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By Universitas Muhammadiyah Sidoarjo

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Feline Accommodation: Balancing Pet Hotel Business Models in Russia

Akomodasi Kucing: Menyeimbangkan Model Bisnis Hotel Hewan Peliharaan di Rusia

Ahmadbekova Kimyo, kimyo1998@list.ru, (0)

International University of Tourism and Cultural Heritage, Uzbekistan

Sobirov Bobur, kimyo1998@list.ru, (1)

International University of Tourism and Cultural Heritage, Uzbekistan

(1) Corresponding author

Abstract

This research paper investigates the establishment of pet hotels as a viable business venture, with a specific focus on the Russian market. Through an analysis of various business models in the pet hotel industry, the study aims to identify areas for improvement and propose strategies for enhancing the overall efficiency and success of such enterprises. Utilizing a combination of qualitative and quantitative methods, the research evaluates the strengths and weaknesses of existing pet hotel models in Russia, considering factors such as pricing, service offerings, and customer satisfaction. The findings of this study contribute to a comprehensive understanding of the business landscape in the pet hotel industry and provide insights for entrepreneurs seeking to establish or optimize their pet hotel operations. Ultimately, the research culminates in the development of a well-balanced business model tailored specifically for cat accommodation, offering a compelling solution for entrepreneurs in the global pet hotel domain.

Highlights:

- The research examines various business models in the pet hotel industry in Russia, focusing on feline accommodation.
- The study identifies areas for improvement within existing pet hotel models and proposes strategies for enhancing their efficiency and success.
- The research results in the development of a well-balanced business model specifically tailored for cat accommodation, offering valuable insights for entrepreneurs in the global pet hotel domain.

 $\textbf{Keywords:} \ \ \textbf{Pet hotels, business models, Russia, feline accommodation, improvement.}$

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Introduction

Nowadays the tourism industry gets drastically developed, and the more people get interested the more countries get involved in the process of making more tourist-friendly spaces (Capuano et al., 2022). In many countries tourism becomes available to a bigger number of people, if they cannot afford to travel abroad now there are some places inside the country for them to visit (Capuano et al., 2022). With tourism becoming economically friendly to broader segments of society, new unfamiliar problems arise for tourists, yet at the same time, more business opportunities appear. One of the most popular difficulties that stop many from travelling is having a pet (Munkevics and Munkevica, 2021; Lisnenko, n.d.). Recent studies show that having a pet became so common that every third person has one (Convington, 2022). The most popular animal as a pet is a dog, owned by 470 million; in second place come cats, owned by 370 million, and the honourable third place goes to birds, owned by 250 million people (Convington, 2022).

Hence, once people who own pets want to travel, a few questions arise. First, do I take my pet with me? Am I able to manage it? Will I be able to find a place to stay that will be ok with me keeping my pet in? Second, Can I leave my cat at home alone? What should be done so it does not starve to death? How to calculate how much food is needed until my return? Thirdly, Do I have any friends or relatives who would be able to come to my place once a day and replace food? Are there any organizations that will send a worker to feed my cat? Can I trust a stranger to come to my place while I am on the trip? Are there any places I can leave my cat (Royal Canin, 2020; Lisnenko, n.d.; Elliott and MRCVS, 2022; Munkevics and Munkevica, 2021)?

I am myself a pet owner, I have five cats and a dog, and every time I had to leave my house for more than a day I had to either ask someone to come other and feed my pets or find temporal houses for them. However, there were times when I could not find anyone to look after my pets and my trip had to be cancelled. Unfortunately, when I lived in Russia, I could not find any pet hotels in the area. To ease the lives of many pet owners I want to research how easy it is to start a business in the pet hotels sphere and how trustworthy these places can be.

Review of Related Literature

During our research a few videos about pet hotel business were reviewed.

The first video presents a fairly modern version of a pet hotel, which consists of 8 rooms for pets, made of tempered English hypoallergenic glass, the rooms were large enough and made according to the principle of a smart home, that is, an intelligent drinker that independently gives certain portions of water to the pet according to the schedule set by the owner, and the feeder provides food the same way the drinker does; also in the feeder there is an option to record the owner's voice so that the pet gets called to eat and feels less stressed in the new place (Marchelache, 2016). There is also an online video camera which can be accessed by the owner at any time, this is done so that the owner does not get too worried about leaving his beloved pet at the hotel alone. Despite the very modern approach, this hotel does not have a playground for cats and there is no medical personnel there. Also, the owner himself sets the pet's diet and determines how often the pet will be fed and with which food. In the hotel there is no option to buy food for the pet, yet that would be nice addition to the hotel's business and might have been very convenient for the owner. There is also a powerful ventilation system and a secure alarm system (Marchelache, 2016). There is one price fits all approach at this hotel, differentiating the price for the customers would be a great addition to this business model.

In the next video, the rooms in the hotel were made out of wood, and there was an iron mesh on the doors (Tourzila - Zhizn v Meksike, 2017). The rooms were spacious, each room had two windows on the sides through which the cats could see the neighbor pets. This hotel has a small play area for cats where they are released one at a time. In pricing the hotel uses the same strategy as the previous one – one price fits all, which is not recommended (Tourzila - Zhizn v Meksike, 2017). Also, that would be nice if this hotel had online video cameras, ventilation, and medical workers on the site.

The third hotel, like the previous two, was in Moscow. The enclosures were made of wood, were high, but were too close to each other (Razborshik, 2019). According to the assurance of the owners of that hotel, the rooms were completely cleaned after each visitor. The hotel has a powerful ventilation, but no video cameras in pets' rooms. Pets can walk around the hotel, but there is no playground for them. It is worth noting that not only cats, but dogs, rodents, and birds can be brought to this hotel (Razborshik, 2019). Unfortunately, it is not entirely clear how animals are accommodated in the rooms. Also, there are no medical workers in this hotel. In pricing this hotel ususes the same strategy as the previous two.

