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THE FACTORS THAT INFLUENCE MILLENNIALS TRAVELING INTERNATIONALLY
TO SELECT AN AIRBNB LISTED PROPERTY VERSUS A TRADITIONAL HOTEL

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ABSTRACT

The purpose of this study was to identify the factors that influence Millennials traveling internationally to select Airbnb properties over traditional hotels as their choice of lodging provider. One-on-one interviews were conducted over the course of a month that culminated into 13 valid statements regarding the topic. The interviews ranged from 10 to 15 minutes in length and were audio recorded and transcribed for analysis. The 13 interviews were analyzed via grounded theory, and through that process, 10 axial codes were created that were condensed into 3 selective codes, which ultimately became the 3 main factors from which conclusions were drawn. Ultimately, feeling a sense of belonging when abroad, having a sense of familiarity and comfort when away from home, and finding the most cost-effective option that created the most value proved to be the most common and important factors that motivated Millennials to utilize Airbnb's services when traveling for leisure in the international market.

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Chapter 1

Introduction

As the Sharing Economy continues to grow and develop, companies of the 21st century are being forced to reexamine how they handle day-to-day business operations, and the hospitality industry, specifically, is feeling the weight of this shift. With platforms like Uber becoming more popular (Ross, 2015), traditional hospitality firms are being challenged to rethink their pricing, design style, and overall atmosphere. No other company has demanded such attention than Airbnb. With its pick-your-own-price rate model, often times tax-free status, and adventurous connotation, hotels are realizing that it is, in fact, a force to be reckoned with. Just recently Airbnb increased its company value \$100 million, bringing its total valuation to \$25.5 billion. Reporting just under \$1 billion in total revenue for 2015, Airbnb successfully sold approximately 78 million room nights, doubling its sales from 2014 (Brown, 2015). Previous research has shown that Airbnb does in fact have an adverse effect on hotel revenue (Zervas & Byers, 2015), yet little to no research has been completed to know exactly why tourists, specifically those of the Millennial generation, seem to gravitate toward the company. This study aims to fill that void by determining what factors influence Millennials traveling internationally to select an Airbnb property over a traditional hotel.

Chapter 2

Literature Review

Although little research has been conducted on Airbnb as a company, the articles that have been published focus on two main themes: taxation and regulation, and effects on hotel revenue. Likewise, the influence of the Millennial generation and the Sharing Economy on the hospitality industry are heavily discussed throughout the field, and both have a strong relation to Airbnb. Each of these themes is discussed below.

Taxation and Regulation

According to the American Hotel & Lodging Association's 2012 study on lodging taxes, it was determined that of the 50 states only 20 leverage mandated taxes on hotels from the state government level (STR Analytics, RRC Associates, American Hotel & Lodging Education Foundation, et. al., 2012). However, local governments have the authority to impose an occupancy tax on hotels regardless of the state's position on the matter (Airbnb, n.d. "What"). Although the exact number of localities that require hotels and other lodging establishments to pay this tax is uncertain, traditional hotels worldwide protested when Airbnb entered the lodging market operating on a tax-free status (Evans, 2014.; Burke, 2015.; Sage, 2015). Additionally, Airbnb properties still are not required to adhere to the fire codes normally mandated on hotels and other lodging establishments, nor are they required to comply with standards set by the Americans with Disabilities Act (Wroten, 2015 "Assessing"). This lack of taxation and regulation has led to increased disdain from the hotel industry and increased pressure on local and state governments to force Airbnb into compliance (Evans, 2014.; Burke, 2015.; Sage,

2015). Already, areas such as San Francisco, CA, Portland, OR, the nation of India, and Paris, France all have passed legislation forcing Airbnb to deduct the appropriate taxes from each of its transactions in their respective areas (Airbnb, n.d. “In”). Although the company is more regulated now than at its inception, until taxation and regulation regarding Airbnb become uniform, property owners will always be able to undercut average hotel rates by 20 to 50 percent (Hockenson, 2013).

