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COLLABORATIVE CONSUMPTION IN THE HOSPITALITY SECTOR

ANALYSIS OF CUSTOMER EXPERIENCE IN HOTELS AND AIRBNB

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ABSTRACT

This paper analyses the hospitality sector in Spain, focusing on the millennials' experience in hotels and Airbnb. A review of the literature on collaborative consumption and the hospitality industry allowed identifying the already found determinants of this experience. A qualitative study with eight in-depth interviews led to unveil new determinants of the experience, comparing hotels and Airbnb. This research concludes with the key points of difference between the hotel and Airbnb experiences and suggests strategies for hotels in Spain to adapt to the new demands of the target.

Key words: hospitality sector, sharing economy, Airbnb, hotel, customer experience, collaborative consumption

RESUMEN

Este trabajo analiza el sector de la hostelería en España, con un enfoque en la experiencia de los millennials en hoteles y Airbnb. Las fuentes de referencia estudiadas se han tomado del entorno del consumo colaborativo y la industria de la hostelería, identificando los determinantes de la experiencia. Se ha llevado a cabo un estudio cualitativo de ocho entrevistas, comparando hoteles y Airbnb, descubriendo nuevos determinantes de la experiencia. El trabajo concluye señalando las diferencias más relevantes entre las experiencias en hoteles y Airbnb, así como la elaboración de una propuesta de estrategias para los hoteles españoles para adaptarse a la nueva demanda.

Palabras clave: sector hotelero, economía colaborativa, Airbnb, hotel, experiencia del consumidor, consumo colaborativo

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1. INTRODUCTION

The objective of this paper is to analyse the customer experience in the hospitality sector by comparing the experiences in the home sharing and hotel industries.

The collaborative consumption industry has been referred to with different terms, such as sharing economy, platform economy or on-demand economy (Brinkley, 2017). Yet, it has been most often labelled as “sharing economy” or “collaborative economy” (European Commission, 2017). It has been defined as “business models where activities are facilitated by collaborative platforms that create an open marketplace for the temporary usage of goods or services often provided by private individuals” (European Commission, 2017, p. 2).

Daverio and Vaughan, alongside PricewaterhouseCoopers, PwC, (2016), published in 2016 a report regarding the size and growth of the collaborative economy in Europe. The growth has been exponential; there was a 56% transaction growth in sharing economy platforms between 2013 and 2014, which increased to 77% between 2014 and 2015. Also, revenue growth between these two years increased from one billion euros to 3.6 billion euros in Europe alone. Nevertheless, the segment which contributes the most to the volume of transactions is the accommodation sector; it accounts for 54% of the total number of transactions made in all collaborative economy platforms. Furthermore, within Europe in 2015, Spain was the country with the highest percentage of population that had participated in the collaborative economy, 6%, and the second highest in terms of percentage of the population to have knowledge of the existence of the sector.

The tourism industry is key in the Spanish economy. 81.8 million people visited Spain in 2017 who spent close to 87 billion euros, a 12.2% growth compared to 2016 (Allende & Palau, 2019). Such figures increased further in 2018, with 82.6 million tourists visiting Spain and spending around 89.5 billion euros. In 2017, out of the whole European Union, a 23.1% of the overnight stays from tourists were made in Spain, which corresponds to over 200 million stays in one year (INE, 2018). The second country with the most overnight stays within Europe, Italy, had nearly half as many overnight stays as Spain. Regarding Spanish residents, there were close to 200 million trips in 2017, most stays being for leisure, either to visit friends and family or holidays. Only 8.4% of all national trips were for business. Nevertheless, most Spanish overnight stays were in own or friends' housing, 63.2%, therefore, no use of hotels nor apartments was made (INE,

2018). 22.1% of stays were in hotels and the remaining 14.7% either in home sharing platforms, camping, inns or rural accommodations. This survey shows that Spaniards prefer going to hotels when travelling within the country. However, the inclination towards hotels may be changing among millennials, which will be discussed later.

Within the hospitality sector, there are two main categories: the hotel sector and the home sharing sector. In 2017, in Spain, there was a supply of 14,659 hotels and 134,561 home sharing apartments, which corresponded to providing a daily space to 1,472,641 and 519,464 travellers respectively given the number of beds available (INE, 2018). Even though there is considerably more room available for tourists within the hotel industry, the growth with respect to the previous year for the home sharing platforms was of 8.5% against a 0.6% growth in the hotel industry. Therefore, the dynamics of the sector are changing, and home sharing platforms are increasing their supply and market share. Nevertheless, in 2017 a 72% of the overnight stays were made in hotels. Additionally, the level of occupancy in hotels is superior, with an average of 61.14% beds booked daily compared to 40.80% in the home sharing industry (INE, 2018).

Generation Y, also known as the millennials, refers to those born between the 1980s and the late 1990s (BBC News, 2017). They are characterised by the continuous use of technology and to have consciously lived through the global financial crisis. Millennials are a key market segment of the home sharing industry given that 60% of Airbnb guests are millennials (Airbnb Citizen, 2016), born between 1999 and 1982. Airbnb also appreciated an increase of 120% in the number of bookings made by millennials in 2016. Consequently, the increase in millennial use of Airbnb leads to a challenge for the hotel industry.

Past studies analyse the experience for the guest at Airbnb or the motivations for their choice. Additionally, Guttenberg et al. (2018) focuses on the types of Airbnb users that exist. Nevertheless, there is a lack of research comparing experiences in both accommodations within the millennial segments, identified as the most relevant in Airbnb. Previous studies do not provide a complete or a valid response to the increasing issue at stake: the challenges hotels face regarding Airbnb taking away the millennial market share. The gap has been studied to identify how hotels may tackle recent challenges.

Thus, the paper will first analyse the collaborative consumption industry in the hospitality sector and distinguish the main factors between Airbnb and hotels by conducting a SWOT analysis for each. Later, a literature review will be developed to identify the most important factors in the three stages of an experience: the pre-experience, the participation and the post-experience. After a comparison between current hotel and Airbnb strategies, a qualitative study in the form of a qualitative study based on grounded theory is presented. Finally, findings and conclusions are conferred.

The findings include the identification of the three types of travel: Business Trip, City Trotter and Lay-Back Stay. They have been analysed thoroughly and focus was made on the way hotels should target millennials in each category. These include focusing on the online community, considering reviews and ratings as well as partnerships with travel agencies such as Booking, alongside a high quality and attentive service.

This study contributes to the literature in hospitality by showing that there are several factors that affect millennials' experiences in hotels and Airbnb differently. Managerial implications include strategies to increase engagement from millennials as well as to improve the relationships with online resources and institutions.

2. CONTEXT: THE HOSPITALITY INDUSTRY

2.1 Collaborative Consumption

With the emergence of the Internet, a new disruptive market was born and is developing further every day: the so-called sharing economy or collaborative consumption. Complementing the definition aforementioned by the EU, Hamari et al. (2016, p. 2049) defines collaborative consumption as a “peer-to-peer-based activity of obtaining, giving, or sharing access to goods and services, coordinated through community-based online services”. Nevertheless, such economy was first conceptualised by Felson and Spaeth, researchers from the Sociology department in the University of Illinois, in the late seventies. Felson and Spaeth described collaborative consumption as “those events in which one or more persons consume economic goods or services in the process of engaging in joint activities with one or more others” (quoted in Belk, 2014, p.1597). However, scholarship on sharing economy began to grow after the 2010 publication of “*What’s Mine is Yours – the Rise of Collaborative Consumption*”, by Bostman and Rogers. Bostman and Rogers argue that the business world is transforming, new technologies are forming modern communities (Satama, 2014).

Many authors have researched the reasons to take part in the collaborative consumption market and a consensus has been made around these main factors, which include both economic benefits as well as sustainability interests (Belk, 2014; Chen & Jin, 2017; Hamari et al., 2016). Collaborative consumption has taken over many industries as well as in different forms, especially the home sharing sector. The main objective of this category in collaborative consumption is to exchange less assets, including space, by optimising consumption (Albisson, 2012; Schor, 2015).

There are many different home sharing platforms; nevertheless, the largest and best known is Airbnb. In HomeAway, similarly to Airbnb, anyone may publish their house or room in the platform in order to reach thousands of people and communicate with potential clients (Barber, 2018). Other platforms coexist in the sector with certain discrepancies to the model above, to differentiate themselves into a smaller niche. An example is Vacasa, which has over 2,000 employees in charge of the maintenance and cleaning of the homes that are registered in their community. The Plum Guide is famous for its control strategy with the 150 criteria used to give a score to their houses and, later, rank them based on such criteria. Kid and Coe, another home sharing company, focuses

on the niche of parents with babies, where all the homes are prepared with toys and baby furniture for their family guests (Barber, 2018). Even though many companies have appeared in the sector, this paper will focus on Airbnb as it is the main home sharing platform given its importance in the sector and its growth, as it will be discussed next.

2.2 Airbnb

Airbnb was founded in 2008 with the aim to connect people around the world and share the space they are not using with those people that are looking for it (Zervas et al., 2017). In their own website, Airbnb states that it “exists to create a world where anyone can belong anywhere, providing healthy travel that is local, authentic, diverse, inclusive and sustainable” (About Us, 2019).

An analysis of Airbnb was made following the SWOT framework. The strengths, weaknesses, opportunities and threats were identified and summarised in Figure 1, which later are explained and developed in detail.

Figure 1 – SWOT Analysis for Airbnb

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Home sharing market share • Previous worldwide growth • Millennials’ loyalty • Trust management 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Non-standardised service • Lack of control over profiles • Low quality control
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Hotels listed in Airbnb • New market segments 	<p>THREATS</p> <ul style="list-style-type: none"> • Decreasing growth • New players’ entry • Restricting regulation

Several **strengths** may be identified for Airbnb. Firstly, even though there are other players in the home sharing market, as mentioned above, Airbnb has proven to be the biggest and most internationally extended player. Airbnb has a worldwide community, present in 192 countries, its customers have access to space wherever they travel (Zervas et al., 2015). Furthermore, Airbnb’s past growth has been exponential. In 2013, Airbnb had 300,000 listings (Edelman & Luca, 2014) and reached four million listings worldwide in August of 2017 (Zervas et al., 2017). Less than two years later, in 2019, Airbnb sits at over five million listings (Fast Facts, 2019). The top five countries with most listings as of 2017 are the United States (660,000), France (485,000), Italy (340,000), Spain

(245,000) and the UK (175,000) (Airbnb, 2017). Additionally, it has been recorded in 2017 that every day over 50,000 stays are booked per night in Airbnb's web page (Zervas et al., 2017). Moreover, Airbnb has proven to be the go-to option for millennials, around 60% of its customer base are millennials (Airbnb Citizen, 2016). What is more, over 80% of millennials have stated they look for experiences that are unique and will prioritise going on a trip to paying their debt or purchasing a house. Additionally, the interface of the platform is an important strength as it was designed to be simple and easy to understand, as shown in Figure 2.

All this is a result of the confidence and trust Airbnb has been able to project. The Oxford dictionary (2019) describes trust as the "firm belief in the reliability, truth, or ability of someone or something". The main catalyst for the expansion of Airbnb is the trust management, from the importance of the profiles of the hosts and the guests, to the review scores out of five stars (Ert et al., 2016). All the profiles are visible and have simple facts and descriptions of the users and the accommodation, such as the one in Figure 4, as well as review comments from previous guests that allow further transparency and trust. These reviews, for them to be done as efficiently and honestly as possible, they do not show until both parties have reviewed each other or over fourteen days have passed since the end of the stay (Zervas et al., 2015). An example of such reviews may be found on Figure 5.

