

THE INFLUENCE OF AGE AND GENDER ON CUSTOMERS' EXPECTATIONS TOWARDS MARKETING COMMUNICATIONS

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Nowadays customer relationship management approaches try to strengthen the relationship between providers and customers, but the expectations of customers are often completely ignored. Hence, marketing communications for services should be more customer-centric to be able to cope with the increasing and changing requirements of today's consumers. Within the lifetime of the customer relationship, characteristic phases represent different states of the relationship from a customer's perspective. Due to the different phases, management tasks for customer retention differ (Stauss, 2011, p. 320). But furthermore, other aspect influence customer expectations towards marketing communications. Two important aspects are the age of a hotel customer and secondly, the gender. Men and women have different interests and preferences, which should be taken into consideration. Furthermore, the age of customers influence their perception as well as their expectations.

Key words: customer relationship management, hotel industry, marketing communications

1 Introduction

The purpose of this paper is to discuss the influences of age and gender on hotel customers' expectations towards marketing communications. These aspects are assumed to be necessary to be taken into consideration by hotel marketers. One main aspect, which influences customers' expectations, is customer lifetime. Customer lifetime is defined as the timeframe between the first and so far last purchase of the customer and represents the length of relationship. Thus, the length of the customer provider relationship influences customers' needs and expectations. The CALI model analyses these changes in expectations of customers in different customer relationship lifecycle phases (Heiden, 2013). Hence, the two factors age and gender should be examined to find out, if an additional impact exists.

2 Theoretical Framework

"All business is based on relationships. The firm only has to make them visible and meaningful for its customers – provided that the customers want that" (Grönroos, 2007, p. 24). A company's ability to increase turnover through effectively managed customer relationships is crucial to overcome the uncertain economic outlook worldwide. The new characteristics of digital media, in combination with the huge number of alternative ways of communicating with customers, has created opportunities as well as problems for managers and academics to cope with (Winer, 2009, p. 116). For successful customer relationship management, hotel companies require more sophisticated guest segmentation and communication strategies than ever before, due to highly competitive markets, experienced and demanding customers and the specifications of the service industry. Therefore, traditional segmentation approaches are not able to cope with nowadays challenges in terms of efficient and successful marketing communications. The development of customer relationships and the increase of customer retention are usually regarded as strategic corporate goals, but a differentiation in terms of changing customers' expectations is seldom accomplished and the customer's perspective is ignored. Companies must take customers' perspective and have to understand their wishes and requirements to be successful. Mass marketing is no longer appropriate. Customer-orientated and individualized multi-channel dialogue marketing is necessary for the service industry. Decades ago it was enough to sell products and services due to the excess in demand. Nowadays customers are more pampered and expect service companies to offer additional services that are able to satisfy their individual needs (Wiesner and Sponholz, 2007, p. 76 f.).

Companies have to design appropriate communication models for strengthening the contact and relationship with their customers in an effective way. Effective refers also to value creation. The mode of communication should influence value

generation in a way that it adds maximum benefit to the relationship. Relationships between the parties develop incrementally and not all individual relationships between customers and companies are comparable. The stage of relationship reflects the need and expectation of each individual customer, because value generation activities should be based on the stage of relationship. At the beginning of a relationship, interaction and participation is less important, because the contact and knowledge is rather superficial. Since a relationship evolves through various stages, on a higher level, the level of interactivity increases as well as the degree of need for participation. Value is captured though an increase in connectedness between the parties if both parties move closer together through the dialogue, as they get a better understanding of the offer and demand of the counterpart. Also customer feedback enables the relationship to move forward. Based on their personal needs and purchase frequency, customers have their individual relational pace (Grönroos and Lindberg-Repo, 2004, p. 233 ff.).

