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SCHOOL OF HOTEL &
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*Transforming
Hospitality and Tourism:*

Insights from SHTM Research 2023/2024

Hospitality and Tourism Research Centre
School of Hotel and Tourism Management
The Hong Kong Polytechnic University





Established by the School of Hotel and Tourism Management (SHTM), the Hospitality and Tourism Research Centre (HTRC) is dedicated to bridging the gap between hospitality and tourism theory and industry practice. The Centre is a unique, research-based platform with an expansive network of hospitality and tourism academics from our School and partner institutions, as well as executives from leading industry organisations. The primary research strengths of HTRC are Smart Tourism, Performance Measurement and Management, Tourism Futures and Forecasting also Policy and Planning.

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INVESTING IN INNOVATION: TACKLING INFORMATION ASYMMETRY IN THE TOURISM INDUSTRY

Small and medium-sized enterprises (SMEs) are catalysts of economic growth, fuelling income generation and creating jobs that uplift communities and drive prosperity. In the fast-paced world of hospitality and tourism, where competition is fierce and consumer preferences are in constant flux, SMEs' ability to embrace innovation can make the difference between thriving and merely surviving. Focusing on emerging markets, Michael S. Lin of the SHTM and three co-authors offer pioneering insights into how information asymmetry prevents SMEs' from making informed innovation adoption decisions. Their findings suggest that government support can empower SMEs to make better decisions, ultimately leading to enhanced business success and sustainability in the tourism industry.

SMEs and Investment

"SMEs represent a large proportion of businesses in economies around the globe", the authors begin, "particularly in emerging markets". Unsurprisingly, therefore, such firms are key contributors to economic growth, job creation and income generation, accounting for a significant percentage of the labour force in almost all industries.

The tourism and hospitality industry, where many SMEs operate, supports millions of jobs and contributes a large share of global GDP. "However, the economic impact of the tourism and hospitality industry hinges on business performance as a signal of value creation", the authors note. "Such business value can be stimulated by profitable and value-adding investment projects". Therefore, the investment decisions made by SME managers are pivotal not only to firms' long-term performance and viability but also to wider economic growth.

These investment decisions are informed by several important factors. One is the availability of information – or, crucially, its unavailability. "Information asymmetry describes a scenario in which one entity in a transaction possesses a lower level of information than another entity", the authors write. With less information, managers face greater uncertainty when analysing investment choices. "Therefore", say the researchers, "businesses that possess less information are likely to make suboptimal investment decisions, which can undermine the viability of their projects and eventually their business performance".

Investing in Innovation

Decisions on whether and how to invest in innovation play a particularly important role in SMEs' long-term

viability, as adopting the right innovations at the right time can enhance firms' operational efficiency, improve their product offerings and help them better meet customer demands. "The tourism and hospitality industry has embraced innovative strategies in its business operations", the authors note. Yet research has shown that tourism and hospitality SMEs still lag behind in terms of investment in business innovation.

"The decision to innovate", say the authors, "is based on information sourced from multiple stakeholders, such as markets, governments, business owners, and research and development activity". Therefore, the managers of SMEs may not possess all of the information necessary to make effective decisions on innovation adoption, which creates information asymmetry. "Tourism and hospitality SME management may face even more severe information asymmetry", the authors add, "because such innovation adoption decisions are still relatively new to this industry as a whole".

Surprisingly, despite the importance of information asymmetry to SMEs' decision-making, research in this area is still scant – especially regarding their decisions on innovation adoption. Furthermore, most relevant studies focus on information asymmetry between businesses and financial institutions (financial information asymmetry). "Other [...] information asymmetries are also critical for SME management's investment decisions", warn the researchers, "and these need to be investigated to assess their impact".

Rising to this challenge, they set out to comprehensively reflect the multiple sources of information asymmetry shaping SMEs' decisions on innovation adoption. They identified four relevant types of information asymmetry: financial, business regulation, tax system and court system.

Four Types of Asymmetry

SMEs face a high risk of financial information asymmetry, which can severely hinder their ability to innovate. "SMEs' firm size and access to resources can lead to higher uncertainty of future success than those of larger businesses", explain the authors. "Such high uncertainty makes SMEs an inferior choice for lenders". Therefore, SMEs need to pay higher information costs and negotiation costs (i.e., transaction costs) to obtain external financing, which makes managers reluctant to adopt potential innovations. "Financial information asymmetry negatively impacts innovation adoption decisions", the researchers hypothesise.

Information asymmetry can also arise between regulators and businesses. Whilst regulatory practices and government policies can create an environment that supports decision-making on innovation, limited access to information from regulators (business regulation information asymmetry) can negatively affect SMEs' decisions on innovation adoption. Similarly, insufficient information related to complex tax and court systems can lead to tax system information asymmetry and court system information asymmetry, respectively, which also hinder SMEs' innovation adoption decisions.

The researchers conducted two separate studies. In the first, they analysed World Bank Group data in 11 emerging markets; in the second, they drew data from interviews with eight SME managers in China, India, Kenya, Nigeria and Russia. This mixed-methods approach, combining quantitative with qualitative analysis, allowed the researchers to obtain statistical insights before gaining a more contextual and in-depth understanding of how information asymmetry affects SMEs' innovation adoption.

Innovation Adoption Insights

Innovation adoption decisions were measured in terms of firms' propensity to adopt new processes (process innovation adoption) and new products (product innovation adoption). "The findings of the study indicate the differences between the two", the researchers say. Process innovation is highly dependent on external economic conditions, which can proxy for uncertainty in the external business environment. "A strong economy may demonstrate a lower level of uncertainty and encourage process innovations", explain the authors.

"When controlling for the countries' economic conditions and business characteristics, greater financial information asymmetry was associated with a lower likelihood of adopting product innovation", the authors found. "On the other hand, management that experienced greater financial information asymmetry was more likely to adopt process innovation than those who experienced less asymmetry". When SME managers encounter information asymmetry regarding external financing, they may choose process innovation instead of product innovation, as the less risky option – thereby mitigating the negative impact of financial information asymmetry.

Of all four types of information asymmetry, business regulation information asymmetry had the most salient effect on innovation adoption decisions. "It impacted both product and process innovation adoption", the researchers report. The managers in Study 2 were mostly from developing countries, which tend not to have a well-developed government infrastructure. This hinders communication effectiveness and increases information asymmetry, ultimately leading to suboptimal innovation adoption decisions.

Court system information asymmetry also inhibited SMEs' product innovation adoption. "According to the findings from Study 2", say the researchers, "SME management suffers from [poor] supplier relationships related to contract enforcement and negotiation". Interestingly, however, tax system information asymmetry did not significantly affect either product or process innovation adoption. "One plausible explanation", the researchers say, "is that governments can provide support to alleviate tax system information asymmetry". Indeed, Study 2's participants described their governments' efforts to promote tax subsidies that encourage innovation.

Alleviating Information Asymmetry

These findings yield unprecedented insights into how four types of information asymmetry influence the decision of

SME managers to adopt product and process innovation, with a specific focus on the tourism and hospitality industry, in which innovation adoption plays a critical role. The researchers offer salient recommendations for policymakers and industry practitioners seeking to alleviate information asymmetry and thereby boost the long-term performance of tourism and hospitality SMEs, which are major drivers of economic growth.

"Given the negative impact of information asymmetry on innovation adoption", say the researchers, "policymakers could consider paying more attention to removing information asymmetry and providing resources to alleviate information asymmetry for SMEs". For example, governments or local SME associations could organise seminars to teach SME managers about financial statements and bank information and thereby mitigate financial information asymmetry.

Turning to business regulation asymmetry, governments could consider creating platforms for the public dissemination of business regulations and policy information related to innovation. "This public information source could help SMEs locate reliable information to avoid confusion on business regulation and policy", say the researchers, "facilitating their decision to innovate". Finally, government and SME associations could provide support for SMEs facing legal or contract enforcement issues to mitigate court system information asymmetry.

By equipping SMEs with the right information and resources, we can empower them to navigate the complexities of innovation. As the tourism and hospitality industry works towards a better-informed and more innovative future, the insights from this study will serve as a crucial resource for shaping effective policies and strategies that benefit the entire industry.

Points to Note

- Hospitality and tourism SMEs are drivers of economic growth, but they face information asymmetry that can impede their decision-making.
- SMEs' decisions on innovation adoption are vulnerable to information asymmetry, especially in emerging markets.
- Business regulation information asymmetry has the most salient effect on SMEs' decisions regarding both product and process innovation.
- Government support and information dissemination can reduce information asymmetry and assist SMEs in innovation adoption.

Lin, M. S., Sharma, A., Pan, B., & Quadri-Felitti, D. (2023). Information asymmetry in the innovation adoption decision of tourism and hospitality SMEs in emerging markets: A mixed-method analysis. *Tourism Management*, 99, Article 104793. <https://doi.org/10.1016/j.tourman.2023.104793>

VIRTUAL VOYAGES: OLDER ADULTS AND THE METAVERSE

As the travel industry embraces digital innovation, avatar-guided virtual tours are emerging as a promising means of bridging the “digital divide”, enabling older travellers to enjoy the full range of benefits afforded by virtual travel adventures. A study led by the SHTM’s Fei (Faye) Hao and Kaye Chon sheds light on how different kinds of virtual travel experiences influence engagement and travel intention among older adults. Their study charts a course towards a more inclusive and immersive virtual tourism landscape, offering valuable insights for professionals aiming to create inclusive and appealing travel options for older adults in the metaverse.

A Digital Divide

Society today is facing global ageing on an unprecedented scale, with fertility and mortality rates dropping and life expectancy increasing worldwide. At the intersection of rapid population ageing with another defining trend of our times, phenomenal technological advancement, is the problem of digital illiteracy among older adults. “They are often stigmatised by ‘technophobia’”, say the researchers, “suggesting an uneasy relationship with technology”. From using smartphones to accessing healthcare services, the “digital divide” risks isolating millions of older people in an increasingly tech-dependent world.

This trend is particularly concerning given the potential of technology to benefit the world’s growing older population. “Technological innovations offer cost-effective solutions for older adults”, say the authors, “promoting physical independence, better health outcomes, and enhanced well-being by addressing social isolation and improving self-esteem and quality of life”. Communication technology allows older adults to stay connected; augmented reality (AR) may support cognitive rehabilitation; and virtual reality (VR) has even been found to improve mobility and reduce pain in older patients with chronic conditions.

Clearly, in the authors’ words, “involving older adults in developing technology-driven services fosters inclusivity and benefits society”. With this in mind, governments worldwide are implementing proactive measures to enhance the digital literacy of older people, from age-inclusive urban construction to “ageing in place” initiatives. Yet this vital demographic still remains regrettably underserved in technology-driven service innovations in the hospitality and tourism industry.

A Virtual Travel Revolution?

A promising solution might be afforded by avatar-guided virtual tours. “Virtual tours immerse users in digital

environments”, the researchers explain, “and avatars offer assistance and tailored narratives throughout these experiences”. Users can even ask the avatars questions and receive personalised responses. This innovation is in line with the boom in the metaverse market within the global travel and tourism industry. Metaverse travel – travel within a digital realm in which users interact in immersive environments through AR or VR – is expected to redefine the future of tourism by enhancing booking experiences and increasing booking volumes.

For older adults considering travel, this technology offers major benefits: it is cost-effective, controlled and easily customisable, thereby boosting the travel confidence and reducing the stress of those with health concerns or limited mobility. “These tours also help address older adults’ resistance to change by introducing them to technology-driven experiences in a familiar and reassuring manner”, the researchers tell us.

Whilst tailored to individual preferences, avatar-guided virtual tours tend to take one of two orientations. “Emotion-oriented tours focus on creating connections and positive emotional experiences”, say the researchers, “making virtual travel more appealing and relatable”. Meanwhile, knowledge-focused tours cater to travellers’ intellectual curiosity about destinations, fostering a sense of competence and security that bolsters their travel confidence.

However, previous studies have not explored how these two orientations of virtual tours interact to shape travel confidence and intention, especially in the context of older adults. The authors resolved to fill this important gap in the literature. “Our study explores how emotion-oriented and knowledge-focused tours influence travel intention, confidence, and stress reduction among older adults”, they say.

Technology and Travel Intention

The first step was to develop a set of hypotheses based on a rigorous literature review. “According to socioemotional selectivity theory (SST)”, say the authors, “individuals increasingly value emotional satisfaction over the acquisition of new information as they age”. This implies that older adults are more likely to engage most deeply with technology that offers emotional enrichment. Therefore, the authors hypothesised that older travellers show greater engagement with emotion-oriented than knowledge-oriented VR tours.

SST also suggests that older adults’ engagement with tourism is shaped by their perception of the future as time-limited, which makes them cautious about adopting new technologies with uncertain long-term benefits. This can be alleviated by positive psychological cues. “When an avatar integrates uplifting statements and messages into its dialogue”, the researchers explain, “it evokes positive emotions and fosters optimistic expectations for the future”. They thus hypothesised that such cues moderate the influence of tour orientation on virtual engagement.

Virtual engagement can influence older adults’ intention to travel by enhancing their desire for both virtual and real travel experiences. Positive virtual experiences, such

as VR tours and AR apps, foster travel confidence, which ultimately transforms virtual engagement into the tangible intention to travel. However, the positive influence of travel confidence on travel intention can be dampened by resistance to change, which is particularly salient for older adults.

The rest of the authors’ hypotheses related to stress reduction. “The more stress-free and engaging virtual travel experiences are, the more inclined older travellers are to replicate them in real life”, the researchers note. “Thus, stress reduction serves as a crucial bridge that mediates the positive relationship between virtual engagement and travel intention”. Stress reduction also enhances travel confidence by alleviating the fear and uncertainty associated with unfamiliar travel environments.

Touring Rome and Paris

The next step was to test these hypotheses by experimentally comparing the effects of emotion-driven (Study 1) and knowledge-centric (Study 2) VR tours on older adults’ travel intention and engagement, as well as examining the roles of travel confidence, stress reduction, resistance to change and positive psychological cues.

In Study 1, 202 participants aged 61–79 experienced a 10-minute avatar-guided virtual tour of Rome, including attractions such as the Colosseum and Vatican City. In the first condition, the tour was designed to evoke an emotionally charged experience. “The avatar utilised expressive and engaging language and a focus on immersive storytelling”, the researchers tell us. In the second condition, the tour was knowledge-focused. “The avatar served as an informative guide, delivering factual and educational content”. On completing the tour, each participant answered a structured questionnaire.

In Study 2, 278 older adults took a 10-minute avatar-guided virtual tour of Paris, featuring iconic sites such as Montmartre and Notre-Dame Cathedral. Those in the experimental group received scripts that promoted a positive, future-oriented mindset regarding travel opportunities, while the control group did not. Afterwards, the participants rated the effectiveness of the messaging in the scripts, which represented a positive psychological cue.

Bridging the Digital Divide

“Our results show[ed] that the participants clearly preferred emotion-focused tours, particularly when augmented by positive psychological cues”, say the researchers. The participants used words like “thrilling,” “enchanting” and “empowering” to describe these tours, highlighting the enhanced enjoyment and engagement that positive messaging brought to the experience.

Meanwhile, knowledge-focused tours received mixed responses. Accompanied by positive psychological cues, these tours were considered “educational” and “enriching”, indicating that well-designed educational content can be engaging if it also addresses emotional needs. Without these cues, however, the same tours were considered “lacklustre” and “boring”. In the researchers’

words, “this differentiation highlights the importance of tailored content that aligns informative and emotional elements to create compelling virtual travel experiences” for older adults.

These findings offer insights for a range of tourism professionals, including tour operators, travel agencies and destination marketing organisations. “The emphasis on emotional engagement over informational content suggests that incorporating storytelling elements highlighting the emotional and experiential aspects of destinations can make virtual tours more appealing to older audiences”, the authors say.

Their study also highlights the importance of technology in enhancing travel experiences for older adults. “Technology innovators and developers specialising in VR, AR, and other immersive technologies are encouraged to develop platforms and applications catering to the preferences and needs of older travellers”. These should include customisable avatars that offer personalised tour experiences with realistic conversational dynamics and emotional displays.

“Policymakers and advocates of digital inclusivity could also benefit from our findings”, the authors conclude. Initiatives promoting digital literacy among older adults are essential to ensure that they possess the skills and confidence required to engage with metaverse travel experiences. Policies encouraging the development of accessible and inclusive digital tourism products would also help to ensure the equitable distribution of metaverse travel benefits.

Points to Note

- Older adults are increasingly left behind by technological development, especially in the travel and tourism industry.
- Avatar-guided virtual tours offer a customisable and accessible way for older adults to experience travel.
- Older adults prefer emotion-oriented over knowledge-oriented virtual tours, especially with positive psychological cues.
- Age-inclusive and emotion-focused digital tourism products can enhance older adults’ engagement with travel.

Hao, F., Back, K., Chon, K. (in press). Age-Inclusive Hospitality and Tourism: Navigating the Metaverse Travel with Avatar. *International Journal of Contemporary Hospitality Management*.

WILL CHATGPT CHANGE TRIP PLANNING FOR GOOD?

The rise of artificial intelligence (AI), especially tools like ChatGPT, is transforming trip planning by influencing how travellers select destinations, activities and itineraries. An important 2023 study led by the SHTM's Seunghun Shin explores the impact of this potentially revolutionary tool on travellers' trip planning behaviour, offering guidance for online tourism providers intending to embed AI into their operations.

A New Trip Planning Tool

ChatGPT, a novel search engine developed by OpenAI, is attracting enormous interest worldwide for its ability to understand natural human language and generate human-like written text. "While what ChatGPT can do is technically the same as an existing chatbot", the researchers note, "its remarkable ability to interact with users by providing sophisticated answers to their queries has led millions of people to adopt it".

This exciting new tool is already being used for tasks ranging from creating music to debugging programming codes – as well as, most pertinently for the authors, trip planning. "In the hospitality and tourism field", they write, "ChatGPT is expected to have significant implications for recommending travel ideas from a traveller's perspective". For years, prospective travellers looking for inspiration and information online have had to trawl through multiple websites – such as online review pages, blogs and travel agency sites – to find the best deals, destinations and activities.

However, travellers may no longer need to spend so much time and energy on trip planning. "They can bypass such complicated and disturbing processes through a simple conversation with ChatGPT", the researchers tell us. The tool can recommend travel options tailored to tourists' preferred dates, budget and more within just a few seconds, providing a helpful basis for trip planning. Later, when finalising their plans, they can ask ChatGPT to narrow down their list of travel options.

Where ChatGPT Falls Short

Yet despite offering tangible advantages for travel planners, this promising new tool has certain limitations. "First", the researchers warn, "ChatGPT cannot provide real-time information because it provides answers based on online data [only] up to 2021". In the process of suggesting and filtering options, therefore, it may mislead travellers by recommending hotels that have closed down and activities that are no longer viable.

"Second", say the authors, "ChatGPT cannot provide any images or pictures because it is solely text-based". This is an important problem, because visual information (such as photographs and maps) enables travellers to compare alternative destinations and activities.

Third, the authors say, "ChatGPT is not always correct, because it generates responses by finding the logical next word in a sentence". Numerous instances of convincing yet erroneous responses by ChatGPT have been reported in the media. Although including one or two invalid options in a long list of destinations or activities might not be a deal-breaker for travellers, a flawed final trip itinerary could be a real problem.

"These limitations of ChatGPT might make travellers unwilling to fully trust and be satisfied with its ability to narrow down multiple options", the authors warn. "While ChatGPT may assist travellers by generating multiple destination or activity options during the early stages of trip planning, it may not be completely reliable or satisfactory for narrowing down those alternatives later on". In short, the impact of ChatGPT on travellers' planning behaviour may be contingent on the specific stage of trip planning.