Moreover, the platform guarantees a payment for the host and a place to stay for the customer with their billing system. Airbnb charges the guest straight away when the booking is finalised and does not pay the host until the rental is over (Barber, 2018). Airbnb will charge between a nine and a twelve percent of the fees of the reservation and an additional three percent for payment processing (Zervas et al., 2017). Additionally, the user may link their profiles to other accounts such as Facebook or LinkedIn in order to show their whole persona, which may be helpful for the guests (Zervas et al., 2015). The online reputation Airbnb has been able to conquer in the last ten years is one of the main intangible assets of the brand (Zervas et al., 2017). Joe Gebbia, cofounder and product director at Airbnb argued that there is a "well-designed reputation system" in place that has allowed an increase of the transmitted trust between strangers. He also argues that, given the host is not a stranger or company, and probably due to the review and star system, it is less likely for guests to leave the room in a mess: they will tidy the bed and

leave the towels neatly (Ted Talk, 2016). This is a whole new system that is changing the way people interact during their stay, changing their perspectives and expectations.

One of the main **weaknesses** of Airbnb is the fact that the rooms are non-standardised. The user depends on the host's service, which its reliance will vary from one experience to the other. This may lead to negative associations towards the brand, which Airbnb would have no control over. The lack of control is also visible in potential fake profiles that companies may make as well as reviews and ratings, or even the amenities the hosts' list in their accommodation profile. Such activities may be motivated by online discrimination, including race and gender (Edelman & Luca, 2014). Furthermore, the quality control for their supply of apartments is very low, which makes it difficult to know what to expect and to control the experiences guests are having all over the world; some may decide not to use Airbnb again as they do not trust the service anymore after a bad experience. A recent study by OCU (2016) showed that there were limited procedures in place to protect consumers' rights.

Airbnb is seeking for new **opportunities**. For example, they are targeting hotels to list them in their own platform. It has been estimated that as of February 2018, 24,000 hotel listings were in Airbnb (Ting, 2018). Yet, Booking.com has many more listings of hotels available and many hotels are sceptic of getting listed in Airbnb especially regarding the brand association, which may be negative. Furthermore, Airbnb has identified the advantages of focusing on two new market segments and recently launched Airbnb Plus, for the best hosts and accommodations (Mody & Gomez, 2018), and Airbnb Business most suitable for companies (Airbnb Business, 2019).

One of Airbnb's **threats** is coming from other travel agency platforms such as Booking, which increase the competition in the online market. Additionally, Airbnb is experiencing a slowdown in its growth (Ting, 2018). Such slowdown appears principally in the United States and Europe, which are the two most mature countries of Airbnb. Apart from the decrease in growth, the frequency of current Airbnb users' stays per year is also falling. Airbnb is not gaining as many customers as it used to. Either because the market has already matured in Europe and United States, or potential clients are going to other home sharing platforms. Additionally, its current customers do not travel as often as they did before to Airbnb. Furthermore, regulation is continuously being updated and put into place, more so in Spain and other countries than in the United States, restricting the number of listings – as Madrid and Barcelona have recently approved – and increasing

uncertainty in the industry. For example, it was made compulsory recently in Spain for Airbnb hosts to notify all rentals and provide information regarding their identity (Ramirez, 2018). This is challenging Airbnb’s future.

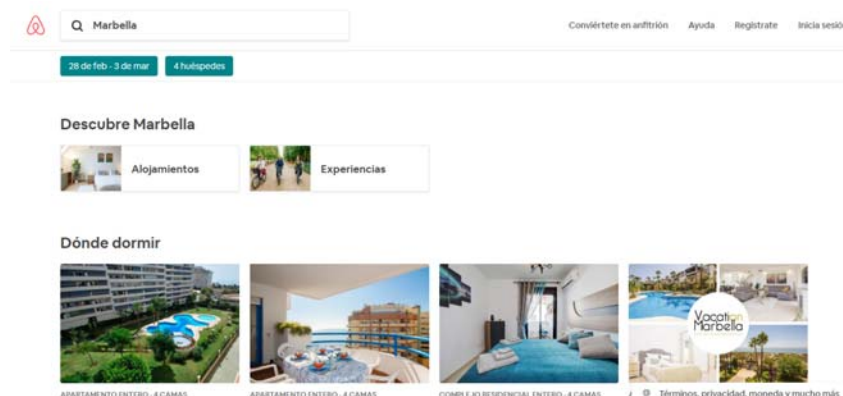
Airbnb’s platform may be accessed from the URL “<https://www.airbnb.com/>”, nevertheless country-specific sites may be accessed, such as “<https://www.airbnb.es/>” or “<https://www.airbnb.co.uk/>”. Once in Airbnb’s web page, the user first lands on the home page, as shown in Figure 2. The site is simple and easy to navigate. The user may choose the location where they are willing to travel to, the dates of the stay and the number of people travelling by typing them in the search bar located in the centre of the home page.

Figure 2 – Airbnb.es home page



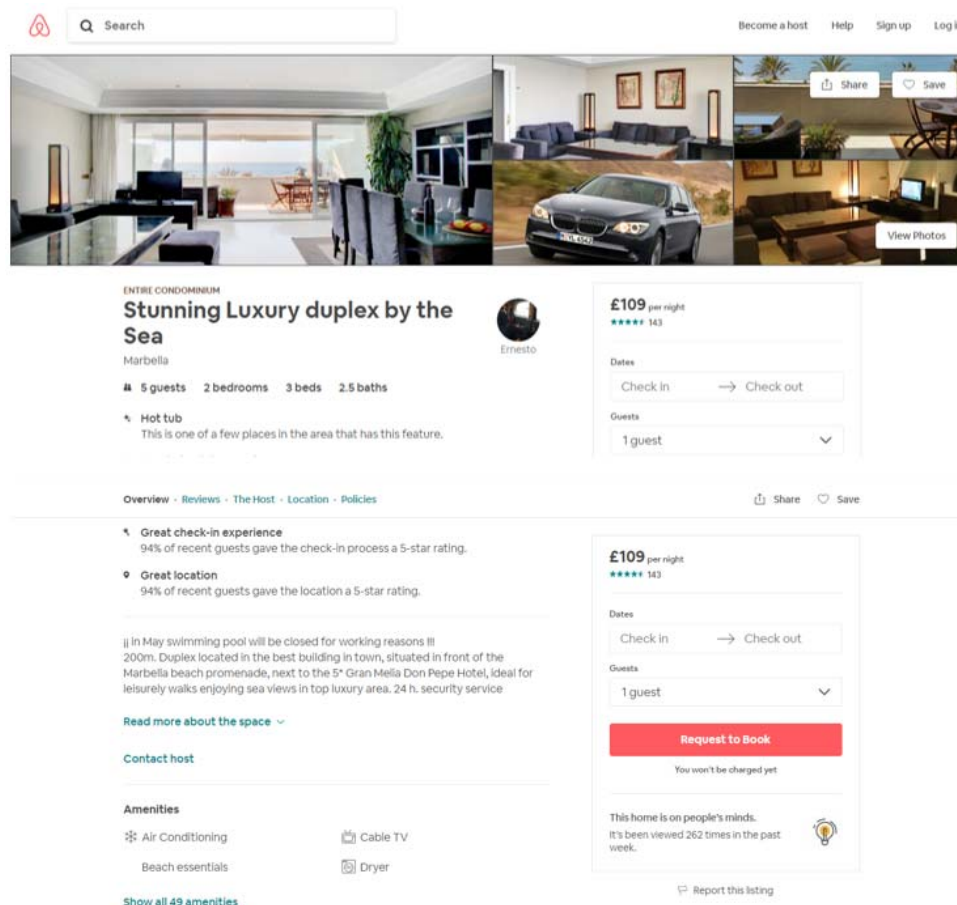
As an example, a search has been done in Airbnb for a place to stay in Marbella between the 28th of February and the 3rd of March for four people. As Figure 3 shows, a new page is loaded with various offerings as to where to stay the night. Each option has a main image in the thumbnail and a small description just below. Moreover, Airbnb is willing to contribute to the user’s whole travelling experience by increasing their services offered to potential “experiences” one may book in the same area, as shown in Figure 3, below “Descubre Marbella”.

Figure 3 – Airbnb search for Marbella between February 28th and March 3rd



The user can then navigate through the different accommodation options, all equipped with high quality pictures uploaded by the hosts as well as detailed information of the accommodation. One of the houses has been selected at random, shown in Figure 4. The user may scroll through more pictures of the space they would be booking as well as read the whole list of amenities the place offers, such as cable TV or air conditioning. Furthermore, on the right-hand side of the screen the user will have available the price of the stay per night and may edit the dates of the stay. Finally, the user may click on the red button with the text “request to book” at any moment to start the booking process with the host.

Figure 4 – Airbnb.es accomodation profile example



Additionally, detailed reviews are also available at the bottom of the page, where previous guests have left a score between one and five stars. Such score is based on different criteria, including cleanliness, location and check-in variables. Also, previous guests may leave comments about their experience, which include the date of their stay and profile, as shown in Figure 5.

Figure 5 – Airbnb.es review example

Overview · Reviews · The Host · Location · Policies Share Save

143 Reviews ★★★★★

Accuracy	★★★★★	Location	★★★★★
Communication	★★★★★	Check-in	★★★★★
Cleanliness	★★★★★	Value	★★★★★

Susan
November 2018
Amazing location. The apartment was like home from home. Lovely pool area and breathtaking views from the balcony. Lovely to sit outside. Would highly recommend.

Sidsel
October 2018
We enjoyed our stay very much. The location is perfect and the Terrace big and lovely with a fantastic view.

Gayle
October 2018
We rented this apartment for a girls weekend and it was perfect. Great location

£109 per night
★★★★★ 143

Dates
Check in → Check out

Guests
1 guest

Request to Book
You won't be charged yet

This home is on people's minds.
It's been viewed 262 times in the past week.

Report this listing

Overall, Airbnb’s success is due to several factors, including the trust it has been able to create for their clients in several ways, as they have been described previously (Ert, 2016). Furthermore, the number of listings Airbnb currently has as well as the growth Airbnb experienced through the last ten years and the simple interface design. All these aspects have allowed Airbnb to consolidate their market share in the industry and become the biggest home sharing company in the sector.

2.3 The Hotel Industry

Hospitality has existed for over 100,000 years, since the first travellers. In the medieval times, accommodation and food was ready in the most transited destinations for travellers and their horses. Since then, the sector has experienced many transformations with the aim of meeting the new needs and demands (Customer Alliance, 2014). As Brotherton (quoted in Lugosi, 2008, p. 2) describes, the hospitality industry “is comprised of commercial organizations that specialize in providing accommodation and/or, food, and/or drink, through a voluntary human exchange”. King (1995, p. 3) develops further the idea of hospitality to arrive to the definition of “commercial hospitality: meals, beverages, lodging and entertainment provided to travellers and guests for profit”. Lugosi (2008, p. 3) emphasises the importance of entertainment in the hotel industry: “within many commercial hospitality environments, guest interaction and entertainment is a fundamental part of the experience”.

A SWOT analysis for the hotel industry has been developed, summarised in Figure 6. Such investigation is explained in depth later.

