

# Exploring the Differences Among Luxury and Budget Brands in Terms of Emotional and Functional Values Applied to the Hospitality Sector

**Boris Marjanović**

*Istrian University of Applied Sciences, Croatia*  
*bmarjanovic@iv.hr*

The exploration of budget and luxury hospitality brands reveals contrasting views in consumer preferences and purchasing behaviour. While luxury brands promise emotional gratification through premium experiences, budget brands aim to fulfil practical needs with cost-effective solutions. This paper investigates the complexity of the relationship between emotional and functional values provided by these brand categories, aiming to clarify their implications for consumer behaviour. An exploratory qualitative content analysis was conducted on ten websites of budget and luxury hospitality brands to identify the ratio between the emotional and functional values they offer, revealing patterns in value provision by each brand category. The conducted analysis identified an inverse ratio of functional and emotional values in the analysed budget and luxury hospitality brands. Consequently, a theoretical 60:40 ratio between functional and emotional values is proposed for both brand categories, budget and luxury, taking into account the identified inverse ratio pattern. Further empirical research is suggested to validate these findings and expand the understanding of brand value in the hospitality industry and beyond.

*Keywords:* budget brands, luxury brands, hospitality industry, functional values, emotional values



<https://doi.org/10.26493/2335-4194.17.247-263>

## Introduction

Oscar Wilde is often credited with a famous thought: 'I have the simplest tastes; I am always satisfied with the best.' Though the interpretation of this thought may vary from one person to another and from context to context, there is an intriguing idea hidden in these words if applied to luxury. The thought that choosing the best available and discarding less valuable options is what provides the best consumer experience and emotional satisfaction. But there is another thought: 'If you buy cheaply, you pay dearly', and this can be

applied to price-conscious consumers. It implies that buying just on price is not convenient. Cheap products are often limited in terms of features and quality (Kotler & Keller, 2012). Cost reductions through the use of low-quality resources may cheapen the product and, consequently, compromise its image or integrity (Anderson, 2020). This implies that such products are low in performance and durability, consequently leading to multiple purchases. Therefore, evaluating both price and quality ensures a wise purchase.

These two concepts, as described, represent opposite ends of the consumer purchase spectrum: luxury on one end and budget on the other. This suggests that luxury brands are associated with emotional experiences from high-quality purchases (Kapferer & Bastien, 2009), while budget-friendly brands prioritize functional values and value-based decisions (Bruhn & Zimmermann, 2022). Chen (2022) supports this notion, categorizing brands broadly into luxury and everyday brands. Chen elaborates on the motivations behind purchase behaviour, noting that luxury brands are purchased for personal and symbolic reasons, while everyday brands are chosen for practical and functional purposes.

Luxury brands attract consumers and provide them with unique experiences, driven by factors such as strong brand image, differentiation, innovation, exclusivity, high quality, and premium pricing (Ilias, 2010). Consumers are drawn to luxury products for reasons including status, values, and social comparison (Ko et al., 2019). However, the scientific literature lacks a unified definition of luxury (Kim, 2019; Kapferer, 2017b), as it remains a concept with unclear boundaries and criteria (Kapferer & Bastien, 2009). Many definitions focus on elements, e.g. high quality, high price, exclusivity, and positive emotions (Wirtz et al., 2020). Hagtvedt and Patrick (2009) define a luxury brand as 'one that has premium products, provides pleasure as a central benefit, and connects with consumers on an emotional level' (p. 609). This emphasis on emotions highlights how luxury prioritizes hedonism over functionality (Kapferer & Bastien, 2009).

Budget-friendly brands tend to economize by eliminating superfluous and expensive features from their offerings to cut business costs (Ivens et al., 2022). These brands are characterized by highly standardized and simple offers designed to satisfy customers' core functional benefits (Bruhn & Zimmermann, 2022). The primary motivators associated with budget brands include value for money (De Chernatony et al., 2011), an offer of adequate quality and comfort (Ren et al., 2018), convenience (Colbu et al., 2008), and price (Ivens et al., 2022).

When comparing luxury and budget brands, it has been noticed that they differ significantly in the values

they embody. However, both categories offer functional and emotional values to customers. According to De Chernatony et al. (2011), a brand comprises functional and emotional values, enabling organizations to promise a unique and welcomed experience. Emotional values symbolize aspects, e.g. prestige, reassurance, style, or distinctiveness, while functional values encompass rational or objective factors, e.g. packaging, functionality, and price. They further emphasize that consumers' purchase decisions are influenced by both rational and emotional factors.

This paper aims to identify the relative importance of functional and emotional brand values, particularly within the luxury sector, from the service provider's perspective. This exploratory analysis is motivated by a study conducted by Dugandžić (2023) in luxury hospitality, which found a higher incidence of emotional (66%) versus functional (34%) values. The paper questions whether this ratio applies to the entire brand offer. Subsequently, the following research questions are posed:

- What is the functional-to-emotional value ratio in luxury hospitality?
- How does this ratio compare in budget hospitality?
- Does this ratio differ between luxury and budget brands, and if so, by how much?

While the hospitality literature primarily emphasizes the descriptive importance of functional and emotional brand values, this study aims to quantify the ratio between these values in both budget and luxury hospitality brands to provide a holistic understanding of their interaction and prioritization within these categories. A literature review will follow to provide a theoretical basis for the present study and subsequent discussion.

## Literature Review

### *Defining the Terms 'Luxury' and 'Budget'*

Luxury is inherently elusive; it is subjective, shaped by culture and lifestyle, making it challenging to define (Kapferer, 2017b; Okonkwo-Pézar, 2017). Its meaning varies among individuals, reflecting personal opinions (Kapferer, 2017a). As economic opportuni-

ties expand, consumers increasingly focus on comfort and pleasure, reaching beyond mere necessities (Patrick & Hagtvedt, 2014). These indulgences signal social status, with luxury being perceived as a social marker (Kapferer & Bastien, 2017).

Luxury, in general terms, can be defined as ‘a condition of abundance or great ease and comfort’ or ‘something adding to pleasure or comfort but not absolutely necessary’ (Merriam-Webster, n.d.-a). A distinction can be made between terms such as ‘pleasure’, ‘ease’ and ‘comfort’, and the term ‘necessity’, emphasizing the emotional versus functional aspect. Primarily, luxury is invested in providing pleasure, with luxuries being mainly associated with hedonic experiences, while necessities are more associated with functional benefits (Kivetz & Simonson, 2002). Moreover, luxury products offer a higher level of hedonic value compared to their non-luxury counterparts (Peng & Chen, 2019). Batat (2019) delves further into the experiential value of luxury, emphasizing that today’s luxury customers are increasingly seeking immersive and varied experiences to discover new meanings and enrich their lives. Luxury can be experienced only through the interaction with the luxury offer. Hence, the qualitative aspect of what luxury is cannot be defined except through both the objective features of the offer and subjective customer perceptions (Wirtz et al., 2020).

Han and Kim (2020) define a luxury brand as ‘a product/service brand that consumers perceive to be of high quality and provides them with real value—functionally and emotionally’ (p. 2). Additionally, it excels in each category, offering pleasure as a central benefit (Patrick & Hagtvedt, 2014). However, luxury cannot be uniformly applied. A distinction should be made between a luxury product and a luxury service. A service cannot be owned like a product but only experienced while it is consumed. The expected benefit derived from a luxury service, as opposed to a luxury product, is primarily experiential, whereas the pleasure derived from owning a luxury product comes from mere possession. Hence, creating psychological ownership for services is of utmost importance compared to legal ownership of products (Wirtz et al., 2020). A more specific definition of luxury can be

formulated with an emphasis on the service industry. Luxury services are defined as ‘extraordinary hedonic experiences that are exclusive’ (Wirtz et al., 2020, p. 682). The exclusivity in this context ‘can be monetary, social and hedonic in nature’ (p. 682). Luxury services are, therefore, highly experiential, as the customer experience represents a central component of the offer (Batat, 2019).

