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How holiday rental agencies and hotels will use Mass-customization to fight the rise of C2C.

Bachelor thesis published by **Antoine Mazurier**

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B2C: Business to customers

C2C: Customers to customers

GDP: Gross domestic product

UNWTO: World tourism organization

CC: Collaborative consumption

ICT: Information communications technologies

Abstract:

Known as one of the most important and prolific sector, tourism inspire a lot of business and has developed many countries all over the world. For ages, it has faced drastic societal and people behavior changes. One of the latest was the rise of Internet which has completely transform the tourism industry. Reactive to this new way of communication, tourism companies such as travel agencies, holiday rental agencies or hotels create their own online business and respond to the tremendous number of customers. Hence, most of traditional company embraces this new business model to increase numbers of their customers, and their visibility worldwide. Nonetheless Internet improves drastically ways of communication between people and a new trend rise couple of years ago where people can actually deal and interact between each other. Sharing economy and C2C has become the next challenge tourism companies will face. It has create a paradox of the consumers being the competitors. The aim of this research is to first define the main agent of the tourism rental agencies. This will enable to describe their role, how they are interacting with customers regarding product and services and their limits. In a second time it will be to understand a new business process called mass-customization. Following the trend of personalization and answering needs of a new type of consumer behavior. European tourist behavior will be analyzed by a quantitative and qualitative research in order to understand people willingness to interact directly with a third person or through a professional. It will help to understand the success of sharing economy within hospitality industry, to, finally, understand how tourism rental agencies will answer in the following years to this phenomenon.

Introduction

Following UNWTO, "Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes."[1]

Travel and tourism possess complete different meaning even if it's used to explain a same purpose. All travel are not tourism. A distinction has to be made in order to understand the following thesis. Tourism is define as short term and leisure oriented. It has rised in the 19th century and have known an increase after the two world wars, when political and societal changes appeared. In a same time, technology evolved within the transport industry and communication. Internet has develop the tourism area drastically and with it, create a complete new and dynamic world.

Tourism industry is known nowadays as a "stimulant of economic recovery […] generating more than $2.1tn in annual revenues"[2]. It has permitted countries to develop their GDP and has become an essential source of foreign exchange, employment and cash.

Tourism has known mankind and technological change over the years. As the 19th century emerged, hotels and accommodation were built for travelers following trends. The rapid technological evolution through internet has completely change the face of tourism and more precisely the hospitality industry. This industry as we know it nowadays emerged right after the WWII, in the early 1950's when travel industry increase thanks to the evolution of transportation.

Coming from the French word Hospice, which mean to provide for the weary and to take care of those travelling, hospitality industry develop itself first through Hotel chain. Following trends, it has develop itself by renting also apartment, luxury villas and even yacht. The rise of internet has develop a new business where customers can now directly book their

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[1] Tugberkugurlu.com. (n.d.). Definintion of Tourism (UNWTO Definition of Tourism) / What Is Tourism ? - Tugberk Ugurlu's Blog. [online] Available at: http://www.tugberkugurlu.com/archive/definintion-of-tourism-unwto-definition-of-tourism-what-is-tourism

[2] the Guardian. (2013). Six reasons why mass tourism is unsustainable. [online] Available at: http://www.theguardian.com/sustainable-business/six-reasons-mass-tourism-unsustainable

accommodation through different websites. New businesses emerged and hospitality companies had to deal with newborn businesses.

Used to devote 100% of their resource (Finance, operations, administrations, marketing) internally[3]. Attitude toward hospitality have shift in recent years by the rise of Internet, social media and all other new technologic way of communication. Hence customers can directly compare price thanks of price comparison website - A vertical search engine which permits every customers to compare accommodation and price easily and in a fast way. They can also rate and comment to the whole world their critics of their experienced. This increase drastically customer power and difficulty for hospitality management to keep a good image rate.

Few years ago a new economy emerged following trends of hospitality management, new technologies and customer power: Sharing economy. Also called "Collaborative consumption", it can be defined as "the peer-to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services"[4]. In other words, it's "sharing" an asset a customer have to another one in return for money. That's why it's also known as a C2C business (Customer to customer).

All the following had created a crowded and competitive market. People are now willing to make their own business without constraints any other businesses have known. They only have to log in website such as Airbnb to propose to rent a room or an apartment. Booking.com had developed a huge comparative market where reviews will define the success of your business. Small companies never known such difficulty to develop their brand and their business in a connected and developed world even where tourism is one of the principal and strongest market.

The objective of this dissertation is to, first, understand the role of each player in the hospitality management to compare it with a peer to peer economy website called Airbnb. Highlight its strengths and weaknesses to finally understand how companies and business

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3 The Hotel Industry: Everything is Changing, But What Exactly is Changing?, by Sara Fedele
4 Hamari, J., Sjöklint, M. and Ukkonen, A. (2015). The sharing economy: Why people participate in collaborative consumption. Journal of the Association for Information Science and Technology, p.n/a-n/a.

(small and large) could compete in the future thanks to the development of mass customization.

My interest in this thesis is to show that mass-customization has become a huge trend in the tourism industry and that it can definitely help B2C business compete against peer-to-peer activities. It is not actually well known in Hospitality industry. That's why it's interesting to evaluate and study the possibility of creating a business based on this system. As consumer behavior change following years, it's evaluating the benefits it can have on this market and regarding consumers.

This research will focus mainly on Holiday rental agencies and Hotel, how they are related to each other's, along with their role in the hospitality management business. It will describe their role within the industry, how they evolved and what the threats they are facing nowadays are. It will also review the different possibilities hotels and holiday rental agencies in order to personalize their product and consumer experience during their stay. This dissertation study is made on European tourist as it's easier to study than a whole international population. I will also explain my personal experience within this industry as I'm actually working as a manager in this industry and is responsible of personalizing our services. In the market, consumers are split into three segments: Business, group leisure and individuals. This dissertation will only focus on the last one as it's the segment more impacted by mass-customization and personalization.

The research question of this dissertation is: "How traditional holiday rental agencies and Hotel can face peer-to-peer hospitality management companies such as Airbnb, and it's unfair competition, by following trend of mass-customization?"

Three hypothesis will be developed in order to answer this question:

- Will mass-customization take over standardization and mass tourism?

The new trend of personalization have become an expecting service among European travelers. Nevertheless is it really influencing the tourism market that we know nowadays as mass-tourism is still a prolific strategy and market for countries?

- Is C2C going to go over Holiday rental agencies and Hotel

The explosion of Airbnb worldwide have develop an unfair competition in the hospitality industry. With lower price and more offers, is the trend of peer-to-peer business a real threat for the Hospitality management market?

- Will the evolution of mass-customization be possible in the hospitality management industry?

The appearance of new technologies have drastically change consumer behavior and expectations. Is Mass-customization the solution over this drastic change in this crowded and competitive market?

In order to verify or deny those hypothesis, I decided to develop my thesis into three different parts:

- **Part 1:** Evaluating and analyzing hospitality management industry comparing to C2C website.

This part will focus on defining each agent we will analyze and their limits in the hospitality management industry

- **Part 2:** Transformation of consumer behavior and expectations in the hospitality management industry

This part will explain the development of technologies over the past decades, how it has influence customer behavior and how it has led to mass-customization

- **Part 3:** Study of Mass-customization and consumer behavior toward Airbnb in hospitality management industry.

Finally the last part will study the answer of 124 people who answered a survey in order to understand their behavior and expectation about this industry.

PART 1 – Overview of Hospitality industry comparing to C2C.

1.1 The hospitality Industry

This part will be devoted by explaining what exactly the hospitality industry is. It will Highlight numbers and definition to understand this growing but crowded market.

1.1.1 Organizational model of hospitality management

Hospitality sector is one of the largest and most profitable industry all over the world. Taking the example of Europe, it contributed to almost €126bn to government treasuries in excise duties and €460bn in GDP across 31 countries of European union.5

Following Bob Brotherton and Roy C.wood, there is a lack of agreement on what hospitality management exactly is. If we agreed on Abraham & Amir definition, it has various approaches which are professionalism, hospitableness, hospitality as an experience and hospitality as a philosophy. They continue by saying that "Hospitality industry is a platform for hosts-guests, aimed to ensure the wellbeing and comfort of the latter." (P136)[6]. An easiest definition could be taken from Jones (1996): "Providing an overnight accommodation and food for people staying away from home". Nevertheless, this definition does not focus on the entire meaning of what Hospitality is. In a non-commercial term, Hospitality management is also dealing with consumer satisfaction. How to make your customer having a perfect experience to make him loyal to your brand. It's a dynamic, various and difficult sector which involves variable and unpredictable situations.

1.1.2 Hospitality attributes.

Hospitality industry involves three different and main categories. All of those sector involve one and same concept: customer satisfaction. One of the most known product speaking about hospitality management is accommodation. In this thesis I will only focus on this sector, compare it with its C2C competitor such as Airbnb and correlate it with consumer's behavior regarding recent changes who appeared in those industries.

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[5] Ernst & Young commissioned by The Brewers of Europe with support from HOTREC, E. (2013). The Hospitality Sector in Europe - An assessment of the economic contribution of the hospitality sector across 31 countries.
6 PIZAM, A. and SHANI, A. (2009). The Nature of the Hospitality Industry: Present and Future Managers' Perspectives. Anatolia, 20(1), pp.134-150.

Nevertheless it's important to know the different categories hospitality management involved. One of the most prolific and known concerns food and beverage. It's basically the largest element of the hospitality industry and can take different form such as high-end restaurants fast-food eateries, catering establishment and many other manifestations. If a restaurant is part of a hotel, this can dramatically enhance the overall guest experience.

Another chief segment of Hospitality encompasses transportation. This area includes airlines, trains, cruise ships… Food and beverage also have a real influence on this segment as a customer experience can drastically change following food and beverage quality.

1.2 Accommodation types

Focusing in the accommodation segment, travelers can choose different types of places regarding their choices and preferences.
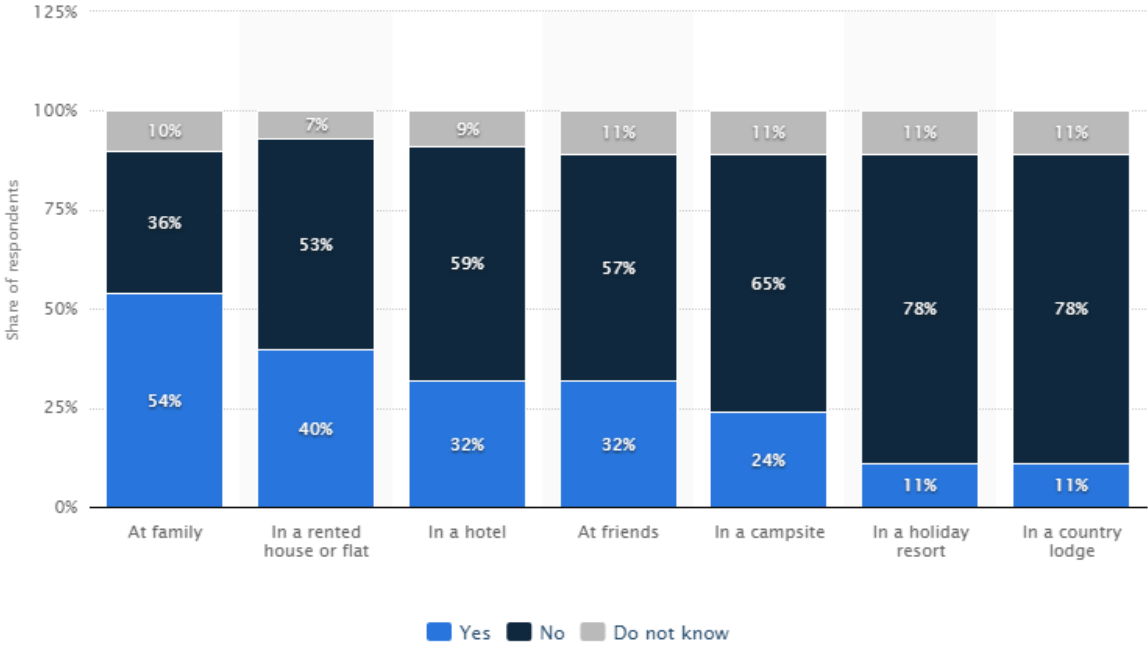
Planned accommodation French residents by type[7]

© Statista 2016

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[7] This summer, w. (2016). Planned accommodation French residents by type 2015 | Survey. [online] Statista. Available at: http://www.statista.com/statistics/461943/choice-of-accomodation-for-french-residents-by-type/ [Accessed 29 Apr. 2016].

Hence, this statistic shows, by type, the accommodation choices of French residents for the summer 2015. It appears that holiday resorts and country lodges were the two types of accommodation French residents chose the least, with more than 75 percent of them stating they didn't consider holidaying in the latter. Also, it's interesting to see that two types of accommodations represents a non-business place as 32% of use to live at friends place for 54% at family's place. Finally, two businesses accommodation arrive in the first three one: Hotel and flat/house holiday rental.

1.2.1 Hotel

One of the first accommodation type which appeared when tourism began to be one of the most successful sector worldwide was Hotels. Global hotelier propose different type of journey and experience. Their purpose is to propose a place where travelers can rent a room, eat at a restaurant or drink in a bar. Following Sandoval-Strautz definition, "The primary purpose of hotels is to provide travelers with shelter, food, refreshment, and similar services and goods, offering on a commercial basis things that are customarily furnished within households but unavailable to people on a journey away from home."[8]

1.2.1.1 The rise of this accommodation – Evolution

Even if Hotels appeared in the fifteenth century in France and England, it has known his rised and growth in the early nineteenth century. In mainland Europe, England and America, new "innovations" appeared, such as inside toilets, private bathrooms, locks on the door and "à la carte" menu.

It was the beginning of a different and new way of travelling which changed consumer behavior over the years.

Hotel known three different "boom" over the past few centuries which bring it where it is now, as one of the third top accommodations for traveler (Source: statista.) First one was in the early nineteen centuries where it officially appears in different countries. Completely new, well designed and with a tremendously expensive, it was a new accommodation that elite's

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[8] Dictionary of American History | 2003 | Sandoval-Strausz, A. K. | 700+ words
COPYRIGHT 2003 The Gale Group Inc.

business use to appreciate and rent in order to distinguish themselves. It also became important centers of politics, business and sociability. It was a totally new trends that population elites use to go to distinguish themselves.

