the findings of their study; *special services*, *room features*, *convenience* and *hotel design* are indicated as the most attractive characteristics for consumers of

BHs. Kurgun, Bagiran, Ozeren and Maral (2011) identified three new trends in the BH sector. These are; *emotional trends*, *architectural design trends* and *flexibility trends*. Described as town houses or real estates with small scale, the BHs come from the concept of “boutique” which means dress fashion based on exceptional products and goods of 1960s, and it is quite a new category in lodging industry. Together with their morphological properties such as unique architectural designs and inventively decorated rooms, the BHs are actually “lifestyle products” (Page, 2011). The lifestyle products can be identified as the offerings bought by an individual in accordance with his/her activities, area of interests, and thoughts. The people’s area of interests is usually influenced by their lifestyle, and the products they purchased reflect that circumstance (Kotler & Armstrong, 1996).

Eventually, this circumstance opens up a completely new path for the marketers who would like to create value for their customers and establish relationships with them (Kotler, Bowen, & Makens, 2010). The significance of online marketing for tourism industry increases day by day. SM facilitates the corporations to trace the views and evaluations of customers about products or services, and directly contact with customers via distinct internet platforms (Hvass & Munar, 2012). SM plays a crucial role as a source of information for travelers; this tool becomes even more important (Xiang & Gretzel, 2010).

Boutique Model

In our prospering world, tourist perceptions and expectations also show an alteration. Having their own features, the BHs with small or medium scale continually follow the changing trends, and try to reach to the potential customers through the most effective and low cost communication channels. The phases of our suggested BOUTIQUE Model for the BHs, which will help them to make use of their potential rationally by implementing efficient marketing strategies and manage to attract their pre-defined target audience, are shown in Figure 1.

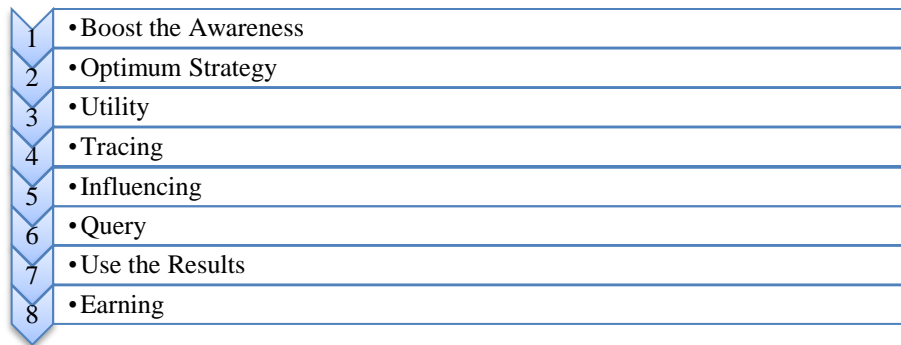


Figure 1: Boutique Model

Boost the Awareness

The main objective of the first phase of boutique Model – “awareness rising” strategy – is to create an awareness about BHs among the people who want to be a BH entrepreneur, local resident, and tourists. Here, it may be considered to organize certified training courses for entrepreneurs that will be offered by the Ministry of Culture and Tourism about all of the processes covering from launching to operating a BH. An entrepreneur can only adopt efficient marketing strategies as long as he/she clearly understands the differences between a “BH” and the other lodging businesses.

Optimum Strategy

When it comes to adopt a banausic marketing strategy, a BH should preemptively describe its own “target audience.” And, they should turn their face to the popular media channels, as they start implementing their communication strategies specially tailored for that mass. A BH may set its own target audience by dividing the tourists into subgroups, and then implement distinct media strategies for each of the subgroups. Therefore, a BH must devise “holistic media strategies” by choosing different channels for different target groups. Almedia et al. (2012) concluded that accommodation organizations, should pay greater attention to the design and up-keeping of the website as a way to enhance the opportunities of direct contact with customers. For this reason, the BH should exist in social media through its visual and audio content and tools as well as through information in its official website; this will enable the customers to remain connected to the hotel which will be able to influence their decisions on how to spend the vacation.