Budget, on the other hand, is primarily associated with low cost. It can be defined through its synonyms; for example, affordable is described as ‘having a cost that is not too high’ or ‘that is not too expensive for people of limited means’ (Merriam-Webster, n.d.-b). The connection with individuals with low purchasing power is immediately evident. Therefore, market segmentation is an essential tool for budget brands that primarily target segments that are more price-sensitive (Putri et al., 2021; Nakaprasit, 2012; Danaher et al., 2011). Consequently, these consumers, due to financial constraints, might also show greater financial responsibility (Baker et al., 2020).

Different companies act differently in the market. While some tend to raise the prices of their offerings due to increased value through feature extensions, others choose to lower prices and shape their offers accordingly, indicating a demand for budget brands as well (Kotler et al., 2019). Budget brands are widely present, for example, in the airline business (Albers et al., 2020), hospitality (El Haddad, 2015), the smartphone market (Putri et al., 2021), and retail sectors such as consumer electronics and grocery stores (Berman, 2015), as well as in the furniture and fashion markets (Giménez, 2013), to name a few. Drawing from the main characteristics of budget brands in these industries, the following can be summarized.

The lowest achievable prices are a defining characteristic of no-frills offerings—those reduced to basic functionality (Albers et al., 2020)—providing significant financial value to consumers by eliminating unnecessary and unrequested extra services (Berman, 2015). Therefore, brands striving for success in the budget sector are able to reduce development and production costs to a minimum (Antonovici, 2016), often outsourcing activities, and opting to acquire the rights to use technology instead of investing in patent

development (Berman, 2015). However, basic offers may not meet the needs of some budget consumers. To better suit their needs, budget brands can offer a choice between extra services for an additional fee, expanding their core offering through, e.g., pure components bundling (Nakaprasit, 2012). Furthermore, price alone is no longer the main driver for budget consumption. Consumers also demand an adequate level of quality from what they buy. Therefore, a price-for-value approach is an essential business strategy for budget companies nowadays (Giménez, 2013).

### *The Hospitality Industry*

Both products and services serve the same purpose, which is solving a customer's problem (McDonald & Wilson, 2016). However, both products and services significantly differ in their essence. Services possess unique characteristics compared to physical products, differing in terms of intangibility (primarily abstract and non-material), heterogeneity (non-standardized and highly variable), inseparability (production and consumption occurring simultaneously), and perishability (cannot be stored) (McDonald et al., 2011). Moreover, defining the quality of a service is a difficult task due to its nature. Service quality is a subjective concept, interpreted as 'perceived quality', which refers to a 'customer's judgment about a service' (Culiberg & Rojšek, 2010, p. 152). This variability means that consumers differ in their perceptions of what constitutes quality, making its understanding and practical application challenging.

But what is the hospitality industry? In general terms, it can be defined as the provision of food, drinks, lodging, entertainment, and friendly, welcoming service to guests (Pijls-Hoekstra, 2020). As a service provider, the hospitality industry is subject to the same limitations mentioned earlier, common to all services when compared to physical products. Given these significant differences, understanding how consumers form value perceptions of intangible services, especially in the hospitality industry, is crucial (Yang & Mattila, 2016). Hence, the difficulty in evaluating the quality of hospitality services compared to products due to the lack of tangible cues is significant. Therefore, consumers, in forming their perceptions, need

more concrete images and cues provided by hospitality practitioners to make services as tangible as possible (Heo & Hyun, 2015).

To bridge the quality perception gap and establish a solid foundation for creating and effectively communicating values to the market, it is essential to delve into the fundamentals of hospitality. The focus of this study is on the hotel industry within hospitality; therefore, brief definitions of luxury and budget hotels will be presented first.

Due to the difficulty of defining luxury, luxury in hospitality also lacks a generally accepted definition (Jain et al., 2023). A luxury hotel, as an integral component of the hospitality sector, can be defined as a lodging facility that offers top-tier services, including both its physical attributes and intangible elements, such as relationships with customers (Ariffin et al., 2018).

A generally accepted definition of a budget hotel is also missing (Ren et al., 2016). Considering the main characteristic of this hospitality service, specifically a low price or better value for money (Chiang, 2018; Ren et al., 2016), the synonym 'economy hotel' is also frequently used (Ren et al., 2016). These are affordable hotel alternatives that provide a clean room with a bed and a shower but without additional services (Colbu et al., 2008). Hence, a suitable definition for budget hotels might be formulated as providers of basic accommodations with convenient functionality for tourists (Chiang, 2018).

To deepen the understanding of these two types of hospitality services, the next sections will expand on these concepts, emphasizing the values they provide to consumers.

### *An Overview of Brand Values*

Firstly, in this paper, values and benefits are closely related and in a general sense will be used interchangeably according to the definition provided by McDonald and Dunbar (2012), where customer value is defined as 'the benefits gained from the product or service, but it can also encompass the value to the customer of other constituents of the total offer such as surrounding services (maintenance or information, for example), channels, and so on' (p. 8).

In brand management, various types of values are identified to be provided by brands. Consumer needs are met through functional, symbolic, relational, and experiential benefits (Florack & Palcu, 2017). According to Sweeney and Soutar (2001), four distinct value types drive purchase attitudes, namely emotional, social, quality/performance, and price/value for money. Batat (2019), on the other hand, focuses on brand values within the context of luxury, presenting a similar list that includes functional, experiential, social, and the additional aspect of ideological values. De Chernatony et al. (2011) narrowed the value spectrum down to two categories, which are functional and emotional. Kwon et al. (2016) suggest a similar categorization, dividing values into functional and non-functional. While these categorizations overlap, they also complement each other, providing a broader understanding of the types of values offered by brands.

Functional values provide solutions to a consumer's problem (Florack & Palcu, 2017). They involve the 'rational evaluation of brands' abilities to satisfy utilitarian needs' (De Chernatony et al., 2011, p. 418). On the other hand, they can refer to the functional, instrumental, and practical benefits of an offer (Chitturi et al., 2008). Functional values can also be defined from two perspectives, which are the value for money associated with the cost of the offer and the value derived from the relationship between the quality and the performance of the offer (Sweeney & Soutar, 2001).

Non-functional values, on the other hand, encompass symbolic values but also experiential values aimed at satisfying pleasure-seeking needs (Kwon et al., 2016), emphasizing a broader scope of included values in this category.

Symbolic values manifest in self-expressive and social values (Jung Choo et al., 2012), fulfilling internally generated psychological needs for self-enhancement and self-verification (Florack & Palcu, 2017; Vigneron & Johnson, 2004). They are also associated with factors such as personality congruence, user imagery congruence, brand prestige, and brand tribalism (Esmaeilpour, 2015). Therefore, symbolic values encompass the psychological meanings consumers attach to an offer (Yang & Mattila, 2016), emphasizing their inherently psychological nature.

Social values, as defined by Sweeney and Soutar (2001), refer to 'the utility derived from the product's ability to enhance social self-concept' (p. 211), aligning with the definition of symbolic values.