Surprisingly, however, research to date has overlooked travellers' perceptions of ChatGPT's role in their trip planning, "particularly in the context of generating a list of alternatives versus narrowing down those alternatives". The authors set out to redress this imbalance and ultimately generate practical recommendations for online travel agencies (OTAs) in the age of AI.

Too Many Choices

Their first task was to generate a theoretical model for empirical testing. Their chosen lens was choice theory. Travel planning involves numerous options, such as destinations, accommodation and activities, and choice theory can shed light on how travellers make decisions when faced with diverse alternatives. The authors focused on the choice overload effect: "a situation in which the intricacy of the decision problem facing a person transcends his or her cognitive capacity".

Although the literature has long emphasised the benefits of having many options to choose from, researchers have increasingly begun to focus on the dark side of choice. "Customers struggle to make the optimal decision", the authors warn, "because of the near-impossibility of exhaustively comparing all available alternatives". This leads to regret, which may in turn lead to unfavourable outcomes for customers, such as opting for no decision at all.

ChatGPT and Choice Overload

The choice overload effect is highly relevant to the capabilities of AI, which promises to equip human decision-makers with speedier and more comprehensive data processing and analytical skills – potentially helping them to make better choices from myriad alternatives. So far, ChatGPT has emerged as the leading tool for this purpose. "It can perform tasks such as generating answers to questions, generating conversations, translating,

and summarising", say the authors, "and it has the characteristic of high interactivity with computers, like having a conversation in natural language".

These qualities may make it particularly well suited to hospitality and tourism, given the industry's information-intensive nature. "ChatGPT can be used for tasks such as overcoming barriers in translating information about attractions, providing responsive services through chatbots [...] at destinations and hotels, and offering various recommendation services", the researchers point out.

Nevertheless, opinions are divided on the effectiveness of algorithmic recommendations generated by AI tools, and the researchers' predictions, building on choice overload theory, were in line with this more pessimistic view. "As ChatGPT streamlines a multitude of options into a more concise selection", they hypothesised, "it may lead to a reduction in travellers' satisfaction with the recommendations and their intention to visit the recommended destination". Although reducing options can ease decision-making, this depends on whether appealing choices are retained and less attractive ones are removed. As AI is seen as less reliable when decision-making is complex, travellers might distrust ChatGPT's ability to effectively narrow down travel options.

The authors also proposed that the effectiveness of option reduction in avoiding choice overload hinges on trust. If travellers do not fully trust ChatGPT to filter destination options, their satisfaction with the recommendations and their visit intention will decrease. Going further, the researchers posited that the negative effect of reducing options using ChatGPT varies depending on how many initial choices there are and who or what makes the recommendations and narrows down the options (human or AI).

Five Experimental Studies

The next step was to test these five hypotheses by conducting five experimental studies with survey participants based in the United States. The findings shed light on the influence of ChatGPT as a recommendation agent on the planning process and, in turn, the potential uses of this tool within the hospitality and tourism context.

Studies 1A and 1B revealed that – as expected – when ChatGPT reduced the number of options available, travellers became less satisfied with the recommendations. In Study 2, ChatGPT's option reduction also led to a notable drop in travellers' intention to visit the recommended destinations. This impact was mediated by how much they trusted the AI and their satisfaction with the recommendations.

Fortunately, the findings of Studies 3 and 4 pointed to ways to mitigate the negative effects of ChatGPT's narrowing-down process. Study 3 revealed that travellers were more satisfied with the recommendations and had a stronger intention to visit when they narrowed down the options themselves rather than relying on ChatGPT. In Study 4, travellers were also more satisfied with their final decisions when they narrowed down the options themselves.

Guidance for Practitioners

"Currently, major OTAs plan to embed ChatGPT's functions in their websites to help travellers create travel itineraries", say the researchers. "The findings of this research may be useful guidelines for the embedding process". First, as ChatGPT's narrowing-down ability is not perceived as trustworthy, OTAs should instead emphasise its power to generate an initial pool of destinations or activities.

"Second", the authors report, "our findings showed that the benefits of using ChatGPT for trip planning can increase when its initial recommendations are narrowed down by travellers [themselves]". Therefore, OTAs and hospitality businesses should engage users as much as possible in the process of creating itineraries. "Building on our finding that travellers prefer a hybrid choice mode when using ChatGPT", the authors conclude, "businesses could instruct their chatbots to give multiple possible alternatives to customers' inquiries, to lead them to make their own choices".

Points to Note

- Today, prospective travellers face myriad travel choices, which may lead to choice overload.
- ChatGPT can facilitate initial trip planning, but its narrowing-down function reduces travellers' satisfaction and visit intention.
- Online travel agencies (OTAs) should emphasise ChatGPT's power to create initial itineraries.
- OTAs should also engage travellers as much as possible in creating itineraries.

Shin, S., Kim, J., Lee, E., Yhee, Y., & Koo, C. (2023). ChatGPT for Trip Planning: The Effect of Narrowing Down Options. *Journal of Travel Research*. <https://doi.org/10.1177/00472875231214196>

GOING CONTACTLESS: TOUCH-FREE TECH FOR TRAVELLERS

The rise of contactless technologies is a defining trend of our time. The hotel sector faces unique challenges in trading off the pros and cons of touch-free services for guests, as recently studied in unprecedented detail by the SHTM's Richard T. R. Qiu, Jinah Park, Fei Hao and Kaye Chon. Their investigation of how hotel guests vary in their acceptance of contactless tech is of real importance for the evolving sector, because the gains from adopting contactless technologies can vary significantly depending on whether the products and strategies meet heterogeneous demands in the market. The study's findings could therefore guide the hotel industry to make the right choices as the contactless revolution proceeds.

Hotels Enter the Touch-Free Era

Across society, touch-free technology is increasingly commonplace. Many of us are used to contactless methods of paying for daily goods or checking into airports. Shifting attitudes towards hygiene since the outbreak of COVID-19, along with other factors, have accelerated this trend. "Contactless technology has become a solution for managing risks and uncertainty", say the researchers.

Historically, the hotel sector has been a special case in this respect. A hotel is a home away from home, and guests want it to feel personal, not just clean and efficient. "The supply and demand sectors in hospitality and tourism have been hesitant to integrate [contactless technologies]", write the authors, "because service encounter standings are often based on the 'low-tech, high-touch' paradigm". We expect more face-to-face human contact when checking into a hotel for a week's stay than when, for example, visiting a convenience store.

Increasingly, however, hotel customers may be embracing the contactless shift. Amidst the "emerging high-touch to high-tech trend in tourism and hospitality" or "Hospitality 5.0", more aspects of the traditional hotel experience are becoming automated and touch-free. These technologies are advanced and wide-ranging, from motion detectors and voice-controlled devices to robotics and face recognition. This raises issues of acceptance: how far and fast can hotels roll out these services while continuing to respect guests' wishes and needs?

These considerations call for a renewed research focus on hotel guests' emotional engagement with new contactless technologies, especially given the rapid pace of change in recent years. Travellers are not all the same, and there is likely to be heterogeneity in hotel guests' curiosity, capability and readiness regarding Hospitality 5.0. A more holistic understanding is needed of guests' acceptance processes in relation to these wide-ranging changes.

How Ready Are Guests?

Researchers can deploy various models and methods to probe technology acceptance in terms of the characteristics of technologies and/or users. The researchers identified the Technology Readiness Index (TRI) as an apt tool for investigating use intentions. "'Technology readiness' refers to people's propensity to embrace and use new technologies for accomplishing goals in home life and at work", they explain. It depends on individual people's relationships with, perceptions of and trust in technology, and it in turn determines the success of the adoption of new technology-enabled services.

What factors influence technology readiness? The researchers noted that demographics have a proven relationship with technology adoption, as gender, age and location all play a role. In the tourist context, people with different travel histories and preferences should also differ in their TRI scores, as factors such as the tendency to travel alone or in groups "may reflect the level and pattern of travel expenditures and influence attitudes toward contactless technology use during hotel stays".

Prior experiences with technology are also likely to be correlated with TRI scores. We can partially predict people's likelihood of adopting new tech by finding out whether they are curious and enthusiastic about other innovations, such as artificial intelligence. Finally, the recent phenomenon of pandemic anxiety may be relevant to the uptake of touch-free devices, although the authors are careful to point out that COVID-19's "impact on people's willingness to pay for contactless services can fade quickly when the salience of the pandemic decreases".

In this light, the authors focused on testing several hypotheses. First, they predicted that hotel guests' readiness for contactless technology would vary depending on a range of individual personal factors. Second, they expected people's actual acceptance of different types of such technology to be related to the drivers and inhibitors of their propensity to be ready for new technologies.

Determinants of Acceptance

Almost 2,000 adults from major Chinese cities who had stayed in hotels in 2019 were surveyed using a TRI-based questionnaire. "Most had experienced at least one type of contactless service", the authors explain, "with contactless payment being the most common and robotic services being the least common". This allowed the researchers to analyse the participants' TRI responses in terms of their demographic profiles, yielding holistic insights into how personal characteristics align with technology readiness.

Previous research suggests that men are more technology-curious than women but also more sensitive to concerns around new innovations. Consistent with this, the survey found that male respondents reported both stronger drivers and stronger inhibitors of the acceptance of contactless hotel technology than female respondents. Partly defying conventional wisdom, however, older people also described stronger drivers and inhibitors than younger respondents. "Seniors have a clear desire to embrace technological advancements", the researchers inferred.

In China, contactless technologies are most frequently found in higher-tier cities. Accordingly, respondents from first-tier cities were the least sensitive to inhibitors of technology adoption. Meanwhile, in terms of travel experiences and tendencies, more frequent travellers had stronger drivers and weaker inhibitors, suggesting that those who travel often are the most enthusiastic and the least worried about embracing touch-free tech. "Travellers with children and individuals from households with higher incomes were more confident and less hesitant in accepting new technologies", add the authors.

Similar to men and older people, guests with previous contactless experience also expressed more curiosity and more concerns about new tech. This suggests that exposure to technology makes people more aware of both its benefits and its risks. In contrast, people with a university education had weaker drivers and stronger inhibitors than people with a lower level of education, perhaps because they were more keenly aware of information security. Patrons of luxury hotels also expressed lower acceptance in terms of both drivers and inhibitors. The researchers attributed this to their "demand [for] 'warm' human services rather than 'cold' machines".

Patterns in the Data

The COVID-19 pandemic spurred the uptake of touch-free services, as people became open to novel ways of reducing infection risk. One might expect hotel guests with greater COVID-19 concerns to be the most accepting of contactless innovations. However, the reverse was true for this study's participants, who were surveyed during a relatively quiet phase of the pandemic. "People with high levels of concern about COVID-19 might be risk averse, sceptical, and cautious", say the researchers. These are exactly the traits that engender reluctance to embrace new technological solutions.

Clear patterns were found in guests' rating styles. Even at the same level of intrinsic acceptance of technology, the hotel guests fell into three broad classes in terms of contactless technology acceptance: critics, complimenters and mainstreamers. Critics – often men with children living in first-tier cities who had abundant experience with contactless technology and were concerned about the pandemic – were the most conservative, especially regarding voice control and face recognition. Complimenters and mainstreamers – usually older, wealthier and better educated – gave higher acceptance ratings.

Managers are advised to prioritise enhancing hotels' "delightful" elements for complimenters, while also proactively addressing potential service failures for critics. This targeted approach can help hotels effectively manage their online reputation, as these two groups are most likely to leave influential positive and negative online reviews, respectively.

In terms of technology type, a clear gender split was found. "Male respondents exhibited higher intrinsic acceptance of motion detection and face recognition", say the authors, "whereas female respondents were more inclined toward voice control, mobile control, robotic

services, and thermal detection". For all technology types, the respondents were generally more swayed by the drivers of adoption than the inhibitors, suggesting overall positive attitudes towards technology.

How Hotels Can Benefit

The study's rich results have important implications for practitioners. For hotel managers, the authors caution that "the facilitating effect of the COVID-19 pandemic on disruptive technologies may not be long-lasting". Contactless technologies should instead be positioned as aspects of a post-pandemic "new normal". Precision marketing is warranted, given the varying acceptance rates among different traveller segments. As technological changes continue apace, hospitality leaders should understand their clients and smartly balance high-tech and high-touch in their service packages.

Points to Note

- The use of contactless technology in hotels is increasing.
- Hotel guests' acceptance of contactless varies with demographics and traveller type.
- Hotel managers should enhance "delightful" elements for guests with higher levels of acceptance (complimenters).
- Managers should proactively address service failures for guests with lower levels of acceptance (critics).

Qiu, R. T. R., Park, J., Hao, F., & Chon, K. (2024). Hotel services in the digital age: Heterogeneity in guests' contactless technology acceptance. *Journal of Hospitality Marketing and Management*, 33 (1), 33–56. <https://doi.org/10.1080/19368623.2023.2239219>

TOURISTS ON THE MOVE IN THE ERA OF BIG DATA

The tourism industry is on the brink of a data revolution. With the rise of smartphones, social media and location-based services, travellers are generating vast amounts of data that can yield invaluable insights into their behaviours and preferences. Given the dynamism and complexity of modern travel patterns, researchers are increasingly turning to big data analytics to track and understand how tourists travel within and between destinations.

Shedding light on this important trend, Jinyan Chen of the SHTM and co-authors introduce an innovative conceptual model that aligns theoretical development in tourism studies with the practical application of big data. Their study sets a new standard for the integration of big data into analysis of tourism mobility, with far-reaching implications for enhancing travel experiences and creating a safer, smarter and more sustainable industry.

Tourist Trajectories

Tourist mobility, or visitors' patterns of movement between and within destinations, is a critical part of the geography and ecosystem of tourism. It encompasses the decisions and choices made by tourists as they navigate their chosen destinations and engage in activities such as visiting attractions, exploring new cities or countries, and experiencing different cultures. "Effective tourist mobility is crucial for accessing attractions, accommodation and other essential services", the authors tell us. It is also a rich source of information on tourist behaviours, preferences and trends for tourism practitioners and policy makers.

"For example", the researchers note, "understanding popular tourist trajectories can inform the development of efficient transportation networks, optimise the placement of tourism infrastructure, and improve overall travel experiences". Clearly, therefore, the power to accurately track and analyse tourists' movements to identify their needs and preferences can benefit the industry and beyond – not only enhancing travellers' own experiences but also mitigating negative outcomes for local populations and boosting the economic growth of destinations.

Data-driven Travel

Traditionally, researchers had to rely on small-scale data collected through interviews, surveys or direct observation to find out where tourists go. However, the rise of big data has revolutionised the study of tourist mobility. Technologies such as mobile apps and advanced Global Positioning System (GPS) tracking have given tourists access to real-time information with which to dynamically plan their journeys, in turn offering researchers an

unprecedented source of data on tourists' patterns of movement.

Drawing on huge volumes of information from social media, mobile devices, transactions and much more, big data analytics can yield deeper insights into tourists' behaviours than ever before. "Its ability to analyse vast amounts of data from various sources", say the authors, "allows for a comprehensive and accurate representation of tourist movements". Furthermore, leveraging advanced algorithms and machine learning methodologies with big data can help researchers forecast future visitor behaviour, preferences and travel patterns. "Such predictive analysis", the authors note, "can empower destination managers to devise targeted marketing campaigns, optimise resource allocation, and formulate sustainable tourism strategies".

Unsurprisingly, therefore, there is increasing interest in the use of big data to track and analyse tourists' patterns of movement. However, concerns have also been raised about this approach – such as the privacy issues associated with gathering and using data from smartphones and social media – and there are conspicuous gaps in the literature to date. For example, some research has examined only social media as a source of big data on tourists' movements, while other studies of big data and tourism have failed to consider tourism mobility altogether.

Chen et al. realised that a clearer picture was needed. "Even though tourism is closely intertwined with the movements of tourists", they say, "a comprehensive review that investigates how big data analytics is utilised to track tourist mobility is still lacking".

An Innovative Review

Rising to this challenge, the authors embarked on a systematic investigation of the literature. Their goals were to determine the characteristics of big data and how they can aid in tracking tourists' movements; to identify the limitations and shortcomings of previous studies that rely on big data to track tourist mobility; and determine future directions for and challenges to utilising big data for this purpose. They also hoped to align theoretical development in the field with the practical application of big data to pave the way for more effective big data analytics of tourist mobility.

"To gain insights into the state of tracking tourist mobility in the big data era", the researchers report, "we conducted a systematic literature review of research articles found in Scopus and Web of Science databases". A rigorous search and screening procedure yielded 121 papers "explicitly related to big data analytics-derived travel patterns, flows or visitation insights" for further analysis.

Tracking Data Types

The first step was to identify and characterise sources of big data on tourist mobility. Five main sources of big data were identified: user-generated content, such as social media posts and online reviews; devices such as mobile phones and GPS trackers; Geographic Information System (GIS) libraries; search engines; and sensor data, such as weather and biological data. "In general, user-generated

content was the most popular data source", the authors report.

"Different types of big data contain distinct information that addresses specific tourist mobility-related issues, which require unique analytical data types and techniques", the researchers explain. Therefore, their next step was to assess the five key sources of big data according to their strengths and weaknesses in terms of tracking tourist mobility according to specific objectives. "Researchers can follow the guidelines for different research directions and purposes to make better decisions when adopting different data types".

The first important characteristic of big data is flexible access and collection. "In this category, social media can be considered the best option", the researchers report, "because social media data collection is flexible and based on different keywords and different geo-location scales". Social media data also perform best in terms of data size and richness. Such data not only come in large volumes but also provide diverse information – from text to emoticons – that allows for "the exploration of visitor interests and levels of satisfaction with diverse attributes and destinations".

The third key characteristic of big data for tracking tourist mobility is high spatial-temporal resolution, which means that the data are highly accurate in terms of location and time. "Data generated from devices and GIS-based libraries has the best accuracy", say the researchers. User-generated content shows the best performance in terms of cost-effectiveness, and data generated from devices, particularly Bluetooth and mobile phone data, offer the most complete information on tourists' trip trajectories.

"However", the researchers warn, "these sources may have limitations". For instance, using mobile phone data is costly and raises major privacy concerns, and GIS-based libraries may not capture real-time movements or individual-level data.

Customising Big Data

Based on the observed advantages and weaknesses of different types of big data, the authors proposed approaches tailored to different research objectives. For example, data on the spatial and temporal patterns of tourists' movements "can guide the establishment of connections between destinations, assist in modifying transport infrastructure, and promote collaboration among tourism organisations", say the researchers. "This is crucial as destinations are often planned and managed based on distinct administrative boundaries and geographical factors".

Another critical observation from their literature review was "a notable gap in theoretical contributions in the realm of big data analytics and its application in the study of tourism and hospitality". Although big data analytics is by definition a data-driven approach, it is not atheoretical. "Integrating theoretical contributions into the study of tourist mobility using big data analytics is critical for several reasons", the researchers say.

First, theories can provide a solid foundation for analysing big data on tourism mobility by contextualising the observed patterns and trends, thus enabling a more informed interpretation of tourists' movements, behaviours and preferences. Second, they can help researchers move beyond descriptive analysis to better tailor and implement practical measures for improving the tourism experience. For example, density theory can guide analysis of big data on tourists' movements to identify preferred groups of attractions and thereby develop more targeted and personalised destination strategies.

