

REPORT



WHAT IS THE #1 CHALLENGE OF
HOSTEL OWNERS WHEN IT COMES
TO RUNNING THEIR HOSTEL?

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CLICKABLE

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Dedication



To all participants, thank you for inspiring me.

PARTICIPANTS



6 CONTINENTS
178 COUNTRIES
...
1 MISSION



Jump forward

10,617 HOSTELS WERE ASKED ONE QUESTION:

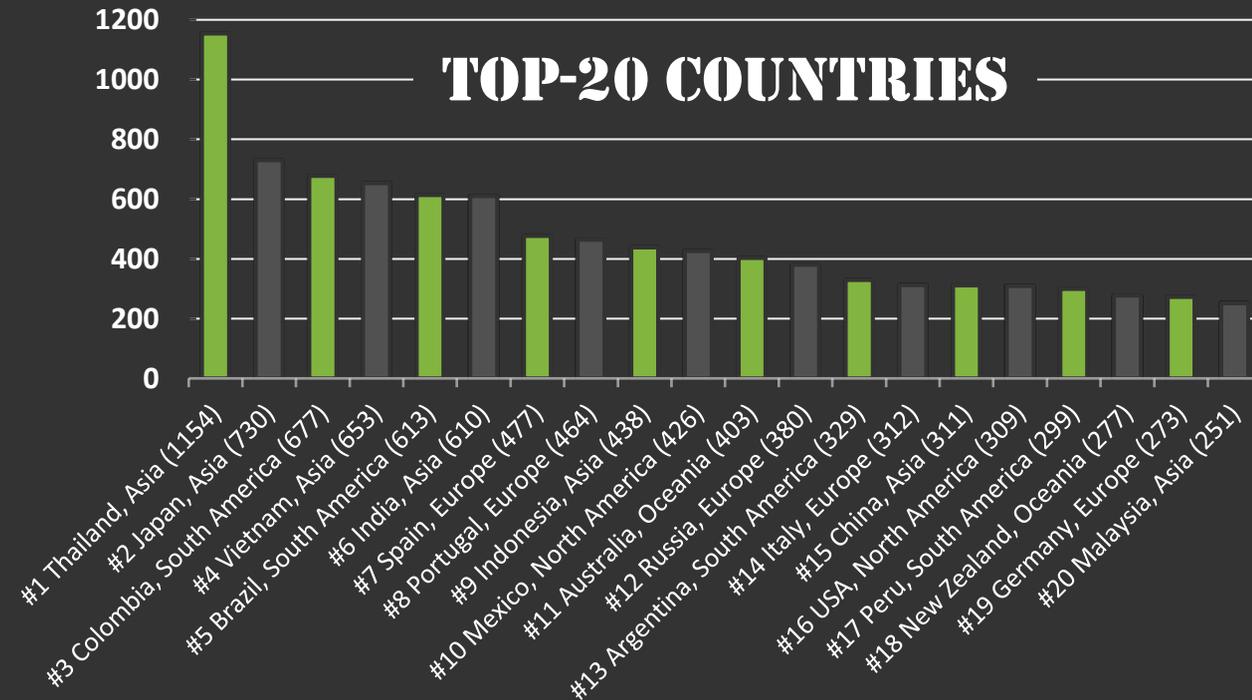
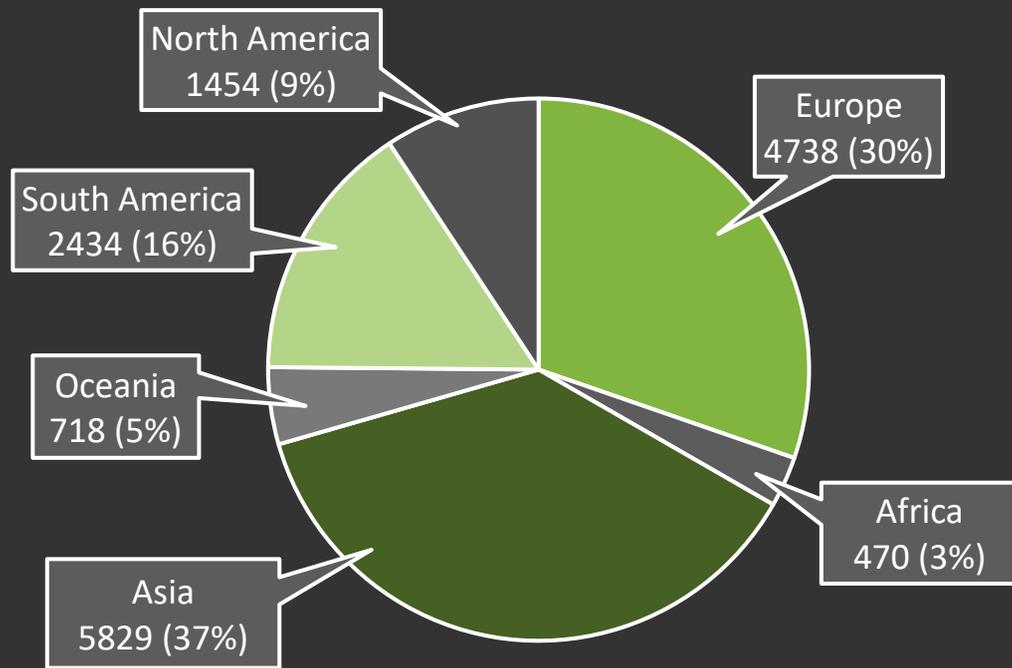
“What’s your #1 challenge when it comes to running your hostel and why?”

A total of 279 hostel managers replied.
(Response rate = 3%)



15.643 HOSTELS!

Did you know that there are more than 15.000 hostels worldwide?



Why am I showing you this?

Don't even think for a split second that the problems you are experiencing are unique. There are thousands of other hostels with the **SAME** issues!

And in my opinion, this is something we can all benefit from.

Part of my mission is to connect hostels, so you get access to this **HUGE** pot of wisdom & experiences.

That's why I'd love to see you taking part in another quick survey.

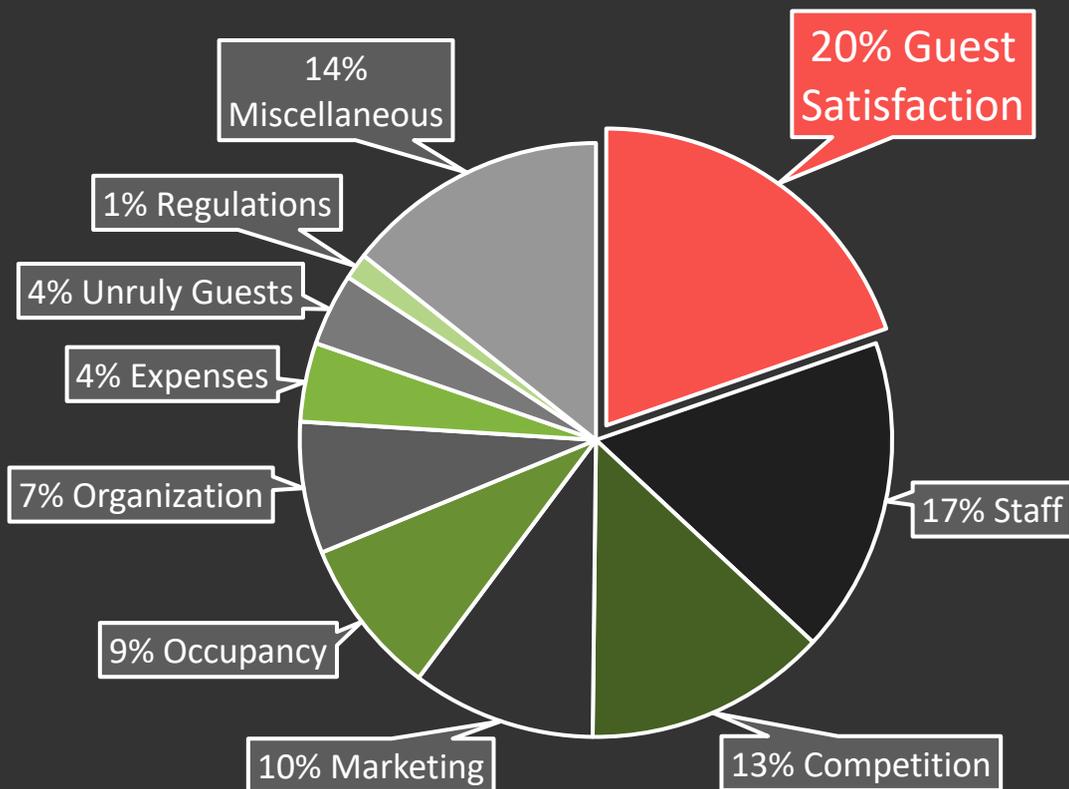
You'll get access to **ALL** the answers and a notification as soon as they're published.