Utility

“Utility”, the third phase of Boutique Model, targets to convince potential customers to prefer a “BH” as the lodging facility in their vacation. The main purpose of this strategy is to persuade the potential customers that they will surely get through a much more different vacation experience in a BH than that of the rival facilities by telling the benefits of a BH and making charming promises to them. By the way, a customer database should be created, and the customer data must be effectively managed. In his book “Small is the New Big”, Seth Godin underlines that the small corporations are today’s new big corporations. The owner of a small-scaled business usually welcomes his/her guests by calling them with their own names. It is seen that “being small” brings about huge benefits in even the most basic example. Godin (2007, pp. 217-218) summarizes this case as: “Do not wait! Be small, thing big”.

Tracing

The aim of the “Tracing” strategy, which is the fourth phase of Boutique Model, is to enable customers to exchange information about many subjects such as products and services, or incidents, people, and circumstances. In that kind of consumer-to-consumer (C2C) communication, the positive or negative comments of the customers related with the discussed subject have a great significance for both the business and potential customers. Another way of establishing an efficient communication between BH and customers (B2C) is to create user accounts on behalf of the BH in the SM sites (such as Facebook, Twitter, or Instagram). Social networking sites (Facebook etc.) and customer review sites, such as Yelp!, have redefined the paradigm of customer selection of hospitality properties. SM has increased the traffic to hotels’ web sites (Kleinrichert et al., 2012). Kasavana, Nusair, and Teodosic (2010) state that, recent statistics indicates two-thirds of online adult travelers consume online video and audio clips, 40 percent read blogs, share photos and take virtual tours, and 25 percent posts responses to blogs. These sites also advise to consumers, either with a positive image and hotel experience, or provide feedback to the hotel (Kleinrichert et al., 2012).

Influencing

The Boutique Model’s fifth phase of “influencing” expresses fulfillment of the BH’s words promised in the third stage. As diversely from its rivals, a BH should fulfill the words it promised, and target to offer its customers a unique experience during their lodging period. The

key part of this process is that the BH should always act in a way to increase the customer satisfaction during the whole lodging period of customers.

Query

At that stage, it should be researched what must be done in order to improve service quality by measuring the levels of customer satisfaction or customer dissatisfaction. In order to learn about the customer expectations, the employees of BH may search out the views of customers by contacting personally with them, and differentiate the services offered by paying attention to the customers' complaints, suggestions, and claims. It is quite feasible to make a satisfaction measurement by conducting mini surveys when the tourists are leaving the hotel. In addition to, opinions of customers may also be collected by survey studies on social networks.

Use the Results

In this phase, the marketing strategy in effect is reviewed through examining the findings that show up in the stage of query. In case of a lower customer satisfaction level, the current strategy is scrutinized carefully, the defective parts are picked over, and the strategy is restructured. The BHs with positive research findings should take measures in order to sustain and even improve the existing customer satisfaction level, and do their best to increase the number of repeat guest.

Earning

The last phase of Boutique Model – “Earning” strategy – aims to maintain each stakeholder (customers, BH, and the other stakeholders) of the tourism process to win. First of all, the BH will satisfy its customers through providing quality services, and only after then those satisfied customers are supposed to influence their kith and kin to take a vacation in that hotel by creating a word of mouth (WOM) effect. Understanding how WOM affects, and is affected by cognitive, attitudinal and behavioral consumer tendencies is thus key for forming and nurturing strong customer relationships (Cummins, Peltier, Schibrowsky, & Nill, 2014; El-Gohary, 2010; Kim & Song, 2010). The BH will be able to reach more people in its own target audience and expand its customer portfolio, whether its media strategy actually succeeds. In addition to this, it will be possible to make cost savings as marketing expenditures of the hotel unavoidably fall, and on the other hand it is likely to improve its revenues and familiarity by gaining new customers.