Second one appeared in the middle/ late nineteenth century. Most of hotel before used to be large urban luxury establishment but new trend of transportation, laws, behavior made emerged new variants to answer consumer demands. Resort, railroad and commercial hotel was created to serve the growing ranks of traveling salesmen and other commercial workers set in motion by the burgeoning economy.

Third one emerged through the rise of auto and air travel transportation. It definitively marked the beginning of a new hotel age. Motels, motor hotel and hotel situated between important cities were built to answer to an always growing demand. During the Fordism, Hotel follow the trend and chains of hotel was created dedicated to be as similar as possible in every location.

1.2.1.2   Accommodation limits

Even if Hotels are considered as one of the top accommodations to travel with, it has known, in the past decades, a large reduction of its consumers.

First and foremost was the increase of different channels and type of accommodations which emerged following trends. Camping, travel trailers, Apartments… All sort of lodgings appeared answering a demand created by consumer with a middle/low wage. This, increase the competition between competitors and forced Hotel to differentiate to compete.

Secondly, the rise of Internet create a new competition and a new trend called Sharing economy (see **2**) Speaking about it more in details in the second part, it has been increasing thanks to company such as Airbnb. Also called peer to peer, it can be defined as an activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services.[9]

Thirdly, concerns directly consumer behavior. Directly related to the other two points. Hotels have been following trend in order to follow consumer behavior and expectation. For instance,

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[9] Hamari, J. and Ukkonen, A. (n.d.). The Sharing Economy: Why People Participate in Collaborative Consumption. SSRN Electronic Journal.

years ago, Wifi in rooms was considered as a luxury product whereas nowadays, coming from "the millennials", Hotels must propose this service to satisfy customers' needs and expectations. Main issue is that, following Kotler & al., (2003) and Reid & Bojanic (2009), customer will not necessarily revisit again due to the variable of customers' expectations even though when a customer is satisfied with high hotel experience quality delivered. In the graph right below we can see how Hotel have decreased and known a recession the past year in France.
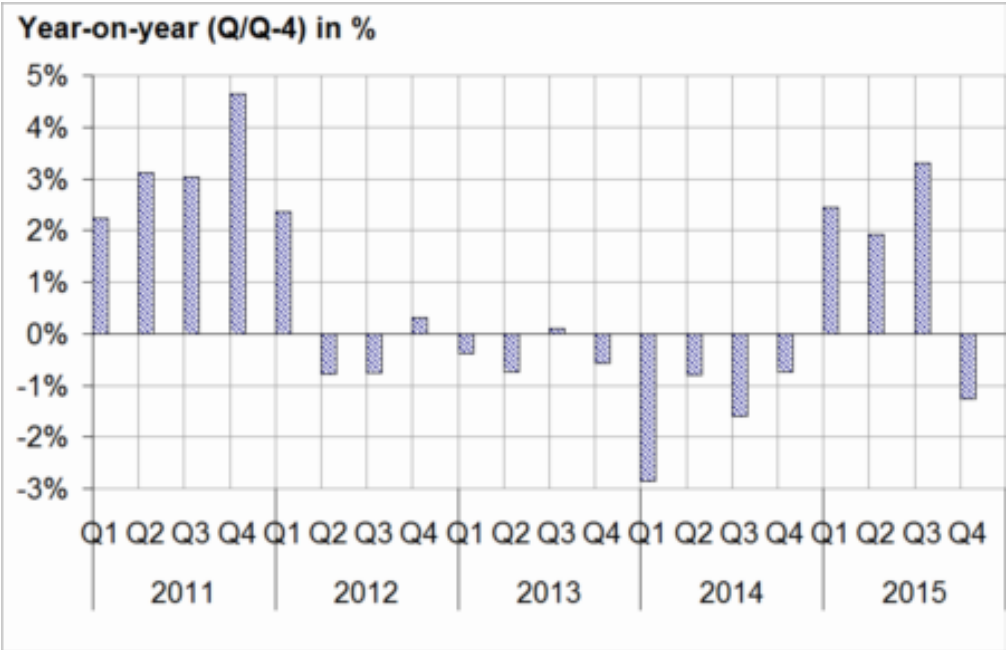
*Overnight stays in hotel in Paris over the years.[10]

Numerous of factors are involved in the tourism industry which make this sector difficult to deal in but truly exciting.

1.2.2 Holliday rental agency

Following Hotel, holiday rental agencies rised not many years ago in order to answer a consumer demand always changing and expecting more and more. Vacation rental holiday took a huge step in the past years following trends of consumer demand. It has has been

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[10] Source: INSEE. in partnership with the Regional Committees of tourism (CRT) and DGE

defined as a renting out of a furnished apartment, house, villa, or professionally managed resort complex on a temporary basis to tourists as an alternative to a hotel.

1.2.2.1 Accommodation evolution

Holliday rental agency saw an opening door for its business in touristic cities with the appearance of Airbnb. When crisis used to be at its top, real estate known a drastic decline. A solution to this societal and economic was to rent their apartment for a short stay. Vacation rental agencies emerged and develop themselves to propose to their customers an apartment or a Villa with a price per night. Reachable for different types of customers, but focusing more on the middle class.
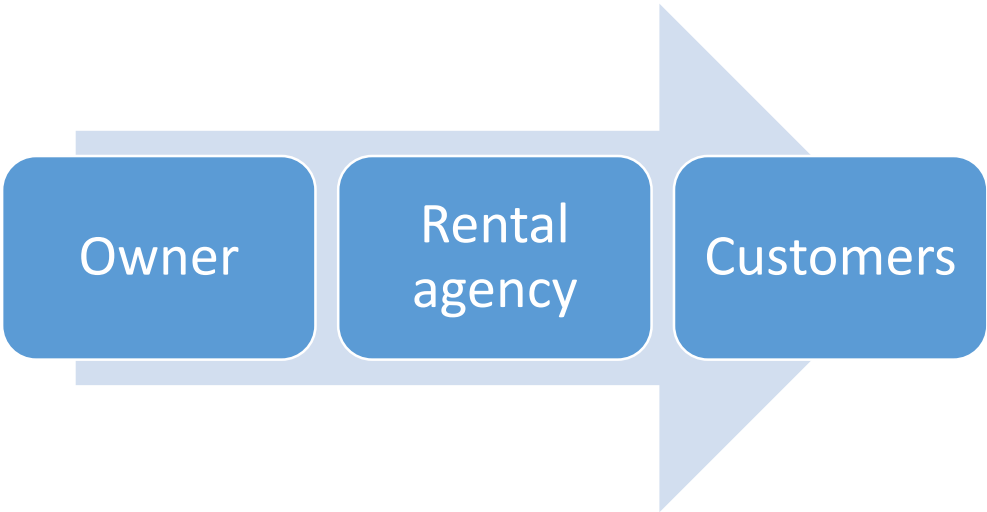
To take full advantage of this typical business, owners have to ask for a special license which will permit them to rent their apartment for a short stay. Working for a rental agency in Barcelona, I will take the example of this city:

Having a short term rental license is not possible anymore for an owner in Barcelona. A short term license permits to rent your apartment for tourists with less than 31 days rental. Because everyone saw a real opportunity with this type of license to have more profit, Barcelona decided to stop giving them as it has become difficult to find long term rental for inhabitant.

This type of accommodation have known in the past years a tremendous success, with the expansion of those type of companies. Customers are more willing to pay for a place they can "own" for themselves. More intimate and still professional, consumers prefer to have the possibility to cook, enjoy their personal terrace or to benefit a "holliday home" for some days.
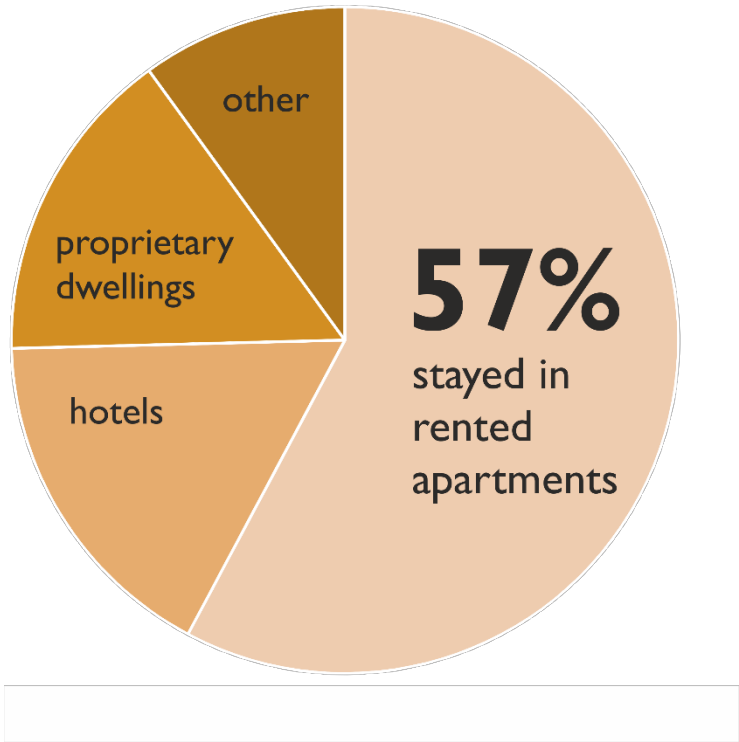
* Diagram showing the preferred accommodation type for 1.2 million tourists in Spain in July and August 2014[11]

This diagram is showing how rented apartment have become one of the top lodging customer used to rent. Over 1.2 million tourist visited Spain in July and August 2014. Only 16.8 stayed in Hotels, 15.4% in their property dwellings and 57.8% decided to take a rented apartments.

[11] Smartpropertyprofessional.com. (n.d.). Smart Property Professional. [online] Available at: http://www.smartpropertyprofessional.com/investment.html

1.2.2.2 Limits

Nevertheless, as hotels, Holiday rental agencies know their actual limits and what they will have to face in the future.

First and foremost is the increasing number of tourist travelling each year. This number, which increase drastically over the seasons, worried touristic cities government. Indeed, owners saw a real opportunity to rent their apartment which give them a better profit margin than trying to rent for a long term. (More than 40% profit following the result we have done in Stay U-nique comparing a monthly rental apartment and a short stay rental apartment.) This, have drastically decrease long term rental bid.

Nowadays, it's difficult to find a place to live for a long term, especially in touristic cities and in high season. It's easier for an owner to give their apartment to a holiday rental agency than to manage to find a long term rental. Demand are higher than supply and inhabitant in touristic cities have decrease.

To face this issue, government decide to implement licenses. In order to face this issue, in Barcelona, owners has to possess a "short-term rental license" to propose their apartment to tourist. It has been more difficult and expensive to be part of this business.

Secondly, and following the example speaking above previously for Hotel, the apparition of Internet and the peer-to-peer business create a sharp competition between companies and C2C rental companies. Avoiding license and taxes, it answer perfectly owner's issues in an easiest way. It has been difficult for hospitality companies to compete against a business that is being missed with the current government.

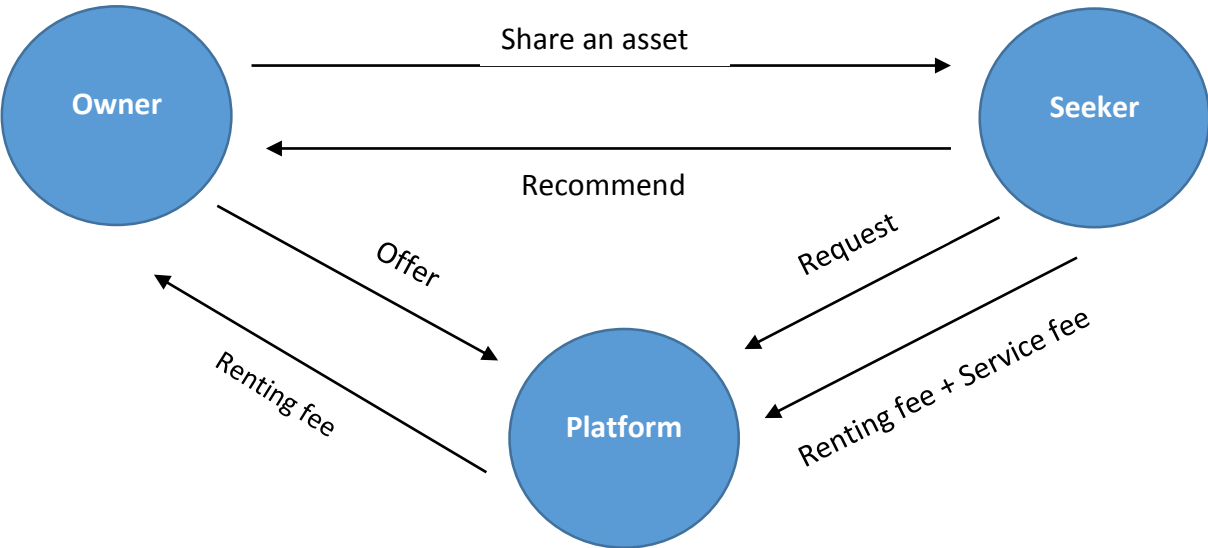## 1.3 The sharing economy

The phenomenon of the sharing economy occurred following the advancing technology of transportation and telecommunication. Known as a System that facilitate the sharing of assets or services, for free or for a fee, directly between individuals or organizations, it will be also called, in this thesis: "collaborative consumption business". Defined by Rachel Botsman as

systems that reinvent traditional market behaviors — renting, lending, swapping, sharing, bartering, gifting — in ways and on a scale not possible before the internet.[12]

Following Frances Coppola, in Forbes magazines, the primary principal of the sharing economy is "I have an asset which I am willing to share with you in return for money"[13]. Most of people believe that it is a sharing model, but it is more a rental model. As money is involved and it's not a true free sharing of assets and services.

How does it work?

The diagram above, explain in a fast and easy way the principle of sharing economy. Three agents are involved: The owner of the asset or service, the seeker and a platform between them. Owner and seeker are dealing with each other by giving recommendation (The owner) and asking for a service or an asset (The seeker).

To answer this demand and create a business, a platform have been created. It aims is to facilitate the link between owners and Seeker. The owner post his offer, and seeker is looking

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[12] Collaborative Consumption. (2015). The Sharing Economy: Dictionary of Commonly Used Terms - Collaborative Consumption. [online] Available at: http://www.collaborativeconsumption.com/2015/11/12/the-sharing-economy-dictionary-of-commonly-used-terms/

[13] Forbes.com. (2016). Forbes Welcome. [online] Available at: http://www.forbes.com/sites/francescoppola/2016/01/18/scaling-the-sharing-economy/

for different offers. In other words, the platform is only a link between two customers. One is selling his/her asset, the other is renting it. Every transfer is done in Internet. As soon as the seeker found what he/she was looking for, he pays the platform a renting fee + a service fee. The platform, then is transferring the renting fee to the owner and his keeping the service fee for itself.