[Take The Quick Survey](#)

P.S. [Click here](#) if you're interested in more stats about hostels on your continent.

WORLDWIDE

#1 CHALLENGES



RESULTS

"What Is Your #1 Challenge When It Comes To Running Your Hostel And Why?"



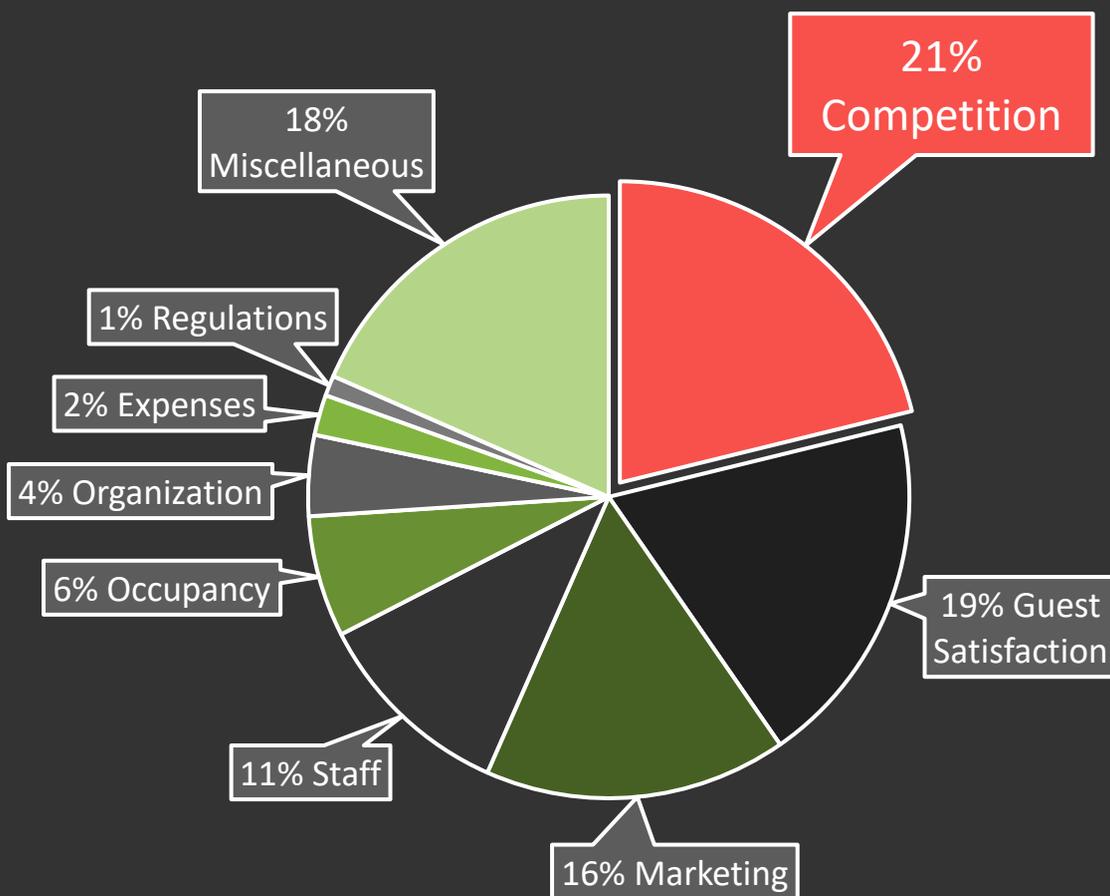
Jump back



Jump forward

ASIA

#1 CHALLENGES



Jump back



Jump forward

93 CHALLENGES

COMPETITION

My #1 challenge when running my hostel is...

"...dealing with the enormous amount of competition in our area. The tourist numbers are currently low and have been lower than expected for several months now. There is also a myriad of new accommodations that have opened in the last 12-18 months. We haven't had problems with it before, but now it's getting to a point where we have to fight tooth and nail to increase our occupancy."

"...increasing our occupancy while there are new hostels popping up in our area every single year."

"...staying competitive without further lowering our rates. We can't keep up with their low prices and our margins have never been atomic like this."

"...staying competitive. There are simply too many hostels in our small city."

"...dealing with the oversupply of hostels in our area. So many new hostels have opened during the last 3-4 years. Almost every street has a hostel now. However, the number of tourists (=potential bookings) didn't grow as much as the number of new hostels. Some older hostels already had to close their doors and it looks like running a hostel is becoming kind of a 'fashion-business'. Like clothes: new trends come and go. Especially because backpackers seem to prefer the new-built hostels compared to the old ones."

"...keeping up with the competition. The number of travelers has decreased while the competition is getting harder every year."

"...increasing our occupancy rate due to the sheer amount of competitors in our area. The price war has reached a point of absurdity."

"...staying competitive. I don't even know the actual number of hostels in our area anymore because there are constantly new ones popping up."

GUEST SATISFACTION

My #1 challenge when running my hostel is...

"...getting more guests. Our cut-throat competitors in combination with the recession make it a real struggle."

"...attracting more guests. Our area is littered with other hostels that all offer pretty much the same facilities."

"...establishing our hostel at a higher price. Our competitors almost force us to keep the price as low as possible whilst still offering the same value. However, we can't afford to go as deep as they do and guests expect a lot."

"...fighting the price war with our competition. There's a ton of new small hostels in our area and everyone tries to be the price leader."

"...facing the trend of declining occupancy rates and average daily rates (ADR). Our market size grows much slower than the number of new hostels."

"...finding a way to promote our hostel without having to lower our rates. The competition is getting stronger every year and everyone's solution seems to be lowering the price."

"...making our hostel the tourists' best choice for staying. There are many hostels and Airbnbs that are operating these days and each has its attractions. Therefore, the challenge lies in making and keeping the hostel relevant and attractive to keep up with others."

"...getting more guests. The competition is tough in our area."

"...dealing with all the other competitors. Everyone tries to offer the cheapest price."

"...staying in business with all these new hostels that have been built in the last few years in our area. The amount of visitors didn't really increase during that time. Hence, our prices are doomed to fall."

"...making our guests happy. We get so many people from different cultures with different experiences that it's hard to serve all of them to their full satisfaction."

"...serving our guests and making them feel like home. There are so many different personality types that it's hard to blend them all together into one big family."

"...serving our guests as a priority. It's our job to make their lives better. However, all the different cultures, ages, habits, etc. make it really difficult to be the best for each and every one."

"...dealing with all the different people. On the one side, you have to manage your staff and your guests, but on the other side, there are external services as well as regulatory agencies that demand your attention. It's all about staying on track in every nook and cranny."

"...satisfying all our guests with the best hospitality and facilities. The thing is, everybody thinks and feels different and there's no cookie-cutter approach to address all of their wishes."

"...making our guests happy. Every person has different expectations and it's hard to meet all of them."

"...satisfying all of our guests. Especially groups are often hard to deal with since they already come with their own circle of friends and are not that much interested in connecting to others."

"...dealing with unrealistic expectations of our guests. They're looking for 5-star facilities while setting a budget for 'no'-star accommodations."

"...making and keeping all of our guests happy. They are all SO different and every one of them has individual needs which makes it hard to meet all of them."

"...managing bad reviews. It's hard to combat them and they're influencing our business massively."

"...being the very best hostel in our area measured by the guest reviews we receive. I think that's the way to go in order to increase our overall revenue while building a team of employees that doesn't have to fear a termination."

"...maintaining maximum guest satisfaction. Our guests' expectations are quite different. So the challenge lies in keeping them all happy."

"...creating the most convenient and enjoyable hostel for our guests. Everyone has a different taste. Hence, it's quite challenging to please them all."

"...keeping our guests happy. They all expect different things and you need to figure out each and every one of them in order to please them."

"...maintaining an excellent level of service. Since there is no standard rule to please everyone, it's hard to teach our staff how to do it."

"...maintaining a great level of guest support and service. Guests are our lifeblood. Without them, there's no business."

"...having knowledgeable staff. Guests are asking many questions considering the area and our country. This can be challenging when our staff is unfamiliar with the area and might not have grown up in our country either."

"...maintaining a warm and hospitable atmosphere while accommodating a myriad of different people."

"...maintaining a clean and tidy hostel to satisfy our guests. We already do the best, yet sometimes things don't work out the way we planned."

