Lifestyle Entrepreneurs: Insights into Blackpool's Small Hotel Sector

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Abstract: Branded chains dominate sections of commercial hospitality provision; however, the vast majority of firms in the sector are micro businesses employing 10 or fewer staff. In fact, most are so small as to employ no permanent staff. In many cases, those running these businesses are not classic entrepreneurs driven by a need to maximise profits and build a business empire. Actually, many are best described as lifestyle entrepreneurs, their key motives are more associated improving their quality of life. This paper reports on the owners of a significant sample of Blackpool hotels. For most, this is their first entrepreneurial venture.

Keywords: Lifestyle businesses, lifestyle entrepreneurs, micro-firms, small hotels

Introduction

The hotel sector in Blackpool is dominated by a large amount of micro-firms, typically managed by owner managers operating just one hotel and employing few if any staff, normally family members, often referred to as "family" or "lifestyle" businesses (Beaver & Lashley, 1998; Getz, Carlsen, & Morrison, 2004; Lashley & Rowson, 2003; Thomas, Lashley, Rowson, Xie, Jameson, Eaglen, Lincoln, & Parsons, 2000). Many of these micro- firms are operated by owners who are not entrepreneurial in the true sense of the word, but are driven by personal and lifestyle reasons that dominate motives for operating the hotel. In circumstances where motives are clearly not classically entrepreneurial, hotel operators often do not recognise the business skills needed for effective performance (Morrison, 2002).

Service quality management; investment, financial, and cost management; marketing, people management, and general business strategy, for example, are at best reliant on informal processes, and frequently non-existent (Lashley & Rowson, 2006). As a consequence, there is a high "failure" rate of these micro-business hotel operators, and an earlier study in Blackpool by Lashley and Rowson (2007) estimated that at least 20% of the hotel stock in Blackpool changes hands each year. Work by Clegg and Essex (2000), and Coles and Shaw (2006), suggested that similar rates are experienced in South West holiday resorts. Furthermore, the low skill base of hotel owners also limits the quality experiences to visitors and creates concerns amongst tourism officials attempting to promote these seaside destinations (Agarwal & Shaw, 2007).

A high percentage of businesses in the tourism and hospitality sector are small firms, often family operated; this is a common feature to be found across the globe. In the UK, for example, 95% of firms in the hospitality sector employ fewer than 50 employees (the generic definition of a small firm) and 75% employ 10 or fewer employees (by definition they are micro-firms) (Lashley & Rowson 2006). Indeed, many small hotels, guest houses, cafes, and pubs are not employers, and are run by owner-managers with family and friends helping out. Getz, Carlsen, and Morrison (2004) described these as predominantly family businesses.

Changes to Seaside Resorts

British seaside resorts have experienced considerable changes in the pattern and nature in visitor activity in recent times (Clegg & Essex, 2000). Shifts in demand, which have seen moves away from manufacturing as a key economic activity, have resulted in the end of the so called *wakes weeks*, whereby seaside visitors would arrive in a resort like Blackpool en masse from the industrial towns and cities of the North West, and North East (Walton, 1994). Over the last few decades, British seaside resorts have experienced significant changes in patterns of holiday demand. There are now lower levels of demand for week long or fortnight long holidays, but increased interest in weekend breaks, even in the height of the summer season, consequently impacting on demand for accommodation (Lashley & Rowson, 2010). Furthermore, Clegg and Essex (2000) showed that there has been a reduction in hotel supply, especially at the small property end of the commercial market. To this end, resort management have adopted an array of strategies to increase resort facilities and attractions and, in particular, Blackpool's casino license bid was the background to this series of research projects.

This paper builds on the earlier research projects undertaken for North West Tourism Skills Network (Lashley & Rowson, 2004, 2005), which represented an attempt at intervention by a local college and tourism officials by providing a 3-day training programme for would be hotel operators prior to their buying a hotel. This work explored two sets of hotel owners. The first set of 10 hotel operators were in their first year of trading in a Blackpool hotel, without the benefit of a training course. The second group (7 couples) were exploring hotel ownership and had undertaken a 3-day training programme, provided and designed by Blackpool and Fylde College, to give potential hotel owners insights into the skills needed for successful hotel operation.

This paper builds on the insights gained from the earlier research by interviews with 120 owner managers of hotels in Blackpool. The sample was structured around owners in their first year of trading, owners for whom 2006 season represented their second or third year of trading, and those who were trading for 3 years or more. The paper, therefore, provides an insight into a much larger sample of operators of small hotels in the resort.

Small and Micro-business in Hospitality and Tourism

Not all businesses are started for growth, profit maximisation, or even permanence; many are established with the needs and the preferences of the owners and their families being paramount. That is the essence of "family business" and it sets them apart from enterprises in which the owners and their families matter little to the strategy or operations of the enterprise (Getz et al., 2004). The small firm nature of business in the tourism and hospitality sector is a common feature to be found across the globe. In the majority of instances, they can be described as family firms (Getz et al., 2004). While the family metaphor is valuable, it tends to be concerned with the business ownership rather than why the owner managers are in business (Lashley & Rowson, 2010).