SWOT Analysis and TOWS Matrix on the Marketing Strategies of BHs in Istanbul

In this part of our study, 12 BHs located in Istanbul are asked some intriguing questions (T.R. Ministry of Culture and Tourism General Directorate of Investment and Enterprises, 2014), and a SWOT analysis is conducted by using the answers received from BHs (Table 1). Istanbul is one of the important tourist centers of the world due to its unique nature, cultural assortment, location and historical role as the capital of three empires. Istanbul's tourism industry has had phenomenal growth since the 1980s and is the major tourism location in Turkey (Dokmeci & Balta, 1999; Kleinrichert et al., 2012). The factors extracted from this analysis are listed item by item under the related heading. The SWOT analysis table is comprised of four groups – strengths, weaknesses, opportunities, and threats. And, then a TOWS matrix is created as a result of the strategies developed by the factors coming from SWOT Analysis (Table 2). The TOWS Matrix was initially introduced for the formulation of company strategies. Subsequently, it was used as a conceptual framework for developing career strategies for individuals (Wehrich, 1982). In this article, this framework will be used to analyze marketing strategies of BHs.

The strategy development, be it for a career, a company, an industry or a nation, requires a systematic analysis of the weaknesses (W) and strengths (S) of the respective system (the companies in our discussion) which, in turn, operates within a larger external environment that poses threats (T) but also provide opportunities (O) to the system. These four factors are illustrated in the TOWS Matrix in Table 2. These four factors can become the basis for four distinct strategies. The most favorable situation occurs when a company (BHs in our discussion) uses its strengths (S) to take advantage of opportunities (O) outside that company. This is called an S-O (or maxi-maxi) strategy because the company exploits opportunities using its strengths. But in a competitive market, BHs can also face threats, which in turn, might be overcome by its strengths. Such a situation is deemed an S-T (or maxi-mini) strategy because the goal is to maximize strengths by minimizing the threats. Every company also possesses weaknesses, which must be overcome in order for it to take advantage of external opportunities. Such a W-O (or mini-maxi) strategy is often a developmental plan that attempts to convert a company's weaknesses into strengths. The least favorable situation in the TOWS Matrix occurs when a company faces external threats in light of its weaknesses, which may make it difficult for the company to operate in the competitive market. Shown as a W-T (or mini-mini) strategy in the Matrix, this strategy aims to minimize both the internal weaknesses, and external threats (Wehrich, 1999).

Table 1: A SWOT Analysis on the Marketing Strategies of BHs in Istanbul

Strengths (S)	Weaknesses (W)
(S1) Personalized service mentality	(W1) Insufficient famousness or image in country-wide or world-wide
(S2) Membership to Design Hotels™	(W2) Inadequate advertising in both journals and internet
(S3) Deployment of technology	(W3) Frequent social and political events (demonstrations, actions, etc.)
(S4) Word of Mouth Marketing (WOMM)	(W4) Locational noise pollution
(S5) Google organic search	(W5) Inadequacy of physical conditions
(S6) Deployment of SM	• <i>Limited room capacity</i>
(S7) Personal communications	• <i>Rooms without view</i>
(S8) Luxury and warmer services for the people who want to escape from the turmoil of big hotels	• <i>Narrow rooms</i>
Hotel's:	• <i>Lacking standard / deluxe rooms</i>
(S9) Location	• <i>Failure to host group accommodation or meeting groups with accommodation</i>
(S10) Nature, concept, food	• <i>Lacking big assembly hall</i>
(S11) Entertainment facilities	• <i>Lacking ball room</i>
(S12) Easily accessibility	• <i>Lacking large-enough breakfast area or a restaurant may hinder to host large groups.</i>
(S13) More affordable prices than rivals, and advanced service quality	(W6) Employing from outside tourism sector causes training period of each new personnel to be longer and communication gaps
(S14) Safe environment making customers feel home	(W7) Lacking communications over SM channels with the 40+ guests who might prefer BHs
(S15) Not standard hotel rooms, but rooms with its own unique identity	(W8) Difficulties in qualified personnel employment because qualified personnel rather international brand hotels than local hotels
(S16) Higher repeat guest loyalty and number of repeat guests	(W9) Recently launched new international hotel chains and BHs
(S17) Having different hotels in the same region	(W10) Having a hard time maintaining the price-utility equilibrium
(S18) Higher guest satisfaction rate	(W11) Poor sales because of insufficient hotel structure
(S19) Elasticity	
(S20) Environmental popularity	
(S21) Decent relations with business associates	
(S22) Being a world wide known brand	
(S23) Employing qualified personnel	
(S24) Providing special advantages to customers	
(S25) Unlike big resorts or city hotels, more leisure tourism (entertainment and pleasure travel) in BHs	

