



# Hospitality, Commercial Homes and Entrepreneurship

**After working through the chapter you should be able to:**

- Critically discuss hospitality and hospitableness in the context of small firms
- Recognise the attractiveness of commercial hospitality to owner/managers
- Evaluate the linkages between commercial homes and hospitality businesses
- Recognise the tensions and dilemmas inherent in commercial homes

## INTRODUCTION

The prevalence of small firms in the hospitality and tourism sector is a dominant feature of the international industry. Even in advanced market economies where a small number of firms dominate most markets, most individual hotels restaurants and bars are owned and managed by small firms. Whilst recognizing that a small number of hotel groups, restaurant groups and some country pub groups, do control a disproportionately large share of these markets, most premises are owned by small firms. Frequently, these are micro firms, employing fewer than 10 staff, and in many cases they employ none, other than family members who ‘help out’ as needed (Lashley and Rowson, 2003, 2005, 2007).

Whilst there are clearly economic and location factors which limit opportunities for economies of scale and require the location of hotels, restaurants and bars to be close to their markets, the sector has attractions for the small firm entrepreneurs. The nature of hospitality, its cultural meanings and links to domestic experiences suggest for many would be entrepreneurs that they have the skills needed to offer hospitality services commercially (Lashley and Rowson, 2008). The ‘commercial home’ provides a setting for a number of levels of commercial engagement. Also, and perhaps more importantly, it allows different levels of engagements as host. This chapter suggests that hospitality and opportunities for engagement with hospitality and acts of

hospitalableness is a significant attraction to those looking for business opportunities, for working closely with the family, or for undertaking work which limits engagement with the labour market. The chapter explore some of the emergent issues and debates surrounding hospitality and hospitableness before going on to discuss issues and dynamics flowing from studies of the commercial home.

### Reflective practice 8.1

Describe your most memorable experience of being a guest in a hospitality setting. This may be in a private dwelling or in a commercial setting. What makes it memorable.

## ON HOSPITALITY AND HOSPITABLENESS

The emergence of the *hospitality* to describe commercial service delivery in bars, hotels, restaurants and other catering activities provides a chance to look at these commercial operations with a more critical eye because of the implied meaning that these businesses provide more than services for monetary exchange. Hospitality has deep cultural significances across the globe. Although there may be some cultural variations, hospitality implies:

- altruistic giving,
- welcome for strangers, and
- feeling of safety and security.

Certainly, recent academic enquiry and debate amongst academics suggest that hospitality and hospitableness are worthy avenues of study in their own right (Lashley and Morrison, 2000; Lashley, Lynch, and Morrison, 2007; Molz and Gibson, 2007). The study of hospitality from social science perspectives has enabled a better understanding of host–guest relationships in an array of

- commercial,
- non-commercial, and
- domestic settings.

In some cases, social scientists have used hospitality as a metaphor for understanding societal interactions between host communities and the guests who come as tourists, asylum seekers, foreign workers, or migrants. In the case of entrepreneurial firms, hospitality can be studied to the extent that it persuades individuals that there are opportunities to generate income. Many seem to think they have the necessary skills to provide commercial hospitality. In some cases, the perceptions are that the provision of food, drink

and bed spaces requires no skill. It is something they do at home (Lashley and Rowson, 2008).

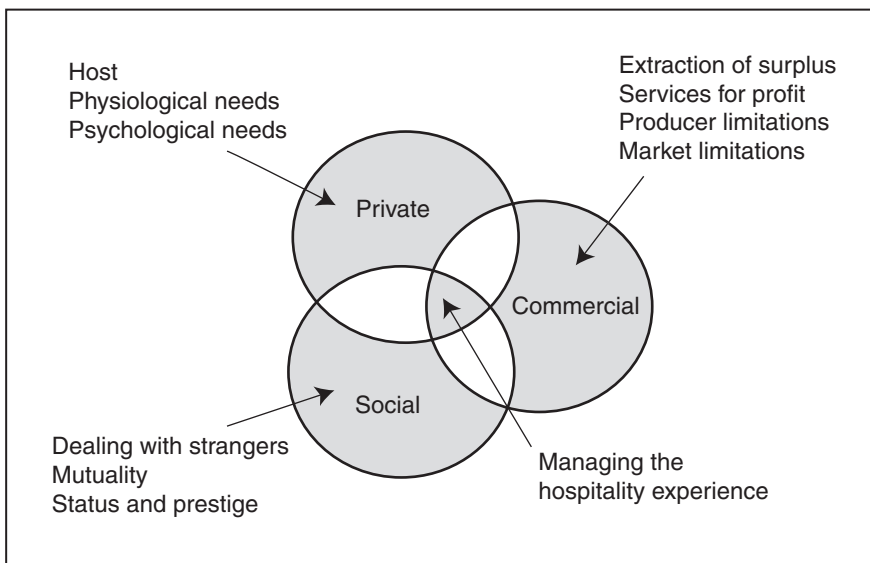
### Key point 8.1

Studying hospitality as a wider social phenomenon helps explain why so many would be entrepreneurs consider that they have the skills necessary for business success providing commercial hospitality services.