Thus, technology has been a pivotal to the growing concept of this economy. Individuals can now share their good such as cars, houses, household product and services. Also, the proliferation of mobile devices has heralded a digital revolution to serve as a catalyst of growth.

1.3.1 Example of Airbnb

Airbnb is known as one of the pioneer of the collaborative consumption and sharing economy. It aims is to reshape the travel industry by proposing owners to rent their rooms/ apartment/ house/ villa or other accommodation to other individuals. Defining itself as "a social website that connects people who have space to share with those who are looking for a place to stay". It is a platform listing more than 1,500,000 listings in 34,000 cities and 190 countries.

1.3.1.1 Evolution of Airbnb

Created in 2008 by Brian Chesky and Joe Gebbia, it has served until nowadays over 30 million guests. It's evaluation of over 10$ billion exceeds that of well-established global hotel chain like Hyatt.

It all started by this two protagonist who couldn't afford the rent for their loft in San Francisco. They decided to arrange their living room into a bed and breakfast accommodation for people who couldn't afford a hotel room in the saturated market. Use to be place between hotels and couch surfing (Non-profit organization proposing a platform providing to members to "sleep" on couches by staying as a guest at a host's home for free) it is known as the best alternative for people who can't afford a hotel room.

The platform asks for owners to establish their own listing and their own nightly, weekly or monthly prices. Airbnb is only involved by putting in contacts Owners and seekers between each other's. Airbnb derives its revenue from both guests and host. They are asking a service

fee to guests which can vary from 9 to 12% depending on the length of the reservation, and they charge hosts a 3% service fee to cover the cost of processing payments. This have permit Airbnb to know a tremendously growth with more than 30 million guests that used by the end of 2014 (18Million in 2013).

<u>How does it work?</u>

We refer to user as hosts, and their properties as their listings. Each hosts has to provide a list of attribute about is accommodation including a photo, a personal statement, their listings, Airbnb-certified contact form and guests reviews. This last one create and help the rise of this peer-to-peer platform by building trust between each individuals. As Brian Chesky explained in one of his TED talk, it was not easy to propose each individuals to propose one of their room to complete strangers just for some nights. Trust has to been built in order to make the business work and that's why reviews are ask to every guests and host.

Similarly, each listing have to provide a set of attributes such as location, price (Nightly, weekly or monthly) a brief textual description, photos, capacity, availability, check in and check out times, cleaning fees and security deposits. You could see in figure 2 a typical Airbnb listing following the Airbnb's rule.

1.3.1.2 Impact of Airbnb over Hospitality management industry

The rise of the peer-to-peer platform and Airbnb has increase drastically the competition for Hotels and Holiday rental agency who has a difficult time to brake its growth. Every hotelier are aware of the threat Airbnb have on their business as most of travelers choose to book with independent hosts rather with traditional Hotel.

We will analyze the following impact through a report written by the Hotel association. Name "HVS Consulting & Valuation on the financial effect of Airbnb on the hotel industry" it has been written to quantifiable impact the vacation rental website have over the industry as a whole. By Ahmed Mahmoud's analyze, founder of Revenueyourhotel.com, it will give a strong indication of what is happening in hospitality industry.

Clearly, the vacation rental site has diminished the demand for traditional hotel rooms. Following HVS number, on average, between September 2014 and august 2015, Hotel room nights were sold 5 times less than Airbnb room. They estimate that this number will still

increase over the following years. Thus, it impacts negatively the level of employments in hotel industry. Many hotel employees are losing their jobs because of these decreasing demands. Airbnb doesn't require the same level of service and employment as it's directly the owners who is taking care of its accommodation, check in, check out, cleaning…

Another issue that Hotel and rental agency are facing is the lost in extra selling they could have done. Indeed, hotels use to create as many partnership as possible with different activities within the city to propose to their customers. As a little tourism office, they are earning a commission by extra sales done through their customers. Easy and fast money, it has decrease by the development of Airbnb. SPA, Business center, late check out, early check in, last minute cancellation fees, no show fees… All those services and many other are also likely spent elsewhere or saved by not spending because the host would not offer such services. It is needless to calculate the lost revenue here.

Not only that, loyalty program and customers are declining. Thus it decrease Hotel and holiday rental agencies outcome years by years. Following HSV review and Ahmed Mahmoud, "each additional 10% increase in the size of the Airbnb market resulted in a 2-3 % decrease in hotel revenue."[14]

Last, but not least, concerns different laws and taxes Hotels and Airbnb have to face concerning short term rentals. Hotels and Holliday rental agencies have to paid taxes, such as the touristic tax (0.72 per adult & per night in Barcelona) to the government. It's not the only tax law that Airbnb fell under. By having its Head office in California and because it's an online platform, it doesn't have to pay any taxes in all the different countries they are dealing with. To hotel CEO and manager, it's an unfair competition which have to change.

1.3.2.2 Limits of Airbnb.

Like every other businesses, Airbnb has its limits and will face difficulty in the following years. Whether it concerns laws and taxes, places or available rooms, the pioneer of peer-to-peer will face different challenges.

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[14] Hospitality Net. (2016). Hospitality Net - The Impact of AirBnb on Hotel and Hospitality Industry | By Ahmed Mahmoud. [online] Available at: http://www.hospitalitynet.org/news/4074708.html

First and foremost concerns Local regulations, permits and licensing. Airbnb have expanded its operations in more than 190 countries over the world. Every countries have their own rules regarding lodging and accommodation. To explain this point, we will take the example of France and more precisely the capital, Paris, which, alone receives more than 40 000 advertisement of accommodation[15]. It is only since a couple of years ago that Airbnb accepts to pay a touristic tax to the city. Before that it was exempt of taxes. Regarding the rest, as its head office is situated in California, Airbnb fall under taxes and it's considering as a big loss of revenue for the city.

Second point is facing directly the owner and individuals renting their rooms or apartment. The primary principle of the peer-to-peer business was to rent a room to another individuals for an amount of money. As this phenomenon are in its full flow, individuals use to propose rooms they do not own to seeker in order to have some financial help. This is totally prohibited by law. French law is saying that a tenant who does not have the agreement of the owner to sublet risk the immediate and definitive termination of the lease. He/she does not have to rent it for more than what he paid to the owner. And he should ask a permit to the town hall. Jean-Yves Mano, in charge of housing in the city of Paris estimate that in three years they have seen an increase of 10% of accommodation undeclared which is around 30 000 housing.[16]

Finally, another point who just appeared following actuality concerns the city of Berlin. By being so full flow in the past years, most of accommodation now are only dedicated of short term rental. By the lack of relevant laws in different cities, individuals saw a perfect occasion to earn easy and fast money. Owners of apartments, houses or Villas preferred renting their apartment in a short term as it provides them more revenues than having trouble, finding seekers, be legal by renting their property in the long term and paid all taxes related to it. Daniel goldbers, PS deputy of France is saying than more than 500 000 application for social houses are on hold.[16] To face this issue, Berlin, capital of Germany, create a new law name "*Zweckentfremdungsverbot »* restricting private property rentals through Airbnb and similar

[15] Solidairbnb.com. (2015). Louer sur Airbnb à Paris est-ce légal ? | Solidairbnb. [online] Available at: http://solidairbnb.com/louer-sur-airbnb-a-paris-est-ce-legal/ [Accessed 8 May 2016].
[16] Hebert, D. (2013). Airbnb, l'envers du décor. [online] L'Obs. Available at: http://tempsreel.nouvelobs.com/economie/20130822.OBS4106/airbnb-l-envers-du-decor.html

online platform. The aim is to increase the number of accommodation possible for people who want to rent an accommodation in long term.

Thus, Airbnb is known as one of the pioneer of the "sharing economy", increasing competition with Hotels and holiday rentals agency. In 8 years it has increase its revenues drastically and completely change consumers' behaviors thanks to the rise of Internet and technological changes. Even it will meet different challenges in the future years regarding laws, taxes and accommodation, it stays one of the most competitors for the hospitality industries. To face it, Hotels and holiday rental agencies will have to study consumer behaviors and understand their needs to keep staying a profitable market in the following years.

PART II -

Development of consumer behavior within the tourism industry & hospitality management.

2.1 Evolution of innovation that has mutate the tourism industry

As Taleb Rifai, UNTWO Secretary general, explained: "Over the past 60 years, the tourism sector has grown to become a pillar of the global economy, driven by political cooperation, social change and far – reaching advances in technology; both in communications and infrastructure.""[17] All this changes, new resources aimed to improve the tourist's experience.

2.1.1 Evolution of technologies

The most important innovation among all the development and change within the tourism industry is, by far, technology which have started to occupy a privileged place. Information communications technologies (ICT) plays a major role in the tourism, travel and hospitality industry. It has improve the last decade to become a most used tool in the industry.

2.1.1.1 Communication and data-information development (ICT)

Information communication technologies, also called ICTs, have been transforming the hospitality industry globally. Anand Bethapudi defines ICT as a tool facilitating an individual to access the tourism product information from anywhere at any time. It "empower consumers to identify, customize and purchase tourism and purchase tourism product and support the globalization of the industry by providing tools for developing, managing and distributing offerings worldwide."[18] The development and innovation which appears in the past decades create bunch of opportunities but also threats in the hospitality industry.

<u>What is it role?</u>

In hospitality management, fast and effective ICT infrastructure is crucial for its development. It is involve in customer relations and supply chain management which facilitate all the different operations within a business such as products selection, ordering, tracking, payment… In other words, it is a diverse set of technological tools and resources used to communicate, and to create, disseminate, store and manage information (Blurton 2002).

[17] Affiliate members, W. (2016). Technology in tourism. [online] www.floripaconvention.com.br. Available at: http://floripaconvention.com.br/MyFiles/unwtodigitalresources_volume1_techtourism_eng.pdf
18 Bethapudi, A. (2016). The role of ICT in the tourism industry. [online] www.aebjournal.org. Available at: http://www.aebjournal.org/articles/0104/010406.pdf [Accessed 15 May 2016].

Thus, it facilitates the interaction between customers, suppliers, distributors. Industry is working faster and is able to react more easily.
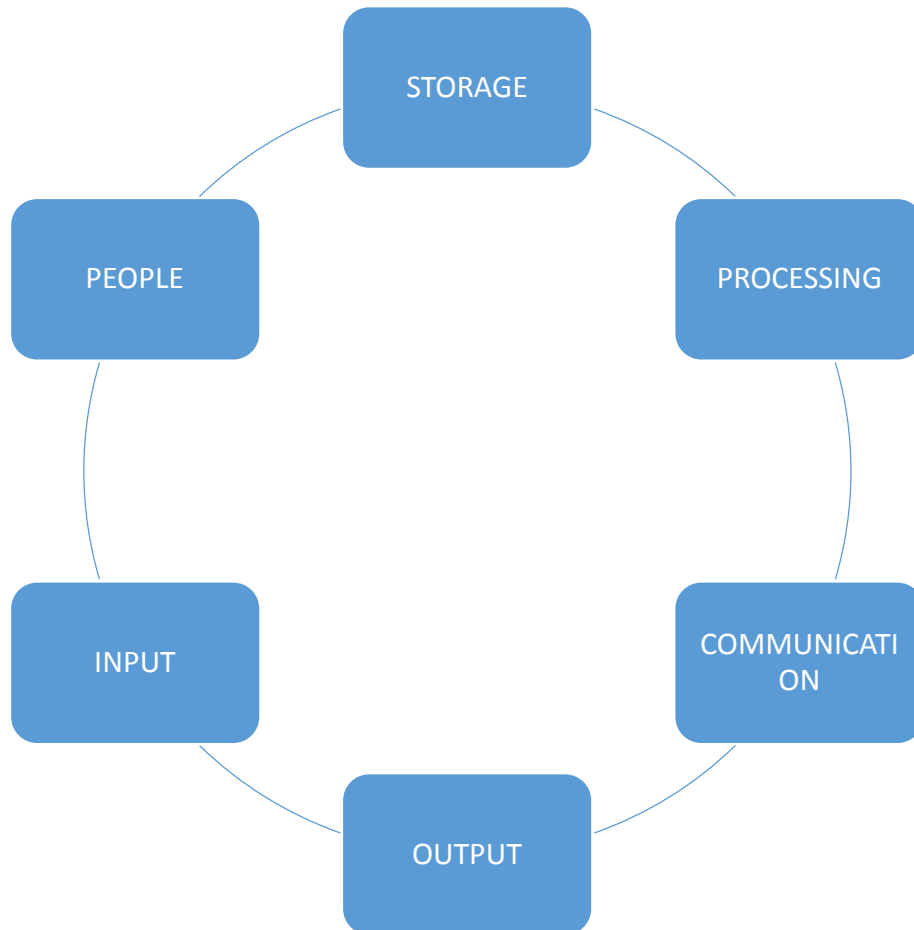
Agents/ parts involve in an ICT system [19]

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[19] Bbc.co.uk. (2016). BBC - GCSE Bitesize: Input, output and system diagrams. [online] Available at: http://www.bbc.co.uk/schools/gcsebitesize/ict/system/0ictsystemsrev3.shtml [Accessed 15 May 2016].

As we can see in the diagram above, it involves all agents within a company. Bunch of examples can be described following agents:

- Storage: Temporary ram, Hard disks
- Input: Data collected
- Processing: Working with information, changing, calculating…
- Output: Printouts, emails…
- Communication: Sending results, collecting data, Feedback.

The advance and innovation in ICT and internet development brought a new type of tourism called e-tourism.

2.1.1.2 Emergence of Internet – E-tourism.

Development of ICTs and internet permits the emergence of a new type of business known nowadays as one of the most prolific in the industry: E-tourism.