Effects on Hotel Revenue

Similar to when Online Travel Agencies first emerged, the hotel industry was not extremely concerned about the potential impact that Airbnb may have on the lodging industry when it first entered the market. However, to the surprise of many, Airbnb made more of an impact, specifically in relation to the Millennial generation, than initially expected (Wroten, 2015 “Assessing”). Due to its lack of taxation, regulation, and name-your-own-price model for property owners, Airbnb was able to offer services similar to a hotel at prices far below their average daily rate. Overall, hotel finances have been impacted by Airbnb’s presence, although some geographic regions have seen a more significant impact than others (Chilton REIT Team, 2015). Specifically, in states such as Texas, hotel revenue was affected over 8 to 10 percent in some of the most vulnerable areas (Zervas & Byers, 2015). On the contrary, New York City has seen a decrease in overall hotel revenue but not nearly to the estimated extent (Wroten, 2015 “NYC”). Hotel occupancy percentages in New York still hover around 87 percent on average, and average daily rates consistently list \$100 higher than Airbnb. Experts at Smith Travel Research explain this discrepancy because of the type of market Airbnb tends to operate in: a lower priced, extended stay environment (Weinstein, 2016). Little to no research has been conducted to show how Airbnb affects hotel revenue internationally.

The Millennial Generation

Millennials continue to be on the forefront of hospitality professionals' minds. As the years continue to pass, Millennials are becoming the fastest growing customer segment in the hospitality industry with a collective spending power of \$1.7 trillion, and they are expected to represent 50 percent of all travelers by the year 2025. Millennials are explorative in nature and seek interaction and emotional connections when traveling. Because of this, Millennials seek out unique and novel experiences (Sullivan, 2015, McGuire, 2015). It wasn't until Airbnb surfaced as a lodging provider that traditional hotels began to understand the importance of creating unique experiences in order to attract Millennials (Wroten, 2015 "Assessing"). Although traditional hotels have responded to the Millennials with chains like Moxy, W, and Indigo, Airbnb still continues to sell rooms at an increasing rate, surpassing hotel giants like Hilton Worldwide in number of rooms sold (Brown, 2015). In her book, *The Tipping Culture: How Engaging Millennials Will Change Things*, Patricia Martin discusses the lifestyle of Millennials and how appropriate marketing will make the difference. She acknowledges that Millennials are most likely to connect and identify with brands that emphasize lifestyle cues rather than simply selling experiences or commodities in a traditional manner (Martin, 2010).

The Sharing Economy

The Sharing Economy, sometimes referred to as collaborative consumption or "CC," is, as Hamari, Sjöklint, and Ukkonen defined in their 2015 study, "...the peer-to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services." According to their study, the Sharing Economy in a general sense has been expected to ease societal problems such as hyper-consumption, pollution, and poverty by lowering the cost of economic coordination within communities (Hamari, Sjöklint, &

Ukkonen, 2015). Additionally, Heinrichs (2013) proposed that the Sharing Economy would offer a new path to sustainability by promoting the idea of individuals sharing environmentally harmful objects, such as vehicles, rather than each owning one. While the nature of the sharing economy has the capability to alleviate such large-scale issues, many people often identify with the Sharing Economy on a much smaller scale. Cohen and Kietzmann's 2014 study supported that very notion when they defined the Sharing Economy as a method of offering or sharing underutilized resources in creative manners. Although the concept of sharing commodities is not an extremely new concept (for example timeshares have been a popular concept for decades), the idea of sharing bikes, cars, or even dogs is a relatively new notion. Thanks to the prominence of the Internet and improvements in information and communication systems, the ability to share every-day items is not only a possibility but also in some cases a preferred method to mainstream alternatives (Lovins & Cohen, 2011.; Cohen & Kietzmann, 2014). Previous research has enabled us to understand what the Sharing Economy is. However, the question of why it is becoming more prevalent and successful is ambiguous. In their research published in 2002, Felson and Spaeth discussed Hawley's (1950) theory on human ecological community structure. He suggested that community is the structure through which a localized population provides its daily requirements, and that collaborative consumption can be defined as the consumption of economic goods or services while in the process of engaging in joint activities with one or more persons. The conclusion was that the activities we engage in daily, such as eating, drinking, or doing the laundry, are not only considered collaborative consumption when done with others but also create a sense of community. Humans are naturally drawn to being a part of a community, and when we can share parts of our daily lives, for example our homes or our vehicles, with

others at the appropriate time and tempo, we have fulfilled that sense of community (Felson & Spaeth, 1978).

