

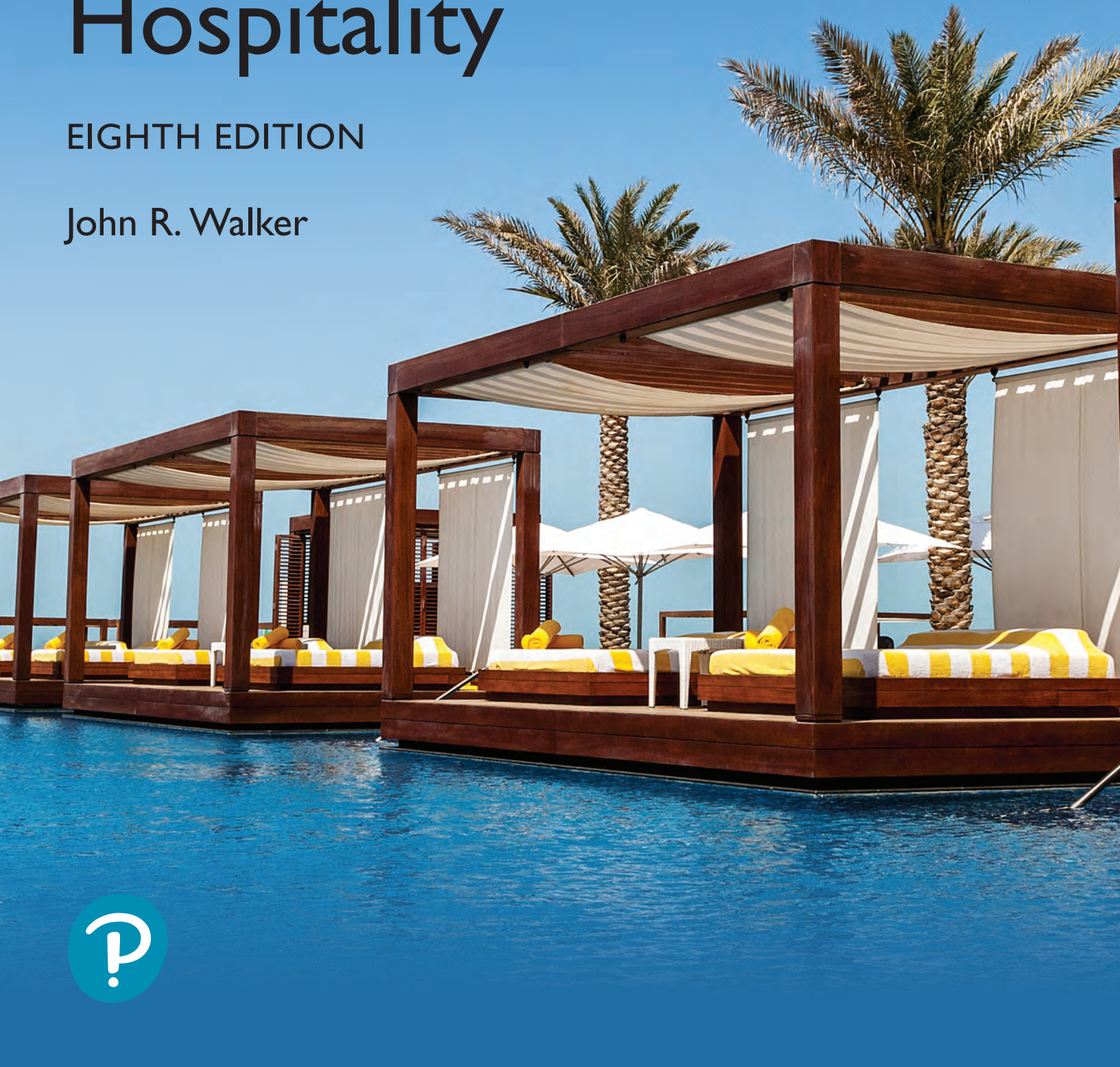
GLOBAL
EDITION



Introduction to Hospitality

EIGHTH EDITION

John R. Walker



Introduction to Hospitality

EIGHTH EDITION
GLOBAL EDITION



JOHN R. WALKER

*McKibbon Professor of Hotel and Restaurant Management,
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TO THE STUDENT

Dear Future Hospitality Professional:

This textbook is written to empower you and help you on your way to becoming a future leader of this great industry. It will give you an in-depth overview of the world's largest and fastest growing business. Each chapter contains **profiles of industry practitioners and leaders, case studies, and corporate profiles**. Additionally, industry experts speak on their area of specialization in **focus boxes**.