It is our view that these firms are best described as lifestyle firms because this enables commentators to explore the differing business motives of these individuals. It also

allows the study of these firms owned by individuals who do not conform to the stereotypical "nuclear family". This project aims to extend and develop an understanding of these essentially lifestyle firms (Lashley & Rowson, 2010). This study is concerned with individuals who have recently bought small hotels in Blackpool, the UK's famous seaside resort on the Lancashire coast.

The literature suggests that ambitions for business growth and development are key features of entrepreneurial behaviour; few of these micro-firms are driven by classical entrepreneurial motives. Previous research suggested that only one in eight firms in this sector has primary growth aims (Beaver & Lashley, 1998; Lashley & Rowson, 2003, 2007, 2010). The majority are, to varying degrees, operating for lifestyle reasons. This paper uses the term "lifestyle" to explore the motives of micro-business operators whose objectives will lie somewhere between growth and profit maximisation, or those who run a hotel because they "like the life" or want more "control" over their lives (Getz & Carlson, 2005), and not those who maybe operated a business in relation to hobby or leisure interests. The business motives of these hoteliers are important because they impact on the awareness of their own development needs (Morrison & Teixeira, 2004).

Previous research suggested that growth orientated operators are more receptive to the potential for management development (Dewhurst & Thomas, 2003). Lifestyle business owners, on the other hand, tend to give their development needs lower priority, except when crisis and potential failure looms (Beaver and Lashley, 1998; Ateljevic and Doorne, 2000; Lashley and Rowson, 2010).

The consequences of these variations in motives for tourism executives in Blackpool is that the skill levels of those managing the hotel stock tend to be poorly developed, and a high failure rate exist among the town's provision. This resulted in local tourism officers looking for ways to intervene (Shaw & Agarwal, 2007; Shaw & Coles, 2007). In fact, the earlier research (Lashley & Rowson, 2005) was commissioned by the local tourism agency frustrated at the low uptake of training provision aimed at potential hotel owners in Blackpool; the training offered provided an induction to hotel ownership before the potential owners committed themselves to hotel ownership in the town.

This was part of an arrangement that had seen the refurbishment of three hotels in Blackpool funded by a commercial backer and staffed by catering teachers and students from Blackpool and Fylde College. This opportunity to "have a go" before committing to hotel ownership was a unique opportunity for those thinking of buying a hotel in Blackpool; however, there were two potential flaws in this: one, that the uptake was very low from potential hotel purchasers and two, that those who went on the course might decide that hotel ownership was not for them after all. On another level, these hotel owner managers are to some extent operating commercial homes (Lynch, 2005; Lynch & MacWhannell, 2000; Walton, 2000), which provides some interesting tensions between the home and the commercial activity. Lynch's work (2005) explored some of these tensions between the home and the commercial activity whereby the "paying guest" is both accepted into, but also restricted in access to some private spaces. Almost all the hotels in this study were "traditional commercial homes" where the family lived on the same premises as the guests (Lashley & Rowson, 2010; Walton, 1992).

Lynch identified some variations in the interactions between guests and hosts, and variations in the separate domestic and commercial space. Although not an immediate concern of this paper, we accept the position argued by Lynch that the "home" aspect of the commercial home does need to be considered because it does impact on hotel owner manager's perceptions and the management of guests. The link between home and commercial activity in the small hotel sector presents dimensions to the relationship that are unlikely to be reproduced in larger hotels

or in most other hospitality and tourism businesses where guests do not share the same premises with hosts (Lashley & Rowson, 2010).

The Study Context

This paper is written in a context whereby the British seaside resort has undergone a period of significant shift in demand. While the move from Fordist to Post-Fordist production systems supposedly reflects moves from mass produce to more flexible and focused patterns of consumption and supply (Clegg & Essex, 2000; Walton, 1978), changes in tourism tastes and the availability of cheap travel have led to the development of significant demand for holidays with more guaranteed sunshine than the average British seaside resort can deliver. In addition, tourists are said to have looked for more flexible and smaller scale and segmented forms of tourism (Poon, 1993; Poon & Poon, 1994; Urry & Lash, 1991). Traditional mass tourism resorts have frequently lost market to newer forms of tourism in cities, heritage sites, and remote rural locations (Clegg & Essex, 2000). As well as these shifts in demand, seaside resorts had themselves been slow to adapt to the change. In part this had been driven by the nature of the hotel profile. Many of the hotel owners perhaps shaped by "lifestyle" perceptions were slow to adapt to both the nature of the hotel offer to clients, by increasing en-suite facilities, for example; and the nature of the resort offer to visitors by increasing attractions, particularly those which overcome perceived weather disadvantages. Butler's resort lifecycle model has been said to apply to many British resorts (Butler, 1980; Clegg & Essex, 2000).

