Generation Y and Z Perceptions of Hospitality Self-Service Technology

Godwin-Charles Ogbeide

Metropolitan State University-Denver

Correspondence: gogbeide@msudenver.edu *(G. Ogbeide)*

For Authors
Interested in submitting to this journal? We recommend that you review the About the Journal page for the journal's section policies, as well as the Author Guidelines. Authors need to register with the journal prior to submitting or, if already registered, can simply log in and begin the five-step process.

For Reviewers
If you are interested in serving as a peer reviewer, please register with the journal. Make sureto select that you would like to be contacted to review submissions for this journal. Also, be sure to include your reviewing interests, separated by a comma.

About Events and Tourism Review (ETR)
ETR aims to advance the delivery of events, tourism and hospitality products and services by stimulating the submission of papers from both industry and academic practitioners and researchers. For more information about ETR visit the Events and Tourism Review.

Abstract

The purpose of this study was to investigate the perceptions of Generation Y and Z regarding self-service technology and personal service in the hospitality industry. Technologically-savvy collegiate students in the Midwestern part of the USA served as the target population for this study. The results of this study indicate that the participants believe that personal service is more important than the use of self-service technology in the hospitality industry. However, Generation Y and Z prefer the convenience and promptness of self-service technology. Practical implications of this study and recommendations for further studies were addressed.

Keywords: Generation Y; Generation Z; Personal Service; Self-Service Technology; Hospitality; Customer Experience

Introduction

This current period in human history is known as the Information Age (Binh, 2016), characterized by a shift in focus from industrialization to computerization. "This evolution of services is somewhat similar to the past experience in the agricultural and manufacturing industry where human labor has been relentlessly replaced by automation" (Ong, 2010, p. 8). With the advent of information technology, some have lost their jobs due to the digital trend of self-service technology (Chen, 2011). The increasing use of self-service technology is changing the essence of service experience and service failure recovery (Bitner, Brown, & Meuter, 2000; Collier, Breazeale, & White, 2017). This modification of decreased social interaction is noteworthy and may impact guest satisfaction in the hospitality industry. Even with extensive research surrounding the impact of technology on customer retention and guest satisfaction (Beatson, Coote & Rudd, 2006), Generation Y and Z's perceptions of hospitality self-service technology cannot be undermined. This study intends to investigate Generation Y and Z's importance and preference for using self-service technologies to personal service in the hospitality industry.

Literature Review

Self-Service Technology

A previous study indicated that technological advancement and high labor costs drove service providers to investigate and develop the self-service delivery option (Shamdasani, Mukherjee, & Malhotra, 2008). Self-service technology is becoming popular because of its benefit to both hoteliers and customers (Kucukusta, Heung & Hui, 2012). Self-service technology is based on "technological interfaces that enable customers to produce a service independent of direct service employee involvement" (Meuter et al., 2000, p. 50). Many organizations use these technology-based self-services to increase service productivity while reducing service delivery costs (Meuter & Bitner, 1998; Shamdasani, Mukherjee, & Malhotra, 2008). During self-service, customers often take on a partial employee role, and employees offer little to no support to complete the transactions

(Meuter et al., 2005; Zhu et al., 2007; Ding et al., 2011). Thus, using these technologies might affect service quality, customer satisfaction, and customer loyalty (Chen, 2011).

The disadvantages of self-service technology include social stress and the wariness of technology. Some customers feel anxious about using self-service technology (Lovelock & Wirtz, 2007). Nevertheless, self-service technology holds a valuable place in modern businesses, serving convenience needs for customers and cost-saving needs pursued by business owners (Oh et al., 2013; Collier & Barnes, 2015).

Personal Service

Researchers emphasize that the interaction between the service employee and the customer allows individualized attention to the customer's needs and preferences, provides important relational benefits to customers, fosters trust, and creates social bonds between the employee and the customer (Forrester, 2018). Customers welcome the extra level of help from personal service, which ultimately enhances evaluations of the service experience (Collier, Breazeale, & White, 2017). The humanization of customer service processes is vital. Despite this, customers use self-service technologies more frequently, resulting in fewer possibilities for true human interaction and sociability (Forrester, 2018). One of the managerial implications of the above phenomenon is determining the right balance for utilizing self-service technology and personal service in the hospitality industry. Hence, the purpose of this study was to investigate the perceptions of Generation Y and Z regarding self-service technology and personal service in the hospitality industry. Thus, the following hypotheses were proposed:

H1: *There is no difference in the level of importance between personal service and the use of self-service technology in the hospitality industry.*
H2: *There is no preference between personal service and the use of self-service technology in the hospitality industry.*
H3: *Generation Y and Z* students *prefer the convenience of the use of self-service technology to personal service.*
H4: *Generation Y and Z students prefer the promptness of the use of self-service technology to personal service.*

Methodology

Population and Sample Selection

Collegiate students in the Midwestern part of the USA who were technologically savvy and familiar with self-service technologies served as the target population for this study. The sample selection for this study was a random sample of Generation Y and Z students.

