



# Millennials as Disruptors: the impact of this demographic on the Luxury Hotel segment in the future

Inês Catarina Figueira Belo

Dissertation written under the supervision of Peter Rajsingh,  
with the collaboration of industry expert André Pinho

Dissertation submitted in partial fulfilment of requirements for the  
MSc in Business, at the Universidade Católica Portuguesa, April 7<sup>th</sup>, 2021

## **Abstract**

The hospitality industry is a developing sector, and the luxury hotel segment is experiencing a growth in demand by the Millennial generation for the last few years. Millennials are a different cohort from the rest of the population, as scholars characterize them, a group which the existing studies have not yet investigated deeply.

The main goal of this study is to understand which factors Millennials take into consideration when choosing a luxury hotel, and how these decision factors can be optimized by this industry. The data was collected by an online survey, and semi-structured interviews were conducted to industry experts.

The results indicated that the most important factors were “Cleaning”, “Quality/price ratio”, “Breakfast quality”, “Free Wi-Fi”, “Room comfort”, “Location”, “Breakfast included”, and “Safety”. The only factor that showed significant difference between Millennials and Non-Millennials preference was “Possibility of a Late check-out”, being very valued to the first and near indifferent to the latter. The results from the interviews pointed that hotels should invest more in their staff, provide extra services for direct books, assure the existence of a strong signal free wi-fi, make hotel services schedules more flexible, reply to online reviews while guests are still in-house, and to source local, organic, and sustainable food.

This study offers new insights about which factors are valued by Millennials and how they can be optimized to make luxury hotels more appealing to this generation, which are of foremost importance to hotel managers.

**Title:** Millennials as Disruptors: the impact of this demographic on the Luxury Hotel segment in the future

**Author:** Inês Catarina Figueira Belo

**Keywords:** Millennials, Generation Y, Hospitality industry, Luxury hotels segment, decision factors, optimization

## Sumário

A indústria da hospitalidade é um setor em desenvolvimento, e o segmento de hotéis de luxo está a experienciar um crescimento de procura pela geração Millennial nos últimos anos. Os Millennials são um grupo diferente da restante população, assim os caracterizam os estudiosos, um grupo cujos estudos existentes ainda não investigaram aprofundadamente.

O objetivo deste estudo é entender quais os fatores mais importantes na tomada de decisão desta geração ao escolher um hotel de luxo, e como podem eles ser otimizados pela indústria. Os dados foram recolhidos através de um questionário online, e realizadas entrevistas semiestruturadas a especialistas do setor.

Os resultados indicaram que os fatores mais importantes são “Limpeza”, “Relação qualidade/preço”, “Qualidade do pequeno-almoço”, “Wi-Fi grátis”, “Conforto do quarto”, “Localização”, “Pequeno-almoço incluído”, e “Segurança”. O único fator que apresentou diferença significativa entre a preferência de Millennials e Não-Millennials foi “Possibilidade de check-out tardio”, sendo muito valorizado para os primeiros e quase indiferente para os segundos. Os resultados das entrevistas indicam que os hotéis devem investir mais nos seus funcionários, prestar serviços extras para reservas diretas, assegurar wi-fi grátis de sinal forte, flexibilizar os horários dos serviços do hotel, responder a avaliações online enquanto os hóspedes ainda estão no hotel, e na compra de alimentos locais, orgânicos e sustentáveis.

Este estudo oferece novos conhecimentos sobre quais os fatores valorizados pelos Millennials, e como eles podem ser otimizados para tornar os hotéis de luxo mais atrativos para esta geração, o que é de extrema importância para os gestores do setor.

**Título:** Millennials como Disruptores: o impacto deste grupo demográfico no segmento de Hotéis de Luxo no futuro

**Autor:** Inês Catarina Figueira Belo

**Palavras-chave:** Geração Millennial, Geração Y, Indústria da Hospitalidade, Segmento de Hotéis de Luxo, fatores de decisão, otimização

## Acknowledgments

I would first like to acknowledge my dissertation supervisor Professor Peter Rajsingh and industry expert Professor André Pinho, whose expertise were invaluable in defining the problem statement and formulating the research questions. They guided me when I was feeling lost, and their insightful feedbacks pushed me to sharpen my thinking and encouraged me to be more thorough and take my work to a higher level.

I would like to thank my colleagues from my master's second year classes, Joana O., Joana A., Carolina, and Matilde, not only for their companionship, but also and specially for their encouragement throughout the whole thesis journey. We are in this together.

Additionally, I am thankful, not only to all the respondents who took the time to participate in my online survey, but also the industry experts that took time from their busy schedules to meet me and share their professional insights.

I am also thankful to my cousin Pini, that took her time to review my work and provide with honest opinions.

Moreover, I would like to thank my boyfriend for always believing in me, even when I doubt myself. Thank you for providing distractions to rest my mind outside the dissertation process, and for taking care of our meals and entertaining our puppy (Pucci) when I was most occupied.

I would like to thank my Mum and my Dad for their understanding and compassion. They are always here for me and I will never forget all they have ever done to support me. Thank you for allowing me to follow my dreams and do what I am passionate about, always encouraging me to be the best version of myself.

Finally, I could not have completed this dissertation without the support of my big sister, Rita, who is always ready to teach me something or push me till I get there. Thank you for your availability and for the tireless patience you treated me with through this incredible journey. You are my academic role model inspiration.

“Young people need to be asked what matters to them, not told what matters.”

Jeff Martin

# Table of Contents

- Introduction ..... 7
- I. Literature Review ..... 9
  - 1. Hospitality Industry ..... 9
    - 1.1.Luxury Hotel segment..... 10
  - 2. Millennial Generation ..... 11
  - 3. Millennials and the Luxury Hotel segment ..... 13
    - 3.1.Experience..... 14
    - 3.2.Technology..... 15
    - 3.3.Customer Journey, Touch Points and Loyalty ..... 16
    - 3.4.Decision factors..... 18
- II. Methodology ..... 19
  - 1. Research design..... 19
  - 2. Data collection..... 20
    - 2.1.Primary data collection ..... 20
      - 2.1.1. Defining the decision factors..... 20
      - 2.1.2. Focus-group interviews and survey expert validation..... 20
      - 2.1.3. Online survey ..... 21
      - 2.1.4. Industry expert interviews ..... 21
    - 2.2.Secondary data collection ..... 23
  - 3. Data analysis ..... 24
    - 3.1.Criteria used to accept decision factors..... 24
    - 3.2.Online survey ..... 24
    - 3.3.Industry experts’ interviews..... 25
- III. Analysis and Discussion ..... 26
  - 1. Decision factors..... 26
  - 2. Survey respondent population..... 27

3.	The decision factors, according to Millennials .....	28
3.1.	Most important decision factors .....	32
3.2.	Disagreement Area.....	35
3.3.	Least important decision factors .....	37
3.4.	Other decision factors-pairs .....	39
4.	Optimization of decision factors .....	41
IV.	Conclusions.....	43
1.	Limitations and future research.....	44
	Bibliography and References .....	45
	Appendices .....	48
	Appendix 1 – Factors used in reviewed studies .....	49
	Appendix 2 – Decision Factors definitions .....	51
	Appendix 3 – Online survey.....	52
	Appendix 4 – Factors Mean and Standard Deviation .....	58
	Appendix 5 – Plots and Linear Regressions results .....	59
	Appendix 6 – Experts’ interviews questions.....	61
	Appendix 7 – Experts’ interviews reports.....	62

## **Table of Figures**

Figure 1 – Graphical representation of the absolute value attribution to decision factors.....	29
Figure 2 – Graphical representation of the relative value attribution to decision factors (after the Z-transformation) .....	31

## **Table of Tables**

Table 1 – Information about the interviewed industry experts .....	23
Table 2 – Survey population characteristics .....	27

## **List of Abbreviations**

ADR – Average Daily Rate

CRM – Customer Relationship Management

OTA – Online Travel Agency

PS – Problem Statement

RQ – Research Question

SD – Standard Deviation

## Introduction

The Hospitality sector has been growing over the past several decades. Both my academic background and work experience are in the luxury sector of hospitality. As such, I decided to study this segment that is very interesting and fascinating to me.

Consumer expectations, as well as the reasons for guests stays, are changing the way luxury hotels operate across the world (Heyes & Aluri, 2018). In this era of increasingly complex customer behavior (Lemon & Verhoef, 2016), guest preferences are evolving as they become more exposed to different services and technological advancements, and in the way the concept of luxury is being transformed to embrace innovative concepts (Garetti & Giron, 2012, as cited in Heyes & Aluri, 2018). While studies have identified trends in the luxury hotel industry (Chan & Wong, 2006; Sherman, 2007; Heo & Hyun, 2015, as cited in Heyes & Aluri, 2018), these findings largely deal with generations prior to Millennials (Heyes & Aluri, 2018).

Millennials represent a third of the workforce (working full-time) (Manpower, 2016) and are considered the mainstream population for luxury businesses (Heyes & Aluri, 2018). As such, this generation is the focus subject of this dissertation. The working assumption is that there are distinctive phenomena associated with this demographic that make Millennials a customer cohort with particular and differentiated preferences, as Millennials have different habits from the previous generations (Ordun, 2015).

Customer satisfaction is critical for driving demand in the hotel industry, which leads to improve financial performance (Sun & Kim, 2013). Higher rates of customer satisfaction are also treated as an efficiency metric for a hotel property (Assaf & Magnini, 2012). Thus, customer experience and customer journey over time are critical for hotel operators seeking to understand customer loyalty and why guests prefer staying at a certain hotel or with a particular hotel brand (Lemon & Verhoef, 2016).

According to literature reviewed by Lemon & Verhoef (2016), customer experience can be conceptualized in three overall stages: pre-purchase, purchase, and post-purchase. Applying this model to the hotel context, the customer journey is divided in pre-stay, stay and post-stay.

The problem statement (PS) of this thesis is the following:

***PS: What dimensions drive Millennials regarding the choice of luxury hotels?***

It is important for hoteliers to understand guests' decision-making process of accommodation choice, as well as the main factors that have impact on the choice of various accommodation types in order to appropriately target the desired customers (Chen *et al.*, 2017).

Therefore, the first research question of this study is:

***RQ1: Which are the decision factors that Millennials value in luxury hotels?***

In addition, the Hospitality Industry is considered one of the most experience-based service industries (Gilmore & Pine, 2002; Yuan & Wu, 2008). According to Lemon & Verhoef (2016), it is important to understand the perspectives of both the firm and the customer, identifying key aspects associated with each stage of the customer journey, and highlighting specific elements or touch points that occur throughout the journey. It is also important to determine specific trigger points that lead hotel guests to make evaluative assessments during the customer journey. This leads to the second research question:

***RQ2: How can luxury hotels optimize these factors?***

To answer both questions, a customer preference study was conducted through an online survey directed at Millennials who are consumers of luxury hotels, as well as semi-structured interviews with industry experts. The study of the decision factors will seek to isolate the most relevant ones to Millennials pertaining to the experience of luxury hospitality. The online survey will cover the demand side of the problem statement, whereas the experts interviews will address the supply side.

This study will help illuminate a relevant topic that is an industry trend, adding to the academic and managerial literature on the subject. It is foreseen that this study may lead to a new way of managing luxury hotels, which can pave the way for adapting new product segments: luxury hotels that host Millennials as part of a larger demographic; and luxury hotels dedicated entirely to Millennials. In addition, the results will be relevant to hotel managers.

## **I. Literature Review**

### **1. Hospitality Industry**

Although the term “hospitality” is considered a social phenomenon by authors like Leed (1991) and Visser (1991) (as cited in King, 1995), the dominant way to consider the term “hospitality industry” in academia is through the lens of business and management (Hemmington, 2007). Modern commercial hospitality evolved from the accommodation of aristocrats in the 18<sup>th</sup> century, where courtiers provided hospitality services like food and beverage and accommodation, expecting payment in return (King, 1995).

Nowadays, the hospitality industry is part of the service industry and it is comprised of five major sub-sectors: accommodation, food and beverage, events, tourism activities, and transportation (Landman, 2020). The core activity of this industry is to provide products and services that promote the recreation, support, and well-being of guests. Its main goal is to provide customer satisfaction (Landman, 2020). Another characteristic of hospitality is that the client is treated as a guest and the hotel employee is referred to as a host (Zemke, 1986; Pope, 1977, as cited in King, 1995).

According to the World Tourism Organization (WTO), hospitality establishments can be divided into multiple categories organized around various criteria such as: comfort level, location, functional purpose, operating system, form of exploitation, form of ownership, accommodation capacity, target market, and services offered. Luxury hotels tend to be defined based upon levels of comfort and service, and they are, of 4 and 5 stars (The European Consumer Centres’ Network, 2009).

### **1.1. Luxury Hotel segment**

Heyes & Aluri (2018) and others, wrote about the perception of luxury hotels by Millennials, stating that this concept is associated with tangible variable measurements such as exclusivity, quality, and expense (Frank, 1999; Thomas, 2007; Bellaiche, Mei-Pochtler & Hanisch, 2010; Kapferer, 2012; Hoffmann & Coste-Maniere, 2012; Yeoman, 2014, as cited in Heyes & Aluri, 2018). However, studies on luxury suggest that a singular definition of the “Luxury” concept is impossible because it has different meanings for different people (Berry, 1994; Weidmann *et al.*, 2007, as cited in Heyes & Aluri, 2018). Other academics agreed (Choi, 2003; Wiedmann, Hennigs & Siebels, 2009, as cited in Heyes & Aluri, 2018), and stated that the term is contoured by differences in cultural backgrounds (Hoffmann & Coste-Marniere, 2012, as cited in Heyes & Aluri, 2018). Luxury is a volatile concept, but nowadays it is also driven by ideas of innovation, creativity and excellence (Gardetti & Giron, 2014, as cited in Heyes & Aluri, 2018). As time proceeds, so does the concept, which suggests that what luxury meant 50 years ago does not necessarily accord with how it would be considered now. This suggests that once luxury becomes familiar or commonplace, another aspirational product or service is needed to take its place. Thus, the luxury concept proposed in the present will always be transformed in the future (Gardetti & Giron, 2014, as cited in Heyes & Aluri, 2018).

The Global Travel Industry is one of the largest and fastest growing sectors in the world. Adding in all their indirect economic contributions, travel and tourism represent around 10.2% of the global gross domestic product (GDP) (Langford & Weissenberg, 2018).

From 2010-2016, the luxury travel segment grew at 4.5%, a higher rate than the overall travel industry which grew 4.25%. In addition, competition in luxury travel increased mainly due to the rise in the number of luxury properties, as well as improvements in service delivery (Tutek *et al.*, 2018).

In the past, luxury hotels were characterized as Victorian grand hotels located in European capitals like Paris and London, with royal reputations and operated by multinational luxury hotel corporations. These hotels have now been eclipsed by more innovative and modern pioneer designed ones in cities like Singapore and Dubai (Slattery, 2012, as cited in Heyes & Aluri, 2018).

## 2. Millennial Generation

The Millennial generation was born between 1981 and 1996 (ages 25 to 40 in 2021), and is known as the “work-hard, play-hard” (Manpower, 2016) and socially-engaged generation (Feldmann *et al.*, 2019). Millennials, also referred to as Generation Y, are characterized as confident, self-expressive, liberal, connected, open to change (Pew Research Center, 2010), demanding, practical, impatient, enterprising, hopeful (Oracle Hospitality, 2016), independent, trendy, and fun (Bowen & McCain, 2015, as cited in Alfred-Stewart, 2018).

As Millennials have different habits from the previous generations (Ordun, 2015), they are also living their lives differently and, overall, they are reaching milestones later in life, such as getting out of parents’ house, marriage or becoming parents (Goldman Sachs, 2015; Nielsen, 2018).

Culture is a subject highly prioritized by this generation, especially when activities are invested with a sense of purpose, such as understanding how things work and seeing the “bigger picture”. Work-life balance is also crucial for Millennials (KPMG, 2017).

Millennials cannot leave home without their smartphones (Oracle Hospitality, 2016), since they grew up with social media, messaging, texting and a myriad of apps (Bilgihan, 2016; Feldmann *et al.*, 2019). As the first generation of “digital natives” known to be “always connected” (Goldman Sachs, 2015), advances in technology will attract Millennials who are seeking to interact and socialize (Lee, 2013).

The Covid-19 pandemic has brought about an even stronger effort to patronize and support local owned businesses, especially smaller and local sellers, because now, more than ever, people want to feel that their purchases are contributing to positive outcomes for the society and the planet (Deloitte, 2020; Positive Luxury, 2020).

Scholars also associate this generation with strong values and beliefs in topics like environmental sustainability and societal fairness (Faris, 2015). A Facebook survey of Millennial employees discovered that career, community, and cause were the three main drivers for these individuals. This study resulted in work being at the heart of Millennials’ intrinsic motivation; community being important as it related to sense of connection and belongingness; and purpose being a source of pride, by believing that one was doing something good in the world (Goler *et al.*, 2018).

This generation grew up focusing on doing good, more than any previous generation. Millennials are better at accepting people with different backgrounds, educational levels, language and physic appeal (Feldmann *et al.*, 2019; Nielsen, 2018). They are also socially progressive and refuse to accept only the traditional definitions of masculinity and femininity:

more than two thirds of Millennials believe gender is no longer a definition of a person as it once was believed to be. This generation is more likely to openly embrace LGBTQ<sup>1</sup> identities, more likely to identify themselves as politically independent and religiously unaffiliated, and more likely to support same sex marriage (KPMG, 2017).

Being the most educated generation so far (Pew Research Center, 2010; Weber, 2017), Millennials are perceived of as the key generation for achieving a sustainable future, meaning they are the next business-thinkers and decision-makers (Valente & Atkinson, 2019; Weber, 2017). They want to directly contribute with ideas and direction, to manage and operate in the service of causes, as they are willing to work passionately for change they believe in (Feldmann *et al.*, 2019).

With immediate access to information (Feldmann *et al.*, 2019), and because they care for integrated corporate social responsibility initiatives (Nielsen, 2018), this generation is becoming more educated about the environmental impact of the brands they consume (Deloitte, 2020). They are further using their spending power to buy from companies that try to minimize their impact on the environment – in fact, they are twice as likely to support brands with strong management of environmental and social issues (Nieto, 2016) but they will no longer support businesses once they lose trust or perceive these companies are harming the environment (Deloitte, 2020; Feldmann *et al.*, 2019).