In response to the loss of significant shares of the old market and the emergence of the new markets, many resorts have invested in tourism development action programmes which have required change within the accommodation sector. For example, the encouragement of investment in refurbished accommodation, including a significant increase in rooms with en-suite facilities, has been evident across many seaside resorts. That said, it is our view that the ownership pattern of the independent accommodation sector has presented some barriers of development of an appropriately focused service offer to the various market segment appropriate to the individual resort. This paper explores some of the factors which relate to the business motives of those operating some of the smaller hotels in these resorts (Lashley & Rowson, 2010). In the UK, Blackpool is a major seaside resort located on the Lancashire coast in England's North-West Region. Originally developed in the nineteenth century (Walton, 1983), the town like many other seaside resorts has been in decline since the 1960s as British holiday maker patterns have changed and the industrial heartland it once serviced has all but disappeared or moved location.

Wakes Weeks

Where once famous *Wakes Weeks* would bring in thousands of week-long visitors from the industrial towns of Lancashire, Yorkshire, and Scotland, visitor patterns are now more typically short break and day trippers. The Blackpool Tower, the Pleasure Beach, and the Golden Mile, the town's illuminations and piers are still major assets which give the visitor an added set of seaside attractions. In recent years proposed changes to the gaming laws in the UK have included the prospects of Blackpool developing a new lease of life by becoming the "Las Vegas" of the North (Lashley & Rowson, 2005).

Tourism Planning

Tourism authorities charged with increasing the flow of visitors and changing the profile of tourism in the resort were increasingly aware that the patterns of ownership and low survival rate of hotel owners were detrimental to long-term development. Contacts with hotel owners through Tourism Advisors convinced the authorities that the low skill levels of those buying a

hotel for the first time was a key contributor to the low survival rate of first time hotel buyers. In some cases, businesses failed because of poor business skills as identified by Morrison (2002), in other cases owners sold the property on because the reality of hotel ownership had not matched up to their life-time dream of owning a hotel (Lashley & Rowson, 2005).

Methodology

An initial research approach was concerned with the evaluation of the effects of a three-day training programme for new hotel owners and has been reported (Lashley & Rowson, 2005). However, this paper focuses on a later survey with 120 hoteliers who had not been on the training course but also includes data from 7 of the original hoteliers who were in the control group of the original survey. The research sample is structured around hotel owners in their first year of trading (39n), hotel owners for whom the 2006/07 season represented their second or third year of trading (39n), and those who had been trading for 3 or more years (42n).

Research Aims

The research project aimed to:

1. Establish the motives, experiences and backgrounds of those buying a Blackpool hotel.
2. Explore respondent's perceptions of their own current and future skills needs.
3. Estimate the rate of turnover in ownership of Blackpool's small hotels.

The research design intended to employ a number of measures of business performance and these will be informed by semi-structured interviews with interviewees. A research instrument was developed with a combination of structured, semi-structured, and open-ended questions which were presented through telephone interviews. The key issues to be considered were based on earlier research projects conducted by the authors (Lashley & Rowson, 2005). Principally the research is focused on four sets of key issues. Interviews were conducted in September and October 2006.

- **Operator motives and background:** the research needs to explore business operators' motives for buying a hotel, background, characteristics, prior knowledge, and experience. In particular, this needed to explore the extent that owners have or have not got prior hotel management experience, or small business management experience.

- **Aims and ambitions:** the research needs to build a picture of the long term ambitions of the business operators to establish the extent that they are driven by entrepreneurial growth and profit maximisation motives or a more lifestyle quality of life aims.

- **Recognition of current and future development needs:** flowing from respondents' perceptions of their own needs to operate successfully in the Blackpool hotel business, there is a need to explore the hoteliers' needs and interest in personal development.

- **Survival rates:** prior studies suggested that the failure to understand the realities of operating a small hospitality business together with the mismatch in skills possessed, and needed, for successful hotel business management result in a large "turnover" in ownership of these micro-businesses.

The questionnaire used in the telephone interviews included twenty-three questions in total, five had limited choice answers; for instance, when asking about funding the purchase of the hotel, Table 1 provides an example of a limited choice question. The remaining eighteen questions were more open-ended, allowing respondents to use their own words to describe motives or experiences. Answers were clustered into response types and examples selected to represent the range of responses from the sample as a whole.

Table 1. *Funding the Hotel Purchase* (*n=120*)

Element	(%)
Sale of house	32.5
Sale of business	13.4
Sale of house and mortgage	31.7
Sale of house and unsecured loan	9.1
Mortgage	6.6
Loan	4.2
Other	2.5
Total	100.0

The Sample

Given the complexity of the issues to be researched and the importance of the perceived benefits, the researchers adopted a qualitative approach through survey instruments via semi-structured interviews with significant stakeholders. The hoteliers (120n) were interviewed at the latter end of 2006 season toward the illuminations. The illuminations allow Blackpool to extend its season beyond the summer months. Trade bodies representing the hotels in Blackpool were approached and a data base of over 300 hotels was devised and 120 hoteliers were interviewed by telephone. The hotel owners in the sample talked freely and candidly about their hopes and aspirations for their businesses, the data collected was exceptionally "rich" and detailed.