"The Internet is the most important innovation since the development of printing press" (Hoffman, 2000). It has drastically change our way of communicating between each other's. It has also change how people are making business, it has open the world to a bunch of opportunities but also to a stronger competition in the business. Nowadays, millions of people worldwide rely on the Internet for working, learning, socializing, entertainment, leisure and shopping. Clearly defined "The internet" in October 1995 by the Federal networking council (FNC), it refers to the global information system that -- is logically linked together by a globally unique address space based on the Internet Protocol (IP) or its subsequent extensions/follow-ons; is able to support communications using the Transmission Control Protocol/Internet Protocol (TCP/IP) suite or its subsequent extensions/follow-ons, and/or other IP-compatible protocols; and provides, uses or makes accessible, either publicly or privately, high level services layered on the communications and related infrastructure described herein."[20]

It has completely revolutionize the tourism and hospitality industry by creating a new business process, the entire value chain as well as the strategic relationships of tourism organization with all stakeholder. Called E-tourism, it was defined by Buhalis as the application of ICTs on

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[20] Nitrd.gov. (2016). NCO/NITRD Archives. [online] Available at: https://www.nitrd.gov/fnc/Internet_res.aspx [Accessed 15 May 2016].

the tourism industry, it is the digitization of all the processes and value chains in the tourism, travel, hospitality and catering industries it is involves in two different level. At the tactical level, "it includes e-commerce and applies ICTs for maximizing the efficiency and effectiveness of the tourism organization". At the strategic level, "e-tourism revolutionizes all business processes, the entire value chain as well as the strategic relationships of tourism organizations with all their stakeholders." [21]

Therefore, even internet it's not the only reason of tourism growth over the past decade, it has play a significant role by giving an easy access to information combined with experiences shared by individuals everywhere on the web. Traditionally, documentation was made on paper. The appearance of internet create e-tickets, e-voucher, online brochure and offers. It has permit companies to save money on printings and shipping. It is way easier now to proceed a booking through internet and e-mail.

Even it has create changes and brought easiest and more efficient way of doing business, it has also provides some issues in the hospitality industry.

2.1.2 Problems hospitality industry faced due to the emergence of Internet

There is real challenge for hotels and holiday rental agencies to keep up with the fast pace of technology. It is a difficult and expensive process**.**

2.1.2.1 A new booking tool

First and foremost, tourist are more and more desire of easy and fast way to make a booking. The number of reservation made via Internet has grown drastically over the past years and still increase. Some hospitality companies began to be criticize for the difficulty of making a booking through their website. They can easily loose customers if the process is too complicated or too long.

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[21] Buhalis, D. and Hyun Jun, S. (2016). E-tourism. [online] http://www.goodfellowpublishers.com/. Available at: http://www.goodfellowpublishers.com/free_files/fileEtourism.pdf

2.1.2.2 A worldwide competition

Secondly, it has highly increase competition. Internet have destruct border worldwide and Hotels and hospitality companies now have to create a brand image over internet in order to increase the number of their customer and have to find a way to differentiate themselves from competitors.

2.1.2.3 Hotel and hospitality companies - online reviews

Thus, another threat appeared. Customers themselves. Through new technology and social and economic ratings (e.g. social media platforms) customers have the ability to share information and research ratings on destinations, quality of service in hotels and restaurants and environmental and social conditions. For some Hotels or companies, it has permit to strengthen their brand images (Marriott Hotels and Resorts, Ritz Carlton Hotels, Hyatt Hotels and Resorts). Reviews have become a valuable asset for companies. Big website such as booking.com, tripadvisor, or Airbnb implement it as a tool which help customers to choose their lodging. Even it can be seen as an opportunity for little company to sell more, it is difficult to satisfy every customer needs in this sector. Customers have nowadays a power to destroy a business by writing meaning reviews. Also, companies can ask for their own employee to review the company on different website which makes reviews trustworthy.

2.1.2.4 Yield Management

By the appearance of internet, the job of Yield manager have improved. By definition, Yield management is a "demand forecasting systems designed to maximize revenue by holding rates high during times of high guest-room demand and by decreasing room rates during times of lower guest-room demand"[22]. In other words, Yield management is managing price of lodging following customers' demands and availability. It can also be influenced by events in cities. (Mobile world congress in Barcelona increase the price of an accommodation by more

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[22] WANG, J. and WANG, J. (2016). file:///C:/Users/Antoine/Downloads/808-818-1-PB.pdf. [online] Management Science and Engineering. Available at: http://file:///C:/Users/Antoine/Downloads/808-818-1-PB.pdf

than five during a week). Then, it is critical for hospitality's profitability. The concept are applied to every revenue department and across department.

2.2 From Mass production to Mass customization

All technological changes and innovation have played an important role in the tourism sector and had such a huge impact in the hospital industry. Combined with societal changes, this has create a new strategy focusing on customers calling Mass customization strategy. In this part of the thesis, we will explain the emergence of Mass production and standardization, which, with times, changes have created a new strategy. We will see how tourism industry use the principle of personalization.

2.2.1 Emergence of Mass tourism and Standardization

Mass tourism emerged right after the appearance of mass production in the early 1920's on correspondence with ford industry and its automobile assembly lines. Mass production is based on economy of scales and scope. The hallmark of this system is Standardization, standardized components, standardized manufacturing processes, and a simple, easy to manufacture (and repair) standard product. The aim was to create big quantities of a specific product, in a fast a cheap way for a large scale of customers.

From this system came the idea of Mass tourism strategy. Even there is no exact and proper definition of what "mass tourism" is, it has been, for some people, related to the tourism boom in the 1960's 1970's. Also the innovation in transportation (low-cost air travel) and the creation of package and "easy" destination in the Mediterranean regions made it happen. If we are following what Andreas Hauser affirmed in 2009, there is four approaches to define mass tourism[23]:

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[23] Destinationworld.info. (2016). Destination World E-Newsletter. [online] Available at: http://www.destinationworld.info/newsletter/feature45.html

i. Sheer quantity of tourists

ii. The intensity of the visitors in their interaction with local conditions

iii. The temporary or permanent character of the occurring impact

iv. Impact in relation to the site or destination's 'carrying capacity', which defines the limits of usage of social, ecological and economic resources

Thus, mass tourism enables "mass" of people to travel in different location. Societal changes such as paid holiday for middle-class, multiplication of accommodation, advance in transportation and the demand for warmer countries was reasons mass tourism known such a success. The post WWII was the golden age of Mass tourism, where the industry was focused on sales rather than customers.

This type of tourism have a huge impact on countries, increasing their GDP and developing many local businesses. In 50's 80's when the phenomenon of tourism appeared, the economists had no doubt about the effectiveness of this industry in generating income and employment. This industry generates extra tax revenues, such as airport and hotel taxes, which can be used for schools, housing and hospitals. As an example, in France this years, and from WTTC research, the total contribution of travel and tourism to GDP was around 10% of the whole economy GDP representing around 200EURbn. This number forecast is too increase a lot in the following year. That shows how important tourism is for a country.

FRANCE: TOTAL CONTRIBUTION OF TRAVEL & TOURISM TO GDP
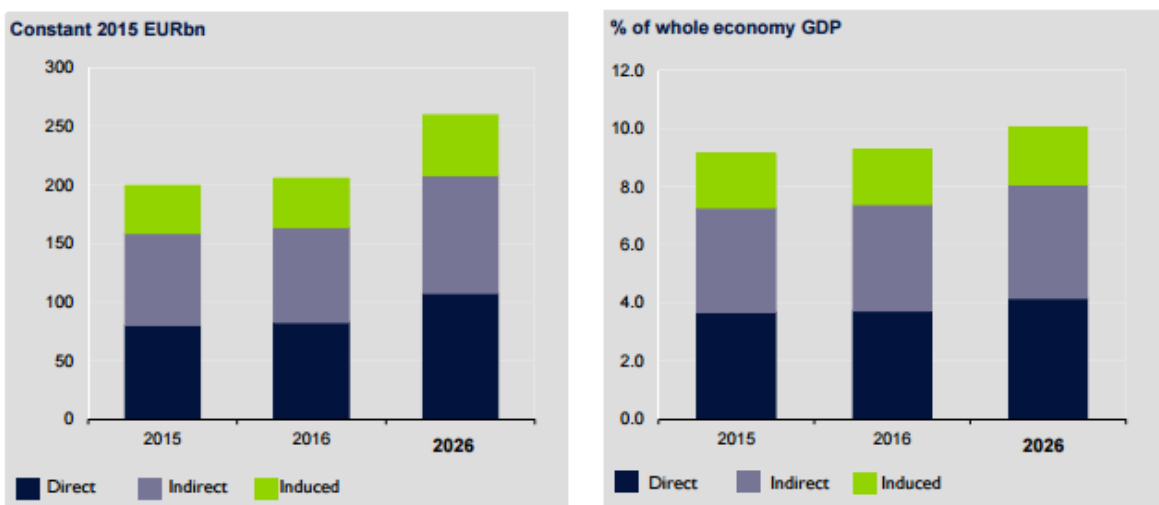
¹ All values are in constant 2015 prices & exchange rates

environment by creating resort, hotel and infrastructure. Local people have seen their land changed and, with it, price increased.

*Total contribution of travel and tourism to French GDP.[24]

Secondly, mass tourism have brought so many tourist to host countries which completely depends on this industry now. Despite that, they are dependent on seasonality. Hospitality companies saw an opportunity in mass tourism by proposing accommodation for numerous of travelers. Following year competition become tougher and tougher and tourists, by coming only of specific period, make the competition more difficult.

Thirdly, Tourism depends a lot on different external factors. It has faced numerous difficulties over the past years with the economic crisis. Also, wars, economical and societal instability in countries influence destination choice of customers. Mass tourism have known a decline over the past years. Customer began to change their mind and look at different, cheapest and unique experience. Even some customers are still looking for homogenous choice of travelling (Sea, beaches, sun, shopping) this trend started to decline over the past decade.

2.2.2 Emergence of Mass customization

Through the limits of Mass tourism and the behavioral change of travelers through the years, a new concept and strategy appeared in the past years to be, nowadays, known as the future of business and success: Mass customization.

"They define mass customization as a system that uses information technology, flexible processes, and organizational structures to deliver a wide range of products and services that meet specific needs of individual customers, at a cost near that of mass-produced items" (Da Silveira et al, 2001, pp. 2)."[25]

In other word, the concept is to customized product/services for the public which used to be reserved for the elite at a premium price. This unique business concept incorporates the two

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[24] World travel and tourism council, (2016). Travel & Tourism ECONOMIC IMPACT 2016 FRANCE. [online] www.wttc.org. Available at: http://www.wttc.org/-/media/files/reports/economic%20impact%20research/countries%202016/france2016.pdf

[25] Da Silveira, G., Borenstein, D. and S. Fogliatto, F. (2016). Mass customization: Literature review and research directions. [online] http://webuser.unicas.it/dweb/gestione/download.php?id=1432. Available at: http://file:///C:/Users/Antoine/Downloads/mass_customization.pdf

competitive priorities of customization and price, which are by definition rivaling. In addition, mass customization appears as an alternative to differentiate companies in a highly competitive and segmented market.

James H.Glimore and B. Joseph Pine II in a Harvard business review article written in 1997 defined customization by four different approaches managers need to examine for possible insights into how best to serve their customers.

Collaborative	Adaptive
Cosmetic	Transparent

* Four faces of mass customization by James H. Glimore and B. Joseph Pine II (1997)[26]

First, the underline collaborative customization is conducting a dialogue with the customizer and individuals customers in order to understand their needs and wants. It's a discussion which aim to create a precise offer fulfilling all the different expectation customer will have and create customized products for them.

Secondly, the underline adaptive customization propose a standard product which can be change and customize following the use customers want. It's adaptive to propose a completely standard product such as a light for example but that customer could change following their needs and wants. In this case, changing the ambiance of the room.

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[26] Glimore, J. and Joseph Pine II, B. (1997). The Four Faces of Mass Customization. [online] Harvard Business Review. Available at: https://hbr.org/1997/01/the-four-faces-of-mass-customization.

Thirdly, <u>the cosmetic customization</u> concerns packaging. It is how customizers are presenting a standard product to customers in order to satisfy their needs and expectation. They are trying to reach customer's interest on advertising, terms and conditions or directed at one person by naming them for example.

Lastly, the <u>transparent customization</u> proposes customized and unique product directly to the customers without letting him now. This approach is appropriate when customer's expectations are predictable and easy to realize. Within a standard package, they are understanding their need to customize it.

Every manager within a company should considerate this four approaches of Mass customization in order to understand and answer to every needs and wants of their consumers. This strategy have given a huge power to customers which challenge companies to always improve.

The idea of Mass customization is "to turn customers' heterogeneous needs into an opportunity to create value, rather than a problem to be minimized, challenging the "one size fits all" assumption of traditional mass production"[27] (Frank Piller, 2015). The success of MC does depend on different internal and external factors though. Giovanni Da Silveira, Denis Borenstein and Flavio S.Fogliatto defined 6 factors which justify it.[28]

1. Customer demand for variety and customization must exist. It has to have a specific demand where customer are willing to pay more for a specified product and companies willing to invest to answer this demand.
2. Market condition must be appropriate. First companies creating a Mass customization can been seen as innovative and have a better position in the business.
3. Value chain should be ready. Success depends on how companies are willing to provide a product at the cheapest price but customized following customer need. This involve a perfect agreement with all actors involve in the product.

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[27] Piller, F. (2015). Mass Customization - Prof. Frank Piller | RWTH Aachen TIM Group. [online] Prof. Frank Piller | RWTH Aachen TIM Group. Available at: http://frankpiller.com/mass-customization/.

[28] Da Silveira, G., Borenstein, D. and S. Fogliatto, F. (2016). Mass customization: Literature review and research directions. [online] http://webuser.unicas.it/dweb/gestione/download.php?id=1432. Available at: http://file:///C:/Users/Antoine/Downloads/mass_customization.pdf

4. Technology must be available. One of the most important factor, technology are the reason why Mass customization is possible. A company, in order to be efficient, will have to invest in ICTs and specifically in three main components (Core configuration software, a feedback tool and analyzing tools.)[29]

5. Products should be customizable. Main part of Mass customization is to create and shape a product answering customer's expectations. It comes with a standard product which is easy to transform.

6. Finally knowledge must be shared. Customers should share their expectations in order to always innovate and to translate new customers demand into new products and services.

All these factors are the main point of Mass customization success. It has become a successful strategy in the past year to answer customer's expectations and needs regarding product. Services, however, is a tougher subject speaking about mass customization. It's an intangible asset but one of the more important for companies as the service industry is known to be more and more important within the market.

2.2.3 Application of Mass customization in Hospitality industry.

Hospitality industry is known for its standard product (apartments, rooms...) but can only differentiate mainly by its services and its customer's customization. Standardization in this industry is quite easy to define. Hotel or holiday rental agency are offering a product which can be, for instance, a room for hotel or apartment for holiday rental agency. For a long time, the principal purpose of those companies was to have a perfect Yield management, with a high occupancy rate.