This generation reports climate change/protecting the environment as a top concern of today's world (Deloitte, 2020; Feldmann *et al.*, 2019). Other major social concerns reported are health care and disease prevention, unemployment, income inequality and wealth distribution, crime and personal safety (Deloitte, 2020), civil rights and racial discrimination, and education (Feldmann *et al.*, 2019).

Most Millennials already make efforts towards adopting sustainable habits, such as recycling, reducing single-use plastics, using public transportation, walking or riding a bike more often, increasing purchases of organic or locally produced food, and reducing the consumption of “fast-fashion”. Forty percent have started to reduce the consumption of meat and/or fish, and about 1 out of 5 is a vegetarian or vegan (Deloitte, 2020).

---

<sup>1</sup> LGBTQ meaning: Lesbian, Gay, Bisexual, Transgender, and Queer or Questioning own identity.

### **3. Millennials and the Luxury Hotel segment**

In 2020 this generation represented over a third of the global workforce (Manpower, 2016), which translates into immense travel spending potential (Bennett, 2017, as cited in Alfred-Stewart, 2018; Lee, 2013). Moreover, it justifies why hospitality industry needs to know Millennials and their expectations and demands. This way, hotels can remain competitive and capture market share associated with this rising new demographic (Oracle Hospitality, 2016). Better understanding this group will provide critical information for business managers and researchers (Weber, 2017), as Millennials represent the largest customer segment for hotels around the world (Bilgihan, 2016).

For brands to seduce the Millennial consumer, they need to differentiate themselves, moving beyond the traditional advertising methods such as banners, since this generation typically ignores them (Faris, 2015). When Millennials look for “expert opinions”, they turn to their peers, as there is a certain level of reliability and trust in a friend or peer’s review – associated with the well-known “word of mouth” phenomenon (Lee, 2013).

When addressing matters of service quality and expectations, Millennials behave differently. For example, at a restaurant, while the previous generation, Gen X, most commonly would send food back to the kitchen until it is cooked to a level of satisfaction, Millennials are more likely to eat the meal the way it arrives at the table, and then post a scathing online review about their negative experience. Since online reviews can be accessed easily, it is important that hotels dedicate personnel to reply and follow up, especially regarding the negative feedback (Lee, 2013).

Although it is known that Millennials travel differently from their parents, it is still uncertain what trends and changes this generation will bring to the hospitality industry. On average, they plan their trips much closer to the date, and take into account different factors like wi-fi accessibility. In addition, regarding work trips, Millennials no longer want to work in their rooms alone and would rather use the hotel lobby as they like being around other people and also value group work and feedback from their peers. This is already being considered by brands that have redesigned their lobbies with different working tables and power access for laptops and gadgets, re-envisioning the space for both work and social activity (Lee, 2013).

Millennials are more open to travel with other people such as friends, family, coworkers, or even strangers. In fact, they prefer to travel with friends at a much higher rate than any previous generation so far (Carmo, 2015, as cited in Alfred-Stewart, 2018).

### **3.1. Experience**

Consumers of luxury hotels are looking for a new concept of hotel stay, and not just products or services. Guests are seeking a simpler environment concept, but with more associated experiences (Oates, 2017, as cited in Heyes & Aluri, 2018).

When travelling, Millennials also do not enjoy the classic travel experience, which consists of visiting the most known and touristic places of a destination. Instead, they demand to be integrated into the local culture by having authentic experiences, going where a local would go and doing what a local would do. It is important to broaden their knowledge and that destinations offer interactive immersive experiences (Lee, 2013).

Millennials are further choosing experiences and “Instagrammable moments” over ownership of luxury items (Achille & Zipser, 2020) and consequently spend more money on recreation, travel, and eating out (Langford & Weissenberg, 2018). Selling services is not enough to differentiate offerings: experiences must be memorable for hotel guests (Gilmore & Pine, 2002, as cited in Khan *et al.*, 2015) as Millennials spend money differently than other generations; therefore, marketers will have to adjust their plans in order to target this new group of consumers (McGee, 2017, as cited in Alfred-Stewart, 2018).

### **3.2. Technology**

One in five Millennials has checked-in to hotels with their smartphones. As wi-fi has become a requirement rather than just an amenity, and most of the hotel companies now offer wi-fi for free to members of their loyalty programs (Lee, 2013). Increasing numbers of Millennials have also used a mobile device to book a hotel room, browse the hotel webpage, connect to wi-fi and order room service. However, the use of the hotel mobile app for other hotel services such as a SPA treatments, was only performed by a minority of those surveyed. This suggests that improvements in the marketing of these tools can be done (Oracle Hospitality, 2016).

Most Millennials also wish to connect their mobile devices to TV/audio facilities of the hotel room and access to their own streaming personal accounts. A significant number also want to access to hotel music and video content, and more than a third said they wished to pay for it within the hotel bill (Oracle Hospitality, 2016).

Four out of ten Millennials have already ordered food and beverages through mobile services. There is an emerging desire to use mobile devices, especially in restaurants and room services, using loyalty points, both for ordering and paying. However, there is a small number that was able to do this, meaning the supply is far less than the demand. As Millennials want their offering to be tailored, they are willing to share data that will allow food and beverage operators to gather invaluable information about their behavior and target customers with promotions to upsell items or deliver special experiences that ultimately will promote brand loyalty (Oracle Hospitality, 2016).

A more recent study showed that nearly 60% of Millennials prefer videoconferencing as opposed to business travel, enhanced by emerging technologies that more efficiently connect people. This reduces the environmental impact of travel (Deloitte, 2020).

Clearly, technology is defining the way service is being delivered across every type of hotel operation. However, although Millennials are technophiles and tech-savvy, they still believe it is not the solution for all occasions. They want personal attention when visiting bars, restaurants, coffee shops and hotels. From a service industry point of view, this present a significant opportunity: pairing technology with human connection captures attention and wins loyalty with the most influential customers (Oracle Hospitality, 2016).

### 3.3. Customer Journey, Touch Points and Loyalty

Speaking holistically about the customer experience, the customer journey is defined as the process that consumers go through, also referred to as “customer decision journey” or “customer purchase journey” (Lemon & Verhoef, 2016). Customer experience is, therefore, a multidimensional construct that focuses on a customer’s cognitive, emotional, behavioral, sensorial, and social responses to a firm’s offerings throughout the customer’s entire purchase journey (Lemon & Verhoef, 2016). The increasing number and complexity of customer touch points with companies, and attentiveness towards creating strong, positive experiences within the customer journey, will result in improvements to the bottom line (i.e., higher conversion rates) and stronger customer loyalty (Court *et al.*, 2009; Edelman, 2010; Homburg *et al.*, 2015, as cited in Lemon & Verhoef, 2016). A satisfied guest usually generates positive word-of-mouth about the hotel (Khan *et al.*, 2015).

Touchpoints are the individual contacts between the brand and customers across the customer journey that serve a purpose such as information gathering, payment, unpacking, and usage (Homburg *et al.*, 2017, as cited in De Keyser *et al.*, 2020; Lemon & Verhoef, 2016). The customer journey can be divided into three stages: pre-purchase, purchase or post-purchase (Hoffman & Novak, 2018, as cited in De Keyser *et al.*, 2020).

The pre-purchase is the stage that includes all aspects of the customer’s interaction with the brand, category, and environment before a purchase happens. Traditional marketing literature has characterized this stage with behaviors, such as the need of recognition, search, and consideration (Hoyer, 1984; Pieters *et al.*, 1995, as cited in Lemon & Verhoef, 2016).

The second stage is purchase and it includes all customer interactions with the brand and its environment during the purchase itself. This dimension is characterized by behaviors of choice, ordering, and payment. With the myriad touch points and resultant overload of information, concepts such as choice overload, purchase confidence, and decision satisfaction are relevant considerations. These may induce customers to stop searching and either complete or postpone the purchase (Broniarczyk *et al.*, 1998; Iyengar & Lepper, 2000, as cited in Lemon & Verhoef, 2016).

The third stage is post-purchase, and it includes the steps following the actual purchase. It is characterized by behaviors such as usage and consumption, post-purchase engagement, and service requests. This phase covers aspects of the customers’ experience after purchase that relate in some way to the brand or the product/service. The product itself becomes a critical touch point at this stage. Recent managerial research has extended this process to include the “loyalty loop” as part of the overall customer decision journey (Court *et al.*, 2009, as cited in

Lemon & Verhoef, 2016), suggesting that during the post-purchase stage, a trigger may occur that either leads to customer loyalty (through repurchase and further engagement) or begins the process anew, with the customer reentering the prepurchase phase and considering alternatives (Lemon & Verhoef, 2016).

Customer loyalty is developed when a customer wants to continuously do business with a company, and it can be measured in three very different ways: behavioral measurements, attitudinal measurements, and composite measurements (Bowen & McCain, 2015, as cited in Alfred-Stewart, 2018). Behavioral measurements are used to indicate when a customer buys the same product or uses the same services repetitively from the same company. Attitudinal measurements are also tracked to see when a customer buys the same product or uses the same services based on emotional and personal feelings about the company. Composite measurements refer to a combination of behavioral and attitudinal measurements along with customers' product preferences, propensity of brand-switching, frequency of purchase, lateness of purchase and total amount of purchase (Bowen & McCain, 2015, as cited in Alfred-Stewart, 2018).

### 3.4. Decision factors

A comprehensive hotel selection model can empower hotel managers, tourists, and the tourism industry to make decisions based on more effective indicators of high quality services for a higher rate of satisfaction (Sohrabi *et al.*, 2012).

According to the research of Chen *et al.* (2017), numerous studies have examined the specific attributes that influence tourists' accommodation choice, such as service quality, facilities, and security. Moreover, several studies have identified which hotel attributes influence accommodation choices for leisure and business tourists, and recent developments circumscribe the introduction of multiple-criteria decision-making.

Lockyer (2005) conducted a study with predetermined and open questions (answered individually) that intended to raise factors to be afterwards discussed in group among participants. The results indicated that the main decision factors to consider when choosing a hotel were price, location, and facilities, however, cleanliness was a must have, that ultimately triggered the final purchase decision.

In the study of Sohrabi *et al.* (2012), the main hotel selection factors found were: location and comfort, security and protection, network services, pleasure, staff and staff services, news and recreational information, cleanliness and room comfort, expenditure, room facilities and car parking.

Chu & Choi (2000) examined business and leisure travelers' perceived importance of a selection of hotel performance elements, and identified six major factors: service quality, business facilities, value, room and front desk, food and recreation, and security. To study them, the major factors were divided into several specific characteristics. Although the participants' perceptions of the six factors were the same, it was found that leisure travelers prioritized security, and business travelers gave more importance to room and front-desk.

Yavas & Babakus (2005) also studied the preferences of leisure and business travelers pertaining to an 18-items list, which included factors of provided services, hotel physical characteristics, and value for money.

To check all factors used in these studies, check [Appendix 1](#).

## **II. Methodology**

### **1. Research design**

This study was designed to find which factors Millennials take into consideration when choosing a luxury hotel, and how these decision factors can be optimized by this industry. Therefore, an online survey was the central instrument used to collect data to answer RQ1.

The first step of this work was defining which decision factors would be included in the survey. Here, both literature review and focus group interviews helped to accomplish this. Then, to ensure survey suitability, the survey needed to be validated by an industry expert, who was also meant to add more decision factors to be used in the survey, making it more complete and updated.

In the context of this dissertation, decision factors were considered the characteristics, amenities, products, and services that people value, when choosing a luxury hotel.

Therefore, a list of decision factors was finally consolidated, and the online survey was created and distributed. Since the objective of this dissertation is to study the Millennial cohort as a disruptor, after collecting the data, two study groups of respondents were defined: Millennials and Non-Millennials<sup>2</sup>, considering their age.

Finally, industry experts were interviewed with two main objectives: to interpret the survey results and to answer the supply side question of the problem statement (corresponding to RQ2).

---

<sup>2</sup> As it will be presented on a following chapter, the Non-Millennials group of this study will include subjects from Generation Z (17 to 24 years old), Generation X (41 to 55 years old) and Baby Boomers (56 to 75 years old) (Pew Research Center, 2010)

## **2. Data collection**

Both primary and secondary data was collected in the already indicated formats to answer both research questions.

### **2.1. Primary data collection**

Since this study is about the Millennial generation, it was important to study if new and different factors from previous studies – and different generations – had an impact on this demographic as well.

#### **2.1.1. Defining the decision factors**

The factors included in this study were gathered not only from reviewed studies such as Chen *et al.* (2017), Chu & Choi (2000), Lockyer (2005), Sohrabi *et al.* (2012), Yavas & Babakus (2005), but also from the focus-group interviews and an expert survey validation.

#### **2.1.2. Focus-group interviews and survey expert validation**

Focus-group interviews were conducted to Millennials, with the objective of collecting current and updated decision factors. On the focus group interviews targeting Millennials, besides age and gender, the following questions were asked:

1. When you travel, do you stay at luxury hotels? (4 and 5 star hotels)
2. What are the factors you value, when choosing a luxury hotel for a leisure stay?
3. If you could choose only one factor from the ones you presented, which one would it be?
4. Do you consider that you would have different decision factors in mind, if it would be a business stay?
5. Do you also travel in business? If yes, what are the factors you value, when choosing a luxury hotel for a leisure stay?

Then, before launching the online survey, an industry expert was contacted. The aim was to receive survey validation, by judging if the type of questions and answers were meaningful for the study, and if there was any additional meaningful variable that was worth studying but was being left out. The expert read and approved the questions included, and he also added some decision factors to be tested that were, in his opinion, missing in the study.

### 2.1.3. Online survey

As already mentioned, data to answer RQ1 was collected through an online survey hosted on Qualtrics [see [Appendix 3](#)]. The survey was launched both in Portuguese and English on February 25<sup>th</sup> 2021, and responses were collected for 7 days. It was distributed to 1<sup>st</sup> and 2<sup>nd</sup> degree acquaintances through social media platforms, who were also asked to share with their networks. This survey consisted of 21 questions. The first question aimed to validate or exclude the respondent from the survey, in respect of the respondent being a guest of luxury hotels or not. Afterwards, the respondents were asked, firstly, if they travel firstly in leisure, and then in business.

After these eliminatory questions, respondents were asked, within 6 presented groups of decision factors, to rank them from most important to least important. This was asked regarding a leisure stay, and then it was asked (only to respondents that previously checked they also travel in business) if their response would be different when travelling in business (and to those who would say it was different, it was asked to rank the 6 groups of factors again). Respondents were then asked to assign the individual importance of each of the 49 decision factors, in a 5-points Likert scale, ranging from 1 (least important) to 5 (most important).

The second part of the survey asked respondents two open-answer questions aiming to gather qualitative data that would start shaping an early reply to RQ2. Finally, the last questions of the survey intended to collect demographic and personal information of the respondents, such as their age, gender, education level, household characteristics and income level.

### 2.1.4. Industry expert interviews

Several industry experts were selected for being top management subjects that currently work and manage luxury properties in Portugal (hotels and resorts) and/or have worked within the considered most well-known and successful hotel luxury brands, and contacted through *LinkedIn*. Six of them accepted the invitation and were informed of the consolidated results from RQ1 before the interviews, to bolster discussion during the actual semi-structured interview [See [Appendix 6](#)].

Table 1 – Information about the interviewed industry experts

*Table 1* shows the information about the interviews, namely the date they took place, duration, and information about the properties the experts work in currently and previous experience that makes them be considered experts in the field. As they chose to remain

anonymous, a letter from A to F was assigned to each one, to distinguish their insights throughout the next chapters.

Expert ID	A	B	C	D	E	F
<b>Date</b>	15/03/21	16/03/21	16/03/21	17/03/21	19/03/21	19/03/21
<b>Duration</b>	2h35m	50m	50m	1h10	1h15	1h05
<b>Position</b>	Director of Operations	General Manager	General Manager	General Manager	General Manager	General Manager
<b>Business type</b>	Restaurant food chain	Palace Classical 5-stars luxury hotel	Luxury beach-front resort	Palace Classical 5-stars luxury hotel	Wellness Boutique Resort	Rural 5-stars hotel
<b>Location</b>	Lisbon	Lisbon	Vilamoura	Lisbon	Setúbal	Beja
<b>Client profile</b>	Middle/Up-scale	Up-scale/Luxury	Up-scale/Luxury	Luxury	Up-scale/Luxury	Middle/Up-scale
<b>Business scope</b>	UK brand, internationally known	Portuguese brand with 5 properties in Lisbon	Investment group that owns 5 hotels and resorts in Portugal	Portuguese independent brand, 1 property	Portuguese independent brand, 1 property	Portuguese independent brand, 3 property
<b>Business size</b>	2 Restaurants, home delivery, online reservations	109 rooms and suites	192 rooms, suites and apartments	19 rooms and suites	65 rooms, suites and apartments	15 rooms
<b>Price range</b>	Not applicable	Not disclosed	350€ - 750€	400€ - 3.000€	235€ - 1.800€	Not disclosed
<b>ADR</b>	Not applicable	Not disclosed	197€	700€	310€	Not disclosed
<b>Expertise field</b>	Food & Beverage, Operations	Revenue Management, Operations	Food & Beverage, Operations	Front Office, Operations	Operations	Revenue Management, Operations
<b>What makes the expert relevant</b>	20+ years of experience in Luxury hotels in Portugal, Angola and UK, and renown restaurant chains in Portugal	20+ years of experience in Luxury hotels in Portugal and France	20+ years of experience in Luxury hotels in Portugal and Spain; ex-Board Member of Hospitality and Tourism Public entities	15+ years of experience in Up scale and Luxury hotels in Portugal and islands	25+ years of experience in Up scale and Luxury hotels in Portugal	10+ years of experience in Up scale and Luxury hotels in Portugal, Equatorial Guinea and Angola

Table 1 – Information about the interviewed industry experts

## 2.2. Secondary data collection

Through the *Literature Review*, secondary data was collected in the form of academic papers and journals, industry reports, reports from consulting companies, reports from human resources management companies, and reports from institutes that study population behaviors.