Review and Recap

The research presented in this chapter clearly identifies the main factors that allow Airbnb to be a successful business model in today's society. The prominence of the Millennials in the travel industry, combined with their immense spending power and the rise of the Sharing Economy, have allowed Airbnb to flourish in a market whose only steer from tradition occurred with the introduction of Online Travel Agencies in the mid-1970s (Hockenson, 2012). Research has shown that Airbnb continues to adversely affect hotels revenue, and because of its lack of taxation and regulation, it is able to undercut hotel rates by 20 to 50 percent. Although these main factors for success have been identified, no research has been conducted to show why Millennials, specifically, are attracted to Airbnb. This study aims to fill that void by determining what factors influence Millennials traveling internationally to select an Airbnb property versus a traditional hotel.

Chapter 3

Research Design and Methodology

Due to the nature of this type of research, it was decided that a qualitative approach to the study would serve as the best method. Qualitative studies are inherently different to quantitative studies. Academia distinguishes several characteristics that differentiate the two, some of which include the following:

1. Qualitative studies occur in natural settings.
2. The researcher is the primary data collector in a qualitative study.
3. The end goal of a qualitative study is to determine why certain events occur.
4. Qualitative studies require much more objectivity in data analysis because there is no model that can determine the validity of qualitative data.

Ethics

Data were collected via one-on-one interviews between the primary investigator and the study's participants either in person or by phone or Skype. Because the primary investigator would be working directly with the study's participants, the notion of ethics became absolutely imperative. In order to maintain the highest ideals of ethical consideration, participants were informed that their participation was voluntary, and that should they feel uncomfortable at any time, they had the freedom to dismiss themselves from the interview. Additionally, all participants were aware of the objectives of the study and their rights as voluntary participants, and written permission via a consent form was obtained from them before beginning the

interview portion of the study. All transcripts of the interviews were kept separate from the researcher's personal computer.

Data Collection

As stated above, one-on-one interviews were used as the primary source of data collection for this study. Each interview began with a set of three eligibility questions that can be found in Appendix A. Once the participants positively affirmed these questions, the researcher proceeded with the interview. Each interview varied in length, but on average they lasted approximately 10 to 15 minutes, depending on the participant's comfort level with speaking and overall experience with Airbnb. A list of the interview questions, as well as the opening script, can be found in Appendix B. In an attempt to improve the qualitative validity of the study, all interviews were audio recorded and transcribed.

Recruiting

Participants for the study were recruited primarily from The Pennsylvania State University through a variety of different methods. Initially, social media, specifically Facebook, was utilized. Flyers advertising the study were sent out, and an email blast detailing the study was sent to the entire student and faculty body for the School of Hospitality Management at The Pennsylvania State University. The researcher's personal connections were also utilized. Finally, the study's participants were incentivized with a \$10 Visa gift card that they received after they had completed the interview. After the primary group of participants was interviewed, the snowball method for recruiting was highly encouraged. Using this method, participants were able to be recruited outside the geographic barriers of Penn State. Ultimately, interviews were conducted with participants in Pennsylvania, New York, Maryland, and Michigan.

Participant Demographics

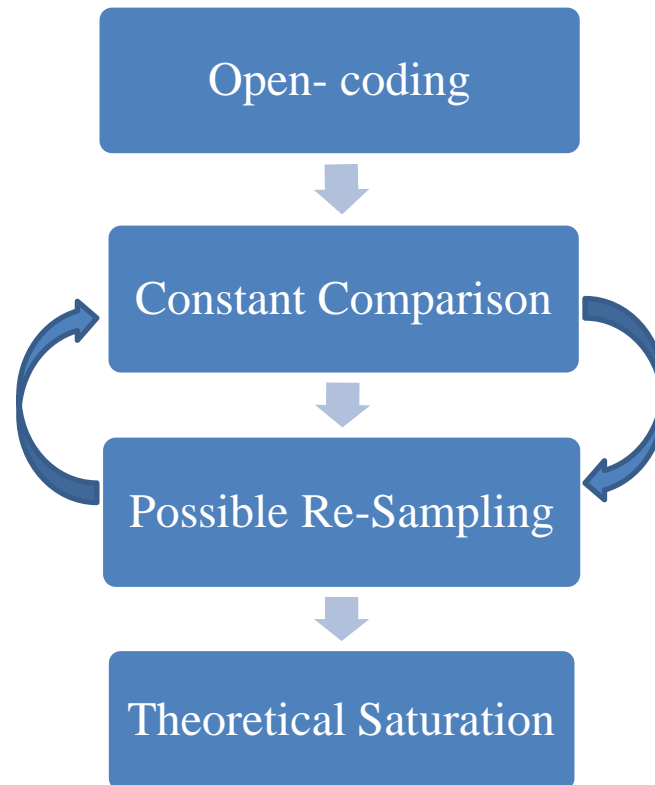
In total, 13 individuals responded and qualified to participate in the study. All participants' names have been removed from this paper. However, the ages, genders, locations of the study's participants, and cities and countries of the Airbnb's they utilized can be located in Table 1.