Ideological values are linked to consumer consciousness and personal systems of values, as well as religious and ideological beliefs (Batat, 2019).

Experiential values can satisfy needs arising from seeking pleasant sensory experiences, stimulation, or variety (Florack & Palcu, 2017), closely related to hedonic values that encompass aesthetic, experiential, and enjoyment-related aspects (Chitturi et al., 2008). Hedonic values also include emotional aspects such as indulgence and pleasure (Yang & Mattila, 2016).

Emotional values are defined as the 'evaluation of brands' abilities to help consumers express something about themselves', e.g. their personality, their mood, their membership of a particular social group, or their status (De Chernatony et al., 2011, p. 419). The authors associate emotional values with symbolic values, adding that consumers are also concerned with the brand's ability 'to help them interpret the people they meet, to reinforce membership of a particular social group, to communicate how they feel and to say something privately to themselves' (pp. 417–418), indicating an overlap of these two types of values. In a more simplified version, emotional values are defined as utilities associated with feelings generated by products/services (Sweeney & Soutar, 2001), such as emotional satisfaction (Ladhari, 2009). Emotional values are of significant importance, given the fundamental role of emotions and feelings in establishing relationships between consumers and brands (Chen, 2022).

Relational values are related to the consumer-brand relationship, providing individuals with a feeling of belonging (Florack & Palcu, 2017). Emotional bonds with the brand can be achieved through various brand-related activities like loyalty programmes (Lee et al., 2021). These values are developed through the fulfilment of consumer expectations and result in repeated purchases and emotional connections with the brand (Grönroos, 2006).

From these various presented definitions, it is evident that there is overlap and synonymy among these



types of values. Some authors specifically identify different types of values, while others tend to generalize and place them into more inclusive units.

#### *Brand Values in Luxury Hospitality*

Consumers are increasingly engaged in pursuing emotional benefits (Santos et al., 2022), a trend reflected in the luxury industry as well (Hagtvedt & Patrick, 2009). Consequently, emotional values appear to be what customers primarily expect from luxury brands (Chen, 2022; Patrick & Hagtvedt, 2014). Kapferer and Bastien (2009) go even further, stating that quality is not the defining feature of luxury; instead, it is the emotion at the highest level that should be strived for. Luxury brands thrive on the experience provided by their luxury offering—experiences that are hedonic in nature and exclusive. Such exclusivity, denoting a sense of limited access or availability, is created through monetary, social, and hedonic exclusivity (Wirtz et al., 2020). Khan et al. (2022) emphasize the priority given by consumers of luxury brands to social and symbolic values over functional values, further highlighting that functionality and performance are of less importance than connections with consumers on an emotional level (Patrick & Hagtvedt, 2014). Although functionality is superseded in importance by emotions, a high standard of functional value is expected by consumers for all luxury brands (Tynan et al., 2010). A luxury offer, besides functional needs, also satisfies the consumer's psychological needs (Wiedmann et al., 2017; Vigneron & Johnson, 2004). Psychological needs are directly related to symbolic benefits, meaning that consumers of luxury brands want to express affluence, self-image, demonstrate their social class, and enhance their self-concept (Nia & Lynne Zaichkowsky, 2000). Luxury brands can be associated with key terms that broaden their understanding. Words such as 'magnificent', 'extravagance', 'opulence', 'sumptuous', and 'lavishness' indicate the highest level of brand luxury (Miller & Mills, 2017) and can evoke a unique customer experience. Finally, contributing to the exclusivity and differentiation of luxury brands, Kapferer (2017a) emphasizes another characteristic—to be slightly excessive in details, in care, in honour, in

precaution. This approach stands in stark contrast to standardization, cost reduction, and mass production.

According to Yang and Mattila (2016), hedonic value is the most significant purchase motivator in luxury hospitality, and the experience in hospitality is primarily driven by feelings of pleasure, excitement, and enjoyment. Therefore, at the heart of luxury hotel service lies the anticipation of an emotional experience (Ariffin et al., 2018), as luxury hotels belong to the highly experiential luxury domain (Batat, 2019). What further contributes to a high-end luxury accommodation experience is the extensive interpersonal contact provided by the hotel staff (Harkison et al., 2018), including the concierge and the personalized service they offer to meet the unique expectations of luxury customers (Batat, 2019). Lo and Yeung (2020) also support the notion that guest-to-staff interactions play a significant role in consumers' experiences.

However, due to the intangible nature of luxury hotel services, customers often find it challenging to evaluate functional benefits, such as quality and sophistication, provided by luxury hotels prior to their stay. Therefore, according to Chen and Peng (2014), this is the reason why functional values do not exert the same impact on consumer behaviour as symbolic and experiential values. Nevertheless, consumers highly value the service quality of a luxury hotel, particularly focusing on the physical environment and the interior of the suite, including components such as the bedroom and bathroom, with specific attention to elements like the bed and washbasin (Giglio et al., 2020; Lo & Yeung, 2020).

In conclusion, customer satisfaction in a luxury hotel setting is achieved through personalized services, ensuring more effective and efficient need fulfilment, as well as the higher level of comfort provided by hotel facilities, amenities, and the physical environment. Additionally, a genuine and authentic expression in service provision by hotel employees also significantly contributes to customer satisfaction (Ariffin et al., 2018). Furthermore, a luxury hotel service should embody qualities such as being 'authentic, exceptional, unique, magical, emotional, and, above all, memorable' (Batat, 2019, p. 27), as luxury demands.

### *Brand Values in Budget Hospitality*

Vigneron and Johnson (2004) identified dimensions that distinguish between luxury and non-luxury brands. These five perceived dimensions characterizing luxury are conspicuousness, uniqueness, quality, extended self, and hedonism. Reversing them easily reveals the characteristics of non-luxury, common, or budget brands. Budget brands may be perceived as offering social indistinctiveness, commonality, minimal quality and performance, low emotional fulfilment, and a lack of psychological connection with the brand as part of the customer's identity. Such brands emphasize functional benefits and aim to provide good value for money or affordability (Hagtvedt & Patrick, 2009), while differentiating themselves by delivering competitive performance in meeting customer needs (Brotherton, 2004).

Budget hotel brands are known for offering affordable rates while fulfilling the basic needs of customers (Ye et al., 2020). Functional values form the core of their offerings, with customers seeking benefits such as a convenient location, consistent service standards, value for money, hygiene and cleanliness (Brotherton, 2004). In addition to competitive pricing, these hotels often provide limited services and amenities (Ren et al., 2015). However, some hotels have adopted dynamic pricing strategies, offering a variety of services with a flexible pricing structure (El Haddad, 2015).

While budget hotel consumers are primarily motivated by functional value, their assessments also consider experiential values, representing novel and pleasant experiences (Chiang, 2018). This aligns with the broader concept of branding, as articulated by De Chernatony et al. (2011), suggesting that, regardless of type, brands provide both functional and emotional values to customers.

### **Methods**

The exploratory analysis in this paper aims to unveil patterns and relationships between the functional and emotional values provided by luxury and budget brands. These values were selected based on the definition provided by De Chernatony et al. (2011), which conceptualizes a brand as a combination of functional and emotional values.

A qualitative content analysis was conducted on ten selected websites for each brand type. A website serves as a communication channel between the customer and the company, providing 'practical and functional information content' (Batat, 2019, p. 92) regarding its offerings. Descriptors of the service provided were identified on each brand's website, including appropriate subpages, and subsequently, values were derived from them. This analysis is based on two assumptions. The first assumption is that the description of a service is coherent with the actual substance of the service provided. The second assumption is that the analysed companies understand the needs and wants of their customers and that these needs and wants are adequately reflected through the information presented on their websites. The list of companies used for the analysis is listed in Table 1 and Table 2.