Opportunities (O)	Threats (T)
Internet channels and opportunities offered by SM:	(T1) Falling agency shares as a result of rising online reservations
(O1) Globally more famousness	(T2) Lower price policies of other enterprises in the region
(O2) Conveniently accessible hotel information, direct communication and online reservation possibilities	(T3) The name of hotel or location may make customers to recall social events and unfortunately that may have bad consequences
(O3) Possibility of increasing the number of potential customers in case of improvement in hotel attraction as a result of efficient presentation and publicity on SM	(T4) Locationally being closer to low income group may cause un-solicited status and unintended image
(O4) Ability to form a community	(T5) Recently frequently experienced demonstrations and actions may cause difficulties for sales and marketing activities
(O5) Accelerating online sales in recent years	(T6) Launched each passing day, new international and local hotels' choice to compete on price
(O6) Providing utilities on hotel promotions and sales	(T7) Proliferation of rivals and exacerbation of competition
(O7) Helping to learn quickly new trends and technologies	(T8) Some of the government policies
(O8) Helping to rise the profit margin of online sales	(T9) High circulation rate among the tourism workers and lacking a loyal employee team
(O9) The opportunities given by particularly the hotel rating sites to the BHs without brand recognition	(T10) The sale and revenue figures may be negatively influenced by the biased and negative feelings of the people who have no lodging experience in the hotel but are dissuaded by the negative comments on internet channels
(O10) Competitive edge gained by BHs against the hotels with gigantic budget on reaching the customers as ITs become cheaper	(T11) Expansion in the Istanbul's rail system network and conveniences in Istanbul traffic help to decrease the importance of lodging place's proximity to touristic regions
(O11) Easily delivery of hotel promotions to large masses, and more sales with higher prices	(T12) Traffic problems in the region and whether lodging place is closed to traffic for certain time periods
(O12) The possibility of transforming the opportunities into sales through a good marketing policy in an online environment without need to go anywhere	
(O13) As a result of the development of internet technologies, establishment of new departments to deal with merely online sales, and creation of new jobs	
(O14) Because the comments shared in websites and SM largely affect the decisions of potential customers, the hotels adjust their own strategies according to the positive/negative comments	
(O15) The capability of reaching to more potential customers and making more hotel promotions through a great variety of sale channels	
(O16) Istanbul's ever increasing popularity	
(O17) Sale and marketing convenience to be in a popular location	
(O18) Offering lodging service in a region with a tourist influx	
(O19) Whether the hotel is located historical peninsula	
(O20) Accessibility	
(O21) Whether the location of hotel is safe	
(O22) Falling marketing communications costs	
(O23) Altering customer expectations and requests	

SO (Maxi-Maxi) Strategies

This strategy expresses maximizing internal strengths and opportunities stem from external environment. To this end, we have developed SO strategies by matching the overlapping factors in the SWOT Analysis (Table 1).

SO1: Make the most of locational advantages

This strategy is related with the factors of "S9, S12, S17, S20, O16, O17, O18, O19, O20". The intensive characteristic of Istanbul's cultural tourism turns the central location of a hotel into a marvelous advantage. When it comes to draw attention of customers to a hotel, some crucial factors such as accessibility, operating in the historical peninsula, and being within walking distance to the historical and touristic regions have a powerful marketing superiority.