Figure 6 – SWOT analysis of the Hotel Industry

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Wide variety of supply • Strong brands • Loyalty 	<ul style="list-style-type: none"> • Weak online presence • Lower millennial engagement
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Technology adoption • Booking.com • Market value increase • International investment 	<ul style="list-style-type: none"> • Substitutes • New entrants

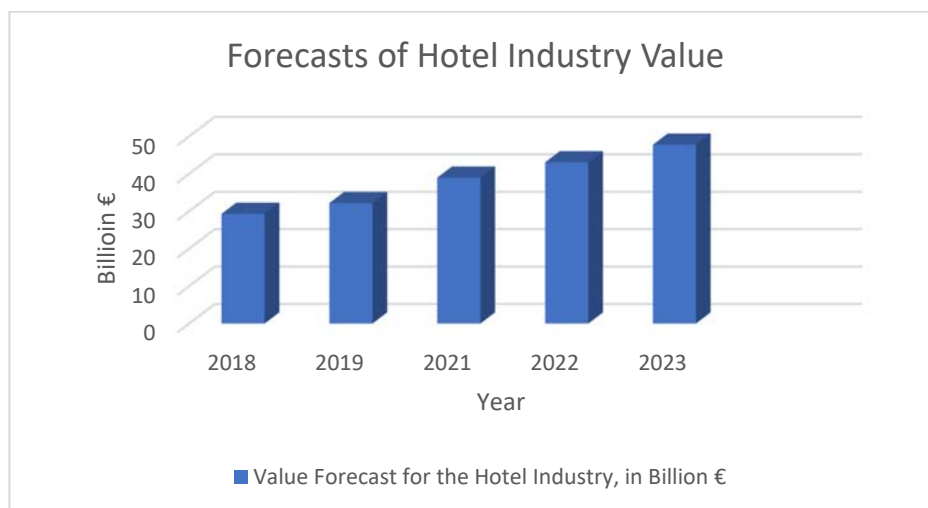
There are several **strengths** in the hotel industry. Firstly, it includes many different accommodation offerings, from five-star hotels to small guesthouses, suitable for all budgets. Currently, the biggest hotel in the world is the First World Hotel: it has 7,351 rooms and is located in Malaysia. The highest hotel in the world is the Ritz-Carlton in Hong Kong: 484 meters tall. Furthermore, the most expensive hotel room ever sold was in New York, at the Waldorf Astoria, for 1.95 billion US dollars in 2014 (Customer, 2014). There are many brands in the Spanish hotel industry (MarketLine, 2018). Some of these hotel chains include Marriott International, NH Hotels, Vincci Group, Melia hotels International and Barcelo Hotel Group. Each hotel chain has built a brand around them which allows customers to be aware of the service they are likely to get when staying at their hotels. This influences hotel selection and customer loyalty as the client has expectations that have been met in the past and will be willing to repeat, with certainty that it will be similar. Additionally, the biggest hotel chains have loyalty cards, such as Marriott (Sanchez-Silva, 2019). With this, hotels do not only get increasingly more data about the client’s stays and preferences, but also allows engagement between the client and the hotel and pushes the client to come back to the hotels by giving access to good, unique deals.

Regarding the **weaknesses**, hotels may be perceived as old fashioned and distanced from technological advances. If a hotel is not available online, it is close to inexistent in today’s world. Not only that, but given online reviews (Cheng & Jin, 2019) are very important towards the decision making of where to stay, hotels must keep them in mind and respond to their feedback. This leads to why millennials may be less engaged in the

traditional concept of hotels, as over half of millennials will search online before deciding which product or service to purchase (Grotte, 2018).

Opportunities for the hotel industry include technology adoption. Even though the growth of the hotel industry has been exponential through history, new technologies are changing the rules of the game, “knowing about business management, online marketing review and revenue management and much more is indispensable to running a successful establishment” (Customer, 2014). Data management has opened new opportunities in the sector, as well as new and more aggressive competition. These include software for price updating and CRM possibilities, as well as making use of online platforms such as Booking to increase the number of channels where overnight stays are sold. Furthermore, the hotel market has been forecasted to increase by 62.8% between 2018 and 2023, as shown in Figure 7 (MarketLine, 2018). This corresponds to a stable 10% increase per year and a market value in 2023 of 47.8 billion euros. On the other hand, the number of establishments in the hotel sector is expected to increase by 7.8% between 2018 and 2023. Morgan Stanley’s projections include online travel agencies growth of 7% compared to a 6% growth for Airbnb in Europe and United States. Furthermore, online travel agencies are used by clients to book 59% of the travels (Ting, 2018), therefore travel agencies such as Booking, are a great opportunity for hotels to increase the number of bookings as well as the customer awareness being in popular sites.

Figure 7 – Spanish Hotel Industry Value Forecasts

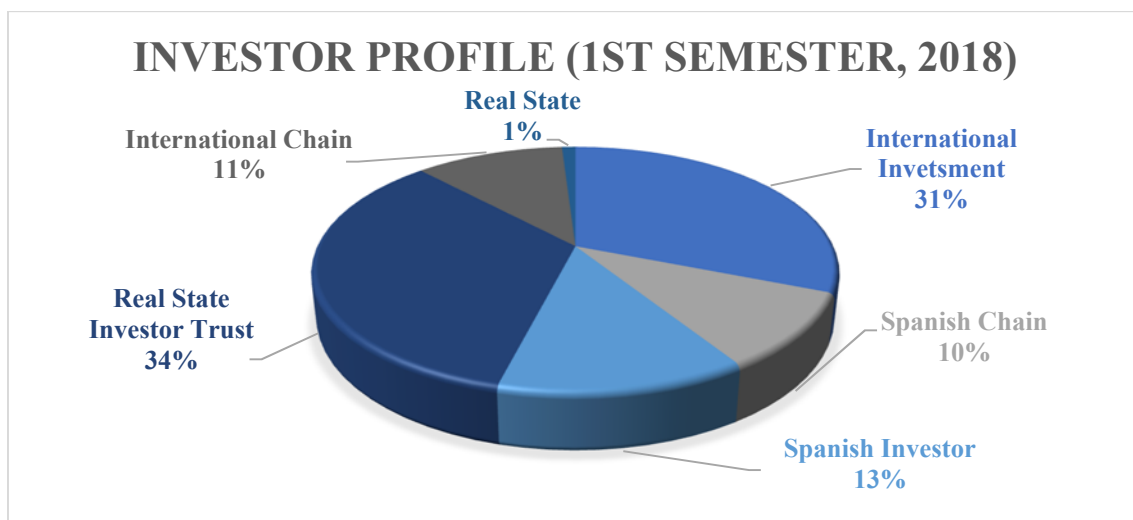


Adapted from MarketLine (2018)

During 2018, in Spain, 4.8 billion euros have been invested in hotels, a new record in the Spanish hospitality history. Furthermore, this was double the amount of investment received only two years before, in 2016. (Allende & Palau, 2019) As Allende and Palau defend, the Spanish hotel sector interest is far from ceasing with increasing foreign investment. Club Med, for example, is planning on opening a new resort in Marbella in July of 2019 with 486 rooms, after investing close to 72 million euros in the installations and remodelling of the hotel as well as its surroundings. (Castro, 2018). Furthermore, Hispania acquired seven hotels, a total of 1,708 rooms, from the Alua chain with a value of 165 million euros (Colliers, 2018).

During the first semester of 2018, the biggest investor was the American fund Blackstone (Colliers, 2018). Nevertheless, there are many more players such as Minor Hotel Group, which has become the main shareholder of the NH Hotel Group. Hotusa has also acquired in the same period eight hotels, a total of 729 rooms. Additionally, Marriott has recently announced the purchase of Spanish chain AC for 140 million euros (Sanchez-Silva, 2019). Overall, international investment in Spain during the first semester of 2018 accounted for over 40%, including international investment and international chains, of total investment, as shown in Figure 8 (Colliers, 2018).

Figure 8 – Investor Profile in Spain During the 1st Semester of 2018

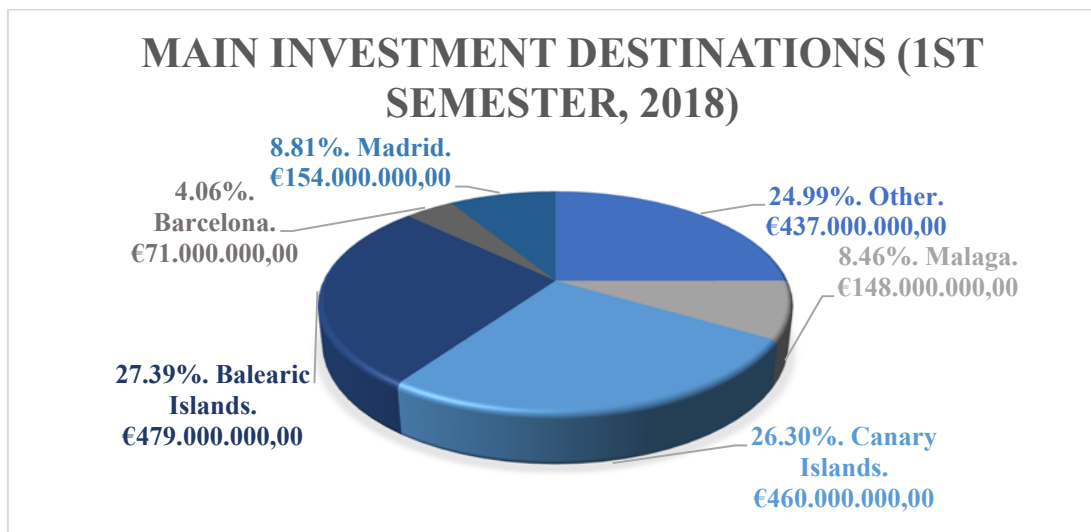


Adapted from Colliers International (2018)

Moreover, even though the investments during 2017 in Spain were close to 50% in the urban segment and 50% leisure segment, during the first semester of 2018, 71% of investments were in the vocational, leisure segment. Regarding the geographical

distribution of investments, Barcelona suffered a decrease compared to 2017, mostly due to the political uncertainty. Furthermore, as Figure 9 shows, Malaga and Madrid have similar amount investments, both close to 150 million euros. Where most investment is made, nevertheless, is in the two Spanish archipelagos, the Canary Islands and the Balearic Islands, amounting to 54% of the total invested in Spain during the first semester of 2018 (Colliers, 2018).

Figure 9 – Main Investment Destinations in Spain During the 1st Semester of 2018



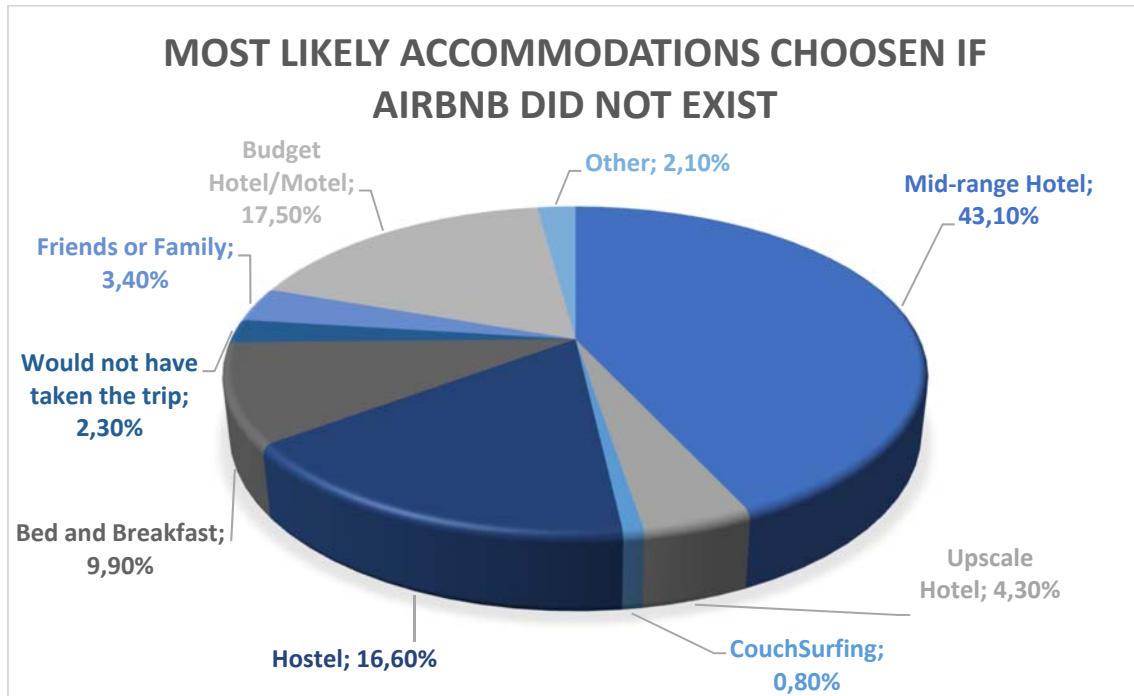
Adapted from Colliers International (2018)

Spain is experiencing increasing investment, with four consecutive years of record volume of investments in the hotel sector (Colliers, 2018). Such consolidation in the sector (MarketLine, 2018) is visible in these investments. Spanish hotel brands are not only highly valued, but also highly wanted. Acquisitions allow big players to become more efficient, reducing costs and increasing their market share.

