



Price-personalization: Customer typology based on hospitality business

Arkadiusz T. Tomczyk^{a,*}, Dimitrios Buhalis^a, Daisy X.F. Fan^a, Nigel L. Williams^b

^a Bournemouth University, United Kingdom

^b Portsmouth University, United Kingdom

ARTICLE INFO

Keywords:

Personalization
Willingness to pay
Value co-creation
Typology
Hospitality

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.

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 (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).

Before the industrial revolution, products and services were tailored with craftsmanship, often presented in high-quality, available to selected groups of individuals, with personal marketing as part of the interaction process (Piller, Ihl, & Vossen, 2010; Reynolds & Beatty, 1999; Klaus & Nguyen, 2013).

As marketing is shifting towards customer-dominant logic (Heinonen et al., 2010), the dividing line between products and services has become blurred (Gurtu, 2019; Long, Wang, Zhao, & Jiang, 2016). Favourable personalization effects occur only when individuals perceive products and services to be personalized (Li, 2016). Personalization (product or service, or price) depends on the extent to which the offer matches customer expectations (Zanker, Rook, & Jannach, 2019).

This study takes a customer perception approach and addresses personalized pricing. It argues that for customers, the personalization of the product is inseparable from the personalization of the service received. Personalization often increases or decreases customer WTP (e.g., Arora et al., 2008; Long et al., 2016; Moor & Lury, 2018; Shen & Ball,

* Corresponding author.

E-mail addresses: ttomczyk@bournemouth.ac.uk (A.T. Tomczyk), dbuhalis@bournemouth.ac.uk (D. Buhalis), dfan@bournemouth.ac.uk (D.X.F. Fan), nwilliams@port.ac.uk (N.L. Williams).

<https://doi.org/10.1016/j.jbusres.2022.04.036>

Received 2 August 2021; Received in revised form 14 April 2022; Accepted 18 April 2022

Available online 26 April 2022

0148-2963/Crown Copyright © 2022 Published by Elsevier Inc. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

2009; Vesanen, 2007). Customers assign a perceived value to each product and service attribute based on their preferences and desires. They are willing to pay the price based on the perception of the value they will receive from consuming chosen products and services (Prakash et al., 2021). The personalized price is the outcome of those approaches towards personalization and reflects WTP. The more personalized the offering for both products and services, the easier the personalized price, as it reflects the value received from consumers. However, the highest granularity level (one-to-one) of personalization may not significantly improve value than one-to-N personalization (Kwon, Cho, & Park, 2010). Kwon and Kim (2012) implied that segmented personalization might be a good alternative to individual personalization. If one-to-one personalization requires too much time, cost, or effort, it may significantly increase production cost, harming profitability and reducing the return on investment.

Personalization research primarily uses experiments, surveys and questionnaires (Salonen & Karjaluoto, 2016; Kim, Hong, Park, & Kim, 2020; Masiero & Nicolau, 2012) with limited qualitative studies (Sunikka & Bragge, 2012). The practice of personalization (Cavdar Aksoy, Tumer Kabadayi, Yilmaz, & Kocak Alan, 2021) and the relationship between CeoP and WTP are under-researched (Noone, Enz, & Glassmire, 2017). As part of addressing this issue, developing typologies is of value, and this approach has been useful for uncovering insights into aspects of offer selection and pricing, which were under-researched at the same time (Decrop & Snelders, 2005). A typology of customer co-creation in the innovation process (Piller et al., 2010) can also predict customer satisfaction (Bressolles, Durrieu, & Senecal, 2014). By applying semi-structured in-depth interviews to collect data from thirty-eight UK residents who have travelled in the last 12 months, this study explores the nature of the relationship between CeoP and their WTP. It focuses on the purchasing experience of products and services to explore the nature of the CeoP and WTP relationship and proposes a customer typology in light of personalized pricing (Currie, Dokka, Harvey, & Strauss, 2018; Viglia & Abrate, 2020). This study focuses on the following question: What is the nature of the relationship between CeoP and WTP?

2. Literature review

2.1. Personalization

Personalization is still challenging to define (Cavdar Aksoy et al., 2021; Kabassi, 2010; Riegger, Klein, Merfeld, & Henkel, 2021; Strycharz, van Noort, Helberger, & Smit, 2019). Customization (Pine & Gilmore, 2011), individualization (Riemer & Totz, 2003), and one-to-one marketing (Peppers & Rogers, 2000) are often used interchangeably with personalization (Salonen & Karjaluoto, 2016; Sunikka & Bragge, 2008, 2012). From a company perspective, personalization can be described as a process (Piccoli et al., 2017) of organizational capability (Morosan & DeFranco, 2016) to collect, analyze and utilize personal information to tailor proactively (Chellappa & Sin, 2005) and recommend offerings (Lee & Cranage, 2011) to increase personal relevance and value to the individual's internal and external context (Buhalis & Foerste, 2015), ideally in real-time (Buhalis & Sinarta, 2019). Personalization is based on an intimate understanding of customer needs, preferences, and contexts, inferred from personal information, engagement, behaviour and transactions (Montgomery & Smith, 2009) and adds value by enhancing customer experience and benefits.

Personalization involves tailoring offers through adaptive products and services to satisfy customers' needs (Shen & Ball, 2009). The primary goal of personalization is to create a long-lasting, meaningful, and sustainable relationship between customers and brands (Adolphs & Winkelmann, 2010; Morosan & DeFranco, 2016). As part of this relationship, personalization can also encourage co-production, where outcomes are created through the interaction between the customer and the company (Vargo & Lusch, 2008).

Personalization can activate potential objects guide planning personalization activities, and three personalization performance layers have been proposed. In the first layer, products and services with any additional offers are the centres of the process. As for the middle layer, Riemer and Totz (2003) implied a relevant mediating channel, and for a third layer, they propose communication with the company. Customer involvement and adoption of customer information further improve personalization performance, providing better outcomes over time (Chung, Wedel, & Rust, 2016). As personalization can generate more favourable effects (e.g., more likeable and memorable experiences), it can drive more behavioural changes (Li, 2016).

2.1.1. Customer perspective on personalization

Gilal et al. (2018) indicated that aesthetic, functional, and symbolic design positively satisfy customers' self-determined needs. Customers are not isolated however, and social connections can influence purchases. Customers simultaneously live in offline and online worlds, which can accelerate in the near future (Fan, Buhalis, & Lin, 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 & Pearson, 2019). Through CSS, individuals are empowered to express a more diverse set of preferences, including non-essential items. Customers spend more time collecting information and examining various alternatives with higher involvement and ease of access to information. They use more complex processes of decision making to gather perceived products and services attribute differences (Ferreira & Coelho, 2015). Customer expectations about personalized service may increase, resulting in dissatisfaction and lower customer value perception (Bonaretti et al., 2020; Piccoli et al., 2017). Personalization can increase customer convenience and benefits, e.g. personalized products, improved personalized services, or personalized recommendations (Chellappa & Sin, 2005). However, this may lead to privacy considerations (Aguirre, Mahr, Grewal, de Ruyter, & Wetzels, 2015), although the perception of personalization quality can outweigh customers' privacy concerns (Li & Unger, 2012). Schmidt, Bornschein, and Maier (2020) found that individuals who choose to make privacy decisions (e.g., consent to share private data via cookie notice) are more likely to assign to the company price discriminatory activity 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).

2.2. Price personalization

Pricing can be influenced by internal and external attributes, in terms of natural environment or cultural attractiveness and reputation, in the form of online and offline ratings (Viglia & Abrate, 2017). The idea of differential pricing has been investigated in both marketing and economics (Priester, Robbert, & Roth, 2020). However, the literature on personalized pricing is still sparse (Chen, Owen, Pixton, & Simchi-Levi, 2015) and heterogeneous (qualitative, quantitative, and conceptual), stretching various fields and depicting low construct clarity (Seele, Dierksmeier, Hofstetter, & Schultz, 2019). Kwon and Kim (2012) considered price personalization through a strategy such as loyalty programs (Kwon & Kim, 2012). Hence, personalization differs in features such as ownership of the control and comprehensiveness (Arora et al., 2008; Cavdar Aksoy et al., 2021; Kwon et al., 2010; Kwon & Kim, 2012). 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, the contents of their online reviews or blog posts (Esteves & Resende, 2019). Therefore, price personalization could be co-created with ever advanced technologies and data analytics. Taking from the sharing economy, price personalization could be determined by the customer-supplier value co-creation process (Buhalis, Andreu, & Gnoth, 2020; Sthapit, Del Chiappa, Coudounaris, & Bjork, 2020). Whereas

customer's privacy concern negatively influence their sharing behavior intention (Li & Unger, 2012), customers' personal information is a valuable revenue source (Seele et al., 2019) and pricing tool (Song, Lim, & Oh, 2021). Ethical issues relating to privacy concerns and personalized pricing have triggered a broader academic and practitioner debate (Choe, King, & Matsushima, 2018; Lee & Cranage, 2011; Obermiller, Arnesen, & Cohen, 2012; Seele et al., 2019; Song et al., 2021).

A customer's WTP denotes the maximum amount that the customer agrees to spend on a product or service (Heo & Hyun, 2015; Masiero et al., 2015). It represents the amount of money that customers are willing to spend *in exchange* for the product or service (Tu, Neuhofer, & Viglia, 2018). Abrate and Viglia (2016) suggested that contextual variables such as time of purchase or competition determine short-run price variations. Also, many other factors, such as individual characteristics, attitudes or beliefs, can stimulate or limit customer behaviour (Biswas & Roy, 2016; Lu & Gursoy, 2017). Personalized prices reflect the value of the products and services co-created in the particular customer context (Tyrväinen, Karjalainen, & Saarijärvi, 2020). From a customer side (Strycharz et al., 2019), recommended personalized options are based on customers' behavioural attributes by assessing the attribute-level WTP (Prakash et al., 2021). As Noone et al. (2017) illuminated, traditional segmentation techniques become less effective, requiring revenue managers to focus more on each customer's WTP (Nieto-García et al., 2020).