Specifically, these values were derived from the identified keywords related to the complete offerings provided by a hotel and presented on these websites. The complete offerings include all elements of the marketing mix for services, namely the 7Ps: product, place, price, promotion, people, process, and physical evidence. The rationale behind this approach is that hotel customers interact with all aspects of the mix, not only with the core service. Factors such as price, location, promotional messaging, interactions with hotel staff, the processes involved in service delivery, and the hotel environment and its surroundings all directly influence the formation of customer value perception and are integral parts of the holistic tourist experience. An illustrative example of this analysis is shown in Table 3 for budget brands and Table 4 for luxury brands. After identifying functional and emotional values, they were quantified and compared between the two types of brands.

To address the challenge of identifying luxury and budget brands, the selection of companies for analysis was based on their self-definition and self-promotion as luxury or budget. The hotels chosen for the analysis were identified through an internet search, wherein keywords found on their websites, e.g. 'opulence', 'luxury', and 'sumptuous', were associated with luxury. Conversely, terms such as 'value for money', 'affordability', and 'convenience', as highlighted in the literatu-

Table 1 List of Budget Hotel Brands

Budget hotel	Source
Travelodge	( <a href="https://www.travelodge.co.uk/">https://www.travelodge.co.uk/</a> )
Motel 6	( <a href="https://www.motel6.com/en/home.html">https://www.motel6.com/en/home.html</a> )
Ibis	(All.accor, n.d.)
Premier Inn	(Premier Inn, n.d.)
Wyndham Hotels	(Super 8 Worldwide, n.d.)
Point A Hotels	(Point A Hotels, n.d.)
easyHotel	(Easy Hotel, n.d.)
Motel One	( <a href="https://www.motel-one.com/en/">https://www.motel-one.com/en/</a> )
Best Western	( <a href="https://www.bestwestern.com/en_US.html">https://www.bestwestern.com/en_US.html</a> )
Go Hotel Saga	( <a href="https://saga-hotel-copenhagen.h-rez.com">https://saga-hotel-copenhagen.h-rez.com</a> )

Table 2 List of Luxury Hotel Brands

Luxury hotel	Source
Hyatt Regency	(Hyatt Regency, n.d.)
Burj Al Arab Jumeirah	( <a href="https://www.jumeirah.com/en">https://www.jumeirah.com/en</a> )
The Ritz-Carlton	(The Ritz-Carlton, n.d.)
The Savoy	( <a href="https://www.thesavoylondon.com/">https://www.thesavoylondon.com/</a> )
La Mamounia	( <a href="https://mamounia.com/en/">https://mamounia.com/en/</a> )
The Westin Excelsior	(Westin Hotel & Resorts, n.d.)
The Plaza	( <a href="https://www.theplazany.com/">https://www.theplazany.com/</a> )
Aman	(Aman, n.d.)
Four Seasons Hotel	(Four Seasons Hotel, n.d.)
The Boulders	( <a href="https://www.theboulders.com/">https://www.theboulders.com/</a> )

re review, were linked to budget. Websites were then randomly chosen based on their prominence in the search listings.

### Analysis and Results

The first step in the analysis process was to identify ten luxury and budget hotel brands. The selection is presented in Table 1 and Table 2.

The next step was to identify keywords related to the service offerings and derive the provided values from them. An example of the analysis is provided in Table 3 and Table 4.

The identified functional and emotional values were classified according to key descriptors derived from the literature review. For example, for budget brands, terms such as offer of adequate quality and comfort (Ren et al., 2018), value for money (Chiang,

2018; Ren et al., 2016), consistent service standards (Brotherton, 2004), convenience in general (Colbu et al., 2008) or a convenient location (Brotherton, 2004), and price (Ivens et al., 2022; Ye et al., 2020) are considered functional values, while novel and pleasant experiences (Chiang, 2018) are indicative of emotional values. For luxury brands, the types of values with the appropriate dimensions presented by Batat (2019) were primarily used, e.g. functional (efficiency and excellence), ideological (ethics and spirituality), experiential (hedonism, affection, and aesthetics), and social (status and esteem).

In Table 3, a shortlist of identified values for each presented service feature in a budget hotel context is provided, along with the following rationale. A king-size bed provides comfort and relaxation based on its main feature, which is size, indicating more space



Table 3 Values for Budget Hotel Brands – Shortlist

Service feature	Functional values	Emotional values
King size bed	Comfort – more space enhances comfort and rest	Relax – enhances relaxation
Wi-Fi internet access	Convenience – it is an accessible and available means to solve a practical problem	–
Amazing value food and drink	Money-saving – affordable food prices	Affection/satisfaction – enhanced satisfaction through meeting or surpassing expectations in food service

Table 4 Values for Luxury Hotel Brands – Shortlist

Service feature	Functional values	Emotional values
Wi-Fi internet access	<ul style="list-style-type: none"> <li>• Convenience – it provides an accessible and readily available solution to a practical problem</li> </ul>	–
Luxurious Hermès bathroom amenities	<ul style="list-style-type: none"> <li>• Excellence – high-quality service provided</li> <li>• Comfort – the specific quality and fragrance of Hermès amenities ensure greater physical and psychological ease</li> </ul>	<ul style="list-style-type: none"> <li>• Affection/satisfaction – enhanced satisfaction through experiencing the luxury service</li> <li>• Esteem – indulging in luxury service enhances customer self-esteem</li> <li>• Status – consumption of luxury services indicates higher status</li> </ul>
Marble bathrooms / soothing mood lighting / Moroccan-style walk-in showers	<ul style="list-style-type: none"> <li>• Excellence – high-quality service provided</li> <li>• Comfort – the environment design enhances physical and psychological ease</li> </ul>	<ul style="list-style-type: none"> <li>• Relax – mood lighting enhances the feeling of relaxation</li> <li>• Aesthetic – the environment is visually pleasing</li> <li>• Esteem – indulging in luxury service enhances customer self-esteem</li> <li>• Status – consumption of luxury services indicates higher status</li> </ul>

to accommodate a person's rest compared to a small, cramped bed. Wi-Fi internet access is now considered a standard amenity in hotels, even in budget ones. It does not necessarily provide any emotional values but rather offers a convenient solution to a customer's need. The statement 'amazing value food and drink' emphasizes the term 'amazing value' rather than focusing on fulfilling customers' physiological needs. It suggests a considerable enhancement in the value offered by the service, indicating an exceptionally attractive price point for food and drink. Consequently, it may result in reduced expenditure for customers, potentially leading to increased satisfaction.