Read the Book

Read and study the text, including the profiles, focus boxes, applications, and case studies. Answer the Check Your Knowledge questions and review questions. By using the many tools throughout this textbook, you will be amazed at how much more you get out of class by preparing ahead of time.

Success in the Classroom

Faculty constantly say that the best students are the ones who come to class prepared. I know that, as a hospitality student, you have many demands on your time: work, a heavy course load, family commitments, and, yes, fun—plus a lot of reading and studying for your other courses. With these thoughts in mind, I tried to make this book as visually appealing, easy, and engaging to read and enjoyable as possible.

Wishing you success in your studies and career.

Sincerely,

John Walker D.B.A., CHA., FMP.

Take some time to turn the page and review descriptions of all the features and tools in this book and find out how they will facilitate your reading and understanding of the concepts. **Discover** the exciting opportunities in the numerous and varied segments of the hospitality industry.

Boxed Features Connect You to the Real World

These boxed features introduce you to *real people* who describe their experiences *on the job* in the world of hospitality management.

Introducing . . . and A Day in the Life of . . .

Introducing Valerie Ferguson

Regional General Manager—Resort Operations, Walt Disney Company

To most, “making it big” seems like a regular statement and a task easily achieved. To Valerie Ferguson, it comes with a lot of work, dedication, and heart. She speaks often about seizing opportunities and adding self-interest to what you do for your career.

For this African American woman, life wasn’t always easy. As the managing director of Loews Philadelphia Hotel and regional vice president of Loews Hotels, she had a lot to say about what got her to where she is now.




Courtesy of Valerie Ferguson

When Loews was being opened, Valerie was thrilled with the adventure of being with a still-growing company. Chairman and CEO of Loews, Jonathan Tisch, became a close friend as they served together on the board of the American Hotel and Lodging Association (AHLA). Valerie is the past chairman of the AHLA, and she was the second woman, who served as chair for the association, and she was the first woman, who is African American.

A Day in the Life of a Fast Casual Restaurant Manager

Chris Marrero, Regional Manager, Pei Wei Asian Diner



Chris Marrero

Pei Wei is an Asian-themed fast casual restaurant that is owned by P. F. Chang’s China Bistro, which is a subsidiary of Wok Parent LLC. Pei Wei has about 190 locations and offers a different menu and dining atmosphere than its parent company. Pei Wei utilizes counter ordering

Wei restaurants. He leads a large team and works with his leaders to ensure Pei Wei standards are maintained. When Chris was a general manager, he typically worked 50 hours a week and he began his day between 8:00 and 9:00 A.M. with a walk through the restaurant and a check of the online “red books”—an electronic logbook into which managers enter important details as a part of necessary communication. Chris would then order the food, create the schedule, do inventories, and oversee the food preparation. With wok-seared cooking, everything is fresh with supplies coming six days a week. During the early morning, Chris would check the prep list to ensure the correct quantities were prepared. At approximately 10 A.M. each morning, he would conduct a line check where all the temperatures are checked. At 11:00 A.M., it’s “all hands on deck” and

You’re introduced to industry practitioners’ careers, the issues and challenges they encounter, and their achievements and contributions. These features give a “from-the-heart,” up-close and personal view of their work. From dreams to reality—follow the career paths to success for industry leaders and learn from their experiences.