SO2: Improve brand awareness

S2, S4, S6, S7, S16, S17, S20, S22, O1, O2, O3, O4, O9, O15. In the lodging industry, it is generally accepted mandatory factors for a facility to offer quality service in order to be a strong brand. For instance, a membership to Design Hotels™, which is a society offering unique services in terms of life style and comprised of only 200 member hotels selected among the applications from almost 40 countries worldwide, provides many great advantages and opportunities to the hotels (Design Hotels™, 2014).

SO3: Make use of the ITs efficiently

S3, S5, S6, O2, O3, O4, O5, O6, O7, O8, O9, O10, O11, O12, O13, O14. The BHs regard to share the services they offer (photographs of rooms, private dinners, weddings, parties or any details about the hotel) with their followers as a marketing communications tool that must be certainly used as a marketing channel.

SO4: Set proper price-value equilibrium

S1, S13, S24, O8, O10, O11, O22. The BHs, which promise their customers to have a unique vacation experience, are able to set higher prices than their competitors through their own authenticity, architectural design, rooms decorated with different design, and extra services they offer.

Table 2: A TOWS Matrix on the Marketing Strategies of BHs in Istanbul

	Internal Factors	Strengths (S)	Weaknesses (W)
Opportunities (O)		SO (Maxi-Maxi) (SO1) Make the most of locational advantages (SO2) Improve the brand awareness (SO3) Make use of the ITs efficiently (SO4) Set a proper price-value equilibrium (SO5) Improve the customer satisfaction and loyalty (SO6) Bring the differences of BH to forefront	WO (Mini-Maxi) (WO1) Improve brand recognition (WO2) Enhance physical conditions (WO3) Bring the advantages of location to forefront (WO4) Communicate over a wide array of channels (WO5) Choose qualified personnel (WO6) Maintain the price-utility equilibrium
	Threats (T)	ST (Maxi-Mini) (ST1) Improve the competitiveness (ST2) Reinforce human resources (ST3) Being open to criticism (ST4) Keep a level head against the social events (ST5) Location is not a problem anymore	WT (Mini-Mini) (WT1) Improve competitiveness (WT2) Enhance security measures

SO5: Improve customer satisfaction and loyalty

S4, S13, S16, S18, S24, O4, O14. The customers leaving the hotel contentedly usually turn into a loyal customer in due course, and then they enable the hotel to earn new customers by making the advertisement of hotel through WOMM. Besides, the customers may also influence the decisions of potential tourists by sharing their experiences about the hotel on websites or SM.

SO6: Bring the differences of BH to forefront

S1, S7, S8, S10, S11, S13, S14, S15, S25, O2, O3, O9, O14, O15, O19. It must be targeted to reach the target audience with lower costs through sharing content such as information, photographs, videos in websites and SM, and to give an efficient demonstration. As the

privileges offered by hotel spread abroad among the virtual communities, it will be possible to reach to wider masses.

ST (Maxi-Mini) Strategies

Maxi-Mini Strategy expresses maximizing internal strengths and minimizing threats stem from external environment. To this end, we have developed ST strategies by matching the overlapping factors in the SWOT Analysis (Table 1).

ST1: Improve the competitiveness

S1, S2, S8, S9, S10, S11, S12, S14, S15, S22, S24, S25, T2, T6, T7. To improve the competitiveness, a BH should put its own qualifications forefront in the promotions, and underlie its ability to make the potential customers to have a unique experience, and to offer privileged service at a cost level that is not likely to be found in any other place.

ST2: Reinforce human resources

S7, S19, S21, S22, S23, T9. Brilliant applications should be devised for enhancing the loyalty of employees, employee motivation should be strengthened, a performance-based bonus system must be established, the career development of employees should be supported, qualified personnel must be employed, and regular training courses must be organized.