In making the list of decision factors to be used later in the study, decision factors were retrieved from the reviewed studies of Chen *et al.* (2017), Chu & Choi (2000), Lockyer (2005), Sohrabi *et al.* (2012), and Yavas & Babakus (2005).

The secondary data collected was also used to discuss the results throughout the next chapter.

### 3. Data analysis

The data collected from the Qualtrics online survey was analyzed using the Prism software (version 8) from GraphPad.

#### 3.1. Criteria used to accept decision factors

Only the factors mentioned in more than one of the studies mentioned in the literature review were selected. All factors mentioned in the focus group interviews and the survey validation expert interview were added to a provisional list of factors, which were then also validated with the literature review in order to be included in the final selected decision factors list.

#### 3.2. Online survey

To compare possible statistically significant differences between factors for both Millennials and Non-Millennials groups, a two-way ANOVA was used. This analysis enabled an understanding of which characteristics of the data justified the differences encountered between average values when comparing decision factors regarding each group. In fact, knowing that the respondents' behavior (the *subject* factor from the two-way ANOVA) could possibly explain most of the data variability, which can be biasing the differences found between factors, the *subject* factor was carefully assessed. Since these biases are not desirable to evaluate the overall differences found between groups, the absolute values (on a 5-Point Likert Scale) obtained from subjects' responses, were transformed using a Z-distribution, and taking into consideration the average and standard deviation within subjects' responses, obtaining the respective Z-scores.

$$Z\text{-score} = \frac{x - \bar{x}}{SD}, \text{ where } x \text{ is the subject response to a given decision factor, } \bar{x} \text{ is the}$$

average of all subject's responses, and *SD* is the Standard Deviation of subject's responses

According to McHugh (2011), once the ANOVA test is completed, there may still be a need to understand sub-group differences among the groups. The sub-group differences are called "pairwise" differences and the ANOVA does not provide tests for them. As such, in order to do it, one should follow-up with the required tests called post hoc tests.

Through the Tukey's multiple comparisons test, assuming a confidence interval of 95%, the 49 factors were compared with each other, creating a set of 1176 comparisons in total. Since

Tukey's multiple comparison analysis method tests each experimental group against each control group, this method is preferred if there are unequal group sizes among the experimental and control groups (McHugh, 2011). These comparisons have the objective to understand significant differences between factors, specifically if the average of subjects' responses considering their group showed significant factors preferences over others.

To verify correlations between decision factors-pairs, the data were plotted and fitted using a linear regression. The pairs of decision factors chosen to address a possible correlation were the ones showing an incongruent behavior between groups, and/or if their represented themes were somehow related, which make them worth exploring in this study. The R-squared was used to assess correlation levels, as such some way related and so, 100% means a perfect correlation between both factors.

Finally, the two open-answer questions of the survey were used to understand if respondents identify other decision factors that were not included within the survey. Moreover, these questions also offered preliminary data to answer to RQ2, which aimed to better understand how the most valued decision factors can be optimized by hoteliers to attract Millennials.

### **3.3. Industry experts' interviews**

Semi-structured interviews were conducted with industry experts to cater to RQ2. Prior to these interviews, a small report with the main results from the RQ1 analysis was sent to the interviewees, as well as a list of the topics intended to be discussed, which were not only related to the results obtained addressing the RQ1, but also included those needed to target RQ2.

Industry experts' responses were compared with each other and analyzed against the findings of the literature review. This analysis and respective discussion are presented in the next chapter.

### III. Analysis and Discussion

This chapter discusses the results obtained from the analysis of the data collected from the group focus interviews, survey results and the industry experts' interviews, which were also discussed at the light of the available reviewed literature [see [Appendix 7](#)].

#### 1. Decision factors

In the focus-group interviews, a total of 14 Millennials were interviewed (meeting the criteria of being customers of luxury hotels). A total of 29 different decision factors were raised by the interviewees, and as 9 of these were not mentioned in the literature reviewed, they were added to the list. The expert who validated the survey also contributed with 4 new decision factors being added to the list.

After putting all factors together with the ones from the literature review, the following list of 49 factors divided into six categories resulted to be used in the online survey (the used categories were implemented to separate and organize the factors according to their nature, similarly to what was done in previous studies). The factors definitions can be checked in [Appendix 2](#).

##### Service Factors

Quality of staff service  
 Availability of information  
 Creating emotional connections  
 Use of technology  
 Ability to do express check-in  
 Possibility of late check-out  
 Dry Cleaning Service  
 Laundry service  
 Reception Service  
 Provision of wi-fi internet

##### Recreation Facilities

Sports fields  
 Fitness Center or Gym  
 Quality of meeting rooms  
 Pool and / or SPA  
 Offer of cultural / local experiences  
 Hotel parties and events (music, pool party, shows, etc.)

##### Room Factors

Room design and aesthetics  
 Room comfort  
 Bed quality  
 Bathtub instead of shower  
 Luxurious bedroom look  
 Cleaning

##### Food & Beverage Factors

Quality of restaurant and bar food  
 Quality of the restaurant and bar drinks  
 Room-service food and beverages quality  
 Offering gastronomic experiences  
 Design and aesthetics of entertainment areas  
 Quality of breakfast  
 Buffet Breakfast  
 À la carte breakfast  
 Healthy Breakfast Options  
 The hotel offers Brunch

##### Monetary Factors

Discounted prices  
 Quality/price ratio  
 Breakfast included  
 Free parking  
 Free wi-fi  
 Loyalty programs

##### Various Factors

Safety  
 Hotel location  
 Proximity to transport  
 Exterior design and aesthetics  
 Interior design and aesthetics  
 Luxurious look of the hotel  
 Parking at the hotel  
 Positive online comments  
 Friends' recommendation  
 Eco-friendly/community supporter  
 Few children in the hotel

## 2. Survey respondent population

A total of 181 respondents answered the online survey. However only 130 of the responses were considered, due to the need to meet the two criteria: being customers of luxury hotels (eliminary factor) and being Millennials (not an eliminary factor). The study population consisted in a total of 130 respondents, (61 Millennials and 69 Non-Millennials). The two studied groups characteristics can be observed in *Table 2*.

	Millennials		Non-Millennials	
	Frequency	Percentage	Frequency	Percentage
<b>Age</b>				
Gen Z - 17 to 24	0	0%	23	18%
Gen Y or Millennial - 25 to 40	61	47%	0	0%
Gen X - 41 to 55	0	0%	32	25%
Baby Boomer - 46 to 68	0	0%	14	11%
<b>Type of traveler</b>				
Leisure	61	100%	69	100%
Business	25	41%	22	32%
<b>Gender</b>				
Feminine	38	62%	47	68%
Masculine	23	38%	22	32%
<b>Nationality</b>				
Portuguese	55	90%	64	93%
Other	6	10%	5	7%
<b>Education Level</b>				
Basic School	0	0%	2	3%
Secondary School	5	8%	24	35%
Professional Course	5	8%	4	6%
Bachelor Degree	21	34%	27	39%
Master Degree	30	49%	10	14%
Doctor Degree	0	0%	2	3%
<b>Household annual income level</b>				
Below 10.000	6	10%	4	6%
10.000 to 25.000	21	34%	22	32%
25.000 to 50.000	23	38%	27	39%
50.000 to 100.000	10	16%	11	16%
More than 100.000	1	2%	5	7%

*Table 2 – Survey population characteristics*

### 3. The decision factors, according to Millennials

The demand side of the problem statement was addressed through the analysis of the results obtained from the online survey data.

***RQ1: Which are the decision factors that Millennials value in luxury hotels?***

*Figure 1* is a graphic representation of the obtained survey responses. From this graph, it is possible to check the calculated average value obtained from individual attributions (on the 5-Point Likert scale), and the respective standard deviation for each factor, considering both Millennials and Non-Millennials groups. The factors are organized from top to bottom by the order that Millennials preferred them (using the average value).

In order to determine the degree of importance of the 49 factors in the decision-process when choosing a luxury hotel for Leisure travel, a two-way ANOVA was built to compare the average values attributed to each of the factors, between the two groups (Millennials and Non-Millennials).

Before diving into the results of the two-way ANOVA, it was crucial to understand which characteristics of the data justified the differences encountered between factors. The results showed that although the differences between *groups* (Millennials and Non-Millennials) were not a source of variation (p-value = 0.9805), differences between *factors* were (p-value <0.0001). In addition, the interaction of *factors* with *groups* was a source of variation (p-value <0.0002); as well as the differences between *subjects* (p-value <0.0001).

These results showed that the individual behavior of respondents was a main source of data variation, which can be a consequence of respondents' self interpretation of the Likert scale, contributing to a study bias. As this study focused on the differences between groups (Millennials versus Non-Millennials), this individual behavior can disturb the ANOVA results as a source of noise, and, possibly obscuring interesting findings. To overcome this obstacle, the data collected was thus transformed using a Z-distribution. In summary, the raw data embedded the absolute value attribution to each decision factor, whereas the transformed data represented the relative value attributed to decision factors, which is no longer affected by individual behavior.

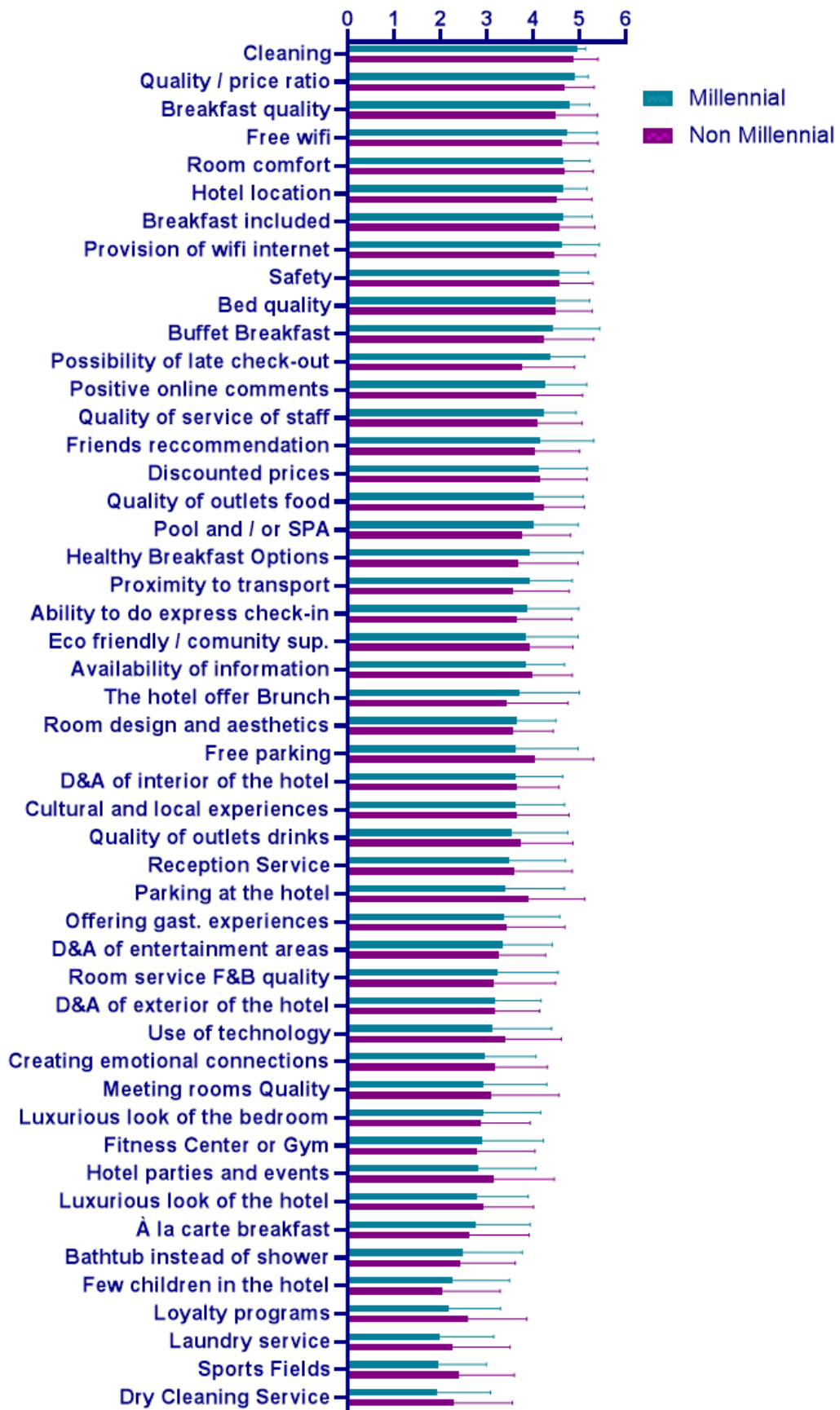


Figure 1 – Graphical representation of the absolute value attribution to decision factors

*Figure 2* Figure 2 is a graphical representation of the data after the Z-transformation. Once again, the factors are organized from top to bottom by the order that Millennials preferred them (using the average value). In this graph, zero value represents the neutral value, which can be perceived as the indifference value of the scale (which should naturally correspond to “3” in the Likert Scale). As such, the more positive the averaged value is for a given factor, the more valued this factor is; and, on the contrary, the more negative the averaged value is, the less valued that factor is. This is always in relation to the other factors, since this is a relative preference analysis.

Similarly, after the Z-transformation of the data, the two-way ANOVA was used to assess the differences between factors, considering both groups. As expected, the results showed that the *factors* continued to be a source of variation (p-value <0.0001); *groups* (Millennial and Non-Millennial) were still not a source of variation, (p-value = 0.8496); the interaction of *factors* and *groups* also remained a source of variation (p-value < 0.0003); but *subjects* were no longer a source of variation (p-value > 0.9999). A table ***Error! Reference source not found.*** presenting the averaged Z-scores values and the respective standard deviation obtained for each factor, considering Millennials and Non-Millennials can be found on [Appendix 4](#).

The Z-transformation mitigated the obtained results from influence by individual respondent behavior. Therefore, the significant differences found when analyzing all factors taking into account the two groups (Millennials and Non-Millennials) can be explained firstly by the differences between the factors alone, and secondly by the respondents’ group. As such, the “Disagreement Area” presented in the graph (*Figure 2*) is a good example of the discussed interaction, such as, despite the differences observed between factors, the averaged factors’ values for each group points towards a different direction (positive when they are most valued and negative when they are valued least), implying a highly group contribution to explain this.

In addition, the highlighted “Disagreement Area” of the graph shows the factors in which the two groups disagreed, which means that one group values the factor and the other does not. As pointed out by many of the experts interviewed, the factors present in this area, as well as the ones that show significant difference in values between the two generations, were the most interesting to be analyzed.

In the next sub-chapters, the factors that showed interesting results are analyzed and discussed, in light of both literature reviewed and the industry expert’s insights results interpretations.

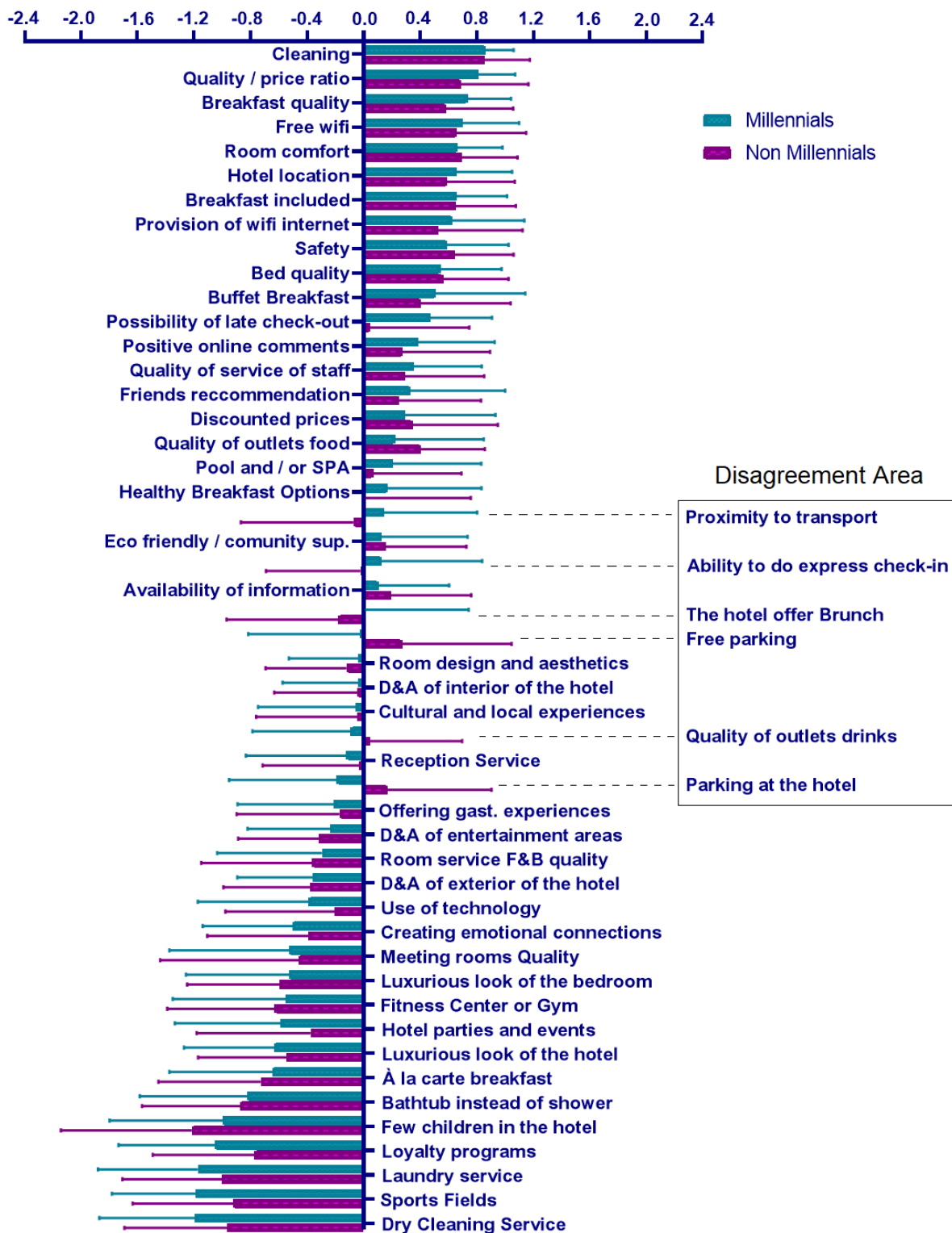


Figure 2 – Graphical representation of the relative value attribution to decision factors (after the Z-transformation)

### 3.1. Most important decision factors

The statistical analysis results showed that when Millennials choose a luxury hotel, their main decision factors are “Cleaning”, “Quality/Price ratio”, “Breakfast Quality”, and “Free Wi-fi”, followed by “Room Comfort”, “Hotel Location”, “Breakfast included”, “Provision of Wi-fi internet”, and “Safety”.