The mixture of online and face-to-face interaction with other actors often influence customer purchase decision, experience, and WTP (Fan et al., 2019). Therefore, customers often express a tendency to purchase products and services, influenced by what others believe they should pay as well as their own ability to pay (Ajzen, 1991). WTP changes over time, depending on the individual's context and purchasing behavior (Coker & Izaret, 2020). It is a situational-dependent and individual-level construct (Koçuş & Dogerlioglu-Demir, 2014), as customers perceive the price as a sacrifice in exchange for a high-quality product. They are often willing to pay higher prices for personalized products offering higher perceived value over conventional counterparts (Lu & Gursoy, 2017).

Coker and Izaret (2020) argued that customer WTP is often an algorithmical proxy with a considerable error margin. Hence, personalized prices do not need to equal the customer's maximum WTP. There is a considerable capability to use big data (Stylos, Zwiegel, & Buhalis, 2021) and machine learning algorithms (Jabeen, Al Zaidi, & Al Dhaheri, 2022) to gather *fine-grained* and *high-frequency* data about individuals (without incurring a high cost) (Moor & Lury, 2018). Hence, there is limited research focusing on price personalization to explore the nature of the CeoP and WTP relationship. With the heterogeneous response of an individual to personalization, 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 personalized offers (Pallant, Sands, & Karpen, 2020). Li (2016) argued that people often construct their preferences when they are facing a need and creates an opportunity to understand better customer needs, demands and requirements what is their WTP to fulfill them (Pallant et al., 2020). Therefore, understanding customers' expectations and needs dynamically in the complex tourism and business environment is essential (Buhalis & Sinarta, 2019; Riegger et al., 2021).

2.3. Conceptualizing a price personalization customer typology

Literature depicts various customer typologies grounded in applying different criteria, such as social grouping (Kizielewicz, 2020). Although socio-demographics can explain various types of customers (Hsieh, O'Leary, Morrison, & Chang, 1993), they fall short in determining customer purchase behavior (Mehmetoglu, 2004). To advance the understanding of the relationship between CeoP and WTP, four conceptual dimensions frame the proposed typology: Personalization, WTP, customer philosophy, and novelty-familiarity continuum. This study

adopts the types of personalization proposed by Fan & Poole (2006), focusing on information systems and Vesanen (2007), which adopted a socio-marketing perspective. Each personalization type represents a set of core design choices grounded in the strategy, motive, time of use, and customer involvement and describes them as architectural, relation, instrumental, commercial (Fan & Poole, 2006), cosmetic, adaptive, transparent, and collaborative (Vesanen, 2007). Table 1 depicts the ideal type and motives of personalization.

As a form of classification, the terms typology, taxonomy, and classification (segmentation) are often used interchangeably (Doty & Glick, 1994; Nickerson, Varshney, & Muntermann, 2013). Customers are not homogenous, and typologies are valuable for understanding customers' behavior. Nevertheless, grouping customers' is challenging as every business is often characterized and influenced by distinct features, diverse external factors and past marketing campaigns (Rondan-Cataluña & Rosa-Diaz, 2014). 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. Bressolles et al. (2014) offered *post-hoc* (number and segments determined based on the data analysis) predictive online consumer typology, and Erdem, Atadil, and Nasoz (2019) examined customers' attitudes toward technologies and their WTP.

In hospitality and tourism business settings, attention has been given to the typology of the traveler. There is no one universal framework for creating customer typology as each application is unique to its context. 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 & Prideaux, 2010). Many researchers followed Cohen's (1972) taxonomy and developed the classification of travelers with their implications on the places they visit. Decrop and Snelders (2005) and Mehmetoglu (2004) presented a comprehensive review of past studies. Mehmetoglu (2004) developed a typology based on empirical data comprising psychographic dimensions such as customer philosophy (e.g., how people think about the travel, go about and actually travel), motives (why the individual behaves or is about to perform the action), and personal values (biological needs, social interactional requirements and social-institutional demands on the individual). Dey and Sarma (2010) illuminated three types of tourists: nature-loving explorers, nature-loving vacationers, and change seekers, based on customer motivation. Masiero and Nicolau (2012) explored customer segments from individual price sensitivities and identified four segments: three with a negative effect of price and one with a positive influence. Weiler and Black (2015) examined the role of tour guides and their intersections with social, economic, and political trends, proposing a typology of future guided tour experiences.

Building on Cohen's (1972) work, Fan et al. (2017) explored tourists' contact with hosts emerging five types of customers. With the development of technology, customers experience high information asymmetry before purchasing, increasing their prior silent knowledge (Nieto-García et al., 2020). Pesonen et al. (2015) examined seniors as users of tourism information technology identifying three types of internet users. 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 travelers, taking to account consumer behavior, identifying three types of cruise tourists. Finally, Ryu, Choi, and Cho (2021) explore the use of an online travel marketplace identifying six idiosyncratic groups: shopaholics, budget explorers, long-term travelers, trend-setters, resort addicts, and social trippers.

As factors influencing customer behavior become more complex (Hsieh et al., 1993), personalization and customer WTP offers an innovative basis for exploring customer typologies. Therefore, CeoP and

Table 1
Ideal types of personalization.

Personalization Ideal Type	Personalization motive	Goal	Example	Reference and selection of related studies
Architectural/ Adaptive	To fulfil an individual's needs for expressing him/herself through the design of the built environment. To let customers choose from different options	To create functional and delightful fit for purpose offer	OTA (Booking.com), Dell	Chellappa & Sin, 2005 ; Fan & Poole, 2006 ; Vesanen, 2007 ; Montgomery & Smith, 2009 ; Chung, Rust, & Wedel, 2009 ; Pine & Gilmore, 2011 ; Chung et al., 2016 ; Dzulfikar et al., 2018
Relational/ Collaborative	The organization 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 & Poole, 2006 ; Vesanen, 2007 ; Li & Karahanna, 2012 ; Caicedo, Kapoor, & Kang, 2014 ; Dzulfikar et al., 2018 ; Zanker et al., 2019
Instrumental/ Cosmetic	To fulfil an individual's needs for efficiency and productivity. The organization 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 & Poole, 2006 ; Vesanen, 2007 ; Kang, Binda, Agarwal, Sacconi, & Choe, 2017 ; Dzulfikar et al., 2018
Commercial/ Transparent	To fulfil an individual's needs for material and psychic welfare. The organization changes the content of a good with a standard look	To increase sales and enhance customer loyalty	Amazon, Netflix, Early-bird deals	Fan & Poole, 2006 ; Vesanen, 2007 ; Tansomboon, Gerard, Vitale, & Linn, 2017 ; Asif & Krogstie, 2013 ; Dzulfikar et al., 2018

their WTP compose a principal conceptual logic leading to the categorization process. The selection of customer philosophy and novelty-familiarity continuum dimensions is based on literature, which argues that the way that people decide is an essential element for segmentation study ([Decrop & Snelders, 2005](#)) and is closely related to the extent to which customers combine the pursuit of novelty with elements of familiarity ([Cohen, 1972](#)). [Fig. 1](#) depicts the conceptual framework to explore the nature of the relationship between CeoP and their WTP.

The conceptual framework interprets customer behavioral patterns, such as customer philosophy ([Mehmetoglu, 2004](#)) and the familiarity-novelty continuum ([Cohen, 1972](#)). The development of technology enhances people's willingness to change their environment temporarily. Although many customers look for novelty, [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*”, indicating that there is a continuum of a combination of novelty and familiarity. This 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.

The reason for including [Cohen's \(1972\)](#) familiarity-novelty continuum in this study is that strangeness and familiarity characterize customer behaviour. People purchase because they are pushed to make purchase decisions by psychological forces or pulled by external attributes ([Fan et al., 2019](#)). The psychographic variable used in this study, such as customer philosophy, impacts their mode choice and is vital for understanding customer behavior ([Hsieh et al., 1993](#)). People search for experience according to their individual requirements, their philosophy

(e.g. about travel), and the context that there are in ([Lei, Wang, & Law, 2021](#)). Based on their philosophy, the literature illuminates three main groups of customers (i.e. plan, independent, and reluctant) ([Mehmetoglu, 2004](#)). Planned customers represent people purchasing package offers or similar types of arrangements. Independent customers enjoy making their own purchase arrangements. Reluctant customers characterize individuals for whom the purchase is not part of their lifestyle. Factors influencing customer decisions and behavior become more and more complex ([Mehmetoglu, 2004](#)).

