

**Personalisation through pricing co-creation:
Customer's willingness to pay and pricing
strategies in the B2C context of hospitality**

Arkadiusz Tomasz Tomczyk

A thesis submitted in partial fulfilment of the
requirements of Bournemouth University for the degree
of Doctor of Philosophy

July 2023

Copyright Statement

This copy of the thesis has been supplied on condition that anyone who consults it is understood to recognise that its copyright rests with the author, and due acknowledgement must always be made of the use of any material contained in, or derived from, this thesis.

Abstract

In the era of connectivity, personalisation is an increasingly popular phenomenon in the marketplace. Modern customers are more demanding with higher bargaining power. The evolution towards customer-dominant logic (CDL) illuminates the transmission of value-creating roles to customers beyond visible service interaction. While the advantages of personalising the products and services are evident, a level of ambiguity persists when considering the tacit dimension of a transaction, specifically concerning pricing. The marketing and revenue management literature suggests a linear relationship between personalisation and willingness to pay (WTP). WTP is context-dependent, and further exploring the influence of personalisation benefits on customer WTP is needed. This study aims to explore how customer expectation of personalisation affects WTP in the hospitality industry, using CDL as the theoretical lens.

A pragmatism stance guides the methodological design using mixed methods and leans toward the abductive approach as the central concept that derives from existing knowledge. The employed method includes two rounds of data collection: 43 semi-structured in-depth interviews and 202 online self-administrated surveys. The interpretive qualitative analysis identifies six distinctive customer types, namely: Budget Adventures, Family Explorers, Relaxation Seekers, Relation Seekers, Delight Seekers, and Must-Have Customers. Findings suggest consumers are keen to receive personalised offers, but their WTP varies. The findings from the quantitative analysis indicate that the personalisation and customer WTP relationship is not linear. WTP largely depends on the customer's internal and external context. The study illustrates that specific context influences WTP, customer purchase behaviour, and personalisation expectations.

The theoretical contribution is made to the knowledge of marketing and revenue management through CDL by advancing the understanding of experience co-creation, segmentation, and pricing. As a contribution to knowledge and practice, the study offers a novel customer typology and explains the relationship between expectations of personalisation and customer WTP. The strength of this work lies in tangible recommendations for practitioners that should lead managers and decision-makers to concentrate more on different customer clusters at different times to develop effective pricing strategies. Findings can also help managers decide what type of personalisation may best suit their customers' context and what pricing approach they should take to optimise revenue. The findings can apply widely to other services, like airline, retail, banking, insurance, transportation, logistics, rail, or events. The avenues for future research conclude the thesis.

Table of Contents

Abstract	2
List of Figures	8
List of Tables	10
List of Abbreviations and Acronyms	12
List of publications based on the thesis	14
Acknowledgements	15
SECTION A - Introduction	16
1. INTRODUCTION	16
1.1. Background of the Study	16
1.2. Relevance and rationale for the need for personalisation research	20
1.3. Theoretical foundation	21
1.3.1. Marketing and Revenue Management	21
1.3.2. Hospitality industry	23
1.3.3. The scope and context of the study	26
1.4. The research aims and objectives	30
1.5. Research approach	32
1.6. Structure of the study	34
SECTION B – Literature review	37
2. PRICING	37
2.1. Pricing Theory	38
2.1.1. Pricing strategies	39
2.1.2. Types of pricing tactics	42
2.1.3. Price discrimination	49
2.1.4. Reference price	53
2.1.5. Dynamic pricing	55
2.1.6. Price personalisation	56
2.2. Revenue Management	62
2.2.1. Price personalisation through supply and demand	65
2.2.2. Pricing in hospitality	67
2.2.3. Price determinants in hospitality	69
2.3. Willingness to pay	73
2.4. Chapter Synthesis	79

3. PERSONALISATION.....	81
3.1. Personalisation - a customer perspective.....	81
3.2. Personalisation concepts and definitions.....	85
3.3. Personalisation vs customisation vs individualisation.....	98
3.4. Types of Personalisation.....	106
3.5. Granularity of Personalisation.....	113
3.6. Benefits and Costs of Personalisation.....	119
3.7. Personalisation process.....	124
3.7.1. Satisfaction and loyalty in the personalisation process.....	125
3.7.2. Personalisation-privacy paradox.....	127
3.8. Personalisation and configuration theory.....	128
3.9. Price personalisation customer typology.....	131
3.10. Chapter Synthesis.....	139
4. VALUE.....	141
4.1. Value creation and co-creation.....	141
4.2. Typology of value.....	142
4.3. The paradigm shift in value co-creation.....	144
4.3.1. From Goods-dominant to Service-dominant to Customer-dominant.....	145
4.3.2. DART - Co-creating value with customers.....	149
4.3.3. SDL - Co-creating value with customers.....	151
4.3.4. Customer Dominant Logic – a customer lens.....	155
4.4. Chapter Synthesis.....	160
SECTION C - Methodology.....	162
5. RESEARCH METHODOLOGY.....	162
5.1. The Research Gap.....	162
5.2. Research Philosophy.....	168
5.2.1. Ontological, epistemological, and methodological paradigm consideration.....	171
5.2.1.1. Positivism.....	171
5.2.1.2. Interpretivism.....	172
5.2.1.3. Pragmatism.....	173
5.2.1.4. Critical realism.....	173
5.2.1.5. Postmodernism.....	174
5.2.2. Research Paradigm of the Marketing and Revenue Management Study.....	178
5.2.3. Paradigm Choice for the Study.....	179
5.3. Methodological approach.....	181

5.3.1. Research Approach.....	181
5.3.2. Quantitative vs Qualitative approach	183
5.3.3. Mixed methods	187
5.3.4. Research process	190
5.4. Research Phase 1: Narrative Literature Review	192
5.5. Research Phase 2: Qualitative Study.....	196
5.5.1. Research Instrument for the qualitative phase	196
5.5.2. Research Sampling of a qualitative phase.....	197
5.5.3. Pilot Study of a qualitative phase	199
5.5.3.1. Pilot Study Sampling	200
5.5.3.2. Pilot Study Data collection	201
5.5.3.3. Pilot Study Transcriptions and Analysis.....	202
5.5.4. Semi-structured in-depth interviews – the main qualitative study.....	204
5.5.4.1. Data collection of a main qualitative study	205
5.5.4.2. Transcription process	206
5.5.4.3. Data Analysis of a main qualitative study.....	207
5.5.4.4. Qualitative coding and data analysis with NVivo 12	207
5.5.4.5. A hermeneutic approach to data analysis	209
5.5.5. Limitations, Reliability and Validity of the qualitative phase.....	213
5.6. Research Phase 3: Quantitative Study – measuring WTP	215
5.6.1. Research Instrument for a quantitative phase	217
5.6.2. Research Sampling of a quantitative phase	220
5.6.3. Quantitative Data Collection.....	221
5.6.4. Pilot Study of a quantitative phase	222
5.6.5. Data Analysis of a quantitative study.....	222
5.6.6. Limitations, Reliability, Validity and Generalisability of the quantitative phase.....	224
5.7. Ethical and Health & Safety Considerations	225
5.8. Organising the findings.....	227
5.9. Chapter Synthesis.....	227
5.10. Presentation of the Findings.....	230
SECTION D – Findings and Discussion	231
6. FINDINGS – Phase 2 – The qualitative study	231
6.1. Willingness to pay (WTP).....	231
6.2. Customer Expectations of Personalisation (CeoP).....	235
6.3. CeoP and WTP relationship.....	244

6.4. Customer typology – Participants' demographics	249
6.5. Customer typology	251
6.5.1. Budget Adventures	257
6.5.2. Family Explorers	259
6.5.3. Relation Seekers	260
6.5.4. Relaxation Seekers	262
6.5.5. Delight Seekers	264
6.5.6. Must-Have Customers	265
6.6. Chapter Synthesis	267
7. FINDINGS – Phase 3 – Quantitative Cluster Analysis of CeoP-WTP	270
7.1. Demographics – Descriptive statistics of sample profile	271
7.2. Descriptive Statistics of clusters variables	274
7.3. Exploratory Factor Analysis of cluster variables	279
7.4. K-means Cluster Analysis of CeoP-WTP	287
7.4.1. Cluster 1 – Relaxation Seekers	292
7.4.2. Cluster 2 – Delight Seekers	294
7.4.3. Cluster 3 – Relation Seekers	296
7.4.4. Cluster 4 – Family Explorers	298
7.4.5. Cluster 5 – Budget Adventures	299
7.4.6. Cluster 6 – Must-Have Customers	301
7.5. Chapter Synthesis	303
SECTION E – Discussion, Conclusions and Contributions	306
8. DISCUSSION	306
8.1. Exploring Willingness to Pay – WTP	306
8.2. Customer expectation of personalisation - CeoP	308
8.3. CeoP-WTP - Customer typology	310
8.4. Price-personalisation and customer WTP	313
8.5. Personalisation through co-creation	317
8.6. Chapter Synthesis	318
9. CONCLUSIONS AND IMPLICATIONS	319
9.1. Aims and Objectives	319
9.2. The novelty of the thesis	325
9.2.1. Contributions to Theory	326
9.2.2. Contributions to Practice	333
9.3. Limitations and Future Research	338

9.4. Conclusions	341
List of references	342
Appendix 1 – Price-personalization: Customer typology based on hospitality business...	421
Appendix 2 - Interview Instrument	424
Appendix 3 - Sample of interview transcript – Participant 12	428
Appendix 4 - Ethics checklist	449
Appendix 5 - Participant Agreement form	456
Appendix 6 - Participant Information Sheet for Interview	458
Appendix 7 - Participant Information Sheet for Survey	460

List of Figures

Figure 1-1. A theoretical foundation of this study.....	32
Figure 1-2. The flow diagram of this thesis.....	36
Figure 2-1. The rationale behind price discrimination.....	51
Figure 2-2. The sequentiality of the decisions of the company and customer.....	61
Figure 2-3. The simplified demand-supply curve.....	66
Figure 2-4. Impact of co-creation on WTP.....	76
Figure 3-1. Multi-disciplinary concept of personalisation.....	86
Figure 3-2. Understanding of personalisation and customisation.....	99
Figure 3-3. The relation between personalisation, customisation, and customer loyalty.....	102
Figure 3-4. Personalisation design paradigm.....	110
Figure 3-5. A simplified classification framework for personalisation.....	112
Figure 3-6. The granularity of personalisation.....	119
Figure 3-7. Benefits and costs of personalisation.....	120
Figure 3-8. Personalisation process continuum.....	124
Figure 3-9. Influence of personalisation continuum.....	126
Figure 3-10. The conceptual logic of the proposed customer typology.....	137
Figure 4-1. The traditional concept of marketing.....	146
Figure 4-2. The co-creation process.....	148
Figure 4-3. A building block of interactions for the co-creation of value.....	149
Figure 4-4. The dimensions of value co-creation.....	152
Figure 5-1. Visualisation of research gap.....	168
Figure 5-2. Overall research philosophy.....	180
Figure 5-3. This study's research phases.....	189
Figure 5-4. Overall research process.....	191
Figure 5-5. Example of coding.....	208
Figure 5-6. Example of assigning participant to Delight Seeker customer type.....	213
Figure 5-7. Classification of methods for measuring WTP.....	217
Figure 6-1. CeoP-WTP Venn diagram.....	247

Figure 6-2. CeoP-WTP Customer typology.....	256
Figure 7-1. Scree plot.....	285
Figure 7-2. Final Cluster Centres.....	289
Figure 7-3. Synthesis of Relaxation Seekers.....	293
Figure 7-4. Synthesis of Delight Seekers.....	295
Figure 7-5. Synthesis of Relation Seekers.....	297
Figure 7-6. Synthesis of Family Explorers.....	299
Figure 7-7. Synthesis of Budget Adventures.....	301
Figure 7-8. Synthesis of Must-Have Customers.....	303
Figure 8-1. Graphical representation of the research contribution.....	316

List of Tables

Table 1-1. A selected of benefits of personalisation.....	26
Table 2-1. Pricing Techniques categories.....	40
Table 2-2. The Summary of pricing tactics	43
Table 2-3. Additional pricing strategies.....	48
Table 2-4. Type of prices in the hotel industry.....	68
Table 2-5. Internal and external factors of pricing.....	72
Table 2-6. Selected factors of customer WTP.....	77
Table 3-1. Selected examples of differentiation of the research of personalisation.....	87
Table 3-2. Selected definitions of personalisation – behavioural approach.....	91
Table 3-3. Selected definitions of personalisation – technical approach.....	94
Table 3-4. Customisation, personalisation and individualisation compared and contrasted.....	105
Table 3-5. Dimensions of personalisation.....	107
Table 3-6. The ideal types of personalisation.....	108
Table 3-7. Classification of personalisation.....	109
Table 3-8. Selected research in customer segmentation.....	132
Table 3-9. The proposed framework of personalisation.....	138
Table 4-1. A typology of customer value.....	143
Table 4-2. Fundamental premises of SDL.....	151
Table 4-3. Revised SDL premises.....	154
Table 4-4. The axioms of SDL.....	155
Table 4-5. The SDL vs CDL.....	157
Table 4-6. Value formation in service-dominant and customer-dominant.....	158
Table 5-1. Belief systems of a paradigm of enquiry.....	176
Table 5-2. The research approach.....	182
Table 5-3. The summary of the research approach.....	183
Table 5-4. Overview of a methodological decision of selected research.....	186
Table 5-5. Literature review of studies on personalisation	195
Table 5-6. Customer participant profile.....	198
Table 5-7. Pilot interview participants.....	201

Table 5-8. Pilot study coding analysis and strategy.....	204
Table 5-9. Steps in IPA using Nvivo 12.....	211
Table 5-10. Quantitative Phase Research Instrument.....	218
Table 5-11. Description of customer types shown to participants.....	220
Table 5-12. Methodology of this study.....	229
Table 6-1. Demographic profile of participants.....	250
Table 6-2. Segmentation of Participants from the qualitative study.....	253
Table 6-3. Typology Matrix.....	254
Table 6-4. The summary of CeoP-WTP customer typology.....	268
Table 7-1. Demographic characteristics of participants.....	271
Table 7-2. Descriptive statistics.....	276
Table 7-3. Dimensionality and reliability.....	280
Table 7-4. Rotated Component Matrix.....	282
Table 7-5. Total variance explained.....	284
Table 7-6. KMO and Bartlett's test.....	286
Table 7-7. Final cluster centres Z-scores.....	288
Table 7-8. Cases distribution.....	290
Table 7-9. ANOVA.....	291

List of Abbreviations and Acronyms

ADR	Average daily rate
AI	Artificial Intelligence
ANOVA	Analysis of variances
AR/VR	Augmenter Reality/Virtual Reality
B2B	Business to Business
B2C	Business to Customer
C2C	Customer to Customer
CAQDAS	Computer-Aided Qualitative Data Analysis Software
CDL	Customer-dominant logic
CEO	Chief Executive Officer
CeoP	Customer Expectations of Personalisation
CNN	Cable News Network
Covid-19	Coronavirus Disease 2019
CRM	Customer Relationship Management
CVM	Contingent valuation method
DART	Dialogue, access, risk management, transparency
DP	Dynamic pricing
EFA	Exploratory factor analysis
ENAT	European Network for Accessible Tourism
ERP	External Reference Price
e-WOM	Electronic world of mouth
FP	Fundamental premise
fsQCA	Fuzzy-set Qualitative Comparative Analysis
GDL	Goods-dominant logic
GDPR	General Data Protection Regulations
IBM	International Business Machines Corporation
ICT	Information and communication technology
IoT	Internet of Things
IPA	Interpretive Phenomenological Analysis
IRP	Internal Reservation Price
IT	Information technology
Java	Java programming language

JISC	JISC OnlineSurveys software
KMO	The Kaiser-Meyer-Olkin test
KPI	Key Performance Indicator
LAM	Location-aware marketing
LTV	Lifetime value
MBG	Money-back guarantee
MMR	Mixed Method Research
NYOP	Name your own price
OTA	Online Travel Agent
PCA	Principal Component analysis
PhD	Doctorate of Philosophy
PPS	Price personalisation strategy
PWYW	Pay what you want
QSR	QSR International Pty Ltd
RevPAR	Revenue per available room
RO	Research objective
SDL	Service-dominant logic
SoCoMo	Social Context Mobile
SPSS	Statistical Package for Social Sciences
UK	United Kingdom
WOM	Word of mouth
WTP	Willingness to pay

List of publications based on the thesis

Tomczyk, A. T., Buhalis, D., Fan, D. X. F., Williams, N. L., 2022. Price-personalisation: Customer typology based on hospitality business. *Journal of Business Research*, Vol. 147, pp. 462-476 <https://doi.org/10.1016/j.jbusres.2022.04.036>

Tomczyk, A.T., Buhalis, D. and Williams, N.L., 2022. Personalisation. In *Encyclopedia of Tourism Management and Marketing*. Edward Elgar Publishing.

Acknowledgements

I would like to express my deepest gratitude to all those who have supported and guided me throughout this incredible journey of completing my PhD thesis. This accomplishment would not have been possible without their invaluable contributions, encouragement, and unwavering belief in my abilities.

First and foremost, I extend my heartfelt appreciation to my supervisory team, Prof. Dimitrios Buhalis, Dr Nigel Williams, and Dr Daisy Fan, for their exceptional mentorship, guidance, and expertise. Their profound knowledge, constant support, and insightful feedback have been instrumental in shaping my research and enhancing its quality. Their valuable insights, constructive criticism, and thought-provoking discussions have significantly influenced the development and refinement of my research work. I am grateful for their patience, availability, and dedication in assisting me at every stage of this endeavour. Thank you all most sincerely.

I would like to acknowledge and express my gratitude to all those at Bournemouth University who shared my PhD journey, especially Elecia, Mattia, Hande, Rajib, and many other students and colleagues whose collaborative spirit, intellectual discussions, and support have enriched my academic experience. Without them, my academic journey would have been very lonely.

I am grateful to my other colleagues and fellow researchers within the Business School, especially Dr David Biggins, who has been a constant source of encouragement, but also to many other members of staff who have helped me along the way.

I would like to express my gratitude to everyone who participated in my study or contributed in any way. Their willingness to dedicate their time, share their experiences, and offer valuable insights have been crucial to the success of my research.

Lastly, my most profound appreciation goes to my family and friends for their encouragement and understanding throughout this demanding journey; their constant motivation has been my pillar of strength. I would like to thank my wife, Anna, and children, Gabriel and Zofia, for their love, belief in me and patience. It has been hard trying to balance being a father, husband, and student, not always getting the mix right, but they have stood by me throughout.

To my mum, in loving memory.

SECTION A - Introduction

1. INTRODUCTION

1.1. Background of the Study

Personalisation is an increasingly popular phenomenon in the marketplace. While many studies have investigated the concept of product and service personalisation (Ball et al. 2006; Moon et al. 2008; Kwon and Kim 2012; Cavdar Aksoy et al. 2021; Chandra et al. 2022), few studies have explored how much and why customers are willing to pay for it. Customers seek to buy products and services and are increasingly searching for experience (Pine and Gilmore 2011; Stienmetz et al. 2021). As a result, customers become much more involved and engaged in expressing their needs and requirements.

The development of the Internet, social media, websites, smartphones, smart applications, and the overall virtual world changed how information is distributed and how people plan and consume (Buhalis and Law 2008; Buhalis et al. 2022; Dwivedi et al. 2022) products and services. New technologies have become an integral tool that enables unique, individual and contemporary experience creation (Neuhofer et al. 2015), and the technology shift has determined how various companies operate (Neuhofer et al. 2012). Customer desire to participate in the design of the products and services leads to a new paradigm (Hu et al. 2011) and enhances customer engagement in a more personalised way (Neuhofer et al. 2015; Cavdar Aksoy et al. 2021). The importance of customer engagement through a co-creation perspective in services is highlighted by customer-dominant logic (CDL) as an alternative ontological position, distinct from well-established service-dominant logic (SDL) (Vargo and Lusch 2008a; Heinonen and Strandvik 2015; Rihova et al. 2018; Rasool et al. 2022). The CDL considers the importance of value formed within experiences and practices situated and influenced within the customer's social context (Heinonen and Strandvik 2015; Rihova et al. 2018).

The literature on personalisation in marketing has expanded in the last decades (Chung et al. 2016; Chandra et al. 2022). Personalisation, known as one-to-one marketing (Arora et al. 2008), is a specialised form of product and service differentiation and is an essential element of customer experience (Ozturk et al. 2017). Creating personalised and memorable customer experiences has always been at the heart of the service (especially hospitality) industry (Oyner and Korelina 2016). For any brand, customer service is vital to its strategy and differentiation from its competitors. Brands need to understand their customers as unique individuals rather than part of a specific

market segment (Buhalis and Park 2021). To deliver a service tailored to an individual customer's needs and preferences, companies have to rely more on the ability to collect, access and analyse increasing data sets (Richard 2017). Market segmentation based on customer preferences has been an effective business strategy for over fifty years. Improving company profitability and competitiveness through personalising products and services is nothing new (Kumar 2007) as businesses increasingly use personalisation to gain competitive advantage (Lambillotte and Poncin 2022).

With the development of technology, the concept of personalisation has attracted increased attention in the 21st century (Sunikka and Bragge 2008, 2012; Salonen and Karjaluoto 2016; Bonaretti et al. 2020; Elmachtoub et al. 2021; Chandra et al. 2022), as it enables a more individual approach to one-to-one marketing (Peppers and Rogers 2000a; Arora et al. 2008; Cavdar Aksoy et al. 2021). The widespread use of information and communication technologies (ICTs) has made personalisation more varied and affordable for implementing an interactive relationship between customers and the company (Sunikka and Bragge 2012). With the shift from traditional marketing toward service marketing (Goldsmith 1999) and relationship marketing (Gummesson 2017), personalisation has become a widely accepted marketing strategy (Lee and Cranage 2011; Cavdar Aksoy et al. 2021). It enables brands to deliver tailored content to the individual customer and increase positive feelings about interaction with the service providers. Every element of the marketing mix can be personalised. This does not come without the monetary (higher price) and non-monetary (e.g., time, convenience, privacy concerns) costs (Abrate and Viglia 2019; Lahtinen et al. 2020; Schmidt et al. 2020). As the advantages of personalisation of the product, promotion, and place are evident, they are not so clear regarding the transaction's silent aspect – the price (Obermiller et al. 2012).

The second paradigm illuminates that customers are willing to pay (WTP) more for products and services when their needs are better met (Moon et al. 2008). Customers' WTP is an essential aspect of a company's pricing strategy, as the price is the only element of the marketing mix that generates direct revenue (Stangl et al. 2017). From a customer perspective, price mirrors the sacrifice (Obermiller et al. 2012) in exchange for product and service. Often, it signals quality (Melis and Piga 2017) and refers to the customer's perception of whether the price is just, judged reasonable, and acceptable (Alderighi et al. 2022). For businesses, pricing is the key lever to managing revenue and strategy (Noone and Mattila 2009). Due to customer society and the industry's dynamic nature, the hotel marketing and revenue management departments are now being challenged to gather together to understand customer behaviour and motivations (Wang 2012a; Purcărea 2016; Currie et al. 2018).

Every customer is unique and deserves to receive what they want at a price they are willing to pay (Pine and Gilmore 2011). Literature illuminates that personalisation primarily requires three things: 1) a company willing and able to adjust the offering towards an individual customer; 2) a customer who desires something different; and 3) communication between the customer and the company to establish the customer's needs and desires and what the company can do to fulfil those needs (Ball et al. 2006). That has been happening in bazaar trades for years. Product and service personalisation is an essential co-motivator of customer loyalty (Coelho and Henseler 2012). The costs of keeping loyal customers are significantly lower than the costs of attracting new customers. The literature suggests loyal customers are willing to pay more for products and services (Cossío-Silva et al. 2016; Stangl et al. 2017).

In the service industry context, such as hospitality, the hotel's product is both perishable and limited. It is a service that cannot be stored for later consumption. As a pricing decision is an essential aspect of the marketing mix (Ivanov 2014), it is one of the most critical aspects of the company's marketing strategy (Hung et al. 2010). Pricing strategies significantly impact profitability (Hinterhuber 2008). For the guest, hotel pricing has a direct link with experienced service satisfaction (Rishi and Gaur 2012). Often, customers want to feel special and seek a personalised experience in which their expectations and experiences are unique and meet their needs (Richard 2017). Customer experiences are multidimensional and include hedonic dimensions such as feelings, fun and fantasies (Loureiro and Araújo 2014).

The company's ability to personalise content adds value to its core product and service provision (Ariffin 2013). That can translate to higher or premium prices, as customers can find a product or service valuable as it is tailored to their preferences (Kalaiganam et al. 2018). Lemke et al. (2011) suggest that the customer perceives value through any part of the journey to explore the experience. Kotler and Armstrong (2014) imply that customers can assume higher-priced products to be of higher quality. For customers, price is a quality signal (Melis and Piga 2017). Price "*says something about the products*" and services (Moor and Lury, 2018, p. 504).

Despite the fast-paced changes in the field of research (Salonen and Karjaluoto 2016), the concept of personalisation still lacks a comprehensive understanding (Sunikka and Bragge 2008; Strycharz et al. 2019). That can be seen as a risk of misunderstanding between brands offering personalised products and services and customers looking for tailored experiences (Strycharz et al. 2019). From a company perspective, personalisation is applied to reach the target audience and bring multiple benefits (e.g., higher prices or loyal customers) (Vesanen 2007). Personalisation from the customer side can be perceived differently than the business may see it, as it is based on

personal information that can cause discomfort to the customers (Strycharz et al. 2019). This issue of the “placebo effect” was researched by Li (2016). The perception of personalisation depends on how much personalisation matches the customer’s expectations (Zanker et al. 2019).

As personalisation research expands (Sunikka and Bragge 2012; Salonen and Karjaluoto 2016), its relation to WTP has become important while the overlooked subject of interest (Salonen and Karjaluoto 2016). For instance, several studies discussed the relationship between personalisation and privacy concerns (van Doorn and Hoekstra 2013; Aguirre et al. 2015; Song et al. 2021). Studies have drawn attention to, e.g., the relationship between customers’ WTP and hotel room equipment (Tu et al. 2018) or as an indicator of green purchasing behaviour (Moser 2015; González-Rodríguez et al. 2020). Those researchers imply that the customer’s attitude and behaviour towards personalisation are subjective, as the concept is connected with the psychological states of mind, such as trust and loyalty (Ball et al. 2006). Past research identified the critical role of trust (Pappas et al. 2016), the personalisation-privacy paradox (Xu et al. 2011; Song et al. 2021), or emotions and previous purchase experience influencing customer behaviour through personalisation (Pappas et al. 2017a). Pappas (2018) suggests that by building on equifinality (suggesting that multiple complex configurations of the same conditions can explain the same outcome), a different approach is needed to capture and describe the combinations of factors that explain the phenomenon.

Personalised products and services differ from ordinary offers, often by becoming special and unique. Emotions influence customer behaviour (Pappas et al. 2017a) because some people have a strong need to be distinctive and unique (Zhen et al. 2017). The literature lacks to explain the nature of the relationship between customer expectations of personalisation (CeoP) and their WTP holistically. For example, by researching participative pricing methods, Stangl et al. (2017) found that loyal customers are willing to pay higher prices for what they perceive as a high-value service. Pérez-Troncoso et al. (2021) indicate the existence of significant preferences and WTP for personalised nutrition.

Customers choose the price they are willing to pay based on their judgment regarding the value they receive from products and services. Therefore, customer behavioural heterogeneity and decision choices influence their WTP (Prakash et al. 2021).

1.2. Relevance and rationale for the need for personalisation research

The relevance and rationale for this study are grounded in the knowledge gap in personalisation, value and value co-creation, and pricing within marketing and revenue management that was identified in the literature. Although the research is based on customer lived experiences in the B2C context of hospitality, this thesis's findings can be extended to other fields, such as airline, retail, banking, insurance, transportation, logistics, rail, or events. The following section outlines the need for research in personalisation and customers' WTP.

In the broad field of personalisation, there has been much research focusing on loyalty (Ball et al. 2006; Coelho and Henseler 2012; Ozturk et al. 2017), trust (Aguirre et al. 2015), satisfaction (Tong et al. 2012), privacy (Ameen et al. 2022; Pizzi et al. 2022), and recommender system implementation (Salonen and Karjaluo 2016; Ariffin et al. 2018; Beraldi et al. 2021). Many scholars have researched the domain of personalisation, and there are several surveys and reviews of the concept (Gao et al. 2010; Salonen and Karjaluo 2016; Chandra et al. 2022) (outlined in section 5.4). Previous literature highlights the fact that the number of studies focusing on the field is continuously increasing (Salonen and Karjaluo 2016; Boerman et al. 2017; Bielozorov et al. 2019; Nguyen et al. 2019; Cavdar Aksoy et al. 2021; Seele et al. 2021; Chandra et al. 2022). This trend will likely increase, as personalisation is an important study subject. However, the effect of personalisation on “*hard*” primary business goals (such as revenue maximisation) is still under-researched (Salonen and Karjaluo 2016; Viglia and Abrate 2020).

With the development of the digital world, the lifetime perspective on personalisation applications will become even more relevant, driving a more explicit interdisciplinary research approach (Zanker et al. 2019). Technology advances shaped the ways in which everyone operates (Neuhofner et al. 2015). Since its introduction in the marketing literature (Prahalad and Ramaswamy 2004a; Vargo and Lusch 2004) the role of the customer in the concept of co-creation has quickly gained prominence. Within CDL, advances in customer-facing smart technologies support offer providers to tailor their products and services beyond automated experiences to each customer's needs (Buhalis et al. 2019; Riegger et al. 2021). Practitioners can decide *what* content to present and *when* and *how* to approach *what* customer (Zanker et al. 2019). Technology empowers service businesses to personalise their offerings, enabling dynamically interactive, personalised experiences (Buhalis et al. 2019; Buhalis, Lin, et al. 2022).

This study seeks to contribute on several levels. It focuses on the customer perspective adopting CDL rather than its predecessor notion, SDL, as the underlying theoretical construct. Given the shift in customer role in the co-creation of a personalised experience and context-dependent aspects of WTP, what appears missing is the study on what customers expect of personalisation and how this affects WTP. As an example of a service provider continually seeking to engage with customers to deliver personalised offers, the hospitality industry is appropriate for this study. This study aims to fill the knowledge gap in marketing and revenue management literature by exploring how customer expectations of personalisation affect WTP.

1.3. Theoretical foundation

Many service industries have gone through increasing competition and customer power, driving the development of revenue management techniques, including dynamic pricing, price presentation, price discrimination and various non-pricing techniques (overbooking, cancellation policy, or length-of-stay control) (Ivanov 2014; Abrate and Viglia 2016; Seraphin and Ivanov 2020; van der Rest et al. 2020; Viglia and Abrate 2020). This study positions customers at the centre of the inquiry and applies CDL in a broad sense as a theoretical lens through which it explores the relationship between customer expectations of personalisation and WTP. The CDL appreciates the customers' leading role, emphasising the involvement of other actors in an experiential value co-creation context such as hospitality (Fan et al. 2020; Heinonen 2022). A customer's intention to perform a specific behaviour is determined by the attitudes towards the behaviour's performance (Ajzen 1991, 2012; Chen and Tung 2014; Sarlay and Neuhofer 2021). In the service industry context, attitudes and motivations to perform a behaviour influence customer intention to purchase and consume products and services. For example, in the hospitality context, this intention to perform behaviour will include searching for and booking a hotel room (e.g., using a mobile device), staying in the hotel, eating at the hotel's restaurant, spreading positive or negative opinions through word-of-mouth communication, or be willing to pay more for the offers (Gao, Lisa et al. 2016).

1.3.1. Marketing and Revenue Management

Modern customers aspire to stand out while being part of the crowd (Chandra et al. 2022). To effectively engage customers and transform the service into a memorable experience, brands can enhance the customer's search, purchase, and service delivery environment (Pine and Gilmore

2011). Personalised offers, including personalised pricing and revenue management (originated in the airline industry), are now driven by marketing considerations (Tu et al. 2018; Abrate and Viglia 2019; Viglia and Abrate 2020).

The marketing and revenue management literature has undergone notable changes in focus, thinking, and practice (Cetin et al. 2015; Kumar 2017; DeChellis 2019). With the increasing and constant connectivity between many stakeholders through various communication platforms, the marketing and revenue management theory and practice is gradually moving toward smaller and smaller groups of consumers as target markets. This shift arises from customers' dissatisfaction with mass-produced products that fail to fully satisfy their needs and desires (Kalantari and Johnson 2018). Consequently, personalisation has emerged as a vital force driving changes in marketing practices (Goldsmith 1999; Sunikka and Bragge 2008; Chandra et al. 2022).

Personalisation is commonly associated with internet-driven initiatives (Sunikka and Bragge 2012; Salonen and Karjaluoto 2016; Riegger et al. 2021). Ho and Bodoff (2014) found that web personalisation can influence both advertising and company sales revenue. The digitalisation of everyday life has increased the number of available data points for both the brand and the customer. Those data points reveal more detailed aspects of customers' preferences (Salonen and Karjaluoto 2016; Chandra et al. 2022).

The role of marketing in the hospitality industry and business is evolving. Marketing becomes more focused on data, analytics, and understanding how to get the right message to the right person at the right time (Currie et al. 2018; DeChellis 2019; Viglia and Abrate 2020). The prominence of big data has given the ability to understand customers and tailor offers accordingly to optimise the customer experience in real-time (Buhalis and Sinarta 2019; Stylos et al. 2021; Chen et al. 2022). The main objective of revenue management is to deliver the right product to the right customer at the right time, through the right channel at the right price (Ivanov 2014; Viglia, De Canio, et al. 2021) for the right duration. It maximises revenue (and profit) through increased sales and effective control of inventory, price, and customer mix (Wang 2012a; Solnet et al. 2016). Revenue management is critical in many industries, including hospitality, ensuring the prices of products and services match customer WTP while maximising customer surplus (Cetin et al. 2016). The advancement of technological tools that facilitate the conversion of big data into actionable insights has implemented personalised pricing strategies more feasible, influencing the ability to maximise revenue (Wang and Brennan 2014; Egan and Haynes 2019; Viglia and Abrate 2020).

The primary objective of marketing is to identify and meet human and social needs. Marketing is “*meeting needs profitably*” (Kotler and Keller, 2012, p. 27). This objective has led marketing and revenue management to converge toward a shared goal of profit optimisation (DeChellis 2019). The lack of communication between departments often leads managers to make uninformed decisions (Cetin et al. 2016). Marketing is more central in organisations, elevating the discipline “*to expand its horizon and bring in interdisciplinary knowledge*” (Kumar, 2015, p. 6). To achieve better organisational success, practitioners attempt to align marketing and revenue management (DeChellis 2019).

This study shares the view that personalisation allows the brand to provide a fit-for-purpose offer to the right person at the right time through the right channel at the right (fair) price to maintain a long-term relationship between actors by satisfying customer preferences and needs and maximising the company’s profit (Tam and Ho 2006; Seraphin and Ivanov 2020; Riegger et al. 2021). The ongoing evolution of marketing and revenue management practices, coupled with advancements in technology and data analytics, has paved the way for more tailored and customer-centric strategies, driving the transformation of various industries, including hospitality.

1.3.2. Hospitality industry

Hospitality is not only the world’s oldest industry but also an industry that plays an essential role in the economy, affecting people’s lives in various ways (Ottenbacher et al. 2009). It is a people-orientated industry that “*needs people to serve people*” (Harkison, 2018, p. 13). The provision of warm welcome and comfort provided to hotel guests, together with their stay’s personalisation, enable the creation of a customer “*memorable experience*” (Ariffin et al. 2011). Although experiences lack tangibility and exist only in the minds of individuals, people desire them because the value of experience remain long afterwards, creating patterns over time (Pine and Gilmore 2011; Stienmetz et al. 2021). The hospitality industry is increasingly competitive, and customers are increasingly discerning when selecting and consuming hotel experiences (FitzPatrick et al. 2013). Unlike goods that can be predetermined before purchase, services involve characteristics that can only be discerned after purchase or during consumption. That intangibility emphasises services as performances that result in experience (Pires and Stanton 2000).

Hospitality operates within a complex ecosystem based on various offline and online management activities (Stylos et al. 2021), in which service is often both elastic and discretionary that customers can live without. The multiplicity of supply in the hospitality industry forces

innovativeness and creativity to find ways to differentiate offers providers from their competitors (Buhalis and Leung 2018; Leung 2019). To achieve a favourable customer perception of personalised products and services, brands often encourage employee involvement, development of their competence and positive attitude during a relationship with a customer (Wang and Groth 2014). Internet- and mobile-based smart technologies enhance the connection, interaction, and co-creation of experiences between all actors (Neuhofer et al. 2015; Law et al. 2022). The quality of the interactions (both online and offline environments) between customers and employees of the hotel and the atmosphere created by the hospitality settings develop emotional value during a guest's stay.

Hospitality is about providing the authenticity of the overall service (Ariffin et al. 2011). It is not only about the eye contact or smile but the extent to which the guest considers this interaction natural (Ariffin and Maghzi 2012). Customers have their individual preferences and tastes regarding their stay in the hotel. Personalisation's logic lies in its added benefit or value to the customer. Personalisation should be a natural extension of the employee's character regardless of any incentives (Ariffin et al. 2011).

Personalisation does not always automatically benefit customers (Coelho and Henseler 2012) due to potential increased waiting time (Aichner and Coletti 2013; Kalantari and Johnson 2018) or privacy concerns (Chandra et al. 2022; Lambillotte and Poncin 2022). Customer behaviour is a function of various customer values (Sthapit et al. 2020). Creating an unforgettable customer experience is vital as it directly impacts customer satisfaction and re-purchase intention (Buhalis and Amaranggana 2015; Redda 2020). Customers are always connected so that they can search for and purchase the desired products and services more easily. People can more easily express their feelings and share their experiences in the online environment (Viglia, Minazzi, et al. 2016), as well as co-creating value and experience with brands. Customer habits, privacy concerns, involvement, and perceived personalisation influence their use of technology for value co-creation (Morosan and DeFranco 2016; Lei et al. 2020). Table 1-1 depicts the selected benefits of personalisation for both customers and companies identified in the reviewed literature.

Service providers continually seek ways to engage customers in value creation to deliver personalised experiences (Lei et al. 2020). With technological disruptions revolutionising and transforming service industries (Neuhofer et al. 2015; Buhalis et al. 2019; Lei et al. 2020; Buhalis, Panathanassis et al. 2022; Law et al. 2022), personalisation enables the delivery of customised products and services to satisfy customers' needs and desires. It allows for the evaluation of customers' value to the company. Digital transformation affects all aspects of a customer's life,

including their experience, allowing for forward-looking and pursuing new opportunities (Suder et al. 2022).

Technology provides an efficient and effective way for customers to obtain products and services based on their preferences (Zhen et al. 2017; Riegger et al. 2021). It supports customers in making informed decisions, increasing customer satisfaction (Buhalis and Sinarta 2019). Digitalisation augments areas where opportunities appear, enhancing process-innovation capabilities (Suder et al. 2022). It increased hotel brands' opportunity for better segmentation and personalisation and to apply different prices on the online market over time to use smart solutions such as IoT, voice assistants, robots, AR/VR, AI, chatbots, or blockchain technology (Abrate et al. 2012; Buhalis et al. 2019; Ivanov and Webster 2021; Buhalis and Moldavska 2022; Suder et al. 2022).

With customers playing a central role in the co-creation and consumption process, it has become paramount to use technology solutions to connect in a more personalised way (Neuhofer et al. 2015; Heinonen 2022; Law et al. 2022). Customers are less impressed with the “acting performances” of the front-line employees who try to hide their emotions in the service delivery (Ariffin and Maghzi 2012). Often, emotions serve as an engine that influences an individual's attitude, motivation, and behaviour and can develop into a sentiment or tendency to react in a certain way (Halperin and Schori-Eyal 2020). As customers gain online experiences in addition to utilitarian values, they often seek hedonic values (Pappas et al. 2014; Tyrväinen et al. 2020; Wang, Wang et al. 2020). Hotel guests would be more impressed if hotel employees treated them as though their relationship was *natural* (Ariffin 2013).

The extensive literature suggests that personalisation, value, and pricing concepts are extensively relevant and popular in the hospitality industry (Ariffin 2013; Masiero, Heo, et al. 2015; Kim, Hong, et al. 2020; Ivanov and Webster 2021; Viglia, Zaefarian, et al. 2021; Chen et al. 2022; Carvalho and Alves 2023). Therefore, this study uses hospitality as a service industry context to explore the relationship between customer expectations of personalisation and WTP.

Table 1-1. A selected of benefits of personalisation

Benefits of personalisation	
Business	Customer
Better segmentation	Accommodates individual differences
Better target market	Better communication
Differentiation	Better experience
Encompass learning	Better preference match
Extend the relationship breadth	Better price
Higher demand for personalised products and service	Better product
Higher persuasive impact	Better service
Higher price	Choice of the right interface
Higher response rate	Decision support
Higher return on investment	Special offers and gifts
Improve customer loyalty	Dynamic display
Improve customer satisfaction	Ease of access to information
Improve customer value	Experience of one
Improved customer service	Extend the relationship breadth
Increase intention to purchase	Faster communication
Increase re-purchase intention	Freedom of choice
Increased click-through rates	Improve decision quality
Provide competitive advantage	More relevant communication
Saved cost	More relevant content, message, product, service
Saved on the material used	Reduce disorientation – meet requirements

Source: Jackson (2007); Treiblmaier and Pollach (2007); Vesanen (2007); Aichner and Coletti (2013); Pappas et al. (2014); Buhalis and Amaranggana (2015); Strycharz et al. (2019); Chandra et al. (2022)

1.3.3. The scope and context of the study

As technology evolves, customer expectations continually evolve, and understanding customer's requirements and experiences is essential in business and all industries (Sahhar et al. 2021; Chandra et al. 2022). For example, the hotel product is a service purchased before usage (Viglia, Minazzi, et al. 2016). Personalised service involves an interactive process that requires communication, courtesy, personal contact, understanding, judgment and high customer involvement (e.g., through customisation) (Wang and Groth 2014).

First, the scope of this study is focused on personalisation in the hospitality context and adopts Ottenbacher, Harrington and Parsa's (2009, p. 265) definition of hospitality:

“as a field [it] focuses on operations that provide products/services primarily for [...] consumers involved in the practice of travelling for purposes such as pleasure, business, ecology, heritage, education, medical/health, etc.”

Traditional hospitality is characterised by guest service and experience. The primary product is a provision for accommodation or catering (Solakis et al. 2017), often communicated through price and quality (Solakis et al. 2022). That includes a diversity of levels of hospitality products (e.g., a room with its amenities, the flexibility of check-in and check-out procedures, or friendly service) and services as part of the overall hospitality individualised service experience.

Second, personalisation is a multi-disciplinary and multi-phase phenomenon. Customers must be delighted with their experience of the service received (Kumar 2007). In fact, some travellers are unlikely to stay in the same hotel on the second occasion due to their *“seeking behaviour”* (Ariffin and Maghzi 2012; Dey et al. 2021). Hence, *properly done* personalisation should improve customer satisfaction and loyalty (Ball et al. 2006; Salonen and Karjaluoto 2016). Personalisation plays an essential role in adding value to an individual’s experience and emphasises the service’s emotional dimensions (Ariffin et al. 2018). As personalisation offers transaction flexibility, personalising pricing may help customers make more informed decisions (Tyrväinen et al. 2020). That means that personalisation occurs not only at the searching and shopping (pre-stay) stage but also at the consumption (on-site) stage and post-consumption (post-stay) stage. That combines marketing and revenue management and suggests that offering valued customers better prices (according to their WTP) will likely result in higher long-term revenue (Currie et al. 2018).

All businesses that provide services are uniquely positioned to learn about the customer from repeated interactions. Each interaction is an opportunity to discover more about customer preferences and use that knowledge to provide personalised products and services (Shen and Ball 2009). The digital world’s evolution encourages customers and companies to explore new ways to curate personalised experiences across various channels and environments (Chandra et al. 2022). Personalisation (in its granular form) moves one step beyond profiling and traditional segmentation, segmenting the market into single customers rather than homogeneous groups of customers (Currie et al. 2018). Through smart technology, some customers often proactively pursue individualised products and services and expect them in real-time at any touchpoint with the company (Bock et al. 2016; Buhalis and Sinarta 2019).

This study acknowledges a wide range of smart technologies in manufacturing, engineering, transportation, computing, logistics, tourism, hospitality, cruise and many more that enhance customer engagement (Leung 2019; Riegger et al. 2021; Buhalis, Papathanassis et al. 2022; Law

et al. 2022). Therefore, this study adopts an integrative approach and treats technology (e.g., ICTs, AI or Metaverse) as an essential tool and a crucial layer in the personalisation process.

In this research, the assumption is that the hospitality offers, such as the hotel room (including, e.g. location of the room or amenities included in the room) and service, can be personalised at many levels depending on the customer journey stage, context and customer involvement. That will create service enrichment, for instance, providing multiple services under an umbrella of the leading service to elicit positive feelings in their customers.

Third, although multiple actors can engage in value co-creation, customer WTP varies (Ivanov and Webster 2021). Since the introduction of the concept of value co-creation by Prahalad and Ramaswamy (2004a) as part of the experience marketing subset (Vargo and Lusch 2004) in the SDL and CDL, customers play an essential role in co-creating a personalised co-creation experience (Prahalad and Ramaswamy 2004a). In literature, value is often perceived as a trade-off between benefits and sacrifice, whereas widely applied dimensions of personalisation success are economic (e.g., perceived price) and psychological (e.g., the emotional aspect that influences customer's choice) value (Bilgihan et al. 2016). Despite that, value co-creation exists in various stages (pre-purchase with awareness, recognition, search, consideration, through purchase, consumption, and after the consumption) of the customer journey (Assiouras et al. 2019; Buhalis, Lin, et al. 2022; Lassila et al. 2023); a customer's value formation is at the locus of personalisation exploration. Customer value is a complex and dynamic construct with numerous metrics and conceptualisation (Zhang et al. 2018; Heinonen 2022).

Through interaction and communication, customers perceive various co-created values (emotional, functional, and social) that can enhance their WTP for the service experience. For example, in the pre-travel stage, through kind and friendly interaction with the company, customers may perceive value that will be expressed as a willingness to be friends with the brand and ensure the customer that their needs and preferences will be satisfied. During the consumption stage, the social and emotional interaction between the customer and the brand develops, while the post-travel stage is associated with the customer's subjective or emotional feedback (Zhang et al. 2018; Sthapit et al. 2020). Such an approach contributes to developing an in-depth understanding and provides a basis for future research investigating specific variables.

The fourth observation is based on customers' WTP for personalised products and services. While an abundant amount of studies has been conducted concerning pricing (Wang 2012a, 2012b; Wang and Brennan 2014; Masiero, Nicolau, et al. 2015; Viglia, Mauri et al. 2016; Boom et al. 2020; Masiero et al. 2020; van der Rest et al. 2020; Viglia and Abrate 2020; Binesh et al. 2021;

Viglia, De Canio, et al. 2021; Boteva 2022; Cohen et al. 2022; Talón-Ballesteros et al. 2022), relatively limited studies focus on customers' WTP for personalised products and services. Modern customers are more demanding and have higher bargaining power (Shamsudin et al. 2020). Several studies found that customer attributes can influence customer WTP (Homburg et al. 2005; Heo and Hyun 2015; Masiero, Heo, et al. 2015; Ivanov and Webster 2021; Prakash et al. 2021; Hao et al. 2022). Past studies focused on WTP and, for example, on luxury brand room amenities (Heo and Hyun 2015); the environmental aspect of the hotel (Kang et al. 2012; Mishra and Gupta 2019); robot delivery tourism and hotel services (Ivanov and Webster 2021); contactless hospitality services (Hao et al. 2022); or hotel room attributes (Masiero, Heo, et al. 2015; Prakash et al. 2021) rather than on customers' behaviour and attitude towards personalisation.

This study explores the relationship between customer expectations of personalisation and WTP. Following the Arora et al. (2008) view that personalisation is the company-initiated process and putting customers first, it highlights a clear focus that marketing and revenue management practitioners need to take (Cavdar Aksoy et al. 2021).

This study seeks to interlink the research streams on personalisation, value, and pricing to explore the relationship between customer expectations of personalisation and their WTP. The CDL is the theoretical lens that could meaningfully address this relationship (Heinonen and Strandvik 2015). A configuration theory approach identifies a causal structure for explaining a wide range of human behaviour (Cheng et al. 2022) (outlined in section 3.8). Individuals can express their preferences for the product and service in line with expectations from personalisation. A customer's intention to purchase a personalised product and service is often influenced by other actors' opinions and behaviour (Gao, Lisa et al. 2016; Zhen et al. 2017).

Draws it from the configuration theory and CDL lens, as the underpinning theoretical perspective personalisation allows the brand to provide the right content to the right person at the right time through the right channel at the right (fair) price to maintain a long-term relationship between actors by satisfying customer preferences and needs and maximising the company's profit (Tam and Ho 2006; Seraphin and Ivanov 2020; Riegger et al. 2021). Denizci Guillet (2020) suggests that revenue management research is still developing and focuses mainly on the usual science phase (such as demand forecasting that requires large amounts of secondary data and knowledge of big data analytics or distribution channel management). Behavioural or attitudinal research may depict the overall effect of personalisation practice and can reveal new aspects of customer experience (Salonen and Karjaluoto 2016). This study seeks a far-reaching contribution to pricing strategy for the service marketing and revenue management disciplines.

1.4. The research aims and objectives

This study suggests that as personalisation research expands (Sunikka and Bragge 2012; Salonen and Karjaluoto 2016; Cavdar Aksoy et al. 2021; Seele et al. 2021; Chandra et al. 2022; Cohen et al. 2022), its relation to WTP has become important while the overlooked subject of interest (Salonen and Karjaluoto 2016). It suggests that the CDL is a theoretical lens that could meaningfully address the relationship between customer expectations of personalisation and WTP (Heinonen and Strandvik 2015). A configuration theory approach identifies a causal structure for explaining a wide range of human behaviour (Cheng et al. 2022), which can help to address the above query. In line with the concept of personalisation, an individual can express their preferences for the product and service. A customer's intention to purchase a personalised product and service is often influenced by other actors' opinions and behaviour (Gao, Lisa et al. 2016; Zhen et al. 2017). Drawing from a configuration theory and CDL lens as the underpinning theoretical perspective, this study seeks to interlink the research streams on personalisation, value, and pricing to explore the relationship between customer expectations of personalisation and their WTP.

Satisfying the needs and requirements of customers by delivering the right product and service at the right time for the right price is the primary factor for marketing and revenue managers and is often a complicated process. The overall aim of this thesis is defined as follows:

To explore how customer expectations of personalisation (CeoP) affect the willingness to pay (WTP) in the hospitality industry

The following research objectives have been identified:

RO1: To explore willingness to pay (WTP),

RO2: To explore customer expectations of personalisation (CeoP),

RO3: To explore the relationship between CeoP and their WTP,

RO4: To develop and validate the CeoP-WTP typology,

RO5: To develop practical implications emerging from the relationship between CeoP and WTP.

WTP is a key concept in marketing and revenue management, and it plays a significant role in shaping how people perceive the value of goods or services. WTP forms at the moment of purchase and considers current observed prices and those remembered from previous purchases (reference price, discussed in section 2.1.4), past consumer experience, and personal, contextual factors (Becerril-Castrillejo and Muñoz-Gallego 2022). Value implies a ‘trade-off’ between benefits and sacrifices, indicating an interaction between a customer and a product or service. In economic terms, ‘value’ often has been equated with utility or desirability (Sánchez-Fernández and Iniesta-Bonillo 2007). Individuals often assess the value of a product or service relative to their WTP. If the price of a product is lower than what they are willing to pay, they may perceive it as a good deal and high in value.

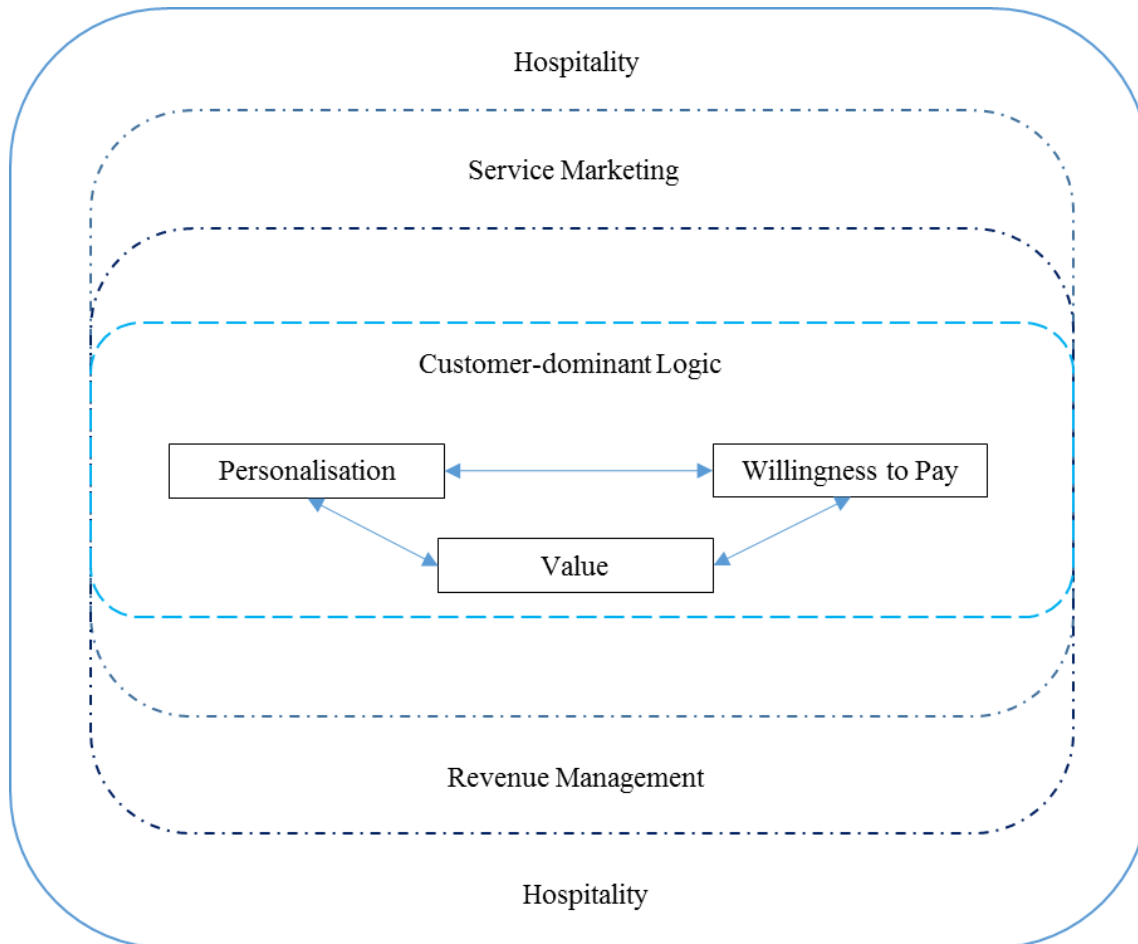
Conversely, if the price exceeds their WTP significantly, customers may perceive it as overpriced and low in value. WTP is an effective tool for exploring an individual’s behavioural intention and evaluating the perceived value and integrated benefits (Wang, Liu, et al. 2020). Sometimes, the product quality does not match the customer’s expectations, affecting pricing. WTP goes hand in hand with the product value. As Solakis et al. (2022, p.1) illuminate,

“the value created has personal characteristics according to every involved customer, while each customer develops a unique perception of that value”.

This study argues that WTP is a significant reference point for how individuals perceive the value of products or services. It can impact their perception of quality, their assessment of whether a product is a good deal, and their overall satisfaction with a purchase, as the perception of value is subjective and influenced by various factors beyond WTP (Koçaş and Dogerlioglu-Demir 2014; Heinonen 2022).

Figure 1-1 depicts the conceptual foundation of this study. It shows the overall discipline (service marketing and revenue management), the theoretical lens (CDL), and the embedded theoretical streams (personalisation and WTP) this study is based upon within the context of hospitality.

Figure 1-1. A conceptual foundation of this study.



1.5. Research approach

The view of customers in marketing and revenue management research has shifted. Customers are no longer passive recipients of the products and services. Instead, they actively participate in creating their own value and experience (Prahalad and Ramaswamy 2004a, 2004b; Vargo and Lusch 2008b, 2016; Heinonen et al. 2010; Sthapit et al. 2020; Vargo et al. 2020; Heinonen 2022). Over time, the value creation process has shifted towards customer-centric through the CDL (Heinonen et al. 2010). Customers create value through the co-creation process, while the company's role is to find out how they can support and facilitate customers' co-creation practices (Echeverri and Skålén 2011; Heinonen and Strandvik 2015; Grönroos 2017). The literature indicates that customers increasingly seek to collaborate by co-creating their experiences,

resulting in meaningful value formation (Neuhofer et al. 2012; Rihova et al. 2018; Zaborek and Mazur 2019; Buhalis et al. 2020; Sthapit et al. 2020; Zeithaml et al. 2020; Solakis et al. 2022; Ribeiro et al. 2023). Minkiewicz et al. (2014) defined co-creation as the experience that the customer creates through active engagement and personalisation. Many researchers in the SDL and CDL literature suggest that value and value-creation could be understood as a social construct (Voima et al. 2010; Rihova et al. 2018). All individuals live in a social environment often influenced by others. Those social networks play a vital role in co-creation (Cavdar Aksoy et al. 2021).

A brief review of the extant literature reveals that personalisation has been addressed in various disciplines and conceptual and theoretical approaches to marketing (Fan and Poole 2006; Arora et al. 2008; Cavdar Aksoy et al. 2021; Chandra et al. 2022). Continuous development of the digital world enhances the creation of new personalisation practices in which individuals have the power to create and co-create their own personalised products, services, contents, experiences, or ideas (Cavdar Aksoy et al. 2021; Buhalis, Lin, et al. 2022).

An in-depth consideration of the philosophical and epistemological underpinning of this thesis is presented in Chapter 5. This study does not inquire about seeking the truth that is independent of the individual's experience but rather to achieve a richer human experience. This study argues that reality is constructed intersubjectively (Saunders et al. 2019). An individual's actions cannot be separated from past experiences and beliefs that have originated from those experiences (Kaushik and Walsh 2019). This study recognises that there are many ways of interpreting the world and that no single viewpoint can present the entire picture (Saunders et al. 2019).

As the research is based on customer lived experiences from the hospitality offers, this study can be extended to other fields, such as events, retail, banking, or insurance, as the transferability is sought within similar milieus (Bryman and Bell 2003). Due to the exploratory nature of this thesis, the study has the potential to be generalisable to the theory by integrating qualitative and quantitative approaches (Truong et al. 2020). By exploring customer expectations of personalisation and their WTP in the hospitality context, this study aims to make a theoretical contribution to knowledge regarding this relationship within service marketing and revenue management.

The study aims to fill the gap in research exploring the relationship between customer expectations of personalisation and their WTP. It offers several theoretical (presented in section 9.2) contributions by drawing attention to the nuanced nature of this relationship. The study seeks to contribute to knowledge by offering insight into how customers interpret personalisation using

the pragmatist approach and to offer a novel customer typology (outlined in section 6.4). The research seeks to enhance the literature on personalisation, value and pricing within marketing and revenue management streams by adapting a mixed-method approach. From the theoretical viewpoint of CDL, this study aims to support the explanation of the relationship between expectations of personalisation and customer WTP.

Combining psychographic and behavioural variables with customer demographics allows managers and decision-makers to create a more holistic form of customer segmentation (Yoseph et al. 2019). The research seeks to contribute to product and service planners, marketing and management teams, and experience designers facilitating and formulating improved adopted offers for diverse service business sectors.

1.6. Structure of the study

This study is divided into the following sections and chapters:

Section A – Introduction:

Chapter 1 – Introduction. This chapter introduces the background of this research. It presents the research idea and theoretical foundation of this thesis and outlines the problem statement, the research objectives, and the structure of the thesis.

Section B – Literature review:

Chapters 2, 3, and 4 – The literature review is subdivided into three parallel chapters: personalisation, value, and pricing. Each chapter introduces and reviews the concepts of pricing, personalisation, and value, respectively, in marketing and revenue management. Chapter 2 – Pricing - reflects on the various types of pricing strategies in revenue management. The chapter explores customer WTP, the main factor of price personalisation. Chapter 3 – Personalisation - reflects on the overview of the concept, presents a variety of definitions, and discusses the types and processes of personalisation. Chapter 4 – Value - reflect on the evolution of value and value co-creation. It goes on to outline how the conceptualisation of value in service literature evolved from product-orientated value-in-exchange (Goods-dominant logic - GDL) to value-in-use (SDL) to value-in-experience (CDL). The chapter highlights the connectivity between personalisation and value.

Section C – Methodology:

Chapter 5 – Research Methodology. This chapter outlines the research gap, briefly summarises the three literature chapters, presents the gaps identified, and explains why the customer-focus perspective to study the relationship between customer expectations of personalisation and their WTP has been adopted in this thesis. The chapter discusses this study's ontological and epistemological positioning and explains the methodological approach adopted. Then, it presents the research paradigm considered and adopted in this thesis. It provides an overview of the data collection and analysis for both qualitative and quantitative approaches. Phase 1 consists of a narrative literature review to explore customer WTP, what customer expects of personalisation and their relationship. Phase 2 outlines semi-structured, in-depth interviews to explore the nature of the relationship from a customer perspective. In Phase 3, Exploratory Factor Analysis and *K*-means cluster analysis are presented. The final section reflects upon the limitations and ethics of this thesis.

Section D – Findings:

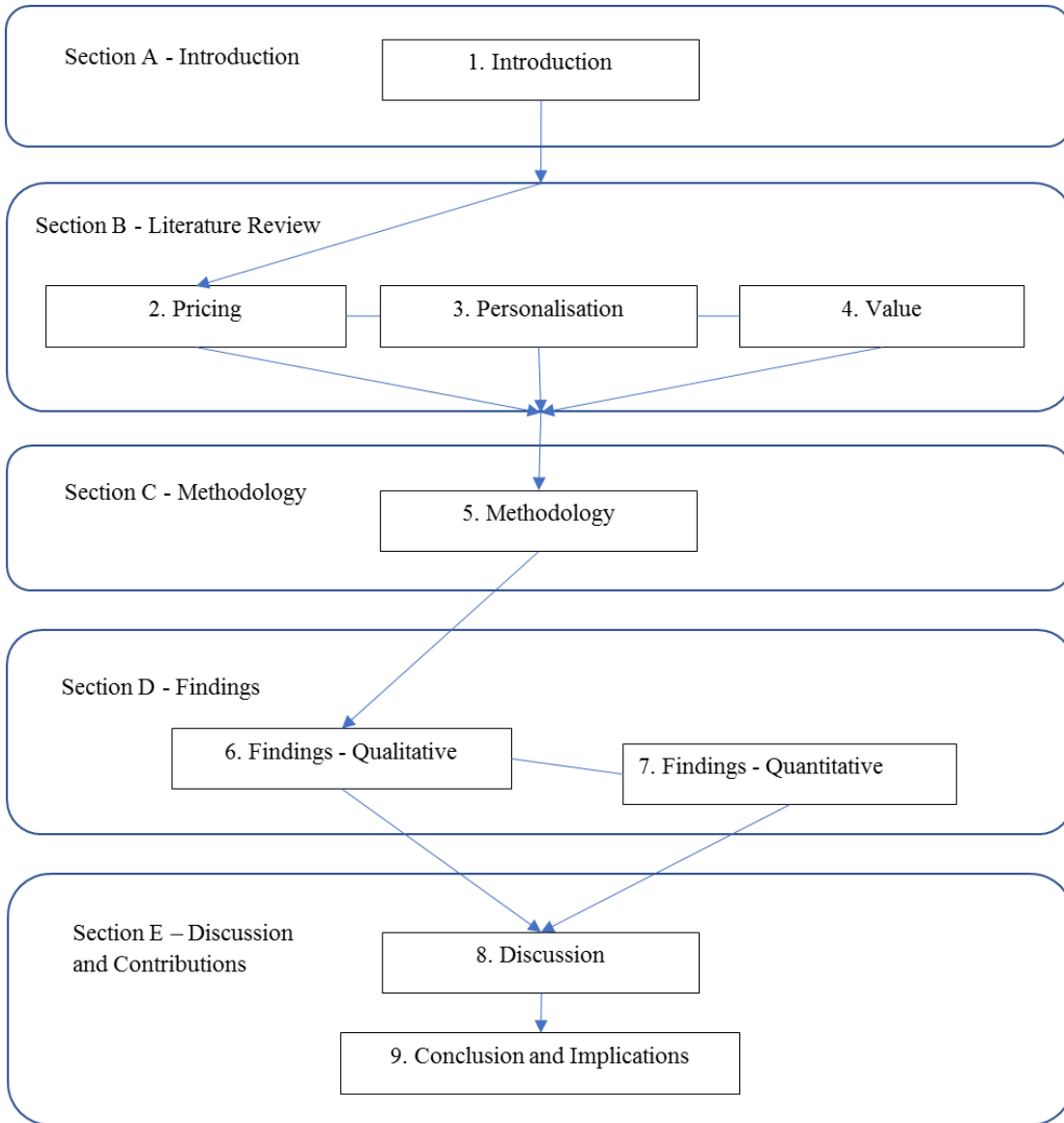
Chapters 6 and 7 – Findings. Those two chapters present findings from the qualitative (Chapter 6) and quantitative (Chapter 7) research phases. Chapter 6 outlines the main findings, introduces customer expectations of personalisation and develops the customer typology based on customer behavioural patterns such as customer philosophy and familiarity-novelty continuum. Chapter 7 presents research findings from the quantitative research phase by adopting Exploratory Factor Analysis and *K*-means clustering. The survey results shed additional light on the relationship between customer expectations of personalisation and their WTP.

Section E – Discussion and Contributions:

Chapter 8 – Discussion. This chapter draws on the most significant findings and discusses these with the literature. In the first section, the customer expectations from personalisation are studied, and the linkage to the configuration theory is outlined. The second section discusses customer typology proposed from the results of both qualitative and quantitative methods. Finally, the chapter discusses the customers' WTP.

Chapter 9 – Conclusions and implications revisit the research aims and objectives to explain how these were achieved. Then, the chapter discusses the theoretical and practical contributions. Finally, the chapter makes recommendations for future research. Figure 1-2 depicts the summary outline of this thesis flow.

Figure 1-2. The flow diagram of this thesis.



SECTION B – Literature review

2. PRICING

The literature review chapters aim to review and debate the literature discussing personalisation, its relation to customer WTP and its conjunction with practice and border theory perspectives. The literature review chapters in this study take the form of a narrative review and follow the objective of providing the framework of this research by exploring and critically presenting theoretical propositions touching upon the research area of this study (Bryman 2016) (and helping to address Research Objectives 1, 2, and 3 outlined in section 1.4).

This narrative or semi-systematic approach allows for a review of topics that have been conceptualised and studied by various researchers in diverse disciplines (as outlined, e.g. in section 1.2) because, to review, every single article that could be relevant to the topic is simply impossible (Snyder 2019). The three parallel literature review chapters depict a narrative synthesis of previously published literature, typical in the humanities and social sciences (Juntunen and Lehenkari 2021).

Various pricing techniques are widely implemented within the service industry. Some relate customer WTP with the personalisation process. This chapter aims to explore the relevant pricing literature concerning personalisation, value, and WTP. It starts with exploring pricing and various pricing tactics. That includes exploring discriminatory (modern) pricing techniques such as dynamic pricing and price personalisation. Next, this chapter explores the literature on revenue management, exploring the supply-side view. The last section draws attention to exploring literature concerning customer WTP.

Any marketing and revenue management practitioner must understand who the customer is, why they are coming, what they are looking for, and what they like to do. Understanding how much the customer is willing to pay for the offered products and services is essential to managing prices and inventory better. For a customer, the price often indicates the product and service quality. This chapter explores and analyses theoretical streams drawn upon pricing.

2.1. Pricing Theory

Price is not just a number on a tag. It comes in many forms and performs many functions (Kotler and Keller 2012). The marketing and management theory underlines three main factors that need to be considered when setting prices – the cost of the product or service, customer demand, and prices of direct and indirect competitors acting on the same target market (Balan 2014). This approach does not always allow for revenue optimisation. That is visible, especially when customers lack personal experience with or information about a product or service (Moor and Lury 2018). The modern competitive environment makes it increasingly important to set prices based on customer perception of the value of products and services (Nadeem et al. 2023). Due to the informative function of price, customers form an expectation about the quality of the offer, meaning the higher the price, the greater the promise of higher quality (Ivanov 2014). As customers subjectively assess the value of products and services to determine their price value point, this logic is closely linked to the concepts discussed in the following chapters: personalisation and value (Oyner and Korelina 2016; Nadeem et al. 2023).

The literature presents the price as the monetary request in exchange for a product or service that should match the value offered to the customer (Boteva 2022; Viglia 2022). With the development of technological tools, prices are simple to personalise at the individual level (Montgomery and Smith 2009; Viglia and Abrate 2020). They are among the most straightforward elements for the business but are the most complex in customer decision-making (Shamsudin et al. 2020). Pricing in service industries, such as hospitality, is complicated for three reasons: a) the inaccurate use of reference price, b) price is often perceived as an indicator of quality, and c) the value of service is not purely defined by its monetary cost (Stangl et al. 2020). From the customer's viewpoint, prices include more than just money paid for the products and services. Tourism provides an excellent example. For instance, a hotel room night costs £150. The traveller must pay additional expenses to reach the desired destination (e.g., flight, petrol, car-park, food and drink). The monetary cost makes up only a part of the total price. Non-monetary expenses related to this journey could include time (such as waiting, stress and preparation) and effort (e.g., planning, searching, and booking) (Zou and Petrick 2021).

Like other concepts, pricing definition varies across disciplines, focusing on different pricing perspectives. This study will not fully explore all price definitions; instead, it will highlight the differences between fields. For instance, in economics, pricing focuses on supply and demand; in revenue management, price is about profit-seeking (Mattila and Gao 2016). In marketing, price represents *“the sum of the values that consumers exchange for the benefits of having or using a*

product or service” (Kotler and Armstrong, 2014, p. 315). Consequently, the most straightforward price definition is “*the monetary value of a product or service*” (Boz, Arslan and Koc, 2017, p. 119).

Purchase decisions are based on how customers perceive the price and the opportunity to enhance their enjoyment of the experience. The demand may fall if the price is too high (Kotler and Keller 2012; Dwivedi et al. 2018). Deciding on pricing has been identified as a critical area in revenue management practice (Xie and Kwok 2017). The following section outlines the most commonly used pricing techniques.

2.1.1. Pricing strategies

The literature widely suggests that price is the primary criterion when purchasing a product or service, and it is the only element in the marketing mix that determines revenue and profitability (Stangl et al. 2017; Boteva 2022). This section explores the pricing techniques within the service industry, focusing mainly on hospitality. With the increasing development of new technologies, the literature on pricing categorises various pricing techniques into three main groups: cost-based, competition-driven, and value-based (Hinterhuber 2008; Hung et al. 2010; Liozu and Hinterhuber 2013; Faith and Edwin 2014; Amaral and Guerreiro 2019; Nair 2019; Gao et al. 2021; Mattos et al. 2021; Boteva 2022). Each technique has advantages and disadvantages (Hung et al. 2010), depicted in Table 2-1.

Table 2-1. Pricing Techniques categories

	<i>Cost-based pricing Market-driven</i>	<i>Competition-driven pricing</i>	<i>Value-based pricing Attribute-driven</i>
Definition	Cost-based pricing approaches determine prices primarily with data from cost accounting.	Competition-driven pricing approaches use competitors' anticipated or observed price levels as a primary source of setting prices.	Value-based pricing approaches use the value a product or service delivers to a predefined segment of customers as the main factor for setting prices.
Examples	Cost-plus pricing, Mark-up pricing, target-return pricing	Parallel pricing, umbrella pricing, penetration/skim pricing, average market pricing	Perceived value pricing, Performance pricing, Dynamic and personalised pricing
Main strength	Data readily available, simplicity in setting prices	Data readily available	Does take customer perspective into accounting
Main weaknesses	Does not take competition into account; it does not take customers (and customer WTP) into account.	It does not take customers (and customer WTP) into account	Data are difficult to obtain and interpret. The value-based approach may lead to relatively high prices – the need to consider long-term profitability. Customer value is not given but needs to be communicated.

Source: Adopted from Hinterhuber (2008, p. 42); Amaral and Guerreiro (2019); Gao et al. (2021); Mattos et al. (2021)

Despite the technological advancement, it is apparent that all three approaches can and are applied to new and existing products and offers in negotiation (Mattos et al. 2021). Derived from cost accounting data, cost-based pricing strength is the simplicity of setting prices regardless of customer types and pricing decisions (Hinterhuber 2008; Mattos et al. 2021). It may result in overpricing or underpricing issues (Hung et al. 2010). This approach ignores the customer's perception of the value of products and services (Boteva 2022). Hinterhuber (2008) evaluate this technique as the weakest approach. With the increasing role of the customer, pricing strategies based on the cost for the business seem to become obsolete and insufficient (Viglia 2022). Nevertheless, cost-based pricing remains the leading pricing strategy (Amaral and Guerreiro 2019).

Competition-driven pricing assumes that competitors know the customers' value of offerings. This approach can lead to inappropriate price-cutting due to market share-orientated seeking (Hung et al. 2010). Competition-driven pricing is a sub-optimal approach that can be appropriate for products and services that are challenging to personalise (Hinterhuber 2008). In practice, a

competition-driven approach is often justified as the price is one of the main factors for customers (Boteva 2022).

Value-based pricing technique is based on reacting to a customer's needs, elasticity, and WTP. This technique proactively changes the customer's WTP by learning and leveraging the benefits pursued by customers (Hung et al. 2010). As customers subjectively assess the value of an offer, influencing the perceived quality and purchasing behaviour, this logic is closely interrelated to value co-creation (Mattos et al. 2021; Nadeem et al. 2023). This approach is influenced by the customer reference price (outlined in section 2.4.1) (Viglia, Mauri, et al. 2016; Boteva 2022).

Value-based pricing become increasingly recognised in the literature as superior to all pricing strategies (Faith and Edwin 2014; Mattos et al. 2021). Liozu et al. (2014) stressed that brands often lack up-to-date WTP information or skills to acquire that information, so only a few managers can engage in value pricing. It is harder to adopt this technique than other pricing approaches (Hung et al. 2010). Liozu and Hinterhuber (2014) suggest that implementing value-based pricing requires significant organisational changes that transform the company. This approach refers to the degree to which customers base their decision on the perceived benefits offered by the products and services and the trade-off against the price (Liozu et al. 2014). Value-based pricing is the best and most desirable approach of those three presented techniques, as it links directly to customer needs (Hinterhuber 2008; Mattos et al. 2021).

By exploring pricing from CDL's perspective, prices are monetary reflections of customer engagement and value (co)-creation. Prices are co-created with customers and vary between “good” and “bad” rather than just “low” and “high”, where value is *shared with* rather than *extracted from* the customer (Liozu et al. 2014; Gerlick and Liozu 2020). The customer-driven strategy encounters the problem of customers being unwilling to disclose their reservation price (Danziger et al. 2006; Hung et al. 2010; Moriarty 2021). The literature defines reservation price as the price the customer is willing to pay for a specific product or service, representing the customer's value (Greenstein-Messica and Rokach 2018). As customer WTP vary, customers are heterogeneous in their reservation prices (Prasad et al. 2015). They assign different values to the products and services (Abrate et al. 2012) and have different degrees of patience (Wu et al. 2014). Abrate et al. (2012, p. 160) suggest that *"the high-valuation customers have a lower degree of patience while low-valuation customers are often sufficiently patient to wait for the sales"*.

The literature on marketing and revenue management exposes that the pricing strategy is an outcome of a complex interaction of internal and external characteristics, culture, and the process linking various operations (such as marketing and revenue management) (Ivanov 2014; Abrate and Viglia 2016; Gerlick and Liozu 2020). Company pricing strategy is influenced by internal and external attributes regarding the environment (customers and competitors), attractiveness, and reputation (Melis and Piga 2017; Viglia and Abrate 2017).

2.1.2. Types of pricing tactics

Past research shows that many factors influence price and pricing strategy. The increased availability of high-quality customer information fueled interest in various pricing strategies, including price personalisation (Vives et al. 2018; Elmachtoub et al. 2021). As customer's perception of prices change, their attitudes and behavioural intention differ (Gao et al. 2021). Various pricing strategies are commonly used and highlighted in the literature. Mattila and Gao (2016) focused on price framing and customer reaction to different price presentations. They highlight seven types of pricing strategies commonly used in the hospitality industry, namely: (1) price endings/odd pricing, (2) discount framing, (3) best available rate (BAR), (4) package/bundling and portioned pricing, (5) participative pricing, and (6) flash/daily deals (Mattila and Gao 2016). Many marketing and revenue management strategies are based on customer segmentation (Kalantari and Johnson 2018). To draw a picture of various approaches to hospitality pricing, those pricing tactics are explained to provide an understanding for exploring the relationship between CeoP and WTP. For many products and services, prices change depending on the time (day, week, month, year), demand, availability, location, or channel. Customer attitude, expectations and perceptions of price fairness, reasonability, honesty of pricing policy, and price acceptability vary for different pricing tactics (Gao et al. 2021). Table 2-2 depict short summary of various pricing tactics outlined next.

Table 2-2. The Summary of pricing tactics

<i>Price Tactics</i>	<i>Explanation</i>
Odd-ending pricing	Pricing in which the rightmost digits fall right below or round numbers
Discounts	Based on offering various discounts for products and offers to different customer segments.
Best Available Rate (BAR)	Price quoted to the customer who does not qualify for a lower price on a product or service associated with any discount-qualifying conditions.
Package/bundling	Combine two or more products and services in a single offer for a special price.
Partitioned pricing	Prices are presented on individual products or services, such as "a base price" and "a surcharge."
Participative pricing	Customer-driven pricing mechanism in which customers actively influence the price by stating the price they want to pay
Flash/daily deals	The discounted sales of products and services within a limited time specified by the seller and in a specific context

Odd-ending pricing is a commonly used pricing strategy by many retailers. This odd-ending pricing strategy is known as psychological pricing (Ivanov 2014; Zou and Petrick 2021). This strategy considers how individuals attend to, perceive, process, and evaluate the price (Zou and Petrick 2021). In simple terms, price ending, or odd pricing, refers to the pricing strategy in which the rightmost digits fall right below or round numbers. For example, sale prices of £49.95, £49.99 and £50.00 are virtually the same but may be perceived differently by customers. For instance, the price endings 0 and 5 are perceived as indicators of high quality, while the price ending "9" is perceived as making a value proposition. Unsurprisingly, it is common to find odd prices in the fast-food industry (e.g., McDonald's offers a Big Mac burger for £3.69). A round price or prestige pricing strategy is often present at fine dining and luxury establishments (Mattila and Gao 2016; Boz et al. 2017). Psychological pricing practices are still evident across retail, airline, and catering (Zou and Petrick 2021).

Discounts are the most commonly used pricing strategy. It is based on offering various discounts for products and offers. In discount promotions, the company reduces the sales price, and customers or specific segments and markets are eligible for the discount (Mattila and Gao 2016). This approach is evident in daily life with bus fare discounts, happy hour offers, last-minute deals, or using the "too good to go" mobile app aiming to fight against food waste (Vo-Thanh et al. 2021). Depending on the price level, it can depict a discount framed as a fixed amount of money or as a percentage (Mattila and Gao 2016). Grounded in psychological utility derived from saving

a fixed amount, the customer may prefer a discount mounted in absolute value when the price tag is high. For example, customers might prefer to receive a £100 discount on a £1500 international flight than having an equivalent 6.7 per cent discount. Controversially, when the price of a product or service is low, a 20 per cent discount on a £6 beverage may be more appealing than the equivalent of a price reduction of £1.20 (Choi and Mattila 2014). With the increasing popularity of online platforms (like Groupon.com), coupon discounts are still widely available for various products and services. Only those customers who hold coupons (either paper or electronic) are eligible for discounts with coupon discounts.

In contrast to benefits from coupon discounts, customers can gradually turn negative when an excessive discount point has been reached and may question the product and service quality (Mattila and Gao 2016). Discounts are most influenced by shortened shopping windows, competitors' prices and cancellation policies (Binesh et al. 2021). It is a common practice to offer discounts by adopting an eligibility faced system (e.g., age/student status, time of the day/week/year, non-refundable cancellation, specific booking window, early bird offers) as an effective price discrimination strategy (Denizci Guillet et al. 2015; Ma and Schwartz 2023). Aydin and Ziya (2009) and Talón-Ballesteró et al. (2022) suggest that discounting can be a first step in implementing price personalisation.

The Best Available Rate (BAR), also known as “*best rate guaranteed*”, is generally accepted in the hospitality industry to be the best hotel room rate available on a given day (Mattila and Gao 2016). BAR is a term describing an un-qualified room rate – a rate that the hotel quotes to the guest who does not qualify for a lower rate on a product associated with any discount-qualifying conditions (e.g., non-refundable policy) (Ma and Schwartz 2023). Hotels often set their room rates and any associated discounts in advance, often with a predetermined number of BARs for a longer period and varying with market demand (Talón-Ballesteró et al. 2022). In this strategy, the price within the stay period may significantly vary, depending on the level of demand for each given night (Noone and Mattila 2009). This traditional pricing strategy often does not accommodate attributes that customers value (Gao et al. 2021). BAR pricing inflexibly prevents hotels from maximising revenue (hsmai and Duetto 2018; Ma and Schwartz 2023).

Bundling/package and partitioned pricing combine two or more products and services in a single offer for a special price (Mattila and Gao 2016). Businesses are adopting this practice as effective

marketing to attract customers (Chen et al. 2023). Framing and price presentation influence the customer perception of bundled offers (Noone and Mattila 2009); hence, customer benefits from price bundling due to a streamlined purchase process and cost savings (Kim et al. 2009). This type of pricing is a popular marketing strategy in the hotel, airline, and restaurant industry, as evidenced by "value meals", "meal deals", "flight plus hotel", or "room with breakfast" deals (Mattila and Gao 2016; Chen et al. 2023). In contrast to bundling pricing, partitioned pricing presents prices on individual products or services, such as "a base price" and "a surcharge", without providing an overall price (Mattila and Gao 2016). The presales price information can influence customer behaviour (evaluation of past prices, price sensitivity, or purchase decisions) (Viglia, Mauri, et al. 2016; Gao et al. 2021). For example, in the airline industry, the location of the seat or priority boarding, like in the hospitality industry, early check-in and late check-out, use of fitness facilities, and newspapers are examples of add-on charges. Although partitioned pricing increases perceived price transparency, researchers show mixed results on the customer WTP and perceived value (Greenleaf et al. 2016; Gao et al. 2021).

Participative pricing invites the customer to actively influence the price, which results in additional price discrimination and personalisation (Kim et al. 2009; Gerpott 2017). This pricing method does not rely on a fixed price for the product or service. Participative strategies such as Pay-What-You-Want (PWYW) or Name-Your-Own-Price (NYOP) are auction-based (Mattila and Gao 2016; Wagner et al. 2022) and are examples of revenue-maximising mechanisms (Gershkov et al. 2018).

The PWYW is a participative pricing method that allows customers to pay the price they want by removing the company's ability to set the price. It is the customer-driven (Krämer et al. 2018; Roy et al. 2021) pricing mechanism introduced by Kim et al. (2009). It is a system where customers determine the price for certain goods and services (Kim et al. 2009, 2014). In PWYW, customers pay the amount they wish based on their perception of value, in which consideration of fairness plays a significant role (León et al. 2012). It involves the entire delegation of the power to set prices to the customer and concerns only one vendor and one customer (Gerpott 2017). When using PWYW, the brand cannot reject the price offered (Kim et al., 2014). Many authors claim the PWYW method is new and "innovative" (Kim et al. 2009, 2014; Balan 2014; Stangl et al. 2017; Roy et al. 2021). Others believe that PWYW is "*neither novel nor uncommon in practice*" due to cultural institutions and street artists who have resorted to this approach for a long time (Gerpott, 2017, p. 36). In many industries, including museums, software, churches, charity sales,

zoos, wine bars, golf, performing arts, restaurants, or hotels, some brands already let their customers pay what they want (Kim et al. 2009; Schmidt et al. 2015; Mattila and Gao 2016; Krämer et al. 2018; Reisman et al. 2019). These approaches examine the company's impact on customers' perception of fairness, WTP, and purchase intention (Stangl et al. 2017). PWYW can be classified as a price discrimination method in which customers pay different prices for the same product or service.

This price discrimination is endogenous; PWYW creates an advantage over other price discrimination methods as it discriminates price without influencing the customer's reference price point (Schmidt et al. 2015; Roy and Das 2022). The literature suggests the influence of social norms on voluntary payment behaviour, as individuals do not behave in the same way in all social contexts (León et al. 2012). The increasing social distance may decrease the price paid. Brands should avoid offering high-value products and services under PWYW conditions (Kim et al. 2014). Roy et al. (2021) depict that while making payments, customers perceive themselves under social mechanisms, such as spotlight and pressure from others (co-workers, family members), positively influencing their WTP.

In contrast, with the NYOP strategy, a customer bids for a product or service (such as a hotel room or rental car). If the price named on arrival is above the posted price, the customer gets the object immediately. If it is below, the brand decides whether to return to the customer and sell the product or service at the named price (Anderson and Wilson 2011; Gershkov et al. 2018). This pricing method is used by many brands that follow the lead of Priceline.com (Gershkov et al. 2018). The Priceline business model has influenced much research on NYOP (Krämer et al. 2018).

Krämer et al. (2018) compared both participative pricing methods. Their analysis shows that both PWYW and NYOP are effective methods of endogenous price discrimination. They are both marketing strategies that delegate the pricing power to the customers and avoid setting a reference price. Krämer et al. (2018) noted that both pricing methods work very differently and should be used in different circumstances. Wagner et al. (2022) explored customer reactions to participatory pricing strategies. Their research suggests that customers feel less pain and are more satisfied with PWYW offers. However, if they intend to pay less, they favour NYOP (Roy and Das 2022; Wagner et al. 2022). From the customer perspective, NYOP can allow customers to save money, as customers often collaborate on social networks (Wagner and Pacheco 2020). The literature depicts that PWYW and NYOP are similar pricing mechanisms with different outcomes. PWYW

leads to higher price satisfaction and lower pain of payment, while NYOP tends to increase customers' intention to pay (Wagner et al. 2022).

Flash deals are a pricing mechanism that caught many managers' attention (Berezina et al. 2016; Berezina and Semrad 2022). It is often referred to as daily deals (Piccoli and Dev 2012) and online coupons (Sigala 2013). This approach characterises the discounted sales of products and services within a limited time specified by the seller and in a specific context (Buhalis and Sinarta 2019; Berezina and Semrad 2022). For example, websites such as Groupon, LivingSocial, SecretEscapes, and many retail stores offer a variety of products and services for sale for a limited time at heavily discounted rates (Mattila and Gao 2016). Those discounts can vary widely from 15 to 75 per cent of rack rates and commission paid to vendors, mostly between 15 and 20 per cent (Piccoli and Dev 2012). By implementing this pricing mechanism, brands can control and monitor the time, place, and quantity available for their deals. Based on customers' previous behaviour, personally identifiable information can target customers with relevant and personalised offers. Customers' motivation to respond to flash deals can increase when they perceive high benefits from the sale (Berezina and Semrad 2022). The evolution of the digital world reduced the cost of customers searching and collecting coupons changing customers' behaviour in searching for a deal. They become active seekers and communicators of online deals (Sigala 2013). With flash deals gaining popularity, Berezina et al. (2016) investigate the benefits, drawbacks and performance measures of hotel room inventory distribution using flash sales websites.

Piccoli and Dev (2012), recognising these marketing channels' importance and potential impact, developed a survey that examined strategies, purpose, and outcomes for companies that used flash deals. They aimed to create an understanding of the strategies and approaches of those who used these channels, finding that their respondents were "*relatively satisfied*" (p. 16) with the promotion. Piccoli and Dev (2012) noted that only about half of their respondents would run the same promotion, and 29 per cent were cynical about it. Those mixed emotions signal that brands are still learning to use the channel best and could experiment with different deal approaches (Piccoli and Dev 2012). The flash deals are a double-edged sword, increasing customer WTP for future (first-time) buyers but decreasing WTP for strategically timing their purchase (Dilmé and Li 2019). The literature criticises this approach, calling it a recessionary phenomenon that is the stupidest distribution plan regarding economics, price, and branding (Berezina et al. 2016).

Consequently, the disadvantage of heavy discounting may negatively affect customers' quality perceptions (Mattila and Gao 2016).

The specific choice of pricing strategy depends on the company's type, its product (e.g., type of accommodation) and services, the revenue manager's goals, competition, demand, location, taxation, and other pricing and non-pricing factors (Ivanov 2014). Table 2-3 depicts some additional pricing strategies presented in the literature.

Table 2-3. Additional pricing strategies

<i>Pricing strategy</i>	<i>Explanation</i>
Market penetration pricing	Setting a low price for a limiting time for a new product or service to attract demand. Applied intending to expand the market share in a specific market segment
Market skimming pricing	Setting a high price to capture the high demand for a novel product or service
Optional product pricing	The introductory price includes, e.g., accommodation only. All other services are paid for separately. The most widely applied pricing strategy

Source: Adopted from Ivanov (2014, p. 107)

Prior research reveals that many pricing decisions are rather reactive than proactive (Danziger et al. 2006). That might be due to the diversity of pricing techniques and strategies. The importance of pricing in the marketing mix may influence the strategy implemented (Danziger et al. 2006). In contrast, when a business moves toward an active system of price discrimination between customers, locations, and time of use, it may increase the company's total revenue (Palmer and McMahon-Beattie 2008). Looking at the price as a profit lever, increasing the price by 1 per cent (with constant outputs) may result in an 11 per cent increase in operating profit (Hufnagel et al. 2022). Static or dynamic approaches might be used to justify pricing schemes, as the pricing design may influence the customer's willingness to purchase (Chen et al. 2023). Customers often make purchase decisions based on experience, needs, desires, and contextual characteristics. Each pricing strategy outlined above provides distinct traits and insights into the customer decision-making process. Many pricing strategies offer different prices to various customer segments, often based on differences in valuation and characteristics. The customer's involvement in participatory pricing allows for prices to be presented to customers based on their WTP. The advancement of technology in collecting data about and tracking customers enhances the ability to target

customers, often using various price discrimination strategies simultaneously (Chandra 2020). The following section outlines such a pricing strategy.

2.1.3. Price discrimination

In service industries, the uncertainty of demand may favour price uniformity. For example, suppose demand prediction for a specific period is impossible due to unknown relative prospective appeal. In that case, it can lead the managers to decide to treat all dates in a period identically (Melis and Piga 2017), which can impact company profitability. As a revenue management tool, advanced selling offers lower prices to more customers who purchase in advance instead of offering only one selling price at the time of consumption (Wang and Hu 2019). The company's ability to set the right price at the right moment is essential to *appropriating value* and generating revenue (Abrate et al. 2019). Marketers and revenue managers need to understand the motivations behind customer WTP as an outcome of value co-creating during the pre-, intra-, and post-purchase stages (Nadeem et al. 2023).

Price discrimination is charging different customers a different price for the same product where difference in cost cannot be explained by marginal cost (Heidary et al. 2022). Price discrimination based on customer characteristics is an old practice (Ban and Keskin, 2021) and all customers have encountered this phenomenon (Moriarty 2021). It is common to see businesses in varied industries, such as hospitality, banking, retailing, or events, use various pricing forms to maximise their revenue (Chandra 2020). In an offline environment, nobody is surprised if a litre of petrol is cheaper at the same chain of petrol stations between two locations (Steppe 2017) (often within one city). Price discrimination on a per-customer basis is widespread in insurance, where customers accept that rates are set on a case-to-case basis (Ban and Keskin, 2021). In the service industry, price discrimination became essential to reduce demand uncertainty by setting different pricing based on customer type (segmentation), time, and sales channels (Chen et al. 2015). Price discrimination can be intertemporal, meaning customers pay the same price each time. Still, the price may change based on the customer profile, or it can be behavioural-based, meaning that customers pay different prices simultaneously based on their profile (Binesh et al. 2021). In short, price discrimination is selling the same product or service to different customers at different prices (Abrate et al. 2019).

Technology development allows brands to design real-time pricing strategies in which customers get *special discounts* depending on their location, search history, social networks, purchase history, and the content of their online reviews and blog posts (Esteves and Resende 2019). Price

discrimination is among the most essential and widely used revenue management pricing tools (Ivanov 2014). When a company's inventory is fixed and perishable (like in a hotel or airline), price discrimination attempts to match the timing of the sales and the price with the customer's needs to maximise sales (Noone and Mattila 2009). With a time constraint, marketing and revenue managers are looking to achieve quick inventory clearance that routinely creates a price structure that includes determining the appropriate number of different prices, such as published rates, discounted rates, and weekend or corporate rates (Kim et al. 2014).

The vast body of research in this area uses a classic economic distinction in price discrimination between first-, second-, and third-degree and tends to focus on one type only (Chandra 2020). *First-degree price discrimination* is when a customer is charged an individual price equal to the buyer's maximum WTP (Steppe 2017; Zuiderveen Borgesius and Poort 2017; Gautier et al. 2020; Moriarty 2021). In reality, such practice is challenging due to the lack of knowledge of customers' WTP (Wang and Hu 2019). The literature illuminates some modern pricing practices that involve first-degree price discrimination. Example of this practice is dynamic pricing (discussed in section 2.1.5) and personalised pricing (discussed in 2.1.6). Despite some similarities, price personalisation represents a specific form of price discrimination and may not be used synonymously with dynamic pricing (Krämer et al. 2018).

Second-degree price discrimination is when pricing for a product or service depends on the quantity bought. It may involve a quantity discount or a two-part tariff with a fixed and variable fee. Certain loyalty schemes characterise this type of price discrimination when customers receive credits or discounts based on their past purchases (e.g., lower room rates for return guests) (Zuiderveen Borgesius and Poort 2017; Chandra 2020; Gautier et al. 2020; Moriarty 2021).

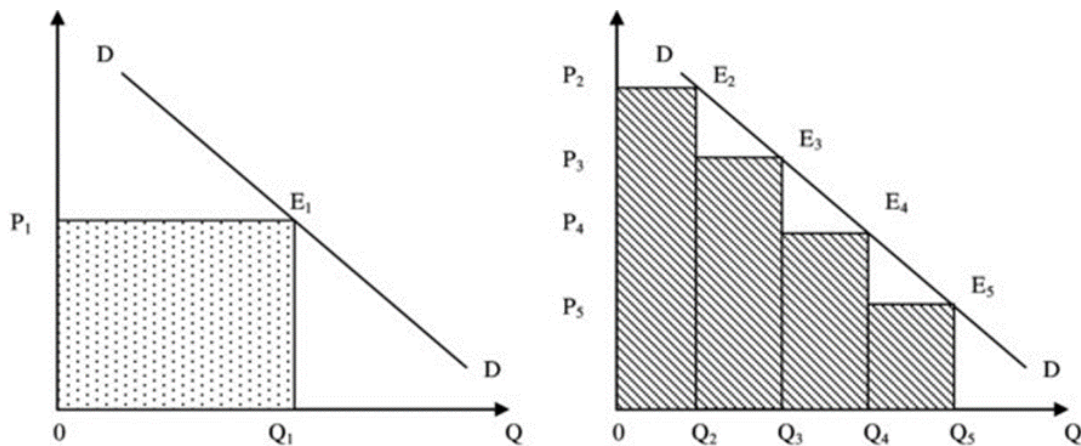
Third-degree price discrimination refers to prices that differ between groups or types of customers. For example, a common practice used by brands is to offer discounts based on age (children, adults, seniors), geographical location (Europe, Asia, urban or rural areas), profession (military, civil service), and level of education (e.g., reduced conference fees for academics) (Zuiderveen Borgesius and Poort 2017; Chandra 2020; Moriarty 2021).

Price discrimination consists of adjusting product and service prices based on customers' personal information (e.g., age, occupation, nationality, location, and purchase behaviour) (Hupperich et al. 2018; Gautier et al. 2020). The rationale for charging a different price for what may appear to be the same product or service is the price elasticity for different market segments (e.g., business travellers are less price-sensitive than leisure travellers) (Ivanov 2014). Zuiderveen Borgesius and Poort (2017) offer a good argument in favour of price discrimination, as it can benefit both the

company and the customer from a welfare economics perspective. Pricing can be used in two ways: to determine the optimal price and to determine who should pay which price (Kimes 2010). Figure 2-1 depicts the graphical rationale behind price discrimination, presenting the revenues without and with price discrimination.

Ivanov (2014) illuminates that a brand only charging one price to all its customers is not maximising its revenue (represented by dotted rectangle $0Q_1E_1P_1$), and not all customers might be satisfied with the prices paid for the product or service. If the price P_1 is too high, some customers are either unable or unwilling to pay, while some are willing to pay a higher price for the room offered (Leibbrandt 2020). If the brand applies price discrimination, different market segments will be charged different prices – $P_2, P_3, P_4,$ and P_5 , leading to higher total revenue, like in many cases in the hospitality industry (Ivanov 2014).

Figure 2-1. The rationale behind price discrimination



Source: Ivanov (2014, p. 101), hsmi and Duetto (2018, p. 3)

The services offered by hotels are an example of "experience goods", i.e., goods of which the quality can only be adequately assessed after consumption. It means that customers can perceive the price as a quality signal. A drop below the uniform (standard) price can decrease demand (Melis and Piga 2017). Customers are not antagonising against price discrimination per se (Leibbrandt 2020). The company can adopt price discrimination strategies as part of customer value management, which examines the loyalty and profitability of the customers (Kim et al. 2014).

To illustrate the rationale (depicted in Figure 2-1) for the use of price discrimination, a 100-bedroom hotel charges all customers £100 per night and sells all its rooms at that rate (and generates $100 \times £100 = £10,000$ revenue). Some customers (i.e., 25 per cent) may be willing to pay a higher rate (for instance, £125). If the hotel charges two rates (£100 and £125), it will make $25 \times £125 + 75 \times £100 = £10,625$ revenue.

Previous research has identified the importance of price and price alteration (Ivanov and Zhechev 2012). Martin et al. (2009) examined how customer loyalty and fairness perception affect each other when a company increases its prices. Their results indicate that customer loyalty positively affects fairness perception when price increases are low, though they have no such effect found if price increases are high. Further, they imply that customers are more likely to forgive a single price increase than considerable price increases (Martin et al. 2009). Cohen et al. (2022) investigated prices for different groups under fairness constraints and found that imposing a small amount of price fairness increases social welfare, but imposing too much price fairness may lead to a lose-lose outcome (e.g., both the seller and the consumers are worse off). Cowan (2012) shows that price discrimination can increase customer surplus if the

"ratio of pass-through coefficient to the price elasticity at the uniform price is higher in the market with higher price elasticity..." (p. 333).

Richards et al. (2016) examined the customer perception of price fairness. They hypothesised that price fairness is shaped by *"self-interested aversion"*, in which prices tend to be regarded as unfair, and the purchase can fall. Through experiments, they found that customers are more willing to purchase if they perceive inequity in pricing is in their favour, suggesting that fairness perception is related to customer decision to purchase. If customers are allowed to participate in the price formation process, they are much more likely to purchase (Richards et al. 2016). Customers are more likely to perceive the price as fair *"when the reason for the price increase is justifiable"* (Martin et al. 2009, p. 590). Price fairness judgment relates to customer satisfaction and emotional state and may include the experience of other customers affecting customer evaluation, behaviour, and intention to purchase (Alderighi et al. 2022). The price increase is justifiable when the locus of causality related to the price increase is external to the brand (Martin et al. 2009). As customers are less likely to purchase if they regard the price of a product as unfair, the participatory (discriminatory) pricing system, in which customers "negotiate the price" with the brand, holds much practical promise. Richards et al. (2016) conclude that discriminatory pricing can work for a range of products and services, provided the gap in price between those customers who can find and exploit lower prices and those customers who do not. Depending on the circumstances, price

discrimination can be either beneficial or detrimental for individual customers and total customers' welfare (Zuiderveen Borgesius and Poort 2017; Cohen et al. 2022).

The next part focuses on exploring the literature to more comprehensively understand two main strategies of first-degree pricing strategy – dynamic pricing and personalised pricing. Finally, it discusses the role of these interrelated concepts as pricing strategies in maximising company revenue.

2.1.4. Reference price

Customers dynamically compare the prices of products and services. Customers have a price range for products and services based on previous purchases, similar offers, and advertised prices (Srivastava et al. 2022). The reference price is the standard or anticipated price against which customers evaluate a product and service to assess its attractiveness (Mazumdar et al. 2005; Viglia, Minazzi, et al. 2016; Nieto-García et al. 2020). For example, during a search for a hotel, customers check multiple prices (room rates), realising a certain degree of price variation. The customer then judges the prices based on prices paid in the past, prices offered by other hotels, and prices seen in the past. Reference price can be conceptualised as expectation-based or “fair” (“just”) price (Viglia and Abrate 2014; Priester et al. 2020). An expectation-based price relies on the customer’s experience and current purchase environment (Priester et al., 2020). The “fair” conceptualisation of reference price includes normative and aspirational standards based on what others in a social group pay for the same product and service (Mazumdar et al. 2005). Often, customers perceive price differences between customers as less fair than the difference between purchase time or the seller (Priester et al. 2020).

Customers continually interact with the market and develop a reference price based on their idea of fairness and fair price (Kumari and Gotmare 2022). This comparison is influenced by the customer's prior purchase experience and individual characteristics (Mazumdar et al. 2005). This relationship is often moderated by transaction similarity, customer knowledge, beliefs, trust, loyalty, social norms, and company motives for price change (Hufnagel et al. 2022). The reference price is often not just a point but ranges between the minimum and maximum price the customer expects to pay (Stangl et al. 2020). The reference price has two key aspects – the behavioural aspect of internal reference price (IRP) and information available externally, the external reference price (ERP), which are essential factors in pricing strategy (Srivastava et al. 2022). While making a purchase, customers often compare the product or service price against their IRP (Nieto-García et al. 2017), e.g., against the price paid last time for the same product or service,

and purchase context moderators (e.g., planned vs un-planned trip) (Mazumdar et al. 2005). An ERP provides an external reference for customers to compare prices for competitors' products and services (Weisstein et al. 2019). The reference price concept is particularly relevant when favourable conditions for dynamic and personalised pricing occur, as the importance of reference price increases with price instability (Harrigan et al. 2017; Srivastava et al. 2022). The constant manipulation of prices may lead to either reducing the reference price that the customer is willing to pay or increasing the reference price, which can be perceived as unfair (Viglia, Mauri, et al. 2016; Melis and Piga 2017; Abrate et al. 2019).

The idea that customers make choices partially based on their reference price can shed light on customers' decisions and behaviours (Cakici et al. 2019). Viglia, Mauri, et al. (2016) analyse the impact of hotel price sequences on customers' reference prices. Their results show that consumers decrease their reference prices when competing hotels adjust their prices simultaneously. Each customer reference price is influenced by comparison with a stimulus such as newly encountered prices (Nieto-García et al. 2020). Offering low prices in reaction to, e.g., low season demand can cause the risk that the customer's reference price will be affected, reducing their WTP (Krämer et al. 2018). Even though the reference price and WTP are correlated, they are both distinct concepts where WTP is often higher than the reference price (Nieto-García et al. 2017). Developing an appropriate pricing strategy depends on various factors such as company objectives, environment, and customer characteristics and is both crucial and complex (Kienzler and Kowalkowski 2017). The awareness of reference dependence may facilitate the company's understanding of customers' behaviour when shaping the prices based on competitor moves (Viglia, Mauri, et al. 2016).

Kienzler and Kowalkowski (2017, p. 102) imply that

"a pricing strategy provides a systematic delineation of the elements that must be managed to achieve profitable performance in a business".

Viglia, Mauri, et al. (2016) findings suggest that if prices are adjusted independently from competitors, the dynamic pricing strategies have little influence on reference price, indicating that revenue management and customers accept time-based pricing practices. Srivastava et al. (2022) add that businesses must consider customer reference prices before offering personalised prices, and customer segment-wise determination would aid in better-personalised pricing.

2.1.5. Dynamic pricing

One of the integral concepts of pricing is dynamic pricing (DP) (Ivanov 2014), which is an essential part of hotel revenue management (Ivanov and Piddubna 2016). The strategy deals with purchase dates, where customers are willing to pay different prices for the same product or service as the date approaches (Vives et al. 2018). DP can be defined as the possibility of managing rates to increase revenue per transaction through systematic and continuous price manipulation (Melis and Piga 2017). It occurs when the price for a product or service changes depending on demand and supply for the product or service (Beckman and Chang 2018), prices of closest competitors and other contextual factors (Viglia, Mauri, et al. 2016). For industries with perishable products, such as airlines or hotels, implementing DP allows companies to maximise their revenues and control their inventory by offering prices reflecting the current level of demand in real-time (Ivanov 2014; Neubert 2022). In this strategy, the price mainly depends on the moment of reservation (purchase), and customers frequently pay different prices even when they have the same booking details (length of stay, type of room, flight destination) (Ivanov 2014). Although AI and smart technologies help process customer information such as re-purchase rate, reference price or behaviour (Talón-Ballesteró et al. 2022), DP does not consider an individual customer's price elasticity and is not yet fully personalised (Krämer et al. 2018).

Customers often have certain expectations about the price they pay for a product or service (Kannan and Kopalle 2001; Kotler and Armstrong 2014). They evaluate prices by comparing them to the most recent price or referring to what others say they have paid for a similar offer (Sahut et al. 2016). This price expectation and actual price presentation are crucial in their choice process (Kannan and Kopalle 2001; Viglia, Mauri, et al. 2016). The DP indicates price changes over multiple points, e.g., time (e.g., morning or evening, days to check-in), across customers, or products or services. Due to the lack of tangible elements, in the case of service offerings, customers may attach more considerable significance to price (Boz et al. 2017).

This leads to the conclusion that the price change caused by the DP strategy is closely related to price fairness perception. For a customer, a profit-driven price increase is considered more unfair than cost-justified motives (Abrate et al. 2019). By creating the perception of (un)-fairness, the price plays an essential role in customer satisfaction and behaviour. It is a matter of judgement that depends on various factors such as past purchases, product and service knowledge, and company communication strategies through advertising and word-of-mouth (WOM) or online reviews. It is based on the customers' idea of the current price (Melis and Piga 2017). Therefore, this practice may be easily perceived as unfair as it produces a variety of rates for what appears

to be the same product or service (Viglia, Mauri, et al. 2016). Abrate et al. (2019, p. 226) summarise that

"the price fairness literature predicts that DP variations should harm revenues due to the role of perceived price unfairness".

From an intertemporal price discrimination perspective, where the brand can charge different prices over time to target customers with different WTP, Abrate et al. (2019, p. 225) argue that *"dynamic price variations should boost revenues, even in a competitive context"*.

2.1.6. Price personalisation

"Every customer is unique" (Pine and Gilmore, 2011, p. 132). Regarding the natural environment or cultural attractiveness and reputation, pricing can be influenced by internal and external attributes such as online and offline ratings (Viglia and Abrate 2017). Drawing from economics, price personalisation as the form of first-degree (perfect) price discrimination refers to the pricing strategy where customers are charged the maximum amount they are willing to pay for the product or service offered (Hannak et al. 2014; Kienzler and Kowalkowski 2017; Seele et al. 2021).

Personalised price is a strategy where different prices are charged to different customers based on their WTP (Pizzi et al. 2022) and collection of personal data. The companies collect, organise, store, consult, process, and use such data, where customers provide data deliberately (accept browser cookies, provide, e.g., postcode) or unconsciously (e.g., through browser software, IP address, Internet service provider, a past purchase, time of purchase) (Steppe 2017). As a next step, combining the available transactional and personal data with smart technologies and AI allows the creation of a profile for each customer regarding their WTP and individual preferences (Schrage et al. 2020; Seele et al. 2021). Based on this, the personalised price can be set for each customer (Seele et al. 2021).

The development of technology allows brands to design real-time pricing strategies in which customers get "special discounts" depending on their context, location, search history, social networks, purchase history, and the contents of their online reviews or blog posts (Esteves and Resende 2019; Priester et al. 2020). Price personalisation is co-created with ever-advanced technologies and data analytics. The existing literature often considers dynamic pricing and price personalisation almost synonymous (Seele et al. 2021; Pizzi et al. 2022). Drawing from the sharing economy, price personalisation is determined by the customer-supplier value co-creation

process and customer reference price (outlined in section 2.4.1) (Buhalis et al. 2020; Sthapit et al. 2020; Moriarty 2021).

However, personalised pricing differs from dynamic pricing. Dynamic pricing refers to real-time yield management based on the economic supply-demand theory. Personalised pricing goes beyond the estimation of group demand toward an individual's demand (Obermiller et al. 2012; Seele et al. 2021; Pizzi et al. 2022; Talón-Ballesteró et al. 2022). In dynamic pricing, prices are set based on historical and current demand, such as hotel location, physical (room types, location) and non-physical (advance purchase, non-refundable) factors. Unlike dynamic pricing, personalised pricing focuses more on long-term customer value than on on-off benefit, facilitating personalised offers and one-to-one pricing through identification, accumulation, and analysis of an individual's behavioural data (Seele et al. 2021; Talón-Ballesteró et al. 2022). The highest customer satisfaction can be achieved if the customer's needs and desires are addressed individually rather than treating everyone the same (Obermiller et al. 2012; Seele et al. 2021). A successful customer experience can influence the company's future investment in products and services (Vinod et al. 2018). Price personalisation is not new, and Moor and Lury (2018) argued that the ability to gather *fine-grained* and *high-frequency* data about individuals (without incurring a high cost) enhances companies to even more focus on the re-personalisation of price.

The challenge in implementing a price personalisation strategy is acquiring customer-specific information (Aydin and Ziya 2009), such as customer WTP for the product or service in a competitive set (Sonnier 2014). The literature depicts a variety of methods for measuring customer WTP (Miller et al. 2011; Steiner and Hendus 2012; Ivanov and Webster 2021; Sarlay and Neuhofer 2021) (as outlined in section 5.6). The company has to learn the features of its customers, using either implicit or explicit methods to reveal customers' preferences (Currie et al. 2018). The literature devoted to price personalisation is still scarce, as it has been widely believed that first-degree price discrimination was little more than curiosity (Rayna et al. 2015; Seele et al. 2021) and only relevant from an academic perspective (Steppe 2017). Previous literature illuminates that although companies have tried personalised pricing strategies for perishable inventory, customer resistance to price discrimination is still a significant concern (Wu et al. 2014). Krämer et al. (2018) indicate that the brands wishing to implement personalised pricing must understand how to effectively sell the concept to be perceived as fair by the customers. With the assistance of smart technologies and AI, price personalisation will transform customer market segments as a critical element in the future of revenue management (Viglia and Abrate 2020; Talón-Ballesteró et al. 2022). The emergence of the digital economy has made price personalisation achievable and socially desirable (Rayna et al. 2015).

The literature emphasises that the company's promise of personalisation allows for establishing customer valuation and implementing finer price discrimination (Matsumura and Matsushima 2015). Price personalisation is a powerful management tool that can be used as a differentiation strategy (Chen and Chen 2017a) that is under-researched. Unlike other forms of price discrimination, like quantity discounts or segmentation, price personalisation requires the disclosure of information that otherwise remains hidden (Rayna et al. 2015; Aiello et al. 2020).

As customer segmentation is essential in marketing and revenue management and one of the prevailing schemes for customised pricing, Ban and Keskin (2021) distinguished both personalised and customised pricing practices. As in the online environment, tailored pricing is a widespread practice (e.g., Amazon, Priceline, Expedia, Hotels.com, or Orbitz); businesses often use customising price terms about price discrimination on at least one dimension (e.g., postcode, date of birth, education, or income status). Personalised pricing refers to price discrimination at the highest possible granular level with information available (Ban and Keskin, 2021; Boteva, 2022).

The literature on price personalisation is still sparse and heterogeneous (qualitative, quantitative, and conceptual), stretching various fields and depicting low construct clarity (Chen et al. 2015; Seele et al. 2021). Kwon and Kim (2012) considered price personalisation through a strategy such as a loyalty program. Personalisation differs in features such as ownership of control and comprehensiveness (Arora et al., 2008; Cavdar Aksoy et al., 2021; Kwon et al., 2010; Kwon and Kim, 2012). Prior research has looked into the price personalisation aspect from various perspectives. Chen and Chen (2017) developed a duopoly model to investigate the impact of price personalisation strategy (PPS) and money-back guarantee (MBG) return policy in comparison to uniform pricing and no-returns. They show that PPS and MBG are dominant strategies that impact the company's prices and profits differently. Miettinen and Stenbacka (2015) analysed the effect of privacy protection on customer welfare and industry profits by comparing personalised pricing with history-based pricing. They established analytically that personalised pricing influences customer welfare compared to history-based pricing. Esteves and Resende (2019) contributed to the debate by analysing the competitive and welfare effects of personalised pricing through targeted, informative advertising. They find that price discrimination through targeted advertising leads to higher expected prices and that targeted advertising combined with price discrimination does not always lead to more efficient shopping for all customers. Combining personalised ads and prices may be welfare detrimental, especially for *worse-off* customers and is more likely in markets with low advertising costs and relatively high product differentiation (Esteves and Resende 2019).

Aydin and Ziya (2009) investigated the relationship between personalised and dynamic pricing, referring to as the practice of adjusting the prices overbooking horizon to target customers with different WTP and over inventory levels and the level of demand (Greenstein-Messica and Rokach 2018; Abrate et al. 2019). Personalisation seems effective regardless of whether it is used with static or dynamic prices. Research implies the benefit of adding personalisation to the DP strategy (for a higher inventory level). The analysis shows that the successful implementation of price personalisation increases the company's profits (Aydin and Ziya 2009). For some customers, price discrimination (in the form of personalisation) will lead to higher prices than the uniform price (Zuiderveen Borgesius and Poort 2017; Poort et al. 2019; Seele et al. 2021). Drawing on past research, there is a need to explore further the elements of customer expectations of personalisation that may influence their WTP for a personalised offer.

Rayna et al. (2015) suggest that switching from uniform pricing towards price personalisation is not supposed to lead to any change in customer behaviour. Through switching, customers may be incentivised to *masquerade* as a customer with lower WTP "*by manipulating the personal data they supply*" (Rayna et al. 2015, p. 146). Companies can use personalisation to induce customers to spend more (Hannak et al. 2014). Customers may hide their identity if they feel the company will charge a lower price to the anonymous buyer (Aydin and Ziya 2009). For instance, Amazon was reported to use customers' data to set lower prices for new customers (Obermiller et al. 2012; Zuiderveen Borgesius and Poort 2017; Seele et al. 2021). The travel site Orbitz was found to personalise the results of hotel searches (shifting Mac operating system users towards more expensive hotels in selected locations) unbeknownst to users (Hannak et al. 2014). Therefore, a customer may conceal information given to the seller if they believe that such information may qualify for a lower price (Aydin and Ziya 2009). Collecting data on customers' purchases and shopping behaviour to present personalised offerings that fit the individual's purpose benefits both parties. The company can reduce costs, increase sales, and bolster the relationship. Customers gain the product or service they desire, freedom of where and when they decide to purchase it, and the communication they want to receive (Obermiller et al. 2012). Richards et al. (2016) suggest that a form of personalised pricing, in which customers are invited into negotiation with the brand and ultimately pay nearly to their WTP, can be valuable for customers and holds much practical promise.

Chen et al. (2022) suggest that personalised pricing is sometimes not recommended due to customer satisfaction and legality considerations. Whereas customer's privacy concern negatively influence their sharing behaviour intention (Li and Unger, 2012), customers' personal information is a valuable revenue source (Seele et al. 2021) and pricing tool (Song et al. 2021).

The widely cited Amazon experiments and ethical considerations relating to privacy concerns and personalised pricing have triggered a broader discussion among practitioners, the public, and academics (Lee and Cranage 2011; Obermiller et al. 2012; Zuiderveen Borgesius and Poort 2017; Choe et al. 2018; Gerlick and Liozu 2020; van der Rest et al. 2020; Coker and Izaret 2021; Moriarty 2021; Seele et al. 2021; Song et al. 2021). It relates to the collection and analysis of personal data and the customer perception of the fairness of the price presented. Fueled by technological advances, personalised pricing approaches may diminish trust if unmitigated by certain factors like product differentiation or social injustice (Gerlick and Liozu 2020). The collection and analysis of individual behavioural data and the power imbalances that develop between customers and businesses with comprehensive behavioural profiles are the main ethical challenges with pricing discrimination (Seele et al. 2021).

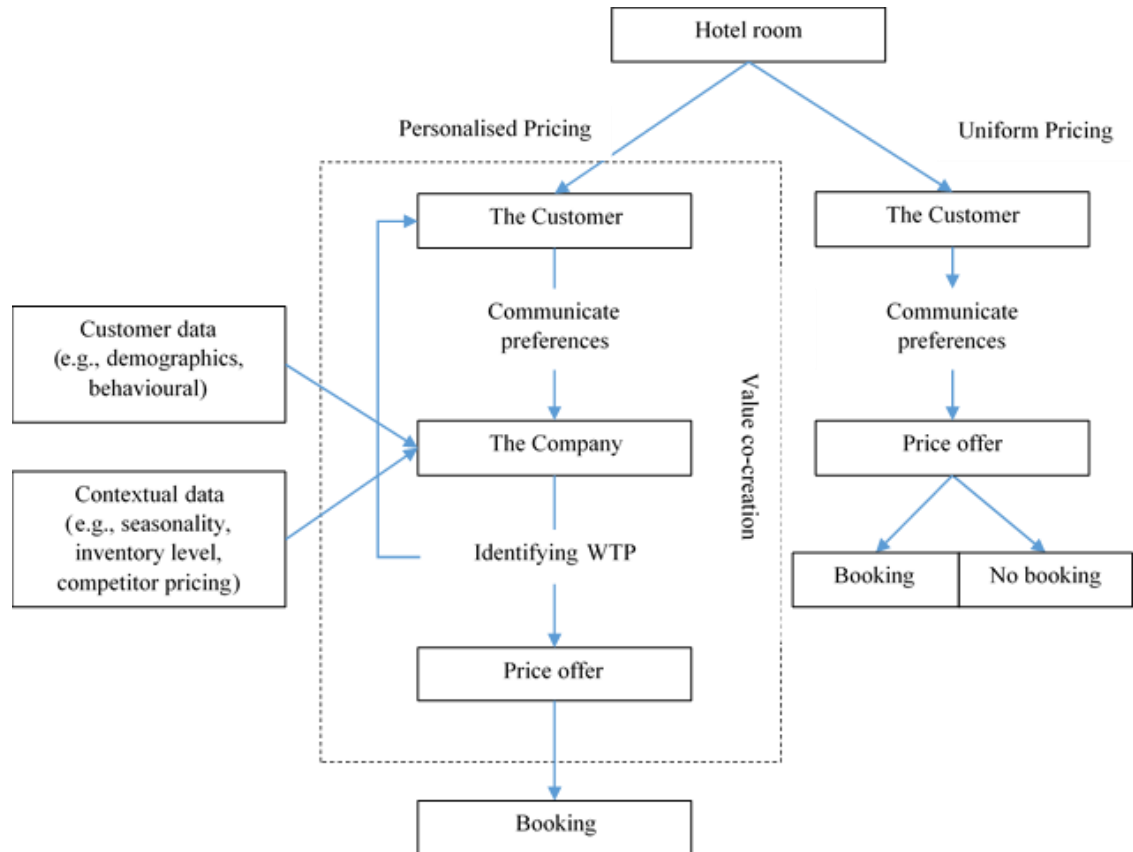
Many customers find price discrimination unfair even if it advantages them (Coker and Izaret 2021). The critical ethical challenge of personalised pricing is in accumulating and analysing individual behavioural data and the power asymmetries between consumers and businesses with detailed behavioural profiles (Seele et al. 2021). Personalised prices can be displayed as explicit personal offers, such as exclusive deals and are more likely to be accepted to address customer's price-related issues about price justice (*ibid*).