Thirty-five per cent of the hoteliers interviewed had been in the hotel business for over 3 years (see Table 2). New entrants to the hotel sector in Blackpool accounted for 32.5% of respondents; the remaining 32.5% of respondents had been in their hotel businesses for between 2 and 3 years. The hotels in the survey varied from small guest houses described as hotels with less than 9 rooms; these usually still had about 5-6 letting rooms (see Table 3). The largest hotel had 42 rooms. Eighty-five per cent of the hotels in the survey had 15 rooms or less.

Table 2. *Length of Time in the Hotel* (*n=120*)

First year	32.5
2-3 years	32.5
Over 3 years	35.0
Total	**100.0**

Table 3. *Number of Rooms* (*n=120*)

1-9	29.2
10-15	55.8
16-20	5.0
Over 20	10.0
Total	**100.0**

Table 4. *Number of Hoteliers Employing Full-time or Part-time (n=120)*

	Respondent Employing %	No Employees %	Total
Employees	35.8	64.2	**100.00**

Less than 36% of the respondents said that they had employees (see Table 4); the significant majority of these said that their employees were relatives or friends, often students. Informal arrangements and employment practices were the norm with this group of respondents and the following statement sums this up. (In the following sections respondents will be referred to by a code to protect anonymity; the code is **BP** followed by the number of the respondent).

Three quotes from respondents below:

BP 081 "I employ my daughter, she's a student at the local college and I employ one of her friends as well, mainly in the summer season, but at weekends if we are busy to help with getting the rooms turned around".

BP 109 "I have one casual employee who comes in as required and a part-time student who works mainly in the summer holidays".

BP 113 "I don't have any regular employees but I do have two students who come in, on an 'as and when required basis' in the main season to help with breakfasts and change over days and room cleaning".

Study Findings

Lifelong Ambition

Eighty-two per cent of the respondents had lived in a dwelling house prior to starting in the hotel business, with only 10.8% moving from another hotel, and 6.7% whom had lived at another business address prior to moving into the hotel (see Table 5). Many had held lifelong ambitions to own a seaside hotel, sometimes for many years before actually buying a hotel. As one hotelier said:

BP 067 "We had fancied doing this for a long time before we bought the hotel. We used to have [a] kitchen business but it has been difficult to get good reliable staff for some time now, and so we were looking for another business that we could work in and not require many employees, and a small hotel seemed ideal, we did some research and found Blackpool to be the best place to buy, longest season and cheapest prices for hotel property compared to many other places we looked at. So we sold the kitchen business and our house and set up here".

Others had become disenchanted with the labour market and workplace and were looking to change their lives, as the following hotelier said:

BP 050 "I was a truck driver and lived in Somerset, we had a 3 bed roomed house, I was fed up with my job because of being away from my wife and family most of the week, my wife's had this thing about owning a hotel for years now, and we looked into it and got this hotel in Blackpool. We actually got more money for our house than the hotel cost, but we had a big mortgage on the house, and so when we bought the hotel we had to take a small mortgage but we pay a lot less for this hotel with eight letting rooms than we did for our three bed roomed house".

Table 5. *Living Arrangements Before Moving into the Hotel*

Element	(%)
House	82.5
Another hotel	10.8
Another business	6.7
Total	**100.00**

House Sale to Fund Hotel Purchase

A large majority of the respondents talked of using the equity in their houses to purchase hotels in Blackpool. The reason for this was the fairly cheap cost of purchasing a hotel in Blackpool. One of the major lenders in Blackpool had special arrangements in place so that the hotel owner could pay their mortgages in July, August, September, and October, when they were doing most trade. The following quote sums this up:

BP 087 "It was a combination of our savings, profits from our house sale, and a small mortgage to fund the purchase of the hotel. Because of the prices of hotels in Blackpool we have been able to set up our own business, something we may never have done, we wanted to, but it was the cost of the hotels that were holding us back until we found out about the prices in Blackpool.

Over 30% of the respondents said that they wanted to work for themselves, with 23.4% saying that they were fed up with their job and wanted to be their own boss. For many respondents starting in the hotel business has been a lifelong dream with 25.8% saying that they had wanted to do this for years (see Table 6).

The following quotations from respondents confirm this:

BP 001 "My husband was getting fed up with his job and there seemed little future in it, I was working in dead end part-time work and we had talked about having a seaside hotel for years. Anyway we went to see some friends who lived in Blackpool and we had a look around the place, and noticed how reasonably priced the hotels were and really it all went from there".