The length of the hotel customer relationship with the hotel was found to influence the communicational expectations of customers. The longer the relationship, the more emotional content in marketing communications is appreciated. Additionally, the importance of information and offers in communication was found the decrease over time. Repeat guests, who are loyal with a hotel company over years, are more interested in exclusive emotional communication messages than in pure price information or information about the product. They already know the product very well. Contrariwise, new guests rate the importance of price and product information very high at the beginning of the relationship (Heiden, 2013). Since the results were significant, but the correlation were moderate, additional influencing factors must exist. Two factors, which can be assumed to influence customers' expectations towards hotel marketing communications additionally, are customers' age and gender. Basically, women are considered to be more emotional in general. Thus, it can be assumed that women perceive emotional content more important than men. Furthermore, men are more interested in pure and clear information. Hence, it can be assumed that men rate price and product information more important. Regarding the age of customers, the assumption can be stated that older customers rate emotional content higher than younger customers. Furthermore, younger customers have less money and are more interested in price and product information.

Thus, the following main hypotheses can be postulated:

H1: The older hotel customers are, the higher is the need for emotional content in communication.

H2: The younger hotel customers are, the higher is the need for information and offer in communication.

H3: Female hotel guests rate emotional content more important.

H4: Male hotel guests rate information and offer in marketing communications more important.

3 Research results and discussion

3.1 Data Source and Analysis Design – methodology

To analyze the differences in age and gender of hotel customers, a questionnaire was used. The questions concerning marketing perception and expectations were integrated in an existing guest questionnaire of a European hotel group with about 30 hotels. Most of the hotels are also located in Austria, followed by Italy, Croatia, Czech Republic, Serbia and Slovakia. The portfolio of hotels is separated into wellness hotels (14 hotels), a luxury premium collection (three hotels), family hotels (8 hotels) and city hotels. The main focus is on leisure guests, but especially in the city hotels (four hotels in sum), business travellers play an important role (Falkensteiner, 2012). All transactional information concerning the hotel stay is stored in a multi-property management system. If a guest makes a reservation, this information is stored in the system, including all available

information concerning name, postal address, email address, arrival date, depart date, number of guests, room type etc. The information stored in the operative reservation system is transferred in an extra database for marketing purposes. Within the import process, data is cleaned and structured to be ready and appropriate for marketing communications. Two days after the departure, guests get a post-stay email. This email contains a "Thank you for your stay" message and the possibility to evaluate the hotel group and the previous hotel stay itself. If the hotel guests clicks on the link in the newsletter to open the questionnaire website, a personalized ID (alphanumeric) is transferred to link the questionnaire to the guest who fills it in. This enables a link between the questionnaire and the guest profile in the marketing database. After the guest has filled in the questionnaire and has clicked on "send", the results are saved and written back into the database. Hence, the information about the guest's evaluation of the stay and the hotel group can be linked to the guest's profile with segmentation and transaction information. To answer the research questions and to examine the postulated hypotheses, questions regarding the interest for marketing communication, the perceived importance of marketing communication as well as the desired content, were added to the post-stay guest questionnaire of the hotel group. An own part in the questionnaire, labeled "Marketing" was created, where all questions concerning marketing communication are stored. The questionnaire version including the marketing communication questions was sent out at the beginning of July 2012 for the first time. To have a representative time frame with a sufficient amount of responses, questionnaire responses were used from July to the middle of October 2012. Overall, about 24,140 guests arrived in total during this time frame in all hotels of the hotel group and had a correct email address available, where the questionnaire could be sent. A total amount of 2,816 questionnaires were filled in. This represents a response rate of 11.7%, which represents a relatively high quota. Since the hotels are located in different European countries and customers are rather international, the questionnaire was sent out in different language versions. It was available in English, German, Italian and Croatian. Corresponding to the language, which was saved in the reservation system of the hotels, the guests received the questionnaire. This facilitates the process, because guests did not have to choose the right language before starting to fill in the questionnaire. Demographical information about the guests was stored in the database. Since the results of the questionnaire were linked to the guest profiles, the age and gender for each responding guest could be used for analysis.

