



Attracting & Retaining GenZ Talent in Luxury Hospitality

An Industry Report

Charalampos Giousmpasoglou
Quynh Nguyen



Executive Summary

Generation Z (born between 1997 and 2012) is entering the workforce in large numbers and is projected to become the dominant employment cohort by 2030. For the luxury hospitality industry, this generation presents both immense opportunities and significant challenges. Gen Z hospitality workers are digitally fluent, socially conscious, entrepreneurial, and ambitious. At the same time, they demand rapid career progression, flexibility, authentic inclusivity, and alignment with their personal values.

This report draws on findings from a recent BU study of international luxury hotels, exploring how recruitment, selection, and retention strategies are evolving to attract and engage Gen Z employees. Key findings highlight that Gen Z expects digital-first recruitment, streamlined selection processes, strong employer branding, and visible commitments to inclusivity and well-being. However, unrealistic expectations around pay and promotion, combined with a competitive job market, pose serious retention challenges.

The report provides evidence-based recommendations for luxury hotels: investing in employer branding, accelerating selection processes, designing structured onboarding, enhancing learning and career pathways, prioritising well-being, and embedding inclusivity. Doing so will not only secure Gen Z talent but also reinforce the long-term resilience and reputation of the hospitality sector.



Table of Contents

- 1 Background**
- 2 Methodology**
- 3 Findings**
 - 3.1 Recruitment: Meeting Gen Z Expectations
 - 3.2 Selection: Speed and Transparency
 - 3.3 Retention: Onboarding, Development,
 and Well-being
 - 3.4 Gen Z Characteristics in the Workplace
- 4 Recommendations**
- 5 Conclusion**

Image Credits

Cover Page: <https://stock.adobe.com> [File #: 450334159], by Дженифер Сікора. © Adobe Stock

Executive Summary: <https://stock.adobe.com> [File #:1341929350], by Ryzhkov. © Adobe Stock

Attracting and Retaining Gen Z Talent in Luxury Hospitality: An Industry Report

1. Background

The hospitality industry has long been associated with challenges around high turnover, skills shortages, and recruitment difficulties. These structural issues have been magnified in the wake of the COVID-19 pandemic, which accelerated workforce disruptions and reshaped employee expectations globally (Baum et al., 2020). For luxury hotels, where exceptional service and personalised experiences are non-negotiable, the ability to attract and retain skilled and motivated employees is a strategic imperative (Marinakou & Giousmpasoglou, 2019).

In this context, Generation Z, born between 1997 and 2012, is emerging as the most influential demographic in the workforce. Research suggests they will make up over a quarter of the global workforce by 2030 (Francis & Hoefel, 2018). Their formative experiences have been shaped by rapid technological change, globalisation, and heightened awareness of social, economic, and environmental issues (Figure 1). As such, Gen Z brings unique expectations to the workplace compared to preceding cohorts such as Millennials and Generation X.

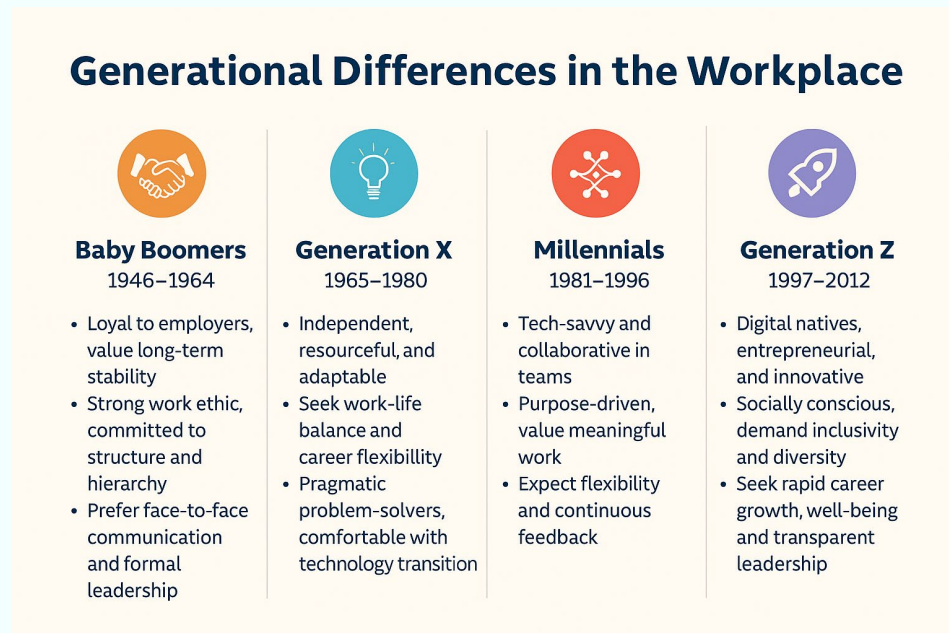


Figure 1: Generational Differences (Authors' own work)

Schroth (2019) notes that Gen Z values purpose-driven work and prioritises employers who demonstrate authentic commitments to sustainability, inclusivity, and social responsibility. They are entrepreneurial in spirit, often preferring project-based work and seeking opportunities to innovate. Importantly, they are not bound by traditional notions of employer loyalty, instead expecting continuous feedback, transparency, and personalised development opportunities (Ozkan & Solmaz, 2015).