As customers can access to the different product thanks to ICTs improvements described earlier, competition have increased and Hotel and holiday rental agencies have to differentiate themselves by the service they propose.

One of the first company which answered perfectly to that shift from mass production to mass customization is Ritz-Carlton. It uses software to personalize guest's experience by linking to

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[29] Franke, N., & Piller, F. T. (2003). Configuration Toolkits for Mass Customization: Setting a Research Agenda. IJEIM.

database filled with quirks and preferences of half a million guests. Any bellhop or desk clerk can find out whether a guest is allergic to feathers, their favorite newspaper, or whether they like extra towels. The company stores guest information in a database and uses it to tailor the service to each guest on his/her next visit. This is a transparent customization which has, as benefits, to answer all guests' expectations and not bother with direct collaboration at the same time.

Technology has, for long, been used in a supporting role to enhance performance and effectiveness, (e.g computer reservation system, accounting system…). This industry had a certain reluctance to innovate in this specific and expensive area. (Mcintosh and Goeldher, 1995)

However, as the sector become more and more crowded and difficult to work in, some "tinkering" of mass customization has occurred in selected areas in the lodging industry.

Technological innovation have permitted to be more flexible regarding customer expectation in all areas. In the table above, numerous of example have been given following those area. To take an example, some of the ideas have been now a "must-have" for lodging. As a new type of customers appeared, new expectations followed. Considered before as a luxury product, Internet connectivity or Tv are now a mandatory product to give to customers.

A study thought by C. Mok, Alan t. Sutts and Lilian Wong explained that this new demographic and strategy trend suggest new customized features answering expectations and needs of travelers. This can be made possible by technologies such as: (ref)

- Ergonomically-designed furniture that facilitates standing from a seated position with the aid of a weight/height sensing cushion or provides support to a tired back through sensors that adjust to the most comforting back support;
- Blankets that utilize the same fiber technology as found on the space shuttles heat shield and thus will respond to body temperature retaining or expelling heat to maintain a comfortable temperature and more restful night's sleep;
- Alarm clocks that awaken the guest to increasing light levels that begin with the light daybreak to a full daylight, for those whose hearing may riot be as sharp as it was in the past.

Mass customization in the service industry and more precisely in hospitality industry is more difficult to put in place. It all starts with a perfect understanding of what is mass-customization, what the expectations of the guests to go above and try to answers their need with a proper customize strategy.

It's a differentiation strategy which have been necessary in this industry due to a drastic change in consumer behavior.

2.3 Metamorphose of consumer behavior.

In addition of all technological innovations and societal change over the years, the new era of Tourism brought a new generation of consumer which have drastically change the hospitality industry business.

2.3.1 Customers 2.0

First and foremost, the rise of the Internet in individuals live brought a new vision and procedures for Hospitality business. Proceeding a booking is one of the principal and most important part of this sector. Internet brought a new way of proceeding it: faster, easier and way efficient. Nevertheless, making a procedure easier does not mean an increase in profitability and occupancy rate for lodging companies.

Customers have now access to a tremendous source of information through the web. Competition have grown a lot and through social media, people are easily sharing their experiences to all their "friends". By posting holiday pictures to different websites such as Pinterest or Instagram, sharing thought on twitter or doing both of it on Facebook, they are increasing the willingness of their followers to travel and go to the same place as them. It is known by companies as a natural marketing tool where people voluntarily become a member and participate in interaction activities with other members to exchange desired benefits they seek through a chosen community (Kang, Lee, Lee, and Choi, (2007).[30]

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[30] Kang, Lee, Lee, and Choi, (2007). Social media marketing in the hospitality industry: The role of benefits in increasing brand community participation and the impact of participation on consumer trust and commitment toward hotel and restaurant brands. [online] Available at:
http://lib.dr.iastate.edu/cgi/viewcontent.cgi?article=1384&context=etd

This social group or organization and different website are the fifth documentation source before choosing a destination (22%), after talking with relatives (68%), television (36%), touristic guides (34%) and magazines (27%) (Hikkerova, Arlotto, & Mutte, 2011).[31]

Online travel booking	Data
Number of travel bookings made on the internet each year	148.3 million
Percent of all travel reservations made on the internet	57%
Percent of same day hotel reservation made from a smartphone	65%

Internet travel and booking statistics – April 26th 2016

Regarding the table above, Hotel reservations and booking is the first online travel sales revenue breakup with 39%. Even air ticketing is representing 37% followed by packaged tour 17%.[32] Also, increase of connected smartphone and the way individuals are using it involve hotel and holiday rental agencies to create an easy and fast system to proceed booking through it. Indeed, 65% of same day hotel reservation are made from phone. It represents a huge impact on the profit a business could win or lose.

Thanks to the growth of e-tourism and digital connexions, share of information are way easier. Customer are making more considered choice regarding their booking over internet, seeking for reviews and "friends" or individuals recommendation. This have change and improve their behavior towards buying decision.

2.3.2 Smarter and powerful customer

Beforehand, when internet was not one of the most useful tool to find your travel accommodation, people use to trust agencies and huge hotel with great brand awareness. By

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[31] Hikkerova, L., Arlotto, J., & Mutte, J.-L. (2011, July 1). e-Tourisme: comportements d'achats et canaux de vente. Gestion 2000 28(4), pp. 67-79.
[32] Statisticbrain.com. (2016). Internet Travel & Hotel Booking Statistics – Statistic Brain. [online] Available at: http://www.statisticbrain.com/internet-travel-hotel-booking-statistics/

the appearance of review site collecting customer's experience and feeling about a company, room or services, the industry become more competitive and difficult to success. New tourist 2.0 know actually how to access information and to which website acquire knowledge to be sure to make a "confident" purchase.

Website such as Booking.com or Flypkey (Tripadvisor for accommodations) were born by following the trend of always seeking effective information and making the "right purchase". This website portal are a link between customers and companies and hoteliers regarding accommodations. They are pushing customer to rate their experience regarding the lodging and service they receive in order to help future customer to do the right purchase. Thus it has been a huge trend followed by companies and global hotelier with 64% estimating that online reviews are important to booking. Nonetheless, 89% of global travelers consider online reviews important in order to proceed a booking[33]. (Skift Travel, State of Travel 2014)

It has become such a powerful asset for companies in order to increase booking over internet. But, it has its limits. Indeed, it's never easy to satisfy every guests who possess different needs and wants regarding lodging and stay. An unhappy guest will always go directly put a bad review in order to show its disappointment and irritation. The only solution for the hospitality manager facing a bad reviews is the answer. But even with apologies, an unhappy guest will stay unhappy and review will still be on website giving a bad advertising for the company. That's why it' difficult, as an agency or hotel, to keep a high rate. Customer will always put a remark if they didn't like their stay no matter what effort you could do for them. If they liked it though, they could be lazy and forgot to put a good review on the different website. Last, but not least concern fake reviews. Most of customers nowadays know that companies' employee are writing their own review in order to give a better image to their business. Nevertheless, with 85% of consumers reading more than 10 reviews to make their final choice and 72% of consumers saying that positive reviews make them trust a local business more,

[33] Spector, D. (2014). 15 Surprising Stats that Will Change the Way You See Hotel Marketing in 2015 | Tambourine. [online] Tambourine.com. Available at: http://www.tambourine.com/blog/15-surprising-stats-that-will-change-the-way-you-see-hotel-marketing-in-2015/

reviews have been the most powerful but difficult asset to agencies and hotelier for increasing their business.(Myles Anderson, 2014)[34]

2.3.3 A new generation of customer.

Hospitality industry is an old sector which have seen numerous of different generation of consumers. Every time it has been shape to understand and answer their needs and wants over the years. Nevertheless, the appearance of internet and new technologies have brought with it two new generations, whose need are more and more difficult to respond.

"It seems that many hotels have barely changed over the last decades still consisting of the same in-room amenities, the same heavy curtains, the same check-in process, and the same small desk. This is no longer a place where the modern-day traveller feels at home"[35] (Veronica Waldthausen, 2013).

As she explained, the new generation called "Generation Y" or also known worldwide "The Millennials" have complete different expectations regarding hospitality industry and experience. This generation was classified by Judy Hou by people born between 1979 and 1994.

First one is technological. This generation has grown up their entire live immersed in technology and don't see it as a tool but much more has part of themselves. They are using their smartphone for absolutely everything: sharing their everyday life, booking products and services and communicating through e-mails, messages, social-media. Thus, they prefer and are more confident with virtual connections than face to face discussions. Also, they are being wired 24h/7 and by this expect having a connection every place they are going. Seeing before as a luxury product, Wifi is now a must-have and a requirement for every hotel, rooms or apartments they are going.

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[34] Anderson, M. (2014). 88% Of Consumers Trust Online Reviews As Much As Personal Recommendations. [online] Search Engine Land. Available at: http://searchengineland.com/88-consumers-trust-online-reviews-much-personal-recommendations-195803

[35] Hotelmarketing.com. (2016). How consumers are driving change in the hotel industry. [online] Available at: http://hotelmarketing.com/index.php/content/article/how_consumers_are_driving_change_in_the_hotel_industry

Secondly, the experience of their stay. As Veronica Waldthausen also explained, ""This new segment of traveller is no longer looking for white-linen service, bellboys to carry their luggage up to their room or a concierge." Needs and expectations have change. They are much more demanding and wants to feel like home when coming to a new apartment or hotel. They are no more seeking for luxury items such as a coffee machine in their room but looking for luxury of having a unique experience that fits totally their need. They want a place that understand their expectations and that is surrounded by a community of like-minded people.

Finally price is the last aspect managers have to focus on. It has been a huge factor in customer's satisfaction. Nowadays people are willing to pay a higher price to be sure to have a greater service. They are no more interested in low-cost and saving money. Even if the price factor used to be the first criteria for choosing products or services, customers' behaviour is now changing for the quality/price ratio[36] (Vainopoulos, 2013).

What have been the success of Hotel and Holiday rental agencies are more like a standard now, the new generation brought with them new expectations focused on how to surprise them. Part of the manager is to focus on services nowadays, to be sure that their experience will be satisfying and that they will share it to social media and reviews. Mass customization is what they are trying to focus on to answer their wishes regarding hospitality industry. Evolving their standardization product regarding consumers' preference is the future of this industry and what Ceo's of the different companies are focusing on nowadays.

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[36] Nambiar, A. N. (2009). Mass Customization: Where do we go from here? Proceedings of the World Congress on Engineering 2009 (1), 1-

PART III – Transformation of consumer behavior and expectations in Hospitality management industry.

3.1 Methodology

The subject of this thesis is focusing on two main points which are consumer behavior and accommodation rental. In the second point, I'm speaking about professional holiday agencies and hotel comparing to Airbnb and it is sharing economy business. In order to provide a study answering interrogations regarding those points, I decided to realize a quantitative research.

This technique, made through a survey was sent to different segment of people. More than 200 people were reached coming from different locations all over Europe (Denmark, Norwegian, Spain …) but mainly France. It has also been answered by people coming from different socio-professional categories, gender and age. This permits me to obtain a good representation of individuals' behavior regarding accommodation rental through Airbnb and companies but also how they would behave regarding mass-customization. As it is a totally new idea in this market, it was not easy to create a relevant and precise survey of Mass-customization within the hospitality industry.

The questionnaire is called "Consumer behavior on mass-customization regarding travel accommodation". It is composed of 20 questions divided in 5 parts. It concerns general tourism behavior, behavior regarding new technologies, purchasing behavior, Mass-customization and services expectations within the hospitality industry, customer details. My point was to make people comfortable beginning with "easy" and "fast" questions to answer. The purpose was to make them more eager to answer later to more difficult questions which were crucial for my research study. I have mixed all sort of questions (open, close, multiple choices…) in order to receive as many precise answers as possible and make it less boring to answer. Also, I didn't put more than 20 questions at it should not be too long to answer and must answer directly to the relevant information. It was created through google drive and shared through different channel. Most important channel was Facebook. Through those 4 years of Bachelor, I managed to keep in contact with a lot of European friends who answered positively to it. I also send it by mail to my relatives from France and finally to professionals, mostly the people I'm working with. As they are working in hospitality management it was important for me to have their return and opinions. The survey collected 129 answers providing relevant and interesting data regarding the research study. Nevertheless, from those 129 answers, 5 were wrong because of issues coming from question 16 and 17 as

question 17 should have only be answered if question 16 were positive. However, some people answered negatively and still answered question 17. It was not possible to truly understand their expectations from there.

I had interesting answers regarding this questionnaire. As my research is about a new ideology and strategy within this industry, it was to mostly see how they would react to a complete new idea of travel accommodation. It has permit to give me an excellent overview of their behavior but also expectation within hospitality management. This study had help me to answer my thesis research but also in my professional job.

3.2 Analyze of the results

This survey was conducted in May 2016 and gathered 124 people in order to analyze consumer behavior regarding Airbnb and mass-customization in hospitality management industry. Most of the questions asked was based mostly on closed-end questions as I wanted special information regarding consumer behavior. Nevertheless one is open-ended in order to understand their behavior regarding travel.

### 3.2.1 General information tourism behavior

In this first part, we will analyze general tourism habit to understand and have a global idea about their behavior regarding tourism.

It began first of all with an open question to understand how many times per day and where they are mostly travelling during the years. As I'm studying European behavior, I asked my colleagues to spread the questionnaire to their family. This have gave me 45 answers from people outside France and 79 from French people. It was just to have an idea of their behavior. 84% are travelling mostly in Europe at least 2 times a year. This ensures me to have relevant data regarding European consumer behavior.