Regarding the **threats** to the hotel industry, the substitutes make up the biggest challenge. The most remarkable ones being cruises and Airbnb. Cruises are becoming more affordable and popular; the supply and range of the travels is increasing. Nevertheless, Airbnb supposes a greater challenge and easier substitution between them. As MarketLink's (2018) results show, in Figure 10, if Airbnb were to not exist, hotels would be the most popular option. Mid-range hotels would be chosen by 43.1%, followed by budget hotels, chosen by 17.5% of those surveyed. Therefore, they are direct substitutes to each other. Regarding the threat of new entrants in the market, it is smaller than that of substitutes given the consolidation stated above and the big players that

currently exist in the market. As MarketLink (2018, p. 20) states, “new entrants may not have the economies of scale to attempt this”.

Figure 10 – Accommodations Chosen if Airbnb Did to Not Exist



Adapted from MarketLink (2018)

Overall, the hospitality sector is not only key in the Spanish economy, but also one of the fastest growing industries. Such expansion may be observed in both, the home sharing sector, specifically in Airbnb, and the hotel industry. Nevertheless, Airbnb’s figures among millennials present a challenge to the hotels in Spain.

3. CONCEPTUAL FRAMEWORK: EXPERIENCE AND EXPERIENCE DIMENSIONS

3.1 Importance of Experience

Customer experience “encompasses every aspect of a company’s offering” (Meyer & Schwager, 2007, p. 1). Such experience may either be direct, when the customer starts the interaction, or indirect, when there is an encounter with a company that was not planned. Either way, it will always be measured against the expectations of the customer and this comparison will determine whether the experience was negative or positive (Shaw et al., 2010). Therefore, two people in the same situation may have very different conclusions about the experience they have just been through. As Knutson et al. has said, “each experiences it through his or her individual lens” (2009, p. 44).

Experience in the hospitality sector is also determined by the context of the stay. Given that expectations are a key variable to the outcome of experience (Shaw et al., 2010), a business overnight stay will not have the same expectations as a leisure overnight stay. Therefore, it is important to distinguish between business and leisure stays. Furthermore, expectations will vary depending on the number of stars the hotel has: a client arriving at a one-star hotel will not have the same expectations as a client in a five-star, grand luxury hotel. The stars have become an influencer of expectations, both for hotels categories as well as Airbnb ratings. Online reviews by previous guests also affect previous expectations to an experience (Cheng & Jin, 2019). Hotels have already focused on this distinction by creating different brands and offering distinct prices to each type of customer: each experience matters, entertainment is crucial (Lugosi, 2008).

Nowadays, there is increasingly more supply of products and services: there are more companies that may reach a wider range of customers with the help of new technology and media via more distribution channels. From the perspective of the client, they have access to more information than they have ever had before and may use all this data to make decisions, from which product to buy to where to have lunch. Consequently, customers are becoming more demanding as well as more sophisticated (Knutson & Beck, 2004), implying that the agents in the hospitality sector must adapt to the new trends and offer unique experiences to the well-informed clients. Knutson and Beck (2004, p. 3) has noted the “escalating competitive intensity” there is in the industry in the internet era. This is visible in the hospitality sector: there are different platforms including Airbnb and

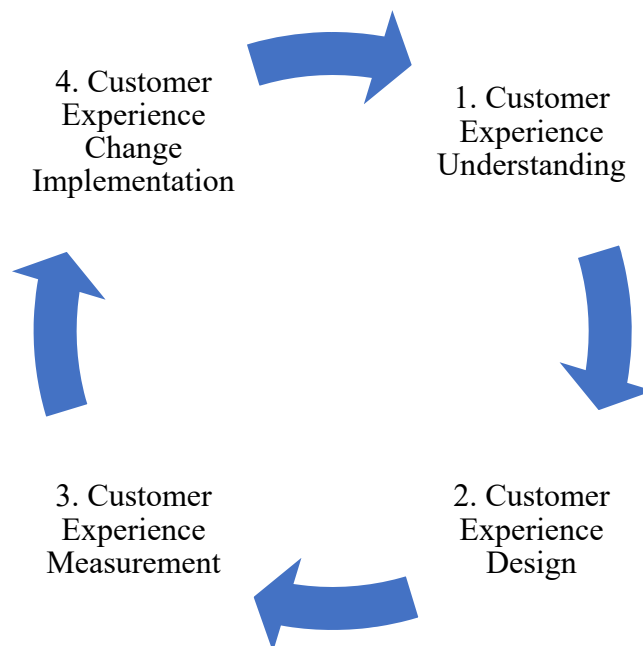
Booking, apart from the individual hotel websites, where the client may check and compare prices.

There is a market segment that specially seeks for such information for their daily decisions: millennials. Millennials, referring to those people born between the 1980s and 1990s, are not only the market segment with the highest growth, but they also have different expectations based on the technology they consume on a daily basis. This is especially obvious in the fact that around 57% of young adults, before buying a product, will research it online (Grotte, 2018).

Given customer experience must be well managed, it is important to have a system in motion to make it efficient and responsive. Plessis (2016) has proposed the following model to design and implement a customer experience process, summarised in .

Figure 11. The first goal is to define the customer segment and needs to create the Customer Experience Understanding. Secondly, Customer Experience Design comprises the whole macro and micro environment as well as distinction between the positive and negative experiences. Later, internal and external measurements must be made for the experience. Finally, to keep improving, gaps must be identified and changed, searching for continuous improvement.

Figure 11 – The Customer Experience Management Framework



Adapted from Plessis (2016)

Dimensions of experience have been extensively studied, but less so in the hospitality industry, especially comparing hotels and Airbnb. O’Sullivan and Spangler (1990) have proposed three stages for the experience: the pre-experience, the participation and the post-experience. The first stage comprehends all activity done before the beginning of the participation of the experience. For example, in the hospitality industry it would entail all the previous research on different factors made online to book a room. This stage leads to the participation of the experience, as shown in

Figure 12. Participation in the hospitality industry starts the moment the booking has been made or the involvement with the hotel or the house starts. Finally, even though the participation within the experience is over, the process has not ended. This is especially easy to see in online reviews made after a stay either on sites such as TripAdvisor or Airbnb.

Figure 12 – The Stages of Customer Experience



Adapted from O’Sullivan and Spangler (1998)

Lugosi (2008, p. 4) has analysed the dimensions of hospitality experiences to conclude that it does not only include food, drink and shelter, but also “social intercourse”. Hospitality has proven throughout history to include a strong link with entertainment (King, 1995). Lugosi has acknowledged Telfer’s discussions as to whether there is any distinction between entertainment and hospitality given Telfer states “hospitality is associated with meeting of need, entertaining with the giving of pleasure” (Lugosi, 2008, p. 4). Experience goes beyond functional satisfaction but needs to compromise the entertainment dimension. Furthermore, Lugosi has emphasised the importance of the relationships built in the hospitality sector associated to the whole experience; “it is in the social encounter, sometimes between provider and customer, but often, between consumers themselves, that hospitable spaces are brought to life” (2008, p. 14).

3.2 What Determines Experience in The Hospitality Sector

Distinguishing between the three parts of an experience that have been previously highlighted, the pre-experience, participation and post-experience, each contains several important factors in determining an experience. Given the lack of studies that focus specifically on experiences in the hospitality industry, a review on adjacent topics was made, including motivation to choose hotels or home sharing as well as pricing determinants, to categorise the factors in the three stages of an experience, summarised in Figure 13.

Figure 13 – Factors of Pre-experience, Participation and Post-experience

Pre-experience	Participation	Post-experience
Price	Environment	Reviews
Location Convenience	Staff	Ratings
Unique & Local	Efficiency & Consistency	Personal reflections
	Room & amenities	

Firstly, the **pre-experience** consists of the research and decision making of the place to stay. This is determined by the price, the location convenience and the unique and local experience.

The first factor, and largely argued as the most important one, is the **price**. According to Knutson’s et al. (2009) findings, one of the dimensions of a hospitality experience is the incentive dimension, described as the pricing strategies that may increase the likelihood of buying more products or services in a hotel. The three items in this category are shown in Figure 14. The most important item within the incentive dimension for customers, according to their survey results is that “price promotions that accompany a product/service are a bonus”, with an average of 5.99 out of 7, closely followed by “incentives increase the chance that I will purchase the featured hotel product/service”. Martín-Ruiz, Barroso-Castor and Rosa-Díaz (2012) have studied the price fairness of hospitality services, with the results of 5.649 out of 7 in importance. In order to measure it, the benefits were assessed against the sacrifices made for the experience. This is important given that, even though paying the lowest option is not always the most desired one, knowing that you get back what you are paying is proven to be important.

Figure 14 – The Items for the Four Factors for Hotel Experience, Part 1

Convenience

- Hotels must be laid out so that I can find what I want.
- Product/service information should be readily available to me.
- Hotel products (web-based or otherwise) must be clutter free.
- The process of buying and using the hotel’s products/services should be simple.
- Products/services must always be readily available.
- The products/services must be easy for me to acquire.

Incentive

- Price promotions that accompany a product/service are a bonus.
- Incentives increase the chance that I will purchase the featured hotel product/service.
- I am more likely to buy a hotel’s product/service if incentives are offered.