Lashley (2000) initially proposed that a three domain model helped to set the context of hospitality using a Venn diagram to distinguish between cultural/social; private/domestic and commercial domains but to also show how the domains potentially overlap and influence each other [Figure 8.1](#).

Whilst it was recognized that the Venn diagram was unsophisticated, it did allow a discussion of the three domains to take place and the following will highlight some of the emerging issues that have implications for the management of hospitality and tourism. The Venn diagram also suggested a way of thinking about hospitality that looked beyond the immediate commercial activities in hotels, restaurants, bars and cafes, etc.

- Hospitality was also likely to be practiced in private domestic settings, and this was likely to be a site of learning about hospitality that might ultimately inform hospitality practitioners in commercial settings.



**FIGURE 8.1** *The three domains of hospitality.*

- Both would be set within a social and cultural setting that would inform expectations of both guests and hosts about hospitality transactions.
- The social and cultural domain provides the setting in which both the private expectations of hospitality and commercial delivery of hospitality goods and service take place.

The French philosopher Jacques Derrida said,

*‘Not only is there a culture of hospitality, but there is no culture that is not also a culture of hospitality. All cultures compete in this regard and present themselves as more hospitable than the others. Hospitality – this is culture itself.’ (2002: 361).*

### The social/cultural domain

The quotation from Derrida (2002) suggests that these are claims made by all cultures, and are indications of the human decency with which a society seeks to define itself. Derrida tends to assume a timeless and unchanging aspect of hospitality.

- It is clear that modern industrialized societies do not have the same cultural and religious obligations to be hospitable to strangers.
- There is not now, as there would have been in medieval England (Heal, 1990), or Austinia Rome (Lomaine, 2005), ancient Greece or Judea (O’Gorman, 2007) a need to offer shelter, food and drink to strangers.
- Nor is there a widely held social intention to ‘turn strangers into friends’ (Selwyn, 2000).

That is not to say that these obligations do not exist in contemporary societies across the globe, as will be discuss later, there are examples of societies where these obligations on both guests and hosts are taken very seriously, and in some cases with deadly consequences when transgressions occur (Lashley, 2008).

- A common theme in all these settings is that the obligation to offer hospitality to strangers was both cultural and religious.
- Socially defined meanings of decency included requirements to offer shelter to strangers, to provide food and drink and protection from danger.
- These obligations extended to all, irrespective of status or origins.
- These social and cultural obligations were reinforced by religious strictures and in both Greek and Roman, and later Christian parables suggested that the Gods, or Jesus, often assumed a disguise as a poor

traveller, so as to test the hospitality offered to strangers by hosts, and woe-betide any host who refused a request for hospitality.

- In all these Greek, Roman and Christian contexts, the parables suggest that a failure to be hospitable would result in all worldly goods being taken away from the inhospitable wrongdoer.

Writing about hospitality in the early medieval England, Heal (1990) suggests that there were strong moral cultural obligations to offer hospitality to travellers, strangers and the homeless. The host was to offer protection and safety as well as nourishment and a place to sleep. She says these obligations were founded on five underlying principles:

1. that the relationship between host and guest is a 'natural' one (i.e. that it is grounded in the nature of social life);
2. that an intrinsic part of being a host is having regard for the *sacred nature* of the guest (which refers, broadly, to the honour and status to which a guest may bring to the host);
3. that hospitality is noble;
4. that *altruistic giving* is an established and expected part of English social life;
5. that hospitality and the social relationships and exchanges it engenders are at least as important as those formed in the market place (22).

Although the obligations to be hospitable no longer have the moral authority they once had in advanced industrial societies, moralists continued to make reference to them throughout the 20th Century. Selwyn (2000) traces sermons by religious leaders stretching into the nineteenth and twentieth centuries which were extolling the virtues of giving hospitality. Even in 1930s USA the Catholic Workers movement advocated re-engaging with medieval ideas of hospitality as a way of providing support for unemployed and poverty stricken people (Selwyn, 2000). Writing from a Christian perspective, Nouwen (1975) argues that hospitality should consist of the following facets:

- Free and friendly space – creating physical, emotional and spiritual space for the stranger.
- Stranger becomes a guest – treated as a guest and potential 'friend'.
- Guest protected – offer sanctuary to the guest
- Host give gifts – the host welcomes the guest by providing the best gifts possible.
- Guest gives gifts – the guest reciprocates and gives gifts to host.
- All guests are important and gifted – the host values the guest and gains value from them.

- Acceptance, not hostility – especially the kinds of subtle hostility, which makes fun of strangers or puts them into embarrassing situations.
- Compassion – hospitality is basically a sense of compassion.