3.2 Results

Based on the results of the main research, which was focused on the differences in expectations in different customer lifecycle phases, the additional factors were examined. These other aspects may be included in the communication model in the future, because based on the results it seems probable, that more factors influence the changes in marketing communication expectations than only the customer lifetime. The first analyzed factor, which may possibly influence customers' expectations was customers' age. Thus, the relation between age groups and the answers of marketing question 5 (desired communication content) were analyzed. In this question, guests had to decide, what would be the most important content in the next communication message for them. Guests had to decide between "offers and packages", "exclusive news" and "relevant information". "Offers and packages" represented the price information, "exclusive news" the emotional aspect and "relevant information" the product information. Guests had to decide between the aspects. Thus, they really had to think about the most important aspect in communication personally for them. It was not possible to choose two out of three. The next table shows the results per marketing content and age group. In the first column, guests without available age group are listed. The next column contains the values for age group 1 (age under 18), which can be considered as not representative due to wrong birthdates. This may happen if guests say not their true birthday during check in, or they do not say the year and the reservation clerk uses a dummy year to be able to complete the check in

process. Thus, the most representative columns are age group 2, 3, 4, 5. Guests in age group 6 are rather old and the dates may also be wrong, because the quota of guests over 80 is in general low and even lower, when considering the response medium email. Since the questionnaire was sent by email, the age group of over 80 may not be entirely representative, because only 4 guests are located in this group. Also group 1 is very small. Comparing the quotas of age groups 2 to 5 leads to insightful results.

Concerning offers and packages, the quota decreases constantly from group 2 to group 5 (from 65.8% to 47.1%). This means, that younger guests are in general more interested in offers and packages than elder people.

The analysis of "exclusive news" shows the opposite: The quota increases constantly from 13.6% (age group 2) to 23.7% (age group 5). This means that the older guests are, the more they are expecting emotional content in the communication. The same effect can be observed in terms of information: the quota of guests, who chose this aspect most important rises from 9.8% in group 2 to 15% in group 5. This also means that information gets more important, the older guests are. Hence, H1 and H2 are supported.

So concerning the communication model, this aspect should also be taken into consideration. If a hotel has in general a rather old guest base, the communication should be generally more emotional and informative instead of selling. Contrariwise, hotels with a younger guest base should try to deliver appropriate offers and packages, which are more appealing. The results should be combined based on the type of hotel and the guest structure with the results of the customer communication lifecycle considerations and the changes during customer lifetime.

Table 1: Contingency table of content of campaigns and age groups, Source: Survey data

		Customer age group						Total	
		No age group available	AG 1 - 18	AG 2 - 19 to 28	AG 3 - 29 to 40	AG 4 - 41 to 59	AG 5 - 60 to 80		AG 6 - above 80
No answer given	Count	4	4	20	89	184	47	2	350
	% within age group	6,1%	17,4%	10,9%	10,3%	13,7%	14,1%	50,0%	12,4%
Offers and packages	Count	36	11	121	504	706	157	0	1535
	% within age group	54,5%	47,8%	65,8%	58,5%	52,5%	47,1%	0,0%	54,5%
Exclusive News	Count	17	4	25	185	315	79	1	626
	% within age group	25,8%	17,4%	13,6%	21,5%	23,4%	23,7%	25,0%	22,2%
Relevant Information	Count	9	4	18	83	140	50	1	305
	% within age group	13,6%	17,4%	9,8%	9,6%	10,4%	15,0%	25,0%	10,8%
Total	Count	66	23	184	861	1345	333	4	2816
	% within age group	100%	100%	100%	100%	100%	100%	100%	100,0%

Since the contingency table contains all age groups, the Chi-Square test and Cramer's V was also accomplished with all available data. The Chi-Square test shows an association between the two variables with a high significance ($p = .001$).

Table 2: Chi-Square test for content of campaigns and age groups, Source: Survey data

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	43,787 ^a	18	.001
Likelihood Ratio	44,487	18	.000
N of Valid Cases	2816		

a. 6 cells (21,4%) have expected count less than 5. The minimum expected count is ,43.

