

# Strategies to Cater to Millennials in Hospitality Industry in India: An Empirical Study

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## ABSTRACT

Millennial workers are a crucial part of the hospitality sector. They exhibit the key characteristics and manners necessary for hotel operations. Generation Y is the name given to the millennial generation (individuals born between the 1980s to 2000). When compared to previous generations, they work differently and have different morals. They use social media, accept new technology, and are adaptable to various work schedules, which positively impacts hotel operations. Most millennials leave their inflexible hotel employment, especially after a brief tenure, in search of better prospects, the launch of new businesses, or a shift in the industry, which is reflected in the high staff turnover rate as hotels no longer invest in employee training. The human resources department's biggest concern is keeping young employees in the hotel sector. The results for keeping millennial workers will depend on how well employers understand their workforce, work ideals, and interpersonal dynamics. Sample of 236 people from hospitality industry were surveyed to explore the strategies that cater to Millennials in Hospitality Industry in India and concludes that there is a significant impact of different strategies on millennials that caters them in hospitality industry in India.

**Keywords-** *Hospitality Industry, workers, Caters, India, millennials*

## INTRODUCTION

The advancement of all types of information technology (ICT) and the Internet have significantly impacted the workplace since the turn of the 21st century. Globalization and the development of digital technologies have produced a highly competitive, more virtual, and digital workplace. In addition to creating new employment possibilities (such as social media managers, digital marketers, data professionals, and application developers), digitalization has also raised the need for new skills. A new work environment has been formed due to increased digitalization and virtualization, emphasizing technical abilities (such as data analysis and technical writing) and soft skills (e.g., communication and intercultural understanding).

Kandampully et al., (2018) Found that The workplace now has a new dynamic thanks to millennials. The usual expectations of millennials include an excellent work-life balance, decent wages and benefits, opportunities for development, meaningful work experiences, and a supportive work environment. They are also comfortable using a variety of digital technologies. They frequently do not want to settle for a job and are anxious to wait for advancements. They emphasize an organization's goal, vision, and values to understand how they belong in the larger scheme. In addition to financial pay, millennials also appreciate positive working relationships, a flexible work environment, and recognition from managers and supervisors. Millennials should be addressed as individuals since they tend to be peer-oriented.

The retention and recruitment of millennials is a challenge to governments and private sector institutions in their continual drive to obtain appropriately trained human capital since human capital is the foundation of all organizations in the modern world of work. As the generation that will manage and lead businesses in the future, millennials must be drawn to and kept in the hospitality sector. Millennials are the most crucial population to consider in the workforce today, regardless of the industry. Businesses mostly employ four generations: generation X, millennials, generation Z, and baby boomers. Because of the surroundings and historical periods they were exposed to as children, every one of these cohorts has a unique perspective on work and life (Francis & Baum, 2018).

### Literature Review

Heyes & Aluri (2018). Consumption of luxury goes beyond meeting a person's physiological necessities and includes enhancing one's personality and uniqueness in society. Consumers have seen a noticeable shift in how they consume luxury, moving away from objects and toward more or less rich experiences like travel, expanding faster than luxury goods. The middle class, in particular, has more discretionary cash, and rising trends have led to a rise in the demand for more opulent and luxurious vacation services from travelers. It involves all types of visitors and is not categorized according to their wealth or wages except those who can afford to pay for those opulent services. India's large and growing middle class offers tremendous opportunities for luxury travel investment. These are more seen explicitly among prospective luxury travelers (who have at least US\$1 million in assets).

Nicolau et al. (2020). Hotel managers and staff members need to be aware of this paradigm change to serve this generation effectively. Millennials are looking for more than just white-linen service, bellboys to carry their baggage to their rooms, or a concierge when assessing hotel service. When millennials check into a hotel, they would like to feel at ease, connected, and like they can participate in an event. "The digital experience is a crucial component of their demands and is shown to influence millennials' engagement and satisfaction significantly. Currently, mobile technology is at the center of everything. Millennials engage with mobile technologies". The technology needed to access social media is now even more crucial, given the clearly significant part it plays in millennials' lives. They heavily weigh their social media experiences when rating their hotel stays. They are social media gurus who shop online, and they want a customised hotel experience. Hotel recommendations are established through social connections, with friendship ties made globally. For this reason, it is crucial for hotels to provide every visitor with the greatest possible experience because that person could act as the link for more bookings. In order to retain millennial business, hotels must use technology. Millennials like environmentally hotels and guest behaviours in addition to digital experiences when it comes to their hotel stays. (Hattke et al., 2017).