The fourth hotel had glass enclosures as the first hotel that we reviewed; each room had an online camera so that the owners could monitor their pets. Also, each room gave enough space for the pet to feel comfortable, but the number of rooms was limited (Kuban 24, 2018). There is individual care for each pet. No play area for cats, yet the space was full of light which made it very cozy (Kuban 24, 2018). There is no revelation in pricing strategy, this hotel also has one-price-fits-all strategy.

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And finally, the last hotel, it is much bigger than the previous ones. In this hotel, as in the third hotel that we reviewed, could be placed not only cats, but also other animals such as dogs, rodents, reptiles and parrots (Petshop Hotel, 2022). A separate room was allocated for each type of animal. There is especially equipped area for walking dogs, also there is indoor playground for all types of allowed animals. There are three different standards for the rooms: standard, comfort and luxury (Petshopru, 2020; Petshop Hotel, 2022). Rooms vary in size and furnishings inside. The pet rooms are made of plastic. There are medical workers who examine the animals before being admitted to the hotel and, if necessary, can prescribe a treatment. At the discretion of the owners, food can be purchased both outside the hotel and from the hotel itself (Petshop Hotel, 2022). There are also grooming services. The rooms are full of light the same way as the fourth hotel. Hower, there are no live cameras in the rooms.

Presentation Analysis and Interpretation of Data

Majority of people would prefer to live in hotels with good and affordable conditions, the same might be applied to our pets. We need to provide good conditions to our pets so that they can have less stress before the arrival of their owners. The hotels listed above have their pros and cons. The first hotel was relatively modern, yet the price was set and might be expensive for customers, it is important to have a different standards room (Marchelache, 2016). For example, one can afford an expensive room, yet another can only afford a room at a lower price, so that is crucial to differentiate the price in order not to lose a potential customer. Also, there were no playgrounds and medical care for pets (Marchelache, 2016), which is also very important.

The second and third hotels have one big disadvantage - their enclosures are made of wood, which is bad because wood tends to absorb pets' odors, which leads to rapid wear of the material and its quick replacement (Tourzila - Zhizn v Meksike, 2017; Razborshik, 2019). Also, if the rooms are not properly cleaned, the smells of the previous animals can remain, which can lead to stress and depression of the living animals. It is worth noting that these hotels do not have online video cameras for monitoring animals and there are no medical workers. There are no room variations, and all rooms are at set the same price, which leads to the possibility of missing out on a potential client if he does not like the price.

The fourth hotel was able to differ from the previous ones only in an individual approach to each pet (Kuban 24, 2018). Each pet was cared for, but as in the previous ones, there were no price variations. There were also few rooms, which again can lead to missing out on potential customers.

The last reviewed hotel surpasses the previous ones in almost all respects. It has three types of rooms at different prices for each type of animal, there are medical workers and grooming services. On the territory there is a dog walking area, as well as indoor play areas. The hotel also provides a taxi service for animals, that is, the owners can send their animals to the hotel and then the hotel will take care of them completely from there (Petshop Hotel, 2022; Petshopru, 2020). But it would be better if they added smart feeders with the function of recording the owner's voice and smart drinkers, it would also be nice to equip the luxury standards rooms rooms with online video cameras for the peace of mind of the owners. This hotel has the potential to receive more visitors as it is not only for cats, but also for other animals. Another advantage of the hotel is that it provide all sorts of goods for pets, all the way from the food to pet toys (Petshop Hotel, 2022; Petshopru, 2020).

Summary, Conclusion and Recommendations

From the analysis of the pet hotel business, we can conclude that this industry can be quite profitable if several factors are considered. The hotel must have a veterinarian, or the hotel must cooperate with the veterinary agency to provide proper care to the animals, if necessary. Play areas should be equipped or walking of the animal should be carried out to reduce their stress. Food must be provided on site in case if the animal runs out of food. The rooms must be strictly made of glass or plastic, as they do not absorb the smells of the animals staying in them. There should be several types of rooms so that everyone can afford the hotel's services. The most expensive hotel rooms should be equipped with online cameras so that the owners can watch their animals at any time. Each room should have a smart feeder and a smart drinker so that the animal can eat at the time that they are used to. It would also be great if the hotel collaborates with a taxi agency to provide commute services to customers to bring their pets to the hotel and vise versa. The reviewed business models were located in Moscow, but this business model can be opened in other densely populated cities of Russia as well.

Unfortunately, I did not have the opportunity to try this business in practice, but in theory I would start my business cats only with future expansion to all animals. Since St. Petersburg is the second largest city in Russia, I will choose it for my business. In my hotel, I would provide the following conditions - a walk in the park, good quality food and fresh water and cozy rooms. There will be a variation of rooms by type, economy, standard and luxury. Economy and Standard rooms will be made of plastic and will differ in size, where the Standard room will be one and half the size of the Economy room and a nail sharpener for the cats will be put inside. The luxury room will be made of glass and will be the largest in terms of area - twice the size of the economy room. The room will have an online camera, a nail sharpener, and a cozy little cat house. There will be a veterinarian in our hotel on a permanent basis and he/she will examine the animals daily. We will also provide grooming services, zoo taxi, and

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we will sell pet products that visitors can purchase at will. There will be several small play areas inside the hotel. I think that with such conditions, the animals will have a minimum level of stress and I hope that once visiting our hotel, the owners of the animals will become our regular customers.

For future research, I would suggest exploring how difficult it can be to have multiple animals in the same space and how you can reduce the stress of animals stating at the hotel. It would also be interesting to see the theory in practice.

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