When analyzing these first nine factors using a two-way ANOVA followed Tukey’s multiple comparison tests, which showed only 5 significant differences. In fact, the significant differences were all between the factor “Cleaning” and other factors: “Breakfast Quality”, “Breakfast included” and “Provision of Wi-fi internet” (only significant for Non-Millennials), and “Hotel Location” and “Safety” (for both groups). Although “Cleaning” seems to be the most important factor, it is not possible to say with certainty, as although it has the higher mean from the following factors, it does not show statistical significance when interacting with many of them. This thorough analysis was conducted only with the first nine factors, not only because after that, some of the following factors have similar meanings to the prior ones, but also because these first nine are the most mentioned ones on the reviewed past studies and from the majority that emerged from the focus-group interviews.

These more valued factors and the ones that follow them are consistent to what previous studies have concluded, such as the one of Lockyer (2005), which its results indicated that the main decision factors to consider when choosing a hotel were price, location, facilities and cleanliness; Sohrabi *et al.* (2012) found that the most valued ones were, among others, location and comfort, security and protection, cleanliness and room comfort; and Chu & Choi (2000) that identified six major decision factors: service quality, business facilities, value, room and front desk, food and recreation, and security. The interviewed industry Experts A, D and E agree that the top decision factors are in line with the industry prediction, having Expert A highlighted that in fact, they are critical must-have and non-negotiable factors, similar across generations; Expert E added that this happens because, in general, what people most want is simple and fair, which is, a good bed, a hot shower, a delicious breakfast and wi-fi with great speed.

Regarding Wi-fi as a decision factor, for example, results show that Millennials do not just demand hotels to provide it, but they demand it for free, as “Provision of Wi-fi internet” comes several positions after “Free Wi-fi”. This is also corroborated by findings from the *Literature Review*, as according to Lee (2013), wi-fi has become a requirement rather than an amenity.

The statistical differences between the average of decision factors within the 6 groups of factors were analyzed using a two-way ANOVA with an additional post-hoc Sidak's multiple comparisons test. The results showed that only the "Possibility of a late check-out" factor was significantly different for Millennials when compared to Non-Millennials ( $p$ -value  $< 0.05$ ,  $n = 61-69$ ). Expert A interpreted this as being a question of respect for the hotel operations, justifying that Non-Millennials can better understand that hotels have scheduled staff to clean between the check-out time and the check-in time, while Millennials usually try to go around this fact and claim "it is only a room"; Expert B argued that the reason the late check-out has become valuable to Millennials is because they usually fly the latest flights (because those are usually cheaper and they do not care about the schedule), and thus, they are planning to make the most of the last day and, the room usage is vital to still enjoy the day going out or for going to the pool or beach, and still be able to shower and put on fresh clothes right before leaving for the airport. Expert D related this factor to three other factors, saying that as Millennials value "Proximity to transports", instead of "Free Parking" or "Parking at the hotel", since they usually travel with public transportation, and so, value a late check-out in the sense they do not own a personal car (as many Non-Millennials do) to put their bags and continue to use the hotel facilities. Expert E added that Millennials like to be in charge of their own schedules, which is why, most of the times, they prefer to pay an extra to use the room until later than leave it strictly at the appointed check-out time.

"Positive online comments" and "Friends' recommendation" also revealed to be more important to Millennials than to Non-Millennials. According to Lee (2013), when Millennials are look for "expert opinions" they turn to their peers, as there is a certain level of reliability and trust in a friend or peer's review.

Millennials care a lot about "Quality of outlets food", as they often try to understand if it is biologic and its' origin (especially when it comes to their kids food), and although this is not a top priority, this study revealed it is still important (Expert A). Expert B viewed this position in the rank as Millennials prefer to dine out and have local and authentic experiences than have a meal in the hotel. Expert E added that Millennials *moto* about food is "keep it simple": Non-Millennials value "Quality of outlets food" much more than Millennials because they are looking for a "wow factor", however, Millennials just want to eat "true food", simple and authentic.

According to this study results, "Eco-Friendly/Community Supporter" is a decision factor that carries some importance but only at a low level for both groups, being slightly less important for Millennials than it is for Non-Millennials. This result is contrary to what research

predicted. Faris (2015) says that scholars associate this generation with strong values and beliefs in topics like environmental sustainability and societal fairness, and according to Feldmann *et al.* (2019) and Nielsen (2018), this generation grew up focusing on being good and fair, more than any previous generation. Millennials also report climate change/protecting the environment as a top concern (Deloitte, 2020; Feldmann *et al.*, 2019), followed by other social concerns such as unemployment, income inequality and wealth distribution (Deloitte, 2020), civil rights, racial discrimination and education (Feldmann *et al.*, 2019). As they are becoming more educated about the environmental impact of the brands they consume (Deloitte, 2020), they are using their spending power to buy from companies that have a lower impact the environment – being twice as likely to support brands with strong management of environmental and social issues (Nieto, 2016) and they will not support businesses they lose trust or perceive are harming the environment (Deloitte, 2020; Feldmann *et al.*, 2019).

Half of the industry experts that interpreted this factor, did not agree that it was expected to be more important to Millennials than to Non-Millennials. Expert A was able to explain this result by arguing that Gen X (prior to Millennials) has a higher conscience about the environmental cause because they have seen and suffered more environmental changes, while Millennials grew up in a world where the sustainability topic is expected, and mandatory, so the only way it would be interesting to Millennials would be if hotels did something extremely outside the box (for example, guests must arrive on a bus/public transportation to a 5-star luxury hotel because the hotel does not want to increase the carbon foot-print). This expert argued that, although there has been a good growth of vegetarian options, curiously, the food most consumed continues to be beef steaks and burgers, which everyone knows are linked to livestock production and the emission of methane gases into the environment, which contradicts what the literature review presents.

Expert D claimed that as Non-Millennials are getting older (Baby Boomers and Gen X), they are more concerned with the future generations than Millennials, stating that as these are still young – and more concerned about living the present – they are not so much thinking about the future.

### 3.2. Disagreement Area

These factors seemed to be where the more curious results lie, as stated by the majority of the industry experts. The factors, identify exactly how Millennials tend to be different from the rest of the population.

As already mentioned, Millennials value “Proximity to Transports” and do not value “Parking at the hotel” or “Free Parking”. Interestingly, Non-Millennials value exactly the opposite of that. Since these three factors approach the same theme, which is mobility, and the two groups value them in an opposite way, the data was plotted as “Proximity to Transports” versus “Parking at the Hotel”, and “Proximity to Transports” versus “Free Parking”, and fitted with linear regressions. This allowed to better understand if there might be a correlation between the factors. On both experiments, the linear regressions presented very small R-squared values which do not indicate a correlation between the tested decision factors [see *Plot 1* and *Plot 2* from [Appendix 5](#)].

In addition, research showed that Millennials have different habits from the previous generations (Ordun, 2015) and scholars associate this generation with strong values and beliefs in topics like environmental sustainability (Faris, 2015), and climate change/protecting the environment (Deloitte, 2020; Feldmann *et al.*, 2019). This aligned with the fact that the majority of Millennials already make efforts towards using public transportation, walking or riding a bike more often (Deloitte, 2020), which can explain why they prefer “Proximity to transports” and do not value parking. This insight is viewed as related to the fact that Non-Millennials tend to have more cars and Millennials tend to use public transportation or car sharing/pooling mobile apps, or even hire private drivers (Expert F) – as Millennials do not own cars as much as the prior generations, parking is no longer a concern. Two experts interpreted this matter as related to the concept of ownership: previous generations had the necessity to have cars (Expert C) and Millennials are less materialistic (Expert E). Non-Millennials tend to have bigger families and more luggage, which explains why they travel with cars and why “Parking at the hotel” and “Free parking” is so important (Expert F).

The factor “Ability to do express check-in” is something that Millennials somehow value and Non-Millennials do not as well, which goes in line to the research: according to Lee (2013), one in five Millennials has checked-in to hotels with their smartphones. The industry experts interviewed approached this result from various angles: an express check-in on a luxury leisure resort usually ruins the experience by turning the product in something very simple and take away the experience connotation it should have, as a luxury property, and that is why Non-Millennials do not care for it (Expert C). On the other hand, Expert D notes that express check-

ins do not work for Non-Millennials, as they are not as familiarized with technology as Millennials are, and that is why they do not value it, also adding that employees must use emotional intelligence to “read” guests and check them in accordingly, as Millennials usually seem to be more impatient and so, they get a faster check-in. This can also happen due to the fact that lots of Millennials travel with public transportation, making them more tired and preferring a quicker check-in, which is contrary to Non-Millennials that are more open to waiting and chat with the hotel staff. Expert E advocated that Millennials have the mentality of putting into actions tasks they can take care on their own, avoiding time waste, which is also connected with the fact that they dislike waiting in lines and do everything they can to avoid routines. Expert F simply explained that in the luxury segment, express check-ins simply do not work, unless it is for Business guests.

“The hotel offers Brunch” is a decision factor somehow important to Millennials (even in a small scale when compared to other factors), and it is of little importance to Non-Millennials. Several industry experts pointed out that what explains this result is the fact that the brunch concept is trending right now, and as research showed, Millennials are further choosing experiences and “Instagrammable moments” (Achille & Zipser, 2020), consequently spending more on recreation, travel, and eating out (Langford & Weissenberg, 2018). For Millennials, it is important to take pictures of food, and they organize a brunch with friends not just like any other meal, but like a social event, treating it as important or even as more important than a night out (Expert A). Another perk of having Brunch is the possibility to have breakfast later in the morning (Expert A) – which is related to hotel schedules – a topic also mentioned by Experts E and F.

“Quality of outlets drinks” is a factor that Non-Millennials value but Millennials do not. The interviewed experts came up with various ways to explain this: Expert D argued that Non-Millennials have been drinking alcoholic drinks for many years and developed a taste, some of them still have aperitives before a meal or digestives after, which allowed them to know exactly which brands they like and which they don’t – Millennials also care about the quality of their drinks, but not as much and usually is not in the hotel, as they prefer to go out to have drinks. Following the same line of thought, Expert B argued that the reason why they prefer to go out to have drinks is connected to the fact that many hotel bars are not updated and do not have a modern welcome look that invites them to stay and have drinks in-house. Expert A believes this happens because Millennials do not take risks when ordering beverages, so are not concerned about their quality simply because they are unfamiliarized with it.

### 3.3. Least important decision factors

Contrarily to what the research pointed, “Cultural and local experiences” result from this study states this is not an important factor for either Millennials or Non-Millennials. A study produced by KPMG (2017) concluded that this generation highly prioritizes culture, especially when activities are invested with a sense of purpose, such as understanding how things work and seeing the “bigger picture”. Lee (2013) also pointed out that when travelling, Millennials demand to be integrated into the culture by having authentic local experiences, going where a local would go and doing what a local would do. This factor was expected to be more valued than the study result shows (Expert A, B, C, D and F). Expert D interpreted that the result may be explained by the fact that many people seek luxury hotels or resorts with the objective of using everything it has to offer and not thinking about the destination it is located in – and in this context, cultural and local experiences lose their interest, as they expect to experience culture outside the hotel and not inside the hotel premises.

The ranking of the factor “Offering gastronomic experiences” was also a surprise, as the literature pointed out that guests are seeking experiences integrated inside the hotel product (Oates, 2017, as cited in Heyes & Aluri, 2018). Expert D claimed that most Millennials do not really care about if they are eating something authentic and local, what they care is if they like what they are eating and if it is healthy. Expert E linked this factor to another one previously discussed, Quality of Food outlets, claiming that this happens because Millennials do not enjoy fine dining – but then this does not explain why Non-Millennials do not care for gastronomic experiences as well, if they like fine dining.

“Use of technology” was one of the most revealing results of this study, as almost every article and study about the future of the hospitality industry points out the big part technology advancements will have in it, as Millennials do not leave home without their smartphones (Oracle Hospitality, 2016) and grew up with social media, messaging, texting and a myriad of apps (Bilgihan, 2016; Feldmann *et al.*, 2019). As the first generation of “digital natives” known to be “always connected” (Goldman Sachs, 2015), advances in technology will attract Millennials who are seeking to interact and socialize (Lee, 2013). On the other hand, Oracle Hospitality (2016) also claims that although Millennials are technophiles and tech-savvy, they still believe it is not the solution for everything and want personal attention when visiting bars, restaurants, coffee shops and hotels. Experts were also taken by surprise with this result, however some were able to find arguments to explain it: Expert A claimed that usually business guests are the ones most interested in technology use because they have spare time and, as this study had few business travelers in the population, this may have affected this result. Expert C

added that Portugal is a low technology use country and seeing as the survey was mostly answered by Portuguese respondents, that might explain the results.

Concerning the factor “Creating emotional connections”, there were mixed reactions from the experts around the result indicating that Millennials do not value it. Expert B objected that this result is totally contrary to what is expected and known by the hoteliers, as backed up by Lee (2013), who claims Millennials are social creatures that value being in group, no longer wanting to be in their rooms alone, but rather use the hotel lobby to socialize and meet. Expert A explains this result as observing that Millennials seem to be very connected online but very disconnected to what is happening around them, which also makes them not want to interact with people they do not know outside their group of friends.

“Fitness center or gym” results show little importance to both Millennials and Non-Millennials when compared to other factors. Expert A said that even though it is not very much valued, it is still a must have. Expert A claimed that when travelling in leisure, people rather workout outside or on the grass, for example, to get out of the gym environment, which is what they do the rest of the time. Expert F pointed out that, for example a cross-fit outdoor class can be much more effective with the right personal trainer leading it than doing exercises alone on a full-equipped gym and that is why the gym itself is not so important. Expert C connected the dots between these two points of view and claimed that what Millennials really want is an integrated wellness experience that combines healthy food on breakfast, 1 or 2 free gymnastics classes per day, daily organized jogging with a PT starting at the reception with water and fruit to go, in-house PT availability for classes, bicycles available to rent, etc.

Many hotel brands invest a lot in “Loyalty programs”, but somehow this study results that indicate they are one of the least valued factors by both Millennials and Non-Millennials did not surprise the experts. These programs only make sense to regular customers or frequent business travelers, otherwise there are no apparent benefits in joining it (Experts C and D). One of the most common benefits of being part of a Loyalty programs is having access to more competitive prices, that is, a fair quality/price ratio, but that is something that hotels must already provide to all guests (Expert A). People are changing their travel habits and Millennials like to discover new places and not to repeat destinations and hotels, which makes being a loyalty member of a specific hotel brand not as important any longer (Experts A and D).

“Laundry service” and “Dry cleaning service” were ranked last, which means Millennials value these services the least. Although no one seems to use it unless they travel in business and/or are going to important social events (Expert D), they must be available (Experts B and C).

### 3.4. Other decision factors-pairs

Similarly to the analysis that was performed for the mobility themed decision factors, other interesting pairs of factors were selected to verify the existence of a correlation between them. The results regarding the plotted data and their linear regression representations can be consulted in [Appendix 5](#) [this appendix contains plots 1 to 8].

As expected, *Plot 3* demonstrates a tendency on the correlation between “Free Parking” and “Parking at the hotel” for both groups (R-squared = 30.7% for Millennials; R-squared = 62.5% for Non-Millennials). As expected, this correlation is higher for Non-Millennials, who clearly value more both “parking” factors when compared to Millennials (*Figure 2*), due to several aspects already discussed previously.

By observing the data presented in *Plot 4*, both groups (Millennials and Non-Millennials) clearly value more “Quality/Price ratio” over “Loyalty programs”. In fact, almost all data is positively associated with “Quality/Price ratio”, and negatively associated with “Loyalty programs”. However, both R-squared values are very low, which indicates the correlation between these two decision factors is close to inexistent (R-squared = 0.58% for Millennials; R-squared = 5.65% for Non-Millennials).

On the next plot, the idea was to analyze if the respondents that value “The hotel offer Brunch”, would also value “Possibility of a Late check-out” (*Plot 5*), as both are linked to not following the standard schedules that the hotels usually practice. Surprisingly, these factors do not appear correlated, since data is highly dispersed along the plot (R-squared = 0.05% for Millennials; R-squared = 0.60% for Non-Millennials).

The next analysis sought to understand if there is correlation between valuing “Ability to do express check-in” and “Possibility of a Late check-out”. These two decision factors are also associated with not following the standardized schedules and procedures that the hotels usually practice. Since Millennials value these two decision factors much more than Non-Millennials (*Figure 2*), it was expected to see more Millennial activity in quadrant 1 and more Non-Millennial activity in quadrant 3. Although the correlation between the two decision factors is much higher for Non-Millennials, the responses of both groups are spread, making the linear regressions have low parameters on fitting the data (R-squared = 4.71% for Millennials; R-squared = 31.9% for Non-Millennials).

“Positive online comments” and “Friends recommendation” are two decision factors that Millennials value slightly more than Non-Millennials do (*Figure 2*). From *Plot 7*, the identified 45° perpendicular line in the plot, means that a lot of respondents value both decision factors exactly in the same way. Although the two linear regressions that fit the data seem to

show a tendency for correlation existence, there were still little (R-squared = 13.3% for Millennials; R-squared = 20.9% for Non-Millennials).

Regarding “Cultural and local experiences” and “Offering gastronomic experiences”, both groups assigned low value to the two decision factors, relatively to more than half of the total factors compared (*Figure 2*). In *Plot 8* it is observed that data of both groups responses are very much disperse. However, the two linear regressions that fit the data shows that the two groups seem to behave in opposite ways, as their linear regressions for an “x” on the graph (Slope = -0.051 for Millennials; Slope = 0.415 for Non-Millennials). In light of this result, it can be inferred that while Non-Millennials value both decision factors similarly, Millennials do not, as they clearly, on average, value less “Offering gastronomic experiences”, even less when they value “Cultural and local experiences” more (R-squared = 0.27% for Millennials; R-squared = 16.6% for Non-Millennials).