BP 004 "Redundancy really, my husband was made redundant and we used his redundancy money and the sale of our house to buy the hotel. We had talked about this many times before, but it was redundancy that finally pushed us this way".

Table 6. *What Motivated You to Start Your Own Business?*

Element	(%)
Wanted to work for ourselves	30.0
Fed up with job decided to be our own boss	23.4
Wanted to do this for years	25.8
To avoid unemployment or redundancy	12.5
Semi-retirement	3.3
Working from home/home with income 5.0	5.0
Total	**100.00**

BP 020 "This was the only way we could find of running a business where we could work together and basically work from home. Before we worked really hard but barely had enough time together or for our children".

BP 024 "I'd always wanted to do this since I was a little girl and use to come here on holiday with my mum and dad. My family had grown up and my husband was getting a bit fed up with his job, you know the usual 'do more for less' syndrome so we decided to buy this hotel. It's the best thing we have ever done if I have any regrets, it's we didn't do it 20 years ago".

The levels of experience of the respondents varied greatly. Some claimed to have previous hotel or business experience; this often amounted to little more than working in retail, a pub, or a hotel, very few respondents had actually managed or operated a hotel before; Of the 40% of respondents who claimed some form of prior experience, only 10% had any "real experience" of hotel ownership. Fifty-nine per cent of respondents had no business or hotel experience at all when they started in their hotels; in fact, it was a "blind leap" of faith for many.

Few Skills Required

There was a common perception among the respondents that few skills were required to operate a hotel and that most of it was just "common sense", as the following quotes illustrate:

BP 118 "I've no experience myself but my wife's worked in bars and as waitress for years and she's very good at dealing with people".

BP 114 "No experience at all, but my son works in catering, he's a chef". [After the interviewer asked if he worked in the hotel] "No, he doesn't, he works in London but he has given us a lot of tips about commercial cooking that have been useful".

BP 109 "We had business experience, but no catering or hotel experience, it came as a bit of shock for a week or too, when we started in the hotel. In the end our business experience did come through but the first few weeks were a tough time".

Table 7. *Reasons for Starting in the Hotel Business*

Five Affirmative Elements	%
We had wanted to do this for some time/dream of ours	31.7
This was business where we could work together	13.3
This is an easy to start business, with no skills needed	27.5
This is a home with an income	27.5
Total	**100.0**

Our Dream

Most respondents' answers were focused on *lifestyle* issues such as, "this has been our dream for years now", wanting to work together, to have a home with an income, and the majority felt that it was easy to start a hotel business which required no particular skills (see Table 7). The following quote is typical of the respondents thinking:

BP 044 "This has been something we had wanted to do for a long time, we had talked about doing this for years, if I have any regrets it's that we didn't do this years ago. In our old jobs we both worked colossal hours, we were on call a lot of the time, here

in the hotel we are on call and work long hours, but without the pressure or stress, plus we are making more money without the hassle we used to have in our old jobs".

Many of the respondents thought that having a house with an income was a good idea the following illustrates this point:

BP 050 "Because this business is a 'house, home, and job rolled into one' that was our motivation, plus I was fed up with driving trucks for a living and being away from home all the time and my wife hated her job and so this was a way out for us, and meant that we could be our own boss and have a less stressful life. This type of business has its moments but on the whole it is a steady and relaxed way to earn your living dealing with mainly nice people on holiday".

BP 073 "I liked the idea that we would have a home that would pay for itself and provide us with jobs".

Furthermore, many of the respondents were making clear decisions about lifestyle as the following shows:

BP 059 "For us it was a lifestyle choice, we had a little daughter and I wanted to spend more time with my family and this was the business that appealed to me because I could 'work from home', this gives us both more time together with the children, we can make a comfortable living, and we are much less stressed than we were before in our last jobs".

A significant majority of respondents said that Blackpool was their favourite place and often the decision to buy a hotel in Blackpool was driven by good holiday memories from the past; in many cases, this was the hoteliers' childhood visits to the seaside. Thirty-five per cent of respondents said that they had chosen Blackpool because of the long season and twenty-four per cent cited the cheap hotel prices. There was some overlap between the choices with many citing the long season, cheap hotel prices, and the busiest seaside resort as reasons. Therefore, the respondents' first choice was recorded (see Table 8).

Table 8. *Why Did You Choose to Purchase a Hotel in Blackpool?*

Element	%
Long season	35.0
Cheap hotel prices	24.2
Busiest UK seaside resort	12.5
We like Blackpool	28.3
Total	**100.0**

The following quotes illustrate this:

BP 004 "I've been coming to Blackpool since I was six weeks old, I love the place and we have bought the hotel were we used to stay when we came to Blackpool as adults, I'd been coming to Blackpool for 40 years before I bought this hotel".