The marketing shift towards CDL represents a valuable lens to help explore the relationship between customer expectations of personalisation and WTP more effectively, as its emphasis on value formation in the customer's sphere. This study recognises the need for further research and discussion on ethical issues related to price personalisation. However, this topic is beyond this study's scope despite the research's scarcity (van der Rest et al. 2020; Coker and Izaret 2021).

Suppose the customers determine value based on their perception and consumption experience (Lei et al. 2019). In that case, actions taken by the customers and the company are sequential, i.e., the company decides first to engage or not to engage in personalised pricing (Rayna et al. 2015). Figure 2-2 depicts the sequentiality of the decisions of both parties. From the CDL perspective (Heinonen et al. 2010; Heinonen and Strandvik 2015; Heinonen 2022), under personalised pricing, the customer plays a more central role in the market valuation (Sonnier 2014). A hotel room price change influences customers' price perception, perceived value, and booking intention (Hong et al. 2020). Understanding needs, wants, and desires and continually engaging with customers support co-creation. It enables customers to amend products and services, improve the value generated, and increase the overall experience (Buhalis and Foerste 2015; Neuhofer et al. 2015). Moor and Lury (2018) suggest that it is not just price that can be and is personalised.

Instead, the price is attached to the individual in a new way, as customers can be engaged in multiple and changing relations to price, places, products, promotions, and other individuals (Moor and Lury 2018).

Figure 2-2. The sequentiality of the decisions of the company and the customer



Inspired by Rayna et al. (2015)

With two-way engagement, customers are at the centre of the co-creation process (Vargo and Lusch 2014, 2017; Tu et al. 2018). The paradigm shift towards customer-centric, including customer involvement, has tested established methods and produced new practices where customers incorporate their resources (Tu et al. 2018). The pricing co-creation approach represents a strategic shift towards customer-centric pricing strategies that acknowledge the evolving dynamics of consumer behaviour and the digitalised marketplace (Vargo 2011; Vargo and Lusch 2017; Schofield 2019; Heinonen 2022).

Value co-creation (discussed in section 4.1) is a central aspect of modern marketing. It acknowledges that customers are not just passive recipients of products and services but active participants in their creation and delivery. Pricing co-creation aligns with this by involving customers in the pricing process. When customers have a say in determining the price, they become more engaged and invested in the product or service, leading to higher satisfaction and loyalty (Shen and Ball 2009; Piccoli et al. 2017).

Often, customer purchase decision depends on experience and prices through reference price (discussed in section 2.1.4), which vary significantly among individuals. As part of the revenue management strategy, pricing co-creation allows for personalising prices based on internal and external reference points. This approach caters to each customer's unique needs and perceptions and helps set prices that align more closely with what customers are willing to pay (Viglia, Mauri, et al. 2016; Tu et al. 2018; Wagner et al. 2022).

Pricing co-creation enhances revenue optimisation through understanding customer preferences, WTP, purchase timing, customer involvement level and product type (Srivastava et al. 2022). Co-creation enables companies to identify price elasticity and fine-tune pricing strategies to find the optimal solution that maximises revenue for the business and delivers customer value (Ivanov and Zhechev 2012; Ivanov 2014; Seele et al. 2021). Also, reference price serves as a crucial anchor in a customer's decision-making process (Srivastava et al. 2022). By involving customers in the pricing discussion, companies can gain valuable insights into their reference prices, allowing them to set prices more in sync with customer expectations. This results in better price accuracy and helps avoid adverse reactions when prices deviate too far from reference points (Nieto-García et al. 2020; Srivastava et al. 2022).

2.2. Revenue Management

With personalised offers, including PP, revenue management is marketing-led (Tu et al. 2018; Viglia and Abrate 2020). This section discusses revenue management as an essential application of information systems and pricing strategies from a personalisation and WTP perspective. Revenue management, also called yield management (Haddad et al. 2008; Viglia and Abrate 2020; Guillet and Chu 2021), originated in the 1970s in the airline industry (Avinal 2006; Heo and Lee 2011; Zhang et al. 2021). It has had wide acceptance among many industries, such as airlines, hotels, car rentals, health care, broadcasting, golf, restaurants, spas, transportation, logistics, rail, events, insurance, and banking (Kimes 2010; Cetin et al. 2016; Purcărea 2016;

Seraphin and Ivanov 2020). Yield management mainly focuses on inventory control. Revenue management is a more agile and real-time method that considers profit maximisation holistically (Abrate and Viglia 2019; Viglia and Abrate 2020).

In many industries, such as hospitality, the critical change is an evolution from a tactical inventory management approach to a more specific strategic marketing approach. It is demonstrated through the organisation of revenue management functions, the role of pricing, applying revenue management principles, and measuring its performance (Yeoman 2016, 2022). That supports revenue management as essential for maximising a company's revenue by matching supply and demand, dividing customers into segments based on their purchase intentions and allocating the capacity to different segments (Ivanov and Zhechev 2012).

Moser (2015) suggests that WTP is the strongest predictor of purchasing behaviour. As a result, traditional pricing strategies are becoming less effective. A more personalised approach (such as PWYW, NYOP, and price personalisation) represents an extreme form of market segmentation in which each customer can be and is regarded as a segment. This may affect the profitability of marketing activities and customer loyalty toward the brands (Nguyen et al. 2019).

Many brands use revenue management to boost their operational performance, maximise revenue and ultimately profit by effectively managing supply and demand through the continuous manipulation of the price (Haddad et al. 2008; Heo and Lee 2011; Kimes and Wirtz 2013; Solnet et al. 2016; Melis and Piga 2017; Binesh et al. 2021). One of the essential objectives for any manager is to maximise profitability using available resources, which can be achieved by, e.g., maximising revenue per available room (RevPAR). Chattopadhyay and Mitra (2019) attempt to explain the relationship between RevPAR, an average daily rate (ADR), demand, and seasonality. Sufficient demand increases ADR, but when demand is lacking, an increase in ADR will affect a decrease in occupancy rate, and thus, the RevPAR would fall. Therefore, both ADR and demand must be simultaneously considered (Chattopadhyay and Mitra 2019).

In a very competitive environment of service industries, revenue management practices are evolving quickly, and revenue managers must understand the behaviour of consumers (who make purchasing decisions) while establishing their pricing strategies (Masiero et al. 2016, 2019). Effective pricing requires more than just technical expertise. It requires creative judgement and awareness of customers' motivations and the perceived value of the product and service (Kotler and Armstrong 2014). With little or no understanding of the customer's motivations, the general assumption is that consumers' decisions are often far from perfectly rational as they are affected by emotions, knowledge, judgement and reference points (Masiero et al. 2016; Ortega and

Tabares 2023). Most of these may vary depending on customers' cultural orientation (Moon et al. 2008). Customer preference stability is essential for personalisation because previous choices are used to predict future decisions (Arora et al. 2008). The idea that a customer's judgement and choice are based on reference prices and an individual's context can shed light on the relationship between prices and a customer's response (Viglia, Mauri et al. 2016; Cakici et al. 2019).

Despite the traditional revenue management approach of selling the right product/service to the right customer at the right time and at the right price to maximise profit with limited available capacity (Sahut et al. 2016), literature is noticing the increasing role of pricing strategy based on value (Mauri 2012; Seele et al. 2021; Neubert 2022). As customers go through a lifecycle process with the company (Kumar et al. 2004), customer value might be seen as a difference between perceived sacrifices and benefits (Mauri 2012). A fair price is a price a customer would be ready to pay (Sahut et al. 2016; Kim et al. 2022). Mauri (2012) implies that companies should get prices that customers are willing to pay and raise customer WTP to levels that better reflect the offer's true value. Ma and Schwartz (2023) suggest implementing a pricing system where individual segments are treated independently, and optimisations are run for each segment.

The growth of the Internet has increased opportunities to apply different prices on the online market over time (Abrate et al. 2012; Boom et al. 2020), e.g., through dynamic or personalised pricing practices. Unlike offline markets, online markets increase the scope for personalisation and allow the brand to collect information about customers' search behaviour without the customer being able to see pricing being offered to other customers (Schofield 2019). The correct implementation of the pricing strategy by the brand increases its revenue and allows customers to get convenient deals. That can help companies allocate a higher amount of existing resources and increase value for customers (Abrate and Viglia 2016). From a customer's point of view, revenue management practice can be seen as opportunistic for the company, and customers' trust and loyalty towards the company may decline considerably (Mauri 2012). For example, discriminatory pricing outlined in previous sections allows companies to adjust their prices to gain higher profits. It allows them to adjust their prices for products or services based on inventory level and time to match customers' highest level of WTP (Smith 2006; Seele et al. 2021). This study literature review implies that price personalisation benefits all actors if product and service prices reflect on customers' WTP and customer expectations of personalisation, which is exposed in, e.g., engagement and past behaviour (echoed in this Research Objectives, outlined in sections 1.4, 9.1, and 9.2). Ultimately, the customer decides whether a product's or service's price is right (Kotler and Armstrong 2014; Cunningham et al. 2019).

2.2.1. Price personalisation through supply and demand

Price is not only a specific form of information (Moor and Lury 2018), but it is the element of the marketing mix that is easiest to adjust. Other components (product features, communication, and channels) require more time. Each price can and will lead to a different level of demand in a given context and time and will have a different impact on the brand's marketing objectives (Kotler and Keller 2012). Price is a valid variable used to encourage or discourage demand at a certain point in time (Haddad et al. 2008). To better understand the influence of CeoP on their WTP, this section discusses the relationship between personalisation and the supply and demand concept.

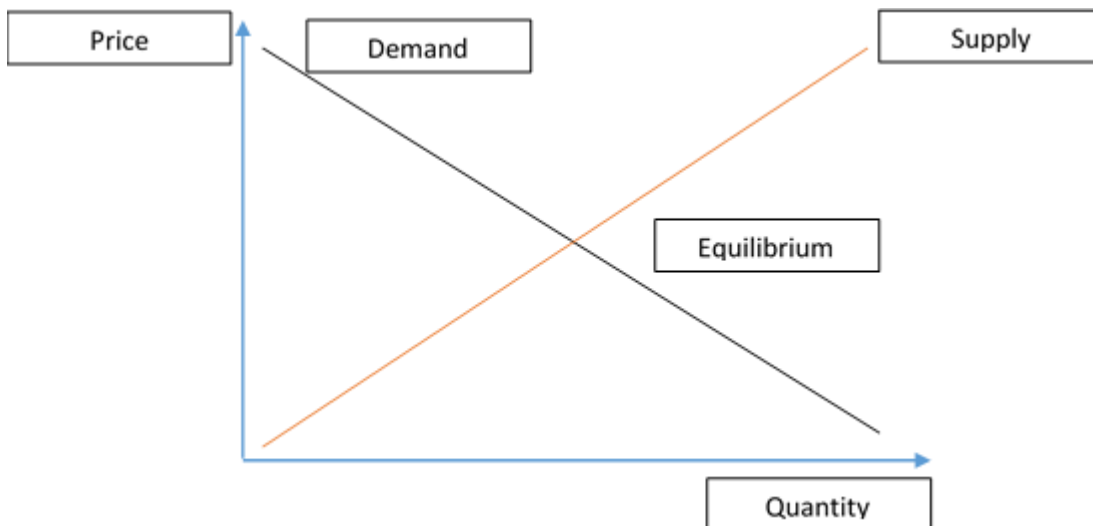
Revenue managers ensure that prices match customer WTP. When implementing a pricing strategy, it is essential to understand concepts such as value, demand, and supply (Cetin et al. 2016). In revenue management, pricing is based on two primary constructs: price discrimination (discussed in the previous section, 2.1.3) and demand-based pricing (Kimes 2010). In demand-based pricing, the brand sets higher prices for the market segments with higher WTP, lower price elasticity and higher perception of product and service value (Ivanov 2014). Price elasticity is a degree of responsiveness in supply and demand and depends on the magnitude and direction of price change. For example, if demand considerably changes with a small price change, the demand is elastic (Kotler and Keller 2012).

Customer expectations from hotel stays, restaurant meals, clothing shopping or other purchasing and consumption activities are continually changing (Chathoth et al. 2013). The customers are not passive objects of marketing actions anymore but are active participants in the interactive process (Cossío-Silva et al. 2016) of joining the production of value for both customers and the brand (Chathoth et al. 2013). Customers can choose a higher-priced offer by assessing the value before purchasing. Based on non-price information about the product and service that will suggest a superior experience during consumption (Oyner and Korelina 2016), the value is commonly seen as benefits against sacrifices (Zeithaml 1988; Grönroos 2017), i.e., the price paid.

As Hinterhuber (2017) claims, price and value influence each other, but a slight change in one does not necessarily equally reflect in change the other. Although the price can influence the expected value of the product or service (Ivanov 2014), the ability of the company to personalise an offer can relieve competitive price pressure as the company can better cater to customers' needs (Kalaiganam et al. 2018).

There is general agreement that the demand and supply curve and the market forces work to balance demand and supply (Nelson 2013). The economic price analysis is based on equilibrium (Arenoe et al. 2015). According to Marshall's classic economic theory (1890), the economic equilibrium is reached when there is a balance between supply and demand. This stability determines the composed price for the products and services offered (Xie and Kwok 2017). The inverse relationship between price and demand and the direct relationship between price and supply are captured in a demand and supply curve depicted in Figure 2-3. Some evolutionary economists (like Nelson, 2013) assert that the equilibrium between supply and demand can be disrupted by the emergence and development of technology (including new models of business operations), which could result in a shift in the nature and costs of products and service offered (Nelson 2013). However, sudden changes in demand, influenced by macro-level (Covid-19) or micro-level (e.g., special events), are important sources of forecast error in a service industry (Gatti Pinheiro et al. 2022).

Figure 2-3. The simplified demand-supply curve.



With the shift toward a greater understanding of customers' needs and desires, marketers have developed a specific way of thinking about pricing, which features price the capacity to shape markets and behaviours (Moor and Lury 2018). Revenue management has become inseparably connected to marketing management, playing a pivotal role in demand creation and managing

customer behaviour (Ivanov and Zhechev 2012). Price changes are related to the customer's price fairness perception and depend on the motives of those price changes. For customers, the profit-driven price change is more unfair than the cost-justified increase (Abrate et al. 2019). For the company to obtain a successful pricing strategy, decision-makers must understand and predict customer demand and preferences (Chen et al. 2022). This view supports Sahut et al. (2016) findings that the company can practice price variations that are disadvantageous for the customers and still obtain a fair customer perception, as a feeling of fairness exists when customers think the brand does not seek to increase profit. Although better-tailored pricing decisions can lead to increased revenue, the brand needs to consider the impact of pricing on customer satisfaction, which is affected by the perception of fairness of those prices (Kimes 2010).

With the constant evolution of technology, customers now have easy access to information about the price of the product or service. The brands take advantage of the evolution of technologies and electronic systems to adjust prices in real-time to reflect demand (Moor and Lury 2018). The diversity of online distribution channels constructs opportunities and challenges for revenue management's successful implementation. Customers have universal access without physical and geographical obstructions; on the other hand, companies can act on demand more effectively by making price changes online, in real-time. Customers commonly expect to be offered good deals, which empowers brands to implement various pricing strategies (Kim et al. 2014). Continuous assessment of customer demand and preferences allows for better personalised recommendations, enhancing customer booking experience and allowing for proactive demand generation (Prakash et al. 2021).

2.2.2. Pricing in hospitality

This section presents the concept of pricing from the hospitality industry perspective as an example of the service industry, which is the context of this study. The price of the product or service is a crucial determinant of the revenues and profits of any hospitality enterprise (Boz et al. 2017). Pricing decisions must be consistent with the company's marketing strategy, target market and brand positioning (Kotler and Keller 2012). Due to several characteristics and factors, such as the perishability of the product, the cost of extensive use of service personnel, customer characteristics, the degree of competition in the market, and difficulties in accurately forecasting the demand, hotel pricing is a complex phenomenon (Boz et al. 2017). The hospitality industry is famous for using a myriad of prices (Ivanov 2014).

The hospitality industry is an excellent example of using various revenue management techniques to maximise profitability in capacity-constraint situations (Sahut et al. 2016). Pricing can be complicated, and many factors (such as location or demand) must be considered (Ivanov 2014). Analysing the customers' needs, WTP, competitive advantage, competitor price level, and cost structure are equally relevant and essential for a successful pricing strategy (Hinterhuber 2017). A single room price may vary depending on the type of room, room standard, time of booking, room view, food board, cancellation policy, distribution channel, length of stay, guest loyalty, guest characteristics, group size, the purpose of travel, and many more. Revenue managers can develop many more criteria to differentiate the room prices as long as those criteria justify applying different prices (Ivanov 2014). Table 2-4 depicts the selected differentiation criteria for various price types in the hotel industry.

Table 2-4. Selected differentiation criteria for pricing in the hotel industry.

Price differentiation criteria	Type of prices
Facilities	Price in various centres of the hotel – rooms, restaurant, bar, minibar, sports facilities, parking
Board (Food and Beverage)	Room Only, Bed and Breakfast, Dinner, Bed and Breakfast, Half Board, Full Board, All Inclusive
Room type	Single, Double/Twin, Triple, Family, Studio, Suite, Apartment, Standard, Superior, Luxury, Deluxe, Executive, Small, Large
Room view	Sea/Garden/Mountain/Park view
Time-based criteria	Weekday/Weekend prices, Seasonal prices, Booking lead period – discounts for early booking, Length-of-stay – lower process for a more extended stay
Payment terms	Lower rates for bookings with immediate payment
Cancellation terms	Lower rates for bookings without free cancellation
Distribution channel	Rack rates and prices vary for various categories of distributors
Demographic characteristics of guests	Age (prices for children, adults, and seniors), Nationality
The unique characteristic of guests	Special rates for government/army personnel, business travellers, honeymooners, participants in incentive trips, and travel agency employees
Group size	Rates for individual guests and groups
Guest loyalty	Special rates (lower or free overnights) for guests participating in loyalty programmes
Seasonality	Summer/winter holidays, family rates

Source: Ivanov (2014, p. 99)

The price for a product in the context of hospitality is usually determined by a combination of various factors such as macro- (e.g., Covid-19, recession), micro- (e.g., special events, customer

context), and the company's internal environment (Ivanov 2014; Xie and Kwok 2017). Some of those factors are star rating, location, size of the property, or level of service provided, number of rooms, market condition, number of housekeeping staff per room, image, demand, affiliation to the hotel chain, or government regulations (Hung et al. 2010; Ivanov 2014; Xie and Kwok 2017). Hotel room prices influence customer perception and indicate service quality and satisfaction (Hung et al. 2010). This influence indicates that a strong relationship between a hotel's room price and service quality should be expected (Xie and Kwok 2017).

The literature depicts that customer demand for products and services is based on the product and service itself and its characteristics. The combination of attributes affects customers' utility and thus influences a customer's WTP (Wang, Zhang, et al. 2019). With various factors affecting pricing strategies (Ivanov 2014; Viglia 2022) and the heterogeneous response of an individual to personalisation, it is essential to understand the CeoP in different customer types (Cavdar Aksoy et al. 2021). Customers immerse themselves in complex environments where they can actively participate in the co-creation of personalised offers (Pallant et al., 2020). Li (2016) argued that people often construct their preferences when facing a need, which creates an opportunity to understand better customer needs, demands and requirements and what their WTP is to fulfil them (Pallant et al. 2020). Understanding customers' expectations and needs in a complex business environment is essential (Buhalis and Sinarta, 2019; Riegger et al., 2021). The following section briefly outlines price determinants in the hospitality industry relevant to this thesis.

2.2.3. Price determinants in hospitality

For many customers, price is one of the main stimuli in accommodation selection decisions and influences customer quality perception and satisfaction (Hung et al. 2010; Chen et al. 2015). That supports a two-sign effect that price exercises on customer satisfaction - the positive (quality) and the negative (sacrifice) effect. Customer satisfaction has an intricate relationship between expectation and experience. Positive (negative) disconfirmation occurs when a product or service offers a better (worse) experience than expected to create a feeling of customer satisfaction or dissatisfaction. Chen et al. (2015) suggest that revenue management beyond inventory control affects customer satisfaction.

Understanding products or service attributes that constitute the value from the supply and demand side plays a critical role in establishing optimal prices (Razavi and Israeli 2019). In the service industry, where products are highly perishable, the supply is relatively inflexible and cannot be changed quickly. The ability to advance purchases, such as hotel rooms, challenges the brand

regarding cancellations, no-shows, and overbooking policies (Hung et al. 2010). As depicted in section 2.1, businesses use various methods to set the prices for their offers (Ivanov 2014; Razavi and Israeli 2019; Viglia 2022). Managers often select different pricing approaches based on several factors, including company cost structure, competitors' prices and customers' perception of products and services. The literature on pricing strategies identifies many variables that can influence the price level (Abrate et al. 2011). The pricing strategy, such as dynamic and personalised price (outlined in sections 2.1.5 and 2.1.6), can create value for all actors (Abrate et al. 2019). For instance, in the hospitality or airline industries, the implicit value of an available room (or plane seat) depends not only on the average price charged for the night (or a flight) but on the average occupancy rate (Abrate et al. 2019) and additional factors such as a room or flight add-ons and customer context.

In the service industries, the value of product and service attributes and their characteristics are not sold individually (Vives et al. 2018). Those include a combination of extrinsic (e.g., reviews, location, accessibility, star rating) and intrinsic (e.g., WTP) factors (Prakash et al. 2021). The hedonic literature established the empirical settings for measuring the determinants of the value of a product (Lancaster 1966; Rosen 1974; Abrate et al. 2019). Hedonic pricing assumes that customers value various attributes and characteristics differently and that the prices customers pay are functions of the products and service utility-bearing characteristics (Rosen 1974; Zhang, Ye et al. 2011; Yim et al. 2014). Each customer assigns or perceives a value of the offer based on the cost (sacrifice) they have to suffer and their needs, desires, motives and philosophy (Prakash et al. 2021). This form of pricing decomposes the product or service into the characteristics of its constituent and obtains estimates of the contributory value of each characteristic (Zhang, Ye, et al. 2011). Hedonic price is established in the form of a function:

$$P = f (X_i)$$

Where: P is a price, and X_i denotes various variables describing product or service attributes (such as star rating, size, location, and room amenities).

Hedonic pricing has been applied in many industries, such as automobile, real estate, art, wine, ski resort, tourism, and hospitality (Yim et al. 2014). Many prior studies on determinants of hotel room price used hedonic pricing models (Zhang, Ye et al. 2011; Wong and Kim 2012; Pawlicz and Napierala 2017; Razavi and Israeli 2019; Wang, Sun et al. 2019). This method allows decision-makers to assess the relationship between the market value of products and services and each attribute and characteristic alone. Hedonic pricing separates the observed price of products and services into the prices of these attributes. It is often used to compare prices and structures

(Soler et al. 2019). However, hedonic pricing does not allow the identification of the customer's WTP (Vives et al. 2018).

Chen and Rothschild (2010) empirically employed a hedonic pricing model to investigate the significance of selected hotel attributes in determining hotel room rates in Taipei, Taiwan. Their results show that while some variables are predictably associated with room rates, some (e.g., location and fitness facilities) are related in a counter-intuitive way. Chen and Rothschild (2010) also imply that the relative importance of most explanatory variables is time-bound – they change according to whether a weekday or weekend is being considered. Abrate et al. (2011) found that quality certification positively impacted hotel prices in Turin, Italy. Ivanov (2014) examined the determinants of hotel prices in Sofia, Bulgaria, and revealed that customers' evaluation of product quality, indicated by OTA rating, positively affected weekday and weekend rates. Finally, Ivanov and Piddubna (2016) analyse the determinants of prices of hotel rooms, their price dynamics and rate parity across three distribution channels in Kyiv, Ukraine. Their study reveals that the impact of hotel attributes on room prices is differentiated for weekday and weekend rates and by distribution (direct and two indirect) channels. Location, category, size, chain affiliation, customer evaluation, location, and lack of rate parity across hoteliers' direct and indirect distribution channels can influence price dynamics (Ivanov and Piddubna 2016). The hedonic price strength is based on market data and customer context, and WTP is often unique and should be assessed at the customer level (Prakash et al. 2021). Soler et al. (2019) suggest that hedonic price can cover a wide range of objects and destinations while assessing customer WTP. While several determinants of price appear, there is a lack of research investigating the role of the personalisation benefits of products and services as a factor influencing pricing strategy.

Literature illuminates various factors determining the price, which can affect company growth (Chattopadhyay and Mitra 2019). For example, customers' WTP and the company's acceptance of this are converted into hedonic functions based on changes in attributes (Soler et al. 2019). Managers should know the determinant factors of product (room) prices, customer choice, and behaviour (Zhang, Ye, et al. 2011). Those attributes influencing hotel pricing decisions can be categorised into external and internal factors (Wang, Sun, et al. 2019). The external factors contain the nature of the market and demand, competitors, and other environmental factors, while internal factors include various offer attributes, amenities and policies (Hung et al. 2010; Masiero, Heo, et al. 2015). The attributes, including but not limited to internal and external contextual factors, are depicted in Table 2-5.

Table 2-5. Internal and external factors of price

Internal/External	Factor	Reference
External	Online user rating Location (classical) Distance (e.g., from the airport, town centre) Transportation Seasonality Geographical location Nationality of the tourists Presence of the competitors Hotel surroundings Customer demographics (postcode, date of birth, education/income status) The occurrence of terrorist activities	Wang, Sun and Wen (2019) Collins and Parsa (2006); Hung, Shang and Wang (2010); Lee (2011); Pawlicz and Napierala (2017); Chattopadhyay and Mitra (2019); Ban and Keskin (2021)
External/Internal	The relation between demand and supply side	Chattopadhyay and Mitra (2019)
Internal	Star rating Management type Size (number of rooms) (classical) Room attributes (Floor level, view, cancellation policy) Amenities (Swimming pool, parking, fitness centre, internet accessibility, facilities for children, Wi-Fi) Hotel age (classical) Occupancy rate Affiliation (Franchising/chain) Scale Purchase history Social media activities	Collins and Parsa (2006); Hung, Shang and Wang (2010); Heo and Hyun (2015); Masiero, Yoonjoung Heo and Pan (2015); Pawlicz and Napierala (2017); Chattopadhyay and Mitra (2019); Wang, Sun and Wen (2019); Ban and Keskin (2021)

For a study of pricing determinants, hedonic pricing is typically researched with regression analysis (Zhang, Zhang et al. 2011). Hung et al. (2010) applied a quantile regression approach to investigate the significant determinants of hotel room pricing strategies. Their study results reveal that room number, hotel age, market conditions, and the number of housekeeping staff per guest room are the main determinants of a hotel room rate. Lee (2011) implies that the volatility of hotel room rates positively affects hotel room rates. Wang, Sun et al. (2019) discussed the relationship between seasonality, online user rating, and determinants of hotel prices, showing that external attributes can have both negative and positive effects on prices. Not surprisingly, the occurrence of terrorist activities has been found to have a negative impact on hotel room rates (Lee 2011). Wang, Sun et al. (2019) research suggested that the internal attributes would increase the prices

at a different level, and its impact is higher in high-priced hotels than in mid-priced and low-priced. Their empirical findings show online user ratings' moderating impact on locational and temporal dimensions. That provides preliminary evidence of the various effects of the hotel price determinants (Wang, Sun et al. 2019) and addresses pricing issues in constructing models to maximise revenue or profit (Hung et al. 2010).

2.3. Willingness to pay

Service offers (such as hospitality) are, by nature, perishable (hotel rooms) and intangible (hotel services). This fact prompts revenue managers to maximise their revenue by trying to achieve optimal prices using different strategies (Abrate et al. 2012). Prior studies distinguish three main pricing methods: cost-based, competitive-based, and value-based, as outlined in section 2.1.1 (Hinterhuber 2008; Nair 2019; Gao et al. 2021; Boteva 2022). From those three pricing methods, value-based pricing is the most appropriate to capture a customer's perceived value. In this sense, value leverages company offerings to match customers' WTP with the benefits received (Raja et al. 2020). Knowing the customer's WTP allows for implementing a more efficient and effective one-to-one pricing strategy (Dost and Geiger 2017). This section addresses some aspects of WTP relevant to this thesis and helps to address Research Objective 1: *To explore WTP*.

Experimental research has shown that social preferences influence customer behaviour in line with monetary calculations (Kim and Lee, 2011; Kim et al., 2020; Kim et al., 2022). The attitude-behaviour paradigm assumes that attitudes can predict behaviour and affect customers' WTP (Liebe et al. 2011). The literature agrees that a customer's WTP denotes the maximum amount the customer agrees to spend on a product or service, and it is a crucial component of value-based pricing (Heo and Hyun 2015; Masiero, Heo et al. 2015; Schmidt and Bijmolt 2020; Nadeem et al. 2023). It has become a norm to include WTP as the factor of purchase intention (Lu and Gursoy 2017). Often, for establishing a pricing strategy, companies respond to customers' heterogeneity to determine what customers are willing to pay at a particular time and context (Chen and Chen 2017a). In practice, WTP represents the amount of money customers are willing to spend *in exchange* for a product or service at a particular moment (Tu et al. 2018). It is a measurement of purchase intention and often, to some extent, is considered an alternative variable for indicating actual customer behaviour (Fernández-Ferrín et al. 2023).

With higher customer involvement and ease of access to information, customers spend more time collecting data and examining various alternatives. They use a more complex decision-making

process to gather perceived product attribute differences (Ferreira and Coelho 2015). That suggests the WTP is a situational-dependant and individual-level construct (Koçaş and Dogerlioglu-Demir 2014). The WTP is often used as a predictor of the intention to purchase that impacts revenue and profitability, especially for the brands characterised by the limited scope for product inventory and high fixed costs in a highly competitive market (Wong and Kim 2012; Hong et al. 2020) (like hotels or airlines).

In the fast-paced technology era, collecting, updating, inducing, and analysing customers' preferences, desires, and WTP for products and services have become more cost-effective and more accurate (Chen and Chen 2017a). Regardless of the industry, all businesses evaluate the customer's WTP to estimate the demand and design optimal prices (Masiero, Heo, et al. 2015). As for the customers, WTP is the cost they are willing to devote to a specific product or service (Zhang et al. 2018). It reflects a customer's perceived value (Kotler and Keller 2012; Nieto-García et al. 2017). Knowing customers' WTP is essential in maximising revenue by establishing demand and designing optimal pricing (Heo and Hyun 2015). Numerous internal and external factors (e.g., products and service quality, social interactions, type and level of personalisation, customers' emotions and characteristics) (depicted in Table 2-5) can influence customer experience and, ultimately, influence their WTP (Pine and Gilmore 2011; Pappas and Woodside 2021; Nobile and Cantoni 2023). Previous studies have presented various approaches to measuring customer WTP (Ivanov and Webster 2021) (further discussed in section 5.6 - Research Phase 3: Quantitative Study).

The literature indicates that customer WTP varies by demographic variables, such as gender, age, education, and marital status (Hong et al. 2020; Riccioli et al. 2020; Binesh et al. 2021; Fernández-Ferrín et al. 2023). The results of studies focusing on customer WTP are inconclusive. Some research shows that demographic factors play a role in customer purchasing behaviour for eco-friendly products (Shahsavari et al. 2020), while others show a non-significant relationship between demographic variables and WTP for sustainable hotels (Boronat-Navarro and Pérez-Aranda 2020). Hong et al. (2020) found that no hotel guests' demographics significantly affect their perception of hotel room prices and WTP. With the development of technology, relying only on demographics is insufficient. It depicts an unreliable segmentation strategy, as people with the same demographic factors differ regarding their attitudes and beliefs (Goyat 2011; Garaus et al. 2021).

A continually expanding array of interactive technologies – including Web 2.0, chatbox, and mobile devices – enables companies to gather more accurate information and process that

information about individual customers' desires, needs, wants and behaviours, empowering customers to compare prices (Buhalis, Lin, et al. 2022; Dwivedi et al. 2022). Lu and Gursoy's (2017) research of diners' purchase intention and WTP premium has shown that consumer perceives price as a sacrifice in exchange for a high-quality product. Their research results suggest that most customers are willing to pay higher prices due to the perceived superiority of the product's (e.g., personalised) options compared to conventional counterparts. Previous research established that customers are willing to pay more for in-room technologies (Erdem et al. 2019) and vehicles with automation features (Cunningham et al. 2019). Nicolau et al. (2020) found that green consumerism has a significant effect on a decision on the amount of premium but is not significant on the customer's decision to pay more.

Cunningham et al. (2019) and Erdem, Atadil and Nasoz (2019) show that customer options and attitudes related to certain benefits from products and offers functions play an essential role in the decision-making process and influence their WTP. Ivanov and Webster (2021) depicted that with a lack of personalisation, human touch, and often an offering of the standardised service, customers expect to pay less for, e.g., robot-delivered services than human-delivered ones.

The WTP signify a behavioural intention (Masiero, Heo, et al. 2015) and can reflect the likelihood of customer engagement in a specific behaviour (Gao, Lisa et al. 2016). Many situational factors influence WTP decisions (Koçaş and Dogerlioglu-Demir 2014). For example, waiting time for products and service delivery is crucial to customers' willingness to use personalised products and services (Aichner and Coletti 2013; Kalantari and Johnson 2018). In the hospitality context, customers' WTP is likely to be affected, e.g., if their booking decision is made closer to the date of stay, even for deal-seeker customers (Jang et al. 2019). The customers' previous experience and privacy concerns play an essential role in their willingness to provide information (Li and Unger 2012; Aiello et al. 2020), which can influence their WTP.

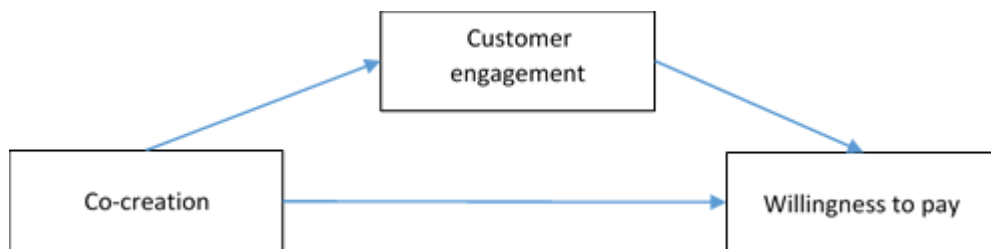
Academics argue that under normal circumstances, customers:

"First, judge the value of the desired products and services before deciding to purchase the product or service" (Koçaş and Dogerlioglu-Demir, 2014, p. 141).

Tu et al. (2018) investigated how co-creation through customer engagement can boost WTP. Their study interlinked co-creation and customer WTP to determine whether customers would pay more when co-creating service with the brand. Drawing upon the theoretical framework of SDL, Tu et al. (2018) assessed that value co-creation positively impacts WTP and that customer engagement mediates the effect of co-creation on WTP, as depicted in Figure 2-4. They found that customer

engagement mediates the effect of co-creation on WTP. Various forms of crisis (such as Covid-19 or the energy crisis) upset the business status quo by changing customer behaviour and threatening their profitability (Kim et al. 2019). For example, Durgun and Davras (2022) established that during Covid-19, WTP is affected by the intention to travel and fear of Covid-19. Sánchez-Cañizares et al. (2021) found a meaningless relationship between travel intention and WTP.

Figure 2-4. Impact of co-creation on WTP



Adapted from Tu et al. (2018)

The extant literature on WTP has identified several factors influencing customer WTP across various customer journey stages that can be clustered into three groups, as depicted in Table 2-6. Customer WTP varies due to the extrinsic and intrinsic differences between the individuals who, depending on their context and purchasing and consumption situation, may be willing more or less for the offer (Fernández-Ferrín et al. 2023). Contextual factors refer to the circumstances, settings, and environmental conditions surrounding a customer's decision-making process, creating a unique scenario. These contextual factors include personal values and feelings, social influences and expectations, and environmental and institutional factors; priming offers attributes and influences customer motivation (Yadav et al. 2019; Lei et al. 2022).

Table 2-6. Selected factors of customer WTP.

<i>Factor influencing WTP</i>	<i>Reference</i>
<i>Extrinsic</i>	
Age, Gender, Income, Education, Marital status, Occupation, Nationality, Family size (children) Purpose of visit, Number of people at the party, Number of visits, Length of stay (all travel-related variables) Frequency of travel Customer engagement	Wong and Kim (2012); Tu et al. (2018); Fuentes-Moraleda et al. (2019); Nicolau et al. (2020); Nieto-García et al. (2020); Fernández-Ferrín et al. (2023)
<i>Intrinsic:</i>	
Persona characteristic Risk tolerance, Desire to fit in (social norms), Level of passion for a given offer, Health concern, Green activities, Environmental concern, Attitudes towards products and services, Influence from social media and friends, Availability of the product and service Motivation factors, Perception of products and services.	Wong and Kim (2012); Nicolau et al. (2020); Kang and Nicholls (2021); Watanabe et al. (2023); Fernández-Ferrín et al. (2023)
<i>Contextual:</i>	
Hotel attributes (e.g., guests smartphone, free cancellation, view, floor, access to the club, complimentary mini bar, price, location, room size, private bath, hot tub, kitchen appliances, gift certificate, fireplace, green certification, luxury amenities), Hotel size, Hotel affiliation, Customisation, Diversification, Specialisation Length of stay, Advance booking, Star rating, Type of accommodation, Booking channel, Seasonality, eWOM valence, eWOM volume, Reference price (IRP, ERP), Level of personalisation, Place, Urgency, Availability, Information available, Knowledge, Confidence in the brand,	Pappas et al. (2014); Benlian (2015); Masiero et al. (2015); de la Peña et al. (2016); Nieto-García et al. (2017), (2020); Prakash et al. (2021); Watanabe et al. (2023); Fernández-Ferrín et al. (2023)

Competition, Trust, Emotions (A feeling of guilt (negative), Pride (positive)), Privacy concern.	
---	--

Literature depicts WTP as the outcome of value co-creation during the customer journey (Tu et al. 2018; Nadeem et al. 2023). In the pre-purchase stage, WTP has been found to be the outcome of value co-creation through interactions and communication to create unique value for products and services (Zhang et al. 2018). During the intra-purchasing (consumption) stage, value is co-created with the service provider, influencing the customer's WTP during the service experience (Nadeem et al. 2023). Finally, when customers create long-lasting memories with service providers, co-creating the emotional and social value influences customer WTP (Kung et al. 2021; Nadeem et al. 2023). This can result partially from a recall of past prices experienced, which can influence customers' purchase decisions (Nieto-García et al. 2017). The price is not necessarily a constraint to purchasing as long as customers accept "higher" prices. Some customers are less sensitive to price and are willing to accept the trade-offs between benefits and higher expenditure. The price is often one of the main attributes customers base their purchasing decisions and a significant factor of perceived control (Moser 2015; Cunningham et al. 2019).

As customers tend to value the opportunity to enhance their enjoyment of experience (Dwivedi et al. 2018), pricing co-creation empowers identifying distinct customer segments based on their WTP for different experience elements. This segmentation can inform targeted pricing strategies that maximise revenue by offering tailored pricing options to each segment. With a shift toward experience, the market becomes a forum for conversations and interactions between actors (Prahalad and Ramaswamy 2004b). Experience co-creation is a subjective phenomenon strongly connected to the internal individual's perception and cognitive process occurring through the exchange and integration of resources (Jaakkola et al. 2015; Rachão et al. 2021). Tu et al. (2018) show that the degree of co-creation is positively associated with customers' WTP, highlighting that customer engagement is essential to reach a revenue boost. That opens opportunities for businesses to engage with pricing co-creation. The linkage between WTP and experience co-creation reflects a paradigm shift in which customer engagement and active participation in creating value, experiences, and pricing play a central role. From a marketing and revenue management point of view, pricing co-creation fosters transparency in the pricing formation process and involves tailoring the offer to individual customer preferences. Customers participating in pricing co-creating their experiences with products and services may be more likely to recognise and appreciate the value of that experience. Experiences are a significant

component in the customer's life and are seen as a key to understanding customer behaviour (Hirschman and Holbrook 1982; Neuhofer et al. 2012). The pricing co-creation includes the customer's dynamic perception of value (Frow et al. 2015). Customers are encouraged to state their budget constraints and express their WTP for specific features or aspects of the experience, allowing for more personalised options (e.g., discounts, coupons, and vouchers) (Strycharz et al. 2019).

2.4. Chapter Synthesis

This literature review chapter explores the concept of pricing and pricing methods from a supply side, concluding with an exploration and discussion on the demand side of the pricing - customer WTP. In many markets, it has become a norm for companies to offer different prices to repeat customers and customers who switch from their competition (Chen and Pearcy 2010). With widespread technology and the highly competitive environment, companies proactively seek new ways to improve their long-term and short-term tactical strategies. One of the changes has occurred in pricing, with the implementation of new ways to easily adjust the price in real-time over the Internet (Abrate and Viglia 2016), like dynamic or personalised prices. The wide spread of ICTs enables more natural and better use of price personalisation based on customers' information and purchase history (Sonnier 2014).

The literature reveals a relationship between customers' perception of product and service value and their purchasing decisions. For decision-makers, it is essential to understand how the product and service value is defined from both the demand and supply perspective (Heo and Hyun 2015; Masiero, Heo et al. 2015; Masiero, Nicolau et al. 2015; Razavi and Israeli 2019). From the CDL perspective (Heinonen et al. 2010; Heinonen and Strandvik 2015; Heinonen 2022), under personalised pricing, the customer plays a more central role in the market valuation (Sonnier 2014). As co-creation (outlined in Chapter 4) is a part of the personalisation process (outlined in Section 3.6), this study suggests that the personalisation process inherently links with co-creation (Ranjan and Read 2016; Alimamy and Gnoth 2022) and customer WTP.

This study literature review illuminates that personalised pricing can be a complex process. It allows companies to adjust prices for products and services based on customers' WTP, engagement, and past behaviour. The customer decides whether a product's or service's price is right (Kotler and Armstrong 2014; Cunningham et al. 2019). The ability to predict customers' WTP is a powerful management tool that can help the implementation of the process of price personalisation and it can be used as a differentiation strategy by the brand. While personalisation

is the process that the company initiates, this study explores the relationship between CeoP and their WTP from demand-side perspectives. The contribution of this study chapter is that it explores and addresses some key aspects of WTP relevant to this thesis. This study depicts that multiple extrinsic, intrinsic, and contextual factors determine customer WTP. This shows that customer decisions are not only economically rational but influenced by the customer's emotions, perception, and judgement about the price of the offer (Ortega and Tabares 2023). This study illustrates that customer WTP is a complex and situational-dependent concept. This helps to address Research Objective 1: *To explore WTP* and to provide practical implications for marketing and revenue managers.

3. PERSONALISATION

Personalisation is expected in all kinds of services as an undeniable part of the customer experience. Customers can recognise the existence of personalised products and services delivered to them through different channels (Wang et al. 2017). Literature illuminates the company's ability to personalise products and services can increase customer satisfaction and loyalty (Raja and Yazdanifard 2014; Oyner and Korelina 2016).

As personalisation has become an active research area, this chapter explores and discusses the literature relevant to exploring the theoretical stem of personalisation. Personalisation is central to marketing and revenue management, which remains multidisciplinary, intersecting domains such as business management, information systems, psychology, computer science, and many more (Chandra et al. 2022). This chapter provides an overview of personalisation through the narrative literature review, focusing on the customer perspective. It elaborates on the definitional discussion, summarising the definition of personalisation adopted by this study. The following section presents and explores the granularity of the concept. Customisation and individualisation are often used interchangeably with personalisation (Riemer and Totz 2003; Cavdar Aksoy et al. 2021). This chapter presents a discussion of the differences between those terms. The following section discusses granularity, benefits, and costs associated with personalisation. Then, the section outlines and explains various types of personalisation identified in the literature. As personalisation uses personal-level information through interactions and transactions to individualise customer experience, enhance marketing effectiveness, and maximise revenue (Cavdar Aksoy et al. 2021), the chapter explores and discusses the personalisation process. It outlines personalisation in the hospitality industry context. Personalisation may and should improve customers' lives while increasing their engagement, satisfaction, and loyalty (Pappas, Kourouthanassis, Giannakos, and Lekakos 2017). The theoretical background of configuration theory is presented for a better understanding of the relationship between customer expectations of personalisation and their WTP.

3.1. Personalisation - a customer perspective

Personalisation highlights the central marketing and revenue management focus by putting customers first (Cavdar Aksoy et al. 2021). The idea of personalised product and service offerings existed long before the Internet. The advancement of ICTs has made it possible to offer customers more valuable and fit-for-purpose offers. This evolution allows customers to gradually shift

toward searching and shopping for products and services online (Li and Unger 2012; Prakash et al. 2021). Customers become fussier in their searching and shopping behaviour. Aichner and Coletti (2013) emphasise increasing customer demand for personalised products and services. Customers are continually searching for products and services that are unique, individualised, and satisfy their needs (Ball et al. 2006; Dey et al. 2021). As customers spend more time searching for the right products and services, understanding customers' requirements, preferences, and desires becomes essential for effective personalisation (Rahmawati and Arifin 2022). Personalisation is a way to acknowledge the uniqueness of each customer by satisfying them with products and services that meet their requirements and preferences (Chandra et al. 2022).

From a customer perspective, personalisation is about choice, flexibility, control, and knowledge about an individual customer's needs and preferences (Asif and Krogstie 2012a). Gilal et al. (2018) indicated that aesthetic, functional, and symbolic design positively satisfy customers' self-determined needs. Customers are not isolated, and social connections often influence their purchases. The prior studies reveal that the personalisation process has many facets, and often, the actors involved do not understand each other (Fan and Poole 2006; Vesanen 2007). Personalisation as a concept can be shallow, straightforward, or both in terms of sophistication (Kardaras et al. 2013). It aims to provide a personal offer to the individual, for example, by addressing the customer by name or offering a discounted price based on age. Personalisation is broader, more abundant and more complex. For instance, it aims to provide specific offers that fit the customer's desire, e.g., a hotel bedroom with a sea view on a higher floor, a personal concierge available, and late check-out with transport arrangements to the airport. That leads to two questions the company must ask: What information is required to provide personalised products or services, and what data are customers willing to share to receive personalised products or services (Asif and Krogstie 2012a)?

The extant literature suggests that personalisation strategies that customers expect take various forms and require a different level of complexity and investment (Ho et al. 2011; Kienzler and Kowalkowski 2017; Gurtu 2019). Social, context, mobile (SoCoMo) and various software applications (including websites and mobile apps) are characterised by a high level of personalisation (Buhalis and Foerste 2015; Morosan 2018). Many devices (especially mobile) are designed to offer personalised opportunities to the user by allowing them to store and easily retrieve user preferences. For example, the guest that requires a room at a specific location (floor) in the hotel, a specific type of pillow, requests an early morning wakeup call, an early check-out and has a severe nut allergy is an example of a more sophisticated form of service requirements. The advent of ICTs has provided tools for better, more intuitive communication between the

company and customers about products and services and customers' preferences (Aichner and Coletti 2013). In an ever-changing digital world, through the use of smart technologies, individuals express a more diverse set of preferences, including non-essential items (Neuhofer et al. 2015; Buhalis et al. 2019; Zaki 2019; Buhalis and Moldavska 2022). Customers spend more time collecting information and examining various alternatives with higher involvement and ease of access to information. They use complex decision-making processes to gather perceived product and service attribute differences (Ferreira and Coelho 2015). Pappas et al. (2014), studying the effect of personalised service in online shopping, have found a relationship between the type of emotions (positive vs negative) and intention to purchase.

Customers simultaneously live in offline and online worlds (Fan et al. 2019; Cavdar Aksoy et al. 2021). An individual's value from purchase does not depend solely on utilitarian and hedonistic characteristics of products and services but also on social influence (Setterstrom and Michael Pearson 2019). Customer expectations about personalised service may increase, resulting in dissatisfaction and lower customer value perception (Piccoli et al. 2017; Bonaretti et al. 2020). Customers repeatedly interact with product and service providers (Zhao 2021) as personalisation can increase customer convenience and benefits, e.g., personalised products, improved services, or personalised recommendations (Chellappa and Sin 2005). This may lead to privacy considerations (Aguirre et al. 2015). The perception of personalisation quality can outweigh customers' privacy concerns (Li and Unger 2012). Schmidt, Bornschein and Maier (2020) found that individuals who make privacy decisions (e.g., consent to share private data via cookie notice) may assign discriminatory activity to the company pricing strategies in exchange for some benefits. A comparison between a memory of past and current prices is often vital for customer choices (Nieto-García et al. 2020).

Based on the general belief that personalised products and services are more valuable for customers, personalisation strongly affects any service industry (Lee and Cranage 2011). The main characteristics of the services are intangibility, the inseparability of production and consumption, quality heterogeneity, and perishability (Heo and Hyun 2015). Customers increasingly expect services that increase their emotional and physical level of comfort (Buhalis and Amaranggana 2015). Customers are often divided into archetypical categories based on broad and easily observable characteristics (such as business vs leisure travellers). Those customers' characteristics vary smoothly across many segments (Chen et al. 2015).

Drawing on previous research, this study suggests that personalisation is two-dimensional (offline and online) and is often inseparable. Buhalis and Amaranggana (2015) illuminate that service

personalisation aims to improve the process (faster check-in, quicker booking process). It aims to deliver better content and form a better guest experience (e.g., allowing guests to control their room light or temperature using a smartphone) and the feel of being looked after. Actors' relationships can be simple, straightforward, complex, and emotional (Ball et al. 2006; Sahhar et al. 2021).

Customers are increasingly browsing and purchasing products and services online. The development of communication technologies (such as mobile) has changed how customers search for travel-related information (Ozturk et al. 2017). Ariffin and Maghzi (2012, p. 191) argue that some customers, to enrich their experience, are looking for different environments and servicescape and may consider revisiting the exact hotel on a second occasion due to their "variety-seeking behaviour". One result of this behaviour could be that these customers can instantly change their purchase plan to pay as little as possible for the products and services (Abrate et al. 2012). Personalisation influences various aspects of information processing, decision-making, and customer psychology (Wang et al. 2017).

Personalisation can provide tailored information to potential customers (e.g., hotel guests) and reduce the risk associated with their shopping in the online environment (Ozturk et al. 2017). The emotional attachment generated from personalised service makes the relationship between the offer provider and their customer more than just an ordinary service interaction (Ariffin 2013). Personalisation and value co-creation complement each other (Ranjan and Read 2016; Alimamy and Gnoth 2022) by facilitating the customer-company dialogue (Prahalad and Ramaswamy 2004b). For instance, customers co-create value by providing reviews and updates during and after hotel stays.

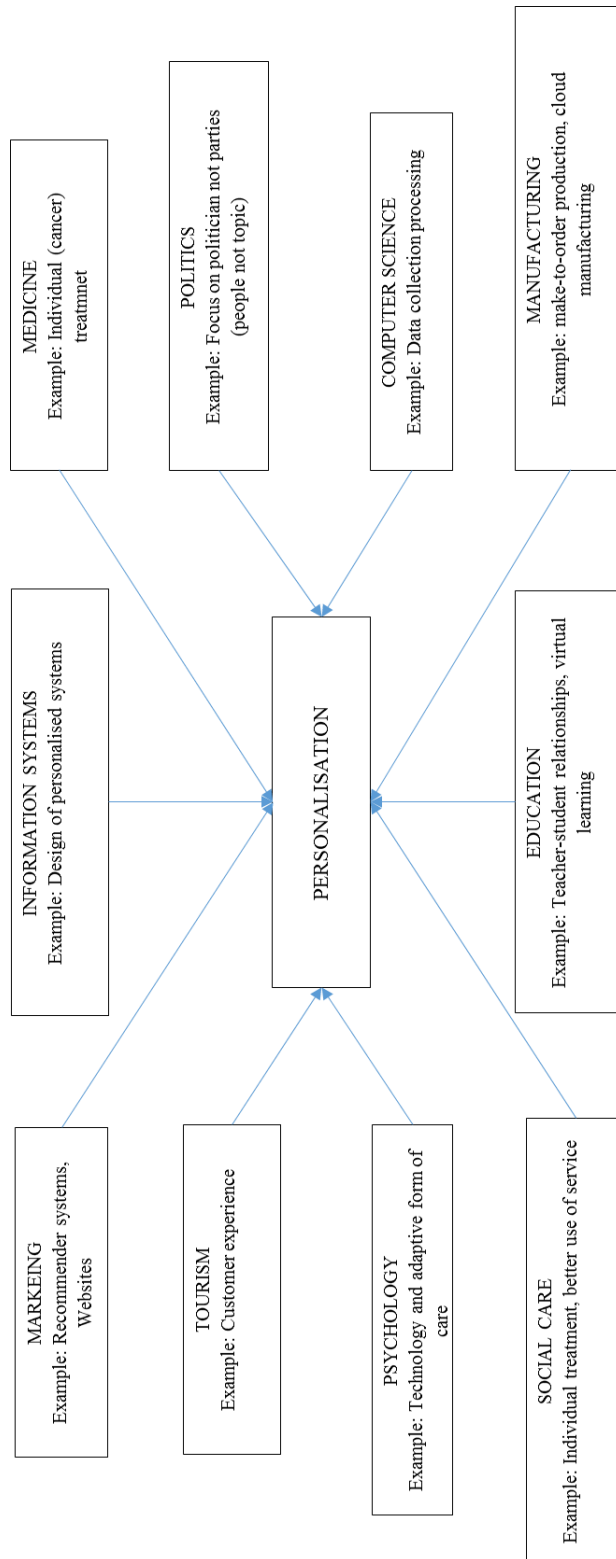
Personalisation success depends on understanding customers' preferences and desires and translating this into products and services offered (Ho et al. 2011). Piccoli, Lui and Grün (2017) note that the use of IT-enabled service personalisation can influence different behaviours of different people and even the same person at different times. The meaning of personalisation is context-sensitive (Asif and Krogstie 2012a, 2012b). As a process, personalisation requires continuous learning about the customer in a specific context (e.g., date, time, and place) (Adolphs and Winkelmann 2010). The personalisation process is not necessarily IT-enabled (Piccoli et al. 2017). In various service industries, the regular gathering and utilisation of offline and online information about the customer is an integral part of maintaining a good company-customer relationship. Customer satisfaction depends on how customer service matches their expectations

(Ariffin and Maghzi 2012). Hence, well-conducted personalisation at a one-to-one level provides a beneficial tool for a long-term relationship with the customer (Neuhofer et al. 2015).

3.2 Personalisation concepts and definitions

The meaning of personalisation differs between disciplines. For architects, personalisation means creating a functional, pleasant personal space (Fan and Poole 2006). Customers have high expectations for personalised products and services (Vinod et al. 2018). A successful customer experience can promote revenue growth and influence customer satisfaction and loyalty from a business perspective. Unsurprisingly, due to its tremendous influence on individual choice (Cavdar Aksoy et al. 2021), personalisation is widely present throughout many fields and disciplines - such as medicine (Good et al. 2014), politics (Holtz-Bacha et al. 2014), social care (Pozzoli 2018), education (Yonezawa et al. 2012), computer science (Ho et al. 2011; Zanker et al. 2019), marketing (Arora et al. 2008; Chandra et al. 2022) or information systems (Kwon et al. 2010). Figures 3-1 and Table 3-1 indicate the importance of the concept.

Figure 3-1. Multi-disciplinary concept of personalisation



This study does not aim to present the full extent of research on personalisation, as this is beyond its scope. It only highlights the diversity and vastness of the study on personalisation to highlight the complexity and multidisciplinary of the phenomenon. Despite the differences in the concept's meaning, researchers agree that personalisation is generally an effective tool for achieving business success (Salonen and Karjaluoto 2016).

For a medical practice, personalisation is a process of targeting therapies to specific genomic alterations, e.g., each cancer patient (Good et al., 2014). In education, personalisation is seen as the aspiration to encourage students to be more involved in deciding what and how they will learn (FitzGerald et al. 2018). In politics, personalisation refers to a development in which politicians become the main anchor of interpretations and evaluations in the political process (Adam and Maier 2010). For marketers, personalisation focuses on managing customer relationships by delivering unique value to each customer (Fan and Poole 2006).

Table 3-1. Selected examples of differentiation of the research of personalisation

Discipline	Outcome of personalisation	Reference
Politics	Politicians, not parties, are the main anchor of interpretations and evaluations in the process. Creates increased visibility of candidates or leaders focusing on the character or personality of an individual.	Adam and Maier (2010); Bennett (2012); Holtz-Bacha et al. (2014); Metz et al. (2020)
Marketing	Providing better preference match, better product and service, better communication, and better experience increases privacy and spam risk, additional spending time, higher cost (price) and longer waiting time.	Goldsmith (1999); Ball, Coelho and Vilares (2006); Smith (2006); Vesanen (2007); Arora <i>et al.</i> (2008); Sonnier (2014); Bleier and Eisenbeiss (2015); Buhalis and Amaranggana (2015); Chung, Wedel and Rust (2016); Song, Kim and Kim (2016); Sahni, Wheeler and Chintagunta (2018); Cavdar Aksoy <i>et al.</i> (2021); Chandra <i>et al.</i> (2022)
Computer Science	Delivering content and functionality that matches specific user (customer) needs and interests without users' effort. A toolbox of technologies to enhance the Web experience. For example, personalised news, personalised messages, user interface, interaction process (browser window), personalised recommendations	Blom and Monk (2003); Tossell et al. (2012); Alkhanjari (2013); Ho and Bodoff (2014); Gao, Lisa et al. (2016); Li (2016); Zanker et al. (2019)

Social Care	A relationship-based working drawing on workers' therapeutic skills and community development skills. Personalisation schemes (disability, age care) as an outcome of customers' empowerment to decide what service and support fit their needs and life.	Spicker (2013); Zamfir (2013); Pozzoli (2018); Malbon et al. (2019)
Tourism and Hospitality	Providing and improving personalised customer experience beyond functional benefits. Improve customer satisfaction, loyalty, and feedback with a unique travel/stay experience. It is an extension of the natural, hospitable character of the hotel/destination, and any incentives do not prompt its staff. The ability to create and use the ecosystem to personalise customer journeys end-to-end that answer customer needs.	(Kabassi 2010; Ariffin 2013; Kardaras et al. 2013; Buhalis and Foerste 2015; Neuhofer et al. 2015; Piccoli et al. 2017; Buhalis and Sinarta 2019; Buhalis et al. 2019; Shen et al. 2020; Volchek et al. 2020; Lei et al. 2020, 2022)
Economics and Finance	Using data gathered from account profiles, transaction touchpoints, and various forms of customer engagement to create a customised, end-to-end experience and build trust and loyalty.	Sunikka and Bragge (2008, 2012); Chellappa and Shivendu (2010); Tong et al. (2012); Adam et al. (2019)
Manufacturing	Empowering the process of designing, engineering, and producing goods based on a customer's specification, including build-to-order, one-off parts, short production and mass customisation.	Hu et al. (2011); Kajtaz et al. (2015); Kudus et al. (2016); Aheleroff et al. (2019); Derossi et al. (2020); Pérez et al. (2022)
Education	Creating a student-centric learning experience. Providing learning experience by showing learner resources based on age, ability, prior knowledge, or personal relevance.	Yonezawa et al. (2012); Jalali et al. (2013); FitzGerald et al. (2018); Troussas et al. (2020)
Medicine	Enhancing the diagnosis of individual conditions based on the unique situation. Provide individual treatment and match the right drug and right dose to the right patients.	Basu et al. (2014); Good, Ainscough, McMichael, et al. (2014); Leyens et al. (2014); Vaz and Kumar (2021)
Information Systems	Exhibit personalised behaviour, adjusted to the user's preferences and needs and enhance effective communication through ICT applications.	Fan and Poole (2006); Chung et al. (2009); Kwon et al. (2010); Xu et al. (2011); Li and Unger (2012); Reis and Carvalho (2012); Lv et al. (2017); Adam et al. (2019); Du et al. (2020)
Psychology	Reflecting an individual's desire for products and services that fit their self-identity (internal aspects) and social identity (external aspects), focusing on emotions and attitudes (more personalised service) or efficiency and value (less personalised service) from the service provider. It is a form of cognitive distortion enhancing personalised psychosocial intervention.	Mitchell et al. (2010); Bowens and Cooper (2012); Galvin (2012); Wang and Groth (2014); Setyani et al. (2019); Torrico and Frank (2019); Halperin and Schori-Eyal (2020); De Kock et al. (2021)

Personalisation is a broad concept (Vesanen 2007; Chandra et al. 2022) that allows the collection of customer data and can be viewed as integrated marketing communication derived from a two-way communication system with the ability to control each party's responses during the process (Tran 2017). Identifying and meeting customers' needs and preferences often involves customer participation in personalising products and services. The product, service, and communication, which can and are personalised, may attract customers' attention and foster their loyalty (Sunikka and Bragge 2012), satisfaction (Monk and Blom 2007), and trust (Ozturk et al. 2017) and decrease cost (Vesanen 2007). That enables the creation and co-create of added value for the customer, often requiring "*collaboration with customers for innovation*" (Chathoth et al., 2013, p. 13). The value creation process is the first step and leads to value-in-use (Harkison 2018) (outlined in sections 4.3.3 and 4.3.4). It allows a brand to strengthen its customer bond and sustain a long-term relationship (Kandampully et al. 2015). Assiouras et al. (2019) state that customers who feel recognised and treated personally and uniquely provide positive feedback. Nieto-García, Muñoz-Gallego and González-Benito (2017) suggest that customers exposed to products or services that invoke positive feedback (e.g., through positive e-WOM) demonstrate the influence on the offered choices, perceived value and price that they are willing to pay.

Research has recognised the importance of personalisation as a double-edged sword that can provide favourable and adverse outcomes for both the company and the customers (Riegger et al. 2021). It can trigger legal and ethical considerations (Gerlick and Liozu 2020; van der Rest et al. 2020) or price discrimination concerns (Abrate et al. 2011; Priester et al. 2020). For example, previous research focuses on personalisation and privacy concerns (Chellappa and Sin 2005; Li and Unger 2012; Aguirre et al. 2015; Lei et al. 2019; Riegger et al. 2021; Ameen et al. 2022) (outlined in section 3.7.2) or IT-driven personalised service (Huang and Rust 2017; Bonaretti et al. 2020) or the role of emotions in the proliferation of the personalisation concept (Pappas, Papavlasopoulou, et al. 2017; Bielozorov et al. 2019).

The concept of personalisation is still confusing, blurred, and lacks clear boundaries (Kwon and Kim 2012), resulting in fragmented personalisation literature. Exploring the existing literature on personalisation research reveals diverse perspectives (Table 5-5 in section 5.4 depicts the overview of selected past literature review research on personalisation). Through an exploration of research on personalisation, this study reiterates in line with some previous studies (Vesanen 2007; Riegger et al. 2021) that there is no universal concept of personalisation. However, among all the definitions, a common trend can be found.

Often in service industries, good service is perceived as personalised service (Surprenant and Solomon 1987; Nyheim et al. 2015; Ariffin et al. 2018), where personalisation is “*the primary element*” of the “*enhanced service*” or “*something extra*” (Ariffin and Maghzi, 2012, p. 195). The objective here is to explore and better understand the concept of personalisation. Despite considerable interest in the concept, the definition of personalisation is still unfolding (Fan and Poole 2006; Sunikka and Bragge 2012; Salonen and Karjaluoto 2016; Piccoli et al. 2017; Greenstein-Messica and Rokach 2018; Anshari et al. 2019; Zanker et al. 2019; Abrate et al. 2021; Baranauskas 2021; Cavdar Aksoy et al. 2021; Kallus and Zhou 2021; Kumari and Gotmare 2021; Moriarty 2021; Chandra et al. 2022). The analysed literature offers various definitions of personalisation. As there is no standard definition of personalisation (Bacha et al. 2011; Strycharz et al. 2019) and the term has been used in so many ways, merely scanning the definitions is challenging but reveals two main approaches towards personalisation outlined next (Fan and Poole 2006; Chandra et al. 2022).

Exploring the various definitions of personalisation literature revealed an essential feature of personalisation – the behavioural aspect of the concept. This behavioural awareness approach is fundamental in the service industry context. It is the ability to tailor content and services to each customer based on knowledge about the preferences and past behaviour of the customer (Gao et al. 2010). The review of the extant literature presents that Surprenant and Solomon (1987, p. 87) depicted personalised service as “*any behaviours occurring in the interaction intended to contribute to the individuation of the customer*”. Riecken's (2000, p. 26) suggested that:

“personalisation is about building customer loyalty by building meaningful one-to-one relationships; by understanding the needs of each individual and helping satisfy a goal of that efficiently and knowledgeably addresses each individual's needs in a given context”.

De Blok *et al.* (2013, p. 17) present personalisation as “*the adaptation of employee interpersonal behaviour such that it suits a particular customer's preferences*”. Moon, Chadee and Tikoo (2008) include elements of Peppers and Rogers's (2000) definition of personalisation with Pine and Gilmore's (2011) definition of mass customisation. They define personalisation as

“customising some important attributes of a product or service and offering it online at a price that is almost the same or somewhat higher than that of the comparable standardised product” (Moon, Chadee and Tikoo 2008, p. 32).

Montgomery and Smith (2009) defined personalisation as adopting products and services based on information gathered from customer behaviour or transactions. Lee and Cranage (2011)

described the process as tailoring and recommending products and services to specific customer characteristics. Cavdar Aksoy et al. (2021) suggest the ability to individualise customer experience in a knowledge-driven environment. The literature reveals that the behavioural aspect of personalisation is not the only one. Song, Kim and Kim (2016, p. 91) sees personalisation as *“the extent to which communication facilitates interpersonal communication and interaction based on consumers’ personal preferences and information”*.

Piccoli, Lui and Grün (2017) indicate that personalisation occurs in many aspects of business and social life. The above views on the concept can be summarised with Asif and Krogstie's (2012b, p. 345) suggestion that:

“personalisation is a controlled process of adaptation of a service/system to achieve a particular goal by utilizing the user model and the context of use”.

Table 3-2 depicts the selected definitions of personalisation expressing behavioural aspects of the concept.

Tables 3-2. Selected definitions of personalisation – behavioural approach

<i>Author</i>	<i>Definition</i>	<i>Discipline /Field</i>	<i>Object and purpose</i>	<i>Approach</i>
Surprenant and Solomon (1987, p.87)	“Personalised are any behaviours occurring in the interaction intended to contribute to the individuation of the customer.”	Marketing Hospitality	Object: service Purpose: individualisation of customers	Behavioural
Riecken (2000, p. 26)	“Personalisation is about building customer loyalty by building meaningful one-to-one relationships; by understanding the needs of each individual and helping satisfy a goal that efficiently and knowledgeably addresses each individual’s needs in a given context.”	Marketing Information Systems	Object: Customer loyalty by building a meaningful one- to-one relationship Purpose: to satisfy individual needs	Behavioural
Wind and Rangaswamy (2001, p. 15)	“Personalisation can be initiated by the customer (e.g., customising the look and content of a home page) or by the firm (e.g., greeting a customer by name when the customer calls a support line).”	Marketing	Object: Content Purpose: Individualising the offerings create a relationship with an individual	Behavioural

Wu et al. (2003, p. 2)	“The adjustment and modification of all aspects of a website that are displayed to a user in order to match that user's needs and wants.”	Marketing, IS	Object: content and display Purpose: to match the user's individual needs and wants	Behavioural
Lee and Lin (2005, p. 167)	“Customer perception of the degree to which online retailer provides differentiated services to satisfy specific individual needs.”	Marketing	Object: Service Purpose: To satisfy an individual's needs	Behavioural
Chellappa and Sin (2005, p. 181)	“Personalisation refers to the tailoring of products and purchase experience to the tastes of individual consumers based upon their personal and preference information.”	Hospitality, Marketing, Information Systems	Object: Product and purchasing experience Purpose: to adapt service to individual preferences	Behavioural
Ho (2006, p. 41)	“Personalisation aims to tailor content to individual needs, and to have content arrive at the users at just right moment.”	Marketing Information Systems	Object: to understand and deliver highly focused and relevant content matched to the user's needs and context Purpose: to provide relevant content	Behavioural
Arora et al. (2008, p. 306)	“Personalisation is when the firm decides, usually based on previously collected customer data, what marketing mix is suitable for the individual.”	Marketing	Object: Marketing Mix Purpose: To provide an individual solution to the customer	Behavioural
Montgomery and Smith (2009, p. 130)	“Personalisation is the adaptation of products and services by the producer for the consumer using information that has been inferred from the behaviour or transactions.”	Marketing	Object: Adaptation of products and services Purpose: to provide an offer to a customer	Behavioural
Kwon and Kim (2012, p. 102)	“Personalisation is defined as a process that changes all the marketing mix, including the core product or service, website and mode of communication to increase personal relevance to the individual.”	Marketing	Object: marketing mix Purpose: to match the preference of an individual	Behavioural
Yonezawa, McClure and Jones (2012, p. 42)	“... is the cultivation of a web of positive relationship – among adults and youth in classrooms, schools, and	Education	Object: Relationships Purpose: to promote learning	Behavioural

	communities – to promote learning.”			
De Blok et al. (2013, p. 17)	“...the adaptation of employee interpersonal behaviour such that it suits a particular customer’s preferences.”	Health Care	Object: Behaviour Purpose: to meet individual preferences	Behavioural
Ariffin (2013, p. 173)	“...any behaviour occurring in the interaction intended to cater to the individual of the client.”	Hospitality	Object: Behaviours Purpose: to cater to individual preferences	Behavioural
Morosan and DeFranco (2016, p. 1971)	“Personalisation is generally defined as an organisational capability to adopt products and purchasing experiences to the preferences of individual consumers based on their personal information.”	Hospitality	Object: Product and purchasing experience Purpose: to adapt service to individual preferences	Behavioural
Tran (2017, p. 231)	“An activity of developing individualised communication to a particular customer which is tailored based on the customer’s implied or stated interests.”	Marketing	Object: Communication Purpose: to develop individualised communication	Behavioural
Cavdar Aksoy et al. (2021, p. 1091)	“Presenting and using personal-level information in the interactions and transactions with the customer to individualise customer experience and enhance marketing effectiveness.”	Marketing	Object: Customer information Purpose: to create an individualised experience	Behavioural

Further exploration of definitions reveals another stream in defining personalisation. That stream is about the technical aspect of the concept (Asif and Krogstie 2012b, 2012a). The diversity in the technologies used for building personalisation systems (such as machine learning) constitutes a barrier to mutual understanding among personalisation researchers (Fan and Poole 2006). With the rise of modern data-driven algorithmic forms of personalisation (Strycharz et al. 2019), a greater understanding of the concept offers more opportunities for providing and delivering products and services that are fit for purpose for the individual customer. In summary, the behavioural approach allows a better understanding of the customer. The technical approach allows the brands to carry out the process more effectively and in real-time. The fundamental thread points out that personalisation is the organisational approach and commitment in which the customer is the main focus, and products and services are tailored to reflect customers’ needs, desires, and requirements. From the customer’s perspective,

“personalisation refers to tailoring and recommending products and services according to specific consumer characteristics” (Lee and Cranage, 2011, p. 988).

As personalised offers are the outcomes of the process, the definition given by Buhalis and Amaranggana (2015, p. 379) is that:

“personalisation is the process of collecting and utilising personal information about the needs and preferences of customers to create offers and information, which perfectly fits the needs of customers”.

That reveals the critical dimension - the information. Table 3-3 depicts the selected definitions of personalisation expressing technical aspects of the concept. This research focuses on personalisation from a customer perspective and aims toward the behavioural approach. Therefore, the technical approach is beyond the scope of this study.

Tables 3-3. Selected definitions of personalisation – technical approach

<i>Author</i>	<i>Definition</i>	<i>Discipline /Field</i>	<i>Object and purpose</i>	<i>Approach</i>
Riemer and Totz (2003, p. 1)	“Personalisation (or individualisation, which is used synonymously) in general means to match one object with one subject’s needs. More precisely, it means to customise products, services, content, and communication to the needs of a single customer or customer group.”	Information Systems	Object: content Purpose: to match individuals' needs	Technical
Blom and Monk (2003, p. 195)	Personalisation is a process that changes the functionality, interface, information content, or distinctiveness of a system to increase its personal relevance to an individual.”	ICT	Object: changes the functionality, interface, information content, Purpose: to increase personal relevance	Technical
Murthi and Sarkar (2003, p. 1345)	“The personalisation process consists of three main stages: Learning, matching, and evaluation.”	Marketing and Management	Object: Customer needs and requirements Purpose: To achieve a competitive advantage	Technical

Fan and Poole (2006, p. 181)	“To manage customer relationships by delivering unique value and benefits to each customer.”	Marketing	Object: Behaviour Purpose: To increase the value	Technical
Tam and Ho (2006, p. 867)	“...deliver the right content to the right person in the right format at the right time.”	Human-computer Interaction, Tourism	Object: content Purpose: To the right individual	Technical
Kumar (2007, p. 536)	“Personalisation is a limiting case of mass customisation. Mass customisation aims at a market segment of few, whereas mass personalisation aims at a market segment of one.”	Marketing, Information Systems, Manufacturing	Object: N/A Purpose: a market segment of one	Technical
Moon, Chadee and Tikoo (2008, p. 32)	“Customising some important attributes of a product or service and offering it online at the price that is almost the same as or somewhat higher than of a comparable standardised product.”	Marketing	Object: Attributes of product and service Purpose: To offer online at a price that is almost the same	Technical
Shen and Ball (2009, p. 81)	“Personalisation is the process using individuals’ own information to tailor service and transactional environment to improve the benefits accruing to them.”	Marketing	Object: Individual information Purpose: to improve benefits for the customer	Technical
Lee and Cranage (2011, p. 988)	“Personalisation refers to tailoring and recommending products and services according to specific consumer characteristics.”	Tourism	Object: product and services Purpose: to recommend products and services to specific customer	Technical
Asif and Krogstie (2012b, p. 345)	“Personalisation is a controlled process of adaptation of a service/system to achieve a particular goal by utilising the user model and the context of use.”	Information Systems	Object: service Purpose: To achieve a particular goal	Technical
Kabassi (2013, p. 52)	“Personalisation involves the design of enabling systems to capture or infer the needs of each person and then to satisfy those needs in a known context.”	Marketing Tourism	Object: System design Purpose: to capture and satisfy the needs of an individual	Technical
Al-khanjari (2013, p. 189)	“...A concept of generating a well-organised and intelligent list of products and recommendations to the users of the involved website	Computer Science	Object: Website Purpose: to gain the loyalty of an individual	Technical

	depending on the user's preferences to gain their loyalty and increase their interest in this kind of website."			
Buhalis and Amaranggana (2015, p. 379)	"Personalisation is the process of collecting and utilising personal information about the needs and preferences of customers to create offers and information, which perfectly fits the needs of customers."	Tourism	Object: personal data Purpose: to create offers that match customer's preferences	Technical
Salonen and Karjaluoto (2016, p. 1090)	"Web personalisation is the process of individualised matching consumer preferences through an automated process in the web environment."	Information Systems	Object: Web Purpose: to individualised matching to customer preferences	Technical
Song, Kim and Kim (2016, p. 91)	"The extent to which communication facilities interpersonal communication and interaction based on consumers' personal preferences and information."	Marketing	Object: Information Purpose: to facilitate communication	Technical
Marchesani, Piccoli and Lui (2017, p. 377)	"The ability to tailor products, services, and the transactional environment to individual customers' needs."	Information Systems	Object: Products, services, and the transactional environment Purpose: To meet individual needs	Technical
Piccoli, Lui and Grün (2017, p. 349)	"Personalisation (the general process that occurs in many aspects of business and social life) is the ability to tailor the product, services, and the transactional environment to individual customers' needs."	Tourism	Object: Products, services, and transactional environments Purpose: to meet an individual's preferences	Technical
Bielozorov, Bezbradica and Helfert (2019, p. 178)	"The process where products and services are adjusted to match individual preferences by learning customer needs and transforming the gathered data into recommendations, offers, and promotions aimed at forming competitive advantage for the focal company by the creation of idiosyncratic value"	e-Commerce, Marketing	Object: Products and services Purpose: To form a competitive advantage	Technical
Zanker, Rook and Jannach (2019, p. 162)	"a means for minimising a user's cost in accessing information, improving the user experience, and rendering	Human-Computer Interaction	Object: information and user experience	Technical

	people more efficient in their use of computer devices.”		Purpose: for better efficiency of use of the computer	
(Chandra <i>et al.</i> , 2022, p. 1)	“The action of designing and or producing something that meets someone’s individual requirement.”	Marketing	Object: Content Purpose: to meet individual requirement	Technical

In a service context, personalisation combines technical and behavioural approaches, where information about customer preferences, needs, and past behaviours becomes the key to success. As previously stated, academic research manifests that personalisation lacks a unified definition (Strycharz et al. 2019; Riegger et al. 2021), and the concept of personalisation is often used to cover a fragmented set of ideas (Vesanen 2007). The concept and the process differ from one business to another (Al-khanjari 2013) and from one academic field to another.

By taking a broader view of how the past research defines the concept of personalisation in various disciplines, this study found that a wide range of definitions has emerged in the first years of the 21st century (see, e.g., Fan and Poole, 2006). The multiplicity of definitions is associated with later studies' adoption of older definitions. This study depicts that the object of personalisation seems to differentiate between tailoring the products, message content, information, or marketing mix. The purpose of personalisation remains unchanged – to match customer preferences as an individual. A total of 36 definitions of personalisation were selected from 1987 to 2022, covering a timeline of 35 years. Through literature analysis, it becomes evident that the notion of personalisation remains challenging in the division of interests between different academic fields (Salonen and Karjaluoto 2016; Riegger et al. 2021; Chandra et al. 2022), even though some common understanding about the purpose of personalisation is emerging.

Based on the literature review, selected definitions of personalisation were collected and assorted in the structure overview. Tables 3-2 and 3-3 depict the outline of selected definitions sorted by date (in ascending order from the oldest to the most recent), presenting the definition's discipline, objective, purpose, and technological or behavioural approach. That contributes to a better definitional understanding of the concept for the purpose of this study and helps address Research Objectives 2, 3, and 4 (section 1.4).

With the multiplicity of existing definitions, this study argues that not yet another definition of personalisation is needed and shall be developed. Instead, this research illuminates the need to

synthesise the variety of pre-existing definitions for a more holistic understanding of personalisation. After exploring many definitions from different academic disciplines, this study proposes and adopts the definition of personalisation as:

Personalisation is a controlled strategy and process of building and maintaining a one-to-one relationship between stakeholders through continually gathering, processing and utilising big data about stakeholder needs, preferences, requirements, context and emotions to address their specific requirements in any relevant context and to add value, by enhancing their experience holistically and by providing an optimised and fit-for-purpose offering.

Having explored the diversity of the definitions of personalisation and having established the definition adopted by this study, the following section focuses on exploring the differences between concepts that appear interchangeably (Sunikka and Bragge 2012; Chandra et al. 2022) and are in close dependence. Those concepts are personalisation, customisation, and individualisation.

3.3. Personalisation vs customisation vs individualisation

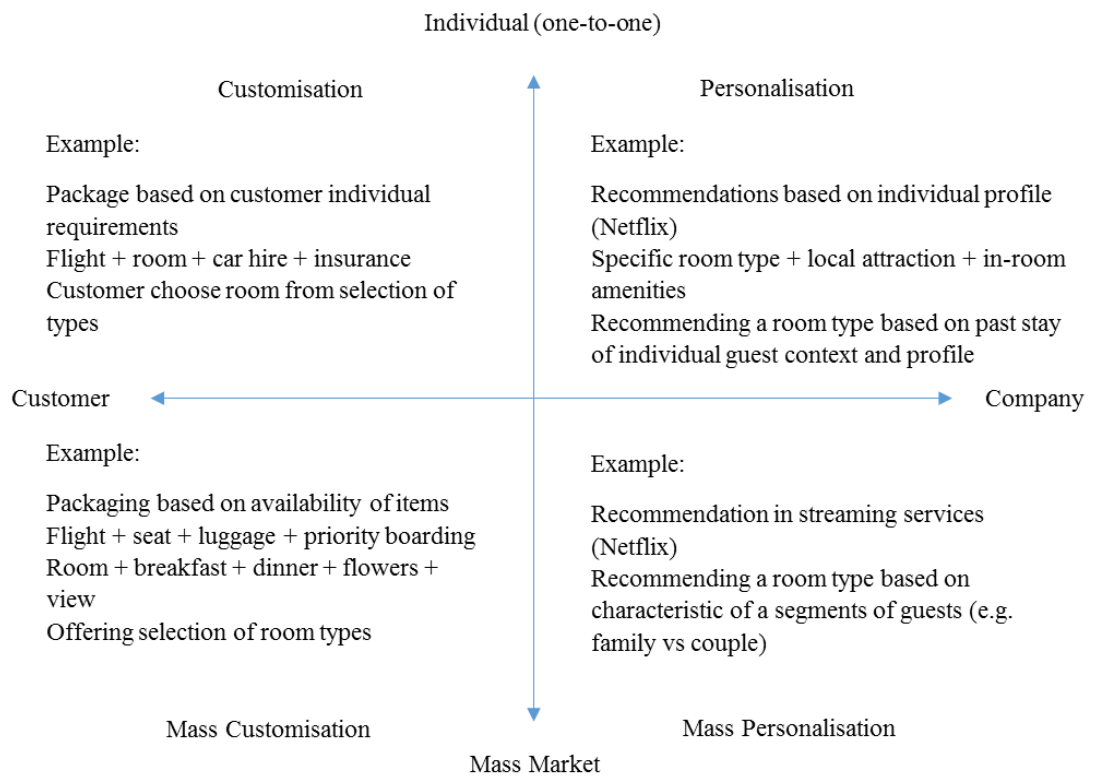
Within various concepts and definitions, the conceptualisation of personalisation diverges in the literature. Researchers often use terms such as individualisation (Riemer and Totz 2003), customisation (Pine and Gilmore 2011), or one-to-one marketing (Peppers and Rogers 2000a) interchangeably with personalisation (Sunikka and Bragge 2012; Chandra et al. 2022). This interchangeable use of terms only adds to the confusion about the concept. This confusion results in difficulty searching and outlining research on personalisation (Salonen and Karjaluo 2016).

This section will first explore the differences and similarities between customisation and personalisation. The second part of this section will outline the relationship between concepts of individualisation and personalisation. Finally, this study acknowledges and outlines the similarities and differences between the three concepts and accommodates the view that individualisation and customisation are particular cases of personalisation (Migas et al. 2007;

Tiihonen and Felfernig 2017). The process of personalisation is not absolute, but it is a continuum outlined in section 3.7 (Vesänen and Raulas 2006; Strycharz et al. 2019).

The concepts of personalisation and customisation are often used interchangeably (Sunikka and Bragge 2012; Cavdar Aksoy et al. 2021) despite the differences on a conceptual level between both concepts (Chandra et al. 2022). That can be explained by the fact that both concepts represent an extreme form of one-to-one marketing (Arora et al. 2008). One-to-one marketing advocates tailoring one or more aspects of the company's marketing mix toward satisfying the individual customer's needs (Peppers et al. 1999; Peppers and Rogers 2000a, 2000b). As personalisation and customisation are two extremes of the continuum of tailoring offers for customers (Chandra et al. 2022), Figure 3-2 depicts a simplified understanding of personalisation and customisation.

Figure 3-2. Understanding of personalisation and customisation



Inspired by Arora et al. (2008)

Despite all the complexity, there is a noticeable distinction between personalisation and customisation. As Arora et al. (2008, p. 306) stress, the difference is that:

“personalisation is when the firm decides, usually based on previously collected customer data, what marketing mix is suitable for the individual”.

Kumar (2007) differentiates those terms by outlining that mass customisation aims at a market segment of few, whereas mass personalisation aims at a market segment of one. Arora et al. (2008) definition complements it by making clear distinctions between what appear to be similar concepts. Personalisation is company-driven, whilst customisation is customer-driven (Arora et al. 2008).

Amazon is a classic example of the application of personalisation and is considered one of the most successful companies that implement the personalisation process in the form of recommending products (Arora et al. 2008; Seele et al. 2021). Its primary focus is on creating the end-user experience by utilising rich profile information as the basis for providing a valuable service. The data is collected for a specific user and saved in a user data file. This profile is further customised (adjusted, tailored) to know the current user's preferences and the specific output for the user, including items inspired by browsing history and items suggestions based on previously viewed items (Al-khanjari 2013; Song et al. 2021). Online travel agents (OTAs) such as Booking.com, Expedia, and Travelocity provide personalised products and services. Customers can plan their trips as easily and quickly as possible due to recommendations of travel packages and the offering of hotels, flights, and car rentals (Lee and Cranage 2011; Zhao 2021). The literature presents that one of the most common personalisation results is an ability to make instant recommendations to the customer (user). Those recommendations are based on customers' preferences and purchase history of products such as books, music, or services such as holiday packages, flights, daily grocery shopping, or hotels the company offers.

In contrast, Dell is a classic example of a company implementing customisation, where customers can order a computer according to their needs. Thus, the computer is custom-made (Arora et al. 2008). Dulux empowers customers to customise their homes by trailing different wallpapers and paint colours. IKEA allows them to visualise how furniture will look in their homes (Alimamy and Gnoth 2022). When customers sign up for Netflix or Spotify, the services ask users to select a few shows, artists, and podcast themes. Through self-learning algorithms, they display the list of options based on customers' preferences.

Based on the above exemplars, customisation is an arrangement of products and services with options required by the customer. Personalisation is an adaptation of products and services by the company based on customer information deducted or retrieved from the customer's behaviours (Montgomery and Smith 2009; De Blok et al. 2013; Kabasakal et al. 2017; Chandra et al. 2022). Customisation focuses on the content of the products and services – the “*what*” (e.g., the customer asking for gluten-free food). It occurs at the micro-level. Customisation is not administered at scale, so it is not replicable for all purchases. It is implemented on a case-by-case basis to meet the specific needs of a single customer. Personalisation, however, focuses on the way in which the products and services are delivered – the “*how*” (e.g., personal recommendation of a selection of gluten-free products).

The contrast between personalisation and customisation is evident. Many researchers distinguish personalisation as a company initiation process (Kwon and Kim 2012) and often automated (Salonen and Karjaluo 2016). The process of customisation is initiated by the customer (or user in an online environment) (Montgomery and Smith 2009; Sunikka and Bragge 2012; Chandra et al. 2022). Personalisation is commonly considered Internet-empowered (Sunikka and Bragge 2012) and automated through digital channels (Fan and Poole 2006; Salonen and Karjaluo 2016). This study adopts Goldsmith and Freiden's (2004) view that personalisation is a more comprehensive concept than customisation.

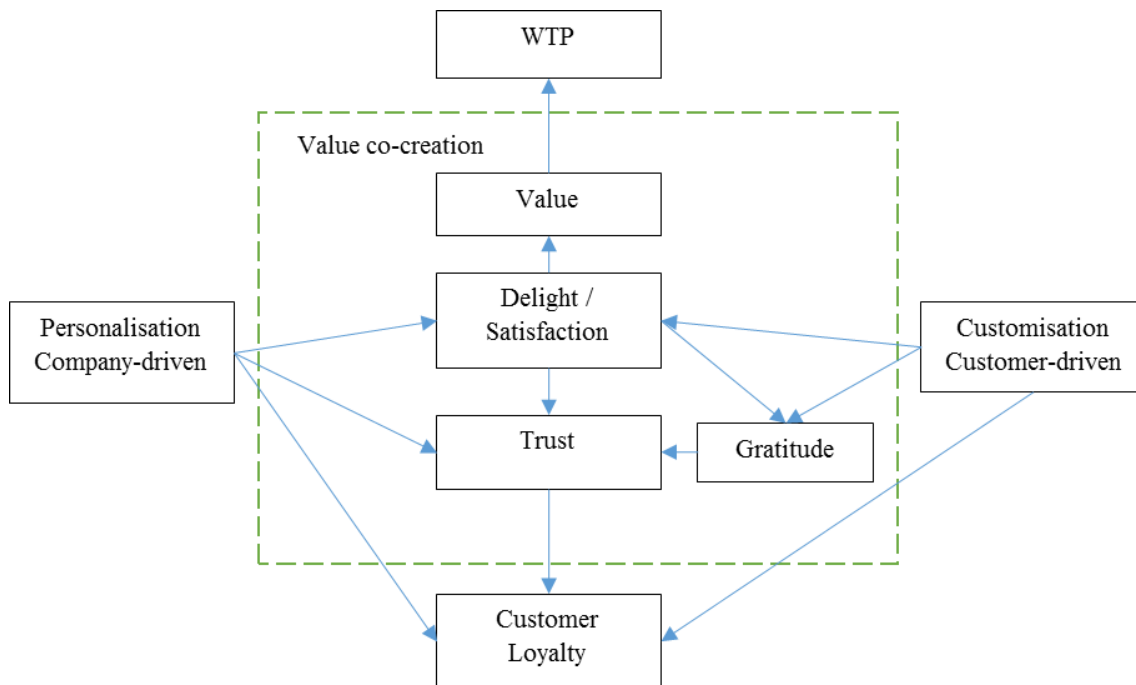
Despite the differences between the concepts, some similarities between the notions justify the terms' interchangeability (Kwon and Kim 2012). Both ideas refer to the process of individualising the content for each customer. Personalisation as an automated process does not require explicit input from the customer to create exclusive content (Ho and Bodoff 2014). In customisation, customers take on a more leading role in adapting the marketing mix according to their preferences. In personalisation, the company takes the lead and tailors marketing activities to an individual customer (e.g., a personalised message to the customer) (Bleier et al. 2018). Chung, Rust and Wedel (2009) experimented by designing and evaluating an adaptive personalisation approach for mobile music. Their approach to personalised music uses listening data, and the music attributes are used as predictor variables. The Chung et al. (2009) model tends to be unobtrusive to the users and requires no user input other than the user's listening behaviour for songs that are automatically downloaded to the device (Wedel and Kannan 2016).

Firstly, customisation and personalisation are used to tune products and services to customers' preferences. Both concepts work towards the same outcome but from different perspectives (De Blok et al. 2013). For instance, Ball et al. (2006, p. 391) suggested that personalisation of services

is the “*adjustment of services to fit the individual requirements of a customer*”. Bock, Mangus and Folse (2016, p. 3923) adopt the Surprenant and Solomon (1987, p. 87) view of service customisation, which includes “*any behaviours occurring in the interaction intended to contribute to the individuation of the customer*”. Here, the outcome of the process is to focus on the needs and requirements of the individual customer.

Secondly, the overall goal of both concepts, personalisation and customisation, is to influence many behavioural aspects of the customer, such as customer satisfaction, customer trust, user experience, and customer loyalty (Adolphs and Winkelmann 2010; Ozturk et al. 2017). Ball et al. (2006) found that service personalisation affects customer satisfaction, loyalty and trust. Regarding the effect of service customisation, Bock et al. (2016) found the impact on satisfaction, trust and, indirectly, customer loyalty. Figure 3-3 depicts the mutual approach of customisation and personalisation towards customer loyalty.

Figure 3-3. The relation between personalisation, customisation, and customer loyalty



Inspired by Ball et al. (2006) and Bock et al. (2016).

The general premise of both concepts is that personalisation and customisation aim to improve customer loyalty (Tong et al. 2012; Ozturk et al. 2017). Gathering information on customer behaviour and preferences combines customer and company initiatives (Sunikka and Bragge 2012). Dynamic, volatile, and time-sensitive service industries require agility and big data to co-create value delivering fit-for-purpose offers. The customer determines what value is received from the business offer. By showing the customer's behaviour trends, big data brings opportunities for discovering value, leading to more precise analysis (Anshari et al. 2019; Konstantakis et al. 2020). Due to the complexity of service provisions, industries such as tourism and hospitality depend heavily on gathering and analysing big data to gain useful insight (Stylos et al. 2021). The gathering and analysis of big data allow interactivity through personalisation and customisation to co-create an individualised offer (Anshari et al. 2019; Stylos et al. 2021).

The literature illuminates a third concept - individualisation - a strategy to provide “*extra*” individualised service (Bouncken et al. 2006). In the core aspect, individualisation (like in customisation and personalisation) starts with the need of an individual to accommodate those needs (Bray and McClaskey 2010). For many, the taxonomy between the concepts is not very clear (Sunikka and Bragge 2012).

Some researchers (Riemer and Totz 2003) use the term individualisation synonymously (to personalisation) to describe the process of personalisation. This section highlights the similarities and differences between personalisation and individualisation. This study differentiates both terms similarly to Treiblmaier and Pollach (2007). Personalisation requires identifying customer (user) information, while individualisation relies on an anonymous, implicit data stream. Surprenant and Solomon (1987, p. 89) implied that individualisation is increased by “*customised personalisation*”. Customised personalisation is based on the desire to assist the customer in attaining the best possible service offering as it increases cognitive effort. Individualisation is a form of personalisation (Surprenant and Solomon 1987). As Asif and Krogstie (2012a) noticed, the challenge for the research community is reaching the consensus of a standard frame of reference for personalisation.

The continuous development of technology and the digital world is resulting in many opportunities for all actors to create a cost-effective one-to-one relationship with each other on a mass scale. The individualisation of products and services can increase differentiation between the competitors. For example, one-to-one personalisation can be seen in a behavioural-based marketing approach. The communication between the actors (B2C and C2C) is influenced by both the customer’s past and future predicted behaviours. Customer searches, purchase history,

preferences, and demographic data are collected and analysed to efficiently present a fit-for-purpose product and service. Widely cited, Amazon is a prime example of a company using individualised, behaviour-based marketing techniques. Amazon captures and processes cookies that store a customer's (user) history and website behaviour to recommend the product to the customer actively searching for a specific product (Sposit 2019; Seele et al. 2021). This suggests that, as customers have different needs for uniqueness, individualisation drives customisation and personalisation (Wang, Wang, et al. 2020).

Some scholars have paid attention to the influence of individualisation on the value perceived by customers (Merle et al. 2010; Andruszkiewicz and Betcher 2015; Habicht and Thallmaier 2017), suggesting that it enhances customers' involvement in product and service development through value co-creation (discussed in section 4.1). By collaborating with customers, companies can produce and communicate precisely what, when and how an offering is delivered (Loef et al. 2017). Habicht and Thallmaier (2017) investigated how customer value is created within the co-design process, confirming that even if co-designing is highly attractive and engaging, the success of tailored offers remains dependent on the perceived value of the individual product. Individualisation is seen as the highest level of the customisation process. Customer information drives every aspect of communication (Migas et al. 2007), allowing for various approaches to tailoring products and services. As a highly collaborative form of personalisation, in this study, individualisation is seen as an extreme form of personalisation (one-to-one). All three processes are complementary to each other (De Blok et al. 2013), as presented in Table 3-4.

Table 3-4. Customisation, personalisation and individualisation - compared and contrasted.

	Customisation	Personalisation	Individualisation
<i>Initiation</i>	Customer-driven	Company-driven	Company-driven and/or customer-driven
<i>Example of Definition</i>	The configuration of products (products and services) that meet customers' individual needs	The utilisation of information to create offers (products and services) that suit a particular customer's preferences	Highly collaborative one-to-one personalisation. The capability of variation of the content based on customer information drives every aspect of the communication
<i>The main field of application</i>	Product design and operations management	Service marketing and management	Product design, service and marketing management, content
<i>Emphasis</i>	The contents of the product (good and service) to be delivered to the customer	How products and services are delivered to the customer	The content of the product and service and how they are delivered to the customer
<i>Outcome</i>	Product and service tuned to the individual requirements of the customers	Product and service tuned to the individual requirements of the company	Product and service tuned to the individual requirements of the company
<i>Process</i>	Active – Require customer involvement based on internal contextual information	Passive – behind the scenes, based on analysis of the external contextual information and past behaviour	Active – Require customer involvement based on internal and external contextual information
<i>Position in the life cycle</i>	Mainly at the start of the life cycle, when products are configured	Throughout the life cycle, at all points of customer contact	Throughout the life cycle, at all points of customer contact
<i>How to achieve</i>	Through modularity: <ul style="list-style-type: none"> - Choosing components from the menu - Adopting a product prototype 	Through various ways of adopting interpersonal interactions: <ul style="list-style-type: none"> - Pro forma personalisation - Attentive personalisation 	Through various ways of adopting interpersonal interactions. Through active and collaborative communication

Adapted from De Blok et al. (2013)

3.4. Types of Personalisation

Literature depicts some consensus in portraying the dimensions of the personalisation types and processes. Those dimensions can be classified into four groups: (a) What is personalised? (The object of personalisation: product, service, content, user interface, channel or information access, functionality), (b) How far are things personalised? (Personalisation level; one-to-many, one-to-few, one-to-one), (c) Who does the personalisation? (Subject of personalisation, user or system, customer or company), (d) How are customer preferences learned about? (Preferences learning method for personalisation, e.g., intrusive or non-intrusive or covert or overt way of gathering information) (Vesänen and Raulas 2006; Vesänen 2007; Tuzhilin 2009; Kwon and Kim 2012). Such classification of personalisation can help to understand when, where, and how personalisation can be effective (Asif and Krogstie 2013) when designing and delivering personalised products and services. Through a review of past research on personalisation, Table 3-5 depicts the dimensions of personalisation. Customers create and enhance their experience through digital interactions in real-time. Dynamic interaction between the brand and customers enables the company to offer services personalised towards an individual based on contextual information (Buhalis and Sinarta 2019).

Table 3-5. Dimensions of personalisation.

What is personalised?			How far are things personalised?	Who does the personalisation?	How to learn about preferences?			
Product	Service	Content			Intrusive	Non-Intrusive	Dynamic	Static
			One-to-All	Company				
			One-to-N					
			One-to-One					
			One-to-All	Customer (customisation)				
			One-to-N					
			One-to-One					
			One-to-All	Market Centric				
			One-to-N					
			One-to-One					

Adapted from Fan and Poole (2006); Kwon and Kim (2012)

With a lack of a common framework of personalisation, different schools of thought to discern different types of personalisation (Chandra et al. 2022). Depending on the focus of its application, various approaches to achieve personalisation emerge during synthesising the literature (Asif and Krogstie 2012a; Chung et al. 2016). Fan and Poole (2006) defined four “*ideal*” types of personalisation, as depicted in Table 3-6: architectural, relational, instrumental, and commercial.

Table 3-6. “Ideal” types of personalisation

Type	Architectural	Relational	Instrumental	Commercial
Strategy:	Individualisation	Mediation	Utilisation	Segmentation
Motive:	To fulfil a human being’s need to express himself/herself through the design of the built environment	To fulfil a human being’s needs for socialisation and a sense of belonging	To fulfil human being’s needs for efficiency and productivity	To fulfil human being’s needs for material and psychic welfare
Goals:	To create a functional and delightful (e.g., Web) environment that is compatible with a sense of personal style	To create a standard, convenient platform for social interaction that is compatible with the individual’s desired level of privacy	To increase the efficiency and productivity of using the system	To increase sales and enhance customer loyalty
Means:	Building a delightful environment and immersive experience	Building social interactions and interpersonal relationships	Designing, enabling, and utilising useful, usable, user-friendly tools	Differentiating products, services, and information
User model:	Cognitive, affective, and social-cultural aspects of the user	Social Context and relational aspects of the User	Situated needs of the user	User preferences or demographic profiling; online user behaviour and user purchasing history

Adopted from Fan and Poole (2006)

In addition to Fan and Poole (2006), Vesanen (2007) proposes five types of personalisation: segment marketing, adaptive, cosmetic, transparent, and collaborative personalisation based on customer engagement. Vesanen (2007) define each type of personalisation using eight characteristics. Table 3-7 depicts Vesanen’s (2007) classification of personalisation characteristics.

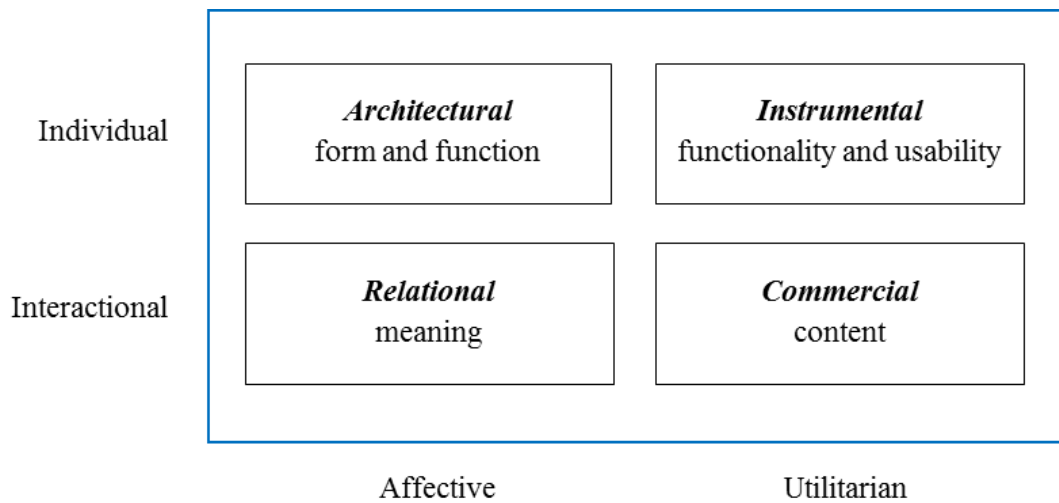
Table 3-7. Classification of personalisation

Type of personalisation	<i>Segment marketing</i>	<i>Adaptive personalisation</i>	<i>Cosmetic personalisation</i>	<i>Transparent personalisation</i>	<i>Collaborative personalisation</i>
Typical actor	Reader's Digest / Netflix	Yahoo.com	Google.com	Amazon.com	Hairdresser
Basic idea	To match customer preferences better than mass marketing	To let the customer choose from different options	The organisation changes the package of standard goods	The organisation changes the content of goods with a standard look	The company and the customer are together building the product
When to use	Little customer knowledge, cheap	Many choices to choose from	Customer sacrifice is due to the presentation	Customer contacts are repetitive	Determining either-or choices
Customer information	Purchase and demographic information	Direct choice by the customer	Purchase, demographic, and behavioural information	Purchase, demographic, and behavioural information	Direct interaction
Learning opportunities	Low	Medium	Medium	Medium	High
Customer interaction	None	High	Low	Low	High
Change in presentation	Possibly	No	Yes	No	Likely
Variation of product	Possibly	No	No	Yes	Likely

Adopted from Vesanen (2007)

Personalisation is essential in delivering the fit-for-purpose product or service to the right customer at the right time using the right channel (Sunikka and Bragge 2008; Li 2016). It is a widely accepted marketing strategy (Lee and Cranage 2011; Chandra et al. 2022). Each presented perspective represents a different philosophy concerning the motivation behind and what is the goal of personalisation. Each view implies different criteria for evaluating personalisation. These various types are distinct in two other dimensions: *utilitarian*, which puts more emphasis on task accomplishment, and *affective*, which emphasises the user's feelings, as depicted in Figure 3-4 (Fan and Poole 2006).

Figure 3-4. Personalisation design paradigm



Adopted from Fan and Poole (2006)

Three additional types of personalisation can be identified when exploring customer engagement in the process. First, it is *User-driven personalisation*, where the customer (user) specifies in advance their needs and preferences that match the customer (user) interest. Customisation is commonly used for this type of personalisation (Sunikka and Bragge 2008).

Second, *Transaction-driven personalisation* represents a standard form of personalisation where the company creates personalised products or services. Finally, *context-driven personalisation* characterises an adaptive mechanism employed to personalise content for each customer. This mechanism is sensitive to the interaction context and adapts and changes continuously (Tam and Ho 2006; Sunikka and Bragge 2008). Each approach has a different focus on personalisation (Asif 2014). This study assumes that, as context-driven personalisation aims toward the individual customer, the term individualisation (or individual-level, discussed later and in section 3.3) accurately describes this type of personalisation.

Based on customer involvement, a specific type of personalisation can be implemented (Torres et al. 2018). Through the ability of the brand to engage with customers dynamically at present, both physically and digitally, the context-driven personalisation approach seems to be the most suitable personalising of hospitality products and services. Brands, through the use of technology, can dynamically facilitate personalised and contextualised experience creation (Buhalis and Foerste 2015). Thanks to the ability to interact in real-time, customers demand instant gratification. Highly informed customers can manage to co-create better value and are willing to spend more

money on the products and services that meet their preferences instantly (Buhalis and Sinarta 2019).

The dimensions of personalisation depend on the scope and concept of the relationship between the actors (Kwon and Kim 2012). Given the multiplicity of different personalisation approaches, it seems confusing what approach may lead to favourable effects and what will not (Li 2016). Various service providers may require different personalisation approaches that depend on the level of knowledge about a customer's preferences and the level of interaction with and from the customer.

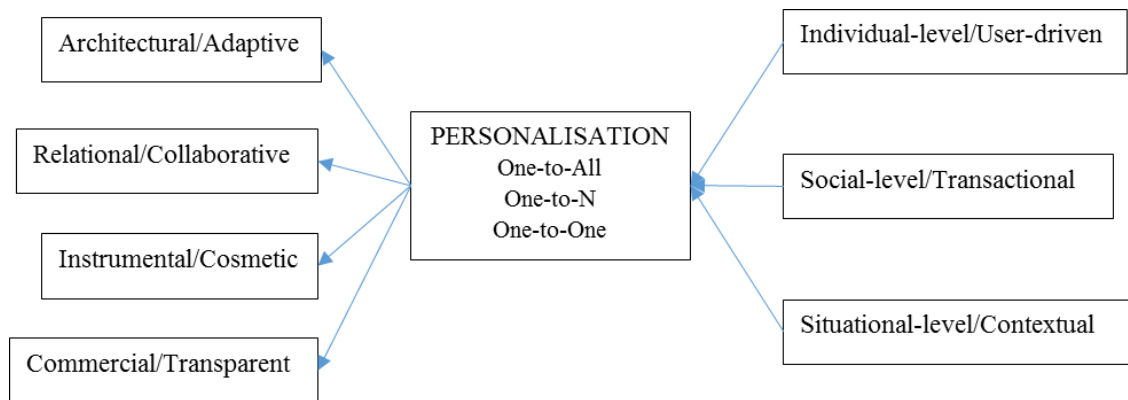
Based on reviewing and integrating decades of research on personalisation, Cavdar Aksoy et al. (2021) offered a new typology of personalisation. They classify personalisation practices based on methods and modes of communication as the self-reference method, the anthropomorphism method, and the system characteristics method. The self-reference method focuses on one-to-one communication using individual names and specific wording reinforcing personalised touch. In the anthropomorphism method, human-like communication and behaviours, like gestures, voices, or emotions, are used to augment bonding with customers (e.g., Alexa, Google Assistant, or chatbots). Intelligent systems and algorithms generate and offer personalised information in the system characteristic method (Cavdar Aksoy et al. 2021; Chandra et al. 2022).

Based on the type of information presented, Cavdar Aksoy et al. (2021) suggest classifying personalisation practices as individual-level personalisation, social-level personalisation, and situation-based personalisation. In individual-level personalisation, the person is the main focus. The fact that a person bought a product or service in the past does not mean they will buy the same product or service category or brand. Companies like Dell, Amazon, and Netflix use this transaction-driven form of personalisation to enhance the customer shopping experience. Understanding an individual's current attitudes, preferences, and behaviours is as important as understanding past behaviours (e.g., past purchases, reviews, ratings, site visits, or social media posts) (Tam and Ho 2006; Cavdar Aksoy et al. 2021; Chandra et al. 2022).

Social-level personalisation is based on network analysis and collaborative filtering. The information about customers is collected from users in social networks close to the target audience. Using sentences like: "Customers who bought these also bought..." or "explore" features in Instagram is a form of application emphasising the social environment. Literature suggests this adaptive personalisation can deliver higher recommendation accuracy (Li and Karahanna 2012; Asif 2014; Chung et al. 2016; Cavdar Aksoy et al. 2021; Chandra et al. 2022).

Situation-based personalisation focuses on the surrounding environment, such as location and time. People passing near a particular place can receive a message containing unique information. For some services, such as events, a personalised message can be presented using location information, such as postcode. During everyday routines, every person experiences non-routine and differentiating moments during the day. Information about an individual's experience and movement in the present can be used as a source of personalisation (Fan and Poole 2006; Xu et al. 2011; Cavdar Aksoy et al. 2021; Chandra et al. 2022). Figure 3-5 depicts a simplified classification framework for personalisation.

Figure 3-5. A simplified classification framework for personalisation



Inspired by Fan and Poole (2006), Vesanen (2007), Arora et al. (2008), Cavdar Aksoy et al. (2021)

Torkamaan et al. (2019) suggest that customers' willingness to receive personalised recommendations decreases, and their desire for transparency, explanations, and controllability increases. Customer social presence and social impact in the digital world are growing stronger (Cavdar Aksoy et al. 2021). With utilitarian, hedonic, positive perceptions from interaction, integration of past and current customer behaviour data, and the customer need to take an active role in the personalisation process as a driver (Riegger et al. 2021), personalisation is more important than ever. An overview of the personalisation classification system may benefit more effective marketing communication, even though the types and forms of personalisation found in the literature are rather unorganised (Cavdar Aksoy et al. 2021). Personalisation is often treated as a subset of segmentation that does not encompass personalisation's true meaning (Chandra et al. 2022). This study, based on the presented in this section discussion and Cavdar Aksoy et al. (2021) proposed personalisation typology combines the Fan and Poole (2006) and Vesanen

(2007) focus on personalisation (the target, the aspect of information, the automation, and the presentation) (outlined in section 3.9). This approach will help to address this study's Research Objectives 2, 3 and 4.

3.5. Granularity of Personalisation

Customers' requirements are usually diverse and highly individualised. In hospitality, many variables (such as availability, location of the hotel room, time of booking or check-in date) and service attributes (e.g., check-in and check-out time or greeting and welcome) influence the price level (Abrate and Viglia 2016; Prakash et al. 2021) and the level of customer satisfaction and experience. Pansari and Kumar (2017, p. 308) argue that the customer:

“becomes engaged with the company when the relationship based on trust and commitment is satisfying and has emotional bonding”.

The customer may not only play a different role in different situations during interaction with the company by choosing different products and services, but it can lead to differences in the service provided to that customer (Liu et al. 2015). The quality of the customer-brand relationship depends on the level of satisfaction derived from the relationship and the emotional connection between the actors (Pansari and Kumar 2017). The granularity of personalisation indicates the extent to which product and service composition is broken down into smaller parts (Liu et al. 2015).

The granularity of personalisation allows focusing on *“to who personalise”* (Schneider and Handali 2019). By adapting products and services to individual customer needs and preferences, personalisation allows taking marketing mix allocation a step further (Khan et al. 2009). As Wedel and Kannan (2016) imply, for implementing personalisation, the company can use one of three personalisation methods: (1) *Pull* personalisation, which provides a personalised product and service that the customer explicitly requests. (2) *Passive* personalisation offers information or recommendations to the customers related to their activities and behaviours. (3) *Push* personalisation takes passive personalisation a step further and provides personalised offers without the customer's explicit request (Wedel and Kannan 2016). Within those methods, the company can decide upon the level of granularity that can be used to implement the process (Bleier et al. 2018).

Personalised offerings can be tailored in one of three levels of granularity: (1) *mass* - to all customers (one-to-all – where personalisation as such does not occur or is very limited), (2) *segment* - to the group of customers (one-to-N, micro personalisation or segment marketing) or (3) *individual* - to the individual customer (one-to-one, which is an extreme form of personalisation, beyond traditional segmentation) (Arora et al. 2008; Zhang and Wedel 2009; Kwon and Kim 2012; Cavdar Aksoy et al. 2021; Chandra et al. 2022). The smaller the segment, the better targeting to the customer and a more personalised offering can be presented. By varying the size of the customer segment, a company can change personalisation's degree (granularity) (Tuzhilin 2009). Figure 3-2 (section 3.3) depicts the scale of adoption of the personalisation process.

As Wedel and Kannan (2016) noted, the granularity level for different marketing mix elements can differ. Starting from the classic 4Ps marketing mix; product (and service), price, promotion, and place, in personalisation, it seems natural to add a fifth P – people. This section outlines the existence of personalisation within the marketing mix, looking at the granular level, starting with product and service.

Product and service. A typical effective strategy is personalising products and services to satisfy customers' needs (Zhen et al. 2017). At low levels of granularity, e.g., international restaurant chains, such as McDonald's or Burger King, adjust their menus to the local taste of the specific countries (Bleier et al. 2018). As the location of the hotel is not easy to change, the hotel can offer a room located on a different floor (e.g., a higher floor) or a different type of room (sea view vs city view) based on the customer's specific preferences (Wong and Kim 2012). Product personalisation, driven by detailed customer data, is increasingly moving toward the individual level (Chung et al. 2016; Cavdar Aksoy et al. 2021). For instance, a personalised message can be delivered to the individual at a higher granularity level based on their unique preferences (Li 2016). Many news websites, such as Yahoo News, CNN, New York Times, or Google News, enable the personalisation of news content based on explicit selection or evaluation of news categories by the users and users' reading history (Chung et al. 2016) or user language preferences.

Customers search for services adjusted to their needs (Bock et al. 2016). Service granularity often depends on the service's *functionality*, the *data* exchanged, and the extent to which the *added value* is provided (Haesen et al. 2008; Luxenburger et al. 2008; Liu et al. 2015). Bock et al. (2016) demonstrate that by adjusting service, the company can elicit customer emotions that generate trust and, subsequently, customer loyalty. The level of granularity of the service requires brands

to consider customers' characteristics, roles, requested goals, and the service execution process, which can enhance the efficiency and accuracy of the service provided (Liu et al. 2015).

Different *pricing* methods allow companies to personalise prices at the individual customer level (Stangl et al. 2017; Viglia 2022). Hotels and airlines change their prices related to season (high and low season, weekday and weekend) based on their inventory level. Many restaurants, theatres and cinemas routinely change their prices according to the time of the day (Obermiller et al. 2012; Kimes and Wirtz 2016). Pricing at a more granular segment level (using price discrimination) is a much more common practice (Bleier et al. 2018). Some of the examples include offering early-bird pricing, providing discounted prices (e.g., buy one, get one half-price), prices based on age (e.g., student, pensioner, or military discount), or location-based prices (e.g., different prices for a litre of petrol offered in motorway and city centre). Technological advances have enabled the development of a rich database, pushing pricing schemes towards a more granular, individual-level, personalised pricing approach (Sonnier 2014). To fully personalise price, brands should be able to predict demand for the context (e.g., time, place, weather) and the individual's goals and requirements (Obermiller et al. 2012).

Promotion: The growing ability of individual-level data has opened new opportunities (Wedel and Kannan 2016) to improve the effectiveness of advertisements (Zhang and Wedel 2009) and personalisation overall. The availability of extensive information on the individual level allows the company to choose the optimum level of granularity, not necessarily at the most granular level, to personalise their offers (Wedel and Kannan 2016). The most popular approaches are personalisation communication and recommender systems (Bleier et al. 2018). Bleier and Eisenbeiss's (2015) study of effectiveness in online banner advertising shows that, on average, personalisation can increase click-through rate, especially at an early information stage of the purchase decision process. Despite that, the collecting and using personal data can raise customers' serious concerns about privacy invasion resulting in privacy-personalisation trade-offs (Lee et al. 2011; Song et al. 2021; Volchek et al. 2021), personalising emails' names and content can positively affect the click-through rate (Strycharz et al. 2019).

Mobile devices have become dominant, versatile and ubiquitous (Chung et al. 2016). They are integrated into the individual's personal life, representing how a customer consumes products, services, and experiences (e.g., mobile news, making travel arrangements, and social media posts) in different contexts (Chung et al. 2016). Various events (e.g., new job, marriage, the birth of the child, retirement, anniversary, or birthday celebrations) that characterise the life stages of the customer can determine the change in the customer's preferences, status and value for the

company (Adomavicius and Tuzhilin 2011). The granularity of the contextual information is essential. The more the company knows about a transaction's context, the better it can describe the customer's behaviour (Palmisano et al. 2008). By using individual-level browsing and purchase data, the company can tailor recommendations to increase the relevance of the offering (Bleier et al. 2018). Amazon and Netflix are the most widely used classic examples of using a recommendation system to make a personalised offer (Wedel and Kannan 2016; Sposit 2019; Chandra et al. 2022). The recommender systems that use adaptive personalisation systems take the personalisation process further. It allows customers to dynamically personalise service in real-time (Wedel and Kannan 2016; Cavdar Aksoy et al. 2021). Zhang and Wedel (2009) investigate the profit of potential price promotion at various levels of granularity. Their results show that a highly-individualised level of personalisation may generate higher expected profit in the online environment. They suggest that mass-market-level personalisation can be more sufficient for the company in an offline environment.

The place is another crucial dimension in marketing analysis (Fan et al. 2015). The development of the digital world offers the ability to personalise and co-create hybrid virtual and physical experiences (Buhalis, Lin et al. 2022). Location is a valuable source of information for personalised marketing (Fan et al. 2015). The location-aware capability allows personalisation, presents relevant information at a more granular level and increases spending by existing customers (Wedel and Kannan 2016). For all actors (the customers and the company), the online environment is ideal for conducting a dialogue (communication). Engaging all stakeholders in a dynamic conversation enables the co-creation of value (Buhalis and Foerste 2015). It can provide necessary information to the customer about the product and service and allow the company to automatically collect information about the customer's preferences in real-time (Aichner and Coletti 2013). Context-based marketing strategies, such as SoCoMo, benefit from the fact that customers continually use technologies in all stages of their experiences to search, explore, plan, purchase, consume, and share their experience (Buhalis and Foerste 2015). Using context or location-based systems, the company can deliver real-time marketing messages recommending personalised offers that customers are most likely interested in (Buhalis and Amaranggana 2015).

Kliman-Silver et al. (2015) research on location-based personalisation on search results shows that differences in search results due to personalisation grow as physical distance increases. They found that not all customer queries trigger the algorithm the same and not all questions can trigger a location-personalisation (Kliman-Silver et al. 2015). Their results may be affected by the bias created by the search word. Luxenburger et al. (2008) imply that a customer can be both, e.g., a Java programmer who has travelled to Java Island. Nevertheless, real-time, co-creation, data-

driven, and customer-centric approaches exceed customer expectations and elevate memorable customer experience (Buhalis and Sinarta 2019).

People. Often, people exchange products, services, and experiences to engage in relationships (Gummesson 2017). Traditionally, personalisation in marketing is associated with face-to-face interaction and forming connections between individuals (Alimamy and Gnoth 2022). Various internet applications and platforms continually connect individuals to brands and other customers (Venkatesan 2017; Buhalis, Lin, et al. 2022; Dwivedi et al. 2022). The companies tailor personal encounters and encourage employees to adjust their behaviour to different subgroups (e.g., business travellers, family travellers, elderly customers, etc.) and even to individual customers (Bleier et al. 2018). The practices of referring customers by name to actively tailoring the offering to meet the needs and preferences of a customer occur both in online and offline environments (Shen and Ball 2009). As Ariffin (2013) and Ariffin et al. (2018) imply, the hospitableness of the service is best explained by the dimension of personalisation. For instance, in hospitality offline service delivery, one of the important aspects for the hotel employee is to have eye contact with the guests, as it is described as showing *respect* while having a conversation (Ariffin et al. 2011). The service industries are based on customer experience, and the relationship between the brand and the customer affects their close interaction at all relationship stages (Oyner and Korelina 2016). Personalisation emphasises the emotional element of the service, and it is an essential factor influencing customer satisfaction in the service environment (Ariffin et al. 2018).