Whilst these obligations to offer hospitality do not have the same social and cultural force that they once had, many individuals are still concerned about hospitality and being good hosts, and also we must not forget, good guests. Sherringham and Daruwalla (2007) remind us of an old Italian saying, which roughly translates as, ‘Guests are like fish, after three days they stink’.

These obligations to offer hospitality to strangers are of interest for a number of reasons.

- First, the moral and ethical dimensions of hospitality provide an interesting point of comparison with the current commercial delivery of hospitality goods and service. ‘Treat the customers as though he/she was guest in your own home’ (Lashley, 2000: 13) is how one restaurant company attempted to instruct staff in the levels of service required. Of course this instruction only applied if the customer was able to pay.
- Second, these moral, ethical and personal commitments to provide hospitality, although not so widely held across the society promoted as they were in the past, may well be held by individuals who want to make a living out their passion to entertain in a hospitable way. Hence the sector may be attractive to entrepreneurs with a specific interest in hospitality, learnt through the wider culture or through religious teaching.
- Third, the models of hospitality from the past or through ethical teaching may help entrepreneurs to be gain competitive advantage by adapting the principals of hospitality to inform service deliver and build customer relationships, ‘Turning customers into friends’ (Lashley and Morrison, 2004).

### **Key point 8.2**

Cultural obligations to offer hospitality and to be hospitable provide important ethical modes which can guide contemporary entrepreneurial practice.

## **On hospitableness**

Typically hospitality and hospitableness are expressions of altruistic generosity driven by pure motives and a desire to serve others without immediate

promise of reward. Telfer (2000) considers the philosophy of hospitality, and suggests that there is a distinction between hospitality and hospitableness. Telfer's work suggests that the motives of hospitality are what defines whether hospitality is genuine or not. Providing hospitality because the host has an ulterior motive or for personal gain, is not said to be true hospitality.

Interestingly this raises an issue of interesting debate about the meaning of true hospitality and the role of reciprocity. Hospitality practiced by elite families in Augustinian Rome was founded on the principle of reciprocity as an early form of tourism (Lomaine, 2005). Affluent Romans developed networks of relationships with other families with whom they stayed as guests and then acted as hosts when their former hosts were intending to travel.

For Telfer (2000), these reciprocal arrangements do suggest ulterior motives and question the nature of the hospitality. This does also raise issues about the nature of commercial hospitality because one reading of Telfer's assessment is that commercial hospitality is not likely to be hospitable because of the provision of hospitality being linked to the ulterior motive of profit generation.

Telfer (2000) suggests truly hospitable behaviour is motivated by genuine needs to please and care for others, and should not be practiced to deliberately impress the guest or for the expectation of repayment. She says hospitable motives include the following:

- the desire to please others, stemming from general friendliness and benevolence or from affection for particular people; concern or compassion;
- the desire to meet another's need;
- a desire to entertain one's friends or to help those in trouble.
- a desire to have company or to make friends, and the desire for the pleasures of entertaining – what we may call the wish to entertain as a pastime.

### **Key point 8.3**

Truly hospitable behaviour is different from offering hospitality because it is motivated by genuine needs to meet the needs of others and hospitableness.

Consideration of hospitableness is valuable to hospitality operators because it can provide a model for staff training as well as service quality definition and management which can build a genuine competitive advantage for

hospitality entrepreneurs. If strangers/customers can be converted to friends they are likely to be much more loyal customers.

### The private/domestic domain

Whilst there are cultural and social expectations about hospitality which set the broad rules about both the treatment of guests by hosts, and the behaviour of guests when they are being hosted, the practice of practical hospitality is experienced mostly in domestic private settings.

- Entertaining family and friends for dinner, offering drinks to visitors and even accommodating them are activities that are widespread in most societies.
- Typically individuals would therefore experience being guests in other families' homes, and being hosts when others come to their home.

The rituals associated with hosts and hosting behaviour is itself a topic worthy of study. Rules about guests making contributions to the host in the form of wine, gifts, or dishes to be consumed are worthy of study across communities.

- In some cases, the guest who turns up for dinner without a contribution of a bottle of wine would be regarded as lacking generosity and taking advantage of the host.
- In other cases, hosts might be offended by the guest who arrives with wine, food, etc. because it suggests that the hosts cannot afford to entertain the guest.

Certainly, these obligations and expectations will be largely shared through the sharing of cultural and social norms of what is appropriate (Lashley *et al.*, 2007).

The key concern for hospitality and tourism operators is the extent that these motives and desire can be captured, promoted and delivered in a commercial context. In principle, Telfer suggests that where hosts are offering hospitality for personal gain, or for vanity or solely out of a sense of duty the actions are not genuinely hospitable. Warde and Martens (2000) research on 'dining out' suggested that diners interviewed about their experiences of dining in commercial and domestic setting stated that the experiences in domestic setting was more authentic than those in commercial restaurants.