BP 113 "We looked in other parts of the country for hotels but Blackpool has by far the most reasonably priced hotels in the UK. Plus of course with the illuminations we get the longest season of any seaside resort in the UK".

BP 120 "When we researched moving here we found that Blackpool was the busiest seaside resort in the UK with the longest season, plus hotel prices were the most affordable in the UK".

Main Source of Income

For most hoteliers the hotel was their main source of income; eighty-eight per cent of the hoteliers said that both they and their partner worked in the hotel business and that this was their sole business. Thirty-two per cent did work or have business interests outside of the hotel. Working together was often cited as a reason for the hotel purchase and the change of lifestyle and the following statements support this:

BP 063 "We both work in the business, because that was the point of buying the hotel so we could work together and spend time together as a family".

BP 071 "Our aim was to work together in the business and when we first started we thought that one of us might have to go out to work for a while to help with money, but we have had a good season this year and we have enough to last through the slow period and into next season and to redecorate the hotel, so we think that we are doing well".

A number of hoteliers had a working partner; this was either career focused or just working while the hotel business became established. Two such hoteliers explained:

BP 010 "My partner works for Blackpool Council and I run the hotel, my partner helps when he can at weekends and in the evening. We are hoping that in while he will be able to give up his job and work full-time in the business, but when we took over here we needed to do a lot of work to the place to get it up to scratch and this has meant ploughing most of the money we have made from the business back into the hotel on new equipment, beds, decoration and furniture so my partners salary helps us get by whilst we do the place up".

BP 047 "Yes we have business interests outside of the hotel, the hotel is the latest, we have two fish and chip shops in Blackpool doing very well and we fancied a hotel, really it makes sense we were running two lock up businesses and paying a mortgage on a house, now we have a home with an income that pays for itself really and the two businesses as well".

Again, this reinforces the idea of letting space in their house to produce extra income.

The majority of respondents talked about five major business elements, all these were based around business generation, making a success of the business, to refurbish the hotel to their standards, to become more established, to increase mid-week business, and to develop and increase the repeat business of their existing customers. The preferred customer base was often identified as "nice people"; the sort of people they wanted as customers were in fact like themselves or people who would clearly hold similar values to the hoteliers.

Clearly there were overlaps in the data and the analysis reflects this in that the strongest or most talked about element was listed first or counted as first choice (see Table 9). The following quotes are typical of what the hoteliers described as their aims for the hotels:

BP 079 "Our aim is to expand the customer base, the owners who had it before us ran a 'stags and hens' hotel, it was very basic and run down, but we expected to invest

because of the price we paid for this, it was low even by Blackpool standards. We have poured money in to decorate the place, new bedding, and furniture and make the place a homely family hotel again. Most of the hotels on this street are family hotels and after what we've heard about the former owners of this hotel, I think most hoteliers on this street must have been glad to see us move in".

BP 116 "We want to upgrade the hotel to as high a standard as possible, this hotel was OK when we got it but we have spent a lot raising the quality of decoration, bedding and furniture, it is now coming up to our standards, we inherited a good customer base, most of our guests are nice people and many have stayed with us more than once we are getting a lot of business from recommendations and I'm pleased about this because then you tend to get the same sort of people".

Table 9. *Hotel Owners' Aims and Ambitions*

Element	%
To build and make a success of the business	35.0
To refurbish and improve the standards in the hotel	17.5
To become more established and have more mid-week business	12.5
Looking to sell up, or retire from the business	12.5
To develop and increase repeat business of 'nice' customers who met with the owners' approval.	22.5
Total	**100.0**

Establishing the Business

The majority of respondents were aiming for their businesses to become more established during the next twelve months. Those who had been in business for 3 years or more were aiming for "much more of the same", they often talked about a "steady lifestyle", very few had any plans to expand their business or trade up to a bigger hotel. The next quote is typical of the significant majority of hoteliers in that they were focused on building the business and attracting the "right" kind of customers:

BP 034 "Our aim is really just to continue to build the business, especially midweek trade, we have been struggling for some time to get people in during the week, the trend seems to be that Blackpool is becoming a weekend destination, but a lot of my customers are retired and could come anytime so I have been sending out vouchers to my regulars offering them discounted breaks in the mid-week, that has helped a bit but it's late in the season now, so I'll do the same thing again in the spring and hopefully it will increase the midweek trade".

Selling Up and Moving On

Twenty-nine hoteliers were considering or planning to sell their hotels some with mixed feelings about doing so. One hotel owner expressed:

BP 006 "We are planning to sell up, as the customers are getting worse we used to have really decent people booking, but now it is all 'bell ringers' and you never know what you'll get, recently we had a family group come to the door they looked really respectable, and 'conned me' by saying that they usually booked but couldn't get in at the hotel were they normally stayed, they were excellent guests, complements about the food and the room, but when they left they took everything that wasn't nailed down with them,

sheets, towels, table lamps, pictures off the wall, I called the police but it appears that they give false details when they booked, they even 'nicked some of my ornaments from the lounge. We were thinking about selling up and this has really made up our minds".