On top of employees' ad hoc behaviours (e.g., warm welcome, respect), brands can support individuals with corresponding information systems (Bleier et al. 2018). ICTs enable various stakeholders' interactions across multiple channels, allowing responses to the customers at any point in the value co-creation process (Molina-Collado et al. 2022). Morosan (2018) stressed that an automated process could sometimes fail to provide the benefits otherwise obtained through traditional person-to-person interaction. Some customers still express a need to interact with a real person. Targeted marketing, at the most granular level (like one-to-one marketing), directs the company to create a profile for each customer. It allows for marketing their products and services most appropriately, giving steam to individual customer service consumption data generated in real-time (Fan et al. 2015).

Viewing personalisation as facilitating potential benefits (Morosan 2018), despite privacy concerns (Volchek et al. 2021), customers are more likely to engage in the value co-creation process. That makes the hospitality industry an excellent field for customer engagement in value co-creation (Oyner and Korelina 2016). The company can use a high degree level of

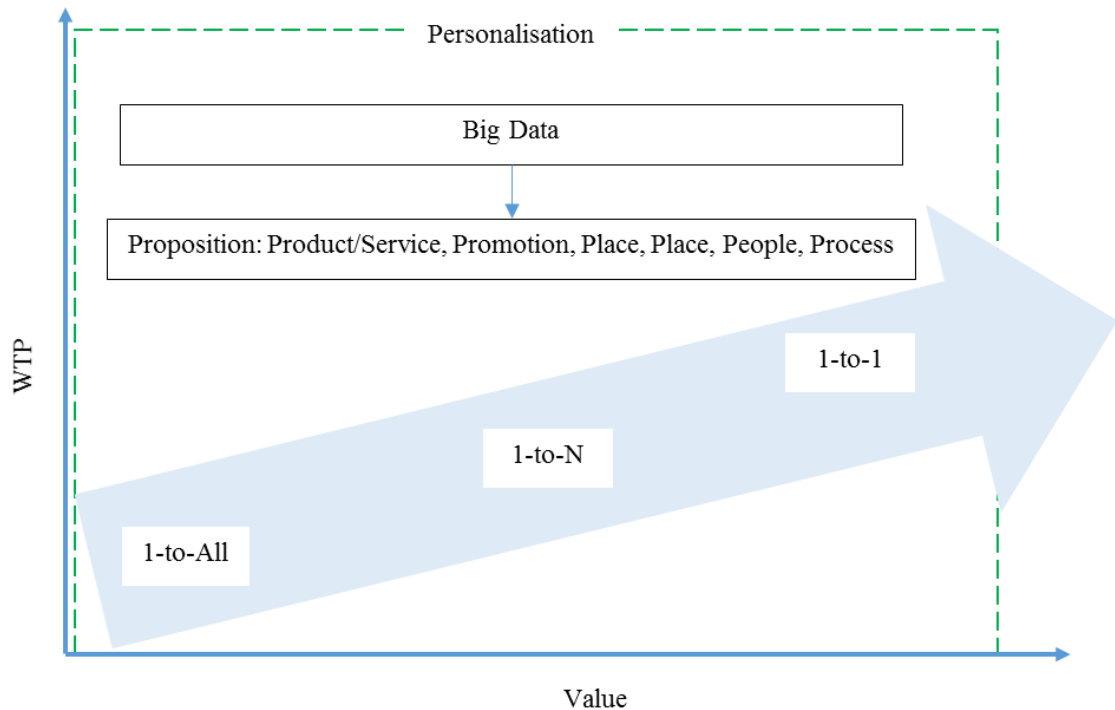
personalisation using individual information to adjust products (e.g., hotel floor level, type of pillows, or content of the in-room bar) and services (e.g., frequency of changing towels or wake-up call service) to develop a long-term personal relationship with their customer (Shen and Ball 2009). On the contrary, personalised interaction may trigger a defence mechanism if customers believe the company attempts to manipulate their preferences (Bleier et al. 2018). For example, customers may react negatively towards personalised prices and search for a better price or more privacy with competition (Zuiderveen Borgesius and Poort 2017; Poort et al. 2019). van Doorn and Hoekstra (2013) suggest that this negative effect of personalisation can be compensated for by providing customers with product and service offering that effectively fits their current needs.

More granular approaches will only hold value when the customer trusts the company (Bleier et al. 2018). Minkiewicz et al. (2014, p. 47) found that customers

“personalise their experience through choosing a self-directed path based on their interests, using experience spaces in their way, and utilising technology and assistance of employees”.

Under customers' low trust, highly granular personalisation may trigger privacy concerns (discussed in section 3.7.2) and encourage customers to behave adversely to the intention of the personalisation action (Bleier et al. 2018). Kwon et al. (2010) argue that personalisation's highest granularity level (one-to-one) does not improve value more significantly than one-to-N personalisation. Volatile customer preferences for standardised offers may cause this, as customers may be satisfied with products and services that seem personalised even if the difference from standardised offers is minimal (Pradel et al. 2021). Kwon and Kim (2012) argue that segmented personalisation (one-to-N) may be a good alternative to individual personalisation (one-to-one) if one-to-one content personalisation requires too much time, cost, or effort. Bleier, Keyser and Verleye (2018) delineate that the level of granularity for personalisation strategies should align with customer characteristics as well as characteristics of the customer-company relationship. Since the customer-company relationship varies across the customer life cycle, companies must tailor personalisation strategies accordingly (Bleier et al. 2018). In marketing, personalisation provides customers with a co-creation experience tailored to their requirements, preferences, and desires. Figure 3-6 depicts a summary of the granularity of personalisation. This study illuminates that based on the level of granularity, personalisation enhances value co-creation (as outlined in section 4.1) and may further influence the customer's WTP.

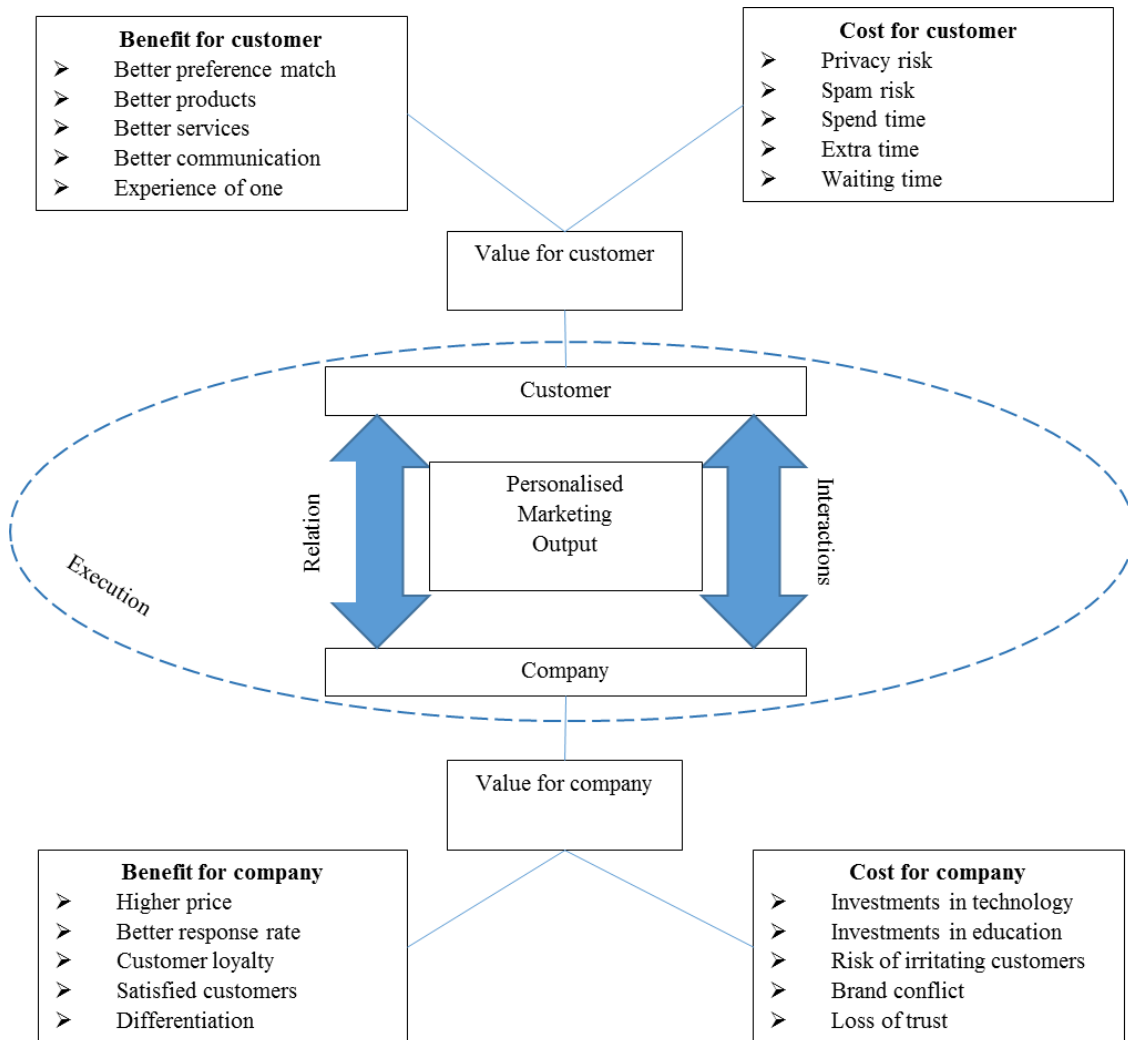
Figure 3-6. The granularity of personalisation



3.6. Benefits and Costs of Personalisation

The personalisation process interlinks all actors (the customer with other customers, the customer and the brand, or the brand with another brand) (Peppers and Rogers 2000a; Vesanen 2007; Cavdar Aksoy et al. 2021). For the purpose of assessing the customer's attitude towards personalisation, it is necessary to explore the benefits and costs associated with the process (Treiblmaier and Pollach 2007). The economic benefits of personalisation are rooted in an individual's assessment of the product's or service's utility. They are based on the perception of what is received and what is given during (co)-creation value (Piccoli et al. 2017). Vesanen (2007) proposed the framework of personalisation containing the topics of the execution (process) of personalisation, personalised marketing output (e.g., products, services, promotion, communication, price, delivery), and value for both parties - the customer and the company. He stressed that value for the customer and the company accrues from the margin between benefits and costs. Figure 3-7 depicts the benefits and costs of personalisation.

Figure 3-7. Personalisation benefits and costs



Adapted from Vesanen (2007, p. 414)

Personalisation offers many benefits as the interactions build up the relationships between the actors (Vesanen 2007). Incorporating customers' past behaviours enables more accurate personalisation of products and services (Aguirre et al. 2015). The extant literature on personalisation (Chandra et al. 2022) illuminates that the cost of personalisation for customers benefits the company. For example, in the online environment, benefits to the brand include increasing sales revenue and profitability (Aguirre et al. 2015) by charging higher prices (Vesanen 2007) or through upselling and advertising (Ho and Bodoff 2014). Personalisation reduces information overload based on captured individuals' behaviour (Lv et al. 2017), providing value-added service (Li and Unger 2012). It creates a trusting relationship with its customers by

understanding their needs (Ozturk et al. 2017). Personalisation can reduce customers' misfit costs when customers do not find all product or service attributes equally relevant to their needs and desires (Morosan 2018). The marketing output of the personalisation process can result in an increased feeling of trust, better customer satisfaction and customer loyalty (Ball et al. 2006; Aguirre et al. 2015; Ozturk et al. 2017; Tyrväinen et al. 2020) and better customer experience (Vesanen 2007; Chandra et al. 2022) often through real-time co-creation (Buhalis and Sinarta 2019).

Despite the highlighted benefits, personalisation brings cost or investment to both the customer and the company (Vesanen 2007). The customer's benefits of personalisation must outweigh the costs, including longer waiting time for a personalised product or service and disclosure of personal information (Li and Unger 2012; Pizzi et al. 2022). With the development of data-driven algorithmic forms of personalisation (Strycharz et al. 2019), collecting and processing personal data leads to increased perceived privacy costs and risks (Aguirre et al. 2015; Riegger et al. 2021). Li and Unger (2012) found that customers' privacy concerns have a negative impact on the probability of using online personalisation. van Doorn and Hoekstra (2013) suggest that a higher degree of personalisation (beyond just browsing data) can increase customers' feelings of intrusiveness and negatively affect purchase intentions. Xu et al. (2011) have indicated that customers in the context of location-aware marketing (LAM) are concerned about their privacy when they are presented with personalised products or services. The promise of personalisation in exchange for disclosing personal information may drive some customers away (Zhu et al. 2017). Customers are willing to participate in resource integration to realise the value of personalisation while having privacy concerns (Volchek et al. 2021). McDonald and Cranor (2010) have observed that some people who believe that "*privacy is a right*" respond negatively to paying more to protect their privacy. Winegar and Sunstein (2019) find that the median customer is willing to pay sixteen times less to maintain data privacy than to allow access to personal data. Customers can perceive risk when they are exposed to an uncertain situation and unwanted consequences by means of purchases (Ozturk et al. 2017). For example, recommendations that perfectly match customers' preferences may be perceived as creepy if the individual fails to draw a link between the recommendation and their personal preferences (Torkamaan et al. 2019). Thereby, overdoing personalisation or making errors in judgment may create a risk of irritating the customers (Vesanen 2007) and result in a loss of trust (Buhalis and Amaranggana 2015), avoidance (Nyheim et al. 2015) or product or service miss-match and harassment (Lambillotte and Poncin 2022). This may happen when a personalised offer does not consider customer context (e.g., lone traveller, business travel, family traveller, or travelling with

a group of friends), temporal preferences, mood change, or is based on (limited) past interactions, or already fulfilled needs and requirements (Torkamaan et al. 2019).

Some customers fear the cost in the form of, e.g., discriminatory pricing or advertising based on their personal data (Strycharz et al. 2019). For example, in McDonald and Cranor's (2010) study on behavioural advertising, some respondents claim that they perceive behaviour-based personalisation as *creepy*. Li and Unger (2012) suggest that customers who use personalisation are willing to pay for the service delivered. Customer satisfaction with the service is less sensitive to cost changes and is related to price loyalty (Kim and Lee 2011). The literature argues that some loyal customers believe their positive behaviour should be reciprocated and can perceive a price increase as a breach of trust in their relationship with the company (Martin et al. 2009). When the customer lacks information on the benefits or costs of the company, the customer evaluates the fairness of the price by comparing their benefits or costs to other customers. For example, customers may have difficulties accepting a higher price for the hotel room, compared with a price for the same room booked a few days earlier or in comparison to another customer, if they do not understand the reason for the price increase (Sahut et al. 2016; Kumari and Gotmare 2022).

Customers can often wait longer if they want a personalised product (Wang, Zhang, et al. 2016). Aichner and Coletti (2013) studied customer tolerance on waiting time for a personalised offer. They found that the tolerance to waiting time depends on the individual product considered by the customer. For instance, no waiting time was tolerated for food products, while for gifts, a more considerable waiting time was tolerated. Most people who would personalise products want that product to be available instantly, with no added waiting time (Aichner and Coletti 2013; Buhalis and Sinarta 2019). From a customer perspective, spending time customising a product or service can negatively impact the personalisation output (Vesanen 2007). Personalisation is a complex endeavour that requires interaction between customers and the company through various channels and has emerged as a vital factor influencing the perception of quality and value (Piccoli et al. 2017).

Understanding the positive and negative implications of implementing personalisation strategies is essential for businesses to adopt a strategic and informed approach to revenue management. Integrating information, technology, employees, and processes via customer relationship management (CRM) into revenue management can enhance revenue without jeopardising customer relationships (Wang and Brennan 2014; Denizci Guillet and Shi 2019).

While it might be tempting for businesses to focus mainly on the costs associated with personalisation, doing so can obscure its significant benefits. Personalisation reduces acquisition

costs, enhances marketing efficiency, and generates profitable outcomes (Boudet et al. 2019). Neglecting personalised experiences can result in increased operational costs, reduced profits, unnecessary overheads, and missed opportunities for innovation.

With ongoing technological advancements, businesses can address challenges while maximising the benefits, including enhanced profitability. Personalisation of products and services benefits customers by improving their experience through tailored offerings, personalised recommendations, and efficient communication. Simultaneously, it presents resource-intensive requirements, notably data collection, which raises questions about its financial efficiency (Chellappa and Sin 2005; Vesanen 2007; Strycharz et al. 2019; Ben-Jebara and Modi 2021).

The cost of personalisation has become a critical factor influencing operational decisions (Blom and Monk 2003; Arora et al. 2008; Aheleroff et al. 2019). Despite increasing customer engagement in product and service design (Aheleroff et al. 2019) and with decreasing cost of computer power, it is crucial to acknowledge that not all customers are profitable or worth cultivating close relationships with, suggesting that some customers may be unprofitable (Wang and Brennan 2014).

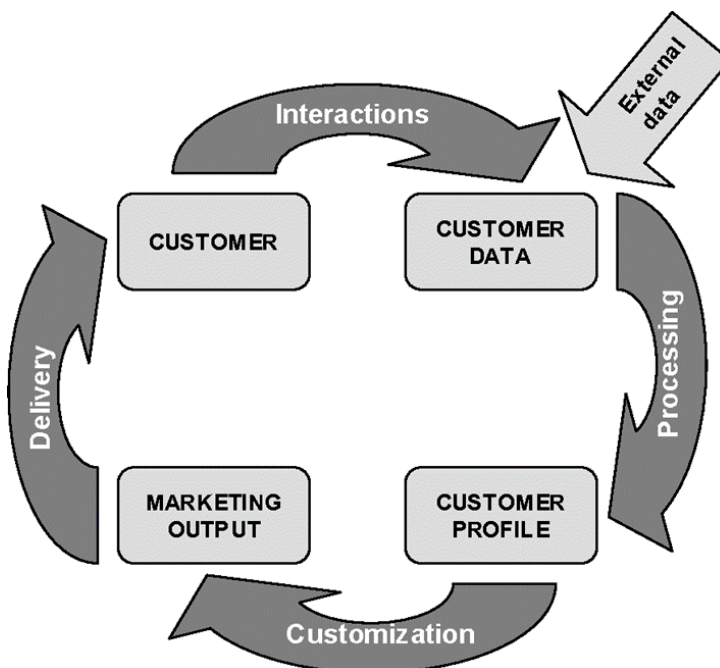
Arora et al. (2021) report reveals that personalisation typically leads to a substantial revenue increase, often ranging from 10% to 15%. The connections between customer retention, profitability, and Customer Lifetime Value (LTV) are well-established, prompting companies to recognise the customer as a valuable asset. Greater customer retention increases profits (Wang and Brennan 2014). By adopting a customer-centric approach and analysing LTV, companies can gain a granular view and leverage customer segments to define and quantify their personalisation objectives (Arora et al. 2021). Shiller (2020) emphasises that personalised pricing based on demographics marginally increases company profits by 0.25%. In contrast, utilising web-based browsing histories can boost profits by nearly 13%.

Assessing profitability from implementing personalisation is a dynamic process that requires ongoing monitoring and adjustment through various key performance indicators (KPIs) (e.g., customer retention, customer LTV), customer segmentations, customer feedback, cost analysis, and smart technologies. Personalisation can drive profitability by extracting surplus from customers with higher valuation and choice probability (Sonnier 2014). By carefully measuring the costs and benefits and aligning personalisation strategies with objectives, businesses can optimise profitability and enhance the overall customer experience.

3.7. Personalisation process

The literature illuminates that when scholars discuss the concept of personalisation, they often focus on different but closely related topics. They perceive personalisation as an iterative and cognitive process (Sunikka and Bragge 2012; Chandra et al. 2022). In the service industries such as hospitality and aviation, customer benefits from personalisation through faster check-in, saving time during the booking process, or receiving better content and preference match (Buhalis and Amaranggana 2015). The process, synthesised by Vesanen and Raulas (2006), requires four essential elements: customer, customer data, customer profile, and marketing output. Those are needed to perform different operations (such as interactions, processing – analysing, data mining, differentiation, segmentation, customisation, and delivery) at the various stages of the process (Vesanen 2007). Personalisation is a continuous process, as depicted in Figure 3-8.

Figure 3-8. Personalisation process continuum.



Adapted from Vesanen (2007, p. 413)

The implementation of personalisation can be a challenging task (Kalantari and Johnson 2018). The creation or adjustment of products or services to fit the individual requirements of the customer (as defined by Ball, Coelho and Vilares (2006)) can range from a “*mass customised*” offering to an entirely individualised service. From the customer's point of view, the decision-making process can be very personal and often can differ for different products and services, often in a different context. For example, for some customers, the price of the product or service may be more important than delivery time or degree of personalisation. For other customers, the degree of personalisation of a product or service may be the most important attribute, and they are willing to accept a much longer waiting time associated with the delivery of a personalised product or service (Kalantari and Johnson 2018). The decision-making process can be ineffective due to a large amount of data quickly becoming obsolete. A personalised offering can assist the customer in decision-making (Buhalis and Amaranggana 2015).

3.7.1. Satisfaction and loyalty in the personalisation process

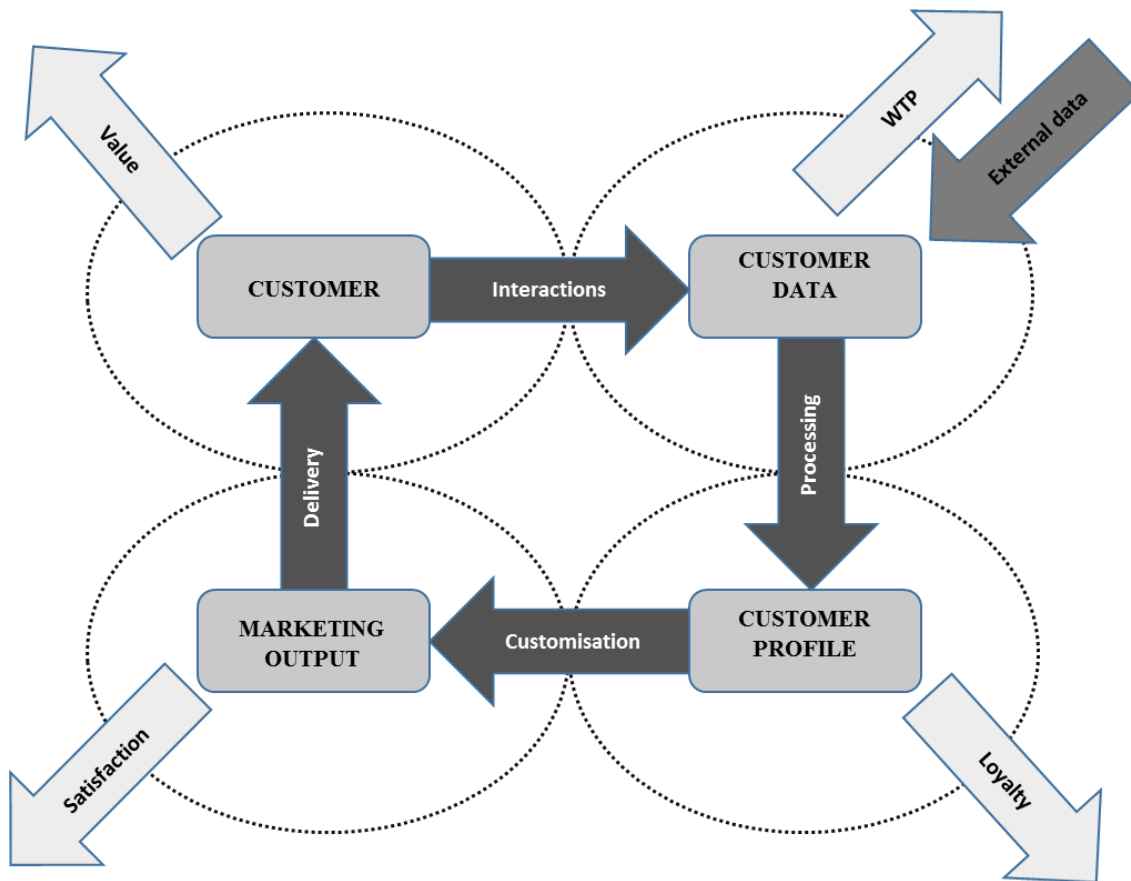
As a result of the process of personalisation delivering fit-for-purpose offers, customer satisfaction and loyalty play an essential role in the personalisation process (Ariffin et al. 2018). Customer satisfaction is a customer's fulfilment of product and service experience, while customer loyalty is a commitment to re-purchase the product and service in the future (Paulose and Shakeel 2021). It is essential to acknowledge the role of satisfaction and loyalty in the personalisation process in the literature review chapter.

The valuation of products and services depends on customer perception, based on the specific preferences in a particular time, location, and context (Romero and Molina 2011). So naturally, satisfied customers are more likely to continue using products and services, while unsatisfied customers are more willing to switch to a brand that can meet their requirements (Tong et al. 2012). Customer satisfaction is essential to the business's success (Raja and Yazdanifard 2014) and a vital concept for marketing and consumer behaviour (Han and Kim 2010). As the customer satisfaction level is an emotional and psychological evaluation of individual experience (Paulose and Shakeel 2021), Tong, Wong and Lui (2012) stress that loyal customers may not be satisfied, but satisfied customers tend to be loyal. Their study found that personalisation significantly affects customer satisfaction, influencing loyalty.

Debatable loyalty is transient by nature. Customers naturally expect companies to offer superior value in every interaction (Kandampully et al. 2015). Halimi, Chavosh and Choshali (2012) show

that personalisation significantly influences customer loyalty by affecting customer satisfaction in the brand-customer relationship. This relationship makes customers less price-sensitive and increases the perception of quality (Paulose and Shakeel 2021). The brief literature review indicates a relationship between personalisation and customer satisfaction, loyalty, value perception, and the price customers are willing to pay. Figure 3-9 depicts the personalisation continuum's influence on customer satisfaction, loyalty, value, and WTP.

Figure 3-9. Influence of the personalisation continuum



Although customers may value personalisation, they can negatively respond to it, as it requires using their data. The following section outlines the potential tension between the value that personalisation may deliver and the privacy concerns that may arise (Lambillotte and Poncin 2022).

3.7.2. Personalisation-privacy paradox

The personalisation-privacy paradox has been intensively researched in the literature (Lee and Cranage 2011; Xu et al. 2011; Li and Unger 2012; Sutanto et al. 2013; Guo et al. 2016; Strycharz et al. 2019; Volchek et al. 2021; Lambillotte and Poncin 2022). This section outlines the potential trigger for this paradox. To successfully implement a personalisation process, information about the customer is needed. The existing literature suggests that while customers are interested in a personalised experience, they are concerned about privacy and the amount of data being collected (Riegger et al. 2021; Pizzi et al. 2022). Personalisation can trigger an individual's concerns over their personal data being tracked, stored, and shared (Ameen et al. 2022). The reviewed literature presents that gathering information about customers' needs, preferences, and context uses either an explicit or implicit method.

By employing the explicit method, the company often uses questionnaires to elicit and measure the tendencies of customers. It aims to adapt customer interaction according to customers' preferences (Kaptein et al. 2015). The variety of questions, such as customer's interests, duration of their stay in the hotel or demographic data, provide information used to build the user profile and make recommendations according to the customer's preferences (Buhalis and Amaranggana 2015). When using an explicit type of data collection to create and maintain a customer profile, customers are aware of the measurement and willingly consent to collect data by filling out the questionnaire (Kaptein et al. 2015). The customer's privacy concern about sharing data can decrease, increasing the customer's intention to collaborate in product or service design and increasing the feeling of trust towards the product, service, or experience provider. Customers may feel they are receiving preferential treatment, so their expectations and entitlement may increase (Pizzi et al. 2022).

Implicit methods indicate collecting data about customers' preferences and requirements using information collected through an analysis of previous actions (Al-khanjari 2013). That can be achieved without interaction from the customer side. This data can be used to personalise future interactions. This implicit method of data harvesting can be observed in companies, such as Amazon or Netflix, using recommender systems based on past purchase behaviours to provide customers with recommended products. This method of collecting Big Data for personalisation can result in some ethical challenges. Privacy, as a psychological state, is "*the ability of the individual to control the terms under which personal information is acquired and used*" (Li and Unger, 2012, p. 625).

In some cases (e.g., pharmaceutical offers), this can result in privacy concerns as customers might experience discomfort when they receive, e.g. personalised messages. It can prompt them to realise that information (e.g., about health status) has been collected without their consent (Aguirre et al. 2015). Data protection law, such as GDPR, requires companies to be explicit and transparent about the purpose of personal data gathering and processing (Zuiderveen Borgesius and Poort 2017). Schmidt et al. (2020) show that customers willing to share data on their browsing behaviour in the online environment show higher perceived price fairness of price increases. Lee and Cranage (2011) confirm that personalisation assessment can be more positive if privacy concerns are sufficiently addressed. Pizzi et al. (2022) suggest that this situation can be caused by customers perceiving personal information disclosure as a type of cost, as it reflects the effort related to the risk of disclosing information.

On the contrary, implicit personalisation can benefit smooth customer experience, where the customer merely has to use the system to adopt their personal needs and preferences (Kaptein et al. 2015). From the perspective of delivering personalised messages, Morosan and DeFranco (2016) tested how customers disclose information for personalisation. Their study found that the value of information disclosure, as a standalone construct, is essential in shaping customers' willingness to disclose personal information. Brands must facilitate their customers with correct information so they can understand the importance of sharing it.

Despite the data collection method and potential users' privacy concerns, profiling customers with Big Data assistance can provide a better service (Buhalis and Amaranggana 2015). Li and Unger (2012) suggest that personalisation in an online environment is more effective due to the ease of collecting real-time information about customers' preferences. Yeoman et al. (2016) support this as an approach that may lead to more confident decision-making. Better decisions can then result in greater efficiency, cost and risk reduction. Processing and consolidating data input from different sources is significant for successfully enforcing the process (Vesanen 2007). Paradoxically, customer awareness about personalisation often intensifies the personalisation-privacy paradox (Volchek et al. 2021).

3.8. Personalisation and configuration theory

As *“reality is complex whether we like it or not”* (Woodside, 2014, p. 2497), complexity is inherent in many phenomena, including personalisation. For example, the importance of personalisation increases with the customer's needs and expectations for better-targeted products

and services, making it essential to understand customer behaviour (Pappas 2018). The relationship among various variables is naturally complex and often non-linear, and sudden changes may cause different results (Pappas and Woodside 2021). Literature suggests that to capture the complexity of personalisation, the solution could be to examine this phenomenon as a cluster (or elements) of interrelated conditions toward a holistic understanding of the patterns they created (El Sawy et al. 2010; Pappas et al. 2019). The behaviour of an individual is influenced by the way in which the individual perceives reality. The perception of an object, scene, or phenomenon is not limited to the single elements that composite it, but it is a process that includes the entire perceptual experience. The configuration theory may be helpful for this, as it builds on the principle that a result may be equally explained by alternative sets of causal conditions (Fiss 2011; Pappas, Papavlasopoulou et al. 2017; Pallant et al. 2020).

Those conditions may be combined in sufficient combinations to explain the outcome (Fiss 2011; Woodside 2014). As Urry (2005, p. 4) states:

“relationships between variables can be non-linear with abrupt switches occurring, so the same ‘cause’ can, in specific circumstances, produce different effects”.

The configuration theory is grounded on principles of equifinality and causal asymmetry (Fiss 2011; Woodside 2014; Pappas 2018; Pappas et al. 2019). First, it indicates that more than one complex configuration (combination) of conditions may lead to the same outcome. Second, it states that a cause that leads to the presence of the outcome may be different from the cause that leads to the absence of the same outcome (Fiss 2011; Woodside 2014; Pappas et al. 2019). For example, the presence of a personalised message or price may lead to a particular outcome, such as higher or lower WTP. Still, the absence of the same factor may not lead to the lack of that outcome. Those various combinations are defined as configurations (Pappas et al. 2019). The configuration is a set (or combination) of causal variables that generate the outcome of interest (Pappas 2018). Pappas, Papavlasopoulou, et al. (2017) describe the relationship between variables, depicting that when the relationship between two variables (e.g., A and B) is complex, the presence of one variable (i.e., A) may lead to the presence of the other (i.e., B), suggesting sufficiency. Variable B may be present even if variable A is absent, indicating that the presence of variable A is a sufficient but unnecessary condition for variable B to occur. For example, customers may have high intentions to purchase if part of their shopping motivations is met regardless of the granularity of the personalisation offered (e.g., hotel location, but without a desired view from a room). A promotional message or discounted price may motivate customers, suggesting that their combination will be sufficient for high purchase intention.

Customers may be more willing to overcome a low product or service quality if the price is reasonable or prefer higher prices to receive higher quality products and services (Pappas, Papavlasopoulou, et al. 2017). Alternatively, a variable (e.g., A) may also lead to the desired outcome (e.g., B) only with the presence or absence of the third variable (e.g., C) (Pappas et al. 2019). Pappas, Papavlasopoulou, *et al.* (2017) theorised that there is no one optimal configuration of such dimensions, as multiple and equally effective configurations of causal individual adoption exist, which may include different combinations of adoption perceptions. Depending on how they combine, they may or may not explain the customer's high or low intention to purchase (Pappas, Papavlasopoulou, et al. 2017) or their WTP. The configuration theory assumes that the same set of conditions can lead to different outcomes based on a combination of those sets of conditions (Zhan et al. 2022).

This approach is in line with the *Gestalt* [Ger., shape, form] or holistic view, which “*refers to the organised whole that is perceived as more than the sum of its elements*” (Mandagi, Centeno and Indrajit, 2021, p. 3). This study does not address personalisation from a pure product, service or price tailoring perspective but from a customer perception perspective (as highlighted in Chapter 1), as the inseparability of product and service influences the final price. In the service environment, individuals evaluate their consumption experience holistically (Lee and Chuang 2022). Individual behaviour is influenced by the way in which they perceive reality. *Gestalt* psychology emphasises the identification of how individuals make sense of and organise their perceptions and considers that people view the world subjectively (Mandagi et al. 2021). For example, the melody is more than just a sequence of specific tones, but tones that interact with each other, producing the whole (a music piece) that is distinct from the sum of its parts (Baccarella et al. 2021). For example, in Starbucks or Costa, customers asking for, e.g., latte coffee not only think about the product itself but about the service and additional associates that go beyond the core product – a latte coffee. They envision it, e.g., in the ambience in the café, the iconic logo, and the taste of the coffee.

Pappas et al. (2014) argue that the quality of personalisation and positive emotions (e.g., enjoyment) may influence a customer's purchase intention. Personalisation is related to price and promotional sensitivity and, as a strategy, is used to influence customers' behaviour (Montgomery and Smith 2009; Moriarty 2021). However, Li and Unger (2012) did not find a direct relationship between privacy concerns, privacy protection, quality, and WTP.

3.9. Price personalisation customer typology

Customers vary in their needs, wants, desires, requirements, preferences, searching methods, purchase occasion and volume, attitude towards the brand, buying power, WTP, etc. As the basis of market segmentation, targeting, or positioning, customer heterogeneity is one of the fundamental concepts in marketing (Rondan-Cataluña and Rosa-Diaz 2014). In revenue management, customer segmentation is an indispensable tool allowing for charging customers, e.g., based on a difference in price sensitivity of market segments (Ivanov and Zhechev 2012; Ivanov 2014). In marketing and revenue management, segmentation is one of the most fundamental concepts (Rihova et al. 2019). Grouping customers into homogeneous segments is the first step to creating an effective price discrimination strategy and better-tailored marketing campaigns. It allows for better personalisation of the products and services offered. Segmentation is an adaptive strategy (Goyat 2011), dividing customers into distinct groups with similar characteristics, needs and wants to require the development of various marketing mixes (Ivanov 2014). In many industries, such as hospitality, airlines, insurance, or banking, companies offer different prices for the same type of products and services for different customer segments. Individuals in the same segments/clusters share similar characteristics concerning their purpose for and purchasing philosophy, attitudes, and behaviours influencing an individual's WTP.

In marketing and revenue management, segmentation allows for better identification of the *right* customer. Literature offers several parameters (such as geographic, demographic, behavioural, or psychographics) that have been adopted to identify various types of customers (Goyat 2011; Nella and Christou 2021; McKercher et al. 2022). For example, market segmentation studies in hospitality research traditionally use demographic variables and guest preferences, such as room type, to cluster current and future customers (Erdem et al. 2019). Grouping customers can be challenging as every business is often characterized and influenced by distinct features, diverse external factors and past marketing campaigns (Rondan-Cataluña and Rosa-Diaz 2014).

Grounded in sociology, Cohen (1972) was among the first to develop a tourist typology based on tourist experience, characterized by a degree of novelty and strangeness. He proposed four tourist roles: organized mass tourist, individual mass tourist, explorer, and drifter. Other researchers have developed various typologies of customers by applying different criteria (McNamara and Prideaux, 2010). For example, Reynolds and Beatty (1999) developed a relationship customer typology based on consumer characteristics related to maintaining these relationships, focusing on retail clothing salesperson-customer relationships. Piller et al. (2010) proposed a customer co-creation typology. Masiero and Nicolau (2012) explored customer segments from individual price

sensitivities and identified four segments: three with a negative effect on price and one with a positive influence. Fan et al. (2019) adopted well-established theories, such as travel motivational and tourist destination role, to consider online and face-to-face social contact in the typology study. Kizielewicz (2020) segmented cruise travellers, assessing consumer behaviour and identifying three types of cruise tourists. Ryu et al. (2021) explored the use of an online travel marketplace to identify six idiosyncratic groups: shopaholics, budget explorers, long-term travellers, trendsetters, resort addicts, and social trippers. Table 3-8 depicts the overview of the selected research in customer segmentation. Although customer segmentation is extensively present in the literature, the typology of customers through their expectations of personalisation and their WTP has received less attention. Further exploration is needed to discern the nature of the relationship between CeoP and WTP.

Table 3-8. Selected research in customer segmentation

Author(s) (Year)	Main topic	Method	Main findings
Cohen (1972)	The theoretical approach to the phenomenon of international tourism	Conceptual	Four main tourist roles: The organised mass tourist, the individual mass tourist, the explorer, and the drifter
Cohen (1979)	A phenomenology of Tourist Experiences	Conceptual	There are five main modes of touristic experience: The recreational mode, the diversionary mode, the experimental mode, the experimental mode, and the existential mode.
Reynolds and Beatty (1999)	A Relationship Customer Typology	Survey (n=821), Ward's Method, K-means clustering,	Six clusters were identified: Happy Busy Shoppers, Challenged Shopping Lovers, Happy Shopping Haters, Capable Shopping Haters, Asocial Busy Shopping Avoiders, and Challenged Shopping Avoiders.
Mehmetoglu (2004)	To propose a new typology of tourists grounded in two-fold empirical research that contrasts two opposite types of tourists, namely, solitary travellers and group tourists.	Two separate qualitative fieldworks (n=52, n=15) Typology is resulting based on an empirical comparison	The comparison, based on psychographic variables (travel philosophy, travel motive and personal values), suggests that tourist experiences vary along a continuum of individualistic/collectivistic orientation.
Piller et al. (2010)	A typology of customer co-creation in the innovation process	Conceptual	Demonstrates different methods and ways in which firms can benefit from open innovation with customers. Offers a more systematic approach to the different methods of customer co-creation. The methods are organised among the three dimensions, "degrees

			of freedom” (customers’ autonomy in the task), “degrees of collaboration” among customers (dyadic firm-customer interaction vs. communities) and the “stage of the innovation process” (early vs late stage).
McNamara and Prideaux (2010)	To profile solo independent women travellers and describe their key motivations for travel and behaviours	Survey (n=228)	The results indicated that solo independent women travellers felt safe in the destination and participated in a wide variety of activities, including those with some degree of risk.
Dey and Sarma (2010)	To report the use of information sources among various motivation-based segments of travellers to the newly emerging tourist destinations	Survey (n=509), Cluster Analysis	Three segments were found: Nature-loving explorers, nature-loving Vacationers, and Change Seekers.
Chan et al. (2011)	To establish pricing and promotion strategies for online shops to enhance their profitability	Case study	The concessive magnitude was determined based on multiple objective decision-making model, and was solved by a max-min approach
Pesonen et al. (2011)	Benefit segmentation of potential well-being tourists	Survey (n=195), K-means clustering	Well-being tourists in Finland were divided into four segments that differ in the benefits they seek and their interest in well-being holidays.
Masiero and Nicolau (2012)	To identify tourist segments from individual price sensitivities to activities.	Field survey (n=586) Principal component analysis, Survey (n=261), choice experiment	The results show that although the price has a dissuasive influence on the choice of activities and a differentiated effect, this heterogeneous responsiveness to price supports its use as a segmentation criterion
Pesonen (2012)	Segmentation of rural tourist: Combining push and pull motivations	Survey (n=727) K-means clustering	Four rural tourist segments are found: Social, Well-being, Home region, and Family travellers. The segments differ from each other in motivations, preferred destination attributes, travel behaviour and sociodemographic factors.
Rondan-Cataluña and Rosa-Diaz (2014)	To answer: (a) are pricing and value-for-money variables good segmentation bases for clustering hotel clients? (b) What type of tourists can be identified through pricing and value-for-money bases?	Latent class (LC) segmentation (n=2,400)	Marketers who apply yield management in their firms should consider clients’ price perceptions and make pricing decisions by properly communicating price changes and the reasons behind them. The study reveals and analyses two segments of hotel clients: ‘price-elastic’ and ‘price-rigid’.
Pesonen et al. (2015)	Typology of senior travellers as users of tourism information technology	Interview (n=9), Content Analysis	Senior travellers comprise a quite heterogeneous market with respect to the use of tourism information technology.

Erdem et al. (2019)	To examine hotel guests' attitudes towards guest room technologies	K-means cluster analysis (n=508)	Results indicated significant attitudinal (e.g., internet payment preference) and demographic (e.g., age) differences among the obtained hotel guest typologies regarding their attitude toward guest room technologies.
Rihova et al. (2019)	to explore and evaluate practice-based segmentation as an alternative conceptual perspective that acknowledges the active role of consumers as value co-creators.	Interviews (n=52), Practice-based approach, Thematic analysis,	Unlike traditional segments, practice segment membership is shown to be fluid and overlapping, with fragmented consumers moving across different practice segments throughout their festival experience according to what makes the most sense at a given time.
Fan et al. (2019)	to develop a tourist typology that considers both online and face-to-face social contact behaviours during travel	Interviews (n=51), Paradigmatic content analysis,	A six-fold tourist typology is established: Disconnected Immersive Traveller, Digital Detox Traveller, Diversionary Traveller, Dual Zone Traveller, Daily Life Controller and Social Media Addict.
Ahani et al. (2019)	To develop a method for spa hotel segmentation and travel choice prediction by applying machine learning approaches	Dimensionality reduction and prediction machine learning techniques	Proposed hybrid machine learning methods can be implemented as an incremental recommendation agent for spa hotel/resort segmentation by effectively utilising 'big data' from online social media contexts.
Seo and Buchanan-Oliver (2019)	Constructing a typology of luxury brand consumption practices	Interviews (n=24), Hermeneutic analysis,	Five distinct forms of luxury brand consumption practices emerged from the analysis: (1) investing in brand luxury, (2) escaping into/with luxury brands, (3) perpetuating an affluent lifestyle, (4) conveying social status, and (5) engaging in self-transformation
Kizielewicz (2020)	to identify the typology of cruise travellers	Review, exploration method of data, desk research and comparative analysis	The study showed a gap in consumer consumption in the cruising market regarding cruise travellers' expenditures incurred before and after a cruise voyage
Kim, Hong, et al. (2020)	Understanding heterogeneous preferences of hotel choice attributes	Survey (n=513), Latent class model (LCM)	There are substantial heterogeneous preferences for hotel choice attributes across segments within the same context. Regarding the impact of price on hotel choice, the study reveals that while business travellers are generally price-sensitive, leisure travellers differ within the three segments.
Nella and Christou (2021)	Market segmentation for wine tourism: Identifying sub-groups of winery visitors	Survey (n=528)	The results confirm the existence of significant dissimilarities between domestic and international visitors concerning pre-visit behaviour, primary

			knowledge and loyalty levels towards the winery's brands, visitation motives, spending attitudes, income, age distribution, perception of the winery experience and future behavioural intentions
Ryu et al. (2021)	How different types of travellers use an online travel marketplace in different ways	Survey (n=2,467) K-means clustering	Identify six idiosyncratic groups of travellers: Shopaholics, Budget Explorers, Long-Term Travellers, Trend Setters, Resort Addicts, and Social Trippers.
Aksu et al. (2021)	To explore the components of eco-service quality at hotels and to cluster hotel customers based on their eco-service quality perceptions.	Survey (n=198), K-means clustering	Some sociodemographic and travel choice-related differences were obtained between the customer groups. Two clusters were found: Sensitive customers to eco-services and apathetic customers to eco-services
Hua et al. (2021)	A netnographical approach to typologising customer engagement and corporate misconduct	Netnography (n=not specified)	Corporate misconduct not only elicits a negative response but may elicit positive or indifferent engagement behaviours.
Chevtavaeva and Denizci-guillet (2021)	Digital nomads' lifestyles and coworkation	Qualitative inductive content analysis (n=12)	Some differences between digital nomads and other types of travellers were identified. Unlike backpackers, digital nomads have a high focus on work during their travels.
Pallant, Pallant, et al. (2022)	To investigate differences in consumer willingness to exchange data with retailers.	Survey (n=463) Latent class (LC) segmentation	Identify six consumer segments that differ in their perceptions of the consumer-retailer data exchange. The key drivers of these segment differences include privacy concerns, technology readiness, and general trust in and engagement with retail brands.
This research	Typology of customers based on customer expectations of personalisation (CeoP) and their WTP	Interviews (n=43), hermeneutic analysis, IPA K-means cluster analysis (n=202)	Customers expect personalisation but are not always willing to pay more for it. Willingness to pay for personalisation is influenced by a number of factors. Six customer types were identified regarding personalisation and willingness to pay: Budget Adventures, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers. Revenue managers should use customer personalisation preferences in pricing strategies.

Building on CDL, this study aims to explore the relationship between CeoP and their WTP. By segmenting customers into groups, decision-makers can benefit from more precise knowledge and insights on customers, enabling them to deliver more fit-for-purpose offers at the right price. Personalisation and WTP offer an innovative basis for exploring customer typology. The CeoP and their WTP compose the principal conceptual logic leading to the categorisation process (also presented in Tomczyk et al. (2022), in Appendix 1). Deriving from the literature review, four conceptual dimensions, depicted in Figure 3-10 (personalisation, WTP, customer philosophy, and novelty-familiarity continuum), are appropriate to frame the proposed novel typology.

Many customers look for unique products and services. Cohen (1972, p. 166) argues that they:

“seem to need something familiar around them, something to remind them of home, whether it be food, newspaper, living quarters, or another person”.

That indicates that there is a continuum of a combination of novelty and familiarity (or the degree of uniqueness). That is still evident 50 years later when many travellers often search for the familiarity of international brands such as Hilton, McDonald’s or Starbucks, even when travelling in remote areas. Cohen's (1972) familiarity-novelty continuum in this study characterises customer behaviour regarding uniqueness (novelty) and familiarity (uniqueness avoidance).

The way that people decide regarding their searching and purchasing decisions is an essential element for segmentation (Decrop and Snelders 2005; Goyat 2011). Based on the literature review, the conceptual framework interprets behavioural patterns influenced by economic and cognitive benefits for customers as customer philosophy (Mehmetoglu 2004). After all, people purchase because they are pushed to make purchase decisions by psychological forces or they are pulled by external attributes (Fan et al. 2019). Every individual searches for experience according to their requirements, philosophy (e.g. about travel), and context (Lei et al. 2022). For example, planned customers represent people purchasing package offers or similar types of arrangements. Independent customers enjoy making their own purchase arrangements. Reluctant customers characterise individuals for whom the purchase is not part of their lifestyle. Factors influencing customer decisions and behaviour become increasingly complex (Mehmetoglu 2004). The psychographic variable used in this study, such as customer philosophy, impacts customer mode choice and is vital for understanding customer behaviour (Hsieh et al., 1993).

The study identifies that utilitarian and hedonic benefits influence customer decisions in the context of the types of personalisation offered by the company. The types of personalisation proposed by Fan and Poole (2006), focusing on information systems and Vesanen (2007),

adopting a socio-marketing perspective represents the core design choices grounded in the strategy, motive, time of use, and customer involvement (e.g., Tomczyk et al. (2022)), depicted in Table 3-9. This approach will help to address this study's Research Objective 4 (*To develop and validate the CeoP-WTP typology*) as often customers obtain pleasure from activities they are part of, balancing out against the amount of money that has to be paid (Masiero and Nicolau 2012).

Figure 3-10. The conceptual logic of the proposed customer typology

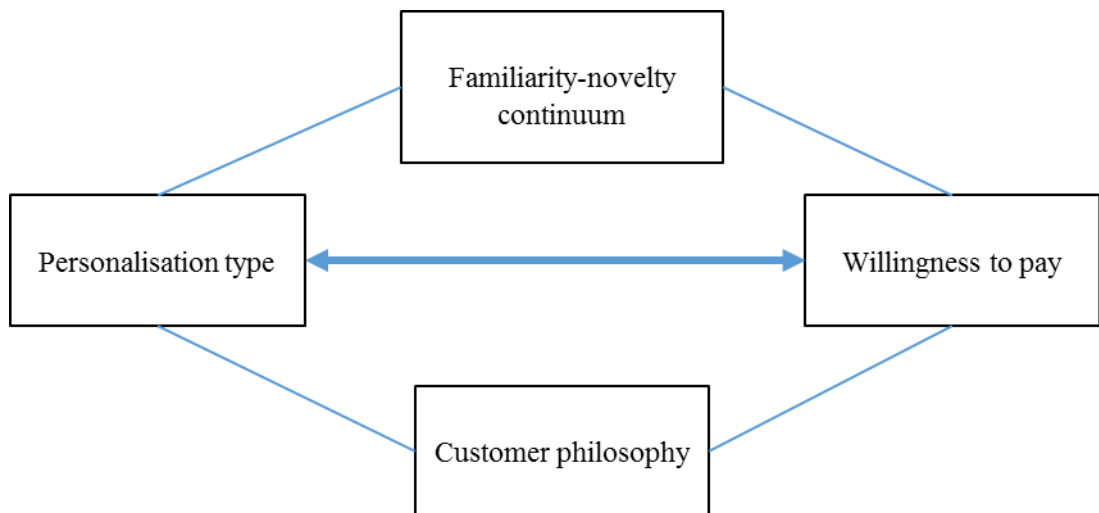


Table 3-9. The proposed framework of personalisation

Personalisation Type	Personalisation Purpose	Personalisation Aim	Example	Selection of related studies
Architectural/ Adaptive	To fulfil an individual's needs for expressing themselves through the design of the built environment. To let customers choose from different options	To create a functional and delightful fit-for-purpose offering	OTA (Booking.com), Dell	Chellappa and Sin (2005); Fan and Poole (2006); Vesanen (2007); Montgomery and Smith (2009); Chung, Rust, and Wedel (2009); Pine and Gilmore (2011); Chung et al. (2016); Dzulfikar et al. (2018)
Relational/ Collaborative	The organisation and the customer together build a product or service experience. Creating personal interactions with customers	To create a platform for social interaction with the desired level of privacy	Hairdresser, Airbnb, Uber	Fan and Poole (2006); Vesanen (2007); Li and Karahanna (2012); Caicedo, Kapoor, and Kang (2014); Dzulfikar et al. (2018); Zanker et al. (2019)
Instrumental/ Cosmetic	To fulfil an individual's needs for efficiency and productivity. The organisation changes the package of standard good	To increase satisfaction through increased efficiency and productivity	Google, wearable health trackers (Fitbit, Apple Watch, Samsung Gear), Newsletter, Personal assistant	Fan and Poole (2006); Vesanen (2007); Kang et al. (2017); Dzulfikar et al. (2018)
Commercial/ Transparent	To fulfil an individual's needs for material and psychic welfare. The organisation changes the content of goods with a standard look	To increase sales and enhance customer loyalty	Amazon, Netflix, Early-bird deals	Fan and Poole (2006); Vesanen (2007); Tansomboon et al. (2017); Asif and Krogstie (2013); Dzulfikar et al. (2018)

3.10. Chapter Synthesis

The chapter looked at personalisation aspects, its types, granularity, benefits, and costs, and the personalisation process. Personalisation is nothing new and can be traced back to 1870 (Chandra et al. 2022). The time of craftsmanship and trade relationship presents various types of personalisation. This chapter highlights that personalisation is still fragmented, confusing, often blurred, and lacks clear boundaries. From the marketing perspective, the literature depicts that the summary of research avenues on personalisation shows that between 1990 and 2000, personalisation was mainly seen as a tool to increase the survey response rate, shifting towards personalisation on service delivery and service encounters. In the decade between 2001 and 2010, personalisation, mainly personalised marketing, was suited from the perspective of online channels, with the evolution of e-marketing mix, service delivery, use of technology, and relationship marketing in the online environment. Since 2011, marketers have emphasised the increasing use of ICTs-based applications (e.g., AI, Big Data, AR/VR) to create data-driven personalisation and offer new avenues for service industries (Chandra et al. 2022).

From the theoretical point of view, this study focuses on exploring the relationship between CeoP and WTP. It presents the difference between three, often used interchangeably, concepts of personalisation, customisation, and individualisation (Riemer and Totz 2003; Arora et al. 2008; Obermiller et al. 2012; Cavdar Aksoy et al. 2021).

This chapter contributes to the service marketing literature by giving an overarching view of issues in personalisation found in the literature. In addition, the chapter reviewed general theoretical issues such as the terminology and division of interest between different fields. Finally, this chapter presents that each observed customer behaviour needs to be considered in the digital world when providing a customer-specific offer.

Gaining insight into customer expectations of personalisation is essential to understanding customer WTP and may be combined in various configurations to explain the purchase behaviour of different types of customers (Pallant et al. 2020). The chapter contributes to the service marketing literature suggesting that the holistic – so-called *Gestalt* – view supports the idea that an all-inclusive perception of the entire entity dominates the perception of its parts (Lee and Chuang 2022), helping to address Research Objectives 2 (*To explore customer expectations of personalisation (CeoP)*), 3 (*To explore the relationship between CeoP and their WTP*), and 4 (*To develop and validate the CeoP-WTP typology*). For example, when customers enter the hotel room, their experience does not solely depend on any single aspect but on configurations of many aspects of their purchase and stay. Grounded in the presented view, this study suggests that

individuals perceive the whole of an object (such as personalisation) – the holistic experience – rather than looking at its separate constitutive parts (Baccarella et al. 2021).

4. VALUE

Value continues to play a significant part in directing and motivating human behaviour (Klafke and de Oliveira 2022). In marketing, value creation and value co-creation are essential concepts. Personalisation is often associated with value and value co-creation, receiving considerable attention (Raja and Yazdanifard 2014; Nadeem et al. 2023). The logic is that the digital world empowers customers with communication and interactions in real-time, enhancing their desire and search for more personalised experiences (Grönroos 2017; Lei et al. 2022). Customer dynamic engagement with service providers creates value (Solakis et al. 2017). The value creation and co-creation concepts are embedded within the DART model to challenge the company-centric approach to value co-creation (Prahalad and Ramaswamy 2004a; Solakis et al. 2022). Technological and global disruptions influence customer behaviour and enhance the shift in customer role in value creation (Heinonen 2022). The changing role of customers and the shift from value-in-exchange towards value-in-context (Vargo et al. 2008) are reviewed and discussed. The chapter discusses the paradigm shift towards value formation in value-in-experience (Heinonen et al. 2010), followed by the discussion on personalisation's role in customer involvement in value co-creation.

4.1. Value creation and co-creation

Value creation refers to the creation of value-in-use. Value co-creation is a function of interactions, and both have been recognised as critical marketing concepts (Grönroos and Voima 2013; Picot-Coupey et al. 2021), receiving particular attention during the past years. As Gallarza et al. (2011) illuminate, the concept of value has meaningful epistemological implications as it evolved from two dimensions of customer behaviour – economic (transactional value) and psychological (with cognitive and affective influences on product and service purchase). Value is linked with marketing-related constructs such as customer satisfaction, service quality, perceived price (Gallarza et al. 2011), and personalisation. Gummerus (2013, p. 19) stresses this:

“Importance of value is rooted in the influence that customer value perceptions have on customers’ attitudinal loyalty and repurchase behaviour”.

As a critical element of two dominant logics: service-dominant (Vargo and Lusch 2004) and customer-dominant (Heinonen et al. 2010) paradigms, value has become increasingly crucial in service industries (Morosan 2018) and marketing (Kotler and Keller 2012).

Value is elusive (Grönroos 2011) and dynamic (Zhang et al. 2018) concept which has been defined in many ways, such as benefits against sacrifices (Zeithaml 1988), the sum of tangible and intangible benefits and costs (Kotler and Keller 2012), or making an actor (e.g., customer) *better off* (Grönroos 2011). Value can also be (co)-destroyed (e.g., through service that results in a negative experience), making the actor *worse off* (Echeverri and Skålén 2011; Smith 2013; Grönroos 2017; Järvi et al. 2018, 2020; Buhalis et al. 2020). Value is anchored in a customer's evaluation of their experiences (Morosan 2018). Holbrook (1999, p. 5) defines value as “*an interactive relativistic preference experience*”, which refers to the “*evaluation of some object by some subject*”. The *subject* is a customer when an *object* is seen as a product, service, political candidate, concert or holiday destination (Holbrook 1999). Customers perceive value differently throughout their journey (Lemke et al. 2011). The value can be created through the customer's adoption and application of resources provided by the company (Zhang et al. 2018). As Gummerus (2013) points out, the object's value depends on the context in which the judgement is made. Based on the assumption that value is multi-dimensional and highly subjective, service and marketing increasingly acknowledge the active role of customers in the value co-creation process (Rihova et al. 2018; Heinonen 2022). Value is the customer's assessment of the overall usefulness and functionality of products and services, and it is studied from two - provider and customer - perspectives. That implies the importance of the value phenomenon.

4.2. Typology of value

As goods and services are complementary in the marketplace, there is often added value to both tangible and intangible offerings (Gallarza et al. 2017). Within discourse between dominant logics (discussed in sections 4.3.3. and 4.3.4), “*phenomenologically (experientially) determining value has been placed at the centre of the value discussion*” (Helkkula, Kelleher and Pihlström, 2012, p. 59).

As the customer value serves as a foundation for all marketing activities (Holbrook 2006), Holbrook (1999, p. 9) illuminates that the experience means that:

“value resides not in the product purchased, not in the brand chosen, not in the object possessed, but rather in the consumption experience(s) derived therefrom”.

Within many approaches to studying the value (see, e.g., Helkkula et al. (2012); Gallarza et al. (2017)), Holbrook's (1999) conceptualisation has gained increased attention. His proposed framework was designed to classify various types of value from which Holbrook (1999)

distinguished three key dimensions: (1) extrinsic-intrinsic value, (2) active-reactive value, and (3) self- or other-oriented value. Within those three dimensions, the conceptualisation proposed eight types of value that customers derive from their consumption experience (efficiency, excellence, status, esteem, play, aesthetics, ethics, and spirituality) depicted in Table 4-1, which coincides with “*what the trade-off approach calls – perceived value*” (Gallarza et al. 2017, p. 737). In the later work, Holbrook (2006) categorises eight types of value into four categories: economic, social, hedonic, and altruistic values. In this typology, economic value encompasses efficiency and excellence. Social value refers to status and esteem, and hedonic value arises from the pleasure of consumption and encompasses play and aesthetics. The altruistic value entails a concern of customers for how their consumption behaviour affects others (ethics and spirituality) (Holbrook 2006).

Table 4-1. A typology of customer value

		Extrinsic	Intrinsic
		<i>Economic Value</i>	<i>Hedonic Value</i>
Self-orientated	<i>Active</i>	Efficiency (output/input)	Play (Fun)
	<i>Reactive</i>	Excellence (Quality)	Aesthetics (Beauty)
		<i>Social Value</i>	<i>Altruistic Value</i>
Other-orientated	<i>Active</i>	Status (Success)	Ethics (Virtue, Justice)
	<i>Reactive</i>	Esteem (Reputation)	Spirituality (Faith)

Source: Adopted from Holbrook (1999, p. 12), (2006, p. 715)

Despite Holbrook's (1999) call for a phenomenological approach to value, often, value is seen as an outcome of the process (Rihova et al. 2018; Heinonen 2022). For instance, the experience economy posits that customer experience would make the offerings more favourable for customers as the experiences are individual, memorable, and staged (Pine and Gilmore 2011). Gallarza et al. (2017) found empirical support for Holbrook's framework, which enables seeing different types of value co-occurring in the same service experience. With the paradigm shift, customers actively participating in co-creation are conceptualised as resource integrators (Vargo and Lusch 2008a, 2008b). The literature focuses on the nature and aspects of customer resource integration (Rihova et al. 2018) as the complexity of the concept when conceptualising the value is with the question of what value is, where, when, how, and by whom value is created (Grönroos and Voima 2012, 2013).

4.3. The paradigm shift in value co-creation

The concept of value co-creation has gained increased attention in service marketing research (Tu et al. 2018; Buhalis et al. 2020; Fan et al. 2020; Sthapit et al. 2020; Lei et al. 2022). It became a term that describes a shift to a more participative process where brands and customers conjointly create value (Alves et al. 2016). Grounded in the idea of two-way engagement, customers are now central, active, and involved actors in the value co-creation process (Vargo and Lusch 2016). Following Prahalad and Ramaswamy (2004b), the value cannot be produced but needs to be co-created through experience. According to Grönroos and Voima (2011, p. 5):

“value does not exist before it is created (or emerges) in the usage process, where it is accumulating, and it cannot be assessed before usage”.

With the arrival of SDL (Vargo and Lusch 2008a), companies no longer deliver value to the customers but co-shape their expectations (Chathoth et al. 2013). By doing so, the customers can personalise their experience based on their interests and, through utilising technology and the assistance of the company employees, positioning personalisation as a vital component of co-creation (Minkiewicz et al. 2014). Customers create their own experiences in different contexts (Tu et al. 2018). Prahalad and Ramaswamy (2004b) stressed that personalising the co-creation experience means fostering individualised interactions and experience outcomes. It reflects how the customer chooses to interact with the experience environment facilitated by the company. That indicates that the concept of customer engagement in value co-creation is based on the idea of innovation and SDL (Oyner and Korelina 2016).

The value co-creation concept has shifted the traditional idea where customers were seen as *destroyers of value* prepared by the company towards a paradigm where customers *actively co-create and re-co-create the value* with the company (Romero and Molina 2011). For instance, Zaborek and Mazur (2019) indicate that enabling co-creation does induce positive operational and financial outcomes for the company. Their study compared manufacturers (food and non-alcoholic beverages) and hospitality, tourism and catering services and outlined that co-creation has more substantial positive effects on service providers than manufacturers. Service companies benefit from engaging in dialogue with customers while manufacturing companies show positive interaction and can provide more options (Zaborek and Mazur 2019). Plé and Cáceres (2010, p. 431) define co-destruction of value as

“an interactional process between service systems that results in a decline in the least one of the systems’ well-being (which, given the nature of a service system, can be individual or organisational)”.

A collaboration between a customer and the company can lead to dissatisfactory or negatively perceived value outcomes, which can be experienced through a range of domains such as economic, emotional, social, or psychological (Järvi et al. 2020). This study acknowledges the potential negative outcome of value (co)-creation. However, the value (co)-destruction concept is beyond the scope of this study.

As a function of interactions, co-creation allows for creating a unique personalised experience and can be a source of unique value for each individual (Grönroos and Voima 2012; Chathoth et al. 2013). As value is created jointly by customers and the company’s employees using their skills and knowledge, co-creation can present a higher level of customer engagement (Torres et al. 2018). It is a behavioural construct that goes beyond purchase behaviour alone (van Doorn et al. 2010). The literature illuminates that the influence of co-creation on WTP is still often overlooked (Tu et al. 2018). Grounded in the premises of Prahalad and Ramaswamy (2000), value co-creation has been viewed as characterised by behaviours that allow customers and the company to interact to uniquely create a value within the *“customer’s contextual consumption experience”* (Morosan, 2018, p. 540) which depends on customer’s involvement (Chathoth et al. 2013). The literature depicts personalisation as one of the dimensions comprehensively representing co-creation behaviour (Morosan 2018).

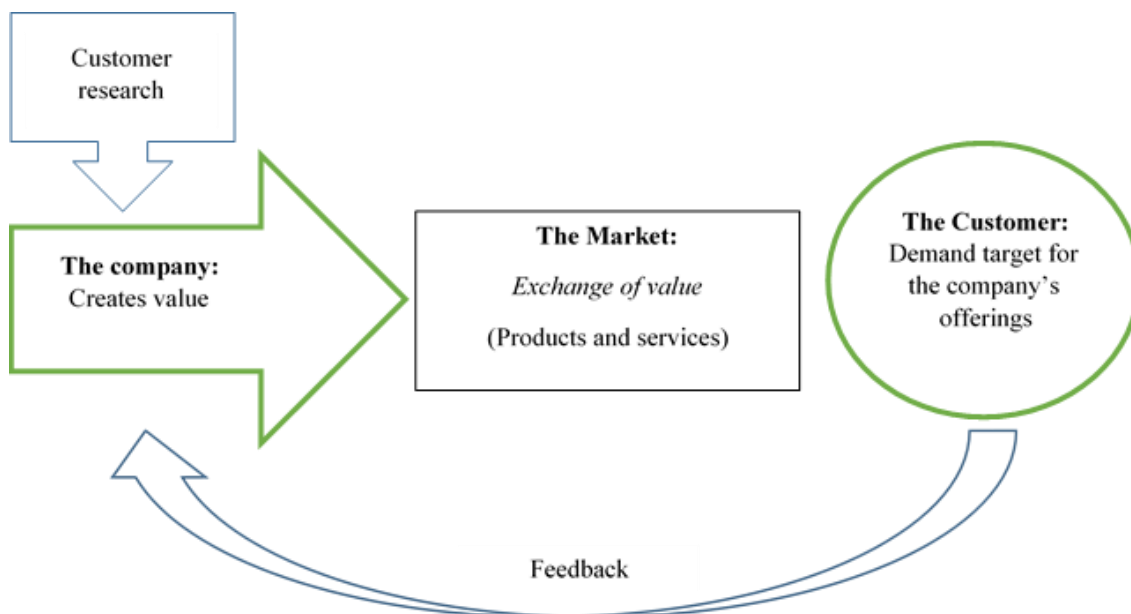
Gummerus (2013) illuminates that the research on the value received criticism in that value is one of the misused terms and that research focusing on value remains an area of ambiguity. There is a visible shift in the logic of who is engaged and how value is created (Vargo and Lusch 2008a, 2016; Gummerus 2013; Heinonen et al. 2013; Heinonen and Strandvik 2018). As value is an essential customer-related concept, and to resemble the Gummerus (2013) argument, the following sections of this chapter offer an overview of value discourses presented in marketing research.

4.3.1. From Goods-dominant to Service-dominant to Customer-dominant

The formal marketing study focused on distributing and exchanging commodities and manufactured products (Vargo and Lusch 2004). This traditional view is based on the *value-in-exchange* meaning of value and is referred to as *goods-dominant logic* (GDL) (Vargo et al. 2008).

In this company-centric conception of value creation, depicted in Figure 4-1, customers were outside the company, and value creation occurred inside the company. In this process, the interactions between the brand and customers cannot be seen as a source of value creation (Prahalad and Ramaswamy 2004b).

Figure 4-1. The traditional concept of marketing.



Source: Adapted from Prahalad and Ramaswamy (2004b, p. 7)

Dissatisfied with the available choices, more informed, connected, and empowered customers start interacting with the companies and thereby *co-create* value (Prahalad and Ramaswamy 2004b). In their seminal work, Prahalad and Ramaswamy (2000) introduced the concept of co-creation, where:

“customers and suppliers interact and largely collaborate beyond the price system that traditionally mediates supply-demand relationships” (Galvagno and Dalli 2014, p. 644).

They stressed that customers are no longer interested in purchasing only products for whom it is an *artefact* around which the experience is built. Instead, customers are keen to shape those experiences themselves, individually, with the company, and with other customers. Personalisation allows *“the customer to become a co-creator of the content of their experiences”* (Prahalad and Ramaswamy 2000, p. 3).

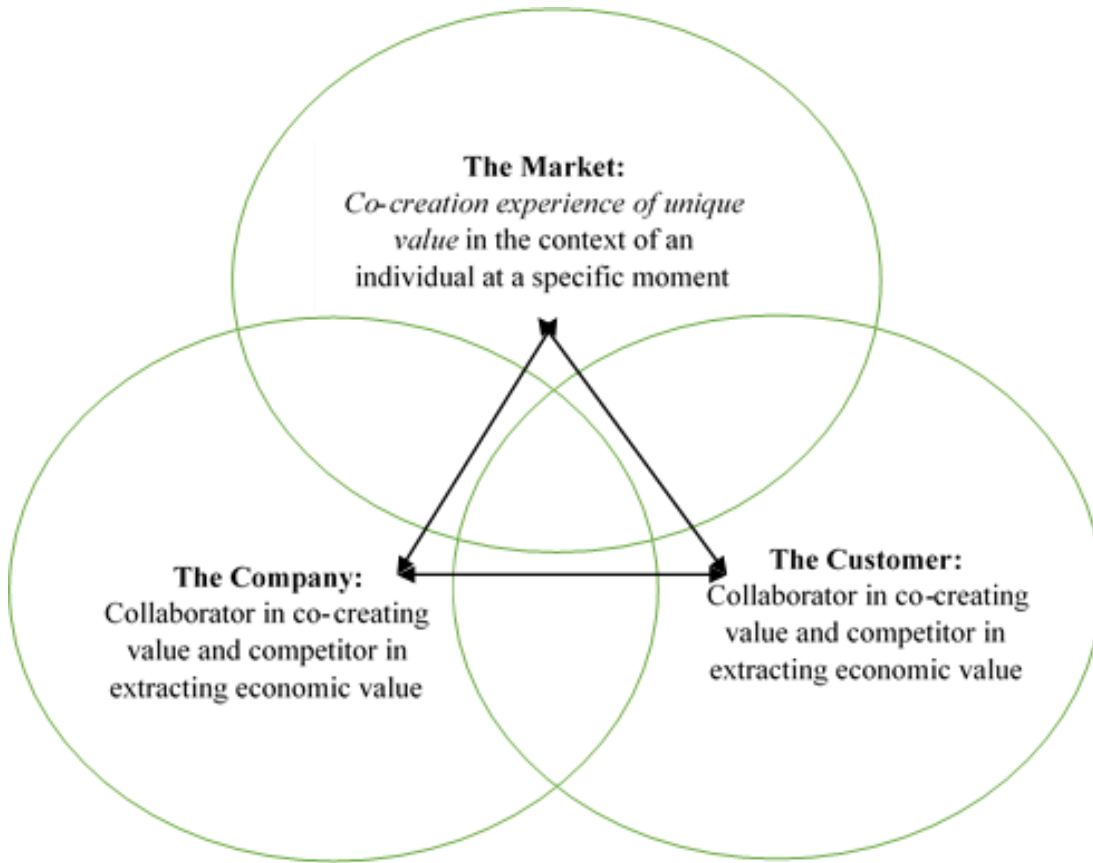
Marketing thought shifted away from the exchange of tangible goods logic towards a more comprehensive and inclusive (doing *for* and *with*) dominant logic where the new thought integrates goods and services (Vargo and Lusch 2004). This alternative view, called by Vargo and Lusch (2008b) a *service-dominant logic* (SDL), is tied to the *value-in-use* meaning of value. The value-in-use, as Zaborek and Mazur (2019, p. 1) term, is:

“generated by the consumer during the experience of using a tangible good and participating in the process of rendering a service”.

The roles of the company (as producer) and customer (as a consumer) are not distinct, meaning that in SDL, value is co-created jointly and reciprocally through the integration of resources (Vargo et al. 2008). It highlights the need for contribution from the customer as a co-creator of the on-site experience (Grönroos and Voima 2013; Campos et al. 2018; Sthapit and Björk 2020).

The value emerges from factors beyond customer-company (or employee) interactions forming in the customer domain, highlighting the customer’s everyday life over a more extended period, often invisible to the company (Heinonen et al. 2010; Grönroos and Voima 2013; Heinonen 2022). From the customer-centric, *customer-dominant logic* (CDL) perspective, this value-in-use appears in interaction as an element of value formation in an individual and social context in a physical and mental state (Heinonen and Strandvik 2015; Solakis et al. 2017; Heinonen 2022). As illustrated in Figure 4-2, from a brand perspective, co-creation is about understanding the customers so companies can co-shape customer expectations and experiences. In this view, the market becomes integral in value co-creation (Prahalad and Ramaswamy 2004b).

Figure 4-2. The simplified co-creation process



Source: Adapted from Prahalad and Ramaswamy (2004b, p. 11)

Peppers and Rogers (2000b), as well as Pine and Gilmore (2011), advocated adopting the concept of customisation to products and services by emphasising the customer's ability to change components of the products and services. Customisation is a precursor of co-creation insofar as it emphasises practices required to adopt products and services to better respond to customer preferences and demands (Chathoth et al. 2013; Torres et al. 2018; Zhang et al. 2020).

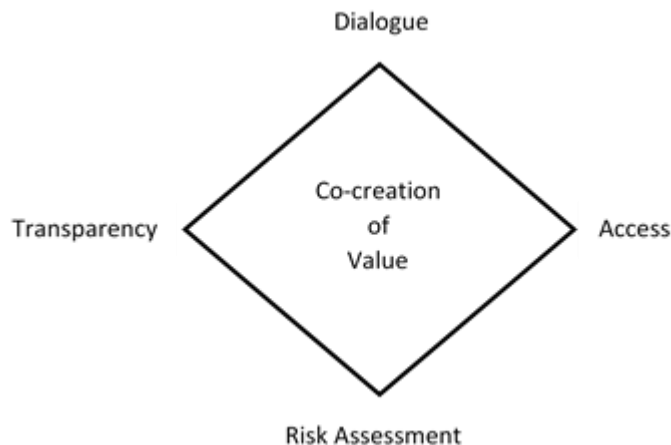
Co-creation suggests that value is generated jointly between the brand and the customer (Vargo and Lusch 2008b). The value is created "in use" (Grönroos 2011). That view represents the shift from a company-centric perspective to a personalised customer experience (Torres et al. 2018). Central to SDL is the view that service is the main denominator in the exchange (Payne et al. 2008, 2009), where customers play a vital role in the process of personalisation. That enhances the opportunities for the companies that embrace the concept, as Prahalad and Ramaswamy (2004b, p. 10) term, "*of personalised co-creation experience*" as a "*source of unique value*". In

CDL, customers are taking a central position from product and service providers, shifting to the customer's multi-contextual value formation involving the company (Voima et al. 2010).

4.3.2. DART - Co-creating value with customers

Prahalad and Ramaswamy (2004a) constructed the DART value co-creation model, which indicates the conditions the company should meet to make collaboration *with* and *for* customers possible and attractive (Zaborek and Mazur 2019). The DART model, as a framework for value co-creation (Solakis et al. 2017, 2022), consists of four distinct but interrelated building blocks: Dialogue, Access, Risk Management, and Transparency, which the brand can combine in different ways. Those elements are depicted in Figure 4-3 and discussed next.

Figure 4-3. A building block of interactions for the co-creation of value



Source: Adopted from Prahalad and Ramaswamy (2004a, 2004b, p. 9)

Dialogue is an essential element of the co-creation process and means interactivity and engagement, and willingness to act on both parties (Prahalad and Ramaswamy 2004b; Solakis et al. 2022), which are founded on a willingness to share the risk and mutual trust (Morosan 2018). Dialogue creates and maintains a loyal community. An example of dialogue can be customers and sellers engaging in communication to develop faster, more accurate, comprehensive, and personalised customer-company information flows (Morosan 2018). For active dialogue, both the brand and the customer must become equal and joint “problem solvers” (Prahalad and

Ramaswamy 2004a, 2004b). Dialogue represents ongoing interactions between a company and its customers (Zaborek and Mazur 2019), but it may be challenging without a second component: *access* (Prahalad and Ramaswamy 2004b).

Access comprises tools and procedures (mostly communication-related) that facilitate co-creation and increase customers' freedom of choice (Zaborek and Mazur 2019). It refers to the full provision of information to customers from the company (Solakis et al. 2022). *Risk assessment*, also called risk-benefits (Prahalad and Ramaswamy 2004b) or risk-reward (Morosan 2018), as a third block of the DART model, includes measures that allow customers to fully evaluate the risk involved in accepting a value proposition (Zaborek and Mazur 2019) offered by the company (Solakis et al. 2022). It reflects the extent to which co-creation actors can access risk-benefit trade-offs associated with their interaction (Morosan 2018). In contrast, companies benefited from past information asymmetry between the brand and the customer. The interaction between the brand and customer must be transparent (Prahalad and Ramaswamy 2004b), as it enhances the partnerships important to value co-creation (Morosan 2018). *Transparency* creates the extent to which a brand has managed to mitigate the information asymmetry in the customer-company relationship (Prahalad and Ramaswamy 2004b; Zaborek and Mazur 2019; Solakis et al. 2022).

Morosan (2018) illuminates how hotel guests develop intentions to co-create value using mobile devices and validates the construct that reflects all four DART interaction dimensions as intentions to co-create value. Among the study findings, personalisation stood out as the strongest predictor of involvement, underscoring dialogue as the most critical dimension of interaction in a specific context.

The multitude of ways to achieve personalisation (e.g., using mobile devices) exposes the customer's role in finding innovative ways to develop new value from their interaction with the brand (Morosan 2018). Using the DART model as a core value co-creation framework, Solakis et al. (2022) explored the role of value co-creation in a customer's perceived value. Their study delineates perceived quality and price as two characteristics of perceived value as a source for competitive strategy.

The company and the customer interact and mainly collaborate beyond the price system that traditionally mediates the supply-demand relationship (Galvagno and Dalli 2014). It is imperative to understand how customers adopt their active role in the co-creation process and act towards creating value together with the company (Morosan 2018). As the value can be delivered in tangible goods and intangible services and experiences, the *locus of value co-creation* will be at

the degree of personalisation of goods, services and overall experiences (Romero and Molina 2011).

4.3.3. SDL - Co-creating value with customers

In parallel with Prahalad and Ramaswamy's (2000, 2004a) concept of the co-creation of value, Vargo and Lusch (2004) published an article: "Evolving to a New Dominant Logic for Marketing", in the *Journal of Marketing*. This introductory article to the SDL has started the ongoing considerable discussion and elaboration of its specifics (Vargo and Lusch, 2004, 2008b, 2016; Payne et al. 2008; Vargo et al. 2008; Grönroos and Voima, 2013; Alves et al. 2016; Ranjan and Read, 2016; Vargo et al. 2020). The SDL view is that the goods are the tools for delivering and applying resources and that all exchange is based on service (Vargo et al. 2008, 2020). The conceptualisation of co-creation and shift from value-in-exchange (as in GDL) to value-in-use (or value-in-context (Vargo et al. 2008)) are introduced as part of SDL (Vargo and Lusch 2004, 2008b). Vargo and Lusch support their thesis by introducing eight (Vargo and Lusch 2004) and later extending to ten (Vargo and Lusch 2008b) fundamental premises (FPs) (with adjustments highlighted in bold) depicted in Table 4-2.

Table 4-2. Fundamental premises of SDL.

FPs	Original FP (2004)	Modified/New FP (2008b)
FP1	The application of specialised skill(s) and knowledge is the fundamental unit of exchange.	Service is the fundamental basis of exchange.
FP2	Indirect exchange masks the fundamental unit of exchange	Indirect exchange masks the fundamental basis of exchange
FP3	Goods are a distribution mechanism for service provision	Goods are a distribution mechanism for service provision
FP4	Knowledge is the fundamental source of competitive advantage	Operant resources are the fundamental source of competitive advantage
FP5	All economies are service economies	All economies are service economies
FP6	The customer is always a co-producer	The customer is always a co-creator of value
FP7	The enterprise can only make a value proposition	The enterprise cannot deliver value but only offers value propositions
FP8	A service-centred view is customer-orientated and relational	A service-centred view is inherently orientated and relational
FP9		All social and economic actors are resource integrators.
FP10		Value is always uniquely and phenomenologically determined by the beneficiary.

Adapted from Vargo and Lusch (2008b)

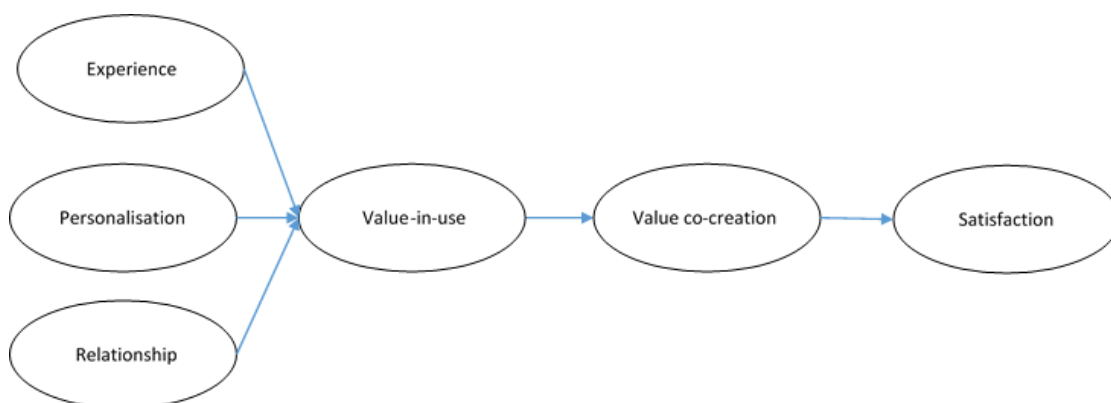
Meanwhile, in 2006, Lusch and Vargo introduced new fundamental premises to the existing premises. This new FP, named fundamental premise 9 (FP 9), implies that *“the context of value creation is networks of networks”* (Vargo and Lusch, 2008b, p. 7). Lusch and Vargo (2006) realised that all economic entities are resource integrators, and the company's role is equally applicable to individuals and groups of individuals. They claimed that:

“it is this unique application of uniquely integrated resources that motivates and constitutes exchange, both economic and otherwise” (Lusch and Vargo, 2006, p. 283).

The FP 10, added in 2008, states that value in SDL is contextual and phenomenologically meaning-laden by the beneficiary (e.g., customer) through use (called consumption) in the process of acquisition, usage, and disposal (Vargo and Lusch 2008b; Vargo et al. 2008). It emerges when customer experience (through the use or participation in designing) the company's value propositions in their experience context (Vargo and Lusch 2016). A limitation of SDL is that despite recognising that value is collaboratively created. This approach suggests that the value can be co-created only within the service provider sphere (Tynan et al. 2014).

With *value-in-use* at the centre stage of the value creation process, combining FP 9 and FP 10 extends the concept to a more descriptive *value-in-context* (Vargo et al. 2008). The literature review conducted by Ranjan and Read (2016) identifies three elements that comprise value-in-use: experience, relationship, and personalisation, and their influence on both value co-creation and satisfaction. Figure 4-4 depicts the identified dimensions of value co-creation. As the value-in-use is the customer's evaluation of the product or service proposition, the experience is an empathetic, emotional, and memorable interaction that has intrinsic value (Ranjan and Read 2016).

Figure 4-4. The dimensions of value co-creation



Adapted from Ranjan and Read (2016)

The primary focus of the DART model is the technical aspect of service delivery, as without its elements, there is no factuality and possibility to co-create value between actors (Klafke and de Oliveira 2022). SDL focuses on the customer's role in value co-creation and emphasises the importance of relationships, experiences, and social networks in shaping outcomes (Solakis et al. 2017).

Personalisation in value-in-use refers to the uniqueness of the process of dealing with customers in a personal way. Adapting the offer to meet their needs, with the value being dependent on a person's characteristics (Lemke et al. 2011) and relationships that manifest in collaboration, engagement, and reciprocity (Neuhofer et al. 2015; Assiouras et al. 2019). Value-in-use is based on the interaction between the brand and the customer in the use context (e.g., time, location, conditional values or lack of alternatives). Value for the customer is created through collaborative and interactive processes that are the basis of the relationship with the brand (Ranjan and Read 2016).

The FPs represent a collaborative effort to understand better value and exchange (Payne et al. 2008). Customers continually engage in dialogue with companies through an interactive learning process during each product, service, design, and delivery stage. The FPs focus on value co-creation, interaction, relationships and an operant (invisible and intangible like knowledge and skills) rather than value embedded in product or service, transactions and operand (physical and tangible that produces an effect through an act or operation) resources (Vargo and Lusch 2004). FP 6 indicates that value is something that is co-created with customers (Vargo and Lusch 2008b). As customers know best what they value, they become (directly or indirectly) active participants in value co-creation (Prahalad and Ramaswamy 2004b).

Through the analysis of value creation in the service logic, Grönroos and Voima (2013) claimed that the value-related FPs of the mainstream literature on SDL should be reconsidered and reformulated three FPs, depicted in Table 4-3; FP 6 – customer's role in value creation, FP7 – company's role and marketing opportunities in value creation, and FP 10 – how value is created and determined. Grönroos and Voima (2013) argue that instead of *always* being a value co-creator of value (FP 6), the customer is the value creator. They claim that if the company, as the service provider, manages to engage with the customer's value creation process, the opportunities for value co-creation with the customer exist. The company (including employees) is a co-creator of value and thus creates real value, which must be transferred to the customer. Grönroos and Voima (2013) continue to reformulate FP 7. They claim that the statement that the company can offer

only value propositions is based on a goods perspective (known from GDL), where no direct interaction exists. They propose that the company

“is not restricted to make a value proposition but has an opportunity to directly and actively influence its customer’s value creation as well” (p. 146)

They suggest a more explicit expression of the term *phenomenological* that is used in Vargo and Lusch (2008b) in FP 10. As Grönroos and Voima (2013) stressed, value is a dynamic concept that is longitudinally developed, accumulating, and contextually bound. Customers not only determine value; they holistically experience it (Grönroos and Voima 2013).

Table 4-3. Revisited SDL premises

FPs	Original premises	Revisited FPs
FP6	The customer is always a co-creator of value	The customer is the value creator
FP7	The company cannot deliver value. The company can offer only value propositions.	<ol style="list-style-type: none"> 1) Fundamentally, by providing potential value, the company is a facilitator of value for the customer. 2) Provided that the company can engage with its customer’s value-creating processes during direct interaction, it has opportunities to co-create value jointly with them as well. <p>The company is not restricted to making value propositions only but has an opportunity to directly and actively influence its customers’ value creation as well.</p>
FP10	Value is always uniquely and phenomenologically determined by the beneficiary (e.g., customer)	<ol style="list-style-type: none"> 1) Value accumulates throughout the customer’s value-creating process 2) Value is always uniquely and both experimentally and contextually perceived and determined by the customer

Adopted from Grönroos and Voima (2013, p. 145)

Through the participative discussion between academics, the SDL FPs have been further consolidated, extended and elaborated (Vargo and Lusch 2016). All of the developments have been captured in *five core foundational premises* (of which there are now eleven), as it becomes apparent that some FPs are more foundational than others. Those core FPs have been identified as axioms (Vargo and Lusch 2017) and are depicted in Table 4-4.

Table 4-4. The axioms of SDL

Axiom/FP	Axiom
Axiom1/FP1	Service is a fundamental basis of the exchange
Axiom2/FP6	Value is co-created by multiple actors, always including the beneficiary
Axiom3/FP9	All social and economic actors are resource integrators
Axiom4/FP10	Value is always uniquely and phenomenologically determined by the beneficiary
Axiom5/FP11	Value co-creation is coordinated through actor-generated institutions and institutional arrangements

Adopted from Vargo and Lusch (2017, p. 47)

SDL represents a dynamic and continuing narrative of value co-creation through resource integration and service exchange (Vargo and Lusch 2017). Alves, Fernandes and Raposo (2016) point out that customer participation should begin before experiencing the service. The company can involve the customer in the pre-purchase service experience that may add co-created and personalised value (Alves et al. 2016), boosting customer satisfaction and furthering loyalty. Since value is a contextually contingent concept, understanding context is essential for understanding the perception and determination of value (Vargo et al. 2008).

4.3.4. Customer Dominant Logic – a customer lens

In contrast to the previous section, the service-provider-centric view - SDL, CDL introduces a different perspective on marketing (Heinonen et al. 2010, 2013), focusing on the customer rather than the service. In CDL, the service is embedded in a customer’s everyday experiences and activities (Heinonen 2018, 2022). Heinonen et al. (2010) argue that SDL is very production- and interaction-focused, and ideas in a debate on SDL are not sufficiently customer-focus but represent the more advanced company-based view. Customers are seen as partners or are employed by the company in the process of value co-creation (Heinonen et al. 2010). CDL was introduced as a managerial perspective, and it is grounded in understanding customer logic (Heinonen and Strandvik 2015). Fan, Hsu and Lin (2020) illuminate that CDL appreciate the role of customers and emphasises the importance of value created with experience by the involvement of the combination of other actors and resources.

One of the challenges in service management is the notion that the customers judge the company’s performance (Heinonen et al. 2010). Traditionally, services are designed and delivered to the customer by the company. For this reason, customer satisfaction, value and perceived service quality seem to dominate the service marketing and management literature (Zeithaml 1988; Ball et al. 2006; Heinonen et al. 2010; Viglia et al. 2023). The development of CDL illuminates the

transmission in a value-creating role to customers beyond specific visible service interaction (Rihova et al. 2018). The CDL considers both products and services as the basis for value (Heinonen and Strandvik 2015).

As a marketing logic, CDL guides managers in understanding customers and markets (Heinonen and Strandvik 2015). The critical question is how value emerges for customers and how customers construct their experience of the value of service-provided participation in their activities. In the conceptual development of the logic, Heinonen et al. (2010) outline the characteristics of CDL by contrasting it to SDL as it represents a more advanced company-based view. The authors emphasise that CDL is a concern in the traditional marketing sense and a strategic issue. The centre of interest was not the exchange and service as such, but

“how a company’s service becomes embedded in the customer’s context, activities, practices and experiences” and the implications for the companies (Heinonen et al. 2010, p. 533).

From the CDL perspective, the customer is positioned in the centre rather than the service, provider, interaction, or system. This approach suggests focusing on what the customers do to accomplish their goals (Heinonen et al. 2010).

In contrast to the SDL discussion (Vargo and Lusch 2008a, 2016, 2017; Grönroos and Voima 2013; Vargo et al. 2020), Heinonen and Strandvik (2015, 2018) argue that customers understand service differently than the brands. CDL focuses on consumers and all actors (including customers, brands, and organisations, as customers). Compared to SDL, a value in CDL is defined as value-in-use (Rihova et al. 2018) and helps to identify the customer base from a value-in-experience perspective (Heinonen et al. 2013). Companies can still be involved in customer value creation (Rihova et al. 2018).

Co-creation, value-in-use, and customer experience are among numerous widely discussed literature concepts (Holbrook 2006; Payne et al. 2008; Heinonen et al. 2010; Vargo and Lusch 2017; Kabadayi et al. 2019; Vargo et al. 2020; Sthapit and Bjørk 2021; Heinonen 2022; Viglia et al. 2023). For Heinonen et al. (2010), those concepts provide a foundation to demonstrate differences between SDL and proposed CDL as they argue that evaluation of a customer’s value-in-use is based on a customer’s service experience. They have seen co-creation as an element of service and as a part of the customer experience (Voima et al. 2010; Heinonen 2022). Table 4-5 summarises the core differences illuminated by Heinonen et al. (2010) between SDL and CDL.

Table 4-5. The SDL vs. CDL

	Service-dominant logic	Customer-dominant logic
<i>Co-creation</i> <ul style="list-style-type: none"> • Involvement • Control 	<ul style="list-style-type: none"> • The customer involved in co-creation • Company controls co-creation 	<ul style="list-style-type: none"> • The company is involved in customer activities • Customer controls value creation
<i>Value-in-use</i> <ul style="list-style-type: none"> • Visibility 	<ul style="list-style-type: none"> • Focus on visible interactions 	<ul style="list-style-type: none"> • Considers invisible and mental actions
<i>Customer experience</i> <ul style="list-style-type: none"> • Scope • Character 	<ul style="list-style-type: none"> • Formed within the service • Extraordinary and special 	<ul style="list-style-type: none"> • Emerges in customers' life • Also, mundane and everyday

Source: Heinonen et al. (2010, p. 542)

Heinonen et al. (2013) explored value formation from a CDL perspective in their subsequent research. In contrast to SDL, in which “*value is co-created by multiple actors, always including beneficiary*” (Vargo and Lusch, 2016, p. 8), in CDL, Heinonen et al. (2013) indicate that value is formed. They illuminated that the starting point in value formation is the customer’s reality and ecosystem, and the central questions of value formation are: How, where, and when is value created? What is the basis of value? Who determines the value? Table 4-6 depicts the contrast between service-dominant (value-in-exchange, value-in-use) and customer-dominant (value-in-experience). In addition to Heinonen et al. (2013), the other research agenda suggests establishing the identity of other actors (including other customers) who contribute to the customer’s value formation process (Tynan et al. 2014). It is essential to recognise both roles of an online and offline environment as customers become more informed, networked, active, and empowered (Prahalad and Ramaswamy 2004a, 2004b; Heinonen 2022).

Table 4-6. Value formation in service-dominant and customer-dominant

	Service-dominant logic The service provider orchestrates value creation	Customer-dominant logic The customer orchestrates and dominates value formation
HOW	Value is created Value creation is based on a structured evaluation	Value is formed Value formation is based on an emerging process
WHERE	Value is created in the interaction Value creation takes place in the control zone of the company	Value is formed in the life and ecosystem of the customer Value formation takes place in the control zone of the customer
WHEN	Value is created when the company is active Value-in-exchange / value-in-use	Value formation is temporal and not necessarily and directly related to company activities Value-in-use / value-in-experience
WHAT	Value creation is defined by the service provider Value is based on customer perceptions of the company-created value propositions	Value formation is determined by the customer relative to alternatives on multiple levels Value is based on experiences of customer fulfilment
WHO	Value creation is idiosyncratic The value unit is an individual and can be grouped into segments	Value formation is collective and may be shared The value unit consists of different configurations of actors

Source: Heinonen, Strandvik and Voima (2013, p. 113)

Heinonen et al. (2013) illuminate that customers perceive value subjectively but have been embedded in the object (interaction or service). The value is recognised as multi-contextual and multiple dynamic contexts based on customers' lives and ecosystems (Heinonen and Strandvik 2015). Value formation is a longitudinal process that accumulates over time. Value formation is not always an active process and challenges the term "*creation*" (Heinonen et al. 2013; Heinonen 2022). Heinonen (2018) suggests that customer context outside service providers' views is essential for understanding customer value, engagement, and loyalty.

In a service environment, (online) social contact is essential in a company-customer relationship. It plays a vital role in co-constructing and co-creating memorable experiences and experiential value (Fan et al. 2020). For example, a holiday trip has a multifaced history, often related to multiple other contexts. A previous visit to the same destination may influence the value formation process depending on the value of this experience. As Heinonen et al. (2013) stress, other actors' emotions, behaviour, and attitudes (e.g. family members) may influence the value formation process. For example, a holiday trip is often evaluated and compared with other trips as customers can interact with the environment by sharing memories, experiences, opinions, or suggestions (Heinonen et al. 2013; Fan et al. 2020). A value can emerge through proactive communication with and between customers before the holiday and both during and after the holiday (in the form of memories). That means value arises mainly outside the business's sight

(Heinonen et al. 2009). Through the uniqueness of the process, personalised offerings can extend the boundaries of customer value beyond the scope of the customer and brand joint sphere (Ranjan and Read 2016). The literature on personalisation and experience illuminates that customers who feel recognised and treated in a personal way are more willing to provide personal recommendations over increased advocacy through (e)word-of-mouth (Neuhofer et al. 2015; Assiouras et al. 2019).

As Heinonen and Strandvik (2015, p. 476) suggest, CDL emerged as a result of a theoretical discussion and represented the managerial approach of asking what “*can be offered to customers that they are willing to purchase and pay more*” rather than seeking the opportunity to sell more of existing offerings. Companies must understand the customer and their logic. The brand cannot live without customers; viewing the business through a customer lens is essential. For the company that applies CDL:

“marketing is seen as revenue management and as a ubiquitous mental model with customer-logic as a foundation for business” (Heinonen and Strandvik, 2015, p. 477).

From a more holistic perspective, customers have transformed from passive participants to active players in creating unique value and co-creating memorable experiences, as value is embedded in the personalised experience (Prahalad and Ramaswamy 2004a, 2004b; Neuhofer et al. 2015; Stienmetz et al. 2021; Volchek et al. 2021; Heinonen 2022). As price is a vital part of the purchase and consumption experience, integration of personalisation of offerings and personalised price (e.g., personalised discounts) through the identification of customers offers a solution for real-time price sensitivity considerations (Viglia and Abrate 2020; Talón-Ballesteros et al. 2022). Businesses such as IKEA, Airbnb, Uber, Nike, Starbucks, Hilton and Marriott offer self-selection of services, empowering customers to create value for themselves, depicting that customers play a significant role in the co-production of products and services. Customers often make rational decisions based on their perception of the benefits and costs of exchanging resources (Banik and Rabbaneh 2023). Ongoing communication between businesses and customers empowers the co-creation of value-in-experience and enables companies to implement customer-centric pricing strategies more effectively, such as price personalisation.

4.4. Chapter Synthesis

Many industries witnessed a transformation towards online personalisation (e.g., location-aware services, a myriad of apps, and more affluent customer profiling) (Morosan and DeFranco 2016). Personalisation is valuable in its own right through enhanced satisfaction, loyalty, and trust (Ball et al. 2006). This study shares the view of Morosan (2018) that consumption context characterised by personalisation can result in a higher value. This study suggests that personalisation, used as a facilitator of potential benefits, can positively influence customers' involvement in the company with information and services. It encourages customers to become actively involved in the co-creation of value, founded on the belief that personalised service is more valuable for customers (than non-personalised service). Personalisation stays at the foundation of the co-creation of value (Ranjan and Read 2016; Morosan 2018; Alimamy and Gnoth 2022).

Studies often focus on the “soft” goals of the business (increasing customer satisfaction and customer loyalty) rather than on increasing revenue or lowering marketing costs (Salonen and Karjaluoto 2016). The revenue management literature often examines customer reactions to pricing from a fairness perspective (Noone and Mattila 2009; Alderighi et al. 2022), hedonic pricing (Abrate et al. 2011, 2019; Soler et al. 2019) or various products and services attributes concerning pricing (Tu et al. 2018; Kim, Hong, et al. 2020). The literature is scarce on research addressing the behavioural relationship between customer expectations of personalisation and WTP, which indicates the need for further investigation of the subject.

This third chapter of the literature review introduced the concept of value (co)-creation. The typology of the multidimensional phenomenon was presented. By outlining the major paradigm shifts from GDL through the DART model, the SDL paradigm to CDL, this study places customers at the centre, presenting relevance to the studied concept. This study leans toward the CDL (Heinonen et al. 2010), which helps to address all of this study's research objectives (section 1.4).

By adopting the CDL perspective, this study underlines the differences and parallels of marketing concepts and models in existing literature, which are essential for research and business practice (Heinonen and Strandvik 2015). Building on the theoretical views of the CDL in marketing, this research attempts to address the marketing and revenue management literature gap identified as a need to explore the relationship between customer expectations of personalisation and their WTP (identified as Research Objective 3). How do personalised product and service benefits affect customers' value perception and WTP? The main contribution emerging from this chapter is the link between personalisation, value, and pricing literature streams.

As indicated in this study's chapter, customers play a vital role in the (co)-creation/destruction of value. The value of co-creation through, e.g., customer participation, is regarded as one of the critical characteristics of the personalisation process (Zheng et al. 2017). This study demonstrates that value (co-)creation is inherent in personalisation as the customer is the one who determines the value (Heinonen et al. 2013; Weinstein 2020; Heinonen 2022). The chapter provided the conceptual underpinning for this research. This study acknowledges that the literature generally posits a synergy between customers' wants, needs, desires, and perceived value and the personalisation granularity, explaining their purchase behaviour and WTP for personalised offers. This study challenges the general assumption that the more customers' wishes, the higher the granularity of personalisation is expected, leading to higher customer WTP (Nguyen et al. 2022), suggesting that there may be no single, optimal configuration of factors of customer expectations of personalisation that will influence customer WTP.

SECTION C - Methodology

5. RESEARCH METHODOLOGY

The chapter discusses the research paradigm, design and methods employed to achieve this research aim and objectives. The overall aim is *to explore how customer expectations of personalisation (CeoP) affect the willingness to pay (WTP) in the hospitality industry*. The following research objectives have been identified:

RO1: To explore willingness to pay (WTP),

RO2: To explore customer expectations of personalisation (CeoP),

RO3: To explore the relationship between CeoP and their WTP,

RO4: To develop and validate the CeoP-WTP typology,

RO5: To develop practical implications emerging from the relationship between CeoP and WTP.

The chapter illuminates the research gap that emerged from three parallel literature review chapters and discusses the study's epistemological and ontological assumptions. That leads to the debate on prevalent research paradigms. In reviewing WTP (in pricing), personalisation, and value (co)-creation literature streams, the most common methods were identified, and most importantly, the appropriate method concerning this research was selected. The chapter concludes by reflecting on the study's limitations, reliability, validity, ethics, and health and safety considerations.

5.1. The Research Gap

The three literature chapters outline the link and complementarity relationships between personalisation, value, and pricing. The literature review chapters identified several key gaps in marketing and revenue management literature, focusing on the relationship between CeoP and WTP. The literature review's first part (Chapter 2) explored customer WTP, a vital factor in personalised pricing (Sonnier 2014). The chapter outlined the various pricing strategies drawn from the hospitality industry. The multiplicity nature of personalisation (Sunikka and Bragge

2012; Chandra et al. 2022) was highlighted, with the second part of the literature review (Chapter 3) outlining the definitions, granularity, benefits and cost of the process. The third part (Chapter 4) presents a shift in society and the contemporary customer that has become increasingly empowered, informed, and connected. This shift has been advanced by theoretical streams such as experience co-creation (Prahalad and Ramaswamy 2004a, 2004b), service-dominant logic (Vargo and Lusch 2004, 2008b) and customer-dominant logic (Heinonen et al. 2010; Heinonen 2022).

Prices vary, not only around the world but also in the same city (Zhang et al. 2011), e.g., hotel bedrooms, plane tickets, the price for a litre of petrol, or tickets for a concert of a favourite band. The literature review of this study (Chapter 2) outlined that it is common practice in service industries to use different pricing approaches (Ivanov 2014; Purcărea 2016). With a customer-centric approach, pricing decisions evolve towards a more sophisticated price discrimination strategy (Nieto-García et al. 2017; Viglia 2022).

Continued technology development and a competitive environment enhance understanding of customer behaviours, through which different prices can be tailored to individual customers (Richards et al. 2016; Hong et al. 2020; Nadeem et al. 2023). Following Kienzler and Kowalkowski (2017), this study suggests that more research is needed on customer involvement through personalisation in participative pricing strategies. The extant literature on WTP has identified several motivators for customer WTP (Nadeem et al. 2023) (depicted in section 2.3). Customer WTP is based on the assumption that the value of the offerings determines a customer's intention to purchase a product and service, perception and social situation (Wang, Wang, et al. 2020). Literature suggests that customers are willing to pay a premium (Kim and Han 2010; Masiero, Nicolau, et al. 2015) for different products such as green hotels (Moser 2015; González-Rodríguez et al. 2020) or green food (Rezai et al. 2013), towards different hotel's room attributes (Masiero, Heo, et al. 2015) or intention to join the hospitality workforce (Goh and Lee 2018). The presence of a crisis upsets the business status quo by changing customer behaviour. This gap is addressed by Research Objective 1:

Research Objective 1

To explore willingness to pay (WTP)

Due to its multifaced and complex nature, the effectiveness of personalisation is still a contested issue, continuing to create ambiguity around the field (Salonen and Karjaluoto 2016; Chandra et al. 2022; Kumari and Gotmare 2022). The personalisation of products and services often engenders customer involvement in the process (Zhen et al. 2017). Ariffin and Maghzi (2012) employed a questionnaire survey to explore what personal factors influence the expectation levels of commercial hospitality in hotel service. A review of the extant literature on personalisation (depicted in Chapter 3) reveals a diverse approach to the concept (Chandra et al. 2022). For example, Ariffin (2013) examined how the generic facets of hospitality for hotel services are perceived irrespective of their star rating and identified that personalisation is the primary dimension that best explains the hospitality of hotel services. Personalisation reduces perceived risk and helps to build trust between the company and its customers, and behavioural data makes customers perceive the outcome of price personalisation more equitably, lowering their privacy concerns (Ozturk et al. 2017; Pizzi et al. 2022).

Many other aspects influence customer perception of personalisation. For example, Pappas, Kourouthanassis et al. (2017) examined the role of persuasion as a distinctive factor under the scope of personalised service, taking into account the role of emotions in the process. Zhen et al. (2017) illuminated that customers buy personalised products because of their uniqueness seeking, emotional attachment, identity expression, enjoyment, innovation, ownership, and perceived control. Lambillotte and Poncin (2022) investigated the process underlying the triggering and management of personalisation's paradoxical tensions, such as the personalisation-influence paradox, personalisation-stereotype paradox, and personalisation-privacy paradox. Chen et al. (2022) investigated the application of personalisation strategies in revenue management, focusing on assortment optimisation and pricing.

Personalisation is complex and includes a set of interdependent components rather than a random combination that links interaction, dialogue, knowledge and co-creation (Alimamy and Gnoth 2022). It demonstrates that no single response to customers' behaviour matches their needs and preferences. Customers live in different environments and experience different effects of their environments in different contexts in their lives (Cavdar Aksoy et al. 2021). Chandra et al. (2022) and Viglia and Abrate (2020) suggest that many personalisation topics (including niche topics such as personalised pricing) are worthy of further investigation as they greatly impact the fields of marketing and revenue management. Ribeiro et al. (2023) suggested that many researchers mainly focus on interaction and social networks, sharing economy, strategy and innovation, and value co-creation consequences. As the relations between variables are naturally complex, the configuration theory (introduced in section 3.8) can help to understand the means by which

customers tend to arrive at the judgment and declaration regarding their expectation of personalisation and their WTP (Pappas and Woodside 2021). This gap is addressed within Research Objective 2:

Research Objective 2

To identify elements of customer expectations of personalisation (CeoP)

Individuals are likely to perform a specific behaviour if they believe that: a) it will result in a particular valued outcome; b) their significant referents (e.g., family, friends, co-workers, neighbours) will value their particular behaviour; and c) have the resources, abilities, and opportunities to conduct the behaviour (Ajzen 1991; Kim and Han 2010). Consumers' decisions are often affected by emotions, knowledge, and different reference points (Masiero et al. 2016; Pappas 2018) and depend on customers' cultural orientation (Moon et al. 2008). There is a substantial yet unexpectedly fragmented collection of literature that, through various paradigms, deals with customer value directly or indirectly (Zeithaml et al. 2020). For example, through the SDL lens, Alimamy and Gnoth (2022) depicted that perceived personalisation significantly predicts value co-creation intention for website-based shopping. Fan et al. (2020) explored the experiential value of co-creation via online social contacts by adopting the CDL lens. Although the CDL emphasises the focus on the customer as the primary source of value formation (Heinonen and Strandvik 2015), customer value is grounded in an individual and collective level of components.

While value and value co-creation are extensively researched in literature (Prahalad and Ramaswamy 2004b; Vargo and Lusch 2004; Heinonen and Strandvik 2015), there is still a need for further research exploring a more extensive and holistic view of value (Heinonen 2022; Carvalho and Alves 2023). The outcome of personalisation through co-creation can make customers feel special (Buhalis and Sinarta 2019). This study argues that the CDL is the right theoretical lens to explore the relationship between customer expectations of personalisation and their WTP.

The behavioural aspect of personalisation is particularly essential in many service industries, such as hospitality, events, airlines, transportation, banking, or insurance, as it enables the company to personalise the offers more accurately (Aguirre et al. 2015; Chen 2020). Although advanced

technologies enable brands to reach customers and allow pervasive customer access (Le and Wang 2021), the customer's attitudes and behaviour towards personalisation are subjective (Ball et al. 2006; Heinonen and Strandvik 2015). Digitalisation transforms the channel of interactions and transactions and redefines the nature of the exchange, actors, offerings, and transactional settings (Tyrväinen et al. 2020). Personalisation can draw upon customers' attentiveness and recharges their enthusiasm (Le and Wang 2021) through collaboration to achieve greater results than the sum of its parts (Nadeem et al. 2023). The customer defines value, not businesses (Weinstein 2020). While technology is often portend as an operant resource that facilitates co-creation, it is often challenging for customers to co-create with offer providers (Alimamy and Gnoth 2022). Similarly to Horne et al. (2017), this study accommodates the view that personalisation, specifically what customers expect, is a crucial component of behaviour change.

Personalisation has led to treating each customer as a market segment of one (Abrate et al. 2019; Viglia and Abrate 2020). Adopting a CDL construct as the theoretical lens is a sound approach for marketers and revenue managers to gain insights into the customers' intentions, needs, desires, and preferences (De Cannière et al. 2009; Heinonen 2022). The effectiveness of the Theory of Planned Behaviour (TPB) in establishing a theoretical link to explain the customer's behaviours (Moser 2015) in the context of this study, even if extended, may not be the most appropriate avenue to explore the relationship between CeoP and their WTP. This is because it is grounded mainly in cognitive and conative dimensions of individuals' attitudes (González-Rodríguez et al. 2020). The CDL provides a reasonable perspective for this study's research aim. This gap is addressed within Research Objectives 3 and 4:

Research Objective 3:

To explore the relationship between CeoP and their WTP

Research Objective 4:

To develop and validate the CeoP-WTP typology

Explaining human behaviour can be complex and challenging as it can be approached on many levels (Ajzen 1991, 2011). The relationship between WTP and value co-creation has been increasingly interesting to researchers (Tu et al. 2018; Nadeem et al. 2023). Customer WTP is interrelated with personal motivation and capability (Tu et al. 2018). The impact of

personalisation on customer WTP may depend on the individual customer and their contextual construct (Koçaş and Dogerlioglu-Demir 2014).

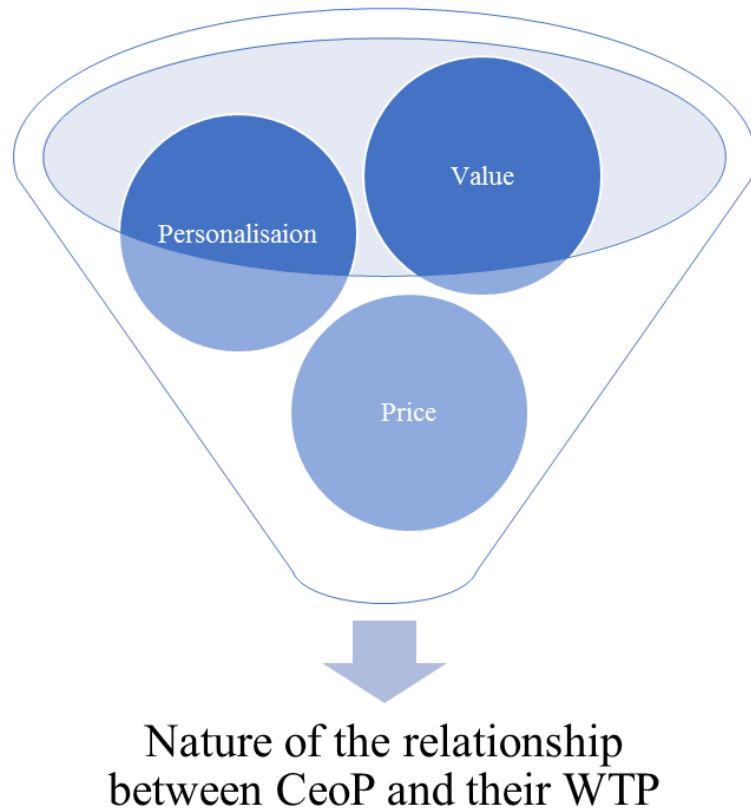
While many studies share a commonality in examining personalisation on customer behaviour, they neglect to consider the CeoP and its relationship to their WTP. The practice of personalisation (Cavdar Aksoy et al. 2021) and this relationship are still under-researched (Noone et al. 2017). Figure 5-1 depicts the visualisation of the research gap.

Various theories have been used in literature to explain the adoption and acceptance in various fields (Pappas et al. 2019). A few scholars focus on explaining customer WTP in the context of TPB (Masiero, Heo, et al. 2015; Zhen et al. 2017; Goh and Lee 2018). For instance, TPB has been adopted to explain individual acceptance and use of mobile services, advertising, and (e- and m-)commerce (Ghazali et al. 2018). This study develops a theoretical model by building on and combining the CDL (section 4.3.4) and configuration theory (section 3.8). Through various research objectives, this study explores the relationship between CeoP and WTP and addresses Research Objective 5:

Research Objective 5:

To develop practical implications emerging from the relationship between CeoP and WTP

Figure 5-1. Visualisation of research gap



The following section of this chapter, *Research Methodology*, addresses the epistemological and ontological grounding for the research and details the methodological approach utilised in this study.

5.2. Research Philosophy

The underlying question regarding the choice of the research philosophy is a system of beliefs and assumptions about the development of knowledge (Saunders et al. 2019). This is of primary importance in any undertaken research. Understanding research philosophy can help to clarify the research design and help the researcher recognise which research designs will fit better for the

purpose of the study. Failure to think through the philosophical relationship between theory and data can affect the quality of management research (Easterby-Smith et al. 2008).

The idea of a paradigm or worldview as an overarching framework (Aliyu et al. 2014) was introduced in 1962 when Kuhn (1922-1996) published the *Philosophy of Science* (Johnson and Gray 2010). Kuhn's concept of paradigm became responsible for the popularity of paradigms as a way to summarise researchers' beliefs (Morgan 2007). Further, in 1970, Kuhn defined a paradigm as:

“the entire constellation of beliefs, values, techniques and so on shared by members of a given community” (Anand et al. 2020, p. 1656).

Later, Harré (1987, p. 3) considered paradigm as:

“a combination of a metaphysical theory about the nature of the objects in a certain field of interest and a consequential method which is tailor made to acquire knowledge of those objects”.

Morgan (2007, p. 50) saw paradigms:

“as shared belief systems that influence the kinds of knowledge researchers to seek and how they interpret the evidence they collect”.

Morgan (2007) differentiated the concept of paradigms into four versions. The first version treats paradigms as all-encompassing ways of experiencing and thinking about the world. Second, the paradigms can be treated as epistemological stances incorporating ideas such as ontology, epistemology, and methodology within the philosophy of knowledge. The third version of paradigms is a shared belief within the community of researchers, suggesting that this is the version that Kuhn (1970) himself preferred. Finally, in the last version of paradigms, Morgan (2007) presented model examples that serve as *exemplars* of how research is done in a given field (Morgan 2007; Creswell 2010; Anand et al. 2020).

O’Gorman et al. (2014, p. 60) suggest that:

“at the philosophical level, a paradigm could be perceived as dualistic if the researcher were to argue simultaneously that the belief that social reality is separate and external, whilst maintaining that reality is merely a construction of the mind”.

Many researchers understand paradigms from the community of scholars' perspective (Creswell 2010). For example, Saunders et al. (2019) claim that in management research, there tends to be

agreement about labels “paradigms” and “philosophies”, and both terms are sometimes used interchangeably to describe assumptions that researchers make in their work.

Multiple conceptualisations exist of what constitutes a philosophical paradigm (Greene and Hall 2010). To better understand the notion of paradigm, it is essential to examine its characteristics. The paradigm concept includes four research assumptions within research philosophies: ontology, epistemology, axiology and methodology (Easterby-Smith et al. 2008; Greene 2008; Greene and Hall 2010; Saunders et al. 2019). Those significant ways of thinking have been considered to determine the adequate paradigmatic position that underpins this study and are presented next.

Ontology refers to assumptions about the nature of reality (Saunders et al. 2019). The ontological position of the paradigm also varies from realism to relativism (Niglas 2010). It determines how the researcher sees the world and the choice of what to research (Saunders et al. 2019). Ontology connects with epistemology through questions about the possibility of truth in the form of objective knowledge about that reality (Morgan 2007).

Epistemology refers to an assumption about what constitutes acceptable, valid and legitimate knowledge (Saunders et al. 2019). Epistemology is interconnected to ontology (Guba and Lincoln 1994) and examines the relationship between the *knower* and the *known* (objectivity-subjectivity) (Teddle and Tashakkori 2012). Different types of knowledge – ranging from numerical data to textual and visual data – form facts and opinions that all can be considered legitimate. Consequently, different researcher adopts different epistemologies in their research (Saunders et al. 2019). The answer that can be given to the epistemological question is constrained by the answer given to the ontological question (Guba and Lincoln 1994). Accepting particular epistemology usually leads to adopting methods characteristic of the researcher's position (Easterby-Smith et al. 2008).

Axiology refers to the beliefs about the role of values and ethics in conducting research (Teddle and Tashakkori 2010). It answers the inquiry of what is the nature and role of value in social enquiry (Greene 2008; Greene and Hall 2010). Values inform researchers' bias toward the research project (O’Gorman et al. 2014). Morgan (2007), however, excludes axiology, added by Lincoln and Guba in 2005 to their set of fundamental beliefs associated with paradigms (Teddle and Tashakkori 2010). The reasoning behind the exclusion was that “*axiology is a poor fit with the emphasis on the philosophy of knowledge*” (Morgan 2007, p. 58). Nonetheless, the research philosophy reflects the researcher’s values as it is the choice of data collection (Saunders et al. 2019).

Methodology refers to the theory of how the research should be undertaken (Saunders et al. 2019). Teddlie and Tashakkori (2012) emphasise that it is essential to consider the difference between methods (refer to a technique or procedure to obtain and analyse data) and methodology (as a broad approach to scientific inquiry specifying how research questions should be asked and answered) (Teddlie and Tashakkori 2012; Saunders et al. 2019). Holden and Lynch (2004, p. 2) suggest that:

“methodological choice should be consequential to the researcher’s philosophical stance and the social science phenomenon to be investigated”.

It is vital to define the paradigm under which the investigation will take place and examine the prevailing research paradigms with their embedded philosophical assumptions.

Five philosophical underpinnings exist, namely: positivism, critical realism, interpretivism, postmodernism and pragmatism (Saunders et al. 2019). While the list of research paradigms is not exhaustive, these constitute commonly applied paradigmatic doctrines and represent the most dominant one in the broader spectrum of paradigms. Critical theory, feminism, hermeneutics, structuration theory, post-positivism, and constructivism (Guba and Lincoln 1994; Easterby-Smith et al. 2008; Johnson and Gray 2010) can offer valuable paradigm perspectives for a range of research. This study will next discuss the most commonly applied paradigms.