The Path Ahead

"As the field of tourist mobility continues to evolve", note Chen et al., "so does the need for innovative research directions that can provide valuable insights into tourist behaviour and destination management". Answering this call, their study will help tourism researchers, policy makers and practitioners embrace new data sources and technologies to strengthen their understanding of visitor mobility, thereby enhancing the overall management of the tourism industry in the era of big data.

Points to Note

- Accurately tracking and analysing tourists' movements can yield vital insights for destination managers and marketers.
- Big data analytics is revolutionising the study of tourism mobility.
- Different sources of big data have different strengths and can be customised to meet particular research objectives.
- Big data analytics should be informed by relevant theories to guide practical measures for tourism management.

Chen, J., Shoval, N., & Stantic, B. (2024). Tracking tourist mobility in the big data era: insights from data, theory, and future directions. *Tourism Geographies*. <https://doi.org/10.1080/14616688.2024.2341249>

GREEN GETAWAYS: THE ROLE OF “NUDGING” IN SUSTAINABLE TRAVEL

Tourism is a major contributor to climate change, and the industry has a pressing responsibility to amend its practices. Important research by the SHTM's Haiyan Song, Hongrun Wu and Hanyuan Zhang reveals how the “nudging” approach may help bring about a low-carbon shift in travel preferences.

Towards Cleaner Tourism

“Carbon emissions from tourism grew by at least 60% from 2005 to 2016”, Song and colleagues begin, “and [are] predicted to rise by 25% or more by 2030 if decarbonisation actions are not implemented”. Given the severe and irreversible nature of the anticipated effects of runaway climate change, the industry must act fast. Reducing travel-related carbon footprints is of utmost urgency for us all.

“Fortunately”, the authors point out, “there is considerable potential to reduce carbon emissions in the tourism sector”. Travellers have plenty of opportunities to make more sustainable choices, such as choosing flights on lower-emission routes, supporting carbon offset projects in destination regions, and participating in carbon credit schemes. Encouraging tourists to actually select these options, however, requires us to fill a knowledge gap regarding the climate-related determinants of travellers’ destination preferences.

The researchers hence tackled unresolved questions about what really drives low-carbon travel choices. Crucially, our decisions hinge on the information available to us. “The effect of different information types and the manner in which information is provided to tourists”, the authors note, “deserve more research attention”. Even if travellers are conscious of the threat of climate change and motivated to reduce their carbon footprint, they are reliant on information about ways to do this.

One strategy for using information to guide consumer decisions has attracted particular attention. “Nudging approaches, which aim to improve individuals’ desirable decisions”, the authors note, “have been widely used in energy, public health and agriculture because of their low cost of implementation and effectiveness in changing behaviour”.

Nudging is a form of suggestive information provision that guides people towards better choices without foreclosing any options; for example, priming consumers with knowledge about a product’s health or environmental impacts. The potential of nudging to encourage low-carbon travel is ripe for investigation.

Determinants of Travel Choice

The first task in designing a nudging strategy for green travel is to understand what influences tourists’ decision-making. “Studies have shown that travel costs, destination attractions and service quality are the most critical factors that affect destination choices”, write the authors, suggesting that these aspects could be suitable for a nudging campaign. Other determinants include weather and climate at the travel destination and, increasingly, the related issues of climate change and decarbonisation.

There is certainly evidence that consumers consider their carbon footprints when making decisions. “Individuals’ preference for low-carbon products”, explain the authors, “means that better carbon performance brings extra utility to consumers in the form of positive emotional experience and social and environmental values”. In other words, many people today are intrinsically motivated to safeguard the environment by making low-emission consumption choices, even at extra cost.

These motivations also apply in the travel sector. “Studies on tourism have also identified tourists’ preferences for products with low-carbon attributes”, note the authors. They single out research showing that tourists prefer lower-carbon airlines and that a kerosene tax could help shift demand away from long-haul flights. However, the emissions associated with tourism are not limited to transportation. Once visitors reach their destinations, the activities they choose also have a carbon footprint. Destination attributes are thus important.

Tourists are heterogeneous, and the researchers predicted that personal characteristics would come into play. “Increased climate change perception”, they note, “generally guides individuals to support climate policies and take actions to mitigate carbon emissions”. Travellers with greater awareness of climate change may thus be more receptive to low-carbon-related nudging. In turn, climate change perception may be linked with age, sex and socioeconomic status. Therefore, the researchers expected to find a relationship between demographics and openness to low-carbon travel choices.

Surveying Real Travellers

Nudging is a promising strategy for promoting low-carbon travel. To explore how this might be accomplished in practice, the researchers conducted a scenario-based choice experiment, surveying the opinions of almost 1,000 frequent travellers. How likely are people to visit destinations with different emission-related attributes, how is this linked to climate change awareness, and what effect might nudging have? “The respondents”, note the authors, “were widely spread across gender, age, education level and income cohorts and other factors”. This enabled the influence of demographics to be studied as well.

The survey explored preferences for destinations that differed in three climate and emission-related respects: distance from home, implying either a short-to-medium-length flight or a more polluting long-haul flight; average temperature; and the presence of carbon offset projects

at the destination. The respondents were also asked to consider different levels of CO2 emissions and how much they would be willing to pay to offset the carbon footprint of their trip.

“Defaults, warnings and reminders are common types of nudging used in public health, agriculture, energy and finance”, explain the authors. For the nudging aspect of the questionnaire, they chose a reminder-style message. Reminders provide people with salient facts regarding the decisions they are about to make, without altering the available options and the underlying incentives. This allows researchers to determine how information affects people’s decisions without changing the choice architecture.

The influence of nudging was quantified as follows. “The respondents”, explain the authors, “were presented with a hypothetical scenario in which they were planning an overseas leisure trip in light of their responses regarding their past travel information”. All of the participants were asked to consider this scenario; however, those in the nudging group were instructed to imagine that while planning the journey, they saw a news item about climate change, reminding them of the link between travel and carbon emissions.

The respondents’ climate change perceptions and sociodemographic information were also collected, enabling the researchers to explore their views on the impact and causes of climate change and mitigating actions, as well as the influence of these views on their destination choices.

Nudging in the Right Direction

The results were highly encouraging. “The respondents in the treatment group”, report Song and colleagues, had “greater concern for carbon neutrality-related factors”. Specifically, those who had seen the imagined news item about climate change significantly preferred trips with less emissions and more carbon offset projects at the destination. This provides robust evidence that using information to nudge travellers can steer their preferences away from options that exacerbate climate change.

Nudging was shown to influence willingness to select lower-carbon options at financial cost. The treatment group were more willing to pay compensation for the emissions caused by their trip and to spend more to support carbon mitigation projects at their destination. “This implies”, say the authors, “that the nudging information played a vital role in respondents’ destination choice and their [willingness to pay] for carbon mitigation-related attributes in the destination”.

The effect of individual awareness of climate change was also confirmed. “The respondents with higher climate change perceptions were more likely to select trips with low carbon footprints and to destinations that were taking action to mitigate carbon emissions”, the researchers report. In other words, travellers who agreed that climate change has negative effects, is caused by human activity, and must be tackled by individual behaviour changes preferred lower-emitting transport and activity choices

and destinations with carbon offset projects.

The researchers’ prediction that low-carbon preferences would co-vary with respondent demographics was partly supported. Age was a significant factor: “respondents older than 60 years”, write the authors, “possessed more knowledge of climate change impacts and causes and thus were more likely to take actions in response to climate change than the younger respondents”. This is consistent with the suggestion that older generations are more keenly aware of the signs of climate change because they can personally remember when climatic conditions were different.

Pathways to Change

This study has major implications for the industry. Destinations can actively appeal to tourists by making low-carbon-footprint products more accessible. Destination management organisations are advised to promote green travel options, and the authors recommend abolishing tax favours for airlines. Moreover, the nudging results imply that low-carbon tourism can be promoted by using social media to release information on climate change and ways to prevent it. Now is the time to act: the authors call for all nations to “actively undertake carbon mitigation commitments and be devoted to the development of a low-carbon economy”. The stakes could not be higher.

Points to Note

- Most tourists are concerned about climate change and prepared to pay for low-emission options.
- Nudging tourists with climate change news increases their preference for low-carbon travel.
- Older and climate-aware travellers are more willing to fly short-haul and support carbon offset.
- Information dissemination is key to global efforts to reduce the tourism carbon footprint.

Song, H., Wu, H., & Zhang, H. (2024). Can nudging affect tourists’ low-carbon footprint travel choices? *International Journal of Contemporary Hospitality Management*, 36 (5), 1534–1556. <https://doi.org/10.1108/IJCHM-09-2022-1175>

FROM SHRINES TO SUSTAINABILITY: GREEN INNOVATION IN PILGRIMAGE TOURISM

The global climate crisis is reshaping the tourism landscape, with extreme weather events and rising sea levels jeopardising tourism businesses and infrastructure. As unpredictable weather patterns disrupt travel plans and erode natural attractions, the appeal of once-popular destinations is fading, threatening the industry's overall resilience and profitability. Yet tourism directly contributes to these trends, exacerbating global warming through its ever more substantial carbon footprint. It is urgently necessary to find ways to promote green innovation within the tourism sector to combat climate change.

In a timely new study, Dagnachew Leta Senbeto of the SHTM demonstrates the practical importance of integrating green innovation efforts into pilgrimage tourism, suggesting that religious organisations and values and beliefs can play a pivotal role in fostering sustainable behaviours amongst pilgrim travellers. By aligning spiritual values with environmental responsibility, pilgrimage tourism can contribute to the broader goals of sustainable development of the tourism sector.

Tourism Amidst Climate Crisis

As global temperatures soar and climate change accelerates, the tourism sector must reckon with both its major contribution to global carbon emissions and its vulnerability to the effects of the climate crisis. Many popular destinations are located in regions that are most immediately impacted by climate change, with weather fluctuations, heatwaves, floods, tsunamis and hurricanes leading to unstable tourism flow and the failure of tourism businesses.

Meanwhile, as most destinations are situated near natural resources, tourism flow poses a considerable threat to biodiversity resources in local regions. In line with the United Nations' sustainability agenda, promoting green innovation within tourism can help the sector minimise its ecological footprint and protect natural resources, ensuring that destinations remain viable for future generations.

Pilgrimage and the Environment

Religious tourism, as "one of the fastest-growing tourism sectors in terms of tourist flows and revenue", is no exception to these trends. Pilgrimage tourism – which initially encompassed journeys to sacred sites for religious or spiritual purposes, but whose definition has recently been expanded to include secular travel that is "infused with purpose and meaning" – represented as much as one-third of all international tourism before the COVID-19

pandemic. "Studies have underscored the need to initiate and implement green innovations in and around sacred sites", notes Senbeto.

Fortuitously, the values intrinsic to pilgrimage and other religious activities – spirituality, community and cultural heritage – create a strong foundation for implementing green tourism initiatives. "Religion is a powerful force for promoting sustainability and a green environment", the researcher tells us, "through the wise use of resources driven by meaning, values, actions, and motivations".

For example, studies have shown that religion can foster environmental awareness and compliance with environmental regulations. Pilgrimage tourism may be a particularly special case. "Pilgrimage is known for its unique practices and sense of responsibility compared to other tourism segments", says the researcher. "Pilgrims differ from other tourists based on their perceived love of hardship and immersion in meanings and destinations". They often possess a faith mindset that makes them more aware than other tourists of their responsibilities to their surroundings, befitting them to take on the role of environmental stewards.

Yet despite the urgent need to explore and mitigate tourism's impact on the environment and the close alignment of pilgrimage activities with sustainability values, very little research has examined the implementation of green innovation in pilgrimage tourism. For example, studies of the environmental impact of religious and pilgrimage tourism have focused on the perspective of a single stakeholder, usually a tourist or religious organisation. "There is also limited empirical information on the role of pilgrimage tourism in fostering green innovation in less developed nations, such as Africa", says the author.

Learning from Experts

Senbeto's study aimed to fill these crucial gaps in understanding to help tourism policymakers, destination managers and other practitioners leverage the potential of pilgrimage tourism to promote green innovation against the backdrop of a global climate crisis. "The present study defines green innovation in pilgrimage tourism as initiating and implementing green innovation through energy saving, minimising pollution, resource efficiency, and advocating social and environmental responsibility", Senbeto explains.

Specifically, the study assessed the factors influencing green innovation from the perspectives of both pilgrims (i.e., demand) and religious organisations (i.e., supply). This analysis considered the roles of organisational capabilities and resources, including intangible assets such as norms and beliefs. "How can pilgrimage tourism be leveraged to promote green innovation?" asked the researcher. "What factors encourage or inhibit pilgrimage tourism from promoting green innovative behaviour?"

To help answer these questions, Senbeto used a qualitative approach to draw data from interviews with 22 pilgrims, religious figures, administrators, and representatives of pilgrimage associations in Ethiopia. "African countries are vulnerable to climate crises", notes the author, "due

to widespread deforestation, poor governance, land grabbing and unplanned natural resource management". Going beyond previous research, the study's findings thus offer novel insights into green innovation and its association with pilgrimage tourism in the less developed Global South.

The interviews were supplemented by data collected from secondary sources: websites and social media platforms representing governmental and non-governmental organisations (such as the Ethiopian Orthodox Tewahedo Church [EOTC] and the Ministry of Tourism and Culture), as well as news reports and press releases on pilgrimage tourism and green innovation from major international and national media outlets (such as National Geographic and The Guardian).

Pilgrimage and Green Innovation

Encouragingly, the interviews with individual respondents, supplemented by analysis of secondary data, revealed a positive relationship between pilgrims' activities and green innovation in Ethiopia. In Senbeto's words, "pilgrimage practices could promote green innovative behaviour driven by spiritual adherence and an innate drive to follow religious rules and guidelines".

Turning to the testimonies of representatives of religious bodies, the findings suggested that religious organisations such as the EOTC also support green innovation. "From the perspective of organisational capability theory", the researcher explains, "the findings indicate that religious organisations can foster green innovative behaviours because of their potential to integrate, shape, and reconfigure internal and external resources or experiences".

However, the outlook was not wholly positive. Although pilgrimage tourism was found to foster green innovative behaviours, the testimonies also revealed several obstacles to and constraints on the involvement of stakeholders in promoting green innovation. "According to the respondents", Senbeto reports, "macro-level factors such as [a lack of] collaboration among stakeholders and limited capacity to initiate and develop green innovations hinder green innovation".

Guidance for Practitioners

The study's findings not only fill critical theoretical gaps but also offer invaluable practical guidance for policymakers, destination managers and other tourism practitioners on harnessing the power of pilgrimage tourism as a bottom-up approach to green innovation.

For example, destination managers should consider introducing practice-based learning to transfer knowledge and experiences to attract and educate visitors. "Suggested activities include awareness-raising and educational campaigns supported by hands-on demonstrations through experience-sharing, follow-up, and discussion programs with concerned stakeholders", says the researcher.

In addition, Senbeto's findings inform policymakers of how the beliefs and practices associated with pilgrimage tourism are conducive to support for environmental management, responsible consumption and sustainable business practices. This could even constitute a cost-saving mechanism. "Rather than spending a considerable budget on renewable energy", the author explains, "managers and policymakers could consider Indigenous and place-based practices, such as pilgrimage, to promote a balance between resource conservation and economic development".

A Sector of Hope

As the world faces accelerating climate change and resource depletion, this study offers an optimistic perspective on how ancient traditions can guide modern sustainability initiatives in a sector that is both a major contributor to greenhouse gas emissions and highly vulnerable to the impact of climate change. The novel insights gained into how pilgrims and religious organisations can engage in green innovation, as well as the factors that hinder these efforts, may ultimately help align the sector with the United Nations' sustainable development agenda, as expressed in its Sustainable Development Goals (SDGs). In the author's words, "the SDGs emphasise that tourism can be a 'sector of hope' if it implements its promise to humanity and considers ecosystem performance". The potential of pilgrimage tourism to contribute to green innovation testifies to the idea that the journey toward a greener future can be both spiritually fulfilling and environmentally responsible.

Points to Note

- The tourism sector is both a major contributor to climate change and highly vulnerable to its effects.
- More effort is needed to promote green innovation in the tourism sector, including religious tourism.
- Pilgrimage tourism and the activities of religious organisations are conducive to green innovation.
- Tourism practitioners can leverage beliefs and practices related to pilgrimage to promote a green environment.

Senbeto, D. L. (2024). The Greener, the Better? Probing Green Innovation in Pilgrimage Tourism Destinations. *Journal of Hospitality and Tourism Research*, 48 (4), 757-769. <https://doi.org/10.1177/10963480231151674>

THE NEW NORMAL: WHAT TRAVELLERS WANT POST-COVID-19

The COVID-19 pandemic brought about a seismic shift in travellers' preferences, with health and safety emerging as the top priorities when choosing destinations. Understanding these evolving preferences can help tourism practitioners and policymakers adapt their strategies to effectively cater to the post-pandemic market. Thanks to a pioneering study led by Hanyuan Zhang, Richard T. R. Qiu and Haiyan Song of the Hospitality and Tourism Research Centre, the Chinese tourism industry now has much-needed guidance for further revitalising tourism post-COVID-19 by better meeting travellers' changing needs and expectations.

Crisis and Recovery

As the world adjusts to a "new normal" following COVID-19, the tourism industry is gradually regaining its footing, having been among the hardest hit by the losses caused by the virus. In China, domestic tourist numbers soared from 0.695 to 6.006 billion between 1998 and 2019, but the pandemic caused this figure to plummet to just 2.879 billion in 2020.

Thankfully, a glimmer of hope was on the horizon when restrictions were eased in 2021, allowing tourist arrivals to gradually climb back to 3.246 billion – approximately 54% of pre-pandemic levels. Since then, the industry – both in China and globally – has continued on its path to recovery. "With the complete elimination of pandemic prevention and control measures since the last quarter of 2022", the authors tell us, "China has entered into a 'new normal' situation".

Policymakers and tourism practitioners in China have learned much from managing and responding to the crisis, as well as steering the industry's recovery. Their insights into tourists' changing preferences and behaviour since the outbreak of COVID-19 will help to further shape the development of Chinese tourism.

Safety Drives Travel

One critical insight relates to changes in tourists' behaviour regarding destination choice.

"The COVID-19 pandemic reshaped the map of the most popular travel destinations", say the authors. Pre-pandemic, tourists tended to base their decision-making on primary tourism attributes, such as tourism attractions and service quality. However, once the virus had struck, travellers increasingly emphasised health and safety, showing an understandable preference for destinations that were better managing the crisis.

Surprisingly, however, research had paid little attention to the evolution of destination selection in the era of the new normal. "Although some studies have examined the impacts of the pandemic on tourist preference for destination types", say the authors, "very few have explored tourist preference for destination choice post-pandemic or compared during- and post-pandemic tourist behaviours".

Given the importance of understanding shifts in tourists' behaviour, especially destination selection, the authors resolved to fill this research gap. "To help tourism practitioners and policymakers understand and satisfy tourists' needs in the post-pandemic 'new normal'", they say, "[we investigated] the changes to Chinese domestic tourist preferences for destinations at different stages of the pandemic with consideration of both destination attributes and psychological antecedents".

Theorising Evolving Preferences

The first step was to develop hypotheses. The literature has shown that COVID-19 shifted tourists' priorities towards health and safety, leading to a preference for destinations with high-quality medical facilities and contactless services and local, less popular locations for social distancing. Consequently, the authors hypothesised that during COVID-19, Chinese leisure tourists prioritised health and safety and smart tourism attributes when selecting destinations.