- The domestic/private domain of hospitality provides a bench mark against which commercial hospitality is judged.
- Respondents often use the language of domestic hospitality to evaluate their experiences in commercial settings (Lashley *et al.*, 2005)



- It is also a source of learning about host and guest relations which can be used during communications with guests and with staff in commercial operations. For example, one UK based restaurant group required service workers to ‘treat customers as though they are guests in your own home’ (Lashley, 2001: 70).

The link between the private domestic domain and commercial activities as a source of learning also extends to career choice as many subsequent chefs initially take their inspiration from within the home (O’Mahony, 2003).

- Research on top award winning chefs by O’Mahony suggests that a common theme with all the winners was that they had developed their love of cooking and entertaining with a mother or grandmother.
- Lashley’s (1985) research into leading hotel and restaurant chef profiles also revealed that they typically developed an enjoyment of food and cooking in the home with a mother, grandmother, or other significant female family member.

Furthermore, the link between the domestic domain of hospitality and commercial activities has a major influence on hospitality entrepreneurial activity. This occurs in two ways.

First, many commercial hospitality activities are set in domestic dwellings. The ‘commercial home’ in the small hotel and bed and breakfast sector, or in farm stay settings involve guests entering the private domestic dwelling.

- Often the decision has involved selling domestic home to buy the hotel. Lashley and Rowson (2005, 2007) found that over 70 per cent of hotel owners in Blackpool’s small hotel sector had sold a house in order to purchase the hotel.

Lynch and MacWhannell (2000), Lynch (2005), and Sweeney and Lynch (2006) have undertaken research exploring the relationship between commercial hosts and their paying guests. There appear to be different levels of engagement with between hosts and guest.

- In some cases, hosts accept and treat paying guest as they would family and friends. In other words, there are few ‘no go areas’; guests and hosts dine together, use the same sitting room and sleep in bedrooms still adorned with family bric-a-brac.
- At the other end of the scale, guests and hosts occupy different parts of the property, eating in separate dining rooms, sitting different in rooms and guest sleep in bedrooms which have been made to be depersonalized. Lynch (2005) points to some important tensions in the

expectations of guest in these small properties compared with hosts and their advisors.

Overseas visitors often choose these smaller hotels and guest house precisely because they want to live with a ‘real family’. However, the hotel proprietor wants to establish some distance from their paying customers, and tourism official frequently advise them to professionalize their relationship with guests, making it less friendly and more anonymous like a traditional larger hotel.

The second link to between domestic and commercial domains of hospitality is in the nature of the assumed skill sets required to operate a commercial hotel, bar or restaurants. Through the domestic nature of providing sleeping accommodation, food and drink many new business start ups underestimate the skills needed for successful commercial hospitality operations (Lashley and Rowson, 2007).

The domestic/private domain of hospitality provides valuable insights for those interested in marketing commercial hospitality experiences. It establishes a context in which individuals perform acts of hospitality and display their qualities of hospitableness. The domain also establishes the sense of authenticity of the hospitality experience. The assumption being that those who invite guests to stay or dine, in their home are motivated by the desire to entertain, though as Telfer (2000) shows, these motives may not always be genuine. Individuals may be offering hospitality out of a sense of vanity, for ulterior motives or because they feel an obligation to do so. Certainly, the domestic/private domain is an important setting for both learning the obligations to be a good host and guest, and the specific skills need to run accommodation, bar and restaurant operations.

#### **Key point 8.4**

The private/domestic domain of hospitality provides a key learning environment for learning social and cultural expectations of hospitality and it can provide a basis for learning skills relevant to commercial hospitality.

### **The commercial domain**

One of the key issues relating to hospitality provision in the commercial sector relates to the authenticity of the hospitality provided.

- Are commercial hospitality products and services merely another service?
- Can commercial hospitality ever be genuinely hospitable?

■ Are models of cultural and private hospitality of any value?

Slattery (2002) and Jones (2004) argue that restaurant, bar and hotel services are essentially economic and involve a management activity. The study of hospitality from wider social science perspectives has limited utility. In this view the guest-host transaction is essentially a monetary transaction whereby the host supplies food, drink and/or accommodation for payment in money. This chapter argues that the study of hospitality from these wider perspectives is a worthy exercise in itself, but it can also inform the management of hospitality commercial provision. By considering the nature and quality of the host-guest transaction, commercial hospitality can develop long term relationships with guests and build competitive advantage through the relationship.

Ritzer (2007) suggests that there are powerful drivers in commercial hospitality organizations that will lead hospitality provision becoming 'inhospitable'. Ritzer's comments on McDonaldization suggest that there are corporate drivers to increase

1. efficiency,
2. calculability,
3. predictability and
4. control.

These lead ultimately to the creation of systems which act as a barrier to frontline performance of hospitality. These McDonaldizing processes inhibit performances which are hospitable and at the same time they generate customer feelings of being undervalued as individuals. These standardizing and systemising processes therefore are a fundamental aspect of the approach to managing hospitality services in bars, restaurants and hotels and effect removal of the 'hospitality' from the transaction. In Telfer's (2000) terms the commercial transaction provides an ulterior motive for offering hospitality and therefore prevents genuine hospitality.