5.2.1. Ontological, epistemological, and methodological paradigm consideration

The five main philosophies in business and management research include positivism, interpretivism, pragmatism, critical realism and postmodernism (Saunders et al. 2019). These are not exhaustive but represent the most dominant paradigmatic doctrines used. These are introduced and discussed next to identify the most suitable paradigm for this research.

5.2.1.1. Positivism

The French philosopher Augusto Comte (1853) was the first to pinpoint the term positivism. The idea of positivism is that the social world exists externally, and its properties should be measured through objective methods (Easterby-Smith et al. 2008). The ontological position of positivism is that in objective reality, there is one truth that exists independent of human factors (Sale et al. 2002; Mayoh et al. 2012). Epistemologically, the researcher and the research subject are

independent by neither influencing the phenomenon of the study nor being influenced by it (Sale et al. 2002). The focus is on discovering the observable and measurable facts and variables that would produce credible and meaningful data (Saunders et al. 2019).

Positivism is a basis for quantitative methods and its endeavour to measure and analyse casual relationships (Sale et al. 2002) in a value-free way (Saunders et al. 2019). The positivist methodology often relies on experimentation, where the hypothesis is put forward in propositional or question form about the relation between phenomena (Rehman and Alharthi 2016). Positivism traditionally played an essential role in social science and service marketing (Hanson and Grimmer 2007). Research by Hanson and Grimmer (2007) shows that in marketing research, qualitative research techniques are not dominant in use, as they are usually seen as “*less solid*” than quantitative. Instead, marketing studies are influenced by quantitative research as it is legitimated as “*the best research*” (Hanson and Grimmer 2007, p. 67). Despite the inherent benefits of the positivist approach, it has been criticised as:

“while objective and scientific methods are appropriate for studying natural objects, they are not as successful when applied to social phenomena” (Rehman and Alharthi 2016, p. 53).

5.2.1.2. Interpretivism

Interpretivism was developed in reaction to the dominance of positivism in the 19th and 20th centuries. It identifies that there are differences between natural and human science (O’Gorman et al. 2014). Ontologically, interpretivism assumes that there are multiple realities or truths based on one’s construction of reality. Reality does not exist independently in our minds; therefore, the researcher is positioned within the research (Mayoh et al. 2012). The researcher and the researched object are interactively linked. The findings are mutually created within the context of the situation that shapes the inquiry (Sale et al. 2002).

Interpretivist research aims to create new, richer understanding and interpretations of the social world and contexts (Saunders et al. 2019). For instance, different groups like a board of directors, managers, employees (receptionists or Food and Beverage assistants), and customers (business travellers, family or single travellers) see and experience the company differently. They could be seen as experiencing different realities. Male or female customers, employees, or those from different cultural or educational backgrounds may experience the workplace, services or events differently. Interpretivism is a critique of positivism from a subjective perspective (Saunders et

al. 2019). The tradition of interpretivism is not unified and unequivocal as it embeds variations such as constructivist, critical, and deconstructionist (Goldkuhl 2012).

5.2.1.3. Pragmatism

Pragmatism originated in the writings of late 19th – early 20th century philosophers Charles Pierce (1839-1914), William James (1842-1910), John Dewey (1859-1952), and George Herbert Mead (1863-1931) (Elkjaer and Simpson 2011; Saunders et al. 2019). The central theme of pragmatism is that in the social world, no pre-determined theories or frameworks shape knowledge and understanding (Easterby-Smith et al., 2008). Pragmatism offers a specific view of knowledge that the only way to acquire it is through “*the combination of action and reflection*” (Biesta 2010, p. 112).

A pragmatist is someone who is less concerned with explanations and meanings than with results. Their research may have a considerable variation in how objectivist or subjectivist it turns out to be (Elkjaer and Simpson 2011; Kaushik and Walsh 2019). That would mean that the most crucial determinant for the research would be the research problem and the research question (Saunders et al. 2019). From an epistemological view, as Biesta (2010, p. 112) imply, according to the pragmatist view, knowledge “*is always about the relationship between actions and consequences, never about word out there*”. The strength of the pragmatic approach to research methodology is the emphasis on the connection between epistemological concerns about the nature of the knowledge produced and technical concerns about the methods used to generate that knowledge (Morgan 2007). Pragmatism allows the researcher to be free from contains imposed by the dichotomy between positivism and interpretivism, and the researcher does not have to be a prisoner of a particular research method as the pragmatist doubts if the reality can be ever determined once and for all (Feilzer 2010; Kaushik and Walsh 2019).

5.2.1.4. Critical realism

Critical realism, introduced by philosopher Roy Bhaskar (1978) (Maxwell and Mittapalli 2010), focuses on explaining the underlying structures of reality that shape observable events (Saunders et al. 2019). Critical realism recognises social conditions (e.g., social class position or income) as having a real impact on whether or not they are observed and recognises that concepts are human constructions (Easterby-Smith et al. 2008). It is different from positivism in many of its premises and implications. Critical realism provides a philosophical stance compatible with the

methodological characteristics of both quantitative and qualitative methods (Maxwell and Mittapalli 2010).

Critical realists claim that an entity can (but not necessarily) exist independently of an actor's knowledge. The entity becomes real if it "*has causal efficacy; has an effect on behaviour; makes a difference*" (Fleetwood 2005, p. 199). According to critical realism, there are two steps to understanding the world. First, some events are experienced, and mental processing goes on after the experience to underlying the reality that might have caused the experience (Saunders et al. 2019).

5.2.1.5. Postmodernism

Postmodernism gained academic attention with the publication of French philosopher Jean-Francois Lyotard's (1984) book *The Postmodern Condition* (Easterby-Smith et al. 2008). It has been mostly associated with the work of other French philosophers such as Jacques Derrida (1930-2004), Michael Foucault (1926-1984), Gilles Deleuze (1925-1995), Felix Guattari (1930-1992) and Jean Baudrillard (1929-2007) and historically was entangled with the intellectual movement of poststructuralism (Saunders et al. 2019). The idea of postmodernism provides the critique of scientific progress as linear and continuous. It suggests that it is contested and discontinuous. Postmodernism contains an ontological position opposed to realism (Easterby-Smith et al. 2008). In their critique of positivism, postmodernists attribute more importance to the role of language (Saunders et al. 2019).

The term "postmodern" has been employed in academic literature in art, science, literary criticism, philosophy, sociology, politics, and management and organisation studies (Chia 2003). Postmodern research aims to challenge the traditional way of *thinking* and *knowing* and give voice to the marginalised ways of seeing and knowing that have been previously excluded (Saunders et al. 2019). For postmodernists, modernity suffers from an excess of instrumentalism. For them, modernity is "*premised on generalised repression of spontaneity and creative imagination*" (Adler et al. 2007, p. 24). Postmodernists view theories more pragmatically as useful tools that help present a view of the world, even if they do not necessarily tell how the world really is. The theories may be workable but may not be timelessly true (Chia 2003).

This section next describes the concepts of the five reviewed paradigms. It is evident that the presented paradigms have different embedded assumptions and implications. The review enables

the researcher to obtain insight into each paradigm's ontological, epistemological, axiological, and methodological stances. Table 5-1 presents and compares those five philosophical research positions. The overview delivers a summary of the foremost philosophers, assumptions, purposes, logic and underlying metaphysical considerations that are inherent in each paradigm. That valuable foundation allows the selection of the research paradigm for this study.

Table 5-1. Belief systems of paradigms of enquiry

Paradigm	19th century Positivism	19th century/ the 1950s Pragmatism	The 1960s Interpretivism	The 1970s Critical Realism	The 1980s Postmodernism
Key philosophers, authors	Comte (1853)	Peirce (1839-1914), James (1842-1910), Dewey (1859-1952), Mead (1863-1931)	Berger and Luckmann (1966)	Bhaskar (1978)	Lyotard (1924-1998), Derrida (1930-2004), Foucault (1926-1984), Deleuze (1925-1995), Guattari (1930-1992), Baudillard (1929-2007)
Ontology	Naïve realism - Real, external, independent, one actual reality (universalism)	Complex, rich, external. “Reality” is the practical consequences of ideas, a flux of processes, experiences and practice.	Critical relativism – local and specific constructed realities. Complex, rich, and socially constructed through culture and language. Multiple meanings, interpretations, realities. The flux of processes, experiences, practices	Critical realism – the reality is “real” but only imperfectly and probabilistically apprehensible, focusing on mechanism. Stratified/ layered (the empirical, the actual and the real). External, independent, intransient. Objective structures, causal mechanisms.	Nominal, complex, rich, and socially constructed through power relations. Some meanings, interpretations, and realities are dominated and silenced by others. The flux of processes, experiences, and practices.
Epistemology	Dualist/objectivist - finding true; Scientific method, observable and measurable, law-like generalisation, numbers, causal explanation and prediction as contributions.	The practical meaning of knowledge in a specific context; “True” theories and knowledge are those that are enabled to successful action. The function of problems, practices and relevance. Problem-solving and informed future practice as a contribution.	Transactional, subjectivist-created findings. Theories and concepts are too simplistic. Focus on narratives, stories, perceptions and interpretations; New understanding and world-views contribution.	Modified objectivist: critical, traditional, findings probably true. Epistemological relativism. Knowledge is historically situated and transient. Fact is a social construction. Historical causal explanation as a contribution	What counts as “truth” and “knowledge” is decided by dominant ideologies. Focus on absences, silences and oppressed/ repressed meanings, interpretations and voices; Exposure of power relations and the challenge of dominant views as a contribution.

Paradigm	19th century Positivism	19th century/ the 1950s Pragmatism	The 1960s Interpretivism	The 1970s Critical Realism	The 1980s Postmodernism
Axiology	In value-free research, the researcher is detached, neutral and independent of what is researched; the researcher maintains an objective stance.	Value-driven research. Research is initiated and sustained by the researcher's beliefs. Researcher reflexive.	Value-bound research. Researchers are part of what is research, subjective. Research interpretations are key to contribution. Researcher reflexive.	Value-laden research. Researchers acknowledge bias by world views, cultural experience and upbringing. The researcher tries to minimise bias and errors. The researcher is as objective as possible.	Value-constituted research. Researcher and research embedded power relations. Some research narratives are repressed and silenced at the expense of others. A researcher is radically reflexive.
Typical methods	Experimental/manipulative: verification of hypothesis, typically deductive, highly structured, large samples, measurement, typically quantitative methods of analysis, but a range of data can be analysed.	Following the research problem and research question. Range of methods: mixed, multiple, qualitative, and action research. Emphasis on practical solutions and outcomes.	Typical inductive. Small samples, in-depth investigations, and qualitative methods of analysis, but a range of data can be interpreted.	Modified experimental/manipulative, retroductive, historically situated analysis of pre-existing structures and emerging agency. Range of methods and data types to fit the subject matter. Deductive and inductive.	Typically, deconstructive – reading texts and realities against themselves. In-depth investigations of anomalies, silences and absences. Range of data types, typically qualitative methods of analysis.

Adopted from: Aliyu et al. (2014, p. 81); Guba and Lincoln (1994, p. 109); Elkjaer and Simpson (2011); Sale et al. (2002); Saunders et al. (2019, p. 144-145)

What the presented paradigmatic spectrum has in common is the question of whether and to what extent the social world can be studied following the same principles as natural science (Saunders et al. 2019). Paradigms vary by different approaches and reflexivity (Wong et al. 2011).

5.2.2. Research Paradigm of the Marketing and Revenue Management

Study

Wong et al. (2011) suggest that no particular domain can be considered right or wrong, perfect or imperfect. Each paradigm has its own valid approaches, making it challenging to justify the right paradigm to follow. They imply that an effective research design is a critical concern in management research, where a researcher's epistemic and methodological actions and reflexivity may put an essence to it. This section first assesses the paradigm choices in marketing and revenue management. Attention to the study's scope and presenting the rationale for adopting *pragmatism* as the most suitable paradigm for this research is drawn.

In service marketing as well as in revenue management, the research approaches favoured the positivist paradigm, while interpretivist approaches have lagged behind (Riley and Love 2000; Hanson and Grimmer 2007; Lugosi et al. 2009; Provenzano and Baggio 2019). The positivist perspective provides a theoretical lens useful to test theories, the validity of models, and statistical significance (Hanson and Grimmer 2007) following the deductive method of research (Nunkoo 2018; Ding et al. 2020). The literature is increasingly characterised by the emergence of artificial intelligence techniques favoured by sophisticated computers and easy-to-use interfaces (Provenzano and Baggio 2019).

Hospitality management research has evolved significantly over the decades, growing emerging work's methodological and conceptual complexity (Lugosi et al. 2009; Ding et al. 2020). Within paradigm consideration for this study, it is imperative to mention the role and contribution of Jacques Derrida (1930-2004) to the philosophy of hospitality (O'Gorman 2006). Derrida (2000) defined hospitality as inviting and welcoming the "stranger". That takes place on the personal level where the "stranger" is welcome into the home and at the level of individual countries. From Derrida's writings, it seems that hospitality is somewhat an enigma as it is not a matter of objective knowledge as it exists within lived experience (O'Gorman 2006). Research in the hospitality context is crucial for the industry and the educational system (e.g., in charge of the training for the industry) (Reuland et al. 1985; Ding et al. 2020).

Over time, researchers have become more sceptical of positivism, leading to a surge in the number of studies using interpretivist approaches or mixed methods (Nunkoo 2018). Various concepts and theories in marketing have been associated with interpretivist and other post-positivist philosophical underpins. For instance, Tran and Yerbury (2015) use the interpretivist approach to investigate how young people perceive the personalisation of search results by Google. Edvardsson et al. (2011) applied a social constructionist approach to understand service exchange

and value co-creation. Rihova et al. (2019) adopted a social constructionist perspective to conceptualise customer-to-customer co-creation in the context of festivals.

In examining the methodological traditions and emerging developments in the context of this study, it becomes evident that a diversity of approaches has been applied (Lugosi et al. 2009). Despite the broad spectrum of paradigms, confusion may arise regarding paradigms and approaches suitable for personalisation research (Aliyu et al. 2014; Saunders et al. 2019). It is essential to bridge the gap in how the aim and objective of the study relate to the philosophical assumption and the research paradigm.

5.2.3. Paradigm Choice for the Study

This study explores customer CeoP and its potential influence on customer WTP. Specifically, the aim is to explore how customer expectations of hotel products and service personalisation impact a customer's WTP. For the purpose of this study, the hotel products and services are understood as the overall hotel offerings that co-create customer experience with the hotel. In addition, to address the study aim, five objectives (Chapter 1, section 1.4, and reiterated above at the beginning of this chapter) have been set out to a) to explore willingness to pay (WTP), b) explore customer expectations of personalisation (CeoP), c) explore the relationship between CeoP and their WTP, d) develop and validate the CeoP-WTP typology and e) develop practical implications emerging from the relationship between CeoP and WTP. These objectives hold some implications for the paradigm choice, which are outlined below.

This study focuses on personalisation's inter-subjectivity formed in a customer's interactions with the company. Positivism, which remains at the forefront of tourism and hospitality research (Masadeh 2012; Ali et al. 2018, 2021) and assumes that reality is observable (Easterby-Smith et al. 2008), may fail to recognise the deeper layers of the dilemma. Epistemologically, the positivist tradition is rather suitable for testing existing theories for which primarily quantitative tradition and highly structured methods are adopted (Saunders et al. 2019). In epistemological terms, the phenomenological perspective on customer value and behaviour would appear to offer a suitable starting point for exploring the relationship between customer expectations of personalisation and WTP.

On the contrary, interpretivism is generally advocated as the ideal paradigm to address the shortcomings of positivism for a predominantly qualitative design (Teddlie and Tashakkori 2010). *"The understanding of the subjective meaning of a person in studied domains is essential"* in this

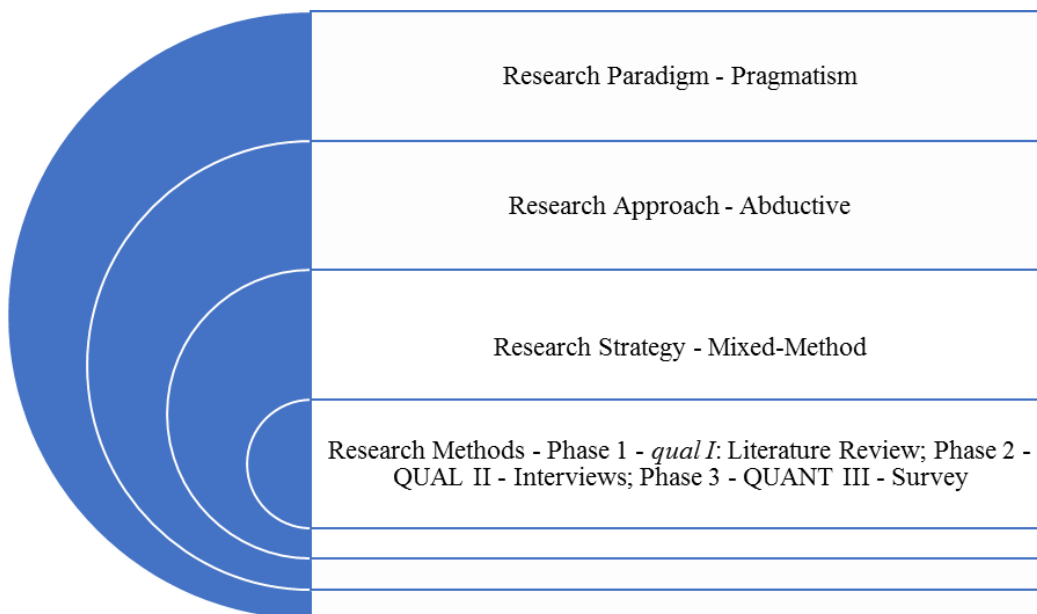
paradigm (Goldkuhl 2012, p. 137). With the ontology based on the notion of social construction, this approach entitles an epistemology that seeks knowledge through the “meaning” of the phenomena rather than measurement (Masadeh 2012), like in the positivist paradigm.

The approach adopted by this study is pragmatism, which is built upon the presented considerations. This approach seems the right choice to support objective and subjective inquiry that attempts to produce knowledge that best corresponds to reality (Feilzer 2010). Following Goldkuhl (2012), the essence of pragmatist ontology is actions and change. People are acting in a world that is in a constant state of becoming. Pragmatism has become a well-established, valuable, and accepted paradigm in its own right (Morgan 2007). As Rahi (2017, p. 1) illuminates:

“pragmatism is not affiliated to any system or philosophy. The researchers are free to use both quantitative and qualitative approaches; the essential is to find the best technique and procedure of research that solve problem statement”.

Figure 5-2 has been developed to provide a graphical overview of the overall research philosophy of this study. It depicts a “research onion” divided into four primary layers covered in this chapter. The layer represents the overarching this study’s paradigm (outlined in section 5.2.1). The inner layers specify the research approach (outlined in section 5.3.1) and the employed research methods (narrative literature review, semi-structured interviews and self-administrated survey) (outlined in sections 5.4, 5.5, and 5.6) in the core of this study.

Figure 5-2. Overall research philosophy



Adopted from: Saunders et al. (2019)

5.3. Methodological approach

Having established the epistemological grounding of this thesis, the following section aims to clarify the methodological approach of this study. Easterby-Smith et al. (2008) argue that the knowledge of the different research practices enables the researcher to adapt the study design to accommodate constraints. Saunders et al. (2019) add that it is often advantageous to combine research approaches within the same piece of research, although one approach or another is often dominant. This section will first present a deductive, inductive and abductive approach following a discussion of the uses of quantitative, qualitative and mixed methods in the research. Lastly, the research plan is presented.

5.3.1. Research Approach

The literature depicts three research approaches: deductive, inductive, and abductive (Ketokivi and Mantere 2010; Saunders et al. 2019). The deductive method is characterised by testing the theory (Saunders et al. 2019). As Kovács and Spens (2005) illuminate, deductive research involves developing a theory and presenting it in the form of hypotheses and propositions, which are then subject to test in an empirical setting and present the general conclusions. Thietart et al. (2001) argue that if the initially formulated hypothesis is true, then the conclusion that follows logically from these premises will be true. The inductive approach allowed for the data collection to explore the phenomenon and generate the theory (Saunders et al. 2019). The inductive approach allows reality to tell its own story, not on the terms of an extant theory (Gummesson 2005). The purpose is to understand better the problem's nature (Saunders et al. 2019).

The third approach – abductive – begins with a “*surprising fact*” being observed (Ketokivi and Mantere 2010 p. 48). This surprising fact is the conclusion rather than a premise, and a set of possible premises is determined that is considered sufficient to explain the conclusion. The abductive approach combines deduction and induction instead of moving from theory to data (deductive approach) or from data to theory (inductive approach). It moves back and forth (Saunders et al. 2019) and works through interpreting or re-contextualising individual phenomena within a contextual framework (Kovács and Spens 2005). Different philosophies lead researchers to different research approaches, such as positivist to deduction, interpretivist to induction, and postmodernists, critical realists and pragmatists to abduction (Saunders et al. 2019). This study leans toward the abductive approach built on deductive-inductive logic as the central concept derives from existing knowledge, while the study is open to new potential findings.

Despite Ketokivi and Mantere (2010, p. 48) claim that the abduction approach “*is logically the weakest form of reasoning: indeed it falls prey fallacy of affirming the consequent*”, Saunders et al. (2019) imply that deduction and induction complement the abduction as logics for testing theories. According to Thietart et al. (2001), by applying the abductive method, the researcher can use analogy and metaphor to account for observed phenomena or illustrate or explain the propositions. Table 5-2 depicts an overview of three research approaches.

Table 5-2. The research approach

	Deduction	Induction	Abduction
Logic	In deductive inference, the conclusion must be true when the premises are true.	In inductive inference, known premises are used to generate untested conclusions.	In an abductive inference, known premises are used to generate testable conclusions.
Generalisability	Generalising from the general to the specific.	Generalising from the specific to the general.	Generalising from the interactions between the specific and the general.
Use of data	Data collection evaluates propositions or hypotheses related to an existing theory.	Data collection explores a phenomenon, identifies themes and patterns and creates a conceptual framework.	Data collection is used to explore a phenomenon, identify themes and patterns, locate these in a conceptual framework and test this through subsequent data collection and so forth.
Theory	Theory falsification or verification.	Theory generation and building.	Theory generation or modification; incorporating existing theory where appropriate; building a new theory or modifying the existing theory.

Adopted from Saunders et al. (2019, p. 153)

Table 5-3 depicts the overall summary of the research approach. This research approach allows for a comprehensive exploration of the relationship between CeoP and their WTP. Phase 1 of the research started with the narrative literature review. It builds the theoretical foundation of the concept of personalisation offerings, value co-creation, and pricing strategies and their relation to customers’ WTP. That is followed by Phase 2 of the research, in which an interview method was adopted. This phase is part of building knowledge about personalised offerings' impact on customers’ WTP from a customer's perspective. Phase 3 adopts the self-administrated survey (Bryman 2016) and helps to explore the typology created based on qualitative findings in Phase

2. This phase includes the feedback process that allows the researcher to obtain additional information from participants' data from Phase 2. Phase 4 analyses, discuss, and provide conclusions for the study.

Table 5-3. The summary of the research approach

Research Phase	Purpose	Logic
Research Phase 1: Literature Review	Analysis of Journal articles	Abductive
Research Phase 2: Interviews	An empirical exploration of customer perspective	Abductive
Research Phase 3: Survey	To use the clustering approach and to explore the typology from Phase 2	Abductive
Research Phase 4: Analysis, Discussion, Conclusions	Advanced understanding of customer types and the relationship between personalisation and WTP; Presenting contribution to theory and practice	Abductive

5.3.2. Quantitative vs. Qualitative approach

One of the most fundamental choices the researcher must make is determining the methodological approach and data most suitable to answer the research question (Thietart et al. 2001). The literature distinguishes two significant paradigms contributing to the knowledge body. On one side, there is a positivist (traditionalist, scientific, objectivist, experimentalist, quantitative) paradigm. On the other side of the spectrum, there is the interpretivist/phenomenological (humanistic, subjective, and qualitative) paradigm (Kapoulas and Mitic 2012). Two primary absorptions dominate management research: constructing and testing theoretical objects (Thietart et al. 2001). This simplification of the difference between paradigms does not account for the dissimilarities in each paradigm's ontological, epistemological, and methodological assumptions (Kapoulas and Mitic 2012). For the researcher to be able to select the most appropriate research approach presupposes an understanding of earlier adopted research methods in the chosen field of study.

As a discipline, marketing is dominated by quantitative research (Crick 2021), as the advantage of positivist empirical methodologies is their usefulness and ability to contribute to the practice. The quantitative research paradigm is adopted in the hospitality domain to provide managers with operational, transferable, and general evidence of customers' characteristics and consumption behaviour by descriptive and inferential statistics (Provenzano and Baggio 2019). Research focusing on, e.g., price personalisation (outlined in section 2.1.6) has noticeably focused on

utilising quantitative methods to help managers improve products and service characteristics to the customer's expectation, satisfaction and value perception. For instance, Ban and Keskin (2021) investigated how a seller can dynamically learn about the impact of customers' characteristics on product demand and employ this information in their pricing decisions.

Mazanec et al. (2010) surveyed over 4,600 articles since 1988 and reported that almost half of all applications applied are Regression-based Methods and Exploratory Factor Analysis. Similarly, content analysis carried out by Nunkoo et al. (2013) illuminates that most studies were quantitative. That supports the view that management research is conceived of as pro-business, preoccupied with managerial challenges and practice. Those studies are positivist or realist in orientation and typically adopt statistical research methods to create truth claims (Lugosi et al. 2009). The quantitative approach fits better to test the theory, so it should be used when a substantial volume of literature surrounds the researched topic. That allows the researcher to form and evaluate research hypotheses (Crick 2021). Quantitative methods do not allow for more in-depth insights that could help to research the aim and objectives. The growing complexity of the analyses has elicited the researchers' interest in a qualitative and mixed method (discussed in section 5.3.3), which illuminates ontological, epistemological and methodological opportunities for further studies (Provenzano and Baggio 2019).

By challenging positivism as a paradigm, qualitative research provides an alternative methodological approach that finds acceptance in many academic fields (Riley and Love 2000). The role of qualitative research in marketing has been extensively discussed in the literature (e.g., Gummesson 2005; Kapoulas and Mitic 2012; Crick 2021). Qualitative research is characterised by data generation, analysis and interpretation, and often tentative conclusions being drawn during fieldwork (Gummesson 2005). A qualitative approach to the research is often used to develop a holistic understanding of constructs, theories, and concepts (Crick 2021). Birkinshaw et al. (2011, p. 574) imply that as there is a growing recognition of the value of qualitative research, they can:

“play a crucial role in interpreting and understand the complex plurality of context – institutional, cultural, organisational”.

Controversially, Easterby-Smith et al. (2008) argue that qualitative studies may feel untidy as it is harder to control the pace, progress, and endpoint. The issue may arise with the creditability of studies based on *subjective* opinion. In an attempt to reach an informed methodological decision, a review of previous research was undertaken, as depicted in Table 5-4.

Table 5-4 shows that a broad range of methods has been adopted. What is evident is that research within the marketing and hospitality domains that focus on themes relevant to the context of this study (e.g., personalised pricing) mainly adopts a quantitative methodological approach. The conceptual work is adopted in studies that emphasise the generalisation of personalisation (e.g., Vesanen 2007; Arora et al. 2008; Sunikka and Bragge 2008, 2012; Salonen and Karjaluo 2016; Zanker et al. 2019; Cavdar Aksoy et al. 2021). Another dominant method of exploring the concept of personalisation is an experiment, which is widely used throughout the literature (e.g., Moon et al. 2008; Lee and Cranage 2011; Xu et al. 2011; Kwon and Kim 2012; Moor and Lury 2018). Only a comparable amount of studies adopt qualitative or mixed methods (Lee and Park 2009; Zhen et al. 2017; Riegger et al. 2021).

As the qualitative approach uncovers experience, process, and casual mechanism, this approach has been used as a precursor for the quantitative approach, which tent to follow the qualitative beginnings by refining and understanding the researched phenomenon. Both qualitative and quantitative methods have strengths and can be used jointly to cover management phenomena adequately (Bluhm et al. 2011). For example, Piccoli et al. (2017) conducted a sequential mixed-method design (discussed in section 5.3.3) encompassing a qualitative case study and field study to document how IT-enabled customer service systems were designed and used to enable service personalisation. While qualitative research can be used as a stand-alone methodology, it has the benefit of being utilised as a follow-up to quantitative research (Crick 2021). Nemkova et al. (2015) conducted a multi-method investigation of company-level decision-making marketing strategies. They started with 11 in-depth interviews with senior managers responsible for export decision-making to shape the conceptual framework. They follow the statistical evaluation to test their model and seek insight into the results through post hoc 13 in-depth interviews.

The review of methodological approaches in the related field of the study on personalisation has led to the adoption of the mixed-method approach for this study, which is discussed next.

Table 5-4. Overview of a methodological decision of selected research

Relevant research themes	Focus and objectives of relevant studies Study aim/objectives	Methods recommended or used in relevant studies	References
The general concept of personalisation	To develop a theoretical understanding of personalisation. Technical feasibility of personalisation techniques: To provide insights into personalisation.	Conceptual work; State-of-the-art review; text-mining; Research profiling; semi-structured interviews	Goldsmith (1999); Riemer and Totz (2003); Vesanen and Raulas (2006); Fan and Poole (2006); Vesanen (2007); Arora et al. (2008); Sunikka and Bragge (2012, 2008); Salonen and Karjaluoto (2016); Zanker et al. (2019); Strycharz et al. (2019); Cavdar Aksoy et al. (2021); Alimamy and Gnoth (2022); Chandra et al. (2022)
Personalised products and service	To explore why an individual would purchase a personalised product and service; To explore antecedents and consequences for internal personalisation.	Semi-structured interviews; Field experiment; Survey; Experiment; Structural equation modelling;	Ball et al. (2006); Moon et al. (2008); Wessel and Thies (2015); Zhen et al. (2017); Zheng et al. (2017); Torrico and Frank (2019)
Ad personalisation	To investigate the effectiveness of personalisation. To better understand customer expectations.	Field experiment, Lab-based experiment, Critical incident technique	Shen (2014); Bleier and Eisenbeiss (2015); Tran (2017); Esteves and Resende (2019); Hayes et al. (2021)
Technology and personalised experience	To understand how mobile technologies can facilitate personalised experience; To investigate the role of technology in service personalisation.	Case study; Experiment; Mixed method – case study and field study	Kwon and Kim (2012); Buhalis and Amaranggana (2015); Buhalis and Foerste (2015); Neuhofer et al. (2015); Piccoli et al. (2017); Buhalis and Sinarta (2019); Buhalis et al. (2019); Riegger et al. (2021); Volchek et al. (2021)
Personalisation – privacy	To investigate the intention to use apps to access personalised services; To examine how privacy assurance affects the outcome of personalisation; To explore the personalisation-privacy paradox.	Conceptual work; Survey; Experiment	Xu et al. (2011); Lee and Cranage (2011); Asif and Krogstie (2012a); Li and Unger (2012); Morosan and DeFranco (2016); Hsu et al. (2019); Morosan (2019); Gerlick and Liozu (2020); Priester et al. (2020); Song et al. (2021); Volchek et al. (2021); Hayes et al. (2021); Chandra et al. (2022)
Personalised pricing	To shed light on the equilibrium product-line pricing and quality; To investigate the impact of price personalisation: To learn the impact of customer characteristics	Experiment; Modeling framework; Subgame's equilibria; Duopoly Game Equilibrium;	Sonnier (2014); Miettinen and Stenbacka (2015) Chen and Chen (2017b); Gershkov et al. (2018); Greenstein-Messica and Rokach (2018); Moor and Lury (2018); Ali et al. (2020); Viglia and Abrate (2020); Botta and Wiedemann (2020); Ban

	on product demand; To investigate market value when companies are engaging in personalised pricing; To explore the historical involvement of price and ability of the market to discriminate.	Conceptual work; Experiment	and Keskin (2021); Poort and Borgesius (2021); Capponi et al. (2021); Chen and Gallego (2021); Pizzi et al. (2022)
--	---	--------------------------------	--

5.3.3. Mixed methods

The research topics' complexity (as highlighted in the previous section) often guides the researcher to employ qualitative and quantitative methods (Bluhm et al. 2011). Before the researchers investigate the topic of interest, they need to decide whether their anticipated methodology is quantitative, qualitative, or mixed (Crick 2021). In reality, many businesses, management, and social science research combine qualitative and quantitative elements (Bryman 2016; Saunders et al. 2019). This combining of methods is characterised mainly by the pragmatist's stance (Morgan 2007) (outlined in section 5.2.1.3).

Commonly, mixed-method research (MMR) is defined as:

“collecting, analysing and combining qualitative and quantitative data within a single cohesive study for the purpose of gaining a holistic understanding of a specific research problem or area of study” (Mayoh et al. 2012, p. 22).

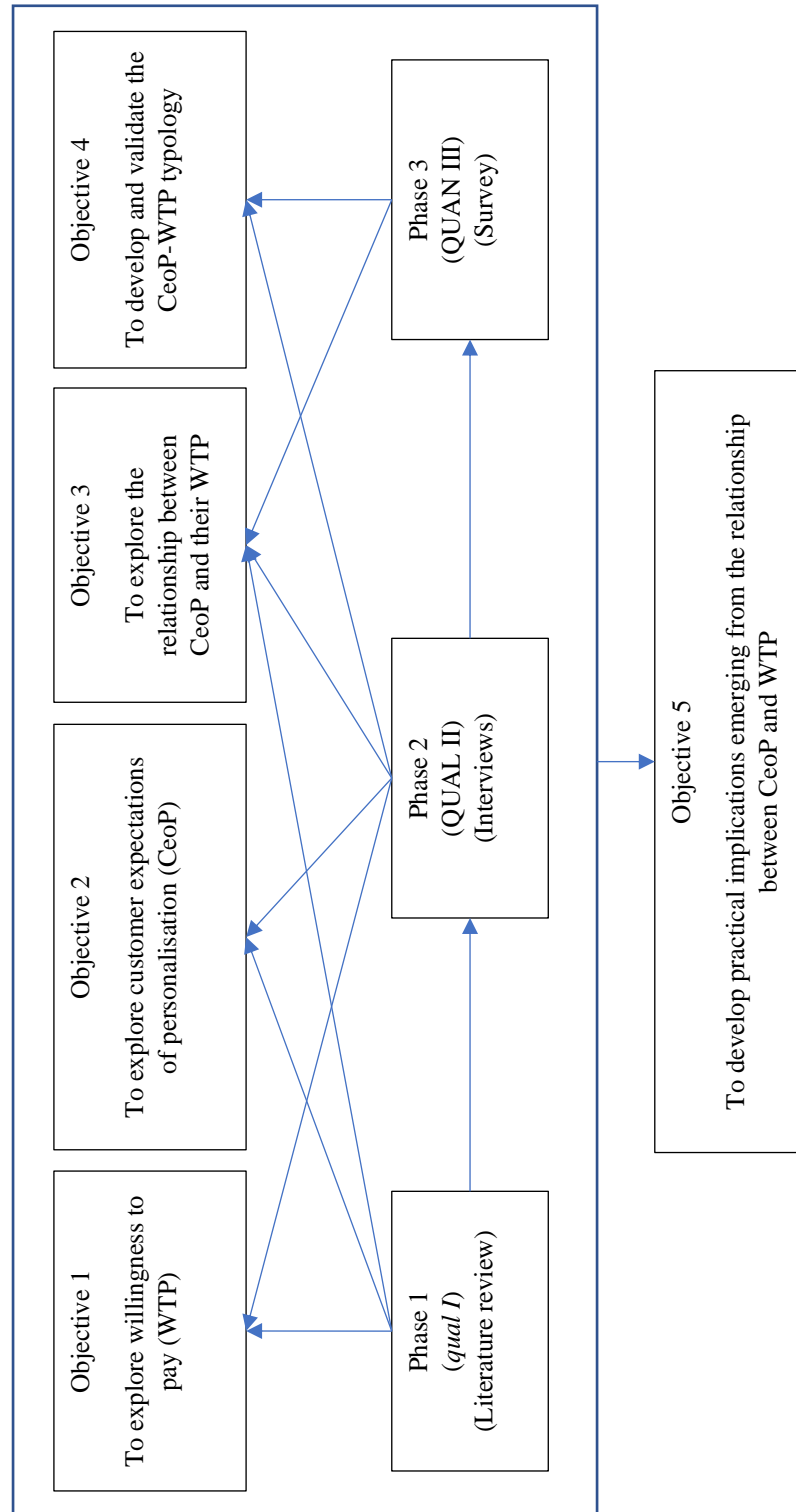
The main advantage of MMR is that it integrates qualitative and quantitative approaches. That allows more profound insights into research problems and helps better understand complicated social issues (Truong et al. 2020). MMR is often time-consuming, involves extensive data collection and requires the knowledge of both qualitative and quantitative methods (Molina-Azorín and Font 2016). Some researchers describe mixed methods as *“messy and still largely experimental”* (Yousefi Nooraie et al. 2020, p. 111).

Despite the criticism, Czernek-Marszałek (2019) imply that MMR is suited for complex exploratory research objectives where individual perception and meaning play an important role. It simultaneously addresses a diverse range of exploratory and confirmatory questions, which can lead to a more in-depth investigation of the phenomenon (Teddlie and Tashakkori 2010). This method is useful for researching the phenomenon for which prior knowledge of the field exists but is incomplete (Czernek-Marszałek 2019).

The MMR can be undertaken concurrently or sequentially (Truong et al. 2020). This study adopted the sequential exploratory mixed-method strategy to address this research's objectives to explore and gain a holistic understanding of the relationship between CeoP and WTP. According to Harrison III (2013), the exploratory design is characterised by collecting the qualitative data, analysing the obtained data, and then building on this data for the quantitative follow-up. MMR may use qualitative and quantitative research equally or unequally. That means that the priority or weight given to either of the research methods may vary, so one method has a dominant role while the other has a supporting role (Saunders et al. 2019). The use of capital letters (QUAN, QUAL) indicates the highest priority, while lowercase (*qual*, *quan*) indicates a lower priority for a particular method (Harrison III 2013). Adopting this approach in this study allowed paradigmatically different methodologies to be combined, providing a multidimensional understanding of the researched phenomenon while honouring epistemological and ontological differences (Mayoh et al. 2012; Mayoh and Onwuegbuzie 2015).

This study employed a sequential three-phase design, including the initial *qual I* component, followed by QUAL II and QUAN III components (*qual I* → QUAL II → QUAN III), depicted in Figure 5-3.

Figure 5-3. This study's research phases

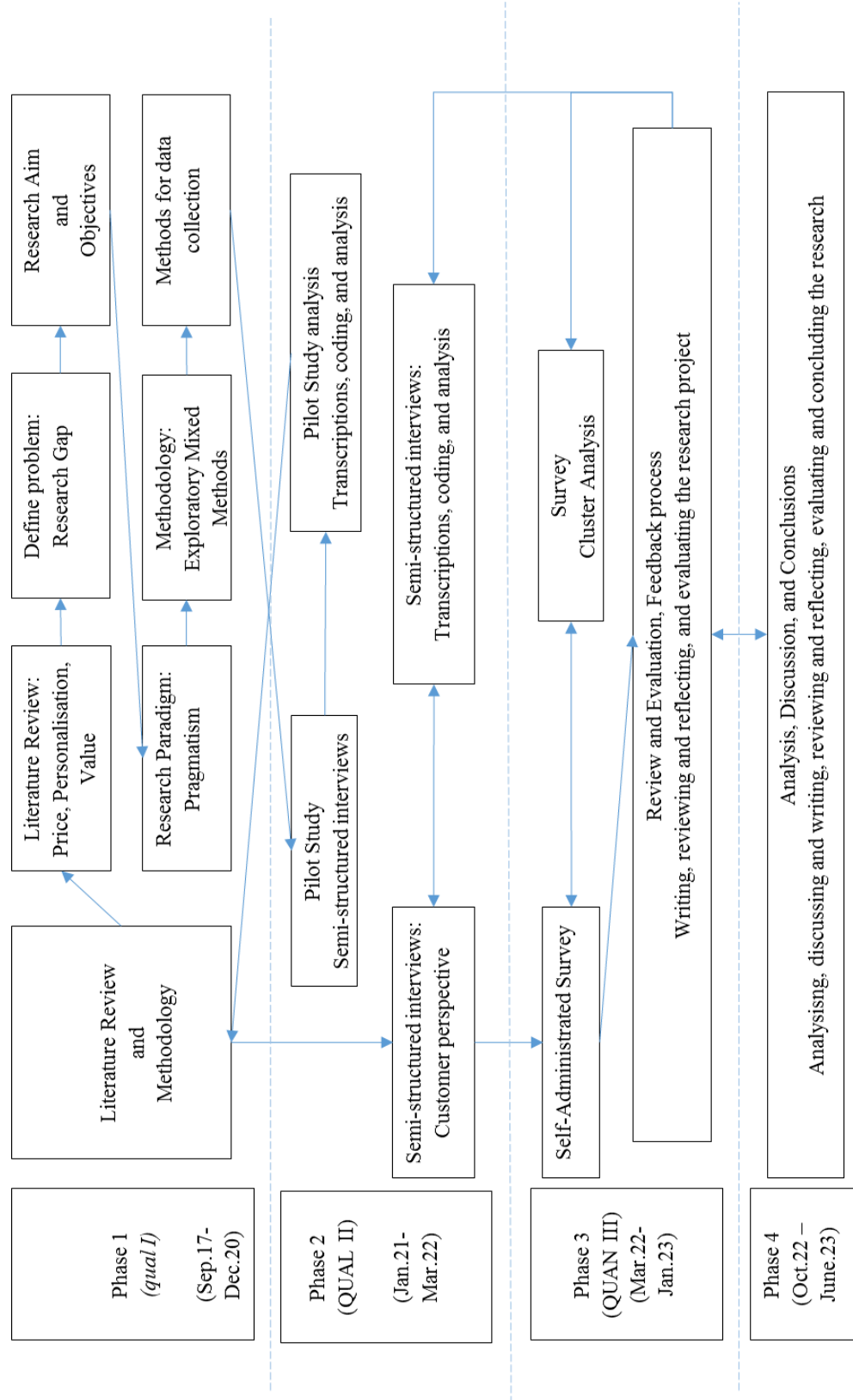


The research started with Phase 1 (*qual I*) by using secondary data to identify the research problem and to formulate the research plan discussed in the next section. Building upon this, the main phases of the primary data collection followed. Phase 2 (QUAL II) consisted of semi-structured interviews designed to understand the customer perspective (regarding understanding and expectation of personalisation) of the researched phenomenon. As McKercher et al. (2022) suggest, qualitative research without follow-up quantitative studies may produce, to some extent, spurious results. Phase 2 helped orientate the focus of Phase 3 (QUAN III) to achieve cohesion between the stages of this study. This design allowed Phases 2 and 3, through complementarity, to provide a more holistic understanding of the phenomenon and interlink the aim and objectives of this research (outlined in section 1.4). Combining all phases allowed for the triangulation of the findings (Saunders et al. 2019) and the achievement of research objectives (discussed in Chapter 9).

5.3.4. Research process

The outline of the procedures adopted in designing and conducting this research is depicted in Figure 5-4. It demonstrates the entire process of this study, from the literature review to methodology, data collection, analysis, and the theory's contribution. In research Phase 1, the research problem and the initial design plan were formulated. The data collection plan interlinks this study's research objectives outlined in section 1.4. Phase 1 includes a narrative literature review of topics conceptualised and studied by various researchers (chapters 2, 3, and 4). In research Phase 2, a small-scale pilot study was undertaken to answer methodological questions and guide the research plan's development (Kim 2011), followed by the primary data collection (outlined in section 5.5). In Phase 3, Factor analysis was undertaken, followed by *K*-means cluster analysis (outlined in section 5.6).

Figure 5-4. Overall Research Process



5.4. Research Phase 1: Narrative Literature Review

As a literature review is a standard part of any academic research (Sunikka and Bragge 2008), the first part of this study was to conduct a literature review. The literature review has no single purpose, and it largely depends on the purpose of the research (Hart 1998). The initial phase of the study involved conducting an extensive literature review. It played a crucial role in establishing the groundwork for the three domains of investigation: WTP, including various pricing strategies, and concepts of personalisation and value (co-)creation. The primary objectives of this literature review encompassed several key aspects: a) explore the existing theoretical frameworks in these fields, b) evaluate contemporary discourses and new points of view, c) pinpoint knowledge gaps that require further investigation, d) formulate research questions and objectives, and finally e) create the conceptual framework that will serve as the study's compass (Section 3.9). The literature review served to help address Research Objectives 1, 2, and 3 by capturing recent paradigm shifts, changes, and relationships in the three theoretical domains.

Research Objective 1:

To explore willingness to pay (WTP)

Research Objective 2:

To identify elements of customer expectations of personalisation (CeoP)

Research Objective 3:

To explore the relationship between CeoP and their WTP

As Nunkoo et al. (2013) illuminate, the review of the existing literature has the potential to create a foundation for uncovering areas for further research as well as advance knowledge and methodology development. This study mainly focuses on customer expectations of personalisation, and this research suggests that value and pricing are inseparable elements of successful personalisation (Alimamy and Gnoth 2022; Heinonen 2022; Viglia 2022). As Sunikka and Bragge (2012) illuminate, literature reviews are essential to any academic research and can be done on a different scale.

This literature review provides important insight into a specific scholarly domain as it sheds light on the complexity of the research phenomenon and its fragmented nature. A literature review focuses on a limited set of articles selected to present the current knowledge within the particular research area (Sunikka and Bragge 2008). Following the scoping search, Grant and Booth (2009) provide descriptive insight into the most common types of literature reviews, including narrative and systematic reviews. Keränen et al. (2012) imply that traditional reviews are often highly subjective and lack rigours and extensive coverage, hence failing to provide reliable knowledge. For systematic reviews, a lack of explicit exclusion criteria and a clearly defined process may result in a subjective selection of research to support a particular argument (Grant and Booth 2009). Unlike systematic reviews, which aim to answer a specific question (Peters et al. 2015), traditional literature reviews aim to map existing literature (Munn et al. 2018; Dewantara et al. 2022). Contrary to a systematic literature review, a narrative review does not have a strict protocol to follow. The design of the literature review depends on the research and the research objectives.

Marketing and revenue management research often involves exploring complex and dynamic phenomena within specific contexts (Kim, Hong et al. 2020; Priester et al. 2020; Ban and Keskin 2021; Cavdar Aksoy et al. 2021; Kallus and Zhou 2021; Lei et al. 2021). Numerous contextual factors, such as market conditions, consumer behaviour, and industry dynamics, may influence these phenomena. A narrative literature review allows for a more comprehensive and nuanced understanding of these contextual factors and their implications for marketing and revenue management strategies. By incorporating diverse perspectives and insights from a wide range of sources, a narrative review can capture the richness and complexity of the research area. As highlighted in section 1.3.1, personalisation is central to marketing and revenue management but remains multidisciplinary in nature (Chandra et al. 2022). Therefore, conducting a narrative literature review is appropriate for this research.

With the Internet revolutionising the literature search, the quantity of potential material is enormous. The quality of researched material is highly variable (Saunders et al. 2019). As explained in the introduction to Chapter 2, this study takes a narrative approach to the literature review (Bryman 2016; Juntunen and Lehenkari 2021). The relevant literature in the three literature review chapters is explored in parallel. This approach allows for a review of topics that have been conceptualised and studied by various researchers in diverse disciplines (as outlined, e.g. in section 1.2 and depicted in Chapters 2, 3, and 4). With the countless numbers and multidisciplinary research, reviewing every single article that could be relevant to the topic is simply impossible (Snyder 2019).

As the selection of articles is determined by accessibility, relevance, and availability (Cullinane and Toy 2000), the journal articles were drawn from online databases such as Scopus and Google Scholar. Those are considered the most popular research databases (Leung et al. 2013; Chandra et al. 2022). A keyword search was used to filter the articles in terms of relevance. In terms of document acquisition of the full text of journal articles, a string of wildcard keywords were used, such as: “personali*ation”, “personali*ed”, “one-to-one marketing”, “customi*ation”, “customi*ed”, “value creation”, “value co-creation”, “personali*sed pricing”, “personali*ed price”, “price personali*ation”, “willingness to pay”, “willingness-to-pay”, and “WTP” and various combinations of those. The “*” in the search word is a wildcard accommodating British and American English spelling. After identifying initial articles, further inclusion-exclusion criteria were adopted during the search stage. The initial timeframe of this study ranges from the year 2007 to 2023. The reason for this timeframe was the increasing interest in personalisation allowed to elaborate on a broad range of literature (Sunikka and Bragge 2012; Salonen and Karjaluo 2016; Bielozorov et al. 2019; Chandra et al. 2022). There is still a possibility that the older articles might have irrelevant information (Anshari et al. 2019). The proposed timeframe allows for charting the most recent development in the field (Salonen and Karjaluo 2016). From a pragmatism standpoint, the suggested timeline does not exclude older articles that the research may find meaningful and relevant for achieving this study's aims and objectives. The literature review (chapters 2 – 4) includes full-length, peer-reviewed articles that were published in English. Each article's title, keywords, and abstract were reviewed in terms of relevance. Conference articles, book reviews, book chapters, editorial notes, and reports were analysed for a holistic view. Still, in most cases, those sources were excluded from this study due to a lack of clear relevance to this research focus. The search process for relevant literature becomes iterative in each search as researchers learn more about the topic under investigation (Sunikka and Bragge 2012). This further supports the decision to take a narrative approach to a literature review in this study.

Like any existing literature review, a narrative review depicts some drawbacks. Any conclusions that may be grasped may be open to bias from the potential to omit perhaps significant sections of the literature (Grant and Booth 2009). Henry et al. (2018) illuminate that this type of literature review is set as a broad overview of the topic-related research area.

The strength of this approach is that it allows for consolidation, building on previous work, and identifying omissions or gaps (Grant and Booth 2009). It is relevant to conceptual areas that evolve quickly (like personalisation) (Henry et al. 2018; Dewantara et al. 2022). The narrative review approach allows for identifying and examining the theory and research relating to

personalisation and its relationship to customer value, WTP and various pricing strategies. In this study, the narrative literature review acts as a background for the further stages of this research and provides a platform for establishing the contributions of this study (Bryman 2016). For this reason, this phase of the study (Phase 1) was given lower priority weighting (*qual I*) than following Phases 2 (QUAL II) and 3 (QUAN III), still helping the multidimensional understanding of this research phenomenon and *exploring how customer expectations of personalisation (CeoP) affect the willingness to pay (WTP) in the hospitality industry.*

The secondary data analysis can offer points of comparison with new research and might allow for uncovering unforeseen issues (Saunders et al. 2019). With continuous evolvement in the personalisation research depicted in Table 5-5 (literature review of studies on personalisation), the strength of adopting a narrative literature review in this research lies in its ability to capture the complexity of the research area, integrate diverse perspectives, explore interdisciplinary connections, and help to offer practical implications for industry practitioners (Research Objective 5: *To develop practical implications emerging from the relationship between CeoP and WTP*).

Table 5-5. Literature review of studies on personalisation

Author(s) (year)	Method used	Sample size	Period researched	Discipline
Sunikka and Bragge (2008)	Bibliometric approach (Research profiling)	781 articles	1961-2006	Computer Science; Information systems
Adolphs and Winkelmann (2010)	Content-driven analysis	42 articles	2000-2008	e-commerce, Information systems
Gao et al. (2010)	Content analysis	Not provided	2000-2007	Information systems
Sunikka and Bragge (2012)	Research profiling	883 articles	1986 - 2009	Computer Science; Information systems
Salonen and Karjaluoto (2016)	State-of-the-art	91 articles	2005-2015	Marketing; Information systems
Boerman et al. (2017)	Systematic review	32 articles	2008-2016	Marketing
Anshari et al. (2019)	Systematic review	Not provided	2010-2015	Computer Science, Marketing
Nguyen et al. (2019)	Systematic review	12 articles	2004-2016	Marketing
Bielozorov et al. (2019)	State-of-the-art	27 articles	2005-2018	Human-Computer Interactions
Seele et al. (2021)	Systematic interpretative review	315 articles	1980-2019	Revenue Management
Cavdar Aksoy et al. (2021)	Systematic review	Not provided	Up to 2019	Marketing
(Chandra et al. 2022)	Bibliometric review	383 articles	Up to June 2021	Marketing

5.5. Research Phase 2: Qualitative Study

As this study intends to explore the participant's perceptions and experiences regarding personalisation, the qualitative research approach was adopted in this research phase to gain insight into participants' minds, attitudes, and behaviour. This section presents qualitative research Phase 2: Semi-structured in-depth interviews, which aimed to explore the lived experience of the customer expectation and their understanding of personalisation and to explore if and how personalisation benefits influence customer WTP. This study seeks to add knowledge and explore this complex phenomenon by taking a stand from the customer perspective and adopting the CDL lens. The interview process was divided into two stages: the pilot study and the main study.

5.5.1. Research Instrument for the qualitative phase

As this research is interested in people, their thoughts, feelings, and experiences, planning for the interview was vital to obtain a successful outcome. To satisfy Research Objectives 1, 2, 3, 4 and 5 (Section 1.4, and Figure 5-3 in section 5.3.3), a semi-structured, in-depth interview instrument was developed based on a literature review (Chapters 2, 3, and 4). Following Walton (2021), the questions were formulated and phrased carefully for ease of understanding by participants.

The interview instrument seeks short, unbiased, and straightforward questions that allow participants to speak at length rather than only offering brief explanations and superficial insights. Following these design tenets, questions were created in the following ways to define: a) open-ended questions, not leading towards pre-defined answers; b) non-dichotomous questions, avoiding yes/no answers; c) neutral questions, not favouring specific responses; d) questions that contain one idea at a time; and e) straightforward questions, avoiding jargon (Neuhofer-Rainoldi 2014; Saunders et al. 2019).

Respondents were asked open-ended questions with the support of an interview guide (Appendix 2), focusing on permitting participants to tell their stories rather than to answer structured questions (Ryan et al. 2009). It was essential to use descriptive questions with “What?”, “How?” and “Why?” to delve into the more analytical exploration of the researched phenomenon (Walton 2021). The interview guide had two main sections, including: “How would you define personalisation? and When/Why/How does the personalisation affect your WTP?” The first one focuses on customer understanding and expectations of personalisation. The second section relates to their WTP more for personalised products and services. Participants were asked about their expectations from the hotel product and service personalisation. Customer preferences

depend partially on what is available on the market and what is considered an ideal offer (Waryszak and Kim 1995). Participants were asked about their attitudes and experiences related to their decision-making process. Participants were asked about their WTP for personalised hotel products and services offers. Participants were asked about their views, understanding and experience on personalisation of the price. Last, informants were asked to provide demographic information. Follow-up interview questions were asked to obtain further details, explore each area, and seek a deeper understanding of participants' opinions about their decision-making process and pursuit of the uniqueness seeking (novelty-familiarity continuum). Participants were asked questions systematically, but interviewees were given freedom and encouraged to elaborate further beyond the answers. The semi-structured interviews were characterised by an iterative design and were progressively refined from one interview to the next to adapt questions and allow for emerging themes to be incorporated (Neuhofer-Rainoldi 2014; Saunders et al. 2019; Walton 2021).

5.5.2. Research Sampling of a qualitative phase

This study employed purposive sampling to determine the eligibility of respondents (Saunders et al. 2019). This method is commonly used if participants need to fulfil specific criteria (Bryman 2016). The participants were chosen purposively based on being UK residents, ensuring that interviews will be conducted in English only. The other inclusion criteria include requirements for participants to travel within the last 12 months before the data collection date. In the context of this study, the research sampling decision pertained to the selection of participants for whom the main purpose of travel was leisure. No further inclusion/exclusion criteria were necessary regarding geographical location (north, south, east, west of the country), nationality, travel destination visited, or destination visited (e.g. domestic or overseas). Due to Covid-19 and restrictions, and with time and cost constraints, the snowball technique (Marcus et al. 2017) was used to recruit more eligible participants. At the end of each interview, participants were asked to invite their family, friends, and colleagues who qualified to participate. A reasonable diversity was sought in terms of gender, age, occupation, education, and marital status, as depicted in Table 5-6.

Table. 5-6. The customer participant profile

No.	Male/ Female	Age	Occupation	Education	Marital Status	Length of interview
1	Female	32	Mortgage Advisor	A-levels/College	Single (with kids)	52:38
2	Male	39	Car Valet	Masters	Single	43:23
3	Female	40	Health Worker	Masters	In relation (with kids)	55:19
4	Male	53	Chef	A-levels/College	In relation (with kids)	49:39
5	Male	40	Lecturer	Masters	In relation	47:30
6	Male	45	Director of Insurance	Masters	In relation (with kids)	50:31
7	Female	33	Academic	PhD	In relation	55:28
8	Female	36	Lecturer	Masters	In relation	1:09:10
9	Male	41	Technical Representative	Bachelor	In relation (with kids)	1:05:41
10	Female	45	Principal Business Analyst	Masters	In relation (with kids)	1:05:35
11	Female	36	Assessor	Bachelor	In relation (with kids)	43:42
12	Female	42	COO	Masters	In relation (with kids)	1:08:32
13	Female	44	Office Assistant	Masters	In relation (with kids)	38:17
14	Female	38	Project Manager	Masters	In relation (with kids)	46:06
15	Male	45	Carpenter	Masters	In relation (with kids)	49:41
16	Female	38	Receptionist	Bachelor	In relation	42:11
17	Female	40	Real Estate	Masters	In relation (with kids)	41:20
18	Male	23	Sales Representative	Bachelor	Single	52:04
19	Male	38	Product Owner/Project Manager	A-levels/College	In relation	32:39
20	Female	33	Researcher	Masters	In relation	1:17:34
21	Male	46	Project Manager	A-levels/College	In relation	36:37
22	Male	37	Compliance Operations Manager	Masters	In relation (with kids)	49:31
23	Female	32	Reservation Supervisor	Masters	Single	47:35
24	Male	42	Managing Director	A-levels/College	In relation (with kids)	49:38
25	Female	33	Architect	PhD	In relation	1:12:21
26	Female	38	Teacher and Interpreter	A-levels/College	In relation (with kids)	57:24
27	Female	57	Trainer	A-level/College	In relation (with kids)	21:18
28	Male	55	Independent Consultant	Masters	In relation	1:14:44
29	Female	32	Unemployed	PhD	In relation	1:09:17
30	Male	33	Sales Representative	Masters	In relation	58:19
31	Male	38	Senior Field Sales Professional	Masters	In relation (with kids)	1:00:13
32	Female	42	Accountant	Masters	In relation (with kids)	46:44
33	Male	45	CEO	Bachelor	In relation (with kids)	39:25
34	Male	39	Local Government Officer	A-levels/College	In relation (with kids)	49:49
35	Female	32	Quality Assurance	A-levels/College	Single	49:56
36	Female	43	Financial Officer	Masters	In relation (with kids)	46:48
37	Male	32	Senior Lecturer	PhD	In relation (with kids)	1:03:45
38	Female	40	Housewife	Masters	In relation (with kids)	48:41
39	Female	39	Business Analyst	Bachelor	In relation (with kids)	28:00
40	Female	39	Project Manager	Bachelor	Single	49:39
41	Male	69	Retired	A-levels/College	In relation (with kids)	48:45
42	Male	65	Lecturer	A-levels/College	In relation (with kids)	1:11:38
43	Male	69	Retired	Masters	In relation (with kids)	51:46

Regarding the size of the sample, the exact amount of interviews is debatable (Saunders et al. 2019). As a general rule, it is accepted that the larger the sample, the greater the confidence in results (Thietart et al. 2001). Saunders et al. (2019, p. 317) suggested a sample size of

“between four and twelve participants for homogenous and twelve and thirty participants for heterogeneous groups”.

Thietart et al. (2001) suggested that the large samples may pose problems regarding cost, scheduling, and extensive time and procedures required for data analysis. How the specific sample size is defined depends on the study (Smith and Eatough 2021). For example, nine interviews were conducted to create a typology of senior travellers as users of tourism information technology (Pesonen et al. 2015). Seo and Buchanan-Oliver (2019) conducted twenty-four interviews and adopted a hermeneutic approach to construct a typology of luxury brand consumption practices. Chevtaeva and Denizci-Guillet (2021) conducted twelve interviews to investigate digital nomads' lifestyles and coworkation. This study collected data until the interviews reached theoretical saturation (Saunders et al. 2018), resulting in forty-three interviews with an average length of 52 minutes.

5.5.3. Pilot Study of a qualitative phase

A pilot study is a small-scale feasibility study planned and often conducted to answer methodological questions and assist in developing the research plan (Kim 2011). The purpose of the pilot test is to refine the questions. It is easy for respondents not to answer and avoid as many challenges as possible in recording the data. The pilot test allows the researcher to refine and narrow down some concepts considered in this study's earlier stage (Saunders et al. 2019). Despite the importance and usefulness of pilot studies, the literature discussing this method in scientific research is still quite limited (Thabane et al. 2010; Kim 2011; Crick 2021). The reason for this could be that those pilot studies, by nature, do not intend to produce results and may be unsuitable for publication (Kim 2011).

Thabane et al. (2010) illuminate several rationales for conducting the pilot study. These include *process* – to assess the feasibility of the steps needed for the main study; *resources* – to evaluate the challenges with time and budget required for the main research; and *management* – which covers potential human and data optimisation issues. The sample size of the pilot work depends on research questions, objectives, size of the research project, time and budget, and the quality of the questionnaire initially designed (Saunders et al. 2019). In this study, the process was

undertaken to validate the quality of the research instrument, pre-testing a research instrument, and increase the likelihood of the success of the main study (van Teijlingen and Hundley 2001).

Before Covid-19, the research instrument consisted of conducting a pilot study through face-to-face, semi-structured, in-depth interviews with travellers. The timeframe for the pilot interviews was for May 2020, during the first national lockdown in the UK. With the advancement of technology, online interviewing methods offered the researcher an alternative or supplemental choice (Janghorban et al. 2014). To comply with social distancing policies during Covid-19, appropriate data collection methods were adopted to enable the research to conduct online interviews using Zoom – a web-based video conferencing platform. From an ethical point of view, both face-to-face and online methods require gaining formal informed consent, ensuring the anonymity and privacy of participants (Dodds and Hess 2020) (outlined in section 5.7).

The purpose of the pilot study was to refine concepts considered in the initial stage of the study. These concepts include personalisation, value co-creation, WTP, and personalised pricing. By conducting a pilot study, the researcher could practice and assess the effectiveness of data collection and analysis techniques (Doody and Doody 2015). The process allows for testing the suitability of grounded thematic analysis and interpretive phenomenological analysis (Heath and Cowley 2004; Glaser 2012; Smith et al. 2012; Lyons and Coyle 2021) as a potential analytical method for the study adopting CDL and configuration theory.

Another goal of the pilot study was to assess the feasibility of the study. The interviews were intended as a “test run” (van Teijlingen and Hundley 2001) for the researcher to practice his interview skills, test the online interview process, determine the interview length, and test the questions’ usefulness and relevance.

5.5.3.1. Pilot Study Sampling

The participants were chosen purposively based on being UK residents and having travelled within the last 12 months before the interview. A reasonable diversity was sought in terms of gender, age, and occupation, as depicted in Table 5-7. All pilot interviews lasted between 28 and 72 minutes. The interviews followed an open-ended format to fit in with the proposed primary data collection.

Table 5-7. Pilot interview participants

Participant	Gender	Age	Education	Length of Interview	Transcript - Word count	Transcript - Page count	Interview type
PS Cust 1	Female	35-40	Bachelor	28 minutes	2,841	6	Online (Zoom)
PS Cust 2	Female	35-40	Bachelor	50 minutes	5,696	8	Online (Zoom)
PS Cust 3	Male	65+	A-Levels	52 minutes	6,229	9	Online (Zoom)
PS Cust 4	Male	60-65	A-Levels	49 minutes	6,622	8	Online (Zoom)
PS Cust 5	Male	65+	Masters	72 minutes	6,339	10	Online (Zoom)

During the process, constant participant feedback was gathered regarding question formulation and structure, and the research instrument was adapted accordingly. The adjustments were made accordingly. The overall themes, content and design of the interview instrument were confirmed. Some modifications were made by changing the order of two questions, re-typing and simplifying three questions to reduce complexity, removing two questions to avoid repetitiveness, and including one additional question, resulting in 27 questions after the pilot study (see Appendix 2). After addressing all issues highlighted and the initial analysis of pilot interviews, the pilot test was completed. The main interview stage was initiated - as outlined in section 5.5.4 (semi-structured in-depth interviews).

5.5.3.2. Pilot Study Data collection

The pilot study included semi-structured interviews to fit with the proposed inductive data collection method (Saunders et al. 2019). After introducing the research and explaining the purpose of the interview, participants (customers) were asked to talk about their feelings and experience with hotel bookings, personalisation of hotel offerings, and their WTP for personalised hotel offerings. Conducting a pilot study allowed the researcher to detect and address the potentially problematic issue (Crick 2021). All participants chosen for the pilot study were contacted using professional social networking sites such as LinkedIn. The purpose of this was to minimise the potential low response rate and enhance the severity of the process.

The pilot interviews resulted in 251 minutes (4 hours and 11 minutes) of raw recording. Once manually transcribed, it resulted in 41 pages, equivalent to 27,727 transcribed words for the initial analysis depicted in Table 5-7.

The potential participants were informed about the purpose, the scope of the study, the anticipated length of the interview, anonymous data collection, and the right to withdraw from the research. After the participant agreed to participate in this pilot study, the interview time was arranged using the Doodle online booking system. Using Zoom as a platform for conducting and recording pilot study interviews provided several opportunities, allowing for social distancing (in the era of Covid-19 restrictions) and decreasing a geographical location by decreasing expenses needed to cover, e.g., travel. It provided an opportunity for more flexible scheduling and gave the researcher and participants more options to fit the interview into their busy work schedules and personal life (Irani 2019). Audio-video recording of the interview permitted the researcher to replay many times, allowed for better familiarisation with collected data, and to study and improve the overall interview process. Despite numerous opportunities created by conducting interviews using online platforms, this qualitative method approach revealed some challenges. It restricted the researcher's ability to assess the participant's environment. Another challenge for online interviews is the reduced view of body language and non-verbal communication, as the view is often from the waist up (Irani 2019). During two interviews, the participants decided not to use the camera, which did not enable the researcher to engage with the participants' body language. Additionally, on two occasions during the pilot study, both the researcher and participant experienced issues related to an unstable Internet connection.

5.5.3.3. Pilot Study Transcriptions and Analysis

All pilot study interviews were recorded and transcribed manually into Microsoft Word. The overlapping speech, incomplete sentences, or poor-quality recording due to a slow Internet connection are just a few challenges that the researcher faced during the interview and transcription process. Transcribing audio-recorded interviews is exceptionally time-consuming (Saunders et al. 2019). As an integral part of the research process, the pilot study transcribed interviews, resulting in a transcription time of approximately 30 hours. The manual transcription allowed the researcher to familiarise and immerse himself with the data (Saunders et al. 2019). Qualitative research involves making sense of a large amount of, e.g., textual data and Computer-Aided Qualitative Data Analysis Software (CAQDAS) - NVivo may be used to facilitate the analysis (Easterby-Smith et al. 2008). The transcribed interviews were transferred into QSR

International's NVivo 12, utilising the thematic analysis method following the guidance of Cho and Lee (2014) and Sundler et al. (2019).

The thematic analysis method was used to analyse the pilot interviews, allowing the researcher to classify written or oral data to make sense of seemingly unrelated material (Cho and Lee 2014; Neuendorf 2019; Sundler et al. 2019). The method allows identifying patterns or themes within the data (Braun and Clarke 2006, 2012, 2019). While conducting the analysis, the researcher strived to explore and understand the meanings embedded in participants' experiences. The method codes and categorises variables such as attitudes and views that were considered positive, neutral, or negative (Saunders et al. 2019). A code in the qualitative method is a word or short phrase that is a summative and evocative attribute of the data. Coding is an interpretive act (Saldana 2013). For the pilot study and in line with the literature (Braun and Clarke 2006), the six-phase coding process depicted in Table 5-8 was proposed and adopted. Before the coding process, the transcription of interviews took place. The next phase was to transfer transcribed data from interviews into NVivo 12 to organise and prepare a folder system for further analysis (P-phase 1). At the beginning of the process, each interview transcript was read with an open mind to achieve familiarity, explore experiences expressed during interviews and illuminate novel information (Sundler et al. 2019). That was followed by the open coding procedure, during which 312 initial, mainly descriptive codes were assigned (P-phase 2). The second coding cycle (Saldana 2013) was then conducted (P-phase 3). In this phase, codes were collated into potential themes. The codes were clustered and merged in this cycle to refine initial categories and themes (P-phase 4). P-phase 5 includes ongoing analysis to refine the specifics of the themes. The final stage (P-phase 6) includes producing main themes that were initially seen as relevant in the context of the relationship between what customers expects of personalisation and WTP.

The findings indicated that customers' expectation of personalisation is not limited to utilitarian and hedonic motives only (Pappas, Kourouthanassis et al. 2017; Tyrväinen et al. 2020) but customers are motivated by motives such as economic (time and budget restriction), cognitive (knowledge gain/exchange, other customers reviews), and uniqueness seeking (familiarity-novelty continuum) (outlined in Chapter 6). The findings confirm one of the tenets of configuration theory in that the perception and expectations of personalisation are not limited to a single element. As individuals evaluate their experience holistically, they are based on equifinality and casual asymmetry of various factors (Pappas et al. 2019; Lee and Chuang 2022) (as discussed in section 3.8). The pilot interviews indicated that customer WTP is associated with the budget allocated for hospitality offerings and varies depending on participant context - the reason for travel (business vs. leisure), frequency of visit (first-time vs. repeat visitors), time of

travel (school holiday) and attributes (e.g., view from the room) offered by the hotels (Masiero, Heo, et al. 2015; Nieto-García et al. 2020). The pilot study findings suggest that there is heterogeneity in customers' WTP for different expectations of personalisation. The findings indicated that customer WTP is not influenced by demographic variables but by customer context and requirements.

Table 5-8. Pilot study coding and analysis strategy

Coding phase	Analysis strategy	Analysis process
P-phase 1	Transcripts and data familiarisation	Transcribe transcripts, take notes, read and re-reading the data
P-phase 2	Generating initial codes	Coding interesting features of the data across the entire data set
P-phase 3	Searching for themes	Collating codes into potential themes
P-phase 4	Reviewing themes	Checking if the themes work concerning the coded extracts and entire data set generating a thematic map of the analysis
P-phase 5	Defining and naming themes	Ongoing analysis, generating clear definitions and names for each theme
P-phase 6	Producing the report	Final opportunity for analysis. Selection of vivid, compelling extract examples. Final analysis of selected extracts. Producing a report on the analysis

Source: Braun and Clarke (2006, p. 87)

During the pilot study data analysis, it soon became apparent that despite their heterogeneity, participants illuminated some similarities regarding their context and expected benefits of personalisation and relationship with their WTP. The data from the pilot study were included in the main study (outlined in the next section – 5.5.4). The results from the pilot study influenced the future choice of data analysis (outlined in section 5.5.4.4). It becomes apparent that interviews, by nature, are hermeneutically framed (Bergman 2015). This was not seen as a limitation as the analytical method employed allowed for deeper exploration of complex, ambiguous, and emotionally laden topics such as customer expectations of personalisation (Smith and Osborn 2015).

5.5.4. Semi-structured in-depth interviews – the main qualitative study

This study explores the nature of customer expectations of personalisation and its potential relationship with WTP. Forty-three participants who are residents of the UK and have travelled for the last 12 months were interviewed to explore and understand better what influences their

WTP. Due to the multidisciplinary nature of the phenomenon presented in the literature, the exploratory approach was considered the most appropriate. The following section outlines the main study of the qualitative research Phase 2, the semi-structured in-depth interviews, which aimed to *explore willingness to pay (WTP) (RO1), explore customer expectations of personalisation (RO2), explore the relationship between CeoP and WTP (RO3), and develop the CeoP-WTP typology (RO4)*. First, the section presents the data collection process before explaining the phase research design and offering an outline of data collection and analysis. This study's research sampling is outlined in section 5.5.2.

5.5.4.1. Data collection of a main qualitative study

This study followed the naturalistic inquiry approach to ensure the trustworthiness of the qualitative phase (Guba 1981) (outlined in section 3.9). The researcher draws on observations, interviews, descriptive data, and his own subjective experience to create evocative descriptions and interpretations of research phenomena (Armstrong 2010). Following Guba (1981, p. 77):

“social/behavioural phenomena exist chiefly in people's minds, and there are as many realities as persons”.

The semi-structured interviews were employed to fit with the proposed inductive data collection method (Saunders et al. 2019). After introducing the research and explaining the purpose of the interview, respondents were asked open-ended questions focusing on customer understanding of personalisation and if/how/when/why personalisation affects their WTP. The first part of the interview instrument focused on customer understanding and expectations of personalisation. The second part relates to their WTP for personalised products and services. A broader discussion of this study research instrument is depicted in section 5.5.1.

Due to the Covid-19 social distancing restriction imposed in the UK, the data collection of this study phase took place online using the Zoom platform. The data collection phase was carried out during April and May 2021. This study used multiple channels such as Facebook, Instagram, and LinkedIn to contact and recruit eligible participants (Tobin and Begley 2004; Gelinas et al. 2017). Reasonable diversity was sought regarding participant gender, age, or occupation (see Table 5-6 in section 5.5.2 and Table 6-1, Chapter 6). The snowball technique was implemented to recruit more eligible participants. At the end of each interview, the respondents were asked to invite their friends, family, and colleagues to participate in the research. The interview times were arranged using the Doodle online booking system. The interviews reached theoretical saturation (Saunders

et al. 2019) when the forty-third interview did not elicit any new information, and the collection of the data was terminated at this point.

Although the Internet reduced travel time during data collection, this opportunity was not without challenges. For example, a couple of interviews had to be rescheduled due to participants' requests, and a couple of scheduled interviews were cancelled. During some interviews, the Internet connection was unstable, causing the researcher to ask participants to repeat their answers and, in some cases, reconnect with the participant (highlighted in section 5.5.3.2).

5.5.4.2. Transcription process

Due to the exploratory nature of this research phase, the semi-structured in-depth interviews were adopted as it allows for a deeper level of exploration and understanding of customer lived experience. All semi-structured interviews were recorded using the Zoom platform. Each interview lasted between 22 and 77 minutes, with an average length of 52 minutes. The interviews resulted in 786 minutes (13 hours, 5 minutes and 50 seconds) of raw recording.

All interviews were audio-video recorded, transcribed digitally, and transferred into Microsoft Word. The audio recording was considered valuable as it allowed for the re-listening of the interviews and accurate interpretation of the data (Bryan and Bell, 2003). The researcher's notes and comments were added to the transcripts to serve as a basis for further analysis and writing. A sample of the full interview transcript is included in Appendix 3.

The main benefit of transcription was that it allowed the researcher to familiarise and immerse himself in the data (Saunders et al. 2019). This made it possible to examine the text in terms of its parts and as a whole (Sundler et al. 2019). It allowed the researcher to illuminate the meaning of lived experience in transcribed interviews (Ho et al. 2017). As the interviews were semi-structured, they only contained relevant parts for the study. The respondents were asked open-ended questions with the support of the interview guide, depicted in Appendix 2 (outlined in section 5.5.1). Although the participants were asked questions in a systematic order, they were given freedom and were encouraged to tell their stories and further elaborate beyond their answers rather than strictly answer structured questions (Ryan et al. 2009).

5.5.4.3. Data analysis of a main qualitative study

This section outlines the data analysis of the main interview stage, presenting the interview transcription, analysis process, method, and strategy. Data analysis took a naturalistic inquiry approach (Guba 1981; Armstrong 2010; Denzin 2017). This approach aimed not to find a representative case from which the generalization could be made but to develop an interpretation that allows the researcher deep insights into human experience. Despite using the Zoom platform for interviews, it soon became apparent that arranging, conducting, and transcribing interviews involved a much bigger timeframe than initially anticipated. As stated in section 5.5.4.1, the interviews took place between April 2021 and May 2021 and adopted the hermeneutic approach outlined in section 5.5.4.5. It refers to how people interpret and make sense of their experiences according to their pre-existing values and ways of seeing the world (Ho et al. 2017; Smith and Eatough 2021). The qualitative data analysis was conducted over eleven months (April 2021 until March 2022) and resulted in a publication in an academic journal (see Tomczyk et al. (2022), Appendix 1).

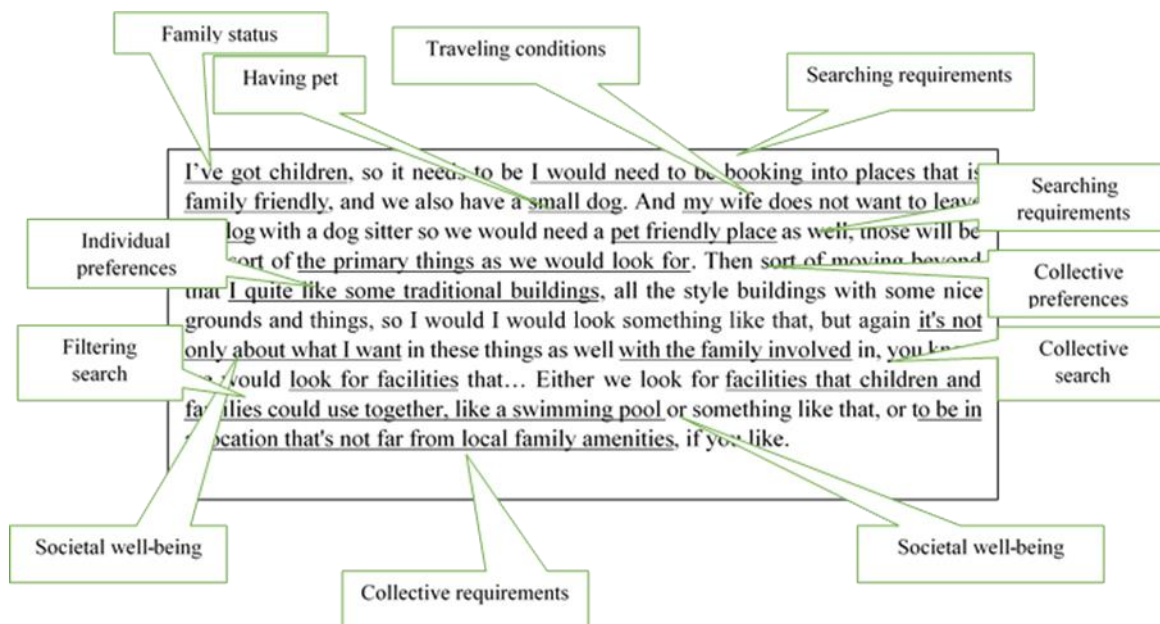
5.5.4.4. Qualitative coding and data analysis with NVivo 12

The main interest of qualitative research is exploration, description, and theory building. Computer-assisted qualitative data analysis software (CAQDAS) has been used in research for decades (Coyle 2021; Crick 2021). The question about using the CAQDAS software for data analysis depends on the data size and access to the software (Bryman and Bell 2003; Bryman 2016). Those programmes do not cater to a particular methodological or analytical approach. It is at the researcher's discretion to remain in control of how the software is used to facilitate the data analysis and interpretation (Saunders et al. 2019). The CAQDAS can make the coding and retrieval process faster and more efficient. It offers an opportunity to relate the coded text to the socio-demographic and personal information of participants and enhances the transparency of the data analysis process (Bryman 2016). After considering its drawbacks and virtues, it was concluded that computer software would help manage a large amount of data. QSR International's NVivo 12 software was utilised in a pilot study (section 5.5.3) and the leading research to assist the researcher in coding, categorising, analysing, and reporting the findings.

NVivo 12 software was used for coding transcripts and reorganising the collected data before further abstraction. To learn about participants' cognitive and affective reactions (Smith 2011) to their experience through and from personalisation, the analysis of what participants said was carried out. To better understand emerging themes, the process of data analysis includes selecting

the units of analysis (transcripts), creating categories and abstraction (open coding), and revisiting categories (Cho and Lee 2014). Figure 5-5 depicts the example of coding. The thematic analysis approach helped to derive themes grounded in the data and experience of the participants. This research analysis aimed to explore and understand the complexity of the meaning of data rather than measure their frequency. Hence, the analysis contains the search for patterns of meaning that can be further explored and organised into themes (Sundler et al. 2019).

Figure 5-5. Example of coding – Participant 34, Customer philosophy



The interviews, by nature, are hermeneutically framed (Bergman 2015). The hermeneutic method (Thompson 1997) was employed to understand better themes emerging from coded data and participants' stories. This method allows an understanding of the lived experiences and actions of the participants. Table 5-9 in the following section lists steps taken using Interpretive Phenomenological Analysis and how they have been managed through NVivo 12 following Smith and Eatough (2021). The following section outlines the rationale and data analysis process used in this research.

5.5.4.5. A hermeneutic approach to data analysis

Originating in psychology, Interpretive Phenomenological Analysis (IPA) is developing a growing approach to research, i.e., in human, social and health science (Smith 2011; Smith and Eatough 2021). For example, Wiles and Crawford (2017) assessed the value of the network hospitality experience for the guest, aiming to understand better the network hospitality as an alternative to traditional logging. Using IPA, Bustard et al. (2019) examined how people make sense of the event and the impact on the overall event experience, linking personalisation, people, processes, and places. Wang (2012) adopted phenomenological research philosophy and examined hotels' key accountant perceptions toward revenue management practice, showing that it reduces the relationship stability and trust between hotels and their key accounts. Sengupta et al. (2022) adopted IPA to capture how mid-level managers experience data science disruptions, suggesting developing an organisational learning ecosystem. IPA explores personal lived experiences and examines how participants make sense of their personal and social world (Smith and Eatough 2021). It has theoretical origins in phenomenology (initially articulated by Husserl), hermeneutics (theory of interpretation), and idiography (the concern of the particular) (Smith 2011; Smith and Eatough 2021). The advantage of using IPA is that it is not a prescriptive method but provides flexible guidelines that researchers can adopt based on their research aims (Smith and Eatough 2021). It allows for unravelling a chain of connection between embodied experience, what is talked about participant's experience, and the participant's cognitive and emotional reactions to that experience (Smith 2011). Following Thompson's (1997) argument, in hermeneutically oriented marketing research, the interpretation of textual data proceeds through a series of part-to-whole interactions. This research adopted a hermeneutic circle, also known as part-to-whole. As Smith et al. (2012, p. 28) suggested,

“the meaning of the word only becomes apparent when it is seen in the context of the whole sentence. At the same time, the sentence's meaning depends on the cumulative meanings of individual words”.

The data from semi-structured interviews were analysed inductively for factors or themes that create perceived value of personalisation benefits that could impact participants' WTP. The IPA methodology provides a flexible guideline that researchers can adopt, grounded in the research aims (Larkin and Thompson 2011). For example, Smith and Eatough (2021) present one of many ways to analyse data using the IPA. They suggest four steps (as depicted in Table 5-9). Firstly, the analysis starts with several close and detailed data readings to obtain a holistic view, allowing future interpretations to stay in line with participants' accounts. The second step involves the

identification of initial themes. The third step is to refine and consider themes and discern connections between them. Finally, the fourth step is the production of a narrative account of the interplay between the interpretative activity of the research and the participants' images of experience (Smith and Eatough 2021). The phenomenological approach recognised stories derived from interviews as narratives that reflect meanings ascribed to a particular object (e.g., personalisation) or event/behaviour (e.g., WTP) (Thompson 1997). While these meanings described participants' views, they were contextualised within broader narratives of pull and push factors (e.g., motives/reasoning for particular behaviour) salient to the participant (Thompson 1997). Table 5-9 depicts steps in IPA utilising NVivo 12 and the process and procedure employed in each step in this study phase.

Table 5-9. Steps in IPA utilising NVivo 12

Steps to analyse data using IPA	NVivo process	Description	Process and procedures employed
Step 1 - Several close and detailed readings of the data to obtain a holistic view of the participant's account	1. Reading and initial noting	Nodes (open codes) created in NVivo – first pass, iterative process of code and re-code both reflexively and interrogatively.	Transcribe the interviews, import transcripts into NVivo 12, develop a folder system, take notes, and highlight ideas.
Step 2 - The identification of initial themes	2. Open coding	Capture summary of overall description and content – supported with descriptive comments. Open coding develops categories from the data – labelling meaningful units of text (word, phrase, sentence, and more extensive section of text).	Examine the data and capture a summary of the data. Develop initial categories and themes from the data. Transcripts were revised multiple times.
	3. Categorisation of codes	Broader categories from re-ordered codes through parent and child nodes	Template coding based on the conceptual framework, re-organising and reshuffling codes
	4. Coding on	Focussed on creating superordinate themes for coding clusters and assessing linkages or evolving into emergent themes	Detailed inductive coding, re-organising and reshuffling of themes and categories
Step 3 - Refine and consider themes and discern connections between them	5. Data reduction	Consolidate codes and compare/contrast to facilitate analysis	Reduce and order code. Looking for similarities and differences.
	6. Analytical memos	Accurately summarise higher-level themes through analytical memos and propose empirical findings against categories.	Clustering and developing themes, exploring the relationship between themes, looking for further similarities and differences and looking at each participant's case individually. Create summary statements
	7. Validation	A period of testing, validating, and revising memos to explore data beyond textual quotes to support/expand stated findings through embedded meaning	Refining, double-checking and cleaning themes
Step 4 - The production of a narrative account	8. Synthesis and analytic memos	Synthesis of analytic memos into cohesive, coherent, and supported findings offering a descriptive account of study participants' views and perceptions.	Finalising categories, finalising themes, synthesis into coherent findings document forming a basis for findings and discussion chapters of the research

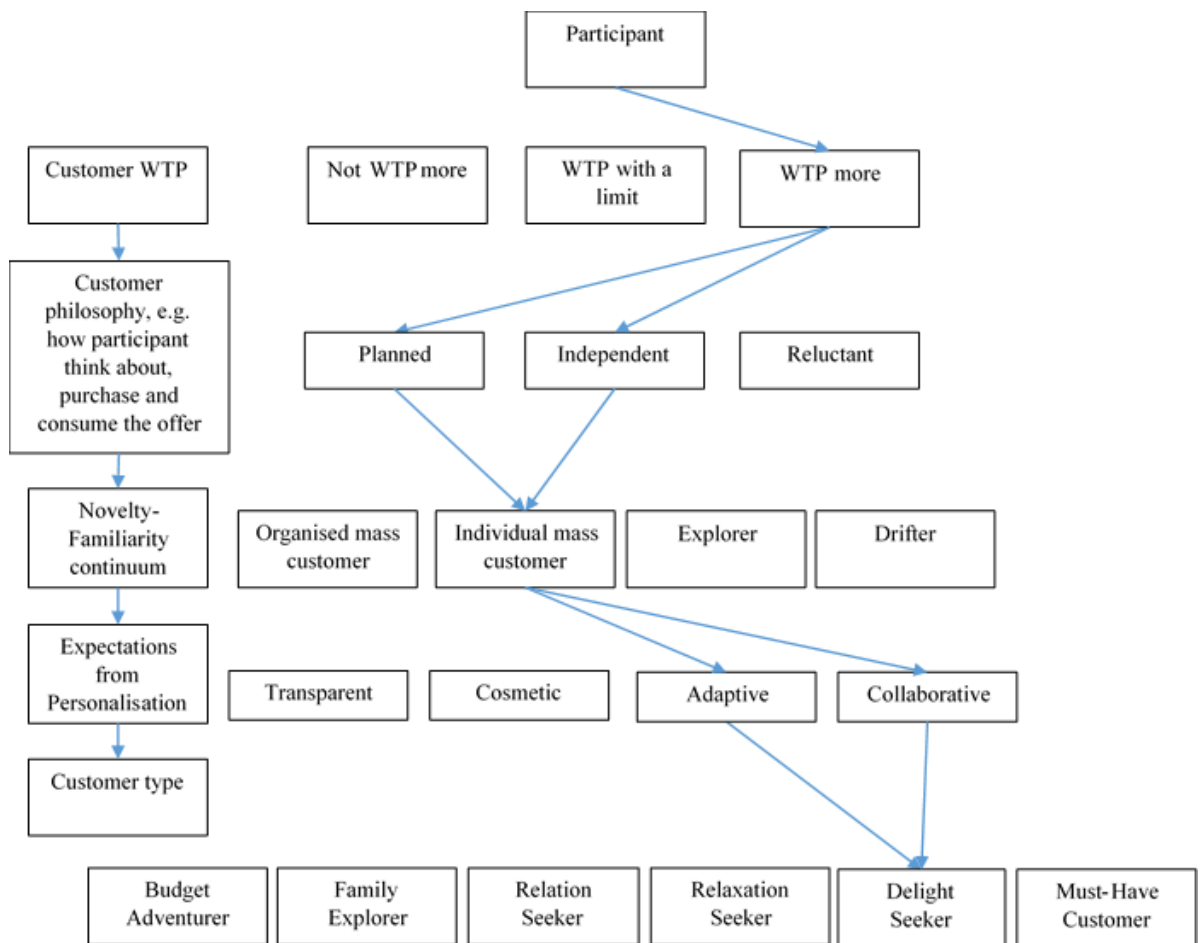
Adopted from Smith et al. (2012); Bustard et al. (2019); Smith and Eatough (2021)

The reason for choosing the IPA was its views on the analytic outcome as a result of participant interaction, which helps better understand the phenomenon of personalisation from a customer perspective and whether participants (as customers) are willing to pay for personalised offerings.

The customer typology outlined in section 6.5 is not generated directly from the quotes or any particular text unit but from participants' expressed behaviour patterns and their perceived experiences. IPA is a beneficial methodology for examining complex, ambiguous and emotionally laden topics (Smith and Osborn 2015), such as customer perception and expectations of personalisation, exemplifying an elusive phenomenon involving complex psycho-somatic interactions and is often difficult to articulate. By implementing this more immersive method, it has been possible to explore the patterns of personalisation benefits sought by participants influencing their WTP, presented in section 6.5 (customer typology).

The resulting typology is grounded in empirical comparison, using the conceptual framework outlined in section 3.9 and presented in Figure 3-10, between different types of customers. Observations were collected in matrix form (depicted in section 6.5, Table 6-2) to understand the differences and similarities between customer types. The transcripts and notes were revisited several times and compared between participants to identify relationships between categories, which helped to organise data into meaningful customer types. An example of the process is depicted in Figure 5-6. Finally, through the narrative frame (Thompson 1997), participants presented the connection between their expectations of personalisation and their WTP. This allowed for synthesising the patterns of meaning that frame their experience and assigned each participant to a specific customer type (see Figure 5-6). Relevant quotations from interviews are included in the presentation of the findings in Chapter 6. This approach provided a better understanding of the respondents' perspectives and made their interpretation more transparent (Pesonen et al. 2015; Chevtaeva and Denizci-Guillet 2021).

Figure 5-6. Example of assigning participant to Delight Seeker customer type



5.5.5. Limitations, Reliability and Validity of the qualitative phase

An integral part of the qualitative enquiry of the research phase is to reflect on issues of research reliability (replication and consistency of the research) and validity (accuracy of analysis of the results and generalisability of the findings) (Saunders et al. 2019). This research acknowledges that to demonstrate rigour, it must report to criteria against which the quality can be assessed (Rose and Johnson 2020). To continue with those considerations, the following sections discuss

the study's limitations by drawing upon reliability, confirmability, creditability, triangulation, and transferability.

Reliability refers to the extent to which the research data collection techniques and analysis procedures will yield consistent findings (Saunders et al. 2019). It is the soundness of the research, the chosen methods, and how those methods were applied (Rose and Johnson 2020). A researcher developed a clear research aim and objectives to ensure this research's reliability. In this study, the literature analysis forms the ground for deciding on the subjects covered in the interviews. An email was sent to all participants before the interviews informing them of the aim of the study, introducing the subjects covered in the interviews and confirming the confidentiality of the information collected. Data saturation (Saunders et al. 2019) ensures the data's replication, comprehensiveness, and completeness. As outlined in section 5.5.4.2 (Transcription process), the information collection was terminated when the forty-third interview did not produce any new information, meaning that the interviews reached theoretical saturation.

Confirmability links awareness of and reflection on the researcher's role, values, and beliefs during the interaction with the studied social world (Denzin and Lincoln 2018; Saunders et al. 2019). Within the pragmatist paradigm, this research phase adopted a naturalistic approach in which reality is divergent. There is no absolute truth. Data is produced through interaction between respondents and the researcher, inquiries are not generalisable, and the purpose is to develop idiographic knowledge (Anney 2014). The study sought to conduct the qualitative data collection and analysis as objectively as possible (Coyle 2021), allowing for identifying and interpreting the subjective meanings of the data. The analytical approach to data analysis and the use of NVivo 12 play a role in interpreting findings.

Creditability. This research phase's credibility was strengthened by triangulation techniques such as recruiting participants using multiple sources and channels (as outlined, e.g., in sections 5.5.3.2, 5.6.2, and 5.6.3). The interview questions for this study were designed based on the literature review to maintain the validity of this research phase. In addition, the researcher was able to gain comments and input from his supervisors, following Saunders et al. (2019) recommendations to validate the research by undertaking member validation and triangulation. While submitting to and checking findings with participants was not practical, the researcher shared the sample of findings and interpretation with peers with knowledge in marketing and CDL. The results and the arrangements were subject to a peer review process during the researcher's publishing efforts (see Appendix 1).

Triangulation. Saunders et al. (2019) state that triangulation involves using more than one source and data collection methods to confirm the validity, credibility, and authenticity of research data. In addition to the triangulation techniques mentioned above, this qualitative research phase (Phase 2) is part of a mixed-method approach adopted by this research. It is one of two independent sources of data collection and analysis sources. The qualitative research approach has been used as a precursor to the quantitative research phase (Phase 3) (Crick 2021). The theory triangulation, whereby different theoretical lenses (e.g., configuration theory or SDL and CDL) and bodies of literature (e.g., marketing and revenue management) are used in this study to develop the conceptual framework and interpret the findings.

Transferability refers to the extent to which research findings can be generalised (Saunders et al. 2019). In other words, if the research findings apply to the broader context (Bryman and Bell 2003). The aim of scientific investigation adopted in this research phase is hermeneutical, and as such, it does not aim to make claims generalisable to a broader population. As is common in qualitative research, this study phase does not seek to produce statistically generalisable information. Instead, the research phase focuses on exploring, interpreting, and understanding the nature of the relationship between customer expectations of personalisation and their WTP. The generalisability of the qualitative research findings was strengthened through an attempt to link the results to the relevant literature presented in Chapter 8 – Discussion. To strengthen the findings gathered in the in-depth interviews, detailed customer types, including “vivid quotes”, were used to support the analysis depicted in sections 6.4 and 6.5. This process allowed the researcher to test the applicability of the marketing and revenue management literature streams to the relationship between customer expectations of personalisation and WTP to help, to a certain extent, to generalise the findings in the broader context.

5.6. Research Phase 3: Quantitative Study – Measuring WTP

This section outlines a methodological approach to research Phase 3: a self-administered survey. The second method for this study, the quantitative approach using the survey method, was considered essential to complement the results of the semi-structured in-depth interviews. The following sections outline the quantitative research phase, which aims to address Research Objectives 3 and 4: *explore the relationship between CeoP and WTP* (RO3) and *develop and validate the CeoP-WTP typology* (RO4) (Figure 5-4). The following sections outline the various

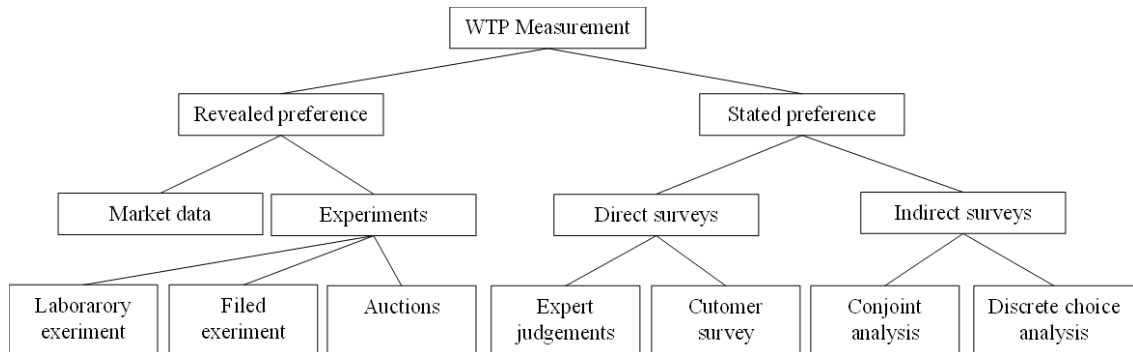
approaches to measuring WTP derived from past research, introduce the research instrument, data collection, analysis, and limitations for the chosen method.

As depicted in section 2.3, the literature illuminates various approaches to measuring customer WTP (Ivanov and Webster 2021). In the realm of marketing literature, Breidert et al. (2006) present a considerable variety of competing approaches and corresponding analytical techniques for measuring WTP. As customers' true WTP is an unobservable construct, there is no unified method of measuring WTP (Miller et al. 2011). Each method attempts to come as close as possible to true customer WTP (Voelckner 2006).

At the customer level, the literature illuminates the adoption of diverse approaches to measuring WTP (Breidert et al. 2006). Some marketing researchers prefer asking customers directly regarding their WTP for a specific product, e.g., open-ended question format (Dodds et al. 1991; Homburg et al. 2005; Méatchi and Camus 2020) or survey (Tang and Lam 2017). Other researchers prefer indirect approaches such as the contingent valuation method (CVM) (Nieto-García et al. 2020). In the tourism and hospitality domain, the literature focuses on individual's WTP for robot-delivered services (Ivanov and Webster 2021), examining hotel guests' WTP for hotel room attributes (Masiero, Heo et al. 2015), green products (Riccioli et al. 2020; Nelson et al. 2021), or assessing the potential increase of revenues from engaging customers in co-creation through WTP (Tu et al. 2018). Figure 5-7 depicts the classification of methods for measuring customer WTP.

Each method of estimating a customer's WTP have its benefits and drawbacks (Ivanov and Webster 2021). Voelckner (2006) stated that each method for measuring WTP represents the attempt of the research to come as close as possible to the truth. As this research aims to explore the relationship between customer expectations of personalisation and their WTP, the measurement of customer WTP was part of a self-administrated online survey instrument outlined in the next section.

Figure 5-7. Classification of methods for measuring WTP




Source: Breidert et al. (2006, p. 3)

5.6.1. Research Instrument for a quantitative phase

To satisfy the third and fourth objectives of this study (to *explore the relationship between CeoP and WTP* (RO3) and *develop and validate the CeoP-WTP typology* (RO4)), a survey instrument was developed based on findings from qualitative research (Phase 2): semi-structured in-depth interviews and an extensive literature review (Chapters 2, 3, and 4) adopting items and scales to the context of the influence of personalisation on customer WTP. The initial measurement of the construct presents a multi-item scale validated in previous studies was used, including better product and service match (3 items, coded as PSM1-3) (Xu et al. 2011; Tyrväinen et al. 2020), recommendation (3 items, coded as REC1-3) (Tyrväinen et al. 2020; Kumari and Gotmare 2021), booking time (4 items, coded as TME1-4) (Anderson et al. 2014; Picot-Coupey et al. 2021), value for money (3 items, coded as VfM1-3) (Sweeney and Soutar 2001; Kumari and Gotmare 2021), choice and control (4 items, coded as CON1-4) (Kuo and Cranage 2012; Pappas et al. 2014; Picot-Coupey et al. 2021), reviews (4 items, coded as REV1-4) (Xia and Bechwati 2008), the experience of one (3 items, coded as EXP1-3) (Pappas et al. 2014; Tyrväinen et al. 2020) comfort and entertainment (4 items, coded as COM1-4) (Chellappa and Sin 2005; Tyrväinen et al. 2020; Picot-Coupey et al. 2021), uniqueness seeking (3 items, coded as UNQ1-3) (Baek 2016; Chark et al. 2019), and WTP (4 items, coded as WTP1-4) (Homburg et al. 2005; Nieto-García et al. 2017, 2020) depicted in Table 5-10.

Table 5-10. Quantitative Phase Research Instrument

Item	Wording	Reference
<i>Utilitarian benefits</i>		
UTL 1 (PSM1)	The hotel can provide me with offers tailored to my requirements (i.e., dietary, a room away from the lift, a car park, early check-in, and late checkout).	Xu et al. (2011); Tyrväinen et al. (2020)
UTL 2 (PSM2)	The hotel can provide me with the deals/offers that I might like.	
UTL 3 (PSM3)	The products and services that the hotel can provide are of acceptable standards.	
UTL 4 (REC1)	The hotel can provide me with recommendations that match my preferences or personal interests.	Tyrväinen et al. (2020); Kumari and Gotmare (2021)
UTL 5 (REC2)	I can get advice quickly and conveniently.	
UTL 6 (REC3)	I can get a hotel room tailored to my interests and needs through the recommendations.	
<i>Economic benefits</i>		
ECO 1 (TME1)	When I search for a hotel, it is crucial that the process is timely and easy.	Anderson et al. (2014); Picot-Coupey et al. (2021); Self-created
ECO 2 (TME2)	I like to take time when I am searching for the right hotel.	
ECO 3 (TME3)	I do not like it when searching for and booking a hotel takes a long time.	
ECO 4 (TME4)	My last hotel booking process was good because it was over very quickly.	
ECO 5 (VfM1)	In general, I believe the hotel is offering me a good product and service for the price presented.	Sweeney and Soutar (2001); Kumari and Gotmare (2021); Self-created
ECO 6 (VfM2)	In general, I am making an extra effort to find what I need (e.g., a better (lower) price, higher standard).	
ECO 7 (VfM3)	In general, when I look for a hotel, I look for discounted offers.	
<i>Cognitive benefits</i>		
COG 1 (CON1)	I intend to continue to book a hotel online because I have a personal account.	Kuo and Cranage (2012); Pappas et al. (2014); Picot-Coupey et al. (2021)
COG 2 (CON2)	I continue to use a hotel brand because I have control of the booking process.	
COG 3 (CON3)	I continue to use a hotel I stayed at because I want to.	
COG 4 (CON4)	The variety of choices of room features (e.g., accessible room, floor level, view, car park, minibar) in the hotel search meets my expectations.	
COG 5 (REV1)	The reviews of the hotel influenced my booking decision.	Xia and Bechwati (2008)
COG 6 (REV2)	As I read the hotel's reviews, I am thinking about how I would feel if the same thing happened to me.	
COG 7 (REV3)	I find positive customer reviews very helpful.	
COG 8 (REV4)	I find negative customer reviews very helpful.	
<i>Hedonic benefits</i>		
HED 1 (EXP1)	In general, I am looked after while visiting the hotel.	Pappas et al. (2014);

HED 2 (EXP2)	In general, I feel welcome while visiting the hotel.	Tyrväinen et al. (2020)
HED 3 (EXP3)	In general, I feel valued as I receive personalised service during my stay in the hotel.	
HED 4 (COM1)	Compared to other things I can do, the time spent visiting the hotel will be enjoyable.	Chellappa and Sin (2005); Tyrväinen et al. (2020); Picot-Coupey et al. (2021)
HED 5 (COM2)	A stay in the hotel will be very comfortable.	
HED 6 (COM3)	The holiday trip truly feels like it will be an escape.	
HED 7 (COM4)	Overall, I am comfortable that the visit to the hotel will be entertaining.	
<i>Uniqueness seeking</i>		
UNQ 1	I like doing things to make myself different from those around me.	Baek (2016); Chark et al. (2019); Self-created
UNQ 2	I chose the hotel as I perceive it as one-of-a-kind.	
UNQ 3	I prefer to stay in independent (boutique) hotels rather than chain hotels.	
<i>Willingness to pay</i>		
WTP 1	What is your budget for the hotel room (per person, per night) for your next holiday?	Self-created
WTP 2	Considering your next holiday, if the accommodation you have just observed was in a location you were travelling to, at what price, if any, would you be willing to book this accommodation?	Homburg et al. (2005); Nieto-García et al. (2017, 2020)
		
WTP3	What will make you pay a higher price for the accommodation presented above?	Self-created
WTP 4	How much did you spend on accommodation for your last stay/holiday (per person, per night)?	

The first section of the questionnaire consisted of two screening questions: “Are you a UK resident?” and “Have you travelled for leisure purposes for the last 12 months?” If the respondent answered any of the screening questions “No”, the survey was terminated, and the respondent was directed to the “Thank you” page. The second section of the survey consisted of thirty-one questions relating to participants' expectations of personalisation. The third section asks four questions about the customer’s holiday expenditure and their declared WTP based on the presented hotel room images. A qualitative question regarding factors influencing their WTP for the observed room, and finally, what is their budget for the following holidays. Part five of the questionnaire contains short descriptions of six customer types (derived from the qualitative phase of the research) for a participant to self-select based on their current feeling. The respondents

were only presented with the description of each type, depicted in Table 5-11. Section six of the questionnaire collected demographic data about participants. This data consists of questions including frequency of travel, the average duration of the stay, type of last hotel choice, occupation, and marital status. If and how many dependants are in the household, if the participant is travelling with pets, level of education, gender, age, ethnic background, and annual disposable income. All items were addressed on a 5-point Likert-type scale ranging from 1 (“strongly disagree”) to 5 (“strongly agree”). The 5-point Likert scale was chosen because it appears less confusing and can enhance the response rate (Bouranta et al. 2009; Taherdoost 2019). Two questions measuring participants’ WTP asked respondents to provide a specific number that correlated with the cost of their last hotel booking and declared WTP for personalised hotel offers. Those were coded into a 5-point Likert-type scale.

Table 5-11. Description of customer types shown to participants

Type (Hidden from respondents)	Description
<i>Budget Adventures</i>	I like exploring. I use the hotel mainly as a hub during my stay. My budget is limited. I like to know what is available for me.
<i>Family Explorer</i>	For hotel booking, I am usually limited by factors like school holidays. A hotel is a base for the exploration of the destination. Usually, I travel with family (often including kids).
<i>Relaxation Seeker</i>	I am prepared to adjust my budget (usually increase) as I am looking for hotels that will meet my needs as the needs of my travel companions, and I like not to worry about anything while on holiday.
<i>Relation Seeker</i>	I tend to come back to the same/similar hotel. I like engaging with people during my stay. I like to create a bond with hotel staff and other hotel guests.
<i>Delight Seeker</i>	I tend to seek a memorable experience. I like to be spoiled, and I like to “spoil” and impress others. Therefore, usually, the budget for me is not a consideration.
<i>Must-Have Customer</i>	Usually, all my requirements must be met for me to choose a hotel (e.g., accessibility, dietary requirements). Therefore, it is like a matter of life and death.

5.6.2. Research Sampling of a quantitative phase

The theoretical population for this research phase are people who have travelled in the last 12 months (before data collection) for leisure purposes and are residents of the UK. The underlying assumption was that all participants could speak English, as the instrument was in an English-only version. Random sampling was employed through the use of social media channels such as

Facebook, Instagram, and LinkedIn to access the wider population. Participants were screened according to screening questions outlined in section 5.6.1.

For this study phase, the research methodology included a self-administered survey conducted online through the delivery and collection of individual questionnaires. The self-administered surveys play an increasing role in marketing and consumer behaviour research as an appropriate data collection method (Krumpal 2013; Guinalú and Diaz de Rada 2021; Kostyk et al. 2021; Kim and Kim 2022). They do not require the researcher's presence, reduce the cost of data collection, and provide anonymity to respondents, which can encourage them to provide more honest responses to questions that some may perceive as sensitive (e.g., income, WTP) and allow participants to respond in their own pace (Tourangeau and Smith 1996; Guinalú and Diaz de Rada 2021; Kostyk et al. 2021). Mulder and de Bruijne (2019) suggest that respondents are relatively unwilling to participate in surveys about their spending habits or identifying respondents' personality types. Regarding the sample size, this study follows Hair et al. (2010), who suggest that the sample size should be five or more respondents per survey item. The minimum number of respondents was 170 because the developed survey contains 34 measurement items, excluding demographic (14), one qualitative WTP question (WTP3) and (1) typology self-selected question. Consequently, the sample size of 202 valid respondents received is deemed sufficient for the current study.

5.6.3. Quantitative Data Collection

The study was conducted using various research and survey exchange groups and researcher social networks using channels such as Facebook, LinkedIn, and Instagram (Tobin and Begley 2004; Gelinás et al. 2017) between May and June 2022, during the 2022 Russia-Ukraine conflict and the emerging world energy crisis. All participants were made aware that there was no reward for respondents and that participation in the research was voluntary. The survey did not offer any incentives to minimise economic motives to cheat or be an imposter (Pallant, Karpen, et al. 2022). The study opted for UK residents who travelled in the last 12 months. From 1,000 open surveys, 275 finally responded, of which 202 were deemed valid. The self-administered survey questionnaire was designed to collect responses from participants using online channels. The JISC Onlinesurveys were populated among the respondents to ease the data processing.

5.6.4. Pilot Study of a quantitative phase

A pilot study for this study was carried out before the main data was collected. The pilot test aimed to confirm if the instrument had semantic problems (To et al. 2007). Twelve people participated in the pilot test, including six (6) academics from two departments of a university located in the southern part of England, two (2) PhD candidates from the same institution and four (4) different professionals who travelled in the last 12 months and are UK residents. Following the process drawn from To et al. (2007), the pilot study was conducted in an open-ended format, in which the participants could raise questions about the items at any time. During that time, some participants suggested that some items' phrasing could be revised, and after adopting those comments, the wording was altered. The pilot study revealed some minor grammar errors. As a result, four questions were rephrased for better clarity and readiness.

Removing three questions and adding one question reduced the number of questions from thirty-seven to thirty-five. The survey section containing demographic questions was moved to the end of the survey. The data was used to test the reliability and validity of the research (outlined in section 5.6.6). This resulted in an improved research instrument for the main stage of quantitative data collection.

5.6.5. Data Analysis of a quantitative study

From 1,000 opened surveys, a total of 275 questionnaires were collected, of which 202 were valid after eliminating incomplete or faulted responses. A *K*-means clustering analysis has been performed to cluster respondents based on their expectations of personalisation and their WTP for the offers. The adoption of the *K*-means algorithm was inspired by Aksu et al. (2021), who indicate that this exploratory clustering method is mainly preferred for market segmentation purposes in marketing. It is one of the most widely used unsupervised machine learning techniques (Tsai et al. 2019). It allows for obtaining relatively homogenous groups (Aksu et al. 2021). This study applied factor analysis before cluster analysis (Lee and Park 2009; Ghuman and Mann 2018; Ciasullo et al. 2020; Bargoni et al. 2022). The first benefit of doing that is that it reduces the number of variables that have to be analysed by the cluster analysis. The second benefit of doing factor analysis before clustering data is that exploratory factor analysis (EFA) results can help interpret the clusters (Saunders 1980; Fredline 2012).

Led by literature, this research applied EFA to identify factors contributing to exploring the relationship between customer expectations of personalisation and WTP. The results of EFA

show that out of the 34 items, six (6) factors can be extracted to use as the criteria for clustering. This part is outlined in detail in section 7.3 (Exploratory Factor Analysis). A cluster analysis was performed (outlined in section 7.4 – Cluster Analysis) to improve the analysis depth and group participants based on their responses and characteristics (Ciasullo et al. 2020). The chosen *K*-means clustering analysis is a non-hierarchical (portioning) and unsupervised method (Fredline 2012). This clustering method divides a set of data into *k* number of specific groups (Dhanachandra et al. 2015). In *K*-means cluster analysis, the algorithm partitions data into clusters previously defined by the researcher. First, the number of clusters was indicated by the qualitative research (Phase 2). Second, the EFA and PCA analysis indicate the number of clusters, $k=6$. Then, units are iteratively assigned into clusters until the maximum between-cluster and minimum within-cluster distance are reached. This clustering procedure identifies the starting point (a cluster seed) and assigns units based on their similarity (Hahs-Vaughn 2017).

The rationale for using *K*-means clustering is that the process minimises the variance within the clusters by continuing to reassign cases to the cluster whose centroids are closest to the case (Punj and Stewart 1983; Bargoni et al. 2022). The chosen clustering method uses distance-based measurement to determine the similarity between data points. The data were standardised to have a mean of zero (0) and a standard deviation of one (1). This step helped create clusters of homogeneous customers with a distinct identity from other groups (Arora et al. 2022).

This study's respondents are clustered by the *Z*-score of their personalisation expectations and WTP. The number of clusters was also specified ($k=6$) through the results of the qualitative part of the research (Phase 2) and the results of the EFA (section 7.3). A standardisation in a similarity calculation was made to ensure that the variables make an equal contribution. Firstly, the mean of variables for each construct was calculated. Secondly, the *Z*-score of each variable was calculated to allow variables to be considered with equal importance (Bargoni et al. 2022). Standardisation of variable measurement will ensure that all variables similarly impact the outcome (Fredline 2012). As the *Z*-scores are standard scores, they can be directly compared as they represent a comparative position on the same scale (Burns and Burns 2008).

The correlation between clusters was tested using analysis of variances (ANOVA). Once the clusters were identified, they were characterised, considering the respondents' expectations of personalisation within the cluster and the cluster demographic (depicted in section 7.4).

5.6.6. Limitations, Reliability, Validity and Generalisability of the quantitative phase

An integral part of the quantitative enquiry of the research phase is to reflect on research validity, reliability, and generalisability (Saunders et al. 2019). This research acknowledges that to demonstrate rigour, it must report to criteria against which the quality can be assessed (Rose and Johnson 2020). The following sections discuss the study's limitations, drawing upon validity, reliability, and generalisability.

Validity. By adopting a mixed method approach, the qualitative research (Phase 2) helped to ensure the validity of the final research Phase 3, the quantitative survey. It enabled the survey questionnaire to measure what the researcher intended to measure (Saunders et al. 2019), grounded in findings from research Phase 2. The factors examined using the survey in research Phase 3 had abductively emerged from the qualitative research phase (Phase 2), providing confidence that the most relevant considerations are measured. The questions in the survey were complemented with literature analysis. This study adopted the measurement items that have been theoretically and empirically validated in previous research measuring personalisation and WTP within marketing and revenue management (outlined in section 5.6.1).

Reliability. Wong et al. (2012) state that reliability refers to the ability of the questionnaire to collect data that will produce consistent results. As outlined in sections 5.6.1 and 5.6.4, the survey questionnaire design was consulted and tested with six (6) academics from two departments of a university located in the south of England, two (2) PhD candidates from the same institution and four (4) different professionals. The questionnaire was designed to minimise the likelihood of different interpretations. The internal consistency of the survey involves correlating the responses to questions in the questionnaire with each other (Saunders et al. 2019). This study used EFA (section 7.3) to help establish internal consistency and reliability of the items of the survey instrument. This study used Cronbach's alpha (reported in 7.3) with all constructs resulting above 0.7, the most frequently employed method to test internal reliability (Tavakol and Dennick 2011; Saunders et al. 2019).

Generalisability (external validity) refers to whether the research findings can be generalisable to other people, situations, or times and concerns the whole research design (Wong et al. 2012). This research adopts a mixed-method approach to achieve the research aim and objectives (stated in section 1.4). Supported by literature (Creswell 2010; Niglas 2010; Truong et al. 2020), this

sequential *qual I* → QUAL II → QUAN III approach complements each other in this study to capture customer expectations of personalisation and explore its relationship with WTP. This study sample is drawn randomly from UK residents who travelled in the last 12 months. For the qualitative part (Phase 3), this study notes the gender difference – social construct based on how people see themselves – represented by male (n=72, 35.6%) vs. female (n=127, 62.9%) vs. non-binary (n=3, 1.5%) of the sample size. This indicated that females were more inclined to participate in the research. The study notes the minimal number of participants identifying as “non-binary”. It was determined that the sample is too small to draw a conclusion on the influence of the third type of gender on customer expectation of personalisation and WTP. The study noticed that female participants contributed disproportionately to the respondents' data set, indicating females' higher willingness to participate in online surveys (Smith 2008). This indicates that female participants can be more willing to disclose their spending habits or personality types (Mulder and de Bruijne 2019). As *K*-means clustering is exploratory in nature and focuses on the underlying structure of variables (Fredline 2012; Hennig 2015) and due to low response, further studies are recommended for further statistical generalisation. Although the data collected in this study is based on customer lived experiences from the hospitality offers, the findings can be extended to other fields, such as events, retail, banking, or insurance (outlined in section 9.2.2. - Contributions to practice).

Although the context of this research is current and ongoing, there will always be continuous change and development in the dynamic environment. This study is an exploration of customers' lived experiences regarding their expectations of personalisation and its influence on their WTP.

5.7. Ethical and Health & Safety Considerations

Many businesses and management research involve human participants (Saunders et al. 2019). Ethical and health and safety issues are an integral part of any study. *The relationship between CeoP and WTP in the hospitality industry*, which is the subject discussed and researched in this study, was evaluated with a low risk, which means that it does not require any extraordinary precautionary measures. Despite the minimal risk expected, the research sought to comply with Bournemouth University Business School guidelines and ethical procedures throughout the study's design. The Ethics Checklist was carried out, submitted, and approved before the first point of data collection. Appendix 4 includes the approved Ethics Checklist.

Ethical issues were evaluated as low because of this study's scope, aim, and objectives. Nevertheless, some consideration and corresponding action have been taken. Those actions include ensuring fully informed consent from research participants, protecting the privacy of research subjects, ensuring the confidentiality of research data, and protecting the anonymity of all participants (Easterby-Smith et al. 2008). Informed consent for the qualitative research phase was obtained from each participant using emails as a source of communication (see Appendix 5). For the quantitative phase, the Participant Information was presented to potential respondents on the first page of the survey. This was the first screening question for the survey. By answering “yes”, the respondents could participate in the survey. For qualitative and quantitative data collection, the Participant Information Sheet (see Appendix 6 and Appendix 7, respectively) provides extensive instructions regarding the purpose of the study, participation, confidentiality, anonymity, anticipated length of the interview and survey, the possibility of the refusal to answer the questions, and withdrawal from the study at any point. As the socio-demographic details were obtained during the interview to comply with GDPR guidelines, the video recordings were stored in a safe place and deleted after successful transcription. The anonymity of each participant was protected by withholding their real names and replacing them with code, e.g., Pilot Study Customer 1 (PS Cust 1) or Participant 2. The numerical order for the code was randomly assigned. For the quantitative phase, participants were automatically anonymised by the JISC OnlineSurvey. For example, the first response was given the code, e.g. 909585-909567-96264446, which, for ease of data analysis, was re-coded by a researcher as Participant 1.

The health and safety of the researcher and participant have become a priority in the global pandemic. Prior to Covid-19, the research involved individual face-to-face interviews in an environment (such as university grounds) comfortable for the researcher and participants. In the context of the pandemic, several precautions were taken to ensure health and safety and comply with, e.g., social distancing policies during Covid-19. Hence, physical contact between the researcher and participants was prevented. To ensure that research was conducted during the Covid-19 period, the interviews took place online using the Zoom conferencing platform. For a potential risk to be minimised, interviews were kept to the agreed-upon schedule between the researcher and the participant. The distribution and collection of survey respondents for research Phase 3 were carried out exclusively online. From an ethical point of view, there were no key differences between face-to-face and online data collection as both require the usual procedures, such as gaining informed participant consent and ensuring anonymity, privacy, and confidentiality of participant identity (Dodds and Hess 2020).