"...keeping up with new and higher expectations. If our end goal is guest satisfaction, then our journey begins with their expectations. When guests book a room they have certain expectations that are determined by various factors such as the images of our property that are on the web, reviews that other guests have left us, the descriptions we have, etc. However, sometimes these expectations are so high that it's hard to exceed them to guarantee guest satisfaction. That's especially true when I look back at the last few years in which the expectation's bar was raised enormously."

MARKETING

My #1 challenge when running my hostel is...

"...increasing the occupancy during the low-season. We've tried multiple marketing gimmicks but none of them really brought in the results we expected to see."

"...getting more bookings. We don't see any real results expect from our listings on OTAs right now."

"...establishing our hostel in the area. We have many neighboring hotels whereas the concept of "hostels" isn't quite established yet in our country."

"...figuring out the best price for the right time. I find this to be hard."

"...increasing our occupancy. Hostels are not common in our area and they don't seem to appeal many domestic travelers."

"...getting guests to return to our hostel. Most love their stay but only a tiny percentage of them consider coming back to us."

"...maintaining a healthy balance between direct bookings and bookings through online travel agencies. I noticed a huge increase in OTA bookings over the last few years and I haven't figured out yet how to further push our direct bookings."

"...getting more guests. Our location is not a destination for travelers and there are few real attractions here."

"...improving our marketing. We are new in business and haven't really figured out how to increase our conversions."

"...overcoming the low-season. It's really all about surviving in this time and our profits pretty much all stem from the high-season."

"...marketing our hostel, since we are a poshtel. That means we are basically competing with both hotels and hostels even though we are actually something unique."

Note from TheHostelHelper: In case you're wondering: "Poshtel" is a combination of the words posh and hostel. Hence, it's a mixture of an upscale boutique hotel while still having hostel characteristics and often similar price ranges. You could also call it "luxury hostel".

"...raising our occupancy. We are located in the middle of the island and a bit far away from the main attraction. Hence, travelers don't see a point in coming to our area."

"...making guests visit our hostel again. I'd love to build a loyal customer base. However, I can't seem to figure out how to get them to come again."

"...planning our marketing activities. Since this is our very first year in business, we haven't figured out yet how to attract many guests."

"...attracting guests. We are located on the backroad and the road has not been built yet. Hence, many guests don't see or find our hostel."

OCCUPANCY

My #1 challenge when running my hostel is...

"...keeping the traffic of new guests up and running. Every year we have to deal with a super slow off-season."

"...dealing with the seasons. Many of our expenses such as wages are fixed. Hence, no matter if we are hosting just a few or literally hundreds of guests, they remain the same. That's a real issue in the off-season when there's no real revenue coming in on a regular basis."

"...staying profitable. In our area, we have a high season, low season and a "no season". The latter means there are literally whole weeks without a single guest. So, the challenge we are facing is to further reduce our costs while attracting more guests and being profitable in the long run."

"...keeping our occupancy up during non-peak season. There are not enough tourists for all the hostels in our area."

"...making money. Seriously. We are really struggling to break even at the moment."

"...having enough guests to survive. The number of tourists dropped throughout the area since last year and there are no signs that it'll go up again in the future."

STAFF

My #1 challenge when running my hostel is...

"...having the right staff. It's easy to have motivated staff in the beginning but once they've been working in your hostel for quite some time, it gets increasingly difficult to keep up their work ethic."

"...retaining our staff. It's predominantly comprised of students who don't tend to stay too long."

"...managing our staff and making them stay at our hostel. We've tried a bunch of different payment models in order to make it an attractive long-term job, but our turnover is still high."

"...enabling our staff to care about guests. Most people who apply for our jobs don't have any experience and do not speak proper English which is needed in order to communicate with all the international travelers."

"...having a healthy relationship with the team. Our hostel relies on staff. They're the ones in contact with guests and keep the business running. A healthy team brings happy and effective working situations. Simply put: Happy staff = happy guests. This also affects all other areas of running a hostel. The thing is, there are always new problems popping up when dealing with the team and guests - it never ends. It's not easy at all because everyone is from a different background and I find this is the major challenge we are facing."

"...finding the right staff. Our hostel is not for business travelers but also not for young party folks. Hence, our staff has to be a mixture between formal and casual which makes the process a bit tricky."

"...getting the right manpower. I find it hard to find the right people with the right mindset and the right skills."

"...finding good staff for housekeeping. Seems like no one wants to do that kind of job anymore."

"...managing our staff. It's super time-consuming and we'd love to focus more on marketing, but they keep us busy and come up with different issues every day."

"...hiring the best staff. Since they form the opinion of our guests I find it hard to find the best of the best."

EXPENSES

My #1 challenge when running my hostel is...

"...maintaining our hostel. The costs and expenses are erratic and can get really juicy."

REGULATIONS

My #1 challenge when running my hostel is...

"...dealing with government officers on the license. It took way longer and was more time-consuming than expected."

ORGANIZATION

My #1 challenge when running my hostel is...

"...organizing and structuring our hostel in a way that it not only meets the current needs but also future demands. The industry is changing at a fast pace. Hence, I fear some improvements might be outdated pretty fast."

"...managing our inventory. It's tough to stay on track with all the different offline and online bookings."

"...keeping track of extensions and checkouts. The rooms and beds have to be ready in time for new guests and I have a hard time to ensure that. It's a constant distress."

"...managing a fully booked hostel. It's quite challenging to keep up with all the daily duties during our busiest time."

"...managing our Google calendar. It's not just about organizing new bookings, but also about editing, extending, canceling, etc."

Note from TheHostelHelper: This is what property management software is made for. It'll greatly facilitate this job for you. [Click here](#) to learn more about it.

MISCELLANEOUS

My #1 challenge when running my hostel is...

"...renovating our hostel. Our property is a cave lodge. Hence, in order to renovate it, you need more time than you would for a normal lodge."

"...managing New Year's. It's the biggest and busiest holiday and some staff members refuse to work that day."

"...bringing hostels closer together instead of fighting against each other. In my opinion, there's plenty of room for all of us, yet it seems like we are making our life unnecessarily harder."

"...getting rid of bed bugs. We couldn't get rid of them for weeks and we don't know what else to do because the exterminators already came in three times."

"...dealing with no-shows. This especially hurts in the high-season when we are technically fully booked and still have empty beds due to no-shows. And we can't even charge them for it."

"...being so dependent on OTAs. I'd like to establish a way to get more direct bookings but I haven't had any luck with all the methods I've tested so far."

"...dealing with the consequences of the tsunami in October 2018. Our city still hasn't recovered and tourists avoid coming to our area."

"...being fully happy. In the end, it's not about having a profitable business, it's about being the happiest person you can be. However, happiness seems to be easy to see but not easy to find."

"...becoming the number one. Our goal is to be the very best hostel worldwide: the most affordable yet unique accommodation to help people discover the earth."

"...dealing with taxi drivers. Hotels offer them a commission if they're able to convince our guests during the drive to stay in those hotels instead. Hence, taxi drivers are fighting tooth and nail to influence our visitors to change their minds before they arrive."

"...finding the right balance between meeting business goals while meeting our customer's wants and needs. Since we are running a true eco-hostel, some guests don't appreciate all aspects that come with that."

"...dealing with [specific country] guests. Their culture is very different from ours even though we are located closeby."

*Note from TheHostelHelper: I want to avoid ethnic discussions
@TheHostelHelper.
Thus the excluded name of the country.*

"...keeping our restaurant up and running. We simply cannot compete with the price levels offered at stalls in our neighborhood."

"...getting out of our vicious cycle. Our hostel is too small to generate a decent profit. Yet, we don't have the money to make it bigger."