Some hotels engage in "greenwashing," a dishonest technique of presenting ecologically beneficial activities while concealing ulterior intentions, despite the fact that hoteliers are increasingly encouraging visitors to adopt green behaviours. The trust of millennial hotel guests, who are more likely to recognise that hotels' green claims may be self-serving, can be impacted by greenwashing techniques, such as a sign that states "save the planet: re-use towels," combined with claims of corporate social responsibility. Millennials are aware of the benefits of hotels that adopt environmentally friendly business methods. As a result, people search for hotels that use eco-friendly practices to lessen their impact on the environment,

such as reducing linen changes. In order to provide a hotel experience that fulfils their requirements and expectations, hoteliers must be aware of the specifics of this particular market. The millennial generation's concern with speed is another defining trait. Millennials are substantially less patient than previous generations when checking in and out of hotels (Gupta & Kour, 2021). Millennials, sometimes referred to as the "now generation," want prompt gratification, effectiveness, and ease. The millennial generation is also incredibly gregarious. They would much rather have a coffee maker in their room than a reception area where they may sit and drink coffee while surrounded by other guests. Hoteliers must thus take into account the demographic variations and goals that millennial clients share in order to effectively target this segment and suitably customise their offer to customers based on their unique preferences (Ranjan et al., 2022).

Rosa & Hastings, (2016) The tremendous rise of the tourist business in India has benefited the development of the hospitality sector, which now boasts several worldwide hotel chains including Hilton, Hyatt, Marriott, Holiday Inn, Radisson, and Sheraton. Indian domestic travellers are lavishly spending more money than ever before on both domestic and international travel. The contribution of earnings from Indian tourists is increasing for the international fast food company of luxury and branded hotels. These tourists are willing to spend their money on the amenities and services of Fancy Hotels in addition to their hotel accommodations. The surge in domestic tourism and the development of luxury hotels were fostered by the upper class Indian lifestyle. India's top tourist destinations for sightseeing and leisure have seen a boom in foreign visitors. According to the Ministry of Tourism, the number of foreign visitors has increased in recent years, which has accelerated the growth of the luxury hotel industry. As a result, there are now many international chain hotels in Indian cities with elegant exteriors and generous amenities provided by cutting-edge technology (Dimitriou & AbouElgheit, 2019).

(Seqhobane & Koko, 2021) The way the hotel sector is growing its offer and the kinds of services the hotel provides are both heavily influenced by the millennial generation. The tourist sector should concentrate on offering experiences rather than merely functionality since millennials are searching for novel encounters. There have been times when visitors' only requirements for lodging were a nice bed, a spotless bathroom, and a secure location. Millennials are different from their parents' generation in that they have higher expectations. The millennials tend to spend more on experiences like vacations and tours than earlier generations, who prefer to spend their money on material goods. It is crucial that hotel owners take this into account. Millennials prefer to travel to open public locations to meet up with friends and make new ones rather than remaining in their hotel rooms. Make sure the lobby is functional and promotes interaction and entertainment because it is the first thing a visitor sees when entering a hotel. A lobby featuring lounge places for guests to unwind in and TVs showing sporting events encourages socialising and gives individuals a place to meet new people. Offering a variety of dishes at hotel restaurants is one strategy for winning over millennials. Locally produced beverages, cuisine from the hotel's operational region, ingredients purchased directly from producers, or late-night nibbles in the lobby. Although millennials will frequently dine or drink elsewhere, hotels will benefit from offering cuisine that is both fresh and delicious. These young people value the late-night dining alternatives available to them, including room service that is available until late at night (Mhlanga, 2018).

One of the significant influences in the tourism sector today is the millennial generation. This generation, which consists of people between the ages of 24 and 35, has money to spend, and they want to spend it on travel experiences to far-off places. Tour operators and activity providers would do well to pay attention to the fact that millennials are seeking for a different kind of vacation experience than their parents and grandparents experienced (Suganya. Et al. 2020).

Millennials enjoy travelling, and while they are more likely to choose for lengthy excursions that promote cultural immersion, they also relish planning last-minute weekend getaways whenever they can. Travel is often a high priority for millennials since many of them are postponing marriage and having children, which means they frequently have more disposable cash to spend than previous generations. They would choose to plan a trip over getting a better automobile or a luxury house item. More than 72% of millennial travellers believe that a strong advertising campaign may persuade them to make travel plans. The greatest approach to interact and engage with millennials is, for the most part, through internet advertising, which includes retargeting and other social techniques. These tourists choose to save money even when they have money to spend. A whopping 92 percent of millennials claim that they won't make a booking decision unless they believe they are getting the greatest bargain. Although millennials enjoy taking selfies, they want their holidays to be more than simply a series of picture ops. Millennials are more likely to plan a trip that includes outdoor activities and the chance to try something new, such as an immersive activity or an educational tour. A travel that enables them to mark something off their bucket list is crucial to nearly 83 percent of those who respond to the survey (Datta & Jain. 2017).

Millennials, also known as Generation Y, were raised in an age of contemporary technology, digitalization, and parental guidance that fostered their development and empowered them to make their own decisions. Millennials frequently work in demanding environments that enable them to advance in their careers. Despite the paucity of research and the fact that they are relatively recent, the majority of them show that age variations do affect the work values of hospitality personnel. They are fiercely devoted to the company and adaptable in the workplace. They have cutting-edge technology and artistic expression. Hotel workers must be motivated by identifying the proper conversation topics and inspiring them to find their objectives with work ideals. Employee labour values are divided into groups based on generation. Understanding the work values of the next generation is crucial, especially for millennials. They are divided into several categories based on their capacities for labour, communication, and interpersonal interaction.