Following question was a closed one. It shows that 44.6% European travelers use to travel in average during one whole week. (Figure n°1) which are considered traditional travel length. Quite close, 9/12 (20%) days and 4/5 (18.5%) days are the two most common length following. Even people tends to

prefer longer stay in general. (More than a week got quite a higher percentage than less than a week).
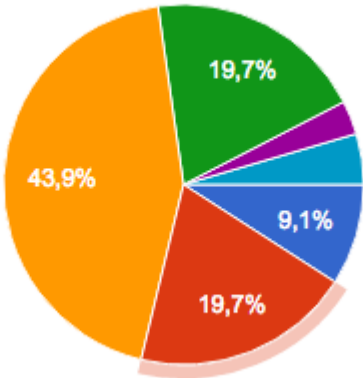
European travelers used to travel mostly with their friends (39.4%) before their family (27.3%) and their partners (21.2%). This is mostly because of the segment of customers I asked for. Indeed, 80% of people surveyed were between 17 years old and 26. Second most important segment was people between 41 and 55 years old (10.8%) which is relevant for my thesis research. As explained, new consumers are called millennials and are bringing with them new needs and wants. Studying their behavior help to understand how to answer their expectations. But nevertheless, people from 41 to 55 years old stay a high percentage of people travelling nowadays which is important to study too.
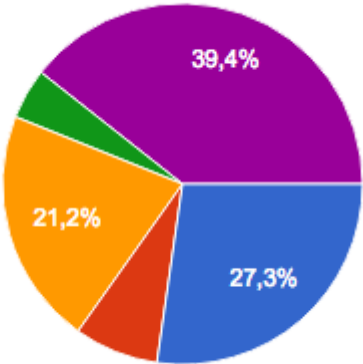
Next question was important regarding the research I was doing.

As most of the millennials answered my survey, I wanted to know which price they were willing to pay (Lodging include). Almost half of them (47.7%) are agree to pay between 300€ and 599€ for everything. It is quite a high budget to travel. 21.5% of people are willing to pay between 599€ to 999€. The minimal budget (300€) is only at the third position with 13.8%. This is making me wondering if money was the principal problem facing Hotels and rental agencies comparing to Airbnb.

The following question was to confirm the figure seen in the first part of the thesis. Apartments and hotel are, as already said, the two most common accommodation booked when travelling (respectively 38.5% and 30.8%). It shows that it is the two most prolific accommodations as the third choice of European travelers is in relatives.

Regarding technologies, without a big surprise, 100% of respondents are using Internet to book their accommodation with 89.2% from their computer, 29.2% from their mobile phone and 13.8% from their tablet. (3.1% of respondents choose others for a brand of computer.)

The question number 8 aims to split the respondents in different categories. People preferring hotels and holiday rental agencies who passed through website such as booking.com or directly from a company or owner/website (46.2%) and people from Airbnb or tripadvisor (36.9%). In other word people preferring sharing economy website or professional agencies and hotel.

3.2.2 Purchasing behavior

In this part, I wanted to understand customer behavior regarding their choice of accommodation and why their renting decisions.

The question number 8 aims to split the respondents in different categories. People preferring hotels and holiday rental agencies who passed through website such as booking.com or directly from a company or owner/website (46.2%) and people from Airbnb (32.3%). In other word people use to prefer dealing with a professional company (Hotel or rental agencies) than a sharing economy website. This aim to show that B2C in Hospitality management is still a bit preferred than C2C nowadays.

In general, people tend to choose their rental following three choices: Price, location and quality of the lodging. Indeed, for 89.2% price is an important criteria when looking for an accommodation following by localization within the city (86.2%) and quality (70.8%). It has been relevant information as it shows why people are preferring a lodging from another one. I explained that the success of Airbnb was excellent and cheap locations within the city. This shows perfectly why it has been successful the past years before. However, it has been interesting to note that the fourth criteria was the services proposed by agencies and/or hotels.

Following point is showing how people are gathering their information to make their renting decision. Notoriety of the website is playing a lot on this question. Indeed, Booking.com, Airbnb and trustpilot are the most watched websites to gather information. Booking.com is a website referencing

accommodations from Hotels and rental agencies asking 23% commission to companies. 26% are going straight to this website regarding their travel accommodation. 20% are going straight to Airbnb website (which shoes that people tend to continue to prefer B2C over C2C). What was interesting regarding my thesis is that people have to trust a lodging before renting it. Indeed, 23% are going to reviews website such as tripadvisor or trustpilot to be sure about their lodging. Also 17% have to ask their relatives recommendations in order to avoid wrong purchase. In this thesis, this question have highlight that reviews and trust have become thanks to the new technologies an asset every companies should work on in order to keep satisfying their customer and get new ones

Finally the two following question was to understand why people use to preferred Airbnb, a collaborative consumption or companies and why they are purchasing (renting) their lodging with one or the other.

Starting with Airbnb, different articles have been studied to understand its success and found 6 points that apparently made it possible: Better price, Ergonomic and usability of the website, Trust in the company, Direct communication with the owner of the accommodation, Notoriety. In order to be sure I rated those points from 1 to 5 (with 1: not important at all, to 5: extremely important) which will give me an overview of how people are actually find them important or not. Three points were highlight again. First was definitely trust of the company thanks to apartment reviews. Which still showing the power of reviews. Secondly, Price was still an asset which have been driving people through Airbnb website. But the most important point in this question was the third point: Direct communication with the owner of the lodging. In this case people are loving the fact that a company is not behind their purchase and all the personal question they will have will be answer by someone knowing the city. This shows that they want a personal and customize answer to their question, that they now that someone "not professional" will give better tips and not commissioned activities of the city.
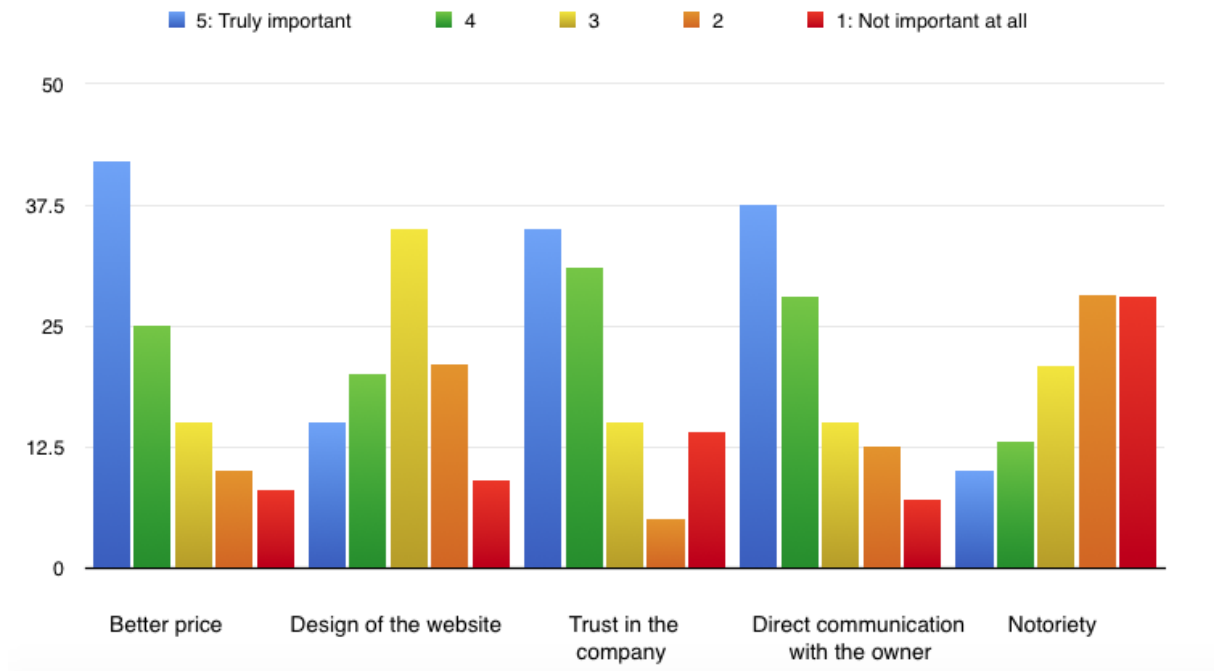
Regarding other booking than Airbnb (Going straight to booking.com or directly to the professional holiday rental agency or hotels website) I gathered information about what is still making their success. I decided to highlight 5 points that can influence consumer behavior and also mass-customization: Purchase security regarding product and services, Company loyalty, direct communication with professionals, a fastest reactivity, less constraints at arrival (hotel reception…). Not surprisingly Security over purchase and services is coming first. Most of people are a bit worried passing through C2C as you are never sure about the service you will have. This explained limits of Airbnb highlight in the first part of this thesis. Also, they are seeking for an extra service, something that they will never have passing through a C2C website. They know also that they will answer their needs and wants in a fastest way by a better reactivity. This was the second highest important point people decided to highlight. Finally last point is less constraints when coming directly to city has most of them have a reception and they didn't have to arrange a time at arrival.
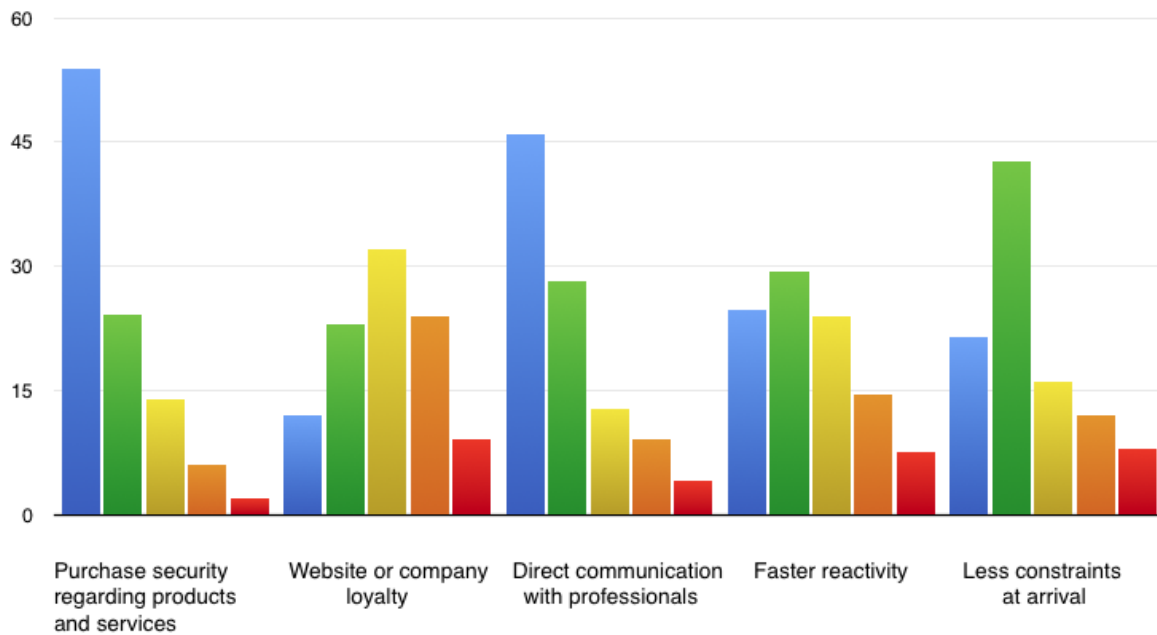
Those question have permit to delimitate the most important purchase criteria for people. It has permit to show that price and product quality influence a lot their purchase as recommendations and reviews but that services is also a big part of it.

3.2.3 Mass-customization and services expectations within the hospitality industry

This is the most important part of this research. It aims to understand how services and mass-customization could be perceived in the hospitality management industry. What are, first the expectations of individuals regarding their accommodation and by this information and how could mass-customization be implement in this industry?

My first question is to basically split two types of behavior which will influence the following answer. 72.3% of respondents are expecting an extra-service when booking an accommodation. This shows how behavior change within the past decades and that expectations is evolving years per years. In the past, Hotels were just a place to rest and nothing else. Nowadays, people are expecting services when booking their rental accommodation. That shows the evolution of consumer behavior explained in the second part of the thesis. The following question, linked to the first one was to understand their needs and wants regarding this extra-service. Regarding what already exist and future services explained in different article, 5 points were highlight: An agent available for you 24h/7, Personal tips and recommendations about the city, Personal and customize page (With possibility to buy tickets, restaurants..), Customize your room or apartment to your need, an agent for you during your stay. In

that case, 75.8% of respondents agreed that having personal recommendations would be a service they would look for and 24.2% said that having an agent available when needed 24h/7 will be an extra service. Through this answer, we can conclude that the most important expectation is that people can be helped and follow when renting an apartment. With 22.7% of respondent saying that having a own personal page with trip recommendations and activity proposal could be an adding service open a possibility in mass-customization within the hospitality management. Mass customization is adding a personalize product/service to the standardization process/product/service following consumer's expectations. In that case, it shows that in Hospitality management, mass-customization will be delivered by services, providing personal recommendations but also by creating personal space to make the customer feel unique.

In order to continue understanding what was the aim of an accommodation for customer nowadays and mostly from millennials (See 3.2.1 General tourist behavior) figure n°15 where studied. This is to highlight what is their expectation regarding Hotel and Holiday rental agencies and how it influences their travelling experience. All of the points below have been rate from 1: Not agree at all to 4: Fully agree.

First, and interesting point was highlighting the fact that a holiday rental accommodation propose a room or an apartment where you feel like home. 24% of respondents are not agree at all and 38% disagree with this point. In that case it shows how it is difficult to customize in this industry. Even companies are trying to innovate and answer as much as possible customer needs and wants, more than half of respondents does not find that they feel like home.

To support this answer, result of next point shows that respondent disagree on the fact that it is only a place to rest. Customers are expecting a place where they could live like at their place. There is a lack of personalization and customization in this industry. Most of it because it means a drastic change in the standardization of product and a huge investment to mass-customize a Hotel following personal needs of each individuals. With this research we have highlight that even its difficult people are, nowadays, seeking a place to live like in their own lodging.

Next point was most of it to ensure a point. Most of Rental agencies and Hotels are proposing Bed linen and towels at check-in. In that case, it was to evaluate consumer behavior change regarding expectation. In the past decades it was considered as an extra and luxury service but with new generations coming, everything should be included. It was what we were talking about in the second part of this thesis with the free WIFI propose by Hotel and agencies. More than half of respondents (63%) agree or fully agree that it has to answer all your expectations. They should know if you have a special allergy or if you like to be next to a window… It is an industry where consumers are high-

demanding regarding their product and have huge expectations without providing as many information as it need.

This survey as shown that two services and preoccupations people have when travelling. First, confidence over the quality of the product (lodging) and also about customer service before and at arrival. Nevertheless, they are not expecting an agent available 24h/7 to answer any expectations or issues. With 43% of them who disagree and 12% who are not agree at all, it shows that even most hotel and holiday rental agencies are proposing this service, it is not the principal expectation from tourist regarding their lodging. However, more than a half of respondents (60%) consider that renting through agencies or Hotels is more secured than Airbnb. It highlights the fact that even if Airbnb is still increasing the competition people are trusting more "professionals" and that influence their finale booking.