5.8. Organising the findings

The research objectives directed the analytical process of analysing the data. It influenced the way that the findings are organised in this thesis. This section briefly outlines how the procedure described in the previous sections contributed to developing the concept of the relationship between customer expectations of personalisation and WTP, presented in Chapters 6 and 7.

This research focuses on exploring customer expectations of personalisation and its relation to WTP. Contrary to some research focusing on the supply side (Talón-Ballesteró et al. 2022), the subject of this research is the customer who (consciously or unconsciously) engages in the co-creation and personalisation process (Zhao 2021). The literature supports this approach, indicating that customers may engage in this practice differently (Echeverri and Skålén 2011). Guided by the pilot study (outlined in section 5.5.3), findings and references to various customer expectations of personalisation were considered according to six factors (depicted in Chapter 6) within the main phase of the qualitative phase (Phase 2) of this research, resulting in the development of the customer typology (depicted in section 6.5). The findings from qualitative research indicated that customers perceive the concept of personalisation as more than the sum of its elements. In line with CDL, configuration and *Gestalt* theories (Heinonen and Strandvik 2015; Pappas, Papavlasopoulou, et al. 2017; Mandagi et al. 2021) (outlined in sections 3.8 and 3.9), this is relevant to the context of this study, particularly how customers will interpret the complex phenomenon.

Assigning participants to six identified customer types appeared logical, as it helped to illustrate what those customers expect from personalisation and how those individuals' WTP is influenced based on the type of experience they seek. Research Phase 3 (quantitative study) was conducted to validate findings from the qualitative research phase. *K*-means cluster analysis divided the data into specific groups ($k=6$, based on research Phase 2 and EFA results). Results generated from this research phase confirm the multidimensionality of the relationship between customer expectations of personalisation and their WTP. Chapter 7 depicts the findings from this research phase (quantitative study - Phase 3).

5.9. Chapter Synthesis

This chapter presented the methodological approach adopted in this study, outlining how the research objectives are pursued. Table 5-12 provides an overview of the methodology of this study. This research adopts pragmatism as its epistemological stance, in line with the theoretical

perspective from the CDL in marketing (Heinonen et al. 2010; Echeverri and Skålén 2011; Heinonen and Strandvik 2015). A three-phase mixed-method strategy was adopted to address this research aim and objectives (Chapter 1.4). It consisted of a narrative literature review (Phase 1 – *qual I*), a semi-structured in-depth interview (Phase 2 – QUAL II), and a self-administrated survey questionnaire (Phase 3 – QUAN III). This study methodology is particularly valuable in line with the theoretical assumption of CDL (Heinonen et al. 2010; Heinonen and Strandvik 2015; Heinonen 2022). A combination of semi-structured interviews and a self-administrated survey was employed. This allowed for exploring a customer understanding and expectation of personalisation from a customer perspective and developing a customer typology. First, for the readers of this thesis, the presentation and structure of the findings are outlined next.

Table 5-12. Methodology for this research: Research Objectives alongside research methods

Research Aim	Research objectives	Relevant literature	Selected key references	Research paradigm	Research approach	Research phase	Data collection methods	Who (sample)	Where	What	Why	Results
To explore how customer expectations of personalisation (CeoP) affects the willingness to pay (WTP) in the hospitality industry	RO1: To explore customer willingness to pay (WTP)	Pricing, WTP	(Breidert et al. 2006; Wang 2012; Cassidy and Wyner 2016; Nieto-Garcia et al. 2017, 2020; Tu et al. 2018; Hernandez-Masvikker et al. 2019; Nicolau et al. 2020; Staigl et al. 2020; Viglia 2022)	Pragmatism	Mixed-method design	Phase 1	Narrative literature review	Literature related to pricing within marketing and revenue management Main study n=5 n=38	Desk Study	3 main group of factors influencing WTP (intrinsic, extrinsic, and contextual). Many measurement methods (sections 2.3 and 5.6) 5 factors influencing WTP: 6 types of customers	To explore customer willingness to pay (WTP).	List of factors influencing customer WTP
	RO2: To explore customer expectations of personalisation (Ceop)	Personalisation, Value and value co-creation, Pricing, Configuration theory, Gestalt psychology	(Fan and Poole 2006; Vesinen 2007; Vargo and Lusch 2008; Heinonen et al. 2010; Babb and Keith 2011; Viglia and Abrate 2014, 2020; Pappas 2018; Chandra et al. 2022)			Phase 2	Interviews	Pilot study n=5 Main study n=38	Desk Study	3 factors influencing WTP: personalisation, customer philosophy, and novelty-familiarity continuum Developing Ceop-WTP typology	To explore customer expectations of personalisation resulting in conceptual model based on literature review	Customer WTP is contextual (Chapter 6)
To explore the relationship between Ceop and their WTP	RO3: To explore the relationship between Ceop and their WTP	Personalisation, Price, Customer segmentation	(Cohen 1972; Mehmetoglu 2004; Goyat 2011; Asif and Krogseth 2012; Rondan-Catalana and Ross-Diaz 2014; Pradel et al. 2021)			Phase 2 And Phase 3	Interviews And Survey	Pilot study n=5 Main study n=38 (Pilot study n=12), Main survey n=202	Online via Zoom; Facebook research groups, Survey Circle using JISC	Customer typology and K-means cluster analysis	To better understand customers by identifying individuals with similar traits.	Relationship Ceop-WTP,
	RO4: To develop and validate the Ceop-WTP typology					Phase 4	Analysis of Interviews And Survey	Desk research, (Pilot study n=5 Main study n=38 (Pilot study n=12), Main survey n=202)	Desk Study	Clustering customers into pre-defined groups to clarify the findings from the previous phase to reveal customer motives for their actions and the reason behind counterintuitive findings	To develop and validate the Ceop-WTP typology	Refined customer typology (comparing results from Phase 2 and Phase 3) (Chapters 6 and 7) Relationship Ceop-WTP (Chapter 8 and 9)
To explore how customer expectations of personalisation (Ceop) affects the willingness to pay (WTP) in the hospitality industry	RO5: To develop practical implications emerging from the relationship between Ceop and WTP	Personalisation, Value and value co-creation, Pricing, Configuration theory, Gestalt psychology	(Li and Unger 2012; Vargo and Lusch 2017; Viglia and Abrate 2020; Cavdar Aksoy et al. 2021; Rieger et al. 2021; Ahlmany and Gnoth 2022; Heinonen 2022)			Phase 4 (Analysis, discussion, conclusion)	Analysis of Interviews And Survey	Desk research, (Pilot study n=5 Main study n=38 (Pilot study n=12), Main survey n=202)	Desk Study	Clustering customers into pre-defined groups to clarify the findings from the previous phase to reveal customer motives for their actions and the reason behind counterintuitive findings	To better understand customers by identifying individuals with similar traits. To explore the Ceop-WTP relationship	Discussion on results, Presenting theoretical contributions and recommendations for practitioners (Chapters 8 and 9)

5.10. Presentation of the Findings

This section presents the outline of the two findings chapters, *Chapter 6* and *Chapter 7*. In this study, the findings in each method of the mixed-method approach (Phase 1, Phase 2 and Phase 3) were integrated and presented according to the underlying research objectives (see section 1.4). This structure allows for a logical presentation of the findings components towards exploring the relationship between customer expectations of personalisation benefits and their WTP. Based on data triangulation (Tobin and Begley 2004), the mixed-method approach allows for convergence and complementarity to increase the creditability of results (Morgan 2019). In this study, sequential exploratory mixed-method (*qual I* → QUAL II → QUAN III) was adopted (outlined in section 5.3.3). The complementarity and divergence in results from each research phase are presented in sections D (Findings and Discussion) and E (Conclusions and Implications).

The findings are structured in two chapters outlined as follows. Findings Chapter 6 outlines the results from the pilot study conducted as part of the qualitative research phase. The chapter fleshes out the factors of customer expectations of personalisation. Then, Chapter 6 presents the results from the main qualitative phase (Phase 2 – QUAL II) and explores customer expectations of personalisation and their relationship with WTP (reflected in RO1, RO2, RO3 and RO4). The data analysis reveals situational and contextual factors (utilitarian, hedonic, economic, cognitive, and uniqueness seeking) influencing the customer expectations of personalisation and their WTP. The chapter develops and presents six customer types grounded in the explored relationship between personalisation benefits and WTP. Finally, the chapter highlights the existence of a synergic nature between factors that create the complex and multidimensional configuration of the adopted factors.

Findings Chapter 7 presents research Phase 3 (QUAN III) findings exploring the impact of personalisation benefits on customers' WTP (reflected in RO3 and RO4) based on 202 valid responses to the self-administrated online survey. Following the EFA and *K*-means cluster analysis and the ANOVA test, the chapter depicts differences in the identified six customer clusters. It then discusses each cluster and compares it with the six types of customers identified in Chapter 6.

Chapter 8 (Discussion) integrates the findings from Chapters 6 and 7 and discusses them concerning the literature.

SECTION D – Findings and Discussion

6. FINDINGS – Phase 2 – The qualitative study

This section presents the *initial* findings of the study's pilot study. It integrates the qualitative results from an analysis of the semi-structured interviews. It was not the aim of the pilot study of this phase to comprehensively answer the research question, but it was to seek to develop the research plan (Kim 2011). This section adds value because it allows initial identification and understanding of perceived customer expectations of personalisation and their relationship to the WTP. It helps to address RO1, RO2, RO3 and RO4. The findings shed some light on the customer's perception of personalised price and their WTP for personalised hotel offerings.

Research Objective 1

To explore willingness to pay (WTP)

Research Objective 2

To identify elements of customer expectations of personalisation (CeoP)

Research Objective 3

To explore the relationship between CeoP and their WTP

Research Objective 4

To develop and validate the CeoP-WTP typology

6.1. Willingness to pay (WTP)

This study explores the notion of WTP to obtain insights into customers' responses towards paying for personalisation. The study interviews found that price is a crucial determinant of the customer decision-making process. Despite that, participants stressed that the price is very high on the priority list during decision-making, many businesses still make their pricing decisions without a profound understanding of adequate knowledge of the customer's WTP, for example:

“you are always working against the budget” (PS Cust 4).

“I will not be lying, very high. I would say it is my top one” (PS Cust 2),

“My first factor is budget, which means a price” (PS Cust 5),

“Price is important as well because I can see some difference between one hotel in the same province or the street, let's say in London” (PS Cust 3)

The study interviews depicted that WTP is related to an individual's motivation and capability driven by their budget, for example:

“if you have a certain budget, you do not go over it” (PS Cust 1),

and

“you are always working against the budget” (PS Cust 4).

If the price plays a crucial role in the decision-making and with many existing alternatives, is it viable to ask customers for monetary compensation for a personalised offer? From the interviews, the impression was that customers recognise the added value of personalisation, expecting to be presented with higher prices. For example:

“with the better quality, better-personalised service, the price is higher” (PS Cust 2).

This suggests that some customers recognise personalised offers and acknowledge that they may be expected to pay more. Customers are often restricted by their ability to pay, represented through the budget. Customers may have increased WTP for personalised offers but may be unable to pay the price. The study findings suggest that they may seek discounts and forms of personalisation that will meet their requirements, needs and desires as much as possible.

WTP is closely related to the customer context manifested through, e.g., budget constraint, time sensitivity, competitive environment, perceived utility and value, or product differentiation. The findings support the assumption that customer WTP is context-based, as PS Cust 5 adds:

“The real test [...] came when we executives travelled on personal business. Then those same executives who are normally spoiled by the company's budget would look for budget hotels”
(PS Cust 5).

The customer's WTP varies depending on the reason for travel (business versus leisure), frequency of visit (first-time versus repeat visitors) and attributes (e.g., view from the room) offered by the hotels (Masiero, Heo, et al. 2015). The WTP is the maximum price a customer is willing to pay for a product or service, and it captures the trade-off between purchases implied in pricing and enables comparison among emotional experiences. The findings suggest that regarding personalisation in the service industry, customers are looking for sensory (hedonic) pleasure and functionality. The financial constraint may reflect how the need for the experience is fulfilled. Customers' financial circumstances and budget constraints influence their WTP. Individuals with limited disposable income may exhibit lower WTP than those with higher income levels, as affordability is vital in determining their perceived value. Competing products or alternative options in the market influence customers' WTP. The perceived value of a product relative to its alternatives can impact customers' WTP premium price or seek more cost-effective alternatives. The findings suggest that personalised pricing may be one of the critical elements of the future of revenue management:

“I would look at that offer and compare it with other providers in the same market, in the same location, or any other things that I think are the same and see if that is something I am happy with.” (PS Cust 1)

and

“if you want to attract more people, then personalisation could have a huge impact because you could personalise the price to someone's budget” (PS Cust 1).

The findings illuminate that modern customers are more sophisticated with diverse expectations. Businesses often rely on the intuitive sense that personalised offers will enhance customer satisfaction and increase customer WTP, escalating company profitability. The findings suggest that participants generally present a positive attitude towards personalisation, which is essential in driving customer satisfaction, engagement, and overall business performance. That is depicted in the positive feeling and perception of value, where the cost-benefit ratio is in balance:

“I think that personalisation makes me feel very welcome as well and makes me feel that whatever I am paying for its worth, you know, it is a value” (PS Cust 2).

The findings suggest that customers' desire to purchase hospitality products and services plays a significant role when choosing the right product for the right price. Personalisation involves customer involvement in the co-creation process. Customers become active participants, fostering

a sense of engagement and ownership in their interactions with the brand, acknowledging that the consistency of offerings and level of personalisation may not meet their expectations, as PS Cust 5 comments:

“Because quite often, the product can vary”.

Compared to alternatives offered by businesses, a product's differentiation level can influence customers' WTP. Products and services offering unique features, superior performance, or exclusive attributes may command a higher WTP due to their perceived added value. Customers' perception of the value and utility they derive from products and services affects their WTP. Factors such as quality, features, benefits, sentimental value, and unique selling propositions contribute to the perceived value, influencing their reference price and, ultimately, the price customers are willing to pay.

The study findings suggest that customers' individual preferences and needs play a significant role in determining WTP. Personal tastes, loyalty, and specific requirements contribute to the perceived value of a product or service. The analysis of participants' stories found that customers actively seek hotel offerings of products and services that meet their requirements (that are unique). Technological advancement often empowers customers to actively participate in improving and receiving better-personalised offerings as they are co-created through customer-company interaction. For example:

“most of the time, I am browsing the Internet and trying to find an appropriate holiday or a package” (PS Cust 1).

From the interviews, the impression was that successful personalised offerings depend on customer input and are usually motivated by needs associated with practicality and necessity (Jee 2021). A customer's product and service knowledge affects the customer's acceptable price range. The findings suggest that prior customer knowledge plays a vital role in decision-making. From the psychological point of view, it directly links with WTP, as PS Cust 1 stated:

“I went through the hotel pages as well as through hotels.com booking pages. I went through many sources to have the most comparison.”

and

“If I am asking for something extra, it is extra. And I will be prepared to pay if that is what I want” (PS Cust 3).

Customers make purchase choices that have implications for time use (Kim et al. 2023). The study findings suggest that a purchase's urgency or time sensitivity can influence WTP. In time-sensitive situations, customers may exhibit a higher WTP due to the immediate need or the cost of delay, whereas less time-sensitive purchases may result in a lower WTP. For example, as PS Cust 5 indicated:

“Sometimes I would be willing to pay more if the location reduces my travel expenses, so it is a trade-off.”

6.2. Customer Expectations of Personalisation (CeoP)

Many attributes and variables can influence the companies' price level offerings (Abrate and Viglia 2016). The thematic analysis of the data elicited five aspects that were initially seen as relevant in the context of personalisation through pricing co-creation, which reflects the respondents' expressions and views on the matter. These are utilitarian, hedonic, cognitive, and economic benefits and uniqueness seeking.

As outlined in section 3.9 and depicted in Figure 3-10, customers expect types of personalisation grounded in the strategy, motive, time of use, and involvement (Fan and Poole 2006; Vesanen 2007). The study results identified that utilitarian and hedonic benefits influence customer decisions in the context of the types of personalisation offered by the company.

Utilitarian benefits

Customer expectations of personalisation play a vital role in shaping their perception of the value and effectiveness of personalised offerings. First, the study findings indicate that customers' experience and buying behaviour play a role in shaping their purchase decision (Jee 2021), demonstrated by PS Cust 1:

“there are specific things that you expect from the hotel as a standard”.

This customer expectation of satisfactory or delightful offerings is a fundamental element of the perceived consistent quality of hotel offerings (Wang, Wang, et al. 2016). Second, product and service functionality is linked with the objectives of consuming the offer (Baccarella et al. 2021). The analysis of participants' stories suggests that some aspects of expectations are related to tangible offerings, as PS Cust 1 imply:

“anything that you would expect the hotel to do, but to be specific, for example, providing meals, having the bar open, having a car park, potentially swimming pool, so all those, depending on the type of the stay as well”.

Personalisation enhances the fit between customer needs and the company's offerings and increases customer expectations of personalised experiences that provide superior value and utility. Those promises of standards offered often relate to staff training, such as PS Cust 4 suggested:

“There is something there that they have got that level of training that when something happens, they know what to do, and they go that bit further off to kind of doing it.”

Customers expect personalised experiences to be efficient, allowing them to quickly find what they need and complete their tasks more effectively. Customer expectations from the products and services tangible offerings are often related to the uniformity of the offers, illuminated by PS Cust 5:

“that is where the personalisation gets out of the window [if] you are unable to be consistent with your service and product delivery”.

The study findings indicate that psychical facilities and ambience created are less important than the service provided (Wang, Wang, et al. 2016). A link between certain expectations from the seller and the delivery and consumption of the offerings is noticeable. As PS Cust 3 illuminates:

“I would like the gin and tonic to put it into the normal sort of commonality. I would like that to be properly offered and properly serviced because I paid them money”.

Customers expect functional benefits from a conscious pursuit of intended consequences (Babin et al. 1994; Riegger et al. 2021). Customers who perceive that personalisation effectively understands and addresses their needs develop higher expectations of personalised experiences. The utilitarian benefits represent customer desire for functional, rational, task-orientated, and

efficient aspects of desired products and services (Anderson et al. 2014; Bilgihan et al. 2016; Coker and Izaret 2021; Riegger et al. 2021).

From the CDL perspective (Heinonen and Strandvik 2018), personalisation provides an opportunity to co-create a meaningful experience with customers, which goes beyond mere transactions and increases customer perception of value (Pallant, Pallant, et al. 2022). That leads to the next customer's expectation from personalisation revealed by the initial findings outlined next.

Hedonic benefits

Personalisation increases the value of the overall consumption experience (Morosan and DeFranco 2016). Customers expect value derived from experience and emotions associated with receiving and consuming personalised offers. Such perception is often derived from customer needs for intrinsic reward, a high sense of accomplishment, self-esteem, and a psychological condition of pride (Jee 2021). When asked, during interviews, to define personalisation, participants associate it with a positive experience of feeling special. For example, PS Cust 3 stated:

“To me [personalisation] is an experience, something that I do not get at home or anywhere else - just feeling important”.

The study analysis reveals that this feeling of importance can be achieved by meeting customers' needs and wants. The anticipation of enjoyable and exceptional experiences that stand out from generic interactions raises customer expectations of personalisation. For example, PS Cust 1 states:

“I see the fresh cut flowers in my room. That would be something that is dedicated or looks like it is dedicated to me”.

Personalisation allows businesses to demonstrate an understanding of customers' needs and preferences, making customers feel valued and appreciated. The study findings indicated that expectation of personalised experiences that forge an emotional connection and convey a sense of care and recognition depicting that it is essential to experience being welcome:

“I think that personalisation makes me feel very welcome” (PS Cust 2).

The experience itself plays a vital role, and participants confirmed the importance of the hedonic dimension, revealing that customers expect inspirational content that enables them to discover new things (Riegger et al. 2021). That expectation is beyond seeking the benefits of relevant, functional suggestions that closely match customer preferences as, e.g., PS Cust 1 is looking for *“something that is closer to my character, rather than a type of a stay I am having in the hotel”*.

Participants suggested that customers often live in a hedonistic society driven by pleasure over necessity (Lim 2014).

The study findings indicate that the need for a hedonic experience can influence the customers' perception of value and create a long-lasting relationship with the brand, as those interactions provide customers with a rich source of experience (Pallant, Karpen, et al. 2022). A study's findings indicate that customer intention to purchase personalised offerings is influenced by a combination of utilitarian and hedonic values that customers perceive when making a decision. Findings agree with Pappas et al. (2016) that the quality and benefits of personalisation increase customer intention to purchase. As an inseparable mixture, the utilitarian attributes of personalised offerings are enhanced by tangible or objective motivation, whereas hedonic attributes derive from subjective emotions, brand engagement, and personalisation expectations.

Cognitive benefits

The interviews confirmed that one of the customer expectations of personalisation is the cognitive benefits related to how people think about shopping, organising, and consuming it. The way that individuals are purchasing hotels is not the same as they are purchasing other items. For example, unlike the airlines, where customers are often restricted regarding travel routes, there are vast hotel options at a given destination. The airline or car insurance industry is much more aggregated (Abrate and Viglia 2016). The choice for customers is much more restricted compared to hospitality. The study findings highlight that customers' attitudes towards general purchase decisions are often affected by positive and negative reviews of other customer experiences (Gupta 2019).

The cognitive benefits of personalisation are created in the customer's mind. It is how the customers interpret the events related to the search and purchase of the products and services. The findings outline that the customers expect businesses to seek and obtain information needed to

estimate the quality of their offers and reduce uncertainty regarding customer purchase decisions. For example, PS Cust 3 stated:

“I receive [information] from the hotel I. They know my birthday, they know when I am coming or probably going on holiday again, and I will receive information from them. They will tell me: Mr PS Cust 3, we have not seen you since last time. We hope you are going to visit [us] - this kind of stuff. So, they are in contact. That, to me, is as important [...]. That is personalisation in a sense.”

Customers expect personalised offers to include recommendations and suggestions that align with their preferences. Anticipating control over the personalisation process and the ability to influence recommendations fosters customer expectations, as they desire a sense of agency and the ability to co-create their experiences. PS Cust 2 added:

“They would need to collect some data on me, right, so it would have the visibility of how many times I stayed at the hotels, what period of time, the length of the stay, what services I used, room service, you know, whether was room on the 3rd floor, etc. So based on that, I can imagine that hotel would prepare the best offering for me”.

The study interview presents the notion that the company and the customer are mutually linked to each other to create unique products and services (Jain et al. 2021). The findings revealed that participants feel comfortable that the business collects their personal information and are inclined to share information regarding themselves. As PS Cust 2 suggested:

“I presume that hotel, to be able to personalise offering and tailoring directly for me, they would need to collect some data on myself.”

PS Cust 2 added:

“I think it is virtually impossible to give somebody a price and for the business to actually make money on people if they do not look at the data if they do not derive additional value on their customer”.

Participants illuminated that privacy and data security concerns can influence customer expectations of personalisation. Businesses must demonstrate a robust data protection framework and transparent data handling practices to alleviate concerns and build trust, thereby positively

shaping customer expectations. Transparent communication about the capabilities and limitations of data collection for personalisation is essential, as PS Cust 1 described:

“data is being collected by everyone and everywhere all the time, potentially by our employers, schools, different officials, insurance companies, the banks. All of that information is being collected all the time anyway, so I do not see hotels being different from collecting that data”.

The findings highlighted that personalisation benefits include learning about customer needs, wants, preferences, and desires, matching them to specific offerings or tailoring them to accommodate learned preferences (Piccoli et al. 2017). These extend Ariffin's (2013) argument, which implies that personalisation emerged as the best predictor of customer satisfaction. The findings demonstrated the cognitive benefits of personalisation as a factor of customer philosophy (outlined in section 3.9) that affects customers' behavioural intentions regarding personalisation.

Economic benefits

The study findings highlighted that the economic aspect of customer philosophy (outlined in section 3.9) plays an essential role in customer expectations of personalisation. Not surprisingly, it was found that the price is one of the main factors influencing customer WTP and their purchase decision. For some, their budget is untouchable, indicating their purchase decision, as indicated by PS Cust 5:

“My first factor is budget, which means a price.”

Personalisation can streamline the purchase process by presenting relevant options, reducing search time, and simplifying decision-making. Customers expect personalised experiences that save them time and effort, leading to cost savings associated with reduced search costs and increased efficiency. For PS Cust 3, price is a benchmark while comparing the offers available:

“Price is important as well because I can see some difference between one hotel in the same province or the street, let's say, in London”.

Interview participants indicated that the loyalty programmes offered by the businesses might not be perceived as personalised, suggesting the opportunity to use personalisation as a platform to attract and keep a customer:

“Personalisation could include the loyalty programs. [That] you protect the customers that are loyal to your property throughout the year” (PS Cust 5).

Customers anticipate personalised offers that cater to customer-specific needs and provide cost savings, enhancing customer expectations as they seek economic benefits through personalised pricing incentives. During the interviews, customers were found to expect fair and tailored pricing that reflects their unique needs and preferences, leading to economic benefits through personalised pricing strategies. Personalisation can help strengthen customer retention by attracting new and existing customers by offering, e.g., personalised discounts, as PS Cust 1 stated:

“If you want to attract more people, then personalisation could have a huge impact because you could personalise the price to someone’s budget”.

Often, customers look for recommendations that align with their unique requirements to maximise the value they obtain from goods or services, which leads to increased satisfaction and value perception. The interview findings reiterated that with every opportunity, customers compare the potential benefits to sacrifices they will make when receiving personalised offers:

“Whatever I am paying for its worth, you know it is valuable” (PS Cust 2).

What is a value for one may be meaningless for others and depends on one's requirements, needs, desires, life cycle, and social context. Measuring value is subjective and can be a big challenge. The analysis of interviews indicates that time-saving is an essential factor related to the economic benefits of personalisation, illuminating the efficiency of the delivery of the product and service. For example, PS Cust 4 illustrated:

“the barman talked to the hotel manager, who talked to somebody else, to get something done for the customer, and it was delivered within 10 minutes without asking”.

In some cases, it was found that participants sought interaction with other actors to save waiting time for the delivery of the offer. As a result, customers may experience time pressure, which can diminish the perceived value of the process by decreasing the feeling of freedom and spontaneity and increasing the perception of waiting time.

Through fit-for-purpose recommendations, personalisation can reduce the time needed for customers to search for the right products and services, e.g.,

“They give you an improved facility, [close] to where you need to be” (PS Cust 5).

Personalisation enables companies to respond to customer requirements faster and more efficiently, presenting the offers in real-time during all customer journey stages. The findings from the study indicate that it is essential to go beyond commonly accepted economic factors such as money spent. Within economic factors, as part of customer philosophy, the value of time is extraordinary per se. During the interviews, it was found that beyond value expressed by monetary loss or gain, the time spent on an overall analysis of the offers, recommendations and discounts available affects customer purchase behaviour. It appeared important for customers for real-time communication and engagement, contributing to their value perception, personalised experience, and decision-making.

Time-saving was found to motivate customers to engage with multi-channel search and purchasing. It can influence active participation in the process of personalisation:

“Personalisation could include the loyalty programs. [That] you protect the customers that are loyal to your property throughout the year” (PS Cust 5).

Referring to past experience regarding active participation, PS Cust 4 added:

“you do get better... you do get personalised service”.

The findings indicate that how customers plan and consume their travel plans is the economic calculation and benefits regarding money and time spent planning, searching, purchasing, and consuming the products and services. The principle behind this involvement is to facilitate a more personalised experience. This view seems to align with the paradigm shift toward the customer as a central aspect of value co-creation (Strandvik and Heinonen 2015). This aligns with the work suggesting that the time-constrained strategies offering products and services that are highly relevant, based on real-time context, ease customer decision-making, amplify revenue and provide competitive advantages (Buhalis and Sinarta 2019).

Uniqueness - seeking and treatment

Based on the theoretical proposition (section 3.9, Figure 3-10), the study findings addressed the heterogeneity of customers based on their requirements and their context. The expectation of novel and innovative personalised offers and personalised experiences, characterised by unique

features, creative approaches, and unexpected surprises, increases customer expectations of personalisation:

“Expectations are different to everybody [...] that it is depending on where I am going to stay”
(PS Cust 3).

Customers’ requirements are often expressed as expectations and become the central theme regarding the type of personalisation (e.g., Fan and Poole 2006; Vesanen 2007) that customers seek from the company offerings.

Through uniqueness seeking, individuals illuminate a desire to be different from others. Findings suggested that individuals with a high need for uniqueness seek personalised offers that better reflect their individuality. It is highly plausible that those individuals will respond particularly positively to personalised recommendations (Stiglbauer and Kovacs 2019). The results show that personalisation is closely linked with uniqueness seeking. As stated by PS Cust 5:

“personalisation has a meaning. Because the keyword to personalisation is the person”.

Through fit-for-purpose content, personalisation enhances one’s uniqueness. Some participants perceive personalisation as a platform for creating a unique experience. The findings indicate that products and services are expected to be personalised. As everyone is different, it is common for people to strive for moderate distinctiveness, and people differ in their sensitivity to similar information or recommendations. For example, PS Cust 1 stated:

“If I go to the hotel, and I see the fresh cut flowers in my room, that would be something that is dedicated or looks like it is dedicated to me”.

Based on the discussion in sections 3.8 and 3.9, it was found that an individual’s desire for variety, strangeness, and novelty is an essential motive that people are interested in as it differentiates them from others. Often, uniqueness seeking is a driver for pursuing personalisation per se and co-creating personalised experiences. PS Cust 2 observed:

”personalisation is quite important as well because people do not want to feel that they go through mass production centre”.

The uniqueness allows the participant to feel special. During interviews, it was found that the customer perception of being highly similar to others may affect negative emotions and reduce the enjoyment of personalised offerings. Personalisation empowers obtaining, using, and

positioning the hotel's offerings toward individual customer contexts. Customers demand interactions that represent their own opinions and tastes, and they anticipate personalisation that connects with their identity and values. Customers demand personalised experiences that offer distinctive offers, raising their expectations as they look for unique and memorable encounters that set the business apart from rivals. The personal and social identities of the customers are enhanced and developed as a result. This can enhance customers seeking uniqueness and indicates the pursuit of differences related to different personas through personalised offerings (Zhen et al. 2017). Recognising customer uniqueness through personalisation enhances a sense of natural authenticity in hospitality offerings. The findings suggest that purchasing is a multi-faceted decision to choose a destination and group relevant products and services. The findings aligned with Li and Su (2022), who describe novelty (or uniqueness) as comparing an individual's perception of experienced past and current situations. Interviews revealed that the participant's desire to seek novelty and unique treatment enables customers to be more involved and willing to explore and trade their personal information to retain relevant benefits of personalisation and increase their consumption experience.

6.3. CeoP and WTP relationship

According to configuration theory (outlined in section 3.8), a single factor rarely explains the outcome, but it is often explained by the combination and interaction of various factors (Pallant et al. 2020; Nobile and Cantoni 2023). The results of semi-structured in-depth interviews conducted in this qualitative study (Phase 2) reveal that interaction between researched factors exists. The findings suggest that it is unclear whether a particular factor may dominate customer WTP. More importantly, there are configurations of these factors that better explain customer WTP for personalised offers. This study suggests that the synergic nature between factors creates a complex and multidimensional phenomenon in which the configuration of the adopted factors is more significant than individual drivers (Pappas et al. 2016). Drawing on configuration theory (Mandagi et al. 2021), CDL, and participant stories, a conceptual framework depicted in Figure 6-1 is proposed to understand better the relationship between customer expectations of personalisation and WTP for personalised offers. The framework illustrates five antecedents (hedonic, utilitarian, cognitive, economic, and uniqueness seeking), their intersection and, on the right, the outcome of interest (WTP). In contrast, the overlapped areas represent possible combinations among constructs.

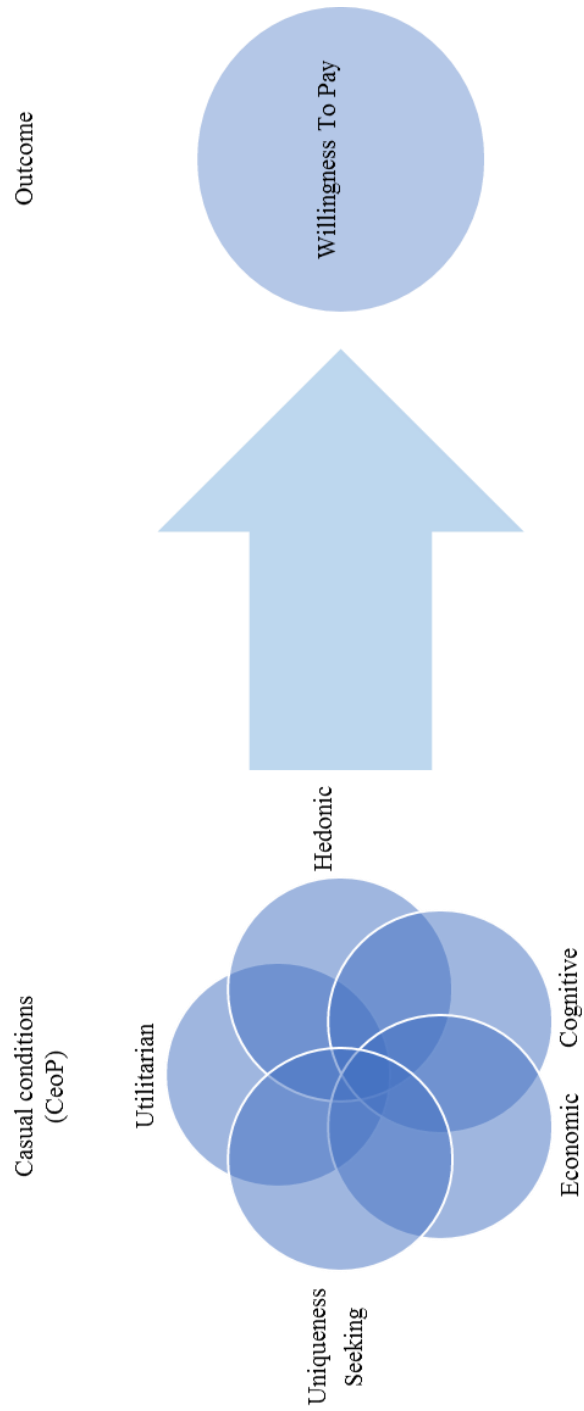
By deriving from the configuration theory and customer typology (proposed and discussed in section 6.5), this study confirmed the importance of holistically exploring CeoP that influences customer WTP. The results of this study show that levels of customer WTP varied depending on different types of personalisation expected by the customers, fulfilling their satisfaction and at least meeting their expectations. This result is in line with Lee and Chuang (2022), suggesting that the level of customer loyalty varied depending on the business servicescape fulfilled customer satisfaction and quality of life.

The findings derived from respondents' statements during the qualitative research (Phase 2) illuminate that the participants form overall impressions of consumed offers by integrating the information they receive in addition to their subjective evaluation of the offer. The magnitude of this finding is that it suggests that personalisation alone (seeing as utilitarian and hedonic benefits) has no visible effect on customer WTP, and personalisation is an expectation, not a luxury or something extra. Customers often act as rational individuals who consider aspects such as cognitive and economic benefits (represented by customer philosophy) and the need for diversity and uniqueness (represented by the novelty-familiarity continuum).

Derived from participants' stories during semi-structured interviews, respondents indicate motivations, needs, and requirements that they consider more important than others, depending on their current context. Those motivations, needs, and requirements are considered hedonic, utilitarian, cognitive, and economic benefits of personalisation. Customers' uniqueness seeking is essential in decision-making (Zhen et al. 2017). The findings suggest that customers perceived personalisation holistically (as *Gestalt*) through the configuration of various aspects. *Gestalt* (the whole that is perceived as more than the sum of its elements) emphasises the importance of perception, cognition, thinking, learning, memory, and consciousness (Mandagi et al. 2021). That indicates the existence of complex interrelationships between the mentioned factors and suggests how the customers interpret personalisation as a complex phenomenon. They lead to multiple unique combinations that explain the relationship between CeoP and their WTP. When examined separately, some factors (or benefits) seem more important than others. Exploring the combinations of those variables may lead to a better understanding of customer behaviour. The results generated from this exploratory study confirm the multi-dimensionality of the customer expectations of the personalisation concept. In the line of Mandagi et al. (2021) research on "brand gestalt", all five dimensions depicted in Figure 6-1 are viewed as interrelated and interconnected elements. The result's contribution is that it helps explore the relationship between customer expectations of personalisation and WTP (helping to address RO3) by aiding in identifying elements of CeoP (depicted in RO2). It helps to explore further WTP (RO1). Figure 6-1 depicts

the Venn diagram that explains the relationship between customer expectations of personalisation and their WTP.

Figure 6-1. CeoP-WTP Venn diagram illustrating the conceptual framework explaining the relationship between CeoP and their WTP



Configuration theory refers to the idea that products and services can be configured differently to meet the needs and preferences of different customer segments. Companies use different combinations of product and service features, pricing, distribution channels, and promotional strategies to create a unique value proposition for each customer segment. By understanding the different customer types, companies can tailor their marketing efforts to meet the needs and preferences of each group. The relationship between configuration theory and proposed customer typology (in section 6.5) lies in the fact that by analysing the characteristics of each customer type, companies can identify the most important product and service features, pricing strategies, distribution channels, and promotional tactics that are likely to appeal to each group. This finding indicates an exciting avenue for future research (discussed in section 9.3).

From the CDL perspective, it is not pure customers' needs and wants that drive the customers' behaviour. The findings show that the reasoning based on the configuration of their specific attributes, resources, aspirations, and experiences leads to particular activities (Strandvik et al. 2019). Reducing information overload through personalisation enhances added value for customers. Under certain circumstances, personalisation quality can compensate for the effect of privacy concerns (Li and Unger 2012). This study recognises the mediating role of privacy concerns on the influence of personalisation on customer WTP. As modern customers often willingly agree to share their data in return for a personalised product, service, and price, their privacy concerns are beyond this study's scope.

During initial coding using NVivo 12, it soon became apparent that too many text segments were combined and cross-bulked into the same themes, resulting in an overcomplicated coding tree. During the initial analysis of the interview data, it was noted that the interviews produced multiple themes which were context-dependent and, by nature, hermeneutically framed (Bergman 2015). The stories provided by participants suggest conceptualisation within broader narratives, including motives and reasonings for their particular behaviour. This process led to a more thorough and better-managed analytical process.

The findings in this chapter indicate that customer decision-making is not performed universally across all customer markets. During the study analysis, it soon became apparent that despite their heterogeneity, participants illuminated some similarities regarding their context and expected benefits of personalisation. The opportunity to create a competitive advantage often comes from new ways of segmenting customers. The study results suggest that personalisation and WTP offer

an innovative basis for exploring customer typology. The following sections offer customer typology that emerged from foregone literature review chapters (especially section 3.9) and this chapter's previous findings.

6.4. Customer typology – Participants' demographics

This section draws upon the findings presented in previous sections with the scope to develop a new CeoP-WTP customer typology. Hermeneutic-style qualitative methodology was adopted to explore a relationship between customer customer expectations of personalisation and their WTP. The main finding derived from the interview participants' stories was six different customer types. The first section presents the customer demographics. Section 6.5 offers and discusses a typology that integrates the customer expectations of personalisation and their WTP. These sections address research objective 4 (outlined in section 1.4) - *To develop and validate the CeoP-WTP typology*. This and the following section created an integral part of the researcher's publication journey and have been fully included in Tomczyk et al. (2022, p. 466 and 468-470).

In this section, participant demographic and behavioural information, depicted in Table 6-1, such as gender, age, education, occupation, relationship status, and frequency of travel, are presented, representing various populations.

Table 6-1. Demographic profile of participants

Item	Participants	Percentage
Gender		
Male	20	47%
Female	23	53%
Age		
18-29	1	2%
30-39	20	47%
40-49	16	37%
50-59	3	7%
60+	3	7%
Education		
A-Levels/College	11	26%
UG University degree	7	16%
Masters University degree	21	49%
PhD	4	9%
Occupation		
Professionals	14	33%
Managers and administrators	8	19%
Educators	10	23%
Clerks	7	16%
Housewife	1	2%
Unemployment	1	2%
Retired	2	5%
Relationship status		
In a relationship (with kids)	27	63%
In a relationship (with no kids)	11	26%
Single (with kids)	1	2%
Single (with no kids)	4	9%
Frequency of travel		
1-2 times per year	16	37%
3-4 times per year	11	26%
5-6 times per year	8	19%
7-8 times per year	1	2%
9-10 times per year	1	2%
Over 10 times per year	6	14%
Nationality		
British	15	35%
Polish	15	35%
Spanish	2	5%
Turkish	4	9%
Other (Greek, Malaysian, Mexican, Romanian, Sri Lankan, Thai, Ukrainian)	7	16%

From the interview respondents, 53% of the sample (n=23) were female participants, and male respondents were 47% (n=20). Regarding age, most of the respondents were between 30-39 years (47%, n=20), followed by respondents between 40-49 years (37%, n=16). The most populated education category was the University Master's Degree (49%, n=21). Furthermore, 33% (n=14) of respondents declared a professional occupation. Regarding relationship status, most participants (63%, n=27) stated they are in a relationship and have children. Regarding the frequency of travel, 37% (n=16) declared travelling 1-2 times per year, and 26% (n=11) expressed travelling frequency between 3-4 times per year. Finally, regarding the participants' nationality, two main groups of respondents, representing 35% (n=15) of participants, were British and Polish.

6.5. Customer typology

The development of customer typologies is not new. Several authors, including Cohen (1972), Mehmetoglu (2004), McNamara and Prideaux (2010), Masiero and Nicolau (2012), and Fan et al. (2017), are among many who have developed the customer typology. The universal framework for creating typology does not exist, as each application is unique to its context. As modern customers are more demanding, they have more bargaining power (Shamsudin et al. 2020) and choose the brands they feel represent them. The affiliation between various factors influencing customer behaviour becomes more complex. People do not have a clear preference until they face familiar offering options (Piccoli et al. 2017). Consumers' decisions are far from perfectly rational as they are affected by emotions, knowledge, and reference points (Masiero et al. 2016). Heterogeneous by definition, all customers are subjectively rational (Heinonen and Strandvik 2015) in their decisions and act logically based on their own goals, aspirations, resources, experiences, and reasoning (Heinonen and Strandvik 2018).

Grounded on the analysis of forty-three semi-structured in-depth interviews, participants have been grouped into six (6) different types based on their expectation of personalisation, the psychographic category of customer philosophy, familiarity-novelty continuum, and their WTP (fulfilling research objectives 1, 2 3, and 4, section 1.4). These types are Budget Adventurer, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers (depicted as part of the academic journey in Tomczyk et al. (2022)), presented in the following sections. Through a narrative frame (*"meanings through which a given experience is understood"*) (Thompson 1997, p.455), participants depicted a connection between their expectation of personalisation and WTP, allowing synthesising the pattern of meanings that frame

their experience and assigning them to a specific type. Using the flow depicted in Figure 5-6 (section 5.5.4.5), each participant was segmented into one customer type based on the participant's response depicted in Table 6-2. The customer typology is not generated directly from quotes or any particular text unit despite applying this analytical method. Instead, they are based on the identified themes. As participants expressed behavioural patterns and perceived experiences (Fan et al. 2019), the assessment of the relationship between customer expectations of personalisation and WTP reflecting different customer types was grounded in interviewee dialogue about the purchase and consumption experience characteristics. Using psychographic variables (customer philosophy and familiarity-novelty continuum) (outlined in section 3.9), participants' stories about their experience with personalised offers created trajectories in which relationships between dimensions presented in the conceptual framework (Figure 3-10 in section 3.9) were envisioned.

The findings reveal that customers fall under different segments based on their life cycle, philosophy, and the different contexts of their consumption. Customers value various forms of personalisation depending on the individual's context. Table 6-3 synthesises the customer types into the matrix.

Table 6-2. Segmentation of Participants from the qualitative study

Participant	M/F	Age	Occupation	Type of customer
1	Female	32	Mortgage Advisor	Budget Adventurer
2	Male	39	Car Valet	Budget Adventurer
3	Female	40	Health Worker	Relaxation Seeker
4	Male	53	Chef	Delight Seeker
5	Male	40	Lecturer	Relaxation Seeker
6	Male	45	Director of Insurance	Relaxation Seeker
7	Female	33	Academic	Relation Seeker
8	Female	36	Lecturer	Budget Adventurer
9	Male	41	Technical Representative	Family Explorer
10	Female	45	Principal Business Analyst	Family Explorer
11	Female	36	Assessor	Relaxation Seeker
12	Female	42	COO	Relaxation Seeker
13	Female	44	Office Assistant	Family Explorer
14	Female	38	Project Manager	Relaxation Seeker
15	Male	45	Carpenter	Relaxation Seeker
16	Female	38	Receptionist	Relation Seeker
17	Female	40	Real Estate	Relaxation Seeker
18	Male	23	Sales Representative	Relation Seeker
19	Male	38	Product Owner/Project Manager	Relation Seeker
20	Female	33	Researcher	Must-Have Customer
21	Male	46	Project Manager	Relation Seeker
22	Male	37	Compliance Operations Manager	Relaxation Seeker
23	Female	32	Reservation Supervisor	Budget Adventurer
24	Male	42	Managing Director	Relaxation Seeker
25	Female	33	Architect	Delight Seeker
26	Female	38	Teacher and Interpreter	Relaxation Seeker
27	Female	57	Trainer	Must-Have Customer
28	Male	55	Independent Consultant	Delight Seeker
29	Female	32	Unemployed	Budget Adventurer
30	Male	33	Sales Representative	Family Explorer
31	Male	38	Senior Field Sales Professional	Delight Seeker
32	Female	42	Accountant	Relaxation Seeker
33	Male	45	CEO	Relaxation Seeker
34	Male	39	Local Government Officer	Family Explorer
35	Female	32	Quality Assurance	Relation Seeker
36	Female	43	Financial Officer	Relaxation Seeker
37	Male	32	Senior Lecturer	Must-Have Customer
38	Female	40	Housewife	Relaxation Seeker
39	Female	39	Business Analyst	Family Explorer
40	Female	39	Project Manager	Relation Seeker
41	Male	69	Retired	Relaxation Seeker
42	Male	65	Lecturer	Relaxation Seeker
43	Male	69	Retired	Must-Have Customer

Table 6-3. Typology Matrix

Customer type		Budget Adventures	Family Explorers	Relation Seekers	Relaxation Seekers	Delight Seekers	Must-Have Customers
Dimension	N=43	6	8	7	10	6	6
WTP	Not WTP more	X	X				
	WTP more with Limits			X			
	WTP more				X	X	X
Customer philosophy	Planned	X		X	X	X	
	Independent	X	X	X	X	X	X
	Reluctant						
Familiarity-Novelty Continuum	Organised			X			
	Individual		X	X	X	X	X
	Explorer	X	X	X	X		
	Drifter	X					
Expected type of personalisation	Transparent	X	X				
	Cosmetic	X		X	X		
	Adaptive		X	X		X	
	Collaborative			X	X	X	X

The following sections portray and explain each type's characteristics, summarised and depicted in Figure 6-2. Findings from research Phase 2, presented below, were published in an academic journal (see Tomczyk et al. 2022, p.468-470). The interpretivist approach of qualitative content analysis offers insight into how and why customers themselves interpret personalisation and WTP. The significance of the proposed typology is that it gives a good understanding of customer preferences and expectations, helps identify potential customers, empowers customer experience, and helps in better resource allocation. The following sections' portraits explain each customer's type characteristics depicted in Figure 6-2.

Figure 6-2. CeoP-WTP customer typology

Must-Have Customers	Sample: 6	Personalisation: Collaborative	Familiarity- novelty continuum: Individual	Customer Philosophy: Independent; utilitarian- hedonic motives	WTP: Willing to pay more (+); Conditional; Price is not important; Price-elastic; High-Low
Delight Seekers	Sample: 6	Personalisation: Adaptive; Collaborative	Familiarity- novelty continuum: Individual mass customer	Customer Philosophy: Independent; Planned; hedonic motives	WTP: Willing to pay more (+); Value seekers; Price is not important; Price-elastic; High-Low
Relaxation Seekers	Sample: 10	Personalisation: Cosmetic; Collaborative	Familiarity- novelty continuum: Individual mass Explorers	Customer Philosophy: Independent; Planned; utilitarian- hedonic motives	WTP: Willing to pay more (+); Price-value ratio; Price-elastic; High-Low
Relation Seekers	Sample: 7	Personalisation: Adaptive; Cosmetic; Collaborative	Familiarity- novelty continuum: Organized- Individual Explorers	Customer Philosophy: Independent; Planned; cognitive- hedonic motives	WTP: Willing to pay more (+); Conditional; Budget play important role; Price-elastic; High-Low
Family Explorers	Sample: 8	Personalisation: Adaptive; Transparent	Familiarity- novelty continuum: Explorer; Individual mass customer	Customer Philosophy: Independent; Cognitive- utilitarian motives	WTP: Not willing to pay more (-) Budget is the main factor; Price-rigid; Low-High
Budget Adventurers	Sample: 6	Personalisation: Cosmetic; Transparent	Familiarity- novelty continuum: Drifters; Explorers	Customer Philosophy: Independent; Planned; Cognitive- utilitarian motives	WTP: Not willing to pay more (-); Looking for cheapest option; Price-rigid; Low-High

6.5.1. Budget Adventures

The first type of customers evident from data analysis are customers who treat the hotel simply as a travel hub. A place to sleep whilst their priority is an adventure at the destination. They characterise as independent-planned travellers who make their own travel plans, often en route but looking for various forms of package offers. This group was labelled Budget Adventures. This type includes lone travellers or individuals travelling in a small group (friends and family), backpackers and adventure seekers. For example, Budget Adventures may plan their journey to use short stays during longer journeys or attend various events solo. Budget Adventurers often perceive personalisation as an unnecessary luxury as the hotel is only their temporal base rather than an attraction. They are price-conscious and do not seek a comprehensive range of personalised offers, as they spend the most time within their zone, such as actively exploring the destination. As Participant 29 states:

“I don’t mind if I go to Airbnb as a backpacker, as they have like a self-check-in kiosk, for example, because you don’t pay for someone to greet you at the door or take your bag for you.”

This indicates that they look for a functional aspect of the place. A secure place offers functionality, safety and decent-quality products and services. Such customers show characteristics defined by explorers (they make their own arrangements) and drifters (they seek a higher degree of uniqueness). Those customers expect rather cosmetic types of personalisation that fulfil their individual needs for efficiency and productivity. Budget Adventurers disclose limited loyalty to the destination and service providers, as their activities relate to pursuing new experiences:

“Travelling is about getting new knowledge, and it’s gaining new experiences, so if you go to the same place over and over again, it sort of gets boring, [...], and when you go to a place too often you would expect if you book a hotel the same hotel over and over again, you would expect them to know you, and if they don’t know you do feel kind of disappointed as well. So yeah, always go to new places, so you have new experiences” (Participant 29).

Price is a primary factor of consumer choice, often leading to failure to notice any aspect of personalisation provided:

“[Price is] very important, as I say, so I always check the price” (Participant 5),

and

“The first thing that I check is the price” (Participant 23).

Additional services may be treated as a necessity rather than perceived as personalised services (e.g., hotel shuttle or security), indicating that they are not willing or prepared to pay more for products and services received:

“In the hotels I was staying in, I didn’t notice any personalisation, all standards, just have a key, there is a room” (Participant 2).

The findings suggest that as they are not WTP more, rather than paying an additional cost for personalisation, Budget Adventures seek forms of personalisation within their budget:

“My biggest worry is the impact, probably increasing the price [for personalisation]. That might worry because it’s seen as something outside the norm [...] I would expect to end up paying more for personalisation, [...] and personally, I would not enjoy that. I would like to have the price and, within that, I can personalise it, not ‘here’s the price plus if you want to personalise then do this, this and this’, like on a plane” (Participant 5).

Still, those customers depict certain expectations from the accommodation providers and have a knowledge of high competitiveness and what is offered in the market:

“[a reason for switching hotel] I would say it’s both low services, low standards, as well as [for] both, for the same price, you can find the much better quality” (Participant 2).

For Budget Adventures, the time spent searching for the right offer is closely tied to their limited availability. As they seek the cheapest option, other customers’ opinions as an additional source of reference before purchasing become vital for their decision-making process:

“If it’s a backpacker, then, of course, you take the cheapest as possible, as long as it’s safe, and you read the reviews. I think the reviews are very important for choice in a way” (Participant 29).

Although those customers perceive personalised offers as additional to the standard product and service, their WTP could be enhanced by receiving service that is perceived as truly individualised, exceptional, and unique. Those customers seek a transparent type of personalisation that fulfils their needs for material and psychic welfare. Their experience and expectations guide their WTP:

“[It] depends on what it would be really if that would be like something which kind of like really extra, like above my expectations. Nowadays [...] lots of people [...] have different types of allergies and stuff, so I think hotels and the hotel restaurant should be like really prepared for that because it’s not like something new” (Participant 1).

6.5.2. Family Explorers

The second type of customer uses hotels as a base for exploration, rest, and sleep between activities. Similar to the previous customer type, they also treat hotels as a hub:

“The hotel would be a base, somewhere we sleep and have breakfast, and then we go off and do something else” (Participant 34).

They look for attractions and activities that enhance active participation in tourism experiences. That is particularly the case for parents with children, as they are restricted for the time of travelling (e.g., school holidays) (derived from interviews). Frequently, family trips are holidays more prolonged than a couple of days:

“I go with the family to the place where I spent one week or two weeks” (Participant 9).

Family Explorers seek comfortable accommodation, reliable transport, and recommendations based on overall family requirements and interests. As individual mass travellers who often make their own arrangements, they go along and travel on a limited budget (Mehmetoglu 2004). As they often are restricted by the time they can travel, Family Explorers seek to make their own pre-determined travel arrangements. Often, authenticity is perceived as an essential aspect of their travel experiences, fostering a deeper connection with the destination. They can be defined as independent-individual-explorers. The lack of familiarity with a chosen destination means they frequently look for personalised offers in various forms. They seek discounted prices that can provide good value for an extended stay. This discount seeking goes beyond the hotel room at the destination as it determines the overall travel experience:

“Good offer for me during holidays, for example, any discounts on attraction tickets. It could be beneficial, and I could probably use it for [...] during in visiting that specific place”
(Participant 10).

That is particularly the case when families visit expensive theme parks, where personalisation may be designed through dynamic packaging with entertainment and catering providers. For Family Explorers, the decision-making process involves mutual collaboration and negotiation among family members to ensure the satisfaction of everyone involved. For those consumers, the main factor apart from a location is the family friendliness aspect with the choice of attractions:

“It is not only about what I want in these things... as well with the family involved in, you know, we would look for facilities that [...] children and families could use together, like a swimming pool or something like that, or be in a location that’s not far from local family amenities”
(Participant 34).

Family Explorers emphasise children's role in family dynamics in decision-making processes. Each family member's preferences and interests are considered when selecting destinations, accommodations, and activities. Family-friendly facilities, safety considerations, and the availability of child-oriented amenities and entertainment play a significant role in their choices. Recommendations that are relevant to customers' needs and requirements can be co-created using an adaptive approach to personalisation:

“If I go along with my family [...], I will focus on the attractions which the hotel delivers for the kids. I am [a] happy parent of two daughters, so the most important thing is what the hotel can offer my children” (Participant 9).

The limited budget, together with the exploration tourists' role, inhibits their WTP for the hotel offers:

“In the context of a family holiday [...], probably no, because we would be busy doing other things” (Participant 34).

Like the previous type, Family Explorers often work toward their budget. The variety of amenities and tourist attractions influence the customer WTP. They make their own travel plans to fulfil individual material and welfare needs by designing their travel experience in an “environmental bubble”.

6.5.3. Relation Seekers

Relation Seekers look for a collaborative type of personalisation. This customer type includes individuals of various age groups and backgrounds. Relation Seeker type encompasses young adults seeking companionship and connection and older adults seeking deeper emotional connections and support. They focus on social interactions and interpersonal connections through co-creating a relationship with the offer provider. Those relations are often seen among individual/solo customers through active hotel-guest communication:

“Communication makes more personalised service for me. I mean, communication is the most important part. [Of course] Other material gifts, those kinds of things are for everyone, but my birthday, my name, my memories in that hotel, my communications with workers, it is just only for me and those kinds of things make my holiday memorable” (Participant 7).

Communication is vital for individual customers as they often feel lonely and left out of travel experiences. They actively seek out opportunities to establish and foster social bonds, including

friendships, romantic partnerships, and familial relationships. These individuals value authentic communication, emotional support, and shared experiences that contribute to the development and maintenance of close relationships:

“No one wants to be sitting around feeling like they’re being ignored. I’ve done much lone travelling and so as a single person travelling do tend to get ignored a bit more because you’re obviously not going to be spending the same amount of money that a couple or family of 4, 5, 6 people might spend” (Participant 35).

and

“I still have some connections with them [managers and hotel owner]. For example, I was at the Marmaris [place in Turkey] five years ago, and we stayed in a small hotel, and I still keep in touch with the owners. They invited me to their children's wedding ceremony.[...] I always call them on to celebrate their birthday, [and] they called me to celebrate my birthday.” (Participant 7).

The findings suggest that Relation Seekers are usually individual mass customers looking for holidays in familiar places with familiar people. As a result, they repeatedly lack comprehensive, personalised information and tend to return to places they have felt connected.

Regarding their WTP, the cost associated with booking the hotel and the available budget plays a vital role:

“I’ll pick the location, so, for example, I’m going to go to Mallorca, so then I’ll pick out what part of Mallorca I wanna go to, and then I’ll filter down my hotel types, so you know, a swimming pool, 4-5, that kind of thing and then it be... I don’t want to spend £1,000 on a four-night holiday, so I’m gonna limit that cost to a certain degree”* (Participant 35).

Despite high expectations, Relation Seekers carefully calculate if the promises outweigh the cost of achieving them. A perception of the price-quality ratio suggests:

“I want that personalised service. I want that premium quality, in a way, but I am not willing to pay an exorbitant amount just to get that, even if, for example, I could get this more or less the same at half the price. I would think twice about booking the expensive one” (Participant 18).

The WTP is associated with a presented offer and the expectation of meeting the service promise:

“Just paying more doesn’t mean that the service is going to be any better” (Participant 35).

The findings suggest that looking to fulfil their individual efficiency, productivity, and expressing themselves by co-creating their experience (through cosmetic, adaptive, and collaborative) personalisation, the relation determines the value and WTP for this segment. Often, they are solo travellers who seek pre-determined travel arrangements (including all-inclusive offers, e.g., cruises) to experience their “environmental bubble”, demanding novelty yet still having some degree of familiarity (organised-independent-explorers).

6.5.4. Relaxation Seekers

Relaxation Seekers include a mixture of couples (without children) and higher-budget families (derived from participants’ expressions of their life stage). Those customers often expect a higher level of attention, indicating their increased expectation of greater personalisation. They often determine either-or choices, characterised through direct interaction on a more individual level:

“Because you have this couple of weeks during the year with the family, that’s why I’m trying to go with the quality.[So] I would rather go to a place where the individual needs of every family member are taken care of” (Participant 24).

Relaxation Seekers expect extensive communication towards personalised recommendations and experiences. They treasure collaborative and relation personalisation to co-create in building personal interactions and personalised products and services:

“Maybe I’m a little bit idealistic, and maybe it’s impossible to tailor experience per individual customer. But part of me thinks that there could be a questionnaire just before you arrive, like what colour do you like? What food do you like? What music do you like? And you could actually make it personal. Because I don’t feel they are very much personal. I feel they are personal to the group of people or level of that you pay for, but not to the person individually” (Participant 12).

Often, as individual explorers, Relaxation Seekers are more willing to change their environment, seeking a memorable experience for a short time:

“A unique experience, so maybe a different environment that I currently live in. Some different experience to the everyday life, really” (Participant 12).

Their philosophy is motivated by travel as a temporary escape from everyday life (Mehmetoglu 2004). Those customers seek packages and pre-arranged offers. They want to be able to co-create their travel plans:

“We have got an all-inclusive for one week, so what I’ve looked for is above four-star in terms of quality, in terms of TripAdvisor rating. The price wasn’t a consideration, the sunshine was a consideration, and the convenience of the travel was” (Participant 6).

The findings suggest that thanks to information technology developments that fundamentally shaped booking and travelling (Buhalis 2020), enhancing extensive search and making more rational decisions (Ryu et al. 2021), Relaxation Seekers as independent travellers, often make their own travel plans:

“I am booking online when I have time in the evenings. When there is a problem with the booking or, if you have specific questions or needs that I couldn’t find say on the website, I call and make a booking by phone” (Participant 11).

The findings highlight that Relaxation Seekers are fully aware of additional costs that can occur for a higher level of personalisation and potentially higher costs associated with it:

“The more you want, the more you’ll pay” (Participant 32),

and

“The price wasn’t a consideration” (Participant 6).

Those customers pay attention to hedonistic aspects of travel and holidays, reflecting the emotional and psychological drivers such as pleasure, enjoyment, excitement, and desire:

“Travel is almost like a treat. We do not travel often. We only go probably twice in one year [...] If we have to pay more, it’s fine, but it has to be reasonable for us because, at the end of the day, if I had to go with my kids, it means we pay for four, not just for myself... We rarely go out, so we kind of look forward to just spoiling ourselves out there, really” (Participant 36).

This independent-planned approach can create an emotional connection, making it more appealing and desirable. Relaxation Seekers often actively seek opportunities to engage in activities that promote physical and mental well-being, such as spa treatments, yoga, meditation, massage therapies, and fitness regimes. These individuals value experiences that enhance their overall sense of relaxation, rejuvenation, and self-care. Relaxation Seekers understand and expect a higher price for personalised offers, which increase their WTP:

“I think when you want to be treated personally, when you want to be treated differently, like VIP, you have to pay more, and I know that it would be definitely worth paying more to be treated in a better way” (Participant 11).

They seek to receive a higher level of personalised offer that fulfils their individual needs for efficiency, productivity, and co-creation of their experience. Relaxation Seekers tend to lean towards more expensive offers, creating higher quality expectations from the offer:

“I’m not choosing the cheapest places [...] Usually the price is on the expensive side [...], but I somehow immediately link it with my high expectations of the experience, and I don’t mind that”
(Participant 24).

In comparison to Budget Adventures and Family Explores, price is not the most important criteria for travel and holiday planning for Relaxation Seekers when making a purchase decision:

“[price] is not not-important, but at the same time, usually, it’s not the number one criteria”
(Participant 24).

6.5.5. Delight Seekers

The Delight Seekers expect to co-create their experience through communication with them (as hotel guests) to obtain information to learn more and quicker about their preferences, as:

“poor communication ruins personalisation” (Participant 28).

They depict a mixture of individualistic and organisational mass tourist approaches, where the trip may not be entirely planned due to a choice of facilities offered. Delight Seekers appreciate opportunities to tailor their experiences to their individual preferences, allowing them to create unique and highly satisfying moments. They expect to have a certain amount of control over the time and itinerary of the trip (Cohen 1979). As participants 33 and 31 stated:

“I’ll be looking for somewhere where we can have an experience. Whatever the experience may be, you’re looking at things like a spa, fantastic dinner” (Participant 33).

“My girlfriend likes some spa treatment, so this is what would be interesting for her for sure... yeah, she’s the boss here, so... I can adjust” (Participant 31).

Delight Seekers enjoy the freedom of their holiday decisions. They are predominantly couples, using their time to travel (without children). Their decision-making process involves a hedonistic aspect of travelling, and they often feel rewarded as they strive to create and achieve a partner’s delight. In contrast to Family Explorers and Relaxation Seekers, seasonality is not a primary factor for decision-making, as those customers are not restricted to school holidays. They are looking for places tailoring offers to their current phase in life:

“We do not have kids, so adult-only hotels draw our attention” (Participant 31).

They desire delightful and memorable experiences that evoke positive emotions, such as joy, excitement, and surprise. This behaviour is grounded on the philosophy, motivated by push factors, making their own plans, including package offers as a temporary escape from everyday routine (Mehmetoglu 2004).

Delight Seekers have a higher WTP as they treat holiday trips as special occasions where they are willing to indulge. They are more mature and affluent. Often, they are empty nesters at the peak of their career and earling journey. As a result, they enter a different state of mind in which they are willing to pay more for personalised services to express themselves through the co-creation of the design of the environment and their experience (through collaborative and/or adaptive type of personalisation):

“especially on vacations, I would be willing to pay more to be more comfortable or have fewer worries, yeah... I can raise it [a budget] a bit, so it's quite elastic” (Participant 31).

As the value is the outcome, the perception of getting more value influences their WTP for the offer:

“if I receive more value, yes [I will pay more]” (Participant 33).

These customers know what they want and have the disposable income to spend. They are seeking experience in their “environmental bubble”, expecting novelty to some extent but still looking for some familiarity. They are prepared to pay for that, provided organisations can deliver personalised experiences to meet and delight their desires.

6.5.6. Must-Have Customers

Must-Have Customers determine their behaviour by their ability to personalise their experience actively. For these customers, receiving a personalised offer that strictly fits their specific requirements is more than just a desire; it is a necessity. Meeting their requirements is vital for decision-making, experience, and the ability to purchase the offer. These are either affluent travellers who are not concerned with cost or those with specific requirements that are critical for their experiences. That is particularly the case for customers with accessibility issues or medical conditions, such as severe food allergies, anxieties and phobias, or physical disabilities. This type of customer's requirements is vital for their creation experiences:

“Given my complex diet intolerances, making sure they can provide suitable food to me is quite important. And then, making sure they’ve got facilities of interest, such as some sort of spa treatments or a pool, or that type of thing was sort of lounge area. Obviously, the price comes into that as well, but a lot of it is down to choice and food as well, to be fair” (Participant 27).

This type of customer makes their own arrangements seeking to experience their “environmental bubble”. They invest time, effort, and resources in researching, purchasing, and advocating for offers that provide unique attributes associated with their must-have requirements. Must-Have Customers seek to personalise their experience by building the offer through an active co-creation process (Vargo and Lusch 2008b):

“We always prefer to go there because of the ambience, because of the space that we are having that it makes you feel more private, you can have a more private conversation in the public space. I think if you want certain quality, you are willing to pay more money if you are getting similar products from different places” (Participant 20).

As Must-Have Customers represent individuals who perceive certain product or service attributes as indispensable to their needs or lifestyle, they are often disappointed and unable to participate when expectations are unmet:

“They promised me the world, and literally, it was fruit salad or ice cream” (Participant 27).

Lack of expected or fit-for-purpose personalisation creates significant dissatisfaction and/or discomfort, leading to decreased loyalty and, as a result, pushing the customer to switch to competitors. For example:

“If I do not receive what I want, I changed the hotel. I chose a different hotel” (Participant 30).

Having specific requirements increases the service complexity and may influence the level of overall satisfaction and experience:

“Having a room away from the elevator but close to the fire exit is important, and I always want the breakfast in a corner because this is what I like” (Participant 37).

The Must-Have Customers' WTP is considerably higher than other customer types. They are prepared to pay higher prices if service providers meet their requirements. This is highly important and relevant to customers with impairments or disabilities whose needs are “absolutely essential”; not meeting their requirements will prevent them from purchasing products and services and travelling. For those customers, personalisation often is a pre-condition of travel (Buhalis and

Michopoulou 2011; Michopoulou and Buhalis 2013). Customers are willing to pay extra to ensure that their needs are met:

“yeah, definitely, as long as they deliver what they have promised” (Participant 27).

Travelling with food intolerance or disability increases the requirements and impacts customers' ability to enjoy the travel experience. The importance of consumer-specific requirements indicates the need for a higher level of control throughout the personalisation process. Negotiations are grounded in a collaborative approach with product and service providers (Vesanen 2007). Co-creation allows personalising experiences and can be a source of unique value for each individual (Chathoth et al. 2013). A communication platform can facilitate social interaction, providing for consumer needs and establishing the desired level of privacy towards co-creating the experience collaboratively. An example of such a platform is Pantou.org, which ENAT has developed to meet the need for a reliable and comprehensive international guide to all kinds of accessible tourism services, helping to make tourism everywhere “Accessible for All”. This website presents a directory of suppliers of accessible tourism services, covering the whole tourism and travel value chain.

6.6. Chapter Synthesis

The findings presented in this chapter make a valuable and tangible contribution by exploring utilitarian, hedonic, cognitive, and economic benefits and the desire for a uniqueness that constitutes and enhances customer expectations of personalisation. This chapter's results depict that the WTP level is neither fixed nor linear and can vary based on contextual factors and intrinsic and extrinsic features. The study findings suggest that factors constituting customer expectations of personalisation seem to be enhanced to varying extents, influencing customer WTP.

The findings support the discussion and validity of the framework proposed in section 3.9. During this study phase, it was found that various extents of utilitarian and hedonic benefits represent various expected forms of personalisation. The cognitive and economic benefits represent the customer philosophy, and customer search and desire for uniqueness reflect the novelty-familiarity continuum depicted in the conceptual model (Figure 3-10) in section 3.9. The findings conclude that customer expectations of personalisation and WTP are context-dependent, influencing decision-making and purchase decisions.

The findings from the qualitative research (Phase 2) help better understand themes and stories and illustrate customer types that emerged from forty-three semi-structured, in-depth interviews.

Based on the notion that customers are often opposite (e.g., individualistic vs collectivistic, utilitarian vs hedonic, price-elastic vs price-rigid) (Mehmetoglu 2004; Chan et al. 2011; Rondan-Cataluña and Rosa-Diaz 2014; Kizielewicz 2020), this process results in six different types of customers that have been identified named as Budget Adventures, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers (section 6.5). This chapter illustrates that customers' WTP varies according to their expectations from personalisation. Tables 6-4 synthesise the CeoP-WTP customer typology derived from this qualitative research phase.

Table 6-4. The synthesis of CeoP-WTP customer typology

Type	Characteristic	Triggers	Outcome
Budget Adventures	Limited budget Focus on efficiency and practicality, group of friends	Utilitarian driven consumption Driven by cognitive motives	Expecting Cosmetic/ Transparent type of personalisation, and not WTP more.
Family Explorers	Limited budget, limited by external factors (school holidays) Family with kids Looking for societal and economic benefits	Driven by motives of well-being at a societal level Economic constraints driving consumption Driven by a combination of cognitive, utilitarian, and hedonic motives	Subjective well-being Necessity and utility-driven consumption Expecting Adaptive/ Transparent type of personalisation, not WTP more, seek offers, discounts, and recommendations.
Relaxation Seekers	Individuals with higher income levels (also families with kids) Meeting the needs of an individual and/or of the whole group	Achievement of self-well-being and societal well-being (close family, friends)	Expect a mix of Adaptive/ Cosmetic/ Collaborative type of personalisation, WTP with limits
Relation Seekers	Highly engaging with society, higher experimental seeker, mainly single (individuals), Possibility of minor budget adjustment	Driven by a combination of utilitarian and hedonic motives	Expect Cosmetic/ Collaborative, WTP more but with limits
Delight Seekers	Mainly Couples Driven by self-fulfilment needs Budget is a guidance	Driven mainly by hedonic motives	Greater enjoyment through the consumption of high-quality items Expect Adaptive/ Collaborative type of personalisation, WTP more
Must-Have Customers	Refuse to consume if the offer does not fulfil their grand desires	Need for greater control	Expect collaborative personalisation, WTP, and more

Qualitative research is used to explore and gain a more comprehensive understanding of the phenomenon of customer expectations of personalisation. The findings presented in this Chapter provide insights into the context and complexity of the researched phenomenon. The magnitude of the qualitative research phase lies in its help to identify different customer types based on their expectations of personalisation. The findings revealed that an interaction between the identified factors of causal conditions (such as hedonic, utilitarian, economic, and cognitive benefits of personalisation and uniqueness seeking) exists and can influence customer WTP (reflected in RO1, RO2, RO3, and RO4).

The findings' contribution is that customers do not have a singular perspective of what is associated with personalisation. Customers value different forms of personalisation depending on the individual's context. This variation in value expectation results in pricing strategies working differently for various individuals based on their current type in a specific context.

The findings depict that customers fall under six segments based on their life cycle, philosophy, and the context of their consumption. There is a noticeable expectation from customers that personalisation creates increased value in product and service quality and delivery. A comprehensive understanding of customers' needs, requirements and contexts is necessary to prepare various marketing strategies that dynamically support value co-creation in real-time (Buhalis and Sinarta 2019).

As the qualitative research phase did not aim to produce statistically generalisable information (outlined in section 5.6.6), the quantitative research phase (Phase 3) was conducted can help to determine the statistical significance of the findings and provide a more robust analysis.

The quantitative research findings (presented in the next chapter) provided complementarity through enhancement and further clarification of the qualitative research phase results (Bryman 2006). It helped validate the introduced novel CeoP-WTP typology grounded in qualitative research phase results by comparing and contrasting different customer groups.

7. FINDINGS – Phase 3 – Quantitative Cluster Analysis of CeoP-WTP

This section presents the quantitative findings of the survey. Following the development of customer typology (outlined in section 6.5), the survey's aim (conducted in Phase 3) is to explore customer typology based on multiple variables identified during qualitative research in Phase 2. Based on findings presented in Chapter 6 depicting that customers fall under six types based on their life cycle, philosophy, and the context of their consumption, quantitative research can help to increase the sample size of the findings to a larger population and provide a more robust analysis. It explores the extent of the role (if any) of benefits from personalisation in influencing customer WTP. It does so by integrating the analysis from both qualitative research Phase 2 and quantitative research Phase 3 and addressing the following research objectives:

Research Objective 3:

To explore the relationship between CeoP and their WTP

Research Objective 4:

To develop and validate the CeoP-WTP typology

The findings of this research phase contribute to exploring the relationship between customer expectations of personalisation and WTP (addressing RO3). First, the sample's demographic characteristics are presented, followed by descriptive statistics for the study variables. The results from factor analysis on the values for selected variables collected through the survey are presented. The factors resulting from factor analysis were used to identify clusters of customers from 202 respondents. For this, *K*-means clustering analysis has been performed to cluster respondents who participated in the survey (addressing RO4). The following sections outline the results of factor analysis followed by cluster analysis.

7.1. Demographics – Descriptive statistics of sample profile

As presented in Chapter 5 (specifically in sections 5.3.3, 5.3.4, and 5.6.2), multiple strategies were used to obtain a sample of respondents. The self-administrated survey using JISC Onlinesurveys was populated among the respondents to ease the data processing using Facebook, Instagram, and LinkedIn. As a result, a total of 275 responses were collected, of which 202 were valid after eliminating incomplete or faulted responses.

The initial survey contains 34 measurement items. Following Hair et al. (2010), the minimum number of responses needed was calculated as 170 ($34 \times 5 = 170$). Those calculations exclude demographic (14) and typology (1) questions. Descriptive statistics, including frequency and percentage, have been used to analyse the respondents' demographic profiles. Table 7-1 depict the demographic characteristic of the sample respondents (n=202).

Table 7-1. Demographic characteristics of participants in the survey (n=202)

Item	Participants (n=202)	Percentage (%)
Gender		
Female	127	62.9%
Male	72	35.6%
Non-binary	3	1.5%
Age		
18-24	55	27.2%
25-29	32	15.8%
30-34	27	13.4%
35-39	19	9.4%
40-44	27	13.4%
45-49	14	6.9%
50-54	8	4.0%
55-59	11	5.4%
60-64	5	2.5%
65+	4	2.0%
Education level		
GCSE	0	0%
A-Level	7	3.5%
Diploma/Certificate	8	4.0%
Bachelor's Degree	58	28.7%
Master's degree	106	52.5%
PhD	21	10.4%
Other	2	1.0%
Occupation		
Accountancy, banking, and finance	14	6.9%
Business, consulting, and management	10	5.0%
Charity and voluntary work	5	2.5%
Creative arts and design	1	0.5%
Energy and utilities	4	2.0%
Engineering and manufacturing	4	2.0%

Environment and agriculture	1	0.5%
Healthcare	15	7.4%
Hospitality and events management	8	4.0%
Information technology	15	7.4%
Law	1	0.5%
Law enforcement and security	0	0%
Leisure, Sport, and Tourism	4	2.0%
Marketing, advertising, and PR	9	4.5%
Media and Internet	1	0.5%
Property and Construction	1	0.5%
Public service and administration	4	2.0%
Recruitment and HR	2	1.0%
Retail	6	3.0%
Sales	4	2.0%
Science and pharmaceutical	1	0.5%
Social care	3	1.5%
Student	49	24.3%
Teacher, training and education	32	15.8%
Transport and logistic	1	0.5%
Retired	3	1.5%
Other	4	2.0%
Relationship status		
Married	70	34.7%
Living with a partner	39	19.3%
In a relationship but not living with a partner	16	7.9%
Single	70	34.7%
Widow	1	0.5%
Divorced	5	2.0%
Separated	2	1.0%
Children		
Yes	67	33.2%
No	135	66.8%
Dependants in the household		
=0	132	65.3%
=1	25	12.4%
=2	32	15.8%
>=3+	13	6.4%
Travelling with pets		
Yes	14	6.9%
No	188	93.1%
Ethnic		
White	149	73.8%
Black or, Caribbean, or African	3	1.5%
Asian	31	15.3%
Mixed or Multiple ethnic groups	4	2.0%
Arab	7	3.5%
Other	2	1.0%
Prefer not to say	6	3.0%
Frequency of travel for leisure purposes		
1-2 times	85	42.1%
3-4 times	79	39.1%
5-6 times	21	10.4%
7-8 times	8	4.0%
9-10 times	5	2.5%
10+ times	4	2.0%

The average duration of a hotel stay		
1-night	8	4.0%
2-nights	38	18.8%
3-nights	44	21.8%
4-nights	30	14.9%
5-nights	29	14.4%
6-nights	9	4.5%
7-nights	35	17.3%
>=2-weeks	9	4.5%
The type of last chosen hotel		
Economy hotel (1*-2*)	41	20.3%
Mid-scale (3*)	92	45.5%
Upper-Scale (4*)	45	22.3%
Luxury (5*+)	11	5.4%
Other	13	6.4%
Annual disposal income		
<£15,000	54	26.7%
£15,000-£19,999	27	13.4%
£20,000-£29,999	29	14.4%
£30,000-£39,999	34	16.8%
£40,000-£49,999	18	8.9%
£50,000-£59,999	7	3.5%
£60,000+	19	9.4%
I do not have any income	14	6.9%

Female participants were 62.9% of the sample (n=127), male respondents were 35.6% (n=72), and 1.5% (n=3) were non-binary. The female participants contributed disproportionately, indicating a higher willingness to participate in online surveys and to disclose their spending habits or personality types (Smith 2008; Mulder and de Bruijne 2019). Regarding age, most of the respondents were aged between 18-24 years (27%, n=55), followed by respondents between 25-29 years (15.8%, n=32), 30-34 (13.4%, n=27) and 40-44 (13.4%, n=27). Only four (4) (2%) respondents belong to the 65+ age category. The results show that most respondents have master's degrees (52.5%, n=106). The most populated occupation categories were students (24.3%, n=49), teacher, training, and education (15.8%, n=32), and Information technology and healthcare (both representing 7.4%, n=15 each of the total sample). Regarding relationship status, the most populated categories were Married and Single, representing 34.7% (n=70) of the total sample. 19.3% (n=39) participants stated that they are living with their partner, and 7.9% (n=16) participants stated that they are in a relationship but do not live with their partner. Among all respondents, 65.3% (n=132) declare not to have any children, while 15.8% (n=32) indicate having two (2) kids, followed by 12.4% (n=25) and 6.4% (n=13) suggesting having one (1) and three or more (3+) kids respectively. Most respondents indicate travelling without pets (93.1%, n=188). The most populated ethnic background categories were white (73.8%, n=149) and Asian (15.3%,

n=31). For the questions regarding their travel, 42.1% (n=85) respondents stated that they travel 1-2 times per year, followed by 39.1% (n=79) travelling 3-4 times per year. The most populated average hotel stay for leisure purposes categories were three nights (21.8%, n=44), two nights (18.8%, n=38), and seven nights (17.3%, n=35). The results depict that the most frequently chosen hotel type were mid-scale hotels (3*) (45.5%, n=92), upper-scale hotels (4*) (22.3%, n=45), and economy hotels (1*-2*) (20.3%, n=41). Lastly, 26.7% (n=54) respondents declare their annual disposal income not to exceed £15,000, followed by 16.8% (n=34) respondents having between £30,000 and £39,000. 9.4% (n=14) of participants declare having no disposable income.

7.2. Descriptive Statistics of clusters variables

The quantitative methods used for the survey analysis explore several variables. Together with a previous section, this section summarises the data more compactly. This section depicts descriptive statistics and provides information about individual variables' distribution, central tendency, and variability (Collis and Hussey 2014; Saunders et al. 2019). Table 7-2 depicts the items' mean, standard deviation, skewness, and kurtosis.

Measures of central tendency were used to summarise frequency distribution (Collis and Hussey 2014). The mean (arithmetic average) represents the range of mean values and suggests the average tendency or perception of the respondents. Table 7-2 depicts the mean range between 3.0 (WTP4) and 4.30 (COG5). A mean value closer to 3.0 suggests a neutral or moderate level of agreement with the given statements or questions. It indicates that, on average, the respondents' opinions or experiences are not strongly positive or negative. A mean value closer to 4.30 indicates a higher level of agreement towards the positive end of the scale. It suggests that, on average, the respondents tend to agree or have positive experiences related to the given statements or questions. In the context of this study, the range of mean values between 3.0 and 4.30 suggests variability in the responses and indicates different levels of agreement or perception among the respondents.

Skewness measures the extent to which the distribution frequency is asymmetric (Collis and Hussey 2014). A negative skewness value, such as -1.126 (UTL3), suggests that the distribution is negatively skewed or left-skewed. The tail of the distribution is longer on the left side, and most of the data points are concentrated towards the right side of the distribution. The positive skewness, such as .823 (WTP4), indicates that the distribution is positively skewed or right-skewed. The tail of the distribution is longer on the right side, and most of the data points are

concentrated towards the left side of the distribution (Collis and Hussey 2014; Saunders et al. 2019). The low standard error (.171) indicates the precision or reliability of the skewness measurements and suggests higher confidence in the estimated skewness values. In this study, the skewness value ranges from -1.126 to .823 with a standard error of .171, indicating the acceptable distribution of variables (Hair et al. 2010; Matore and Khairani 2020).

Kurtosis measures the extent to which responses are distributed is flatter or more peaked than the normal distribution of 0 (Collis and Hussey 2014). A negative kurtosis, such as -.826 (UNQ2), suggests that the distribution has a flatter peak (platykurtic) compared to the normal distribution. The data points are more concentrated around the mean and have less dispersion. A value greater than 0, such as 2.409 (HED5), indicates that the distribution is or has a more peaked shape (leptokurtic) compared to the normal distribution. The data points are less concentrated around the mean and have a more dispersed distribution. The standard error represents the standard deviation of the estimated kurtosis values. It indicates the precision or reliability of the kurtosis measurements. A standard error of .341 suggests higher confidence in the estimated kurtosis values. In this study, values of kurtosis range from -.826 to 2.409, with a standard error of .341, indicating an acceptable distribution of variables (Hair et al. 2010; Matore and Khairani 2020).

Table 7-2. Descriptive Statistics of cluster variables

Variable	Question	N	Mean		Std. Deviation	Skewness		Kurtosis	
			Statistic (N)	Statistic (Value)	Std. Error	Statistic (Value)	Statistic (Value)	Std. Error	Statistic (Value)
UTL 1 (PSM1)	The hotel can provide me with offers tailored to my requirements (i.e., dietary, a room away from the lift, a car park, early check-in, and late checkout).	202	4.02	.060	.855	-.772	.171	.180	.341
UTL 2 (PSM2)	The hotel can provide me with the deals/offers that I might like.	202	3.91	.062	.879	-.659	.171	.318	.341
UTL 3 (PSM3)	The products and services that the hotel can provide are of acceptable standards.	202	4.23	.052	.745	-1.126	.171	2.201	.341
UTL 4 (REC1)	The hotel can provide me with recommendations that match my preferences or personal interests.	202	3.79	.057	.808	-.574	.171	.073	.341
UTL 5 (REC2)	I can get advice quickly and conveniently.	202	3.99	.056	.792	-.651	.171	.287	.341
UTL 6 (REC3)	I can get a hotel room tailored to my interests and needs through the recommendations.	202	3.70	.066	.942	-.566	.171	-.068	.341
ECO 1 (TME1)	When I search for a hotel, it is crucial that the process is timely and easy.	202	4.20	.061	.870	-1.084	.171	.897	.341
ECO 2 (TME2)	I like to take time when I am searching for the right hotel.	202	3.81	.072	1.019	-.696	.171	-.135	.341
ECO 3 (TME3)	I do not like it when searching for and booking a hotel takes a long time.	202	3.97	.073	1.041	-.876	.171	.051	.341
ECO 4 (TME4)	My last hotel booking process was good because it was over very quickly.	202	3.69	.067	.954	-.357	.171	-.762	.341
ECO 5 (VfM1)	In general, I believe the hotel is offering me a good product and service for the price presented.	202	3.88	.056	.789	-.706	.171	.770	.341

<i>Variable</i>	<i>Question</i>	<i>N</i>	<i>Mean</i>		<i>Std.</i>	<i>Skewness</i>		<i>Kurtosis</i>	
			<i>Statistic (N)</i>	<i>Statistic (Value)</i>	<i>Std. Error</i>	<i>Deviation Statistic (Value)</i>	<i>Statistic (Value)</i>	<i>Std. Error</i>	<i>Statistic (Value)</i>
ECO 6 (VfM2)	In general, I am making an extra effort to find what I need (e.g., a better (lower) price, higher standard).	202	4.08	.057	.806	-.605	.171	-.100	.341
ECO 7 (VfM3)	In general, when I look for a hotel, I look for discounted offers.	202	3.79	.067	.956	-.389	.171	-.760	.341
COG 1 (CON1)	I intend to continue to book a hotel online because I have a personal account.	202	3.32	.076	1.083	-.160	.171	-.782	.341
COG 2 (CON2)	I continue to use a hotel brand because I have control of the booking process.	202	3.10	.071	1.014	-.066	.171	-.735	.341
COG 3 (CON3)	I continue to use a hotel I stayed at because I want to.	202	3.66	.063	.902	-.709	.171	.215	.341
COG 4 (CON4)	The variety of choices of room features (e.g., accessible room, floor level, view, car park, minibar) in the hotel search meets my expectations.	202	3.79	.054	.770	-.547	.171	.205	.341
COG 5 (REV1)	The reviews of the hotel influenced my booking decision.	202	4.30	.055	.780	-1.083	.171	1.327	.341
COG 6 (REV2)	As I read the hotel's reviews, I am thinking about how I would feel if the same thing happened to me.	202	3.91	.066	.944	-.777	.171	.143	.341
COG 7 (REV3)	I find positive customer reviews very helpful.	202	4.08	.056	.797	-.987	.171	1.701	.341
COG 8 (REV4)	I find negative customer reviews very helpful.	202	4.17	.055	.782	-.882	.171	1.022	.341
HED 1 (EXP1)	In general, I am looked after while visiting the hotel.	202	3.84	.052	.745	-.527	.171	.323	.341
HED 2 (EXP2)	In general, I feel welcome while visiting the hotel.	202	3.98	.049	.694	-.508	.171	.602	.341

<i>Variable</i>	<i>Question</i>	<i>N</i>	<i>Mean</i>		<i>Std. Deviation</i>	<i>Skewness</i>		<i>Kurtosis</i>	
		<i>Statistic (N)</i>	<i>Statistic (Value)</i>	<i>Std. Error</i>	<i>Statistic (Value)</i>	<i>Statistic (Value)</i>	<i>Std. Error</i>	<i>Statistic (Value)</i>	<i>Std. Error</i>
HED 3 (EXP3)	In general, I feel valued as I receive personalised service during my stay in the hotel.	202	3.58	.066	.944	-.535	.171	-.110	.341
HED 4 (COM1)	Compared to other things I can do, the time spent visiting the hotel will be enjoyable.	202	3.65	.063	.898	-.787	.171	.270	.341
HED 5 (COM2)	A stay in the hotel will be very comfortable.	202	3.98	.047	.672	-.864	.171	2.409	.341
HED 6 (COM3)	The holiday trip truly feels like it will be an escape.	202	4.03	.055	.785	-.614	.171	.174	.341
HED 7 (COM4)	Overall, I am comfortable that the visit to the hotel will be entertaining.	202	3.71	.058	.828	-.525	.171	.378	.341
UNQ 1	I like doing things to make myself different from those around me.	202	3.24	.072	1.028	-.158	.171	-.663	.341
UNQ 2	I chose the hotel as I perceive it as one-of-a-kind.	202	3.01	.077	1.095	.154	.171	-.826	.341
UNQ 3	I prefer to stay in independent (boutique) hotels rather than chain hotels.	202	3.09	.076	1.084	.129	.171	-.692	.341
WTP 1	What is your budget for the hotel room (per person, per night) for your next holiday?	202	3.06	.109	1.546	.692	.171	-.284	.341
WTP 2	Considering your next holiday, if the accommodation you have just observed was in a location you were travelling to, at what price, if any, would you be willing to book this accommodation?	202	3.49	.103	1.470	.494	.171	-.306	.341
WTP 4	How much did you spend on accommodation for your last stay/holiday (per person, per night)?	202	3.00	.124	1.763	.823	.171	-.185	.341

7.3. Exploratory Factor Analysis of cluster variables

Exploratory Factor Analysis (EFA) is the most appropriate analytical technique to identify the smallest number of constructs (factors) (Lee and Hooley 2005; Collis and Hussey 2014; Watkins 2018; Ciasullo et al. 2020). It allows determining the underlying constructs by establishing the structure within and relationship between a set of observed items (Lee and Hooley 2005). This multivariate statistical method is appropriate for understanding the dimensionality and cross-validity of a set of variables and for isolating from those that do not effectively represent the dimension (Ciasullo et al. 2020). EFA was performed on 34 items to identify the factors that contributed to exploring the relationship between the benefits of personalisation and customers' WTP. Using EFA, items grouped are presumed to measure the same underlying construct. Principal Component Analysis (PCA) was selected as the appropriate extraction method. PCA was applied to reduce data to a smaller set of common composite variables – “*the components of factors*” (Collis and Hussey 2014, p. 277). This method is used as with the principal Axis Factoring. The PCA is commonly used in published literature (Williams et al. 2012; Alkhayrat et al. 2020; Ciasullo et al. 2020). It is also a default method in IBM SPSS 28, which was used to perform EFA.

Using the principal components method with Varimax rotation, EFA was used for analysing the factor structure and correlation between all 34 items included in the scale. Table 7-3 depicts the factors' dimensionality (factor loading) and reliability (Cronbach's Alpha).

Table 7-3. Dimensionality and reliability

		Factor loading	Cronbach's Alpha (α)
Utilitarian			
UTL 1 (PSM1)	The hotel can provide me with offers tailored to my requirements (i.e., dietary, a room away from the lift, a car park, early check-in, and late checkout).	.743	.822
UTL 2 (PSM2)	The hotel can provide me with the deals/offers that I might like.	.692	
UTL 3 (PSM3)	The products and services that the hotel can provide are of acceptable standards.	.636	
UTL 4 (REC1)	The hotel can provide me with recommendations that match my preferences or personal interests.	.686	
UTL 5 (REC2)	I can get advice quickly and conveniently.	.723	
UTL 6 (REC3)	I can get a hotel room tailored to my interests and needs through the recommendations.	.725	
Economic			
ECO 1 (TME1)	When I search for a hotel, it is crucial that the process is timely and easy.	.805	.738
ECO 2 (TME2)	I like to take time when I am searching for the right hotel.	*	
ECO 3 (TME3)	I do not like it when searching for and booking a hotel takes a long time.	.832	
ECO 4 (TME4)	My last hotel booking process was good because it was over very quickly.	.735	
ECO 5 (VfM1)	In general, I believe the hotel is offering me a good product and service for the price presented.	*	
ECO 6 (VfM2)	In general, I am making an extra effort to find what I need (e.g., a better (lower) price, higher standard).	*	
ECO 7 (VfM3)	In general, when I look for a hotel, I look for discounted offers.	*	
Cognitive			
COG 1 (CON1)	I intend to continue to book a hotel online because I have a personal account.	*	.742
COG 2 (CON2)	I continue to use a hotel brand because I have control of the booking process.	*	
COG 3 (CON3)	I continue to use a hotel I stayed at because I want to.	*	
COG 4 (CON4)	The variety of choices of room features (e.g., accessible room, floor level, view, car park, minibar) in the hotel search meets my expectations.	*	
COG 5 (REV1)	The reviews of the hotel influenced my booking decision.	.822	
COG 6 (REV2)	As I read the hotel's reviews, I am thinking about how I would feel if the same thing happened to me.	.710	
COG 7 (REV3)	I find positive customer reviews very helpful.	.587	
COG 8 (REV4)	I find negative customer reviews very helpful.	.804	
Hedonic			
HED 1 (EXP1)	In general, I am looked after while visiting the hotel.	.773	.782
HED 2	In general, I feel welcome while visiting the hotel.	.804	

(EXP2)			
HED 3 (EXP3)	In general, I feel valued as I receive personalised service during my stay in the hotel.	.733	
HED 4 (COM1)	Compared to other things I can do, the time spent visiting the hotel will be enjoyable.	*	
HED 5 (COM2)	A stay in the hotel will be very comfortable.	.593	
HED 6 (COM3)	The holiday trip truly feels like it will be an escape.	*	
HED 7 (COM4)	Overall, I am comfortable that the visit to the hotel will be entertaining.	*	
Uniqueness Seeking			
UNQ 1	I like doing things to make myself different from those around me.	.782	.714
UNQ 2	I chose the hotel as I perceive it as one-of-a-kind.	.785	
UNQ 3	I prefer to stay in independent (boutique) hotels rather than chain hotels.	.773	
Willingness To Pay			
WTP 1	What is your budget for the hotel room (per person, per night) for your next holiday?	.791	.739
WTP 2	Considering your next holiday, if the accommodation you have just observed was in a location you were travelling to, at what price, if any, would you be willing to book this accommodation?	.744	
WTP 4	How much did you spend on accommodation for your last stay/holiday (per person, per night)?	.859	

* - Loading factor below 0.5

To aid the selection of factor loading – the correlation between the item and the corresponding factor – was used (Lee and Hooley 2005). The guidelines suggest that for a sample size of 200, factor loading ≥ 0.4 indicates that the variable (item) can be attributed to the factor (Lee and Hooley 2005; Alavi et al. 2020). Following the literature, the factor loading in this study was set at 0.5.

Initially, the 34 scale items loaded onto ten (10) factors with an eigenvalue greater than one (1), accounting for 64.52% of the explained variance. The study did not provide the desired results as some items were loading on other factors, or the loading level was unacceptable (the minimum threshold was set at 0.5). Thus, those items (ECO2, ECO5, ECO6, ECO7, COG1, COG2, COG3, COG4, HED4, HED6, HED7) were incrementally removed. Then, the factor analysis was re-run, leaving 23 components for further analysis, depicted in Table 7-4. The rotated component helped identify the most plausible factor structure (Lee and Hooley 2005). As a final result, each item was loaded to only one factor (component), indicating no underlying issue with that measure.

Table 7-4. Rotated component matrix

	Rotated Component Matrix ^a					
	Component					
	1	2	3	4	5	6
4.1. PSM1	.743					
4.2. PSM2	.692					
4.3. PSM3	.636					
5.1. REC1	.686					
5.2. REC2	.723					
5.3. REC3	.725					
6.1. TME1					.805	
6.3. TME3					.832	
6.4. TME4					.735	
9.1. REV1			.822			
9.2. REV2			.710			
9.3. REV3			.587			
9.4. REV4			.804			
10.1. EXP1		.773				
10.2. EXP2		.804				
10.3. EXP3		.733				
11.2. COM2		.593				
12.1. UNQ1						.782
12.2. UNQ2						.785
12.3. UNQ3						.773
13. WTP1				.791		
14. WTP2				.744		
16. WTP4				.859		

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization. ^a

a. Rotation converged in 5 iterations.

The PCA revealed the presence of six (6) components with eigenvalue exceeding 1, explaining 61.53% of the explained variance, shown in Table 7-5. This led to the conclusion that the six-factor solution after rotation was adequate for further analysis. As a result of PCA, more refined and clearer variables relating to customer expectations of personalisation were identified as utilitarian (UTL) (including PSM1-3 and REC1-3), hedonic (HED) (including EXP1-3 and COM2), economic (ECO) (including TME1, TME3, and TME4), cognitive (COG) (including REV1-4), uniqueness seeking (UNQ) (including UNQ1-3), and WTP (including WTP1, WTP2, and WTP4). The scree-plot test, depicted in Figure 7-1, was conducted to produce a more

interpretable solution (Alkhayrat et al. 2020; Ciasullo et al. 2020; Kim et al. 2023). As the scree plot depicts, the number of components was based on an eigenvalue of 1, supporting the solution of six factors.

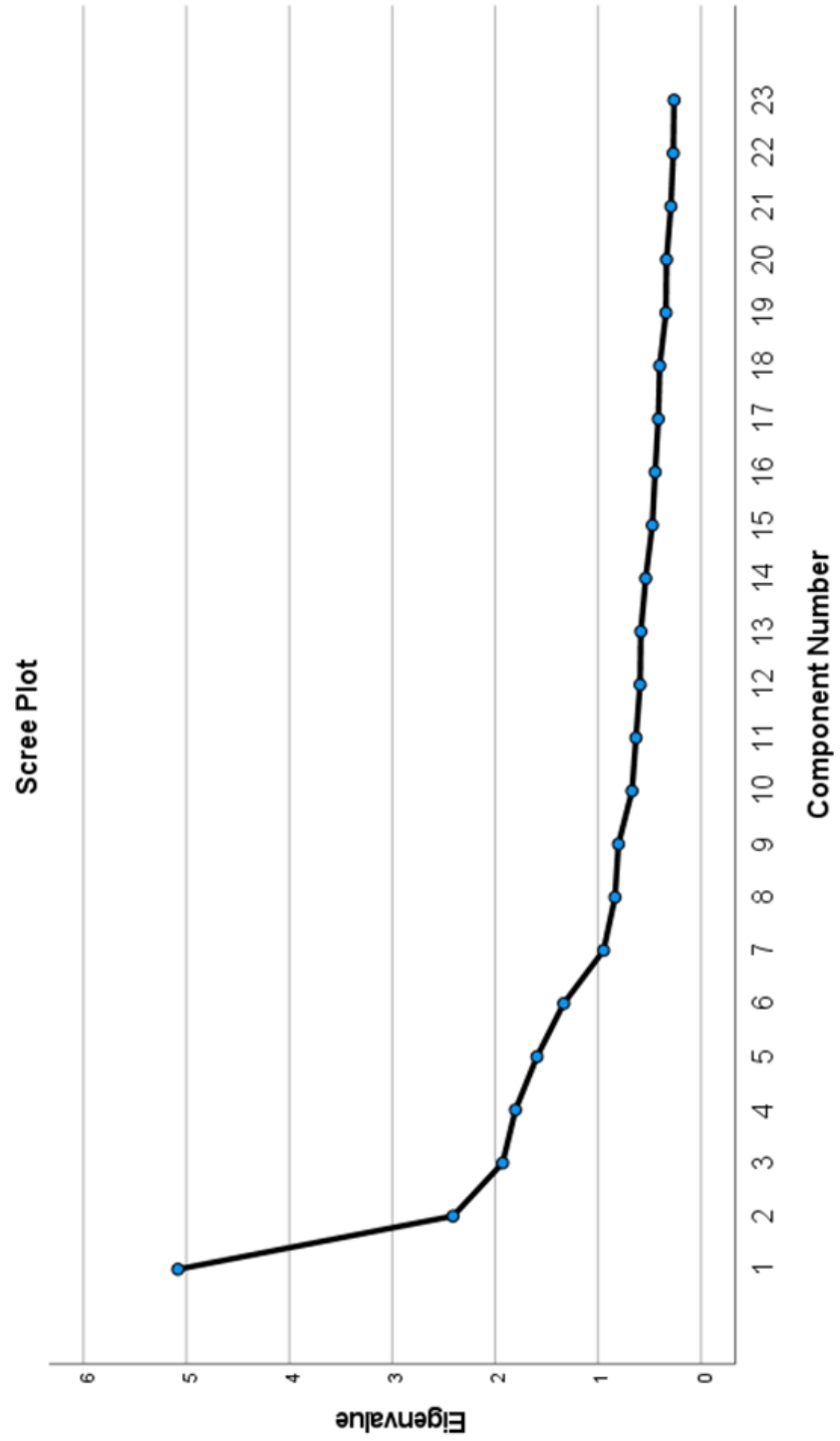
The first factor is labelled “*Utilitarian*”. It explains the 22.098% of the total variances and includes customer expectations of better products and services match and recommendations provided by the hotel. The second factor, labelled “*Hedonic*”, explains 10.478% of the total variance and relates to their feeling of one-to-one (personalised) experience and comfort and entertainment delivered by personalised offers. The third factor, “*Cognitive*”, explains 8.381% of the total variances and characterises the influence of other customer reviews that influence respondents’ decision process through identification with other customers. Fourth, the “*WTP*” factor explains 7.840% of the total variance. In this case, WTP is considered based on respondents' declared WTP for the viewed product (hotel room), their reported holiday budget, and their expenditure for the last holiday. The fifth factor is labelled “*Economic*”, in which the time spent on the booking process was used to analyse participants' responses, explains 6.931% of the total variances. Finally, the sixth factor explaining 5.803% of the total variances is “*Uniqueness Seeking*” and is characterised by novelty-familiarity continuum (Cohen 1972) expectations derived from participant responses.

Table 7-5. Total Variance Explained

Total Variance Explained											
Component	Initial Eigenvalues		Extraction Sums of Squared Loadings		Rotation Sums of Squared Loadings		Extraction Sums of Squared Loadings		Rotation Sums of Squared Loadings		Cumulative %
	Total	% of Variance	Total	% of Variance	Total	% of Variance	Total	% of Variance	Total	% of Variance	
1	5.083	22.098	5.083	22.098	3.288	14.296	5.083	22.098	3.288	14.296	22.098
2	2.410	10.478	2.410	10.478	2.501	10.875	2.410	10.478	2.501	10.875	32.576
3	1.928	8.381	1.928	8.381	2.322	10.098	1.928	8.381	2.322	10.098	40.958
4	1.803	7.840	1.803	7.840	2.021	8.789	1.803	7.840	2.021	8.789	48.798
5	1.594	6.931	1.594	6.931	2.011	8.744	1.594	6.931	2.011	8.744	55.729
6	1.335	5.803	1.335	5.803	2.008	8.731	1.335	5.803	2.008	8.731	61.532
7	.947	4.119									65.651
8	.836	3.636									69.288
9	.803	3.490									72.778
10	.671	2.917									75.695
11	.632	2.750									78.444
12	.593	2.578									81.022
13	.585	2.545									83.567
14	.538	2.339									85.907
15	.474	2.061									87.968
16	.446	1.940									89.908
17	.415	1.806									91.715
18	.402	1.748									93.463
19	.341	1.484									94.947
20	.336	1.459									96.406
21	.293	1.276									97.682
22	.270	1.176									98.858
23	.263	1.142									100.000

Extraction Method: Principal Component Analysis.

Figure 7-1. Scree-Plot



The statistic commonly quoted by researchers demonstrated that constructed or adopted tests and scales are fit for purpose is Cronbach's alpha (α) (Taber 2018; Saunders et al. 2019). Cronbach's alpha provides a measurement of the internal consistency of a measurement scale used in this research, and it is expressed as a number between zero (0) and one (1) (Tavakol and Dennick 2011). In this study, all constructs were above the recommended 0.70 reliability coefficients (Pallant 2011). The construct's internal reliability (Cronbach's alpha), depicted in Table 7-3, was measured between .714 and .822. The results indicated a good level of internal consistency to the survey questions in this study scale (Taber 2018).

The ratio of correlations and partial correlations, which represents how much variation is shared by all variables rather than just specific pairings of variables, is The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy (Watkins 2018). The KMO depicted in Table 7-6 was performed to determine whether the collected data were appropriate for further analysis. The KMO value above recommended 0.6 (Tabachnik and Fidell 2007; Pallant 2011; Collis and Hussey 2014) is good and indicates that the sampling adequacy criteria are met. In this study, the KMO result of value .771 indicates that the sample size is sufficient for reliable results. The Bartlett test of sphericity $\chi^2 (253) = 1513.271$ is statistically significant ($p < .001$), indicating that the correlation matrix is statistically different from an identity matrix as desired. This satisfies the assumption of sphericity for the six components representing six constructs of the study (Collis and Hussey 2014). Thus, construct measures are deemed reliable.

Table 7-6. KMO and Bartlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.771	
Bartlett's Test of Sphericity	Approx. Chi-Square	1513.271
	df	253
	Sig.	<.001

7.4. K-means Cluster Analysis of CeoP-WTP

Considering the exploratory nature of this research, cluster analysis was performed to determine if study respondents can be effectively segmented into unique categories grounded in their expectations of personalisation benefits. This study used non-hierarchical cluster analysis using *K*-means techniques (Bargoni et al. 2022) to segment respondents leveraging IBM SPSS Statistics 28. *K*-means cluster analysis is a well-known clustering algorithm that has been used extensively in past research focusing on segmentation (Dey and Sarma 2010; Pesonen 2012; Khalili-Damghani et al. 2018; Alkhayrat et al. 2020; Ciasullo et al. 2020; Aksu et al. 2021; Ryu et al. 2021; Anitha and Patil 2022; Bargoni et al. 2022).

The cluster analysis aims to define the groups as suggested by the data, trying to maximise the homogeneity within the groups and maximising the heterogeneity between the clusters (Ghuman and Mann 2018). In an exploratory study like this, cluster analysis simplifies and portrays the data structure (Amin et al. 2009). Academics and marketing practitioners widely use cluster analysis to identify customer groups and segment the market empirically (Aksu et al. 2021; Bargoni et al. 2022; McKercher et al. 2022). Punj and Stewart (1983) also supported the choice of the method, explaining that cluster analysis enhances seeking a better understanding of customer behaviours by identifying the homogenous groups.

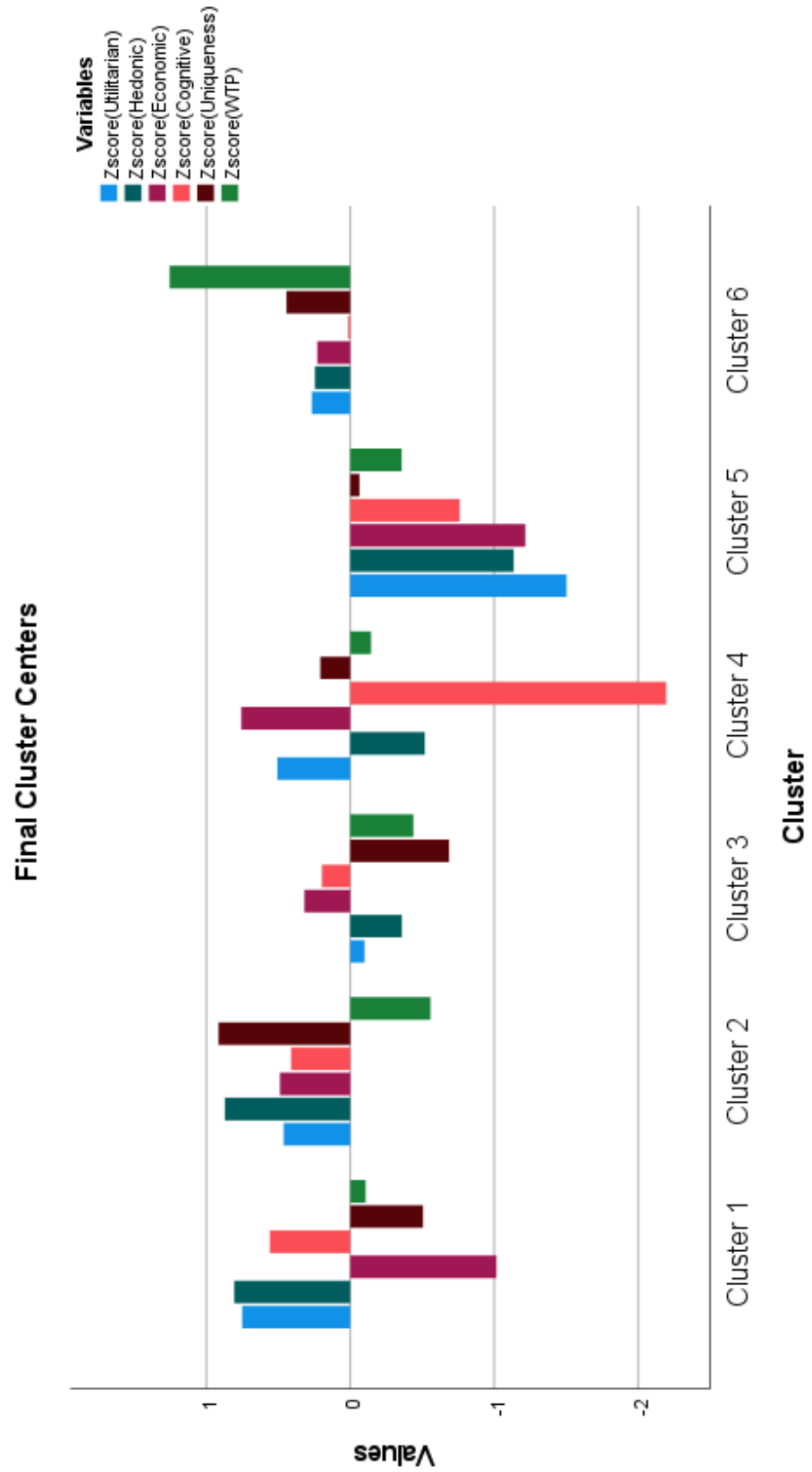
This study employs cluster analysis to classify customers (respondents) into mutually exclusive groups based on their preference regarding personalisation benefits and their indicated WTP, addressing RO4 (*To develop and validate the CeoP-WTP typology*). The methodology for identifying customer clusters was implementing *K*-means cluster analysis (introduced in section 5.6.5 – Data analysis) using 23 components in six (6) factors (Table 7-4 in section 7.3). Before applying *K*-means cluster analysis, *Z*-scores were calculated for each variable. The calculation is done in SPSS by subtracting the mean and dividing it by the standard deviation for each variable (Hair et al. 2010). Using this pre-processing step of data standardisation leads to better quality, efficient and accurate clustering results (Alkhayrat et al. 2020). Calculating *Z*-scores transforms all variables into zero mean and unit variance, effectively equalising their scales. This ensures that each variable contributes proportionally to the clustering process, preventing dominant variables from overshadowing others. Any outliers are downplayed by standardising the variables using *Z*-scores because their extreme values are normalised relative to the mean and standard deviation of the variable. This reduces the influence of outliers on the clustering process and promotes more robust and reliable clusters (Hair et al. 2010). Once the clusters were obtained, they were characterised, considering their socio-demographic characteristics. Accordingly, each

group was analysed based on the abovementioned variables delivered from semis-structured in-depth interviews (research Phase 2). The distance of each Z-score item from the final cluster centres and the labelling of the clusters are depicted in Table 7-7 and Figure 7-2.

Table 7-7. Final Cluster Centres Z-score

	Final Cluster Centers					
	Cluster					
	1	2	3	4	5	6
Zscore(Utilitarian)	.75259	.46396	-.09770	.50686	-1.50186	.26796
Zscore(Hedonic)	.80600	.87150	-.35780	-.51742	-1.13521	.24676
Zscore(Economic)	-1.01491	.48937	.31882	.75799	-1.21446	.22970
Zscore(Cognitive)	.55853	.41211	.19775	-2.19472	-.75924	.01592
Zscore(Uniqueness)	-.50449	.91562	-.68523	.20835	-.06367	.44434
Zscore(WTP)	-.10538	-.55583	-.43816	-.14399	-.35542	1.25561

Figure 7-2. Final Cluster Centres



An analysis of variance (ANOVA) was conducted to test the significance of each variable's contribution and describe each cluster. One-way ANOVA results suggest that each variable significantly contributes to each cluster. Based on the typology proposed in the qualitative research phase (outlined in section 6.5) and the results from EFA, the identified six (6) clusters (depicted in Figure 7-2) are named Relaxation Seekers (cluster 1), Delight Seekers (cluster 2), Relation Seekers (cluster 3), Family Explorers (cluster 4), Budget Adventurers (cluster 5), and Must-Have customers (cluster 6). Table 7-8 depicts the distribution of cases in each cluster. The 202 respondents are not equally divided into the six (6) clusters as cluster 1 comprehend 20 cases, cluster 2 consists of 35 cases, cluster 3 is the largest and includes 63 cases, cluster 4 account for 8 cases and is the smallest cluster, cluster 5 contains 28 cases, and cluster 6 has 48 cases assigned.

Table 7-8. Cases distribution

Cluster	1	20.000
	2	35.000
	3	63.000
	4	8.000
	5	28.000
	6	48.000
Valid		202.000
Missing		.000

The justification for including small clusters (Table 7-8) in the quantitative data analysis is that they can provide valuable insight into the data that may contain unique or unusual data points that are important to investigate (Hennig 2015). The small cluster may also identify the type of customers with a specific preference (e.g., Family Explorers – sections 6.5.2 and 7.4.4) that can be targeted with improved marketing strategies. Including small cases can ensure capturing the full range of similarities and differences among the data points.

The ANOVA analysis of the final cluster centres, which are computed as means for each variable within each final cluster, is depicted in Table 7-9. According to the results from Table 7-9, all variables have a significance of $p < 0.001$, concluding that the variables have a significant

difference between clusters. The relative importance of the variables within each cluster was examined and compared across the groups.

Table 7-9. ANOVA

	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Zscore(Utilitarian)	17.624	5	.576	196	30.602	<.001
Zscore(Hedonic)	17.758	5	.573	196	31.018	<.001
Zscore(Economic)	16.762	5	.598	196	28.036	<.001
Zscore(Cognitive)	13.867	5	.672	196	20.642	<.001
Zscore(Uniqueness)	14.790	5	.648	196	22.817	<.001
Zscore(WTP)	20.502	5	.503	196	40.798	<.001

The F tests should be used only for descriptive purposes because the clusters have been chosen to maximize the differences among cases in different clusters. The observed significance levels are not corrected for this and thus cannot be interpreted as tests of the hypothesis that the cluster means are equal.

The goal of this exploratory research phase was to differentiate respondents into various groups in accordance with their expectations of personalisation benefits outlined by six (6) factors, their demographics, and results from the qualitative phase (Phase 2) of the research. Table 7-7 and Figure 7-2 result with six (6) clusters. The positive (negative) scores on one specific dimension indicate higher (lower) than average traits within the identified clusters. Clusters were profiled regarding demographic terms depicted in Table 7-1 in section 7.2. Ten (10) demographic factors such as gender, age, marital status, educational level, children in the household, ethnicity of the respondents, frequency of travel, the average duration of the hotel stay, type of the last chosen hotel, and annual disposable income have been selected as demographic representation for each cluster. Four demographic variables (gender, education level, ethnic background, and type of preferred hotel) did not significantly differ between each cluster. Those four factors indicate that white females with master’s degrees who prefer mid-scale (3*) hotels dominate in all clusters. The following sections outline and describe the detected clusters according to their characteristics. The sections link results with qualitative research (Phase 2) findings (section 6.5) to provide additional insights regarding identified customer types.

7.4.1. Cluster 1 – Relaxation Seekers

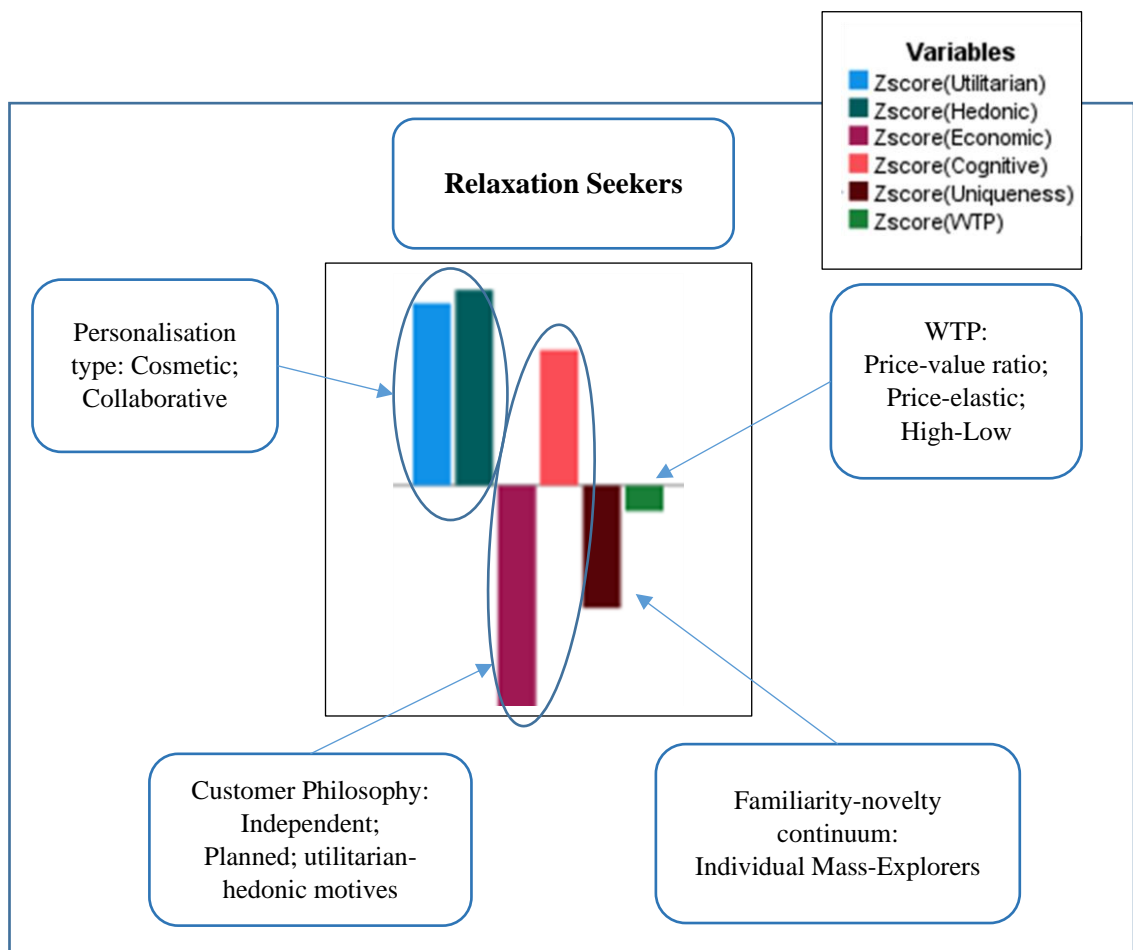
The first cluster represents 9.90% of respondents (n=20). The analysis of the final cluster centres (Figures 7-2 and 7-3) signals that the cluster member shows lower than average scores on uniqueness seeking (-.50449) and economic benefits (-1.01491) of personalisation and somewhat lower than average scores on their declared WTP (-.10538). The result suggests that these cluster members seek personalisation's utilitarian and cognitive benefits (.75259 and .55853, respectively). The scores for those cluster centres are the highest compared to other clusters. They strive for the functionality of and information about products and services. Those customers tend to make informed and rational decisions and do not seek to spend excessive time on them. The findings suggest that other customer reviews are essential to their decision-making process. For customers in this cluster, the hedonic benefit of personalisation plays an important role. They seek positive emotional value from inspiration, intrinsic satisfaction, the pleasure of getting discounts or the shopping experience (Babin et al. 1994; Riegger et al. 2021). The hedonic benefits may have resulted from using technology that provides fun, entrainment, pleasure, adventure, authority, or status (Tyrväinen et al. 2020). The evidence from the distance from the cluster centres illuminates that these customers look for impersonal yet still customisable, collaborative, or cosmetic forms of personalisation (Vesanen 2007). Those customers do not tend to seek distinctiveness and uniqueness. As the cognitive, utilitarian, and hedonic benefits are essential for this cluster, customers seek the freedom of decision-making by sharing their skills, knowledge, and capabilities to co-create their value from personalised products and services (Alimamy and Gnoth 2022).