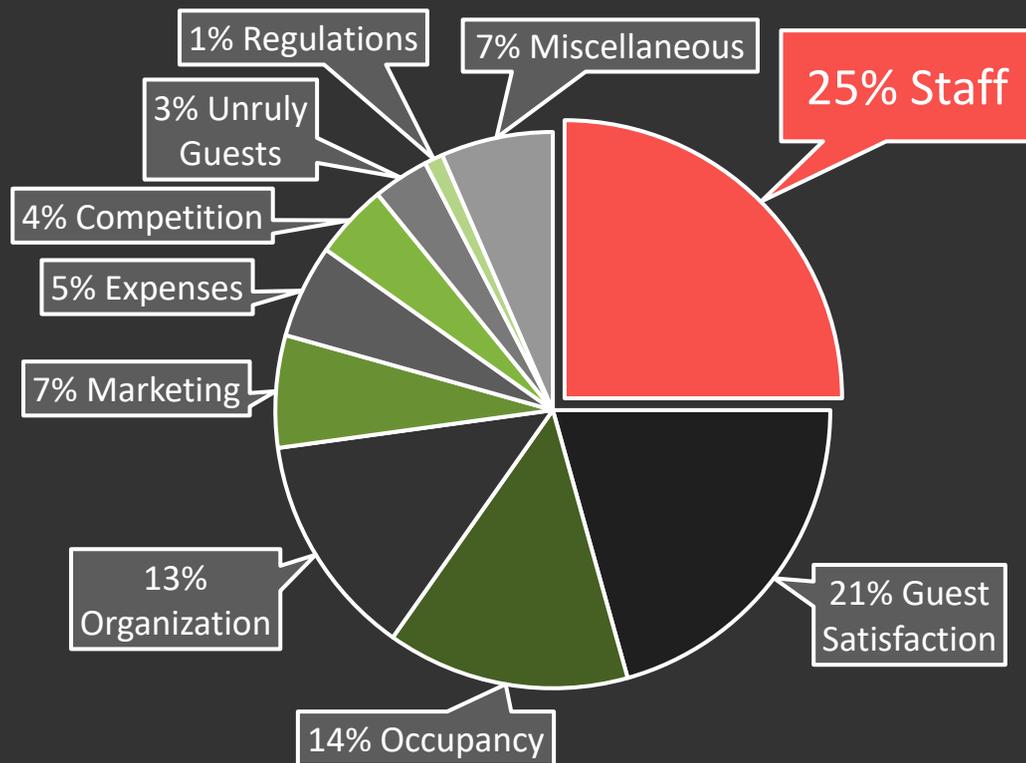
"...increasing our occupancy. Ever since a boat tragedy in 2018, many tourists avoid our area."

"...being consistent in every aspect of running the hostel. Since there are humans involved, it's really hard to maintain an overview of everything."

"...running the hostel better than my mom (since it's a family business)."

EUROPE

#1 CHALLENGES



Jump back



Jump forward

92 CHALLENGES

STAFF

My #1 challenge when running my hostel is...

"...managing the staff during the seasons. In the low season, we tend to have too much staff and in the high season we hardly have enough staff."

"...finding and keeping great staff. The best ones tend to leave pretty soon."

"...keeping up high-quality service. Our budget doesn't allow for professional front-desk staff, so we try to coach them to provide great service. The main issue though is that they have to handle email correspondence in English and this is something we can't really teach quickly. Furthermore, they aren't really knowledgeable in the areas of touristic destinations, transportation, etc., just yet. We know that it's our task to create comprehensive guidelines for service staff to solve these issues, but it requires a huge effort time-wise that we do not have right now."

"...finding reliable and good workers because most hard-working people left the country to find jobs elsewhere."

"...hiring good and reliable professionals for housekeeping. Not many people are willing to do this job in our area."

"...motivating our staff. We are constantly looking for people that are proactive and want to come up with new ideas and better ways to do their job. However, we either don't seem to be able to find the right people or we lack the ability to spark the right feelings in them."

"...finding reliable staff. Some tend to be dishonest in our country and do more harm than good."

"...keeping the quality of our service up. We try to make our staff feel good at work so that they work with passion and things run smoothly. However, there's still room for improvement when it comes to consistency."

"...managing our staff. We can't afford to pay professionals (except for the front desk). Hence, our staff is mainly composed of students doing all other duties."

"...finding motivated staff. They tend to burn out after a while so that there's a high turnover rate.

"...finding qualified hostel workers. It's so hard to find the great ones!"

"...recruiting housekeeping staff that doesn't just pretend to do the work. Many of them simply spray some detergent so that it smells good but don't really scrub the dirt away."

"...maintaining a good standard of working processes and administration. Many of our staff members try to do their own thing which regularly leads to mistakes."

"...finding reliable staff. Some people just aren't really committed."

"...giving away responsibility. I find it hard to delegate and outsource tasks because I don't like the feeling of relying solely on others. I'm totally okay with the fact that they probably don't do the job just as good as I would for my baby, but I still prefer being 100% in control."

"...finding reliable, hard-working, and loyal employees. Young people tend to be lazy."

"...finding good staff. We are looking for allrounders who can do a variety of tasks (e.g. front desk + housekeeping + laundry), but most people seem to prefer only one of these tasks instead of them all. However, we can't afford staff for separate tasks because we are a small hostel."

"...finding competent staff members. They tend to lack self-motivation."

"...managing our staff. It occupies a lot of time, particularly when the staff is new. And when there's new staff coming, old mistakes are made again and it feels like we are starting all over again."

"...hiring competent and reliable staff while offering minimum wages. We can't afford to pay more, yet we need excellent staff to ensure great guest service."

"...recruiting trustworthy and reliable staff members. I would love to get to know their real attitude right at the job interview."

"...managing staff across various departments. Our hostel is scattered throughout the building and it's quite challenging to keep the standard of service up when I'm not present."

"...keeping great staff. I think we are doing a great job when it comes to hiring the right people. That said, the better they are the earlier they typically leave."

GUEST SATISFACTION

My #1 challenge when running my hostel is...

"...Ensuring that our guests have a good time and leave with a smile because everyone is different."

"...pleasing all sorts of guests from various age groups, backgrounds and from all over the world. They all have different expectations and needs."

"...fulfilling the expectations guests have about our hostel. Some of them set the bar so high that we are unable to meet their needs."

"...dealing with bad reviews. We ask each and every guest if everything is alright. However, it seems like most of them are too shy (or too polite) to speak up. And after their trip, they call us down through their reviews."

"...dealing with guests that arrive with the expectations of a hotel. It seems like no one is reading the information we provide on our website and via email."

"...trying to please everyone. We have all kinds of different guests with different needs."

"...knowing exactly what our guests want because everyone is different. At the same time, I find it super interesting to get to know such a variety of unique people."

"...maintaining a high review score on websites of online travel agencies. Our happy guests don't tend to write many reviews but as soon as one is disappointed, they never forget to leave a review."

"...being the best-rated hostel in our area. We are still 0.4 points away from reaching our goal (10-point scale) and it takes quite some time."

"...giving our guests the feeling that they have the best time of their life. While it's quite challenging, it's also fun."

"...making and keeping our guests happy. We have so many different guests with different wishes, wants, and needs that it's difficult to find out what they really desire."

"...increasing our online reviews. It takes forever to recover from a bad review."

"...getting our happy guests to leave a review. There are all kinds of people: The 'bad' ones would never forget to leave a review - on the contrary: the 'good' ones forget to do so all the time."

"...trying to fulfill the needs of all guests because they are all different."

"...fulfilling all our guests' needs. They are coming from different parts of the world, different cultures, different religions, have different levels of education, different lifestyles, etc... Meeting diverse needs is such a multi-layered task. It's tough to be attentive to everyone."

"...to ensure all our guests are happy and enjoy their stay. Every guest is different and we need to find different ways to please each and every one of them when it comes to their expectations. For example, one might be looking for fun activities whereas others might want to chill and rest, so we need to find the right balance to make them both happy at our place."

"...satisfying our guests and employees since everyone has a different background and needs."

"...serving guests that come and expect hotel-like conditions at hostel prices."

"...satisfying all of our guests. They all have different needs and requirements and it's hard to find out what exactly they desire."

OCCUPANCY

My #1 challenge when running my hostel is...

"...increasing our occupancy. We are often too busy to really focus on the marketing aspect."

"...raising the occupancy during low season (October until the end of February). Not many tourists visit our city during that time."

"...having a fully booked hostel every month of the year. The seasons hit us really hard in our area."

"...staying profitable due to the seasonality. For 5 months a year, our hostel is completely empty but our expenses don't change. Hence, our hostel has to generate enough revenue in the high-season to compensate for the off-season."

"...dealing with the seasonality of our business. It's all about cutting costs in the off-season and exhausting our revenue in the high-season."

"...getting more bookings. Our competition grew massively over the last few years and it's like we are splitting the same old cake between more people right now."

"...capturing guests in the off-season and keeping occupancy rates up. Our city is quite seasonal during the year."

"...improving our guests' experience and at the same time improving our average daily rate (ADR) and occupancy rate. The main challenge is probably the seasonality: we have few guests in the off-season at lower prices and a fully-booked hostel in the peak season when prices are high (which also leads to higher expectations due to the fact that they're paying more...)"

"...dealing with a low occupancy throughout all seasons."

"...raising our occupancy in the off-season. In the summer we are crowded like Disney World and in winter we are a ghost town."

"...getting more bookings - especially in the off-season."

"...increasing our occupancy rate. It's hard to compete with all the other websites out there."

COMPETITION

My #1 challenge when running my hostel is...