Compared to budget hotels, luxury services are described using a distinctly different language. A significant number of superlative adjectives and storytelling techniques are employed to underscore the richness and emotional value associated with luxury. Table 4 presents a shortlist of identified values for each service feature in a luxury hotel context, accompanied by the rationale which follows. The internet access provides the same benefit as budget hotels do, without any additional service features presented in these descriptions to justify additional values. 'Luxurious Hermès bathroom amenities' distinguish themselves from budget services through the inclusion of

Table 5 Budget Hotels Value Analysis

Hotel	Functional value	Emotional value
Travelodge	61%	39%
Motel 6	62%	38%
Ibis	62%	38%
Premier Inn	61%	39%
Wyndham Hotels	62%	38%
Point A Hotels	61%	39%
easyHotel	62%	38%
Motel One	58%	42%
Best Western Hotels	66%	34%
Saga Hotel	62%	38%
Average value	62%	38%

Table 6 Luxury Hotels Value Analysis

Hotel	Functional value	Emotional value
Hyatt Regency London	42%	58%
Burj Al Arab Jumeirah	39%	61%
Ritz Carlton Kyoto	43%	57%
The Savoy London	42%	58%
La Mamounia	42%	58%
Westin Excelsior Rome	44%	56%
The Plaza NY	43%	57%
Four Seasons Istanbul	44%	56%
The Boulders	41%	59%
Aman Venice	41%	59%
Average value	42%	58%

the keywords 'luxurious Hermès'. The term 'luxurious' suggests an inherently higher quality of service, particularly when combined with the renowned brand Hermès, which is associated with exclusivity, high quality, and a luxurious lifestyle. The unique status of the Hermès brand, coupled with the descriptor 'luxurious', implies a premium service and overall comfort provided through the sensory experience of the distinctive fragrance of these amenities. The use of such luxurious amenities enhances experiential satisfaction, leading to an increase in customer self-esteem and reinforcing their perception of status by indulging in these luxury-related experiences. The bathroom design is described with the keyword 'marble', which is an unusual material for bathrooms outside of luxury contexts. Utilizing such a service is thus associated with higher status and an increase in self-esteem. Additionally, these materials are chosen to enhance the quality of the service, but also for their aesthetic appeal, as are the exclusive design features of the 'Moroccan-style walk-in showers'. The 'soothing mood lighting' in these bathrooms implies a calming environment that provides physical and psychological comfort, enhancing relaxation.

Based on the previously provided examples, an extensive analysis was conducted on the selected ho-

tels listed in Table 1 and Table 2. The results of the analysis are as follows.

Table 5 presents the results of the qualitative analysis on brand values for budget brands. The ratio between functional and emotional values provided by budget hospitality brands is 62:38, with a maximum variability of 4 percentage points for each value around the mean.

Table 6 presents the results of the qualitative analysis on brand values for luxury brands. The ratio between functional and emotional values provided by luxury hospitality brands is 42:58, with a maximum variability of an average 2.5 percentage points for each value around the mean.

Table 7 and Figure 1 show a significant similarity between the functional values of luxury brands and the emotional values of budget brands, and vice versa. The difference between these value categories is 4 percentage points, indicating an inverse ratio between values provided by luxury and budget brands.

The analysis revealed distinct values provided by budget and luxury brands. The key functional value for budget hospitality brands is practicality and convenience, linked to service efficiency and quality, including useful amenities and services to fulfil a wider range of customer needs and wants. Other emphasized values are comfort and cost-saving, with custo-

Table 7 Value Comparison Between Luxury and Budget Brands

Luxury brands	Budget brands	Luxury brands	Budget brands
Functional value	Emotional value	Emotional value	Functional value
42%	38%	58%	62%

mers expecting a comfortable environment proportionate to the price paid. Price is crucial for budget hospitality services, as customers often have limited financial means.

The most prominent emotional value for budget hospitality brands is overall satisfaction with the service, reflected by balancing price with quality expectations. Other key emotional values are stress reduction and relaxation, highlighting the need for minimizing customer concerns about whether extra services and amenities will be available to fulfil all their expected needs. Relaxation is a core value, reflecting customers' desire for leisure and a comfortable environment.

The most prominent functional value for luxury hospitality brands is excellence in service quality, reflecting the high price paid. This includes quality materials, personalized service, and high-quality food and drink. Additionally, comfort and convenience are key values, achieved through comfortable beds, spacious accommodations, and extra services, e.g. room service, spa facilities, and gym access. Convenience also involves efficiently fulfilling all customer needs with available amenities and additional services.

The most prominent emotional value for luxury hospitality brands is satisfaction with the service, often characterized by a sense of fulfilment. This satisfaction is linked to service excellence, overall quality, and positive staff interactions. Other key emotional values include relaxation, hedonism, and esteem. Luxury clients prioritize relaxation, achieved through comfortable and aesthetically pleasing environments. Hedonism is supported by extra services, such as diverse dining and entertainment options. Luxury services also enhance self-esteem and status, as clients appreciate the exclusivity of these offerings.

### Discussion and Conclusion

The exploratory analysis presented in this paper has yielded insights into the underlying structure of values offered by both budget and luxury hospitality brands. These findings serve as the foundation for the ensuing discussion, highlighting several important points, which are worthy of further examination.

*An attempt to quantify both the functional and emotional values provided by budget and luxury hospitality brands:* Based on the literature review, it is evi-

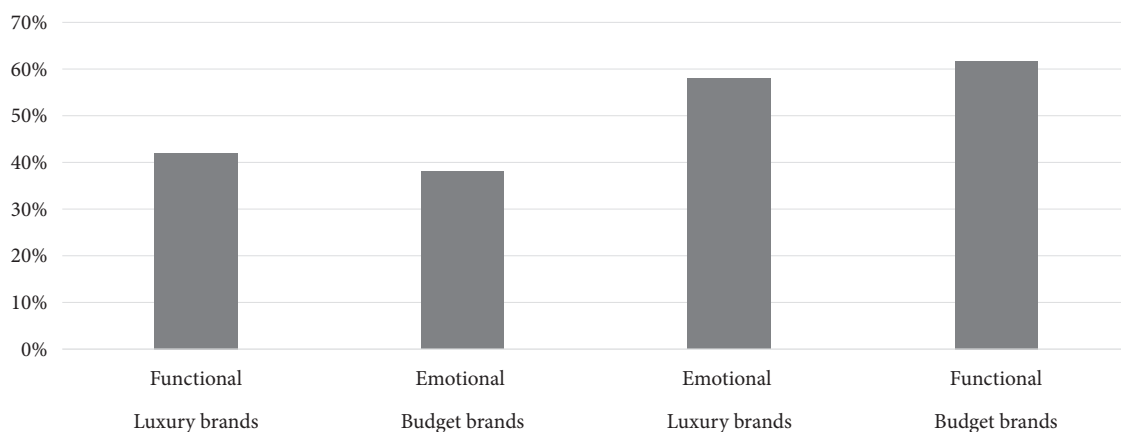


Figure 1 Value Comparison between Luxury and Budget Brands – Graphical Representation

dent that both brand categories offer different quantities and qualities of customer value. Budget brands primarily focus on functional aspects such as price (Ivens et al., 2022), targeting more price-sensitive market segments (Putri et al., 2021) and providing greater value for money (Chiang, 2018; Ren et al., 2016). Conversely, luxury brands, while also delivering high-quality service (Han & Kim, 2020), place a greater emphasis on fulfilling consumers' emotional needs, focusing on pleasure (Patrick & Hagtvedt, 2014), and social and hedonic exclusivity (Wirtz et al., 2020), which are highly experiential (Batat, 2019). The analysis presented here offers insight into the ratio between functional and emotional values of hospitality brands, indicating that for budget brands, providers emphasize functional values over emotional values at a ratio of 62:48. In contrast, for luxury brands, this ratio is 42:58, favouring emotional values.