Another disappointed hotel owner said:

BP 051 "We both really wanted this so badly when we started it was our dreams come true, but over the last two seasons it has turned into a nightmare, this place is a 'money pit' we always seem to be spending on it. Really we haven't made any money since we moved in and now I have lost interest and we want to sell up, trade is dropping for family hotels in this area because of the 'stags and hens', the centre is almost a 'no go area' at weekends now with single sex groups all over the place, usually drunk at lunchtime, peeing in the street, a few weeks back I drove through the centre of Blackpool at 3pm in the afternoon and it was packed with single sex groups most of them drunk, and I couldn't believe my eyes I saw a group of girls exposing themselves across the road to a gang of lads, and there were families about at the time I couldn't believe what I had just seen".

True Lifestyle Business

Some of the hoteliers were true lifestyle businesses; the following from one of the respondents sums this up:

BP 001 "We have considered retirement, but we both like the life and we don't really want to retire, we are having a good time running the hotel and over the years many of our guests have become our friends and often come several times a year, sometimes I think just to see us. I have got the hotel full this weekend again, and with mainly regular guests, I'm talking to you now and just before you called I was having tea with four guests who have become good friends we were having a right 'good chinwag' I would miss this lifestyle, the hotel is my life".

The Hotel Support Networks

The hoteliers appeared to get information via informal networking among the hoteliers. This appeared to be a significant practice; the data suggests that most existing hoteliers pass on information and support to *"new comers"* in their street. Clearly, some of this was *"self interest"* in that if the street had good hotels of similar price and quality this attracted the type of clientele the hoteliers wanted. A significant majority of respondents said that the previous owner or other hoteliers on that street *"had put them in touch"* with the very popular Blackpool Hotel and Guest House Association (BHGHA), or other agencies supporting Blackpool hoteliers such as Blackpool Tourism Bureau. Only in a very few limited cases had people found out about the support agencies themselves. The following examples support this:

BP 076 "We bought this hotel from a couple who were retiring and they were very good, we had a lot of help and advice from them, including recommendations to join the BHGHA and Blackpool Tourism Bureau, with hindsight we were lucky, I've heard so many 'tales of woe' from other hoteliers in Blackpool about how they were conned by the departing owners it makes my hair stand on end".

BP 080 "We had just moved in when some other hoteliers on the street came to see us and offered us help if we got stuck, I was really impressed by this, on our street we tend to work together passing on bookings trying to keep the business on the street that's how I found out about the BHGHA, Blackpool Premiere Holidays, and Blackpool

Tourism Bureau. All of the agencies are helpful but we benefited most from the informal network of hoteliers on the street".

Most respondents agreed that the business support or training that they had received from the trade associations was of good quality and that being a member of one or all of the Blackpool trade associations was an added value for them in accessing information. Typical comments were as follows:

BP 004 "The BHGHA have been very helpful without their support it would have taken a lot longer to get things done, they helped us with accredation and to some extent set us on the 'right track' because we were floundering when we first started in the hotel".

BP 005 "The BHGHA is excellent nothing is too much trouble for them, and they helped us do most of the essential training mainly through Rosebud Training Ltd who I can highly recommend".

Hotel Ownership, the Reality Bites

Many of the owners had purchased their hotel with little research, no business experience or knowledge, and often self-confidence bordering on insanity. This was the kind of problems the BHGHA and the Tourist Bureau where dealing with on a daily basis. The following from hoteliers illustrate this:

BP 013 "The Blackpool Tourism Bureau have been great, we had no idea what we were letting ourselves in for when we bought this hotel, we thought it would be easy, WRONG, we were struggling from the word go, but we contacted the Bureau and they came to see us, sorted out the mess we were in and set realistic targets for us and set up suitable training to help us, we owe them a lot".

BP 024 "The BHGHA is very helpful and they are just a telephone call away, they have helped us with accredation and training issues. I have reservations about the Blackpool Tourism Bureau, as I feel they set goals and targets that are too tight and the constraints that they set are not always achievable, for example, to get grants for refurbishment you need to 'jump over various hurdles' set by them and then after all that you are restricted to the amounts [size of grant] available in the RB6 area, and this criteria is even beyond their control, even then if you get a grant you have to use their approved trades people who are far more expensive than other trades people in Blackpool ".

Many of the respondents spoke of help, advice, and training delivered by the trade associations; however, training was often driven by compliance and changes to the legislation surrounding the hotel sector rather than free choice and a desire to upgrade skills. The following quotes illustrate the thinking of hoteliers taking further training:

BP 055 "We like to keep up to date with changes in the legislation, the Blackpool Tourism Bureau are good at organising courses around the legislation, we are due to go on a risk assessment course in November".