"...dealing with the high number of competitors. Not only are there more hostels coming every year, but also the 2-3 star hotels lowered their prices and now compete with us."

"...dealing with our competition. There's a price war going on between hostels."

"...increasing our occupancy. There are too many hostels for the amount of tourists in our area."

"...being unique among all the other hostels. I think you have to bring something different to the table in order to attract more tourists these days."

MARKETING

My #1 challenge when running my hostel is...

"...attracting more foreign guests. Our hostel is located in an off-road location and not many tourists know that it even exists."

"...being visible for our guests. I find it hard to get our guests' attention when they look for an accommodation nearby."

"...increasing our direct bookings. We are basically not visible yet. Our website doesn't even show up on Google's first page."

"...increasing our occupancy. I believe it's the competition that is the main issue."

"...trying to attract people to come to a remote part of the island. We just don't know how to find potential guests."

"...finding the right price. Most of our competition has listings on multiple websites. Therefore, it's difficult to get an overview of their prices and availability."

UNRULY GUESTS

My #1 challenge when running my hostel is...

"...screening our guests and the review system itself. Each guest should have a review and comment system, just like a hostel does or how it's done on eBay, Uber, etc. If a guest does not follow the house rules or is not considerate and respectful, we as a hostel should be able to give points and comments to our guests, the same as they give us points if they don't like something. In my opinion, it's not fair that a guest can basically do whatever they want and get away with it and we have to always bring our A-game. And dare something is not to their utmost satisfaction... they'll let everybody on the internet know about it."

"...making guests follow the house rules, respect others and the property. Everybody comes with different habits. Hence, it's quite challenging to ensure that everybody follows the rules."

"...dealing with weird guests. There are a lot of them out there with strange demands that I have to Google in order to help them out. Sometimes it's tricky to imply our house rules because I'm a short girl and some of the guests are scary looking 2m tall guys (6.6 foot). The same "height problem" applies to our staff. On the one side, we try to become friends with our staff because we believe happy staff is the core of a happy hostel. However, that also entails that they sometimes don't take me too seriously and perceive

my critique as a joke. Even when I get mad at them for breaking the rules or doing something wrong they don't take it seriously because we are friends and I'm not a threatening person."

EXPENSES

My #1 challenge when running my hostel is...

"...increasing our profits. The utilities are rising and the margins are getting smaller."

"...staying profitable. Our rent and utilities are high and our competition keeps lowering their rates to an unhealthy level."

"...cutting our costs. I noticed an increase in expenses in pretty much everything we have to pay but our revenue can't keep up with it."

"...dealing with increasing costs. We can't increase our bed rates due to the sheer amount of competition but our expenses increasing every year."

"...realizing all the ideas to improve our hostel. It's almost a vicious cycle: If we were to realize them all, we would probably be able to get more bookings. But our margins are too thin to allow for any bigger investments."

ORGANIZATION

My #1 challenge when running my hostel is...

"...organizing late check-ins. We can't afford a 24h reception and some guests come hours later than they initially tell us."

"...maintaining a good standard of cleanliness. It's not only about the guests but also about having staff that doesn't just "pretend" to clean but really does the job properly."

"...maintaining a high standard of cleanliness. The busier we are, the more we are struggling to keep up with our cleaning schedule."

"...getting the work-life balance right. There is literally always something that I could be doing... 24/7. So, the challenge is to run the hostel successfully while staying sane. It's a lot about prioritizing and effective management."

"...checking in late arrivals. We can't afford a 24/7 reception because we are a small hostel. Hence, every time new guests arrive, we have to drive back to the hostel and wait for them (which can take a long time)."

"...doing the laundry - particularly in the high season when our hostel is fully booked."

MISCELLANEOUS

My #1 challenge when running my hostel is...

"...balancing good revenue while having satisfied guests. There's a point when our efforts don't pay off financially anymore."

"...separating 'me time' from 'work time'. I personally live in the hostel I run and sometimes after a hard day, I just want to relax. But guests know of my position and my volunteers - especially the new ones - always ask for help when there are special guest questions or guests ask for a recommendation. I find it very hard to have some alone time."

"...getting bookings for longer than one night. Our area doesn't offer that many attractions. Hence, many guests tend to stay for a single day (which causes more work for us)."

"...being able to charge for no-shows. Some of our guests use invalid credit card details that make it impossible for us to charge them in case they don't show up."

"...finding a good booking engine. We used a "free" one only to find out months later that it took a commission on the guests' side."

"...maintaining our building. It's not only about the money but also about how time-consuming it is to organize maintenance work - especially during our peak season."

REGULATIONS

My #1 challenge when running my hostel is...

"...structuring my hostel in a way that makes it most enjoyable. I think the biggest advantage of running your own business is the ability to do things your own way without having anyone tell you how to do things. However, it's also challenging because you have to build the systems and need the help of other people who care about the stuff that you don't like doing."

"...nothing. In hostel life, everything comes naturally. I don't stress myself with anything because I know I'll laugh about my current struggles at a later point. I take it easy."

"...being consistent. It's not that we don't know what we are doing, it's rather that some things tend to slip sometimes which leads to bad reviews."

"...getting rid of bed bugs. It's super costly to get exterminators and it also requires a lot of time and coordination to treat the affected rooms."

"...dealing with [specific country] tourists. They rarely announce their time of arrival and don't check messages on platforms on which they've booked their stay. Moreover, they often don't speak English and shush other guests at 8 pm because they want to sleep. Then the next morning they are very loud. Rude, self-centered, and messy. They never clean the toilet after themselves, they leave their hair everywhere, they love to make a flood in the bathroom while they wash their clothes, they put fully cooked meals in the shared closets used by other guests... The list is endless..."

*Note from TheHostelHelper: I want to avoid ethnic discussions
@TheHostelHelper.
Thus the excluded name of the country.*

"...choosing the right size for a hostel in order to still be able to create a personal atmosphere but at the same time being big enough to benefit from the economy of scale and making a decent profit."

"...maintaining the quality of our service regarding cleaning and the specific requests we receive. In my experience, guests are becoming more and more demanding and sometimes it's hard to fulfill all their requests as they become more specific. Another challenge is to keep up with the cleaning when there are a few messy people at the hostel."

"...the fact that bureaucracy is made for large accommodation providers with hundreds of employees and large resources. Some regulations are well-meant but do not scale well to small businesses. This means that building regulations and labor regulations which are necessary in a hotel with 100 rooms, will choke a hostel with 25 beds. I'm talking about requirements such as having a "designated health service" provider, elevators for wheel-chair access, uniform changing rooms and a staff eating room, etc. Getting an exception to the rules is possible, but if you're not allowed to stay open while the government churns through the papers (which can take months or even years) you're broke."

QUICK QUESTION



Jump back



Jump forward

Do you like what you see so far?

If yes, the biggest compliment you can pay me is to participate in this quick survey.

[Take The Quick Survey](#)

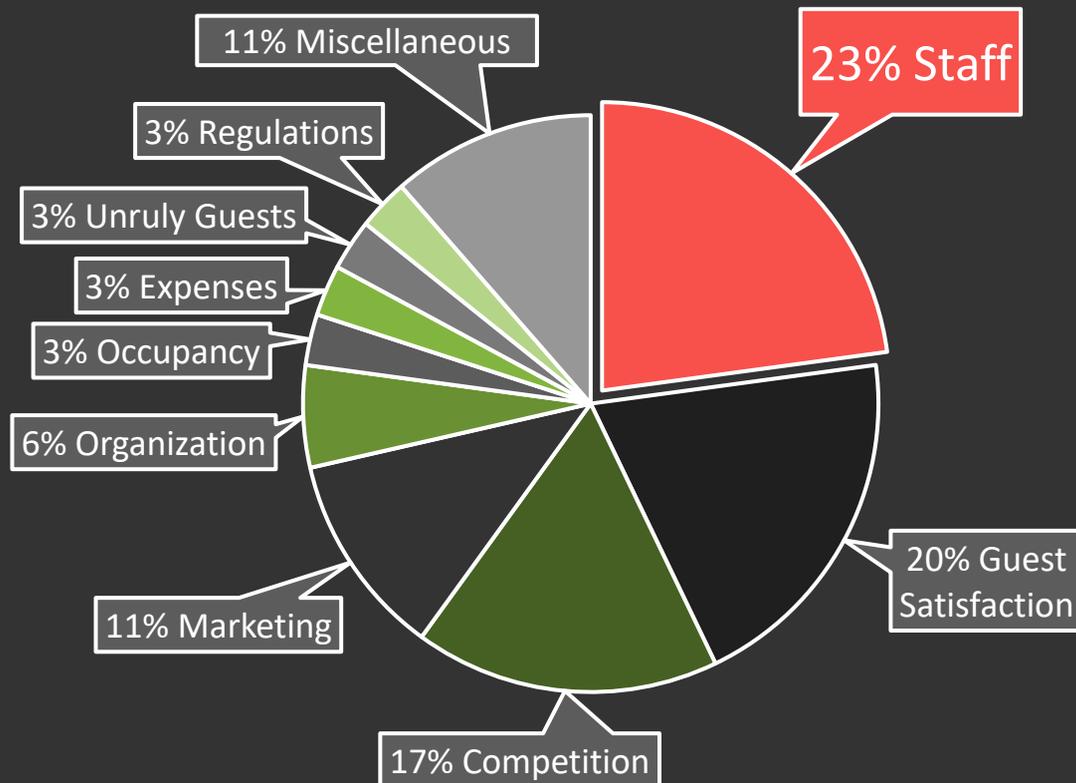
It means the **WORLD** to me.