Last but not least, this survey aim to understand customer behavior toward booking choice within the hospitality industry. It highlights an interesting point that price influence tremendously a booking. Nevertheless two questions were asked regarding price and how it can influence a booking. Regarding services, 68.5% of respondents are willing to pay an extra price in order to receive a special and personalize service. It was really interesting to see that price is not a break in this business. Behavior is showing that people will be willing to pay a higher price to be sure to receive a unique experience. Indeed, we have seen in the question before that 89% affirm that accommodation influence their travel experiences. In order to try to put an average "extra-price", 4 different percentage were given. This percentage are defining the price they can put above an accommodation to receive this personalize service. It was easier to propose a percentage as lodging price are different regarding the accommodation (A villa will be more expensive than a room in a 3 star hotel). Then 48.9% are willing to pay 5 to 10% more than an average price and 42.2%; 1 to 5%. It shows that customer are not seeking the cheapest price on the market thanks to price comparator but are more willing to seek quality price ratio product.

3.3 Results

As explained, this survey has been made to understand and to analyze consumer behavior regarding Airbnb and mass-customization in hospitality management industry. Their purchasing choices and service expectations within this industry.

It has first highlight that consumer behavior have changed in this industry. People are traveling more and more for a longer stay seeking lodging for a week in average. Then it shows that stay

are longer and longer and that lodging website and companies have to face this evolution by proposing new types of accommodation (Apartment is the most common choice following this survey)

Secondly, it has explain the rise of Airbnb and collaborative consumption by the development of internet and technology. All respondents use to book through computer tablet or mobile phone. Also, it has explain success of Airbnb by highlighting their points of success which was a better pricing, an easier communication with the direct owner and a friendly platform.

Thirdly, it has given a clearer idea of expecting services by millennials. People are seeking an easy communication, a place where they can feel like home and where tips and travel recommendations can be given.

Fourthly, it has explained what are the different expectations travelers have towards holiday rental agencies and Hotel. That they have to understand their needs and wants, and answer them as much as possible. It has highlight that it was not an industry focusing enough on personalization. People are not feeling like home when living in a holiday accommodation. And that can be an opportunity for a mass-customization strategy.

Lastly, it has shown than even Airbnb have increased competition in this industry, Price is not a break as it could have been years ago with Price comparator website. Holiday travelers are seeking for quality price ratio accommodation more than cheapest place to live. They would prefer a place where all their needs and wants answered and where they will fell unique.

Speaking about mass-customization, this survey have explained expectations of customers. Mass-customization can been seen as a new strategy in this industry which does not truly focus on personalization nowadays. Nevertheless it has shown that something is possible to personalize customers' stays, which service to focus and customize.

Conclusion

Following the three parts described in this dissertation, we are now able to answer each of the three hypotheses proposed and suggested in the introduction.

Hypothesis 1: Will mass-customization take over standardization and mass tourism?

This hypothesis was built on the fact that Hotel and holiday rental agencies use to propose the same standard product over and over the years. They have clearly change the past decades following customers' expectations but the real question is: did they manage to move on to the new technology era? Indeed, innovation in Information and communication technologies change consumer behavior drastically and increase their expectation following services and product. They are nowadays seeking for personalized products and services answering their own personal needs, wants and taste. Even Mass-customization is increasing and evolving with technologies innovations, it will be difficult for the market to only work on Mass-customization strategu. Mass-tourism and standardization will always have a market as not all people are seeking a differentiation service and also, lodgers can face budget or time issues which is not compatible to create a unique and customize stay for a customer. This survey highlight it by 31.8% of respondents which were not interested in extra and personalize product/services for their stay. Mass-customization will reach a segment of the population who are experienced traveler and who are seeking personalized "experience" over the world.

Finally what it is important to remember is that mass-tourism is more profitable as it's a standard product and structure. Mass-customization will, of course, reach a new segment of customers but will be more costly and harder to put in place. Giving an extra should not lead to lose the profit margin.

Hypothesis 2: Is C2C going to go over Holiday rental agencies and Hotel?

Through technologies, customers have now access to a tremendous number of information and can all shared their opinion about their stay experience. They also can become owner of properties and create a business with ridiculous constraints from taxes and laws. New technologies have created what is now called collaborative consumption. We have been arrived in a paradox where customers can become competitors. Airbnb, a sharing economy platform, have permit to rent one of your room, apartment, villa or all other type of accommodations to customers all over the world. Easy and ergonomic platform, it has known a huge success over the past years increasing drastically its profit and competition making hospitality industry more crowded than before.

Nevertheless, this thesis have shown that it faces and will face issues and threats in the future. First and foremost, it will come from touristic cities which are trying to legalize this type of business.

Research have also shown that people are more willing to go through "professional" than through a peer-to-peer website when it concern lodging. Also, Airbnb was known for its low price accommodations but travelers are more willing nowadays to search for quality price ratio lodging than the cheapest one. Comparator website were created years ago to help answering this increasing demand of customer seeking for cheapest product but they are evolving understanding that quality become more and more important for customers.

Finally what is important to remember is that Airbnb and peer-to-peer website and companies will still grow and still have a market in the future as it answered perfectly mass-tourism demand. Notoriety, ergonomic easy platform, price and wide range of product is a perfect combination for travelers seeking an accommodation only to rest and doing mass-tourism. But it will know a break as government is creating law to legalize this type of business and as it can't give a "professional" and extra-services that agencies and hotel will better give as it is only a link between two customers.

Hypothesis 3: Will the evolution of mass-customization be possible in the hospitality management industry?

Innovation in technology, change in consumer behavior in the past years and a crowded market due to an increasing competition was the three main reasons of development of new strategies in hospitality management industry. Mass-customization, a personalization system on top of a standard process has been a differentiation strategy use by most of companies in order to increase their market share. In this thesis, we have seen that mass-customization was a process which is, at its premises and in this industry, only known for its basic services. Some Holiday rental agencies and Hotels have begun to implement this strategy such as Ritz-Carlton or Vreasy .They are trying to develop their standard process regarding customer needs and wants.

Nevertheless it has an impact in the profit margin. Hypothesis one highlight the fact that mass-tourism is a strategy easier to implement and which is not difficult to have a high margin with. At this moment, only luxury hotels are trying to stand out by implementing a mass-customization strategy. They are investing in new technologies in order to personalize as maximum the stay of their customer. In the future, hotels would have the possibility to change ambiance in their rooms regarding the type of customers coming. They will also manage to propose a unique service regarding customers' needs and wants explained before arrival. Study have shown that people are high-demanding and have a lot of expectation regarding their lodging.

Then, the challenge will be to invest in those new technologies of gathering customers' information and customizing their lodging regarding their expectations. At the moment, mass-customization is a luxury service offered by companies targeting top of the range customers. However, it has been

thought by companies who are focusing their profit in the long-term. Meaning that they are investing and doing business with a low profit margin but a high services expectation to create loyal customers and brand awareness. However, mass-customization will have difficulties to take over mass-tourism in the hospitality management industry as the survey shows people are not all willing to pay extra money for a personalize service. Thus, it will always have a balance. In order to differentiate and to grow their market share, it will be a perfect differentiation strategy.

Stay U-nique

I decided to write this thesis regarding my current position in the company I'm working in. Indeed, my job consists in trying to find a standard process to get to know every expectations of guests we will have to offer a personalize stay at arrival. Thus, results of this analysis was a great asset for me to develop and put in place a process and strategy which do not influence the short-term margin we are doing and that will increase our brand awareness and loyal customers in the future. It's interesting to see that this new process called mass-customization is a valuable asset for the company but that it is only based on a standard structure. Analyze and theories gave me a clear vision of what could be the threats and opportunities of this process and thanks to the study I'm actually creating a new structure for improving customers experience and adding a personalize touch in our standardized system.

Annex 1: Questionnaire (French)

1.Combien de fois voyagez-vous par an en moyenne ? (Précisez court ou long *
séjours, Europe ou non.)

Réponse courte

2.En moyenne, quelle durée de séjour privilégiez-vous? *

○ 2/3 jours

○ 4/5 jours

○ 1 semaine

○ 9/12 jours

○ 3 semaines

○ + 1 mois

3.Quel type de voyage effectuez-vous le plus souvent? *

○ Famille

○ Seul

○ En couple

○ Affaires

○ Amis

4.Quel est votre budget moyen par voyage, logement compris? *

○ Mois de 300€

○ Entre 300€ et 599€

○ Entre 599€ et 999€

○ Entre 1000€ et 1499€

○ Entre 1500€ et 1999€

○ Plus de 2000€

5.Quel type de logement louez-vous habituellement? *

○ Villa

○ Appartement

○ Chambre d'hotêl

○ Chez des amis ou familles.

○ Autre...

6.Utilisez-vous Internet pour vos réservations? *

○ Oui

○ Non (Si non, allez directement à la question n°11)

7.Par quel moyen ? (Plus d'un choix possible)

☐ Ordinateur

☐ Tablette

☐ Portable

8.Par quels sites web louez-vous votre logement?

○ Booking.com

○ Airbnb

○ Expedia

○ Tripadvisor

○ Directement par une agence en ligne ou un hôtel (souvent conseillé par amis/famille)

○ Autre...

9.Si vous louez via Airbnb, pourquoi? (Notez le degré d'importance)

Ligne 1. Meilleur prix

Ligne 2. Ergonomie et facilité d'utilisation du

Ligne 3. Confiance envers l'entreprise

Ligne 4. Communication directe avec le proj

Ligne 5. Confiance grâce aux avis sur les loç

Ligne 6. La notoriété

Colonne 1. 1 : pas du tout important

Colonne 2. 2

Colonne 3. 3

Colonne 4. 4

Colonne 5. 5 : extrêmement important

10. Si autre que Airbnb (ou autre site de consommation collaborative), pourquoi? (Notez le degré d'importance)

Ligne 1. Sécurité quant aux produits et servi

Ligne 2. Fidélité face à un site et/ou une ent

Ligne 3. Communication directe avec des pi

Ligne 4. Une réactivité plus rapide

Ligne 5. Moins de contraintes à l'arrivée (Se

Colonne 1. 1 : pas du tout important

Colonne 2. 2

Colonne 3. 3

Colonne 4. 4

Colonne 5. 5 : extrêmement important

11. Lorsque vous choisissez votre logement, quels sont les critères les plus importants? (Plusieurs choix possible) *

☐ Prix

☐ La qualité du logement

☐ Fidélité de la marque (confiance)

☐ La localisation

☐ Facilité de communication avec l'agence ou le propriétaire

☐ Bouche à oreilles par famille et/ou amis

☐ Les services en plus proposé par l'entreprise/agences (Recommandations pour votre voyage, discount...)

12. Par quels moyens trouvez vous votre location? (Trois choix maximum) *

☐ Via des recommandations (Famille/amis)

☐ Je me renseigne sur l'avis des consommateurs via des sites de comparaison (trustpilot/tripadvisor..)

☐ Je vais directement sur des sites de référencement (booking.com...)

☐ Je préfére les sites de consommation collaborative (Airbnb)

☐ Je regarde la notoriété de la marque sur les réseaux sociaux (Blog/ Conseils sur la destination..)

☐ Je me renseigne par brochures/ Spot publicitaire/ magazines/ guide touristique

13. Lorsque vous louez votre logement, espérez-vous recevoir un service en plus (conseils sur la destination, personnalisation de votre logement...) *

○ Oui

○ Non

14. Si oui, quel serait-il? (Deux choix) *

☐ Un agent répondant à la moindre de vos questions avant votre séjour (Disponible 24h/7)

☐ Conseils et recommandations d'activités sur la ville

☐ Accès personnel à une page client (Avec possibilité de réservation de restaurant/ billeterie ...)

☐ Pouvoir personnaliser votre chambre/ appartement selon vos goûts

☐ Un agent pour vous toute la durée de votre séjour

☐ Autre...

15. Pour vous, un hôtel ou une agence de location de vacance: *

Ligne 1.	Propose un logement vous faisant
Ligne 2.	C'est juste un endroit ou dormir
Ligne 3.	Tout doit être compris (Linge de ma
Ligne 4.	Répond à tout vos besoins (Allergie
Ligne 5.	Influence la satisfaction de votre vc
Ligne 6.	Doit proposer des services en plus
Ligne 7.	Doit avoir un service 24h/7 pour rép
Ligne 8.	Est plus sécurisé qu'Aribnb (ou autr

Colonne 1.	Pas du tout d'accord
Colonne 2.	Moyennement d'accord
Colonne 3.	D'accord
Colonne 4.	Tout à fait d'accord

16.Êtes-vous prêt à payer un prix plus élevé pour de meilleurs services personnalisés?

○ Oui

○ Non (si non, allez directement à la question n°18)

17.Si oui, combien êtes vous prêt à ajouter?

○ 1% à 5% du prix total

○ 5 à 10%

○ 10 à 15%

○ Plus de 15%

18.Vous êtes: *

○ Femme

○ Homme

19.Dans quelle tranche d'âge vous situez-vous?

○ Entre 17-26

○ Entre 27-40

○ Entre 41 et 55

○ Plus de 56

...

20.Quel est votre catégorie socio-professionnelle?

○ Etudiant

○ Ouvriers qualifiés

○ Retraité

○ Sans activité professionnelle

○ Cadre et professions intellectuelles supérieures

○ Artisans, commerçants et chefs d'entreprise

○ Agriculteurs exploitants

○ Employés et personnel de service

Annex 2: Questionnaire (English)

1.How often do you use to travel? (Precise short/long stay + Europe/outside Europe) *

Réponse courte

2.How long in average do you use to travel ? *

○ 2/3 days

○ 4/5 days

○ 1 week

○ 9/12 days

○ 3 weeks

○ 1 month +

3.With whom do you use to travel with?

○ Family

○ Alone

○ Couple

○ Group of friends

○ Business

4.Average budget spend on holiday (Accomodation incluse)

○ Less than 300€

○ 300 to 599€

○ 599€ to 1000€

○ 999€ to 1499€

○ 1499€ to 2000€

○ More than 2000€

5.Which type of accommodation do you use to book?

○ Villa

○ Flat

○ Hotel

○ In relatives

○ Autre...

6.Do you use to book through internet?

○ Yes

○ No (If no go directly to question n°11)

7.How do you proceed your booking reservation ? (More than one option possible)

☐ Computer

☐ Smartphone

☐ Tablets

8.Which accomodation website do you use to book with?

○ AirBnb

○ Booking.com

○ Expedia

○ Tripadvisor

○ Directly from a company or owner/website (Most of the time giving you by relatives)

○ Autre...

9.If Airbnb, why?