For the hospitality sector, these traits present both opportunities and challenges. On one hand, Gen Z's digital fluency and emphasis on authentic experiences align well with the evolving needs of luxury hospitality brands, which increasingly rely on technology-enabled service personalisation and storytelling to differentiate themselves. On the other hand, their reluctance to tolerate rigid hierarchies, long hours, or limited career progression clashes with hospitality's long-standing labour model, often characterised by low pay, unsocial hours, and limited benefits (Ladkin et al., 2023).

Within luxury hospitality, the stakes are especially high. Luxury brands are under pressure to maintain reputations for service excellence and exclusivity, requiring highly skilled and motivated employees (Giousmpasoglou & Marinakou, 2024). If luxury hotels cannot adapt to Gen Z's needs and expectations, they risk undermining both their service quality and long-term competitiveness.

This report, grounded in empirical research, addresses how luxury hotels are rethinking their approaches to recruitment, selection, and retention to remain attractive to this new generation of talent.



Source: <https://stock.adobe.com> [File #: 1654086482], by Arvind Shiv. © Adobe Stock

2. Methodology

The study adopted a multi-method qualitative research design to generate in-depth insights into how the UK luxury hospitality sector is adapting to the challenges of attracting and retaining Generation Z talent. This approach was chosen to capture both managerial perspectives and employee experiences, providing a balanced and holistic understanding of the issues.

A series of semi-structured interviews were conducted with 17 senior industry professionals, including hotel general managers and senior HR managers from leading luxury hotel chains in the UK (Figure 2). These interviews explored in detail the strategies, challenges, and best practices associated with the recruitment, selection, and retention of Gen Z employees. The open-ended format encouraged participants to share real-world examples and practical reflections, adding depth and authenticity to the data.

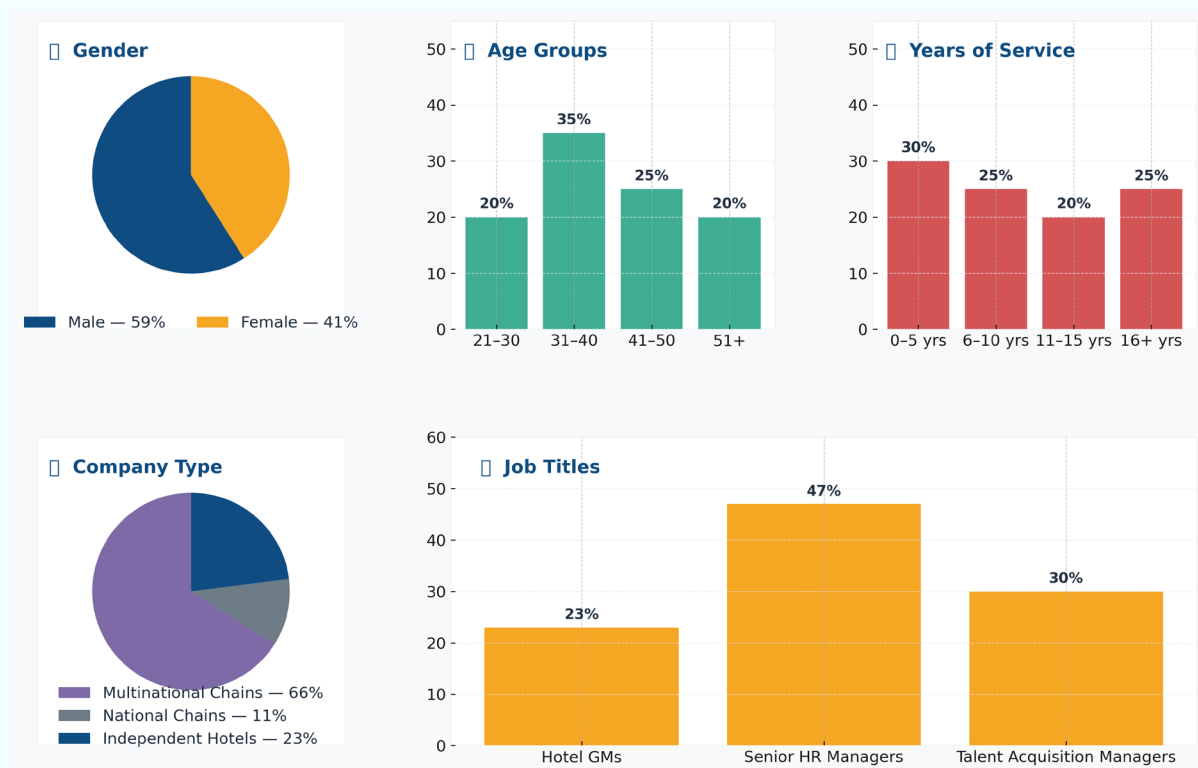


Figure 2: Participant's profile (Authors' own work)