"Tourists' experience and psychology, including past travel and risk perception, also determine destination choice", the researchers add. Previous trips serve as a key reference point for future decisions – a concept rooted in prospect theory, which suggests that people evaluate options based on deviations from a reference level, with losses weighing more heavily than equivalent gains. Accordingly, the researchers hypothesised that domestic leisure tourists assess destination attributes through the lens of pre-pandemic experiences and feel the sting of potential losses more acutely than they anticipate gains.

Risk perception also heavily influences tourists' decisions, especially during crises. For example, perceived risk may lead them to prefer domestic, less crowded destinations over international or crowded ones. The researchers hypothesised that during COVID-19, Chinese leisure tourists with stronger risk perception tended to select alternative destinations to those they had visited before the outbreak.

Finally, "as counterfactual thinking can involve tourists in imagined alternative scenarios", the authors hypothesised that "domestic leisure tourists who are strongly engaged in counterfactual thinking displayed preference structure changes at different stages of the COVID-19 pandemic".

Novel Empirical Tests

To test their hypotheses, which formed a unique theoretical framework illustrating destination choice in the context of the pandemic, the researchers devised scenario-based discrete choice experiments designed to obtain individuals' preferences in different situations. They first

identified key attributes relevant to destination selection, including tourism attractions, service quality and tourism expenditure, while also incorporating pandemic-specific factors such as smart tourism, medical quality and hygiene.

Next, these experiments were administered in a questionnaire survey targeting domestic Chinese tourists. This took place in November 2021, when China entered its post-pandemic era. The respondents were presented with a series of choice sets, each including three destination options, and articulated their preferences based on the specified attributes.

The researchers measured the extent to which the respondents' destination choices were affected by reference points, using a framework according to prospect theory. "First", they say, "we investigated changes in tourist preference for the major destination attributes at different stages of the pandemic". Next, to assess changes in tourists' preference structure at different stages of COVID-19, counterfactual thinking was used "to guide tourists back into the scenario during the relatively severe period of the pandemic". To measure risk perceptions, the questionnaire featured eight pandemic-related items, such as "I fear losing my life to COVID-19".

Pandemic-driven Travel Insights

The authors' empirical testing of their novel theoretical framework shed new light on how COVID-19 affected travellers' destination selection. "When the pandemic threat was relatively severe", they begin, "medical quality and hygiene conditions played significant roles in tourist choice". There was also an uptick in travellers' preference for smart tourism, which proved to be homogenous: even "those who disliked smart tourism would change their minds and pursue elements such as contactless services".

Once the pandemic had been brought under control, however, these attributes were no longer imperative for tourism demand, due to improved prevention measures and widespread vaccination. "In the post-pandemic era", the researchers report, "tourists had higher confidence in human contact and diverted their attention from contactless services, medical facilities, and hygiene conditions back to primary tourism attributes such as tourism attractions and service quality".

"Apart from the destination-specific attributes", the researchers add, "the findings confirm that risk perception as an unobserved psychological factor had a significant influence on destination choice during the COVID-19 pandemic". Tourists who perceived greater risk preferred to select alternative destinations than revisit prior ones. "This is an intriguing finding that differs from those of some prior studies", the researchers say.

Counterfactual thinking – reflecting on how one's choices might have differed if the pandemic had not occurred – was used to investigate tourists' preferences at different stages of the pandemic. The results indicated that tourists' cognitive process of considering alternatives to reality could guide their current travel decisions. "The results also showed that tourist choice behaviour in this context can

be explained by reference dependence and loss aversion as underlined by prospect theory", say the researchers.

Crisis and Beyond

These findings offer much-needed guidance for practitioners and policymakers on managing future crises and devising tourism revitalisation strategies and destination marketing efforts in the post-pandemic landscape.

First, tourists are likely to emphasise destination safety and security during crises like the pandemic. "Considering the powerful influence of social media on the perceptions of destinations during the pandemic", say the authors, "marketers should work to deliver messages on social media that minimise tourists' safety concerns, such as by providing information that features hygiene and sanitation". This will help destinations attract not only new visitors but also repeat visitors under conditions of high perceived risk.

Second, smart tourism has become essential for many popular destinations, enhancing the tourism experience through features such as real-time information for managing visitor flows and contactless services for safety. Whilst still a vital destination attribute, however, its significance has diminished in the post-pandemic era. "Destination management organisations can promote the utilisation of smart tourism infrastructures and facilities in times of health crises", the authors say, "but should not overemphasise their importance or overinvest in smart tourism-related attributes".

Finally, tourism attractions and service quality are the most important destination attributes post-pandemic, reflecting tourists' renewed desire for meaning, purpose and spiritual growth. "Therefore", the researchers say, "destination management organisations can consider providing unique tourism products with such themes and purposes and sell premium high-end products".

Points to Note

- Tourists prioritised safety and hygiene over traditional attractions when choosing destinations during COVID-19.
- Tourists increasingly focused on smart tourism during COVID-19.
- Post-pandemic, tourists' destination choice is guided by attractions and service quality.
- Understanding how reference destinations and risk perception affect destination choice can help destination marketers meet post-COVID-19 needs.

Zhang, H., Qiu, R. T. R., Wen, L., Song, H., & Liu, C. (2023). Has COVID-19 changed tourist destination choice? *Annals of Tourism Research*, 103, Article 103680. <https://doi.org/10.1016/j.annals.2023.103680>

PLEASURE MEETS PAIN: THE NEW FRONTIER IN TOURISM MARKETING

As consumers increasingly seek unique and thrilling experiences for personal growth and stress relief, the potential synergy between pleasure and pain in activities like adventure tourism is gaining attention. In a trailblazing 2023 study, Anqi Luo of the SHTM and a co-researcher investigate how preferences for pleasurable painful experiences, such as skydiving or horror films, fluctuate throughout the day. Their research highlights the importance of sensory cues, including hedonic appeal, colour saturation and background music, in marketing these experiences effectively. These findings not only deepen our understanding of consumer behaviour but also provide actionable insights for tourism and leisure providers seeking to enhance engagement and sales.

Pleasure–Pain Paradox

In the world of leisure and tourism, most experiences are fuelled by the pursuit of pleasure –happiness, enjoyment and relaxation – or the desire to escape life’s daily stresses. These are known as hedonic principles. Yet growing trends indicate that many tourists are attracted to “pleasurably painful” experiences. “Despite the belief that pleasure and pain are mutually exclusive”, say the authors, “they can be experienced simultaneously”. A pleasurable painful experience blends the two sensations, with the thrill of pleasure heightened by a touch of physical or emotional discomfort.

For example, some tourists choose to visit destinations associated with death and suffering, such as famous battlefields and cemeteries, to enhance their sense of social identity and satisfaction with their own lives. “In the context of lodging”, say the authors, “there is an increasing demand for ice hotels”. Similarly, tourists are attracted to high-risk entertainment activities such as skydiving, which can help them relieve stress by, paradoxically, eliciting extreme tension.

Whilst previous research has shown that personal traits, such as sensation-seeking, influence the appeal of pleasurable painful experiences, it has shed little light on the role of timing in consumers’ preference for such experiences. “Consumers make decisions at different times of the day”, write the authors, “making it important and necessary to understand variations in consumer preference and demand over [the] day”. By tapping into these time-based preferences, service providers can better plan when and how to offer pleasurable painful experiences to maximise their appeal.

To fill this research gap and generate recommendations for practitioners in the leisure and tourism industry, the authors resolved to find out how consumers’ taste for

pleasurably painful experiences shifts throughout the day. Drawing insights from the biological basis of behaviour, they also aimed to determine how physiological arousal aligns with the intensity of these experiences and how sensory elements of advertising – such as colour and music – can influence these time-of-day effects.

Biological Basis of Behaviour

To develop hypotheses, the authors considered how our bodies’ internal rhythms influence our craving for pleasurable painful activities. They first focused on the concept of arousal potential, which refers to how much a stimulus can excite the nervous system. “Stimuli with high arousal potential”, say the researchers, “are usually assessed by individuals as fearsome, anxiety-provoking, worrisome and frightening” – like the pain involved in thrill-seeking activities such as ziplining and white-water rafting. Everyone has a unique optimal level of arousal, which differs from person to person. “People with high optimal arousal levels”, the authors tell us, “may be more likely to engage in pleasurable painful activities”.

Research has also indicated that circadian rhythms, or the body’s “biological clock”, can have a major influence on external stimulation-seeking behaviours. These rhythms affect our internal arousal levels, which are typically lower in the morning and higher in the evening. Therefore, the researchers hypothesised that consumers’ preference for pleasurable painful experiences increases as the day progresses, driven by the match between their internal arousal levels (i.e., physiological arousal) and the excitement that these experiences offer (i.e., the arousal potential of the stimuli).

“This begs the question: how can we increase consumer preference for pleasurable painful experiences in the morning?” write the authors. “The key is to create a match between physiological arousal and the arousal potential of such experiences.” One way is to increase consumers’ physiological arousal. A potential tool is fast-tempo music, which has been shown to increase listeners’ physiological arousal, emotionality and risk-taking behaviours. “Consumers may prefer pleasurable painful entertainment regardless of the time of day when listening to fast music”, the researchers theorised, “due to the high physiological arousal it induces”.

The authors’ final step in developing hypotheses was to consider how certain marketing approaches can influence the arousal potential of pleasurable painful experiences – which in turn creates a match between physiological arousal and the arousal potential of the experiences and increases consumers’ preference for pleasurable painful experiences.

The authors first considered hedonic appeal – that is, how a product, service or experience is marketed or presented to highlight its pleasure-inducing qualities. “We argue that hedonic appeal that emphasises pleasure makes pleasurable painful experiences less frightening and arousing”, they say, “so consumers will consider them in the morning due to the match between their lower physiological arousal levels”.

Second, they considered colour saturation. “As a ubiquitous element in daily life”, they write, “colour is an aesthetic and marketing tool influencing consumers’ perceptions, affective responses and behaviours because it is linked to arousal potential and attention”. As more highly saturated colours are more likely to be associated with danger and pain, the authors hypothesised that low-saturated colours lessen the anticipated threat associated with pleasurable painful activities, making them less arousal-inducing.

Four Empirical Studies

The authors tested their hypotheses in a series of four innovative studies. Study 1 used a choice task to test the main effect of time of day on consumers’ preference for pleasurable painful experiences. Study 2 directly tested the impact of matching physiological arousal with the arousal potential of pleasurable painful experiences, using background music as a tool. Studies 3 and 4 examined the roles of hedonic appeal and colour saturation, respectively, as moderators and boundary conditions of these relationships.

In Study 1’s survey, “two entertainment activities were selected: riding a Ferris wheel versus riding a rollercoaster, categorised as an almost purely pleasurable experience and a pleasurable painful experience”, respectively. As hypothesised, the surveyed consumers were more keen to ride the rollercoaster – the pleasurable painful activity – in the evening than in the morning.

In Study 2, a lab survey on campus, the researchers found support for their hypothesis that heightened arousal stimulated by fast music boosts consumers’ preference for pleasurable painful experiences in the morning. “Fast-tempo music increases consumers’ physiological arousal level”, they say, “‘drowning out’ the proposed effect of time of day”.

The objective of Study 3’s survey was to examine how hedonic appeal affects the established relationships. “The context [was] a Thai massage that is typically perceived as a mix of pain and pleasure”, write the authors, “and can be easily manipulated by hedonic framing”. The results ultimately confirmed the authors’ hypothesis: “using a hedonic appeal that emphasises pleasure increases consumer preference for pleasurable painful experiences in the morning”.

Study 4 examined the moderating role of colour saturation. “Participants imagined that they were on vacation and needed to decide on activities for the day”, the researchers explain. “They were randomly shown one of two advertisements for skydiving that differed in colour saturation”. As expected, the results ultimately showed that “colour saturation can effectively alter the potential arousal of pleasurable painful experiences”, with low saturation making consumers more likely to select such experiences in the morning.

Maximising Experience Appeal

“This study has several important practical implications”, note the authors. First, it provides guidance for leisure

and tourism practitioners on when to promote and deliver pleasurable painful experiences. As consumer preference for such experiences increases over the course of the day, service providers should consider providing – and advertising – largely pleasurable services or activities (such as a boat tour) in the morning and pleasurable painful services or activities (such as bungee jumping) in the afternoon or evening.

In addition, the findings point to strategies for developing marketing communications to boost sales of thrill-seeking activities in the morning. “Utilising hedonic appeal emphasising pleasure is a direct way to make pleasurable painful activities less arousal-inducing, thus increasing their attractiveness in the morning”, advise the authors. “Likewise, low colour saturation can make pleasurable painful activities less stimulating”. Another useful approach is to play fast background music in video advertisements (both online and offline) to boost consumer arousal in the morning. For instance, skyscrapers could play lively music at their entrances, inviting visitors to embrace pleasurable painful attractions such as open-air skywalks.

Points to Note

- Tourists are increasingly attracted to pleasurable painful activities such as skydiving.
- Pleasurable painful activities are more appealing to consumers in the evening than the morning.
- Fast-tempo music increases consumer preference for such activities in the morning by heightening physiological arousal.
- Hedonic framing and low colour saturation increase the preference for such activities in the morning by reducing their arousal potential.

Luo, A., & Mattila, A. S. (2023). When and how to sell pleasurable painful experiences. *Annals of Tourism Research*, 103, Article 103683. <https://doi.org/10.1016/j.annals.2023.103683>

TOURISM FOR THE KNOWLEDGE-HUNGRY

When deciding where to visit next, travellers aren't swayed only by relaxation and comfort. The thirst for knowledge plays an indispensable role for many jet-setters. This important motivation was put centre-stage in a recent study by the SHTM's Dori Davari, who worked with a colleague to place "destination curiosity" (DC) on an equal footing with other, better-studied tourism drivers. Bringing due scientific rigour to this key determinant of travel behaviour, they not only developed a sophisticated scale for measuring DC but also validated its ability to predict travel intentions. The results will inform strategies for industry practitioners to enhance and promote travel driven by destination curiosity.

Curiosity and Travel

Tourists travel for a variety of reasons, but every trip holds the possibility of an encounter with the new. As international travel has boomed, humankind has embarked on a world-spanning process of cultural exchange through tourism and migration. "Travel has been deeply ingrained in the history of curiosity and exploratory behaviour", say the researchers, "for a long time". It is thus natural that an appreciation of our curiosity about the homelands, lives and cultures of other people should underpin any theoretical understanding of tourism.

However, the role of curiosity and exploration in motivating leisure travel has been relatively overlooked by researchers. Curiosity arises when we become aware of a gap in our knowledge. "Curious people cherish effortful cognitive pursuits that lead to learning", the researchers note. DC is a specific type of curiosity. "Travellers with a higher level of DC are expected to seek both deeper and wider insight into the world", say the researchers. "They have an interest in travelling and are curious individuals".

Yet although the desire to learn – such as an interest in mastering foreign languages – is known to lie behind certain travel choices, our scientific understanding of this process is still rudimentary.

Destination Curiosity

Seeking to fill this important gap in the literature, the authors set themselves four objectives. In addition to publicising the significance of DC as an explanatory factor in tourism, they aimed to both establish an objective measure of DC and carefully validate that method. This, finally, would set the stage for a new branch of the tourism literature, focusing on ways to both whet and satisfy travellers' appetites for learning-based adventure. The ultimate outcome would be for practitioners to learn how,

by "fulfilling their expectations and providing them with meaningful travel experiences", they can fully engage with travellers with a high level of destination curiosity.

"Curiosity", the authors point out, "is more than an eagerness to know; it is rather an exploratory behaviour that drives one's desire to investigate and learn from the environment in a way that would lead to personal growth". The exploratory urge is active from early childhood and stays with us for life. Whilst curiosity itself has been widely studied by psychologists, Davari and colleague realised that a specific understanding of DC in tourism was needed. Considering the diverse ways in which travel can lead to learning, DC is a broad concept encompassing not just sensory novelty and fact acquisition but also mental challenges, unforeseen surprises, and tests of endurance.

DC can be conceptualised as having four components that make up the construct's depth and width. First, perceptual curiosity – "a desire to observe and understand unfamiliar and complex stimuli" – is a crucial aspect of depth. Indeed, the researchers say, "the travel experience is most enjoyable and meaningful in the presence of perceptual curiosity about a destination". The depth of a traveller's DC is also determined by their need for cognition, reflecting their desire to investigate complex and challenging information.

Meanwhile, contributing to the width of travellers' curiosity about unknown places, the authors identified sensation seeking as the third element of DC. Sensation seekers may be the daredevils among us, characterised by "thrill and adventure seeking, experience seeking, disinhibition, and boredom susceptibility". Finally, the desire for novelty – taking steps to seek out new experiences – is another aspect of the width of DC that was predicted to affect curiosity-driven travel.

Measuring Destination Curiosity

DC is doubtless crucial for tourism practitioners to understand. However, the sparsity of related research may be both a cause and consequence of the lack of a comprehensive measurement tool. Therefore, the authors sought to construct a scale that could rigorously gauge travellers' DC in all relevant dimensions.

Exploiting the fact that other types of curiosity have been widely researched, the authors sought to synthesise the most useful parts of existing scales measuring the four elements of DC. With the help of an expert panel, comprised of the leadership team of a giant tourism-centred company and participant volunteers, they developed a parsimonious scale of 15 questions, divided into four latent factors: "destination exploration", "different adventure", "thought expansion" and "authentic experience".

Together, these measure every important aspect of a potential traveller's DC – their itch to explore new and unfamiliar scenes, the desire for something different and exciting to happen on holiday, the enjoyment of thoughtful activities or new ways of thinking, and the taste for new foods or other specific local experiences.

One of Davari and colleague's main objectives was to validate their scale's ability to predict international visit intention. They reasoned that DC, when properly measured, would act as a mediator of this intention. Specifically, this effect of DC was predicted to mediate the impact of another important construct – the cultural identity of a place. Almost every potential destination has a perceived cultural identity that enfolds the possibility of new or cognitively stimulating experiences for the visitor. Thus, the researchers hypothesised that "cultural identity has an effect on international visit intention partially since it increases DC".

If cultural identity is what sparks travellers' interest in a country or city – making them sufficiently curious to actively plan a visit – this insight would be crucial for practitioners. Thus, the authors carefully tested their predictions by administering their new scale to a group of US-based participants. These frequent international travellers were asked to imagine that a global festival was to be held in Turkey. After being reminded that "Turkey's cultural heritage dates back to the first civilization ever recorded", they answered questions on Turkey's cultural identity and their level of DC regarding that country. Finally, they estimated their future intention to visit it.

The results showed that cultural identity was a significant predictor of international visit intention. American tourists with more prior exposure to cultural knowledge about Turkey were more likely to want to visit the country in the future. Moreover, the effect was significantly mediated by DC, being stronger in those who showed more curiosity about Turkey as a destination. In other words, the authors conclude, "the cultural identity of a destination is highly important for triggering DC".

Crafting Destinations for the Curious

Davari and colleague's study shines new light on the antecedents of international travel intention – a fundamental question in tourism research. People are naturally curious, and it is time to recognise the role of destination curiosity in sparking the desire to learn about other places and cultures through first-hand experience. This study provides a means for researchers to do just that.

When our curiosity about other parts of the world is piqued, we need to satisfy it not just by learning information but by visiting those destinations in person. By travelling to other regions and countries, we get to know them first-hand through our senses, encounters with local people, and by feeling the ground under our feet. The authors propose that industry insiders can use the DC scale to "develop effective messaging toolkits and marketing strategies targeting potential travellers who are interested in exploring other horizons and perspectives and prefer learning about other nations and cultures through physical experiences".