3. Methodology

Interpretivism, as a research approach, is applied in this study to explore the nature of the relationship between CeoP and their WTP ([Fan et al., 2017](#); [Irshaidat, 2019](#)). Before commencing data collection, five pilot interviews were conducted with UK residents who had travel experience in the last 12 months. The overall study involved thirty-eight participants who had consumed hospitality offerings and are UK residents. The study used semi-structured interviews to collect qualitative data from respondents about their experiences, views and beliefs ([Ryan, Coughlan, & Cronin, 2009](#)). This methodology helps the researchers to understand the context and meaning of specific behavior and fully explore the relationship between CeoP and WTP. Open-ended questions allowed for a collection of detailed answers to better understand the subject under research ([Vitouladiti, 2014](#)). The qualitative content analysis supported understanding emerging themes to enhance knowledge about the phenomenon ([Elo & Kyngäs, 2008](#)) and answering the

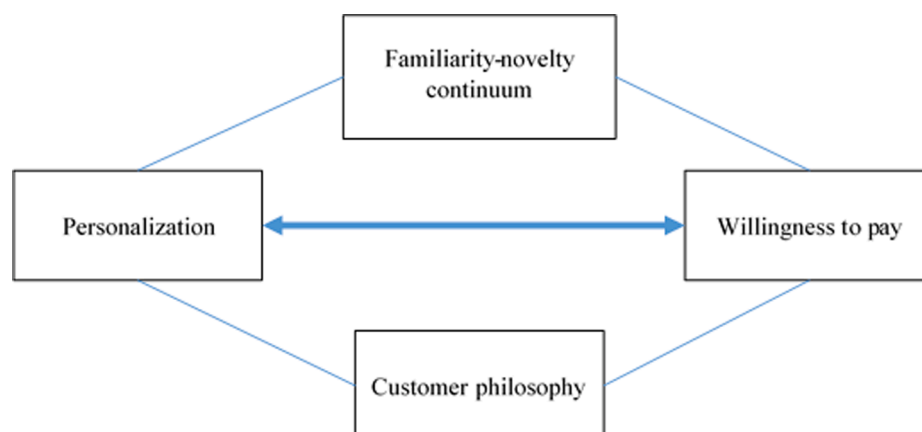


Fig. 1. The conceptual logic of the proposed customer typology.

what, why, and how questions (Cho & Lee, 2014). The transcripts were examined to identify, analyze, and report patterns or themes that emerge directly from a data set (Braun & Clarke, 2006, 2012; Cho & Lee, 2014). The analysis involved a bottom-up iterative approach to data coding and analysis, driven by what is in the data (Braun & Clarke, 2012). Relevant quotations from participants were included in the findings as narrative evidence to better understand customer perspectives, make interpretation more transparent, and increase trustworthiness (Elo & Kyngäs, 2008). As it is common in qualitative research, this study does not aim to produce statistical generalizable information about various tourist types. The approach focuses on interpretation and understanding the nature of the relationship between CeoP and their WTP for it.

Data collection followed the naturalistic inquiry approach and ensured the trustworthiness of the qualitative research. A construct suggested by Guba (1981) was adopted to access this study's credibility, transferability, dependability, and confirmability. Purposive sampling was firstly used to determine eligible respondents. Due to Covid-19 related travel restrictions, the snowball technique was used to recruit more eligible respondents. Participants were asked to invite their friends, family, and colleagues who qualified to participate in the research at the end of each interview. On the basis of data triangulation (Tobin & Begley, 2004), the participants were recruited from multiple sources and channels, such as Facebook and LinkedIn. Due to Covid-19 social distancing restrictions, all personal interviews were conducted online using Zoom. Participants' demographic information (Table 2), such as age, occupation, and education level, were considered to represent various populations. Data collection took place between April and May 2021. Each interview lasted between 22 min to 77 min, with an average length of 52 min. They were recorded and transcribed digitally. Interviews reached theoretical saturation (Saunders et al., 2018) when interview thirty-eight did not elicit any new information and the collection process terminated at this point. Participants travelled for pleasure, curiosity, and relaxation. During their interviews, participants

illuminated their conscious decisions about hotel choices based on searching and their decision process.

Respondents were asked open-ended questions with the support of an interview guide focusing on permitting participants to tell their stories rather than to answer structured questions (Ryan et al., 2009). The interview guide had two main sections, including: "How would you define personalization? and When/Why/How does the personalization affect your WTP?" The first one focuses on customer understanding and expectations from personalization. The second section relates to their willingness to pay more for personalized products and services. Participants were asked about their expectations from the hotel product and service personalization. Then, as customer preferences are dependent partially on what is available on the market and what is considered an ideal offer (Waryszak & Kim, 1995), participants were asked about their attitudes and experience related to their decision-making process. Third, participants were asked about their WTP for personalized hotel product and service offers. Fourth, participants were asked about their views, understanding and experience on personalization of the price. Last, informants were asked to provide demographic information. Follow up interview questions were asked to obtain further details, explore of each area, and seek deeper understanding on participants' opinion about their decision-making process and their pursuit of novelty-familiarity continuum. Participants were asked questions in a systematic order, but interviewees were given freedom and were encouraged to further elaborate beyond the answers.

Data analysis used NVivo 12 software for coding transcripts technically and reorganizing the collected data prior to further abstraction. To better understand emerging themes, the process of qualitative content analysis included selecting the units of analysis (transcripts), open coding (creating categories and abstraction), creating categories, data coding, and revising categories (Cho & Lee, 2014). Data were coded by the first author and then analyzed and discussed jointly by other authors, who discussed the open (initial) coding and revised categories (the example of coding in Appendix A). Table 2 depicts the participant demographic information. The sample offers diversity in terms of gender, occupation, and level of frequency of travel. Each participant was segmented into one customer type based on the participant response (presented in Appendix B).

Data were sorted according to codes and themes that had been assigned and captured from meaningful parts of participants' transcripts. They were abstracted to the findings presented for each type of customer. The text was also enhanced by making notes of first impressions, thoughts, and initial analysis (Hsieh & Shannon, 2005). As the interviews, by nature, are hermeneutically framed (Bergman, 2015), the hermeneutic method (Thompson, 1997) employed allowed to understand better themes and types emerging from coded data and participants' stories. The framework recognized stories derived from interviews as narratives that reflect meanings ascribed to a particular object (e.g. personalization) or event/behavior (e.g. WTP) (Thompson, 1997). While these meanings described participants' views, they were contextualized within broader narratives of pull and push factors (e.g., motives/reasoning for particular behavior) salient to the participant (Thompson, 1997).

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. Participants expressed behavioural patterns and perceived experiences across different interviewees (Fan et al., 2019). The iterative procedure used entitles two stages; the intra-text cycle in which text (interview transcripts) was read to gain a sense of the whole, and further readings to understand the emerging relationship between CeoP and WTP (Thompson, 1997). In addition, the creation of typology took four phases and observations were collected in matrix form, depicted in Table 3, to understand better the differences and similarities between participants (Pesonen et al., 2015). The assessment of the relationship between CeoP and WTP reflecting different customer types was grounded in interviewee dialogue about

Table 2
Demographic profile of participants.

Item	Participants	Percentage
Gender		
Male	17	45%
Female	21	55%
Age		
18–29	1	3%
30–39	18	47%
40–49	16	42%
50–59	3	8%
Education		
A-Levels/College	9	24%
UG University degree	5	13%
Masters University degree	20	53%
PhD	4	11%
Occupation		
Professionals	12	32%
Managers and administrators	8	21%
Educators	9	24%
Clerks	7	19%
Housewife	1	2%
Unemployment	1	2%
Relationship status In a relationship		
(with kids)	23	60%
(with no kids)Single	11	29%
(with kids)Single	1	3%
(with no kids)	3	8%
Frequency of travel		
1–2 times per year	15	39%
3–4 times per year	11	29%
5–6 times per year	5	13%
7–8 times per year	1	3%
9–10 times per year	1	3%
Over 10 times per year	5	13%

Table 3
Typology matrix.

Customer type		Budget Adventurers	Family Explorers	Relation Seekers	Relaxation Seekers	Delight Seekers	Must-Have Customers
Dimension	N = 38	6	7	6	8	6	5
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
	Explorer	X	X	X	X		
	Drifter	X					
Expectation from personalization	Transparent	X	X				
	Cosmetic	X		X	X		
	Adaptive		X	X		X	
	Collaborative			X	X	X	X

the purchase and consumption experience characteristics. Using psychographic variables (customer philosophy and familiarity-novelty continuum), participants' stories about their experience with personalized offers created trajectories in which relationships between dimensions presented in the conceptual framework (Fig. 1) were

envisioned. An example of the process is in [Appendix C](#). Through a narrative frame (“meanings through which a given experience is understood”) (Thompson, 1997, p. 445), participants depicted a connection between their expectation of personalization and their WTP, allowing to synthesize the pattern of meanings that frame their experience and



Fig. 2. CeoP-WTP Customer typology.

assign them to a specific type.

Such an approach provides a deeper understanding of the relationship between CeoP and WTP. The authors discussed ensuring the robustness, creditability and accuracy of the findings. This approach enabled them to fully explore the nature of the relationship between CeoP and WTP. To ensure the trustworthiness of the qualitative research, regarding confirmability and dependability, interview videos, transcripts, NVivo files, and reflexive notes were kept to confirm the research process and procedures (Guba, 1981). Creditability was strengthened by using triangulation techniques (e.g., recruiting participants from multiple sources and channels depicted above).

4. Findings: Customer typology

Based on thirty-eight interviews, this study proposes six different types of customers based on CeoP, customer WTP for those offers, familiarity-novelty continuum, and psychographic category of customer philosophy. These types are: Budget Adventurers; Family Explorers; Relaxation Seeker; Relation Seeker; Delight Seeker; Must-Have Customer, as depicted in Fig. 2. The following portraits explain each type's characteristics (Fig. 2 and Table 4).

4.1. Budget Adventurer

Budget Adventurer treats the hotel simply as a travel hub; a place to sleep, whilst their priority is an adventure at the destination. This type includes lone travelers or individuals; traveling in a small group (friends and family); short stays during longer journeys; backpackers, and adventure seekers. Budget Adventurers often perceive personalization 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 personalized offers, as they spend most time exploring the destination. They look for a secure place offering functionality, safety and decent quality product and service: *"I don't mind if I go to Airbnb or as a backpacker, and 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"* (Participant 29). 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 in noticing any aspect of personalization provided. 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 service, low standards, as well as [for] both, for the same price, you can find a much better quality"* (Participant 2).