Telfer (2000) does suggest that it is not inevitable that commercial hospitality will invariably be a less than authentic version of hospitality in the home. She suggests that it is possible that those who have an interest in, and who value, hospitality will be drawn to work in the commercial hospitality sector. They may run their own hospitality businesses, or choose to work in roles that enable them to be hospitable.

**Key point 8.5**

There are clearly some tendencies to McDonaldize commercial hospitality and tourism services, however, it is possible that entrepreneurs with a strong personal need to be

hospitable may be drawn to opening business which offer guests accommodation, food and drink in a hospitable context.

Work by Lashley *et al.* (2005) on ‘memorable meals’ suggests that the emotional dimensions of the meal were much more significant than the quality of the food in creating memorable meals. The research asked respondents to provide a written account of their most memorable meal. The texts were subjected to semiotic analysis and a multi-dimensional image of the meal emerged:

- the nature of the occasion of the meal,
- fellow diners who made up the company with whom they dined,
- characteristics that contributed to the atmosphere, food eaten,
- overall setting, and
- the service provided.

The occasion was typically some significant event in which the social dynamic of the meal reinforced the emotional significance of the event. Here the event is made more significant by the hospitality setting. The occasion of the meal or holiday is often a celebration of bonding and togetherness with family and friends. The company of others comes across strongly in these accounts, and although one account involved the company of just one other person, most involved groups of people, and none involved an individual diner on their own. The atmosphere created by the setting, other people and their treatment by hosts provide emotional dimensions to meal occasions which are vital to creating memorable occasions. Interestingly, few of the respondents mentioned the food consumed or quality of dishes as part of their descriptions.

The dominant impression is that these emotional dimensions of hospitality are what make these meal occasions special, and it will be these emotional dimensions of their visit that make for memorable hospitality and tourism events. Interestingly, when asked to recount their most memorable meal experiences about half the respondents quoted occasions which were in domestic settings, whilst the other half occasions were in commercial settings.

#### **Key point 8.6**

Commercial hospitality activities provide would be entrepreneurs with business opportunities in which they feel they already possess the key skills or a setting to exercise their hospitality skills a personal need to be hospitable.

## ATTRACTIVENESS OF HOSPITALITY ACTIVITIES

The study of hospitality from a wider set of social science perspectives is useful in developing an understanding of entrepreneurship in the provision of accommodation, food and drink products and services.

- The fact that entrepreneurs regard the provision of these products and service as ones with which they have a developed expertise is directly related to the domestic provision of hospitality.

Would be entrepreneurs, typically, have acted as hosts provided accommodation, food and drink to guest who either visited or stayed in their home. In turn, they themselves will typically have been guests in other people's homes and received these 'hospitality services' from other hosts as friends, relatives or other acquaintances.

- So for many new entrants to the industry, there is no perceived skill deficit which might hamper their decision to pursue an entrepreneurial decision to buy a guest house, hotel, bed and breakfast, pub, inn, restaurant or café.

Furthermore, individuals with domestic dwellings of the right size, location or structure have been able to consider turning part of their domestic space over to commercial activities.

- Accommodation services, in particular, lend themselves to this commercialization of the home, or parts of it, to commercial activities.

But there are also examples of individuals using domestic premises to provide food and beverage services through outside catering, banqueting and contract catering in workplaces. Licensing restrictions over the sale of alcohol, will in many countries, limit the conversion of the domestic space to commercial bars and pubs, but many of these licensed premises were originally domestic dwellings.

- Linkages between gender roles in the home and income generation outside the home typically result in the commercial home providing opportunities for women to become, or remain, economically active without entering the labour market (Lynch and MacWhannell, 2000)

In fact the linkage between the commercial home and economic activity which avoids the labour market is a powerful attraction for many would be entrepreneurs. Research with 'lifestyle style entrepreneurs' (Lashley and

Rowson, 2001, 2005, 2007) suggests that there are a number of motives for engaging in commercial activities from a home base.

In the pub sector in the UK, for example, it is possible to take over a pub operation via a tenancy or leasehold arrangement where the ‘in-going’ is literally a few thousand pounds. One respondent in a major pub company suggested that the pubs with lower sales level would be let as tenancies, typically ranging between £5000 and £7000; whilst pubs with higher sales volumes might be let via leasehold arrangements costing between £40 000 and £50 000 (Lashley and Rowson, 2001). In neither case, are the capital requirements prohibitive for many would be entrepreneurs. In addition, families looking for accommodation and some form of economic income stream are attracted to this sector.

- Many pub companies looking for tenants or leaseholders who are former service personnel from the armed services or the police because those with long service will come out with a ‘lump sum’ to pay for the tenancy of lease.