"Addressing DC can offer directions for developing digital marketing content for tourism-centred entities", the researchers add. Travellers who are looking for more than just a relaxing break and wish to actively engage with a foreign culture on holiday may be enticed by advertising that appeals to their need for cognitive stimulation.

Meanwhile, destinations that are economically underdeveloped but culturally rich should design unique cross-cultural experiences to appeal to those with a thirst for the new.

Points to Note

- Destination curiosity is overlooked as a driver of tourism.
- A new scale was developed to measure travellers' desire to learn through travel.
- People with more destination curiosity have greater intention to travel abroad.
- Cultural identity sparks the desire to travel and is mediated by destination curiosity.

Davari, D., & Jang, S. (2024). Travel-based Learning: Unleashing the power of destination curiosity. *Journal of Travel and Tourism Marketing*, 41(3), 396–417. <https://doi.org/10.1080/10548408.2024.2318433>

TOURISM FOR ALL: EMPOWERING INDIGENOUS COMMUNITIES THROUGH ETHICAL TRAVEL

International tourism in the developing world impacts Indigenous cultures in multiple ways. Rather than exploiting or marginalising these communities, a more ethical model is possible. An instructive case study led by the SHTM's Roshis Krishna Shrestha shows us that tourism can work for the benefit of all parties through collaborative approaches. Respecting how members of traditional cultures understand their relationships with other people and the land is key to forging sustainable tourism and empowering Indigenous groups.

Learning from Traditional Beliefs

Land is literally the foundation of a civilisation – people's relationship with the land they live on informs the cultural beliefs guiding their society. Given this, Shrestha and colleagues draw some sharp distinctions between traditional worldviews and modern Western thinking. "Some Indigenous peoples", they write, "believe they are the guests, not masters, of the earth". When areas with deep-rooted local cultures become host to increasing numbers of tourists, such beliefs should shape the form of tourism development.

"A philosophy of living in harmony with nature that emphasises communal well-being and sustainable practices", say Shrestha and colleagues, "is an epistemic position shared by numerous Indigenous communities across the globe". This insight is at the core of their study. Enacting such ideals in touristic practice, however, will require "shedding deep-rooted non-Indigenous ideals and adopting a communal approach", they note.

The potential benefits of doing so are considerable. "Tourism development arguably serves to empower Indigenous peoples and communities by drawing upon their inherent values and practices", write the authors. This implies that tourism and cultural preservation can work hand-in-hand. However, the process must be respectful and informed by a sensitive understanding of local traditions. Otherwise, tourism in developing countries risks exacerbating rather than resolving issues of inequity and misrepresentation.

"Extant research", caution Shrestha and colleagues, "understates the interplay between Indigenous knowledge and values and sustainable tourism development". The clear implication is that the spiritual and practical wisdom of Indigenous cultures has much to offer the ethical tourism field, yet it has been neglected. Instead, an over-emphasis on financial profit as a yardstick for successful development may have resulted in the marginalisation of alternative worldviews and the undermining of community welfare.

The Newars of Nepal

The Newar people are the historical inhabitants of Nepal's spectacular Kathmandu Valley. Their present-day society, with its long and complex history, is characterised by religious diversity and rich cultural institutions. Particularly important among these is the Guthi, a community organisation that traditionally organises a range of activities. "A Guthi's collaborative approach and social value system", explain the authors, "not only frame Newars' behaviour and decisions but also provide historical and contemporary evidence of sustained collaboration and involvement at the grassroots level of Indigenous Newars".

Guthis also play a vital role in sustaining and embodying the Newars' fundamental beliefs about the world. "Any aspirations for a decolonised approach to Indigenous tourism development", the authors realised, "require ceding community control to the Newars by acknowledging and integrating their ontologies sustained in their Guthis". The Newars' belief system underpins their approach to the land, of which they understand themselves as guardians and stewards rather than owners or masters.

Through studying the Newars' relationship with the land, we may be able to understand how tourism development in the Kathmandu Valley can be made sustainable and protective of Indigenous cultures. "Prioritising and empowering Newari values and beliefs that are based in and perpetuated by their Guthi", write the researchers, "provides perhaps the sole means of observing how these communities can foster a form of tourism development that aligns with their cultural and spiritual principles and contributes to their communities' well-being and the preservation of their cultural heritage".

The researchers thus resolved to actively engage with the traditional Newar value system embedded in Guthis, aiming to counter the historical neglect and "othering" of this community and its epistemology. "Any attempt to theorise Indigenous value systems", they realised, "requires unravelling the structure of relationships and deconstructing systems of oppression that continue to marginalise Indigenous peoples and their values". To this end, their 6-month field study aimed to shed light on the cultural institutions and lived experience of the Newars through methodologies based directly on the community's own practices.

Cultural Research In Situ

"Understanding Indigenous lived experiences", the authors explain, "requires knowing, acknowledging and respecting Indigenous cultural practices and social values". Central to their aim of elucidating the Newars' "knowledges, language, lifeworld existentials, social values, symbolism, stories, and folklore" was the involvement of Newari participants in the research design and implementation. Indeed, Dr Shrestha himself is a Newar, and through him the study benefited from an insider's familiarity with the subject matter.

Two contrasting sites in the Newar Country were chosen for the field research. The village of Khokana is an ancient

community and the home of one of the region's most distinctive native products, mustard oils, still produced by traditional methods in a cooperative-run facility. "This [mustard oil factory] is widely recognised as one of the oldest operational cooperatives in the world", the authors note, underlining the importance of communal organisation in sustainable food production.

The millennia-old city of Patan, on the outskirts of Kathmandu, was chosen as the second site. Home to traditional artisans and playing host to popular festivals through which local culture is expressed, the city also symbolises the religious plurality of the Newar Country through its Hindu and Buddhist temples. "This unique blend of cultures, history and modernism", according to Shrestha and colleagues, "has attracted both domestic and international tourists to Patan". The city is thus a key site of interaction between Indigenous Newar people and visitors from other parts of the world.

Guided by constant consultation between Shrestha and community elders, the researchers obtained data through interviews and conversations with community leaders and Guthi members. "An Indigenous method", the researchers remind us, "should be cognisant of the Indigenous standpoint and reflective of Indigenous values". Thus, Shrestha and colleagues' methodology was thoughtfully designed to empower the Newar community itself with agency, consent and an authentic voice throughout its participation in the research.

Giving Voice to Wisdom

Three main themes emerged from the wealth of interviews and observations. "Guthi is a symbolic representation of socio-cultural values", the authors write, which are "further promulgated and expressed through myths, folklore, rituals and cultural practices". Thus, the first theme concerned the core beliefs underpinning life in Newar culture. These beliefs are fundamentally about the relationships between beings, and they include guardianship of the land, relatedness with nature and reciprocity. Furthermore, the importance placed on frugality and self-sufficiency ties in with the Newars' traditions of living in harmony with the natural world.

The second and third themes revolve around collective consciousness through strong social ties and negotiating resource ownership through community association, respectively. Both are central to the Newars' ability to retain control over tourist enterprises and ensure that they benefit the community and are in rhythm with their ways of life. "Guthis", as the authors explain, "are the repository of the community's social capital". It is through the power invested in them that these traditional organisations give the Newars a strong hand in shaping the form of tourism development.

Newar culture, like all traditional cultures, is evolving and adapting as it encounters global phenomena. Cultural revitalisation therefore emerged as one of the most important potential benefits of sustainable tourism in Newar Country. "Through continuous interactions with cultural activities", write Shrestha and colleagues, "[young people] were given the opportunity by Guthi members to

take initiatives to support a cultural revival". Indeed, the conversion of vacant old houses to tourist homestays not only safeguards the area's physical heritage but also helps preserve traditions by making cultural demonstrations part of the visitor's experience.

A Paradigm Shift

Respect, reciprocity and relatedness: these principles summarise Newars' relationality with one another, their ancestors and their environment. This leads Shrestha and colleagues to call for no less than a paradigm shift among experts. "A change in basic assumptions in the existing approach to Indigenous tourism development is essential", they argue: "one that rejects the lingering colonial power dynamics to embrace and respect Indigenous Newars' ontologies and traditional knowledge". In regions where traditional cultures survive, practitioners are urged to rethink tourist projects in terms of the well-being of communities. They will have much to learn from this research.

Points to Note

- Indigenous cultures' beliefs can inform sustainable tourism development.
- The Newars of Nepal embed their traditional culture in Guthi organisations.
- Guthis advocate for tourism development that protects the land and Newar traditions.
- Practitioners of sustainable tourism have much to learn from Indigenous voices.

Shrestha, R. K., L'Espeir Decosta, J. N. P., & Whitford, M. (2024). Indigenous knowledge systems and socio-cultural values for sustainable tourism development: insights from Indigenous Newars of Nepal. *Journal of Sustainable Tourism*. <https://doi.org/10.1080/09669582.2024.2316298>

PROFIT OR PRETENCE? LODGING FIRMS UNDER THE SPOTLIGHT

As the lodging industry faces increasing scrutiny over its financial practices, understanding the earnings management behaviours of lodging firms is becoming ever more important for stakeholders. Thanks to the SHTM's Jaehee Gim and a colleague, policymakers and practitioners now have unprecedented insights into the divergent earnings management strategies employed by different types of lodging firms. Their study underscores the critical role played by internal and external monitoring entities in mitigating such firms' opportunistic earnings management. Its findings will not only help stakeholders in the lodging sector accurately assess firms' financial health based on their business type but also offer practical guidance for investors and regulators on promoting greater transparency and accountability in financial reporting.

Understanding Earnings Management

In today's financial landscape, shareholders and creditors rely heavily on firms' earnings information to gauge their success or failure. "Boards of directors commonly link managers' compensation to firms' earnings-based performance", say the researchers, "such as earnings per share". Unsurprisingly, therefore, it may be tempting for managers to inflate their firms' earning figures. This practice can compromise the integrity of reported earnings, mislead stakeholders and erode trust in firms.

Managers typically employ two legal methods to manage earnings: real earnings management (REM) and accrual-based earnings management (AEM). "With REM", the researchers tell us, "managers attempt to exaggerate earnings by deviating from normal business activities during an accounting period". In contrast, AEM occurs after an accounting period, when managers manipulate accrual estimates such as the value of fixed assets that have depreciated. Understanding these practices is crucial for assessing a firm's true financial health and thereby mitigating risks associated with investment.

The Lodging Sector

It is especially challenging for lodging firms to maintain stable earnings, as they are characterised by both high capital intensity and high labour intensity. "Since spending on leisure activities is mostly [...] discretionary", the authors add, "lodging firms are vulnerable to seasonality and economic conditions, which makes their earnings highly volatile". As firms' difficulty in maintaining stable earnings is a reliable determinant of their REM and AEM, firm managers in the lodging industry are regrettably susceptible to engaging in such practices.

"Therefore", say the researchers, "to assess the true quality of lodging firms' reported earnings, stakeholders in the lodging industry need to understand these firms' REM and AEM behaviours". To help provide this much-needed understanding, the authors proposed to differentiate lodging firms by business type, focusing on real estate investment trusts (REITs) and lodging C-corporations (C-corps).

Both types of firms generate profits primarily from the lodging properties they own. "However", the researchers explain, "due to lodging REITs' financial and regulatory uniqueness, their earnings management behaviour using REM and AEM could diverge from that of lodging C-corps". As lodging REITs must distribute 90% of taxable income to avoid corporate tax, using funds from operations (FFO) for performance measurement, they may engage less in AEM and more in REM than do C-corps, which face double taxation and typically use net income for performance assessment.

"Lodging REITs and lodging C-corps could also differ in their use of REM through unusually low discretionary expenditures", the researchers add, "which has the greatest cash-saving impact among the three different forms of REM".

Yet despite these important differences, "no effort has been made to understand the diverging earnings management behaviour between the two business types". Knowing which business type and which circumstances are most conducive to AEM or REM in the lodging industry could guide both internal and external entities – such as boards of directors and auditors – in monitoring lodging firms' earnings management.

Theory-driven Hypotheses

To fill this important gap, the researchers' first step was to develop hypotheses based on the literature. "Signalling theory provides a convincing explanation for why firm managers engage in earnings management", they note. As market participants refer to earnings information to gauge a firm's performance, managers may decide to overstate earnings to signal inflated firm performance and thus positively influence stakeholders' perceptions of the firm. This is especially tempting given that managers' compensation is usually tied to firm performance.

The researchers posited that the specific earnings management strategies used differ between lodging REITs and C-corps due to the different ways in which their earnings are calculated and evaluated by market participants. For C-corps, traditional net income, which subtracts depreciation expenses, is used as the earnings performance index. However, for lodging REITs, a unique measure, FFO, is used, which does not subtract depreciation expenses, as REIT properties often appreciate over time.

This difference in earnings calculation impacts the effectiveness of AEM, which involves manipulating accounting items such as depreciation. "Given how FFO are calculated, AEM may not be as effective for managing lodging REITs' FFO", write the authors, "as it

is for lodging C-corps' traditional earnings figures". They thus hypothesised that managers of lodging REITs are less likely to engage in AEM than are their counterparts in lodging C-corps.

This theory is also supported by the control hypothesis, which posits that creditors act as external monitors to prevent managers from behaving opportunistically. "Specifically", the researchers say, "creditors prompt managers to practise accounting conservatism when they prepare financial reports". This ensures that creditors receive negative information in a timely manner, helping them to protect their interests and reducing managers' temptation to manipulate financial reports.

Crucially, the deterrent effect of creditors on AEM through accounting conservatism is stronger for REITs than for lodging C-corps. Unlike lodging C-corps, REITs are required to distribute 90% of their income as dividends to keep their tax-exempt status. This rule strips away the tax shield that debt financing usually offers, making borrowing a much riskier move for REITs. With more on the line than their C-corp counterparts, REITs' likelihood of engaging in earnings management is reduced.

Finally, the researchers hypothesised that another aspect of lodging REITs' financial and regulatory environment sets them apart from lodging C-corps in terms of earning management: discretionary expenditures. Lodging REITs operate under a strict 90% income distribution rule, which leaves them with little room to save cash. Unlike C-corps, REITs find it challenging to cut back on discretionary spending, even as their cash reserves grow. Therefore, the authors posited that "the deterrent impact of cash holdings on REM through abnormally low discretionary expenditures is less pronounced for lodging REITs than for lodging C-corps".

Mitigating Earnings Management

The researchers developed a robust analytical framework to dissect the earnings management behaviours of REITs and C-corps in the lodging sector. "The primary purpose of the current study", they say, "was to examine whether the business type of lodging firms (i.e., lodging REITs or lodging C-corps) explains any divergence in lodging firms' earnings management behaviour". To this end, they gathered financial data from publicly traded firms from 1997 to 2020, meticulously analysing financial reports and performance metrics to identify patterns in firms' earning management behaviours.

The results provided support for their hypotheses. "Lodging REITs were found to engage less in AEM but more in REM than lodging C-corps as a way to manage earnings upward", the researchers report. "In addition, the deterrent effect of cash holdings on REM through abnormally reducing discretionary expenditures was found to be weaker for lodging REITs than for lodging C-corps".

In practical terms, these findings suggest that the monitoring entities best able to mitigate earnings management among lodging firms may differ by business type.

For lodging REITs, earnings management behaviours can be most effectively curbed by boards of directors, which serve as internal monitoring entities. "This is because external monitoring entities lack control over firms' deviations from normal business activities, which is the main mechanism of REM", the researchers explain. "Lodging REITs' boards of directors need to make an effort to convene regularly, preferably often, for internal committee meetings to effectively monitor and mitigate lodging REITs' REM".

Meanwhile, as lodging C-corps are more likely than REITs to manipulate earnings through accrual-based methods, it is vital for their external auditors to scrutinise accrual items carefully. Although hiring big external auditing firms – such as PwC and KPMG – is costly, such firms have the requisite auditing skills and experience to accurately detect AEM. "Accordingly", the researchers conclude, "lodging C-corps' boards of directors may find the cost of hiring these major auditing firms worthwhile to reduce AEM".

Points to Note

- Lodging firms are susceptible to earnings management, which undermines the integrity of financial reporting.
- Different types of lodging firms engage in different strategies for earnings management.
- Firms that primarily engage in real earnings management should be closely monitored by boards of directors.
- Firms that primarily engage in accrual-based earnings management should employ effective external auditors.

Gim, J., & Jang, S. (2023). Earnings management practices of the lodging industry: Diverging behaviors of lodging real estate investment trusts and lodging C-corps. *Tourism Economics*. <https://doi.org/10.1177/13548166231189142>

TIMING IS EVERYTHING: UNDERSTANDING WHEN TRAVELLERS BOOK HOTEL ROOMS

In the fast-paced world of online hotel booking, travellers enjoy easy access to real-time information on pricing and availability and the ability to compare options across diverse platforms. As hotels grapple with fluctuating demand and fierce competition, understanding the factors that prompt guests to book early or opt for last-minute deals can help them tailor their pricing strategies and marketing efforts to attract early bookings and prevent cancellations.

Thanks to the SHTM's Sung Gyun Mun and Jinah Park, working with two colleagues, hotel practitioners now know more than ever before about the complex dynamics underlying the timing of travellers' booking decisions. Their study sheds light on the hidden factors that prompt some travellers to secure their accommodation well in advance, while others wait until the last moment. In an environment in which timing is everything, this study bridges the gap between traveller intentions and hotel strategies, paving the way for a more responsive, efficient and profitable hospitality industry.

Time Sensitivity in Hotel Booking

Room price and availability are critical factors determining when travellers book hotel rooms in advance. In theory, customers book earlier when they are more price-sensitive and when fewer rooms are available. However, this ignores the complex reciprocal impact of time, which shapes not only customers' perceptions of the value of hotel rooms and their willingness to pay for those rooms (with travellers generally becoming more willing to pay as the time left for booking decreases) but also the rooms' actual availability (with the number of available rooms shrinking as the travel date approaches, snapped up by travellers who are finalising their plans).

Moreover, because travellers tend to compare room price and availability across multiple hotels in the same market, their perceptions of a given hotel room change over time according to price and availability at both their target hotel and other hotels. "Until the traveller's arrival", say the researchers, "time mediates and reconciles all other components of the booking process, as the utility of possible outcomes changes over time".

Therefore, time per se possesses critical strategic value for a hotel, as it is dynamically linked to both supply and demand functions. "Proper timing is important not only for travellers who are seeking the best deal", say the researchers, "but also for hotels offering perishable services". Hotels that are well informed about the timing of travellers' booking decisions can tailor their marketing strategies to engage potential guests at exactly the right

moment, ensuring that they capture bookings before competitors do.

Complex Booking Relationships

Surprisingly, however, the timing of hotel booking decisions has not yet been fully explored. Studies have considered the roles of room price and availability, but they have overlooked other factors that prompt some travellers to book sooner than others. For example, prospective travellers might need to align their schedules with those of travel companions or book ahead of time to secure accommodation for an event such as a concert or conference.

In addition, we still know too little about how booking lead time – the interval between booking and the actual date of arrival – affects the likelihood of cancellation. Even the relationship between booking timing and room price is poorly understood. Whilst some researchers have suggested that travellers pay more for their rooms as the check-in date approaches, others disagree. "Indeed", say the authors, "studies using empirical data have indicated that travellers tend to book earlier (or later) even though hotels charge higher (or lower) prices during peak (or slower) months".

Although the literature has not reached a consensus on the relationship between booking lead time and room price, it is clear that travellers face greater time pressure as the number of days left for booking decreases. "Considering the existence of substantial variations in the interplay between price and booking time and the complexity of customers' temporal decision-making and gain-loss analyses", say the authors, "there should be greater focus on the temporal costs associated with customer decision-making processes".