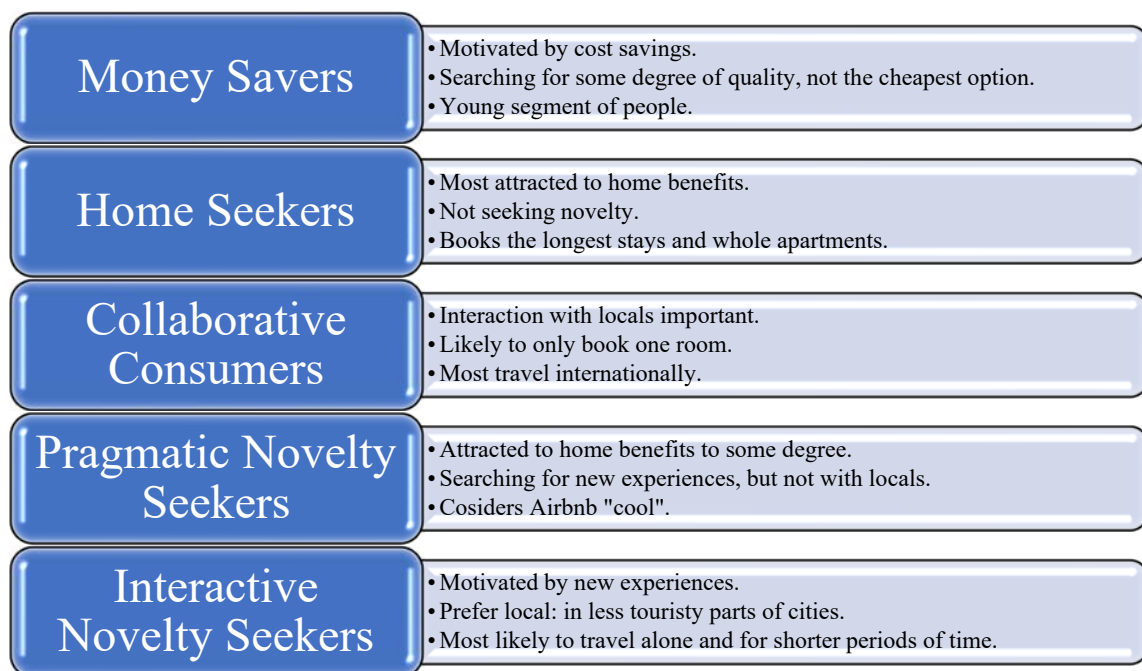
Adapted from Knutson et al. (2009)

Guttentag et al. (2018) has analysed the motivations users may have when choosing their Airbnb with a series of surveys and later has given a value to their importance. These include the price, location convenience, home benefits, local authenticity, novelty and sharing economy ethos. Price, which has also been argued to be the most popular motivation, where most decisions are based on reducing costs. Nevertheless, Guttentag et al. argued that it may be that Airbnb users end up “wrongly believing that are saving money with Airbnb” (Guttentag et al., 2018, p.166) which leads to higher ratings in Airbnb, which will be discussed in the post-experience. Considering his previous analysis, Guttentag et al. (2018) has identified five different segments of Airbnb users, summarised in Figure 15. Money savers are mostly motivated by cost savings, even though location may also be important to some degree, which will be analysed next. Furthermore, the segment is characterised by being young, around the millennial generation, and they will not seek the cheapest accommodation, but cheap alternatives with a certain level of quality: price fairness.

Location Convenience is another important factor that determines the selection of a stay. Both, the geographical location of the accommodation and the convenience and easiness of the offered services have been extensively studied. Guttentag et al. (2018) has considered location as one of the main motivations to choose an Airbnb, as previously stated. Location, given that most home sharing apartments are unevenly distributed in a city, compared to hotels, which more commonly are in the centre, is surprising to be the second most popular motivation. Airbnb guests seem to be happy with the environment, even though it may not be as convenient, but this probably depends on the type of user.

Local authenticity refers to having a non-tourist, authentic experience, another main difference with respect to hotels. Convenience has been studied by Martín-Ruiz, Barroso-Castor and Rosa-Díaz (2012) as the effort and time that buying a product or service is recognised by a customer. The result of its importance was a mean of 5.970 out of 7. Additionally, Knutson et al. (2009) identifies convenience as one of the key elements determining a hotel experience. The items considered are summarised above in Figure 14. The most important factor, with an average of 6.10 out of 7, would be to have the product or service available for the customer. The importance of the easiness to purchase is also stated, with a mean of 5.97 out of 7. Finally, location findings suggest that the further away from the city centre, the lower the prices of the Airbnb (Dogru & Pekin, 2017).

Figure 15 – The Five Airbnb Users



Adapted from Guttentag et al. (2018)

Unique and local experiences are important to consider, especially regarding leisure trips. Guttentag et al. (2018) has identified several motivations to choose where to stay, out of which three of them fall in this factor: home benefits, novelty and sharing economy ethos. Home benefits relate to feeling like at home is a key motivation and are one of the main distinctions between Airbnb and hotels. The second motivation is novelty. It has been found to be a less important motivation when choosing an Airbnb. This may seem

surprising given that for most stays the guests have the objective to do tourism, where most people seek new places to visit and new cultures to learn from, therefore, one would expect novelty to be crucial. Nevertheless, the fact that novelty is not recognised as extremely important to choose an Airbnb may have some bias: based on the unpredictability of the Airbnb itself, novelty is a given. The last motivation, sharing economy ethos, refers to the philosophy of keeping tourism local, money spend is kept by locals. But the importance was minimal, and sustainability is not one of the issues Airbnb guests are most interested on. This is supported by the Belk's (2014) assertion: even though many people state they do have sustainability interests, their actions have different motives behind.

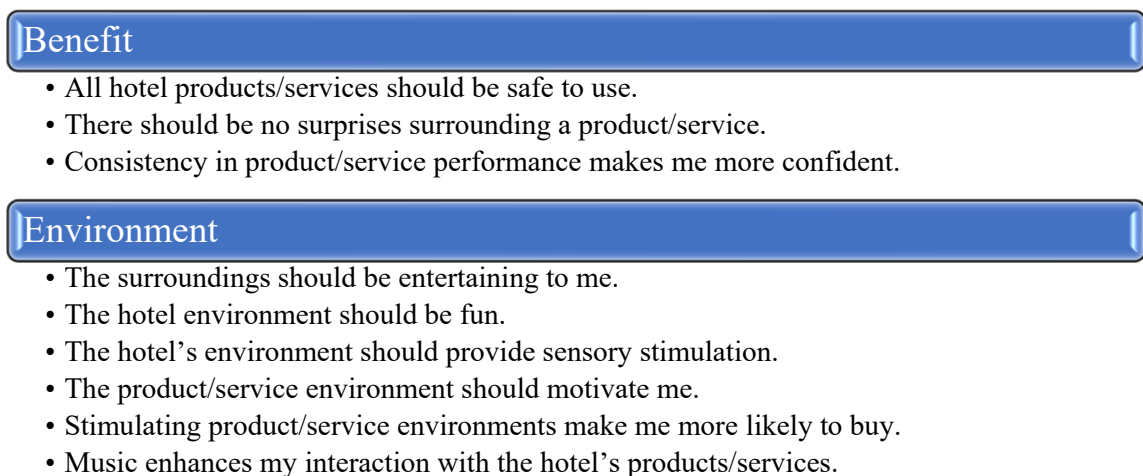
Furthermore, in Guttentag's et al. (2018) classification of Airbnb users described above and summarised in Figure 15, the unique and local factor is important for three of them. Pragmatic Novelty Seekers are attracted to home benefits, but less so than Home Seekers, and also, they are moved by new experiences, but they will not be willing to be involved with locals, but rather prefer to stay in their groups. These are more likely to travel domestically and searching for low prices. Additionally, this segment considers Airbnb as cool and will be more likely to go to one instead of a hotel. Nevertheless, they may be an interesting market to target, especially for high end hotels that may give more than traditional hotels offer. Interactive Novelty Seekers are motivated by new experiences that are very local and will be specially interested in being in a less tourist part of the city. They will most likely travel alone and stay the shortest amount of time out of the five groups. Overall, this segment would be of the least interest to hotels. Collaborative Consumers chose Airbnb given their motivation towards interacting with local people and are usually older than the previous two segments. Furthermore, most travel internationally and have, in average, the least number of companions. They will also be most likely rent only a room instead of the whole apartment and will be seeking to reduce costs, becoming not very interesting for hotels, but more suitable for hostels and Airbnb.

Participation, the second stage of an experience, is influenced by the environment, staff, efficiency and consistency and room and amenities.

Regarding the **environment**, Knutson et al. (2009) has included it as one of its four dimensions of the hotel experience, out of the six items, summarised in Figure 16. They were measured in a seven-point Linkert scale. The most important item according to the

survey results was “the surroundings should be entertaining to me”, with a mean of 5.28, followed by “the hotel environment should be fun”, with a mean of 5.13. Out of the perspectives that determine pricing according to Dogru and Pekin (2017), the space and quality affect the environment factor of the experience. Regarding space, 70% of stays recorded where entire homes, which increased pricing by 141% with respect to shared rooms, compared to private rooms which were 28% higher. For the impact of quality in pricing, different aspects were studied, from cleaning fees to the overall aspect of the host’s Airbnb publication. They have found that a cleaning fee increases price by 17%. Additionally, having more photos of the Airbnb increases by 1% the price and overall ratings increase 0.5%.

Figure 16 – The Items for the Four Factors for Hotel Experience, Part 2



Adapted from Knutson et al. (2009)

Another important factor of the participation is the **staff**, either the hotel staff or, in the case of Airbnb, the host. Martín-Ruiz, Barroso-Castor and Rosa-Díaz (2012) have recognised the importance of employees’ behaviours towards the service of the customers, contributing to the value that is perceived of the service. Their results show that it is the most important factor out of the ten studied, with an average score of 6.126 out of 10. Friendliness, one of the variables previously mentioned identified by Dogru and Pekin (2017), have included the variable for family friendly and handicap friendly, which both increase prices by 10% and 11% respectively. But, a Pet friendly Airbnb will be 2% lower in price.

With the aid of a series of surveys, Knutson et al. (2009) has identified the hotel experience four dimensions. Benefit determines the **efficiency and consistency** factor of

an experience, summarised in Figure 16. The most important item between all the dimensions was under the benefit factor: the product or service should be safe to use, with a mean of 6.33. This is closely followed by the importance of consistency, with a mean only 0.9 lower. Nevertheless, it is important to highlight this one has the highest standard deviation out of all 18 items, which suggests there is a discrepancy about such importance, revealing there are different travel profiles.

Room and amenities are crucial for an experience and differ between hotels and Airbnb. Freebies have been identified by Dogru and Pekin (2017) as one of the aspects that are most valued in an Airbnb. They refer to the amenities and service at one's disposal. Different amenities were valued to see the affect they had on pricing. Those that increased prices were having a washer, a dryer as well as free breakfast. Yet, having a kitchen and free parking corresponded to lower pricing. Another aspect that has been identified are Commercial Attributes, which correspond to things such as being business-ready: having the Airbnb available for work accommodations, including events and meeting. This will decrease pricing whilst event-ready increases them. Gundersen, Heide and Olsson (1996) similarly has studied what people travelling for business were most concerned about, distinguishing between tangible aspects, such as the amenities of the room, and intangible aspects, such as the time it took to do the check-in. Results showed that the tangible factors were more important than intangible factors. Out of the five profiles Guttentag et al. (2018) has identified, summarised in Figure 15, Home Seekers are the most relevant to this category. They will consider amenities as the most important factor when considering which accommodation to stay at in order to feel like at home. This segment is older than the Money Savers and will not be seeking novelty at all, unpredictability of the Airbnb is something they want to avoid. Moreover, the stays will be for a longer period of time, 5.7 nights, against 4.2 nights for Money Savers, and 91% of the recorded times they have booked a whole house rather than only a room.

Post-experience in the hospitality industry is determined by reviews and ratings, mostly left online, and personal reflections.

Reviews will be left either on the Airbnb platform or others such as Booking or TripAdvisor. These are made after an experience and are very important given they will affect the pre-experience of others as well as their expectations. Therefore, the exact

composition of words that are left are very important and will have real consequences. Cheng and Jin (2019) has analysed the likelihood of a guest recommending an Airbnb based on the comments that are left and whether they are positive or negative. According to their findings, words in a review such as “visit”, family” and “experience” have a much higher probability of the guest recommending their stay than “shops”, restaurants” and cafes”. The most reviews are about the location, the host and the amenities of the Airbnb, the main factors that have already been highlighted to be of most importance. Nevertheless, they defend the idea that hotel staff is crucial, just like in Airbnb, but the hosts have a different duty as to in a hotel, “the host’s role is perhaps that of a facilitator rather than a guest-host social relationship builder” (Cheng & Jin, 2019, p. 66). These are two very different roles which even affect the way users leave comments online, where Airbnb guests will use first names rather than corporate brands. Moreover, a distinction between hotel categories may be made from online comments, also determining the expectations of future guests. Ting has analysed this by getting data from over 1,700 hotels from 43 cities in the United States. Distinctions have been made between expensive and inexpensive hotels and high- and low-quality hotels. The top five words representing each category have been summarised in Figure 17. These words allow customers to find the hotels they are looking for. Additionally, it gives a fair idea of what clients have experienced and the final thoughts of their stay in each of the hotels. Each type of hotel will have a different customer market, therefore should focus on different aspects of their experience. Every single customer appreciates different things on their stay, even if they had already their own expectations (Ting et al., 2017).