Corporate Profiles

Corporate Profile

Dusit International—Proudly Thai

Thailand’s Dusit International was founded in 1948, with the brand’s first hotel on Charoenkrung Road, Bangkok. Over the years, it has grown to become one of the leading hotel businesses in Asia with an international portfolio of hotels and resorts: Dusit Thani, dusitD2, Dusit Princess, and Dusit Devarana. The group is poised to launch a new brand, ASAI Hotels. This will be a departure from its usual offerings, as ASAI is marketed as an affordable lifestyle brand with millennials as its key target market.¹⁷ Dusit International currently operates 33 properties worldwide. It has released plans to open another 50 hotels in myriad destinations across the world, including Bahrain, Bangladesh, Bhutan, China, Indonesia, Kenya, Myanmar, Oman, Philippines, Qatar, Saudi Arabia, Singapore, Thailand, UAE, and Vietnam.

A common theme that runs across the range of Dusit hotels




The company has applied the franchising model to three of its four brands, namely Dusit Thani, dusitD2, and Dusit Princess. Few hotels under the franchising model are: Dusit Princess Phu Quoc, Vietnam; dusitD2, Tianjin, China; Dusit Thani, Jiangsu, China; Dusit Thani, Guangdong, China; and Dusit Princess, Dhaka, Bangladesh. The company started adopting franchising at the end of 2016 to complement its existing hotel management business model.^{18,19}

As a franchisor, the company licenses the owners and operators of independent businesses to use Dusit brand names, without taking on big business risks and expenses. Dusit does not operate these hotels, but instead provides coordination and services that allow franchisees to retain local control of their activities. At the same time, franchisees benefit from the economies of scale of widely promoted brand names and well-established standards of service, national and regional direct marketing, co-marketing programs, and volume purchasing discounts. Through franchising, the company limits its own risks and is able to keep overhead costs low. Dusit also limits the volatility in the busi-


Learn about the practices, growth, and scope of leading corporations and organizations. For example, Marriott International did not start out as a multibillion-dollar company; the company began as a nine-seat root beer stand in 1927.

Focus on



Focus on Rooms Division

Charlie Adams, Ph.D., Professor of RHIM, Texas Tech University, Lubbock, TX




From the early days of primitive inns to our modern super hotels, like the Izmaloovo Hotel with 5,000 rooms in Moscow, employees are the crucial ingredient to hotel or motel success. Even with extraordinary advances in technology and the globalization of lodging in the twenty-first century, lodging remains fundamentally a people business and it is the employees who are responsible for the appearance, image, and reputation of the hotel.

are met and that they have a memorable experience. As a rooms division employee, you will be part of several interconnected functions that include: front desk, housekeeping, reservations, concierge, guest services, security, and communications. The following are some important tips for success in fulfilling the company's promise to each guest:

- **Front Desk.** Here is where the first and last impressions are always made! At the front desk, it is important to be personable, confident, and patient because your guests will vary in temperament, needs, and expectations. Always remember a friendly, calm, and positive attitude are your best tools even in trying situations. Multitasking becomes an art form at the front desk, calling upon all of your communication, typing, and computer skills.
- **Housekeeping.** Perception is reality and cleanliness is

Written by contributing expert authors, these boxes offer unique personal perspectives on chapter topics.

How To



How to Plan for the Improvement of Health Care Managed Services

Courtesy of James McManemon, M.S., University of South Florida Sarasota-Manatee

Karen Ozawa is a foodservice manager who works for a 300-bed medical center that is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF). Ozawa shared her plan for enhancing the foodservice operations at her facility.

When hired, Ozawa was tasked with surveying the current foodservice operations, and, based upon information gathered, she implemented changes. Feedback from both employees and patients was used to improve the employee cafeteria, making mental notes of areas for improvement. She noted that the kitchen was usually clean and appeared to be well maintained, with each kitchen attendant partaking in some job responsibility. The layout of the kitchen was conveniently planned for mass production and distribution of food items.