*The quantity and quality of values in budget and luxury hospitality brands:* There is an unexpectedly low difference between functional and emotional values in luxury brand offerings, amounting to only 16 percentage points. A greater disparity in values in favour of emotional values was anticipated based on the literature review. As indicated in the literature review, luxury brands, in addition to high quality (Wirtz et al., 2020), which is considered a functional value, primarily focus on establishing an emotional connection with consumers through pleasure (Hagtvedt & Patrick, 2009), hedonism (Kapferer & Bastien, 2009), status, and social comparison (Ko et al., 2019). The reason for this is that providers aim to meet the primary expectation of emotional values from their customers (Chen, 2022; Patrick & Hagtvedt, 2014). Similarly, the case might be argued for budget brands. The difference between functional and emotional values in this case is also lower than expected, amounting to only 24 percentage points. A higher difference was anticipated based on the literature review. According to the literature review, budget brands tend to focus on affordable rates while fulfilling the basic needs of customers (Ye et al., 2020), providing basic functional values, e.g. a convenient location, consistent service standards, hygiene, and cleanliness (Brotherton, 2004). It is evident that there is a balance between functional and emoti-

onal values in both brand categories that should not be disrupted but acknowledged according to the specific brand characteristics and market they serve. As stated by De Chernatony et al. (2011), regardless of the type, all brands provide both functional and emotional values to customers. Consequently, both categories of service providers, budget and luxury, emphasize both functional and emotional values as appropriate to their brand characteristics and market.

*Value communication differences between budget and luxury hospitality brands:* Luxury brands tend to employ a distinctive language when communicating values to their audience. It is evident that a storytelling approach predominates, portraying the richness of experiences customers will encounter through engagement with their services and offerings as a whole. Additionally, a conspicuous vocabulary of superlative adjectives is utilized to target and captivate the emotional nature of customers, evoking excitement. Terms such as conspicuousness, uniqueness (Vigneron & Johnson, 2004), magnificence, extravagance, opulence, sumptuousness, and lavishness (Miller & Mills, 2017) are prominent descriptors of luxury services. As expected, such language is absent in communications from budget brands, which typically adopt a straightforward approach with minimal or no gimmicks when engaging with customers.

*The 60:40 value ratio in hospitality brands:* The presented exploratory analysis, although limited in scope, has uncovered an intriguing pattern between functional and emotional values among budget and luxury hospitality brands. As previously outlined in the paper, Table 7 and Figure 1 reveal a pattern of similarity between the functional value provided by luxury brands and the emotional value provided by budget brands, as well as emotional values for luxury brands and functional values of budget brands. The 4-percentage point difference between both value categories is minimal; consequently, it can be conjectured that a correlation exists between functional and emotional values provided by budget and luxury hospitality brands. An inverse ratio between functional and emotional values among these two brand categories exists. Similar results have been identified by Dugandžić (2023), with a ratio of 66:34 in favour

of emotional values provided by luxury hospitality services. Additionally, a study conducted by Barsky and Nash (2002), focusing solely on emotional values, identified the importance of emotional values at 65% for luxury hospitality brands and 45% for budget (economy) hospitality brands. These values closely align with those presented in this paper; therefore, the author suggests a general theoretical 60:40 value ratio between functional and emotional values. For budget hospitality brands, the 60:40 ratio is suggested in favour of functional values, while the same ratio is recommended for luxury hospitality brands in favour of emotional values.

In conclusion, the discussion presented in this paper sheds light on the identified issues within the hospitality literature regarding the quantification of functional and emotional values provided by budget and luxury hospitality brands. Although efforts to quantify the importance of these values in hospitality literature are scarce, the presented analysis represents a novel approach to achieving a holistic understanding of how these values interact in shaping and communicating hospitality services. Despite the limitations of this analysis, the proposed 60:40 ratio offers a theoretical framework for understanding the balance between these values. Further empirical research is needed to provide more evidence of the validity of the proposed ratio. With new information available, it will be possible to expand and enrich the discussion about brand value in the hospitality context, as well as extend the boundaries beyond just one industry.

### **Theoretical Contribution and Practical Implications**

The theoretical contribution of this paper lies in its attempt to quantify the ratio between functional and emotional values provided by budget and luxury hospitality brands. While existing literature suggests that budget brands prioritize functional aspects of the offering and luxury brands prioritize emotional values, the quantified ratio of these two types of values is not clearly presented in the literature. Therefore, a quantified value ratio of 60:40 is proposed. For budget hospitality brands, this ratio favours functional values, while for luxury hospitality brands, it favours emotional values.

The practical contribution of this paper is contingent upon empirical research that surpasses the current exploratory analysis, which is constrained by its focus on the perspectives of service providers alone. Without empirical insights from customers, effectively formulating communication activities and shaping offerings for both budget and luxury brands remains challenging. However, practitioners can benefit from this research as follows:

**Balanced value communication:** Understanding that, according to brand theory, every brand, whether budget or luxury, provides both functional and emotional value to customers. Practitioners should neither overemphasize, understate, nor exclude one type of value or the other in their communication and service shaping. Customers seek both types of values in every purchase.

**Quantifying communicated values:** Providing practitioners with value quantification allows them to gain deeper insight into the balance between functional and emotional values communicated through hotel websites. This is crucial for those who may not be aware of the specific value proportions they are conveying.

**Competitive benchmarking:** Offering an overview of how different competing brands in the category, both budget and luxury, balance functional and emotional values. The identified average ratio can serve as a guideline for practitioners to avoid deviating significantly from the competition when shaping their communication strategies, especially on their websites.

**Evaluation and feedback:** The proposed ratio represents the industry average value of functional and emotional benefits communicated by multiple competitors in each brand category (luxury and budget). This provides practitioners with a benchmark for comparison, allowing them to assess whether their offerings and communications align with the industry average and how well they meet customer expectations. To achieve this, practitioners can conduct surveys and gather feedback through direct interaction with customers. The process involves comparing the hotel's communication messages and service offerings with the functional and emotional values desired by customers, ensuring their services meet these needs.



and wants. This comparison helps practitioners understand if their identification of customer needs is close to or far from others within their category relative to the industry average. Consequently, if they are far from the average, it might mean that they can gain a competitive advantage by communicating values better than the rest of the competition, who are closer to the industry average. Conversely, if they are close to the average, adhering to the industry standard is relevant because deviating from it could negatively impact their competitive advantage by communicating values less effectively than their competitors.

Future research endeavours should prioritize gathering concrete data from customers to validate the 60:40 ratio, thereby providing more insights for practitioners in enhancing the precision and efficacy of communication strategies and service offering designs across both budget and luxury hospitality brands.

### Limitations and Future Research

The main limitation of this analysis is twofold: its qualitative nature and its perspective from the viewpoint of the service provider. Consequently, this study is subject to individual interpretation and understanding. The derived values from identified service attributes may vary significantly based on individual interpretations, particularly in the absence of empirical research to support such claims.

For future research, it is suggested that primary research be conducted on consumers of budget and luxury hospitality brands to validate or refute the proposed 60:40 theoretical ratio between emotional and functional values presented in this paper. Subsequently, similar research principles could be applied to other categories of budget and luxury brands beyond hospitality to investigate whether the 60:40 rule holds true in a broader context.