#### 4. Optimization of decision factors

The second RQ of this dissertation was directed to the supply side of the problem statement, that is, to industry experts of luxury properties that operate in Portugal, through semi-structured interviews.

##### *RQ2: How can luxury hotels optimize these factors?*

The experts pointed out that it is imperative to continuously invest on the most important decision factors such as “Cleaning”, “Quality/price ratio”, “Breakfast quality”, “Free wi-fi”, etc, as these factors seem to be transversely important, not just to Millennials, but to everyone in general, and with this purpose, they mentioned some ways to optimize these factors and improve the hotel luxury segment’s performance.

As previously mentioned, “Cleaning” is a basic must-have, non-negotiable (Expert A), that requires good and effective materials, staff training and attention to detail. Expert D mentioned that there is a need to invest in the improvement of working conditions, starting with good canteens with quality food, lockers, and locker rooms with good hygiene conditions, etc. This point of view was also corroborated by Expert F, who pointed out that machines cannot replace the warmth a human can transmit, which is why investing in people will continue to be one of the many future trends. There is a quote from a very well-known hotelier that illustrates exactly the importance of investing in workers and how it also means investing in the prosperity of the business itself:

*“From the start of our company, my father always said, “take good care of our associates and they’ll take good care of the guests.”” – Marriott (2016)*

Regarding “Quality/price ratio”, hotels should invest in providing extra services for guests that book directly, as this way there is a win-win situation for both the hotel and guests: no commission to be paid to the intermediary OTAs, and guests see the difference of benefits/more personalized treatment when booking directly (Expert C). In this line of thought, Expert F defends that OTAs will see their business decrease, as social media is empowering businesses and hotels to market themselves, not so much needing their intermediary help.

On Wi-fi quality, there is the shared opinion that hotels need to invest in great wi-fi (Experts B, C and E). According to Expert B, it is not just a question of having wi-fi and making it free for guests – it is of utmost importance that it has a strong signal from the moment the guest steps in the hotel or resort, until the outer back of the premises.

“Possibility of Late check-out” was also a very valued factor for Millennials and regarding this matter, interviewed Experts E and F both mentioned the need to make hotel schedules more flexible, not just concerning check-in and check-out times, but also in what concerns breakfast time and other services. Expert F observed that, a big step towards this change, is managers understanding that hotel operations should adapt to guests needs, and not the other way around. According to this study, as this factor represents one of those were Millennials and Non-Millennials differ, in order to attract and gain loyalty from Millennial customers, optimizing this factor is imperative.

Since Millennials rely a lot on “Positive online comments” and “Friend’s recommendation”, and a satisfied guest generally generates positive word-of-mouth about the hotel (Khan *et al.*, 2015), there is a need to be able to reply to online reviews while guests are still in house, so that what is actually published is a happy resolution and not an unsolved problem, and there is software that can identify this (Expert B). It is imperative to invest in communicating well internally, especially bad news, so that potential hindrances are minimized and even converted into good comments, to which online instant messaging helped a lot to tackle by creating groups with the operations teams and solve issues much more promptly, when aligning it with teams empowerment to solve problems (Expert C).

Regarding “Buffet Breakfast”, “Quality of Outlets food”, and “Healthy Breakfast options”, there is a rising demand and importance of sourcing local, organic and sustainable food (Expert A), as Millennials value the origin and processes food and other goods suffer until they reach the hotel, including the impact all of these may have in the local communities and the way they live and are treated (Experts E and F) – also connected to the importance of the actor “Eco-friendly / Community supporter”.

## IV. Conclusions

Millennials are not that different from the rest of the population in the sense that the most valued factors when choosing a hotel from the luxury segment, continue to be transversal within generations. What makes Millennials special as cohort, is a difference in mentality and way of living their lives that inevitably translates into different ways of travelling and enjoying the hotel product and services. This study demonstrates that Millennials value certain decision factors differently from Non-Millennials.

Findings from the data analysis indicate that the most important factors for Millennials are the following: “Cleaning”, “Quality/Price ratio”, “Breakfast quality”, “Free Wi-Fi”, “Room comfort”, “Location”, “Breakfast included”, and “Safety”. The least important factors for Millennials are namely “Dry cleaning” and “Laundry service”, “Sports fields”, and “Loyalty programs”. The factor that showed significant difference between Millennials and Non-Millennials preferences was “Possibility of a Late check-out”, being very valued to the first and near indifferent to the latter.

To explain the latter result, industry experts interpreted it as being a question of respect for the hotel operations, also arguing that the reason the late check-out has become valuable to Millennials is because they usually fly the latest flights, and in order to make the most of the last day, the room usage is vital in order to be able to still enjoy the day going out or to the pool or beach, and still be able to shower and put on fresh clothes right before leaving for the airport. Another expert related this factor to three other factors, saying that as Millennials value “Proximity to transports” and do not value “Free Parking” or “Parking at the hotel”, because they usually travel with public transportation, and so, value a late check-out in the sense they do not have a car to put their bags and continue to use the hotel. Another expert defended that Millennials like to be in charge of their own schedules and that is why they usually prefer to pay extra to keep the room until later than leave it strictly at the appointed check-out time. To tackle this result, the experts proposed one single change hotels must do to comply with this generation demands: make efforts to keep more flexible schedules.

The data gathered during the industry experts interviews concluded that, in order to optimize the most valued decision factors by Millennials, it is of utmost importance that hotels should invest in their staff working conditions, provide extra services for guests that book directly, assure strong signal free wi-fi, make hotels services schedules more flexible (especially breakfast and check-out schedules), reply to online reviews while guests are still in house, and source local, organic, and sustainable food.

This study allows hotel managers and operations directors to better understand a significant generational cohort and the differences they represent, when compared to previous generations. The conclusions provide hoteliers with recommendations and relevant insights from industry experts, that are valuable for hotels and hotel brands, and can lead to optimized strategic decisions to target the Millennial Generation, in the context of the Luxury Hotel segment. The findings of this study should be put in practice if the hotel or resort managers in question aims to attract and build loyal Millennial customers.

### **1. Limitations and future research**

Unfortunately, the survey was unable to reach more business travelers (business travelers  $n=47$ , 25 Millennials, and 22 Non-Millennials), and according to the Central Limit Theorem the results cannot be extrapolated to the entire population. As such, this side of the research was not explored further in this study. In future research, it would be interested to compare these results from leisure travelers with business travelers to assess differences.

The online survey was mainly responded to by Portuguese subjects (more than 90%), which might have skewed the results but, as most were consonant with the literature reviewed and industry experts' insights, they were accepted. In light of this, it would be interesting to conduct future research in other countries and compare the results. Similarly, there were also no international experts among the interviewees, which might have also skewed the results in the same direction. However, their contributions were also in line with the literature reviewed, so they can be considered broadly generalizable.

Many hotel brands have been developing hotels to attract Millennials, such as W and Moxy from Marriott, Canopy and Curio from Hilton, CitizenM, ASAI Hotels, Virgin Hotels, Vib and Glo from Best Western, IHG's Even Hotels, Red Lion Hotels, and Hard Rock's Reverb (Leposa, 2018). The decision factors these brands have been focusing on and investing in was not analyzed nor discussed in this dissertation, and that data could have worked as a comparison between this study and what these brands do.

In future studies, it would be interesting to assess the costs that optimizing each of the factors that determine Millennial customer loyalty may have, so that managers can decide their strategy according to their budgets in hands.

## Bibliography and References

- Achille, A., & Zipser, D. (2020). A perspective for the luxury-goods industry during — and after — coronavirus. *McKinsey & Company, April*, 1–6. <https://www.mckinsey.com/industries/retail/our-insights/a-perspective-for-the-luxury-goods-industry-during-and-after-coronavirus>
- Alfred-Stewart, L. M. (2018). *Hotel Loyalty Programs and the Millennial Generation*.
- Assaf, A. G., & Magnini, V. (2012). Accounting for customer satisfaction in measuring hotel efficiency: Evidence from the US hotel industry. *International Journal of Hospitality Management*, 31(3), 642–647. <https://doi.org/10.1016/j.ijhm.2011.08.008>
- Bilgihan, A. (2016). Gen Y customer loyalty in online shopping: An integrated model of trust, user experience and branding. *Computers in Human Behavior*, 61, 103–113. <https://doi.org/10.1016/j.chb.2016.03.014>
- Chen, C. M., Tsai, Y. C., & Chiu, H. H. (2017). The decision-making process of and the decisive factors in accommodation choice. *Current Issues in Tourism*, 20(2), 111–119. <https://doi.org/10.1080/13683500.2015.1087476>
- Chu, R. K. S., & Choi, T. (2000). An importance-performance analysis of hotel selection factors in the Hong Kong hotel industry: A comparison of business and leisure travellers. *Tourism Management*, 21(4), 363–377. [https://doi.org/10.1016/S0261-5177\(99\)00070-9](https://doi.org/10.1016/S0261-5177(99)00070-9)
- De Keyser, A., Verleye, K., Lemon, K. N., Keiningham, T. L., & Klaus, P. (2020). Moving the Customer Experience Field Forward: Introducing the Touchpoints, Context, Qualities (TCQ) Nomenclature. *Journal of Service Research*, 23(4), 433–455. <https://doi.org/10.1177/1094670520928390>
- Deloitte. (2020). The Deloitte Global Millennial Survey 2020: resilient generations hold the key to creating a “better normal.” *Deloitte*, 36. <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/deloitte-2020-millennial-survey.pdf>
- Faris, R. (2015). *Market to Millennials by Getting Out of the Way*. 2–6.
- Feldmann, D., Wall, M., Dashnaw, C., Thayer, A., & Hamilton, A. (2019). Final report: Understanding how millennials engage with causes and social issues. *The Millennial Impact Report*, 1–25. <http://www.themillennialimpact.com/latest-research>
- Gilmore, J. H., & Pine, B. J. (2002). Differentiating hospitality operations via experiences. *Cornell Hotel and Restaurant Administration Quarterly*, June, 87–96.
- Goldman Sachs. (2015). *Goldman Sachs, 2015*. Goldman Sachs.
- Goler, L., Gale, J., Harrington, B., & Grant, A. (2018). The 3 Things Employees Really Want: Career, Community, Cause. *Harvard Business Review*, February, 24–26. <https://hbr.org/2018/02/people-want-3-things-from-work-but-most-companies-are-built-around-only-one>
- Hemmington, N. (2007). From service to experience: Understanding and defining the hospitality business. *Service Industries Journal*, 27(6), 747–755. <https://doi.org/10.1080/02642060701453221>

- Heyes, A., & Aluri, A. (2018). How millennials perceive leisure luxury hotels in a sharing economy? *Research in Hospitality Management*, 7(2), 75–79. <https://doi.org/10.1080/22243534.2017.1444709>
- Khan, I., Garg, R. J., & Rahman, Z. (2015). Customer Service Experience in Hotel Operations: An Empirical Analysis. *Procedia - Social and Behavioral Sciences*, 189, 266–274. <https://doi.org/10.1016/j.sbspro.2015.03.222>
- King, C. A. (1995). What is hospitality? *International Journal of Hospitality Management*, 14(3–4), 219–234. [https://doi.org/10.1016/0278-4319\(95\)00045-3](https://doi.org/10.1016/0278-4319(95)00045-3)
- KPMG. (2017). Meet the Millennials. *Millennial Makeover*, June, 66–86. <http://0-www.jstor.org.fama.us.es/stable/j.ctt1b4cxnh.9>
- Landman, P. (2020). *Hospitality Industry*. X Hotels a New Breed of Hoteliers. <https://www.xotels.com/en/glossary/hospitality-industry/>
- Langford, G., & Weissenberg, A. (2018). 2018 Travel and hospitality industry outlook. *Deloitte*, 1–20. <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/consumer-business/us-cb-2018-travel-hospitality-industry-outlook.pdf>
- Lee, T. Y. (2013). Top 10 Trends of the Next Generation of Travel: The Millennials. *HVS Global Hospitality Report*, April, 1–16. <http://www.hvs.com/article/6297/top-10-trends-of-the-next-generation-of-travel-the/>
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69–96. <https://doi.org/10.1509/jm.15.0420>
- Leposa, A. (2018). Another New “Millennial-Minded” Hotel Brand To Debut In Bangkok. <https://www.travelagentcentral.com/hotels/another-new-millennial-minded-hotel-brand-to-debut-bangkok>
- Lockyer, T. (2005). Understanding the dynamics of the hotel accommodation purchase decision. *International Journal of Contemporary Hospitality Management*, 17(6), 481–492. <https://doi.org/10.1108/09596110510612121>
- Manpower. (2016). *Millennial Careers: 2020 Vision*.
- Marriott, J. J. W. “Bill” J. (2016). Our Competitive Advantage. *Marriott Blogs*. <https://www.blogs.marriott.com/marriott-on-the-move/2016/04/our-competitive-advantage.html>
- McHugh, M. L. (2011). *Lessons issue : in biostatistics Responsible writing in science Mul tip le com pa ri son ana lysis tes ti ng in ANOVA*. 21(2), 203–209.
- Nielsen. (2018). Millennials on millennials. *Millennials on Millennials*, 1–13. <https://www.nielsen.com/ca/en/insights/reports/2018/millennials-on-millennials.html>
- Nieto, D. V. (2016). 2016 Predictions For Luxury Sustainability & Innovation. *Luxury Society*, 20–22. <https://www.luxurysociety.com/en/articles/2016/01/2016-predictions-for-luxury-sustainability-innovation/>
- Oracle Hospitality. (2016). *Millennials and Hospitality : The Redefinition of Service*. 19.
- Ordun, G. (2015). Millennial (Gen Y) Consumer Behavior Their Shopping Preferences and Perceptual Maps Associated With Brand Loyalty. *Canadian Social Science*, 11(4), 1–16.

[https://doi.org/10.3968/pdf\\_294](https://doi.org/10.3968/pdf_294)

- Pew Research Center. (2010). A Portrait of Generation next. *Statistics, February*, 1–149. <http://pewresearch.org/millennials/>
- Positive Luxury. (2020). Bringing the Future Forward. *The Focus Reports*.
- Sohrabi, B., Vanani, I. R., Tahmasebipur, K., & Fazli, S. (2012). An exploratory analysis of hotel selection factors: A comprehensive survey of Tehran hotels. *International Journal of Hospitality Management*, 31(1), 96–106. <https://doi.org/10.1016/j.ijhm.2011.06.002>
- Sun, K. A., & Kim, D. Y. (2013). Does customer satisfaction increase firm performance? An application of American Customer Satisfaction Index (ACSI). *International Journal of Hospitality Management*, 35, 68–77. <https://doi.org/10.1016/j.ijhm.2013.05.008>
- The European Consumer Centres' Network. (2009). *Classification of Hotel*.
- Tutek, E., Roth, C., & Simatic, A. (2018). Rethinking Luxury in Hospitality. *Horwath HTL*, May, 8.
- Valente, A., & Atkinson, D. (2019). Sustainability in Business: A Millennials' Perspective. *Journal of Modern Accounting and Auditing*, 15(6), 293–304. <https://doi.org/10.17265/1548-6583/2019.06.002>
- Weber, J. (2017). Discovering the Millennials' Personal Values Orientation: A Comparison to Two Managerial Populations. *Journal of Business Ethics*, 143(3), 517–529. <https://doi.org/10.1007/s10551-015-2803-1>
- Yavas, U., & Babakus, E. (2005). Dimensions of hotel choice criteria: Congruence between business and leisure travelers. *International Journal of Hospitality Management*, 24(3), 359–367. <https://doi.org/10.1016/j.ijhm.2004.09.003>
- Yuan, Y. H. E., & Wu, C. K. (2008). Relationships Among Experiential Marketing, Experiential Value, and Customer Satisfaction. *Journal of Hospitality and Tourism Research*, 32(3), 387–410. <https://doi.org/10.1177/1096348008317392>

# Appendices

## Appendix 1 – Factors used in reviewed studies

### Chen *et al.* (2017)

Variable	Definition
Trip duration	Travelling days
First time	First visit ?
Age	Age
Income	Yearly income
Non-labour	Individuals who are not in the labour force
Male	Male; female
Spend	Accommodation spending
Lodgers	The number of lodgers

### Chu & Choi (2000)

#### Hotel selection factor

##### *Factor 1 — service quality*

Staff provide efficient services  
 Staff understand your requests  
 Staff are helpful  
 Staff are polite and friendly  
 Staff have neat appearance  
 Staff have multi-lingual skills

##### *Factor 2 — business facilities*

Business-related meeting rooms are available  
 Business-related facilities are available  
 Secretarial service is available  
 International direct dial (IDD) service is available

##### *Factor 3 — value*

Hotel room is value for money  
 Hotel food and beverage is value for money  
 Hotel location is convenient  
 Hotel provides comfortable ambience  
 Hotel is part of a reputable chain

##### *Factor 4 — room and front desk*

Bed/mattress/pillow are comfortable  
 Room is clean  
 In-room temperature control is of high quality  
 Hotel check-in/check-out service are efficient  
 Hotel reservation system is reliable

##### *Factor 5 — food and recreation*

Hotel food and beverage facilities are of great variety  
 Hotel food and beverage are of high quality  
 Leisure facilities are available  
 Mini-bar is available

##### *Factor 6 — security*

Loud fire alarms are reliable  
 Security personnel are responsible

### Lockyer (2005)

Location	Price	Facilities	Cleanliness
Price – judgment of value of being close to attraction vs transport cost	Availability – price not import if no vacancies	Fridge, hairdryer parking, cooking – need for basic facilities	Price, smell, facilities, staff – basic expectations of guests
Needs – what is the purpose of the stay, what is required	Reason, pay, price – relationship between reason and amount paid	Sky, pastime, playground – attractions dependent on reason for stay	Curtains – indication of overall cleanliness
Business – need in relation to time restraints	Afford budget – expectation of amount to pay	E-mail – growing expectations	Bathroom – importance of cleanliness
Family area – subject to purpose of stay	Business accommodation – different cost expectations	Children’s movies, bath, bathroom shower – needs for specific groups	Windows, furnishings – indicators of care for guest comfort
Look – appeal of the property from the road	Price vs location – cost of transportation		Looks, pictures – importance of promotional material