The demographic profile of this cluster illuminates that most customers (n=8, 40.0%) are between 18 and 24 years old. Interestingly, they are mainly single (n=12, 60.0%) with no children (n=17, 85.0%). Interestingly, this cluster is the only cluster from all in which most of the respondents represent marital status as single. All members of this cluster depict a university degree, with 85.0% (n=17) indicating a master's degree, 10.0% (n=2) bachelor's degree, and 5.0% (n=1) doctorate. 30% (n=6) of respondents indicated their annual disposable income at a level below £15,000. The demographic variable suggests that those customers prefer longer and more frequent journeys, such as 4-night (n=5, 25.0%) and 7-night (n=5, 25.0%) stays over 3 – 4 times per year (n=9, 45.0%) in a mid-scale (3*) hotel (n=8, 40.0%).

Reviewing the outlined characteristics of this cluster with the customer types summarised in section 6.5.4, this first cluster has been labelled “Relaxation Seekers”. The findings relate to results depicted in section 6.5.4, indicating that personalisation plays a significant role in utilitarian and hedonic benefits, receiving the highest scores in this cluster. The low score on the

economic variable supports the qualitative findings indicating that Relaxation Seekers often make their own travel arrangements. Regarding WTP, the findings expand on results from the qualitative phase, suggesting that the offers they search for will be already personalised; hence, they may refrain from spending additional funds. Figure 7-3 depicts a synthesis of Relaxation Seekers.

Figure 7-3. Synthesis of Relaxation Seekers Customer



7.4.2. Cluster 2 – Delight Seekers

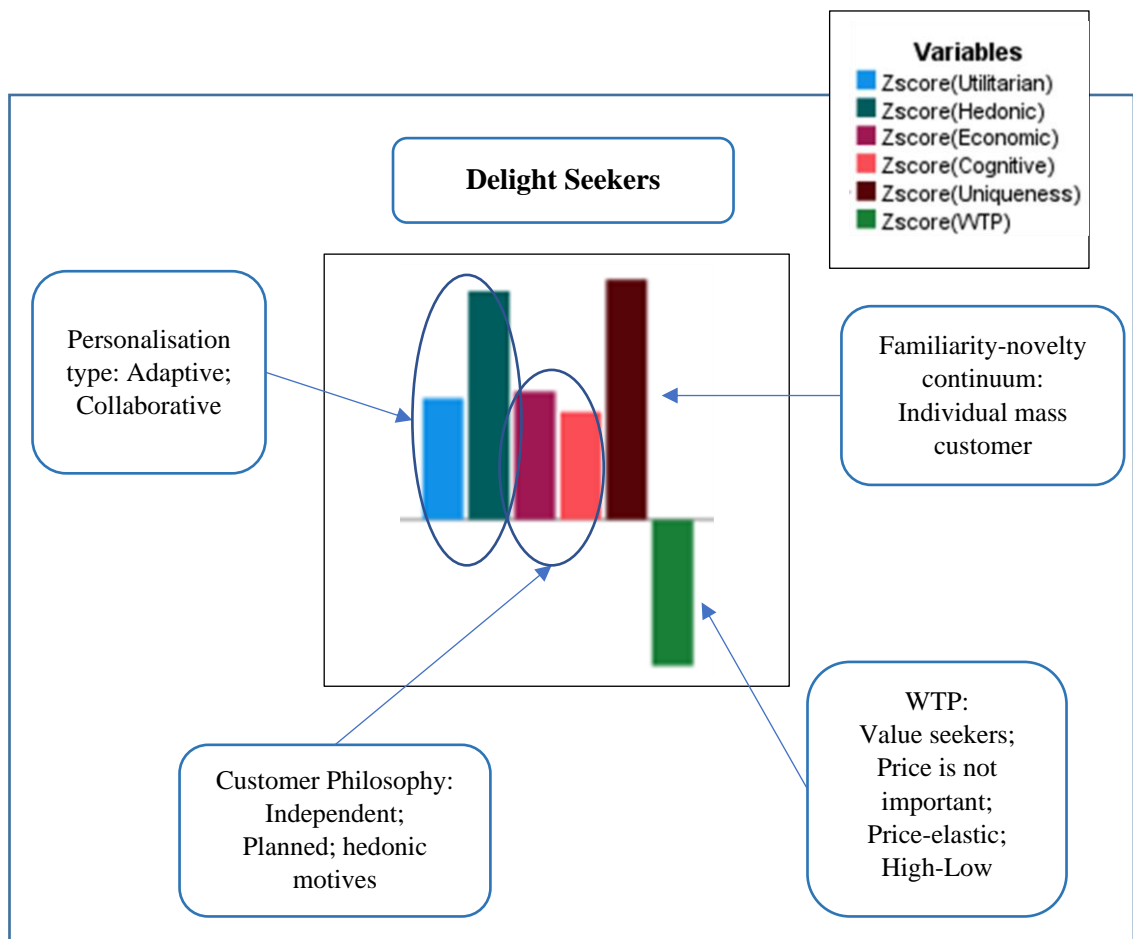
The second cluster represents 17.33% (n=35) of respondents. Compared to the other identified groups, cluster 2 is characterised by the highest scores amongst all clusters regarding hedonic benefits (.87150) and uniqueness seeking (.91562) and the lowest score regarding their WTP (-.55583), as depicted in Table 7-7 (and Figures 7-2 and 7-4). Members of this cluster illuminate their expectations beyond seeking benefits of relevance and functionality, focusing their behaviour on a higher degree of uniqueness seeking and showing that they need to be distinctive in expressing their desire for a pleasurable and authentic experience. Together with their seeking for originality and authenticity, this cluster presents behaviour related to amusement, fantasy, fun, and sensorial stimuli aspects of consumption through their internal and subjective response to any direct and indirect interaction with other actors (Tyrväinen et al. 2020). Members of this cluster value the opportunity to enhance their enjoyment and authenticity. They require a certain amount of control over what is included in desired products and services, depicting a mixture of individualistic and organisational approaches. The high score on uniqueness seeking and hedonic motives and benefits can suggest the customers' desire to differentiate themselves from others and may encourage them to seek products and services that most people do not possess. Surprisingly, this cluster depicts the lowest WTP from all identified clusters.

The analysis of the demographics of this cluster depicts that 37.10% (n=13) of respondents are married. The cluster's age is represented by two sub-groups, 18 – 24 years (n=9, 25.70%) and 25 – 29 years (n=8, 22.90%). 62.90% (n=22) members of this cluster do not have children and 40.0% (n=14) travel 1 – 2 times per year. The findings suggest that this cluster is characterised by the preferable 3-night duration of the stay (n=10, 28.60%). 40% (n=14) of this cluster respondents indicate that their preferred hotel choice is the mid-scale (3*) hotel, with 37.10% (n=13) choosing economy accommodations. With 31.40% (n=11) of respondents in the cluster representing the lowest annual disposable income, below £15,000, customers in this cluster express the lowest (as mentioned above (score of -.55583)) WTP compared to other clusters.

Interestingly, this cluster represents a common “average” customer profile. They are aware of the cost but seek some degree of uniqueness, functionality, fun, authority, and status from products and services, which will create and enhance their memorable experience, indicating a higher level of personalisation. With characteristics very similar to the customer type outlined in section 6.5.5, this cluster was labelled “Delight Seekers”. This result strengthens the qualitative phase (Phase 2) results that depict Delight Seekers as customers who seek uniqueness by co-creating products and service experiences. The difference in WTP reported by both qualitative and quantitative phases is related to the context of the customer. The study findings suggest that Delight Seekers

prioritise the pursuit of novelty (seeking uniqueness) and engage in experiential consumption, assigning a high subjective value to delight. These factors contribute to customers' tendency to exhibit a lower WTP compared to other consumer segments. Delight as an emotional reward is subjective and may overshadow the perceived value derived from the product or service, lowering the customer's WTP. For example, Delight Seekers travelling for business will have different preferences, priorities, and expectations from those travelling for leisure. Figure 7-4 depicts a synthesis of Delight Seekers.

Figure 7-4. Synthesis of Delight Seekers Customer



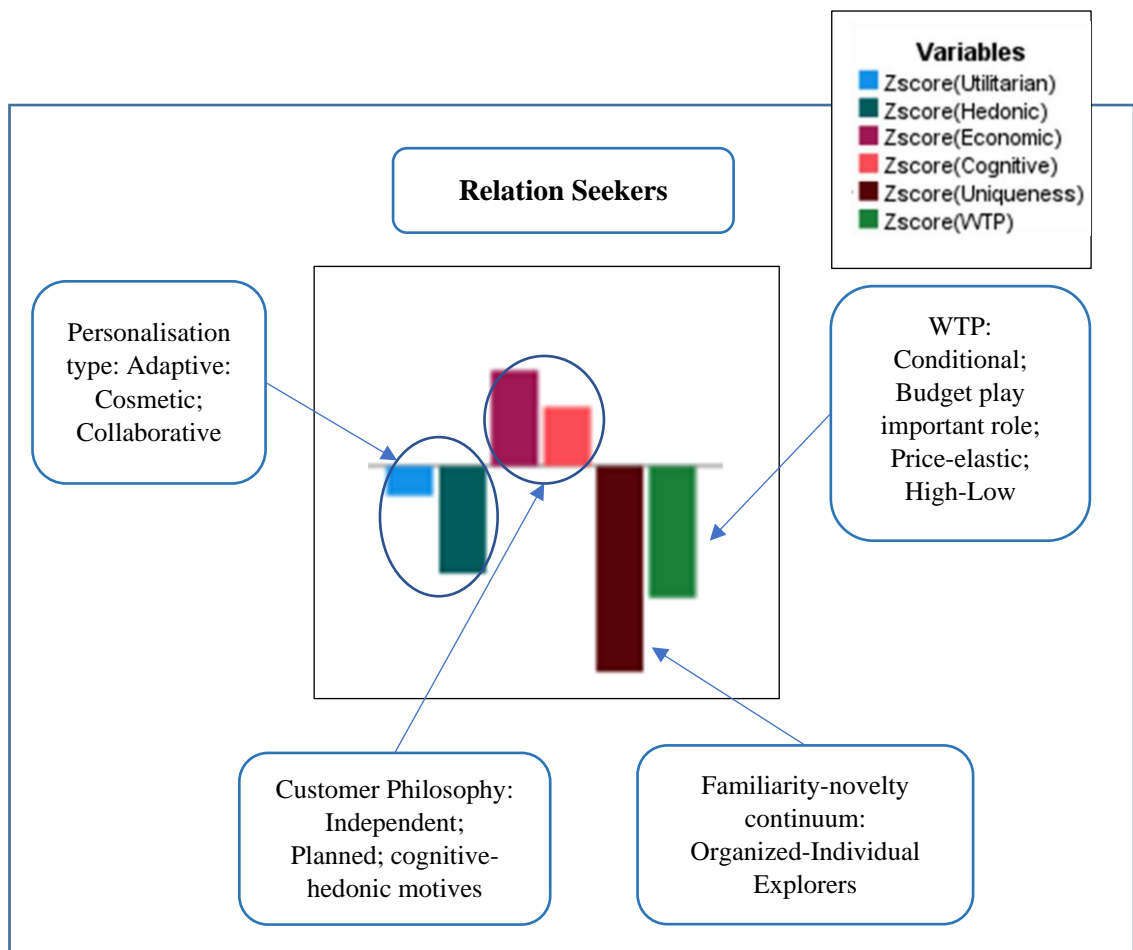
7.4.3. Cluster 3 – Relation Seekers

The third cluster is the largest identified cluster, comprising 31.19% of respondents (n=63). Analysing each variable's distances from the cluster's centre (Table 7-7 and Figures 7-2 and 7-5) signals that customers focus on personalisation's economic and cognitive benefits (scores of .31882 and .19775, respectively). Individuals in this cluster depict the lowest scores regarding uniqueness seeking (-.68523) among all clusters. These respondents create a cluster of customers who seek social interaction and interpersonal connection to increase personal relevance, often through co-creation. Despite presenting a low score on the hedonic aspect (-.35780) as a mental operation in the customer's mind (Xia and Bechwati 2008), members of this cluster interpret the products and services in a self-referential manner, allowing for an enhanced experience. Customers in this cluster seek and expect positive emotional value from personalisation arising from inspiration, intrinsic satisfaction, the pleasure of getting discounts or the shopping experience (Babin et al. 1994; Riegger et al. 2021). The evidence from the distance of the cluster centres suggests that they seek connection through cognitive interaction with other actors. Drawing from a social comparison theory, individuals who are members of this group may consciously and unconsciously compare themselves to their peers within other groups that interact (Abosag et al. 2020). Through the adaptive and collaborative form of personalisation (Fan and Poole 2006; Vesanen 2007), they represent individual-mass customers who seek familiar characteristics from places, people, products and services. The cluster expresses a low level of WTP (with a WTP variable score away from the cluster centre) (depicted in Figures 7-2 and 7-5). The findings indicate that relation seekers highlight social connections, engage in relationship-building, and assign a high subjective value to interpersonal interactions, exhibiting a decreased WTP.

The demographic profile of this cluster illuminates that 30.20% (n=19) of respondents are between 18 and 24 years. 19.0% (n=12) of respondents constitute the second noteworthy mentioned sub-group aged between 40 and 44. Not surprisingly, this cluster is characterised by two sub-groups among members: single customers, representing 36.50% (n=23) of the cluster sample and 33.10% (n=21) of married customers. 69.80% (n=44) of respondents declared no children in the household. Evidence highlights that those customers from this cluster are rather occasional shoppers. They travel 1 – 2 times (n=30, 47.60%) and 3 – 4 times per year (n=28, 44.40%). The duration of their stay varies from 5 nights (n=14, 22.20%) to 2- and 3-night, representing 20.60% (n=13) of respondents for each sub-group. For most respondents, 41.30% (n=26) disposable income does not exceed £15,000 per annum. 19.0% (n=12) of all respondents in this cluster declared an annual disposable income between £30,000 and £39,999.

Based on the above interpretations of customer expectations of personalisation and very similar characteristics to the customer type outlined in section 6.5.3, this cluster was labelled “Relation Seekers”. The quantitative phase results further expand the qualitative phase findings. It highlights that the customer philosophy (of making their travel arrangements) drives customers' focus towards social interaction and connection. Relation seekers actively seek social interactions, relationships, and connections. The focus on social connectedness can diminish the significance of the monetary value attached to a product or service. The findings suggest that Relation Seekers are not interested in extravagant experiences but value personalisation that enhances their cognitive and economic benefits. Regarding WTP, these quantitative findings expand on Phase 2 findings, suggesting that Relation Seekers are not willing to pay an exorbitant amount for personalisation but expect favourable emotional value from experience. Figure 7-5 depicts a synthesis of Relation Seekers.

Figure 7-5. Synthesis of Relation Seekers Customer



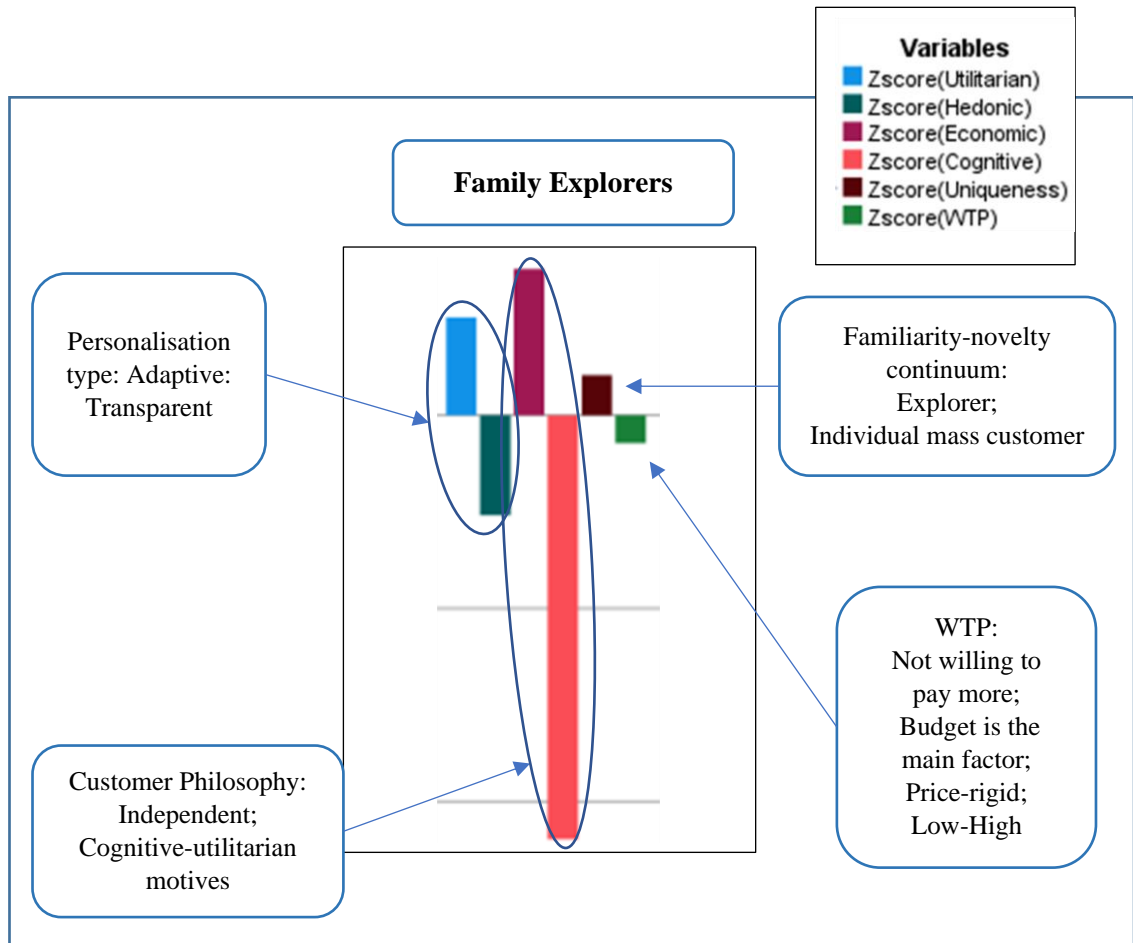
7.4.4. Cluster 4 – Family Explorers

Even though the size of the fourth cluster may suggest that the cluster is underrepresented, as it consists of 3.96% (n=8) of all respondents, it depicts very interesting results. It is the only cluster dominated by participants with children (62.5%, n=5). Evidence from score distance shows that this cluster is composed of respondents who focus on economic benefits (.75799) (those often go beyond the financial aspect and include the value of time as a form of measuring the economic benefits), utilitarian benefits (.50686) and uniqueness seeking (.20835) during consumption of the products and services (depicted in Figures 7-2 and 7-6). Every consumption activity requires time. As people have limited time to spend (e.g., 24 hours per day), time is a limited good, and as productivity and income increase, the relative value of time increases. It can be postulated that the time spent on a meaningful activity is more valuable than time spent on a less significant activity (Galetzka et al. 2018). This cluster illuminates that their connection with time is robust. Often, the perceived value of time is higher than the perceived value of money. Customers are inspired by comfort in the value of time savings as an important and usually dominant source of benefits (Cesario 1976; Festjens and Janiszewski 2015).

Evidence from demographic variables depicts that this cluster is composed of 87.50% (n=7) customers being in a relationship (married, n=2, 25.0%, and not married but living together, n=5, 62.50%) with children in a household (n=5, 62.50%). Two sub-groups of bachelor's and master's degree graduates represent 37.50% (n=3) each. This cluster is represented by 37.50% (n=3) of respondents between 35 – 39 years old. Those customers travel 1 – 2 times per year (n=5, 62.5%) for an average of 3-night stays (n=3, 37.50%) and four nights (n=2, 25.0%). In addition, 37.50% (n=3) of respondents with annual disposable income between £20,000 - £29,999.

Through reviewing outlined characteristics of this cluster with the customer types summarised in section 6.5.2, this cluster has been labelled “Family Explorers”. The findings from this research phase (Phase 3) expand on qualitative phase findings, highlighting mainly the utilitarian benefits of personalisation that customers seek while consuming products and services. Regarding WTP, both qualitative and quantitative results suggest that Family Explorers are value-conscious customers seeking personalised offers and discounts that provide a good perceived value. Figure 7-6 depicts a synthesis of Family Explorers.

Figure 7-6. Synthesis of Family Explorers Customer



7.4.5. Cluster 5 – Budget Adventures

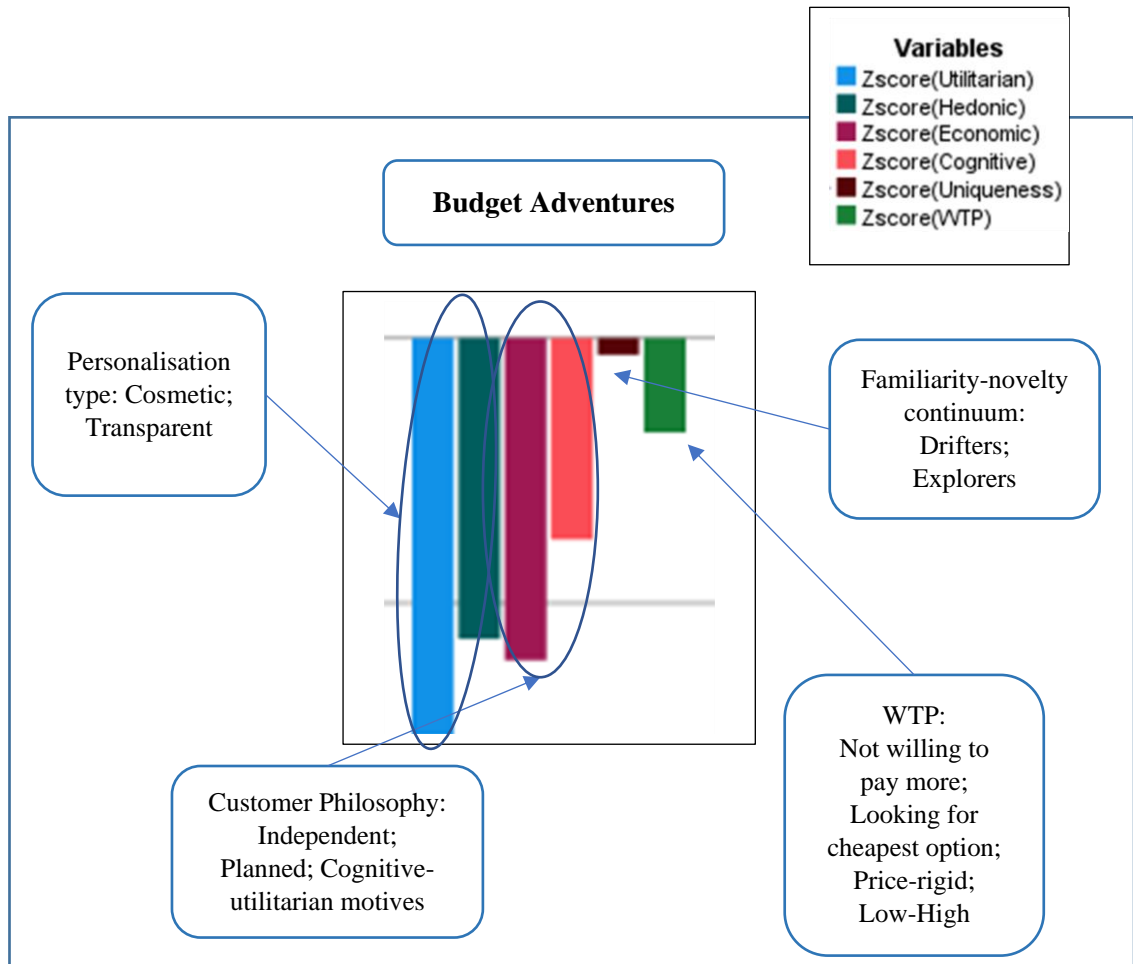
The fifth cluster consists of 13.68% (n=28) of total respondents who focus on reducing various costs, such as time and money spent on keeping the efficiency of the decision-making process. Compared to different clusters, the scores from the cluster centres for utilitarian, hedonic, and economic variables are the lowest (-1.50186, -1.13521, -1.21446, respectively), as depicted in Table 7-7. These results indicate that members of this cluster do not focus on exaggerated functionality, fun and amusement. The importance of savings of time required for searching and shopping the products and services may exceed and often can go beyond the monetary cost. The findings suggest that customers in this cluster seek cosmetic or transparent personalisation (Fan and Poole 2006; Vesanen 2007) (depicted in Figures 7-2 and 7-7). Those customers are usually motivated by needs and desires associated with practicality and necessity. For price-conscious

customers, various forms of savings are important when choosing the right product and service (Jee 2021). They may seek some form of novelty from the offers, demonstrating their drifters' or explorers' nature (Cohen 1972). Evidence from the distance from the cluster centres (Table 7-7) illuminates that they are price-conscious, which may lead to failure to seek or even notice any personalisation aspects. The customers in this cluster are characterized by a low need to spend excessive time searching for the right offer as their budget capabilities often constrain them.

Regarding the cluster 5 demographic profile, results show that most respondents (n=11, 39.30%) are 18 – 24 years old, and for 42.90% (n=12), their marital status is single. In addition, 85.70% (n=24) do not have children, and 50% (n=14) prefer to travel 1 – 2 times per year, staying for 3 nights (n=8, 28.60%) and 7 nights (n=7, 25.0%). The annual disposable income demographic variable shows that for and for 38.50% (n=10) (two sub-groups consisting of 17.90%, n=5 each) respondents, the annual disposable income is below £15,000 (or they do not have any income). For 21.4% (n=6), their income is between £30,000 and £39,000.

The findings suggest that those customers focus on reducing various costs. They do not focus on exaggerated functionality, fun and amusements but on searching for offers within their budget. Reviewing the outlined characteristics of this cluster with the customer types summarised in section 6.5.1., this fifth cluster has been labelled “Budget Adventures”. The quantitative results contribute to qualitative findings suggesting the low need for personalisation. Regarding WTP (score of -.35542), findings from both research phases (Phases 2 and 3) suggest a low willingness to spend. Figure 7-7 depicts a synthesis of Budget Adventures.

Figure 7-7. Synthesis of Budget Adventures



7.4.6. Cluster 6 – Must-Have Customers

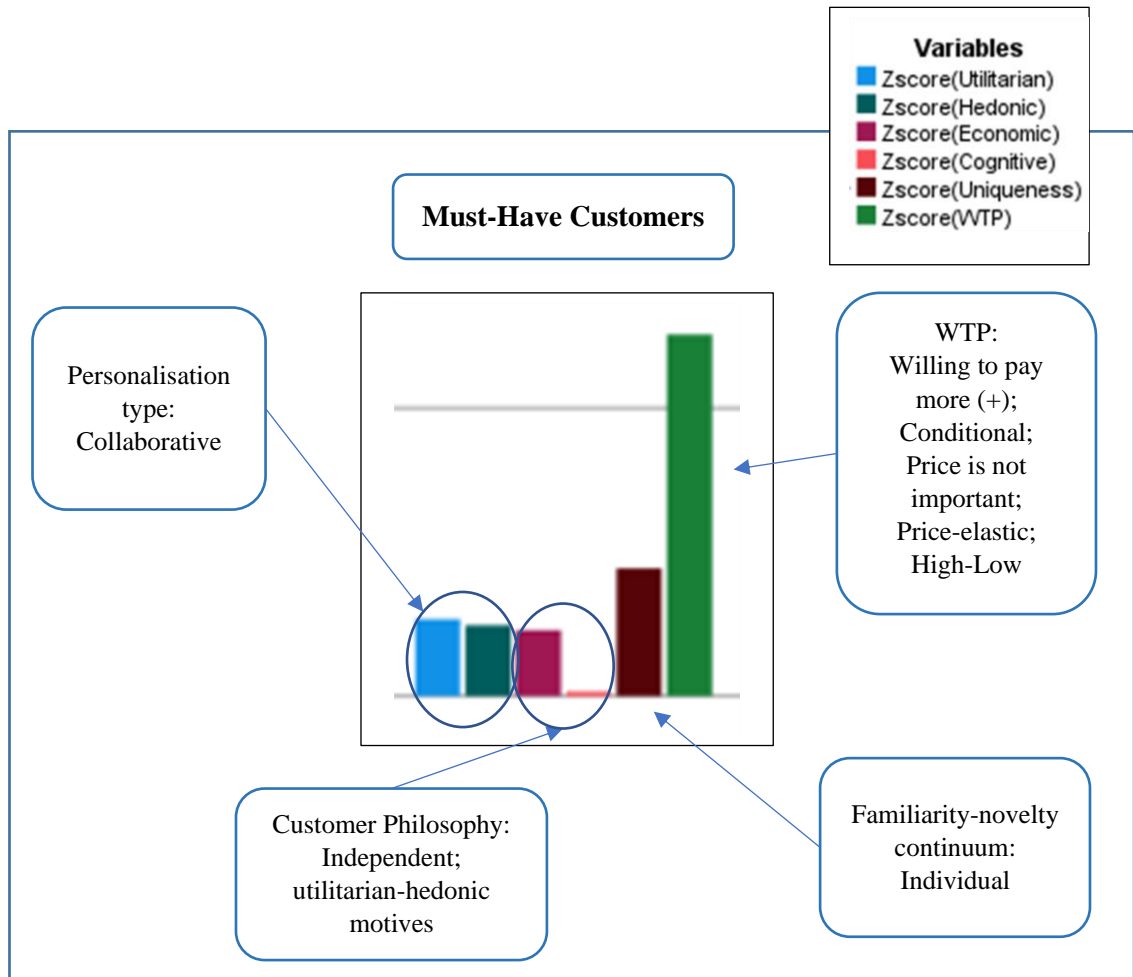
The last cluster consists of 23.76% (n=48) respondents, the second largest cluster identified. Compared to different clusters, the scores from the cluster centres for the WTP are the highest from all clusters (score of 1.25561), as depicted in Table 7-7. Often, those customers have a specific requirement for a product and service, which increases its complexity, satisfaction, and overall experience. Those customers do not focus on one particular benefit a business can offer them through personalisation. Like in cluster 2 (labelled Delight Seekers), various forms of uniqueness are essential for customers in this cluster (Figures 7-2 and 7-8). The findings suggest that members of this cluster focus on their overall requirements and prefer unique products and

services that are functional and enhance their experience. The influence of cognitive benefits is close to the cluster centre, which indicates that those customers know what they are looking for. They seek to make an informed purchase decision. Although, for example, this behaviour could be dictated by medical conditions (e.g., physical disability, strict dietary requirements), they are willing to spend more on the product and service that will fulfil their needs and requirements.

Demographic variables for this cluster suggest that most members are married, representing 52.10% (n=25) of the cluster sample. Different to other clusters, the biggest age group (n=9, 18.80%) is between 30 and 34 years. Customers from this cluster travel 3 – 4 times per year, representing 43.80% (n=21) of the sample size, and on average choose a 7-night stay (n=11, 22.90%) and declare annual disposable income exceeding £60,000 (n=12, 25.0%).

With characteristics very similar to the customer type outlined in section 6.5.6., this cluster was labelled “Must-Have Customers”. Findings from this research phase contribute to qualitative phase results suggesting high WTP for what they want, need, and require, indicating that meeting their requirements is vital for their decision-making, satisfaction, and overall experience. The high WTP indicate the importance of co-creating a personalised experience that meets their needs, requirements, and expectations. Figure 7-8 depicts a synthesis of Must-Have Customers.

Figure 7-8. Synthesis of Must-Have Customers



7.5. Chapter Synthesis

This study combines qualitative (in-depth semi-structured interviews) and quantitative (survey) research methods using a mixed-method approach (outlined in section 5.3.3) to explore the relationship between customer expectations of personalisation and WTP (addressing RO3) and to develop and validate CeoP-WTP typology (addressing RO4). It started with qualitative (Phase 2) research to explore attitudes, emotions and opinions regarding customer expectations of personalisation (depicted in Chapter 6), which could not be fully revealed only in survey questions. Based on the results from the qualitative phase of this study, an online survey was conducted. Adding a quantitative study (Phase 3) based on qualitative findings improves the rigour of this research design (Mayring 2014).

Chapter 7, the second of the findings chapter, provided additional insights into six customer types, outlined in section 6.5 of Chapter 6, and helped to address this study's research objectives 3 and 4 (outlined in section 1.4). To summarise, a total of 275 people participated in the survey, of whom 202 provided a usable response. Female participants were 62.90% of the sample (n=127), male respondents were 35.60% (n=72), and 1.50% (n=3) were non-binary. Guided by the reviewed literature and the findings from the qualitative research phase (Phase 2), the survey instrument was developed. In the second step, the EFA was performed to identify the underlying factor structure. Subject to PCA and varimax rotation factor analysis resulted in 23 items indicating six components (utilitarian, hedonic, economic, cognitive, uniqueness seeking, and WTP) of personalisation benefits as independent variables for further analysis. In the third step, a K-means cluster analysis was performed, which resulted in additional insights into six types of customers derived from the qualitative phase (discussed in section 6.5). In the fourth step, the one-way ANOVA was performed to test the significance of each construct's contribution towards cluster membership. The ANOVA results suggest that each variable significantly contributes to each cluster. Finally, ten (10) demographic variables were used in the fifth step to reflect the typical case characteristics for each cluster identified and presented.

Interestingly, the results of the quantitative phase depicted that annual disposable income is not linear with WTP. The analysis of clusters suggests that the relationship between the degree of personalisation (and CeoP) and customer WTP is not linear, and WTP depends on the customer's internal and external context rather than their annual disposable income. This result addresses Research Objective 3 (*to explore the relationship between CeoP and their WTP*).

The findings in this chapter make a valuable and tangible contribution by providing additional insight into various potential configurations of utilitarian, hedonic (characterised in types of personalisation), cognitive, and economic benefits (characterised by customer philosophy) and the desire for uniqueness (novelty-familiarity continuum) that characterises customer expectations of personalisation in each customer type. This result addresses Research Objective 4 (*to develop and validate the CeoP-WTP typology*).

The quantitative phase findings reveal that the ability to somewhat relate some of the respondents' demographics to each cluster indicates that selecting traditional demographic traits, such as age, gender, education level, or income is no longer enough to serve as a basis for customer segmentation. Such evidence contributes to Miceli et al. (2007, p.19) argument that:

“socio-demographics are only poor descriptors of users' preferences, and more sophisticated clustering applications are needed”.

Non-demographic traits, such as values, preferences, and traits, are more likely to influence customer purchasing decisions (Goyat 2011). This finding complements Cunningham et al. (2019) results, indicating that attitudes and opinions related to certain perceived benefits and levels of comfort with product (such as autonomous vehicles) functions are among the stronger predictors of WTP. These are above key socio-demographic variables such as age or salary. The clusters outlined included behavioural (such as frequency of travel or average duration of stay) and psychographic variables revealed by utilitarian, hedonic, economic, and cognitive benefits of personalisation. The demographic traits were used as an addition to create a more comprehensive outline of each identified cluster.

SECTION E – Discussion, Conclusions and Contributions

8. DISCUSSION

The previous two chapters present this study's qualitative Phase 2 and quantitative Phase 3 findings. This chapter reflects on the main findings presented in Chapters 6 and 7 in the context of marketing and revenue management. Although there is a growing body of research regarding personalisation (Cavdar Aksoy et al. 2021; Chandra et al. 2022), value (Buhalis et al. 2020; Septianto et al. 2021; Heinonen 2022), and customers' WTP (Cunningham et al. 2019; Ivanov and Webster 2021; Nadeem et al. 2023), the relationship between customer expectations of personalisation and WTP is under-researched. This study fills the gap and explores the nature of this relationship using a mixed-method approach for data collection and analysis. As part of addressing these issues, this study focuses on the customer purchasing experience of products and services and proposes a novel customer typology.

The thesis uncovered five aspects of what customers expect of personalisation: utilitarian, hedonic, cognitive, economic benefits, and uniqueness-seeking. It demonstrated that to effectively co-create value with customers, these attributes are vital for understanding better customers and for more effective personalisation of offers and prices. This resulted in reviling six customer types: Budget Adventures, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers.

The subsequent section discusses some of the most significant findings of the research concerning previous literature.

8.1. Exploring Willingness to Pay – WTP

This study, drawing on past research discussed in section 2.3 and findings from Phase 2 and Phase 3, suggests that WTP is a complex concept that is not a fixed but rather a context-dependent measure influenced by various intrinsic, extrinsic and contextual factors, addressing Research Objective 1:

Research Objective 1:

To explore willingness to pay (WTP)

Section 2.3 outlined that the results of studies focusing on customer WTP are inconclusive, showing a multiplicity of WTP depending on the customer context and context of research (Boronat-Navarro and Pérez-Aranda 2020; Hong et al. 2020; Nieto-García et al. 2020; Riccioli et al. 2020; Binesh et al. 2021; Fernández-Ferrín et al. 2023). Individual differences shape consumers' evaluation of products and services value and WTP. Income constraints and prior experiences often influence consumer valuation price sensitivity and reference price (Roy et al. 2021). This study suggests (derived from participants' stories) that their WTP may influence the types of personalisation customers expect.

Customer preferences and behaviour are constantly changing. Changes in customer attitudes towards products and services bring changes in their behaviour and consumption patterns (Li and Kallas 2021). Customers' behaviours change due to discrete live events, social interaction level, customer-company interactions and experiences, customer-company relation stages, marketing actions, customer knowledge and learning, competition response, technological development and norms, or the economy (Zhang and Chang 2021). For marketing and revenue management, customer WTP is a crucial concept. Understanding the context-based nature of WTP is essential for businesses to optimise their marketing and revenue management strategies. Managers can set optimal prices that maximise revenue and profitability by understanding how much customers are willing to pay for a product or service. This knowledge helps determine the right pricing levels, better segment customers, and identify opportunities for better price discrimination, like personalised price.

In service industries, purchases of, e.g., hotel rooms, concert tickets, gym use, or flight tickets are often conducted in advance and consumed later. Table 2-6 in section 2.3 depicts an overview of key aspects from the body of research on WTP. The WTP is a range rather than a single point (Dost and Wilken 2012). Position in CDL, this study provides evidence that the influence of extrinsic, intrinsic and contextual factors causes customer WTP to vary. This may be associated with the risk that customers take as advance purchases are related to uncertain future states (like the risk of a sell-out) (Jang et al. 2019; Kim et al. 2023).

Customers seek offers (products and services) that satisfy their needs and expectations, anticipate being regarded as "the only customer," and expect to be charged a price corresponding to their current WTP. This study's finding complements Stangl et al. (2020), who highlight that companies should align their offers with customer motives that drive the choice for each customer type by illuminating that customers' context drives their behaviour. The study's findings highlight

that WTP for the company's offering (seen as a mix of goods and services) is influenced by social factors, data sharing, and prior experiences (Gilal et al. 2018; Schmidt et al. 2020).

The research results provide evidence that customer WTP is a multifaceted concept influenced by several factors, including customer preferences, perceived value, and price sensitivity. This study's findings have shown that customers exhibit heterogeneity in their WTP due to variations in their perceptions of value, affordability and context (Chapters 6 and 7). This result complements Ivanov and Webster (2021), who found a positive influence on WTP from attitudes towards robots in tourism but an adverse influence on WTP from travel frequency, age, and education. Different customer types identified in this study depicted different WTP, not necessarily mirroring their income. The WTP level is neither fixed nor linear and can vary based on contextual factors and intrinsic and extrinsic features. These findings expand from Zhang and Chang (2021), showing that customer dynamics highlight differences in customers' WTP. The results of this study's qualitative Phase 2 and quantitative Phase 3 partially align with Boronat-Navarro and Pérez-Aranda (2020), showing that socio-demographics do not have a strong explanatory power for WTP.

8.2. Customer expectation of personalisation - CeoP

By adopting a CDL, this study positions customers at the centre of the personalisation through the co-creation process. It explores elements that customers expect of personalisation and the experiential relationship between customer expectations of personalisation and their WTP (addressing research objectives 2, 3 and 4).

Research Objective 2:

To identify elements of customer expectations of personalisation (CeoP)

Research Objective 3:

To explore the relationship between CeoP and their WTP

Research Objective 4:

To develop and validate the CeoP-WTP typology

Increasing customer involvement and engagement with brands increases the need for better-targeted products and services, enhancing the need to understand customer behaviour (Pappas 2018). This research finding provides evidence that customers expect a different type of personalisation (Fan and Poole 2006; Vesanen 2007). Positioned in CDL and drawing from the configuration theory, this study identifies and explores five benefits of personalisation that constitute customer expectations of personalisation: utilitarian, hedonic, cognitive, economic and uniqueness seeking. By putting customers at the centre, this study explores customer expectations of personalisation, and like Li and Unger (2012), did not find a strong connection regarding customers' WTP for a personalised offer. Although each type of personalisation requires different input and engagement from customers, they all share a common objective to create value for and with customers (Alimamy and Gnoth 2022). Is it worthwhile for service providers to ask customers for monetary compensation for personalised offers? To what extent should customers want to be involved in the personalisation process? From the CDL lens, this could be attributed to the investment of different resources and customer involvement. This could result in the customer feeling that they are offering too much (e.g., by sharing personal data) and not getting enough benefits in return (derived from participant statements during research Phase 2). The findings' significance is that WTP varies across customer types, and apart from one type (Must-Have Customers), customers illuminate that they would rather refrain from paying more for personalised offers. They seek offers tailored to their needs and requirements that reflect their reference price (which influences their WTP).

The literature illuminates that customers' expectations of personalisation are driven by a desire for tailored, data-driven, and relevant experiences across various channels while also emphasising the importance of transparency, privacy, and ethical use of data. Meeting these expectations can increase customer satisfaction and loyalty (Shen and Ball 2009; Piccoli et al. 2017). As customer expectations of personalisation depend on individual context and preferences, prior research does not provide a holistic overview of customer expectations of personalisation as it has mainly examined the factors related to the customer expectations of personalisation from a specific focus, such as utilitarian and hedonic (Torrico and Frank 2019; Tyrväinen et al. 2020) or cognitive (Xia and Bechwati 2008; Pappas et al. 2019), lacking a more holistic view.

This study builds on customers' stories and experiences. The results from Phase 2 and Phase 3 illuminate that customers evaluate their expectations of personalisation more holistically (Pappas et al. 2019; Lee and Chuang 2022) as the whole, which is greater than the sum of its parts - *Gestalt* (highlighted in section 6.3).

The research findings align with Picot-Coupey et al. (2021), who suggest that customers' value perception remains stable across the environments, but how customers extract value evolved. The findings provide evidence that customers seek the ability to actively co-create their experiences. The results from this study align with those of El Sawy et al. (2010) and Pappas (2018), providing evidence that across six identified customer types, relations between customer expectations of personalisation and WTP are not linear (Pappas and Woodside 2021) (addressing Research Objective 3). Following their proposition, a solution can be using a configuration theory to examine such phenomena as a cluster of interrelated conditions towards a holistic and simultaneous understanding of the patterns they create.

Derived from participants' statements and drawing on configuration theory outlined in section 3.8, the conceptual model (Figure 3-10) is proposed (in section 3.9), which identified five antecedents (utilitarian, hedonic, economic, and cognitive benefits, and uniqueness-seeking) that constitute causal conditions (addressing Research Objective 2) and WTP as the outcome variable. As customer expectations of personalisation and their WTP are both subjective, this study proposes that the abovementioned antecedents of customer expectations of personalisation combine to form a different configuration that can explain their WTP for a personalised offer (depicted in Figure 6-1). The contribution of this study is that it complements previous research on personalised shopping (Pappas et al. 2014; Pappas 2018) by offering an alternative view on customer decision-making, showing important factors that influence customer behaviour and combining them with each other can help to predict future purchase intentions (Pappas 2018).

8.3. CeoP-WTP - Customer typology

With ever-changing and more diverse customers, marketing and revenue management have become vital to every business's success (Goyat 2011). Customers are heterogeneous; unfortunately, no universal way to segment customers exists (McKercher et al. 2022). Adopting the CDL lens, this study explores the relationship between CeoP and their WTP by introducing the CeoP-WTP customer typology. By adopting a mixed-method approach, Research Objective 4 is addressed:

Research Objective 4:

To develop and validate the CeoP-WTP typology

The preferred segmentation technique depends on the purpose and objective of both the company strategy and the academic research. As section 3.9 mentions, clustering individuals into homogenous customer types is the first step in better tailoring products and services, effective marketing campaigns, and better price discrimination strategies. Although this study's findings are based on and relate to one industry, they may apply to other service sectors, such as banking, insurance, logistics, rail, car hire, transportation, airline, or events.

The practitioners and literature provide various classifications of customers based on demographic features to assess their preferences, needs, income and interests (Kizielewicz 2020) (outlined in section 3.9). Developing and proposing customer typology creates challenges as businesses are characterized by distinct features, diverse external factors, or varied marketing offers (Rondan-Cataluña and Rosa-Diaz 2014). Semi-structured interviews (qualitative Phase 2) were conducted to explore customer expectations of personalisation and its relationship to WTP and to develop a novel CeoP-WTP typology (discussed in Chapter 6 and depicted in Tomczyk et al. (2022)). The findings revealed that making a purchase decision is an intrinsically complex and individual task, especially in the service context, such as leisure and travel (Prakash et al. 2021). The *K*-means cluster analysis conducted in quantitative Phase 3 provided additional insights into six identified customer types. The findings of this study provide evidence that the relationship between the degree of personalisation (and CeoP) and customer WTP is not linear, and WTP depends on the customer's internal and external context rather than their annual disposable income. These findings align with and complement research on customer segmentation, suggesting that demographic customer characteristics are insufficient for customer segmentation (Goyat 2011; Boronat-Navarro and Pérez-Aranda 2020).

The significance of the findings is that they illuminate that social influences (Gilal et al. 2018), willingness to share data (Schmidt et al. 2020), and previous experience influence customers' WTP for the company's offering (perceived as a combination of products and services). The findings have revealed that attribute-based personalisation (Prakash et al. 2021), service personalisation (Piccoli et al. 2017; Bonaretti et al. 2020), and price personalisation (Greenstein-Messica and Rokach, 2018) enhance customer engagement in the co-creation of experiences. Customers look for an offer (products and services) that meets their requirements and expectations, expect to be treated as "the only customer", and pay the price matching their current WTP. The qualitative phase findings have revealed six customer types, outlined and discussed in section 6.5. In the quantitative phase (Phase 3), a *K*-means clustering method was used to provide

further insight into identified customer types (discussed in section 7.4). This complements the qualitative (Phase 2) results. The findings provide evidence that customer expectations of personalisation are broader than just functional and emotional aspects of personalisation (depicted in Table 6-3 and Figure 7-2). The significance of customer typology is that it shows that customer WTP is dependent on constantly varying context-specific expectations of personalisation.

This study's findings align with those in Coker and Izaret's (2020) work, which illuminated that the customer WTP consists of two components for a trade-off: benefits gained from purchase and loss from money spent. This trade-off depicts a setting for the rationale of customer WTP. The heterogeneity between individuals' WTP suggests that progressive pricing (charging customers as the function of their WTP) is the most natural form of personalised price (Coker and Izaret, 2020). The results complement the findings of Rondan-Cataluña and Rosa-Díaz (2014), which depict that individuals from price-rigid types achieve lower price perception and value for money and are not willing to pay more for a personalised offer. The findings provide evidence that participants from price-restrained types (Budget Adventurers and Family Explorers) are often limited by their budget. In addition, the constraint regarding WTP can be caused by various configurations of benefits promised by personalised and past experiences (e.g., Relaxation Seekers or Relation Seekers).

This study illuminates that individuals look for wider choices and prefer to pay only for the products and services they need and use. They are unwilling to pay higher prices and often seek discounts if they do not use facilities (derived from participants' declarations during research Phase 2). This further strengthens the heterogeneity of customers and their characteristics in different contexts (Kim, Hong, et al. 2020). The findings suggest that along with experience, the frequency of travel (Nieto-García et al. 2020) and their individuals' particular context and motivations shift customer expectations of personalisation from basic needs fulfilment to more refined self-determined needs (Gilal et al. 2018). The findings provide evidence that personalisation enhances the customer experience (derived from customer stories and presented in Chapter 6), reduces anxiety and discomfort from unfamiliarity with chosen products and services, and supports real-time assistance and recommendation to meet customers' internal and external context and their resultant requirements (Buhalis and Sinarta, 2019). That, as a result, affects customers' WTP.

Drawing on literature analysis and this research finding, dividing customers into more homogeneous clusters using a combination of various factors and characteristics is vital. It will benefit any company in implementing effective marketing and revenue management strategies

(Goyat 2011). With the development of the Internet and the paradigm shift towards CDL (Vargo 2008; Heinonen et al. 2010), customers' tastes, needs, and requirements change with age, life cycle (McKercher et al. 2022), and context. People differ significantly from each other based on their attitudes, beliefs, context, and behaviour. This study's findings demonstrated that demographic segmentation does not present a comprehensive customer profile (Miceli et al. 2007; Goyat 2011; McKercher et al. 2022). In line with Nella and Christou (2021), this study's findings demonstrate that psychographic variables provide a complimentary and more solid basis for clustering customers. However, the basis for customer clustering selection depends on the industry and the products and services offered.

This study proposes a novel typology that enhances and deepens the understanding of the relationship between customer expectations of personalisation and their WTP (addressing Research Objective 4). The findings' significance is that they provide evidence that customer decision-making is fundamentally based on customer philosophy: how people think, organise their purchases, and their attitudes and beliefs (Waryszak and Kim, 1995). That is in line with Mehmetoglu's work (2004), which argued that people, in principle, select a type of experience according to their philosophy, motives, and personal values. Their choice is influenced by factors such as an individual and family life cycle (derived from participants' statements during research Phase 2). Due to continual changes in needs, requirements, and context, customers are not restricted to only one particular type of proposed typology. They can and often engage in different types, addressing particular needs salient to the context of their life and situational influences (Buhalis and Foerste, 2015; Seo and Buchanan-Oliver, 2019). Drawing on CDL, the findings of this study suggest that these proposed customer types exist in other service-orientated industries beyond hospitality, such as events, airlines, car rental, rail, events, banking, retail, and insurance.

8.4. Price-personalisation and customer WTP

The research findings complement and strengthen the literature, depicting that the combination of interaction in the offline and digital world between actors often influences customer experience, WTP, and purchase decisions (Fan et al. 2019). Customers immerse themselves in complex environments where they can actively co-create personalised offers (Pallant et al. 2020). With the heterogeneous response of an individual to personalisation, it is essential to understand the customer expectations of personalisation in different customer types (Cavdar Aksoy et al. 2021).

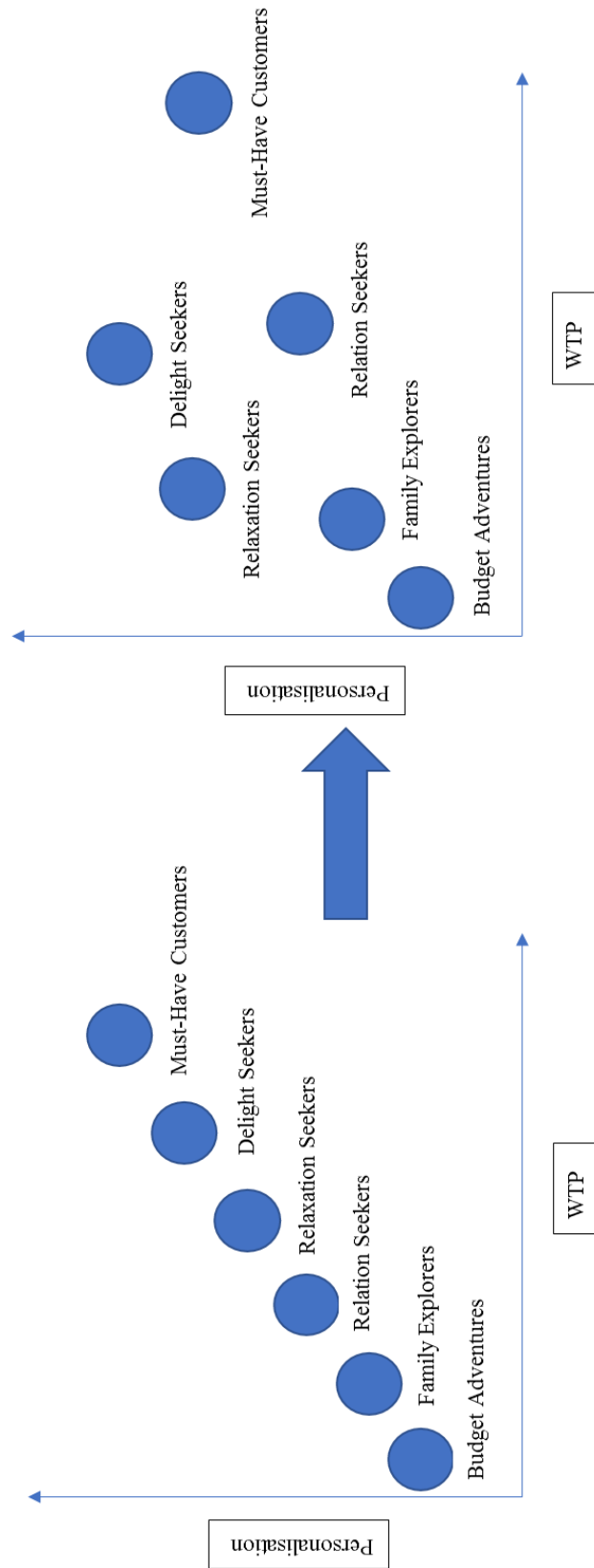
This study's findings, in part, challenge the view that customers are willing to pay more for personalised products and services (Piccoli et al. 2017; Bonaretti et al. 2020; Li and Kallas 2021; Prakash et al. 2021). This research findings illustrate that personalisation does not necessarily enhance customers' WTP (except for one customer type, Must-Have Customers). The proposed novel typology suggests that customers seek personalised products and services but are not always willing or able to pay more. In line with Modica et al. (2020), customer economic and social sustainability influence their WTP (participants did not elaborate on environmental sustainability). The research findings depict that customer preferences, demands and behaviour vary between customer types and channels (Tyrväinen et al. 2020). Participants illuminate that human-to-human interaction is one of the preferred methods of engaging with service providers, such as hospitality businesses, during the searching and purchasing process, as this often results in the best price for personalised products and services. Knowledge about customers paired with smart technologies, such as AI, can offer real-time personalised pricing that will become a critical element of future revenue management (Viglia and Abrate 2020).

Literature shows that researchers' interest in personalised pricing is rising (Zhao 2021). Personalised pricing goes beyond the estimation of group demand towards assessing an individual's demand (Obermiller et al. 2012; Seele et al. 2021). The study's findings have revealed that customer expectations of personalisation vary based on the type of personalisation customers require, their cognitive and economic benefits characterised by their philosophy, and their need for uniqueness. This exploratory mixed-method study's qualitative phase (Phase 2) revealed six customer types characterised by different expectations of personalisation and WTP. The K-means clustering results (quantitative Phase 3) and respondents' demographic characteristic analysis helped validate the qualitative phase findings (addressing Research Objectives 3 and 4). This study's findings' significance is that WTP is not related linearly to the level of disposable income stated by research participants. The study results suggest that only one cluster (Must-Have Customers) indicates increased WTP for personalised offers. These research findings have led to the recognition that customer is empowered individual who chooses when, where, how, and with whom they will co-create their personalised experience. This aligns with Heinonen (2022, p. 2), who suggests that the CDL adopts “*a humanistic approach, highlighting the customer's subjectivity experienced lifeworld*”.

In the digital world, the traditional methods of looking for and purchasing goods and services (including lodging and travel) no longer apply. Customers express their intent at any time or location. This study's findings provide evidence that the main requirement for making an effective personalised offer to customers is to understand their requirements, needs and context. Despite

ubiquitous digitisation, many customers still value the human element in their interactions and experiences. Those interactions are often associated with empathy, understanding, and personalised attention (e.g. portrayed by Relation Seekers). In that sense, the findings are consistent with Ivanov and Webster (2021), who found that only a small share of tourists are WTP more for robot-delivered travel, tourism and hospitality services than human-delivered services. This research finding does not echo Hao et al. (2022), suggesting a significant influence of customer demographic characteristics on their WTP. As the study's findings indicate, while demographics can provide a broad understanding of customer characteristics, they do not capture the complexity and heterogeneity of customer preferences, financial situations, and contextual factors that influence WTP. Figure 8-1 depicts a graphical representation of this research contribution.

Figure 8-1. Graphical representation of this research contribution



8.5. Personalisation through co-creation

With the development of the Internet and the evolution of a data-driven society (Alimamy and Gnoth 2022), customers expect personalised offers, often in return for sharing their personal data (derived from interview participants). The research findings reveal that the configuration of various attributes, resources, and aspirations drives customers' particular activities. This is central to the paradigm shift from GDL, where goods form the basis of exchange, to SDL, where customers are active participants in value co-creation (Vargo and Lusch 2008b, 2016), to CDL, where the customer is creating value through their own process blending a myriad of services from many providers (Heinonen and Strandvik 2015). In the modern world, the relationship between all actors has become more idiomatic, seen through personalised recommendations from Amazon, searches via Google, or suggestions for movies or TV shows from Netflix.

Personalisation from the customer perspective is often associated with customer satisfaction and loyalty (Ball et al. 2006; Aguirre et al. 2015; Ozturk et al. 2017) enhanced through recommender systems, technology-mediated personalisation, and personalisation-privacy paradox (Shen and Ball 2009; Aguirre et al. 2015; Guo et al. 2016). The study findings demonstrate that customers, value co-creators, are empowered to initiate changes in the value co-creation process through voluntary engagement in the filtering process. It is done by expressing their interest, needs, and desires to receive personalised offers. Drawing on the paradigm shift, this study contributes to marketing and revenue management theory and practice by embodying the concept of value co-creation within personalisation. Chapter 4 (Value) depicted that value co-creation involves the mutual creation of value between multiple actors (customers, companies, friends and family, and other customers) through the integration of operant resources between the parties (Vargo and Lusch 2008a; Heinonen and Strandvik 2015).

The interactive nature of the Internet has empowered and enhanced customers to personalise their products and services to their needs and requirements (Alimamy and Gnoth 2022). The study's findings have led to the recognition that the outcome of personalisation is an analysis of subconscious customer behaviour (Volchek et al. 2021). Not surprisingly, it is noticeable that service providers strive to enhance customer value and experience (Heinonen 2022). For example, PLL LOT (Polish Airlines) enhance their economic class passengers to upgrade their flight with additional flight ancillaries' items or upgrade to a higher class using the NYOP strategy. It creates a sense of control and relevance, individual attention, and care, which can increase customers' willingness to invest their time, energy, and resources in co-creating the personalised experience.

This study's findings align with Viglia, De Canio, et al. (2021), who suggests that many decisions can be managed through flexible revenue management strategies, especially during a crisis, e.g., through managing purchases on personal websites (rather than a third party), guarded revenues, and collaboration with other actors. The findings suggest that using information directly gained from customers (first-party data) can enhance a better understanding of customers' heterogeneity in WTP. Managers can tailor offerings, promotions, and pricing structures to target specific segments (including segments of one), leading to increased customer satisfaction, loyalty, and profitability.

The study's findings demonstrate that customer-centric focuses on delivering exceptional value that exceeds customer expectations (Weinstein 2020). By introducing six types of customers, the study contributes to customer co-creation behaviour, which has not been previously observed in the context of customer expectations of personalisation. The findings revealed that many customers demand cheaper personalised offers and experiences. The research findings strengthen the literature depicting the personalisation process as inherently linked with co-creation and that it is an inseparable part of customer experience (Heinonen et al. 2010; Ranjan and Read 2016; Alimamy and Gnoth 2022).

8.6. Chapter Synthesis

The consecutive crises disrupted many sectors, including hospitality, airlines, transportation, automotive, construction, and health (Viglia, De Canio, et al. 2021). A change in customer decisions influenced by Covid-19 (data collection in Phase 2) and the geopolitical and economic situation (data collection in Phase 3) related to the security of the energy supply in Europe and raising the cost of living of any household may affect customers' priorities, needs, and intentions to purchase influencing an individual's WTP. This Chapter discussed the findings of this exploratory study concerning the existing literature. The qualitative phase uncovered five aspects of customer expectations of personalisation: utilitarian, hedonic, cognitive, economic benefits, and uniqueness-seeking. This led to reviling six customer types: Budget Adventures, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers. The results of this study provide evidence of the lack of a linear relationship between customer expectations of personalisation and their WTP. The mixed-method approach illustrates that customers' WTP varies according to personalisation expectations, life cycle stage, and specific context. The study findings demonstrate that a higher level of personalisation does not necessarily equal higher customer WTP. This is an interesting finding as it indicates that customers expect a

different type of personalisation (Fan and Poole 2006; Vesanen 2007) for which their WTP varies (Ivanov and Webster 2021). Each type of personalisation requires different customer input and engagement, but all share a common objective to create value for and with customers (Alimamy and Gnoth 2022).

To conclude, this chapter has engaged in a theoretical comparison of this study's findings within the context of marketing and revenue management literature. The discussion on the customer expectations of personalisation shed light on the need to revise the approach to customer segmentation, which is a fundamental component in marketing and revenue management. The following and final Chapter 9 summarises the thesis by outlining the objectives' achievements and depicting this study's contributions.

9. CONCLUSIONS AND IMPLICATIONS

This final *Chapter 9* summarises in that it demonstrates how the thesis attempted to address the research gap in the marketing and revenue management body of knowledge, identified in section 5.1, regarding the relationship between customer expectations of personalisation and WTP adopting the CDL. It demonstrates how the research objectives were achieved and how this study contributes to theory and practice in the wider business and societal context. The first section outlines how each research objective has been addressed. The second part discusses the contribution of this study to a) theory (section 9.2.1.) and b) practice (section 9.2.2.). Finally, the chapter reflects on this research's limitations and defines opportunities for further research.

9.1. Aims and Objectives

This study explores the relationship between customer expectations of personalisation and their WTP. In doing so, the research aimed to contribute to the debates exploring the phenomenon of personalisation, value co-creation and pricing strategies presented in Chapters 2, 3, and 4. By producing three parallel literature review chapters, the researcher focused on exploring and reviewing how literature addresses the topic of customer expectations of personalisation and its relation to the customer WTP. In doing so, the conceptual model (Figure 3-10 depicted in section 3.9) was created to propose customer typology. Five objectives were set to achieve the aim of this research, and a mixed-method methodological approach was utilised. This section briefly summarises how research objectives were met.

ROI: To explore willingness to pay (WTP)

Research Objective 1 explored willingness to pay WTP in the hospitality industry. To accomplish this objective, the first step involved conducting a narrative literature review (*qual I*) on pricing strategies in the hospitality sector, revenue management, and customer WTP of personalised products and services. This literature review is documented in Chapter 2 of this thesis.

The second step of the research entailed conducting semi-structured interviews as part of the qualitative Phase 2 (QUAL II) (outlined in section 6.1). These interviews were conducted to delve deeper into WTP and gain a more comprehensive understanding. This study aimed to uncover the relationship between customer expectations of personalisation and WTP by exploring and developing a holistic understanding of WTP.

Through exploring WTP, this thesis has shed light on a paradigm shift that challenges existing conceptualisations of WTP. The findings of this study suggest that various contextual factors, including budget constraints, time sensitivity, competitive environment, perceived utility and value, and product differentiation, influence customers' WTP. These intrinsic, extrinsic, and contextual factors, depicted in Table 2-6, impact customers' WTP. The study findings inferred that WTP is context-dependent, and customers are not always willing to pay more for personalised offers, representing this study's core contribution.

This study has demonstrated that the conventional belief that customers are willing to pay more as the level of personalisation increases is not universally applicable. Instead, the findings indicate that changes in customer WTP are grounded in the specific customer context. The knowledge gained from this research contributes to a better understanding of how insights into WTP can be effectively utilised to enhance the customer experience and bolster business profitability.

Understanding customer WTP is crucial for businesses aiming to optimise their pricing strategies, allocate resources effectively, and improve profitability. By aligning offers with expected demand at specific price points, companies can minimise issues such as excess inventory, improving operational efficiency and reducing costs. The insights from WTP analysis enable businesses to adopt value-based price discrimination strategies, where prices are determined based on the perceived value delivered to customers.

The findings of this study highlight the significance of WTP as a key metric, providing valuable insights into customer preferences, affordability, and decision-making processes. By segmenting customers according to their WTP and considering their distinct characteristics and preferences, such as customer expectations of personalisation, businesses can develop better-tailored

marketing strategies and value propositions for different customers. Understanding customer WTP helps identify opportunities for upselling or cross-selling, enabling businesses to offer personalised experiences and enhance customer satisfaction and loyalty.

By addressing Research Objective 1 (in Chapters 2 and 6), this research has provided valuable insights into customers' WTP in the hospitality industry. By comprehensively exploring and understanding the contextual factors influencing WTP, businesses can optimise their pricing strategies, allocate resources effectively, and enhance customer experiences, ultimately leading to increased profitability and customer loyalty.

RO2: To identify elements of customer expectations of personalisation (CeoP)

Research Objective 2 was to explore the elements of CeoP. The literature indicates that the behavioural aspect of personalisation is particularly essential in many service industries, such as hospitality, events, airlines, transportation, banking, or insurance, as it enables the company to personalise the offers more accurately (Aguirre et al. 2015; Chen 2020). It was posited that the overall understanding of customer expectations of personalisation needed to be explored. The literature review on personalisation, value, and pricing (Phase 1, *qual I*) and the semi-structured in-depth interviews (Phase 2, *QUAL II*) were conducted to achieve Research Objective 2.

By reviewing three theoretical streams of this research, Literature Review Chapter 2 – Price – discusses various pricing techniques in revenue management and the concept of customers' WTP. The chapter goes on to discuss pricing in the hospitality industry. Literature Review Chapter 3 – Personalisation – depicts the phenomenon as fragmented, varied and multidisciplinary. The chapter discusses the phenomenon of personalisation, reviews various definitions of personalisation across the literature, and outlines the types and processes of personalisation. Finally, the Literature Review Chapter 4 – Value – discusses value and value co-creation concepts. It examines the paradigm shift from GDL to SDL to CDL. The three (2, 3, and 4) literature review chapters parallel each other and lead to a summary of research gaps identified in this study, outlined in Chapter 5, section 5.1. In examining the literature and the development in the field, this thesis illuminates the paradigm shift that challenges the conceptualisation of customer expectations of personalisation.

The findings from qualitative Phase 2 revealed that customer expectations of personalisation evolve around their needs, desires, and context. Customers are eager to connect and co-create their personalised experiences. The findings reveal five customer expectations of personalisation

components: utilitarian, hedonic, cognitive, economic benefits and uniqueness seeking, which represent the vital contribution of this study.

The insights gathered led to the conclusion that a combination of identified elements enhances customers' expectations of personalisation. Through the literature review and the qualitative phase (Phase 2) of this exploratory mixed-method research, this study developed an integrated understanding and created the conceptual logic framework (section 3.9, Figure 3-10). This framework interprets customer behaviour patterns such as customer philosophy (Mehmetoglu 2004) and the novelty-familiarity continuum (Cohen 1972). This Research Objective was addressed in Chapter 6, sections 6.3 and 6.5.

The developed model framework has contributed to exploring the relationship between customer expectations of personalisation and WTP and proposing a novel CeoP-WTP typology. This study's findings illuminate that businesses can create more customised experiences that resonate with their target audience when they understand what customers expect regarding personalisation. The results suggest that understanding customer expectations of personalisation helps businesses identify unique selling propositions and develop targeted marketing strategies to stand out. By understanding customers' desires for personalised offerings, businesses can recommend additional products or services that align with their preferences, increasing revenue and customer lifetime value.

This study's findings point out that what customers expect of personalisation varies. Customers seek products and services catering to their needs, preferences, and lifestyles. This empowers customers to have greater control over their purchasing decisions and ensures they receive offerings that resonate with their desired level of personalisation and value for money.

RO3: *To explore the relationship between CeoP and their WTP*

Research Objective 3 was addressed through findings gathered in Research Phase 2 (QUAL II) and Research Phase 3 (QUAN III), outlined in Chapters 6 and 7. The findings suggest that customer expectations of personalisation are grounded in the configuration of types of personalisation (utilitarian and hedonic benefits), customer philosophy (cognitive and economic benefits) and level of a familiarity-novelty continuum (uniqueness seeking).

Beyond this, the qualitative phase findings (QUAL II) reveal three main sub-types regarding WTP. First, customers whose WTP is low are not willing or able to pay more for personalised

offers. Those are Budget Adventures and Family Explores. A second sub-type of customers for whom WTP is moderate, meaning that those customers are willing or able to pay more for personalised offers but within a limit. The sub-type is Relation Seekers. Finally, the findings suggest there is a sub-type of customers willing or able to pay more for personalised offers. These are Relaxation Seekers, Delight Seekers, and Must-Have Customers. The quantitative Phase 3 (QUAN III) suggests that only Must-Have customers (Cluster 6, section 7.4.6) are willing to pay more for personalised offers. Those seemingly contradictory results point to a complex, multi-phased, and context-dependent aspect of customer WTP. Qualitative Phase 2 was conducted during Covid-19 when the ability to travel was largely limited. Quantitative Phase 3 was conducted during the Russia-Ukraine conflict and emerged an energy crisis affecting the cost of living. The findings' importance is that WTP is context-dependent, and internal and external factors influence it. The study's findings show no linear relationship between customer expectations of personalisation and WTP, which is a vital contribution of this study. The research findings suggest that despite modern customers expecting personalised offers, their WTP varies, which aligns with Ivanov and Webster's (2021) findings.

The importance of these findings is that understanding the specific factors that influence customer WTP in a particular context can help to develop more effective pricing strategies. By understanding customer expectations of personalisation, businesses can strategically price their personalised offerings to reflect the perceived value and capture customers' WTP. Customers develop a sense of loyalty and attachment when they feel that their preferences and individuality are understood. This emotional connection can influence customers' WTP to continue receiving the personalised experience.

This study's findings illuminate that customer expectations of personalisation influence their perception of value and utility. Customers perceive greater value, utility, and satisfaction when their expectations of personalisation are met. This can lead to a higher WTP for personalised offerings that cater to customer preferences and needs. The contribution of these findings is that it helps to understand the motivations and behaviours of customers, which helps in developing more effective marketing and revenue management strategies to resonate with the customers.

RO4: *To develop and validate the CeoP-WTP typology*

The fourth research objective was *to develop and validate the CeoP-WTP typology*. This objective was addressed through the findings gathered from qualitative Research Phase 2 (QUAL II) and

quantitative Research Phase 3 (QUAN III). Although Cohen's (1972) tourist typology is the most widely cited explanation of tourist behaviour (Masiero and Nicolau 2012; Fan et al. 2019; Ryu et al. 2021), continued attempts in the literature are made to validate it. For marketing and revenue management, segmentation is one of the most fundamental concepts (Rihova et al. 2019). There are two main strategies for segmentation; *a priori*, where customers are grouped based on known characteristics (e.g., age or gender), and *a posteriori*, where groups are identified based on similarities and differences derived from analysed data (McKercher et al. 2022). As people search for experience grounded in their requirements, philosophy, and context (Lei et al. 2021), the proposed typology used a post hoc (*a posteriori*) approach. Fifty years after Cohen's (1972) research, it is still evident that many people (e.g. when travelling) often search for the familiarity of international brands such as Hilton, McDonald's, or Starbucks. The conceptual logic framework (Figure 3-10, section 3.9) has provided a fundament for this study in guiding the methodological choices and the empirical research, as reflected in Chapter 5.

To address this objective, a mixed-method study was conducted. In the first step, semi-structured in-depth interviews were conducted (Phase 2). The analysis in the qualitative phase 2 exposed six types of customers: Budget Adventures, Family Explorers, Relaxation Seekers, Relation Seekers, Delight Seekers, and Must-Have Customers, as shown in Figure 6-2 and Table 6-3, depicted in section 6.5, which represents the core contribution of this study. The findings point to a complex and multi-phase decision-making process. The qualitative phase's significance was that it unveiled insights regarding customer preferences and motivation. The online self-administrated survey (Phase 3) was employed to collect additional data and further validate and explore the identified customer types. *K*-means cluster analysis grouped data points into distinct non-overlapping groups (section 7.4). The developed typology, which addresses Research Objective 4 and is presented in sections 6.5 and 7.4, has contributed to a better understanding of the customer expectations of personalisation and its relation to WTP.

The proposed customer typology can help businesses identify distinct customer groups with similar characteristics, preferences, and behaviours. The study's findings indicate that customer types have varying price sensitivities, spending capacities, and WTP. By understanding these differences, businesses can implement differentiated pricing strategies that align with each segment's characteristics (including a segment of one). This study's findings align with Hong et al. (2020) and provide evidence that using demographic data is no longer enough to serve as a basis for customer segmentation.

Customers benefit from segmentation as it ensures they receive relevant and targeted marketing communication and fit-for-purpose offers. Instead of being bombarded with generic messages, customers are more likely to receive communications that are tailored to their specific segment. Customer segmentation allows for a more customised and meaningful engagement between actors. The significance of the proposed typology is that it helps to segment customers based on each customer's expectations of personalisation and WTP and can assist in implementing more efficient price discrimination strategies.

RO5: To develop practical implications emerging from the relationship between customer expectations of personalisation and WTP

The research was built around the working framework generated in the literature chapters. Through qualitative and quantitative research phases, novel customer typology was introduced. This chapter outlines this research's theoretical and practical implications in the following section (9.2).

9.2. The novelty of the thesis

One of the strengths of this research is its rich and manifold contribution to theory and practice. The research uses CDL as the theoretical lens to explore the relationship between customer expectations of personalisation and their WTP. A pragmatism stance guides the methodological design using mixed-method and leans toward the abductive approach built on deductive-inductive logic as the central concept that derives from existing knowledge. The employed methods include qualitative analysis of 42 semi-structured in-depth interviews and *K*-means cluster analysis of 202 valid online self-administrated surveys.

As outlined in Chapter 5, section 5.5.4.5, adopting the IPA approach enables the identification of six distinctive customer types: Budget Adventurers, Family Explorers, Relaxation Seekers, Relation Seekers, Delight Seekers, and Must-Have Customers. The EFA, followed by *K*-means cluster analysis, was adopted to explore the abovementioned relationship further and validate findings from this research's qualitative phase (Phase 2). The study findings reveal that motives for customer purchase behaviour and personalisation expectations in a specific context do not necessarily influence the customer's WTP. Consumers are keen to receive personalised offers but have various WTP for them.

The quantitative analysis (Phase 3) suggests that the personalisation and customer WTP relationship is not linear, and willingness to pay depends on the customer's internal and external context. The customer's WTP is influenced by motives for purchasing behaviour and personalisation expectations in a customer's specific context. The study's findings provide new directions for experience co-creation, segmentation, and pricing strategies for marketing and revenue management practitioners. The results offer further suggestions for experience co-creation, segmentation, and pricing strategies. In the next section, this research outlines the contribution to theory and practice.

9.2.1. Contributions to Theory

This study is new and innovative in that it fills the gap in research exploring the relationship between customer expectations of personalisation and their WTP. It offers several theoretical (and practical, section 9.2.2) contributions by drawing attention to the nuanced nature of the relationship between customer expectations of personalisation and WTP. The findings contribute to personalisation, value, and pricing knowledge within marketing and revenue management. This thesis's most substantial theoretical contribution is developing a novel (CeoP-WTP) customer typology. By addressing Research Objectives 1, 2, 3 and 4, the findings contribute to knowledge (addressing Research Objective 5) by offering a) exploration of WTP, b) offer insight into customer expectations of personalisation by using the interpretivist approach (in research Phase 2), c) propose a novel customer typology that identifies six customer types, named as Budget Adventurers, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers showing that customers do not have a singular perspective of the association between personalisation and WTP, but rather customers value different forms of personalisation depending on the individuals' context, d) illustrate no linear relationship between customer expectations of personalisation and WTP, e) enhance the literature in personalisation, value and pricing within marketing, and revenue management streams, and f) support the interrelationship between personalisation and co-creation. In addition to the discussion presented in Chapter 8, each outlined additional theoretical contribution is now shortly discussed.

a) WTP is context-dependent

The study contributes to the scientific discourses in marketing and revenue management by exploring WTP. While this work does not aim to measure the specific amount customers are willing to pay for personalised offers, it offers valuable insights regarding customer expectations of personalisation and its relationship to WTP.

The knowledge contribution is created to a range of aspects. First, this study makes an important contribution to research on WTP. Internet development enables more effective utilisation of personalised pricing based on customers' information and purchase history (Sonnier, 2014). This study expands prior research on WTP, which adopted a product-centric perspective (Nieto-García et al. 2017; Tang and Lam 2017; Erdem et al. 2019; Hong et al. 2020; Nicolau et al. 2020; Kang and Nicholls 2021; Suci et al. 2021; Yoganathan et al. 2021; Fernández-Ferrín et al. 2023). By adopting CDL (putting the customer in the centre), the exploratory study carried out using mixed-method confirms that customers' WTP for personalised offers is context-dependent.

Second, this study contributes to the marketing and revenue management literature by highlighting that multiple extrinsic, intrinsic, and contextual factors determine customer WTP. The study's findings provide evidence that customer WTP level is neither fixed nor linear. This shows that customer decisions are not only economically rational but influenced by the customer's emotions, perception, and judgement about the price of the offer (Ortega and Tabares 2023).

Third, this study extends and complements prior research on WTP and personalisation (Parent et al. 2011; Li and Unger 2012; Benlian 2015; Poort et al. 2019; Indrabrata and Balqiah 2020; Viglia and Abrate 2020; Talón-Ballesteros et al. 2022). This study's findings provide evidence that customer WTP is influenced by the five factors, such as *utilitarian*, *hedonic*, *cognitive*, *economic benefits*, and *uniqueness seeking* (section 6.2), constituting their personalisation expectations. The results illuminate that customers value different forms of personalisation depending on the individual's context, which can influence their WTP. This study offers valuable insights into consumer behaviour and decision-making processes by exploring WTP. Fourth, this study contributes to consumer decision-making, purchase intentions, and choice behaviour theories by examining factors influencing customers' WTP, such as personalisation. It explores how customers assess the worth and quality of products or services and offers a novel customer typology advancing the discussion on price personalisation (Elmachtoub et al. 2021; Zhao 2021).

b) customers' expectations of personalisation - CeoP

The study contributes to the scientific discourses in marketing and revenue management by adopting *customer-dominant logic* rather than *service-dominant logic* to explore customer expectations of personalisation (Vargo and Lusch 2008a; Heinonen et al. 2010; Heinonen 2022). It has applied the personalised experience co-creation to the particular context of hospitality. The results of this research indicate that for customers, personalisation is not, e.g., simply calling them

by name, purchasing a hotel room with a view, or having a mini-bar or bouquet of flowers in the room. Instead, the findings illustrate that customers' expectations of personalisation are composed of various configurations of dimensions such as *utilitarian, hedonic, cognitive and economic benefits*, and *uniqueness seeking*.

By using IPA in the qualitative phase (Phase 2), the significance of this study is that it goes beyond the traditional assumption that utilitarian and hedonic benefits characterise customer expectations of personalisation. The findings of this study are valuable to the marketing and revenue management literature in that they encompass the cognitive and economic benefits (based on their philosophy) and customer uniqueness seeking as essential benefits of personalisation. This study complements CDL literature (Tynan et al. 2014; Heinonen and Strandvik 2015; Carvalho and Alves 2023) by taking customer perspective regarding expectations of personalisation and shedding light on its relationship with their WTP in the context of hospitality.

This study complements extant research on personalisation (Zhen et al. 2017; Pappas 2018; Cavdar Aksoy et al. 2021; Chandra et al. 2022; Chen et al. 2022; Nobile and Cantoni 2023) by providing an alternative view of what customers expect of personalisation. The study findings depict that other factors influence customers' behaviour regarding personalised offers beyond utilitarian and hedonic benefits. By integrating three literature streams on personalisation, value, and pricing, this study extends the understanding of the customer expectations of personalisation and its influence on WTP.

c) a novel customer typology

As discussed, e.g., in Chapter 3, section 3.9, customer segmentation is a fundamental tool in marketing and revenue management (Rihova et al. 2019; Webb et al. 2023). The research findings indicate that selecting traditional demographic traits, such as age, gender, education level, or disposable income, is no longer enough to serve as a basis for customer segmentation. The importance and contribution of this study is that it provides evidence that commonly used demographic variables are insufficient to segment the market in the modern, digitalised world. This research finding complements and extends the literature on customer segmentation (Goyat 2011; Boronat-Navarro and Pérez-Aranda 2020).

The findings of this study offer a valuable knowledge contribution to marketing and revenue management. This is evident in that it is essential to understand customers' attitudes, preferences, and behaviour to create customer segments to realise the movement of an individual search,

buying behaviour, and the purchase context (Cavdar Aksoy et al. 2021). This study contributes by developing a framework that depicts various aspects, including preferred personalisation type (Fan and Poole 2006; Vesanen 2007), customer philosophy (Mehmetoglu 2004), and Familiarity-Novelsy continuum (uniqueness seeking) (Cohen 1979) to explore customer expectations of personalisation and their WTP (Figure 3-10 in section 3.9). This study identifies six customer types: Budget Adventurers, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers.

Using EFA and *K*-means cluster analysis (in quantitative Phase 3, QUAN III), this study supports the typology of customers proposed by qualitative Phase 2 (QAUL II). The typology represents the interrelation of construct variables, utilitarian and hedonic benefits (as examples of customer expectation from personalisation), economic and cognitive benefits (related to customer philosophy), uniqueness seeking (reflecting novelty-familiarity continuum) and WTP. The findings of this study uncovered a detailed picture of six customer types. This study's results are valuable in providing evidence regarding significant differences between customer types in their expectations of personalisation. This could be a new lens offering an adequate frame to accommodate better customer segmentation, bringing a step closer to enhanced pricing strategies (including price personalisation).

The proposed novel typology suggests that customers seek various personalised offers but are not always willing to pay more for them. The study illuminate that customers are not restricted to one particular type of customer as their expectations from personalisation and WTP change as their context changes (derived from participants during interviews in research Phase 2). The significance of this result is that it is contrary to most typologies, as they do not consider the reality that customers often “move” between different typologies (Konstantakis et al. 2020). This study identifies that customers can and often engage in different customer types addressing their specific needs and requirements, often silent situational influences and to the context of their lives (Buhalis and Foerste 2015; Seo and Buchanan-Oliver 2019). This research aligns with McKercher et al. (2022), suggesting caution in customer clustering as the preferred segmentation technique depends on the research objective.

d) illustrating no linear relationship between customer expectations of personalisation and WTP

This study contributes to knowledge on personalisation and WTP by better understanding the relationship between customer expectations of personalisation and WTP. Sahhar et al. (2021) note that customer experience through personalisation is multifaceted, dynamic, and context-dependent. The results of this study indicate that customers do not have a singular or fixed perspective on the association between their expectations of personalisation and WTP. Customers value different forms of personalisation depending on their individual context, as expressed through their requirements, needs, desires, wants, emotions, and memories (Zhen et al. 2017). The importance and contribution of this study are that it offers evidence for a no-linear relationship between customer expectations of personalisation and WTP, contributing to marketing and revenue management.

The study's findings suggest that personalisation does not necessarily enhance customers' WTP, which extends Masiero, Heo, et al. (2015) research suggesting that different visitors perceive different WTP values for various hotel attributes. This study complements Pérez-Troncoso et al. (2021), who highlight the existence of significant preferences and WTP for personalised nutrition and Sarlay and Neuhofer (2021), who highlight a difference in WTP in customer segments.

Online and offline environments influence modern customers' behaviour (Cavdar Aksoy et al. 2021). The study's results suggest that customers' WTP for personalised offers is influenced by a combination of uniqueness seeking, a philosophy reflected through economic and cognitive benefits, and the utilitarian and hedonic benefits they expect. The results indicate that customer context, values, and preferences are more likely to influence purchasing decisions than price, consistent with Kim, Hong, et al. (2020). This study's findings provide evidence that there are distinct differences between customer types and pricing strategies will work differently for various individuals based on their current type and specific context.

The research findings are valuable in that they challenge past research that suggests customers are more willing to pay for personalised products and services (Piccoli, Lui, Grün et al. 2017; Bonaretti et al. 2020; Prakash et al. 2021). The analysis of clusters suggests that the relationship between customer expectations of personalisation and customer WTP is not linear and depends on the customer's internal and external context rather than just their annual disposable income. Chapters 6 and 7 outline that the type of personalisation customers seek and expect does not always enhance their WTP. For example, Budget Adventurers are customers who prioritise affordability over personalised experience and would be likely to seek discounts. In contrast,

Delight Customers are more interested in unique, personalised experiences. Family Explorers prefer more practical and functional personalisation and may look for more personalised prices. While Relation Seekers would be more likely to search for a more personalised approach towards experience co-creation. Must-Have Customers have a strong desire and requirements for personalised offers. Section 7.4.6 reports that only one cluster (Must-Have Customers) indicated increased WTP for a personalised offer.

e) enhance the literature within marketing and revenue management streams

Despite the increasing interest in personalisation, the concept is still blurry and confusing (Vesanen 2007; Kwon and Kim 2012; Chandra et al. 2022). Chapter 3 highlights the mix of past research findings regarding the effectiveness of personalisation. While some studies depict a positive impact of personalisation efforts on customer satisfaction (Adolphs and Winkelmann 2010), loyalty (Tyrväinen et al. 2020) or purchase intention (Lee and Cranage 2011), others demonstrate adverse outcomes, such as the feeling of intrusiveness (van Doorn and Hoekstra 2013), or privacy concerns (Li and Unger 2012; Song et al. 2021). This research extends the literature, adopting the customer perspective and indicating that personalisation is a customer's expectation through which they evaluate their experiences as memorable and unique (Ameen et al. 2022).

This study contributes to prior research by exploring the relationship between personalisation and value (co)-creation. Practitioners, academics, educators, and customers view customer value as crucial for businesses and their relationships with customers (Zeithaml et al. 2020). The three literature chapters outline the link and complementarity relationships between personalisation, value, and pricing.

This research complements Cunningham et al. (2019) results, indicating that attitudes and opinions about certain perceived benefits and levels of comfort with functions can better predict customers' WTP above key socio-demographic variables such as age or salary. This study suggests that the personalisation process inherently links with co-creation (Ranjan and Read 2016; Alimamy and Gnoth 2022) but loosely links with WTP. This research contributes to the existing literature on personalisation and pricing by highlighting specific benefits of personalisation that may be crucial to consider when attempting to enhance the understanding and prediction of customer WTP for personalised offers.

This thesis benefited from qualitative and quantitative methodologies by adopting the mixed-method approach. Following Truong et al. (2020), it contributes that this research is in the minority in tourism and hospitality by focusing equally on the qualitative and quantitative parts. This thesis contributes to the personalisation, marketing and revenue management literature by highlighting the importance of the relationship between customer expectations of personalisation and WTP. This understanding is strategic for addressing the managerial questions regarding customers' wants, needs, and desires and what they are willing to sacrifice. This study contributes to the existing literature by complementing and enriching the discussion concerning the complexity and multidimensionality of personalisation within marketing and revenue management (Vinod et al. 2018; Prakash et al. 2021; Zhao 2021; Chen et al. 2022), adopting the demand-side perspective.

f) support the interrelationship between personalisation and co-creation

Literature depicts that in the co-creation process, personalisation is a core element that aids in facilitating value-in-use and value-in-experience (Vargo and Lusch 2016; Bianchi 2019). The study findings provide evidence that the dyad of personalisation and co-creation co-exist, and both concepts complement and enhance the personalisation process of customer experiences (Alimamy and Gnoth 2022). Coming from the definition of the *Gestalt* – whole rather than a sum of its part (Mandagi et al. 2021) – the study findings can offer a valuable premise to a new lens that could help to accommodate the view that personalisation can intuitively take a customer's point of view who are the main value creators (Heinonen et al. 2010), forming the sense of wholeness and interrelatedness as a part of their overall experience. The results of this study extended the application of CDL and configuration theory towards a better understanding of customer expectations of personalisation, confirming, correspondingly to Lee and Chuang (2022), that customer evaluates their consumption experience in a holistic manner in a service industry. To enhance the overall evaluation of the relationship between customer expectations of personalisation and their WTP, holistic touch points of customer engagement in the personalisation process should be understood. The research findings suggest that customers are subjectively rational, informed by their logic anchored in their experiences, goals, and context (Heinonen and Strandvik 2015). This study's contribution is that it adopts CDL to ground the theoretical framework, and by putting the customer at the centre, it focuses on the customer perspective and explores customer expectations of personalisation and WTP.

9.2.2. Contributions to Practice

Given the competitive environment where service providers (including hospitality businesses) operate, understanding customer requirements, needs, wants, desires, context, and WTP is vital for successful practice. From a managerial point of view, this study highlights the relationship between customer expectations of personalisation and WTP and its importance in co-creating personalised experiences.

The study provides implications for practitioners as findings a) suggest that managers and decision-makers should concentrate on different customer clusters at different times. This study suggests that b) combining psychographic and behavioural variables with customer demographics offers a more holistic form of customer segmentation (Yoseph et al. 2019). This study's findings can c) assist product and service planners, marketing and management teams, and experience designers in facilitating and formulating improved adopted offers for diverse service business sectors. And d) can assist managers in deciding what type of personalisation may best suit their customers and what price approach they should take to optimise revenue.

Customer segmentation is crucial for marketing and revenue managers aiming to provide better products and services while increasing profitability. Traditional segmentations often operate under the assumption that managers should cluster their customers based on one of five ways: demographic, geographic, psychographic, behavioural or hybrid (McKercher et al. 2022). They often lack granularity and knowledge of customer shopping behaviour (Yoseph et al. 2019). Despite the general understanding that all customers have slightly different needs, wants, requirements, and desires, it is impossible to treat them individually. Successful market segmentation cannot be implemented without analysing vast empirical customer data (Dolnicar 2020).

Effective customer segmentation requires a solid understanding of customer behaviour, data analysis techniques, and market research insights. The segments should be internally homogenous yet as different from each other as possible (McKercher et al. 2022). The types of customers that emerge from this research can take on different meanings depending on the customer's current context. As there is no single correct solution and all possible cluster solutions are correct (Fredline 2012), the policymakers may consider the attempt to accommodate better their offers to all segments. To enhance customer segmentation, marketing and revenue managers should collect relevant customer data from various sources, especially directly from customers (first-party data) and integrate it for a holistic view of customer behaviour. Collaboration between marketing, sales,

customer service, product development, and revenue management teams ensures a comprehensive understanding of customer needs and seamless implementation of segmentation strategies.

Integrating revenue management and CRM systems is one approach to using customer data more effectively. Thanks to technology advancements and the growth of revenue management and CRM, implementing an integrated revenue management/CRM strategy should be more practical now than in the past (Denizci Guillet and Shi 2019).

The research findings highlight that customers' heterogeneousness relates to their life cycle, philosophy, and the different contexts of their consumption. Customers expect personalisation that creates increased value in a product, service quality, and delivery. A comprehensive understanding of customers' needs, requirements and contexts is vital to prepare real-time marketing strategies that dynamically support value co-creation (Buhalis and Sinarta 2019). Personalised products and services encourage individual pricing strategies. Revenue managers need to focus more on using expectations of personalisation and WTP segmentation-based approaches to increase revenue, sales, and profit margin. This is particularly the case in perishable service industries, where the product and service cannot be stored for future use. Understanding the customer's context is vital for revenue management, profitability, and, ultimately, competitiveness. The contextual factors often determine what customers expect of personalisation and their WTP, which organisations can monitor using data analytical approaches (Stylos et al. 2021), such as ambient intelligence (Buhalis 2020), which can present customers with personalised pricing, as customer WTP is subjective and context-dependent.

Marketing and revenue managers should be familiar with demographic factors (e.g., age, gender, location) and psychographic factors (e.g., lifestyle, values, attitudes) influencing customer behaviour. Understanding the criteria for segmenting customers, such as behaviour-based, needs-based, or value-based segmentation, enables the selection of relevant and actionable variables. As customers' behaviour and context continually change, regularly reviewing and refining segmentation strategies based on changes in customer behaviour, market dynamics, and the competitive landscape maintains the relevancy and effectiveness of the segmentation approach.

Modern customers want everything, everywhere, and all the time, while they still desire an even mix of traditional, remote, and self-service channels (Deveau et al. 2023). In the ever-evolving landscape of the Internet, information is readily accessible to everyone. Customers have been *trained* by businesses such as Amazon, Netflix, Uber, Expedia, or Starbucks to anticipate smooth, uniform, and convenient purchasing experiences, illuminating a potential concern regarding implementing price personalisation. Customers do not judge a price's fairness only by looking at

what other customers have paid. How people view prices is also influenced by other retailers, prior experiences, expectations, and ideas about the company's profitability (Richards et al. 2016). As customers' behaviour and context continually change, regularly reviewing and refining segmentation strategies based on changes in customer behaviour, market dynamics, and the competitive landscape maintains the relevancy and effectiveness of the segmentation approach. From a managerial perspective, using AI tools can enhance revenue gain, outweighing the negative consequences of customer behaviour induced by personalised pricing. This study included the adoption of *K*-means cluster analysis. This non-hierarchical, unsupervised machine learning algorithm allows for discovering and defining market segments that constitute the focal point of a company's marketing strategy. ML and AI can provide real-time negotiation guidance and predictive insights based on a comprehensive analysis of transaction data, customer behaviour, and competitive pricing, leveraging customer and market data patterns to segment and target relevant audiences (Deveau et al. 2023). To ensure that the pricing and revenue management functions align with the broader trends of digitalisation and expectations of personalisation within the service industry, it becomes essential to cultivate flexibility that enables adaptation to the distinct requirements of each individual customer.

As customers' behaviour and context continually change, companies are invited to regularly review and refine segmentation strategies based on changes in customer behaviour, market dynamics, and the competitive landscape to maintain the relevancy and effectiveness of the segmentation approach.

Marketing, revenue managers, and policy-makers need to recognise the decision-making and buying power of modern customers. Customers effectively choose with whom they co-create their personalised experiences and how much they are WTP for it. As the customer defines value, businesses need to adapt their role. The proposed typology can inform product and service planners, marketing and revenue management teams, or experience designers to facilitate and formulate improved adopted offers for diverse customers. For instance, Budget Adventurers do not primarily look for personalised offers, such as extensive overdraft limits on their bank card. Instead, they are looking for a limited or no overdraft limit. Students or young professionals may easily fit the Budget Adventure type. On the other side of the spectrum, Delight Seekers value more individualised approaches, carefully research their options and choose providers that deliver offers that closely relate to their current needs and requirements. This type of customer seeks to create memorable hedonistic experiences gained through interaction with the brand at each point of contact.

In contrast, Family Explorers often look for various coupons, vouchers, offers and discounts (i.e., third-degree price discrimination). They seek to reduce their overall expenditure, such as special offers or as an incentive for a return purchase or various package offers. Although these types may reduce the profit margin from individual transactions, they may strengthen overall profitability in low-demand periods or through repeat visits, loyalty schemes and lifetime expenditure. The novel CeoP-WTP typology can be expanded to other service business sectors, including banking, insurance, retail, transportation, and events. This allows practitioners to better offer the right product or service to the right customer at the right time and price.

Understanding customer characteristics and behaviours provides an opportunity for different customer types. The findings provide five forms of personalisation benefits that determine customer expectations, which influences customer WTP. Based on that knowledge, marketing and revenue managers can identify what their customers are looking for and expect from offers. This study's proposed typology can provide practical aid to managers in deciding what type of personalisation may best suit their customers and what price approach they should take to optimise revenue. While the price is important, the findings show that customers present distinct differences in their expectations of personalisation and WTP. Each type values personalisation differently by choice, perception, or necessity. Technology transforms customer interaction, enabling unmatched scope and scale for personalisation (Piccoli et al. 2017; Buhalis et al. 2019; Ling et al. 2021).

Customer expectations of personalised experiences are increasingly shaping the contemporary business landscape. The advent of big data and advanced analytics has paved the way for personalisation to become a pivotal element in customer interactions. Organisations are now tasked with understanding customer expectations of personalisation and aligning their strategies accordingly. Any pricing strategies must necessarily follow a shifting target since a consumer's WTP is contingent upon multiple context-specific and continually changing variables (e.g., time of day, psychological disposition, awareness of certain facts in the world, etc.) (Coker and Izaret 2021).

By understanding the nuances of customer preferences, managers can allocate resources more effectively, particularly in technology and staff training. This ensures that the workforce is well-equipped to deliver personalised experiences. The insights garnered can aid in formulating more focused customer-centric strategies and guide product development to align with customer expectations. Evaluating the effectiveness of personalisation strategies becomes paramount, necessitating robust performance measurement systems.

From a marketing and revenue management perspective, the segmentation of customers based on behaviour and value is crucial. Identifying and estimating consumer-level valuations is more crucial when using discriminatory (e.g., dynamic or personalised) pricing than it is when using common or unified pricing (Sonnier 2014). These research findings can provide a greater understanding of the novel approach to customer segmentation, enabling more targeted and personalised communication. This, in turn, facilitates effective brand positioning and product development tailored to different segments' specific needs. The goal is to enhance the customer experience, fostering loyalty and increasing customer lifetime value. Also, pricing strategies can be optimised based on customer segments and their WTP, particularly various forms of discriminatory pricing for personalised products or services. Demand forecasting and inventory management also benefit from a more nuanced understanding of customer expectations, leading to more efficient operations and improved profitability.

This research is indispensable in the current customer-centric environment. The insights derived from this study can guide managerial practices, inform marketing strategies, and optimise revenue management practices. By doing so, organisations can meet and exceed customer expectations, fostering loyalty, enhancing customer experience, and ultimately, ensuring sustained profitability.

This study's findings can assist marketing and revenue managers in adapting their offers for each type of consumer. In the modern competitive markets, customers will not resign from personalisation. Personalisation is a must. As the customer's role in value creation is at the core, understanding the return on investment for the business for including the customer in the personalisation process is of equal significance. Given the growth of the virtual world, this research can help managers identify distinct customer segments, enabling them to provide better fit-for-purpose offerings in real-time. Understanding customer WTP is challenging but equally critical to the profitability and competitiveness of organisations. This research provides an avenue for new directions for experience co-creation, segmentation, pricing, and revenue management across the entire business ecosystem.

9.3. Limitations and Future Research

This research extends the knowledge of the relationship between customer expectations of personalisation and WTP in the service industry, mainly in the hospitality business context. As a result, however, this research has its limitations. This section discusses some limitations of this research and offers avenues for future studies.

The first limitation of this study is related to the timing of data collection. In the qualitative research phase (Phase 2), the sample was collected between April and May 2021. Due to the critical period of Covid-19, the government guidance and recommendation was to not socialise indoors except with one's household or support bubble. The respondents' requirements, needs, travel decisions, WTP, and confidence in the prospects of travelling might be unconsciously affected by Covid-19. Hao et al. (2022) findings suggest the significant impact of Covid-19 while doubting the actual economic impact. Customer expectations of personalisation may evolve from pre-Covid-19 time. Although the pandemic may enhance customer expectations of personalisation, this study calls for a debate regarding the dynamics of customer expectations of personalisation.

The data collected during the quantitative research phase (Phase 3) took place between May and June 2022 during the Russia-Ukraine conflict, which influenced the emergence of the world energy and fuel crisis. In addition to a change in customer decisions influenced by Covid-19, the geopolitical and economic situation may affect customers' priorities, needs, and intentions to purchase. The military conflict contributed to the concerns related to the security of the energy supply in Europe and a sharp spike in energy prices, raising the cost of living of any household, most likely influencing an individual's WTP. The above two circumstances (Covid-19 and the Russia-Ukraine conflict) provide a diverse context for exploring the relationship between customer expectations of personalisation and their WTP. As outlined in section 6.6.6, this study records the gender difference represented by male (n=72, 35.6%) vs female (n=127, 62.9%) vs non-binary (n=3, 1.5%) of the sample size. The interesting findings from this thesis give credibility to the need for further research.

The second limitation relates to the survey's potentially low response rate. The relatively small number of respondents in the survey (n=202) led to some customer clusters (e.g., cluster 4, n=8) being potentially underrepresented. Although the 245 participants (43 in qualitative research (Phase 2) and 202 in quantitative research (Phase 3)) delivered plenty of information, future research could adopt a wider sample to validate and supplement the current typology in different industries. This research is based on respondents from the UK. Future research could investigate,

through, e.g., cross-cultural studies, whether the proposed typology and the customer expectations of personalisation might be generalisable to other countries.

This study recognises that findings from a B2C context may not be applicable to business-to-business (B2B) relationships, where purchasing decisions are often more complex and involve multiple stakeholders. The motivations and expectations in B2B transactions can be vastly different from those in B2C transactions. B2C relationships are typically transactional, while B2B relationships tend to be long-term and involve a higher level of commitment and interaction. The impact of personalization may, therefore, play out differently in B2B contexts. B2B transactions are usually larger in scale and complexity compared to B2C transactions. The study's findings might not capture the nuances of how personalization impacts customer WTP in these larger, more complex transactions. Emotional factors often influence consumer purchasing decisions in a B2C context, whereas B2B purchasing decisions tend to be more rational and based on the value and utility of the product or service. This distinction can affect how personalisation influences WTP. For this, this study extends the Srivastava et al. (2022) call for future research regarding the comparison of the variations in the B2C and B2B environments.

Despite some limitations that can inspire future research, the present thesis offers a new avenue for further enquiry. Previous studies highlight the role of data privacy (discussed in 2.7.2) (Strycharz et al. 2019; Riegger et al. 2021; Lambillotte and Poncin 2022). This research does not examine these issues as a trade-off influencing customer expectations of personalisation and WTP. Literature illuminates that customers generally may state their concern about their data privacy, but often, they fail to act accordingly to protect their data (Pérez-Troncoso et al. 2021; Volchek et al. 2021). Customers' sense of deservedness can increase if they perceive that they are disclosing too much personal information (Pizzi et al. 2022). Further studies may further explore this issue, assessing whether there is a difference in the relationship between customer expectations of personalisation and their WTP between customers who do and do not accept disclosing their personal information.

Following the literature in the marketing field and this study's findings, the importance of factors that constitute customer expectations of personalisation in forming desired customer behaviour and behaviour change as a vital strategic tool for the business cannot be ignored (Salonen and Karjaluoto 2016; Cavdar Aksoy et al. 2021). Despite that, the study represents a step in the marketing and revenue management research stream on the understanding relationship between customer expectations of personalisation and WTP; many questions await answers (Piccoli et al.

2017), e.g., future research could investigate the emotional effects of personalisation on customer WTP.

The study findings provide evidence that relations between variables are naturally complex and often non-linear, and sudden changes may cause different results and outcomes (Pappas and Woodside 2021). This study did not address personalisation from a pure product, service or price tailoring perspective but from a customer perception perspective, as the inseparability of product and service influences the final price and purchase decision. Future research can further pursue customer expectations of personalisation using configuration theory and further expand and validate these findings using, e.g., fuzzy-set Qualitative Comparative Analysis (fsQCA). By employing the fsQCA approach, future research can shed light on how utilitarian, hedonic, cognitive, and economic benefits and customers' need for uniqueness are related and how they affect customer WTP.

The present research focuses on the customer perspective. This decision was guided by the tenants of CDL (Heinonen and Strandvik 2015), which encompasses customers' lived experiences. Personalisation is company-initiated on a conceptual level (Chandra et al. 2022), including and contracting the *practitioners' and users' perspectives*. This could potentially offer richer insights into businesses' existing strategies to explore what customers expect of personalisation and WTP. As the supply-side perspective was out of the scope of this study, future research could investigate the relationship between customer expectations of personalisation and WTP from this alternative perspective.

This study's findings contribute by painting the picture that the dyad of personalisation and co-creation co-exist, complementing each other. In a similar strain to Alimamy and Gnoth (2022), this study calls for future research to understand how personalisation influences co-creation.

Future scholars could further investigate other factors affecting customer expectations of personalisation, and by adopting the experiment, they could examine the cause-and-effect relationship and WTP. Adopting an experiment to investigate the CeoP-WTP relationship can enhance the knowledge about the cause-and-effect relationship between those constructs, as the nature of participants and their behavioural measures may differ (Viglia and Dolnicar 2020).

This thesis outlines the ground for future research agenda, which could further explore the interconnectedness of customer activities, customer reasoning and the idiosyncratic patterns of customer behaviour.

9.4. Conclusions

This thesis has attempted to explore and better understand the relationship between customer expectations of personalisation and WTP from the CDL perspective by focusing on the service industry context. This thesis represents an innovative piece of personalisation research, bringing several contributions to knowledge and practice within marketing and revenue management. Adopting CDL and focusing on the customer's life experience could lay the groundwork for exploring what customers expect of personalisation and its relationship to WTP. As shown in the exploratory evidence provided in this study, customer expectations are not limited to utilitarian and hedonic benefits but expand towards cognitive and economic benefits. It includes the customer's need for uniqueness. By adopting a mixed method, the study identified six customer types: Budget Adventurers, Family Explorers, Relation Seekers, Relaxation Seekers, Delight Seekers, and Must-Have Customers. The research findings suggest that customers expect personalisation but are not always willing to pay more for it. The study findings provide evidence that various configurations of utilitarian, hedonic, cognitive, economic benefits and uniqueness seeking influence customer WTP for personalisation.

The continuous development of ICTs and a virtual world has made interaction and relationship-building easier than ever before. Personalisation will likely gain more prominence in the research, particularly price personalisation. Customers are continually empowered to co-create their personalised experiences. While marketers can go some way to co-create value with a customer, revenue managers are looking for better ways to optimise the revenue. Practitioners should use customer personalisation preferences in added-value relationships and pricing strategies. The focus of CDL on the customer's life, engagement with other actors, and value formation can lay the groundwork for further evolution and collaboration of marketing and revenue management.

The proposed typology attuned to evolving customer preferences regarding their expectation of personalisation would help hoteliers and a variety of service industries. It can help better understand the customers' preferences, expectations, needs, and desires and link them to better customer recommendations. This would help businesses create a seamless and safe purchase experience, accelerating revenue and generating proactive demand.

List of references

- Abosag, I., Ramadan, Z. B., Baker, T. and Jin, Z., 2020. Customers' need for uniqueness theory versus brand congruence theory: The impact on satisfaction with social network sites. *Journal of Business Research* [online], 117 (April 2019), 862–872. Available from: <https://doi.org/10.1016/j.jbusres.2019.03.016>.
- Abrate, G., Capriello, A. and Fraquelli, G., 2011. When quality signals talk: Evidence from the Turin hotel industry. *Tourism Management* [online], 32 (4), 912–921. Available from: <http://dx.doi.org/10.1016/j.tourman.2010.08.006>.
- Abrate, G., Fraquelli, G. and Viglia, G., 2012. Dynamic pricing strategies: Evidence from European hotels. *International Journal of Hospitality Management* [online], 31 (1), 160–168. Available from: <http://dx.doi.org/10.1016/j.ijhm.2011.06.003>.
- Abrate, G., Nicolau, J. L. and Viglia, G., 2019. The impact of dynamic price variability on revenue maximization. *Tourism Management* [online], 74 (March), 224–233. Available from: <https://doi.org/10.1016/j.tourman.2019.03.013>.
- Abrate, G., Quinton, S. and Pera, R., 2021. The relationship between price paid and hotel review ratings: Expectancy-disconfirmation or placebo effect? *Tourism Management* [online], 85 (February 2020), 104314. Available from: <https://doi.org/10.1016/j.tourman.2021.104314>.
- Abrate, G. and Viglia, G., 2016. Strategic and tactical price decisions in hotel revenue management. *Tourism Management* [online], 55, 123–132. Available from: <http://dx.doi.org/10.1016/j.tourman.2016.02.006>.
- Abrate, G. and Viglia, G., 2019. Personal or Product Reputation? Optimizing Revenues in the Sharing Economy. *Journal of Travel Research*, 58 (1), 136–148.
- Adam, M., Toutaoui, J., Pfeuffer, N. and Hinz, O., 2019. Investment Decisions with Robo-Advisors: The role of anthropomorphism and personalized anchors in recommendations. *In: 27th European Conference in Information Systems* [online]. 1–18. Available from: https://aisel.aisnet.org/ecis2019_rp/33.
- Adam, S. and Maier, M., 2010. Personalization of Politics A Critical Review and Agenda for Research. *Annals of the International Communication Association*, 34 (1), 213–257.
- Adler, P. S., Forbes, L. C., Barker, J., Bridgman, T., Calás, M., Cooke, B., Edward, P., Fleming,

- P., Jacobs, D., Jaros, S., Jermier, J., Kenny, K., Marens, R., Donnell, D. O., Pritchard, C. and Smircich, L., 2007. Critical Management Studies. *Academy of Management Anals*, 1 (1), 119–179.
- Adolphs, C. and Winkelmann, A., 2010. Personalization Research in E-Commerce – A State of the Art Review (2000-2008). *Journal of Electronic Commerce Research* [online], 11 (4), 326–341. Available from: http://www.jecr.org/sites/default/files/11_4_p05.pdf.
- Adomavicius, G. and Tuzhilin, A., 2011. Context-aware recommender systems. In: *Recommender Systems Handbook*. Springer, Boston, MA, 217–253.
- Aguirre, E., Mahr, D., Grewal, D., de Ruyter, K. and Wetzels, M., 2015. Unraveling the personalization paradox: The effect of information collection and trust-building strategies on online advertisement effectiveness. *Journal of Retailing* [online], 91 (1), 34–49. Available from: <http://dx.doi.org/10.1016/j.jretai.2014.09.005>.
- Ahani, A., Nilashi, M., Ibrahim, O., Sanzogni, L. and Weaven, S., 2019. Market segmentation and travel choice prediction in Spa hotels through TripAdvisor’s online reviews. *International Journal of Hospitality Management* [online], 80 (January), 52–77. Available from: <https://doi.org/10.1016/j.ijhm.2019.01.003>.
- Aheleroff, S., Philip, R., Zhong, R. Y. and Xu, X., 2019. The degree of mass personalisation under industry 4.0. *Procedia CIRP 52nd CIRP Conference on MANufacturing Systems* [online], 81, 1394–1399. Available from: <https://doi.org/10.1016/j.procir.2019.04.050>.
- Aichner, T. and Coletti, P., 2013. Customers’ online shopping preferences in mass customization. *Journal of Direct, Data and Digital Marketing Practice*, 15 (1), 20–35.
- Aiello, G., Donvito, R., Acuti, D., Grazzini, L., Mazzoli, V., Vannucci, V. and Viglia, G., 2020. Customers’ Willingness to Disclose Personal Information throughout the Customer Purchase Journey in Retailing: The Role of Perceived Warmth. *Journal of Retailing* [online], 96 (4), 490–506. Available from: <https://doi.org/10.1016/j.jretai.2020.07.001>.
- Ajzen, I., 1991. The Theory of Planned Behavior Organizational Behavior and Human Decision Processes. *Organizational Behavior and Human Decision Processes*, 50 (2), 179–211.
- Ajzen, I., 2011. The theory of planned behaviour: Reactions and reflections. *Psychology and Health*, 26 (9), 1113–1127.
- Ajzen, I., 2012. The theory of planned behavior. *Handbook of Theories of Social Psychology*:

Volume 1, 438–459.

- Aksu, A., Albayrak, T. and Caber, M., 2021. Hotel customer segmentation according to eco-service quality perception: the case of Russian tourists. *Journal of Hospitality and Tourism Insights*, ahead-of-p (ahead-of-print).
- Al-khanjari, Z. A., 2013. Developing a Common Personalization Framework for the E-Application Software Systems. *Journal of emerging technologies in web intelligence*, 5 (2), 188–195.
- Alavi, M., Visentin, D. C., Thapa, D. K., Hunt, G. E., Watson, R. and Cleary, M., 2020. Exploratory factor analysis and principal component analysis in clinical studies: Which one should you use? *Journal of Advanced Nursing*, 1–13.
- Alderighi, M., Nava, C. R., Calabrese, M., Christille, J. M. and Salvemini, C. B., 2022. Consumer perception of price fairness and dynamic pricing: Evidence from Booking.com. *Journal of Business Research* [online], 145 (July 2021), 769–783. Available from: <https://doi.org/10.1016/j.jbusres.2022.03.017>.
- Ali, F., Ciftci, O., Nanu, L., Cobanoglu, C. and Ryu, K., 2021. Response Rates In Hospitality Research: An Overview of Current Practice and Suggestions For Future Research. *Cornell Hospitality Quarterly*, 62 (1), 105–120.
- Ali, F., Rasoolimanesh, S. M., Sarstedt, M., Ringle, C. M. and Ryu, K., 2018. An assessment of the use of partial least squares structural equation modeling (PLS-SEM) in hospitality research. *International Journal of Contemporary Hospitality Management*, 30 (1), 514–538.
- Ali, S. N., Lewis, G. and Vasserman, S., 2020. Voluntary Disclosure and Personalized Pricing. *EC 2020 - Proceedings of the 21st ACM Conference on Economics and Computation*, 537–538.
- Alimamy, S. and Gnoth, J., 2022. I want it my way! The effect of perceptions of personalization through augmented reality and online shopping on customer intentions to co-create value. *Computers in Human Behavior* [online], 128 (November 2021), 107105. Available from: <https://doi.org/10.1016/j.chb.2021.107105>.
- Aliyu, A. A., Bello, M. U., Kasim, R. and Martin, D., 2014. Positivist and Non-Positivist Paradigm in Social Science Research: Conflicting Paradigms or Perfect Partners? *Journal of Management and Sustainability*, 4 (3).

- Alkhayrat, M., Aljnidi, M. and Aljoumaa, K., 2020. A comparative dimensionality reduction study in telecom customer segmentation using deep learning and PCA. *Journal of Big Data* [online], 7 (1). Available from: <https://doi.org/10.1186/s40537-020-0286-0>.
- Alves, H., Fernandes, C. and Raposo, M., 2016. Value co-creation: Concept and contexts of application and study. *Journal of Business Research* [online], 69 (5), 1626–1633. Available from: <http://dx.doi.org/10.1016/j.jbusres.2015.10.029>.
- Amaral, J. V. and Guerreiro, R., 2019. Factors explaining a cost-based pricing essence. *Journal of Business and Industrial Marketing*, 34 (8), 1850–1865.
- Ameen, N., Hosany, S. and Paul, J., 2022. The personalisation-privacy paradox: Consumer interaction with smart technologies and shopping mall loyalty. *Computers in Human Behavior* [online], 126 (October 2020), 106976. Available from: <https://doi.org/10.1016/j.chb.2021.106976>.
- Amin, H., Rizal Abdul Hamid, M., Lada, S. and Baba, R., 2009. Cluster analysis for bank customers' selection of Islamic mortgages in Eastern Malaysia: An empirical investigation. *International Journal of Islamic and Middle Eastern Finance and Management*, 2 (3), 213–234.
- Anand, G., Larson, E. C. and Mahoney, J. T., 2020. Thomas Kuhn on Paradigms. *Production and Operations Management*, 29 (7), 1650–1657.
- Anderson, C. K. and Wilson, J. G., 2011. Name-your-own price auction mechanisms- Modeling and future implications. *Journal of Revenue and Pricing Management*, 10 (1), 32–39.
- Anderson, K. C., Knight, D. K., Pookulangara, S. and Josiam, B., 2014. Influence of hedonic and utilitarian motivations on retailer loyalty and purchase intention: A facebook perspective. *Journal of Retailing and Consumer Services*, 21 (5), 773–779.
- Andruszkiewicz, K. and Betcher, T., 2015. Indywidualizacja oferty dla konsumentów dzięki zastosowaniu big data. *International Business and Global Economy*, 34 (0), 90–100.
- Anitha, P. and Patil, M. M., 2022. RFM model for customer purchase behavior using K-Means algorithm. *Journal of King Saud University - Computer and Information Sciences* [online], 34 (5), 1785–1792. Available from: <https://doi.org/10.1016/j.jksuci.2019.12.011>.
- Anney, V. N., 2014. Ensureing the quality of the findings of qualitative research: Looking at trustworthiness criteria. *Journal of emerging trends in educational reseach and policy*

studies, 5 (2), 272–81.

Anshari, M., Nabil, M., Ariff, S. and Al-mudimigh, A., 2019. Customer relationship management and big data enabled : Personalization & customization of services Big Data. *Applied Computing and Informatics* [online], 15 (2), 94–101. Available from: <https://doi.org/10.1016/j.aci.2018.05.004>.

Arenoe, B., van der Rest, J. P. I. and Kattuman, P., 2015. Game theoretic pricing models in hotel revenue management: An equilibrium choice-based conjoint analysis approach. *Tourism Management* [online], 51, 96–102. Available from: <http://dx.doi.org/10.1016/j.tourman.2015.04.007>.

Ariffin, A. A. M., 2013. Generic dimensionality of hospitality in the hotel industry: A host-guest relationship perspective. *International Journal of Hospitality Management* [online], 35, 171–179. Available from: <http://dx.doi.org/10.1016/j.ijhm.2013.06.002>.

Ariffin, A. A. M. and Maghzi, A., 2012. A preliminary study on customer expectations of hotel hospitality: Influences of personal and hotel factors. *International Journal of Hospitality Management* [online], 31 (1), 191–198. Available from: <http://dx.doi.org/10.1016/j.ijhm.2011.04.012>.

Ariffin, A. A. M., Maghzi, A., Aziz, N. A. and Ariffin, M., 2011. Understanding hotel hospitality and differences between local and foreign guests. *International Review of Business Research Papers*, 7 (1), 340–349.

Ariffin, A. A. M., Maghzi, A., Soon, J. L. M. and Alam, S. S., 2018. Exploring the influence of hospitality on guest satisfaction in luxury hotel services. *e-Review of Tourism Research*, 15 (1), 1–20.

Armstrong, J., 2010. Naturalistic Inquiry. *International Encyclopedia of Human Geography, Second Edition*.

Arora, N., Dreze, X., Ghose, A., Hess, J. D., Iyengar, R., Jing, B., Joshi, Y., Kumar, V., Lurie, N., Neslin, S., Sajeesh, S., Su, M., Syam, N., Thomas, J. and Zhang, Z. J., 2008. Putting one-to-one marketing to work: Personalization, customization, and choice. *Marketing Letters*, 19 (3–4), 305–321.

Arora, N., Ensslen, D., Fielder, L., Liu, W. W., Robinson, K., Stein, E. and Schüler, G., 2021. *The value of getting personalization right—or wrong—is multiplying* [online]. McKinsey & Company. Available from: <https://www.mckinsey.com/capabilities/growth-marketing->

and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying.

Arora, N., Prashar, S., Vijay, T. S. and Parsad, C., 2022. A Consumer Typology Based on Celebrity Endorsement Factors. *FIIB Business Review*, 1–14.

Asif, M., 2014. Personalization of Mobile Services.