In this latter case, people who have had a career in the service and are now looking for work on ‘civvy street’ take on a pub because it provides them with a potential business opportunity and income stream as well as domestic dwelling area above the pub. They are in effect avoiding the labour market and gaining access to a ‘free house’ associated with the business.

- The fact that 30–40 per cent of these properties can change hands each year is a by-product of the mismatch between the expectations of and the realities of life as an entrepreneur in the pub business (Lashley and Rowson, 2001)

The restaurant and take away meals market are attractive to members of ethnic minorities (Collins, 2000). French, Italian, Greek, Indian sub-continent and Chinese migrants in particular are found in many European, US, and Australian cities. O’Mahony (2007) highlights the important role that Irish migrants played in the development of ‘hotels’ in Victoria. The Nineteen Century British colonial powers excluded Irish migrants from positions of power and prestige. The Irish migrants found commercial opportunities in the brewing and pub/restaurant sector, often described as ‘hotels’ (Table 8.1).

#### **Key point 8.7**

Low barriers to entry into commercial hospitality businesses means that many potential entrepreneurs running small firms face few restrictions on business start ups.

**TABLE 8.1** Hospitality venues as attractions for would be entrepreneurs

| Hospitality establishment type | Attracted groups of would be entrepreneurs   |
|--------------------------------|--|
| Bed and breakfasts             | Married women  |
| Cultural homestays             | Married couples  |
| Farmhouse stays                | Other relationships  |
| Guest houses                   | Redundant workers  |
| Host families                  | Semi-retirees  |
| Small family run hotels        | Lifestyle changers<br>Those looking for more personal control<br>Those attracted to the area |
| -----                          |  |
| Pubs                           | Ex service personnel   |
| Inns                           | Former police officers   |
| Bars                           | Lifestyle changers<br>Redundant workers<br>Families looking for a 'free house'               |
| -----                          |  |
| Restaurants                    | Migrants   |
| Cafes                          | Married couples  |
| Snack bars                     | Lifestyle changers   |
| Take-away restaurants          | Those who enjoy cooking  |
| -----                          |  |
| Contract catering              | Married women  |
| Dinner party catering          | Married couples  |
| Office catering                | Collectives of men and women   |

## COMMERCIAL HOMES

The link between commercial hospitality business activities and the home is a complex one, covering varying degrees of business intensity. Lynch (2005) takes more accommodation service model. Table 8.2 replicates his list of categories and types of commercial homes.

The commercial home title in the way Lynch employs the term has two dimensions. The first recognises that in many of these establishments guest and host share the same premises with a varying degree of proximity and shared space. Lynch and MacWhannell (2000) suggest that there are several potential levels of interaction between hosts and guests within the premises. The second dimension is that the concept of the home, and homeliness are often implied in the construction of the design of the property and the marketing offer to guests. Often the size of the property is restricted to a small

**TABLE 8.2** Commercial hospitality and tourism home types

| Categories of commercial homes   | Examples of types of commercial homes   |
|----------------------------------|---|
| Traditional commercial homes     | Bed and breakfasts<br>Cultural homestays<br>Farmhouse stays<br>Guest houses<br>Host families<br>'Monarch of the Glen' properties<br>Religious retreats<br>Self-catering properties<br>Small family run hotels<br>Writers retreats |
| Virtual reality commercial homes | Boutique hotels<br>Country house hotels<br>Timeshares<br>Townhouse hotels   |
| 'Backdrop' hotels                | Houses used as visitor attractions<br>Houses used as film sets  |

Source: Lynch (2005: 39).

number of rooms more like a private home, or in a location which suggests more historic (and more hospitable?) times. This second dimension brings us back to an earlier point that the word hospitality allows the commercial offer of hospitality to link psychologically to private hospitality.

Lynch and MacWhannell (2000) suggest three levels of interaction between commercial hosts and commercial guest in the home setting. At its most closely linked to notions of private hospitality, commercial guests and their hosts share much of the space of the private dwelling. Bedrooms are similar décor to those used by host family members. Sweeney's work (2008) shows that in this type of establishment many of the guest's rooms are adorned with personal ornaments and photographs from the host family. Indeed being made to feel 'one of the family' is probably an important aspect of this business offer to its clients. So much of the dining space, and living space is shared between hosts and guests. That said, there will be some areas which are held as 'no go areas' for guests. Kitchens and private bathrooms are two common features (Lynch and MacWhannell, 2000).

A second model involves hosts sharing the same premises with commercial guests though there is much more delineation of 'private' 'no go' areas. Typically dining facilities and lounges, as well as bedrooms and bathroom



facilities are separated out for commercial guests. Frequently, commercial guest areas are made more 'professional' by making them less personal to the hosts. Often local tourism officials encourage the more anonymous hotel like décor in these premises. Sometimes working counter visitors and strangers to an area who are motivated by the need to stay with a 'real family' (Lynch, 2005).