You'll get access to all the answers and a notification as soon as they're online.



NORTH AMERICA

#1 CHALLENGES



Jump back



Jump forward

35 CHALLENGES

STAFF

My #1 challenge when running my hostel is...

"...finding motivated long-term staff. We already have a great team but they are working a lot and long hours and it's really hard to find these kinds of people. We are a small hostel and we can't afford to pay as much as I would like to. We also use some volunteers but I prefer to have a professional front desk team that is super knowledgeable about the area."

"...not being able to offer a 24-hour front desk. It would make things so much easier but our hostel is too small for it."

"...finding reliable and diligent workers. You never know how good they fit in unless you let them work for several weeks."

"...motivating our staff. It's a vicious cycle: the lower their motivation the lower their enthusiasm when it comes to guest service and the lower the satisfaction of our guests. And unsatisfied guests lead to additional worry and stress for our staff."

"...hiring competent staff. It's so important to have good staff. Yet, it's difficult to find them."

"...finding good and reliable hostel managers. Most have the attitude that it's an easy job to make much money without actually working."

"...hiring staff for short periods. We can't afford to have too much staff in the off-season. Hence, we have to hire additional staff for just a few months which is pretty challenging."

"...managing our staff. It's quite time-consuming - particularly in the beginning."

GUEST SATISFACTION

My #1 challenge when running my hostel is...

"...satisfying guests that have exaggerated expectations. Sometimes it's ridiculous how high they've set the bar."

"...dealing with unjustified bad reviews that were written out of a bad mood. Every single one of them demands time and effort to reduce its damage to our reputation."

"...preventing bad reviews. No matter what we do, there are always some people that had 'wrong' expectations about our hostel. The thing is, the unsatisfied ones go through a lot of effort to let the entire world know how they feel. On the other hand, guests that really like the place are not even bothering to write a review."

"...pleasing everyone. I find it to be impossible, yet each negative review entails a huge string of consequences."

"...fulfilling all people's expectations. Truth be told, they expect a lot these days."

"...managing guests' perception. It seems like some tend to think that the lower the price the worse the hostel."

"...finding the sweet spot for prices while following market trends at the same time."

"...keeping up with the desires and demands that are changing rapidly and are very different today than 30 years ago. Nowadays, they expect conditions similar to that of hotels at hostel prices."

OCCUPANCY

My #1 challenge when running my hostel is...

"...dealing with a declining occupancy rate. I'm not sure what's the reason behind it... but our numbers decreased during the last few years."

COMPETITION

My #1 challenge when running my hostel is...

"...trying to stand out in the crowd of competitors."

"...competing in a market where others use "volunteers", i.e. non-paid employees, which are illegal in the country of my hostel. When I hire people, I have to pay for them as well as for additional taxes and benefits which makes my operational overheads exceedingly higher than all of our competitors. Yet, we are attracting the same guests and they obviously have a higher margin for marketing to get a bigger piece of the cake."

"...keeping a healthy margin when the competition forces you to lower your rates. We already had to cut on our guest service side in order to be able to compete with them."

"...dealing with the competition. There are multiple Airbnbs around that offer a similar price."

"...dealing with the consequences of the terror attacks in April. Tourism has gone down but the competition even increased and tries to attract more guests by offering the cheapest rates."

"...dealing with the fact that we are compared to hotels and no-tell motels on online travel agencies as equals."

MARKETING

My #1 challenge when running my hostel is...

"...increasing the confidence of potential guests in booking a hostel. In our city, there are only hotels and most guests are unfamiliar with the hostel-concept."

"...marketing our hostel's main advantage: the social aspect. Online travel agencies don't put any emphasis on the social aspects we offer like common areas and social activities."

"...increasing our visibility online. Our hostel's website doesn't even show up on Google's first page and ads are too expensive."

UNRULY GUESTS

My #1 challenge when running my hostel is...

"...offering a low price without affecting guests' expectations too much. In my experience, low prices attract more problem-guests who assume the price denotes the ability to disrespect the facility. Yet, our competitors continue beating down the price."

EXPENSES

My #1 challenge when running my hostel is...

"...dealing with the fact that online travel agencies take up to 20% of our gross! Furthermore, all payments end up on credit cards which come with additional merchant fees."

REGULATIONS

My #1 challenge when running my hostel is...

"...dealing with city bureaucracy. They simply don't acknowledge hostels and there are no zoning and licensing bylaws applicable. Thus, the city periodically tries to shut us down for 'illegal' operation."

ORGANIZATION

My #1 challenge when running my hostel is...

"...finding time to pursue new projects. The daily duties of running a hostel are quite time-consuming. Hence, there's not enough time left for other things."

"...maintaining our hostel. Due to the fact that we are indeed a 24/7/365 business, it's hard to coordinate maintenance because we don't want to disturb any guests during their stay. It's especially difficult when repair work has to be done during the peak season."

MISCELLANEOUS

My #1 challenge when running my hostel is...

"...getting customers to stay for longer than one day. Our city is a transit city to other places. Hence, most tend to leave pretty early after arrival."

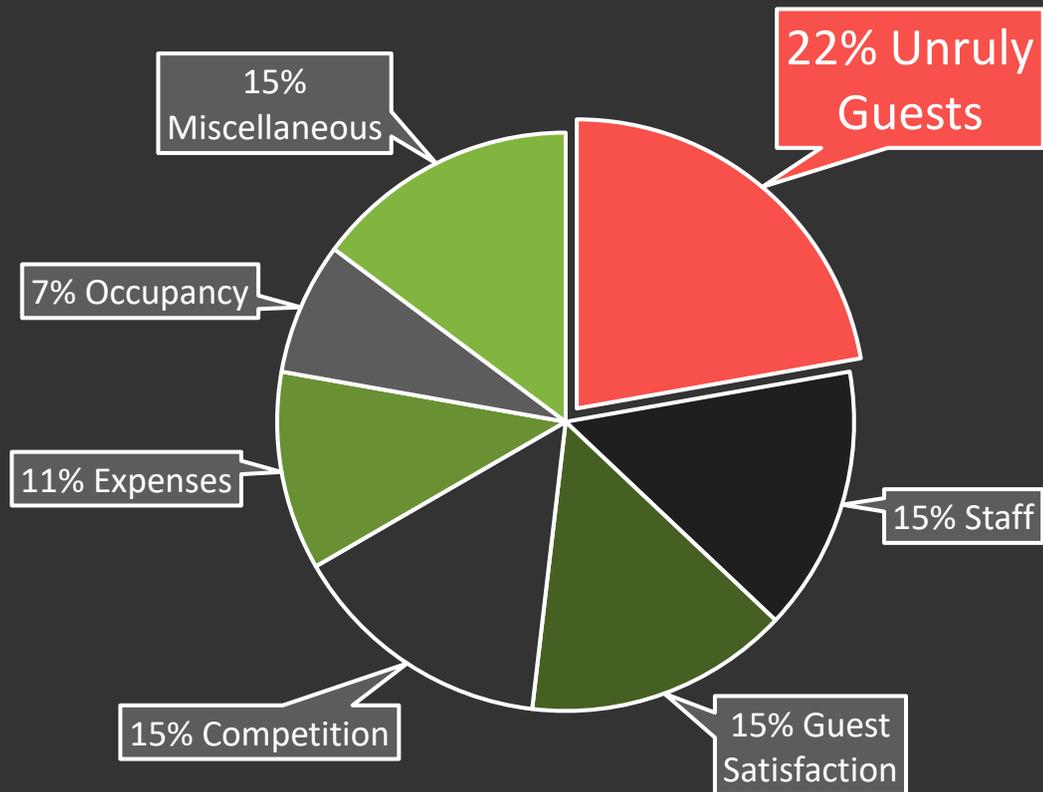
"...doing the work. Running a hostel is freaking hard work."