Table 1. Demographics of Participants

Participant Number	Gender	Age	Location	Airbnb Destination
1	Female	21	Pennsylvania	Valencia, Spain
2	Female	21	Pennsylvania	London, England Prague, Czech Republic Zurich, Switzerland Amsterdam, Netherlands
3	Female	21	Pennsylvania	Florence, Italy
4	Female	22	Pennsylvania	Amsterdam, Netherlands
5	Female	20	Pennsylvania	Madrid, Spain Nice, France
6	Male	23	Michigan	Amsterdam, Netherlands
7	Female	20	Pennsylvania	London, England Copenhagen, Denmark
8	Female	20	Pennsylvania	Paris, France
9	Female	20	Pennsylvania	Barcelona, Spain Amsterdam, Netherlands Paris, France
10	Female	21	Pennsylvania	Valencia, Spain Florence, Italy
11	Male	23	New York	Amsterdam, Netherlands
12	Male	24	Maryland	Nice, France San Sebastian, Spain
13	Female	21	Pennsylvania	Valparaíso, Chile

Analysis

Rather than utilizing statistical methods and creating models like in quantitative studies, qualitative studies focus more on classifying people, procedures, or events. They seek to develop patterns, conclude themes, and create perspective rather than “prove” or “disprove” a theory. Because of this fact, research was conducted until the researcher felt that saturation levels of new material had been met. After the interviews concluded, they were transcribed and printed in hard copy. Grounded theory was then applied. Grounded theory, popularized by Glaser and Strauss in their 1965 book *Awareness of Dying*, is an iterative process that is directed towards explaining a phenomenon of interest and is highly rooted in observation. The first step of grounded theory, open coding, analyzes and reviews the raw data and identifies initial categories into which the data falls. From this initial discovery phase, categories become further defined, and the next step of constant comparison begins. Constant comparison may take place at any point throughout the study, and it allows for the researcher to refine data collection to further identify themes. This back-and-forth process continues until theoretical saturation has been reached, meaning that the researcher begins to identify redundancy when completing the constant comparison step of grounded theory, and it is often limited by practical contingencies, such as time or funding, simply running out (Trochim & Donnelly, 2001). A diagram of the steps of grounded theory is provided in Figure 1.

Figure 1. Grounded Theory Process

The process of analysis began with open coding, creating general themes based on the participants' statements. In order to accomplish this, interviews were transcribed and statements made by the study's participants were labeled and organized based off their responses. As the study progressed and more statements were analyzed, the researcher began asking questions throughout the following interviews in response to these recognizable themes (the constant comparison step of grounded theory) in an attempt to identify patterns.

Once all of the interviews were transcribed and had gone through the open coding process, the second process of axial coding began. Axial coding attempts to take the statements that participants' have made and generalize them around a central phenomenon. From the open coding process, 10 codes were developed that summarized the main ideas of the participants.

These emphasized topics would form the basis of the third stage of grounded theory data analysis, selective coding.

Selective coding concludes the analysis process of grounded theory. Axial codes are grouped based on common themes and are combined into general ideas that outline the themes expressed by the study's participants into a few main points. In this study, the 10 axial codes that were created were condensed into 3 main categories from which conclusions were drawn. An example of this complete process can be found in Table 2.