The results of the Cramer's V are not significant. To improve the results, guests without age group, age group 1 and 6 should be excluded from the analysis. Since the examination should only give ideas for further considerations and enhancement of the communication model, these adjustments are not accomplished in this research project.

Table 3: Cramer's V for content of campaigns and age groups, Source: Survey data

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,031	,026	1,205	,228
N of Valid Cases	2816			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Another possibly influencing factor may be the guests' gender. Thus, the association of gender and desired marketing campaign was also analyzed superficially. The next table shows that of all female guests, 59.9% chose "offers and packages", 19.2% "exclusive news" and 8.3% "relevant information". 12.7% did not answer the question. The results of the male guests differ from the female answers, because only 50.3% chose "offers and packages", but 24.6% chose "exclusive news" and 13.0% "relevant information". This leads to the assumption that women are in general more interested in price offers and men in exclusive and emotional content, where they feel pampered, and also information is interesting.

Thus, H3 and H4 are not supported, because it was assumed that women are more interested in emotional communication and men are more interested in clear price and product information.

Table 4: Contingency table of content of campaigns and gender, Source: Survey data

		Gender of customer				Total	
		F	M	U			
content of campaigns	No answer given	Count	3	163	182	2	350
		% within Gender of customer	37,5%	12,7%	12,1%	13,3%	12,4%
	Offers and packages	Count	2	768	760	5	1535
		% within Gender of customer	25,0%	59,9%	50,3%	33,3%	54,5%
	Exklusive News	Count	1	246	372	7	626
		% within Gender of customer	12,5%	19,2%	24,6%	46,7%	22,2%
	Relevant Information	Count	2	106	196	1	305
		% within Gender of customer	25,0%	8,3%	13,0%	6,7%	10,8%
Total	Count	8	1283	1510	15	2816	
	% within Gender of customer	100,0%	100,0%	100,0%	100,0%	100,0%	

The Chi-Square test shows a high significance ($p < .0001$) and furthermore the Cramer's V shows a weak, but existing correlation (Cramer's V 0.157). Thus, hotels should also take the gender of their guests, or especially the one who makes the booking decision into consideration. These results should only be considered in addition CALI model, which identifies the customer lifetime as crucial indicator for customers expectations (Heiden, 2013) and should lead to further research.

Table 5: Chi-Square test for content of campaigns and gender, Source: Survey data

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	48,064 ^a	9	,000
Likelihood Ratio	46,247	9	,000
N of Valid Cases	2816		

a. 7 cells (43,8%) have expected count less than 5. The minimum expected count is ,87.

Table 6: Cramer's V for content of campaigns and gender, Source: Survey data

	Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Ordinal by Ordinal Gamma	,157	,031	5,077	,000
N of Valid Cases	2816			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

Conclusion

The findings presented in this paper are only an extract from the comprehensive results of the empirical work. Within customer communication lifecycle of a hotel guest, the interest, needs and expectations concerning information, offers and emotions change. Hotel marketers should take these changes into consideration in the future. It was found out that not only customer lifetime representing the length of the relationship influences customers' expectations. Also hotel customers' age, as well as gender, have an impact. Interestingly, men are more interested in feeling pampered and exclusive. They appreciate to

feel special and are considered as a valuable guest. For women, this aspect is rather unimportant. They are more focused on the clear price information. Additionally, they are interested in information about the product and possible activities. Women are also interested in emotional content, but they do not rate this aspect equally important. Also customer age influences the results. As assumed, older guests like emotional content and want to feel special. They like the feeling that the hotel cares about them and that not everybody is treated the same. Younger guests are more interested in cheap prices and offers. Summarized, hotels should use the results to evaluate their communication strategy compared to their hotel product. If hotels have rather older guests, they should design their communication messages rather emotional. If a hotel has mainly young guests, a clear focus on prices, packages, offers and precise information is required. These results may lead to further research, how all these analyzed aspects can be ideally combined for a better fit of marketing communications in the hotel industry in the future.

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