"...making guests read the information we provide on our website and via email. We constantly get the same questions though they are all answered in the description we provide."

"...tracking all numbers from various online travel agencies. Their reports are inconsistent, so it is almost impossible to create a comprehensive report throughout all OTAs."

OCEANIA

#1 CHALLENGES



Jump back



Jump forward

27 CHALLENGES

UNRULY GUESTS

My #1 challenge when running my hostel is...

- "...ensuring considerate guest behavior in general. This is especially difficult once they're drunk."
- "...making guests do the dishes. No matter what we try: many just leave their dirty dishes behind."
- "...keeping our kitchen clean. Many of our guests don't take care of their dishes and it costs us at least 30min each day to clean their stuff."
- "...dealing with disrespectful guests that bother other guests and our staff."
- "...making guests follow the house rules. We already have a ridiculous number of signs in each and every corner. Yet, many just don't care about our rules."
- "...getting guests to keep common areas tidy. Some simply haven't learned to behave in a civilized manner."

STAFF

My #1 challenge when running my hostel is...

- "...finding competent and trustworthy staff."
- "...hiring great staff. There's an undersupply of hard-working people in our area."
- "...finding long-term staff that is willing to work for accommodation. We don't want to spend too much money and time on short-term employees."
- "...hiring great staff. There are not many available workers in our area."

GUEST SATISFACTION

My #1 challenge when running my hostel is...

"...being held responsible for the bad behavior of other guests in online reviews. It's something we don't really have control over."

"...dealing with (too) high expectations of guests when it comes to cleanliness, location, and facilities."

"...dealing with online reviews. They are all completely subjective and a single bad one can lead to lower possibilities of future bookings."

"...dealing with negative online reviews. Everything that is not 'perfect' is immediately reported online, which requires an appropriate answer."

OCCUPANCY

My #1 challenge when running my hostel is...

"...increasing our occupancy in the off-season. It seems like travelers are more willing to stay in the city center during this time than in the outlying suburbs."

"...dealing with a lower occupancy. In general, the economy is slow at the moment."

COMPETITION

My #1 challenge when running my hostel is...

"...competing with bigger hostels. They have multiple income streams such as bars, tour desks, etc. so that they are able to offer lower rates while still making a decent profit!"

"...increasing our occupancy while competing with all the other hostels."

"...dealing with a new concept of competition called 'freedom camping'. It's now considered the cheapest way to travel through our area. This reduces

our occupancy (i.e. profit) and demands a branding-shift towards higher-spending tourists."

"...dealing with Airbnb. They led to an oversupply of beds in our area which also forced hotels to lower their rates. So now, we are basically competing with other hostels, Airbnbs, and hotels at the same time."

EXPENSES

My #1 challenge when running my hostel is...

"...dealing with the high costs of good quality staff. It makes a big portion of our overall costs since a hostel is a 24/7/365 business."

"...dealing with high costs of electricity, gas and petrol. They increase almost every year."

"...increasing costs of online travel agencies. It seems like they cut more of our gross every year."

MISCELLANEOUS

My #1 challenge when running my hostel is...

"...dealing with national travelers. International tourists are so much easier to handle."

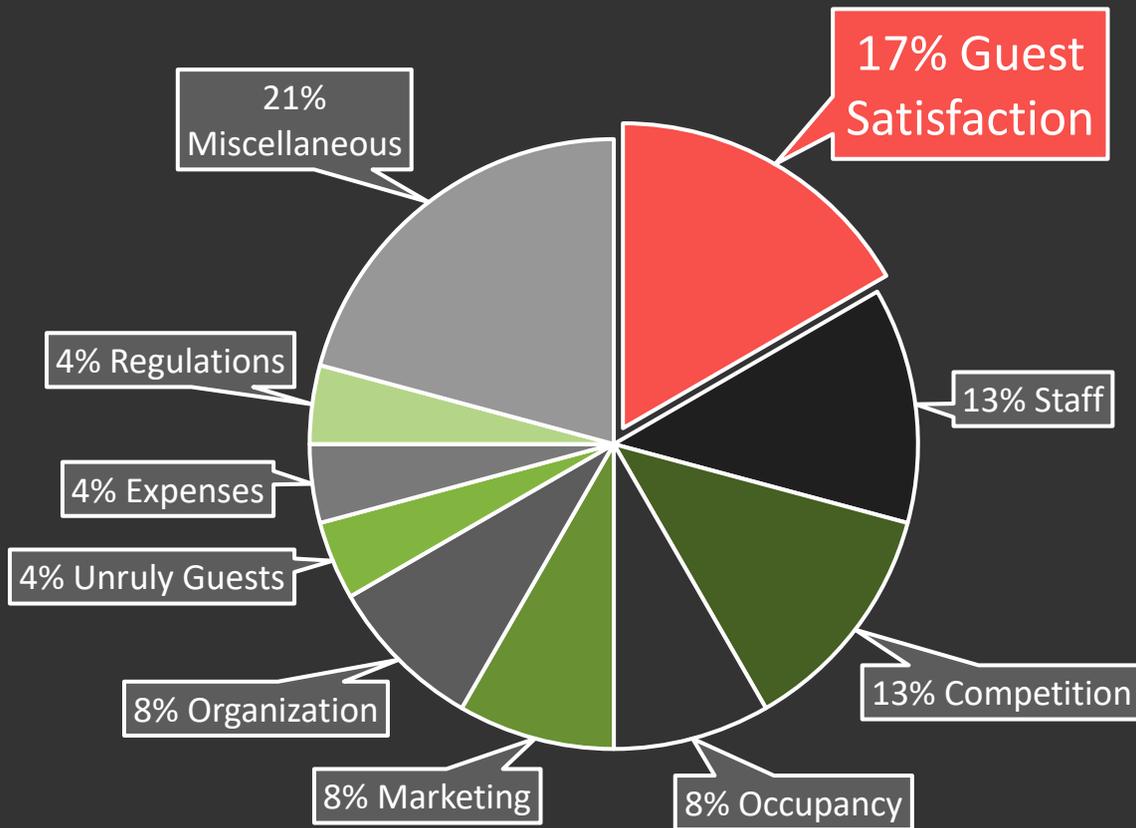
"...appearing hospitable and welcoming 365 days a year even when you are not in the mood to talk to people."

"...dealing with the 'farmer issue'. Many travelers leave the country because farmers rip them off while they're working for them to get a second year working holiday visa. Some of them even change their destination because they hear these stories. Both lead to empty beds."

"...making guests follow the nudist etiquette in our clothing-optional hostel. Many don't read the information provided before arrival."

SOUTH AMERICA

#1 CHALLENGES



Jump back



Jump forward

24 CHALLENGES

GUEST SATISFACTION

My #1 challenge when running my hostel is...

"...ensuring a positive guest experience and setting the best price."

"...putting myself in the passenger's seat and trying to figure out what they really need. The challenge is to really get the guest to 'experience' the quality of care we aim to give so that it goes beyond great service and becomes an experience."

"...making guests feel like they have arrived at the best place in the world - because they have. I want our hostel to be what I always dreamed of: an idyllic paradise."

"...meeting all the needs of our guests. The demands changed very quickly over the last few years and it's getting more and more difficult to keep up with it while still staying low-budget."

STAFF

My #1 challenge when running my hostel is...

"...making the team feel like it's their own hostel to make sure they really care about it and about serving our guests. Yet, we are still dealing with human beings: Lots of different opinions, staff changes, team fallouts, individual decisions, etc."

"...hiring trustworthy and honest employees. Crime rates are a real issue in our city. Hence, it's important to have a team that consists of people with integrity."

"...dealing with the staff. It's not easy for everyone to understand the booking system and how the check-ins and check-outs work."

COMPETITION

My #1 challenge when running my hostel is...

"...increasing our occupancy rate. The competition greatly increased over the last 10 years and there are lots of new hostels in our city."

"...attracting more people to my place in a time in which there's competition everywhere."

OCCUPANCY

My #1 challenge when running my hostel is...

"...organizing hostel events. We haven't figured out the best way to afford it and actually do it."

"...dealing with the low season. It's really all about breaking even and being able to pay the bills during the slow months."

MARKETING

My #1 challenge when running my hostel is...

"...attracting guests to our hostel in a rural location. Most travelers seem to look out for city hostels."

"...increasing our average length of stay. We are a student hostel and looking for more guests. Airbnb seems to attract very few but they tend to stay longer. Booking.com brings more guests but they tend to book for a shorter time."