Figure 17 – Word Representing Different Hotel Categories



Adapted from Ting et al. (2017)

Ratings refer to those stars given on an online platform after an experience. They may be out of five, such as in Airbnb, or out of ten in other platforms, like Booking. The final rating will appear as the average of all ratings ever made, visible to everyone. As Guttentag et al. (2018) has analysed, reviews left in Airbnb may be biased by the unprecedented idea that one is saving money at an Airbnb, when this may not be true, or as a different as it is in reality. This may lead to higher average rating in the platform. Nevertheless, the number of ratings has a negative effect on the price, according to the research from Dogru and Pekin (2017).

Personal reflection entails the final individual thoughts and conclusions one has. One of the aspects of personal reflection is the price fairness discussed above, where a customer will be especially interested in getting their money's worth from the experience (Martín-Ruiz, 2012). Therefore, a looked after price-quality ratio is important in the hospitality industry, especially given that expectations exists from personal past experiences as well as the ratings and reviews found. A positive personal reflection may lead to loyalty towards a brand. Martín-Ruiz, Barroso-Castor and Rosa-Díaz (2012) have argued that a customer will be most likely to repeat the experience due to the commitment to the brand, rather than an increase in the performance. If expectations are met, one is more likely to repeat the experience. Mody and Gomez (2018) identifies the importance of storytelling for the authenticity of a brand. The values, and personality and uniqueness must be known by the guest and cherished.

To summarise, there are several key factors identified in each stage of an experience. As part of the pre-experience, price, location convenience and unique and local items are considered by clients. Regarding participation, the main subjects looked for are the environment, the staff, efficiency and consistency and amenities. The main points of difference may between Airbnb and hotels may be found here. Lastly, post-experience is motivated by reviews, ratings and personal reflections.

3.3 Experience In Hotel Vs. Airbnb

Hotels and Airbnb have initial studies; they have been researched and compared to seek the differences that make them unique. Guttentag et al. (2018) has analysed the comparison of the performance of expectations between Airbnb and hotels for three categories: budget, mid-range and upscale hotels. He has identified several factors that are thought to be strengths for hotels against Airbnb and vice versa. Hotels supposed strengths include cleanliness, comfort, confidence quality meets expectations, ease of

placing a reservation, ease of checking in/out, ease of resolving unexpected problems and security. On the other hand, Airbnb strengths include local authenticity, uniqueness of the experience and price. In the first comparison (Airbnb vs. budget hotels), Airbnb was superior in all categories expect for the ease of checking in/out, security and ease of solving problems, where motels have a higher rating, as summarised in Figure 18. When comparing with mid-range hotels Airbnb wins over in cleanliness, comfort and quality meeting expectations as well as local authenticity, unique experience and price. In contrast, hotels have higher scores in security and all the eases: of placing the reservation, chinking in/out and resolving unexpected problems. With regards to the comparison with high scale hotels and Airbnb, Airbnb is perceived to be better in terms of local authenticity, uniqueness of experience and pricing, leaving the rest of categories superior in hotels.

Figure 18 – Supposed Strengths for Hotels and Airbnb

	Hotels	Airbnb
Budget	<ul style="list-style-type: none"> • Ease checking in/out • Ease resolving unexpected problems • Security 	<ul style="list-style-type: none"> • Cleanliness • Comfort • Confidence quality meets expectations • Ease of placing reservation • Local authenticity • Uniqueness of the experience • Price
Mid-range	<ul style="list-style-type: none"> • Ease of placing reservation • Ease checking in/out • Ease resolving unexpected problems • Security 	<ul style="list-style-type: none"> • Cleanliness • Comfort • Confidence quality meets expectations • Local authenticity • Uniqueness of the experience • Price
High scale	<ul style="list-style-type: none"> • Cleanliness • Comfort • Confidence quality meets expectations • Ease of placing reservation • Ease checking in/out • Ease resolving unexpected problems • Security 	<ul style="list-style-type: none"> • Local authenticity • Uniqueness of the experience • Price

Adapted from Guttentag et al. (2018)

The hotel industry has reacted to the increasing threat represented by Airbnb by changing their strategy to match or overperform Airbnb in some of the criteria identified above. Given that hotels substitutes offer a basic accommodation, hotels now offer more benefits (MarketLink, 2018). These fall into four main categories; being authentic, use of technologies, focusing on niches, and supplying complete experiences in resorts.

According to Guttentag et al. (2018), hotels are trying to be more **authentic** and local by “launching new brands and by adopting boutique and independently branded properties with more local flavour” (Guttentag et al., 2018, p. 170). An example would be what Hyatt is doing with their two new brands: the Centric and the Unbound, for unique experiences (Hyatt, 2015). Furthermore, hotels may offer a complete service, which can be local, by providing the information needed to visit the most authentic parts of the city. Airbnb has limitations regarding what they may offer. Many hotels have agreements with other companies that may allow guests to visit some places with limited access and may get more insights than in an Airbnb. This may allow user looking for local, authentic experiences to have more access to them than in an isolated Airbnb.

Other hotels have gone down a different route to offer an authentic, unique experience. In Madrid, Hotel Puerta América has been designed by nineteen different architects and designers, each of the fourteen levels has its own style and unique decorations, including the garage on the lowest level. The first floor has been designed by Zara Hadid and has big open spaces. Norman Foster designed the second floor and used the space in a different way, creating walls with no edges and wave-like ceilings. David Chipperfield was in charge of the third floor, he used geometric figures in a luxurious environment (Fenix, 2011). The sum of all the floors makes a unique hotel, very entertaining and attractive for architect and design enthusiast, photographers, as well as the hotel public.

Millennials are searching for unique experiences that include **technologies** involved around them apart from their night’s sleep: technology is creating new expectations that are affecting the hospitality sector (Grotte, 2018). Hotels have been responsive to such demands and are providing new experiences. For example, with the help of technology, Scandic hotels in Sweden has been the first hotel chain to include in 2017 the automation of check-in and out as well as of the payment. Only with the use of one’s phone this is possible (Scantic, 2017). Furthermore, Hilton hotel introduced Connected Room in July of 2018 in four of its hotels. From this application, the guest may control amenities in

their room, including the temperature, the television as well as the lights (MarketLine, 2018). Nevertheless, this decreases the interaction made with other people, which is part of the experience in hospitality. Therefore, it may only be suitable in business environments such as airport hotels.

Furthermore, hotels have been able to develop software to continuously change and vary prices as well as increase or decrease the supply of their rooms in many different engines at the same time. With this they can target key costumers and give special offers. Hotels will even take into account the visits they are receiving in their webpage and the number of flights booked to the area (Jones, 2014).

Hotels may segment and focus on **niches**. There is a chain, Axel, that focuses on the gay community. It has hotels among many cities in Barcelona, Berlin, Madid, Venezia and Miami. Furthermore, they organise many events in their sky bars, including barbecues, carnival and weekend nights (Axel, 2019). Similarly, the Dutch hotel chain Meininger focuses on families and groups travelling in search of tourism. The hotels are well situated in the centre of cities, rooms are prepared to accommodate several people, including bonks beds, and they focus their attention on being modern. The hotels will also have a game zone, for the youngest members of the family. Meininger also offers especial discounts for families, depending on the ages of the children. Furthermore, it has kitchens that may be used by all clients, perfect for budget trips (Meininger, 2018).

Lastly, another way hotels are increasing their supply of experiences is by creating a whole **resort** around their facilities, engaging their customer in the whole day activities they choose to do. Club Med, for example, offers a brand new, complete experience in their resorts. The resort in Marbella, for example will have 125,000 meter squared including many different hematic restaurants and bars. Additionally, it will have its own spa and many sports installations, including eleven tennis courts (Castro, 2018). Clients may decide whether they want to relax in the swimming pool, the spa, or play tennis, all located in the same place. This is especially convenient for families with children.

Regarding Airbnb, the most important aspect they defend is the trust Airbnb has been able to promote via different strategies, as it has been described above. Also, Airbnb is providing novelty accommodations experiences with the Airbnb Plus and targeting a new customer segment with Airbnb Business.

Airbnb was proven to have a slight evolution towards hotels categorisation. It has recently launched **Airbnb Plus** (Mody & Gomez, 2018). The hosts of such houses will have a rating above 4.8 out of five and will search for the best experience for their guests, going beyond what is expected. For instance, being available 24 hours a day or leaving flowers in the apartment. For this, the houses are verified in terms of the quality, comfort, amenities, design and maintenance. The difference between a hotel and an Airbnb Plus becomes thinner.

Airbnb Business (Airbnb Business, 2019) has the main objective to give access to companies to Airbnb. Therefore, many different profiles may view the bookings, including different employees from the company. Also, reports and business invoices are sent to the profiles to allow the business activities to be done properly. There are issues regarding the responsibility when something goes wrong and the host's importance. The hosts have been pre-selected by Airbnb and considered as appropriate for business travel. The service is more formal and forced, which diverges from the Airbnb origins to make it seem natural and non-professionalised. Therefore, the impact Airbnb Business may have is limited and could potentially ruin their brand image.

However, there is a lack of research in the comparison between hotels and Airbnb, the only main paper focused on this being Guttentag et al. (2018). What is more, Guttentag et al. (2018) has provided a quantitative study focusing on a limited number of variables all regarding the participation stage. Additionally, the analysis of Millennials, given they are the most important market segment of Airbnb, is scarce. The entrainment part of the experience has already been defined that it is an essential part of the hospitality sector that go unexamined in the aforementioned study. Also, the pre and post stages need further examining to find the way hotels may use this to their advantage.

4. METHOD

The qualitative study followed for the paper was based on in-depth interviews following grounded theory.

Grounded theory has been extensively used in qualitative studies (Strauss, 1997). As Strauss and Corbin (1990) have defended, the use of grounded theory is appropriate in this context for two reasons: first, experiences are a social process; second, grounded theory is appropriate to address comprehensively a process unveiling the variables affecting the said process.

Eight in-depth interviews were conducted. Following the tenets of theoretical sampling, informants were chosen with the aim to be able to get into detail experiences and understand their feelings, motivations and aspirations regarding their stays. Given the challenge hotels face with millennials, as 60% of users of Airbnb are millennials (Airbnb Citizen, 2016), all interviewed were part of the millennial demographic, born between the 1980s and late 1990s. Furthermore, seeking for diversity, male and female people were interviewed. Different areas of studies were also considered to get different views and perspectives. Additionally, Spanish as well as foreign people were interviewed with the aim of getting a greater perspective of the Spanish national and international hospitality sector motivations. A summary table has been provided in Figure 19 of the participants in the interviews.

Figure 19 – Table of the Interviewees in the Qualitative Study

Name	Nationality	Age	Studies
Stella	Spanish, Toledo	32	Pharmaceutical Industry
James	American, LA	20	Finance
Edward	Spanish, Madrid	22	Business and International Studies
Pilar	Spanish, Zaragoza	21	Business Administration
Nacho	American, NY	20	Business Administration
Sandra	Indian-American	20	International Politics and Law
Irene	Spanish, Madrid	21	Business Administration
Nicole	Spanish, Malaga	19	Engineering

The interviews were largely conversational (Charmaz and Belgrave, 1996). Following Diehl, Guion and McDonald's (2001, p 1) research, the interviews had a "semi-structured format", which allowed for each interview to be independent from the others: a framework was followed but the conversation lead to different details recognised via active listening, which were then closely examined. Additionally, the participant was able to take their time remembering their experiences and was engaged into telling small and what may seem insignificant details.