They make a booking based on a limited budget and spend time shopping around. They seek the cheapest option and use other customers' opinions as an additional source of reference: *"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). Additional services may be treated as a necessity rather than perceived as personalized services (e.g., hotel shuttle or security): *"In the hotels I was staying, I didn't notice any personalization, all standards, just have a key, there is a room"* (Participant 2). Although those customers perceive personalized offers as additional to the standard product and service, their WTP is further enhanced by receiving service that is perceived as individualized, exceptional and unique: *"[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 restaurants should be like really prepared for that, you know, because it's not like something new"* (Participant 1).

4.2. Family Explorer

Family Explorers also look for hotels as a hub (used as a base for exploration, rest, and sleep between activities): *"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 the parents with children, as they are restricted for the time of travelling (e.g. school holidays) (derived from interviews). Frequently family trips are vacations more prolonged than a couple of days: *"so if I go to with the family, to the place where I spent one week or two weeks"* (Participant 9). Family Explorers are looking for comfortable accommodation, reliable transport, and recommendations based on overall family requirements and interests. As individual mass travelers who often make their own arrangements, they go along and travel on a limited budget (Mehmetoglu, 2004). The lack of familiarity with a

Table 4
Summary 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 personalization, 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 constrain 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 personalization, not WTP more, seek offers, discounts, and recommendations.
Relaxation Seeker	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 personalization, WTP with limits
Relation Seeker	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 Seeker	Mainly Couples Driven by self-fulfilment needs Budget is a guidance	Driven mainly by hedonic motives	Greater enjoyment through consumption of high-quality items Expect Adaptive/ Collaborative type pf personalization, WTP more
Must-Have Customers	Refuse to consume if the offer does not fulfil their grand desires	Need for greater control	Expect collaborative personalization, WTP more

chosen destination means that they frequently look for personalized 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, maybe 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 personalization may be designed through dynamic packaging with entertainment and catering providers.

For those consumers, the main factor apart from a location is the family friendliness aspect with the choice of attractions: “it’s 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). Children play an essential role in the decision-making process. Recommendations relevant to customers’ needs and requirements can be co-created using an adaptive approach to personalization: “If I go along with my family [...], I will focus on the attractions 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 exploration tourists’ role, inhibits their WTP for the hotel offers: “...so in the context of a family holiday [...], probably no, because we would be busy doing other things” (Participant 34). Family Explorers, similar to the previous type, often work toward their budget. Hence the variety of amenities offered and the presence of tourist attractions influence the customer WTP.

4.3. Relation Seeker

Relation Seekers look for a collaborative type of personalization. They focus on social interactions and interpersonal connections through the co-creation of a relationship with the offer provider. Frequently seen among individual/solo customers, those relations are achieved through active hotel-guest communication: “The communication makes more personalized service for me, I mean the communication is the most important part. 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’s just only for me and those kinds of things, make my holiday memorable” (Participant 7). Communication plays a vital role for individual customers as they often feel left out from travel experiences, feeling lonely: “no one wants to be sitting around feeling like they’re being ignored. I’ve done like 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). Relation Seekers are usually individual mass customers looking for holidays in familiar places, with familiar people. They repeatedly lack comprehensive, personalized information and tend to return to places where they have felt a connection.

Regarding their WTP, the cost associated with booking the hotel and the available budget also play 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 star, that kind of thing and then it be... I don’t want to spend £1000 on a four-night holiday, so I’m gonna limit that cost to a certain degree” (Participant 35). Relation Seekers carefully calculate if the promises outweigh the cost of achieving them despite high expectations. A perception of the price-quality ratio suggests: “I want that personalized 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). Hence, the WTP is associated not only with a presented offer but also with the expectation of meeting the service promise: “Just by paying more doesn’t mean that the service is going to be any better” (Participant 35). It is the relation that determines value

and WTP for this segment.

4.4. Relaxation Seeker

Relaxation Seekers include a mixture of couples (without children) and higher budget families (derived from participants’ expressions of their life stage). Those customers like a higher level of attention, which indicates a greater level of personalization. They often determine either-or choices, characterized 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. 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 personalized recommendations and experiences. They treasure collaborative and relation personalization: “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, something like what color 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).

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): “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).

Information technology developments fundamentally shaped booking and travelling (Buhalis, 2020), enhancing extensive search and making more rational decisions (Ryu et al., 2021): “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).

Relaxation Seekers are fully aware of additional costs that can occur for a higher level of personalization: “The more you want than, the more you’ll pay” (Participant 32). They pay attention to identifying the cognitive and hedonistic aspects of holidays: “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 look forward to just spoiling ourselves out there” (Participant 36). Relaxation Seekers understand and expect a higher price for personalized offers: “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 to pay more to be treated in a better way” (Participant 11). Therefore, they 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 Explorers, price is not the most important criteria 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).

4.5. Delight Seekers

The Delight Seekers expect communication with hotel guests and obtaining information to learn more and quicker about guest preferences, as: “the poor communication ruins personalization” (Participant 28). They depict a mixture of individualistic and organizational mass tourist approaches, where the trip may not be entirely planned due to a

choice of facilities offered. However, customers have a certain amount of control over the time and itinerary of the trip (Cohen, 1979). *“I’ll be looking for somewhere where we can have an experience. Whatever the experience maybe... you’re looking at things like a spa, fantastic dinner”* (Participant 33). *“My girlfriend really likes some spa treatment, so this 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 traveling, 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 in decision-making, as those customers are not restricted to school holidays. Instead, 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). This behavior is grounded on the philosophy, motivated by push factors 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 earning journey. They enter a different state of mind in which they are willing to pay more for personalized services: *“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 also influences their WTP for the offer: *“if I receive more value, yes [I will pay more]”* (Participant 33). This type of customer seems to know what they want and have the disposable income to spend. They are prepared to pay for that, provided that organizations can deliver personalized experiences to meet their desires and delight them.

4.6. Must-Have customers

Must-Have Customers determine their behavior by their ability to personalize their experience actively. Receiving a personalized offer that strictly fits their specific requirements is more than just a desire for these customers. It is a necessity. Meeting their requirements is vital for the decision-making process, experience, and ability to purchase the offer. These are either affluent travellers who are not concerned with cost or those with specific critical requirements for their experiences. That is particularly the case for customers with accessibility issues or medical conditions, such as severe food allergies, anxieties, phobias, or physical disabilities. For this type of customer, their requirements are 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). Must-Have Customers must personalize their experience by building the offer through an active co-creation process (Vargo & Lusch, 2008): *“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 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 the similar products from the different places”* (Participant 20). They are often disappointed or even unable to participate when expectations are not met: *“They promised me the world, and literally, it was fruit salad or ice cream”* (Participant 27). Lack of personalization creates significant dissatisfaction and/or discomfort and can lead to decreased loyalty and, as a result, pushes the customer to switch to competitors: *“If I do not receive what I want, I changed the hotel, I chose 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 elevator but close to the fire exit is important and always want the breakfast in a corner because this what I like it”* (Participant 37).

The Must-Have Customers WTP is considerably higher, as they are prepared to pay higher prices if service providers meet their requirements. 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 also indicates the need for a higher level of control throughout the personalization process. Negotiations are grounded in a collaborative approach with product and service providers (Vesonen, 2007). Co-creation allows personalizing experiences and can be a source of unique value for each individual (Chathoth, Altinay, Harrington, Okumus, & Chan, 2013). A communication platform can facilitate social interaction, providing consumer needs and establishing the desired level of privacy towards co-creating the experience collaboratively. An example of such a platform is [Pantou.org](https://pantou.org) which has been 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 the directory of suppliers of accessible tourism services, covering the whole tourism and travel value chain.

5. Discussion

The literature provides various classifications of customers based on demographic features to assess their preferences, needs, income and interests (Kizielewicz, 2020). Indeed, developing and proposing customer typology create challenges as businesses are characterized by distinct features, diverse external factors, or varied marketing offers (Rondan-Cataluña & Rosa-Diaz, 2014). Making a purchase decision is an intrinsically complex and individual task, especially in the leisure and travel context (Prakash et al., 2021). This study illuminates that social influences (Gilal et al., 2018), willingness to share data (Schmidt et al., 2020) and previous experience also influence customer’s WTP for the company’s offering (perceived as a combination of product and service). Attribute-based personalization (Prakash et al., 2021), service personalization (Bonaretti et al., 2020; Piccoli et al., 2017), and price personalization (Greenstein-Messica & Rokach, 2018) enhance customer engagement in the co-creation of experiences. Customers look for an offer (product and service) that meets their requirements and expectations, expect to be treated as “the only customer”, and pay the price matching their current WTP.

The findings of this study are in line 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 making a 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 is the most natural form of personalized price by charging customers with higher WTP more than those with lower WTP (Coker & Izaret, 2020). The results are also consistent with the findings of Rondan-Cataluña and Rosa-Diaz (2014), which depict that individuals from price-rigid types achieve lower price perception, value for money and are not willing to pay more for a personalized offer. Participants from price-restrained types (Budget Adventures and Family Explorers) are often limited by their budget, linking disposable income and perception of benefits gained. The hospitality context illuminates that individuals look for wider choices offered and prefer to pay only for the products and services they actually need and use. They are unwilling to pay and often seek discounts if they do not use facilities (derived from participants’ declarations). This further strengthens the heterogeneity of customers and their characteristics in different contexts (Kim 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 CeOP from basic needs fulfilment to more refined self-determined needs (Gilal et al., 2018). Personalization enhances the customer experience; reduces anxiety and discomfort from unfamiliarity with chosen products and services; and support real-time

assistance and recommendation to meet customer internal and external context and their resultant requirements (Buhalis & Sinarta, 2019). That, as a result, affects customers' WTP.