Table 2. Data Analysis Using Grounded Theory

Open Code	Axial Code	Selective Code
<p>“It was my first time visiting the city.”</p> <p>“I had been to London before, but never Copenhagen, Denmark”</p>	<p>Experiencing a new location for the first time</p>	<p>Feeling a sense of belonging when abroad</p>
<p>“...I don’t think it’s the same as staying with someone who actually lives in that city.”</p> <p>“It was a little bit more of a cultural experience.”</p> <p>“You walk into a hotel, and you’re automatically a tourist....the great thing about Airbnb is...you’re really living in the city.”</p>	<p>Seeing the city the way the locals would.</p>	
<p>“I can clearly envision what the Airbnb looked like, but if you were to ask me what the hotel was like that I stayed at a couple months ago, I couldn’t tell you...”</p> <p>“Anyone can stay in a hotel, but not everyone can stay in a boat in Amsterdam.”</p> <p>“...hotel rooms are just like cookie cutters....they’re all the same..., and it’s almost like taking away from the whole experience.”</p>	<p>Experiencing a uniqueness that creates lasting memories</p>	

Chapter 4

Results and Discussion

Based on the themes gathered from the open coding process of data analysis, 10 axial codes were formulated. Those 10 codes, along with the percentage of participants who explicitly made a statement fitting into that category, were as follows:

1. Experiencing a new location for the first time: 100.00%
2. Seeing the city the way locals would: 76.92%
3. Experiencing a uniqueness that creates lasting memories: 38.46%
4. Encountering a flexibility that creates an overall easiness: 46.15%
5. Relying on word-of-mouth to minimize security and safety risks: 76.92%
6. Feeling at home: 38.46%
7. Having customized privacy: 69.23%
8. Traveling for leisure: 100.00%
9. Seeking out more living space: 76.92%
10. Utilizing low-cost options: 84.61%

From those 10 axial codes, 3 selective codes were developed that best summarized the statements given by the study participants and ultimately led to the conclusions of this paper.

Those 3 themes were:

1. Feeling a sense of belonging when abroad
2. Having a sense of familiarity and comfort when away from home
3. Finding the most cost-effective option that created the most value

Feeling a Sense of Belonging when Abroad

Perhaps one of the most commonly associated themes with Airbnb is its ability to incorporate local flavor into the stays of its guests. For members of the Millennial generation, and specifically for those in this study, experiencing cultures as authentically as possible and partaking in unique experiences proved to be a prominent theme.

“...she [the owner] recommended this ‘food hall’ that I wouldn’t have been to otherwise because it’s kind of easy to miss because it’s in this mall, and the mall was attached to this warehouse, and in this warehouse is all these different food stands, so it was really cool. I felt like I got a local flavor from her.”

-Participant #4 Female, 22

“Some people like that comfortability [associated with traditional hotels], but I think it’s really kind of dull and boring. Like if I want to go to the city, I...like having a host who understands what to do in that city...[Airbnb’s] have more character and are more interesting. I like the variety I guess, and hotels don’t have variety.”

-Participant #11 Male, 23

“I mean with the guy, we could interact. He gave me some tips, some places to go out, some you know, very friendly while being within the apartment. Whereas, when in the hotel, it’s like oh, here’s your keys. Tomorrow’s check out is at 11, see ya.”

-Participant #6 Male, 23

What these statements also confirm is that the Millennial generation loathes cookie cutter experiences. They want personalized experiences every time they travel, and they seek out variety. Likewise, all 13 participants admitted that their Airbnb use occurred during their first visit to the particular city, country, or even both. According to one participant,

“You walk into a hotel, and you’re automatically a tourist.”

-Participant #12 Male, 24

To him, the idea of staying in a hotel instantly differentiated him from the nationals, and it took away from the experience of traveling internationally. The desire for Millennials to feel a sense of belonging, even when outside of the United States, urges them to gravitate toward Airbnb properties as a method of cultural assimilation.

Having a Sense of Comfort when Away from Home

Because they are traveling abroad, the Millennials all reported seeking some form of comfort when searching potential Airbnb’s to rent. As stated in the previous section, all of the study’s participants admitted that their Airbnb use occurred during their first visit to the city, country, or both, so it was not surprising to learn that they still wanted to feel at home.