The questions followed the critical incident technique as the objective was to acquire accurate information from the interviews avoiding bias, as Flanagan (1954) has defended. Furthermore, categorisation was used for the observations made. The main advantage, as Gremler (2004) has pointed out, is the rich data that is obtained from the own words and thoughts of the interviewee. There was little space to lead to misunderstandings as clarification questions may be asked from both parties. Lastly, the interviews were recorded, with the interviewee's approval, to compliment the notes taken by the interviewer when analysing them later.

The pre-plan, or framework used for all the interviews, as Diehl, Guion and McDonald (2011) have proposed, consisted on firstly asking for a personal introduction. The objective was to allow the participant to break the ice and start talking about something they know about, themselves. Furthermore, this question has allowed the researcher to get a better understanding of the profile of the interviewee, especially with the follow up questions regarding how often they travel and with whom they usually go with. Secondly, a complete run through of the last hospitality experience they have been through was asked, with a guided help towards the three parts of the experience being investigated, the pre-experience, the participation and the post-experience to make sure it was being contemplated from beginning to end. Follow-up questions were used in order to encourage the interview to continue remembering details of their experiences. Later, different experiences were dove into, including a look into their worst and their best experiences, which could be either on hotels or Airbnb. Likewise, the whole detailed process of the experience was examined and, with very attentive listening details were asked whenever possible to clarify what the interviewee means. Lastly, other issues investigated were raised, in no order and depending on the participant's willingness to talk about them. These included if they would have changed anything about the experiences, if they had had any problems during a stay and how they had solved them,

if they had seen any differences between Spain and other countries and if they had any pending trip planned. The interviews were semi-structured and adapted to each interviewee's experiences, as previously explained. Additionally, continuous improvement was made between them as well as continuously comparing the previous interviews to get all the possible perspectives.

After each interview was finalised, it was transcribed and analysed before conducting the next one. Each interview was analysed in two-steps. First, line by line coding led to identify the most important factors affecting one's experience, including the booking process and percentage of time spent in the accommodation. Then, axial coding allowed to determine three types of stays with different motives and characteristics from the relationships between the factors of importance in the lower schematization from the line by line coding.

5. FINDINGS

In the hospitality sector, experience is determined by the expectations the guest has towards their stay. Depending on the object and the intentions of the trip, expectations differ. This, in turn, affects the satisfaction of guests. Three types of trips were identified depending on the travel objectives: Business Trip, City Trotter and Lay-Back Stay. The main characteristics are summarised in Figure 20. Later, common experience determinants for all types of travel are analysed.

5.1 Business Trips

Business Trips consider travelling for work. These stays were typically individual, where the person does not have any companion when travelling. Travelling intentions for this segment were different than the other two, where travel is done for leisure.

Firstly, when choosing the accommodation, location was the most important feature. Stella worked in a pharmaceutical company and travelled frequently to visit factories and plants in European countries. When talking about her last trip to Düsseldorf, Germany, she said:

The hotel was very well located as it was very near the central plant, which is what I wanted because this was a business trip where I was going alone. - Stella

Therefore, location was key to make the trip as comfortable as possible given the objective was to go to the plant early for work. Edward had the opportunity to go on a business trip to Barcelona during his internship. The decision of where to stay was based on where the partners had their offices: they slept as close as possible to where they would be meeting during the day.

On the other hand, price was not as important as location for business travels. This is mainly affected by who pays for the stay, which will typically be the company. Sandra, during her internship in Genova, was booked a long stay hotel by the company without consulting her. Therefore, these trips will involve higher budgets than for City Trotter's, which are explained later. During Edward's trip to Barcelona, the company was also the one to choose the hotel. He was positively surprised by the experience:

It was a good hotel, a very good one. This was because the company has money and we were few people, so they were able to pay for a good hotel in the centre of Barcelona.
- Edward

Given that the booking was made by the company for business travels, hotels are chosen more commonly in city centres. Nevertheless, Airbnb is also promoting their accommodations with Airbnb Business, with the objective to offer a more professional service and provide invoices. Independently of the choice of accommodation, the guest did not use any website nor did much research and, therefore had have less expectations about their stay, affecting positively their experience and satisfaction.

Regarding the objectives of the stay, guests in Business Stays will want to make sure they are able to have a good night's sleep. This is essential given that they will have to work on the next day. Stella, during her work trip in Düsseldorf, was not able to sleep on the first night due to the lack of blinds in the windows, so the sun creeped in through the curtains. The second day she asked for a room change. Her sleep was crucial to work well during the day. Additionally, she also asked for a change of room when she noticed in another trip her room had a window in which the rain fell on and made a loud noise. Stella acknowledged that she was now aware of the potential problems that may ruin her night's sleep and will search for them when first getting into her hotel room.

Additionally, Business Stays were distinguished by the working objectives. Therefore, Wi-Fi is an essential tool to be able to work nowadays. It is a necessity especially in foreign countries, where cellular data may not be available. Stella had a bad experience once due to the lack of Wi-Fi in the hotel:

The Wi-Fi in the hotel did not work, so I had a small problem. As the trip was for work, I needed Wi-Fi. - Stella

Stella said she would not go back after this experience given that she was not able to make the most of the time she had to spare to keep working. The hotels must be readily equipped and have at easy disposal the Wi-Fi and password for all workers to be comfortable and be able to work as if they were in their own office. Furthermore, it is of great importance to have many plugs available in the rooms for the laptops, phones and tablets needed in Business Trips. Hotels may even provide USB cables in their rooms as an added value to their guests.

5.2 City Trotter

City Trotters will typically be young travellers with the aim of doing as much tourism as possible and getting to know the city they are visiting. Therefore, the amount of time the guest spends in the accommodation is minimum.

Location and price were the most important factors to consider when choosing an accommodation for City Trotters. The travellers had a low budget to spend, therefore the search for low prices was crucial. Having said that, the lowest price would not always be chosen, as Nacho puts it:

We want decent accommodations. - Nacho

Even though millennials wanted low prices, they would also look at reviews and ratings and would typically have a minimum number of stars from which they would not book an accommodation in the fear of it being too poor. Three stars out of five seemed to be the most common number to screen out plausible possibilities. Furthermore, given that doing tourism and getting to know a city was very important; better, more centric locations will also give an incentive to pay more. Edward was able to quantify how much more he would consider paying to get a better location: up to ten per cent more. Sandra agreed with this, she defend that:

I am sometimes willing to sacrifice location for price, as long as it is not too far away. - Sandra

The sources to book such destinations for City Trotters included Booking, Airbnb and HostelWorld. Typically, the guests would research for low prices. Price played an important role and there was fierce competition between Airbnb and hotels for good promotions and pricing. Several interviewees were very loyal to Booking, this was mainly because they have an especial profile, “Genius”, which gives them unique promotions that no one else has access to, discounts in their stays and free breakfast in the hotel when they booked. There are other several profiles of heavy users in Booking. Airbnb does not have anything comparable. Even though they have recently launched the Airbnb Plus, this focuses on the consistency and quality of the service giving host users an especial name; thus, so far Airbnb’s efforts have focused on standardizing the service provided by hosts, rather than offering better deals to guests.

Given that the prices were low, the expectations they had were also very low, especially in Airbnb.

The amenities were fine, I guess. We got what we paid for. - Sandra

There was a search for price fairness, as found in the literature research. As the quote above shows, the user was aware of how much they have paid and will assume the consequences of this. Anything above it would have made their satisfaction level much higher. For instance, in some of the Airbnb experiences that were discussed, the guest was surprised by some of the extras that they found: from having coffee ready in the kitchen and some food for the breakfast to bigger details where more time was spent reflecting on what friendly gesture to leave. For example, Irene had a very pleasant experience in her Airbnb in Lisbon, where she stayed with her American roommates. She found that the host had left Belem cakes, a typical dessert from the area. This meant she was very happy about her experience from the first moment she arrived in the Airbnb, as she did not expect anything. This was one of the main advantages of Airbnb: given the low expectations the guest has originally, it was much easier to have satisfied guests.

At Airbnb, the host may also personalise the stay accordingly given they have access to more information about the guest, including the data they get when booking is made as usually some texts are exchanged. This allowed the host to understand better who is coming and adapt the accommodation to their needs, not investing more time and money where the guest would not appreciate it. In Irene's case described before, where she found Belem cakes in her apartment, the host knew that a group of Americans, and Irene, were coming and visiting Portugal for the first time, so it was a very nice way to introduce them the culture of the place. Furthermore, in the texts they told the host some of them had never used Airbnb, this was a great opportunity to give them a good surprise and a positive association to experiences in Airbnb.

I think that a hotel is an appeal if you are not going to the place to do tourism, as it may be in Algarve or in Mallorca, so you may invest more money in the hotel because you are going to spend more time in it. In other places where you go to do tourism you want a place to sleep and that's it. – Edward

The quote above reveals the key objective of accommodation for City Trotters: a place to sleep. Given that they have not stayed much time in the place they have booked, they only want to be comfortable during the night and keep travelling and visiting new

places during the day. Nevertheless, there are other types of trips identified: Lay-Back Stays.

5.3 Lay-Back Stay

In contrast, the second type of non-business trips are done where the objective is to have a good, relaxing time and enjoy the environment of the accommodation one has chosen. These kinds of trips are a Lay-Back Stay, where typically the user spends more time in the accommodation and will like to take advantage of the amenities and facilities provided, such as spas and tennis courts.

Lay-Back stays were especially popular with big groups and families, where the budget for the trip was higher and being together in the same place was important for the group to have a good time. Therefore, it was convenient to have several facilities and entertainment units so that all members could be distracted during their stay. This included children's clubs, cosy reading areas and gyms. In each of these places, a different segment of people would go.

Hotels were predominant in this category, as an Airbnb was not be able to give this kind of service or have as many facilities at their disposal. Therefore, the most common source to book the stay was Booking. The minimum score from the ratings was also higher, as the quality of the hotel is very important given most of the time was spent there. Alongside this, the price willing to pay was higher and will not be as determinant when choosing, but the overall appearance of the hotel and the services available. Given that the budget is higher, the expectations were also higher, and the guest would want to get a good accommodation as well as entertainment during the stay.

I will make as much time as possible to make use of the swimming pool or gym when there is one. - Nicole

As the quote above reveals, the facilities that a hotel gives motivated the guest when choosing where to go. Even if they are not able to use them in the end, or at least not as long as they would have wanted to, the fact that they were available would encourage them to make use of them. Being aware of the perks of the hotels made the guest more willing to go, increasing expectations and motivation to be on the holiday break. Given they have, in some way, paid for those extras, the guest felt like they must make use of them to get their money's worth.

Furthermore, the service is crucial for the Lay-Back Stays as the guest was willing to spend more money to have a good time and feel welcome in the hotel. These stays would typically be in higher-end hotels with not only good online reviews, but also four or five stars.

I like feeling like I am the first person to use it [...] seems like it has been made with care. – Pilar

As shown in the quote above, it was very important for the guest to feel welcome and comfortable. The service was expected to be perfect, respectful and attentive. Typically, the reception would be modern looking and smell well. Furthermore, the rooms would include amenities such as mini bars, packed with food and drinks, as well as coffee machines and extra pillows and towels. And, if they are not already in the room, whenever asked they would quickly bring them from reception.

The figure below shows the main differences between the three types of stays that have been explained.