This study, in part, challenges the view that customers are WTP more for personalized products and services (Bonaretti et al., 2020; Piccoli et al., 2017; Prakash et al., 2021). Findings illustrate that the presence of personalization does not necessarily enhance customers' WTP. The proposed typology suggests that customers seek various forms of personalized products and services, but they are not always willing to pay more. In line with Modica et al. (2020), customer economic and social sustainability influence their WTP (participants did not elaborate upon the environmental sustainability). Participants illuminate that one of the preferred methods of engaging with the hospitality business during the searching and purchasing process is human-to-human interaction, as this often results in the best price for personalized products and services.

Interestingly, this is not dissimilar to what has been happening in traditional markets and bazaars over the centuries. However, industrialization and standardization have led modern business ecosystems to rigid processes. Given the growing interest in personalization (including personalized price), this study reiterates David, Bearden, and Haws (2017) that it is vital to understand the nature of the relationship between actors and factors that influence customer responses to personalized offers within the business ecosystem. Personalization can also drive distribution channel and mix decisions (Abdullah, Van Cauwenberge, Vander Bauwhede, & O'Connor, 2021).

Beyond the familiarity-novelty continuum, this study proposes a typology to deepen the understanding of the relationship between CeoP and their WTP. This is fundamentally based on customer philosophy: how people think, organize their purchases, and their attitudes and beliefs (Waryszak & 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 also influenced by factors such as family life cycle (derived from participants' statements). 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 & Foerste, 2015; Seo & Buchanan-Oliver, 2019). These proposed customer types also exist in other service-orientated industries beyond hospitality, such as banking, retail, and insurance.

5.1. Theoretical contributions

This study offers several theoretical contributions by drawing attention to the nuanced nature of the relationship between CeoP and WTP. By exploring the nature of the relationship between CeoP and WTP, this study proposes a customer typology to support segmentation and pricing strategies. The interpretivist approach of qualitative content analysis offers insight into how and why customers themselves interpret personalization and WTP. The findings show that customers do not have a singular perspective of this association, but rather customers value different forms of personalization depending on the individuals' context. An outcome of this variation in value expectation is that pricing strategies will work differently for various individuals based on their current type in a specific context. For instance, Budget Adventurers, Family Explorers, and Relation Seekers may seek price discounts, while Relaxation Seekers, Delight Seekers, and Must-Have Customers seek more personalized approaches towards experience co-creation and pricing. As a result, their personalization expectations and their delight in receiving personalized products and services vary, influencing customers' WTP (derived from participants' statements).

5.2. Managerial contributions

The study also offers managerial implications for practitioners in a

tourism business ecosystem which non-tourism businesses can also consider. Customers fall under different segments based on their life cycle, philosophy, and the different context of their consumption. There is a noticeable expectation from customers that personalization 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 & Sinarta, 2019). Personalized products and services encourage individual pricing strategies. Revenue managers need to focus more on using CeoP and WTP segmentation-based approaches, not only to simply increase revenue, but also 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 context in which the customer is in, is vital for revenue management, profitability and ultimately competitiveness.

Some critical questions arise when attempting to determine WTP: What is the social context of the experience? Does the customer travel alone, with a partner, partner or children, as an individual or as part of a (larger) group? Is the utilitarian or hedonic factor a primary purpose of purchase? How frequently do they purchase the offers? How do they communicate? How much novelty and familiarity do they seek? Those contextual factors often determine CeoP and WTP, which organisations can monitor using data analytical approaches (Stylos et al., 2021), such as ambient intelligence (Buhalis, 2020), which can present customers with personalized pricing, as customer WTP is subjective and context-dependent.

The proposed typology can inform product and service planners, marketing and management teams to facilitate and formulate improved adopted offers for diverse service business sectors, including banking, insurance, and retail. For instance, Budget Adventurers do not primarily look for personalized offers, such as extensive overdraft limits on their bank card. Instead, they are looking for a limited or no overdraft limit. For instance, students or young professionals may easily fit the Budget Adventure type. On the other side of the spectrum, Delight Seekers value more individualized 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 the interaction with the brand at each point of contact and is willing to spend more for the pleasure.

In contrast, Family Explorers often look for various coupons, vouchers, offers and discounts (i.e. third-degree price discrimination). In addition, they look for those across the business ecosystem to reduce their overall expenditure, such as offers for attractions close to the chosen hotel or as an incentive for a return visit 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 proposed typology can help managers decide what type of personalization may best suit their customers and what price approach they should take to optimize revenue. While the price is important, the findings show that customers present distinct differences. Each type values personalization differently, either by choice and perception or by necessity. Technology transforms customer interaction, enabling unmatched scope and scale for personalization (Buhalis et al., 2019; Ling et al., 2021; Piccoli et al., 2017). Understanding the nature of the relationship between customer expectations of various personalization types and their WTP can assist revenue managers in adapting their offers for each type of consumer. In the modern competitive markets, customers will not resign from an expectation of personalized offers. Getting to understand customer WTP is challenging but equally critical to the profitability and competitiveness of organizations. Thus, the proposed typology provides new directions for experience co-creation, segmentation, pricing, and revenue management across the entire business

ecosystem.

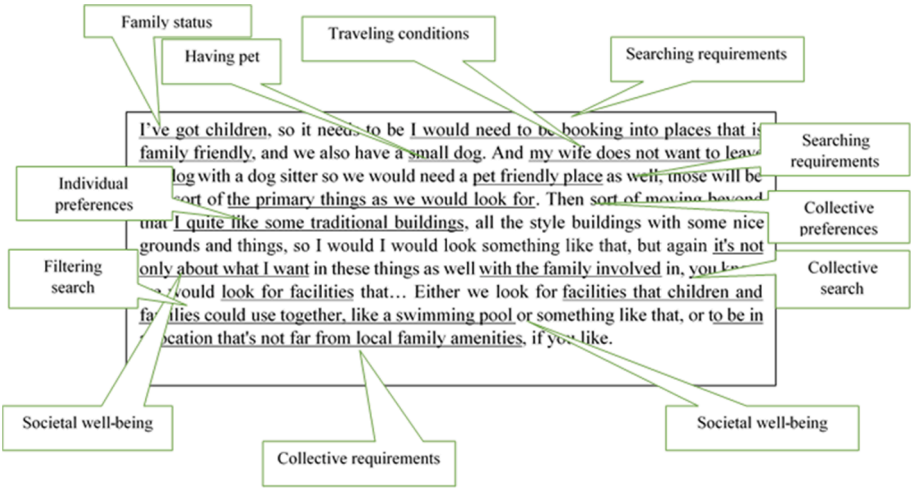
6. Conclusion

This study explores the nature of the relationship between CeoP and their WTP using the hospitality business ecosystem as a context. The study applies a qualitative research approach to illustrate that customer WTP varies according to personalization expectations, life cycle stage, and specific context. Furthermore, the motives for purchase behavior also influence WTP and expectations from the personalized offer. It proposes a typology based on the notion that customers often are polar opposite (e.g., individualistic vs collectivistic, hedonic vs utilitarian, price-rigid vs price-elastic) (Chan, Cheng, & Hsien, 2011; Kizielewicz, 2020; Mehmetoglu, 2004; Rondan-Cataluña & Rosa-Diaz, 2014). This customer typology extends the previous research on personalization, customer segmentation and pricing strategies. The study contributes to revenue management by highlighting the importance of the relationship between personalization and customer WTP. Understanding this relationship is strategic for addressing managerial questions regarding what customers want and what they are willing to sacrifice. That is grounded in the role that perceived value for money plays in purchasing, attracting hotel guests, and improving satisfaction (Rondan-Cataluña & Rosa-Diaz, 2014). Pricing strategy insights indicate that all customers expect a degree of personalized offers, but not all are willing to pay more for the privilege of personalization. This research extends the current understanding of personalization by bringing in customer-driven insights emphasizing customer heterogeneity and providing evidence for the need for a customer-based view of personalization.

Appendix

Appendix A

Coding example – participant 34, Customer philosophy.



Appendix B

Segmentation of participants

Like with any research, this study is not without limitations. As one limitation, this study did not address personalization 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. Despite that the study also represents a step in the research stream on the understanding relationship between CeoP and WTP, many questions await answers (Piccoli et al., 2017), e.g., future research could investigate the emotional effects of personalization on customer WTP. Even though the thirty-eight participants delivered plenty of information, future research could adopt a quantitative or mixed methods approach to validate and supplement the current typology. Since the data were collected from UK residents, these results may not be generalizable in different parts of the world. Additional research is encouraged, such as cross-cultural studies, to examine the generalization of the results in different contexts.

CRedit authorship contribution statement

Arkadiusz T. Tomczyk: . Dimitrios Buhalis: Writing – review & editing. Daisy X.F. Fan: Writing – review & editing. Nigel L. Williams: Writing – review & editing.