Validity and Reliability

The instrument for this study was adapted from the literature review and consisted of three parts. Part I was used to measure consumer perceptions and preferences for personal service in the hospitality industry. Part II measured consumer perceptions and preferences for self-service technology in the hospitality industry. Part III of the instrument included questions about the demographic characteristics of the participants. Part I and Part II of the instrument were based on a five-point Likert scale. A panel of experts established the instrument's validity, and its reliability was 0.80, which indicates good internal consistency among the data collected (Ary et al., 2002; Ogbeide, 2006).

Data Collection and Analysis

Data collection was via an online survey link (Qualtrics). Collected data was analyzed using the Statistical Package for Social Sciences (SPSS) version 24.

Results and Discussions

A total of 209 respondents provided usable data as the sample for this study. About 72 percent of the respondents were female, 27 percent were male, and one percent of the respondents' gender was unknown. The age of the respondents ranged between 18-38 years old. Tables 1, 2, and 3 show the mean and standard deviation of the "Reservation, Check-in, and Check-out Services Importance," "Reservation and Room Services Preference," and "Perception of Personal Service and Self-service Technology Processes," respectively.

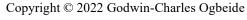Table 1. Reservation, Check-in, and Check-out Services Importance

Service	Process of Service	Mean	Std. Deviation
Personal Service	It is important to me that I am provided check-in services by a person during my visit to a hotel	3.89	1.11
Self-service Technology	It is important to me that there are self-service technology (self-service kiosk) in a hotel for check-in services	3.08	1.15
Personal Service	It is important to me that I am provided check-out services by a person during my visit to a hotel	3.32	1.38
Self-service Technology	It is important to me that there are self-service technology (self-service kiosk) in a hotel for check-out services	3.26	1.17
Personal Service	It is important to me that I am provided reservation services by a person during my visit to a hotel	3.16	1.23
Self-service Technology	It is important to me that there are self-service technology (self-service kiosk) in a hotel for reservation services.	3.36	1.18

N = 209

Table 2. Reservation and Room Services Preference

Service	Process of Service	Mean	Std. Deviation
Personal Service	I prefer to reserve my hotel room through mail	1.43	0.84
	I prefer to reserve my hotel room through fax	1.30	0.69
Self-service Technology	I prefer reserving my room at a hotel through a website without the involvement of human interaction	4.26	0.94
Personal Service	I prefer talking to a person on the phone for my hotel room reservation	2.84	1.33
Self-service Technology	I prefer reserving my hotel room through a phone call with automated services.	2.09	1.24
Personal Service	I prefer ordering room service by talking with a person through a phone call	3.37	1.20
Self-service Technology	I prefer ordering room service through the self-service technology present in my hotel room	3.73	1.10

N = 209

Table 3. Perception of Personal Service and Self-service Technology Processes

Service	Process of Service	Mean	Std. Deviation
Personal Service	I believe that personal service is easier than the use of self-service technology in hotel	3.16	1.02
Self-service Technology	I believe the use of self-service technology in hotel services is easier than personal service	3.19	1.10
Personal Service	I believe that personal service is faster than the use of self-service technology in hotel	2.85	1.00
Self-service Technology	I believe the use of self-service technology in hotel services is faster than personal service	3.44	1.08
Personal Service	The use of personal services can be frustrating	3.35	.980
Self-service Technology	The use of self-service technology can be frustrating	3.56	.999
Personal Service	Personal service is better than automated self-service technology in a hotel	3.31	1.04
Self-service Technology	Automated self-service technology is better than personal services in a hotel	2.89	1.01

N = 209

To examine the first hypothesis (H1): A paired-sample t-test was conducted to compare the level of importance of personal service and the use of self-service technology in the hospitality industry. The analysis of the test indicated a significant difference in the level of importance between personal service (*m* = 3.46, SD = 1.03) and the use of self-service technology (*m* =3.23, SD = 1.02) in the hospitality industry; t (208) = 2.14, P = 0.03. These results suggest that personal service is more important than the use of self-service technology in the hospitality industry (see Table 4).