ST3: Being open to criticism

S3, S6, T10. Telling about their positive impressions about a hotel in SM platforms or their kith and kin face-to-face, the customers help the hotel gain new customers. According to many surveys, the share rate of negative comments is much higher than that of positive comments. Thanks to the progresses in internet and SM, the customer comments have become easily traceable, and so the WOMM has gained a written version.

ST4: Keep a level head against the social events

S19, T3, T5. The social events, activities, and demonstrations seen in central regions may negatively affect the tourists. However, it is crucial to adopt a calm attitude to prevent the customers to feel themselves nervous by behaving as cool as a cucumber and tightening the security measures in such circumstances.

ST5: Location is not a problem anymore

S9, T11. It may be important to be serving in the region of Historical Peninsula or a central location. However, the threat risk targeting the enterprises located in non-central regions is not a problem anymore for Istanbul wherein the transport facilities are streamlined, the rail transport network has become prevalent, particularly the Marmara has come on stream, and many types of transportation vehicles are used.

WO (Mini-Maxi) Strategies

This strategy expresses minimizing internal weaknesses and maximizing opportunities stem from external environment. For this purpose, we have developed WO strategies by matching the overlapping factors in the SWOT Analysis (Table 1).

WO1: Improve brand recognition

W1, W2, O1, O2, O3, O4, O9, O15. See the description in SO2 strategy.

WO2: Enhance physical conditions

W5, W11, O23. The BHs are not allowed to enlarge their physical capacity as much as they wish because of the criteria pre-determined by T.R. Ministry of Culture and Tourism. It is possible for them to create a positive impression on the customers by shifting their capacity to a level that may offer whole facilities to fulfill the customer expectations through uniquely redesigning their rooms, ballrooms, assembly halls, and dinner halls.

WO3: Bring the advantages of location to forefront

W3, W4, O16, O17, O18, O19, O20. There may be the positive aspects of a location of the hotel, as well as the negative aspects. The promotions should always focus on the advantages stem from location, and underline the strength of positive aspects.

WO4: Communicate over a wide array of channels

W2, W7, O2, O9, O10, O11, O12, O14, O15. SM and internet has become a significant tool to influence the customer preferences by offering rich content, as well as providing a cost effective way to reach to the target audience. However, the individuals older than a certain age should be reached through different channels, because they rarely or never use internet.

WO5: Choose qualified personnel

W6, W8, O8, O10, O13. See the description in ST2 strategy.

WO6: Maintain the price-utility equilibrium

W10, O8, O10, O11, O22. See the description in SO4 strategy.

WT (Mini-Mini) Strategies

This strategy expresses minimizing both internal weaknesses and threats stem from external environment. For this purpose we have developed WT strategies by matching the overlapping factors in the SWOT Analysis (Table 1).

WT1: Improve competitiveness

W9, W10, T2, T6, T7. See the description in ST1 strategy.

WT2: Enhance security measures

W3, T3, T5. It is always unavoidable to tighten the security measures in order to prevent the tourists to feel them uneasy because of the social events, demonstrations, and activities. In the same vein, it is crucial to keep a level head through sharing the information that the region is already put under protection by official security forces.

Conclusions

Although, it is not feasible to devise a magical formula that can be labeled as one size fits all in lodging industry, we suggest our Boutique Model as an exemplary prototype to the BHs in order to help them make the most of their potential through implementing efficient marketing strategies and attract as large as target groups that fall into the surveillance area of their radars.