To complement and validate these insights, a focus group with Gen Z employees currently working in the luxury hospitality sector was also conducted. This provided a valuable opportunity to compare managerial perceptions with the lived experiences of younger employees themselves. As expected, the focus group revealed that Gen Z employees view many of the same workplace issues from a very different perspective, often highlighting mismatches in expectations, communication styles, and career aspirations.

By triangulating the two data sets, (managers from older generations versus Gen Z employees) the study was able to identify areas of alignment as well as clear generational gaps. These findings shed light on distinctive Gen Z characteristics, such as their emphasis on flexibility, well-being, inclusivity, and rapid career development, which stand in contrast to the assumptions or priorities of their managers.

Like all research, the study has some limitations. It is based on self-reported data, which may be subject to personal bias or selective recall, and its focus on the luxury hotel segment means that the results may not be fully generalisable to the broader hospitality industry. Nevertheless, the findings provide robust, contextually rich insights that can inform both academic debate and industry practice.



Source: <https://stock.adobe.com> [File #: 474444473], by ClareM. © Adobe Stock

3. Findings

3.1 Recruitment: Meeting Gen Z Expectations

Recruitment emerged as a critical area of adaptation. Gen Z candidates expect a seamless digital-first recruitment process. Respondents highlighted the growing use of platforms such as LinkedIn, Indeed, and even TikTok and Instagram to attract younger talent. A strong online presence, including engaging employer branding campaigns, was cited as essential. Hotels reported that job advertisements emphasising flexibility, sustainability commitments, and career growth opportunities attracted significantly more Gen Z applicants than traditional postings.

However, the negative image of hospitality work remains a persistent challenge. Several respondents observed that Gen Z candidates often hold perceptions of the industry as offering long hours, modest pay, and limited career mobility. Luxury hotels that actively countered these perceptions, by highlighting international placements, structured progression, or positive employee testimonials, were more successful in generating interest. Recruitment campaigns that included storytelling about employee experiences and social impact initiatives were particularly effective.

3.2 Selection: Speed and Transparency

Speed of selection was a recurring theme. Gen Z candidates were described as impatient with slow recruitment processes, often accepting offers from competitors who responded faster. Several HR managers reported that lengthy multi-stage interviews resulted in losing high-potential candidates. As a result, many hotels are reducing the number of interview rounds, incorporating video interviews, and using AI-assisted CV screening to accelerate processes.

Beyond speed, candidate experience was identified as a differentiator. Gen Z expects transparency, timely feedback, and respect throughout the process. Employers noted that lack of communication during recruitment often led to negative perceptions of the brand. Selection criteria are also shifting from academic and technical qualifications to attitude and cultural fit. As one respondent noted, *'We can train technical skills, but service mindset and empathy are much harder to teach.'* This emphasis on attitude aligns with the interpersonal nature of luxury hospitality, where emotional intelligence is as important as technical proficiency.

3.3 Retention: Onboarding, Development, and Well-being

Retention was identified as the most pressing challenge. The first 90 days of employment were described as critical for securing Gen Z engagement. Hotels with structured onboarding programmes, mentorship schemes, and early recognition initiatives reported significantly stronger retention rates. Conversely, where onboarding was informal or inconsistent, turnover was disproportionately high.

Career development was highlighted as a decisive factor in retention. Gen Z expects transparent progression opportunities, continuous learning, and access to international or cross-departmental experiences. Respondents reported that employees who could see a clear career trajectory within the organisation were more likely to stay. Hotels that invested in structured training, leadership development programmes, and global mobility reported lower attrition.

Well-being and work-life balance were also described as non-negotiables for Gen Z. Several respondents noted that flexible rostering, wellness initiatives, and mental health support were critical in retaining young employees. Gen Z is unapologetic about prioritising well-being, and organisations failing to meet these expectations faced higher attrition rates.



Source: <https://stock.adobe.com> [File #: 473470558], by Lomb. © Adobe Stock

3.4 Gen Z Characteristics in the Workplace

The study confirmed several defining workplace characteristics of Gen Z (Figure 3). They are digital natives who expect seamless integration of technology into their daily work. They are highly value-driven, seeking alignment between their personal beliefs and the organisation's mission. This extends particularly to sustainability, diversity, and corporate social responsibility.