Table 4: Level of Importance and Preference of Self-service Technology and Personal Service

Paired Samples Statistics		*m*	N	SD	SEM	Paired Samples Correlations		N	Correlation	P
Importance	SST	3.23	209	1.02	0.07	Importance	SST & PS	209	-0.09	0.19
	PS	3.46	209	1.03	0.07					
Preference	SST	3.29	209	0.72	0.05					
	PS	2.57	209	0.62	0.04	Preference	SST & PS	209	-0.17	0.01

Paired Samples Test

					Paired Difference				
		m	SD	SEM	95% CIDL	95% CIDU	t	df	P
Importance	SST & PS	0.22	1.52	0.10	0.18	0.43	2.14	208	0.03
Preference	SST & PS	-0.73	1.03	0.71	0.87	-0.57	-10.24	208	<0.00

SST: Self-service Technology, PS: Personal Service, SD: Standard Deviation, SEM: Standard Error Mean, CIDL: Confidence Interval of the Difference Lower, CIDU: Confidence Interval of the Difference Upper, *m*: Mean, P: Probability

A paired-sample t-test was also used to examine the second hypothesis (H2): There is no preference between personal service and the use of self-service technology in the hospitality industry. The analysis of the test indicated a significant difference regarding preference between personal service (m = 2.57, SD = 0.62) and the use of self-service technology (m =3.29, SD = 0.72) in the hospitality industry; t (208) = -10.24, P = <0.001. These results suggest that Generation Y and Z prefer the use of self-service technology more than personal service in the hospitality industry (see Table 4).

To examine the third hypothesis (H3), a paired-sample t-test was also conducted to compare and contrast the difference between the convenience attribute of personal service and the use of self-service technology in the hospitality industry. The analysis of the test indicated a significant difference regarding the level of convenience between personal service (m = 3.46, SD = 1.06) and the use of self-service technology (m =4.44, SD = 0.74) in the hospitality industry; t (208) = 11.18, P = <0.001. These results suggest that Generation Y and Z prefer the convenience of using self-service technology more than personal service in the hospitality industry.

To examine the fourth hypothesis (H4), a paired-sample t-test was also conducted to compare and contrast the difference between the promptness attribute of personal service and the use of self-service technology in the hospitality industry. The analysis of the test indicated a significant difference regarding the level of promptness between personal service (m = 3.41, SD = 0.95) and the use of self-service technology (m =3.98, SD = 0.87) in the hospitality industry; t (208) = 6.52, P = <0.001. These results suggest that Generation Y and Z prefer the promptness in the use of self-service technology more than personal service in the hospitality industry (see Table 5).

Table 5: Preferred Attributes of Self-service Technology

Paired Samples Statistics						Paired Samples Correlations				
		m	N	SD	Std. Error Mean			N	Correlation	P
Service Convenience	SST	4.44	209	0.74	0.05	Service Convenience & PS	SST	209	0.05	0.47
	PS	3.46	209	1.06	0.07					
Service Promptness	SST	3.98	209	0.87	0.06	Service Promptness & PS	SST	209	0.02	0.76
	PS	3.41	209	0.95	0.07					

Paired Samples Test									
		Paired Difference							
		m	SD	SEM	95% CIDL	95% CIDU	t	df	P
Service Convenience	SST & PS	0.98	1.26	0.09	0.80	1.15	11.19	208	0.00
Service Promptness	SST & PS	0.57	1.27	0.09	0.40	0.75	6.52	208	0.00

SST: Self-service Technology, PS: Personal Service, SD: Standard Deviation, SEM: Standard Error Mean, CIDL: Confidence Interval of the Difference Lower, CIDU: Confidence Interval of the Difference Upper, *m*: Mean, P: Probability

Conclusions, Implications, and Limitations

The results of this study illustrated that even though Generation Y and Z indicated that personal service is more important than the use of self-service technology in the hospitality industry, they still prefer the convenience and promptness of self-service technology. The practical implications of this finding for hospitality professionals and managers include the significance of convenience and promptness to future tourists (Generation Y and Z). Hence, extra care should be given to ensure guests are provided with excellent hospitality service characterized by convenience and promptness.

The results of this study also suggest that self-service technology is not just a fad. Still, it is gaining more acceptance, especially by Generation Y and Z. Hence, hospitality professionals should be prepared to offer the benefits of self-service technology without losing the critical importance of personal service hospitality. Bearing the above in mind, hospitality professionals and management should endeavor to find an appropriate balance between the use of self-service technology and personal service suitable enough to enhance customer experience.

The authors hope this research inspires other researchers to continue investigating the significance of personal service in the hospitality industry. It is critical to determine if and when customers will be less interested in personal service with the advent and use of self-service technology. One of the limitations of this study is that it focused only on Generation Y and Z within a small geographical area in the Midwestern part of the USA. Another study focusing on a larger population and more generations would yield room for generalizable research.

References

Ary, D., & Jacobs, L.C., & Razavieh, A. (2002). Introduction to research in Education (6th ed.). Forth Worth: Harcourt Brace.

Beatson, A., Coote., L.V., & Rudd, J.M. (2006). Determining Consumer Satisfaction and Commitment Through Self-Service Technology and Personal Service Usage. Journal of Marketing Management, 22(7-8), 853-882.