Asif, M. and Krogstie, J., 2012a. Taxonomy of Personalization in Mobile Services. *Proceedings of the 10th IADIS International Conference e-Society* [online], (January), 343–350.

Available from:

http://www.researchgate.net/publication/258847751_Taxonomy_of_Personalization_in_Mobile_Services/file/60b7d5293d9f45c89a.pdf.

Asif, M. and Krogstie, J., 2012b. Research Issues in Personalization of Mobile Services. *International Journal of Information Engineering and Electronic Business*, 4 (4), 1–8.

Asif, M. and Krogstie, J., 2013. Mobile services Personalization Evaluation model. *International Journal of u-and e-Service, Science and Technology*, 6 (2), 1–12.

Assiouras, I., Skourtis, G., Giannopoulos, A., Buhalis, D. and Koniordos, M., 2019. Value co-creation and customer citizenship behavior. *Annals of Tourism Research* [online], 78 (May), 102742. Available from: <https://doi.org/10.1016/j.annals.2019.102742>.

Avinal, E. A., 2006. Revenue Management in Hotels. *Journal of Foodservice Business Research*, 8020 (2006), 51–57.

Aydin, G. and Ziya, S., 2009. Personalized dynamic pricing of limited inventories. *Operations Research*, 57 (6), 1523–1531.

Babin, B. J., Darden, W. R. and Griffin, M., 1994. Work and/or Fun: Measuring Hedonic and Utilitarian Shopping Value. *Journal of Consumer Research*, 20 (4), 644.

Baccarella, C. V., Maier, L. and Voigt, K. I., 2021. How consumption-supportive packaging functionality influences consumers' purchase intentions: the mediating role of perceived product meaningfulness. *European Journal of Marketing*, 55 (8), 2239–2268.

Bacha, F., Oliveira, K. and Abed, M., 2011. A model driven architecture approach for user interface generation focused on content personalization. *Proceedings - International Conference on Research Challenges in Information Science*.

Baek, J., 2016. The impact of hotel design uniqueness on booking intention and willingness to

- pay. *International Journal of Tourism and Hospitality Research*, 30 (4), 5.
- Balan, C., 2014. "Pay What You Want": A Participative Price Setting Mechanism. *International Journal of Economic Practices and Theories*, 4 (5), 952–963.
- Ball, D., Coelho, P. S. and Vilarés, M. J., 2006. Service personalization and loyalty. *Journal of Services Marketing*, 20 (6), 391–403.
- Ban, G.-Y. and Keskin, N. B., 2021a. Personalized Dynamic Pricing with Machine Learning: High Dimensional Features and Heterogeneous Elasticity. *Management Science* [online], 67 (9), 5549–68. Available from: <http://www.ssrn.com/abstract=2972985>.
- Ban, G.-Y. Y. and Keskin, N. B., 2021b. Personalized Dynamic Pricing with Machine Learning: High-Dimensional Features and Heterogeneous Elasticity. *Management Science* [online], 67 (9), 5549–5568. Available from: <http://www.ssrn.com/abstract=2972985>.
- Banik, S. and Rabbane, F. K., 2023. Value co-creation and customer retention in services: Identifying a relevant moderator and mediator. *Journal of Consumer Behaviour*, 1–18.
- Baranauskas, G., 2021. Application of customisation and personalisation in digital solutions of the non-life insurance market: A case study of Lithuanian, Latvian and Estonian e-sales platforms. *Engineering Management in Production and Services*, 13 (2), 68–82.
- Bargoni, A., Bertoldi, B., Giachino, C. and Santoro, G., 2022. Competitive strategies in the agri-food industry in Italy during the COVID-19 pandemic: an application of K-means cluster analysis. *British Food Journal*, 124 (12), 4782–4799.
- Basu, A., Jena, A. B., Goldman, D. P., Philipson, T. J. and Dubois, R., 2014. Heterogeneity in action: The role of passive personalization in comparative effectiveness research. *Health Economics*, 23, 359–373.
- Becerril-Castrillejo, I. and Muñoz-Gallego, P. A., 2022. Influence of habitual level of consumption on willingness to pay: A satiation, sensitization, and habituation approach. *International Journal of Hospitality Management*, 103 (April 2021).
- Beckman, E. and Chang, K.-L. 'Matt', 2018. Consumer Preference and Willingness to Pay for the Tourism Packages: A Conjoint Study of a Rural Destination. *Business and Management Studies*, 4 (2), 10.
- Ben-Jebara, M. and Modi, S. B., 2021. Product personalization and firm performance: An empirical analysis of the pharmaceutical industry. *Journal of Operations Management*, 67

(1), 82–104.

- Benlian, A., 2015. Web personalization cues and their differential effects on user assessments of website value. *Journal of Management Information Systems* [online], 32 (1), 225–260. Available from: <http://dx.doi.org/10.1080/07421222.2015.1029394>.
- Bennett, W. L., 2012. The Personalization of Politics: Political Identity, Social Media, and Changing Patterns of Participation. *Annals of the American Academy of Political and Social Science*, 644 (1), 20–39.
- Beraldi, P., De Maio, A., Olivito, F., Potrino, G., Straface, I. and Violi, A., 2021. A Decision support system for trip tourism recommendation. *International Journal of Transport Development and Integration*, 5 (1), 69–80.
- Berezina, K. and Semrad, K., 2022. Flash Sales. *Encyclopedia of Tourism Management and Marketing*.
- Berezina, K., Semrad, K. J., Stepchenkova, S. and Cobanoglu, C., 2016. The managerial flash sales dash: Is there advantage or disadvantage at the finish line? *International Journal of Hospitality Management* [online], 54, 12–24. Available from: <http://dx.doi.org/10.1016/j.ijhm.2016.01.003>.
- Bergman, M. M., 2015. Hermeneutic Content Analysis : Textual and Audiovisual Analyses within a Mixed Methods Framework. In: Tashakkori, A. Teddlie, C., ed. *Handbook of Mixed Methods in Social & Behavioral Research*. Thousand Oaks, 379–396.
- Bianchi, C., 2019. Value co-creation behaviours from customer-to-customer interactions (CCIs) in recreational social tango experiences. *Leisure Studies* [online], 38 (5), 666–681. Available from: <https://doi.org/10.1080/02614367.2019.1614209>.
- Bielozorov, A., Bezbradica, M. and Helfert, M., 2019. The Role of User Emotions for Content Personalization in e-Commerce: Literature Review. *Lecture Notes in Computer Science (including subseries Lecture Notes in Artificial Intelligence and Lecture Notes in Bioinformatics)* [online], 11588 LNCS (July), 177–193. Available from: http://dx.doi.org/10.1007/978-3-030-22335-9_12.
- Biesta, G., 2010. Pragmatism and the philosophical foundations of mixed methods research. In: Tashakkori, A. and Teddlie, C., eds. *Sage handbook of mixed methods in social and behavioral research*. Thousand Oaks: Sage Publications, 95–118.

- Bilgihan, A., Kandampully, J. and Zhang, T. (Christina), 2016. Towards a unified customer experience in online shopping environments: Antecedents and outcomes. *International Journal of Quality and Service Sciences*, 8 (1), 102–119.
- Binesh, F., Belarmino, A. and Raab, C., 2021. A meta-analysis of hotel revenue management. *Journal of Revenue and Pricing Management* [online], 20 (5), 546–558. Available from: <https://doi.org/10.1057/s41272-020-00268-w>.
- Birkinshaw, J., Brannen, M. Y. and Tung, R. L., 2011. From a distance and generalizable to up close and grounded: Reclaiming a place for qualitative methods in international business research. *Journal of International Business Studies*, 42 (5), 573–581.
- Bleier, A. and Eisenbeiss, M., 2015. The Importance of Trust for Personalized Online Advertising. *Journal of Retailing* [online], 91 (3), 390–409. Available from: <http://dx.doi.org/10.1016/j.jretai.2015.04.001>.
- Bleier, A., Keyser, A. De and Verleye, K., 2018. Customer engagement through personalization and customization. In: Palmatier, R. W., Kumar, V., and Harmeling, C. M., eds. *Customer Engagement Marketing*. Palgrave Macmillan UK.
- De Blok, C., Meijboom, B., Luijkx, K. and Schols, J., 2013. The human dimension of modular care provision: Opportunities for personalization and customization. *International Journal of Production Economics* [online], 142 (1), 16–26. Available from: <http://dx.doi.org/10.1016/j.ijpe.2012.05.006>.
- Blom, J. O. and Monk, A. F., 2003. Theory of personalization of appearance: Why users personalize their PCs and mobile phones. *Human-Computer Interaction*, 18 (3), 193–228.
- Bluhm, D. J., Harman, W., Lee, T. W. and Mitchell, T. R., 2011. Qualitative research in management: A decade of progress. *Journal of Management Studies*, 48 (8), 1866–1891.
- Bock, D. E., Mangus, S. M. and Folse, J. A. G., 2016. The road to customer loyalty paved with service customization. *Journal of Business Research* [online], 69 (10), 3923–3932. Available from: <http://dx.doi.org/10.1016/j.jbusres.2016.06.002>.
- Boerman, S. C., Kruikemeier, S. and Zuiderveen Borgesius, F. J., 2017. Online Behavioral Advertising: A Literature Review and Research Agenda. *Journal of Advertising*, 46 (3), 363–376.
- Bonaretti, D., Bartosiak, M., Lui, T. W., Piccoli, G. and Marchesani, D., 2020. “What can I(S)

do for you?": How technology enables service providers to elicit customers' preferences and deliver personalized service. *Information and Management* [online], 57 (6), 103346. Available from: <https://doi.org/10.1016/j.im.2020.103346>.

- Boom, W. H. Van, Pierre, J. and Kees, I. V. D. R., 2020. Consumers Beware: Online Personalized Pricing in Action ! How the Framing of a Mandated Discriminatory Pricing Disclosure Influences Intention to Purchase. *Social Justice Research* [online], 33 (3), 331–351. Available from: <https://doi.org/10.1007/s11211-020-00348-7>.
- Boronat-Navarro, M. and Pérez-Aranda, J. A., 2020. Analyzing willingness to pay more to stay in a sustainable hotel. *Sustainability (Switzerland)*, 12 (9), 1–17.
- Boteva, D., 2022. Price and Distribution Policy of Seaside Holiday Hotels on the Bulgarian Black Sea Coast in the Conditions of the COVID Crisis. *Izvestia Journal of the union of scientists - Varna* [online], 11, 102–111. Available from: <https://www.who.int/news-room/fact-sheets/detail/autism-spectrum-disorders>.
- Botta, M. and Wiedemann, K., 2020. To discriminate or not to discriminate? Personalised pricing in online markets as exploitative abuse of dominance. *European Journal of Law and Economics* [online], 50 (3), 381–404. Available from: <https://doi.org/10.1007/s10657-019-09636-3>.
- Boudet, J., Gregg, B., Rathje, K., Stein, E. and Vollhardt, K., 2019. The future of personalization - and how to get ready for it. *McKinsey & Company* [online], (June), 1–7. Available from: <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-future-of-personalization-and-how-to-get-ready-for-it>.
- Bouncken, R. B., Pick, C. and Hipp, C., 2006. Standardization and individualization strategies of hotel brands: Matching strategy to quality management instruments and marketing in Germany. *Journal of Hospitality and Leisure Marketing*, 13 (3–4), 29–51.
- Bouranta, N., Chitiris, L. and Paravantis, J., 2009. The relationship between internal and external service quality. *International Journal of Contemporary Hospitality Management*, 21 (3), 275–293.
- Bowens, M. and Cooper, M., 2012. Development of a client feedback tool: A qualitative study of therapists' experiences of using the Therapy Personalisation Forms. *European Journal of Psychotherapy and Counselling*, 14 (1), 47–62.
- Boz, H., Arslan, A. and Koc, E., 2017. Neuromarketing aspect of tourism pricing psychology.

Tourism Management Perspectives, 23, 119–128.

Braun, V. and Clarke, V., 2006. Using thematic analysis in psychology. *Qualitative Research in Psychology* [online], 3 (2), 77–101. Available from:
<http://www.tandfonline.com/action/journalInformation?journalCode=uqrp20>
<http://www.tandfonline.com/action/journalInformation?journalCode=uqrp20>.

Braun, V. and Clarke, V., 2012. Thematic analysis. *APA handbook of research methods in psychology, Vol 2: Research designs: Quantitative, qualitative, neuropsychological, and biological.*, 2, 57–71.

Braun, V. and Clarke, V., 2019. Reflecting on reflexive thematic analysis. *Qualitative Research in Sport, Exercise and Health* [online], 11 (4), 589–597. Available from:
<https://doi.org/10.1080/2159676X.2019.1628806>.

Bray, B. and Mcclaskey, K., 2010. *Personalization vs Differentiation vs Individualization*.

Breidert, C., Hahsler, M. and Reutterer, T., 2006. A review of methods for measuring willingness-to-pay. *Innovative Marketing*, 2 (4), 8–32.

Bryman, A., 2006. Integrating quantitative and qualitative research: How is it done? *Qualitative Research*, 6 (1), 97–113.

Bryman, A., 2016. *Social Research Methods*. 5th ed. Oxford, Oxford University Press.

Bryman, A. and Bell, E., 2003. *Business Research Methods*. Oxford, Oxford University Press.

Buhalis, D., 2020. Technology in tourism-from information communication technologies to eTourism and smart tourism towards ambient intelligence tourism: a perspective article. *Tourism Review*, 75 (1), 267–272.

Buhalis, D. and Amaranggana, A., 2015. Smart Tourism Destinations Enhancing Tourism Experience Through Personalisation of Services. *Information and Communication Technologies in Tourism 2015*, 377–389.

Buhalis, D., Andreu, L. and Gnoth, J., 2020. The dark side of the sharing economy: Balancing value co-creation and value co-destruction. *Psychology and Marketing*, 37 (5), 689–704.

Buhalis, D. and Foerste, M., 2015. SoCoMo marketing for travel and tourism: Empowering co-creation of value. *Journal of Destination Marketing and Management* [online], 4 (3), 151–161. Available from: <http://dx.doi.org/10.1016/j.jdmm.2015.04.001>.

- Buhalis, D., Harwood, T., Bogicevic, V., Viglia, G., Beldona, S. and Hofacker, C., 2019. Technological disruptions in services: lessons from tourism and hospitality. *Journal of Service Management*, 30 (4), 484–506.
- Buhalis, D. and Law, R., 2008. Progress in information technology and tourism management : 20 years on and 10 years after the Internet — The state of eTourism research. *Tourism Management*, 29, 609–623.
- Buhalis, D. and Leung, R., 2018. Smart hospitality—Interconnectivity and interoperability towards an ecosystem. *International Journal of Hospitality Management* [online], 71 (March 2017), 41–50. Available from: <https://doi.org/10.1016/j.ijhm.2017.11.011>.
- Buhalis, D., Lin, M. S. and Leung, D., 2022. Metaverse as a driver for customer experience and value co-creation : implications for hospitality and tourism management and marketing. *International Journal of Contemporary Hospitality Management*.
- Buhalis, D. and Michopoulou, E., 2011. Information-enabled tourism destination marketing: Addressing the accessibility market. *Current Issues in Tourism*, 14 (2), 145–168.
- Buhalis, D. and Moldavska, I., 2022. Voice assistants in hospitality: using artificial intelligence for customer service. *Journal of Hospitality and Tourism Technology*, 13 (3), 386–403.
- Buhalis, D., Papathanassis, A. and Vafeidou, M., 2022. Smart cruising: smart technology applications and their diffusion in cruise tourism. *Journal of Hospitality and Tourism Technology*, 13 (4), 626–649.
- Buhalis, D. and Park, S., 2021. Brand management and cocreation lessons from tourism and hospitality: introduction to the special issue. *Journal of Product and Brand Management*, 30 (1), 1–11.
- Buhalis, D. and Sinarta, Y., 2019. Real-time co-creation and onness service: lessons from tourism and hospitality. *Journal of Travel and Tourism Marketing* [online], 36 (5), 563–582. Available from: <https://doi.org/10.1080/10548408.2019.1592059>.
- Burns, R. B. and Burns, R. A., 2008. *Business Research Methods and Statistics Using SPSS* [online]. Sage Publications. Available from: <http://journal.um-surabaya.ac.id/index.php/JKM/article/view/2203>.
- Bustard, J. R. T., Bolan, P., Devine, A. and Hutchinson, K., 2019. The emerging smart event experience: an interpretative phenomenological analysis. *Tourism Review*, 74 (1), 116–

- Caicedo, J. C., Kapoor, A. and Kang, S. B., 2014. Collaborative personalization of image enhancement. *International Journal of Computer Vision*, 108 (1–2), 148–164.
- Cakici, A. C., Akgunduz, Y. and Yildirim, O., 2019. The impact of perceived price justice and satisfaction on loyalty: the mediating effect of revisit intention. *Tourism Review*, 74 (3), 443–462.
- Campos, A. C., Mendes, J., do Valle, P. O. and Scott, N., 2018. Co-creation of tourist experiences: A literature review. *Current Issues in Tourism* [online], 21 (4), 369–400. Available from: <https://doi.org/10.1080/13683500.2015.1081158>.
- De Cannière, M. H., De Pelsmacker, P. and Geuens, M., 2009. Relationship Quality and the Theory of Planned Behavior models of behavioral intentions and purchase behavior. *Journal of Business Research* [online], 62 (1), 82–92. Available from: <http://dx.doi.org/10.1016/j.jbusres.2008.01.001>.
- Capponi, G., Corrocher, N. and Zirulia, L., 2021. Personalized pricing for customer retention: Theory and evidence from mobile communication. *Telecommunications Policy* [online], 45 (1), 102069. Available from: <https://doi.org/10.1016/j.telpol.2020.102069>.
- Carvalho, P. and Alves, H., 2023. Customer value co-creation in the hospitality and tourism industry: a systematic literature review. *International Journal of Contemporary Hospitality Management*, 35 (1), 250–273.
- Cavdar Aksoy, N., Tumer Kabadayi, E., Yilmaz, C. and Kocak Alan, A., 2021. A typology of personalisation practices in marketing in the digital age. *Journal of Marketing Management* [online], 37 (11–12), 1091–1122. Available from: <https://doi.org/10.1080/0267257X.2020.1866647>.
- Cesario, F. T., 1976. The value of time in recreation benefit studies. *Land Economics*, 52 (1), 32–41.
- Cetin, G., Bilgihan, A. and Demirciftci, T., 2015. *THE 5th ADVANCES IN HOSPITALITY & TOURISM MARKETING AND MANAGEMENT (AHTMM) CONFERENCE 18-21 June 2015 Beppu, Japan* [online]. Available from: <https://www.researchgate.net/publication/279867017>.
- Cetin, G., Demirciftci, T. and Bilgihan, A., 2016. Meeting revenue management challenges:

- Knowledge, skills and abilities. *International Journal of Hospitality Management* [online], 57, 132–142. Available from: <http://dx.doi.org/10.1016/j.ijhm.2016.06.008>.
- Chan, C. C. H., Cheng, C. Bin and Hsien, W. C., 2011. Pricing and promotion strategies of an online shop based on customer segmentation and multiple objective decision making. *Expert Systems with Applications* [online], 38 (12), 14585–14591. Available from: <http://dx.doi.org/10.1016/j.eswa.2011.05.024>.
- Chandra, A., 2020. Price Discrimination along Multiple Dimensions: New Evidence from a Regional Airline. *SSRN Electronic Journal*.
- Chandra, S., Verma, S., Lim, W. M., Kumar, S. and Donthu, N., 2022. Personalization in personalized marketing: Trends and ways forward. *Psychology and Marketing*, (September 2021).
- Chark, R., Fong, L. H. N. and Tang, C. M. F., 2019. A Room of One's Own: Need for Uniqueness Counters Online WoM. *Cornell Hospitality Quarterly*, 60 (3), 216–232.
- Chathoth, P., Altinay, L., Harrington, R. J., Okumus, F. and Chan, E. S. W., 2013. Co-production versus co-creation: A process based continuum in the hotel service context. *International Journal of Hospitality Management* [online], 32 (1), 11–20. Available from: <http://dx.doi.org/10.1016/j.ijhm.2012.03.009>.
- Chattopadhyay, M. and Mitra, S. K., 2019. Determinants of revenue per available room: Influential roles of average daily rate, demand, seasonality and yearly trend. *International Journal of Hospitality Management*, 77, 573–582.
- Chellappa, R. K. and Shivendu, S., 2010. Mechanism design for 'free' but 'no free disposal' services: The economics of personalization under privacy concerns. *Management Science*, 56 (10), 1766–1780.
- Chellappa, R. K. and Sin, R. G., 2005. Personalization versus privacy: An empirical examination of the online consumer's dilemma. *Information Technology and Management*, 6 (2–3), 181–202.
- Chen, B., 2020. The effect of attribute originality on consumers' adoption intention of customization: The role of construal level. *Journal of Retailing and Consumer Services* [online], 55 (March), 102116. Available from: <https://doi.org/10.1016/j.jretconser.2020.102116>.

- Chen, B. and Chen, J., 2017a. When to introduce an online channel, and offer money back guarantees and personalized pricing? *European Journal of Operational Research* [online], 257 (2), 614–624. Available from: <http://dx.doi.org/10.1016/j.ejor.2016.07.031>.
- Chen, B. and Chen, J., 2017b. Compete in Price or Service?—A Study of Personalized Pricing and Money Back Guarantees. *Journal of Retailing* [online], 93 (2), 154–171. Available from: <http://dx.doi.org/10.1016/j.jretai.2016.12.005>.
- Chen, C. F. and Rothschild, R., 2010. An application of hedonic pricing analysis to the case of hotel rooms in Taipei. *Tourism Economics*, 16 (3), 685–694.
- Chen, M. F. and Tung, P. J., 2014. Developing an extended Theory of Planned Behavior model to predict consumers' intention to visit green hotels. *International Journal of Hospitality Management* [online], 36, 221–230. Available from: <http://dx.doi.org/10.1016/j.ijhm.2013.09.006>.
- Chen, N. and Gallego, G., 2021. Nonparametric Pricing Analytics with Customer Covariates. *Operations Research*, 1–42.
- Chen, T., Guo, X., Yang, F. and Tian, L., 2023. Strategic price bundling for online retail platforms considering consumer behavior of valuation discount. *Journal of the Operational Research Society* [online], 0 (0), 1–17. Available from: <https://doi.org/10.1080/01605682.2023.2174051>.
- Chen, X., Owen, Z., Pixton, C. and Simchi-Levi, D., 2015. A Statistical Learning Approach to Personalization in Revenue Management. *SSRN Electronic Journal*, (September 2018).
- Chen, X., Owen, Z., Pixton, C. and Simchi-Levi, D., 2022. A Statistical Learning Approach to Personalization in Revenue Management. *Management Science*, 68 (3), 1923–1937.
- Chen, Y. and Percy, J., 2010. Dynamic pricing: When to entice brand switching and when to reward consumer loyalty. *RAND Journal of Economics*, 41 (4), 674–685.
- Cheng, C., Yang, Z., He, Y. and Yan, L., 2022. How configuration theory explains performance growth and decline after Chinese firms cross-border M&A : using the fsQCA approach. *Asia Pacific Business Review* [online], 28 (4), 555–578. Available from: <https://doi.org/10.1080/13602381.2021.1910900>.
- Chevtavaeva, E. and Denizci-Guillet, B., 2021. Digital nomads' lifestyles and coworkation. *Journal of Destination Marketing & Management* [online], 21 (November 2020), 1–11.

Available from: <https://doi.org/10.1016/j.jdmm.2021.100633>.

- Chia, R., 2003. Organization Theory as a Postmodern Science. *In: The Oxford Handbook of Organization Theory*. 1–30.
- Cho, J. Y. and Lee, E. H., 2014. Reducing confusion about grounded theory and qualitative content analysis: Similarities and differences. *Qualitative Report*, 19 (32), 1–20.
- Choe, C., King, S. and Matsushima, N., 2018. Pricing with cookies: Behavior-based price discrimination and spatial competition. *Management Science*, 64 (March 2022), 5669–5687.
- Choi, C. and Mattila, A. S., 2014. The effects of promotion framing on consumers' price perceptions: The moderating role of a personal sense of power. *Journal of Service Management*, 25 (1), 149–160.
- Chung, T. S., Rust, R. T. and Wedel, M., 2009. My mobile music: An adaptive personalization system for digital audio players. *Marketing Science*, 28 (1), 52–68.
- Chung, T. S., Wedel, M. and Rust, R. T., 2016. Adaptive personalization using social networks. *Journal of the Academy of Marketing Science*, 44 (1), 66–87.
- Ciasullo, M. V., Montera, R. and Palumbo, R., 2020. Online content responsiveness strategies in the hospitality context: exploratory insights and a research agenda. *TQM Journal*.
- Coelho, P. S. and Henseler, J., 2012. Creating customer loyalty through service customization. *European Journal of Marketing*, 46 (3–4), 331–356.
- Cohen, E., 1972. Toward a Sociology of International Tourism. *Political Economics*, 39 (1), 164–182.
- Cohen, E., 1979. A Phenomenology of Tourist Experiences. *Sociology*.
- Cohen, M. C., Elmachtoub, A. N. and Lei, X., 2022. Price Discrimination with Fairness Constraints. *Management Science*, 68 (12), 8536–8552.
- Coker, J. and Izaret, J. M., 2021. Progressive Pricing: The Ethical Case for Price Personalization. *Journal of Business Ethics* [online], 173 (2), 387–398. Available from: <https://doi.org/10.1007/s10551-020-04545-x>.
- Collins, M. and Parsa, H. G., 2006. Pricing strategies to maximize revenues in the lodging industry. *International Journal of Hospitality Management*, 25 (1), 91–107.

- Collis, J. and Hussey, R., 2014. *Business Research. A practical guide for undergraduate & postgraduate students*. 4th ed. Palgrave Macmillan UK.
- Cossío-Silva, F. J., Revilla-Camacho, M. Á., Vega-Vázquez, M. and Palacios-Florencio, B., 2016. Value co-creation and customer loyalty. *Journal of Business Research* [online], 69 (5), 1621–1625. Available from: <http://dx.doi.org/10.1016/j.jbusres.2015.10.028>.
- Cowan, S., 2012. Third-Degree Price Discrimination and Consumer Surplus. *Journal of Industrial Economics*, 60 (2), 333–345.
- Coyle, A., 2021. Discourse Analysis. In: Lyons, E. and Coyle, A., eds. *Analysing Qualitative Data in Psychology*. Sage Publications, 270–294.
- Creswell, J. W., 2010. Mapping the developing landscape of mixed methods research. In: *Sage handbook of mixed methods in social and behavioral research*. 45–68.
- Crick, J. M., 2021. Qualitative research in marketing: what can academics do better? *Journal of Strategic Marketing* [online], 29 (5), 390–429. Available from: <https://doi.org/10.1080/0965254X.2020.1743738>.
- Cullinane, K. and Toy, N., 2000. Identifying influential attributes in freight route/mode choice decisions: A content analysis. *Transportation Research Part E: Logistics and Transportation Review*, 36 (1), 41–53.
- Cunningham, M. L., Regan, M. A., Ledger, S. A. and Bennett, J. M., 2019. To buy or not to buy? Predicting willingness to pay for automated vehicles based on public opinion. *Transportation Research Part F: Traffic Psychology and Behaviour* [online], 65, 418–438. Available from: <https://doi.org/10.1016/j.trf.2019.08.012>.
- Currie, C. S. M., Dokka, T., Harvey, J. and Strauss, A. K., 2018. Future research directions in demand management. *Journal of Revenue and Pricing Management*, 17 (6), 459–462.
- Czernek-Marszałek, K., 2019. Applying mixed methods in social network research – The case of cooperation in a Polish tourist destination. *Journal of Destination Marketing and Management* [online], 11 (October 2018), 40–52. Available from: <https://doi.org/10.1016/j.jdmm.2018.10.004>.
- Danziger, S., Israeli, A. and Bekerman, M., 2006. The relative role of strategic assets in determining customer perceptions of hotel room price. *International Journal of Hospitality Management*, 25 (1), 129–145.

- DeChellis, J., 2019. *To Drive success, marketing and revenue management must collaborate* [online]. Duetto. Available from: https://www.duettocloud.com/library/to-drive-success-marketing-and-revenue-must-collaborate?utm_campaign=DuettoDigest&utm_source=hs_email&utm_medium=email&utm_content=72553760&_hsenc=p2ANqtz-_Zn9XVyhKYYoKxZlWnM1mWyxksCmBOcFpduGLDAtdNwvmpt_kABEnI4bnk3HmW [Accessed 2 Jun 2019].
- Decrop, A. and Snelders, D., 2005. A grounded typology of vacation decision-making. *Tourism Management*, 26 (2), 121–132.
- Denizci Guillet, B., 2020. An evolutionary analysis of revenue management research in hospitality and tourism: Is there a paradigm shift? *International Journal of Contemporary Hospitality Management*, 32 (2), 560–587.
- Denizci Guillet, B., Guo, Y. and Law, R., 2015. Segmenting hotel customers based on rate fences through conjoint and cluster analysis. *Journal of Travel and Tourism Marketing* [online], 32 (7), 835–851. Available from: <http://dx.doi.org/10.1080/10548408.2015.1063825>.
- Denizci Guillet, B. and Shi, X., 2019. Can revenue management be integrated with customer relationship management? *International Journal of Contemporary Hospitality Management*, 31 (2), 978–997.
- Denzin, N. K., 2017. The logic of naturalistic inquiry. *Research Design: The Logic of Social Inquiry*, 50 (2), 37–43.
- Denzin, N. K. and Lincoln, Y. S., 2018. The Sage Handook of Qualitative Research. In: Denzin, N. K. and Lincoln, Y. S., eds. *The Sage Handook of Qualitative Research*. Sage Publicatiions.
- Derossi, A., Husain, A., Caporizzi, R. and Severini, C., 2020. Manufacturing personalized food for people uniqueness. An overview from traditional to emerging technologies. *Critical Reviews in Food Science and Nutrition* [online], 60 (7), 1141–1159. Available from: <https://doi.org/10.1080/10408398.2018.1559796>.
- Deveau, R., Griffin, S. J. and Reis, S., 2023. *AI-powered marketing and sales reach new heights with generative AI* [online]. McKinsey & Company. Available from: <https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/ai->

powered-marketing-and-sales-reach-new-heights-with-generative-ai.

- Dewantara, M. H., Gardiner, S. and Jin, X., 2022. Travel vlog ecosystem in tourism digital marketing evolution: a narrative literature review. *Current Issues in Tourism* [online], 0 (0), 1–15. Available from: <https://doi.org/10.1080/13683500.2022.2136568>.
- Dey, B., Mathew, J. and Srivastava, S., 2021. Does consumer need for uniqueness influence travel decision-making? *Tourism*, 69 (2), 196–215.
- Dey, B. and Sarma, M. K., 2010. Information source usage among motive-based segments of travelers to newly emerging tourist destinations. *Tourism Management* [online], 31 (3), 341–344. Available from: <http://dx.doi.org/10.1016/j.tourman.2009.03.015>.
- Dhanachandra, N., Manglem, K. and Chanu, Y. J., 2015. Image Segmentation Using K-means Clustering Algorithm and Subtractive Clustering Algorithm. *Procedia Computer Science* [online], 54, 764–771. Available from: <http://dx.doi.org/10.1016/j.procs.2015.06.090>.
- Dilmé, F. and Li, F., 2019. Revenue Management without Commitment: Dynamic Pricing and Periodic Flash Sales. *Review of Economic Studies*, 86 (5), 1999–2034.
- Ding, Y., DeSarbo, W. S., Hanssens, D. M., Jedidi, K., Lynch, J. G. and Lehmann, D. R., 2020. The past, present, and future of measurement and methods in marketing analysis. *Marketing Letters*, 31 (2–3), 175–186.
- Dodds, S. and Hess, A. C., 2020. Adapting research methodology during COVID-19: lessons for transformative service research. *Journal of Service Management*, 32 (2), 203–217.
- Dodds, W. B., Monroe, K. B. and Grewal, D., 1991. Effects of Price, Brand, and Store Information on Buyers' Product Evaluations. *Journal of Marketing Research*, XXVIII, 307–19.
- Dolnicar, S., 2020. Why quantitative papers based on primary data get desk-rejected by Annals of Tourism Research. *Annals of Tourism Research* [online], 83 (April), 102981. Available from: <https://doi.org/10.1016/j.annals.2020.102981>.
- Doody, O. and Doody, C. M., 2015. Conducting a pilot study: Case study of a novice researcher. *British Journal of Nursing*, 24 (21), 1074–1078.
- van Doorn, J. and Hoekstra, J. C., 2013. Customization of online advertising: The role of intrusiveness. *Marketing Letters*, 24 (4), 339–351.

- van Doorn, J., Lemon, K. N., Mittal, V., Nass, S., Pick, D., Pirner, P. and Verhoef, P. C., 2010. Customer engagement behavior: Theoretical foundations and research directions. *Journal of Service Research*, 13 (3), 253–266.
- Dost, F. and Geiger, I., 2017. Value-based pricing in competitive situations with the help of multi-product price response maps. *Journal of Business Research* [online], 76, 219–236. Available from: <http://dx.doi.org/10.1016/j.jbusres.2017.01.004>.
- Dost, F. and Wilken, R., 2012. Measuring willingness to pay as a range, revisited: When should we care? *International Journal of Research in Marketing* [online], 29 (2), 148–166. Available from: <http://dx.doi.org/10.1016/j.ijresmar.2011.09.003>.
- Du, J., Zhu, Q., Shi, Y., Wang, Q., Lin, Y. and Zhao, D., 2020. Cognition Digital Twins for Personalized Information Systems of Smart Cities: Proof of Concept. *Journal of Management in Engineering*, 36 (2), 1–17.
- Durgun, S. and Davras, Ö., 2022. Determining the Antecedents Influences on Travel Intention and Willingness to Pay during the Pandemic. *International Journal of Hospitality and Tourism Administration* [online], 1–29. Available from: <https://doi.org/10.1080/15256480.2022.2073494>.
- Dwivedi, A., Nayeem, T. and Murshed, F., 2018. Brand experience and consumers' willingness-to-pay (WTP) a price premium: Mediating role of brand credibility and perceived uniqueness. *Journal of Retailing and Consumer Services* [online], 44 (June), 100–107. Available from: <https://doi.org/10.1016/j.jretconser.2018.06.009>.
- Dwivedi, Y. K., Hughes, L., Cheung, C. M. K., Conboy, K., Duan, Y., Dubey, R., Janssen, M., Jones, P., Sigala, M. and Viglia, G., 2022. Editorial: How to develop a quality research article and avoid a journal desk rejection. *International Journal of Information Management*, 62 (September 2021).
- Dzulfikar, M. F., Purwandari, B., Sensuse, D. I., Lusa, J. S., Solichah, I., Prima, P. and Wilarso, I., 2018. Personalization features on business-to-consumer e-commerce: Review and future directions. In: *2018 4th International Conference on Information Management, ICIM 2018*. IEEE, 220–224.
- Easterby-Smith, M., Thrope, R. and Jackson, P. R., 2008. *Management Research*. 3rd ed. Sage Publications.
- Echeverri, P. and Skålén, P., 2011. Co-creation and co-destruction: A practice-theory based

study of interactive value formation. *Marketing Theory*, 11 (3), 351–373.

- Edvardsson, B., Tronvoll, B. and Gruber, T., 2011. Expanding understanding of service exchange and value co-creation: A social construction approach. *Journal of the Academy of Marketing Science*, 39 (2), 327–339.
- Egan, D. and Haynes, N. C., 2019. Manager perceptions of big data reliability in hotel revenue management decision making. *International Journal of Quality and Reliability Management*, 36 (1), 25–39.
- Elkjaer, B. and Simpson, B., 2011. Pragmatism: A lived and living philosophy. What can it offer to contemporary organization theory? *Research in the Sociology of Organizations*, 32 (January), 55–84.
- Elmachtoub, A. N., Gupta, V. and Hamilton, M., 2021. The Value of Personalized Pricing. *Management Science*, 66 (10), 6055–6070.
- Erdem, M., Atadil, H. A. and Nasoz, P., 2019. Leveraging guest-room technology: a tale of two guest profiles. *Journal of Hospitality and Tourism Technology*, 10 (3), 286–299.
- Esteves, R. B. and Resende, J., 2019. Personalized pricing and advertising: Who are the winners? *International Journal of Industrial Organization* [online], 63 (2019), 239–282. Available from: <https://doi.org/10.1016/j.ijindorg.2018.11.003>.
- Faith, D. O. and Edwin, A. M., 2014. A Review of The Effect of Pricing Strategies on The Purchase of Consumer Goods. *International Journal of Research in Management, Science & Technology*, 2 (2), 2321–3264.
- Fan, D. X. F., Buhalis, D. and Lin, B., 2019. A tourist typology of online and face-to-face social contact: Destination immersion and tourism encapsulation/decapsulation. *Annals of Tourism Research* [online], 78 (June). Available from: <https://doi.org/10.1016/j.annals.2019.102757>.
- Fan, D. X. F. F., Hsu, C. H. C. C. and Lin, B., 2020. Tourists' experiential value co-creation through online social contacts: Customer-dominant logic perspective. *Journal of Business Research* [online], 108 (March 2019), 163–173. Available from: <https://doi.org/10.1016/j.jbusres.2019.11.008>.
- Fan, D. X. F., Zhang, H. Q., Jenkins, C. L. and Tavitiyaman, P., 2017. Tourist typology in social contact: An addition to existing theories. *Tourism Management* [online], 60, 357–366.

Available from: <http://dx.doi.org/10.1016/j.tourman.2016.12.021>.

- Fan, H. and Poole, M. S., 2006. What Is Personalization? Perspectives on the Design and Implementation of Personalization in Information Systems. *Journal of Organizational Computing and Electronic Commerce*, 16 (3–4), 179–202.
- Fan, S., Lau, R. Y. K. and Zhao, J. L., 2015. Demystifying Big Data Analytics for Business Intelligence Through the Lens of Marketing Mix. *Big Data Research* [online], 2 (1), 28–32. Available from: <http://dx.doi.org/10.1016/j.bdr.2015.02.006>.
- Feilzer, M. Y., 2010. Doing Mixed Methods Research Pragmatically : Implications for the Rediscovery of Pragmatism as a Research Paradigm. *Journal of Mixed Methods Research*, 4 (1), 6–16.
- Fernández-Ferrín, P., Castro-González, S., Bande, B. and Galán-Ladero, M. M., 2023. Drivers of consumer’s willingness to pay for fair trade food products: the role of positive and negative emotions. *International Review on Public and Nonprofit Marketing*, 1–24.
- Ferreira, A. G. and Coelho, F. J., 2015. Product involvement, price perceptions, and brand loyalty. *Journal of Product and Brand Management*, 24 (4), 349–364.
- Festjens, A. and Janiszewski, C., 2015. The value of time. *Journal of Consumer Research*, 42 (2), 178–195.
- Fiss, P. C., 2011. Building better causal theories: A fuzzy set approach to typologies in organization research. *Academy of Management Journal*, 54 (2), 393–420.
- FitzGerald, E., Kucirkova, N., Jones, A., Cross, S., Ferguson, R., Herodotou, C., Hillaire, G. and Scanlon, E., 2018. Dimensions of personalisation in technology-enhanced learning: A framework and implications for design. *British Journal of Educational Technology*, 49 (1), 165–181.
- FitzPatrick, M., Davey, J., Muller, L. and Davey, H., 2013. Value-creating assets in tourism management: Applying marketing’s service-dominant logic in the hotel industry. *Tourism Management* [online], 36, 86–98. Available from: <http://dx.doi.org/10.1016/j.tourman.2012.11.009>.
- Fleetwood, S., 2005. Ontology in organization and management studies: A critical realist perspective. *Organization*, 12 (2), 197–222.
- Fredline, L., 2012. Cluster analysis. In: Dwyer, L., Gill, A., and Seetaram, N., eds. *Hanbook of*

Research Methods in Tourism: Quantitative and Qualitative Approaches. Edward Elgar Publishing, 2012–226.

Frow, P., Reisman, R. and Payne, A., 2015. Co-Pricing: Co-Creating Customer Value Through Dynamic Value Propositions. *SSRN Electronic Journal*, (June).

Fuentes-Moraleda, L., Lafuente-Ibáñez, C., Muñoz-Mazón, A. and Villacé-Molinero, T., 2019. Willingness to pay more to stay at a boutique hotel with an environmental management system. A preliminary study in Spain. *Sustainability (Switzerland)*, 11 (18), 1–16.

Galetzka, M., Pruyn, A., Van Hagen, M., Vos, M., Moritz, B. and Gostelie, F., 2018. The Psychological Value of Time. *Transportation Research Procedia* [online], 31 (2017), 47–55. Available from: <https://doi.org/10.1016/j.trpro.2018.09.045>.

Gallarza, M. G., Arteaga, F., Del Chiappa, G., Gil-Saura, I. and Holbrook, M. B., 2017. A multidimensional service-value scale based on Holbrook's typology of customer value: Bridging the gap between the concept and its measurement. *Journal of Service Management*, 28 (4), 724–762.

Gallarza, M. G., Gil-Saura, I. and Holbrook, M. B., 2011. The value of value: Further excursions on the meaning and role of customer value. *Journal of Consumer Behaviour*, 10, 179–191.

Galvagno, M. and Dalli, D., 2014. Theory of value co-creation: A systematic literature review. *Managing Service Quality*, 24 (6), 643–683.

Galvin, M., 2012. Understanding and Designing Wellbeing in Relation to our Material Environment. *DIS 2012 Workshop Designing Wellbeing*, 1–2.

Gao, Lisa, Y., Mattila, A. S. and Lee, S., 2016. A meta-analysis of behavioral intentions for environment-friendly initiatives in hospitality research. *International Journal of Hospitality Management* [online], 54, 107–115. Available from: <http://dx.doi.org/10.1016/j.ijhm.2016.01.010>.

Gao, M., Liu, K. and Wu, Z., 2010. Personalisation in web computing and informatics: Theories, techniques, applications, and future research. *Information Systems Frontiers*, 12 (5), 607–629.

Gao, Y. (Lisa), Guillet, B. D. and Wang, P., 2021. Effect of Price Change Alert on Perceptions of Hotel Attribute-based Room Pricing (ABP) versus Traditional Room Pricing (TRP).

International Journal of Hospitality Management [online], 92 (October 2020), 102725.
Available from: <https://doi.org/10.1016/j.ijhm.2020.102725>.

Garaus, M., Wagner, U. and Rainer, R. C., 2021. Emotional targeting using digital signage systems and facial recognition at the point-of-sale. *Journal of Business Research* [online], 131 (January), 747–762. Available from: <https://doi.org/10.1016/j.jbusres.2020.10.065>.

Gatti Pinheiro, G., Fiig, T., Wittman, M. D., Defoin-Platel, M. and Jadanza, R. D., 2022. Demand change detection in airline revenue management. *Journal of Revenue and Pricing Management* [online], 21 (6), 581–595. Available from: <https://doi.org/10.1057/s41272-022-00385-8>.

Gautier, A., Ittoo, A. and Van Cleynenbreugel, P., 2020. *AI algorithms, price discrimination and collusion: a technological, economic and legal perspective* [online]. European Journal of Law and Economics. Springer US. Available from: <https://doi.org/10.1007/s10657-020-09662-6>.

Gelinas, L., Pierce, R., Winkler, S., Cohen, I. G., Lynch, H. F. and Bierer, B. E., 2017. Using Social Media as a Research Recruitment Tool: Ethical Issues and Recommendations. *American Journal of Bioethics*, 17 (3), 3–14.

Gerlick, J. A. and Liozu, S. M., 2020. Ethical and legal considerations of artificial intelligence and algorithmic decision-making in personalized pricing. *Journal of Revenue and Pricing Management* [online], 19 (2), 85–98. Available from: <https://doi.org/10.1057/s41272-019-00225-2>.

Gerpott, T. J., 2017. Pay-What-You-Want pricing: An integrative review of the empirical research literature. *Management Science Letters*, 7 (1), 35–62.

Gershkov, A., Moldovanu, B. and Strack, P., 2018. Revenue-maximizing mechanisms with strategic customers and unknown, markovian demand. *Management Science*, 64 (5), 2031–2046.

Ghazali, E. M., Mutum, D. S., Chong, J. H. and Nguyen, B., 2018. Do consumers want mobile commerce? A closer look at M-shopping and technology adoption in Malaysia. *Asia Pacific Journal of Marketing and Logistics*, 30 (4), 1064–1086.

Ghuman, M. K. and Mann, B. J. S., 2018. Profiling Customers Based on Their Social Risk Perception: A Cluster Analysis Approach. *Metamorphosis: A Journal of Management Research*, 17 (1), 41–52.

- Gilal, F. G., Zhang, J., Gilal, N. G. and Gilal, R. G., 2018. Integrating self-determined needs into the relationship among product design, willingness-to-pay a premium, and word-of-mouth: A cross-cultural gender-specific study. *Psychology Research and Behavior Management*, 11, 227–241.
- Glaser, B. G., 2012. Constructivist Grounded Theory? *Review Literature And Arts Of The Americas*, 11 (1), 28–38.
- Goh, E. and Lee, C., 2018. A workforce to be reckoned with: The emerging pivotal Generation Z hospitality workforce. *International Journal of Hospitality Management* [online], 73 (October 2017), 20–28. Available from: <https://doi.org/10.1016/j.ijhm.2018.01.016>.
- Goldkuhl, G., 2012. Pragmatism vs interpretivism in qualitative information systems research. *European Journal of Information Systems*, 21 (2), 135–146.
- Goldsmith, R. E., 1999. The personalised marketplace: Beyond the 4Ps. *Marketing Intelligence & Planning*, 17 (4), 178–185.
- Goldsmith, R. E. and Freiden, J. B., 2004. Have it your way: Consumer attitudes toward personalized marketing. *Marketing Intelligence & Planning*, 22 (2), 228–239.
- González-Rodríguez, M. R., Díaz-Fernández, M. C. and Font, X., 2020. Factors influencing willingness of customers of environmentally friendly hotels to pay a price premium. *International Journal of Contemporary Hospitality Management*, 32 (1), 60–80.
- Good, B. M., Ainscough, B. J., McMichael, J. F., Su, A. I. and Griffith, O. L., 2014. Organizing knowledge to enable personalization of medicine in cancer. *Genome Biology*, 15 (15), 1–9.
- Goyat, S., 2011. The basis of market segmentation: a critical review of literature. *European Journal of Business and Management* [online], 3 (9), 45–55. Available from: www.iiste.org.
- Grant, M. J. and Booth, A., 2009. A typology of reviews: An analysis of 14 review types and associated methodologies. *Health Information and Libraries Journal*, 26 (2), 91–108.
- Greene, J. C., 2008. Is mixed methods social inquiry a distinctive methodology? *Journal of Mixed Methods Research*, 2 (1), 7–22.
- Greene, J. and Hall, J. N., 2010. Dialectics and pragmatism. In: *Sage handbook of mixed methods in social and behavioral research*. 119–143.

- Greenleaf, E. A., Johnson, E. J., Morwitz, V. G. and Shalev, E., 2016. The price does not include additional taxes, fees, and surcharges: A review of research on partitioned pricing. *Journal of Consumer Psychology*, 26 (1), 105–124.
- Greenstein-Messica, A. and Rokach, L., 2018. Personal price aware multi-seller recommender system: Evidence from eBay. *Knowledge-Based Systems* [online], 150, 14–26. Available from: <https://doi.org/10.1016/j.knosys.2018.02.026>.
- Grönroos, C., 2011. Value co-creation in service logic: A critical analysis. *Marketing Theory*, 11 (3), 279–301.
- Grönroos, C., 2017. On Value and Value Creation in Service: A Management Perspective. *Journal of Creating Value*, 3 (2), 125–141.
- Grönroos, C. and Voima, P., 2012. *Making sense of value and value co-creation in service logic* [online]. Available from: <https://helda.helsinki.fi/handle/10138/29218>.
- Grönroos, C. and Voima, P., 2013. Critical service logic: Making sense of value creation and co-creation. *Journal of the Academy of Marketing Science*, 41 (2), 133–150.
- Guba, E. G., 1981. Criteria for Assessing the Trustworthiness of Naturalistic Inquiries. *Educational Communication and Technology Journal* [online], 29 (2), 75–91. Available from: http://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0CDIQFjAB&url=http://link.springer.com/chapter/10.1007%252F978-94-009-6669-7_18&ei=xc1ZVL_AE4i3ONjKgZgI&usg=AFQjCNGrijcV39B_brg3m3D7S6dw9zcyhw&bvm=bv.78677474,d.ZWU&cad=rja.
- Guba, E. G. and Lincoln, Y. S., 1994. Competing Paradigms in Qualitative Research. In: *Handbook of Qualitative Research*. 273–285.
- Guillet, B. D. and Chu, C. M. A., 2021. Managing hotel revenue amid the COVID-19 crisis. *International Journal of Contemporary Hospitality Management*, 33 (2), 604–627.
- Guinalú, M. and Diaz de Rada, V., 2021. Combining sources of information to increase survey response rates. Combinando fuentes de n para aumentar las informaci o tasas de respuesta a la encuesta. 结合信息源，提高调查回复率. *Spanish Journal of Marketing*, 25 (1), 29–45.
- Gummerus, J., 2013. Value creation processes and value outcomes in marketing theory:

Strangers or siblings? *Marketing Theory*, 13 (1), 19–46.

- Gummesson, E., 2005. Qualitative research in marketing: Road-map for a wilderness of complexity and unpredictability. *European Journal of Marketing*, 39 (3-4 SPEC. ISS.), 309–327.
- Gummesson, E., 2017. From relationship marketing to total relationship marketing and beyond. *Journal of Service Marketing*, 1 (November 2016), 16–19.
- Guo, X., Zhang, X. and Sun, Y., 2016. The privacy-personalization paradox in mHealth services acceptance of different age groups. *Electronic Commerce Research and Applications* [online], 16, 55–65. Available from: <http://dx.doi.org/10.1016/j.elerap.2015.11.001>.
- Gupta, V., 2019. The influencing role of social media in the consumer's hotel decision-making process. *Worldwide Hospitality and Tourism Themes*, 11 (4), 378–391.
- Gurtu, A., 2019. The Strategy of Combining Products and Services: A Literature Review. *Services Marketing Quarterly* [online], 40 (1), 82–106. Available from: <https://doi.org/10.1080/15332969.2019.1587868>.
- Habicht, H. and Thallmaier, S. R., 2017. Understanding the customer value of co-designing individualised products. *International Journal of Technology Management*, 73 (1–3), 114–131.
- Haddad, R. El, Roper, A. and Jones, P., 2008. The impact of revenue management decisions on customers attitudes and behaviours: A case study of a leading UK budget hotel chain. *EuroCHRIE 2008 Congress, Emirates Hotel School, Dubai, UAE, 11th-14th October*. Retrieved April, 6 (November 2015), 2011.
- Haesen, R., Snoeck, M., Lemahieu, W. and Poelmans, S., 2008. On the definition of service granularity and its architectural impact. In: *Advanced Information Systems Engineering: 20th International Conference*. 375–389.
- Hahs-Vaughn, D. L., 2017. *Applied multivariate statistical concepts*. Routledge.
- Hair, J. F. J., Black, W. C., Babin, B. J. and Anderson, R. E., 2010. *Multivariate Data Analysis*. Pearson Prentice Hall.
- Halimi, A. B., Chavosh, A. and Choshali, S. H., 2012. The influence of relationship marketing tactics on customer's loyalty in B2C relationship-the role of communication and personalization. *European Journal of Economics, Finance and Administrative Sciences*, 31

(31), 49–56.

- Halperin, E. and Schori-Eyal, N., 2020. Towards a new framework of personalized psychological interventions to improve intergroup relations and promote peace. *Social and Personality Psychology Compass*, 14 (5), 255–270.
- Han, H. and Kim, Y., 2010. An investigation of green hotel customers' decision formation: Developing an extended model of the theory of planned behavior. *International Journal of Hospitality Management* [online], 29 (4), 659–668. Available from: <http://dx.doi.org/10.1016/j.ijhm.2010.01.001>.
- Hannak, A., Soeller, G., Lazer, D., Mislove, A. and Wilson, C., 2014. Measuring price discrimination and steering on E-commerce web sites. *Proceedings of the ACM SIGCOMM Internet Measurement Conference, IMC*, 305–318.
- Hanson, D. and Grimmer, M., 2007. The mix of qualitative and quantitative research in major marketing journals, 1993-2002. *European Journal of Marketing*, 41 (1–2), 58–70.
- Hao, F., Qiu, R. T. R., Park, J. and Chon, K., 2022. The Myth of Contactless Hospitality Service: Customers' Willingness to Pay. *Journal of Hospitality and Tourism Research*, 1–25.
- Harkison, T., 2018. The use of co-creation within the luxury accommodation experience – myth or reality? *International Journal of Hospitality Management* [online], 71 (August 2017), 11–18. Available from: <https://doi.org/10.1016/j.ijhm.2017.11.006>.
- Harré, R., 1987. Enlarging the paradigm. *New Ideas in Psychology*, 5 (1), 3–12.
- Harrigan, P., Evers, U., Miles, M. and Daly, T., 2017. Customer engagement with tourism social media brands. *Tourism Management* [online], 59, 597–609. Available from: <http://dx.doi.org/10.1016/j.tourman.2016.09.015>.
- Harrison III, R. L., 2013. Using mixed methods designs in the journal of business research, 1990-2010. *Journal of Business Research* [online], 66 (11), 2153–2162. Available from: <http://dx.doi.org/10.1016/j.jbusres.2012.01.006>.
- Hart, C., 1998. *Doing a Literature Review*. Sage Publications.
- Hayes, J. L., Brinson, N. H., Bott, G. J. and Moeller, C. M., 2021. The Influence of Consumer–Brand Relationship on the Personalized Advertising Privacy Calculus in Social Media. *Journal of Interactive Marketing* [online], 55, 16–30. Available from:

<https://doi.org/10.1016/j.intmar.2021.01.001>.

- Heath, H. and Cowley, S., 2004. Developing a grounded theory approach: A comparison of Glaser and Strauss. *International Journal of Nursing Studies*, 41 (2), 141–150.
- Heidary, K., Custers, B., Pluut, H. and van der Rest, J. P., 2022. A qualitative investigation of company perspectives on online price discrimination. *Computer Law and Security Review* [online], 46, 105734. Available from: <https://doi.org/10.1016/j.clsr.2022.105734>.
- Heinonen, K., 2018. Positive and negative valence influencing consumer engagement. *Journal of Service Theory and Practice*, 28 (2), 147–169.
- Heinonen, K., 2022. Characterizing Ex situ Value: A Customer-Dominant Perspective on Value. *Journal of Travel Research*, 1–15.
- Heinonen, K. and Strandvik, T., 2015. Customer-dominant logic: foundations and implications. *Journal of Services Marketing*, 29 (6–7), 472–484.
- Heinonen, K. and Strandvik, T., 2018. Reflections on customers' primary role in markets. *European Management Journal*, 36 (1), 1–11.
- Heinonen, K., Strandvik, T., Mickelsson, K.-J., Edvardsson, B., Sundstrom, E. and Anderson, P., 2009. *Rethinking Service Companies' Business Logic: Do We Need a Customer-Dominant Logic as a Guideline?*
- Heinonen, K., Strandvik, T., Mickelsson, K. J., Edvardsson, B., Sundström, E. and Andersson, P., 2010. A customer-dominant logic of service. *Journal of Service Management*, 21 (4), 531–548.
- Heinonen, K., Strandvik, T. and Voima, P., 2013. Customer dominant value formation in service. *European Business Review*, 25 (2), 104–123.
- Helkkula, A., Kelleher, C. and Pihlström, M., 2012. Characterizing Value as an Experience: Implications for Service Researchers and Managers. *Journal of Service Research*, 15 (1), 59–75.
- Hennig, C., 2015. What are the true clusters? *Pattern Recognition Letters*, 64, 53–62.
- Henry, B. M., Skinningsrud, B., Vikse, J., Pękala, P. A., Walocha, J. A., Loukas, M., Tubbs, R. S. and Tomaszewski, K. A., 2018. Systematic reviews versus narrative reviews in clinical anatomy: Methodological approaches in the era of evidence-based anatomy. *Clinical*

Anatomy, 31 (3), 364–367.

- Heo, C. Y. and Hyun, S. S., 2015. Do luxury room amenities affect guests' willingness to pay? *International Journal of Hospitality Management* [online], 46, 161–168. Available from: <http://dx.doi.org/10.1016/j.ijhm.2014.10.002>.
- Heo, C. Y. and Lee, S., 2011. International Journal of Hospitality Management Influences of consumer characteristics on fairness perceptions of revenue management pricing in the hotel industry. *International Journal of Hospitality Management* [online], 30 (2), 243–251. Available from: <http://dx.doi.org/10.1016/j.ijhm.2010.07.002>.
- Hinterhuber, A., 2008. Customer value-based pricing strategies : why companies resist. *Journal of Business Strategy*, 29 (4), 41–50.
- Hinterhuber, A., 2017. Value quantification capabilities in industrial markets. *Journal of Business Research*, 76, 163–178.
- Hirschman, E. I. and Holbrook, M. B., 1982. Hedonic Consumption: Emerging Concepts, Methods and Propositions. *Journal of Marketing*, 46 (3), 92–101.
- Ho, K. H. M., Chiang, V. C. L. and Leung, D., 2017. Hermeneutic phenomenological analysis: the 'possibility' beyond 'actuality' in thematic analysis. *Journal of Advanced Nursing*, 73 (7), 1757–1766.
- Ho, S. Y., 2006. The Attraction of Internet Personalization to Web Users. *Electronic Markets*, 16 (1), 41–50.
- Ho, S. Y. and Bodoff, D., 2014. The Effects of Web Personalization on User Attitude and Behaviour: An Integration of the Elaboration likelihood Model and Consumer Search Theory. *MIS Quarterly*, 38 (2), 497–520.
- Ho, S. Y., Bodoff, D. and Tam, K. Y., 2011. Timing of Adaptive Web Personalization and Its Effects on Online Consumer Behavior. *Information system research*, 22 (3), 660–679.
- Holbrook, M., 1999. Introduction to consumer value. *Consumer Value*, (July).
- Holbrook, M. B., 2006. Consumption experience, customer value, and subjective personal introspection: An illustrative photographic essay. *Journal of Business Research*, 59 (6), 714–725.
- Holden, M. T. and Lynch, P., 2004. Choosing the Appropriate Methodology: Understanding

Research Philosophy. *The Marketing Review*, 4 (4), 397–409.

- Holtz-Bacha, C., Langer, A. I. and Merkle, S., 2014. The personalization of politics in comparative perspective: Campaign coverage in Germany and the United Kingdom. *European Journal of Communication*, 29 (2), 153–170.
- Homburg, C., Koschate, N. and Hoyer, W. D., 2005. Do Satisfied Customers Really Pay More? A Study of the Relationship Between Customer Satisfaction and Willingness to Pay. *Journal of Marketing*, 69 (4), 84–96.
- Hong, J., Repetti, T., Erdem, M. and Henthorne, T., 2020. Effect of guest demographics on perception of hotel room price. *Journal of Hospitality and Tourism Insights*, 3 (1), 3–16.
- Horne, J., Madill, J. and Gilliland, J. A., 2017. Incorporating the ‘ Theory of Planned Behavior ’ into personalized healthcare behavior change research : a call to action. *Personalized Medicine*.
- Hsieh, S., O’Leary, J. T., Morrison, A. M. and Chang, P. H. S., 1993. Modelling the Travel Mode Choice of Australian Outbound Travellers. *Journal of Tourism Studies*, 4 (1), 51–61.
- hsmi and Duetto, 2018. *Open Pricing: The Basis of Good Revenue Strategy. Why BAR Pricing Doesn’t Maximize Revenue*.
- Hsu, M.-W., Kharlamov, A. and Parry, G., 2019. Managing the personalization-privacy paradox: A systematic literature review. *Data for Policy 2019* [online]. Available from: <https://uwe-repository.worktribe.com/output/1492986>.
- Hu, S. J., Ko, J., Weyand, L., Elmaraghy, H. A., Lien, T. K., Koren, Y., Bley, H., Chryssolouris, G., Nasr, N. and Shpitalni, M., 2011. Assembly system design and operations for product variety. *CIRP Annals - Manufacturing Technology*, 60 (2), 715–733.
- Hua, L., Prentice, C. and Han, X., 2021. A netnographical approach to typologizing customer engagement and corporate misconduct. *Journal of Retailing and Consumer Services* [online], 59 (November 2020), 102366. Available from: <https://doi.org/10.1016/j.jretconser.2020.102366>.
- Huang, M. H. and Rust, R. T., 2017. Technology-driven service strategy. *Journal of the Academy of Marketing Science*, 45 (6), 906–924.
- Hufnagel, G., Schwaiger, M. and Weritz, L., 2022. Seeking the perfect price: Consumer

- responses to personalized price discrimination in e-commerce. *Journal of Business Research* [online], 143 (September 2021), 346–365. Available from: <https://doi.org/10.1016/j.jbusres.2021.10.002>.
- Hung, W. T., Shang, J. K. and Wang, F. C., 2010. Pricing determinants in the hotel industry: Quantile regression analysis. *International Journal of Hospitality Management* [online], 29 (3), 378–384. Available from: <http://dx.doi.org/10.1016/j.ijhm.2009.09.001> [Accessed 4 Dec 2019].
- Hupperich, T., Wilkop, N., Tatang, D. and Holz, T., 2018. An empirical study on online price differentiation. *CODASPY 2018 - Proceedings of the 8th ACM Conference on Data and Application Security and Privacy*, 2018-Janua, 76–83.
- Indrabrata, A. and Balqiah, T. E., 2020. Effect of Perceived Personalization and Self Expressive Brand towards Perceived Quality and Brand Loyalty of Local Footwear Brands on Instagram. In: *Proceedings of the International Conference on Business and Management research (ICBMR 2020)*. 62–70.
- Irani, E., 2019. The Use of Videoconferencing for Qualitative Interviewing: Opportunities, Challenges, and Considerations. *Clinical Nursing Research*, 28 (1), 3–8.
- Ivanov, S., 2014. *Hotel revenue management: from theory to practice*. Anatolia.
- Ivanov, S. and Piddubna, K., 2016. Analysis of prices of accommodation establishments in Kiev: determinants, dynamics and parity. *International Journal of Revenue Management*, 9 (4), 221.
- Ivanov, S. and Webster, C., 2021. Willingness-to-pay for robot-delivered tourism and hospitality services – an exploratory study. *International Journal of Contemporary Hospitality Management*, 33 (11), 3926–3955.
- Ivanov, S. and Zhechev, V., 2012. Hotel revenue management—a critical literature review-working paper. *Turizam: znanstveno-stručni časopis* [online], 60 (2), 175–197. Available from: https://hrcak.srce.hr/index.php?show=clanak&id_clanak_jezik=125946&lang=en%0Ahttp://papers.ssrn.com/sol3/papers.cfm?abstract_id=1977467%5Cnhttp://hrcak.srce.hr/index.php?show=clanak&id_clanak_jezik=125946.
- Jaakkola, E., Helkkula, A. and Aarikka-Stenroos, L., 2015. Service experience co-creation: Conceptualization, implications, and future research directions. *Journal of Service*

Management, 26 (2), 182–205.

Jackson, T. W., 2007. Personalisation and CRM. *Journal of Database Marketing & Customer Strategy Management*, 15 (1), 24–36.

Jain, G., Paul, J. and Shrivastava, A., 2021. Hyper-personalization, co-creation, digital clienteling and transformation. *Journal of Business Research* [online], 124 (December 2020), 12–23. Available from: <https://doi.org/10.1016/j.jbusres.2020.11.034>.

Jalali, M., Bouyer, A., Arasteh, B. and Moloudi, M., 2013. The effect of cloud computing technology in personalization and education improvements and its challenges. *Procedia - Social and Behavioral Sciences* [online], 83, 655–658. Available from: <http://dx.doi.org/10.1016/j.sbspro.2013.06.124>.

Jang, Y., Chen, C. C. and Miao, L., 2019. Last-minute hotel-booking behavior: The impact of time on decision-making. *Journal of Hospitality and Tourism Management* [online], 38 (August 2018), 49–57. Available from: <https://doi.org/10.1016/j.jhtm.2018.11.006>.

Janghorban, R., Roudsari, R. L. and Taghipour, A., 2014. Skype interviewing: The new generation of online synchronous interview in qualitative research. *International Journal of Qualitative Studies on Health and Well-being*, 9 (1).

Järvi, H., Kähkönen, A. K. and Torvinen, H., 2018. When value co-creation fails: Reasons that lead to value co-destruction. *Scandinavian Journal of Management* [online], 34 (1), 63–77. Available from: <https://doi.org/10.1016/j.scaman.2018.01.002>.

Järvi, H., Keränen, J., Ritala, P. and Vilko, J., 2020. Value co-destruction in hotel services: Exploring the misalignment of cognitive scripts among customers and providers. *Tourism Management*, 77 (October 2019).

Jee, T. W., 2021. The perception of discount sales promotions – A utilitarian and hedonic perspective. *Journal of Retailing and Consumer Services* [online], 63 (August), 102745. Available from: <https://doi.org/10.1016/j.jretconser.2021.102745>.

Johnson, B. and Gray, R., 2010. A history of philosophical and theoretical issues for mixed methods research. In: *Sage handbook of mixed methods in social and behavioral research*. 69–94.

Juntunen, M. and Lehenkari, M., 2021. A narrative literature review process for an academic business research thesis. *Studies in Higher Education* [online], 46 (2), 330–342. Available

from: <https://doi.org/10.1080/03075079.2019.1630813>.

- Kabadayi, S., Ali, F., Choi, H., Joosten, H. and Lu, C., 2019. Smart service experience in hospitality and tourism services: A conceptualization and future research agenda. *Journal of Service Management*, 30 (3), 326–348.
- Kabasakal, I., Keskin, F. D., Ventura, K. and Soyuer, H., 2017. From mass customization to product personalization in automotive industry: potentials of industry 4.0. *Journal of Management, Marketing and Logistics*, 4 (3), 244–250.
- Kabassi, K., 2010. Personalizing recommendations for tourists. *Telematics and Informatics* [online], 27 (1), 51–66. Available from: <http://dx.doi.org/10.1016/j.tele.2009.05.003>.
- Kabassi, K., 2013. Personalisation Systems for Cultural Tourism. *Multimedia services in intelligent environments*, 25 (May 2013), 101–111.
- Kajtaç, M., Witherow, B., Usma, C., Brandt, M. and Subic, A., 2015. An Approach for Personalised Product Development. *Procedia Technology* [online], 20 (July), 191–198. Available from: <http://dx.doi.org/10.1016/j.protcy.2015.07.031>.
- Kalaignanam, K., Kushwaha, T. and Rajavi, K., 2018. How Does Web Personalization Create Value for Online Retailers ? Lower Cash Flow Volatility or Enhanced Cash Flows. *Journal of Retailing* [online], 94 (3), 265–279. Available from: <https://doi.org/10.1016/j.jretai.2018.05.001>.
- Kalantari, H. D. and Johnson, L., 2018. Australian customer willingness to pay and wait for mass-customised products. *Asia Pacific Journal of Marketing and Logistics*, 30 (1), 106–120.
- Kallus, N. and Zhou, A., 2021. Fairness, welfare, and equity in personalized pricing. *FACCT 2021 - Proceedings of the 2021 ACM Conference on Fairness, Accountability, and Transparency*, 296–314.
- Kandampully, J., Zhang, T. C. and Bilgihan, A., 2015. Customer loyalty: a review and future directions with a special focus on the hospitality industry. *International Journal of Contem*, 27 (3), 379–414.
- Kang, J., Binda, J., Agarwal, P., Saconi, B. and Choe, E. K., 2017. Fostering user engagement: Improving sense of identity through cosmetic customization in wearable trackers. *PervasiveHealth: Pervasive Computing Technologies for Healthcare*, 11–20.

- Kang, K. H., Stein, L., Heo, C. Y. and Lee, S., 2012. Consumers' willingness to pay for green initiatives of the hotel industry. *International Journal of Hospitality Management*, 31 (2), 564–572.
- Kang, S. and Nicholls, S., 2021. Determinants of willingness to pay to stay at a green lodging facility. *International Journal of Hospitality Management* [online], 94 (August 2019), 102834. Available from: <https://doi.org/10.1016/j.ijhm.2020.102834>.
- Kannan, P. K. and Kopalle, P. K., 2001. Dynamic pricing on the Internet: Importance and implications for consumer behavior. *International Journal of Electronic Commerce*, 5 (3), 63–83.
- Kapoulas, A. and Mitic, M., 2012. Understanding challenges of qualitative research: Rhetorical issues and reality traps. *Qualitative Market Research: An International Journal*, 15 (4), 354–368.
- Kaptein, M., Markopoulos, P., De Ruyter, B. and Aarts, E., 2015. Personalizing persuasive technologies: Explicit and implicit personalization using persuasion profiles. *International Journal of Human Computer Studies*, 77, 38–51.
- Kardaras, D. K., Karakostas, B. and Mamakou, X. J., 2013. Content presentation personalisation and media adaptation in tourism web sites using Fuzzy Delphi Method and Fuzzy Cognitive Maps. *Expert Systems with Applications* [online], 40 (6), 2331–2342. Available from: <http://dx.doi.org/10.1016/j.eswa.2012.10.031>.
- Kaushik, V. and Walsh, C. A., 2019. Pragmatism as a research paradigm and its implications for Social Work research. *Social Sciences*, 8 (9).
- Keränen, J., Piirainen, K. A. and Salminen, R. T., 2012. Systematic review on B2B branding: Research issues and avenues for future research. *Journal of Product and Brand Management*, 21 (6), 404–417.
- Ketokivi, M. and Mantere, S., 2010. Two strategies for inductive reasoning in organizational research. *Academy of Management Review*, 35, 315–333.
- Khalili-Damghani, K., Abdi, F. and Abolmakarem, S., 2018. Hybrid soft computing approach based on clustering, rule mining, and decision tree analysis for customer segmentation problem: Real case of customer-centric industries. *Applied Soft Computing Journal* [online], 73, 816–828. Available from: <https://doi.org/10.1016/j.asoc.2018.09.001>.

- Khan, R., Lewis, M. and Singh, V., 2009. Dynamic customer management and the value of one-to-one marketing. *Marketing Science*, 28 (6), 1063–1079.
- Kienzler, M. and Kowalkowski, C., 2017. Pricing strategy: A review of 22 years of marketing research. *Journal of Business Research*, 78 (February 2016), 101–110.
- Kim, D., Hong, S., Park, B. J. and Kim, I., 2020. Understanding heterogeneous preferences of hotel choice attributes: Do customer segments matter? *Journal of Hospitality and Tourism Management* [online], 45, 330–337. Available from: <https://doi.org/10.1016/j.jhtm.2020.08.014>.
- Kim, D. Y. and Kim, H., 2022. Social media influencers as human brands: an interactive marketing perspective. *Journal of Research in Interactive Marketing*, 17 (1), 91–109.
- Kim, J., Franklin, D., Phillips, M. and Hwang, E., 2020. Online Travel Agency Price Presentation: Examining the Influence of Price Dispersion on Travelers' Hotel Preference. *Journal of Travel Research*, 59 (4), 704–721.
- Kim, J., Jhang, J., Kim, S. and Styliadis, D., 2022. The Impact of Price Preciseness, Price Reduction, and Lay Rationalism on Travelers' Perceptions of Deal Attractiveness, Purchase Intention, and Choice. *Journal of Travel Research*.
- Kim, J. Y., Kaufmann, K. and Stegemann, M., 2014. The impact of buyer–seller relationships and reference prices on the effectiveness of the pay what you want pricing mechanism. *Marketing Letters*, 25 (4), 409–423.
- Kim, J. Y., Natter, M. and Spann, M., 2009. Pay what you want: A new participative pricing mechanism. *Journal of Marketing* [online], 73 (1), 44–58. Available from: <http://www.wired.com/entertainment/> [Accessed 4 Dec 2019].
- Kim, M., Roehl, W. and Lee, S. K., 2019. Effect of hotels' price discounts on performance recovery after a crisis. *International Journal of Hospitality Management* [online], 83 (December 2018), 74–82. Available from: <https://doi.org/10.1016/j.ijhm.2019.04.006>.
- Kim, S., Filimonau, V. and Dickinson, J. E., 2023. Tourist Perception of the Value of Time on Holidays: Implications for the Time Use Rebound Effect and Sustainable Travel Practice. *Journal of Travel Research*, 62 (2), 362–381.
- Kim, Y., 2011. The pilot study in qualitative inquiry: Identifying issues and learning lessons for culturally competent research. *Qualitative Social Work*, 10 (2), 190–206.

- Kim, Y. and Han, H., 2010. Intention to pay conventional-hotel prices at a green hotel - a modification of the theory of planned behavior. *Journal of Sustainable Tourism*, 18 (8), 997–1014.
- Kim, Y. K. and Lee, H. R., 2011. Customer satisfaction using low cost carriers. *Tourism Management* [online], 32 (2), 235–243. Available from: <http://dx.doi.org/10.1016/j.tourman.2009.12.008>.
- Kimes, S. E., 2010. Strategic Pricing through Revenue Management. *Cornell University School of Hotel Administration* [online], (Quadrant 1), 502–513. Available from: <http://scholarship.sha.cornell.edu/cgi/viewcontent.cgi?article=1348&context=articles>.
- Kimes, S. E. and Wirtz, J., 2013. Revenue management: Advanced strategies and tools to enhance firm profitability. *Foundations and Trends in Marketing* [online]. Available from: <http://dx.doi.org/10.1561/17000000037> [Accessed 7 Dec 2019].
- Kimes, S. E. and Wirtz, J., 2016. Revenue Management in Restaurants : Unbundling Pricing for Reservations from the Core Service. *Cornell Hospitality Report*, 16 (8), 3–12.
- Kizielewicz, J., 2020. Typology and Models of Cruise Travellers' Consumption in Coastal Tourist Destinations. *European Research Studies Journal*, XXIII (Issue 3), 679–698.
- Klafke, R. and de Oliveira, M. C. V., 2022. Value co-creation and donation in non-profits: a social analysis through the service-dominant logic. *SN Social Sciences* [online], 2 (3), 1–16. Available from: <https://doi.org/10.1007/s43545-022-00328-5>.
- Kliman-Silver, C., Hannak, A., Lazer, D., Wilson, C. and Mislove, A., 2015. Location, location, location: The impact of geolocation on web search personalization. *In: Proceedings of the ACM SIGCOMM Internet Measurement Conference, IMC*. 121–127.
- Koçaş, C. and Dogerlioglu-Demir, K., 2014. An empirical investigation of consumers' willingness-to-pay and the demand function: The cumulative effect of individual differences in anchored willingness-to-pay responses. *Marketing Letters*, 25 (2), 139–152.
- De Kock, J. H., Latham, H. A., Leslie, S. J., Grindle, M., Munoz, S. A., Ellis, L., Polson, R. and O'Malley, C. M., 2021. A rapid review of the impact of COVID-19 on the mental health of healthcare workers: implications for supporting psychological well-being. *BMC Public Health*, 21 (1), 1–18.
- Konstantakis, M., Alexandridis, G. and Caridakis, G., 2020. A personalized heritage-oriented

- recommender system based on extended cultural tourist typologies. *Big Data and Cognitive Computing*, 4 (2), 1–18.
- Kostyk, A., Zhou, W., Hyman, M. R. and Paas, L., 2021. Securing higher-quality data from self-administered questionnaires. *International Journal of Market Research*, 63 (6), 685–692.
- Kotler, P. and Armstrong, G., 2014. *Principles of Marketing*. 15th ed. Pearson Education.
- Kotler, P. and Keller, K. L., 2012. *Marketing management*. 14th ed. Pearson Education Ltd.
- Kovács, G. and Spens, K. M., 2005. Abductive reasoning in logistics research. *International Journal of Physical Distribution and Logistics Management*, 35 (2), 132–144.
- Krämer, A., Friesen, M. and Shelton, T., 2018. Are airline passengers ready for personalized dynamic pricing? A study of German consumers. *Journal of Revenue and Pricing Management*, 17 (2), 115–120.
- Krumpal, I., 2013. Determinants of social desirability bias in sensitive surveys: A literature review. *Quality and Quantity*, 47 (4), 2025–2047.
- Kudus, S. I. A., Campbell, R. I. and Bibb, R., 2016. Customer perceived value for self-designed personalised products made using additive manufacturing. *International Journal of Industrial Engineering and Management*, 7 (4), 183–193.
- Kumar, A., 2007. From mass customization to mass personalization: A strategic transformation. *International Journal of Flexible Manufacturing Systems*, 19 (4), 533–547.
- Kumar, A., 2017. Extended TPB model to understand consumer “selling” behaviour: Implications for reverse supply chain design of mobile phones. *Asia Pacific Journal of Marketing and Logistics*, 29 (4), 721–742.
- Kumar, V., 2015. Evolution of Marketing as a Discipline: What Has Happened and What to Look Out For. *Journal of Marketing*, 79 (1), 1–9.
- Kumar, V., Ramani, G. and Bohling, T., 2004. Customer lifetime value approaches and best practice applications. *Journal of Interactive Marketing* [online], 18 (3), 60–72. Available from: <http://dx.doi.org/10.1002/dir.20014>.
- Kumari, J. A. and Gotmare, P., 2022. Impact of Perceived Brand Ethicality: An Evidence from Indian E-commerce Market in a Personalized Pricing Context. *The Indian Journal of*

Commerce, 75 (1), 1–23.

- Kumari, J. A. and Gotmare, P. R., 2021. Impact of Consumer Behavior Pertaining to Personalization of Price in an E-Commerce Context. *Eurasian Journal of Business and Economics*, 14 (28), 107–123.
- Kung, M. L., Wang, J. H. and Liang, C., 2021. Impact of purchase preference, perceived value, and marketing mix on purchase intention and willingness to pay for pork. *Foods*, 10 (10).
- Kuo, P. J. and Cranage, D. A., 2012. Willingness to Pay for Customization: The Impact of Choice Variety and Specification Assistance. *International Journal of Hospitality and Tourism Administration*, 13 (4), 313–327.
- Kwon, K., Cho, J. and Park, Y., 2010. How to best characterize the personalization construct for e-services. *Expert Systems with Applications* [online], 37 (3), 2232–2240. Available from: <http://dx.doi.org/10.1016/j.eswa.2009.07.050>.
- Kwon, K. and Kim, C., 2012. How to design personalization in a context of customer retention: Who personalizes what and to what extent? *Electronic Commerce Research and Applications* [online], 11 (2), 101–116. Available from: <http://dx.doi.org/10.1016/j.elerap.2011.05.002>.
- de la Peña, M. R., Núñez-Serrano, J. A., Turrión, J. and Velázquez, F. J., 2016. Are innovations relevant for consumers in the hospitality industry? A hedonic approach for Cuban hotels. *Tourism Management*, 55, 184–196.
- Lahtinen, V., Dietrich, T. and Rundle-Thiele, S., 2020. Long live the marketing mix. Testing the effectiveness of the commercial marketing mix in a social marketing context. *Journal of Social Marketing*, 10 (3), 357–375.
- Lambillotte, L. and Poncin, I., 2022. Customers facing companies ' content personalisation attempts : paradoxical tensions , strategies and managerial insights insights. *Journal of Marketing Management* [online], 00 (00), 1–31. Available from: <https://doi.org/10.1080/0267257X.2022.2105384>.
- Lancaster, K. J., 1966. A New Approach to Consumer Theory. *The Journal of Political Economy*, 74 (2), 132–157.
- Larkin, M. and Thompson, A. R., 2011. Interpretative Phenomenological Analysis in Mental Health and Psychotherapy Research. In: Harper, D. and Thompson, A. R., eds. *Qualitative*

Research Methods in Mental Health and Psychotherapy: A Guide for Students and Practitioners. 99–116.

- Lassila, E., Heikka, E. and Nätti, S., 2023. Supporting value co-creation through interaction during the pre-purchase customer journey: empirical evidence from B2B HR services. *Journal of Business and Industrial Marketing*, 38 (13), 63–73.
- Law, R., Ye, H. and Chan, I. C. C., 2022. A critical review of smart hospitality and tourism research. *International Journal of Contemporary Hospitality Management*, 34 (2), 623–641.
- Le, C. X. and Wang, H., 2021. Integrative perceived values influencing consumers' attitude and behavioral responses toward mobile location-based advertising: an empirical study in Vietnam. *Asia Pacific Journal of Marketing and Logistics*, 33 (1), 275–295.
- Lee, C. G., 2011. The determinants of hotel room rates: Another visit with Singapore's data. *International Journal of Hospitality Management* [online], 30 (3), 756–758. Available from: <http://dx.doi.org/10.1016/j.ijhm.2010.09.010>.
- Lee, C. H. and Cranage, D. A., 2011. Personalisation-privacy paradox: The effects of personalisation and privacy assurance on customer responses to travel Web sites. *Tourism Management* [online], 32 (5), 987–994. Available from: <http://dx.doi.org/10.1016/j.tourman.2010.08.011>.
- Lee, D. J., Ahn, J. H. and Bang, Y., 2011. Managing consumer privacy concerns in personalization: A strategic analysis of privacy protection. *MIS Quarterly: Management Information Systems*, 35 (2), 423–444.
- Lee, E. J. and Park, J. K., 2009. Online service personalization for apparel shopping. *Journal of Retailing and Consumer Services*, 16 (2), 83–91.
- Lee, G. G. and Lin, H. F., 2005. Customer perceptions of e-service quality in online shopping. *International Journal of Retail and Distribution Management*, 33 (2), 161–176.
- Lee, N. and Hooley, G., 2005. The evolution of 'classical mythology' within marketing measure development. *European Journal of Marketing*, 39 (3-4 SPEC. ISS.), 365–385.
- Lee, S. and Chuang, N. K., 2022. Applying Expanded Servicescape to the Hotel Industry. *Journal of Hospitality and Tourism Research* [online], 46 (4), 771–796. Available from: <https://doi.org/10.1177/10963480211011535>.

- Lei, S. I., Wang, D. and Law, R., 2019. Perceived technology affordance and value of hotel mobile apps: A comparison of hoteliers and customers. *Journal of Hospitality and Tourism Management* [online], 39 (February), 201–211. Available from: <https://doi.org/10.1016/j.jhtm.2019.02.006>.
- Lei, S. I., Wang, D. and Law, R., 2022. Mobile-based value co-creation: contextual factors towards customer experiences. *Tourism Review*, 77 (4), 1153–1165.
- Lei, S. I., Ye, S., Wang, D. and Law, R., 2020. Engaging Customers in Value Co-Creation Through Mobile Instant Messaging in the Tourism and Hospitality Industry. *Journal of Hospitality and Tourism Research*, 44 (2), 229–251.
- Lei, S., Wang, X., Peng, L. and Guo, Y., 2021. “ I ” seek differentiation and “ we ” seek assimilation : the impact of self-expressive customization on consumers ’ willingness to pay a premium. *Journal of Product & Brand Management*, 5 (30), 691–706.
- Leibbrandt, A., 2020. Behavioral constraints on price discrimination: Experimental evidence on pricing and customer antagonism. *European Economic Review* [online], 121, 103303. Available from: <https://doi.org/10.1016/j.eurocorev.2019.103303>.
- Lemke, F., Clark, M. and Wilson, H., 2011. Customer experience quality : an exploration in business and consumer contexts using repertory grid technique. *Journal of the Academy of Marketing Science*, (39), 846–869.
- León, F. J., Noguera, J. A. and Tena-Sánchez, J., 2012. How much would you like to pay? Trust, reciprocity and prosocial motivations in El trato. *Social Science Information*, 51 (3), 389–417.
- Leung, D., Law, R., van Hoof, H. and Buhalis, D., 2013. Social Media in Tourism and Hospitality: A Literature Review. *Journal of Travel and Tourism Marketing*, 30 (1–2), 3–22.
- Leung, R., 2019. Smart hospitality: Taiwan hotel stakeholder perspectives. *Tourism Review*, 74 (1), 50–62.
- Leyens, L., Horgan, D., Lal, J. A., Steinhausen, K., Satyamoorthy, K. and Brand, A., 2014. Working towards personalization in medicine : main obstacles to reaching this vision from today ’ s perspective. *Personalized Medicine*, 11 (7), 641–649.
- Li, C., 2016. When does web-based personalization really work? The distinction between actual

- personalization and perceived personalization. *Computers in Human Behavior* [online], 54, 25–33. Available from: <http://dx.doi.org/10.1016/j.chb.2015.07.049>.
- Li, F. and Su, Q., 2022. The roles of novelty seeking and food authenticity in youth travellers' decision-making process at night markets: an application of a model of goal-directed behaviour. *Current Issues in Tourism* [online], 25 (14), 2322–2337. Available from: <https://doi.org/10.1080/13683500.2021.1961697>.
- Li, S. and Kallas, Z., 2021. Meta-analysis of consumers' willingness to pay for sustainable food products. *Appetite* [online], 163 (September 2020), 105239. Available from: <https://doi.org/10.1016/j.appet.2021.105239>.
- Li, S. and Karahanna, E., 2012. Peer-based recommendations in online B2C e-commerce: Comparing collaborative personalization and social network-based personalization. *Proceedings of the Annual Hawaii International Conference on System Sciences*, 733–742.
- Li, T. and Unger, T., 2012. Willing to pay for quality personalization Trade-off between quality and privacy. *European Journal of Information Systems*, 21 (6), 621–642.
- Liebe, U., Preisendörfer, P. and Meyerhoff, J., 2011. To pay or not to pay: Competing theories to explain individuals' willingness to pay for public environmental goods. *Environment and Behavior*, 43 (1), 106–130.
- Lim, W. M., 2014. The Antecedents and Consequences of Customer Hedonism in Hospitality Services. *Journal of Hospitality Marketing and Management* [online], 23 (6), 626–651. Available from: <http://dx.doi.org/10.1080/19368623.2014.846838>.
- Ling, E. C., Tussyadiah, I., Tuomi, A., Stienmetz, J. and Ioannou, A., 2021. Factors influencing users' adoption and use of conversational agents: A systematic review. *Psychology and Marketing*, 38 (7), 1031–1051.
- Liozu, S. and Hinterhuber, A., 2014. Pricing capabilities: The design, development, and validation of a scale. *Management Decision*, 52 (1), 144–158.
- Liozu, S., Hinterhuber, A. and Somers, T., 2014. Organizational design and pricing capabilities for superior firm performance. *Management Decision*, 52 (1), 54–78.
- Liozu, S. M. and Hinterhuber, A., 2013. Pricing orientation, pricing capabilities, and firm performance. *Management Decision*, 51 (3), 594–614.
- Liu, J., He, K., Wang, J., Liu, F. and Li, X., 2015. Service organization and recommendation

using multi-granularity approach. *Knowledge-Based Systems* [online], 73, 181–198. Available from: <http://dx.doi.org/10.1016/j.knosys.2014.10.002>.

- Loef, J., Pine, B. J. and Robben, H., 2017. Co-creating customization: collaborating with customers to deliver individualized value. *Strategy and Leadership*, 45 (3), 10–15.
- Loureiro, S. M. C. and Araújo, C. M. B. de, 2014. Luxury values and experience as drivers for consumers to recommend and pay more. *Journal of Retailing and Consumer Services* [online], 21 (3), 394–400. Available from: <http://dx.doi.org/10.1016/j.jretconser.2013.11.007>.
- Lu, L. and Gursoy, D., 2017. Would Consumers Pay More for Nongenetically Modified Menu Items? An Examination of Factors Influencing Diners' Behavioral Intentions. *Journal of Hospitality Marketing and Management*, 26 (3), 215–237.
- Lugosi, P., Lynch, P. and Morrison, A., 2009. Critical hospitality management research. *Service Industries Journal*, 29 (10), 1465–1478.
- Lusch, R. F. and Vargo, S. L., 2006. Service-dominant logic: Reactions, reflections and refinements. *Marketing Theory*, 6 (3), 281–288.
- Luxenburger, J., Elbassuoni, S. and Weikum, G., 2008. Matching task profiles and user needs in personalized web search. *International Conference on Information and Knowledge Management, Proceedings*, (Section 5), 689–698.
- Lv, H., Wan, Y. and Wu, F., 2017. Electronic Commerce Research and Applications Effect of online personalization services on complementary firms. *Electronic Commerce Research and Applications* [online], 24, 12–22. Available from: <http://dx.doi.org/10.1016/j.elerap.2017.06.001>.
- Lyons, E. and Coyle, A., 2021. *Analysing Qualitative Data in Psychology*. 3rd ed. Sage Publications.
- Ma, J. and Schwartz, Z., 2023. Revenue Analytics: The Problem With Fixed-Tier Pricing. *Cornell Hospitality Quarterly*, 1–9.
- Malbon, E., Carey, G. and Meltzer, A., 2019. Personalisation schemes in social care: Are they growing social and health inequalities? *BMC Public Health*, 19 (1), 1–12.
- Mandagi, D. W., Centeno, D. D. G. and Indrajit, 2021. Brand gestalt scale development and validation: A takeoff from tourism destination branding. *Journal of Destination Marketing*

- and Management* [online], 19 (November 2020), 100539. Available from: <https://doi.org/10.1016/j.jdmm.2020.100539>.
- Marcus, B., Weigelt, O., Hergert, J., Gurt, J. and Gelléri, P., 2017. The use of snowball sampling for multi source organizational research: Some cause for concern. *Personnel Psychology*, 70 (3), 635–673.
- Martin, W. C., Ponder, N. and Lueg, J. E., 2009. Price fairness perceptions and customer loyalty in a retail context. *Journal of Business Research* [online], 62 (6), 588–593. Available from: <http://dx.doi.org/10.1016/j.jbusres.2008.05.017>.
- Masadeh, M. A., 2012. Linking philosophy, methodology, and methods: Toward mixed model design in the hospitality industry. *European Journal of Social Sciences*, 28 (1), 128–137.
- Masiero, L., Heo, C. Y. and Pan, B., 2015. Determining guests' willingness to pay for hotel room attributes with a discrete choice model. *International Journal of Hospitality Management* [online], 49, 117–124. Available from: <http://dx.doi.org/10.1016/j.ijhm.2015.06.001>.
- Masiero, L. and Nicolau, J. L., 2012. Tourism Market Segmentation Based on Price Sensitivity: Finding Similar Price Preferences on Tourism Activities. *Journal of Travel Research*, 51 (4), 426–435.
- Masiero, L., Nicolau, J. L. and Law, R., 2015. A demand-driven analysis of tourist accommodation price: A quantile regression of room bookings. *International Journal of Hospitality Management* [online], 50, 1–8. Available from: <http://dx.doi.org/10.1016/j.ijhm.2015.06.009>.
- Masiero, L., Pan, B. and Yoonjoung, C., 2016. Asymmetric preference in hotel room choice and implications on revenue management. *International Journal of Hospitality Management* [online], 56, 18–27. Available from: <http://dx.doi.org/10.1016/j.ijhm.2016.03.009>.
- Masiero, L., Viglia, G. and Nieto-Garcia, M., 2020. Strategic consumer behavior in online hotel booking. *Annals of Tourism Research* [online], 83 (December 2019), 1–13. Available from: <https://doi.org/10.1016/j.annals.2020.102947>.
- Masiero, L., Yang, Y. and Qiu, R. T. R., 2019. Understanding hotel location preference of customers: Comparing random utility and random regret decision rules. *Tourism Management* [online], 73 (January), 83–93. Available from: <https://doi.org/10.1016/j.tourman.2018.12.002>.

- Matore, M. E. E. M. and Khairani, Z. A., 2020. The Pattern of Skewness and Kurtosis Using Mean Score and Logit in Measuring Adversity Quotient (AQ) For Normality Testing. *International Journal of Future Generation Communication and Networking*, 13 (1), 688–702.
- Matsumura, T. and Matsushima, N., 2015. Should Firms Employ Personalized Pricing? *Journal of Economics and Management Strategy*, 24 (4), 887–903.
- Mattila, A. S. and Gao, Y. L., 2016. An examination of popular pricing and price framing techniques in the hospitality industry and directions for future research. *International Journal of Revenue Management*, 9 (2–3), 175–185.
- Mattos, A. L., Oyadomari, J. C. T. and Zatta, F. N., 2021. Pricing Research: State of the Art and Future Opportunities. *SAGE Open*, 11 (3), 1–9.
- Mauri, A. G., 2012. *Hotel revenue management. Principles and practices*. Milano - Torino: Pearson Education.
- Maxwell, J. A. and Mittapalli, K., 2010. Realism as a stance for mixed method research. In: *Sage handbook of mixed methods in social and behavioral research*. 145–168.
- Mayoh, J., Bond, C. S. and Todres, L., 2012. An Innovative Mixed Methods Approach to Studying the Online Health Information Seeking Experiences of Adults With Chronic Health Conditions. *Journal of Mixed Methods Research*, 6 (1), 21–33.
- Mayoh, J. and Onwuegbuzie, A. J., 2015. Toward a Conceptualization of Mixed Methods Phenomenological Research. *Journal of Mixed Methods Research*, 9 (1), 91–107.
- Mayring, P., 2014. *Qualitative Content Analysis: Theoretical Foundation, Basic Procedures and Software Solution*. The SAGE Handbook of Qualitative Data Analysis.
- Mazanec, J. A., Ring, A., Stangl, B. and Teichmann, K., 2010. Usage Patterns of Advanced Analytical Methods in Tourism Research 1988–2008: A Six Journal Survey. *Information Technology & Tourism*, 12 (1), 17–46.
- Mazumdar, T., Raj, S. P. and Sinha, I., 2005. Reference price research: Review and propositions. *Journal of Marketing*, 69 (4), 84–102.
- Mcdonald, A. M. and Cranor, L. F., 2010. Americans ' Attitudes About Internet Behavioral Advertising Practices Categories and Subject Descriptors. In: *9th annual ACM workshop on Privacy in the electronic society*. 63–72.

- McKercher, B., Tolkach, D., Eka Mahadewi, N. M. and Byomantara, D. G. N., 2022. Choosing the Optimal Segmentation Technique to Understand Tourist Behaviour. *Journal of Vacation Marketing*.
- McNamara, K. E. and Prideaux, B., 2010. A typology of solo independent women travellers. *International Journal of Tourism Research*, 12 (3), 253–264.
- Méatchi, S. and Camus, S., 2020. Revenue management pricing in the hotel sector: Reducing perceived unfairness to encourage willingness to pay. *Recherche et Applications en Marketing*, 35 (3), 102–123.
- Mehmetoglu, M., 2004. A typology of tourists from a different angle. *International Journal of Hospitality and Tourism Administration*, 5 (3), 69–90.
- Melis, G. and Piga, C. A., 2017. Are all online hotel prices created dynamic? An empirical assessment. *International Journal of Hospitality Management* [online], 67 (September), 163–173. Available from: <https://doi.org/10.1016/j.ijhm.2017.09.001>.
- Merle, A., Chandon, J. L., Roux, E. and Alizon, F., 2010. Perceived value of the mass-customized product and mass customization experience for individual consumers. *Production and Operations Management*, 19 (5), 503–514.
- Metz, M., Kruijemeier, S. and Lecheler, S., 2020. Personalization of politics on Facebook: examining the content and effects of professional, emotional and private self-personalization. *Information Communication and Society* [online], 23 (10), 1481–1498. Available from: <https://doi.org/10.1080/1369118X.2019.1581244>.
- Miceli, G., Ricotta, F. and Costabile, M., 2007. Customizing customization: A conceptual framework for interactive personalization. *Journal of Interactive Marketing* [online], 21 (2), 6–25. Available from: <http://dx.doi.org/10.1002/dir.20076>.
- Michopoulou, E. and Buhalis, D., 2013. Information provision for challenging markets: The case of the accessibility requiring market in the context of tourism. *Information and Management* [online], 50 (5), 229–239. Available from: <http://dx.doi.org/10.1016/j.im.2013.04.001>.
- Miettinen, T. and Stenbacka, R., 2015. Personalized pricing versus history-based pricing: Implications for privacy policy. *Information Economics and Policy* [online], 33, 56–68. Available from: <http://dx.doi.org/10.1016/j.infoecopol.2015.10.003>.

- Migas, N., Anastasiadou, C., Buchanan, W. and Marshall, J. S., 2007. Mass customisation through personalised brochures: The role of emerging technologies. *Proceedings of the 15th European Conference on Information Systems, ECIS 2007*, 2283–2294.
- Miller, K. M., Hofstetter, R., Krohmer, H. and Zhang, Z. J., 2011. How should consumers' willingness to pay be measured? an empirical comparison of state-of-the-art approaches. *Journal of Marketing Research*, 48 (1), 172–184.
- Minkiewicz, J., Evans, J. and Bridson, K., 2014. How do consumers co-create their experiences? An exploration in the heritage sector. *Journal of Marketing Management* [online], 30 (1–2), 30–59. Available from: <http://dx.doi.org/10.1080/0267257X.2013.800899>.
- Mishra, A. and Gupta, A., 2019. Green hotel servicescape: attributes and unique experiences. *Current Issues in Tourism* [online], 22 (20), 2566–2578. Available from: <https://doi.org/10.1080/13683500.2018.1502259>.
- Mitchell, J., Vella-Brodrick, D. and Klein, B., 2010. Positive Psychology and the Internet: A Mental Health Opportunity. *E-Journal of Applied Psychology*, 6 (2), 29–41.
- Modica, P. D., Altinay, L., Farmaki, A., Gursoy, D. and Zenga, M., 2020. Consumer perceptions towards sustainable supply chain practices in the hospitality industry. *Current Issues in Tourism* [online], 23 (3), 358–375. Available from: <https://doi.org/10.1080/13683500.2018.1526258>.
- Molina-Azorín, J. F. and Font, X., 2016. Mixed methods in sustainable tourism research: an analysis of prevalence, designs and application in JOST (2005–2014). *Journal of Sustainable Tourism* [online], 24 (4), 549–573. Available from: <https://doi.org/10.1080/09669582.2015.1073739>.
- Molina-Collado, A., Gómez-Rico, M., Sigala, M., Molina, M. V., Aranda, E. and Salinero, Y., 2022. *Mapping tourism and hospitality research on information and communication technology: a bibliometric and scientific approach* [online]. Information Technology and Tourism. Springer Berlin Heidelberg. Available from: <https://doi.org/10.1007/s40558-022-00227-8>.
- Monk, A. F. and Blom, J. O., 2007. A theory of personalisation of appearance: Quantitative evaluation of qualitatively derived data. *Behaviour and Information Technology*, 26 (3), 237–246.

- Montgomery, A. L. and Smith, M. D., 2009. Prospects for Personalization on the Internet. *Journal of Interactive Marketing* [online], 23 (2), 130–137. Available from: <http://dx.doi.org/10.1016/j.intmar.2009.02.001>.
- Moon, J., Chadee, D. and Tikoo, S., 2008. Culture, product type, and price influences on consumer purchase intention to buy personalized products online. *Journal of Business Research*, 61 (1), 31–39.
- Moor, L. and Lury, C., 2018. Price and the person: markets, discrimination, and personhood. *Journal of Cultural Economy* [online], 11 (6), 501–513. Available from: <https://doi.org/10.1080/17530350.2018.1481878>.
- Morgan, D. L., 2007. Paradigms Lost and Pragmatism Regained: Methodological Implications of Combining Qualitative and Quantitative Methods. *Journal of Mixed Methods Research*, 1 (1), 48–76.
- Morgan, D. L., 2019. Commentary—After Triangulation, What Next? *Journal of Mixed Methods Research*, 13 (1), 6–11.
- Moriarty, J., 2021. Why online personalized pricing is unfair. *Ethics and Information Technology* [online], 23 (3), 495–503. Available from: <https://doi.org/10.1007/s10676-021-09592-0>.
- Morosan, C., 2018. An Empirical Analysis of Intentions to Cocreate Value in Hotels Using Mobile Devices. *Journal of Hospitality and Tourism Research*, 42 (4), 528–562.
- Morosan, C., 2019. Disclosing facial images to create a consumer’s profile: A privacy calculus perspective of hotel facial recognition systems. *International Journal of Contemporary Hospitality Management*, 31 (8), 3149–3172.
- Morosan, C. and DeFranco, A., 2016. Modeling guests’ intentions to use mobile apps in hotels: The roles of personalization, privacy, and involvement. *International Journal of Contemporary Hospitality Management*, 28 (9), 1968–1991.
- Moser, A. K., 2015. Thinking green , buying green ? Drivers of pro-environmental purchasing behavior. *Journal of Consumer Marketing*, 32 (3), 167–175.
- Mulder, J. and de Bruijne, M., 2019. Willingness of Online Respondents to Participate in Alternative Modes of Data Collection. *Survey Practice*, 12 (1), 1–11.
- Munn, Z., Peters, M. D. J., Tufanaru, C., McArthur, A. and Aromataris, E., 2018. Systematic

review or scoping review? Guidance for authors when choosing between a systematic or scoping review approach. *BMC Medical Research Methodology*, 18 (143), 1–7.

Murthi, B. P. S. and Sarkar, S., 2003. The role of the management sciences in research on personalization. *Management Science*, 49 (10), 1344–1362.

Nadeem, W., Alimamy, S. and Ashraf, A. R., 2023. Navigating through difficult times with ethical marketing: Assessing consumers' willingness-to-pay in the sharing economy. *Journal of Retailing and Consumer Services* [online], 70 (October 2022), 103150. Available from: <https://doi.org/10.1016/j.jretconser.2022.103150>.

Nair, G. K., 2019. Dynamics of pricing and non-pricing strategies, revenue management performance and competitive advantage in hotel industry. *International Journal of Hospitality Management* [online], 82 (October 2018), 287–297. Available from: <https://doi.org/10.1016/j.ijhm.2018.10.007>.

Nella, A. and Christou, E., 2021. Market segmentation for wine tourism: Identifying sub-groups of winery visitors. *European Journal of Tourism Research*, 29 (2021), 1–16.

Nelson, K. M., Partelow, S., Stähler, M., Graci, S. and Fujitani, M., 2021. Tourist willingness to pay for local green hotel certification. *PLoS ONE*, 16 (2 February), 1–19.

Nelson, R. R., 2013. Demand, supply, and their interaction on markets, as seen from the perspective of evolutionary economic theory. *Journal of Evolutionary Economics*, 23 (1), 17–38.

Nemkova, E., Souchon, A. L., Hughes, P. and Micevski, M., 2015. Does improvisation help or hinder planning in determining export success? decision theory applied to exporting. *Journal of International Marketing*, 23 (3), 41–65.

Neubert, M., 2022. A Systematic Literature Review of Dynamic Pricing Strategies. *International Business Research*, 15 (4), 1.

Neuendorf, K. A., 2019. Advanced Research Methods for Applied Psychology: Design, Analysis and Reporting. In: Brough, P., ed. *Advanced Research Methods for Applied Psychology*. Tay, 211–223.

Neuhofer-Rainoldi, B. E., 2014. An Exploration of the Technology Enhanced Tourist Experience A thesis submitted in partial fulfilment of the requirements of Bournemouth University for the degree of Doctor of Philosophy.

- Neuhofer, B., Buhalis, D. and Ladkin, A., 2012. Conceptualising technology enhanced destination experiences. *Journal of Destination Marketing & Management* [online], 1 (1–2), 36–46. Available from: <http://dx.doi.org/10.1016/j.jdmm.2012.08.001>.
- Neuhofer, B., Buhalis, D. and Ladkin, A., 2015. Smart technologies for personalized experiences: a case study in the hospitality domain. *Electronic Markets*, 25 (3), 243–254.
- Nguyen, B. thi, Tran, T. L. A., Tran, T. T. H., Le, T. T., Tran, P. N. H. and Nguyen, M. H., 2022. Factors influencing continuance intention of online shopping of generation Y and Z during the new normal in Vietnam. *Cogent Business and Management* [online], 9 (1). Available from: <https://doi.org/10.1080/23311975.2022.2143016>.
- Nguyen, M. T. T., Emberger-Klein, A. and Menrad, K., 2019. A Systematic Review on the Effects of Personalized Price Promotions for Food Products. *Journal of Food Products Marketing* [online], 25 (3), 257–275. Available from: <https://doi.org/10.1080/10454446.2018.1529647>.
- Nicolau, J. L., Guix, M., Hernandez-Maskivker, G. and Molenkamp, N., 2020. Millennials' willingness to pay for green restaurants. *International Journal of Hospitality Management* [online], 90 (June), 102601. Available from: <https://doi.org/10.1016/j.ijhm.2020.102601>.
- Nieto-García, M., Muñoz-Gallego, P. A. and Gonzalez-Benito, Ó., 2020. The More the Merrier? Understanding How Travel Frequency Shapes Willingness to Pay. *Cornell Hospitality Quarterly*, 61 (4), 401–415.
- Nieto-García, M., Muñoz-Gallego, P. A. and González-Benito, Ó., 2017. Tourists' willingness to pay for an accommodation: The effect of eWOM and internal reference price. *International Journal of Hospitality Management*, 62 (April), 67–77.
- Niglas, K., 2010. The Multidimensional Model of Research Methodology: An Integrated Set of Continua. In: Teddlie, C. and Tashakkori, A., eds. *SAGE Handbook of Mixed Methods in Social & Behavioral Research*. 215–236.
- Nobile, T. H. and Cantoni, L., 2023. Personalisation (In) effectiveness in email marketing. *Digital Business* [online], 3 (2), 1–10. Available from: <https://doi.org/10.1016/j.digbus.2023.100058>.
- Noone, B. M., Enz, C. A. and Glassmire, J., 2017. Total Hotel Revenue Management: A Strategic Profit Perspective. *Cornell Hospitality Report* [online], 17 (8), 1–17. Available from: <https://sha.cornell.edu/centers-institutes/chr/research-publications/documents/cathy->

enz-total-hotel-revenue-management-strategic-profit-perspective-report.pdf.

- Noone, B. M. and Mattila, A. S., 2009. Hotel revenue management and the Internet : The effect of price presentation strategies on customers ' willingness to book. *International Journal of Hospitality Management*, 28, 272–279.
- Nunkoo, R., 2018. The state of research methods in tourism and hospitality. *Handbook of Research Methods for Tourism and Hospitality Management*, 3–23.
- Nunkoo, R., Smith, S. L. J. and Ramkissoon, H., 2013. Residents' attitudes to tourism: A longitudinal study of 140 articles from 1984 to 2010. *Journal of Sustainable Tourism*, 21 (1), 5–25.
- Nyheim, P., Xu, S., Zhang, L. and Mattila, A. S., 2015. Predictors of avoidance towards personalization of restaurant smartphone advertising: A study from the Millennials' perspective. *Journal of Hospitality and Tourism Technology*, 6 (2), 145–159.
- O'Gorman, K., 2006. Jacques Derrida's philosophy of hospitality. *Hospitality Review* [online], 8 (4), 50–57. Available from: <http://eprints.cdli.strath.ac.uk/4977/>.
- O'Gorman, K., Lochrie, S. and Watson, A., 2014. Research Philosophy and Case Studies. In: *Research Methods for Business and Management*. 58–64.
- Obermiller, C., Arnesen, D. and Cohen, M., 2012. Customized Pricing : Win-Win or End Run ? *Drake Management Review* [online], 1 (2), 12–28. Available from: <http://faculty.cbpa.drake.edu/dmr/0102/DMR010204R.pdf>.
- Ortega, A. M. and Tabares, F. A., 2023. Psychological pricing: Myth or reality? The impact of nine-ending prices on purchasing attitudes and brand revenue. *Journal of Retailing and Consumer Services* [online], 71 (October 2022), 103206. Available from: <https://doi.org/10.1016/j.jretconser.2022.103206>.
- Ottbacher, M., Harrington, R. and Parsa, H. G., 2009. Defining the hospitality discipline: A discussion of pedagogical and research implications. *Journal of Hospitality and Tourism Research*, 33 (3), 263–283.
- Oyner, O. and Korelina, A., 2016. The influence of customer engagement in value co-creation on customer satisfaction: Searching for new forms of co-creation in the Russian hotel industry. *Worldwide Hospitality and Tourism Themes*, 8 (3), 327–345.
- Ozturk, A. B., Nusair, K., Okumus, F. and Singh, D., 2017. Understanding mobile hotel

- booking loyalty: an integration of privacy calculus theory and trust-risk framework. *Information Systems Frontiers*, 19 (4), 753–767.
- Pallant, J., 2011. *SPSS Survival Manual: A step by step guide to data analysis using SPSS*. 4th ed. Crows Nest, Australia: Allen & Unwin.
- Pallant, J. I., Pallant, J. L., Sands, S. J., Ferraro, C. R. and Afifi, E., 2022. When and how consumers are willing to exchange data with retailers : An exploratory segmentation. *Journal of Retailing and Consumer Services* [online], 64 (September 2021), 1–12. Available from: <https://doi.org/10.1016/j.jretconser.2021.102774>.
- Pallant, J. L., Karpen, I. O. and Sands, S. J., 2022. What drives consumers to customize products? The mediating role of brand experience. *Journal of Retailing and Consumer Services* [online], 64 (February 2021), 102773. Available from: <https://doi.org/10.1016/j.jretconser.2021.102773>.
- Pallant, J., Sands, S. and Karpen, I., 2020. Product customization: A profile of consumer demand. *Journal of Retailing and Consumer Services* [online], 54 (September 2019), 102030. Available from: <https://doi.org/10.1016/j.jretconser.2019.102030>.
- Palmer, A. and McMahon-Beattie, U., 2008. Variable pricing through revenue management: A critical evaluation of affective outcomes. *Management Research News*, 31 (3), 189–199.
- Palmisano, C., Tuzhilin, A. and Gorgoglione, M., 2008. Using context to improve predictive modeling of customers in personalization applications. *IEEE Transactions on Knowledge and Data Engineering*, 20 (11), 1535–1549.
- Pansari, A. and Kumar, V., 2017. Customer engagement: the construct, antecedents, and consequences. *Journal of the Academy of Marketing Science*, 45 (3), 294–311.
- Pappas, I. O., 2018. User experience in personalized online shopping: a fuzzy-set analysis. *European Journal of Marketing*, 52 (7–8), 1679–1703.
- Pappas, I. O., Giannakos, M. N. and Sampson, D. G., 2019. Fuzzy set analysis as a means to understand users of 21st-century learning systems: The case of mobile learning and reflections on learning analytics research. *Computers in Human Behavior* [online], 92, 646–659. Available from: <https://doi.org/10.1016/j.chb.2017.10.010>.
- Pappas, I. O., Kourouthanassis, P. E., Giannakos, M. N. and Chrissikopoulos, V., 2014. Shiny happy people buying: the role of emotions on personalized e-shopping. *Electronic*

Markets, 24 (3), 193–206.

- Pappas, I. O., Kourouthanassis, P. E., Giannakos, M. N. and Chrissikopoulos, V., 2017. Sense and sensibility in personalized e-commerce: How emotions rebalance the purchase intentions of persuaded customers. *Psychology and Marketing*, 34 (10), 972–986.
- Pappas, I. O., Kourouthanassis, P. E., Giannakos, M. N. and Lekakos, G., 2017. The interplay of online shopping motivations and experiential factors on personalized e-commerce: A complexity theory approach. *Telematics and Informatics* [online], 34 (5), 730–742. Available from: <http://dx.doi.org/10.1016/j.tele.2016.08.021>.
- Pappas, I. O., Mikalef, P. and Giannakos, M. N., 2016. User experience in personalized E-commerce: A configurational approach. *AMCIS 2016: Surfing the IT Innovation Wave - 22nd Americas Conference on Information Systems*, 1–10.
- Pappas, I. O., Papavlasopoulou, S., Giannakos, M. N. and Sampson, D. G., 2017. An Exploratory Study on the Influence of Cognitive and Affective Characteristics in Programming-Based Making Activities. *Proceedings - IEEE 17th International Conference on Advanced Learning Technologies, ICALT 2017*, 507–511.
- Pappas, I. O. and Woodside, A. G., 2021. Fuzzy-set Qualitative Comparative Analysis (fsQCA): Guidelines for research practice in Information Systems and marketing. *International Journal of Information Management* [online], 58 (January), 102310. Available from: <https://doi.org/10.1016/j.ijinfomgt.2021.102310>.
- Parent, M., Plangger, K. and Bal, A., 2011. The new WTP: Willingness to participate. *Business Horizons* [online], 54 (3), 219–229. Available from: <http://dx.doi.org/10.1016/j.bushor.2011.01.003>.
- Paulose, D. and Shakeel, A., 2021. Perceived Experience, Perceived Value and Customer Satisfaction as Antecedents to Loyalty among Hotel Guests. *Journal of Quality Assurance in Hospitality and Tourism* [online], 00 (00), 1–35. Available from: <https://doi.org/10.1080/1528008X.2021.1884930>.
- Pawlicz, A. and Napierala, T., 2017. The determinants of hotel room rates: an analysis of the hotel industry in Warsaw, Poland. *International Journal of Contemporary Hospitality Management*, 29 (1), 571–588.
- Payne, A. F., Storbacka, K. and Frow, P., 2008. Managing the co-creation of value. *Journal of the Academy of Marketing Science*, 36 (1), 83–96.

- Payne, A., Storbacka, K., Frow, P. and Knox, S., 2009. Co-creating brands: Diagnosing and designing the relationship experience. *Journal of Business Research* [online], 62 (3), 379–389. Available from: <http://dx.doi.org/10.1016/j.jbusres.2008.05.013>.
- Peppers, D. and Rogers, M., 2000a. *The one to one manager. Real-World Lessons in Customer Relationship Management*. 1st ed. Currency Doubleday, New York, NY, USA.
- Peppers, D. and Rogers, M., 2000b. Papers: Build a one-to-one learning relationship with your customers. *Interactive Marketing*, 1 (3), 243–250.
- Peppers, D., Rogers, M. and Dorf, B., 1999. Is your company ready for one-to-one marketing? *Harvard business review*, 77 (1), 151–160.
- Pérez-Troncoso, D., Epstein, D. M. and Castañeda-García, J. A., 2021. Consumers' Preferences and Willingness to Pay for Personalised Nutrition. *Applied Health Economics and Health Policy* [online], 19 (5), 757–767. Available from: <https://doi.org/10.1007/s40258-021-00647-3>.
- Pérez, A. T. E., Rossit, D. A., Tohmé, F. and Vásquez, Ó. C., 2022. Mass customized/personalized manufacturing in Industry 4.0 and blockchain: Research challenges, main problems, and the design of an information architecture. *Information Fusion* [online], 79 (September 2021), 44–57. Available from: <https://doi.org/10.1016/j.inffus.2021.09.021>.
- Pesonen, J. A., 2012. Segmentation of rural tourists: combining push and pull motivations. *Tourism and hospitality management*, 18 (1), 69–82.
- Pesonen, J., Komppula, R. and Riihinen, A., 2015. Typology of senior travellers as users of tourism information technology. *Information Technology and Tourism*, 15 (3), 233–252.
- Pesonen, J., Laukkanen, T. and Komppula, R., 2011. Benefit segmentation of potential wellbeing tourists. *Journal of Vacation Marketing*, 17 (4), 303–314.
- Peters, M. D. J., Godfrey, C. M., Khalil, H., McInerney, P., Parker, D. and Soares, C. B., 2015. Guidance for conducting systematic scoping reviews. *International Journal of Evidence-Based Healthcare*, 13 (3), 141–146.
- Piccoli, G. and Dev, C. S., 2012. Emerging Marketing Channels in Hospitality: A Global Study of Internet-Enabled Flash Sales and Private Sales. *Cornell Hospitality Report* [online], 12 (5), 6–18. Available from: <http://scholarship.sha.cornell.edu/chrpubs>.

- Piccoli, G., Lui, T. W. and Grün, B., 2017. The Impact of IT-Enabled Customer Experience Management on Service Perceptions and Performance. *Information and Communication Technologies in Tourism 2017* [online], 59 (Talwar 2012), 349–362. Available from: <http://dx.doi.org/10.1016/j.tourman.2016.08.015>.
- Picot-Coupey, K., Krey, N., Huré, E. and Ackermann, C. L., 2021. Still work and/or fun? Corroboration of the hedonic and utilitarian shopping value scale. *Journal of Business Research*, 126 (March 2020), 578–590.
- Piller, F. T., Ihl, C. and Vossen, A., 2010. A Typology of Customer Co-Creation in the Innovation Process. *SSRN Electronic Journal*.
- Pine, B. J. and Gilmore, J. H., 2011. *The experience economy*. Harvard Business Press.
- Pires, G. and Stanton, J., 2000. Marketing services to ethnic consumers in culturally diverse markets: issues and implications. *Journal of Services Marketing*.
- Pizzi, G., Vannucci, V., Shukla, Y. and Aiello, G., 2022. Privacy concerns and justice perceptions with the disclosure of biometric versus behavioral data for personalized pricing tell me who you are , I ’ ll tell you how much you pay . Consumers ’ fairness and privacy perceptions with personalized pricing. *Journal of Business Research* [online], 148 (July 2021), 420–432. Available from: <https://doi.org/10.1016/j.jbusres.2022.04.072>.
- Plé, L. and Cáceres, R. C., 2010. Not always co-creation: Introducing interactional co-destruction of value in service-dominant logic. *Journal of Services Marketing*, 24 (6), 430–437.
- Poort, J., Borgesius, F. J. Z. Z., Poort, J. and Borgesius, F. J. Z. Z., 2019. Does everyone have a price? Understanding people’s attitude towards online and offline price discrimination. *Internet policy Review*, 8 (1), 1–21.
- Poort, J. and Borgesius, F. Z., 2021. Personalised Pricing : The Demise of the Fixed Price ? In: Kohl, U. and Eisler, J., eds. *Data-Driven Personalisation in Markets, Politics and Law*.
- Pozzoli, F., 2018. Personalisation as vision and toolkit. A case study. *International Review of Sociology* [online], 28 (1), 62–85. Available from: <https://doi.org/10.1080/03906701.2017.1422885>.
- Pradel, P., Campbell, R. I. and Bâlc, N. O., 2021. A taxonomy of customer characteristics influencing product personalisation, 1–10.

- Prahalad, C. K. ; and Ramaswamy, V., 2000. Co-opting Customer Competence. charts CO-OPTING CUSTOMER COMPETENCE. *Harvard Business Review*, 78 (2), 79–9.
- Prahalad, C. K. and Ramaswamy, V., 2004a. Co-creating unique value with customers. *Strategy & Leadership*, 32 (3), 4–9.
- Prahalad, C. K. and Ramaswamy, V., 2004b. Co-creation experiences: The next practice in value creation. *Journal of Interactive Marketing* [online], 18 (3), 5–14. Available from: <http://dx.doi.org/10.1002/dir.20015>.
- Prakash, P. K. S., Gandhi, N. and Jain, S., 2021. BayesRec: Personalize search ranking with customer attribute-level willingness-to-pay using heterogeneous booking choice data. *International Journal of Hospitality Management* [online], 94 (October 2020), 1–11. Available from: <https://doi.org/10.1016/j.ijhm.2021.102885>.
- Prasad, A., Venkatesh, R. and Mahajan, V., 2015. Product bundling or reserved product pricing? Price discrimination with myopic and strategic consumers. *International Journal of Research in Marketing* [online], 32 (1), 1–8. Available from: <http://dx.doi.org/10.1016/j.ijresmar.2014.06.004>.
- Priester, A., Robbert, T. and Roth, S., 2020. A special price just for you: effects of personalized dynamic pricing on consumer fairness perceptions. *Journal of Revenue and Pricing Management* [online], 19 (2), 99–112. Available from: <https://doi.org/10.1057/s41272-019-00224-3>.
- Provenzano, D. and Baggio, R., 2019. Quantitative methods in tourism and hospitality: a perspective article. *Tourism Review*, 75 (1), 24–28.
- Punj, G. and Stewart, D. W., 1983. Cluster Analysis in Marketing Research: Review and Suggestions for Application. *Journal of Marketing Research*, 20 (2), 134.
- Purcărea, T., 2016. A Holistic Approach of Revenue Management and its Relation to Agile Marketing . Tourist Experience in a ... *Holistic Marketing Management* [online], 6 (4), 16–27. Available from: https://issuu.com/holisticmarketingmanagement/docs/holistic_marketing_management__v_olu_1548c824d3ae6f.
- Rachão, S. A. S., de Jesus Breda, Z., de Oliveira Fernandes, C. and Joukes, V. N. P. M., 2021. Drivers of experience co-creation in food-and-wine tourism: An exploratory quantitative analysis. *Tourism Management Perspectives*, 37 (December 2020).