This is particularly important in today's era of smart booking technologies. With real-time availability and pricing information at their fingertips, prospective customers can rapidly compare hotel offerings and make informed decisions. "As online booking systems allow travellers greater flexibility to make comparisons between different channels", the researchers note, "a more complex and intertwined relationship has emerged between hotel booking, cancellation, and rebooking behaviours".

Breaking the Mould

Going beyond the simple relationship between room price and booking lead time, the researchers thus sought to determine what leads some travellers to book earlier than others and whether travellers who book early are more likely to cancel than those who book at the last minute. As travellers typically compare the price and availability of their target rooms with those at other hotels, they authors hypothesised that a gap in price and occupancy between a target hotel and the market average significantly influences the timing of customers' booking decisions.

"Besides the two critical factors of price and occupancy, customers' booking decisions are influenced by multiple other factors", add the authors, "such as financial, social,

physical, and psychological factors". Identifying two such factors, they went on to hypothesise that booking lead time is also affected by the intended length of stay and the type of travel companion (e.g., a child or a fellow adult).

Finally, to comprehensively understand how travellers ultimately decide whether to check in or cancel their stays, the authors focused on several factors affecting the probability of actual check-in. "Not only price and occupancy gaps but also booking lead time is incorporated", they explain, "because booking lead time has been found to be one of the most important factors in determining customers' final decision on whether to cancel a booking".

To test their hypotheses, the authors gathered and analysed data on the average daily room price and occupancy rates in the Hong Kong hotel sector, which they linked with actual daily booking and cancellation data from a targeted Hong Kong hotel for 2017–2018.

Shedding Light on Booking Timing

Using advanced statistical models, the authors obtained novel holistic insights into the timing of travellers' hotel booking decisions. As expected, room price and availability significantly influenced the decision on when to book. However, this relationship was more nuanced than envisaged, changing based on how far in advance a trip was planned. "Although room price and availability are essential factors for travellers' advance booking decisions", report the researchers, "the relationships of these key factors with travellers' advance booking decisions vary over time".

Specifically, when travellers are looking at dates far in the future, they tend to book earlier if a hotel's prices are higher than those of competitors. Conversely, as the arrival date approaches, travellers feel a more urgent need to book if the hotel has fewer available rooms. This indicates that travellers are more sensitive to room prices when planning far ahead, while their concern shifts to availability as their travel date nears. In other words, the timing of bookings is not linear; it fluctuates based on the interplay of price and availability.

The researchers' analysis also yielded insights into factors that affect booking timing beyond room price and availability. "Overall, longer length of stay and travelling with a child prompted early booking", they report, "while travelling alone, travel for leisure, and booking through online travel agencies relaxed the need for travellers to book urgently".

In another important finding, booking lead time had a significant negative relationship with the probability of cancellation. Specifically, travellers who booked their accommodation further in advance were less likely to cancel their reservations, suggesting that those who book earlier may be more committed to their travel plans. Again, this relationship was influenced by various factors, including the perceived costs and value of the booking. Early bookers were less easily convinced than last-minute bookers to change their plans, requiring more benefits to persuade them to cancel their stay.

Informing Hotels

"These findings further underscore the complexity and dynamics of time in travellers' hotel booking decisions", say the authors. The findings will be particularly valuable to hotels in destinations similar to the study's setting, Hong Kong; that is, urban destinations with high customer demand and competitive suppliers, such as Singapore, Tokyo, New York, London and Toronto. Insights into the complex interplay of booking lead times and cancellations, for example, can help hotels make informed decisions on pricing strategies, promotional offerings and cancellation policies to help ensure their and the industry's sustainable and profitable operation.

Points to Note

- The relationship between hotel booking timing and room price and availability varies depending on how far in advance travellers plan their trips.
- Factors such as trip purpose and trip companions also influence booking timing.
- Travellers who book further in advance are less likely to cancel their reservations.
- Using these insights, hotels can tailor their strategies to maximise occupancy and minimise cancellations.

Mun, S. G., Park, J., Woo, L. T., & King, B. (2024). Timing of hotel bookings: not monotonic. *Journal of Travel and Tourism Marketing*, 41(7), 941-954. <https://doi.org/10.1080/10548408.2024.2361097>

MAKING PEER-TO-PEER SERVICES WORK FOR WOMEN

Digital marketplaces bring economic opportunities, but marginalised groups risk being shut out. New SHTM-led research highlights how cooperation, not competition, empowers female entrepreneurs from disadvantaged backgrounds to seek benefits for themselves and their communities. A ground-breaking study by Abbie-Gayle Johnson and a colleague explored an Airbnb-based partnership between women in rural Gujarat and a trade-union association. The findings show how such collaborations can open the sharing economy to women previously unable to participate in peer-to-peer (P2P) services.

Overcoming Barriers

Online platforms allow individuals to offer services to customers around the world, giving rise to the sharing economy. According to the researchers, however, the gains of this new digitalised marketplace might not be shared equally. “It remains unclear”, they write, “how women are included in the sharing economy, especially those with low socio-economic status and limited resources”. The assumption that digital entrepreneurship empowers women needs to be questioned.

In many communities, women’s involvement in the online economy is certainly limited. India, the authors note, “is known for its significant gains from information and communication technologies”. However, despite this apparent success, socio-economically disadvantaged Indian women often have limited Internet access and may not have much experience of communicating in English. The country therefore provides an important setting to explore tackling barriers to female involvement in the sharing economy.

Anyone with an Internet connection can theoretically be a digital entrepreneur. The accommodation platform Airbnb, one of the most successful P2P services, is known for its corporate commitment to social responsibility. “Sharing economy platforms are technological tools that can foster inclusion for women from low socio-economic backgrounds”, write the authors, adding that 55% of Airbnb hosts are women. However, we still know little about how far women actually benefit from the accommodation-sharing opportunities provided by this platform.

Personal entrepreneurship for financial gain is not the only possible approach in the sharing economy. The researchers focused on a collaborative project in Gujarat involving Airbnb and India’s Self-Employed Women’s Association (SEWA). “Together”, they write, “[Airbnb and SEWA] set out to provide home-sharing employment

opportunities for disadvantaged women, an example of a social development intervention”. This collaboration has not only promoted rural women’s inclusion in the sharing economy but also provided the community with monetary and non-monetary benefits and even helped shape participants’ identities.

A Digital Commons

The diversity of activities in the sharing economy makes it difficult to get a complete overview. However, the authors found a useful lens in Nobel Prize in Economics winner Elinor Ostrom’s concept of the commons. Contrasting with the individualising tendency of neoliberalism, a commons is “a community in which goods are collectively produced and used and the sharing of resources and activities is institutionalised among community members”. Shared resources include tourist facilities, making a commons-based view ideal for studying the Airbnb–SEWA partnership, in which women with little English or online knowhow can host guests.

Commons-based theories have been applied to sustainable tourism. “There are no studies examining collaboration and the sharing economy”, write the authors, “[but] the commons concept has been used to conceptualise online platforms as facilitators of coproduction”. Thus, through the expansion of the Airbnb platform into the physical space of a community hosting tourists, a digital commons emerges. While the digital commons has been conceptualised in theory, the literature has failed to shed light on its relationship with traditional commons and physical communities.

A close look at real-world digital commons is thus needed. “To foster the inclusion of rural women from poor backgrounds in sharing economy activities”, the researchers write, “one needs to collaborate with and understand these associations and communities”. Through its homestay partnership with Airbnb, SEWA aims to create entrepreneurial opportunities for disadvantaged women, aligning with the Indian government’s aim of boosting GDP and expanding the digital economy.

SEWA and Airbnb’s collaboration on the Hum Sab Ek (Gujarati; “we are one”) project began in 2016, regulated by an agreement with the government of Gujarat. The researchers interviewed 27 economically disadvantaged women from rural areas who, through this partnership, had stepped into the digital marketplace and hosted guests in their homes. In doing so, they produced perhaps the first case study of such a collaboration in the sharing economy.

Global Platform, Local Context

The authors analysed their interview results to reveal the context of the partnership, as well as the action arena (situations in which interactions occurred) and those interactions’ outcomes. “[This analysis] provided a deeper understanding of how collaboration occurs to enable the inclusion and development of women entrepreneurs”, they state. Local cultural beliefs in Gujarat, for example, were found to affect women’s economic activity, while many of the benefits for participants were non-monetary.

“The first context [we] observed was that of the traditional commons”, the authors note. The female entrepreneurs’ villages were rich in the materiality of rural activities, such as livestock rearing and timber construction. The women themselves were active in salt farming, food preparation and knitting. These agricultural practices made up the traditional ways of life that guests could directly experience through these female-led homestays, representing a form of sustainable agrotourism.

Ideological diversity was the next important aspect of the observed context. “There were clear cultural ideologies that guided the behaviour of the women entrepreneurs”, write the authors. Gendered social expectations meant that many of the hosts had received little formal education and remained in their husbands’ village. Gandhian principles, however, encouraged an emphasis on local employment and self-reliance, anchoring the women’s digital entrepreneurship activities in a deep-rooted belief system.

The digital commons provided the third contextual aspect. Befitting the commons-based emphasis on shared resources rather than neoliberal individualism, the women involved in the collaboration tended to refer to their activities using the Gujarati name of the project or simply as “homestays”. “Not all homestay owners directly interacted with Airbnb representatives”, write the researchers, “nor did they use the platform to view bookings”. The interviewees did not typically mention Airbnb explicitly, and some did not even know the name of the platform that powered the homestay partnership.

Sharing Positive Outcomes

The study revealed important insights into the action arena, in which the women’s activities, informed by context, took place. In this arena, “the actors included commoners, commons facilitators and the sharing economy platform and its executives”, write the researchers. The women entrepreneurs were identified as the actors, who showed a notable preference for activities oriented towards caring for others and maintaining shared resources. These findings challenge conventional business-oriented assumptions about digital entrepreneurs, instead validating the commons-based perspective.

As the commons facilitator, SEWA “played a key role in the homeowners’ perception of the sharing economy platform”, the authors write. It was SEWA, rather than the hosts or Airbnb, that was chiefly responsible for maintaining the accommodation listings. The association’s executives not only provided training and resources but also evaluated the readiness of accommodation. Meanwhile, the hosts were active in promoting SEWA and its nationwide initiatives, making this a truly collaborative partnership.

The project impacted the community in multiple ways. “The outcomes”, write the authors, “included community, market-based innovation, monetary and non-monetary benefits, increased cooperation and the emergence of new subject identities”. Therefore, the benefits of participation for these female entrepreneurs were not limited to the financial; their personal and social senses of self were also transformed.

Thanks to the success of the homestay partnership, the women and their villages benefited from greater recognition. “The increased recognition not only occurred on an individual level but also at the community level”, report Johnson and colleague, “and attracted attention from government officials and guests interested in developing the physical environment”. One participant, for example, had mentioned the lack of roads in her village to a government official inspecting the area. Road building began shortly after this exchange, she told her interviewer.

“Cooperation also increased among the SEWA sisters, employees and members”, the authors found. Whilst the dominant market logic is usually said to be competition, the women involved in this sharing-economy project were more motivated to support each other. Furthermore, the experience of interacting with guests and becoming economically active led to the reconstruction of the women’s subject identities. After engaging in the project, they increasingly saw themselves as self-reliant and entrepreneurial.

Vast Potential

By creating environments conducive to cooperation, partnerships between P2P platforms and workers’ organisations can generate fulfilling and sustainable work opportunities for women. Providing concrete insights into how such projects succeed, the authors underline the importance of professional training to prepare future female entrepreneurs.

Points to Note

- Women of low socio-economic status do not benefit fully from the sharing economy.
- A collaboration with Airbnb allows rural Indian women to host tourists in their homes.
- The project links traditional and digital spaces while creating female digital entrepreneurs.
- A commons-based view emphasises cooperation over competition in social development interventions.

Johnson, A. G., & Mehta, B. (2024). Fostering the inclusion of women as entrepreneurs in the sharing economy through collaboration: a commons approach using the institutional analysis and development framework. *Journal of Sustainable Tourism*, 32 (3), 560-578. <https://doi.org/10.1080/09669582.2022.2091582>

THE POWER OF PROXIMITY IN THE ACCOMMODATION SECTOR

Traditional hotels and short-term rentals are navigating a new era of competition. No longer can operators be sure of success simply by owning and renting out their properties. The use of strategic partnerships and technology to expand reach and reduce costs has created a dynamic marketplace in which geography is crucial to success. A pioneering study led by the SHTM's Simone Bianco sheds light on the central role played by geographic proximity in the performance of hotels and short-term rentals managed by the same company or host, revealing that closeness can be a game-changer. The findings not only enrich the knowledge-based view of hospitality management but also offer practical insights for hoteliers, property owners and managers, and hosts. As the market becomes increasingly competitive, leveraging location strategically could be the key to thriving in the accommodation sector.

Knowledge, Location and Performance

The accommodation sector has been transformed by the advent of the "asset-light" model – a business strategy where a company owns few physical assets and instead focuses on leveraging its intangible assets. As this model typically relies on outsourcing and partnerships to reduce capital expenditure and fuel growth, multiple entities are involved in property operations, including owners, management companies and franchisors (brands). "Each of these entities contributes distinct knowledge to the overall success of the hotel establishment", explain the authors.

However, previous research has failed to shed light on whether and how leveraging the knowledge provided by these different entities can help achieve a competitive advantage through location decisions. This is a conspicuous research gap, because location has an important impact on the performance of lodging properties. "Factors such as proximity to key city sites (e.g., airports or city centres), level of market competition (the number of existing hotel properties), and timing of entry into international markets have all been considered", the researchers affirm.

What had remained unexplored – until this study – was the intersection between location, performance and the diverse types of knowledge available to lodging companies under the asset-light model. "Hotel franchisors provide explicit knowledge in the form of brand and service standards", say the researchers. "In contrast, knowledge contributed by owners and management companies is primarily tacit".

For example, knowledge contributed by the franchisor, such as standards of services, is created and designed to be replicated in distant locations through franchise

manuals, making it possible for companies like Marriott or Hilton to offer a similar standard of service for each of their brands worldwide. Tacit knowledge, meanwhile, is represented by front-line staff's interpersonal skills or management acumen. It is obtained through "learning by doing", and even employees that have such knowledge find it difficult to explain. Therefore, it is impossible to codify and difficult to replicate tacit knowledge in long-distance contexts.

The researchers thus asked how the distance between lodging accommodation managed by the same company or listed on the same platform – whether hotels or short-term lease properties – impacts their performance.

Proximity Drives Success

Their first task was to develop hypotheses, drawing on the knowledge-based view of the firm, which positions knowledge as the primary strategic resource enabling firms to gain a competitive advantage. Tacit knowledge in particular plays a pivotal role in shaping a firm's dynamic capabilities, enabling the firm to innovate and remain competitive over time.

"However", the authors warn, "the transfer of tacit knowledge, which is deeply embedded in routines and personal experiences, presents a significant challenge". Due to the complexity and ambiguity of tacit knowledge, "transfer mechanisms with high information richness, such as visits, training, in-person meetings, and physical transfer of key personnel, are required to ensure smooth transmission".

It follows that the effectiveness of knowledge transfer is influenced by geographic proximity. "This is particularly relevant for hospitality firms operating multiple properties, both within the same destination and across several destinations", say the researchers. In this context, tacit knowledge in the form of best practices and employee knowhow must be transferred every time a new property is added to a portfolio.

"A hotel management company operating solely in one area may find it easy to transmit tacit knowledge due to the physical proximity of its units", say the authors. "However, when the same management company expands to a more distant location, increased costs and potential employee resistance to relocation may hinder effective knowledge transfer". This can dull the company's competitive edge.

Focusing first on the hotel sector, the researchers thus hypothesised that a shorter distance between two hotels under the same management company enhances their competitive advantage, and that the more hotels a management company operates in a market, the greater the competitiveness of each property under its purview. They formulated similar hypotheses for short-term lease properties operated by the same host, suggesting that their competitive edge is sharpened when the properties are closer together and more properties are operated by the focal host.

Finally, the researchers noted that hotels – which generally follow traditional business models – often need to adapt their practices and strategies to effectively compete with

non-traditional accommodation companies such as short-term rentals. Therefore, they hypothesised that in markets with many short-term leases, the advantage of proximity between hotels managed by the same company is diminished.

Insights for the Lodging Industry

To test their hypotheses, the authors constructed a novel random-effects model to examine the effect of distance between lodging properties and their hosts/management companies on their performance. They collected data on all hotels and short-term lease properties operating in Texas between 2000 and 2022. Analysis of the data yielded important new insights into the nuanced roles that geographic proximity and management structures play in the lodging industry.

"Our results confirm that a shorter distance between lodging properties and their nearest counterpart, managed by the same entity, bolsters firms' competitive advantage", the researchers report. "This advantage stems from the enhanced ability to transfer knowledge, improve organisational routines and develop dynamic capabilities among units".

There was also a noticeable difference between hotels and short-term leases. When a host manages a cluster of short-term rental properties, over which it has complete control, a larger number of listings can significantly boost the properties' competitive advantage. Yet this dynamic does not apply to traditional hotels, which are constrained by the need to maintain consistent brand standards. "This suggests that leveraging knowledge-based resources vary based on accommodation type and management's degree of control", say the researchers.

The short-term lease sector was also found to benefit from listing a larger number of properties on the same online platform. "This outcome can be attributed to the idiosyncratic knowledge imparted to each listing through algorithms and online communities", the researchers explain. It underscores the relevance of digital routines and dynamic capabilities to the modern hospitality industry.

Interestingly, however, despite the differences between short-term leases and traditional hotels, the presence of short-term leases in the market was not found to alter the effect of geographical proximity on the competitive advantage of hotels managed by the same company. "This implies that hotels have successfully adjusted their operations to the disruption caused by short-term leases", the authors tell us.

Another instructive finding was that location type had a notable impact on accommodation performance. "Hotels appear to thrive more in interstate, resort, and small metro/town locations", the researchers report. "Similarly, short-term leases yield more positive outcomes in interstate and small towns".

Finally, the authors found that the experience level of a short-term lease host did not significantly influence a listing's competitive advantage. "Platform-provided communities and pricing algorithms may create a level playing field by enabling new hosts to quickly adopt best

practices and compete effectively with more experienced hosts", they explain.

Strategic Location Choices

"This study provides valuable insights for the lodging industry, highlighting the significance of knowledge dissemination through proximity", the authors write. "It also offers guidance on how firms can leverage knowledge to inform location decisions and pursue a competitive advantage". These strategies should be tailored to the unique characteristics of each accommodation type.

Specifically, hotel owners should choose management companies that can transfer tacit knowledge between geographically proximate hotels and possess the capabilities to operate their specific hotel class. "This is especially true for hotels that are located in urban and suburban areas", the researchers add.

Professional short-term lease hosts can also use the findings to inform their location and platform decisions when making new investments. "Hosts should favour investments that are geographically closer to their existing properties and to those listed on prevalent platforms in the selected market", advise the authors.

Points to Note

- Geographic proximity between hotels with the same management company increases their competitiveness.
- Proximity between short-term leases with the same host makes them more competitive.
- Hotel owners should choose management companies capable of transferring tacit knowledge between proximate hotels.
- Short-term lease hosts should invest in properties that are geographically close to their existing properties.

