Opposites Attract: Bridging Generational Divides

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Today’s Session

• Define generational segmentation
• Unique characteristics of the Millennials – as a group
• Debunking Millennial Myths
• Implications for the hospitality industry
• Panel of Millennials
Top suggestions on Google Search when you type:

Millennials are

• Millennials are lazy
• Millennials are entitled
• Millennials are stupid
• Millennials are screwed
Generational Segments

• Family Generation – Easy to define
• Generational Segments
  – Shaped by events that occur during the early part of their life, especially during the years when they start to form their own values and beliefs – teenage to early adult
Millennials

• Born between 1980 - 2000
• 80+ million Millennials, over 26% of population
• Overtaking the Baby Boomers in the workplace and in travel
• First digital natives – spend over 30 hours a week on the Internet
• Branch Davidian Compound
• ISIS – Beheadings on social media
• Columbine High School shouting
Millennials

• Baby Boomer parents that worked long hours and were loyal to their companies
  – Experience the stress this created within many families – resulting in dysfunctional families and divorce

• Some witnessed the companies their parents worked for downsizing or being acquired resulting in their parents losing their jobs
Millennials

• Many had helicopter parents – their son or daughter could not possibly due anything wrong
• Coupled with participation trophies
Millennials

- Economic distress during the tech bubble followed by the global recession
- Witnessed the perceived destruction of the environment – including 6,000+ square foot houses and large SUVs.
Millennial Satire
By Millennials

- https://www.youtube.com/watch?v=M4ijTUxZORE
Debunking Myths

• All Millennials are the same
  – From a marketing standpoint we look at behavior
  – There are boomers that behave like Millennials and Millennials that behave like boomers

• Millennial Quiz - How Millennial Are You?
  – Pew Research Center
Debunking Myths

• Millennials are lazy
  – A lot work part-time because that is all they can get
  – Live at home – many have student loans of $30,000 – 40,000 - $325 - $450 a month for ten years
  – High expectations and drive
  – What am I learning – if answer is nothing they leave
Debunking Myths

• Do not like human interaction – always texting, use self service technology
  – Use SSTs to avoid human error
  – Incredibly social – design of hotels
  – Eat out frequently with friends – over 1/2 prefer restaurants with communal tables
  – Items which can be shared
  – Find out who is in hotel to link up - HelloTel
Loyalty

• Their most important aspects of loyalty
  – To be valued as a customer
  – To have their wants understood
• To be valued on their first visit
• Most legacy loyalty programs do not do this
  – citizenM
    • Citizen – discount rates – welcome drink
Loyalty

- Creates an issue for the legacy hotel brands
  - Omni – Gold Level is Initial Level
  - Hilton - Discounts to HHonors members
- Rewards programs are important
- They are more likely to book a hotel with a rewards programs
- OTAs become a brand
Sharing Economy

- Attraction of P2P as an alternative to the brands
  - Airbnb
  - Uber
  - LiveLocal
What Do They Like

- Urban spaces
  - McMansions and SUVs are out
  - No car ownership is in
  - Cities are growing faster than suburbs
- Sustainability – food, carbon footprint
- Public Transportation
- Corporate social responsibility
What Do They Like

• Getting to know cultural of the destinations they visit
  – LiveLocal
  – Authentic experience

• Corporate social responsibility
  – Giving back to community
  – Sustainability

• Diversity – most diverse generation
What Do They Like Lessons For Hotels

• If you are convenient to public transportation – put this on your website
• Use locally sourced products
• Involve employees in CSR activities – good local store marketing
What Do They Like Lessons For Hotels

• Know your neighborhood – places to go – local bars, restaurants, attractions

• Co-Creation
  – Some hotels combine CSR and local experiences – arranging 2-4 hour segments for guests to volunteer in food banks, school reading programs, etc.
What Do They Like
Lessons For Hotels

• Social spaces in hotels – smaller rooms
• Space to socialize, work in lobby
• Flexibility in room
  – Lighting
  – Furniture
What Do They Like
Lessons For Hotels

• Digital age – Digital access to room and hotel staff and amenities including F & B
  – Creates expectation of quick service

• Free Wi-Fi
What Do They Like Lessons For Hotels

• Roles play an important part in marketing
• Price sensitive when staying for leisure
  – Tend to be value conscious rather than price conscious
• Non-Price sensitive when staying for company
What Do They Like Lessons For Hotels

• Lack of trust of media; they do not watch network TV or read newspapers
• Internet of everything - Netflix avoids large cable bill
• Ditching cell carrier using VOIP
What Do They Like
Lessons For Hotels

• Social media – User generated comments are an important source of information
• Over 80% use Facebook for travel information – if my friends like it I should like it
• Most Millennials post at on social media at least once a day while traveling
• Moxy and citizenM encourage guests to post instagram photos to guest book
Employee Appearance

• Ink
• Hair
• Body Piercing
Employee Appearance
Radisson Red

- https://www.youtube.com/watch?v=hiXJR1YtU00
Moxy

- https://www.youtube.com/watch?v=YVtoi0-Kuzw
What is a Millennial Hotel?

- Casa Camper and citizenM are not
- Moxy is
Questions

• What changes will occur as Millennials grow older?
• If so will the GenZ like hotels designed for Millennials?
• How will inheriting $30 billion change this generation?