### **Objective**

1. To know the Strategies that cater to Millennials in Hospitality Industry in India.
2. To know the impact of different strategies on millennials that caters them in hospitality industry in India.

### **Methodology**

In the present study 236 people from hospitality industry were surveyed to explore the strategies that cater to Millennials in Hospitality Industry in India. The survey was conducted with the help of a structured questionnaire. The researcher had collected the primary data through random sampling method. Data was analysed and evaluated by mean and t-test.

## Findings

Table below is sharing general details of the respondents. Total 236 people were surveyed in which 68.6% are male and 31.4% are female. 31.4% are below 36 years of age, 39.4% are between 36-46 years of age and rest 29.2% are above 46 years of age. 25.8% of the respondents are working as Managers, 33.9% as relationship managers, 30.9% are communication managers and rest 9.3% are working as other designation in hospitality industry.

**Table 1 General Details**

Variables	Respondents	Percentage
<b>Gender</b>		
Male	162	68.6
Female	74	31.4
<b>Total</b>	<b>236</b>	<b>100</b>
<b>Age (years)</b>		
Below 36	74	31.4
36-46	93	39.4
Above 46	69	29.2
<b>Total</b>	<b>236</b>	<b>100</b>
<b>Designation</b>		
Manager	61	25.8
Relationship Manager	80	33.9
Communication Manager	73	30.9
Others	22	9.3
<b>Total</b>	<b>236</b>	<b>100</b>

**Table 2 Strategies that cater to Millennials in Hospitality Industry**

S. No.	Statements	Mean Value	t Value	Sig.
1.	Hotels provide digital experience as an important component of millennial's demand	3.11	1.720	0.043
2.	Hotels try to provide every visitor with the greatest possible experience as the link for more bookings	3.20	3.146	0.001
3.	Hotels offers elegant exteriors and generous amenities provided by cutting-edge technology	3.13	2.078	0.019
4.	Hotel lobby is functional and promotes interaction and entertainment	3.17	2.662	0.004
5.	Offers a variety of dishes at hotel restaurants is one strategy for winning over millennials	3.14	2.228	0.013
6.	Hotels are incorporating customer relationship management (CRM) system for quicker check-in and check-out	3.09	1.408	0.080
7.	Feel at ease, connected, and events to participate are all offered by hotels to millennial	3.16	2.527	0.006



8.	Hotels provide access social media to their customers	3.18	2.856	0.002
9.	Hotels engage millennials in "greenwashing" technique and present ecologically beneficial activities	3.15	2.351	0.010
10.	Local beverages, cuisine of the region and late-night nibbles in the lobby are new offerings from hotels today	3.19	3.030	0.001

Table above is showing Strategies that cater to Millennials in Hospitality Industry. The respondent says that Hotels try to provide every visitor with the greatest possible experience as the link for more bookings with mean value 3.20, Local beverages, cuisine of the region and late-night nibbles in the lobby are new offerings from hotels today with mean value 3.19 and Hotels provide access social media to their customers with mean value 3.18. The respondent also says that Hotel lobby is functional and promotes interaction and entertainment with mean value 3.17, Feel at ease, connected, and events to participate are all offered by hotels to millennial with mean value 3.16 and Hotels engage millennials in "greenwashing" technique and present ecologically beneficial activities with mean value 3.15. Hotels offers a variety of dishes at hotel restaurants is one strategy for winning over millennials with mean value 3.14, Hotels offers elegant exteriors and generous amenities provided by cutting-edge technology with mean value 3.13, Hotels provide digital experience as an important component of millennial's demand with mean value 3.11 and Hotels are incorporating customer relationship management (CRM) system for quicker check-in and check-out with mean value 3.09. Further t-test shows that all the statements are significant (with the value below 0.05) except *Hotels are incorporating customer relationship management (CRM) system for quicker check-in and check-out (significance value 0.080)*.

## CONCLUSION

Hotels may incorporate a customer relationship management (CRM) system for quicker check-in and check-out since millennials value speed and individualised service. When a CRM system is incorporated, the front desk employees may quickly and simply retrieve information about guests' arrival and check-out dates, language preferences, wake-up call schedules, and special needs before contacting. This makes it possible to deliver services more quickly while yet maintaining a personal touch. The future hotel market will be dominated by millennials because they make up a sizable share of the population. To better meet customer demands in the future, the forward-thinking hotelier would do well to understand their wants now. Despite their high demands, millennials continue to be the market of the future and a significant driver of development for the hospitality sector as a whole and hotels in particular. In this industry, being current is a crucial competitive advantage without which no company can maintain itself.

The study had explored different strategies that cater to Millennials in Hospitality Industry in India. It is found that Hotels try to provide every visitor with the greatest possible experience as the link for more bookings, Local beverages, cuisine of the region and late-night nibbles in the lobby are new offerings from hotels today, Hotels provide access social media to their customers, Hotel lobby is functional and promotes interaction and entertainment and Feel at ease, connected, and events to participate are all offered by hotels to millennial. The study concludes that there is a significant impact of different strategies on millennials that caters them in hospitality industry in India.

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