**Sohrabi et al. (2012)**

---

Hotel selection factor

---

Promenade and comfort

1. Hotel is next to recreational places
2. Hotel is in city-center neighborhood
3. Telephone line in room
4. Hotel reserves airlines tickets for the guests
5. Hotel has taxi-agency
6. Full-time room services

Security and protection

1. Hotel has fire escape
2. Hotel has fire extinguish system
3. Hotel has safe-deposit box
4. Hotel has emergency services

Network services

1. Wire-less internet connection
2. Hotel has free e-banking services

Pleasure

1. Hotel is in clean climate district
2. Room has a good view
3. Hotel food quality
4. Hotel has green space

Hotel staff and their services

1. Staff provide efficient services
2. Staff are polite and friendly
3. Staff have neat appearances

News and recreational information

1. Hotel presents ordinary magazines and newspapers
2. Hotel has satellite receiver
3. Hotel presents recreational and cultural heritage places information

Cleanliness and room comfort

1. Room is clean
2. Bed sheets changed once a day or sooner
3. Bed, mattress, pillow are comfortable
4. Laundry and shoe shining services

Expenditure

1. Room rent
2. Hotel food price
3. Accommodation value for money

Room facilities

1. In-room temperature control is of high quality
2. Color-TV

Car parking

1. Hotel has car
2. Parking area

---

**Yavas & Babakus (2005)**

---

List of hotel choice attributes

---

1. Access to computer/modem
  2. All room amenities (lights, radio, TV, etc.) in good working condition
  3. Attractiveness of exterior design/appearance
  4. Attractiveness of interior design/lobby
  5. Express check in and check out
  6. Cleanliness of rooms
  7. Ease of adjusting room temperature
  8. Ease of making reservations
  9. Entertainment lounges
  10. Exercise facilities/fitness center
  11. Quietness of heating/air conditioning
  12. Location
  13. Meeting facilities
  14. 1-h dry cleaning/ironing
  15. Promptness of service
  16. Room comfort
  17. Room rates
  18. Security/safety
-

## Appendix 2 – Decision Factors definitions

Decision Factors	Definition
À la carte breakfast	Breakfast by menu ordering
Ability to do express check-in	Quick check-in with less procedures
Availability of information	Information about the hotel, facilities and destination
Bathtub instead of shower	Self-explained
Bed quality	Comfort of bed and sheets
Breakfast included	Breakfast included in the room rate
Breakfast quality	Quality of food and beverages offered at breakfast
Buffet Breakfast	Self-explained
Cleaning	Cleanliness and hygiene of room
Creating emotional connections	Human connections to employees and local environment
Cultural and local experiences	Self-explained
D&A of entertainment areas	Self-explained
D&A of exterior of the hotel	Self-explained
D&A of interior of the hotel	Self-explained
Discounted prices	Self-explained
Dry Cleaning Service	Self-explained
Eco friendly / comunity sup.	Self-explained
Few children in the hotel	Self-explained
Fitness Center or Gym	Self-explained
Free parking	Self-explained
Free wifi	Self-explained
Friends recommendation	Self-explained
Healthy Breakfast Options	Healthy food and beverages offer at breakfast
Hotel location	Self-explained
Hotel parties and events	Parties and events organized by the hotel, for their guests
Laundry service	Self-explained
Loyalty programs	Self-explained
Luxurious look of the bedroom	Self-explained
Luxurious look of the hotel	Self-explained
Meeting rooms Quality	Quality of the furnitures and ambience of the meeting rooms
Offering gast. experiences	Food experiences (local food)
Parking at the hotel	Self-explained
Pool and / or SPA	Self-explained
Positive online comments	Self-explained
Possibility of late check-out	Self-explained
Provision of wifi internet	Self-explained
Proximity to transport	Self-explained
Quality / price ratio	The guest feels the price charged is fair for the hotel product.
Quality of outlets drinks	Self-explained
Quality of outlets food	Self-explained
Quality of service of staff	Self-explained
Reception Service	Self-explained
Room comfort	Self-explained
Room design and aesthetics	Self-explained
Room service F&B quality	Self-explained
Safety	The guest feeling safe in the hotel
Sports Fields	Tennis courts, golf courses, soccer fields, etc
The hotel offer Brunch	Self-explained
Use of technology	Using tablets and smartphones to check-in/out, order, etc

### Appendix 3 – Online survey

Welcome to this questionnaire, which will take just 5 minutes to complete.

This questionnaire is made in the scope of obtaining the Master's Degree by the Católica Lisbon School of Business and Economics.

Your answers are very important and vital for this study, so I ask you to pay your utmost attention over the next few minutes.

I inform you that the answers are anonymous and will not be disclosed outside this study.

Thank you very much in advance. Please click the arrow below to start.

Regards,

Inês Belo

Master's Student in Business

Católica Lisbon School of Business and Economics

Select the option that applies to you, regarding the trips you take.

	Yes	No
Leisure Travel	<input type="radio"/>	<input type="radio"/>
Business Travel	<input type="radio"/>	<input type="radio"/>

When you travel, do you usually stay in 4 and/or 5 star hotels?

Yes

No

*Skip To: "Indicate your age" if answer = "No"*

When we choose a hotel to spend our holidays or business travels, we never do it randomly.

There are always determining factors that make us choose a hotel over others.

During the next questions and until the end of the questionnaire, focus only on your stays in 4 and 5 star hotels.

From the following factors, order from the most important (1) to the least important (7), when choosing a hotel

\_\_\_\_\_ Service (eg. staff quality)

\_\_\_\_\_ Food & Beverage

\_\_\_\_\_ Hotel facilities (eg. swimming pool, SPA)

\_\_\_\_\_ Various factors: location, security, proximity to transports, interior and exterior design, parking, online reviews, environmentally friendly or community-friendly hotel, few children in the hotel

\_\_\_\_\_ Room

\_\_\_\_\_ Value for money

\_\_\_\_\_ Other factors

Display This Question:

If "Select the option that applies to you, regarding the trips you take", "Business Travel" = "Yes"

In some business trips, it is not us who choose the hotel where we stay, but the company we work for.

If you could choose a hotel **for business trips**, would you assign different degrees of importance to the main decision factors, that is, would you order the factors mentioned in the previous question differently?

- Yes, because on a business trip I would give importance to different factors when choosing a hotel.
- No, I would consider exactly the same factors when choosing a hotel, whether traveling for leisure or for business.

Display This Question:

If previous question = Yes

From the following factors, order from the most important (1) to the least important (7), when choosing a hotel **for business trips**.

- \_\_\_\_\_ Room
- \_\_\_\_\_ Service (eg. staff quality)
- \_\_\_\_\_ Food & Beverage
- \_\_\_\_\_ Hotel facilities (eg. swimming pool, SPA)
- \_\_\_\_\_ Value for money
- \_\_\_\_\_ Other factors: location, security, proximity to transports, interior and exterior design, parking, online reviews, environmentally friendly or community-friendly hotel, few children in the hotel
- \_\_\_\_\_ Other factors

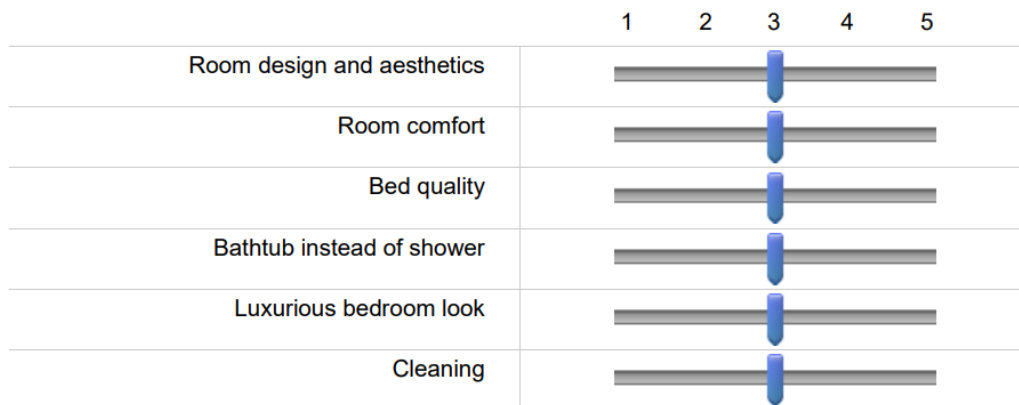
From the following factors, please slide the bars to assign how important they are to you when choosing a hotel, relatively to the Service.

The scale works as follows: (1) unimportant to (5) very important.

	1	2	3	4	5
Quality of staff service					
Availability of information					
Creating emotional connections					
Use of technology (eg using a smartphone or tablet to check in, order food and drinks, etc.)					
Possibility to do an express check-in					
Possibility of late check-out					
Dry Cleaning Service					
Laundry service					
Reception Service					
Providing wifi internet					

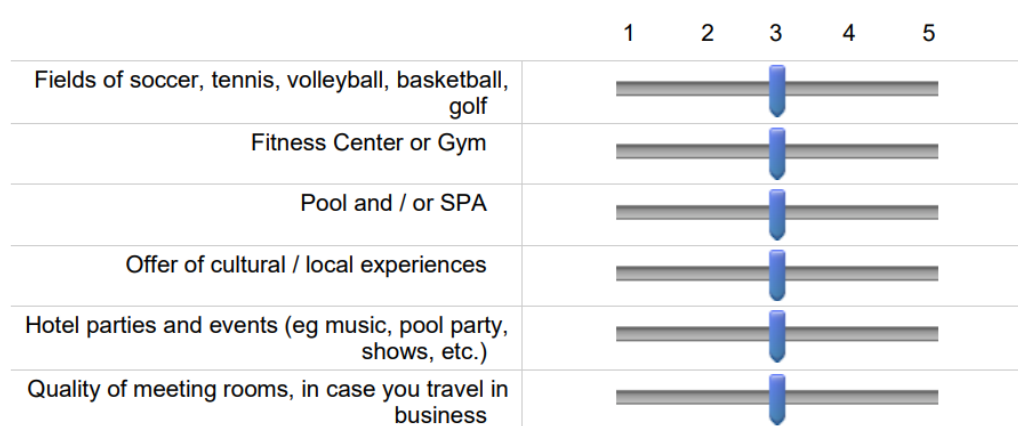
From the following factors, please slide the bars to assign how important they are to you when choosing a hotel, relatively to the **Room**.

The scale works as follows: (1) unimportant to (5) very important.



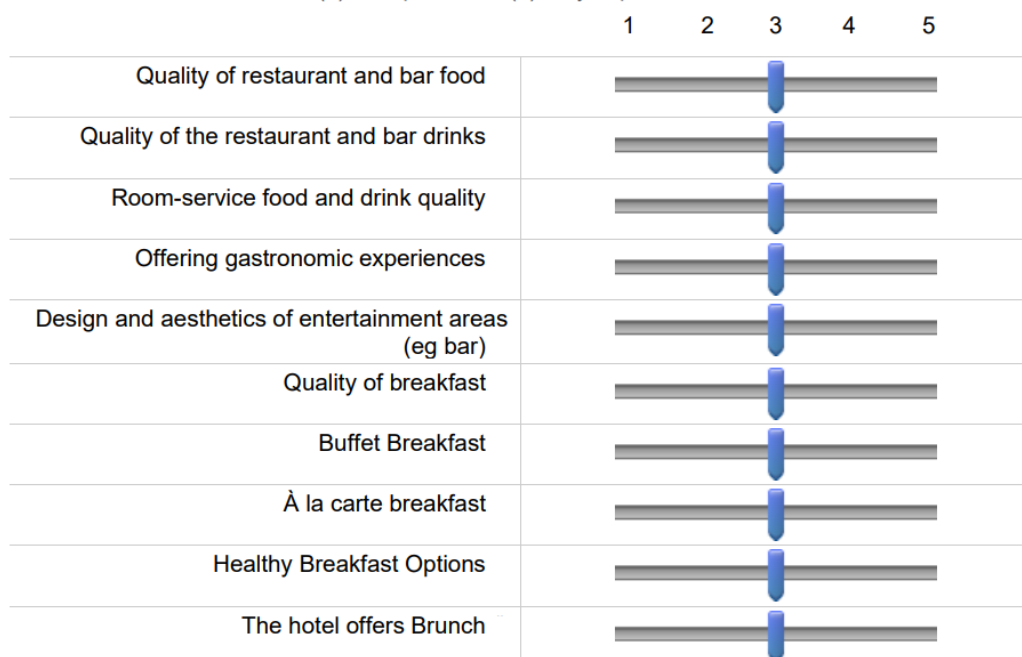
From the following factors, please slide the bars to assign how important they are to you when choosing a hotel, relatively to the Recreation Facilities.

The scale works as follows: (1) unimportant to (5) very important.



From the following factors, please slide the bars to assign how important they are to you when choosing a hotel, relatively to the Food and Beverages offer.

The scale works as follows: (1) unimportant to (5) very important.



From the following factors, please slide the bars to assign how important they are to you when choosing a hotel, relatively to Monetary factors.  
The scale works as follows: (1) unimportant to (5) very important.

	1	2	3	4	5
Discounted prices					
Value for money					
Breakfast included					
Free parking					
Free wi-fi					
Loyalty programs					

From the following factors, please slide the bars to assign how important they are to you when choosing a hotel, relatively to Various factors.  
The scale works as follows: (1) unimportant to (5) very important.

	1	2	3	4	5
Safety					
Hotel location					
Proximity to transport					
Exterior design and aesthetics of the hotel					
Interior design and aesthetics of the hotel					
Luxurious look of the hotel					
Parking at the hotel					
Positive online comments/reviews					
Recommendation from your friends					
Environment friendly hotel and / or that supports the community					
Few children in the hotel					

In addition to the factors that have been presented to you here, is there any other factor that you consider when choosing a hotel?  
Please write the factors and rate their importance on a scale from (1) unimportant to (5) very important.

---



---



---

What else can a hotel, in your opinion, do to attract your attention and make you want to visit it and possibly become a loyal customer?

---

---

---

---

Indicate your age

---

---

Select your gender

- Female
- Male
- Prefer not to answer

---

Select your current situation

- Student
- Working student
- Worker
- Unemployed
- Other situation \_\_\_\_\_

---

Select your maximum academic degree (finished)

- Middle school
- High school
- Professional Course
- Bachelor degree
- Master degree
- Doctor degree

Select your personal state

- Single
  - Married or engaged
  - Separated or divorced
  - Widow
  - Other situation \_\_\_\_\_
- 

Select who you live with

- Alone
  - Family
  - Partner with or without children
  - Friends
  - Other situation \_\_\_\_\_
- 

How many people are in your household?

- 1
  - 2
  - 3
  - 4
  - 5
  - Please indicate how many \_\_\_\_\_
- 

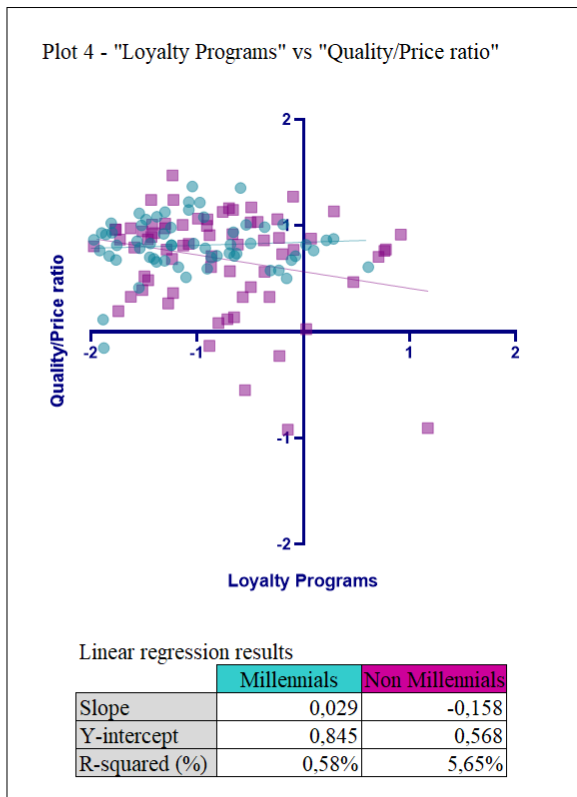
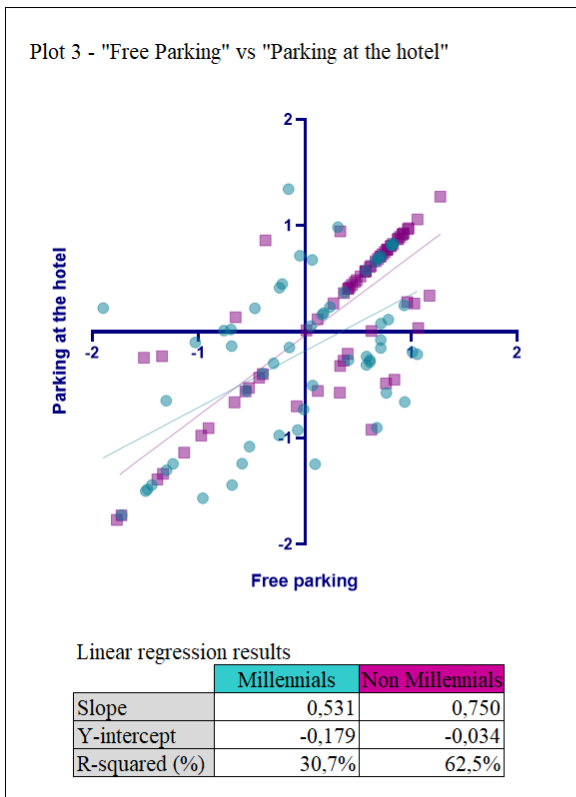
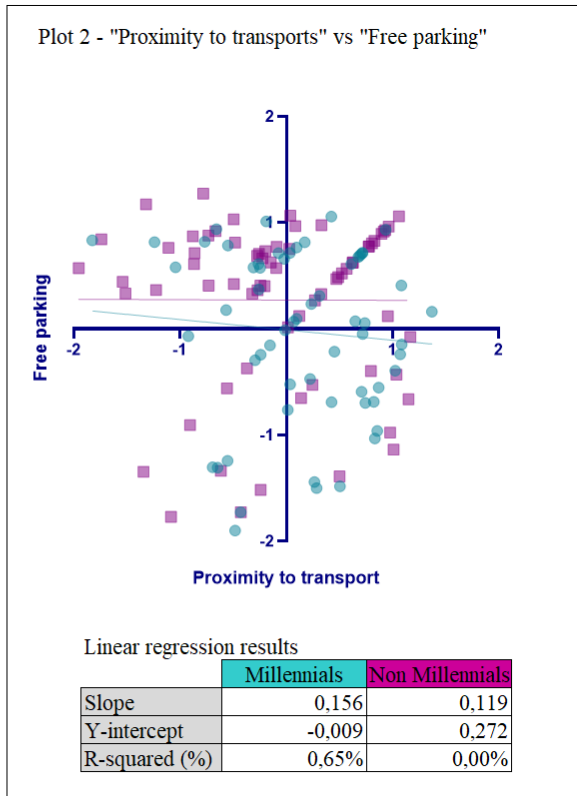
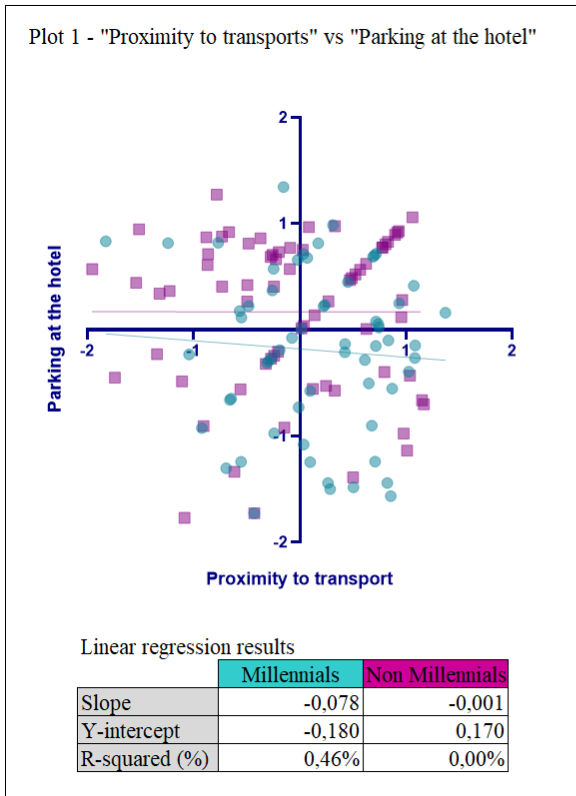
Select your annual household gross income (in Euros)