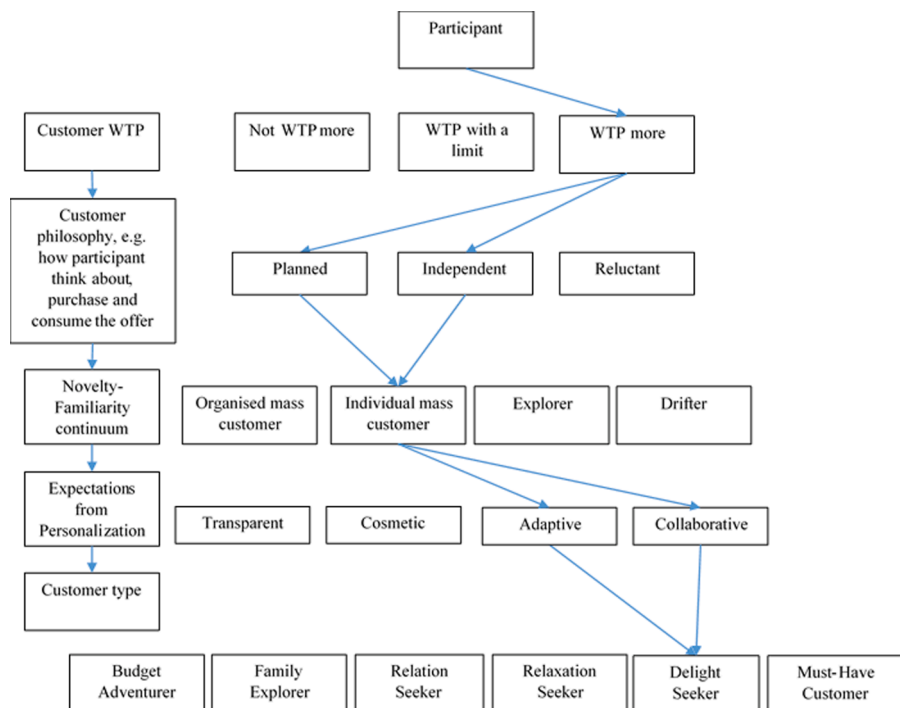
Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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	Family Explorer
4	Male	53	Chef	Delight Seeker
5	Male	40	Lecturer	Budget Adventurer
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	Delight Seeker
15	Male	45	Carpenter	Family Explorer
16	Female	38	Receptionist	Relation Seeker
17	Female	40	Real Estate	Family Explorer
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	Must-Have Customer
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	Must-Have Customer
31	Male	38	Senior Field Sales Professional	Delight Seeker
32	Female	42	Accountant	Relaxation Seeker
33	Male	45	CEO	Delight 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

Appendix C

Example of Delight Seeker customer type



References

- Abdullah, S., Van Cauwenberge, P., Vander Bauwhede, H., & O'Connor, P. (2021). The indirect distribution dilemma: Assessing the financial impact of participation in Booking.com for hotels. *Tourism Review*. <https://doi.org/10.1108/TR-03-2020-0101>
- Abbate, G., Fraquelli, G., & Viglia, G. (2012). Dynamic pricing strategies: Evidence from European hotels. *International Journal of Hospitality Management*, 31(1), 160–168. <https://doi.org/10.1016/j.ijhm.2011.06.003>
- Abbate, G., & Viglia, G. (2016). Strategic and tactical price decisions in hotel revenue management. *Tourism Management*, 55, 123–132. <https://doi.org/10.1016/j.tourman.2016.02.006>
- Adolphs, C., & Winkelmann, A. (2010). Personalization Research in E-Commerce – A State of the Art Review (2000–2008). *Journal of Electronic Commerce Research*, 11(4), 326–341.
- Aguirre, E., Mahr, D., Grewal, D., de Ruyter, K., & Wetzels, M. (2015). Unraveling the personalization paradox: The effect of information collection and trust-building strategies on online advertisement effectiveness. *Journal of Retailing*, 91(1), 34–49. <https://doi.org/10.1016/j.jretai.2014.09.005>
- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211.
- Arora, N., Dreze, X., Ghose, A., Hess, J. D., Iyengar, R., Jing, B., ... Zhang, Z. J. (2008). Putting one-to-one marketing to work: Personalization, customization, and choice. *Marketing Letters*, 19(3–4), 305–321. <https://doi.org/10.1007/s11002-008-9056-z>
- Asif, M., & Krogstie, J. (2013). Mobile services Personalization Evaluation model. *International Journal of U-and e-Service, Science and Technology*, 6(2), 1–12.
- Ban, G.-Y., & Keskin, N. B. (2017). Personalized Dynamic Pricing with Machine Learning: High Dimensional Features and Heterogeneous Elasticity. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2972985>
- Bergman, M. M. (2015). Hermeneutic Content Analysis : Textual and Audiovisual Analyses within a Mixed Methods Framework. In C. Tashakkori, A. Teddlie (Ed.), *Handbook of Mixed Methods in Social & Behavioral Research* (pp. 379–396). Thousand Oaks.
- Biswas, A., & Roy, M. (2016). A Study of Consumers' Willingness to Pay for Green Products. 4(3), 211–215. <https://doi.org/10.12720/Joams.4.3.211-215>
- Bonaretti, D., Bartosiak, M., Lui, T. W., Piccoli, G., & 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*, 57(6). <https://doi.org/10.1016/j.im.2020.103346>
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77–101.
- Braun, V., & Clarke, V. (2012). Thematic analysis. *APA Handbook of Research Methods in Psychology, Vol 2: Research Designs: Quantitative, Qualitative, Neuropsychological, and Biological*, 2, 57–71. <https://doi.org/10.1037/13620-004>
- Bressolles, G., Durrieu, F., & Senecal, S. (2014). A consumer typology based on e-service quality and e-satisfaction. *Journal of Retailing and Consumer Services*, 21(6), 889–896. <https://doi.org/10.1016/j.jretconser.2014.07.004>
- 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. <https://doi.org/10.1108/TR-06-2019-0258>
- Buhalis, D., Andreu, L., & 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. <https://doi.org/10.1002/mar.21344>
- Buhalis, D., & Foerste, M. (2015). SoCoMo marketing for travel and tourism: Empowering co-creation of value. *Journal of Destination Marketing and Management*, 4(3), 151–161. <https://doi.org/10.1016/j.jdmm.2015.04.001>
- Buhalis, D., Harwood, T., Bogicevic, V., Viglia, G., Beldona, S., & Hofacker, C. (2019). Technological disruptions in services: Lessons from tourism and hospitality. *Journal of Service Management*, 30(4), 484–506. <https://doi.org/10.1108/JOSM-12-2018-0398>
- Buhalis, D., & Sinarta, Y. (2019). Real-time co-creation and nowness service: Lessons from tourism and hospitality. *Journal of Travel and Tourism Marketing*, 36(5), 563–582. <https://doi.org/10.1080/10548408.2019.1592059>
- Caicedo, J. C., Kapoor, A., & Kang, S. B. (2014). Collaborative personalization of image enhancement. *International Journal of Computer Vision*, 108(1–2), 148–164. <https://doi.org/10.1007/s11263-013-0675-3>
- Cavdar Aksoy, N., Tumer Kabadayi, E., Yilmaz, C., & Kocak Alan, A. (2021). A typology of personalization practices in marketing in the digital age. *Journal of Marketing Management*, 37(11–12), 1091–1122. <https://doi.org/10.1080/0267257X.2020.1866647>
- Chan, C. C. H., Cheng, C. B., & 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*, 38(12), 14585–14591. <https://doi.org/10.1016/j.eswa.2011.05.024>
- Chathoth, P., Altinay, L., Harrington, R. J., Okumus, F., & Chan, E. S. W. (2013). Co-production versus co-creation: A process based continuum in the hotel service context. *International Journal of Hospitality Management*, 32(1), 11–20. <https://doi.org/10.1016/j.ijhm.2012.03.009>
- Chellappa, R. K., & 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. <https://doi.org/10.1007/s10799-005-5879-y>
- Chen, X., Owen, Z., Pixton, C., & Simchi-Levi, D. (2015). A Statistical Learning Approach to Personalization in Revenue Management. *SSRN Electronic Journal*, (January). <https://doi.org/10.2139/ssrn.2579462>
- Cho, J. Y., & Lee, E. H. (2014). Reducing confusion about grounded theory and qualitative content analysis: Similarities and differences. *Qualitative Report*, 19(32), 1–20. <https://doi.org/10.46743/2160-3715/2014.1028>
- Choe, C., King, S., & Matsushima, N. (2018). Pricing with cookies: Behavior-based price discrimination and spatial competition. *Management Science*, 64(March 2022), 5669–5687. <https://doi.org/10.1287/mnsc.2017.2873>
- Chung, T. S., Rust, R. T., & Wedel, M. (2009). My mobile music: An adaptive personalization system for digital audio players. *Marketing Science*, 28(1), 52–68. <https://doi.org/10.1287/mksc.1080.0371>
- Chung, T. S., Wedel, M., & Rust, R. T. (2016). Adaptive personalization using social networks. *Journal of the Academy of Marketing Science*, 44(1), 66–87. <https://doi.org/10.1007/s11747-015-0441-x>
- Cohen, E. (1972). Toward a Sociology of International Tourism. *Political Economics*, 39(1), 164–182.
- Cohen, E. (1979). A Phenomenology of Tourist Experiences. *Sociology*, 13, 179–201. <https://doi.org/10.1177/003803857901300203>
- Coker, J., & Izaret, J. M. (2020). Progressive Pricing: The Ethical Case for Price Personalization. *Journal of Business Ethics*, (0123456789). <https://doi.org/10.1007/s10551-020-04545-x>
- Currie, C. S. M., Dokka, T., Harvey, J., & Strauss, A. K. (2018). Future research directions in demand management. *Journal of Revenue and Pricing Management*, 17(6), 459–462. <https://doi.org/10.1057/s41272-018-0139-z>
- David, M. E., Bearden, W. O., & Haws, K. L. (2017). Priced just for me: The role of interpersonal attachment style on consumer responses to customized pricing. *Journal of Consumer Behaviour*, 16(6), e26–e37. <https://doi.org/10.1002/cb.1651>
- Decrop, A., & Snelders, D. (2005). A grounded typology of vacation decision-making. *Tourism Management*, 26(2), 121–132. <https://doi.org/10.1016/j.tourman.2003.11.011>
- Dey, B., & Sarma, M. K. (2010). Information source usage among motive-based segments of travelers to newly emerging tourist destinations. *Tourism Management*, 31(3), 341–344. <https://doi.org/10.1016/j.tourman.2009.03.015>
- Doty, D. H., & Glick, W. H. (1994). Typologies as a Unique Form of Theory Building : Toward Improved Understanding and Modeling. *Academy of Management Review*, 19(2), 230–251.
- Dzulfikar, M. F., Purwandari, B., Sensuse, D. I., Lusa, J. S., Solichah, I., Prima, P., & Willaro, I. (2018). Personalization features on business-to-consumer e-commerce. In *Review and future directions. 2018 4th International Conference on Information Management*. <https://doi.org/10.1109/INFOMAN.2018.8392839>
- Elo, S., & Kyngäs, H. (2008). The qualitative content analysis process. *Journal of Advanced Nursing*, 62(1), 107–115. <https://doi.org/10.1111/j.1365-2648.2007.04569.x>
- Erdem, M., Atadil, H. A., & Nasoz, P. (2019). Leveraging guest-room technology: A tale of two guest profiles. *Journal of Hospitality and Tourism Technology*, 10(3), 286–299. <https://doi.org/10.1108/JHTT-06-2018-0046>
- Esteves, R. B., & Resende, J. (2019). Personalized pricing and advertising: Who are the winners? *International Journal of Industrial Organization*, 63(2019), 239–282. <https://doi.org/10.1016/j.ijindorg.2018.11.003>
- Fan, D. X. F., Buhalis, D., & Lin, B. (2019). A tourist typology of online and face-to-face social contact: Destination immersion and tourism encapsulation/decapsulation. *Annals of Tourism Research*, 78(July), Article 102757. <https://doi.org/10.1016/j.annals.2019.102757>
- Fan, D. X. F., Zhang, H. Q., Jenkins, C. L., & Tavitiyaman, P. (2017). Tourist typology in social contact: An addition to existing theories. *Tourism Management*, 60, 357–366. <https://doi.org/10.1016/j.tourman.2016.12.021>
- Fan, H., & 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. <https://doi.org/10.1080/10919392.2006.9681199>
- Ferreira, A. G., & Coelho, F. J. (2015). Product involvement, price perceptions, and brand loyalty. *Journal of Product and Brand Management*, 24(4), 349–364. <https://doi.org/10.1108/JPRM-06-2014-0623>
- Gerlick, J. A., & Liozu, S. M. (2020). Ethical and legal considerations of artificial intelligence and algorithmic decision-making in personalized pricing. *Journal of Revenue and Pricing Management*, 19(2), 85–98. <https://doi.org/10.1057/s41272-019-00225-2>
- Ghose, A., & Huang, K. W. (2009). Personalized pricing and quality customization. *Journal of Economics and Management Strategy*, 18(4), 1095–1135. <https://doi.org/10.1111/j.1530-9134.2009.00239.x>
- Gilal, F. G., Zhang, J., Gilal, N. G., & 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. <https://doi.org/10.2147/PRBM.S161269>
- Greenstein-Messica, A., & Rokach, L. (2018). Personal price aware multi-seller recommender system: Evidence from eBay. *Knowledge-Based Systems*, 150, 14–26. <https://doi.org/10.1016/j.knsys.2018.02.026>