“...it probably would have been a little more South American per say. It was a little bit more homey...”

-Participant #13 Female, 21

“...with Airbnb, I just liked the hominess, like that specific part.”

-Participant #8 Female, 20

Additionally, half of the participants mentioned the flexibility of Airbnb as a major benefit. Having the ability to check in or check out of the property at their convenience played a large role in their selection of Airbnb over traditional hotels, and it contributed to the idea that these Millennials wanted as comfortable of a transition from their actual homes to their rented homes as possible.

“I liked that we got to customize our experience, so if we were showing up late in the evening, we could message back and forth with the owner, and we could have a 6 PM check in

time...Sometimes, our flights wouldn't be till like 9 PM, and we would just message the owner, and they would be really flexible. Whereas, hotels you would have to pay extra money for that whole day."

-Participant #5 Female, 20

"It was very convenient...the flexibility I guess of the check in and check out accommodation. I hadn't even reserved for 2 nights. I had gone for 1 night and just decided to stay. Before leaving, I asked if I could stay another night, and he [the owner] said, 'No one is coming, sure, why not?' So, that's cool."

-Participant #6 Male, 23

Privacy also plays a large role in attracting Millennials. Many of the participants commented to the notion that being able to rent an entire home to themselves or their party was a worthwhile opportunity that not only offered them the flexibility of not having to worry about disturbing others, but that it also contributed to the uniqueness of the travel experience.

"I thought that it was really cool, and just having an entire apartment to yourself for you and your friends, especially in your early 20s, is really cool. We didn't have to worry about being super quiet. If we made any messes, it was nothing that we couldn't clean up. It was really cool."

-Participant #5 Female, 20

"You have the option to either stay with a landlord, so it's like their house, and you're just renting a room kind of idea, but what I do, or my family has done, is rent the whole house or apartment, so it's just really nice because you're coming home to like a home. You don't feel like you're surrounded by a million people in a hotel."

-Participant #9 Female, 20

The last, but by far most prevalent, theme addressed in the study was the idea of reliance on word-of-mouth to ensure the most comfortable Airbnb experience. All 13 participants mentioned that they discovered Airbnb as a company because someone they knew had used it. Furthermore, 10 relied heavily on word-of-mouth, whether through Airbnb reviews or the previous experiences of friends or family, to determine their decision to select a particular property through Airbnb, in hopes of minimizing any potential deception or threats to their personal safety or financial security, although some failed to have as good of an experience as others. This is what 4 participants had to say about their dependency on word-of-mouth and their respective outcomes.

“...my friend said the location was not a good location, and it was very deceiving from the pictures online. When they got there, it wasn't what they thought it would be...I know that turned them off of Airbnb, but after reading reviews, I decided to just try to trust what I saw online, and I was pleasantly surprised.”

-Participant #3 Female, 21

“If you don't do your research on the Airbnb, ...something bad could possibly happen, and I feel like they say they do background checks, but you just never really know with that type of stuff, especially when you're traveling in an international setting.”

-Participant #2 Female, 21

“Every time I book with Airbnb, I always look at everything before I book because sometimes the properties aren't exactly what you were expecting them to look like. The size could be smaller, whatever, so I definitely just double check everything, but I've never had anything that's been crazy disappointing or anything like that.”

-Participant #9 Female, 20

“So, we booked through this woman who supposedly had a good track record, and it was a really nice place, like a private apartment, so we get on a plane...and get dropped off at this supposed Airbnb, and it ended up being like a little shack/trailer park. It wasn't what she had said at all, so we didn't actually end up staying in it because it was not the place that was advertised...”

-Participant #13 Female, 23

Finding the Most Value for a Dollar

All 13 study participants testified that their Airbnb use was for leisure, meaning they were paying for their trip out of their own pockets, and it comes as no surprise to hoteliers that one of the main benefits that attract Millennials to Airbnb is the reduced cost. However, while some of the statements made through this study support the notion of looking solely for the cheapest lodging option, most focused on finding the highest value for their dollar, such as Participant #9's response,

“Just being a young person, price, literally that's it. Whatever is the cheapest option, that's what I'm going to go with just because I don't have a steady income right now, and I'm relying on my parent's money and am still in college, so whenever I travel, I always look for the cheapest option. Not saying I'm going to stay in the most 'rinky dink' place in the world because it's the cheapest. I want a little class...wherever my dollar can go the farthest.”