- Till 10.000
  - 10.000 to 25.000
  - 25.000 to 50.000
  - 50.000 to 100.000
  - More than 100.000
-

## Appendix 4 – Factors Mean and Standard Deviation

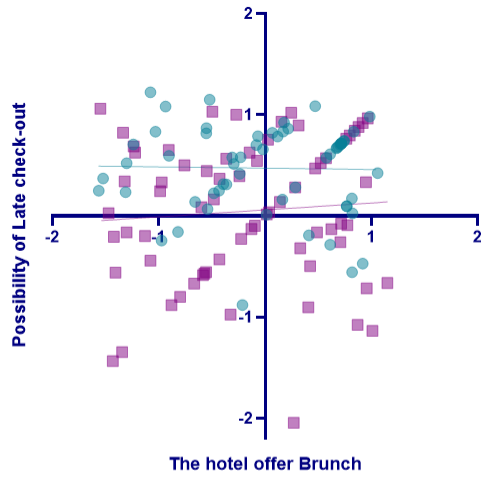
Decision Factors	Millennials (n = 61)		Non-Millennials (n = 69)	
	Mean	Std. Deviation	Mean	Std. Deviation
Cleaning	0,8611	0,1986	0,8564	0,3196
Quality / price ratio	0,8144	0,2573	0,6889	0,4767
Breakfast quality	0,7347	0,3072	0,5832	0,4731
Free wifi	0,6996	0,4002	0,6576	0,4913
Room comfort	0,6624	0,3183	0,6915	0,397
Hotel location	0,6582	0,391	0,5892	0,4792
Breakfast included	0,6559	0,3575	0,6494	0,4265
Provision of wifi internet	0,6272	0,5076	0,5279	0,5962
Safety	0,5924	0,4324	0,6417	0,4179
Bed quality	0,5434	0,4317	0,5622	0,4617
Buffet Breakfast	0,5104	0,6321	0,403	0,6355
Possibility of late check-out	0,4719	0,4353	0,04775	0,6992
Positive online comments	0,385	0,5418	0,2741	0,62
Quality of service of staff	0,356	0,4788	0,2898	0,5622
Friends recommendation	0,3303	0,6703	0,2467	0,5838
Discounted prices	0,2906	0,6426	0,3458	0,6027
Quality of outlets food	0,2229	0,626	0,4031	0,4532
Pool and / or SPA	0,2062	0,6255	0,06785	0,6252
Healthy Breakfast Options	0,1712	0,6615	0,01365	0,7446
Proximity to transport	0,1434	0,6592	-0,07095	0,796
Eco friendly / comunity sup.	0,1286	0,6075	0,1569	0,5695
Ability to do express check-in	0,1252	0,7128	-0,02115	0,6678
Availability of information	0,1062	0,4994	0,1927	0,5677
The hotel offer Brunch	0,0128	0,73	-0,1773	0,7893
Free parking	-0,02315	0,7918	0,2721	0,7747
Room design and aesthetics	-0,03818	0,4891	-0,1206	0,5715
D&A of interior of the hotel	-0,03998	0,5312	-0,04263	0,5886
Cultural and local experiences	-0,05567	0,6888	-0,04502	0,7129
Quality of outlets drinks	-0,09198	0,6926	0,04709	0,6503
Reception Service	-0,1228	0,7073	-0,03257	0,6798
Parking at the hotel	-0,1908	0,7581	0,1696	0,7347
Offering gast. experiences	-0,2086	0,682	-0,1699	0,7268
D&A of entertainment areas	-0,2352	0,5836	-0,314	0,5715
Room service F&B quality	-0,2931	0,7405	-0,3619	0,7844
D&A of exterior of the hotel	-0,3572	0,5346	-0,3771	0,6117
Use of technology	-0,387	0,7836	-0,2023	0,7738
Creating emotional connections	-0,5019	0,6335	-0,3879	0,7161
Meeting rooms Quality	-0,5267	0,8454	-0,4575	0,9788
Luxurious look of the bedroom	-0,5268	0,7275	-0,5934	0,653
Fitness Center or Gym	-0,5496	0,7983	-0,6298	0,757
Hotel parties and events	-0,5859	0,7472	-0,374	0,8053
Luxurious look of the hotel	-0,6288	0,6386	-0,5426	0,6264
À la carte breakfast	-0,6431	0,7284	-0,7263	0,7223
Bathtub instead of shower	-0,8238	0,7573	-0,8721	0,6928
Few children in the hotel	-0,9955	0,7991	-1,214	0,9246
Loyalty programs	-1,051	0,6787	-0,7697	0,7197
Laundry service	-1,17	0,7046	-1,003	0,7002
Sports Fields	-1,186	0,5924	-0,9193	0,7123
Dry Cleaning Service	-1,193	0,6734	-0,9655	0,7233

## Appendix 5 – Plots and Linear Regressions results



● Millennials  
■ Non Millennials

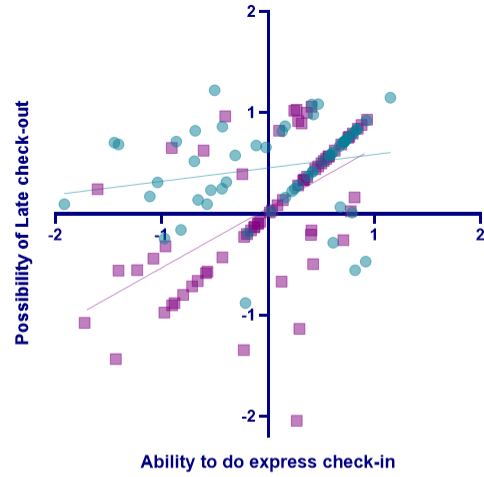
Plot 5 - "The hotel offer Brunch" vs "Possibility of Late check-out"



Linear regression results

	Millennials	Non Millennials
Slope	-0,013	0,068
Y-intercept	0,472	0,060
R-squared (%)	0,05%	0,60%

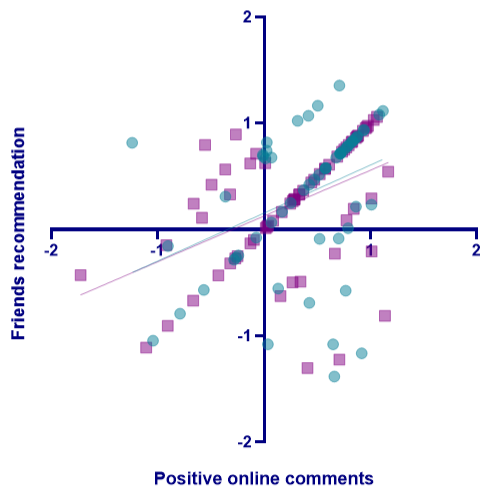
Plot 6 - "Ability to do express check-in" vs "Possibility of Late check-out"



Linear regression results

	Millennials	Non Millennials
Slope	0,133	0,591
Y-intercept	0,455	0,060
R-squared (%)	4,71%	31,9%

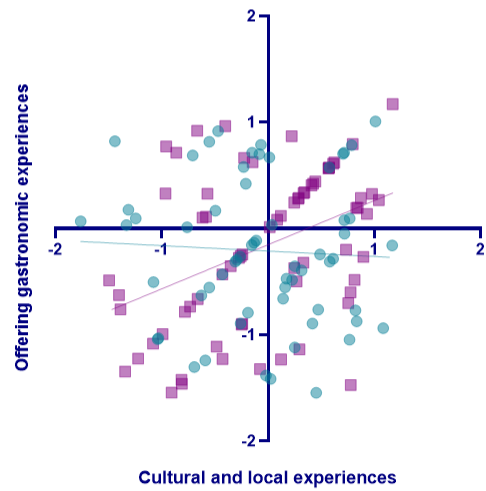
Plot 7 - "Positive online comments" vs "Friends recommendation"



Linear regression results

	Millennials	Non Millennials
Slope	0,452	0,430
Y-intercept	0,157	0,129
R-squared (%)	13,3%	20,9%

Plot 8 - "Cultural and local experiences" vs "Offering gastronomic experiences"



Linear regression results

	Millennials	Non Millennials
Slope	-0,051	0,415
Y-intercept	-0,211	-0,151
R-squared (%)	0,27%	16,6%

● Millennials  
■ Non Millennials

## **Appendix 6 – Experts’ interviews questions**

(semi-structured guidelines used to conduct the interviews)

### 1. General reflection on the results:

- Do the results meet your expectations? Yes or no and why
- What factors surprised you most in the ranking? Why?
- From your vast professional experience, from the changes you have been observing in your clients during the past years, are any of them related to the factors described here?
- What other changes do you anticipate that will still happen in the future? (Regarding behaviors or decision factors)

### 2. Vision about the “Disagreement Area”

- Do the results meet your expectations? Yes or no and why
- What could be causing this generational difference?

3. Vision about the current investment of hotels in non-valued factors (eg laundry, dry cleaning, use of technology, fitness centers, loyalty programs, etc.) versus not investing in valued factors (eg free wi-fi, positive online reviews, discounted prices, quality of food, healthy breakfast options)

- Why is this happening?

### 4. Optimizing Millennials' preferred factors

- Does the hotel you work in have a strategy to attract Millennial customers? If yes, which one(s)?; if not, why?
- Is it necessary to change the managers' mentality? Yes or no and why
- Knowing the results of this study, what strategies would you implement or how would you change the existing strategy(ies)? (Please prepare a brief analysis at the operational, sales, marketing, financial, and other areas that you consider relevant to mention)

## Appendix 7 – Experts’ interviews reports

Industry Expert interview report	
Expert ID: A	
Topic/Factor	Observation
Millennials	Market that grew a lot in the past 2 to 3 years, especially in their 30's with kids.
Cleaning	The top decision factors of the study results are very predictable and not very different across generations. These are very important topics that are a must have and non-negotiable. This is where hotel management should have the best focus.
Possibility of late check-out	A matter of respect, that is, Non M. respect that room have to be clean in a proper time, etc; Millennials do not respect or question why not clean in another time and claim it is just one room etc
Quality of outlets food	Millennials care a lot about where the food comes from and if it is biologic or not, specially when it comes to their kids food
Eco friendly / community sup.	Gen X (prior to Millennials) has a higher conscience about it because they suffered more changes. Millennials already grew in a world where this is a part of (so it is expected, mandatory). Not all hotels bet on it, but in the future, it will be a mandatory must have, part of the concept. To make it interesting to be noted by Millennials, it had to be very outside the box (example you must arrive on a bus/public transportation to our 5-star luxury hotel because we do not want to increase the carbon foot-print). Right now, people do not really care and the Eco-friendly sticker is enough for guests (or for example do not wash towels daily). There has been a good growth of the vegetarian demand, but curiously, the most consumed food continues to be beef steaks and burgers (high gases production).
Ability to do express check-in	Makes sense for business clients. Millennials also want it because they must have the possibility (does not mean all will use).
The hotel offers Brunch	Millennials want it because it is in vogue, because it is "cool" and want to take pictures (however, vogues are cyclic...) Brunch is not a meal but a social event that they make plans to go with friends (as important or even more important than a night out). It would make more sense for hotels to offer breakfast until later rather than Brunches because the quality they offer is usually not the best (as Millennials are looking to have breakfast till later than usually hotels allow).
Cultural and local experiences	Surprisingly low ranking - hotels and restaurants should bet on this (traditional local cuisine, etc). Different perception between groups: Millennials see it as an experience and want to be "hands-on"; Non-Millennials see it as a finished product and want to observe as someone does it for them.

Quality of outlets drinks	<p>Millennials do not care about beverages or their quality, because they also do not know. If they order "something special" it will be a cocktail, but always choose from the most well-known (safe choice).</p> <p>Unless they are on a special day, Friday night or with a group of friends, they take more risks and order more (and also spend more); if they are in couple, usually it is just a typical beer or wine.</p> <p>Very connected to the experience they are seeking on the occasion.</p>
D&A of entertainment areas	<p>No value/not importance.</p> <p>What really matters is the quality/price ratio.</p>
Use of technology	<p>Surprisingly low ranking - hotels must invest anyways. Business guests want quick service, either being a check-in/out or food in the room/restaurant, being more interested in technology use because they have spare time and, as this study had little business travelers in the population, this may have affected this result. People travelling in leisure have more time and do not mind waiting for their turn or in a line. Use of technology is also cultural and familiar. In the future, reservations by messages.</p>
Creating emotional connections	<p>Depends on the objective of a meal/stay, just like food&amp;beverage expenditure and range of order.</p> <p>Millennials seem to be very connected online but disconnected with what is happening around them. They do not want to connect with people outside their group of friends and do not really know how to interact with people they do not know.</p>
Fitness Center or Gym	<p>Surprisingly low ranked.</p> <p>Must have anyways.</p> <p>Possibly low because on leisure, people seek to workout outside, maybe on the grass or nature, and not on a closed gym as they work out on the rest of the year.</p>
Hotel parties and events	<p>Does not make sense for Millennials because they do not know the rest of the people there.</p> <p>It is a concept that people in general do not adhere to, but it may be coming back as it is cyclic and soon people may want to put technology aside and "go back to origins" and make friends face to face in social gatherings.</p>
À la carte breakfast	<p>The visual aspect of a Buffet sells more than a menu À la carte.</p> <p>However, it is predicted that after Covid-19 pandemic, people will not want to eat from buffets for some time, for fear of food being "infected".</p>
Loyalty programs	<p>Surprisingly low ranked but makes sense.</p> <p>Millennials do not repeat the same destination or hotel very often as Non-Millennials do.</p> <p>L.P.s make sense for business guests or people who always go to the same destination (like some Non-Millennials do), but not for the majority of people. The L.P.s benefits is quality/price ratio and that is something that hotels must already provide.</p> <p>Will not be so important in the future.</p>
Dry Cleaning Service	<p>Not important but has to be available and will always have to be.</p> <p>When used, Millennials need it ready in 30 minutes; Non M. use it more and understand that it is a process that needs time to be done.</p>

Your business has strategies to attract Millennials?	No, no specific strategy for Millennials. However, the food and products are very fresh, locally sourced in sustainable ways. Technology is also in place with reservations platform and home delivery apps, and even online or card-free payments.
Use of technology	Especially when it comes to reservations, this will evolve a lot: reservations by message and small form on Instagram, etc.
Management	Today's managers have to keep updated (many still live in the past); hotels will have to keep up with technology, trends. Problem with a generational gap between managers/board members and customers; Also, some managers/board members need to have a wider 360° view, and not focus on online reviews (sometimes, for example, boards focus a lot on reviews from a specific reservations online platform, but this platform only represents the origin of 20% of customers). Instead of investing so much in infrastructures (like laundry), need to start investing in other areas (like technology use such as good and fast wi-fi and good in-room smart TVs). Some boards that do not have the knowledge and vision should hire consultants to understand where business is evolving and where should they invest.
Food & Beverage	People will want online menus, choose beforehand their food, know where it comes from, is produced, etc; and want authentic and local food. Importance of sourcing local, organic, sustainable food.
Creating Emotional connections	Right now, Millennials are living inside a bubble more each day, however, in the future, emotional connections will become more valued since people are now always connected and in the future (starting now already) will want to go live in remote and calm places again, like the countryside, not leaving technology left (always having it at disposal), but to be more in touch with nature (as now a majority of companies allow people to work from home).