- Guba, E. G. (1981). Criteria for Assessing the Trustworthiness of Naturalistic Inquiries. *Educational Communication and Technology Journal*, 29(2), 75–91.
- Gurtu, A. (2019). The Strategy of Combining Products and Services: A Literature Review. *Services Marketing Quarterly*, 40(1), 82–106. <https://doi.org/10.1080/15332969.2019.1587868>
- Heinonen, K., Strandvik, T., Mickelsson, K. J., Edvardsson, B., Sundström, E., & Andersson, P. (2010). A customer-dominant logic of service. *Journal of Service Management*, 21(4), 531–548. <https://doi.org/10.1108/09564231011066088>
- Heo, C. Y., & Hyun, S. S. (2015). Do luxury room amenities affect guests' willingness to pay? *International Journal of Hospitality Management*, 46, 161–168. <https://doi.org/10.1016/j.ijhm.2014.10.002>
- Hsieh, H. F., & Shannon, S. E. (2005). Three approaches to qualitative content analysis. *Qualitative Health Research*, 15(9), 1277–1288. <https://doi.org/10.1177/1049732305276687>
- Hsieh, S., O'Leary, J. T., Morrison, A. M., & Chang, P. H. S. (1993). Modelling the Travel Mode Choice of Australian Outbound Travellers. *Journal of Tourism Studies*, 4(1), 51–61.
- Irshaidat, R. (2019). Interpretivism vs. Positivism in Political Marketing Research. *Journal of Political Marketing*, 1–35. <https://doi.org/10.1080/15377857.2019.1624286>
- Jabeen, F., Al Zaidi, S., & Al Dhaheri, M. H. (2022). Automation and artificial intelligence in hospitality and tourism. *Tourism Review*. <https://doi.org/10.1108/TR-09-2019-0360>
- Kabassi, K. (2010). Personalizing recommendations for tourists. *Telematics and Informatics*, 27(1), 51–66. <https://doi.org/10.1016/j.tele.2009.05.003>
- Kang, J., Binda, J., Agarwal, P., Sacconi, B., & 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. <https://doi.org/10.1145/3154862.3154878>
- Kim, D., Hong, S., Park, B. J., & Kim, I. (2020). Understanding heterogeneous preferences of hotel choice attributes: Do customer segments matter? *Journal of Hospitality and Tourism Management*, 45(August), 330–337. <https://doi.org/10.1016/j.jhtm.2020.08.014>
- Kizielewicz, J. (2020). Typology and Models of Cruise Travellers' Consumption in Coastal Tourist Destinations. *European Research Studies Journal*, XXIII(Issue 3), 679–698. <https://doi.org/10.35808/ersj/1662>
- Klaus, P., & Nguyen, B. (2013). Exploring the role of the online customer experience in firms' multi-channel strategy: An empirical analysis of the retail banking services sector. *Journal of Strategic Marketing*, 21(5), 429–442. <https://doi.org/10.1080/0965254X.2013.801610>
- Koçaş, C., & 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. <https://doi.org/10.1007/s11002-013-9235-4>
- Kwon, K., Cho, J., & Park, Y. (2010). How to best characterize the personalization construct for e-services. *Expert Systems with Applications*, 37(3), 2232–2240. <https://doi.org/10.1016/j.eswa.2009.07.050>
- Kwon, K., & 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*, 11(2), 101–116. <https://doi.org/10.1016/j.elerap.2011.05.002>
- Lee, C. H., & Cranage, D. A. (2011). Personalisation-privacy paradox: The effects of personalisation and privacy assurance on customer responses to travel Web sites. *Tourism Management*, 32(5), 987–994. <https://doi.org/10.1016/j.tourman.2010.08.011>
- Lei, S. I., Wang, D., & Law, R. (2021). Mobile-based value co-creation: Contextual factors towards customer experiences. *Tourism Review*, 17. <https://doi.org/10.1108/TR-10-2020-0504>
- Li, C. (2016). When does web-based personalization really work? The distinction between actual personalization and perceived personalization. *Computers in Human Behavior*, 54, 25–33. <https://doi.org/10.1016/j.chb.2015.07.049>
- Li, S., & Karahanna, E. (2012). Peer-based recommendations in online B2C e-commerce: Comparing collaborative personalization and social network-based personalization. In *Proceedings of the Annual Hawaii International Conference on System Sciences* (pp. 733–742). <https://doi.org/10.1109/HICSS.2012.469>
- Li, T., & Unger, T. (2012). Willing to pay for quality personalization Trade-off between quality and privacy. *European Journal of Information Systems*, 21(6), 621–642. <https://doi.org/10.1057/ejis.2012.13>
- Ling, E. C., Tussyadiah, I., Tuomi, A., Stienmetz, J., & Ioannou, A. (2021). Factors influencing users' adoption and use of conversational agents: A systematic review. *Psychology and Marketing*, 38(7), 1031–1051. <https://doi.org/10.1002/mar.21491>
- Long, H. J., Wang, L. Y., Zhao, S. X., & Jiang, Z. B. (2016). An approach to rule extraction for product service system configuration that considers customer perception. *International Journal of Production Research*, 54(18), 5337–5360. <https://doi.org/10.1080/00207543.2015.1078012>
- Lu, L., & 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. <https://doi.org/10.1080/19368623.2016.1178618>
- Masiero, L., & 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. <https://doi.org/10.1177/0047287511426339>
- Masiero, L., Yoonjung Heo, C., & Pan, B. (2015). Determining guests' willingness to pay for hotel room attributes with a discrete choice model. *International Journal of Hospitality Management*, 49, 117–124. <https://doi.org/10.1016/j.ijhm.2015.06.001>
- McNamara, K. E., & Prideaux, B. (2010). A typology of solo independent women travellers. *International Journal of Tourism Research*, 12(3), 253–264. <https://doi.org/10.1002/jtr.751>
- Mehmetoglu, M. (2004). A typology of tourists from a different angle. *International Journal of Hospitality and Tourism Administration*, 5(3), 69–90. https://doi.org/10.1300/J149v05n03_05
- Modica, P. D., Altinay, L., Farmaki, A., Gursoy, D., & Zenga, M. (2020). Consumer perceptions towards sustainable supply chain practices in the hospitality industry. *Current Issues in Tourism*, 23(3), 358–375. <https://doi.org/10.1080/13683500.2018.1526258>
- Montgomery, A. L., & Smith, M. D. (2009). Prospects for Personalization on the Internet. *Journal of Interactive Marketing*, 23(2), 130–137. <https://doi.org/10.1016/j.intmar.2009.02.001>
- Moor, L., & Lury, C. (2018). Price and the person: Markets, discrimination, and personhood. *Journal of Cultural Economy*, 11(6), 501–513. <https://doi.org/10.1080/17530350.2018.1481878>
- Morosan, C., & 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. <https://doi.org/10.1108/IJCHM-07-2015-0349>
- Nickerson, R. C., Varshney, U., & Muntermann, J. (2013). A method for taxonomy development and its application in information systems. *European Journal of Information Systems*, 22(3), 336–359. <https://doi.org/10.1057/ejis.2012.26>
- Nieto-García, M., Muñoz-Gallego, P. A., & González-Benito, Ó. (2020). The More the Merrier? Understanding How Travel Frequency Shapes Willingness to Pay. *Cornell Hospitality Quarterly*, 61(4), 401–415. <https://doi.org/10.1177/1938965519899932>
- Nieto-García, M., Muñoz-Gallego, P. A., & 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, 67–77. <https://doi.org/10.1016/j.ijhm.2016.12.006>
- Noone, B. M., Enz, C. A., & Glassmire, J. (2017). Total Hotel Revenue Management: A Strategic Profit Perspective. *Cornell Hospitality Report*, 17(8), 1–17.
- Obermiller, C., Arnesen, D., & Cohen, M. (2012). Customized Pricing : Win-Win or End Run ? *Drake Management Review*, 1(2), 12–28.
- Pallant, J., Sands, S., & Karpen, I. (2020). Product customization: A profile of consumer demand. *Journal of Retailing and Consumer Services*, 54(September 2019), 102030. <https://doi.org/10.1016/j.jretconser.2019.102030>
- Peppers, D., & Rogers, M. (2000). *The one to one manager. Real-World Lessons in Customer Relationship Management* (1st ed.). New York, NY, USA: Currency Doubleday.
- Pesonen, J., Komppula, R., & Riihinen, A. (2015). Typology of senior travellers as users of tourism information technology. *Information Technology and Tourism*, 15(3), 233–252. <https://doi.org/10.1007/s40558-015-0032-1>
- Piccoli, G., Lui, T. W., & Grün, B. (2017). The impact of IT-enabled customer service systems on service personalization, customer service perceptions, and hotel performance. *Tourism Management*, 59, 349–362. <https://doi.org/10.1016/j.tourman.2016.08.015>
- Piller, F. T., Ihl, C., & Vossen, A. (2010). A Typology of Customer Co-Creation in the Innovation Process. *SSRN Electronic Journal*, (December). <https://doi.org/10.2139/ssrn.1732127>
- Pine, B. J., & Gilmore, J. H. (2011). *The experience economy*. Harvard Business Press.
- Prakash, P. K. S., Gandhi, N., & Jain, S. (2021). BayesRec: Personalize search ranking with customer attribute-level willingness-to-pay using heterogeneous booking choice data. *International Journal of Hospitality Management*, 94(October 2020), 102885. <https://doi.org/10.1016/j.ijhm.2021.102885>
- Priester, A., Robbert, T., & Roth, S. (2020). A special price just for you: Effects of personalized dynamic pricing on consumer fairness perceptions. *Journal of Revenue and Pricing Management*, 19(2), 99–112. <https://doi.org/10.1057/s41272-019-00224-3>
- Reynolds, K. E., & Beatty, S. E. (1999). A relationship customer typology. *Journal of Retailing*, 75(4), 509–523. [https://doi.org/10.1016/S0022-4359\(99\)00016-0](https://doi.org/10.1016/S0022-4359(99)00016-0)
- Riegger, A. S., Klein, J. F., Merfeld, K., & Henkel, S. (2021). Technology-enabled personalization in retail stores: Understanding drivers and barriers. *Journal of Business Research*, 123, 140–155. <https://doi.org/10.1016/j.jbusres.2020.09.039>
- Riemer, K., & Totz, C. (2003). The many faces of personalization – An integrative economic overview of mass customization and personalization. *The Customer Centric Enterprise*, 35–50.
- Rondan-Cataluña, F. J., & Rosa-Díaz, I. M. (2014). Segmenting hotel clients by pricing variables and value for money. *Current Issues in Tourism*, 17(1), 60–71. <https://doi.org/10.1080/13683500.2012.718322>
- Ryan, F., Coughlan, M., & Cronin, P. (2009). *Interviewing in qualitative research: The one-to-one interview*, 16(6), 309–314.
- Ryu, S., Choi, K., & Cho, D. (2021). A behaviour-based typology of travellers using an online travel marketplace. *Current Issues in Tourism*, 24(2), 228–246. <https://doi.org/10.1080/13683500.2019.1710477>
- Salonen, V., & Karjalainen, H. (2016). Web personalization: The state of the art and future avenues for research and practice. *Telematics and Informatics*, 33(4), 1088–1104. <https://doi.org/10.1016/j.tele.2016.03.004>
- Saunders, B., Sim, J., Kingstone, T., Baker, S., Waterfield, J., Bartlam, B., ... Jinks, C. (2018). Saturation in qualitative research: Exploring its conceptualization and operationalization. *Quality and Quantity*, 52(4), 1893–1907. <https://doi.org/10.1007/s11135-017-0574-8>
- Schmidt, L., Bornschein, R., & 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. <https://doi.org/10.1002/mar.21356>