BP 071 "Yes, I'm on a Marketing course called building your business at the moment, this is run by Blackpool Tourism Bureau, its one day a week over 8 weeks, so far it's been very good and I have used some of the ideas about advertising in my hotel".

The significant majority of hoteliers were not considering future training other than compliance training. Many of the hoteliers who had been in business for more than 3 years felt

that they were experienced and qualified enough to deal with the business. The next quote is typical of this group of respondents:

> **BP 015** "No I'm not interested in any training at the moment, we've been in this business for 28 years now and I don't think that there is an awful lot more to learn. Many of the business courses are marketing based and will no doubt be useful to people new to the hotel business, but after 28 years we've seen most ideas and tried them, I doubt if we'd learn anything from courses like this that would be of benefit to our business".

Conclusion

Blackpool's hotel sector is dominated by micro-firms typically managed by owner managers operating just one hotel and employing few, if any employees; normally the businesses are operated by family members. The motives of the hotel owners are usually lifestyle driven, with people wanting to work for themselves, or "have a home with an income". Thirty-five per cent of the survey sample had been in their hotel for over 3 years, thirty-two per cent were in their first year and thirty-two per cent had been in their hotel between one and three years. The hotels in the survey varied from small guests houses often described as hotels however, usually these premises had about 3-5 letting rooms the majority of hotels in the survey less than 10 letting rooms. The largest hotel in the survey had 42 rooms.

Eighty-two per cent of the respondents had lived in a dwelling house prior to starting in the hotel business. Typically, the most popular method of funding the hotel purchase was the sale of a house; 64.3% of respondents used this method to fund their hotel purchases. The data suggests that in the majority of cases the sale of the house paid for the hotel. Just a small minority, 10.8%, moved from another hotel, and just 6.7% of respondents had lived at another business address prior to moving into the hotel. The significant majority of respondents had mainly *lifestyle* reasons for starting in the hotel business, for many it was the realisation of a dream. The significant majority thought that it was an easy business to start, which required no particular skills. Most identified "ideal customers" as "nice people"; this was "code" for people like themselves.

The levels of prior hospitality or hotel management experience varied greatly among the hoteliers, with less than ten per cent having had any "real experience" of hotel ownership. Many claimed to have some general business experience, usually from their last jobs. However, fifty-nine per cent of respondents said that they had no business or hotel experience at all when they started in their hotel business. The majority of respondents were aiming for the business to become more established in the next twelve months, to have increased and continued repeat business and continued success. Those who had been in business for 3 years or more were aiming for *"much more of the same",* they often talked about a *"steady lifestyle"*, very few had any plans to expand their business or trade up to a bigger hotel.

The turnover in ownership among these respondents was just over 24% and this compares favourably with earlier interview estimates from Blackpool's professionals, which put the rate at between 20% and 30%. Although a small number were selling the current hotel to buy a larger one, many more were leaving the business because trade levels were lower than anticipated, or the hotel experience did not match their expectations, or that they had unfortunate or bad customer experiences. Conservative estimates suggest that the value of the properties changing hands through the hotel market in Blackpool could be as much as £60million per annum and that takes no account of the cost to customers and operators. Certainly these levels of

change in hotel ownership do have serious implications for Blackpool's tourism policy, because of the low skills levels of new operators revealed by this study.

There appeared to be an informal network among the hoteliers in passing on information and supporting new comers to *"their street"*; some of this was self interest in that if the street had good hotels of similar price and quality this attracted the type of clientele the hoteliers were targeting. In many cases the previous owner or other hoteliers on the street had put the current hotelier in touch with the popular Blackpool Hotel and Guest House Association (BHGHA), or other agencies supporting Blackpool hoteliers such as Blackpool Tourism Bureau. The significant majority of respondents thought that the business support or training that they had received was good and that being a member of the associations was an added value for them in accessing information. Just over 38% of the respondents were considering or were due to go on training courses in the near future. However, often this was driven by compliance and changes to the legislation surrounding the hotel sector in the UK rather than free choice or a desire to upgrade their skill set.

In summary, this paper suggests that those managing small accommodation properties in the form of guest houses and small hotels have more lifestyle ambitions for their commercial operation, rather than classical entrepreneurial motives. That said, there is likely to be an array of degrees of entrepreneurialism. At one end, people offering rooms in their house because they like the company, or because they can generate "extra money"; at the other end, there may be people who dream of making lots of money and owning a chain of hotels, with of course all manner of options in between. At this stage, it is important to know much more about the varied motives and needs of these different entrepreneurs. Certainly, Blackpool's attempt to support and "professionalise" the management of small hotels needs to adopt and send different messages to different types of entrepreneurs, and flowing from this there is a need for those in the tourism authority to be much more informed about the sector and varied motives of those providing accommodation services in the resort. The current Blackpool Tourism Board strategy to develop the seaside resort and move it *"up market"* is being seriously *"hampered"* by the lifestyle businesses and the high turnover of hotel property in the resort.

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