

Generation Y: More emotional, less loyal

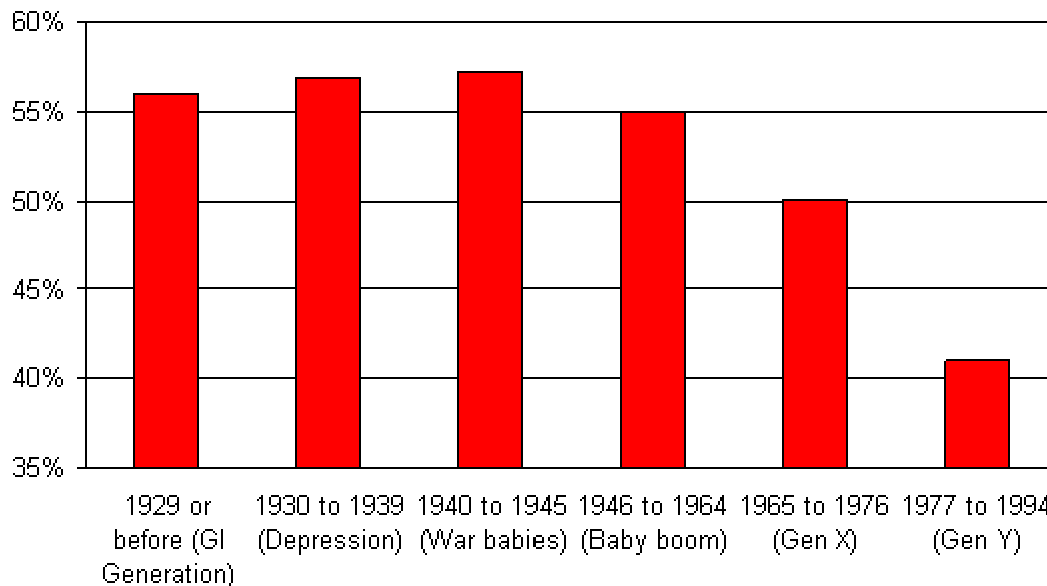
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More people from all age groups are traveling now than ever before. From an emerging Generation Y (29 years old and younger) to an aging GI generation (77 years old and up), hospitality companies are serving a wider age range of guests. These multigenerational travelers each have a unique set of attitudes, values and work styles. Attracting and satisfying the needs of each of these groups presents new challenges to conventional approaches.

Fickle Generation Y

Born between 1977 and 1994, the Y generation is poised to become the largest consumer group in the history of the U.S. and therefore, represents the future market for most consumer brands. But Generation Y travelers are the least loyal to hotel brands (see chart below) compared to all other generational groups.

Customer Loyalty by Generation



The Y generation — whose members have not yet hit 30 — is different from any that have come before. Based on results from 35,000 guests staying in a hotel during Q3 2006, Gen Y represents the least loyal, most emotional and least satisfied guests compared to all other generations. Their favorite mainstream brand is Holiday Inn Express but they also like unconventional brands such as W and Kimpton Hotels.

Unlike the generations that have gone before them, Gen Y has been pampered, nurtured and programmed with a slew of activities since they were toddlers, meaning they are both high-performance and high-maintenance. They also believe in their own worth. Hotels make Gen Y guests feel more Inspired, Excited, Important and Extravagant than any other group.

Successful Generation Y brands are typically perceived as hip and popular, but without the air of heavy commercialism. Also, Generation Y demographics show that Gen Y is more racially diverse, with one out of three members considering themselves non-Caucasian. As a result, customer service is defined differently by Gen Y. What an older customer sees as “attentive and responsive,” a younger Gen Y may see as “tedious and unnecessary.”

Here are some comments that illustrate the emotional responses of Generation Y travelers:

- I felt elegant because the hotel was so nice that it was like spending the night at a rich person's house. There were a lot of amenities and the staff was quick to please.
- I felt extravagant because the suite was so large and was so well-appointed. I felt as if I was in the lap of luxury.
- THE BED WAS AWESOME!!!!!!!!!!!! I didn't want to get up in the morning, which never happens!
- Simply put, they were warm and welcoming from the time I stepped through the door. There was always someone there to greet me. It's relaxing to feel welcomed.
- I felt unwelcome. I am younger but I paid my dues and I deserve to be treated with courtesy and respect. I would not recommend this hotel. Also, the website should the pool and made the hotel seem beach front. The location was horrible.. not near the beach or downtown... had to drive or take a shuttle everywhere.
- It was horrible to get check in because they asked us for a \$900 cash deposit when we arrived since we didn't have a credit card. The receptionist was totally rude and acted as if we were aliens or something for not having a credit card. SORRY I DIDN'T know having a credit card was a law! Do not go here please, it's really all hype!

The best customer service providers understand what "service" means to each generation. Whether on the phone, online or face-to-face, attitudes and biases can be reflected in what you say and how you say it; common courtesies often are interpreted differently by different generations. An organization's strategies must reflect the changing face of a multi-generational customer base.

This study is based on The Market Metrix Hospitality Index, a quarterly report of customer satisfaction with hotel, airline and car rental companies based on 35,000 in-depth consumer interviews conducted each period. It ranks top hospitality brands by industry and, for hotels, by categories such as luxury, mid-price and economy. This database provides benchmark data for Market Metrix clients, and is also available by subscription and for custom studies.

Jonathan Barsky and Lenny Nash work for Market Metrix LLC (MarketMetrix.com), the leading provider of customer and employee survey programs for the hospitality industry. For more information, call (800) 239-7515.

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