Figure 20 – Three Types of Stays: Business Trip, City Trotter and Lay-Back Stay

Business Trip	City Trotter	Lay-Back Stay
Travel for work	Travel for tourism	Travel to relax
Individual trip	Small groups	Bigger groups
Location key	Price key	Environment key
Company books the stay	Booking, Airbnb, HostelWorld	Booking
Sleep well	Sleep well	Entertainment the whole day
Less expectations	Lower expectations	Higher expectations
Wi-Fi important	Host important	Service important

5.4 Common Experience Determinants

Independently of the type of travel, it must be noted that all the participants checked online comments and ratings. From this, expectations are formed. Given they relied on their trusted pages, own past experience or friend’s referral, the base expectations already exist and would be looking for them. Edward went further and confirmed he also considers the number of reviews a place has. He would not book an accommodation with

under ten reviews given he believes he would not get the best service given the host would not have much experience.

Additionally, it was common for all categories the search of a decent accommodation. Even those who were looking to minimise costs, the City Totters, they recognised any accommodation may not be appropriate. This means that there was a minimum expectation of the stays and everyone would be searching to get what they have paid for, either in low budget and high budget stays.

In contrast, any unexpected, last-minute fees would spoil the experience. The negative association to extra fees was prevalent and made up most of the worst experiences. Regarding the extra cleaning fees that Airbnb had, they did not seem to be such a big problem, as guests were familiar with them. Stella even pointed out that this made Airbnb less different in price compared with hotels, given there are no extra charges in them, making it less cheap that one may originally think. The problem arose when there was a lack of information or miscommunication with regards to hidden fees.

I see that in the description it says that you cannot check in late. No late check-ins. So, I say, wait, let me look up what "late" means. So, she replies "nothing after 9 p.m." which my flight arrives at 9:30. She said that if you come after 9 p.m. it's an extra 30 Euros. Why? I have no idea, but I was frustrated because I had done my research, I had looked at the place and I thought it was silly. So, I pulled out of that one. – Nacho

As shown in the quote above, Nacho was very unhappy about the extra cost, both, because of the timing, where 9 p.m. he thought was too early, and because it was hidden and not fully explained in the description. If he had not texted the host, he would not have known about the fee at all. Furthermore, it would have been impossible for him to arrive earlier as his flight was already booked. The only thing he was happy with is the fact that he had asked before making the reservation, avoiding the extra costs. Given that City Trotters search for low cost destinations, the extra costs had a big impact on their total costs.

Nacho was mostly very proud of the accommodations he had chosen. He spent a lot of time looking for them and finding the perfect host, so the result is very important for him. He was very happy talking about the best experiences, but not so eager to talk about those that had not gone as well or that he was not in charge of. The host was very important for Nacho in Airbnb's, especially when visiting countries where he did not

speak the local language. Differently from a hotel, where there is always someone to whom one may ask for help, someone responsible and that may be trusted. Millennials looked for this on the host: a helping hand. Therefore, much research was also done to get a good host for an Airbnb. The host played such an important role that Edward was able to remember two of his recent hosts by the first name. Instead of talking about the company, Airbnb, he would talk about what Joel or Mateo had done. He also thought southern Europe hosts were friendlier than northern Europe ones, and enjoyed getting to know what the other person did for living. The culture and personality of the hosts would in turn affect not only the chances of getting the accommodation booked, but also the experience of the guest. A friendly and kind host increased the satisfaction of the guest. In hotels it was different, even though friendly receptionists who wanted to help made an experience better, they were already expected to do that. Furthermore, the relationship was much more formal and the use of first names was nearly inexistent, let alone personal conversations.

Similarly, it has been found that it was very important for millennials that the photos that were posted in the platform resembled the reality. This would be more important for Airbnb than hotels because the range of accommodations was much higher, and one does not know where they are going to. Furthermore, hotel photos were more professional and reliable by defect. Also, hotels were more standardised, and the expectations tend to be closer to the reality. Some of the main issues regarding photos in Airbnb was the fact that they seemed to have higher ceilings or that the space looked bigger.

A last factor affecting the experience is who makes the booking. One may not book their accommodation either because the company booked it, in the case of a Business Trip, or a friend or a family member booked it, for City Trotter or Lay-Back Stays. If the participant did not book it, they had less expectations or different expectations compared to the person that booked it. Therefore, the experience and satisfaction would be different. For example, photos or reviews one read when choosing and booking the place would make them look for the features and be more disappointed if they did not find them than if they did not know they existed from the beginning.

Overall, the interviews allowed to identify three types of trips: Business Trips, City Trotters and Lay-Back Stays. Furthermore, there were some experience determinants discovered that were independent to the type of stay.

6. CONCLUSIONS

Considering the literature review as well as the findings from the qualitative study, the conclusions will be now examined with the focus on aiding hotels to gain market share among millennials.

The study has identified three types of travels: Business Trips, City Trotters and Lay-Back Stays. For each of these types of stays, hotels should follow different strategies to target the guests and increase their satisfaction from the experience. Additionally, approaches common to all hotels must be considered.

In Business Trips, accommodation is not chosen by the guest. Therefore, the most important aspects are location and being available online. **Online presence** is key and must be thoroughly handled by hotels, both to be visible in well-known hospitality platforms and to handle and control the reviews posted online. It is important to be very competitive and present online to compete with Airbnb, which was born in the internet era. Travel agencies, as discussed above, are responsible for over half of the bookings and have great growth prospects (Ting, 2018). Therefore, the relationship with online agencies must be exceptional and a priority for hotels. Moreover, the information provided online must be kept up to date, especially the prices of the rooms, to be as competitive as possible.

Additionally, Business Trips must be targeted with the aid of especial **packages for companies**. Hotels may increase the occupancy rates during business days, when there are less tourists and demand is lower, with such agreements. This is especially relevant for hotels in important cities, where Business Trips are predominant.

For City Trotters, price is a key determinant for their accommodation choice. Nevertheless, City Trotters have more objectives than only minimising their costs; they will be willing to visit many places and do much tourism, spending more money on meals and touristic attractions. Therefore, hotels should look for **partnerships** with tourism related companies to sell and offer compliments to their accommodation service, targeting their guest's tourism objectives. For instance, hotels should consider arranging agreements with Interrail, to attract young travellers during their month of travel around Europe. Additionally, given transportation in a city is crucial for City Trotters, hotels

must consider negotiating special agreements with the public transport companies, such as with the “Consortio Regional de Transportes de Madrid” in Madrid. The client should be able to purchase and top up their mobility cards at the hotel reception. This increases the added value of the service given to City Trotters as it is very convenient.

Targeting City Trotters must be the aim of urban hotels in city centres, where tourism is predominant and where they may compete in **low pricing** with other hotels and apartments. Some hotels are combining apartments and rooms in the same building to increase their offering. City Trotters appreciate having access to a kitchen to reduce their traveling costs, which may either be inside their apartment or in common areas, such as the Meininger chain offers. Furthermore, providing simple rooms and breakfasts to reduce costs as well as offering attractive promotions will appeal to City Trotters that may perceive hotels as a more expensive option than Airbnb. Additionally, it is important for hotels to empathise that customers are not necessarily spending more money in a hotel than in an Airbnb, as discussed in several interviews. City Trotters should understand the real costs in hotels to avoid this factor to push them away from deciding to stay in hotels. Therefore, communication to reinforce the affordability of hotels is a must.

Lay-Back Stays consider having complete experiences as the most important factor in their accommodation. Although **entertainment** in the literature revision revealed to be a very important variable in the hospitality sector, out of the different kinds of travels identified, only the Lay-Back Stay would be affected or appreciate the leisure and entertainment activities in the accommodation. Lay-Back Stays guests will also search for a unique, entertaining experience with high quality service, where the accommodation is key. Additionally, the environment should be engaging to them. Unique offerings made by hotels are of great importance for this segment, as so is choosing the right environment for new hotels. For instance, Club Med has a resort style that allows big groups of people to go on vacation together and, at the same time, have a wide variety of services at their disposal. Additionally, Hotel Puerta America provides Lay-Back Stays a museum-like experience. Each floor is a unique encounter for the guest. Other possibilities to focus on entertainment include organising events such as concerts and providing activities for children. This is a determinant factor where hotels may distinguish themselves best compared to Airbnb, which for the most part may not compete in this aspect given their smaller size and individual functionality.

Furthermore, **customer service** is key for the distinction between hotels and Airbnb and the edge to the competitive advantage they are seeking. People in Spain prefer going to hotels. This was found in the INE (2018) data, and later, in the interviewees, it was confirmed. None of the Spanish interviewed people had been to an Airbnb in Spain. Reasons for this may include the service provided in the hotel industry in Spain, being superior than in other countries, as discussed in several interviews. This covers the quality and consistency of room cleaning, including the fact that the bed is done every day. On the other hand, Airbnb does not offer such value. Hotels must acknowledge and keep their customer service quality high.

Independently on the stay, hotel staff have proven to be very important and differential. Hotels have shown they are able to provide better services, even comparing motels and Airbnb regarding the check-in and out (Guttentag et al., 2018). There is no, or very little relationship building in Airbnb. For this, having a good service at reception is very important. Hotels should reinforce their **human experience**. What is more, millennials want to make sure there is someone responsible at their accommodation. In Airbnb, the worst experiences were when the host did not respond to texts or was not helpful solving issues. Controlling this in Airbnb is very difficult as there are many hosts, and each will work differently and independently. On the other hand, hotels may give the assurance of support to millennials as someone is always available and ready to solve their issues. Therefore, hotels must prioritise training their staff, especially the receptionists, and consider having a reception open twenty-four hours to communicate the support and availability to millennials.

Given that choices are made continuously, decision making is becoming increasingly important. For this, customer experience must be prioritised as it will not only affect current clients, but also potential future ones as they are influenced by word of mouth, online comments, reviews and ratings: millennials will use the internet to make most of their purchasing decisions (Grotte, 2018). These create a new customer base. Therefore, having a department focused on controlling the online image of the hotel or brand should be a priority. **CRM systems**, such as Salesforce, will be very appropriate to understand the client and be able to target it according to their needs. Additionally, the use of loyalty cards will be very positive to allow the client to engage with the brand at all times and promote returning to the hotels. This would also be a great source of data collection for

the CRM. Similarly, referral discounts, like Booking has, should be used. The user will get promotions when they recommend it to their friends and they book the hotel, therefore, guests will be the ones promoting the hotel and engaging with the brand constantly.

Further research points have been identified. Firstly, investigation and classification of the types of users that generate online feedback via reviews and ratings. Even though during the qualitative study all participants read online reviews and ratings, most of them did not leave any comments online after their experiences. Furthermore, it would be important to assess if the reviews are reliable, given not everyone takes part on their publication, and correct statistical deviations and biases that could bring to wrong conclusions.

Another research factor is the analysis of the reasons and consequences of reactions to negative outcomes in Airbnb and hotels. Guests find it more difficult to argue and get angry at a host in Airbnb as they are talking with an individual and the expectations are different due to the sharing economy culture. On the other hand, in hotels, customers will expect more, a greater service, and may be more disappointed and less satisfied with the same issues.

Moreover, new lines of study include to analyse why Spanish users do not use Airbnb in Spain even though they do use it when going to other countries, as the INE (2018) results and interviewees have shown.

Undoubtedly, the eruption of Airbnb has supposed an evolution in the concept of hospitality. There exists a new market of consumers and of accommodation supply online. Hotels must review and update their systems and perspectives to adapt to new markets. Without this, they will not be able to survive. Airbnb has proven to keep innovating even after the initial disruption of the industry, including the emergence of Airbnb Plus. Therefore, hotels must keep up to date and innovate restlessly.

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