Self-catering where the owners live away from premises is the third commercial home model identified by Lynch and MacWhannell (2000). Here, the owner lives away from the premises occupied by the commercial guest. They suggest two variants where the property is a 'second home' or an investment property bought specifically for letting. Again, the nature of home and the artefacts with which the property is adorned communicate meaning here.

Whilst Lynch and MacWhannell's (2000) model is related to the accommodation sector, it does have relevance to the pub and bar, restaurants and contract catering sectors. In the pub sector for example, many properties would fit into the second model where the owner/manager, tenant/leaseholder live on the same premises as the commercial activity, but there are clearly delineated areas which are private to the hosts and family. Commercial guest rarely enter these parts of the property and then only by special invitation of the commercial. Some restaurants, cafes, snack bars and takeaway premises also have private areas which are personal to the hosts and not shared with commercial guests.

Both the pub and bars, and restaurant, café, snack bar and takeaway premises also involve operations where the commercial guests consume hospitality goods and services, but where the owner manager does not have a private dwelling on the same premises. Here the arrangement is more a 'lock up' in which the notion of the 'commercial home' still exists but with greater emphasis on the commercial than the home. That said, many owner managers will regard the commercial aspect as part of their 'home'. It is their property and guests are entering their personal space, even though it is not shared with private domestic hospitality space.

Small firms operating contract catering, workplace catering, business lunches or dinner service out of their domestic dwelling are in yet another relationship with their clients. The private dwelling's kitchen and storage facilities are used to produce hospitality products but the hospitality is consumed in the guests' premises or dwelling. The hospitality service provider providing host products and services is at once host and guest (Table 8.3).

Hospitality services offered by small firms cover a wide range of different forms of commercial home. Each represents a different level of interaction between commercial hosts and commercial guests. In the majority of accommodation service operations commercial hosts and guests share the same premises, though with varying degrees of levels of sharing common areas.

**TABLE 8.3** Levels of interaction between commercial hosts and commercial guests

| Levels of interaction  | Hospitality types   |
|--|---|
| Hosts and guests share much of the private dwelling space  | Bed and breakfasts<br>Cultural homestays<br>Farmhouse stays<br>Guest houses<br>Host families<br>Small family run hotels   |
| Host and guest share the same premises but much private space is off limits to commercial guests | Bed and breakfasts<br>Guest houses<br>Small hotels<br>Inns, pubs and bars<br>Restaurants, cafes, snack bars and takeaways |
| Owners live away from the premises   | Self catering in second home<br>Self catering in an investment property   |
| Owners live away from the premises which take the form of a lock up                              | Pubs and bars<br>Restaurants, cafes, snack bars and takeaways<br>Some guest houses and small hotels                       |
| Hosts use guest premises to service hospitality experiences                                      | Small scale contract catering<br>Workplace catering<br>Business lunch services<br>Domestic dinner services                |

There are some, small accommodation premises where hosts live away from the property in which guests are staying. Typically, these might be self-catering operations but there are some small hotels and guests houses where the owner managers do live on the same premises as commercial guests. In other cases, guests and host do not share the same premises, because the commercial operation takes the form of a lock up which is closed to guests when the business is not open for trading, and hosts have their own private dwelling elsewhere. Finally some small hospitality businesses are run out of private dwellings and the hospitality is consumed out of guest's premises.

**Key point 8.8**

Commercial homes describes the situation in which many hospitality entrepreneurs operate. To varying degrees the entrepreneur's home is the site of commercial activity.

**TABLE 8.4** Typologies of commercial home owners

| Economic motives | Economic-hospitable motives | Hospitable- economic motives | Hospitable motives |
|------------------|-----------------------------|------------------------------|--------------------|
| 2 respondents    | 13 respondents              | 8 respondents                | 2 respondents      |

*Adapted from: Sweeney (2008: 231).*

Sweeney's work (2008) provides some interesting insights into the motives and concerns of those running commercial homes as the venue for hospitality operations. Table 8.4 shows that for most of her interviewees the need to offer hospitality with a commercial context was most important to most of her interviewees in guesthouses, bed and breakfast places and small hotels. Chapter 3 suggested that most of her interviewees could be located on a continuum starting with purely economic motives at one extreme and pure hospitality motives at the other end. Table 8.4 shows the clustering against each of the four positions.

As Table 8.4 confirms the majority of respondents suggest that motives to enter into the accommodation sector have intertwined motives. The need for economic activity but also associated with a need to be hospitable or at least to offer hospitality to others. There are more respondents who see the sector as chiefly about generating economic benefits though a significant majority of these are claiming to do achieve these in the performance of hospitality services.