Bianco, S., Singal, M., & Zach, F. J. (2024). Leveraging knowledge via location proximity among hotels and short-term leases. *International Journal of Hospitality Management*, 119, Article 103719. <https://doi.org/10.1016/j.ijhm.2024.103719>

BEAUTY PAYS: UNCOVERING APPEARANCE BIAS ON AIRBNB

With the growth of the sharing economy, a new form of discrimination has emerged in online peer-to-peer (P2P) accommodation markets: appearance bias based on profile photos uploaded by hosts. Focusing on Airbnb, the SHTM's Hengyun Li and three co-authors shed important new light on the "beauty premium", a phenomenon whereby hosts perceived as more attractive can command higher prices and attract more bookings. Their findings highlight practical strategies for minimising discrimination and promoting a more equitable marketplace on Airbnb and across the broader sharing economy, where trust-building hinges on visual and informational cues.

The Beauty Premium

"Physical attractiveness", say the researchers, "has been shown to offer economic, social, and psychological benefits in various contexts". These include the labour market, where employees with above-average attractiveness can earn up to 15% more than their below-average counterparts, and the charity sector, with donors often choosing recipients they perceive as beautiful over those genuinely in need. "Such judgements can permeate various decision-making processes", note the researchers, "leading to systemic biases against those considered less attractive".

Such a "beauty premium" may also arise in online P2P markets – digital platforms that facilitate the direct exchange of goods, services or information between individuals, bypassing traditional intermediaries. "Hosts on P2P accommodation platforms strategically include personal profile photos", the authors explain, "making their appearances visible to potential consumers". In such markets, where the seller has a major influence on the quality of the service experience, customers' decisions hinge not only on product attributes but also on perceptions of the hosts' attributes.

Therefore, given that attractive individuals often receive preferential treatment, customers on platforms such as Airbnb might inherently favour hosts they find attractive, which may in turn inflate the perceived value of a listing. "Appearance-based judgements can influence purchasing decisions, leading to systemic biases against less attractive hosts", the researchers point out.

However, although studies have documented various forms of discrimination on Airbnb and other P2P platforms, much remains unclear about appearance discrimination based on facial beauty in the P2P sector – particularly from the perspectives of both supply (listing prices) and demand (guests' willingness to pay). For example, while some research has found that facial beauty can generate

price premiums on Airbnb, other studies have found no observable effect of hosts' attractiveness on listing prices.

Developing a Theoretical Model

To address this important gap in the literature and draw practical insights for hosts and platform operators, the researchers set out to comprehensively investigate appearance-based discrimination in the P2P accommodation market. "Does appearance-based discrimination exist in different P2P market segments?" they asked. "Does its impact differ in different market segments?" Other important questions related to the mechanism underlying the impact of such discrimination and the factors that may alleviate it.

Their investigation went beyond previous research by drawing insights from dual process/system theory, which distinguishes between fast, intuitive (System 1) thinking and slower, analytical (System 2) thinking. The type of thinking system activated can influence consumers' decision-making and susceptibility to bias. "We argue that a host's facial attractiveness can activate System 1 thinking, leading to more favourable intuitive judgements that manifest as a 'beauty premium'", the researchers explain. "However, analytical System 2 thinking can help counteract this bias".

This argument hinges on price, which influences the balance between quick, value-driven decisions and in-depth evaluations. Price-sensitive consumers, who are attracted to P2P markets for cost-saving reasons, tend to use fast (System 1) thinking to make quick decisions based on perceived value. In contrast, consumers assessing high-priced offerings lean towards applying slow (System 2) thinking. As such, appearance discrimination rooted in the beauty premium, which is activated by fast thinking, may have a stronger influence on consumers at the lower price end of the market.

The beauty premium may affect supply as well as demand. "Attractive Airbnb hosts might charge higher prices because their facial beauty is seen as desirable and people are inclined to offer a higher monetary value in exchange for these attributes", the researchers explain. Combining these insights, they hypothesised that in the low-priced Airbnb market, "hosts with higher facial beauty tend to charge higher prices" and "customers are willing to pay higher prices for accommodations whose hosts have beautiful faces".

Underlying these relationships, the researchers propose, are the mechanisms of hosts' visual self-disclosure and guests' perceived uncertainty. "Airbnb personal profiles act as conduits for self-disclosure", they explain. "A host's profile image becomes a visual testament to their preparedness, exuding confidence and dependability". Greater and more authentic self-disclosure can enhance users' trust and thus their booking intention by "curtailing the uncertainties that arise from online anonymity", say the researchers.

More specifically, the researchers posit that "an image with a larger facial area diminishes perceived uncertainties, offering more visual cues to gauge the host's character and

reliability". Furthermore, a happy expression can convey a host's positive disposition and augment perceived warmth, fostering a sense of security for customers. "This convergence of cues diminishes the outsized role attractiveness plays in decisions", the authors say, "leading to a diluted beauty premium".

Evaluating Real Faces

To test their theoretical model and hypotheses, the authors combined econometric modelling using Airbnb field data with three online experiments. "To specifically study appearance discrimination against Airbnb hosts (i.e., beauty premium)", they explain, "we focused on properties that featured a single face in the host's profile picture". Going beyond traditional methods of evaluating hosts' facial beauty, they used Face++, a commercial AI-powered algorithm that has been widely used to extract indicators from a large number of facial images.

The results shed light on the complex interplay between facial attractiveness, pricing and consumer behaviour in the P2P accommodation sector, offering actionable insights for both hosts and platform operators. First, as expected, the authors found that for lower-priced listings, hosts perceived as more attractive charged higher prices and received more bookings. This effect, primarily driven by intuitive (System 1) decision-making processes, did not appear for higher-priced listings.

The authors' hypothesis regarding visual self-disclosure was also confirmed. "Our findings support the notion that more visual information provides additional details about a host", the researchers say, "based on which consumers can make inferences about the person's trustworthiness and reliability". Specifically, larger profile photos showing happier expressions were found to reduce the beauty premium by reducing consumers' sense of uncertainty about the purchase process. "Consequently, consumers may rely less on superficial cues, such as facial beauty, and focus more on the disclosed information in their decision-making process", the authors explain.

Guiding Hosts and Platforms

In light of these findings, the researchers suggest, "managers and hosts should be aware of the potential influence of facial attractiveness on property listing prices, but also recognise that this influence wanes in higher-priced markets". Platforms should design their user interfaces in ways that nudge consumers toward more analytical thinking, particularly for low-priced listings, to ensure that decisions are based on substantive rather than superficial factors.

Meanwhile, hosts – especially those in the lower-priced market segment – can combat appearance discrimination by engaging in greater visual self-disclosure. "Displaying more of oneself, especially with positive emotions like happiness", the researchers say, "can steer the decision-making process away from mere facial attractiveness". Platforms such as Airbnb could provide training sessions or materials for hosts on how best to present themselves to make guests feel more secure.

"By providing tips and best practices for creating engaging and authentic profile photos, platform operators can help hosts to improve their online presence and increase consumer confidence", the researchers explain. "They could also redesign their interface to highlight hosts' profile photos and possibly even reward or prioritise those with higher levels of visual self-disclosure".

Mitigating Beauty Bias

Overall, the findings provide critical insights into how facial beauty influences economic interactions on P2P platforms such as Airbnb. As the online sharing economy continues to expand, these insights will prove invaluable in informing strategies for managing and minimising discrimination based on facial attractiveness and thereby fostering a more equitable environment in the P2P accommodation sector and beyond.

Points to Note

- Physical attractiveness brings benefits in many contexts, including online peer-to-peer markets such as Airbnb.
- For lower-priced listings only, more attractive Airbnb hosts charge higher prices and receive more bookings.
- Uploading larger, happier profile photos can mitigate the "beauty premium" by reducing guests' uncertainty on P2P platforms.
- Platform operators should design their systems to promote analytical thinking at lower prices and guide hosts to present themselves appropriately.

Li, H., Cai, D., Li, G., & Hu, M. (2024). The "Beauty Premium" Phenomenon: Appearance Discrimination in the P2p Market. *Journal of Travel Research*. <https://doi.org/10.1177/00472875241227611>

PROMOTION POLITICS: HOW CAREER PRESSURE FUELS CHINESE TOURISM

For governments worldwide, the tourist sector is a prized source of economic growth. This incentivises individual politicians to plough money into tourism development, according to a recent study led by the SHTM's Anyu Liu. However, the effectiveness of this investment is not uniform across regions, and the results of this important study suggest that optimising fiscal expenditure for tourism development requires a multi-pronged approach.

The Politics of Development

Tourism management is an increasingly important focus for public officials in China. Visitors are a major source of revenue, and the effective management of tourist facilities as an asset is thus crucial. "[Local leaders'] governance capabilities", say Liu and colleagues, "directly impact the efficiency of entire governmental organisations". Given that local leaders have so much sway over policymaking, the researchers realised that the factors influencing the decisions of public officials hold the key to understanding tourism development.

Since the beginning of the reform and opening-up in 1978, China's political system has been based on competition for promotion. Fiscal performance – especially short-term GDP growth – is one of the main criteria determining whether local leaders' careers progress. The dynamic of promotion pressure is hence a major driver of tourism development as a form of economic investment. "Understanding this dynamic is critical for tourism stakeholders, particularly public entities", the authors observe, "and can inform strategic planning and policy decisions within local governments".

The role of policy in tourist development has not been neglected in the literature. However, the role of policy networks in tourism remains under-explored, especially for transitional economies like China's. "Research predominantly focuses on decentralised policy networks", note the authors, while "the reality of tourism governance structures is more diverse". Specifically, in centralised states such as the PRC, government plays a dominant role in tourism development, rather than the more dispersed policy networks found in Western countries.

Promotion pressure might therefore be the key to understanding how local governance influences tourism in the Chinese case. "Local officials", the researchers note, "wield considerable power to allocate resources strategically, prioritising industries that contribute to both economic growth and their own career advancement". They therefore set out to fill the knowledge gap regarding how China's tourism industry is shaped by the pressures on local leaders. How do these officials, utilising their

significant fiscal autonomy, compete to boost their regions' economies and infrastructure through tourism promotion?

Career Competition and Tourism

China's hierarchical political structure creates a playing field on which the performance of local leaders can be easily compared. Participants in this contest, however, may respond differently to the same institutional pressures. "Leaders' unique idiosyncrasies significantly influence their interpretation of the strategic environment", the authors propose, which "in turn, shapes their strategic decisions and ultimately impacts organisational performance". Thus, to understand how Chinese officials play the "game" of competition, we must note that personal traits likely influence their attitudes to fiscal expenditure – their main strategic tool for tourism promotion.

From a different angle, Liu and colleagues note another key insight from the literature. While China's "promotion tournament" stimulates economic growth, it may lead to neglect of those government responsibilities that are less easily quantified. Public services are essential to a region's well-being, but if they do not directly contribute to economic growth, officials are incentivised to cut their funding. "Chronic underinvestment in non-productive areas like education and healthcare", however, "can weaken the appeal and competitiveness of tourism destinations", the authors note. A narrow economic focus may be harmful in the long run.

Conversely, wise fiscal policy can be a boon for tourism development. Direct expenditure, tax relief and other indirect measures such as training and marketing can all be employed to stimulate the healthy growth of tourist markets and infrastructure. "Economic theory and the success stories of leading tourist destinations", the authors write, "support the effectiveness of these measures in spurring tourism development". By deploying these tools judiciously, local leaders can both secure economic growth and strengthen the human capital of their regions.

The Institutional Space

The researchers' methodology was rooted in the approach of institutional economics. "The concept of institutions refers to the 'rules of the game' within a society", they note, where "institutions are humanly devised constraints structuring political, economic, and social interaction". In line with this approach, their econometric model was designed to reveal how fiscal expenditure mediates the effect of promotion pressure on local tourism development, within the constraints of China's institutions.

"Given China's position as a leading global tourist destination", Liu and colleagues explain, "analysing its institutional environment for tourism development is crucial". To explore the intersection between promotion pressure, government expenditure and tourism development, they analysed a comprehensive set of data on 334 Chinese cities. Promotion pressure was measured using the GDP growth rate during local leaders' tenure, considering that politicians face greater pressure when their regions are lagging behind economically.

The influence of local leaders' career concerns on tourism development may differ across China. "The incentive effect of promotion pressure", the researchers explain, "varies in economically developed and tourism-dependent cities compared to their counterparts". Hence, their analysis also tested for the potential moderating effects of economic development and tourism dependence, two aspects in which the country is highly heterogeneous. To capture the true effects of pressure on local leaders, they further accounted for issues such as the changing relevance of promotion for officials nearing retirement age.

Spending to Grow

The main results provided strong evidence that public officials in China compete for career advancement by prioritising tourist infrastructure funding. "Local tourism develops more favorably when the local leader faces greater promotion pressure", the authors write. This confirmed their main prediction. Moreover, tourism development was positively correlated with a range of other regional characteristics, such as GDP, transportation links and leaders' tenure, although not their age. Leaders with local roots, compared with outsiders, were also associated with better tourism development.

Whether promotion pressure benefits tourism was also found to depend on other factors. Only in economically developed cities did higher pressure on local leaders correspond to greater improvements in tourist infrastructure. Furthermore, the relationship only held in cities that were not major visitor hubs. For cities already dependent on tourism, the quality of tourist infrastructure development was worsened by promotion pressure on officials. "Excessive government intervention", the authors warn, "can [reduce] economic benefits for tourism companies and [lead] to overcrowding".

Meanwhile, the study verified that spending is one means by which under-pressure officials boost tourism. Specifically, fiscal expenditure structure mediated the effect of promotion pressure, confirming the authors' prediction. "Leaders facing promotion pressure strategically adjust their fiscal spending toward productive investment", they write, "which in turn, influences tourism development". The tourist industry is not the only sector on which pressured leaders can focus, but it stands to benefit from increased funding for a wide range of other departments too.

Shaping a Sustainable Future

Within the broader framework of sustainable government, Liu and colleagues' study offers a range of valuable insights for tourism policymakers and practitioners. "Striking a balance between economic growth and sustainability", they caution, "is crucial for successful tourism development", implying a need to shift away from growth-centric to more holistic models of governance. Such models should also account for the unique institutional contexts of different locations.

"Optimising fiscal expenditure specifically for tourism development requires a multi-pronged approach", the authors argue. Despite the achievements to date, fiscal expenditure on tourism in China remains relatively

inefficient, highlighting the importance of robust monitoring of the use of public funds. Although leaders under promotion pressure may be tempted to divert money to tourism development for the sake of quick returns, policymakers need to ensure that resources are channelled towards deserving and sustainable causes while preventing waste.

Local factors are also important. The study's heterogeneity analysis underscores the impact of city-level characteristics on the "promotion pressure–spending–tourism development" pathway. Particularly interesting is the unexpected finding that the pathway is weaker in more tourism-dependent cities. The researchers surmise that limited economic development and lack of industrial diversification, which are typical of cities in areas with high tourism, hinder the establishment of a base for sustainable tourism. "These intertwined factors", they therefore argue, "collectively weaken the promotional effect of local leaders' efforts".

A Wise Investment?

The study confirms that public officials in China's tourist hotspots frequently invest in local tourism to bolster their own careers. Yet for this to effectively benefit society – especially in the current era of fiscal tightening – their efforts must be carefully planned and match the needs of entrepreneurs.

Points to Note

- Local politicians in China compete for promotion based on economic criteria.
- Tourism development is greater in cities where officials face more intense promotion pressure.
- Fiscal expenditure is the link between promotion pressure and tourism development.
- Promotion pressure has a bigger impact on tourism development in economically developed and less tourism-dependent cities.

Liu, A., Qin, Y., & Lin, V. S. (2024). Local Leaders' Promotion Pressure and Tourism Development: Evidence From China. *Journal of Travel Research*. <https://doi.org/10.1177/00472875241253008>

THE HIDDEN COSTS OF JOB INSECURITY

Job insecurity in the hospitality industry has surged to alarming levels, exacerbated by the COVID-19 pandemic. This growing uncertainty, characterised by fears of job loss and worsening employment conditions, is taking a heavy toll on employees – and thus the organisations for which they work. Hospitality workers facing job insecurity experience poor mental and physical health, which translates into lower task efficiency, reduced creativity and even a decline in pro-environmental behaviours. Thanks to research led by Mahlagha Darvishmotevali and Seongseop (Sam) Kim of the SHTM, hotels and other hospitality businesses grappling with these challenges now have new insights into the causes and consequences of job insecurity and the proactive measures they can take to mitigate its negative effects on employees and organisations alike.

Employees Facing Precarity

“Human capital is essential to an organisation’s ability to thrive in today’s competitive business environment”, the authors begin their paper, “especially among service-based organisations”. Creative, fulfilled employees can drive innovation, solve problems and respond swiftly and adeptly to customer requests and demands. Environmentally conscious employees can minimise their organisations’ ecological footprints and thereby enhance their corporate reputation.

However, these vital sources of human capital are being undermined by a worrying trend: a rapid rise in job insecurity due in part to the devastating impact of the COVID-19 pandemic. “Job insecurity refers to individuals’ sense that they may not retain their current job position in the future”, say the researchers. It induces chronic fear and anxiety in employees and prevents them from fully realising their potential at work.

Scholars have classified job insecurity into two types: quantitative and qualitative. Quantitative job insecurity arises from the fear of losing one’s job or facing employment instability. In contrast, qualitative job insecurity centers on concerns about worsening job conditions, potential demotion, stalled career progress and a poor fit with the organisation’s culture. Both types of insecurity are major stressors that can reduce job performance. They are linked to absenteeism, emotional burnout, anxiety and high turnover rates.

Job insecurity and its adverse effects are particularly pronounced at times of crisis, and COVID-19 dealt a severe blow to the job security of employees worldwide, especially in vulnerable industries such as hospitality. Surprisingly, however, according to the researchers, “the

long-term effects and consequences of quantitative and qualitative job insecurity in the hospitality industry due to the COVID-19 pandemic have been overlooked”.

Job Insecurity and Performance

Seeking to fill this gap, the authors developed a theoretical model of the impact of quantitative and qualitative job insecurity on hospitality employees’ task performance, creative performance and pro-environmental performance – all essential sources of competitive advantage for organisations. According to job demands–resources theory, the depletion of psychological and cognitive resources caused by job insecurity can impair hospitality workers’ performance in various areas. The researchers thus hypothesised that employees’ mental health mediates the relationships between both types of job insecurity and all three dimensions of employee performance.

They also identified two additional potential moderators of these relationships. “Perceived employability has been identified as a buffering mechanism that can decrease organisational stressors and anxiety”, in the researchers’ words. As such, it may have the power to neutralise the stress that employees experience due to quantitative and qualitative job insecurity in the long term. However, perceived employability may differ between men and women. The authors thus further hypothesised that its impact on the relationship between job insecurity and mental health differs between genders.

To test their hypotheses, the authors conducted an online survey in April 2023 with hospitality employees. The questionnaires were distributed to both domestic and international luxury branded hotels, which included resort hotels, business hotels, conference hotels and government-managed hotels. Quantitative job insecurity was measured using items such as “I am worried about having to leave my job before I would like to”. Qualitative job insecurity was assessed with items like “I am worried about losing my insurance by losing my job” and others. Additional items were also developed to assess the respondents’ mental health, perceived employability and performance (task, pro-environmental and creative).

Novel Insights Gained

Rigorous analysis of the survey data revealed, first, that employees’ mental health mediated the relationship between both quantitative and qualitative job insecurity and task performance. During the COVID-19 pandemic, job insecurity created high levels of stress and uncertainty among hospitality employees, damaging their mental health and reducing their enthusiasm for work tasks. Specifically, quantitative job insecurity increased fears of job loss, while qualitative job insecurity threatened valuable resources, both leading to diminished mental health and lower task performance.