### References

- Albers, S., Daft, J., Stabenow, S., & Rundshagen, V. (2020). The long-haul low-cost airline business model: A disruptive innovation perspective. *Journal of Air Transport Management*, 89, 101878.
- All.accor. (n.d.). *Ibis budget Glasgow*. <https://all.accor.com/hotel/3503/index.en.shtml>
- Aman. (n.d.). *Aman Venice*. <https://www.aman.com/hotels/aman-venice>
- Anderson, D. M. (2020). *Design for manufacturability: How to use concurrent engineering to rapidly develop low-cost, high-quality products for lean production*. Productivity Press.
- Antonovici, C. C. (2016). Low cost car segment: Trends on local and global markets [Unpublished master's thesis]. Technische Universität Wien.
- Ariffin, A. A. M., Maghzi, A., Soon, J. L. M., & Alam, S. S. (2018). Exploring the influence of hospitality on guest satisfaction in luxury hotel services. *E-Review of Tourism Research*, 15(1). [https://ertr.tamu.edu/files/2018/03/1.-T\\_eRTR\\_ARN\\_15\\_1\\_ARIFFIN.pdf](https://ertr.tamu.edu/files/2018/03/1.-T_eRTR_ARN_15_1_ARIFFIN.pdf)
- Baker, T. L., Chari, S., Daryanto, A., Dzenkovska, J., Ifie, K., Lukas, B. A., & Walsh, G. (2020). Discount venture brands: Self-congruity and perceived value-for-money? *Journal of Business Research*, 116, 412–419.
- Barsky, J., & Nash, L. (2002). Evoking emotion: Affective keys to hotel loyalty. *Cornell Hotel and Restaurant Administration Quarterly*, 43(1), 39–46.
- Batat, W. (2019). *The new luxury experience: Creating the ultimate customer experience*. Springer.
- Berman, B. (2015). How to compete effectively against low-cost competitors. *Business Horizons*, 58(1), 87–97.
- Brotherton, B. (2004). Critical success factors in UK budget hotel operations. *International Journal of Operations & Production & Production Management*, 24(9), 944–969.
- Bruhn, M., & Zimmermann, A. (2022). Commodities in the service sector: Particularities and implications for marketing. In M. Enke, A. Geigenmüller, & A. Leischning (Eds.), *Commodity marketing: Strategies, concepts, and cases* (pp. 43–69). Springer.
- Chen, X. (2022). Marketing comparison between luxury brands and everyday brands. In M. Hrushikesh, B. Gaiikar Vilas, & S. Ong Tze (Eds.), *Proceedings of the 2022 4th International Conference on Economic Management and Cultural Industry (ICEMCI 2022)* (pp. 236–244). Atlantis Press.
- Chen, A., & Peng, N. (2014). Examining Chinese consumers' luxury hotel staying behavior. *International Journal of Hospitality Management*, 39, 53–56.
- Chiang, C. F. (2018). Influences of Price, service convenience, and social servicescape on post-purchase process of capsule hotels. *Asia Pacific Journal of Tourism Research*, 23(4), 373–384.
- Chitturi, R., Raghunathan, R., & Mahajan, V. (2008). Delight by design: The role of hedonic versus utilitarian benefits. *Journal of Marketing*, 72(3), 48–63.

- Colbu, I. C., Scutariu, A. L., & Scutariu, A. L. (2008). Aspects regarding the consumer buyer behavior for budget hotels in Ireland. *Annals of the Alexandru Ioan Cuza University of Iasi*, 55, 175–182.
- Culiberg, B., & Rojšek, I. (2010). Identifying service quality dimensions as antecedents to customer satisfaction in retail banking. *Economic and Business Review*, 12(3), 151–166.
- Danaher, P. J., Roberts, J. H., Roberts, K., & Simpson, A. (2011). Practice prize paper: Applying a dynamic model of consumer choice to guide brand development at Jetstar Airways. *Marketing Science*, 30(4), 586–594.
- De Chernatony, L., McDonald, M., & Wallace, E. (2011). *Creating powerful brands in consumer, service and industrial markets*. Elsevier.
- Dugandžić, M. (2023). *Uloga concierge-a u stvaranju vrijednosti za luksuzne ugostiteljske brendove* [Unpublished degree thesis]. Università Istriana di scienze applicate.
- Easy Hotel. (n.d.). *Malaga*. <https://www.easyhotel.com/hotels/spain/malaga/malaga>
- El Haddad, R. (2015). Exploration of Revenue management practices: Case of an upscale budget hotel chain. *International Journal of Contemporary Hospitality Management*, 27(8), 1791–1813.
- Esmailpour, F. (2015). The role of functional and symbolic brand associations on brand loyalty: A study on luxury brands. *Journal of Fashion Marketing and Management*, 19(4), 467–484.
- Florack, A., & Palcu, J. (2017). The psychology of branding. In C. Jansson-Boyd & M. Zawisza (Eds.), *International handbook of consumer psychology* (pp. 542–564). Routledge.
- Four Seasons Hotel. (n.d.). *Four Seasons Hotel: Istanbul at the Bosphorus*. <https://www.fourseasons.com/bosphorus/>
- Giglio, S., Pantano, E., Bilotta, E., & Melewar, T. C. (2020). Branding luxury hotels: Evidence from the analysis of consumers' "big" visual data on tripadvisor. *Journal of Business Research*, 119, 495–501.
- Giménez, J. F. V. (2013). *Beyond the low cost business: Rethinking the business model*. Springer.
- Grönroos, C. (2006). On defining marketing: Finding a new roadmap for marketing. *Marketing Theory*, 6(4), 395–417.
- Hagtvedt, H., & Patrick, V. M. (2009). The broad embrace of luxury: Hedonic potential as a driver of brand extensibility. *Journal of Consumer Psychology*, 19(4), 608–618.
- Han, S. L., & Kim, K. (2020). Role of consumption values in the luxury brand experience: Moderating effects of category and the generation gap. *Journal of Retailing and Consumer Services*, 57, 102249.
- Harkison, T., Hemmington, N., & Hyde, K. F. (2018). Luxury accommodation-significantly different or just more expensive? *Journal of Revenue and Pricing Management*, 17, 231–243.
- Heo, C. Y., & Hyun, S. S. (2015). Do luxury room amenities affect guests' willingness to pay? *International Journal of Hospitality Management*, 46, 161–168.
- Hyatt Regency. (n.d.). *Central London hotel embraces history near Palace of Westminster and Big Ben*. <https://www.hyatt.com/hyatt-regency/lonre-hyatt-regency-london-albert-embankment>
- Ilias, K. (2010). *Luxury brands versus other brand categories*. Wiley.
- Ivens, B., Müller, B., Wölfl, S., & Leischnig, A. (2022). On price roles and budget branding. In *Commodity marketing: Strategies, concepts, and cases* (pp. 141–152). Springer.
- Jain, V., Wirtz, J., Salunke, P., Nunkoo, R., & Sharma, A. (2023). Luxury hospitality: A systematic literature review and research agenda. *International Journal of Hospitality Management*, 115, 103597.
- Jung Choo, H., Moon, H., Kim, H., & Yoon, N. (2012). Luxury customer value. *Journal of Fashion Marketing and Management: An International Journal*, 16(1), 81–101.
- Kapferer, J. N. (2017a). Managing luxury brands. In J. N. Kapferer, T. O. Brexendorf, J. Kernstock, & S. M. Powell (Eds.), *Advances in luxury brand management* (pp. 235–249). Palgrave Macmillan.
- Kapferer, J. N. (2017b). The end of luxury as we knew it? In J. N. Kapferer, T. O. Brexendorf, J. Kernstock, & S. M. Powell (Eds.), *Advances in luxury brand management* (pp. 25–41). Palgrave Macmillan.
- Kapferer, J. N., & Bastien, V. (2009). *The luxury strategy: Break the rules of marketing to build luxury brands*. Kogan Page.
- Kapferer, J. N., & Bastien, V. (2017). The specificity of luxury management: Turning marketing upside down. In J. N. Kapferer, T. O. Brexendorf, J. Kernstock, & S. M. Powell (Eds.), *Advances in luxury brand management* (pp. 65–84). Palgrave Macmillan.
- Khan, S. A., Al Shamsi, I. R., Ghila, T. H., & Anjam, M. (2022). When luxury goes digital: Does digital marketing moderate multi-level luxury values and consumer luxury brand-related behavior? *Cogent Business & Management*, 9(1), 2135221.
- Kim, J. H. (2019). Imperative challenge for luxury brands: Generation Y consumers' perceptions of luxury fashion brands' e-commerce sites. *International Journal of Retail & Distribution Management*, 47(2), 220–244.