Consequently, a SWOT analysis is conducted by asking vital questions about their marketing strategies to 12 BHs operating in Istanbul. Following the evaluation of findings shows up in the SWOT analysis, a TOWS Matrix is created, and a set of strategies is developed. The strategies in question are as follow:

- Make the most of locational advantages
- Improve brand awareness
- Make use of information technologies efficiently
- Set a proper price-quality-utility equilibrium
- Improve the customer satisfaction and loyalty
- Bring the differences of BH forefront
- Improve competitiveness
- Reinforce human resources, and employ qualified personnel
- Being open to criticism
- Keep a level head against social events
- Enhance the physical conditions
- Communicate over a wide variety of channels
- Tighten the security measures

The internet as a communication medium offers many advantages over traditional mediums. For example, website promotions provide an avenue for BH managers with small budgets. The internet is a cost-effective and global medium (Lwin & Phau, 2013). As the IT continues to develop at an unprecedented pace in recent years, at long last it has become possible to make sales and reservations via internet channel, apply new technologies to the business processes of hotels, raise awareness among the customers, and create a written version of WOMM on SM platforms. And, this new capacity offers marvelous opportunities for hotels to re-structure their own strategies in accordance with the positive or negative comments shared by consumers on internet. However, as the different target groups instinctively have different habits, the most proper and charmer communication channels that fill the bill should be preferred. Wang (2008) stated that the ICT offer several advantages for the hotels of all sizes. One of the advantages is increased effectiveness due to cost reduction and revenue growth. Another advantage is higher quality in customer relationships due to the possibility of personal contact services and dialogue with the customer (DiPietro & Wang, 2010; Wang, 2008).

From our point of view, the BHs are organizations, which offer customer tailored services and then make use of the customer satisfaction data as the greatest and uber-efficient marketing tool. As the local BHs have not sufficient brand recognition and still offer similar lodging prices like the 5-star hotels, the guest comments will be surely continuing to have a vital importance in terms of preferability and performance criteria. However, on one hand the creation of an emancipated and authentic environment wherein the tourists may readily share their experience of service quality about the hotels with each other improves the current guest quality, on the other hand this superb consequence unavoidably makes the need of a qualified personnel to become an urgent priority for the BHs, and eventually it can be their unique selling point on a permanent base.