Ligne 1.	Better price	Colonne 1.	1: Not important at all
Ligne 2.	Ergonomics and usability of the we	Colonne 2.	2
Ligne 3.	Trust in the company	Colonne 3.	3
Ligne 4.	Direct communication with the owr	Colonne 4.	4
Ligne 5.	Notoriety	Colonne 5.	5: Extremely important

10. If other than Airbnb, why?

Ligne 1.	Purchase security regarding produc		Colonne 1.	1: Not important at all
Ligne 2.	Website or company loyalty		Colonne 2.	2
Ligne 3.	Direct communication with profess		Colonne 3.	3
Ligne 4.	Faster reactivity		Colonne 4.	4
Ligne 5.	Less constraints at arrival (Hotel re		Colonne 5.	5: Etremely important

11. How do you find information regarding your lodging? (Three choices maximum)

- ☐ From relatives
- ☐ I'm checking different review websites (Trustpilot, tripadvisor..)
- ☐ I'm going straight to dedicated website (Booking.com...)
- ☐ I'm trusting more collaborative consumption website (Airbnb..)
- ☐ I'm checking the brand awareness of the company through social media (Blog, tips of the city..)
- ☐ Brochures, Tv/magazines, and touristic guide

12.When choosing accomodation, what are the three most important point *
which influence your booking?

- [ ] Price

- [ ] Design

- [ ] Trust towards the brand of the company

- [ ] Position within the city

- [ ] Communication within the company/owner

- [ ] Recommendation from relatives

- [ ] What the company proposes with it (Recommendation about city, activities..)

- [ ] Autre...

13.When booking your accomodation, are you expecting an extra service with *
tips/ activities and lodging personalization?

- ( ) Yes

- ( ) No

14.If yes, what is the most important service for you? (Two choices)

☐ An agent answering your e-mail within 24hours.

☐ Tips/ recommendations about the city

☐ Activity tickets / restaurant reservation in the city

☐ Customization of your apartment

☐ An agent here if needed during all your stay.

15.To you, your hotel or Holiday rental agency:

Ligne 1. Have to propose a lodging like your   Colonne 1. Strongly disagree

Ligne 2. It's only a place just to rest   Colonne 2. Disagree

Ligne 3. A place where evrything you need i   Colonne 3. Agree

Ligne 4. Is a big part of your travel experienc   Colonne 4. Strongly agree

Ligne 5. Should add an extra-service and kn

Ligne 6. Should have a 24h/7 to help you if a

Ligne 7. Is more secured than an airbnb or a

16. Will you be willing to pay an extra fee if you could have a secure, special and personalize customer service?

○ Yes

○ No (If no, go directly to question n°18)

17. If yes, How much?

○ 1 to 5%

○ 5 to 10%

○ 10 to 15%

○ More than 15%

18. What is your gender?

○ Male

○ Female

19.How old are you?

○ Between 17-26 years old

○ Between 27-40 y/o

○ Between 41-55 y/o

○ More than 56 y/o

20.What is your Socio-professional category?

○ Student

○ Worker

○ Retired

○ Without professional activity

○ Senior officer/ Manager/ Higher intellectual profession

○ Craftsperson/ Storekeeper/ Company head

○ Farmer

Annex 3: Result of the survey

Figure 1: How long in average do you use to travel

2/3days – 9.1%
4/5 days 19.7%
1 week 43.9%
9/12 days19.7%
3 weeks 3%
1 Month + 4.5%

Figure 2: With whom do you use to travel with?

Family 39.4%
Alone 7.6%
In couple 21.2%
Business 4.5%
Friends 39.4%

Figure 3: Average budget spend on holiday (accommodation include)

Less than 300€   13.6%
Between 300€ and 599€ 48.5%
Between 599 and 999€   21.2%
Between 1000€ and 1499€   7.6%
Between 1500 and 1999€   3%
More than 2000€   6.1%

Figure 4: Which type of accommodation do you use to book.

Villa 4.5
Flat   37.9%
Hotel 30.3%
In relatives 27.3%

Figure 5 Do you use to book through through internet

Yes 100%
No

Figure 6: How do you proceed your booking reservation? (More than one option possible)

Figure 7: Which accommodation website do you use to book?

Airbnb   31.8%
Booking.com 36.4%
Expedia   0%
Tripadvisor   4.5%
Directly from a company/owner 10.6%
Autre 16.7%

Figure 8 : If Airbnb, why ?

Figure 10 : If other than Airbnb, why ?

Figure 11 How do you find information regarding your lodging?

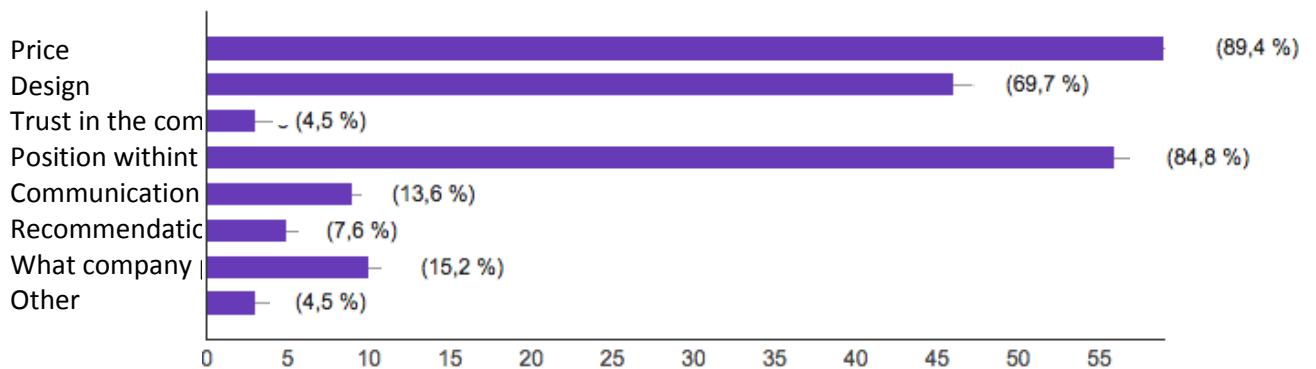**Figure 12** When choosing accomodation, what are the three most important point which influence your booking? ?

Price (89,4 %)
Design (69,7 %)
Trust in the com (4,5 %)
Position withint (84,8 %)
Communication (13,6 %)
Recommendatic (7,6 %)
What company (15,2 %)
Other (4,5 %)

0 5 10 15 20 25 30 35 40 45 50 55

Figure 13: When booking your accomodation, are you expecting an extra-service with tips/ activities and lodging personalization?

28,8%

71,2%

Yes 71.2%
No 28.8%

Figure 14 If yes, what would it be (Two choices)

An agent answer (24,2 %)
Tips/ recommen. (75,8 %)
Activity ticket/ r (22,7 %)
Customization o. (12,1 %)
An agent here if (4,5 %)
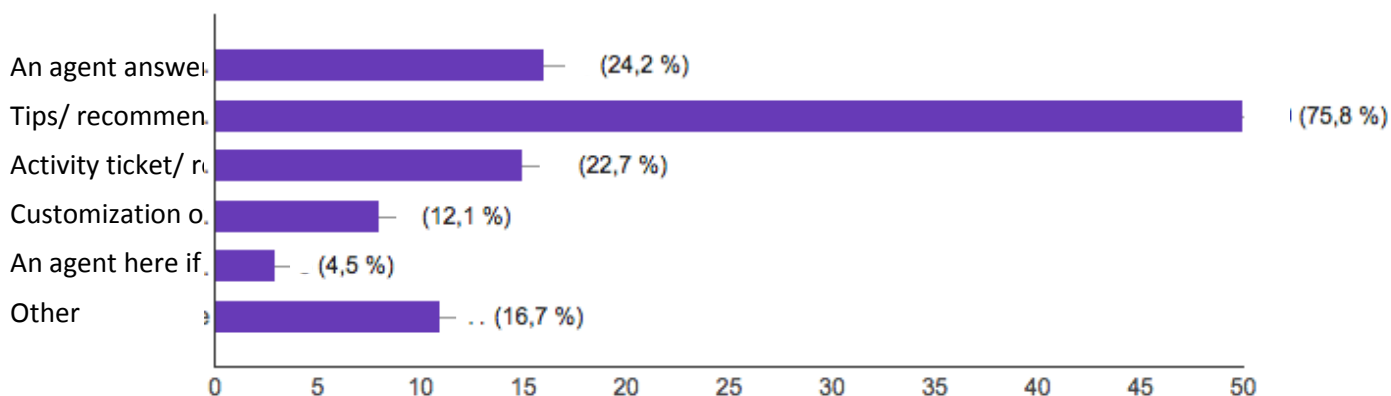Other (16,7 %)

0 5 10 15 20 25 30 35 40 45 50

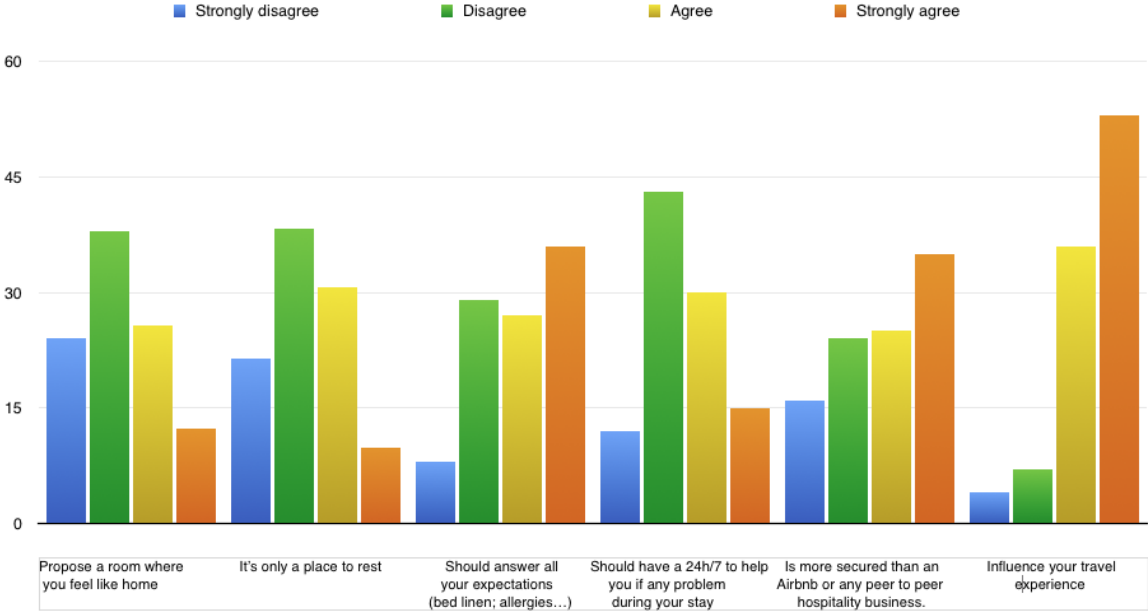**Figure 15**: To you, a Hotel or a holiday rental agency:

Figure 16: Will you be willing to pay an extra fee if you could have a personalize, secure and special customer service?
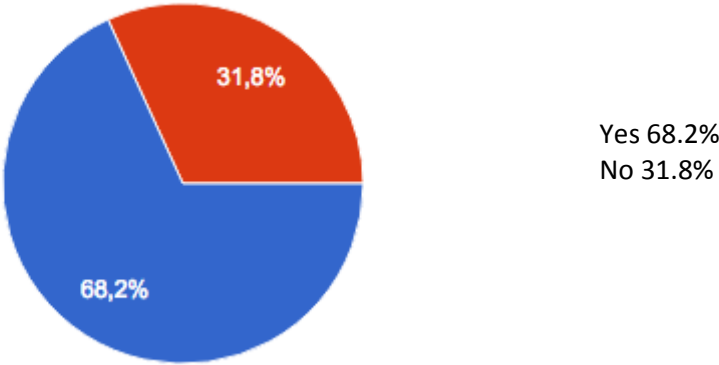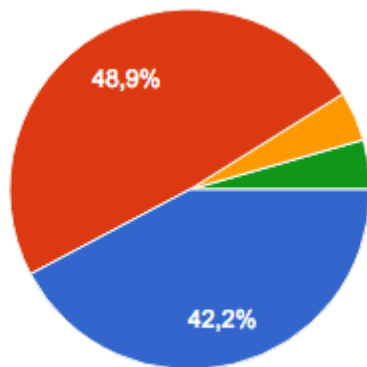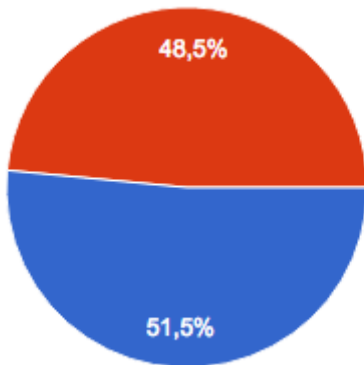

Yes 68.2%
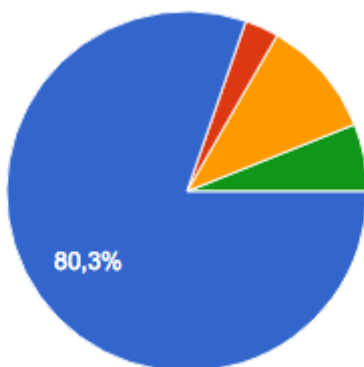No 31.8%

Figure 17: If yes, how much?

1% to 5% of the total price

5 to 10%

10 to 15%

More than 15%

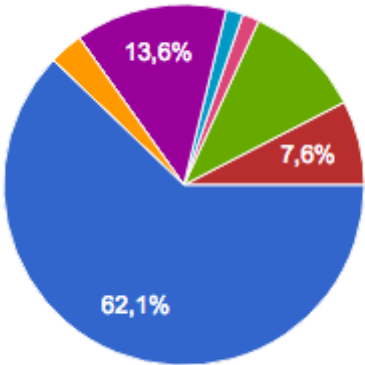**Figure 18** : What's your gender ?

Male 48.5%
Female 51.5%

Figure 19: How old are you?

Between 17-26 y/o
Between 27-40
Between 41 and 55
More than 56

Figure 20: What is your socio-professional category?

Student   62.1%
Worker 7.6%
Retired 2%
Without professional activities
Senior officer/ manager/ Higher intellectual profession 13.6%
Creaftsperson/ Storekeeper/ Company head 1.5%
Farmer 1.5%
Employee 10.6%

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