**TABLE 8.5** Positive and negative discourses of hosting

| Positive                    | Negative                              |
|-----------------------------|---------------------------------------|
| Own boss                    | Tied to home                          |
| Better lifestyle            | On 24 h call                          |
| Working from home           | Long working hours                    |
| Extra income                | Family time interrupted               |
| Generate money for children | Very busy                             |
| Afford larger property      | Little time to themselves             |
| Meeting new people          | Missed social occasions               |
| Having time off             | Difficult to be spontaneous           |
| Gives status                | Summer holidays limited with children |
| Learning new skills         | Not having their home to themselves   |
| Cost effective for home     | Inferiority complex about work        |
| Socially desirable          |                                       |
| Increased confidence        |                                       |

*Source: Sweeney (2008: 244).*

Sweeney (2008) goes on to provide some insights into the positive and negative discourses in the hosts' perceptions of hosting in a commercial enterprise. Mostly these relate to comments which enable the continuation of domestic roles and relationships but with economic benefits, though recognizing that the underside of the commercial home involves limitations on the freedom to act and do as the family pleases (Table 8.5).

**Key point 8.9**

The hospitality commercial home offers considerable benefits to those entrepreneurs who want an income stream whilst working from a home base. In addition the commercial home brings with it some considerable disadvantages.

The nature of the commercial home and the nature of the business enterprise being pursued by the entrepreneur are likely to influence perceptions of the benefits and limitations of the commercial home. Research on churn in ownership in small hotels (Lashley and Rowson, 2007) and the tenanted and leased pub sector (Lashley and Rowson, 2001) suggests that the change in ownership within the stock of small hotels and tenanted/franchised pubs is in the region of 20–30 per cent per annum.

Any local tourism officer or pub estate manager recognises a cluster of problems of concern by the ease with which it is possible to open hospitality business units. Most countries do have laws relating to the registration of premises providing accommodation, food and/or drink. In many cases, would be entrepreneurs have to be licensed to cover customer safety, in some cases, even to practice hospitality. Mostly, however, the barriers to entry to hospitality business opportunities are relatively low. Many bed and breakfast places, family hotels, guest houses, restaurants, pubs and inns can be bought for the price of medium sized domestic dwelling (Lashley and Rowson, 2001, 2007). Even a McDonald's restaurant franchise in the UK works out at about £250 000 (Lashley, 2000), though there are some considerable barriers to entry for would be franchisees from outside of the company management structure.

Generally, however, the low barriers to entry in hospitality enterprise activities present those concerned with service quality being offered by owner managers of hospitality enterprises with major problems. Local authority tourism officers in Blackpool, for example, are concerned that the low skill levels of people buying small hotels, guest house and bed and breakfast units make difficulties for driving up levels of service quality on the town's accommodation sector (Lashley and Rowson, 2007). Similarly, the pub companies, like the Punch Pub Company are aware that their tenant and leaseholder low

skill sets are major inhibitors to business growth and development (Lashley and Lincoln, 2001). To this end the Punch Pub Company now require all new tenants/leaseholders to take a compulsory 10-day training programme prior to their taking over one of the company's pubs (Lashley and Rowson, 2002).

The high levels of churn in business ownership or tenancy/lease arrange in these small businesses also create problems for those concerned with improvements in service quality, improving business productivity, or building competitive advantage against other resorts or firms. In effect there is a considerable portion of the entrepreneurs who are at low levels on the learning curve at anyone time (Lashley and Rowson, 2008).

## SUMMARY

This chapter has suggested that the study of hospitality as a human and social phenomenon is helpful in understanding the attractiveness of the sector to many would be entrepreneurs. The fact that hospitality is one of those cultural signifiers by which people attempt to distinguish themselves from other communities or groups suggest that many assume that their community is naturally more hospitable. In addition, the fact that many have been hosts in their own domestic/private setting, and have been guests in the private/domestic settings of others, provides entrepreneurs with a confident evaluation of their skills. Many assume that they have the skills needed to run their own hotel, pub or restaurant (Lashley and Rowson, 2002, 2005, 2007).

The overlap between the commercial home and the hospitality service provision intertwines amongst these entrepreneurs. The commercial home enables entrepreneurs to be economically active whilst at the same time linked to family roles and responsibilities, and maintain social links through hospitality activities. Sweeney's work (2008) shows that many small firm entrepreneurs have aspiration to meet both economic goals and hospitality related social goals. The accommodation sector most clearly provides an exemplar of hosts and guests sharing the same property and in some instances living spaces overlap. That said, the chapter has argued that all small hospitality enterprises involve some aspect of host and guest interactions in shared spaces. In the restaurant, and bar and café/snack bar sectors, for example, it is not unusual for these entrepreneurs to live on the same premises as the business.

Low barriers to entry, in the form of relatively low capital investment requirements and the perceived low skill sets required attract many would entrepreneurs who have limited experience of the commercial hospitality sector, or even of small business ownership for that matter (Lashley and

Rowson, 2001, 2006, 2008). As a consequence, there can be problems of service quality management, of limitations on productivity and business growth. Relatively high levels of churn in business ownership increase these problems for interested parties outside of the business, and cause some major difficulties for the would be entrepreneurs themselves.