Expert ID: B

Topic/Factor	Observation
Millennials	It would have been interesting of this study included reservation patterns for this group.
Possibility of late check-out	Many Millennials use the late flights to be able to enjoy the last day and save money (go out, to the beach or pool) because they do not have a strict schedule to follow and do not care they will arrive during afterhours home.
Positive online comments	Any guest pays more to stay in a hotel with better reviews.
Quality of outlets food	Millennials value more the local experiences than hotel dining. Importance for the hotel to be able to either recreate an authentic experience in house (if it has the means) or to have a great gastronomic tour lined up to give customers. When worked in another hotel, created a "Food court" managed by outside companies, that showcased the very local and traditional products, in an attempt to keep guests dining in house and not going outside the hotel looking for an authentic experience

Healthy Breakfast Options	Millennials in general want this, however hotels are not yet meeting their expectations. Need to invest in food sourced local, sustainable, etc.
Eco friendly / community sup.	Should have been higher (no further elaboration)
The hotel offer Brunch	Brunch does not work well in hotel context because the price is always very high and quality is not catching up to the price (since most hotels use what is left from breakfast, add a few items and call it a brunch). Made it work in Paris when was working in a hotel surrounded by old people that had families visit over weekend and adhered to it, being able to charge high and introduce only a few items besides the breakfast offer.
Cultural and local experiences	Surprisingly low as this is what Millennials and guests in general have been turning too in the past few years (did not elaborate)
Quality of outlets drinks	Millennials tend to go outside to have a drink (connected to the fact they want to have a cultural and local experience). This also happens because many hotel bars and sitting areas are still not upgraded to a modern welcome look and that has to change in order to capture these guests. On a previous worked city hotel, bar renovations tripled the sales overnight.
Room service F&B quality	On a previous resort, ended Room Service and allowed guests to order, with an app, food from the resort restaurants to the apartments - great because there were a lot of theme restaurants and now, each person could eat exactly what they want.
Use of technology	Strange it is so low because it is a very important factor. Millennials, specially want to be able to read information and book everything online. On a previous hotel, people would quit going to the SPA for a treatment because there was always a line on either the Concierge or the SPA itself to book it - implemented SPA reservations with an app and got a boom in sales. Also implemented online table reservation for the in house restaurants and the information about the arrival time and party size and characteristics was amazing to elevate service.
Creating emotional connections	Strange it is so low because it is what Millennials should care about (did not elaborate)
Laundry service	No one uses but has to be available.

Use of technology	Hotels need to bet in great wi-fi and it is not just a question of having wi-fi and making it free for guests – it is of utmost importance that it has a strong signal from the moment the guest steps in the hotel or resort, until the outer back of the premises. Also need to be able to reply to online reviews while guests are still in house, so that what is actually published is a happy resolution and not an unsolved problem (there are software that can identify this).
Management	Many manager and general managers in Portugal are not updated to what hotels worldwide are doing and that shows in lots of hotels
Food & Beverage	In a near future, people do not want to eat from buffets for fear of contamination.

After Covid-19	<p>Next years and months guests' profile is changing (a great majority of Covid-19 casualties so far are from the Baby Boomer generation), so this will bring even more changes that the 9/11 brought a few years ago, in the way people book, behave, have breakfast, etc.</p> <p>Because of this, a lot of business will have to rethink strategies and re-position themselves again in the market, having in consideration all this.</p>
----------------	---

Expert ID: C

Topic/Factor	Observation
Millennials	We usually segment guests by market: leisure and business (corporate and MICE) and nationality; but not by generations or age groups, which is also interesting but not usually done
Luxury concept	Luxury segment is very aspirational (recognition in Maslow's pyramid).
Positive online comments	Very important matter for hotels. No surprise it is important for Millennials as well.
Proximity to transport	Explained by the difference of mentality of ownership (in Portugal, everyone needs to own a car, especially Non-Millennials). Millennials do not share this mentality so much, so they care more about public transportation availability.
Ability to do express check-in	<p>Somehow, an express check-in, in a leisure resort context, ruins the service and luxurious treatment that hoteliers train to give customers on check-in.</p> <p>When this happens, the product becomes the room and no longer the room aligned to the service and attention given by staff through the details - it lowers the value of the asset.</p> <p>However, this makes sense for a Business guest (but no families in leisure).</p>
Free parking	Same as discussed in "Proximity to transport"
Cultural and local experiences	<p>Destination authenticity has to be part of Operations from starter point.</p> <p>This was expected to be higher.</p> <p>To Millennials, a hotel stay is not just about the room, what they really expect is an experience (connected to storytelling and touchpoints that can be created in house to let them know about the history and culture of the location).</p>
Use of technology	Portugal is a low technology use country, and being mostly Portuguese people to answer the survey, that might explain the results.
Fitness Center or Gym	Was expecting a higher ranking but maybe this result is due to how the question was made, that is, Millennials and people in general are expecting for a full integrated Wellness experience that involves outdoor and indoor activities, healthy food, etc.
Loyalty programs	<p>Used by a lot of Non-Millennials because of upgrades and free nights benefits (maybe not in this study, because Portuguese people do not travel so much).</p> <p>Works and makes sense for business or regular travelers.</p> <p>Works better for big brands with hundreds and thousands of hotels worldwide - does not make sense for small chains or independent hotels, as it attracts people to new or unknown hotels just by the brand name.</p>
Laundry service	<p>It must be available, but at the same time, it must be very expensive so that people do not use it very much, as hotels do not have the capacity to laundry or dry clean for every guest.</p> <p>Usually it is cheaper to go to a shopping mall and buy a shirt for cheaper than it would cost to wash it.</p>

Use of technology	Hotels need to invest in great and high speed Wi-fi. There needs to be investment in technology to support the whole hotel operations (from check-in, to Revenue Management, IA etc). Need to invest in smart TVs, great wi-fi with high speed, usb adapters at the bed boards, room speakers to connect the phone and hear music; CRM tools also need to be updated so that service can be even more personalized. Innovate as possible, always having in mind costs.
Management	Some lack of training and expertise of hotel managers in Portugal. Need to make people want to know and read more about the business, in Portugal and around the world. Personal strategy: push people to research and study other hotels, competitors, similar hotels and chains and do reports about every aspect of it; push people to travel and experience and learn more about it. There is still a big need to adapt and update mentalities on this field.
Business travellers	Segments MICE and Corporate are endangered because companies see that online meetings work so well and Business travel has a lot of cost that they can now save: room nights, travel expenses, conference room rentals, etc.
After Covid-19	After this pandemic, not for a while, but then everything will go back to what it was before.
Fitness Center or Gym	Fitness Center or Gym is not, per se, important for guests. The concept of Wellness is developing a lot and will grow even more in the next few years (it is the next big happening in hotels). Hotels need to develop this concept and create lots of activities related to it, such as: invest on healthy food corners on breakfast, 1 or 2 free gym classes per day, organized jogging with a PT everyday at 7.30am starting at the reception with water and Fruit to go for a run, Personal trainer in-house availability for classes, bicycles available with trails for guests to book, etc.
Positive online comments	Hotels must invest in getting used to communicate well internally, specially the bad news, so that this is minimized and even converted in a good comment. Online messaging helped a lot to create groups with the operations and solve issues much more promptly, aligning it to empowerment to solve it.
Quality / price ratio	In the future, hotels should invest much more on providing extra services for guests that book directly, as this way there is no commission to be paid to the intermediary OTA and guests see the difference of benefits/more personalized treatment.

Expert ID: D

Topic/Factor	Observation
Cleaning	Very predictable results, same for everyone in general.
Possibility of late check-out	This has to do with Proximity to transports and Free parking, that is, as Millennials usually do not travel with cars (instead, they use public transportation), they need a late check-out to have a place to keep their bags etc. Non-Millennials do travel with a care so they are concerned with having where to park the car, and because they can put their bags on the car and continue to enjoy the rest of the day, the late check-out is not so meaningful for them.

Positive online comments	<p>Very important: for example, it is still difficult to convert guests into clients of the in house restaurant simply because hotel restaurants usually do not have online reviews.</p> <p>Easy to ask Millennials to post an online review, but difficult for Non-Millennials to do it as they are not so tech-savvy and usually only feel the need to right about it when something did not went well and they want to leave a negative review.</p>
Healthy Breakfast Options	<p>Non-Millennials do not usually value healthy eating options.</p> <p>However, the Millennials do value it very much and so, hotels felt a need to start integrating healthy options on their breakfast and restaurants menus.</p>
Proximity to transport	Already discussed.
Eco friendly / community sup.	Can understand why Millennials, although they grew up with higher levels of education concerning the environment, still Non-Millennials are more concerned about it than them, and it has to do with the fact that, as you grow old, you start to think more about the future generations and their wellbeing, while Millennials are more focused on living the moment.
Ability to do express check-in	<p>Mainly works for Millennials but does not work for Non-Millennials, specially Baby Boomers, because they are not used to so much technology and then get frustrated.</p> <p>In the hotel I work now, we observe that Non-Millennials do not want a check-in like it was done in the old days, with a hotel tour and full room presentation plus city map presentation etc; however, they also do not want to be done in just a few moments, so we have learned to read the guest and constantly adapt the check-in to what they seem to want and we ask a lot what do they want to know before starting showing everything we have prepared.</p> <p>Millennials tend to be more tired from the transportations and journey they took, so we also read them and usually give them the short version of the check-in procedures.</p>
The hotel offer Brunch	Millennials value brunch because it is in vogue right now. They actually are not that interested in Food & Beverage inside the hotel.
Free parking	Already discussed.
Cultural and local experiences	<p>This ranking position was expected to be higher but has to do with the fact that many people seek luxury hotels or resorts with the objective of using everything it has to offer and not thinking about the destination it is located in.</p> <p>So this has to do with journey purpose: choose the hotel because of the location (and in this case, cultural and local experiences are very important); or choose the location because of the hotel (and here, although culture and local experiences can be developed in house, the more important is the hotel itself).</p>
Quality of outlets drinks	<p>Non-Millennials have been drinking alcoholic drinks for many years and developed a taste and usually drink an aperitive before a meal or a digestive after a meal and they care what brand they drink because they already have a developed personal taste.</p> <p>Millennials do not care so much about this because, it is not that they do not care about the quality of the drinks they have, they just do not drink so much in the hotel, as they prefer to go out.</p>
Parking at the hotel	Already discussed.
Offering gast. experiences	On average, Millennials do not really care about if they are eating something authentic and local, they care more about if they like what they are eating and if it is healthy.

Use of technology	No TVs in the common areas, but in the rooms, we have smart TVs with streaming channels, sound systems in the room, etc. At check-in there is the digital signature with a tablet and nothing else. Technology has to make sense with each kind of product and client, and it does not make sense everywhere.
Loyalty programs	Do not consider them important to decide on a hotel, but rather important to go back to a hotel or not. Guests value much more a competitive price than loyalty benefits. It makes sense to offer loyalty programs to repeated and business guests that travel a lot to the same place, but not for everyone as in general, people like to experiment new hotels and new destinations.
Dry Cleaning Service	Laundry and Dry cleaning are very important when the hotel has guests from the high society that in fact use these services. Also corporate guests use this very much.

Management	There is a duality of managers right now: ones are around 35 vs others around 65. There is no need for a radical overnight change, but what is important is that managers fit in the product they are managing and selling, and continue to be dynamic and constantly evolving.
	Because of the Pandemic, in a short future, Managers will need to rethink and restructure buffets as people will not want to eat from where everyone took food from, but also, most hotels and resorts do not have the structure needed to serve everyone À La Carte, so there has to be adjustments.
Business travellers	Will be very calm in the next few months/years but eventually it will take off and big corporate events will start small and progressively get bigger and bigger until the pre-pandemic stage will be reached again. This will happen because corporate meetings have a lot of components, and sometimes the gatherings and side events are even more important than the main event itself and people will continue to want to keep connected, etc.
After Covid-19	Mainly because of the pandemic, SPAs with pools will need to be readjusted, in disinfection but mostly on maximum occupancy. Restaurants and bars will also need to redefine tables and separate guests more, as people will want more distance between tables etc. The same will happen in conference and meeting rooms, capacity will have to be lowered to meet guests' expectations.
Schedules	There is a need to invest in workers from the hotel business. Investment needs to be made to improve working conditions, starting with a good canteen with quality food, lockers, and locker rooms with good hygiene conditions, etc.
Sales calls	Right now, they are being done in online format, however, in the future, there is the need to keep them doing face-to-face, as they are much more effective that way.
Emotional intelligence	In order to meet the guest expectations every step of the customer journey, we have to read him and adapt and adjust it (personalize).

Expert ID: E

Topic/Factor	Observation
Millennials	Are not yet in the peak for true Luxury affordability but are getting there in the next years.
Luxury concept	Nowadays, Luxury is a concept of simplicity that can be characterized in two ways: on one side there is the emerging societies; on the other side, there is the concept of authenticity and disconnection where the product needs to reflect the culture and region it is inserted in.
Cleaning	Because people in general want the simple and the just.
Quality / price ratio	This is very important for Millennials because what they really want is a good bed and a good shower/bathroom.
Breakfast quality	Very important because, once again, they want the just and fair. Overall, people want is a good bed, a hot shower, a delicious breakfast and wi-fi with great speed
Free wifi	Fundamental these days.
Buffet Breakfast	Because Millennials like to have a lot where to choose from (a sense of liberty).
Possibility of late check-out	They want to feel in charge of their time and how they enjoy the day. They rather prefer to pay for one more night or half a night to have a late check-out than save money and have to comply to the hotel schedules.
Discounted prices	Interesting that Millennials value it less than Non-Millennials. But ultimately makes sense because they know what they want and are willing to pay for it (the fair price), as privacy and simplicity is what is the most important to them.
Quality of outlets food	Millennials moto about food is very "keep it simple", as they do not have the patience for fine dining or big gastronomic experiences. Whether they are with friends or as a couple, they just want "true food", simple and authentic. On the other side, Non-Millennials (the older ones) like fine dining and always expect a "wow factor". In the hotel I currently work, we did a vegetable garden and people's curiosity about it made so that they want to eat in our restaurant just because they know we use products from there.
Eco friendly / community sup.	Expected to be more important because this Millennial generation grew up with environmental education, much more than Non-Millennials, and this study reveals that Non-Millennials see it as more important than Millennials do.
Ability to do express check-in	Millennials have the mentality of "if I can do it, one less thing to worry or waste time waiting for someone to do it for me"; also connected to the sense that they hate to wait in lines and everything they can do to avoid routines and lines, they will do it. Non-Millennials are not interested in this because they want more interaction with the hotel staff and do not mind waiting a little bit to be attended.
Parking at the hotel	Millennials are not as materialistic as previous generations. They want to use stuff but without the ownership aspect of things (like cars).
Offering gast. experiences	Already discussed in "Quality of Outlets food". Millennials do not have the patience for fine dining,
Fitness Center or Gym	People do not really care about gyms so much when they are in vacations.
Luxurious look of the hotel	People are looking more about the exotic and authentic look of a hotel than exactly looking for a luxurious look.

Bathtub instead of shower	Nowadays, a lot of people do not care about bathtubs because of two major factors: first, it is not eco-friendly as hundreds of liters of water are spent to use it and to clean it; second, because if they are not well cleaned and maintained, they are not sanitary and hygienic.
---------------------------	---

Your business has strategies to attract Millennials?	No, in my hotel we do not have a strategy to attract Millennials, because guests are segmented by market, not age.
Use of technology	Specially need to invest in wi-fi and other technologies.
Breakfast	In the future, schedules need to be more flexible, as guests are changing. For example, Millennials do not like to be dependent on a schedule, they want to sleep all they want and still be able to have breakfast when they wake up.
Future schedules	Need to be more flexible (breakfast, check-out, etc). Managers need to understand that we should adapt to guests and not the other way around.
CRM and Attention to detail	In Charm hospitality, guests are treated as friends visiting, and so, they should be treated exactly like we would like to be treated. Attention to details is very important, for example, adapting the food and beverages left on the room minibar, according to what we know the guests likes and wants. CRM tools are very important to know the guest, personalize the experience and exceed expectations.
	Millennials value the origin and processes food and other goods suffer till they reach the hotel, including the impact all of this may have in the local communities and the way they live and are treated. Example: Maldives

Expert ID: F

Topic/Factor	Observation
Possibility of late check-out	Dichotomy between operations needs and guest needs. Millennials are more demanding than Non-Millennials were back in the day, and so, there is a new tendency to have guests free the room (for operations needs) but not the hotel, allowing them to keep enjoying the facilities (by, for example, storing luggage and let guests keep using the swimming pool, etc). Makes sense to offer to loyalty members.
Proximity to transport	Discussed in "Free parking".
The hotel offer Brunch	A successful Brunch at a hotel has high costs, not just the Food & Beverages offered, but also animation or music, etc.
Free parking	Yes, because Non-Millennials tend to have big families and lots of luggage so they travel with cars and need to worry about having parking and how much it costs. Millennials do not care about this because they travel by public transports or call a private car.
Cultural and local experiences	Expected to be more important, especially for Millennials. Millennials care more about the whole experience of the culture and local products and traditions of the places they visit.
Offering gast. experiences	Very important for people. Expected to be higher ranked. Millennials care more about the whole experience and not just the food.

Use of technology	Very important but it needs to be simple and intuitive. If not, there is no use for it. The pandemic helped to digitalize a lot of services.
Fitness Center or Gym	A gym means sweating and suffering and depends a lot on self motivation. A PT means a commitment and a cost already incurred, which leads to results (because the PT leads people them); so what is important here is not just to have a gym and equipments, it is about having the right person to encourage you to work out and teaches you to do it correctly, that creates a great environment around it and inspire people. A cross-fit outdoor class can be much more effective with the right PT leading it than doing exercises alone on a full-equipped gym.

Your business has strategies to attract Millennials?	No, but it is fundamental that we must have.
Use of Technology	Digitalization of everything, direct marketing (lots of OTAs will lose their business with this, especially with the emerging social apps)
Management	It is fundamental to change management, to look at Portuguese chains and properties that are creative and innovative and compare them to other chains that did not update and see the differences and learn from it. Some take their status and influence for granted and forget that looking at what will be the future guest and start innovate and improve the offer (and understand that the big innovation resides in the guest).
Schedules	Machines cannot replace the warmth a human can transmit. This is why investing in people will continue to be one of the many future trends and where hotels need to invest.
Future schedules	Need to be more flexible (breakfast, check-out, etc).
CRM and Attention to detail	CRM tools and access to guests "Big data"
Offering gast. experiences	People look for authentic food, local. It has to be transformed even more in an experience, not just food.
Eco friendly / community sup.	On of the trends of the future. This is because Millennials care about the impact tourism has in the communities.