

Luxury Hotel Types - Examining the Effects of (In)Conspicuous Consumption Orientation on Luxury Hotels' Valuations

Aihood Aleem

ISCTE-IUL - Instituto Universitário de Lisboa and BRU-Business Research Unit

Vera Herédia-Colaço

Católica Lisbon School of Business and Economics

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Abstract

The present research aims to examine how conspicuous consumption orientation impacts consumers' valuations of luxury hotel types – subtle versus extravagant. Two experimental studies were performed and results show that indeed conspicuous consumption orientation moderates the relationship between luxury hotel type and consumers' enjoyment and quality perceptions. Also their likelihood of staying and willingness to pay for a hotel. Specifically, results show that low conspicuous-oriented individuals seem to value more subtle than extravagant luxury hotels. Yet, for high conspicuous-oriented individuals no significant differences are observed when exposed to either hotel types. Our findings further suggest that, overall, there are greater sustainability expectations towards hotels that provide more subtle and inconspicuous hotel experiences than hotels that provide more extravagant and conspicuous experiences. Theoretical and managerial implications are provided.

Keywords: *luxury-hotels; (in)conspicuous-consumption; sustainability*

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