Similar results were obtained for employees’ creative performance. “This means, in the context of the COVID-19 pandemic, that hospitality employees who experienced quantitative and qualitative job insecurity exhibited a lower level of creative performance due to a decline in their mental health”, the researchers report. They also obtained

the first-ever evidence that mental health mediates the impact of both types of job insecurity on employees’ pro-environmental performance. “Our findings show that low mental health among hospitality employees as a result of quantitative and qualitative job insecurity disengages them from performing pro-environmentally”, they say.

The next important finding was that – as hypothesised – perceived employability buffered the negative impact of quantitative job insecurity on employees’ mental health. “Simply put”, say the authors, “for employees with a higher level of perceived employability, when they are concerned about unemployment in the near future, their level of mental health is less affected by workplace stressors”. However, no support was found for the hypothesis that perceived employability also mitigates the negative impact of qualitative job insecurity on mental health. This may be because during COVID-19, employees prioritised keeping their jobs over obtaining valuable resources.

Finally, the researchers found evidence of a significant difference in perceived employability between men and women, with women regarding themselves as less employable than their male counterparts. “Although women’s participation in the workforce has increased”, warn the researchers, “some cultural and toxic norms still exist in the workplace environment that may affect women’s perceived employability”. When facing quantitative job insecurity (but not qualitative), male employees, with their higher levels of perceived employability, are better equipped than women to alleviate the negative consequences of such insecurity.

Making Employees More Secure

Due to the service-based nature of the hospitality industry and its reliance on customers, hotel employees are likely to experience both quantitative and qualitative job insecurity, particularly during crises such as COVID-19. “Hotel owners and senior management must recognise the negative effects of these insecurities on employee mental health and performance”, note the authors. By mitigating these effects can they ensure employees’ well-being and create an environment conducive to creative performance within the hospitality industry – an essential source of competitive advantage and facilitator of customer loyalty.

“To reduce the negative impact of quantitative and qualitative job insecurity on human capital”, the authors advise, “managers should implement proactive procedures and remedies”. In times of crisis, they should focus on keeping employees in their jobs and offering promotions and incentives instead of removing valuable resources. This may help to preserve employees’ mental health and thus contribute to their task performance, pro-environmental performance and, most importantly, creative performance.

At normal times as well as during crises, organisations should invest in training courses and mental health interventions to help employees to tackle the adverse effects of job insecurity on their mental health. “In this way”, say the authors, “employees will become more aware of their industry’s dynamic situation and the procedures they can apply to stabilise their mental health.”

Given the importance of perceived employability in buffering the adverse effects of quantitative job insecurity, hotel management should seek to enhance employees’ capabilities, skills, and knowledge to increase their perceived employability. This is particularly important for women, who are less well-equipped than men to tackle the negative impacts of quantitative job insecurity, according to the authors’ findings. “To improve employees’ perceived employability across the organisation”, the authors point out, “managers should seek to minimise gender differences”.

They conclude with some advice for the industry, noting that in addition to perceived employability, which is an individual factor, “hoteliers should consider forms of organisational leverage to increase [employees’] creative and pro-environmental performance”. For instance, managers’ competence in motivating employees to achieve organisational goals during crisis may have a critical role to play in stimulating their creative and pro-environmental performance.

Points to Note

- Job insecurity (both quantitative and qualitative) is prevalent in the hospitality industry, especially during crises.
- Job insecurity negatively affects employees’ performance by damaging their mental health.
- Perceived employability can alleviate the negative impact of quantitative job insecurity, especially for men.
- Organisations should develop measures to help employees cope with the adverse impact of insecurity on their mental health.

Darvishmotevali, M., Kim, S., & Ning, H. (2024). The impact of quantitative and qualitative job insecurity on employees’ mental health and critical work-related performance: Exploring the role of employability and gender differences. *International Journal of Hospitality Management*, 116, Article 103629. <https://doi.org/10.1016/j.ijhbm.2023.103629>

LEADERSHIP GONE WRONG: THE HIDDEN COSTS OF ABUSIVE SUPERVISION

Hospitality organisations must be vigilant to the risk of unethical workplace behaviours. A recent study by the SHTM's Xiaolin (Crystal) Shi and coauthors reveals how enacted abusive supervisory behaviours in hotels affects the supervisors themselves, with important implications for hiring and promotion practices.

Embarrassed Abusive Leaders

Shi and her coauthors begin by noting that hospitality is particularly afflicted by destructive leadership. "Management behaviours such as criticising subordinates in public, yelling at subordinates and exhibiting hostility when interacting with subordinates", they point out, "[occur] frequently in the hospitality industry". Service sector work is characterised by long hours and imbalanced power dynamics between junior and senior employees, and these conditions make abusive supervision especially likely.

Whilst such forms of destructive leadership clearly affect their victims, less research attention has been paid to the psychological outcomes for hospitality managers themselves after they act abusively. "Few recent studies", the authors observe, "have examined abusive supervision from the perspective of the actor or the third party in the hospitality context". A holistic understanding of the impacts of abusive leader behaviours in hospitality workplaces will require more knowledge of their causes and consequences with respect to abusive managers themselves.

From an actor-centric perspective, enacting abusive supervision may trigger negative emotions in leaders when they realise they have violated social norms. A particular theoretical perspective was deemed relevant here. "Deonance theory", the authors write, "holds that people care about following rules on moral behaviour regardless of their evaluation of their own or others' behaviours". According to this view, in other words, we may feel embarrassed when our actions are seen to break moral rules, even if we didn't initially think we'd done anything wrong.

"Embarrassment is a self-conscious moral emotion that is triggered by immoral behaviours", note the authors. This unpleasant emotional state is a threat to self-esteem, and people who feel embarrassed by actions perceived as wrong may respond behaviourally to minimise the harm experienced. In particular, leaders within a firm who become embarrassed as a result of their own abusive supervisory actions may engage in reparative behaviours to maintain their self-image. Whether they do so, however, may depend in large part on individual leaders' morality.

The Moral Compass

Leaders, like all groups, are heterogeneous in their perceptions of right and wrong. Indeed, ethical standards are crucial internal factors that vary between individuals and play a decisive role in their socioemotional traits. Important among these factors, the authors noted, is moral attentiveness. "Morally attentive individuals", they explain, "experience a higher level of moral sensitivity to the moral issues that are embedded in a situation and thus are more likely to experience moral emotions when they fail to follow ethical principles". Hence, they reasoned, leaders higher in this trait would be more embarrassed by enacting abusive supervision.

The flipside of moral attentiveness is the set of predispositions dubbed "dark" personality traits. People characterised by dark traits are self-interested and power-hungry, making them highly likely to indulge in unethical behaviours. Among the most salient of these traits is Machiavellianism. "Individuals high in Machiavellianism", the authors explain, "are regarded as being extremely willing to manipulate other people to achieve their own aims and showing moral flexibility in terms of decision-making". In the workplace, such "high-Mach" leaders might be relatively immune to embarrassment after behaving abusively.

Aside from morality, Shi and her coauthors were drawn to another factor that might affect managers' responses to enacted abusive supervision. Specifically, managers vary according to their power distance belief – the sense that it is right for leaders to wield power over subordinates because they are superior and elite. "High power distance managers", they note, "may engage in abusive supervision to increase their power and distinguish themselves from their subordinates". Unlike moral standards, however, this is not a purely internal, actor-centric factor, but contextual – leaders' power distance belief is influenced by the organisation they work for.

Leaders' moral makeup thus determines their emotional reaction to their own deeds. In turn, this should influence their behavioural response. "People naturally prefer to maintain a desired image in front of others", write the authors. This implies that supervisors who feel embarrassed to have acted abusively are more likely to engage in impression management as a form of reparative behaviour. Embarrassment, therefore, was proposed to act as a mediator between leaders' abuse of subordinates and their subsequent use of impression management tactics.

Responding to Embarrassment

How might embarrassed abusive leaders strive to restore their reputations? Shi and her coauthors focused on two impression management tactics that are relevant to managers whose unethical workplace behaviours come to light: exemplification and apology. The first of these "involves individuals going above and beyond the call of duty in efforts to be perceived as dedicated by others", they explain. In contrast, the offering of apologies is a more other-focused impression management tactic, as it is directed towards the recipient of the abuse and entails an acknowledgement of the hurt caused.

Two studies, both involving actual hotel managers in the UK, were performed to untangle destructive leadership, leaders' morality and embarrassment, and impression management tactics. The first study probed leaders' feelings of embarrassment after enacting abusive supervision. "[The] respondents were asked to imagine", write the authors, "that they were front office managers in a hotel and had to speak to a front office receptionist regarding her performance". Some participants were told that their feedback was abusive in tone, while for others, a neutral tone was assumed. Embarrassment, moral attentiveness and Machiavellianism were measured.

"Abusive supervision", note the researchers, "is a phenomenon with [a] low base rate". To overcome this, for the second study, they recruited a group of managers who could recall real instances from their professional history in which they had behaved abusively to an employee. By estimating the severity of their actions, the level of embarrassment they had felt, and the extent to which they had subsequently engaged in exemplification or apology, they provided rich data on the link between abusive supervision and impression management tactics. The researchers also probed these managers' power distance belief.

Ethical Effects

The results of the first study indicated that embarrassment is a likely outcome for abusive managers in the hospitality industry. "The level of embarrassment [of] participants who imagined that they enacted abusive supervision", the researchers found, "was significantly higher than the level of embarrassment of participants who imagined that they did not enact abusive supervision". Moreover, the managers' moral standards influenced their emotional reaction to the imaginary scenarios: moral attentiveness strengthened the effect of abusive supervision on embarrassment, whereas Machiavellianism weakened it.

The accounts of real management malpractice enacted by supervisors in the second study confirmed the correlation between abusive supervision and embarrassment. Intriguingly, however, enacted abusive supervision was only significantly related to embarrassment for leaders with low power distance belief. Those with a more hierarchical view of power balance in organisations were less likely to have felt bad after behaving abusively, indicating the effect of this contextual factor on emotional outcomes for managers.

The feeling of embarrassment was, in turn, proven to influence abusive managers' behavioural responses to their own actions. "The results", write Shi and her coauthors, "show that embarrassment mediated the relationship between enacted abusive supervision and apology". That is, supervisors were more likely to make apologies to salvage their reputations if they truly felt embarrassed by the unethical acts they had inflicted on others. Contradicting the researchers' expectations, however, the same did not hold for exemplification – managers were not more likely to resort to this impression management tactic if they felt more embarrassed.

Organisations, Take Note

Shi and her coauthors point out some practical implications of their findings. It might seem helpful to train supervisors to take reparative actions following instances of abusive supervision. However, this could incentivise managers with Machiavellian or morally inattentive personalities to cynically offer hollow apologies or perform insincere exemplification. "Rather than training programmes", it is suggested that organisations encourage positive reparative action "via selection in both the hiring and promotion process" – filling managerial roles with morally cultivated people who will feel genuine contrition if they find they have acted abusively towards junior employees.

"To help organisations hire and promote people into supervisory roles that are more likely to attempt to make amends after engaging in abusive supervision", Shi and her coauthors therefore recommend that potential managers be given personality tests before being placed in high-ranking positions. This would discourage the promotion of supervisors with problematic moral traits or excessive belief in power distance.

Points to Note

- Abusive supervision causes supervisors to feel embarrassed.
- The negative emotions of abusive supervisors trigger genuine apologies.
- The relationship between enacted abusive supervision and embarrassment is moderated by moral traits and power distance belief.
- Hospitality firms should promote leaders who are morally attentive and not Machiavellian.

Shi, X., Wang, X., & McGinley, S. (2024). What happens to abusive actors? A study of managers' emotional responses and impression management tactics subsequent to enacted abusive supervision. *International Journal of Contemporary Hospitality Management*, 36 (1), 218–238. <https://doi.org/10.1108/IJCHM-06-2022-0716>

LEADERSHIP IN CRISIS: THE POWER OF SELF-SACRIFICE

In the wake of COVID-19, the tourism and hospitality industry continues to grapple with the ripple effects of the crisis. As organisations strive to regain stability and prepare to weather future crises, the spotlight is on leadership behaviours that can make or break employees' trust and morale.

Xingyu Wang and Yixing Lisa Gao of the SHTM, working with co-authors, show that leaders who prioritise their teams at the expense of their own interests can significantly enhance employees' emotional well-being and perceptions of leader effectiveness, ultimately helping to foster a resilient and supportive work environment. By embracing self-sacrificial leadership (SSL), businesses can not only weather crises but also emerge stronger, more united and better equipped to overcome future challenges.

Self-Sacrificing Leaders

The COVID-19 pandemic wreaked havoc on the hospitality industry, leading to tough business decisions that jeopardised employees' job security and overall well-being. From salary cuts to massive layoffs, such as Disney's layoff of 28,000 workers and Marriott's furlough of tens of thousands, leaders were faced with unprecedented challenges. In such turbulent times, with their every action under scrutiny, they needed to formulate contingency plans and communicate them to stakeholders as effectively as possible.

Indeed, leaders' behaviour is pivotal during crises, as it directly affects employees' morale and trust and thus the overall effectiveness of organisations' responses to challenges. "One type of leader behaviour that is especially relevant in times of crisis is self-sacrificial behaviour", say the researchers, "referring to a leader's voluntary abandonment of their personal interests for the sake of the collective". SSL can be particularly effective when organisational uncertainty is high. It motivates employees to reciprocate by engaging in behaviours that help the organisation achieve its goals.

Surprisingly, however, despite the critical role played by SSL in crises, little attention has been paid to how employees respond to this type of leadership in terms of their behaviours and attitudes. The authors set out to fill this research gap. They drew on conservation of resources theory, which states that followers appreciate the resources provided by self-sacrificial leaders, thus strengthening the leader-follower relationship. "This strengthened relationship may lead to higher perceived leader effectiveness", the researchers explain, "and less negative word of mouth (NWOM) toward organisations in times of crisis".

Emotions and Coping Strategies

SSL is inherently emotion-based. "Indeed", say the authors, "part of what makes SSL so powerful is its inherently charismatic nature, which exerts impacts on employees via affective mechanisms". They thus propose that employees' tendency for emotional suppression shapes their reactions to SSL. Employees who frequently suppress their emotions experience a disconnect between their internal experiences and outward expressions, resulting in a sense of inauthenticity that drains their energy and cognitive resources. This impairs their ability to decode, respond to, and benefit from their leaders' self-sacrificial behaviour.

The researchers also hypothesised that employees' reactions to SSL during crisis are influenced by the types of coping strategies that leaders deploy. How leaders cope with stress can determine how effective followers perceive them to be and how likely employees are to engage in NWOM about the organisation. Approach coping is a proactive strategy that empowers individuals to tackle problems head on, while avoidance coping is a defensive strategy that sidesteps stressors and negative emotions.

"Employees cannot gain additional resources from leaders who adopt avoidance coping", the researchers say. "Moreover, they may need to consume their own cognitive resources to cope with the increased deleterious emotions derived from leaders' avoidance coping tendencies (i.e., emotional exhaustion)". Therefore, the researchers hypothesised that when leaders actively tackle challenges and maintain open communication, their self-sacrificial behaviour resonates more positively with employees, fostering a stronger perception of leadership effectiveness – especially when followers engage less in emotional suppression.

Two Robust Studies

To examine their hypotheses and shed light on the dynamics of self-sacrificial leader behaviour, the team devised a robust methodology incorporating both field and experimental studies.

In Study 1, a cross-sectional design was used to measure SSL and employees' emotional suppression along with the outcome variables – employees' engagement in NWOM and perceptions of leadership effectiveness – based on the actual work experiences of US hospitality employees during COVID-19. The authors also "designed scenarios in which different coping strategies were applied to resemble leaders' actual messages and investigated how the use of these coping strategies influenced the proposed relationships".

The second study was experimental. The authors manipulated SSL and leaders' coping strategies (approach coping versus avoidance coping) to examine how the relationship between SSL and emotional suppression during a crisis is affected by leaders' choice of coping strategy. Supplementing their correlational design (Study 1) with an experimental design (Study 2) enabled them to test the causality of the observed relationships while reducing artificiality and ensuring a high level of validity.

The results of these two studies supported their hypotheses. "In general", the authors report, "the findings show that employees with low emotional suppression tend to appreciate more SSL behaviours and judge such leaders to be more effective, contributing to reduced NWOM". However, if leaders adopt an avoidance coping strategy, this positive effect may be mitigated. "Employees would no longer appreciate SSL behaviours when the leader asked them to avoid negative thoughts and emotions", the researchers tell us.

Learning Opportunities for Leaders

This innovative set of studies represents one of the first explorations of how individual differences in employees' emotional suppression and leaders' coping strategies influence employees' assessment of SSL in the context of a crisis (in this case, the COVID-19 pandemic). The results have far-reaching implications for leaders seeking to crisis-proof their organisations.

"Managers should consider crises as windows of opportunity to earn employees' appreciation and recognition", the authors advise. "It is in times of crisis that employees attend most closely to what leaders say and do". As representatives of their organisations, leaders should recognise that their words and actions can influence employees' work-related attitudes and behaviour. The authors thus recommend that organisations "implement leader communication training to help leaders develop communication skills with regard to offering assistance, controlling emotions, organising work, and listening to employees".

Broadly, organisations should develop inclusive communication strategies to cultivate mutual listening, understanding and trust between leaders and employees during times of crisis. "Senior managers need to link communication to business strategy (i.e., vision and mission statements)", say the researchers. Meanwhile, human resource managers should establish channels to regularly collect employees' feedback, thus promoting employee voice. "Finally", the authors say, "supervisors and team leaders must communicate daily with their followers, whether formally or informally, to understand their thoughts, possible concerns, and any negative emotions in a timely manner".

Another finding offers particular insight for organisations that belong to highly dynamic industries, such as hospitality. Both employees and leaders in such industries, especially those working on the front line, are expected to consistently demonstrate positive emotions. "The tendency to suppress genuinely experienced emotions is prevalent among hospitality employees", warn the authors. To reduce this tendency and maximise the potential positive impact of SSL, organisations can "provide resources to help employees shift their perceptions of certain events or reappraise situations". Such approaches could include perspective-taking.

Finally, the research sheds light on the types of self-sacrificial behaviour and other leadership strategies that were most effective during the COVID-19 pandemic, in the wake of massive layoffs, furloughs and salary cuts among hospitality employees. The most relevant form of

self-sacrifice made by leaders during this period was to give up personal financial benefits. Other effective forms of SSL during a crisis include sacrificing paid time off and other privileges for the sake of the organisation and helping and advocating for employees even if this comes at a cost to the leaders themselves.

Alongside SSL, leaders' choice of coping strategy is critical. "Leaders should adopt an approach coping strategy characterised by active solution seeking and a future orientation as well as SSL in crisis situations", conclude the authors, "to clearly signal their determination to ameliorate stressors instead of skirting around problems".

Points to Note

- During crises, self-sacrificial leadership (SSL) can have a positive influence on employees' work-related attitudes and behaviour.
- Employees who engage less in emotional suppression respond more positively to SSL.
- Employees react more positively to SSL when leaders also engage in approach coping rather than avoidance coping.
- Appropriate organisational communication strategies can ensure that leaders' words and actions affect employees positively.

Wang, X., Wen, X., Liu, Z., Gao, Y. L., & Madera, J. M. (2024). When Leaders Self-Sacrifice in Times of Crisis: The Roles of Employee Emotional Suppression and Leader Coping Strategies. *Cornell Hospitality Quarterly*. <https://doi.org/10.1177/19389655231223370>

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