"...getting people through the door and keeping them there. With so much competition around and so many different ways of advertising, it is hard to choose which is the best option to spread the word."

UNRULY GUESTS

My #1 challenge when running my hostel is...

"...making guests take care of our facilities and equipment. Example: Some use the towels we provide to clean their shoes and others cover all the bedsheets and pillowcases with makeup. When we tell them that we'll charge for it, they get angry and potentially leave a bad review. Yet, we constantly have to discard bed sheets and towels because we can't get them clean anymore. Even if you explain it to them - some just don't care about it."

EXPENSES

My #1 challenge when running my hostel is...

"...trying to cut the costs. I already challenge my team to have an eye on the costs and choose people around me willing to contribute to the well-being of our hostel. However, the overheads are still high."

REGULATIONS

My #1 challenge when running my hostel is...

"...dealing with bureaucracy. There are a lot of complicated laws and policies for hostels in our area."

ORGANIZATION

My #1 challenge when running my hostel is...

"...keeping the hostel clean and tidy. Our guests tend to leave things behind almost everywhere."

"...keeping our hostel always clean. It's difficult to organize when we are fully booked and guests are constantly using the facilities."

MISCELLANEOUS

My #1 challenge when running my hostel is...

"...reducing no-shows. I haven't figured out a way yet to reduce them but they really hurt - especially during the high season."

"...maintaining a high quality of service. Unfortunately, running the hostel is not just about my property since some competitors depreciate the values of the area with their low prices."

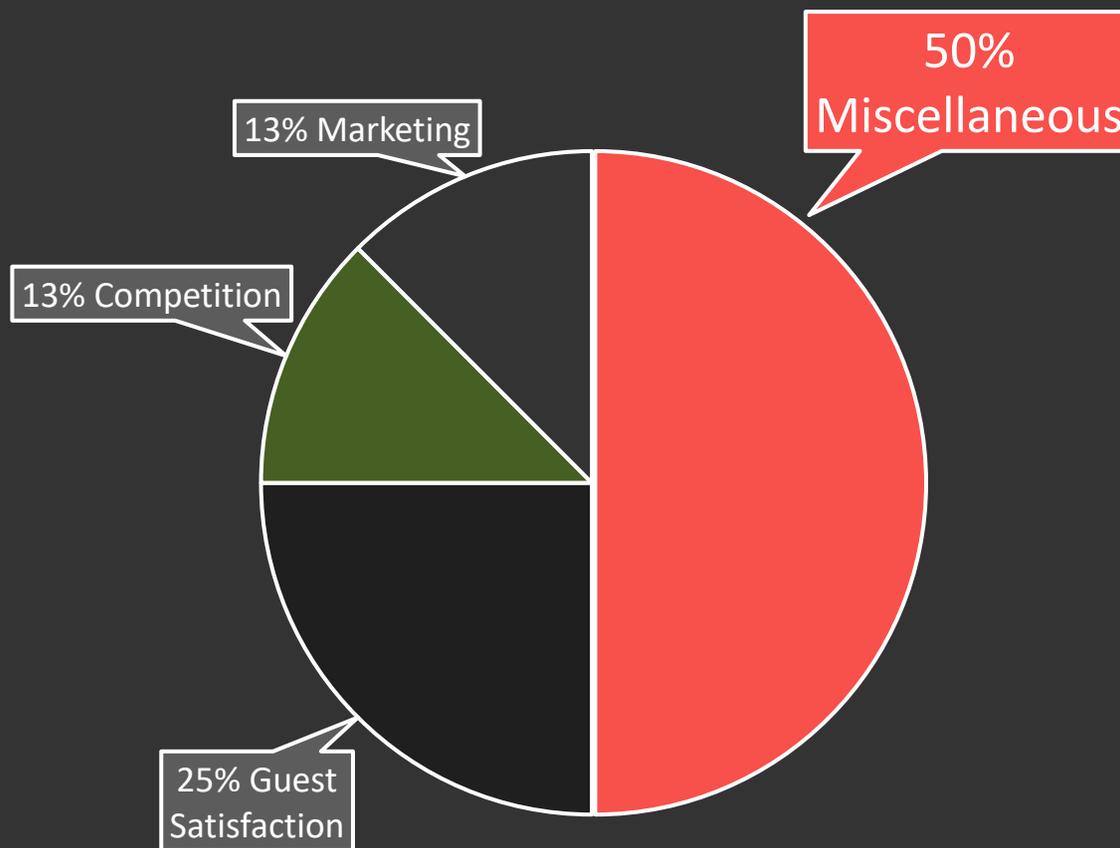
"...keeping up with new technology and industry trends. My wife and I are retired hostel owners who have run the hostel for 18 years. But there were heaps of changes during that time. Hence, we follow blogs and research OTA information constantly to stay up-to-date."

"...being able to balance good service with good revenue. Good service to me is a mix of competent and caring employees, great additional services to offer and providing top-notch facilities. When a guest isn't happy with our hostel, we refund their stay (also to avoid bad reviews): it's quality first, revenue second. However, here's the catch-22: in order to maintain our hostel and keep the service up, we also need a good revenue."

"...dealing with situations we don't have control over. Examples: Even if you have the perfect team that really cares about your guests, in the low season, guests will complain that there's no atmosphere in the hostel. Or you sell them a tour and something goes wrong - they'll tell it's your fault because you recommended it. The same goes for transportation, restaurants, etc."

AFRICA

#1 CHALLENGES



Jump back



Jump forward

8 CHALLENGES

MISCELLANEOUS

My #1 challenge when running my hostel is...

"...having 12-hour blackouts each day. We need electricity to power the booster pump for water."

"...being consistent. It requires constant effort."

"...keeping track of so many different transactions. Accounting became quite challenging and it's hard to oversee the full picture."

"... remaining passionate and positive. After almost 16 years in business, one's answers may become monotone. However, we try our best to hide this fact in our day-to-day conversations with guests."

GUEST SATISFACTION

My #1 challenge when running my hostel is...

"...making people understand that a hostel is not a 5-star accommodation. We offer and advertise budget accommodation for a very low rate: basic and clean. That's what we advertise and what we charge for. However, some people still complain saying that it's too basic and we don't understand why."

"...making every single guest happy since every person has individual needs, requests, and wishes."

COMPETITION

My #1 challenge when running my hostel is...

"...having to deal with too much competition. Many of the new hostels are closer to sites which guests are interested in. Hence, it's getting more and more difficult to keep up the occupancy."

MARKETING

My #1 challenge when running my hostel is...

"...getting more guests while maintaining the overall quality and a reasonable price."

KEY LEARNINGS



Jump back

Jump forward

#1 COMPETITION IS EVERYWHERE

The competition in Asia seems to be the most fierce, which appears logical with the highest absolute number of hostels, covering 37% of all hostels worldwide. [\[Source\]](#)

However, even hostels in Africa mentioned competition as their #1 challenge, even though only about 3% of all hostels are located in Africa. [\[Source\]](#)

Hence, it seems like competition is an issue that hostels experience throughout the world. As a consequence, it's important for you as a hostel owner to have a **unique selling proposition (USP)** – something that differentiates you from others.

#2 THERE ARE CULTURAL DIFFERENCES WHEN IT COMES TO SERVING GUESTS

Especially hostels in Asia and South America seem to approach serving their guests with a remarkably **different mindset**.

In Asia, none of the 93 participating hostels complained about unruly guests. Instead, most of them mentioned different needs and that it's difficult to meet them all.

However, there's not a single complaint about exaggerated expectations or guests that don't follow the house rules. It seems like **they take full responsibility** for their guest's behavior and well-being - a true service mentality.

#3 BUREAUCRACY IS ESPECIALLY AN ISSUE IN SOUTH AND NORTH AMERICA

For the most part, regulations and laws are written for large lodging facilities rather than hostels. Hence, they don't scale well for small hostels and create a huge financial hurdle.

TAKE THE SURVEY

Part of my mission is to connect hostels, so you get access to this **HUGE pot of wisdom** and are able to share your wisdom and experiences.

If you participate in the following survey, **you will get access to ALL the answers** and a reminder as soon as they're published:

[Click To Take The Survey](#)

This survey only contains **6 QUESTIONS** and takes about 2-3min.

Your participation is the **BIGGEST** compliment you can make.

Thanks in advance!

- TheHostelHelper

NEW SURVEY



THANK YOU!

I want to thank you for taking the time - which is your most valuable resource - to review this free report! I hope you enjoyed reading it.

Best of luck, and I look forward to serving you again soon!

- [TheHostelHelper](#)