

The application and importance of entrepreneurial consulting in the hotel industry: Descriptive study

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Abstract

Consulting in the business world has recently emerged as a strategy that involves requesting the services of companies and has the role of supporting them in defining and implementing their economic and commercial plans, as well as the mission of solving with them the problems hindered throughout their operation.

The stakeholders in the hotel sector, like the actors in any other economic sector, wish to develop their entity and save it from any type of risk or problem that could affect its survival.

In this article, we were curious to know if the managers of hotels in our region have thought about moving towards this consulting strategy as a management method for the development and survival of their hotels, as well as to know their vision on its effectiveness in the event of adopting this strategy.

The qualitative results resulting from some interviews with hotels over 3 * showed us that consulting is mainly applied only by hotels belonging to national and international parent companies, and that it is rarely applied by hotels that are not subsidiaries, and which just apply internal management based on the decisions of the hotel managers.

Most of the hotel companies that adopt this strategy have also highlighted the most performed types of consulting are financial and marketing consulting.

Key words: Consulting - hotels - development- survival- efficiency

Introduction

Nowadays, entrepreneurial projects continue to grow and develop in a business world full of changes and several strategies have emerged to support the entrepreneur in the different steps of the entrepreneurial process.

Entrepreneurial consulting is one of the strategies that can play a vital role in the interest of entrepreneurial projects, it is a professional consultation intended for managers and business owners, carried out by specialists from a consulting company in a certain field of entrepreneurial activity.

Any individual who manages a project, entrepreneur or manager, is faced with many problems that are not easy to solve without knowledge and experience. Most often, financial, tax and legal difficulties arise. The paradox is that with the accumulation of experience, the problems do not decrease, because with the expansion of the company, new difficulties arise.

There are two ways to solve problems, either learn from your own mistakes or call on specialists involved in business consulting.

Experts in business consulting help a project owner in any economic sector to avoid making serious mistakes, increase the profitability of the project, and make it more efficient and at the same time save time for the client.

One of the fastest growing economic sectors in the world is the hotel, restaurant and tourism industry.

The hotel industry is one of the industries that generates several jobs, and is specifically designed to provide tourists with accommodation, food and services by paying them for a day, a week or a month of work. A hotel that welcomes an international visitor collects foreign currency that contributes in a beneficial way to the country's finances.

In several tourist countries, the hotel industry, due to its high volume of activity, the hotel industry actively participates in the economic and social life of the countries where it operates. Due to the need to constantly adapt to the market, the hotel industry is creative and develops new products and concepts in response to the changing needs of customers, thus this type of industry contributes to the prestige and reputation of the nation.

In fact, and like all other economic sectors, the hotel industry can encounter difficulties of multiple degrees of complexity throughout its operation, and therefore managers can direct themselves to choose the appropriate strategy to overcome the various difficulties that can influence this vital sector in a negative way.

Research carried out in this context and which focuses on linking these two variables 'consulting' and the hotel industry' is rare, particularly that which deals with the role and

importance of this strategy in hotel companies, and the majority of research has focused on the characteristics of consulting management in this sector (Jones et al., 2016), or the role of marketing consultancy (Donkin 2018) and also the types of consulting management provided in this sector (Vaupot 2019) or even the competitiveness of the sector provided by large consulting groups (Hermawan & Pratminingsih 2024)

Entrepreneurial consulting can play an effective role in the hotel industry through specific practices of this strategy. The question that arises :

What is the degree of application and importance of consulting in this hotel industry ?

1. Literature review

1.1. Entrepreneurial consulting

Consulting may be intended to help the entrepreneur explore, start, develop or manage a business, or to solve problems in a particular area or function of a business and business advice generally involves regular face-to-face meetings between the entrepreneur and the advisor, but may include virtual communication as well.

Business advice is external assistance that a manager uses to make strategic choices in order to improve the performance of his company.

Indeed, his decisions have significant consequences on the life of the company and on its operation at all levels. In addition, it may happen that he is faced with problems for which he does not have the solutions, to enable him to make good decisions and reduce risks as much as possible, he calls on a consulting mission. This mission can be carried out by an independent consultant or by a firm that has a team of consultants.