- Kivetz, R., & Simonson, I. (2002). Earning the right to indulge: Effort as a determinant of customer preferences toward frequency program rewards. *Journal of Marketing Research*, 39(2), 155–170.
- Ko, E., Costello, J. P., & Taylor, C. R. (2019). What is a luxury brand? A new definition and review of the literature. *Journal of Business Research*, 99, 405–413.
- Kotler, P., & Keller, K. L. (2012). *Marketing management* (14th ed.). Pearson.
- Kotler, P., Keller, K. L., Brady, M., Goodman, M., & Hansen, T. (2019). *Marketing management* (4th, European ed.). Pearson.
- Kwon, J., Seo, Y., & Ko, D. (2016). Effective luxury-brand advertising: The ES-IF matching (entity-symbolic versus incremental-functional) model. *Journal of Advertising*, 45(4), 459–471.
- Ladhari, R. (2009). Service quality, emotional satisfaction, and behavioral intentions: A study in the hotel industry. *Managing Service Quality: An International Journal*, 19(3), 308–331.
- Lee, J. S., Kim, J., Hwang, J., & Cui, Y. G. (2021). Does love become hate or forgiveness after a double deviation? The case of hotel loyalty program members. *Tourism Management*, 84, 104279.
- Lo, A., & Yeung, M. A. (2020). Brand prestige and affordable luxury: the role of hotel guest experiences. *Journal of Vacation Marketing*, 26(2), 247–267.
- McDonald, M., & Dunbar, I. (2012). *Market segmentation: How to do it and how to profit from it*. Wiley.
- McDonald, M., & Wilson, H. (2016). *Marketing plans: How to prepare them, how to use them* (8th ed.). Wiley.
- McDonald, M., Payne, A., & Frow, P. (2011). *Marketing plans for services: A complete guide*. Wiley.
- Merriam-Webster. (n.d.-a). *Luxury*. <https://www.merriam-webster.com/dictionary/luxury>
- Merriam-Webster. (n.d.-b). *Affordable*. <https://www.merriam-webster.com/dictionary/affordable>
- Miller, K. W., & Mills, M. K. (2017). Probing brand luxury: A multiple lens approach. In J. N. Kapferer, T. O. Brexendorf, J. Kernstock, & S. M. Powell (Eds.), *Advances in luxury brand management* (pp. 157–177). Palgrave Macmillan.
- Nakaprasit, A. (2012). *A mixed method study of airline brand equity* [Unpublished doctoral dissertation]. Cranfield University.
- Nia, A., & Lynne Zaichkowsky, J. (2000). Do counterfeits devalue the ownership of luxury brands? *Journal of Product & Brand Management*, 9(7), 485–497.
- Okonkwo-Pézar, U. (2017). The luxury brand strategy challenge. In J. N. Kapferer, T. O. Brexendorf, J. Kernstock, & S. M. Powell (Eds.), *Advances in luxury brand management* (pp. 59–64). Palgrave Macmillan.
- Patrick, V. M., & Hagtvedt, H. (2014). Luxury branding. In D. J. MacInnis, C. Whan Park, & J. W. Priester (Eds.), *Handbook of brand relationships* (pp. 289–302). Routledge.
- Peng, N., & Chen, A. (2019). Examining consumers' luxury hotel stay repurchase intentions-incorporating a luxury hotel brand attachment variable into a luxury consumption value model. *International Journal of Contemporary Hospitality Management*, 31(3), 1348–1366.
- Pijls-Hoekstra, R. (2020). *Are you feeling served? The Embodied experience of hospitality in service environments* [Unpublished doctoral dissertation]. University of Twente.
- Point A Hotels. (n.d.). *Discover Edinburgh*. <https://www.pointahotels.com/our-hotels/edinburgh/>
- Premier Inn. (n.d.). *Hub by Premier Inn Edinburgh city centre (Rose Street)*. <https://www.premierinn.com/gb/en/hotels/scotland/lothian/edinburgh/hub-edinburgh-rose-street.html>
- Putri, R. S., Suarly, T. C., Alaric, W., & Manaf, P. A. (2021). Purchase intention on low-cost smartphone in terms of well established smartphone brand users. *Emerging Markets: Business and Management Studies Journal*, 8(2), 109–123.
- Ren, L., Qiu, H., Ma, C., & Lin, P. M. (2018). Investigating accommodation experience in budget hotels. *International Journal of Contemporary Hospitality Management*, 30(7), 2662–2679.
- Ren, L., Zhang, H. Q., & Ye, B. H. (2015). Understanding customer satisfaction with budget hotels through online comments: Evidence from home inns in China. *Journal of Quality Assurance in Hospitality & Tourism*, 16(1), 45–62.
- Ren, L., Qiu, H., Wang, P., & Lin, P. M. (2016). Exploring customer experience with budget hotels: Dimensionality and satisfaction. *International Journal of Hospitality Management*, 52(9–10), 13–23.
- Santos, V., Ramos, P., Sousa, B., Almeida, N., & Valeri, M. (2022). Factors influencing touristic consumer behavior. *Journal of Organizational Change Management*, 35(3), 409–429.
- Super 8 Worldwide. (n.d.). *Wyndham Hotels*. <https://www.wyndhamhotels.com/super-8/sturbridge-massachusetts/super-8-sturbridge/overview>
- Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77(2), 203–220.

- The Ritz-Carlton. (n.d.). *Welcome to The Ritz-Carlton, Kyoto: Serene tranquility awaits at our luxury Kyoto sanctuary*. <https://www.ritzcarlton.com/en/hotels/ukyrz-the-ritz-carlton-kyoto/overview/>
- Tynan, C., McKechnie, S., & Chhuon, C. (2010). Co-creating value for luxury brands. *Journal of Business Research*, 63(11), 1156–1163.
- Vigneron, F., & Johnson, L. W. (2004). Measuring perceptions of brand luxury. *Journal of Brand Management*, 11(6), 484–506.
- Westin Hotel & Resorts. (n.d.). *Discover our luxury historic hotel in Rome*. <https://www.marriott.com/en-us/hotels/romwi-the-westin-excelsior-rome/overview/>
- Wiedmann, K. P., Hennigs, N., & Klarmann, C. (2017). Luxury consumption in the trade-off between genuine and counterfeit goods: What are the consumers' underlying motives and value-based drivers? In J. N. Kapferer, T. O. Brexendorf, J. Kernstock, & S. M. Powell (Eds.), *Advances in luxury brand management* (pp. 85–122). Palgrave Macmillan.
- Wirtz, J., Holmqvist, J., & Fritze, M. P. (2020). Luxury services. *Journal of Service Management*, 31(4), 665–691.
- Yang, W., & Mattila, A. S. (2016). Why do we buy luxury experiences? Measuring value perceptions of luxury hospitality services. *International Journal of Contemporary Hospitality Management*, 28(9), 1848–1867.
- Ye, S., Wu, L., & Paek, S. (2020). Examining the step-up brand extensions of budget hotels: The reciprocal spillover effects. *Cornell Hospitality Quarterly*, 61(2), 154–169.