Gen Z also expects continuous feedback, preferring regular, informal check-ins over traditional annual appraisals. They exhibit an entrepreneurial mindset, with many expressing aspirations to start their own businesses. Loyalty is conditional: they will remain with employers only if they perceive authentic investment in their growth, well-being, and inclusivity.

Several respondents also observed a paradox: while Gen Z seeks rapid progression and leadership opportunities, they often lack the patience to accumulate the necessary experience. This creates tension for employers trying to balance ambition with operational reality. Nonetheless, when managed effectively, Gen Z employees bring creativity, energy, and innovation to the workplace.



Figure 3: Gen Z defining characteristics in the Luxury Hospitality sector
(Authors' own work)

4. Recommendations

Based on the study's findings, several recommendations emerge for luxury hotels seeking to attract and retain Gen Z talent (Figure 4).

First, employer branding must be reimagined to showcase authenticity. Highlighting employee stories, demonstrating clear progression pathways, and showcasing social and environmental commitments can make hospitality roles more attractive. Social media channels should be used strategically to communicate these messages in ways that resonate with younger candidates.

Second, recruitment and selection processes must be simplified and accelerated. Hotels should streamline application processes, adopt video or AI-assisted interviews, and ensure clear, timely communication with candidates. Respect and transparency during recruitment directly influence perceptions of the brand.



Figure 4: How to Attract and Retain Gen Z employees

(Authors' own work)

5. Conclusion

This study highlights that attracting and retaining Gen Z talent is not simply an HR challenge but a strategic necessity for the luxury hospitality sector. Gen Z brings digital fluency, creativity, and strong value-driven perspectives that can enhance guest experiences and reinforce brand identity. Yet their expectations for rapid progression, flexibility, inclusivity, and well-being pose significant challenges for traditional hospitality employment models.

If luxury hotels fail to adapt, they risk losing the next generation of talent to competing industries perceived as more progressive and supportive. Conversely, organisations that embrace innovation in recruitment, prioritise development and well-being, and foster inclusive cultures will be well positioned to inspire loyalty and long-term engagement from Gen Z. Ultimately, the ability to align organisational practices with Gen Z's values will determine not only the resilience of hospitality employers but also the quality and sustainability of service excellence in the sector.



Source: <https://stock.adobe.com> [File #: 299208296], by rzoze19. © Adobe Stock

References

- Baum, T., Mooney, S. K., Robinson, R. N., & Solnet, D. (2020). COVID-19's impact on the hospitality workforce—new crisis or amplification of the norm?. *International Journal of Contemporary Hospitality Management*, 32(9), 2813-2829.
- Francis, T., & Hoefel, F. (2018). 'True Gen': Generation Z and its implications for companies. McKinsey & Company. Available at: <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/true-gen-generation-z-and-its-implications-for-companies>
- Giousmpasoglou C and Marinakou E (2024). *The contemporary hotel industry: A people management perspective*. Palgrave Macmillan
- Ladkin, A., Mooney, S., Solnet, D., Baum, T., Robinson, R., & Yan, H. (2023). A review of research into tourism work and employment: Launching the Annals of Tourism Research curated collection on tourism work and employment. *Annals of Tourism Research*, 100, 103554. <https://doi.org/10.1016/j.annals.2023.103554>
- Marinakou E and Giousmpasoglou C (2019). Talent management and retention strategies in luxury hotels: evidence from four countries. *International Journal of Contemporary Hospitality Management* 31(10): 3855-3878.
- Ozkan, M., & Solmaz, B. (2015). The changing face of the employees—Generation Z and their perceptions of work. *Procedia Economics and Finance*, 26, 476–483.
- Schroth, H. (2019). Are you ready for Gen Z in the workplace? *California Management Review*, 61(3), 5–18.



Source: <https://stock.adobe.com> [File #: 1345589798], by Ryzhkov. © Adobe Stock

Notes

This report is based on a Bournemouth University Business School (BUBS) study examining generational differences in the luxury hospitality sector. The authors would like to extend their sincere appreciation to the industry partners and students who contributed to this project. Their collaboration and support in the data collection process were invaluable, and their insights have significantly enriched the study's findings and relevance to practice.

Published by Bournemouth University, October 2025

DOI: <https://doi.org/10.18746/c90n-2x13>

Corresponding Author:

Dr. Charalampos (Babis) Giousmpasoglou
Bournemouth University Business School
D120, Dorset House, Talbot Campus, BH12 5BB
T: +44(0)1202 965265 / E: cgiousmpasoglou@bournemouth.ac.uk / W: www.bournemouth.ac.uk