The role of a consultant is to assist a client using both his/her personal knowledge and experience as well as the combined knowledge, experience and resources acting as a trusted advisor with the client's best interests at heart (Parikh 2015).

Consulting is arguably one of the largest service sectors, with a constantly growing turnover and a considerable influence on the practical development of all other branches of industry (Nissen 2019).

Entrepreneurial consulting plays an important role in the corporate governance system, helping companies achieve their strategic goals and optimize their operations through innovative approaches and solutions (Kostiuk & Chikalkin 2024).

1.2. Hotel industry

The hotel industry as a type of economic activity includes the provision of hotel services and the organization of short-term accommodation for a fee in hotels, campsites, motels, etc.

The development of the hotel industry has been going on for a long time and depends on the state of the economy, politics, science and technology. With the development of society, the need to travel long distances and live and eat far from one's place of residence has increased. The growth of the economic well-being of citizens affects, in turn, the choice and quality of services provided.

The hotel industry is characterized by fierce competition in the market, caused by the rapid development of hotel services. In this regard, reflection on its role, identification of the main problems of the hotel services market and ways to solve them are relevant at the current stage of economic development.

The hotel industry is a key sector within the tourism industry because it is fundamental for the provision of all other tourist services ; It constitutes the most fundamental requirement of tourists after reaching their destination (Orfila-Sintesa et al., 2005).

1.3. Consulting in hotel industry

The field of hotel consulting offers concrete, actionable recommendations that enable business leaders in the hospitality industry to improve their business results. A hotel expert can provide expert recommendations to optimize success in businesses such as hotels and resorts, as well as restaurants, cafes, and bars.

The ultimate goal of hotel consulting is to assist hospitality businesses in improving the quality and efficiency of their operations, developing effective strategies, increasing revenue generation and profitability, and improving the guest experience.

A hotel consulting firm may specialize in advising specific types of hotel businesses, such as hotels, or may focus on a specific area, such as marketing or technology. Some firms have consultants who specialize in almost every area of the business, allowing them to provide valuable advice to businesses on multiples fronts.

Hotels consulting can be important because the hotel industry is extremely competitive and expert advice can go a long way in providing an edge over competitors and helping restaurants, hotels and other hospitality businesses overcome the many challenges they face in attracting customers.

Effective hotel consulting is not just about applying expertise to address a client's specific situation, it is also about becoming an independent consultant who ensures that clients have the means and resources to resolve their own issues (Walsh 2002).

A company offering hotels consulting services will be able to draw on in-depth knowledge and experience to assess the performance of a hotel business and provide practical advice, such as changes that can be made to improve service or new strategies that can be used to attract more customers.

The Different Types of Hotels Consultants :

Hotels consultants offer a wide range of services, each focusing on a specific area of expertise.

Here are some common categories of hospitality consultants :

- **Financial advisors** : They provide their expertise to guide businesses in managing their finances and improving their financial performance.

- **Marketing consultants** : Their role is to conduct market research, identify target audiences, and design advertising campaigns and marketing strategies. The main goal of their work is to increase brand awareness and attract new customers.

- **Revenue management consultants** : These experts analyze business data, facilitate forecasting, and propose strategies to optimize rates, thereby maximizing revenue and profits for establishments.

- **Technology consultants** : They assist businesses in implementing new technologies and optimizing the use of existing systems.

- **Management consultants** : These consultants work directly with business leaders, focusing on implementing change initiatives and developing growth strategies.

- **Operations consultants** : Their mission is to improve operational processes within establishments. For example, in a restaurant, they may suggest changes to the menu, while for a hotel, they focus on improving the services offered.

- **Event consultants** : They are responsible for planning and supervising events, such as conferences and conventions, ensuring that they run smoothly.

As a conclusion, each type of consultant plays a vital role in the success and growth of hospitality businesses.

2. Research hypothesis

In fact, by hiring a hospitality consultant, those operating in the hospitality industry can more easily identify areas where they are going wrong or areas where improvements can be made.

Consultants often have unique and innovative ideas and can provide a much-needed outside perspective on business operations.