-Participant #9 Female, 20

Based on the responses given throughout this study, the main indicator of value for Millennials seems to be the space they were able to utilize relative to the price they paid. Previously stated in the literature review portion of this paper, Millennials in New York City

seem to gravitate toward the extended stay market, and for the Millennials traveling internationally for leisure purposes those same types of amenities seemed to make the difference in determining the value of the property.

“I feel like with an Airbnb it was nice to be able to use the kitchen and the whole apartment. That was nice.”

-Participant #2 Female, 21

“...the kitchen was enormous. There were 10 to 12 of us staying, and it never felt crowded.”

-Participant #5 Female, 20

“It would be nice if they [traditional hotels] were cheaper, and if they offered bigger rooms at a more reasonable price.”

-Participant #7 Female, 20

“What’s nice is they offer, basically you get an apartment. You get the kitchen, and the bathroom, you get to kind of pick and choose where you are.”

-Participant #10 Female, 21

Chapter 5

Conclusions, Limitations, and Direction for Further Research

Conclusions

Based on the grounded theory analysis of the statements given by the 13 study participants, the major themes of feeling a sense of belonging when abroad, having a sense of familiarity and comfort when away from home, and finding the most cost-effective option that creates the most value proved to be the three motivating factors that influenced Millennials to select an Airbnb property over a traditional hotel. While this study in no way answers all questions regarding Millennials' international Airbnb use, it does lay the groundwork for determining general themes for early managerial applications and future research. The implications of this study for hotel professionals are significant because no research has been completed to determine what exactly motivates Millennials to utilize Airbnb's services when traveling internationally. Based on these results, it can be determined that if traditional hotels want to recapture the Millennial market internationally they are going to have to abandon the chain feel and create a more authentically designed property that reflects the surrounding culture. Millennials actively seek out unique opportunities, and by creating environments that make them feel like they are experiencing something new, hotels will be able to attract the Millennials' attention. Likewise, Millennials want to feel at home even when they are not at home. To accomplish this, more extended stay concept hotels should look into expanding internationally. The Millennials seek out comfort and the amenities commonly associated with a home or apartment, such as a full kitchen and more spacious rooms, which traditional hotels normally do

not offer. Although they still fall under the umbrella of a chain experience, by introducing more extended stay properties to the international scene, hotels will be able to offer the same types of amenities and recapture a portion of the Millennial leisure market. Participant #2 went as far as to speak of her preference for extended stay properties.

“...I stayed at a Residence Inn twice recently, and it was awesome. If I could stay at a Residence Inn everywhere, I would.”

-Participant #2 Female, 21

Finally, Millennials are price-conscious, and they are willing to make sacrifices to obtain a more affordable rate. Hotel companies might want to consider adding more budget friendly brands that provide fewer services normally offered in full service properties. Services such as food and beverage, as well as daily housekeeping, and 24/7 reception are not as important to Millennials, and by removing them from the business model, properties could offer a more competitive rate for the Millennials who are looking for more affordability while traveling.

Whether through incorporating one of these changes or, more effectively, a combination of all three, traditional hotels will be better suited to compete with Airbnb in the international market. Airbnb continues to be a threat with an indefinite lifespan, and hotel professionals should prepare to compete against the company from this point forward. In order to successfully capture the Millennial international leisure market, hotels will need to adapt to satisfying these factors in order to remain competitive.

Limitations

It should be noted that due to a strict timetable, only 13 individuals qualified to participate in this study. Although the researcher felt that saturation had been reached, the small sample size should still be noted. Additionally, the sample was not fully representative of the

Millennial generation. Of the 13 participants, 10 were female, comprising the vast majority, and although no distinct differences between male and female responses were discovered, the lack of male participants undoubtedly had an effect on the study. Similarly, no participant was older than the age of 24, but the Millennial generation spans to individuals in their mid-thirties. Because of this study's age concentration in the early twenties, the stress placed on price-consciousness should be noted because most of the participants did not yet have steady incomes and/or were current university students. Finally, although the study's participants traveled to a wide array of destinations, 12 of them limited their locations to within Western Europe. This could have played in role in why safety failed to be as prominent of a theme, especially with the majority of the sample being female, as one might initially expect.