- Seele, P., Dierksmeier, C., Hofstetter, R., & Schultz, M. D. (2019). Mapping the Ethicality of Algorithmic Pricing: A Review of Dynamic and Personalized Pricing. *Journal of Business Ethics*. <https://doi.org/10.1007/s10551-019-04371-w>
- Seo, Y., & Buchanan-Oliver, M. (2019). Constructing a typology of luxury brand consumption practices. *Journal of Business Research*, 99(November 2016), 414–421. <https://doi.org/10.1016/j.jbusres.2017.09.019>
- Setterstrom, A. J., & 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). <https://doi.org/10.17705/1CAIS.04402>
- Shen, A., & 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. <https://doi.org/10.1108/08876040910946341>
- Song, Y. W., Lim, H. S., & 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. <https://doi.org/10.1002/mar.21501>
- Sthapit, E., Del Chiappa, G., Coudounaris, D. N., & 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. <https://doi.org/10.1108/TR-03-2019-0111>
- Strycharz, J., van Noort, G., Helberger, N., & Smit, E. (2019). Contrasting perspectives – practitioner’s viewpoint on personalised marketing communication. *European Journal of Marketing*, 53(4), 635–660. <https://doi.org/10.1108/EJM-11-2017-0896>
- Stylos, N., Zwiegelhaar, J., & 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. <https://doi.org/10.1108/IJCHM-07-2020-0644>
- Sunikka, A., & Bragge, J. (2008). What, who and where: Insights into personalization. In *Proceedings of the Annual Hawaii International Conference on System Sciences* (pp. 1–10). <https://doi.org/10.1109/HICSS.2008.500>
- Sunikka, A., & Bragge, J. (2012). Applying text-mining to personalization and customization research literature - Who, what and where? *Expert Systems with Applications*, 39(11), 10049–10058. <https://doi.org/10.1016/j.eswa.2012.02.042>
- Tansomboon, C., Gerard, L. F., Vitale, J. M., & 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. <https://doi.org/10.1007/s40593-017-0145-0>
- Thompson, C. J. (1997). Interpreting Consumers : A Hermeneutical Framework for Deriving Marketing Insights from the Text of Consumers’ Consumption Stories. *Journal of Marketing Research*, 34(4), 438–455.
- Tobin, G. A., & Begley, C. M. (2004). Methodological rigour within a qualitative framework. *Journal of Advanced Nursing*, 48(4), 388–396. <https://doi.org/10.1111/j.1365-2648.2004.03207.x>
- Tu, Y. J., Neuhofer, B., & Viglia, G. (2018). When co-creation pays: Stimulating engagement to increase revenues. *International Journal of Contemporary Hospitality Management*, 30(4), 2093–2111. <https://doi.org/10.1108/IJCHM-09-2016-0494>
- Tyrväinen, O., Karjaluo, H., & Saarijärvi, H. (2020). Personalization and hedonic motivation in creating customer experiences and loyalty in omnichannel retail. *Journal of Retailing and Consumer Services*, 57(June). <https://doi.org/10.1016/j.jretconser.2020.102233>
- Vargo, S. L., & Lusch, R. F. (2008). From goods to service(s): Divergences and convergences of logics. *Industrial Marketing Management*, 37(3), 254–259. <https://doi.org/10.1016/j.indmarman.2007.07.004>
- Vesonen, J. (2007). What is personalization? A conceptual framework. *European Journal of Marketing*, 41(5–6), 409–418. <https://doi.org/10.1108/03090560710737534>
- Viglia, G., & Abrate, G. (2017). When distinction does not pay off - Investigating the determinants of European agritourism prices. *Journal of Business Research*, 80 (November 2016), 45–52. <https://doi.org/10.1016/j.jbusres.2017.07.004>
- Viglia, G., & Abrate, G. (2020). Revenue and yield management: A perspective article. *Tourism Review*, 75(1), 294–298. <https://doi.org/10.1108/TR-04-2019-0117>
- Vitouladiti, O. (2014). Content Analysis as a Research Tool for Marketing, Management and Development Strategies in Tourism. *Procedia Economics and Finance*, 9(Ebeec 2013), 278–287. [https://doi.org/10.1016/s2212-5671\(14\)00029-x](https://doi.org/10.1016/s2212-5671(14)00029-x)
- Waryszak, R. Z., & 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. https://doi.org/10.1300/J150v02n04_02
- Weiler, B., & Black, R. (2015). The changing face of the tour guide: One-way communicator to choreographer to co-creator of the tourist experience. *Tourism Recreation Research*, 40(3), 364–378. <https://doi.org/10.1080/02508281.2015.1083742>
- Zanker, M., Rook, L., & Jannach, D. (2019). Measuring the impact of online personalisation: Past, present and future. *International Journal of Human Computer Studies*, 131(January), 160–168. <https://doi.org/10.1016/j.ijhcs.2019.06.006>