The central research problem is reflected in determining the degree of importance of entrepreneurial consulting in hospitality. And regarding the hypotheses, we adopt the main hypothesis that it will highly applied and positively influence this sector.

The sub-hypotheses that can be distinguished are :

H1.1. Consulting is highly applied and important for the hotel sector

H1.2. Consulting is normally applied and important to some types of hotels

3. Research Methodology

To answer our research question, we were directed to conduct telephone interviews with hotels from 3* in the two cities "Tangier" and "Tetouan", in order to collect data processed since it is a descriptive empirical study that does not integrate statistical data requiring statistical software. The choice of our sample was based on the stars, because we chose 3* hotels that can apply this strategy and because we probably thought that those that are less than this star may not apply it because of their size that facilitates the management process and because of the costs of this strategy aimed at large hotels that have a high turnover.

4. Discussions and result

From our telephone interviews with hotels from 3* in the two cities of Tetouan and Tangier, we deduced that including the city of Tetouan, the majority of hotels do not apply this strategy either for development or to solve problems, and they just focus on the internal management provided by the hotel managers. Concerning the hotels in the city of Tangier, of which we also carried out telephone interviews with 3* hotels, we deduced that the subsidiary hotels belonging to parent companies, apply this strategy strongly at the level of their financial, legal, accounting, marketing, quality departments, etc., they assured that it is highly beneficial for the survival and development of their hotels, and it is applied through the collaboration of the parent company with consultants and consulting companies responsible for supporting and solving the problems of their subsidiaries located wherever they are located.

For hotels that are not subsidiaries, the majority do not apply this strategy and also rely (like the hotels in Tetouan) on internal management based on the decisions of their managers.

We deduce that no hypothesis has been valid, and that the theory that we can construct is that entrepreneurial consulting has not yet taken on great importance at the level of its application in hotels since it is applied mainly just by subsidiary hotels.

The managerial implications of our study can be found in the fact that we have highlighted the importance of consulting in the hotel sector and this can contribute more to hotels that do not adopt this strategy in case the manager decides to start practicing the different types of consulting.

Conclusion

Hotel strategy consulting is a strategic partnership that provides hotels with insights, tactics, and perspectives to meet the ever-changing demands of the industry. It's about reimagining how hotels operate, interact with guests, and define their place in the global marketplace.

Hotel management is the process of planning, organizing, coordinating, controlling and managing the activities of a hotel company in order to provide quality service to customers and make a profit. Hotel management is considered as the set of functions related to administration, marketing and organization, which are carried out within a hotel complex and which focus on profitability, distribution, customer coordination and the sale of services. Proper management is essential for the organization to remain stable over time.

Its main objective is to satisfy its customers and establish order and control, for the benefit of workers. Depending on the services and conditions offered by hotels, they will be classified in one category or another and their management will become more complicated.

For this reason, the manager of a hotel never ceases to choose the appropriate strategies to achieve the objectives of his entity, and consulting can be a relevant and effective approach in this area.

A key aspect of hotel strategy consulting is its customer-centric approach. Consultants analyze guest preferences, behaviors, and trends to tailor strategies to meet changing market demands. This involves meticulously examining guest experiences, service quality, and even the tiniest details of guest feedback. By understanding what drives guest satisfaction and loyalty, hotel strategy consulting can craft specific solutions that exceed guest expectations.

Additionally, hotel strategy consulting delves deeper into the operational aspects of hotel management. These strategies are designed to strengthen the hotel's financial health and market position, from optimizing room rates and revenue management to improving operational efficiency. The integration of technology solutions also plays a crucial role here, allowing hotels to leverage data analytics, AI, and digital platforms to streamline operations and improve the guest experience.

In our study we were curious to know the degree of adoption of consulting by hotels and its importance in two cities of our tourist region we deduced that the number of hotels that use it

is low but yet they do not understand drops in their profit due to efficient internal management and due to the strategic tourist area of the north, and consulting allows those who apply it to achieve better competitiveness.

On the other hand, this study may have limitations because it presents a result that concerns a specific area with a certain number of respondents.

From this observation, we propose to future researchers in this theme to make the experimental validation broader by making a comparison with other cities and quantifying the targeted respondents.

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