Recommendations for Further Research

In order to alleviate some of the limitations of this study, future research should focus on obtaining larger samples that are more representative of the Millennial generation, both in gender and in age. Likewise, looking into the effects of Airbnb on hotel revenue internationally would certainly be a valid topic for additional research. Doing so would provide insight into whether or not Millennials' usage of Airbnb outside of the United States is truly negatively affecting the revenue performance of the hotel industry in international destinations. In this study, all participants utilized Airbnb while traveling for leisure. Other studies could look into those who might use Airbnb while on business, either domestically or internationally, to determine whether or not the company has captured some of the business market from traditional hotels. Finally, this study focused on identifying the general factors that motivate Millennials to utilize Airbnb's services. Future studies could examine more focused approaches that narrow in on specificities

within the three identified general factors. For example, what makes an Airbnb property authentic, and why does that specific reason matter?

Appendix A

Study Participant Eligibility Questions

1. Are you between the ages of 18 and 35?
2. Have you ever stayed at a place of lodging booked through Airbnb while traveling outside of the United States of America?
3. Have you stayed in a traditional hotel for at least one night at any point of your life in which you have a concrete memory?

Appendix B

Study Interview Opening and Questions±

Hi, *first name of subject* I just want to thank you for volunteering to be a part of my study. Before we begin I just want to go over this consent form and your rights as voluntary subject, and if you have any questions, just let me know. So, today we are going to be talking about factors that are influencing Millennials travelling internationally to select Airbnb properties over traditional hotels. Today, we're going to be doing a one-on-one interview. The interview will not last longer than 20-30 minutes depending on how much you feel like talking, and there will be little no risks involved with participating in this study. Once the study is published, your name will not be attached to your response. However, your gender and your age will be. All transcripts of this interview will be kept separate from my personal computer, and if you ever have any questions, there are some phone numbers listed here that you can call, either me personally or the Office for Research Protections. Please remember that your participation is voluntary, and you may stop at any time, or if you don't feel comfortable answering a question, you are not required to do so. Do you have any questions before we get started? Perfect, please fill out this form for me.

1. To what gender do you most readily identify with?
2. How old are you?
3. How frequently do you travel abroad?
4. How did you find Airbnb?
5. Where was the city and country of the property?

6. Was this your first visit to that city/country?
7. How many people were you travelling with?
 - a. What were their ages and genders
8. What kind of property did you stay in?
9. How long did you stay?
10. What was the reason for your travel?
11. Describe your overall Airbnb experience?
12. What events occurred while you were there?
13. What were some factors that attracted you, regarding Airbnb?
 - a. What specific benefits attracted you?
14. What were some factors that concerned you, regarding Airbnb?
 - a. What specific risks concerned you?
15. How did your experience differ from that of staying in a traditional hotel?
16. Would you stay with Airbnb again?
 - a. Under what circumstances?
 - b. Would you utilize their services while travelling in the US?
17. What characteristics of traditional hotels would need to change for you to stay with them again?

±Depending on responses, additional questions were asked in an attempt to seek clarity or gather additional details. These questions differed from interview to interview.

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Work History

- | | |
|-----------------------------------|--|
| May 2015- Aug. 2015 | <p>Nemacolin Woodlands Resort, Lodging Intern
Farmington, PA</p> <ul style="list-style-type: none"> • Resolved all Guest Issues • Provided Excellent Customer Service as a Front Desk Agent • Voluntarily Rotated through All Lodging Departments for Additional Experience |
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State College, PA</p> <ul style="list-style-type: none"> • Supervised 7 Housekeeping Employees • Cleaned and Inspected 104 Rooms • Divided Internship Evenly Between Front Desk and Housekeeping Departments |
| May 2013-Aug. 2013 | <p>Old Library Events, Banquet Server
Olean, NY</p> <ul style="list-style-type: none"> • Executed an Event with the Help of One Co-worker During my Second Week on the Job • Developed Problem-Solving Skills • Self-Managed Stations during all Events |
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- Penn State Faculty Senate Scholarship Recipient
- Mary Elizabeth Layden Endowed Scholarship
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