- Rahi, S., 2017. Research Design and Methods: A Systematic Review of Research Paradigms, Sampling Issues and Instruments Development. *International Journal of Economics & Management Sciences*, 06 (02).
- Rahmawati, R. A. and Arifin, R., 2022. New Journey Through Young Customer Experience in Omnichannel Context : The Role of Personalization A. *Journal of Theory and Applied Management*, 15 (2), 301–311.
- Raja, A. and Yazdanifard, R., 2014. The Implications of Co-Creation Between Businesses and Its Customers on Firms in the Current Market. *American Degree Program, SEGi College Subang Jaya*, 1–8.
- Raja, J. Z., Frandsen, T., Kowalkowski, C. and Jarmatz, M., 2020. Learning to discover value: Value-based pricing and selling capabilities for services and solutions. *Journal of Business Research* [online], 114 (June 2017), 142–159. Available from: <https://doi.org/10.1016/j.jbusres.2020.03.026>.
- Ranjan, K. R. and Read, S., 2016. Value co-creation: concept and measurement. *Journal of the Academy of Marketing Science* [online], 44 (3), 290–315. Available from: <http://dx.doi.org/10.1007/s11747-014-0397-2>.
- Rasool, A., Ul Islam, J. and Shah, F. A., 2022. Elucidating Relational Dynamics between Experiential Value and Customer. *available at SSRN 4065591*.
- Rayna, T., Darlington, J. and Striukova, L., 2015. Pricing music using personal data: mutually advantageous first-degree price discrimination. *Electronic Markets*, 25 (2), 139–154.
- Razavi, R. and Israeli, A. A., 2019. Determinants of online hotel room prices: comparing supply-side and demand-side decisions. *International Journal of Contemporary Hospitality Management*, 31 (5), 2149–2168.
- Redda, E. H., 2020. The Influence of Utilitarian and Hedonic Consumption Values on Consumer Attitude Towards Online Shopping and Purchasing Intentions. *Journal of Reviews on Global Economics*, 9, 331–342.
- Rehman, A. A. and Alharthi, K., 2016. An introduction to research paradigms. *International Journal of Educational Investigations* [online], 3 (8), 51–59. Available from: <https://www.researchgate.net/publication/325022648>.
- Reis, J. L. and Carvalho, J. Á., 2012. Personalized Information Systems: Enabling Technologies

- and Architecture. *7th Iberian Conference on Information Systems and Technologies (CISTI 2012)* [online]. Available from:
<https://pdfs.semanticscholar.org/a557/fa2b91da8c033c170066fd432db9318d5f34.pdf>.
- Reisman, R., Payne, A. and Frow, P., 2019. Pricing in consumer digital markets: A dynamic framework. *Australasian Marketing Journal*, 27 (3), 139–148.
- van der Rest, J. P. I., Sears, A. M., Miao, L. and Wang, L., 2020. A note on the future of personalized pricing: cause for concern. *Journal of Revenue and Pricing Management* [online], 19 (2), 113–118. Available from: <https://doi.org/10.1057/s41272-020-00234-6>.
- Reuland, R., Choudry, J. and Fagel, A., 1985. Research in the field of hospitality. *International Journal of Hospitality Management*, 4 (4), 141–146.
- Reynolds, K. E. and Beatty, S. E., 1999. A relationship customer typology. *Journal of Retailing*, 75 (4), 509–523.
- Rezai, G., Kit Teng, P., Mohamed, Z. and Shamsudin, M. N., 2013. Consumer Willingness to Pay for Green Food in Malaysia. *Journal of International Food and Agribusiness Marketing*, 25 (SUPPL1), 1–18.
- Ribeiro, T. D. L. S. A., Costa, B. K., Ferreira, M. P. and de Lamonica Freire, O. B., 2023. Value co-creation in Toursim and Hospitality: A systematic literature review. *European Management Journal* [online]. Available from: <https://doi.org/10.1016/j.emj.2022.12.001>.
- Riccioli, F., Moruzzo, R., Zhang, Z., Zhao, J., Tang, Y., Tinacci, L., Boncinelli, F., De Martino, D. and Guidi, A., 2020. Willingness to pay in main cities of Zheijiang provice (China) for quality and safety in food market. *Food Control* [online], 108 (May 2019), 106831. Available from: <https://doi.org/10.1016/j.foodcont.2019.106831>.
- Richard, B., 2017. Hotel chains: survival strategies for a dynamic future. *Journal of Tourism Futures*, 3 (1), 56–65.
- Richards, T. J., Liaukonyte, J. and Streletskaia, N. A., 2016. Personalized pricing and price fairness. *International Journal of Industrial Organization* [online], 44, 138–153. Available from: <http://dx.doi.org/10.1016/j.ijindorg.2015.11.004>.
- Riecken, D., 2000. Personalized Views of PERSONALIZATION. *Communications of the ACM*, 43 (8), 26–28.
- Riegger, A. S., Klein, J. F., Merfeld, K. and Henkel, S., 2021. Technology-enabled

personalization in retail stores: Understanding drivers and barriers. *Journal of Business Research* [online], 123, 140–155. Available from: <https://doi.org/10.1016/j.jbusres.2020.09.039>.

Riemer, K. and Totz, C., 2003. The many faces of personalization – An integrative economic overview of mass customization and personalization. *The Customer Centric Enterprise*, 35–50.

Rihova, I., Buhalis, D., Gouthro, M. B. and Moital, M., 2018. Customer-to-customer co-creation practices in tourism: Lessons from Customer-Dominant logic. *Tourism Management* [online], 67, 362–375. Available from: <https://doi.org/10.1016/j.tourman.2018.02.010>.

Rihova, I., Moital, M., Buhalis, D. and Gouthro, M. B., 2019. Practice-based segmentation: taxonomy of C2C co-creation practice segments. *International Journal of Contemporary Hospitality Management*, 31 (9), 3799–3818.

Riley, R. W. and Love, L. L., 2000. The state of qualitative tourism research. *Annals of Tourism Research*, 27 (1), 164–187.

Rishi, M. and Gaur, S. S., 2012. Emerging sales and marketing challenges in the global hospitality industry. A thematic analysis of customer reviews from the world's top two tourist destinations. *Worldwide Hospitality and Tourism Themes*, 4 (2), 131–149.

Romero, D. and Molina, A., 2011. Collaborative networked organisations and customer communities: Value co-creation and co-innovation in the networking era. *Production Planning and Control*, 22 (5–6), 447–472.

Rondan-Cataluña, F. J. and Rosa-Diaz, I. M., 2014. Segmenting hotel clients by pricing variables and value for money. *Current Issues in Tourism*, 17 (1), 60–71.

Rose, J. and Johnson, C. W., 2020. Contextualizing reliability and validity in qualitative research: toward more rigorous and trustworthy qualitative social science in leisure research. *Journal of Leisure Research* [online], 51 (4), 432–451. Available from: <https://doi.org/10.1080/00222216.2020.1722042>.

Rosen, S., 1974. Hedonic prices and implicit markets: Product differentiation in pure competition. *Journal of Political Economy*, 5–26.

Roy, R. and Das, G., 2022. The role of contextual factors in increasing Pay-What-You-Want payments: Evidence from field experiments. *Journal of Business Research* [online], 139

- (October 2021), 1540–1552. Available from:
<https://doi.org/10.1016/j.jbusres.2021.10.073>.
- Roy, R., Sharma, P., Chan, R. Y. K. and Potdar, V., 2021. Exploring the role of spotlight effect in pay-what-you-want (PWYW) pricing—An anchoring and adjustment perspective. *Psychology and Marketing*, 38 (5), 866–880.
- Ryan, F., Coughlan, M. and Cronin, P., 2009. Interviewing in qualitative research: The one-to-one interview, 16 (6), 309–314.
- Ryu, S., Choi, K. and Cho, D., 2021. A behaviour-based typology of travellers using an online travel marketplace. *Current Issues in Tourism* [online], 24 (2), 228–246. Available from:
<https://doi.org/10.1080/13683500.2019.1710477>.
- Sahhar, Y., Loohuis, R. and Henseler, J., 2021. Towards a circumplex typology of customer service experience management practices: a dyadic perspective. *Journal of Service Theory and Practice*, 31 (3), 366–395.
- Sahni, N. S., Wheeler, S. C. and Chintagunta, P., 2018. Personalization in Email Marketing : The Role of Non-Informative Advertising Content. *Marketing science*, 37 (2), 236–58.
- Sahut, J., Hikkerova, L. and Pupion, P., 2016. Perceived unfairness of prices resulting from yield management practices in hotels. *Journal of Business Research* [online], 69 (11), 4901–4906. Available from: <https://doi.org/10.1016/j.jbusres.2016.04.050>.
- Saldana, J., 2013. *The Coding Manual for Qualitative Researchers*. 2nd ed. Sage Publications.
- Sale, J. E. M., Lohfeld, L. H. and Brazil, K., 2002. Revisiting the Quantitative–Qualitative Debate: Implications for Mixed-Methods Research. *Quality & Quantity*, 36 (3), 43–53.
- Salonen, V. and Karjaluoto, H., 2016. Web personalization: The state of the art and future avenues for research and practice. *Telematics and Informatics*, 33 (4), 1088–1104.
- Sánchez-Cañizares, S. M., Cabeza-Ramírez, L. J., Muñoz-Fernández, G. and Fuentes-García, F. J., 2021. Impact of the perceived risk from Covid-19 on intention to travel. *Current Issues in Tourism* [online], 24 (7), 970–984. Available from:
<https://doi.org/10.1080/13683500.2020.1829571>.
- Sánchez-Fernández, R. and Iniesta-Bonillo, M. Á., 2007. The concept of perceived value: A systematic review of the research. *Marketing Theory*, 7 (4), 427–451.

- Sarlay, S. and Neuhofer, B., 2021. Sharing economy disrupting aviation: travelers' willingness to pay. *Tourism Review*, 76 (3), 579–593.
- Saunders, B., Sim, J., Kingstone, T., Baker, S., Waterfield, J., Bartlam, B., Burroughs, H. and Jinks, C., 2018. Saturation in qualitative research: exploring its conceptualization and operationalization. *Quality and Quantity*, 52 (4), 1893–1907.
- Saunders, J. A., 1980. Cluster Analysis for Market Segmentation. *European Journal of Marketing*, 14 (7), 422–435.
- Saunders, M. N. K., Lewis, P. and Thornhill, A., 2019. *Research Methods for Business Students*. Eight. Harlow: Pearson Education.
- El Sawy, O. A. El, Malhotra, A., Park, Y. K. and Pavlou, P. A., 2010. Seeking the Configurations of Digital Ecodynamics : It Takes Three to Tango. *Information Systems Research*, 21 (4), 835–848.
- Schmidt, J. and Bijmolt, T. H. A., 2020. Accurately measuring willingness to pay for consumer goods: a meta-analysis of the hypothetical bias. *Journal of the Academy of Marketing Science*, 48 (3), 499–518.
- Schmidt, K. M., Spann, M. and Zeithammer, R., 2015. Pay what you want as a marketing strategy in monopolistic and competitive markets. *Management Science*, 61 (6), 1217–1236.
- Schmidt, L., Bornschein, R. and Maier, E., 2020. The effect of privacy choice in cookie notices on consumers' perceived fairness of frequent price changes. *Psychology and Marketing*, 37 (9), 1263–1276.
- Schneider, J. and Handali, J. P., 2019. Personalized explanation for machine learning: A conceptualization. *27th European Conference on Information Systems - Information Systems for a Sharing Society, ECIS 2019*, (May).
- Schofield, A., 2019. Personalized pricing in the digital era. *Competition Law Journal*, 18 (1), 35–44.
- Schrage, R., Kenning, P., Guhl, D. and Gabel, S., 2020. Price personalisation technology in retail stores: Examining the role of users' trust. In: *International Conference on Information Systems, ICIS 2020 - Making Digital Inclusive: Blending the Local and the Global*. 0–9.

- Seele, P., Dierksmeier, C., Hofstetter, R. and Schultz, M. D., 2021. Mapping the Ethicality of Algorithmic Pricing: A Review of Dynamic and Personalized Pricing. *Journal of Business Ethics* [online], 170 (4), 697–719. Available from: <https://doi.org/10.1007/s10551-019-04371-w>.
- Sengupta, A., Mittal, S. and Sanchita, K., 2022. How do mid-level managers experience data science disruptions? An in-depth inquiry through interpretative phenomenological analysis (IPA). *Management Decision*, 60 (2), 320–343.
- Seo, Y. and Buchanan-Oliver, M., 2019. Constructing a typology of luxury brand consumption practices. *Journal of Business Research* [online], 99, 414–421. Available from: <https://doi.org/10.1016/j.jbusres.2017.09.019>.
- Septianto, F., Lee, M. S. and Putra, P. G., 2021. Everyday “low price” or everyday “value”? The interactive effects of framing and construal level on consumer purchase intentions. *Journal of Retailing and Consumer Services* [online], 58 (September 2020), 102317. Available from: <https://doi.org/10.1016/j.jretconser.2020.102317>.
- Seraphin, H. and Ivanov, S., 2020. Overtourism: A Revenue Management Perspective. *Journal of Revenue and Pricing Management*, (2020), 1–10.
- Setterstrom, A. J. and Michael Pearson, J., 2019. Social influence and willingness to pay for massively multiplayer online games: An empirical examination of social identity theory. *Communications of the Association for Information Systems*, 44 (1).
- Setyani, V., Zhu, Y. Q., Hidayanto, A. N., Sandhyaduhita, P. I. and Hsiao, B., 2019. Exploring the psychological mechanisms from personalized advertisements to urge to buy impulsively on social media. *International Journal of Information Management* [online], 48 (September 2017), 96–107. Available from: <https://doi.org/10.1016/j.ijinfomgt.2019.01.007>.
- Shahsavari, T., Kubeš, V. and Baran, D., 2020. Willingness to pay for eco-friendly furniture based on demographic factors. *Journal of Cleaner Production*, 250.
- Shamsudin, M. F., Nayan, S. M., Ishak, M. F., Esa, S. A. and Hassan, S., 2020. Role of price perceptions towards customer satisfaction. *Journal of Critical Reviews*, 7 (19), 677–683.
- Shen, A., 2014. Recommendations as personalized marketing: insights from customer experiences. *Journal of Services Marketing*, 28 (5), 414–427.

- Shen, A. and Ball, A. D., 2009. Is personalization of services always a good thing? Exploring the role of technology-mediated personalization (TMP) in service relationships. *Journal of Services Marketing*, 23 (2), 80–92.
- Shen, H., Wu, L., Yi, S. and Xue, L., 2020. The effect of online interaction and trust on consumers' value co-creation behavior in the online travel community. *Journal of Travel and Tourism Marketing* [online], 37 (4), 418–428. Available from: <https://doi.org/10.1080/10548408.2018.1553749>.
- Shiller, B. R., 2020. Approximating Purchase Propensities and Reservation Prices From Broad Consumer Tracking. *International Economic Review*, 61 (2), 847–870.
- Sigala, M., 2013. A framework for designing and implementing effective online coupons in tourism and hospitality. *Journal of Vacation Marketing*, 19 (2), 165–180.
- Smith, A. D., 2006. Exploring service marketing aspects of e-personalization and its impact on online consumer behavior. *Services Marketing Quarterly*, 27 (2), 89–102.
- Smith, A. and Eatough, V., 2021. Interpretive Phenomenological Analysis. In: Lyons, E. and Coyle, A., eds. *Analysing Qualitative Data in Psychology*. Sage Publications, 162–179.
- Smith, A. M., 2013. The value co-destruction process: A customer resource perspective. *European Journal of Marketing*, 47 (11–12), 1889–1909.
- Smith, J. A., 2011. Evaluating the contribution of interpretative phenomenological analysis. *Health Psychology Review*, 5 (1), 9–27.
- Smith, J. A., Flowers, P. and Larkin, M., 2012. *Interpretive Phenomenological Analysis*. Sage Publications.
- Smith, J. A. and Osborn, M., 2015. Interpretative phenomenological analysis as a useful methodology for research on the lived experience of pain. *British Journal of Pain*, 9 (1), 41–42.
- Smith, W. G., 2008. Does gender influence online survey participation? A record-linkage analysis of university faculty online survey response behavior. *ERIC Document Reproduction Service No. ED 501717* [online], 1–21. Available from: <http://files.eric.ed.gov/fulltext/ED501717.pdf>.
- Snyder, H., 2019. Literature review as a research methodology: An overview and guidelines. *Journal of Business Research* [online], 104 (July), 333–339. Available from:

<https://doi.org/10.1016/j.jbusres.2019.07.039>.

- Solakakis, K., Peña-Vinces, J. C. and López-Bonilla, J. M., 2017. DART model from a customer's perspective: An exploratory study in the hospitality industry of Greece. *Problems and Perspectives in Management*, 15 (2), 536–548.
- Solakakis, K., Peña-Vinces, J. and Lopez-Bonilla, J. M., 2022. Value co-creation and perceived value: A customer perspective in the hospitality context. *European Research on Management and Business Economics*, 28 (1).
- Soler, I. P., Gemar, G., Correia, M. B. and Serra, F., 2019. Algarve hotel price determinants: A hedonic pricing model. *Tourism Management* [online], 70 (November 2017), 311–321. Available from: <https://doi.org/10.1016/j.tourman.2018.08.028>.
- Solnet, D., Boztug, Y. and Dolnicar, S., 2016. International Journal of Hospitality Management An untapped gold mine? Exploring the potential of market basket analysis to grow hotel revenue. *International Journal of Hospitality Management* [online], 56, 119–125. Available from: <http://dx.doi.org/10.1016/j.ijhm.2016.04.013>.
- Song, J. H., Kim, H. Y. and Kim, S., 2016. Effects of personalized e-mail messages on privacy risk : Moderating roles of control and intimacy. *Marketing Letters*, 27, 89–101.
- Song, Y. W., Lim, H. S. and Oh, J., 2021. “We think you may like this”: An investigation of electronic commerce personalization for privacy-conscious consumers. *Psychology and Marketing*, 38 (10), 1723–1740.
- Sonnier, G. P., 2014. The market value for product attribute improvements under price personalization. *International Journal of Research in Marketing* [online], 31 (2), 168–177. Available from: <http://dx.doi.org/10.1016/j.ijresmar.2013.09.002>.
- Spicker, P., 2013. Personalisation Falls Short. *British Journal of Social Work*, 43, 1259–1275.
- Sposit, N., 2019. Adapting to digital marketing regulations: The impact of the General Data Protection Regulation on individualised, behaviour-based marketing techniques. *Journal of Digital & Social Media Marketing*, 6 (4), 341–348.
- Srivastava, M., Pandey, N. and Saini, G. K., 2022. Reference price research in marketing: a bibliometric analysis. *Marketing Intelligence and Planning*, 40 (5), 604–623.
- Stangl, B., Kastner, M. and Prayag, G., 2017. Pay-what-you-want for high-value priced services: Differences between potential, new, and repeat customers. *Journal of Business*

Research [online], 74, 168–174. Available from:
<http://dx.doi.org/10.1016/j.jbusres.2016.10.030>.

Stangl, B., Prayag, G. and Polster, L., 2020. Segmenting visitors' motivation, price perceptions, willingness to pay and price sensitivity in a collaborative destination marketing effort. *Current Issues in Tourism* [online], 23 (21), 2666–2682. Available from:
<https://doi.org/10.1080/13683500.2019.1662380>.

Steiner, M. and Hendus, J., 2012. How Consumers' Willingness to Pay is Measured in Practice: An Empirical Analysis of Common Approaches' Relevance. *SSRN Electronic Journal*, 1–7.

Steppe, R., 2017. Online price discrimination and personal data: A General Data Protection Regulation perspective. *Computer Law and Security Review* [online], 33 (6), 768–785. Available from: <https://doi.org/10.1016/j.clsr.2017.05.008>.

Sthapit, E. and Björk, P., 2020. Towards a better understanding of interactive value formation: Three value outcomes perspective. *Current Issues in Tourism*, 23 (6), 693–706.

Sthapit, E. and Björk, P., 2021. Interactive value formation: drivers and outcomes from Airbnb guests' perspectives. *Scandinavian Journal of Hospitality and Tourism* [online], 21 (2), 129–147. Available from: <https://doi.org/10.1080/15022250.2020.1828163>.

Sthapit, E., Del Chiappa, G., Coudounaris, D. N. and Bjork, P., 2020. Determinants of the continuance intention of Airbnb users: consumption values, co-creation, information overload and satisfaction. *Tourism Review*, 75 (3), 511–531.

Stienmetz, J., Jamie, J., Xiang, Z. and Fesenmaier, D. R., 2021. Managing the structure of tourism experirnce: Foundations for tourism design. *Journal of Destination Marketing & Management* [online], 19 (September 2018), 100408. Available from:
<https://doi.org/10.1016/j.jdmm.2019.100408>.

Stiglbauer, B. and Kovacs, C., 2019. Need for Uniqueness Determines Reactions to Web-Based Personalized Advertising. *Psychological Reports*, 122 (1), 246–267.

Strandvik, T. and Heinonen, K., 2015. Essentials of customer dominant logic. *Journal of Service Marketing*, (JUNE).

Strandvik, T., Heinonen, K. and Vollmer, S., 2019. Revealing business customers' hidden value formation in service. *Journal of Business and Industrial Marketing*, 34 (6), 1145–1159.

- Strycharz, J., van Noort, G., Helberger, N. and Smit, E., 2019. Contrasting perspectives – practitioner’s viewpoint on personalised marketing communication. *European Journal of Marketing*, 53 (4), 635–660.
- Stylos, N., Zwiendelaar, J. and Buhalis, D., 2021. Big data empowered agility for dynamic, volatile, and time-sensitive service industries: the case of tourism sector. *International Journal of Contemporary Hospitality Management*, 33 (3), 1015–1036.
- Suci, A., Maryanti, S., Hardi, H. and Sudiar, N., 2021. Willingness to pay for traditional ready-to-eat food packaging: examining the interplay between shape, font and slogan. *Asia Pacific Journal of Marketing and Logistics*.
- Suder, M., Duda, J., Kusa, R. and Mora-Cruz, A., 2022. At the crossroad of digital and tourism entrepreneurship: mediating effect of digitalization in hospitality industry. *European Journal of Innovation Management*.
- Sundler, A. J., Lindberg, E., Nilsson, C. and Palmér, L., 2019. Qualitative thematic analysis based on descriptive phenomenology. *Nursing Open*, 6 (3), 733–739.
- Sunikka, A. and Bragge, J., 2008. What, who and where: Insights into personalization. *Proceedings of the Annual Hawaii International Conference on System Sciences*, 1–10.
- Sunikka, A. and Bragge, J., 2012. Applying text-mining to personalization and customization research literature - Who, what and where? *Expert Systems with Applications* [online], 39 (11), 10049–10058. Available from: <http://dx.doi.org/10.1016/j.eswa.2012.02.042>.
- Surprenant, C. F. and Solomon, M. R., 1987. Predictability and Personalization in the Service Encounter. *Journal of Marketing*, 51 (2), 86.
- Sutanto, J., Palme, E., Tan, C. and Phang, C., 2013. Addressing the Personalization-Privacy Paradox: An Empirical Assessment from a Field Experiment on Smartphone Users. *Management Information Systems Research Center*, 37 (4), 1141–1164.
- Sweeney, J. C. and Soutar, G. N., 2001. Customer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77 (2), 203–220.
- Tabachnik, B. G. and Fidell, L. S., 2007. *Experimental Designs Using ANOVA*. Revista de Administração Contemporânea. Belmont.
- Taber, K. S., 2018. The Use of Cronbach’s Alpha When Developing and Reporting Research Instruments in Science Education. *Research in Science Education*, 48 (6), 1273–1296.

- Taherdoost, H., 2019. What Is the Best Response Scale for Survey and Questionnaire Design; Review of Different Lengths of Rating Scale / Attitude Scale / Likert Scale. *International Journal of Academic Research in Management (IJARM)*, 8 (1), 2296–1747.
- Talón-Ballesteros, P., Nieto-García, M. and González-Serrano, L., 2022. The wheel of dynamic pricing: Towards open pricing and one to one pricing in hotel revenue management. *International Journal of Hospitality Management*, 102.
- Tam, K. Y. and Ho, S. Y., 2006. Understanding the impact of Web personalization on user information processing and decision outcomes. *MIS Quarterly: Management Information Systems*, 30 (4), 865–890.
- Tang, C. M. F. and Lam, D., 2017. The role of extraversion and agreeableness traits on Gen Y's attitudes and willingness to pay for green hotels. *International Journal of Contemporary Hospitality Management*, 29 (1), 607–623.
- Tansomboon, C., Gerard, L. F., Vitale, J. M. and Linn, M. C., 2017. Designing Automated Guidance to Promote Productive Revision of Science Explanations. *International Journal of Artificial Intelligence in Education*, 27 (4), 729–757.
- Tavakol, M. and Dennick, R., 2011. Making sense of Cronbach's alpha. *International journal of medical education*, 2, 53–55.
- Teddlie, C. and Tashakkori, A., 2010. Overview of contemporary issues in mixed methods research. In: *Sage handbook of mixed methods in social and behavioral research*. 1–44.
- Teddlie, C. and Tashakkori, A., 2012. Common 'Core' Characteristics of Mixed Methods Research: A Review of Critical Issues and Call for Greater Convergence. *American Behavioral Scientist*, 56 (6), 774–788.
- van Teijlingen, E. R. and Hundley, V., 2001. The importance of pilot studies. *Social Research Update*, 35, 1–4.
- Thabane, L., Ma, J., Chu, R., Cheng, J., Ismaila, A., Rios, L. P., Robson, R., Thabane, M., Giangregorio, L. and Goldsmith, C. H., 2010. A tutorial on pilot studies: The what, why and how. *BMC Medical Research Methodology*, 10 (1), 1–10.
- Thietart, R. A., Girod-Seville, M., Perret, V., Allard-Poesi, F., Charreire, S., Durieux, F., Baumard, P., Ibert, J. and Al., E., 2001. *Doing management research a comprehensive guide*. Sage Publications.

- Thompson, C. J., 1997. Interpreting Consumers : A Hermeneutical Framework for Deriving Marketing Insights from the Texts of Consumers' Consumption Stories. *Journal of Marketing Research*, 34 (4), 438–455.
- Tiihonen, J. and Felfernig, A., 2017. An introduction to personalization and mass customization. *Journal of Intelligent Information Systems* [online], 49 (1), 1–7. Available from: <http://dx.doi.org/10.1007/s10844-017-0465-4>.
- To, P. L., Liao, C. and Lin, T. H., 2007. Shopping motivations on Internet: A study based on utilitarian and hedonic value. *Technovation*, 27 (12), 774–787.
- Tobin, G. A. and Begley, C. M., 2004. Methodological rigour within a qualitative framework. *Journal of Advanced Nursing*, 48 (4), 388–396.
- Tomczyk, A. T., Buhalis, D., Fan, D. X. F. and Williams, N. L., 2022. Price-personalization : Customer typology based on hospitality business. *Journal of Business Research* [online], 147, 462–476. Available from: <https://doi.org/10.1016/j.jbusres.2022.04.036>.
- Tong, C., Wong, S. K.-S. and Lui, K. P.-H., 2012. The Influences of Service Personalization , Customer Satisfaction and The Influences of Service Personalization , Customer Satisfaction and Switching Costs on E-Loyalty. *International Journal of Economics and Finance*, 4 (3), 105–114.
- Torkamaan, H., Barbu, C. M. and Ziegler, J., 2019. How Can They Know That ? A Study of Factors Afecting the Creepiness of Recommendations. *In: 13th ACM Conference on Recommender Systems*. 423–427.
- Torres, E. N., Lugosi, P., Orłowski, M. and Ronzoni, G., 2018. Consumer-led experience customization: a socio-spatial approach. *Journal of Service Management*, 29 (2), 206–229.
- Torrìco, B. H. and Frank, B., 2019. Consumer desire for personalisation of products and services : cultural antecedents and consequences for customer evaluations. *Total Quality Management & Business Excellence* [online], 30 (4), 355–369. Available from: <https://doi.org/10.1080/14783363.2017.1304819>.
- Tossell, C. C., Kortum, P., Shepard, C., Rahmati, A. and Zhong, L., 2012. An empirical analysis of smartphone personalisation: Measurement and user variability. *Behaviour and Information Technology*, 31 (10), 995–1010.
- Tourangeau, R. and Smith, T. W., 1996. Asking sensitive questions: The impact of data

collection mode, question format, and question context. *Public Opinion Quarterly*, 60 (2), 275–304.

- Tran, T. P., 2017. Personalized ads on Facebook: An effective marketing tool for online marketers. *Journal of Retailing and Consumer Services*, 39 (June), 230–242.
- Tran, T. and Yerbury, H., 2015. New Perspectives on Personalised Search Results: Expertise and Institutionalisation. *Australian Academic and Research Libraries* [online], 46 (4), 277–290. Available from: <http://dx.doi.org/10.1080/00048623.2015.1077302>.
- Treiblmaier, H. and Pollach, I., 2007. Users' perceptions of benefits and costs of personalization. *ICIS 2007 Proceedings - Twenty Eighth International Conference on Information Systems*, 1–15.
- Troussas, C., Krouska, A. and Sgouropoulou, C., 2020. Collaboration and fuzzy-modeled personalization for mobile game-based learning in higher education. *Computers and Education* [online], 144 (February 2019), 103698. Available from: <https://doi.org/10.1016/j.compedu.2019.103698>.
- Truong, D., Xiaoming Liu, R. and Yu, J. (Jasper), 2020. Mixed methods research in tourism and hospitality journals. *International Journal of Contemporary Hospitality Management*, 32 (4), 1563–1579.
- Tsai, C. F., Lin, W. C., Hu, Y. H. and Yao, G. T., 2019. Under-sampling class imbalanced datasets by combining clustering analysis and instance selection. *Information Sciences* [online], 477, 47–54. Available from: <https://doi.org/10.1016/j.ins.2018.10.029>.
- Tu, Y. J., Neuhofer, B. and Viglia, G., 2018. When co-creation pays: stimulating engagement to increase revenues. *International Journal of Contemporary Hospitality Management*, 30 (4), 2093–2111.
- Tuzhilin, A., 2009. Personalization: The state of the art and future directions. In: *Handbook of Business Computing Business Computing*. 3–43.
- Tynan, C., McKechnie, S. and Hartley, S., 2014. Interpreting value in the customer service experience using customer-dominant logic. *Journal of Marketing Management* [online], 30 (9–10), 1058–1081. Available from: <http://dx.doi.org/10.1080/0267257X.2014.934269>.
- Tyrväinen, O., Karjaluoto, H. and Saarijärvi, H., 2020. Personalization and hedonic motivation in creating customer experiences and loyalty in omnichannel retail. *Journal of Retailing*

- and Consumer Services*, 57 (July).
- Urry, J., 2005. The complexity turn. *Theory, Culture and Society*, 22 (5), 1–14.
- Vargo, S. L., 2008. Customer integration and value creation: Paradigmatic traps and perspectives. *Journal of Service Research*, 11 (2), 211–215.
- Vargo, S. L., 2011. On marketing theory and service-dominant logic: Connecting some dots. *Marketing Theory*, 11 (1), 3–8.
- Vargo, S. L., Koskela-Huotari, K. and Vink, J., 2020. Service-Dominant Logic : Foundations and Applications. In: Bridges, E. and Fowler, K., eds. *The routledge Handbook of Service Research and Applications*. New York, 3–23.
- Vargo, S. L. and Lusch, R. F., 2004. Evolving to a new dominant logic for marketing. *Journal of Marketing*, 68 (January), 1–17.
- Vargo, S. L. and Lusch, R. F., 2008a. From goods to service(s): Divergences and convergences of logics. *Industrial Marketing Management*, 37 (3), 254–259.
- Vargo, S. L. and Lusch, R. F., 2008b. Service-dominant logic: Continuing the evolution. *Journal of the Academy of Marketing Science*, 36 (1), 1–10.
- Vargo, S. L. and Lusch, R. F., 2014. Inversions of service-dominant logic. *Marketing Theory*, 14 (3), 239–248.
- Vargo, S. L. and Lusch, R. F., 2016. Institutions and axioms: an extension and update of service-dominant logic. *Journal of the Academy of Marketing Science*, 44 (1), 5–23.
- Vargo, S. L. and Lusch, R. F., 2017. Service-dominant logic 2025. *International Journal of Research in Marketing* [online], 34 (1), 46–67. Available from: <http://dx.doi.org/10.1016/j.ijresmar.2016.11.001>.
- Vargo, S. L., Maglio, P. P. and Akaka, M. A., 2008. On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, 26 (3), 145–152.
- Vaz, V. M. and Kumar, L., 2021. 3D Printing as a Promising Tool in Personalized Medicine. *AAPS PharmSciTech*, 22 (1).
- Venkatesan, R., 2017. Executing on a customer engagement strategy. *Journal of the Academy of Marketing Science*, 45, 289–293.

- Vesanen, J., 2007. What is personalization? A conceptual framework. *European Journal of Marketing*, 41 (5–6), 409–418.
- Vesanen, J. and Raulas, M., 2006. Building bridges for personalization: A process model for marketing. *Journal of Interactive Marketing*, 20 (1), 5–20.
- Viglia, G., 2022. Price. *Encyclopedia of Tourism Management and Marketing*.
- Viglia, G. and Abrate, G., 2014. How social comparison influences reference price formation in a service context. *Journal of Economic Psychology* [online], 45, 168–180. Available from: <http://dx.doi.org/10.1016/j.joep.2014.09.003>.
- Viglia, G. and Abrate, G., 2017. When distinction does not pay off - Investigating the determinants of European agritourism prices. *Journal of Business Research* [online], 80 (November 2016), 45–52. Available from: <https://doi.org/10.1016/j.jbusres.2017.07.004>.
- Viglia, G. and Abrate, G., 2020. Revenue and yield management: a perspective article. *Tourism Review*, 75 (1), 294–298.
- Viglia, G., De Canio, F., Stoppani, A., Invernizzi, A. C. and Cerutti, S., 2021. Adopting revenue management strategies and data sharing to cope with crises. *Journal of Business Research* [online], 137 (August), 336–344. Available from: <https://doi.org/10.1016/j.jbusres.2021.08.049>.
- Viglia, G. and Dolnicar, S., 2020. A review of experiments in tourism and hospitality. *Annals of Tourism Research* [online], 80 (August 2019), 102858. Available from: <https://doi.org/10.1016/j.annals.2020.102858>.
- Viglia, G., Mauri, A. and Carricano, M., 2016. The exploration of hotel reference prices under dynamic pricing scenarios and different forms of competition. *International Journal of Hospitality Management* [online], 52, 46–55. Available from: <http://dx.doi.org/10.1016/j.ijhm.2015.09.010>.
- Viglia, G., Minazzi, R. and Buhalis, D., 2016. The influence of e-word-of-mouth on hotel occupancy rate. *International Journal of Contemporary Hospitality Management*, 28 (9), 2035–2051.
- Viglia, G., Pera, R., Dyussebayeva, S., Mifsud, M. and Hollebeek, L. D., 2023. Engagement and value cocreation within a multi-stakeholder service ecosystem. *Journal of Business Research* [online], 157 (June 2022), 113584. Available from:

<https://doi.org/10.1016/j.jbusres.2022.113584>.

- Viglia, G., Zaefarian, G. and Ulqinaku, A., 2021. How to design good experiments in marketing : Types , examples , and methods. *Industrial Marketing Management* [online], 98 (February), 193–206. Available from: <https://doi.org/10.1016/j.indmarman.2021.08.007>.
- Vinod, B., Ratliff, R. and Jayaram, V., 2018. An approach to offer management: Maximizing sales with fare products and ancillaries. *Journal of Revenue and Pricing Management* [online], 17 (2), 91–101. Available from: <https://doi.org/10.1057/s41272-017-0121-1>.
- Vives, A., Jacob, M. and Payeras, M., 2018. Revenue management and price optimization techniques in the hotel sector: A critical literature review. *Tourism Economics*, 24 (6), 720–752.
- Vo-Thanh, T., Zaman, M., Hasan, R., Rather, R. A., Lombardi, R. and Secundo, G., 2021. How a mobile app can become a catalyst for sustainable social business: The case of Too Good To Go. *Technological Forecasting and Social Change* [online], 171 (June), 120962. Available from: <https://doi.org/10.1016/j.techfore.2021.120962>.
- Voelckner, F., 2006. An empirical comparison of methods for measuring consumers' willingness to pay. *Marketing Letters*, 17 (2), 137–149.
- Voima, P., Heinonen, K. and Strandvik, T., 2010. Exploring customer value formation – a customer dominant logic perspective. *Publications of Hanken School of Economics* [online], (552), 1–17. Available from: <http://www.hanken.fi/public>.
- Volchek, K., Law, R., Buhalis, D. and Song, H., 2020. Exploring ways to improve personalisation: The influence of tourist context on service perception. *e-Review of Tourism Research*, 17 (5), 737–752.
- Volchek, K., Yu, J., Neuhofer, B., Egger, R. and Rainoldi, M., 2021. Co-creating Personalised Experiences in Context of the Personalisation-Privacy Paradox. In: Wordll, W., Koo, C., and Stienmetz, J. L., eds. *Information and Communication Technologies in Tourism 2021*. Springer, 95–108.
- Wagner, R. L. and Pacheco, N. A., 2020. Name-your-own-price as participative pricing strategy: a review of the literature from 2001–2017. *Journal of Strategic Marketing* [online], 28 (7), 583–600. Available from: <https://doi.org/10.1080/0965254X.2019.1569108>.

- Wagner, R. L., Pacheco, N. A., Basso, K., Rech, E. and Pinto, D. C., 2022. Consumer reactions to pay-what-you-want and name-your-own-price mechanisms. *Journal of Consumer Behaviour*, 21 (4), 641–652.
- Walton, C., 2021. Interviews and Interviewing. In: Lyons, E. and Coyle, A., eds. *Analysing Qualitative Data in Psychology*. Sage Publications, 485.
- Wang, C., Wang, Q., Feng, T. and Zhang, Y., 2020. The influence of service category, consumers' narcissism and processing mode on service customization consumption. *Asia Pacific Journal of Marketing and Logistics*, 33 (7), 1556–1577.
- Wang, J. C., Wang, Y. C. and Tai, Y. F., 2016. Systematic review of the elements and service standards of delightful service. *International Journal of Contemporary Hospitality Management*, 28 (7), 1310–1337.
- Wang, K. L. and Groth, M., 2014. Buffering the negative effects of employee surface acting: The moderating role of employee-customer relationship strength and personalized services. *Journal of Applied Psychology*, 99 (2), 341–350.
- Wang, M., Cho, S. and Denton, T., 2017. The impact of personalization and compatibility with past experience on e-banking usage. *International Journal of Bank Marketing*, 35 (1), 45–55.
- Wang, M. Y., Zhang, P. Z., Zhou, C. Y. and Lai, N. Y., 2019. Effect of emotion, expectation, and privacy on purchase intention in wechat health product consumption: The mediating role of trust. *International Journal of Environmental Research and Public Health*, 16 (20).
- Wang, T. and Hu, M. Y., 2019. Differential pricing with consumers' valuation uncertainty by a monopoly. *Journal of Revenue and Pricing Management* [online], 18 (3), 247–255. Available from: <https://doi.org/10.1057/s41272-018-00166-2>.
- Wang, X. L., 2012a. Relationship or revenue: Potential management conflicts between customer relationship management and hotel revenue management. *International Journal of Hospitality Management* [online], 31 (3), 864–874. Available from: <http://dx.doi.org/10.1016/j.ijhm.2011.10.005>.
- Wang, X. L., 2012b. The impact of revenue management on hotel key account relationship development. *International Journal of Contemporary Hospitality Management*, 24 (3), 358–380.

- Wang, X. L. and Brennan, R., 2014. A framework for key account management and revenue management integration. *Industrial Marketing Management* [online], 43 (7), 1172–1181. Available from: <http://dx.doi.org/10.1016/j.indmarman.2014.06.006>.
- Wang, X., Sun, J. and Wen, H., 2019. Tourism seasonality, online user rating and hotel price: A quantitative approach based on the hedonic price model. *International Journal of Hospitality Management* [online], 79 (January), 140–147. Available from: <https://doi.org/10.1016/j.ijhm.2019.01.007>.
- Wang, Y., Liu, X., Huang, M., Zuo, J. and Rameezdeen, R., 2020. Received vs. given: Willingness to pay for sponge city program from a perceived value perspective. *Journal of Cleaner Production* [online], 256, 120479. Available from: <https://doi.org/10.1016/j.jclepro.2020.120479>.
- Wang, Z., Zhang, M., Sun, H. and Zhu, G., 2016. Effects of standardization and innovation on mass customization: An empirical investigation. *Technovation* [online], 48–49, 79–86. Available from: <http://dx.doi.org/10.1016/j.technovation.2016.01.003>.
- Waryszak, R. Z. and Kim, H., 1995. Psychographic segmentation of tourists as a predictor of their travel behaviour: An exploratory study of korean tourists to australia. *Journal of Hospitality and Leisure Marketing*, 2 (4), 5–19.
- Watanabe, E. A. de M., Alfinito, S., Castelo Branco, T. V., Felix Raposo, C. and Athayde Barros, M., 2023. The Consumption of Fresh Organic Food: Premium Pricing and the Predictors of Willingness to Pay. *Journal of Food Products Marketing* [online], 1–15. Available from: <https://doi.org/10.1080/10454446.2023.2185118>.
- Watkins, M. W., 2018. Exploratory Factor Analysis: A Guide to Best Practice. *Journal of Black Psychology*, 44 (3), 219–246.
- Webb, T., Ma, J. and Cheng, A., 2023. Variable Pricing in Restaurant Revenue Management: A Priority Mixed Bundle Strategy. *Cornell Hospitality Quarterly*, 64 (1), 22–33.
- Wedel, M. and Kannan, P. K., 2016. Marketing analytics for data-rich environments. *Journal of Marketing*, 80 (6), 97–121.
- Weinstein, A., 2020. Creating Superior Customer Value in the Now Economy. *Journal of Creating Value*, 6 (1), 20–33.
- Weisstein, F. L., Choi, P. and Andersen, P., 2019. The role of external reference price in pay-

what-you-want pricing: An empirical investigation across product types. *Journal of Retailing and Consumer Services* [online], 50 (March 2018), 170–178. Available from: <https://doi.org/10.1016/j.jretconser.2019.05.017>.

Wessel, M. and Thies, F., 2015. The effects of personalization on purchase intentions for online news: An experimental study of different personalization increments. *23rd European Conference on Information Systems, ECIS 2015*, 2015-May (May).

Wiles, A. and Crawford, A., 2017. Network hospitality in the share economy: Understanding guest experiences and the impact of sharing on lodging. *International Journal of Contemporary Hospitality Management*, 29 (9), 2444–2463.

Williams, B., Onsmann, A. and Brown, T., 2012. Exploratory factor analysis: A five-step guide for novices. *Australasian Journal of Paramedicine* [online], 8 (3), 1–13. Available from: <http://ro.ecu.edu.au/jephc/vol8/iss3/1>.

Wind, J. and Rangaswamy, A., 2001. Customerization: The next revolution in mass customization. *Journal of Interactive Marketing* [online], 15 (1), 13–32. Available from: [http://dx.doi.org/10.1002/1520-6653\(200124\)15:1%3C13::AID-DIR1001%3E3.0.CO;2-#](http://dx.doi.org/10.1002/1520-6653(200124)15:1%3C13::AID-DIR1001%3E3.0.CO;2-#).

Winegar, A. G. and Sunstein, C. R., 2019. How Much Is Data Privacy Worth? A Preliminary Investigation. *Journal of Consumer Policy*, 42 (3), 425–440.

Wong, G., Greenhalgh, T., Westhorp, G., Buckingham, J. and Pawson, R., 2013. RAMESES publication standards: Meta-narrative reviews. *Journal of Advanced Nursing*, 69 (5), 987–1004.

Wong, K. K. F. and Kim, S., 2012. Exploring the differences in hotel guests' willingness-to-pay for hotel rooms with different views. *International Journal of Hospitality and Tourism Administration*, 13 (1), 67–93.

Wong, K. L., Ong, S. F. and Kuek, T. Y., 2012. Constructing a survey questionnaire to collect data on service quality of business academics. *European Journal of Social Sciences*, 29 (2), 209–221.

Wong, K. M., Musa, G. and Wong, E. S. K., 2011. A review of philosophical assumptions in management research. *African Journal of Business Management*, 5 (29), 11546–11550.

Woodside, A. G., 2014. Embrace reform model: Complexity theory, contrarian case analysis,

- and multiple realities. *Journal of Business Research* [online], 67 (12), 2495–2503.
Available from: <http://dx.doi.org/10.1016/j.jbusres.2014.07.006>.
- Wu, D., Im, I., Tremaine, M., Instone, K. and Turoff, M., 2003. A framework for classifying personalization scheme used on e-commerce Websites. *Proceedings of the 36th Annual Hawaii International Conference on System Sciences, HICSS 2003*, 12–23.
- Wu, J., Li, L. and Xu, L. Da, 2014. A randomized pricing decision support system in electronic commerce. *Decision Support Systems*, 58 (1), 43–52.
- Xia, L. and Bechwati, N. N., 2008. Word of Mouse: The Role of Cognitive Personalization in Online Consumer Reviews. *Journal of Interactive Advertising* [online], 9 (1), 3–13.
Available from: <https://doi.org/10.1080/15252019.2008.10722143>.
- Xie, K. L. and Kwok, L., 2017. The effects of Airbnb’s price positioning on hotel performance. *International Journal of Hospitality Management* [online], 67 (December 2016), 174–184.
Available from: <https://doi.org/10.1016/j.ijhm.2017.08.011>.
- Xu, H., Luo, X., Carroll, J. M. and Rosson, M. B., 2011. The personalization privacy paradox: An exploratory study of decision making process for location-aware marketing. *Decision Support Systems* [online], 51 (1), 42–52. Available from:
<http://dx.doi.org/10.1016/j.dss.2010.11.017>.
- Yadav, R., Balaji, M. S. and Jebarajakirthy, C., 2019. How psychological and contextual factors contribute to travelers’ propensity to choose green hotels? *International Journal of Hospitality Management* [online], 77 (April 2018), 385–395. Available from:
<https://doi.org/10.1016/j.ijhm.2018.08.002>.
- Yeoman, I., 2016. The history of revenue and pricing management – 15 years and more. *Journal of Revenue and Pricing Management*, 15 (3–4), 185–196.
- Yeoman, I., 2022. The value of revenue management and pricing in a challenging environment. *Journal of Revenue and Pricing Management* [online], (0123456789), 22–23. Available from: <https://doi.org/10.1057/s41272-022-00395-6>.
- Yeoman, I., Oskam, J. and Postma, A., 2016. The future of hotels: Vacation marketing , service design and management. *Journal of Vacation Marketing*, 22 (3), 197–198.
- Yim, E. S., Lee, S. and Kim, W. G., 2014. Determinants of a restaurant average meal price: An application of the hedonic pricing model. *International Journal of Hospitality*

Management [online], 39, 11–20. Available from:
<http://dx.doi.org/10.1016/j.ijhm.2014.01.010>.

Yoganathan, V., Osburg, V. S., H. Kunz, W. and Toporowski, W., 2021. Check-in at the Robo-desk: Effects of automated social presence on social cognition and service implications. *Tourism Management* [online], 85 (February), 104309. Available from:
<https://doi.org/10.1016/j.tourman.2021.104309>.

Yonezawa, S., McClure, L. and Jones, M., 2012. Personalization in Schools. *Education Digest*, (November), 28.

Yoseph, F., Malim, N. H. A. H. and AlMalaily, M., 2019. New Market Segmentation Methods Using Enhanced (RFM), CIV, Modified Regression and Clustering Methods. *International Journal of Computer Science and Information Technology*, 11 (01), 43–60.

Yousefi Nooraie, R., Sale, J. E. M., Marin, A. and Ross, L. E., 2020. Social Network Analysis: An Example of Fusion Between Quantitative and Qualitative Methods. *Journal of Mixed Methods Research*, 14 (1), 110–124.

Zaborek, P. and Mazur, J., 2019. Enabling value co-creation with consumers as a driver of business performance: A dual perspective of Polish manufacturing and service SMEs. *Journal of Business Research* [online], 104 (December 2017), 541–551. Available from:
<https://doi.org/10.1016/j.jbusres.2018.12.067>.

Zaki, M., 2019. Digital transformation : harnessing digital technologies for the next generation of services. *Journal of Services Marketing*, 4 (January), 429–435.

Zamfir, M., 2013. Personalisation through personal budgets: its effectiveness for older adults in social care services . Findings from an English-based literature review. *Research, Policy and Planning*, 30 (2), 77–89.

Zanker, M., Rook, L. and Jannach, D., 2019. Measuring the impact of online personalisation: Past, present and future. *International Journal of Human Computer Studies* [online], 131 (January), 160–168. Available from: <https://doi.org/10.1016/j.ijhcs.2019.06.006>.

Zeithaml, V. A., 1988. Communication and Control Processes in the Delivery of Service Quality. *Journal of Marketing* [online], 52 (2), 35. Available from:
<https://www.researchgate.net/publication/245704883> [Accessed 4 Dec 2019].

Zeithaml, V. A., Verleye, K., Hatak, I., Koller, M. and Zauner, A., 2020. Three Decades of

- Customer Value Research: Paradigmatic Roots and Future Research Avenues. *Journal of Service Research*, 23 (4), 409–432.
- Zhan, J., Zhang, Z., Zhang, S., Zhao, J. and Wang, F., 2022. Manufacturing servitization in the digital economy: a configurational analysis from dynamic capabilities and lifecycle perspective. *Industrial Management and Data Systems*.
- Zhang, G., Law, C. C. H., Zhang, Y. and Yang, H., 2021. Price Discrimination and Yield Management in the Airline Industry. *International Encyclopedia of Transportation*, 404–408.
- Zhang, H., Zhang, J., Lu, S., Cheng, S. and Zhang, J., 2011. Modeling hotel room price with geographically weighted regression. *International Journal of Hospitality Management* [online], 30 (4), 1036–1043. Available from: <http://dx.doi.org/10.1016/j.ijhm.2011.03.010>.
- Zhang, J. and Wedel, M., 2009. The effectiveness of customized promotions in online and offline stores. *Journal of Marketing Research*, 46 (2), 190–206.
- Zhang, J. Z. and Chang, C. W., 2021. Consumer dynamics: theories, methods, and emerging directions. *Journal of the Academy of Marketing Science*, 49 (1), 166–196.
- Zhang, T. C., Jahromi, M. F. and Kizildag, M., 2018. Value co-creation in a sharing economy: The end of price wars? *International Journal of Hospitality Management* [online], 71 (May 2017), 51–58. Available from: <https://doi.org/10.1016/j.ijhm.2017.11.010>.
- Zhang, T., Lu, C., Torres, E. and Cobanoglu, C., 2020. Value co-creation and technological progression: a critical review. *European Business Review*, 32 (4), 687–707.
- Zhang, Z., Ye, Q. and Law, R., 2011. Determinants of hotel room price: An exploration of travelers' hierarchy of accommodation needs. *International Journal of Contemporary Hospitality Management*, 23 (7), 972–981.
- Zhao, J., 2021. Synergy between Customer Segmentation and Personalization. *Journal of Systems Science and Systems Engineering*, 30 (0), 276–287.
- Zhen, J., Zhao, L. and Yan, J., 2017. Why would people purchase personalized products online? An explanatory study. *Journal of Information Technology Management* [online], XXVIII (4), 18–30. Available from: <http://jitm.ubalt.edu/XXVIII-4/article2.pdf>.
- Zheng, P., Yu, S., Wang, Y., Zhong, R. Y. and Xu, X., 2017. User-experience Based Product Development for Mass Personalization: A Case Study. *Procedia CIRP* [online], 63, 2–7.

Available from: <http://dx.doi.org/10.1016/j.procir.2017.03.122>.

Zhu, H., Ou, C. X. J., Heuvel, W. J. A. M. Van Den and Liu, H., 2017. Information & Management Privacy calculus and its utility for personalization services in e-commerce : An analysis of consumer decision-making. *Information & Management* [online], 54 (4), 427–437. Available from: <http://dx.doi.org/10.1016/j.im.2016.10.001>.

Zou, S. and Petrick, J. F., 2021. Left-Digit Effect in Tourists' Price Evaluations: The Moderating Role of Price Level and Composite Price. *Journal of Travel Research*, 60 (8), 1654–1666.

Zuiderveen Borgesius, F. and Poort, J., 2017. Online Price Discrimination and EU Data Privacy Law. *Journal of Consumer Policy*, 40 (3), 347–366.

Appendix 1 – Price-personalization: Customer typology based on hospitality business

Price-personalization:

Customer typology based on hospitality business

Highlights

- Customers expect personalization but are not always willing to pay more for it
- Willingness to pay for personalization is influenced by a number of factors
- Six customer types were identified regarding personalization and willingness to pay
- Revenue managers should use customer personalization preferences in pricing strategies

**Price-personalization:
Customer typology based on hospitality business**

Abstract

Personalization drives value co-creation and willingness to pay for customers. Consumers are keen to receive personalized services but have various willingness to pay for the personalization process. The willingness to pay is influenced by motives for customer purchase behavior and personalization expectations in a specific context. It also depends on disposable income and the availability of resources, as well as the severity of requirements. The results indicate that customers comprise a heterogeneous market concerning their personalization expectations and willingness to pay. The paper proposes a customer typology based on a conceptual framework that includes personalization, willingness to pay, customer philosophy, and novelty-familiarity continuum. By analyzing data from thirty-eight semi-structured interviews, six customer types are proposed, namely: Budget Adventurer, Family Explorer, Relation Seeker, Relaxation Seeker, Delight Seeker, and Must-Have Customer. The findings suggest that revenue managers should understand customer personalization preferences for each type in order to develop effective pricing strategies.

Keywords: Personalization, willingness to pay, value co-creation, typology, hospitality

**Price-personalization:
Customer typology based on hospitality business**

1. Introduction

Personalization supports the co-creation of experiences by providing products and services that fit the customer's context, preferences, and tastes (Fan & Poole, 2006). When making a purchase, customers can require considerable search time for information to make the right decision (Nieto-García, Muñoz-Gallego, & Gonzalez-Benito, 2020). Also, customer expectations of personalization (CeoP) depend on individual context and preferences. Past research has revealed different values of customer's willingness to pay (WTP) for product personalization (Kalantari & Johnson, 2018; Kuo & Cranage, 2012; Li & Unger, 2012) through various attributes (Masiero, Heo, & Pan, 2015), word-of-mouth (Nieto-García, Muñoz-Gallego, & González-Benito, 2017) or sustainability (Modica, Altinay, Farmaki, Gursoy, & Zenga, 2020). Personalization has been addressed through: recommendations (Prakash, Gandhi, & Jain, 2021), customer service solutions such as intelligent conversational agents (text or voice-based Chabot's or robots) (Ling, Tussyadiah, Tuomi, Stienmetz, & Ioannou, 2021), and customer service systems (CSS) (Bonaretti, Bartosiak, Lui, Piccoli, & Marchesani, 2020; Piccoli, Lui, & Grün, 2017).

Customer heterogeneity generates the basis for segmentation, positioning, marketing campaigns and pricing strategies (Rondan-Cataluña & Rosa-Diaz, 2014). Abrate, Fraquelli, and Viglia (2012) illustrated that hotel pricing structures primarily reflect the type of customer, the star rating and the number of suppliers with available rooms. Hitherto, research on price personalization has centred on the technical level (Ban & Keskin, 2017; Ghose & Huang, 2009) or legal considerations (Gerlick & Liozu, 2020).

Appendix 2 - Interview Instrument

Interview instrument – Qualitative phase 2

Interview Brief

1. Purpose of the interview

This interview aims to explore customer perception of personalised hotel offerings and how this impacts willingness to pay from a customer perspective.

I am interested in how the customer's willingness to pay changes based on personalised hospitality products and service offerings. In this research, hotel products and services are perceived as a combination of a tangible room and intangible service the hospitality establishment provides. So I will be asking you questions about how the personalisation of products and services affects your willingness to pay and what sort of things (factors) are involved in terms of successful personalisation from your perspective. Is that OK?

2. Dissemination of the research

This study is part of my PhD degree at Bournemouth University, and the findings of this research will be disseminated for academic purposes.

3. Anonymity if the interviewee

This interview will remain completely anonymous, and your name will be immediately substituted with a code. In case any clarification is needed later, the personal details collected will only be known to the researcher. The personal details will be destroyed as soon as the project concludes.

4. Length of interview

This interview is anticipated to last for approx. 30-45 minutes. Also, this interview can be interrupted at any point in time.

5. Permission to record

Do you uphold your consent given by signing the Participant Agreement Form for this interview to be recorded?

6. Question

Do you have any questions before the interview commences?

1. Interviewees' sociodemographic details for background information:

Name:

Nationality:

Occupation:

Highest level of education:

Age group (30s 40s, etc.):

Gender:

Email:

Location:

Date/Time:

Interview duration:

On average, how many times per year are you staying in hotels?

Questions related to the RO1 and RO2: To identify components of customer expectations of personalisation (CeoP) and to develop customer typology

When you think about your next holiday after Covid-19 restrictions:

1. Can you tell me what factors influence your choice of a particular hotel?
FOLLOW: What triggers you to book a hotel?
2. How will you describe personalisation?
FOLLOW: How do you see personalisation in a hotel?
3. In your opinion, how are hotels able to offer personalised products and services?
FOLLOW: What are your feelings about a hotel offering a personalised product and service?
4. How would you identify that an offer made to you is personalised? What do you expect from a personalised hotel offer? (Components)
5. For your next trip, will you choose the same hotel or destination as before?
FOLLOW: If Yes, Why?
If No, why not?
What is the reason(s) for choosing (or not choosing) the same hotel/destination?
If you receive a personalised offer, how would that influence your opinion?
6. Hotels, OTAs, and third-party sites (e.g. bookings.com) are collecting sensitive data (personal information, IP address, location, etc.) about their customers - how does this process make you feel?
7. Would you be willing to provide some information about yourself if hotels were offering more personalised service? In hotel
FOLLOW: Why wouldn't you share information about your income?
8. How do other travellers' reviews (e.g. on TripAdvisor) influence your booking decision?
FOLLOW: How about friends and family reviews and recommendations?
9. Could you tell me how a personalised offer can influence your purchase decision of the hotel offer?
FOLLOW: What personalised offer should you include to influence your decision?

10. What do you value most in hotel offerings?
FOLLOW: How do you justify (perceive) value in hotel offerings?
11. Would you be happy to pay more (different price) for an offer that has been personalised to you?
FOLLOW: Why yes, why not?
FOLLOW: To what extent will you be happy to pay more?
12. Considering accommodation (e.g. hotel), how are you usually make a booking?
FOLLOW: What makes you choose this form of booking?
What makes you choose OTAs (e.g. Bookings.com) over a direct booking platform?
13. Do you think hotels use customer information to the maximum to make personalised offers?
FOLLOW: Could you say more about why yes/why no?
14. In your opinion, how easy is it to provide a personalised hotel offer?
15. Thinking of personalisation, if you could change one thing in the hotel offers, what would it be?

Questions related to the RO2 and RO3: To develop customer typology and to explore the relationship between CeoP and WTP

16. When you purchase a hotel service, how important is the price (margin) you pay?
FOLLOW: Where in the priority line is the price?
FOLLOW: How flexible are you with your budget?
17. In your opinion, what is the impact of personalisation on the price of the product and service?
FOLLOW: Have you experienced it in the past?
18. What feelings does it cause when the booking price is continuously changing?
FOLLOW: Why?
19. Do you see the future of price personalisation (of price) in hotels?
20. How do you feel about the price you pay for your chosen hotel?
21. Tell me about your feelings associated with the idea of paying more for personalised offers.
How does the perception that personalisation increases price makes you feel?
FOLLOW (this is related to Q11): would you pay more for personalised products and services?

22. What criteria, other than price, will you consider to make your final purchase decision?

23. Do you think that you have an influence on the price that you pay for the hotel offer?

FOLLOW: Why yes or why not?

24. In your opinion, how easy is it to personalise a price for a hotel offer?

FOLLOW: How can hotels personalise the price of their offer?

END question (contextual)

25. How do current circumstances (the Covid-19 pandemic) affect (your feelings about) a hotel's ability to personalise hotel offers?

26. According to you, what are the key learnings from this crisis for the industry?

27. Do you have any additional comments/questions about your experience with the personalisation you would like to share?

Thank you for your time and effort in talking to me.

Appendix 3 - Sample of interview transcript – Participant 12

Arkadiusz: Thank you for taking part in this in this interview. When you think about your next holiday after Covid-19 restrictions, holidays you already booked or holidays you are planning to book and could you tell me what factors influence your choice for the particular hotel?

Participant 12: It definitely would be a location. A unique experience, so maybe a different environment that I currently live in, in some different experience to everyday life really.

Arkadiusz: It's great, so that's the two main things you are pretty much looking forward to when you are making a booking.

Participant 12: But the price is also a factor, but I guess we'll talk about it a little bit more later. I want to. I want to have a different... just experience something special I guess it is that is why the holiday.

Arkadiusz: It's great, yeah, we're going to talk about the price a bit later as well, and however, you know, the prices will be kind of in and out through it anyway. So when you are thinking of booking your holidays, how will you describe, or thinking about this, how do you describe personalisation? How are you seeing it in the hotel?

Participant 12: it's difficult to say. I'm not sure whether I see a lot of personalisation because personalisation I will take something related personally to me. What I tend to see in hotels is structured accordingly to price levels, and so you've got the budget, economical or, you know or quality or higher quality. And then tends to be certain levels of expectations for each of them, so I almost feel that it's more of a generic group personalisation than per individual customer, and maybe it's maybe I'm a little bit idealistic, and maybe it's impossible to tailor experience per individual customer, but part of me thinks that there could be something a questionnaire just before you arrive or some extra in a: would you like? What you know what I don't know, something like what colour do you like, what food you like, what music you like, and you could actually make it personal because I don't feel they are very much personal. I feel they are personal to the group of people or level that you pay for, but not to the person individually.

Arkadiusz: It's very interesting because what you just said to me indicates that the hotels will not go to a granular level to educate people to personalise, which is very interesting, actually. It's linked to my next question, which is, in your opinion, how are hotels able to offer personalised products or services?

Participant 12: Okay, um, well, I guess it's difficult for the hotels. It depends again on the size of the hotel, because if we're talking about a little hotel run by a family, then maybe they can offer a little bit more tailored service because there are fewer guests and they can make amendments quicker it's there's a flat structure of decision makers, etc., but with big hotels, I guess, you know that could be like I said that could be a question, it could be new things I'm not talking about you know, do you want for breakfast a duck with oranges or caviar. I'm talking about, you know, as I said, we'll kind of music you, like you, they could have a selection of music and that... You might be, you know, asked to choose from selections they already have, but it's a wide selection, so you are actually able to find something that is close to what you like, and then they can have this music in a room for you, or they can play this music in your room when you walk in, or you could have colours you like or flowers, they are little things and I don't think they are expensive it's a questionnaire that can be sent prior to your arrival. And that's that little personal attachment that could be added, and you know, to make it more special and doesn't cost that much, in my opinion.

Arkadiusz: It's great, so it's basically will you expect the kind of questionnaire as a kind of a theme or a way of making product and service more personalised to you?

Participant 12: Yes.

Arkadiusz: Why I'm asking this is that I am trying to understand what you expect from the personalised offer because you said this is kind of tailored to you, and you mentioned music, you mentioned flowers and small touches. Is there a particular thing or things that can be personalised?

Participant 12: I think you know, first of all, I think when I make a choice of my holiday, then, when I look at the location, when I look at, you know, what I like whether that's outside of the city or within the city, whether that's a big hotel, smaller hotel, whether that's you know, the apartment style, then I guess that's already I'm making this personal to me by choices that I make from the availability on the market. And then I think, you know, so I'm trying to narrow it down to as close as possible to what I would like and then, you know if there was what I'm so it's difficult for someone to come to me and say well, so what would you like, I guess you know the travel agent could do that, and then they could make it more personal by taking you to know what kind of style of the building you like, or whatever. Where would you like to be located? What could the hotel do once you've chosen the hotel? I guess then they could then make it a little bit more special, but with those little touches, as I said, I don't know what you like to eat. What do you like and what would you like to avoid as food? And even asking whether you know before your arrival if you are vegan. Are you vegetarian? Are you, you know what kind of meat you

like? So even they can give you a set of menu that is appropriate for your taste, and you know that they could maybe look at almost what floor you know, do you like, to be higher up or do you like, to be lower, you know and would you prefer to use stairs or would you prefer to use an elevator you know you could tailor that and then find the room that would be the most appropriate and then tailor little things, and I know it takes time and I know this is an additional thing in the service, but then you know, as I said, if someone's prepared to pay for those extra touches, then they will be people that would like to make it that special.

Arkadiusz: Would you say that through communication with customers, between the hotel and the customers and giving customers a choice would you like this, or would you like that? That could be something that they can actually...

Participant 12: That's what I think, yeah. That's what I think, yeah, and again, it would have to be within certain limits because obviously, they are not able to fulfil everyone's single dream, but you know, you could have a selection of choices and then by people choosing from that selection that makes it more personal to them and do it, I don't know a week prior to arrival and with a nice, you know, an email saying we're looking forward to meeting you, and we would like to make it very special for you, and here is a selection, if you would like to choose from those options, we will make sure that you know, your stay is extra special.

Arkadiusz: It's great because you mentioned a few things that need touching. You mentioned those few things in my next few questions, so I just leave it for the moment. It's amazing insight, so thank you for that. But when you think about your next trip, will you choose the same hotel in the same destination, then you've done before, then you have stayed before?

Participant 12: So it depends. If it's only a hotel that is potentially just stopping, breaking on the way to the final destination, and it's on the same route, then I will probably stay in the same hotel because I already know what's what and where he is, etc., but if it's a completely new, you know if its. I will probably let you know about a holiday. I would go to different places. I wouldn't, you know, I wouldn't go back to the same place. Maybe at some point would be nice to go back after a few years, but I'm trying to mix it and go to different places.

Arkadiusz: Do you mean different places as a destination and different hotels at the same time or different places as a hotel but the same destination?

Participant 12: Um, no. Different place, different destination and different hotel, yeah.

Arkadiusz: Why is that, if I may ask?

Participant 12: Because life is so short, and I need to make sure that I've been to a lot of nice places [smiling].

Arkadiusz: that's great. I am asking because I tried to link it to a personalisation of how you will see and what you will expect from the new places and how you expect things to be personalised to you, and that's kind of the reason why I'm asking. But if you receive a personal offer or something that looks like a personalised offer to you from the new place or new hotel you're looking for, how does that influence your decision?

Participant 12: Um, I think I would like it, I think, I would like it because, as I said, I'm not really seeing this much. All I'm seeing, I'm seeing like a generic offer, and each just differentiates by the different levels or different quality, but I, I actually never come... To be fair, I tend to use apartments more often than hotels, but I have been into hotels, but tend to be that I would choose that hotel because I like certain things in there, but there would be no communication about further personalisation from them, so I would choose them because of the certain things, but not necessarily personal to me, because back to a group of people, but there will be no communication whatsoever from the hotel to ask how can we make it personal to you, not to a group of people.

Arkadiusz: You mentioned that you choose accommodation [apartments] rather than hotels. Why is that? Why do you just have accommodations? Technically, in hotels, you might get more human contact.

Participant 12: hmm, maybe I don't want human contact [laughing].

Arkadiusz: It could be like that's [smiling back].

Participant 12: Um, more space, more personal space. In apartments, first of all, but not always. I'm not saying that's always the case, because I have been in a few hotels and I would say, if I choose a hotel, then I choose a good hotel, in a sense that most costly hotel and that's that special experience and... but apartments are because the, you know, and hotels, I tend to go for shorter stays and that's why I'm prepared to pay a little bit more and have a better experience because then, I don't have to cook, I don't have to do anything so that I will eat a full experience of full service. But you know with apartments if it's a little bit longer stay that I tend to prefer the apartment, because there's more space and for the family, you know one room or two, you know, one big in a hotel and that's great, but you know that freedom of... maybe you know even, you know, having a bit of access to a kitchen where you want to and again another room to go to that's probably a little bit more convenient for longer stays.

Arkadiusz: It's very interesting what you said about the space as well, and the convenience as well, so thank you for that. All the hotels, OTAs, third-party sites, it doesn't matter what kind of you know chances of booking you use, they will all collect some data about us as the customers. Some data will be more sensitive and more personal, and some data will be less sensitive and less personal but, in general, obviously collect data. How's that make you feel?

Participant 12: It depends on what data. I think if I come across questions from hotels, that were. That I would feel they invade my privacy, so about my health or the sensitive data, and my health about my family or you know. A little bit more invasive questions about the family or questions about my earnings or things like this, then I wouldn't like it, and I wouldn't answer them. If they were generic questions of what I like to tailor the service and you had a selection, so really, you know it's personalisation, but it's still, you know, personalisation to a certain level, then I wouldn't mind, you know, what I like to eat, or you know what colour I like, what music I like that doesn't bother me, I guess, we all plugged into the thing called the Internet, and I think you know it's all floating somewhere there and the way. [Smiling].

Arkadiusz: It is part of our life. But that's a link, and you partially answer that anyway. That links to my next question, which is: Will you be willing to give more information, your personal information, to the hotel or OTA or whatever you want to choose to look at, but focusing on hotels if they will be able to offer you more personalised product more personalised service?

Participant 12: You know, like I said, yes, but as long as they were not sensitive information in a sense, I mean, as long as I can see the reason behind this, then yes, and you know, I think I will struggle to see a reason behind like medical questions, unless the question is only do you have a disability and you may need additional assistance, then I understand why there is a question like this, but if there was a question I don't know, do you suffer from epilepsy, do you suffer from depression, do you suffer from X mark [laughing], and then they'll be like you need to know that for my stay, do you know I mean?

Arkadiusz: yeah, thank you for that, but that gives me another question, actually, and so, if they actually try to explain the reason behind asking questions, it will help with something that you change your mind to give the answer to the question.

Participant 12: Potentially, it depends on what reasons they would give, yeah but that could be helpful, but it would be helpful because then I think he gives more peace of mind as to why they ask those questions, but again I still think that you know they have to be careful with what questions they ask and how they explain the reasons. Because I think if I find the reason not to be

valid or not valid enough and I wouldn't answer the certain question, I will make my answer the questions, but again, I think that if you leave a little bit of freedom in those questionnaires then they can, you know, the customer can have this tailored to the level that they wanted to so if they found some questions they didn't want to tell that's fine, you don't tailor that area, you tailor the areas they answered and which again it's personalisation to the choice that you make isn't it?

Arkadiusz: yeah, so some people will decide to answer more sensitive questions, some people will say enough is enough. But do you think that having those questions will stop you somehow or change your perception about why you are asking questions that I don't want to get anything to do with them, or you will kind of think: okay, I don't understand the reasons, but I don't need to answer and still happy with what they were offering me?

Participant 12: I think if they explained why they asked those questions and explained expressly that you don't have to answer them or you don't have to answer the question that you do not wish to answer, then probably not, I think you know yeah so it is always a bit like maybe leave a little bit after taste, why are you asking this. Again, it all depends on what they would ask, and I think they would have to be very careful not to touch on areas that could be seen as discriminative and, you know, and again very sensitive, so I think it would require a bit of market research what questions you would be prepared to answer.

Arkadiusz: yeah, that's very interesting because they're going towards psychological and behavioural aspects. It's great. I didn't expect the conversation going this direction, but it's great.

Participant 12: [laughing]

Arkadiusz: Coming back to your hotels and coming back to bookings. How do the travellers' reviews, like in example like in TripAdvisor, how those travellers review influence your booking decisions? Are you looking at them?

Participant 12: If I look at them. I only look at them if I'm stuck for a choice, if I've got a couple of places that you know that I like, for example, or if I'm unsure because it's not necessarily something that I would normally go for, but I would like to try then I would look at them, yeah, I would look at them. I don't necessarily read all the reviews. I'm a bit dubious about the reviews because I know that, first of all, everyone who is not. People are strange, yeah? And they will be people who will comment, really, really silly things. I almost think you have to take away the best ever reviews and the worst ever and pick in the middle because, you know, some people just moan for the sake of moaning, and you know, sometimes you, you will see the reason it's like: oh, come on, yeah? [Smiling] But, and I think I don't read them that often if I like the place, but I look at

the score. So I tend to look at the score, or I don't know, do you know what, I often book on booking.com because it's convenient and because I am already on it as a star or whatever [type/level of traveller/customer] traveller or whatever they call it and the ethical for convenience. If I don't find something I like on booking.com or sometimes the hotel I like is not available during on that, on this website, so I know that doesn't mean... I now know that it doesn't mean that it's not available at all. It's just not available on this website, so I will go to other websites or hotels directly, but I would look at the score, and you know this, eight, nine, or whatever potentially.

Arkadiusz: So the score basically will indicate indicated, if it's a good place to book and because you said if you'd be struggling between two places, for example.

Participant 12: uhm.

Arkadiusz: So, how will you decide which place to choose from? Is that something that the score will have a major impact or...

Participant 12: It probably, at this point, would have some impact, yeah because, if I find like the view of two places and the locations and one would have, I don't know, five and the other one would have nine that now go with the one that it's got nine, for obvious reasons, because he's got everything I wanted, but also have got that a good score, but you know, I think it would be a little bit more difficult it is called, was 8.9 and nine, because then that's actually the same score, and then, maybe, I would read some reviews at that point, if it was that close and, but yeah if I struggled between two places and there was a significant difference in the score they've got on the website, then I will go with the one they score higher score.

Arkadiusz: So that higher score, what that will indicate to you? Is that the product? Is that the service?

Participant 12: I think, for example, booking.com has got this score sheet, which is like the cleanness of the apartment or the service, food or whatever, so I think it's an overall score. Do you know what? Because of the kind of lack of time, I don't normally go in with all of that, and I tend to look at the overall score. Sometimes we're ready, I would look at them, the opinions, but as I said, I know people are strange, and people will have their own opinions.

Arkadiusz: It's great, so just to summarise, you mentioned that at some point, the personalisation probably would change or influence your opinion or your choice that you're going to make, for

example, for the hotel. So how can a personalised offer influence your purchase decision then just if we can just summarise it a bit?

Participant 12: yeah, that's quite interesting because I've just realised that when we spoke about personalisation, I said I would book a hotel and then a week before arrival, they would send the questionnaire, so how the questionnaire... it could be, you know the impact or injected sooner, so it can influence that decision or I think you would have to be, I mean... I think if they communicated in their offer, then tailor things to your taste and then, you know, then I guess I would be intrigued, I would be interested.

Arkadiusz: So that offer, just thinking out loud, so when you're looking because you mentioned that the majority of the bookings coming from booking.com in your case, so if that kind of questionnaire will be on the booking.com site, in general, that could be something...

Participant 12: In a filter, yeah, I think I would take it as a yeah as an interesting to see and if they then described what they mean by this personalisation, so, you know, then that would be helpful.

Arkadiusz: You mentioned that you're staying in hotels, but not as often as different accommodations, right? So what do you value most in a hotel offering?

Participant 12: Service, I mean the convenience of the like a customer value, a customer service, so you know that that actually someone is willing to listen to you, direct you, and you know it's quick, it's not prolonged waiting, or no one knows who you are and why you there so that customer service and, well, it has to be clean, obviously [smiling]. I think, do you know what, as I said it, when we go, if we choose a hotel, and it's not a hotel as a stopover, then I've actually had good and better experience a good experience of those photos because they... because then I tried to choose a better hotel, so it's more expensive, so it's a little bit more exclusive, I like to say that the view will be nice, so I tend to look at the view options... I don't want to say that I'm not that picky about food, but probably I am [partner's name] would tell you that I am picky about food. Yeah, I don't know. I like it when things go smoothly, do you know what I mean? I'm there to relax, and I don't want any issues related to not having a pillow, the lock not opening, the door not opening, or someone who hasn't got information ready. I just want to come in, have a smooth transition to the room, have a good experience in a room where you know it's a well set, a spacious when everything is, you know, clean, spot on, and with a nice view I have, I want to have a good experience for from that and... What annoys me it's on like the parking as well, please, nearby or completely annoys me when I have to pay for the parking when we pay for a hotel.

Arkadiusz: So the parking should be included, you think, like Wi-Fi these days?

Participant 12: Yeah, exactly. I think it should be part of the service, why don't you... I think we had an experience nice hotel, but then the parking, we had to pay for the parking and then we had... Do you know what, we have stayed or just don't remember where it was now, but we stayed in a nice hotel and then the parking was not onsite so was away, okay, well fine, I understand, not always you can have parking onsite, and then you couldn't pay for the parking with a card, so they wanted cash, you could pay the perception but with cash only. Okay, then, but we didn't have any cash, so we were running around the town trying to find a cashpoint, and they sent us to places where cashpoints were inside the building, where the buildings were closed, and there was like. So at the end of this stay, that was an okay stay, we actually had a horrible experience, so you know, so things like this, I just don't understand, you know, why, would you? I think you would try to make customers' life as easy as possible so they want to come back to you. Not send them well go down left right, left right there's a building there in the building in a casino building, and there was a cashpoint. What? Where? [Laughing]. I don't know where I am, and then you look, you go to the building, and the building is locked, and you come back and say that the building is locked, and they say, it is impossible, it should be open, but it isn't [laughing]. So you know, so I think that you know, little things that. And I think that was a little thing that it's not a major issue, you know, just sorted out differently, so making customers' life easier, I think it is a big thing.

Arkadiusz: that's great because a link to my next question because the car park store is actually a very good example of how things can be personalised as well because not everyone we're looking for the car park, but some people will. So, will you be happy to pay more for the offer that has been personalised for you?

Participant 12: I think so.

Arkadiusz: Why is that? Why would you like to pay more for something that is tailored to you?

Participant 12: Because, you know, as I said, it's a.., what I'm looking for is I don't stay in hotels on everyday life, you know, and everyday life is obviously home, cooking, cleaning, work, madness and then the holiday is a very special time when I want to escape from everything and have that really nice experience, and don't worry about anything, and don't have to sort out any problems or issues, so if there was something that makes my life easier, makes my life nicer and I feel more relaxed, and I feel, you know, looked after, and considering that it's only a couple of times in a year, where we go anywhere then I will be prepared to pay, okay, I wouldn't be prepared

to pay a double price because someone will play my favourite music or makes me a tea or whatever, but, you know, I will be prepared to pay a little bit more, if I knew that there were things that maybe I like, and someone asked the questions, someone cared and like you said, the parking and If I, for the like a smooth and a nice experience and the things that I like then... [Nodding head in approval].

Arkadiusz: So, you said, you know, you won't be prepared to pay double for a more personalised offer, but some bit....

Participant 12: You can ask me how much. [Laughing]

Arkadiusz: How big will that be percentage-wise, maybe? I don't know. It just kind of give me an idea.

Participant 12: Do you know, I'm good now, but I think that if I was going to pay for something... It depends on what that personalisation is actually. It depends on what's included in it because certain things like you said, the parking etc., certain things are already included and certain experiences already included, so if it was maybe explained what I could be getting extra for the extra price because then I understand what it's worth it or not. Because, again, I will be prepared, instead of paying £600 to pay £700 and I would be, but I would like to see what's in it, instead of just saying: "we will make it very personal to you". But without this, how different would that be what wouldn't be in it, in this package, then you know, then I think that would be, yeah, that will be probably interesting to see.

Arkadiusz: So, you would like to know what exactly you're going to get so you can compare, you can measure, basically.

Participant 12: I think there were two things. There are two ways of playing it: you can show what is without this extra personalisation, what the price will be with it, and what is included. Again some people will get fun and say, I think that should be standard. You should include this anyway, why should I pay for it, blah blah blah, or just make a personalised experience and don't make a differentiation just say we've got a special, you know, we offer special service and just put a price and don't explain what it is. Once someone's been in there, it could be a little bit more expensive compared to other hotels, but I guess there will always be people keen and interested in trying what's extra, a special thing that they've got there, and once people try it they like it, they will always come back, and I think that's what is this.

Arkadiusz: And the evaluation will always be after the stay or during the stay rather than in the beginning.

Participant 12: yeah, and the thing, you know, if someone is prepared to pay, for example, that £600, they might be prepared to pay £700 if they if the hotel has got, I don't know, as you said, there are commons, so there are the hotel offers that extra value in a very special experience and then maybe people will you know would be happy with it, without even you know, comparing.

Arkadiusz: That's great. You also mentioned how you make the bookings because one of my questions is how you usually make a booking, so you said using booking.com.

Participant 12: Yes

Arkadiusz: As if I understand correctly, you are using it because actually, it's convenient for you and this everything there is that correct?

Participant 12: yeah, it's easy because I'm already on the website, and I've got all the details. Do you know what, it's more? I know the website, so I'm familiar with the website. I know how it works, and I've got my details on it. I've used it before, so they already have my information as well. But I also think, you know, with those payments, I know what to expect. I think it comes from the fact that I understand and know the website, it's easy to navigate, and they don't have to look where do I... You know, it's a little bit like Amazon. I don't like eBay. I don't buy anything [on eBay]. I only buy on Amazon only because I know everything where is where it is on Amazon, and click, click, click, gone. Done. It's time, I think it's a time thing as well, you know, once, first of all, you need to make the website easy, very visible and very easy to use, and I like how they present the hotels. It may be that if I used TripAdvisor a few times, I have used, you know, Airbnb or something like this... I used "holiday let," I think, something like "home away". I've used TripAdvisor, so I've used a website only when I couldn't find something on booking.com.

Arkadiusz: Did you ever go directly to the hotel and hotel website?

Participant 12: I did, yeah. So, we went a few times, and when we liked the hotel, we knew which hotel we wanted to go to, so we went directly to them because we knew that there was a hotel, we wanted to stay in or if they said on the booking.com that they would not be available on the website. And maybe, you know, maybe if I wanted to be bothered, I probably check different websites, but otherwise, I will just go directly to them.

Arkadiusz: It's great. You pretty much answered my next question as well already.

Participant 12: Sorry [smiling].

Arkadiusz: No, that's good because you said that you didn't get the kind of feeling that the hotel offers are personalised. I was going to ask you, do you think that hotels use customer information to the maximum to personalise their offer?

Participant 12: No, because they don't ask the right questions, and they don't ask a lot of questions. I think the question seems to be standardised, and they, do you know, I'm just trying to think what kind of information. I don't ever, ever seen a proper questionnaire or someone's question about how or what experience they would like to have. What do they like? And the only questions I normally. Do you have any special conditions? Do you require assistance? Do you need a double bed or a twin bed? I had a question that was about a style of duvet [with a surprised expression]. I had to Google it because I didn't have a clue what they were talking about, and that was quite interesting, actually. That was probably a little bit of the personalisation because they had clients from all over the world and sometimes prepared a preferred German duvet and some Italian style, and I was like, what is it? [Surprised expression]. Honestly, I was googling it like I have no idea, but I guess because that's actually, that was probably a little bit of an example of trying to be a little bit more personal because maybe someone prefers it. I don't know, with a cover, someone without the cover, I have no idea. I don't remember what it was [smiling], but I haven't seen, to be honest with you, I think that would be something a little bit more, even with those, you know, we stayed in a fantastic hotel in Charmonix [hotel in Mont Blanc, France] for one night, and for that one night we decide to stay in a like a five-star hotel, with a view of Mont Blanc blah blah blah, he was great you know, a hotel was fantastic and the love really you know the high level. I've never had anyone ask me any specific personal questions. It was like I said, you know, do you have any special? The standard questions and especially, because if you go through the booking.com or any websites like this, you only get standardised questions it says: "if you've got any special requirements, you can write a lovely message to the hotel and they will come back to you", but you don't think about unless you really have got special requirements, because we've got an allergy or something like this... I can't think. They should be coming back now, then, after this booking with: "We want to make your stay personal, special" and: "Would you mind, you know, answering a few questions, so we can tailor our service to your needs".

Arkadiusz: That will be linking to one of my questions anyway, but that's very interesting what you just said about contacting. "We would like to make your stay more personalised". Will that not stop hotels from charging you more for a personalised offer because then you've already made the booking?

Participant 12: mm hmm.

Arkadiusz: And that, if they send you a questionnaire and there's not really much they can do with the price.

Participant 12: I know, but I think, you know, if like I said if it's already explained upfront, that the offer. This hotel offer [provide] a specialise personalised service... I tell you what, I think once one hotel starts offering something like this, all other hotels will follow. And you know, especially the chains and etc., and they will do terribly wrong because a really personalised offer can I think it's best offered by the smaller chains when they actually listen it's not like, you know, an exercise just to take boxes and I think if it's all explained up front, but I wouldn't really make a connection to a price upfront, this is the price hotel offers a personalised service should you decide to choose that, and just the price for the room, and you know, and this is the price, unless. Because this personalised offer, as I said, it could be little things that are not costly, and if it's, you know, they are not, it could be already calculated in the price.

Arkadiusz: It's great because that's, again, like I said, that's going to link to some of the questions later as well with the pricing. Thinking about the personalisation that we just discussed. How easy is it to provide a personalised offer?

Participant 12: Again, I think it comes back to what that offer is, and I think, if these are, you know, if these are small things like the colour of the duvet, the colours that someone like, the music that someone like the flowers, do you know, I had the dream once, an idea about running a bed and breakfast or hotel and I always thought that I would do something like this because I know that the people would come back and that doesn't cost that much, and it's not difficult, because you just, you know, you just going by you've got a choice, you don't say you tell us what flower you like, because otherwise, we might end up in a different country trying to find it. You say, you know, do like roses, do you like, I don't know. I'm a rose's person, so. [Smiling].

Arkadiusz: Give people a few options to choose from and then kind of try to tailor it.

Participant 12: Yeah, and then you go to. And then you've got a part of the service. There is someone who you know, then before someone arrives, checks that you know changes the colour, puts the music on and brings the. I'm just only saying about a couple of examples. I don't, you know, I don't really know what else could be offered at that point, but you know and goes and picks up flowers, and all have it. No, they don't even need to go. They've got an agreement with suppliers, they have an agreement with the flower shop, and the flower shop delivers it now 25 roses, 25 lilies, and whatever because that's what the customers want, one that arrived that day, and they distributed out, you know and, so I think it's possible, I think if we are saying about an

offer as do you like water ski or do you like a water jet, again it could be something that can be done easily depending on the location of the hotel and connections with local providers, could be someone says: “oh I hate snorkelling”, but I love of diving and then straight away they’ve got a diving instructor, you know, information in the room to contact or whatever, that could be something, and that’s not difficult, that’s not... I don’t think that’s difficult. I think just cooperation regarding communication.

Arkadiusz: So kind of an Amazon approach when you have some kind of recommendations that how I say it, that could be something that it could be given to customers because you have got a choice and like Amazon is giving you a choice and look what other people buy, maybe you be interesting in this one as well because they’re very similar approach.

Participant 12: Maybe, yeah, maybe, or, I don’t know whether that’s on Amazon or some pages I saw advocate. That’s probably what you’re referring to “other customers also liked”, and then you’ve got, or they’ve got the same product, not the same product, but the same type of product and in slightly different style, sites or different, you know, as you said you like Italian food, what kind of restaurant, would you like to go to Italian, and then you’ve got a selection, and then you’ve got to... You know, I actually think this now could be done on screens on iPad in the room, like you know, people can come in and say, make it personal to them, they could come in, and you know, restaurants, you tick Italians, and then you’ve got a selection of Italians with recommendations - book, you know, you can book straight from your room. And all things like this as well.

Arkadiusz: That’s good, and that’s very strengthening to my next question because I was going to speak with you.

Participant 12: It just means that your interview is when I well-structured [laughing]

Arkadiusz: Thank you for that. So thinking of personalisation, if you could change one thing in the hotel offers, what would that be? And I think I know the answer, but I would like to hear from you.

Participant 12: Oh, my God, I don’t know the answer. Hold on, do you tell me what I would like [smiling]... Oh, what I’d like to change in hotels, and that’s not parking [smiling]... I think it would be nice for them to want to know a little bit more about the customer.

Arkadiusz: that’s what I was thinking, the same thing, like questionnaire or kind of getting more information and communication with customers that will be.

Participant 12: Yeah, because you arrive, and you just like one of many, yes, the hotel is nice, because you choose that you make it personal for yourself to your choice, to your taste. You've made those select those choices, but that's not a hotel that gave those choices to you.

Arkadiusz: So inviting customers to actually take part in the process.

Participant 12: In the journey, yeah, let's tailor your holiday to what you like and what you want, instead of them, you know, comes the morning, and you try to go through the brochures, hundreds of brochures in a room trying to find, or going to downstairs reception: "which restaurant, would you recommend?" Because you just don't know the place or you go on the Internet and start searching for yourself what to see in a town or what, you know, where to go to eat? You tick what you like to visit. Do you like to go to see cathedrals or museums? Yes, no, what can, you know, do you want to see them during your stay? Yes, no, and then you select, pre-select what people want to do instead of just searching for the millions of information.

Arkadiusz: That was great. Thank you for the insight. I've got a few questions about it, going a bit more towards pricing now. Because in the beginning, you said that the location is important for you and you are not so much about the price. At this point, but it's important, so how important are the prices for you?

Participant 12: Well, it is important. I mean, you know, yeah, I wouldn't do anything and spend anything silly completely. We're probably kind of like when we go on holiday, and if we choose a hotel is probably kind of middle range, middle range pricing. You know, even with apartments then, I think there is a certain bracket, and I wouldn't go for the cheapest apartment because I want to have a good experience in the end, but I wouldn't go for an apartment, that is, you know double the price be only because he's got new furniture, I don't know, it has got a certain style of furniture. I think I'm trying to find something as close as possible to what I would like or, I would imagine, for the best price, that again within certain brackets, so I will be prepared within those brackets to go to the top of the bracket and if I really liked the place.

Arkadiusz: In your opinion, what is the impact of personalisation on the price of the product or service?

Participant 12: Sorry, I've got a cat walking in [smiling]. I think, do you know, it's a difficult question because I think. All would have to be calculated what really that personalisation costs. Because I like, I said, I believe that there are things that they don't cost that much but could make an impact, and I think these are the things that hotels should consider first before trying to go for big expensive things. Because they are the little things that people will remember and notice, that

make a difference, and they are not. They are not material, [not] always material things, they had the feeling that they create, so I think... I don't think it would be a big difference, it cannot be a huge difference in price, because then people just will be put off by saying: "Oh well, okay, I am sure that other hotel will be nice enough. As I said, if something was going to. I think if you were able to increase, I don't know, 10-15%...

Arkadiusz: But not for the things that are cheap basically, it's for the things that you, you will consider that okay yeah, understand the reason behind the increasing the price, like the parking. I see how much parking is in general, you know the cost and let's say in normal times it costs, e.g. £5 for 24-hour parking, why should I pay you £10 more for that extra service? So I think it depends on the price that customers will perceive it, is it?

Participant 12: yeah, um, I think we are also talking about, we need to think about different types of customers and different levels of customers, and I think if people. With no disrespect whatsoever, I think if people look at staying in the budget hotel, I don't think they would care about flowers or things like this. It would be more of a convenience, speed, and location of the hotel, maybe. Yeah, extra things if they are included, then that's brilliant, but if someone, you know, and then you've got that like a middle range, that maybe people would consider paying a little bit extra, that 10-15-20% for extra things, and then you've got top level, that they don't care how much they pay and then, then you could make it really personal, for you know a lot of money, and I think they will pay double if they knew that someone would. They will be treated even more special.

Arkadiusz: That's great. So when you think about the holidays, and you will look at the prices, you'll notice that prices are changing. How that makes you feel?

Participant 12: I think, because we go to different places, every time I have no idea what the prices there will be for so [smiling], so I didn't. I cannot really compare. They are changing, you know, well it's always annoying when the price, you know, change and. Do you mean one year we came in, but they changed the service, and they put the prices are the same place, for example?

Arkadiusz: As well, but more like when you search for the booking, you see the price, and then you say, maybe, I'm gonna wait till tomorrow. I'm not so sure if to book it, and then tomorrow you are looking at this price and the price it's a bit different from an airline's.

Participant 12: huh, okay, well that that is very annoying. It's annoying, and I don't think that's fair. But I also know that some websites, and I think booking does it as well, that sometimes they try to bring you back to what you were looking at and they offer you a discount and well, that's

welcome, isn't it [laughing]. I mean, you know, I don't necessarily wait for that. I don't necessarily play the game with them because I just haven't got time, to be honest with you, but someone points it. I didn't even know that was the way that they would offer you a discount potentially. But I know someone mentioned it to me, and I was like, really, I didn't even know, but I think because of, you know, because of time, I don't wait, I don't play games and if I like. So if I see something I like, I will be more worried that it is gonna disappear the next day, gonna be gone, and once I like something, then it's difficult to convince myself to do something else basically.

Arkadiusz: that's great. Thank you for the insight about that. But we talked about the price. We talked about personalisation. How would you describe personalised price?

Participant 12: Personalised price?... Can you actually personalise the price? What, to the person?

Arkadiusz: But that's what I try to establish because, you know, we talk about the personalisation, so you can personalise the hotel experience and service to a certain degree to the people. Can you personalise the price?

Participant 12: To the person. Do you know what? I think that in one hotel, to personalise the price to different customers would be difficult, in my opinion, because then why would someone pay less and why someone pay more because they didn't park on-site or because they didn't have breakfast? Well, then that's fair enough, I guess, if they didn't have breakfast if they are like things that you can touch like, you know, like parking or choosing for them, then yes, the price can be different and personalised, so in material things but in experience and in feelings, I don't know. You can't really say, would you be preferred to. I will be nicer to you if you pay a little bit more [laughing], and I will be horrible to you if you pay £20 less. I think you can probably personalise price by a material thing such as room, choice of the room, size of the room, things, you know, in a room and then back to the person. Don't know

Arkadiusz: Do you see the future of price personalisation in hotels, if that something will be possible to do it?

Participant 12: I think that would be really nice to see. That's what I think personally, because like I said, I always have a feeling that, you know, you just the number and you choose what you like because it's they're not because then there's a special effort to make to you as a person. I think that's got a future. I think that's a bit of a blue ocean and a different area. That's why I said that when someone starts doing this, the others will probably follow.

Arkadiusz: So, thinking about your future holidays or holiday, maybe you already have a booked. How do you feel about the price you paid for the hotel offer?

Participant 12: I wish I could pay a little bit less, but [laughing] I liked what I've seen so far, and it has a good promise, it gives me a good promise of well-spent time and, you know, it has all the things that I liked, so I was prepared to pay a little bit more, and from the selection that I had for lower prices, I didn't find what I liked.

Arkadiusz: So, to summarise what we said before. I got to some endings and questioned a few questions about the price. Could you tell me some feelings associated with paying more for a personalised offer?

Participant 12: I would pay. As I said, it depends on what the offer is again and what you mean by a personalised offer. If they are little things, little touches, then I wouldn't want to see the price skyrocket because of that because I don't think that's fair. But I am prepared to pay for better service, and I believe, you know, I will probably pay a little bit more. I'm probably that middle range of people, to be honest with you, I probably pay, you know it again, it depends on what for.

Arkadiusz: yeah, you will not be offended by paying a bit more for something more personalised.

Participant 12: You know, part of me thinks, do you know what, a part of me things. I have got a bit of a dilemma, whether to tell people if you pay £50 more will offer you this, this, this, or just give one price and say we make it special and will offer you a personalised offer, because it's like, you know, where I work, we've got a price, you've got set of price, you've got a price, and for that price, you give extra service yeah? But I can't say, but you know what, I will not give you that extra cent, give you a little bit less extra service if you pay a little bit less. I've just given or..., but that's my price.

Arkadiusz: It's great. Thank you. You are talking about a booking decision. Obviously, what other criteria than the price you mentioned location as well, but what other criteria than price will you consider when you make your final purchase decision?

Participant 12: um, I think, well, obviously, the location, but it's the destination but it's also the location within that destination. Yeah, the convenience, for example, to be able to get to the Centre of the town, so if we, for example, go skiing, I don't want to have 10. I don't want to be 10 miles away because I want to be able to walk to the town to have dinner, so you know, let's say one and a half miles each way so to get hungry and to lose weight on the way back, but, you know, again, not in a town centre because it could be too noisy so location within. A nice view, you know, in

different places, well, not necessarily, but in someplace, you want to experience different things, so if you go skiing, you want to be convenient to, you know, to have this convenience of getting to the ski pass easy, to ski lifts, to town, to you know, to have a nice view in summer holidays, you might want to be by the swimming pool, so again convenience and close proximity to what they call it, I mean it is, you know, things that you can use. I tend to also look at the look of the apartment through photos, and the style of the apartment, because, you know, again, if you go skiing in the Alps, you want to have a really nice feel for, like, I don't know, wooden exterior interior, if possible, you know you don't want to end up in this crappy, you know, old flats and then think: "oh my God don't go back to that flat in the evening".

Arkadiusz: Many other smaller things that you will also consider when you make a booking.

Participant 12: Yeah. Because like I said, you know, I think we want to make the holidays. It's not only price out consider a lot of things and I need to get, so the photo are important, it could give you a feel, and, you know, what you're expecting and how it looks like and the location, yes, and the price, but I would, you know, I would be able to justify the price by those little things that I'm getting.

Arkadiusz: It's great. In that sense, do you think that you influence the price that you pay for the hotel offer?

Participant 12: I don't have an influence on the price of that apartment, but my choice [I – through choice] has an influence on how much is on how much we spent, yeah [laughing].

Arkadiusz: It makes absolute sense [smiling].

Participant 12: yeah, so it's all my fault, really [laughing].

Arkadiusz: We were talking about personalised pricing. The last question would be before I'm going to end the question if you don't mind spending more time with me. In your opinion, how easy is or will it be to personalise the price for the offer?

Participant 12: I think, well, personalise price. I think it's easy to personalise service. And then you have to base that price on what you. As I said, I think you would have to take into account that cost but also the market research of, you know, you want to stay within some reasonable range, and for the level of the hotel for two similar ones, you might be a little bit more expensive, but you know. I think it depends on what this personal offer will be and how much this will cost if it's not a high cost to the hotel, then. Whether it is a high cost or isn't, I think you need to base it on initially how much it costs you.

Arkadiusz: It's great. Thank you for that. A couple of last questions, ending questions, if we can return to this current situation with a pandemic, unfortunately. How would these current circumstances affect the hotel's ability to personalise the offer?

Participant 12: Unless they, you know, unless they have difficulty to have supply because of it, and if we, I mean at the moment they shut anyway, so they can't do anything but if, once they open and. I think, at the moment, they probably will not think about personalising the offer but surviving and having as many rooms rented, you know, out as possible, and I don't think that will be there at the front of the mind, sadly, but once we go back to some more normality and more people book it then they will again have to compete with each other on something extra or something different. I think. I know that Covid-19 and the pandemic have influenced my decision, so where to go? When we were looking at going skiing, I said we wouldn't go to France or Italy at the moment because, through the pandemic, these were the places where they had the highest level of cases, they still have got very high-level cases, and so they don't seem to be able to control it. And we were looking at the places that would be the safest booked for the health reason but also an actual reality of this holiday happening and not being cancelled or us having to cancel it, and that's why we, for example, look at Austria and we chose Austria for next year. Because that's not necessarily the case, I would love to go to Italy or France, but I just don't think you know.

Arkadiusz: So, also the risk, the government restrictions and countries restrictions with playing a role in the [decision making]?

Participant 12: the way that way they cope with the pandemic. So their own decisions in managing the pandemic.

Arkadiusz: It's a great insight. Thank you for that. What would be the key learnings from this crisis for the hotels and the industry that you would recommend them?

Participant 12: Stop talking about caring about the customer individually to start caring for them [smiling]. I mean, I like this idea of personalisation, and I've always liked it. I've never seen it. Even if there were, if I've seen, attempts of personalisation, it was a personalisation to the owners' taste, not the customer, where they were trying to make a place more personal, special, but it was, in their view and to their taste. I've never seen any questions actually directed to customers, and I think that's, like I said, I think that's something completely new in the hotel industry that could add value that's what I think.

Arkadiusz: It's great, absolutely marvellous feedback. I have a very last question for you, if you don't mind. Do you have any additional comments, questions, or experience with the personalisation you would like to share?

Participant 12: I think I've talked so much. I think I've told you everything that I [smiling] have to say. We will be pleased to hear. Yeah, like I said, the real personalisation, I haven't really had an experience. I had experience with some attempts of personalisation, like I said, with the duvet style, for example, which, again, was a valid question. Not that I understood the question, but it was a valid question, and so that was probably the only time when I really saw this. But otherwise, I haven't really seen it.

Arkadiusz: It wasn't really presented to you in a way that.

Participant 12: No, not directly ask the questions and then follow up.

Arkadiusz: it's amazing. And it was amazing to speak with you. Thank you for your time and effort in talking to me.

Participant 12: Nice to talk to you.

(Interview concludes)

Appendix 4 - Ethics checklist



Research Ethics Checklist

About Your Checklist	
Ethics ID	33384
Date Created	02/09/2020 06:46:26
Status	Approved
Date Approved	14/09/2020 21:16:18
Date Submitted	14/09/2020 15:13:11
Risk	Low

Researcher Details	
Name	Tomasz Tomczyk
Faculty	Faculty of Management
Status	Postgraduate Research (MRes, MPhil, PhD, DProf, EngD, EdD)
Course	Postgraduate Research - Tourism
Have you received funding to support this research project?	No

Project Details	
Title	Personalisation through co-creation: Pricing strategies and willingness to pay
Start Date of Project	18/09/2017
End Date of Project	18/06/2023
Proposed Start Date of Data Collection	02/11/2020

Original Supervisor	Dimitrios Buhalis
Approver	Philip Ryland
Summary - no more than 500 words (including detail on background methodology, sample, outcomes, etc.)	
<p>Personalisation is an increasingly popular phenomenon in the marketplace. Every customer is unique and seeks to receive what he/she wants at a price that is willing to pay. The notion of creating personalised and memorable customer experiences has always been at the heart of the hospitality industry. The development of service-dominant and customer-dominant logic illuminates the transmission of value-creating roles into customers beyond specific visible service interaction. Personalisation enables brands to deliver tailored products and services to satisfy their customers' requirements and understand and estimate their value for the company. However, while the literature recognises the paradigm shift towards a more significant customer role, the relationship between personalisation, value, and price still lacks a comprehensive understanding. This doctoral study explores personalisation's role in affecting customer willingness to pay in the business-to-customer context of hospitality. This thesis integrates three theoretical streams, personalisation, value creation, and pricing, to explore and conceptualise the construct of <i>personalisation through co-creation</i>. By adopting the pragmatism paradigm, the study leans towards the abductive approach built on deductive-inductive logic as the central concept that derives from existing knowledge. An exploratory mixed-method approach comprising</p>	
<p>Three main research phases are adopted. First, it consists of two sets of semi-structured interviews - with customers and with revenue managers – and the experiment allows for holistic knowledge development. The expected findings will contribute to the knowledge by a) offering an advanced understanding of the personalisation components that influence customer willingness to pay, b) both the company and customer perspective on value co-creation through personalisation, and c) model depicting a relationship between personalisation, value, and pricing. The expected results will indicate <i>whether</i> and <i>how</i> personalisation influences the value co-creation process and <i>whether</i> and <i>how</i> this relationship influences pricing strategy. This study seeks to contribute to the personalisation, marketing and revenue management literature by enhancing the understanding of the impact of personalisation on value creation and the company's pricing strategies. This knowledge can have broader implications and can make an impact on business strategy and policy levels.</p>	

Filter Question: Does your study involve Human Participants?

Participants

Describe the number of participants and specify any inclusion/exclusion criteria to be used.	
<p>The pilot test will be conducted to verify both sets of interview questions' validity and readability. The research aims for 15 participants for the first phase of the interviews (with the customers) and 15 with revenue managers from the hospitality companies. However, the research will seek the point of theoretical saturation evidence. The inclusion/exclusion criteria for the first interview phase include, e.g. the hospitality experience in the last 24 months. Participants will be 18+, and it will seek to recruit an equal amount of female and male participants.</p> <p>For the second interview phase, the inclusion/exclusion criteria will include the role of an employee of the hospitality enterprise (Revenue Manager, General Manager).</p> <p>In phase 4, the experiment will divide the participants (criteria as per an interview with phase 1) into two groups, the experimental group and the control group, and then introduce a change to the experimental group and not the control group.</p>	
Do your participants include minors (under 16)?	No
Are your participants considered adults who are competent to give consent but considered vulnerable?	No
Is a Disclosure and Barring Service (DBS) check required for the research activity?	No

Recruitment	
Please provide details on intended recruitment methods, include copies of any advertisements.	
<p>Initially, the researcher will recruit the participants through direct email contact. In case of insufficient requirements, the proposed recruitment method uses social media platforms (Linkedin, Facebook) to contact participants from hospitality businesses and the researcher connections (for the interview with customers and with revenue managers). The participant (interview with customers) will be chosen purposefully based on having recent experience with a hotel stay. Reasonable diversity will be sought regarding gender, age, and occupation. The intention is to gain an overview of the experience and co-creation process on personalisation and its impact on willingness to pay. The recruitment of managers from the business will be based on previous researcher connections with the companies.</p>	
Do you need a Gatekeeper to access your participants?	No

Data Collection Activity	
Will the research involve questionnaire/online survey? If yes, don't forget to attach a copy of the questionnaire/survey or sample of questions.	No

Will the research involve interviews? If Yes, don't forget to attach a copy of the interview questions or sample of questions	Yes
Please provide details e.g. where will the interviews take place. Will you be conducting the interviews or someone else?	
Based on the current worldwide circumstances, the most likely place to conduct the interview will be an online environment, using, e.g. Zoom or Skype software. The researcher will conduct the interviews.	
Will the research involve a focus group? If yes, don't forget to attach a copy of the focus group questions or sample of questions.	No
Will the research involve the collection of audio materials?	Yes
Will your research involve the collection of photographic materials?	No
Will your research involve the collection of video materials/film?	No
Will any audio recordings (or non-anonymised transcript), photographs, video recordings or film be used in any outputs or otherwise made publicly available?	No
Will the study involve discussions of sensitive topics (e.g. sexual activity, drug use, criminal activity)?	No
Will any drugs, placebos or other substances (e.g. food substances, vitamins) be administered to the participants?	No
Will the study involve invasive, intrusive or potential harmful procedures of any kind?	No
Could your research induce psychological stress or anxiety, cause harm or have negative consequences for the participants or researchers (beyond the risks encountered in normal life)?	No
Will your research involve prolonged or repetitive testing?	No

Consent	
Describe the process that you will be using to obtain valid consent for participation in the research activities. If consent is not to be obtained explain why.	
Before participating and conducting the interviews, consent will be obtained from both phases of the interviews (companies and customers). The information will be provided about the nature and purpose of the study, as well as the possibility to withdraw at any time, the estimated length of the interview and that anonymously will be provided. A copy of the Participant sheet and Participant agreement form is attached to this checklist.	
Do your participants include adults who lack/may lack capacity to give consent (at any point in the study)?	No

Will it be necessary for participants to take part in your study without their knowledge and consent?	No
--	----

Participant Withdrawal	
At what point and how will it be possible for participants to exercise their rights to withdraw from the study?	The participants are free to withdraw from the study at any point.
If a participant withdraws from the study, what will be done with their data?	The data will be destroyed.

Participant Compensation	
Will participants receive financial compensation (or course credits) for their participation?	No
Will financial or other inducements (other than reasonable expenses) be offered to participants?	No

Research Data	
Will identifiable personal information be collected, i.e. at an individualised level in a form that identifies or could enable identification of the participant?	Yes
Please give details of the types of information to be collected, e.g. personal characteristics, education, work role, opinions or experiences	
The type of information collected will be demographic data Nationality, Occupation, the Highest level of education, Age, and Gender.	
Will the personal data collected include any special category data, or any information about actual or alleged criminal activity or criminal convictions which are not already in the public domain?	No
Will the information be anonymised/de-identified at any stage during the study?	Yes
Will research outputs include any identifiable personal information i.e. data at an individualised level in a form which identifies or could enable identification of the individual?	No

Storage, Access and Disposal of Research Data

During the study, what data relating to the participants will be stored and where?	The recordings of the interviews and demographic data will be kept safe and secured (e.g. using password-protected files and folders).
How long will the data relating to participants be stored?	The data will be destroyed at the end of the project.
During the study, who will have access to the data relating to participants?	Anonymised data will be added to BU's Data Repository (a central location where data is stored). The access will be restricted, and only the researcher will have access to the data.
After the study has finished, what data relating to participants will be stored and where? Please indicate whether data will be retained in identifiable form.	After the study has finished, no data relating to participants (that will allow for any identification) will be stored.
After the study has finished, how long will data relating to participants be stored?	After the study has finished, no data relating to participants will be stored.
After the study has finished, who will have access to the data relating to participants?	After the study has finished no access to data relating to participants. The anonymous data will be stored in BORDaR.
Will any identifiable participant data be transferred outside of the European Economic Area (EEA)?	No
How and when will the data relating to participants be deleted/destroyed?	The data will be destroyed by permanently deleting from any drive containing any files (data) that relate to the participants.
Once your project completes, will any anonymised research data be stored on BU's Online Research Data Repository "BORDaR"?	Yes

Dissemination Plans	
How do you intend to report and disseminate the results of the study?	
Peer-reviewed journals, Conference presentation	
Will you inform participants of the results?	Yes

If Yes or No, please give details of how you will inform participants or justify if not doing so
Only the participants who will express their interests will be informed of the results via the chosen channel (e.g. email).

Final Review	
Are there any other ethical considerations relating to your project which have not been covered above?	No

Risk Assessment	
Have you undertaken an appropriate Risk Assessment?	Yes

Attached documents	
Interview instrument - company.docx - attached on 14/09/2020 14:52:14	
Interview instrument - customers.docx - attached on 14/09/2020 14:52:53	
Participant Agreement Form.docx - attached on 14/09/2020 14:53:09	
Participant Information Sheet.docx - attached on 14/09/2020 14:53:21	
RESEARCH ADVERT.docx - attached on 14/09/2020 15:11:43	

Appendix 5 - Participant Agreement form

Ethics ID number: 33384

Date:

Participant Agreement Form

The full title of the project: (“The Project”); Personalisation through co-creation: Pricing strategies and willingness to pay

Name, position and contact details of researcher: Arkadiusz Tomczyk, PhD candidate, i7786276@bournemouth.ac.uk

Name, position and contact details of supervisor: Professor Dimitrios Buhalis, Director eTourism Lab, dbuhalis@bournemouth.ac.uk

To be completed before the data collection activity

Agreement to participate in the study

You should only agree to participate in the study if you agree with all of the statements in this table and accept that participating will involve the listed activities.

I have read and understood the Participant Information Sheet and have been given access to the BU Research Participant Privacy Notice , which sets out how we collect and use personal information (https://www1.bournemouth.ac.uk/about/governance/access-information/data-protection-privacy).	
I have had an opportunity to ask questions.	
I understand that my participation is voluntary. I can stop participating in research activities at any time without giving a reason, and I am free to decline to answer any particular question(s).	
I understand that taking part in the research will include the following activity/activities as part of the research:	
Being recorded during the interview	
My words will be quoted in publications, reports, web pages and other research outputs without using my real name.	
I understand that if I withdraw from the study, I will also be able to withdraw my data from further use in the study except where my data has been anonymised (as I cannot be identified) or it will be harmful to the project to have my data removed.	
I understand that my data may be included in an anonymised form within a dataset to be archived at BU’s Online Research Data Repository.	
I understand that my data may be used in an anonymised form by the research team to support other research projects in the future, including future publications, reports or presentations.	
	Initial box to agree
I consent to take part in the project on the basis set out above (Section A)	

I confirm my agreement to take part in the project on the basis set out above.

Appendix 6 - Participant Information Sheet for Interview

Participant Information Sheet - Interview

The title of the research project

Personalisation through co-creation: Pricing strategies and willingness to pay

What is the purpose of the research/questionnaire?

The research entitled “Personalisation through co-creation: Pricing strategies on willingness to pay” is being conducted as a part of the PhD degree at the Business School, Bournemouth University. This interview aims to explore the customer perspective of customer expectations from personalisation influences customers’ willingness to pay for those offerings.

Why have I been chosen?

You have been chosen as you have experience with hospitality offerings for the last 24 months. I will ask you questions about your feelings, opinions, and experiences about the personalisation of hospitality products and services and how this relates to your willingness to pay for them. Knowledge gained through this study will provide practical implications to researchers, hospitality industry leaders, decision-makers and marketers.

Do I have to take part?

It is up to you to decide whether or not to take part. If you decide to participate, you will be given access to the participation information sheet to read. You can withdraw from participation at any time and without giving a reason. Your participation would involve a semi-structured, open-ended interview around the subject of personalisation and price. Please note that once the interview is completed, we are unable to remove your anonymised responses from the study. Deciding to take part or not will not impact you in any way.

How long will the questionnaire/online survey take to complete?

It is anticipated that this interview will last approximately 45 minutes and will be recorded for later academic analysis.

What are the advantages and possible disadvantages or risks of taking part?

While there are no immediate benefits for those people participating in the interview, it is hoped that this work will help to provide a better understanding of the impact of personalisation on customer’s willingness to pay and will facilitate the providers of hospitality offerings with the ability to offer a better experience in the future.

What type of information will be sought from me, and why is the collection of this information relevant for achieving the research project’s objectives?

This research aims to explore the role of personalisation in affecting customer WTP in the business-to-customer context of hospitality. I will ask you questions about your feelings, opinions, and experience regarding the personalisation of hospitality products and services and how this relates to your willingness to pay for them. What you tell me could help contribute to a better understanding of personalisation and could help facilitate a better experience in the future. Your answer will also help achieve this research objective to identify components of the personalisation of products and services that influence customer WTP and to explore the impact of the personalisation of products and services on the company’s pricing strategy.

Use of my information

Participation in this study is based on consent: you do not have to take part in the interview. Your personal information is processed in compliance with data protection legislation. We will use your data on the basis that it is necessary for the conduct of research.

Bournemouth University (BU) is a Data Controller of your information, which means that we are responsible for looking after your information and using it appropriately. BU's Research Participant Privacy Notice sets out more information about how we fulfil our responsibilities as data controllers and your rights as individuals under the data protection legislation. We ask you to read this notice so that you can fully understand the basis on which we will process your information.

Once the interview finishes, it may not be possible for us to remove it from the study analysis, as this might affect our ability to complete the research appropriately or the accuracy and reliability of the research findings.

Sharing and further use of your personal information

The information collected about you may be used in an anonymous form to support other research projects in the future, and access to it in this form will not be restricted. It will not be possible for you to be identified from this data. Anonymised data will be added to BU's [Data Repository](#) (a central location where data is stored) and will be publicly available.

Retention of your data

Although published research outputs are anonymised, we need to retain underlying data collected for the study in a non-anonymised form for a certain period to enable the research to be audited and/or to enable the research findings to be verified.

Contact for further information

If you have any questions or would like further information, please contact Arkadiusz Tomczyk (PhD candidate, Bournemouth University, email: i7786276@bournemouth.ac.uk), Professor Dimitrios Buhalis (dbuhalis@bournemouth.ac.uk).

In case of complaints

Any concerns about the study should be directed to Professor Dimitrios Buhalis, dbuhalis@bournemouth.ac.uk. If your concerns have not been answered by Professor Dimitrios Buhalis, you should contact Professor Mike Silk, Business School, Bournemouth University, by email to researchgovernance@bournemouth.ac.uk.

Consent to Participate

I confirm that I have read and understood the information provided and agree to participate in the study.

Appendix 7 - Participant Information Sheet for Survey

Participant Information Sheet - Questionnaire

The title of the research project

Personalisation through co-creation: Pricing strategies and willingness to pay

What is the purpose of the research/questionnaire?

My name is Arkadiusz Tomczyk, and I am inviting you to take part in my research entitled “Personalisation through co-creation: Pricing strategies on willingness to pay”, which is being conducted as a part of the PhD degree at the Bournemouth University Business School (BUBS). This survey explores the customer perspective of how the personalisation of hotel offerings (products and services) influences customers’ willingness to pay for those offerings.

Why have I been chosen?

You have been chosen as you have experience with hospitality offerings for the last 12 months. The survey asks you about your feelings, opinion, and experience about the personalisation of hospitality products and services and how this relates to your willingness to pay for them. Knowledge gained through this study will provide practical implications to researchers, hospitality industry leaders, decision-makers, and marketers.

Do I have to take part?

It is up to you to decide whether or not to take part. If you decide to participate, you will be given access to this information sheet to read. You can withdraw from participation at any time and without giving a reason simply by closing the browser page. Please note that once you have completed and submitted your survey responses, we are unable to remove your anonymised responses from the study. Therefore, deciding to take part or not will impact you in any way.

How long will the questionnaire/online survey take to complete?

This questionnaire should take approximately 10 minutes to complete.

What are the advantages and possible disadvantages or risks of taking part?

While there are no immediate benefits for those people participating in the survey, it is hoped that this work will help to provide a better understanding of the impact of personalisation on customer’s willingness to pay (WTP) and will facilitate the providers of hospitality offerings with the ability to offer a better experience in the future.

What type of information will be sought from me, and why is the collection of this information relevant for achieving the research project's objectives?

This research aim is to explore the role of personalisation in affecting customer WTP in the business-to-customer context of hospitality. The survey asks questions about your opinion and experience with personalising hospitality products and services and how this relates to your willingness to pay for them. Your answers will help contribute to a better understanding of personalisation and could help facilitate a better future experience. Also, your answer will help to achieve this research objective: to explore if and how the personalisation of products and services influences customer WTP and to explore the impact of the personalisation of products and services on a company's pricing strategy.

Use of my information

Participation in this study is on the basis of consent: you do not have to complete the survey, and you can change your mind at any point before submitting the survey responses. We will use your data because it is necessary to conduct research, which is an activity in the public interest. We put safeguards in place to ensure that your responses are kept secure and only used as necessary for this research study and associated activities such as a research audit. Once you submit your survey response, we will not be able to remove it from the study analysis because you will not be identifiable.

The anonymous information collected may be used to support other research projects in the future, and access to it in this form will not be restricted. It will not be possible for you to be identified from this data. Anonymised data will be added to BU's Online Research Data Repository (a central location where data is stored) and which will be publicly available.

Contact for further information

If you have any questions or would like further information, please contact Arkadiusz Tomczyk, (PhD candidate, Bournemouth University, email: i7786276@bournemouth.ac.uk), Professor Dimitrios Buhalis (dbuhalis@bournemouth.ac.uk).

In case of complaints

Any concerns about the study should be directed to researchgovernance@bournemouth.ac.uk.