Binh, T. (2016). Educational Experiences with Traditional, Online and Hybrid Learning

Environments. *Journal of Education & Social Policy,* 3(3):1

Bitner, Brown, & Meuter (2000). Technology infusion in service encounters. *Journal of the Academy of Marketing Science*, 28(1), 138-149.

Chen, W. (2011). Technology Base Self Service in Hospitality Industry. UNLV Thesis, Dissertations, Professional Papers, and Capstones, 1094, 6-8

Collier J. E., & Barnes, D.C. (2015), "Self-service delight: exploring the hedonic aspects of self-service", Journal of Business Research, Vol. 68 No. 5, pp. 986-993.

Collier, J. E., Breazeale, M. & White, A. (2017) "Giving Back the "Self" in Self-Service: Customer Preferences in Self-Service Failure Recovery, Journal of Services Marketing, 31(6), pp. 604-617.

Ding, D.X., Hu, J.P. & Sheng, O.R.L. (2011), "E-SELFQUAL: a scale for measuring online self-service quality", Journal of Business Research, Vol. 64 No. 5, pp. 508-515. encounters", Journal of Marketing, Vol. 64, pp. 50-64.

Forrester, (2018) "Top Customer Service Trends for 2018", [Online]. Available: https://go.forrester.com/blogs/top-customer-service-trends-for-2018/ [Accessed 4 October 2018].

Holloway, B.B. & Sharon, E.B. (2003), "Service failure in online retailing: a recovery opportunity", Journal of Service Research, Vol. 6 No. 1, pp. 92-105.

Kucukusta, D., Heung, V. C., & Hui, S. (2014). Deploying self-service technology in luxury hotel brands: Perceptions of business travelers. Journal of Travel & Tourism Marketing, 31(1), 55-70).

Langeard, E., Bateson, J.E.G., Lovelock, C.H. & Eiglier, P. (1981). "Services marketing: new insights from consumers and managers", Marketing Science Institute, Cambridge, MA.

Lovelock, C. H. & Wirtz, J. (2007) "Services marketing: people, technology, strategy", Upper Saddle River, N. J.: Pearson/Prentice Hall, c2007.

Meuter, M. L., & Bitner, M.J. (1998), "Self-Service Technologies: Extending Service Frameworks and Identifying Issues for Research", Grewal, D., and Pechmann, C. (Ed.), AMA Winter Educator's Conference Proceedings: Marketing Theory and Applications, American Marketing Association, Chicago, Vol. 9, pp. 12-19.

Meuter, M. L., Bitner, M.J., Ostrom, A.L. & Brown, S.W. (2005), "Choosing among alternative service delivery modes: an investigation of customer trial of self-service technologies", Journal of Marketing, Vol. 6 No. 2, pp. 61-83.

Meuter, M. L., Ostrom, A.L., Roundtree, R.I. & Bitner, M.J. (2000), "Self-service technologies: understanding customer satisfaction with technology-based service

Ogbeide, G. (2006). Employability Skills and Students' Self-Perceived Competence for Careers in Hospitality Industry, Published doctoral dissertation. University of Missouri, Columbia. Retrieved from https://mospace.umsystem.edu/xmlui/handle/10355/4403

Oh H., Miyoung J., & Seyhmus B. (2013), "Tourists' adoption of self-service technologies at resort hotels", Journal of Business Research, Vol. 66 No.6, pp. 692-699.

Ong, L. I. (2010). Can self service technologies work in the hotel industry in Singapore? A conceptual framework for adopting self service technology. UNLV Thesis/Dissertations/Professional Papers/Capstones. Paper 694 (2010).

Oxford University Press. (2018). Personal service | Definition of personal service in English by Oxford Dictionaries. Retrieved November 19, 2018, from https://en.oxforddictionaries.com/definition/personal_service.

Parasuraman, A. (2000), "Technology Readiness Index (Tri) A Multiple-Item Scale to Measure

Readiness to Embrace New Technologies", Journal of Service Research, Vol. 2 No. 4, pp. 307-320.

Shamdasani, P., Mukherjee, A., & Malhotra, N. (2008). Antecedents and consequences of service quality in consumer evaluation of self-service internet technologies. Service Industries Journal, 28(1), 117-138. doi:10.1080/02642060701725669

Weijters, B., Rangarajan, D., Falk, T. & Schillewaert, N. (2007), "Determinants and outcomes of customers' use of self-service technology in a retail setting", Journal of Service Research, Vol. 10 No. 1, pp. 3-21.

Zhu, Z., Nakata, C., Sivakumar, K. & Grewal, D. (2007), "Self-service technology effectiveness: the role of design features and individual traits", Journal of the Academy of Marketing Science, Vol. 35No. 4, pp. 492-506.