

# BOUTIQUE HOTELS AND GUESTHOUSES: SWIMMING AGAINST THE CURRENT



As tourism slowly picks up after months of forced lethargy, the industry is now counting its casualties. However, guesthouses seem to have weathered the storm fairly well, as **Nagi Morkos**, founding and managing partner at Hodema consulting services, notes.

Following the Covid-19 crisis and a more acute sense of ecological responsibility, many travelers are now joining the quest for more sustainable and authentic trips. The trend to avoid standardized hotel experiences emerged a couple of years ago, but mostly applied to wealthy individuals who could afford the luxury of solitude and tailor-made services or low-budget travelers who rented rooms in local homes. Now, the middle class is joining the movement and boosting alternative lodgings, such as guesthouses and boutique hotels. The fairly recent trend for client reviews and feedbacks being left in real time through apps and social networks has also reshuffled the conventional hospitality cards and benefited small establishments that do not have the visibility of chain hotels.

## No request too large, no detail too small

Let's take a look at boutique hotels. The Middle East has a lengthy tradition of independent hotels, and international

groups have only settled in the region since the 1970s, largely in big cities. Years have gone by, and long-established hotels have started revamping their properties to attract tourists. Investors thus saw an opportunity to use these mid-size premises to open boutique hotels, following the success story of the genre pioneer the Hotel Albergo, established in a traditional Lebanese house in the heart of Beirut in the 1930s.

The reason boutique hotels have become such a hit is that they make you feel special and unique. The key words today are local, niche, authentic and unique. Travelers want to spend their money on a different experience. As most boutique hotels are in the mid- and high-end segments, international hotel brands saw the threat and joined the movement by starting their own small-scale brands in the luxury segment. From Curio Collection by Hilton to Alila by Hyatt and Anantara, the industry's big names have followed the trend. Others are rising through the industry's ranks thanks to the boutique

hotel concept: Edition, The Red Carnation Hotel Collection, Oetker Collection or Zannier Hotels, to name a few.

## Boutique hotels in the Middle East

Gulf countries provided an ideal stomping ground for boutique hotels, and their success has proved investors right. In the Emirates, Dubai specifically, the competition is on in the race for luxury. The Zaya Nurai Island in Abu Dhabi, the Anantara Sir Bani Yas Island Al Sahel Villa Resort and the Kingfisher Lodge Kalba in Sharjah feature amazing views and restricted access. Others, such as the Melia Desert Palm Dubai, the Park Regis Boutique Hotel and the Merchant House in Bahrain, are closer to town. One of the particularities of boutique hotels is that they tend to blend into their surroundings, sometimes revamping old traditional houses or building new ones as if they were always there.

Oman, Egypt and Jordan – famous for their stunning nature – have mastered the concept and are taking advantage of the

surrounding environment. In Egypt, the Al Moudira Hotel is a few kilometers away from the Valley of the Queens necropolis, while the Adrere Amellal in Siwa transports you to another time, with no electricity and natural springs. Oman also boasts some of the most beautiful scenery, with the Musadam peninsula and the mountains of Jabal Akhdar. The boutique hotels Alila Jabal Akhdar and Six Senses Zighy Bay are firmly focused on luxury and ecology, with buildings blending into the surrounding nature.

Jordan, despite being more understated, has started its own luxury segment. The Ma'in Hot Spring and Wadi Rum both have their boutique hotels, the first with a spa near the waterfalls and the second with Bedouin tents.

In Cairo and Beirut, there's more of a city vibe, with traditional buildings being turned into small hotels with a maximum of 25 rooms. From the Hotel Albergo in Lebanon to La Belle Epoque, le Gabriel or the 1920 in Egypt's capital, visitors will experience the golden age of these cities today in

economic and social turmoil. These properties do not bet on extra facilities, such as spas or meeting rooms, to attract clients; the aim is to make you travel back in time in a cozy home.

In Lebanon, the segment is not as clear cut. In the last few years, boutique hotels have flourished across the country. However, they are often family run and not as extravagant and upscale as their Gulf counterparts. Aleph Boutique Hotel in Byblos, Beit Al Batroun and Nazel Saada Boutique Hotel in Batroun have midrange prices that have drastically fallen since the economic collapse of the country.

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## Living the local life

So, what is the difference between a boutique hotel and a guesthouse? Well, the line is blurred, as guesthouses are also surfing the authenticity and niche wave.

Usually, the latter are smaller structures as they often occupy private homes and serve the low to mid-market. Guesthouses are perfect for visitors wanting to connect with the locals and experience the typical lifestyle. Owners provide activities, such as cooking, wine tasting, painting and so forth.

Lebanon has become a reference in the region, with around 138 of its guesthouses spread out in the mountains and by the sea. L'Hôte Libanais has been listing authentic guesthouses and promoting rural and sustainable tourism for more than a decade.

In Egypt, locals have been welcoming visitors for some time, as there are enough tourists to fill all types of lodgings. In Cairo, prices remain affordable, even with a view of the pyramids. In Aswan and Sharm El-Sheikh, both touristic hotspots, prices are rising.

With the economic situation uncertain in most countries in the region, guesthouses can provide easy entry into the hospitality business. But the lack of regulation regarding these niche establishments makes it difficult to know what the future holds.