References

- Ali, F., Omar, R., & Amin, M. (2013). An examination of the relationships between physical environment, perceived value, image and behavioural intentions: A SEM approach towards Malaysian resort hotels. *Journal of Hotel and Tourism Management*, 27(2), 9-26.
- Almedia, N. M., Silva, J. A., Mendes, J., & Oom do Valle, P. (2012). The effects of marketing communication on the tourist's hotel reservation process. *Anatolia: An International Journal of Tourism & Hospitality Research*, 23(2), 234-250.
- Anhar, L. (2001). The definition of boutique hotels. Retrieved from <http://www.hospitalitynet.org/news/4010409.html>
- Buhalis, D., & Law, R. (2008). Progress in information technology and tourism management 20 years on and 10 years after the internet: The state of tourism research. *Tourism Management*, 29(4), 609-623.
- Chan, N., & Denizci Guillet, B. (2011). Investigation of SM marketing: How does the hotel industry in Hong Kong perform in marketing on SM websites? *Journal of Travel & Tourism Marketing*, 28(4), 345-368.
- Chiou, W. B., Wan, C. S., & Lee, H. Y. (2008). Virtual experience vs. brochures in the advertisement of scenic spots: How cognitive preferences and order effects influence advertising effects on consumers. *Tourism Management*, 29(1), 146-150.
- Cummins, S., Peltier, J. W., Schibrowsky, J. A., & Nill, A. (2014). Consumer behavior in the online context. *Journal of Research in Interactive Marketing*, 8(3), 169-202.
- Design Hotels™. (2014). Benefits of being a member of Design Hotels. Retrieved from http://corporate.designhotels.com/become_a_member/_benefits.
- DiPietro, R. B., & Wang, Y. R. (2010). Key issues for ICT applications: Impacts and implications for hospitality operations. *Worldwide Hospitality and Tourism Themes*, 2(1), 49-67.
- Dokmeci, V., & Balta, N. (1999). The evolution and distribution of hotels in Istanbul. *European Planning Studies*, 7(1), 99-109.
- Duncan, T., & Moriarty, S. E. (1998). A communication-based marketing model for managing relationships. *Journal of Marketing*, 62(2), 1-13.
- El-Gohary, H. (2010). E-Marketing: A literature review from a small businesses perspective. *International Journal of Business and Social Science*, 1(1), 214-244.
- Godin, S. (2007). *Small is the new big: And 183 other riffs, rants, and remarkable business ideas*. London, England: Penguin Books.
- Grönroos, C. (1999). Relationship marketing: Challenges for the organization. *Journal of Business Research*, 46(3), 327-335.
- Hvass, K. A., & Munar, A. M. (2012). The takeoff social media in tourism. *Journal of Vacation Marketing*, 18(2), 93-103.
- Jones, D. L., Day, J., & Quadri-Felitti, D. (2013). Emerging definitions of boutique and lifestyle hotels: A Delphi study. *Journal of Travel & Tourism Marketing*, 30(7), 715-731.
- Kasavana, M. L., Nusair, K., & Teodosic, K. (2010). Online social networking: Redefining the human web. *Journal of Hospitality and Tourism Technology*, 1(1), 68-82.
- Khosravi, S., Malek, A., & Ekiz, E. (2014). Why tourists are attracted to boutique hotels: Case of Penang Island, Malaysia. *Journal of Hospitality & Tourism*, 12(1), 26-41.
- Kim, H. K., & Song, J. (2010). The quality of word-of-mouth in the online shopping mall. *Journal of Research in Interactive Marketing*, 4(4), 376-390.
- Kleinrichert, D., Ergul, M., Johnson, C., & Uydaci, M. (2012). Boutique hotels: Technology, social media and green practices. *Journal of Hospitality and Tourism Technology*, 3(3), 211-225.
- Kotler, P., & Armstrong, G. (1996). *Principles of marketing*. New Jersey, NY: Prentice-Hall International.
- Kotler, P., Bowen, J. T., & Makens, J. C. (2010). *Marketing for hospitality and tourism* (5th ed.). New Jersey, NY: Pearson Prentice Hall.
- Kurgun, H., Bagiran, D., Ozeren, E., & Maral, B. (2011). Entrepreneurial marketing-the interface between marketing and entrepreneurship: A qualitative research on boutique hotels. *European Journal of Social Sciences*, 26(3), 340-357.
- Lwin, P., & Phau, I. (2013). Effective advertising appeals for websites of small BHs. *Journal of Research in Interactive Marketing*, 7(1), 18-32.
- Naylor, R.W., Lamberton, C. P., & West, P. M. (2012). Beyond the like button: The impact of mere virtual presence on brand evaluations and purchase intentions in SM settings. *Journal of Marketing*, 76(6), 105-120.
- Page, S. J. (2011). *Tourism management*. Madrid, Spain: Elsevier.
- Porter, M. (2001). Strategy and the internet. *Harvard Business Review*, 79(3), 63-78.

- Schultz, D. E., & Peltier, J.W. (2013). Social media's slippery slope: Challenges, opportunities and research directions. *Journal of Research in Interactive Marketing*, 7(2), 86-99.
- T.R. Ministry of Culture and Tourism General Directorate of Investment and Enterprises. (2014). Retrieved from <http://yigm.kulturturizm.gov.tr/TR,9579/turizm-tesisleri-islemleri.html>.
- Wang, Y. C. (2008). Collaborative destination marketing: Roles and strategies of convention and visitors bureau. *Journal of Vacation Marketing*, 13(3), 187-203.
- Wehrich, H. (1982). The TOWS matrix – A tool for situational analysis. *Long Range Planning*, 15(2), 54-66.
- Wehrich, H. (1999). The TOWS matrix – An alternative to porter's model. *European Business Review*, 99(1), 9-22.
- Xiang, Z., & Gretzel, U. (2010). Role of SM in online travel information research. *Tourism Management*, 31(2), 179-188.

Acknowledgements

This study was funded by Istanbul University Scientific Research Projects Office. (Project No: 42188)