At the heart of the kitchen's foodservice operation was a long meandering assembly line for preparing food trays for the hospital patients. The trays were assembled in a swift manner; however, the presentation of the food items was messy during peak meal times. The meat and side items were placed onto the

This feature focuses on a specific issue related to a central function within various sectors of the hospitality industry and how that issue was (or might be) addressed and resolved.

Current Issues



Current Issues in Hotel and Rooms Division Operations

Technology and Social Media

Technology to help improve the guest experience and social media reviews are increasingly important—Trip Advisor has more than 350 million unique monthly visitors. Websites like Trip Advisor offer reviews of hotels, restaurants, and other hospitality attractions. Some hotels have created virtual reality property tours to help persuade potential guests to become actual guests. Guests value a personalized experience, so some hotels have appointed a chief guest experience officer to oversee the guest journey. There are hotel apps that promise best rate for bookings, easy check-in, and front desk services designed to optimize the guest experience.

that we genuinely want to make their stay a great experience. If necessary, apologize, listen carefully and empathize with the guest and let them know that you are "with them" and what you will do to help the guest. We need to be good listeners and fully grasp what the guest is saying and asking for and notice their body language and tone of voice by giving complete attention and letting the guest know what you will do to help them. Be sincere and use their name whenever possible.

- What are three things you could do to turn a poor guest experience into a positive experience?
- What does service mean to you?

Dr. Greg Dunn and Professor Mary Nunaley have revised and updated the Current Issues section in each chapter to give you an up-to-date and realistic picture of factors currently shaping the future of that segment of the industry.

Hone Your Critical Thinking Skills

Case Studies

Thankfully, This Is Not Your Résumé

1234 Rotten Row
Somewhere MI
January 15, 2018

Goal: To land a job where I can make a lot of money.
Tries to reach goals and provide superior service.
Recognized as a good team player.
Able to communicate.

Key Competences:
Foot Cost Analysis Inventory Control Accounting
Marketing Research Human Resources Customer Service

Honors and Awards
Member of Eta Sigma Delta
Member craft beer society

Experience
University dining dishwasher 1988–1992.
Hotel Bellman—hotel No-Good, grand Rapids MI 1992–1995.
Restaurant busser—Eat Here, Grand Rapids MI 2002–2006.
Restaurant server—Ed’s Tavern Grand Rapids MI 2010–2017.

CASE STUDY

DISCUSSION QUESTIONS

In this edition, you will find a new case study written for each chapter—all based on industry scenarios. You will be challenged to test your skills and knowledge as you address and recommend appropriate actions in each situation.

Apply Your Knowledge


Apply Your Knowledge

1. You are the rooms division director at a large city-center hotel. Your GM is concerned that room revenue is down and asks you to create a plan to increase room revenue over the next 90 days. What are the first three things you would do to complete this request?
2. Your hotel has 500 rooms. Five are off market for maintenance and repair. You have 495 rooms available.

Apply the knowledge and skills learned in each chapter to real-life industry topics.

Important Memory Tools

Learning Objectives



Edward Nalbanjan/123RF

Rooms Division 3

Learning Objectives

After reading and studying this chapter, you should be able to:

- Outline the duties of the general manager and executive committee.
- Summarize the main functions of the rooms division.
- Discuss revenue management and calculate key operating ratios.

Front of the House

Learning Objective 1: Describe the responsibilities of a restaurant's front of house.

Restaurant operations are generally divided between what is commonly called **front of the house** and **back of the house**. The front of the house includes anyone with guest contact,

Helping students keep track of and focus on the essential information they must take away from each chapter is an essential pedagogical tool. In this edition, a bulleted list of objectives is featured on the opening page of each chapter, thus providing a “heads up” with regard to chapter coverage and organization; however, you also will be reminded of the relevant objective to be covered in each major section by a *numbered* Learning Objective to help you focus and organize your thoughts as you read through the chapter. Ultimately this feature provides a map of what you need to know after studying the chapter and doing the exercises, case questions, and Apply Your Knowledge questions.

Check Your Knowledge



Check Your Knowledge

LO 1: Outline the duties of the general manager and executive committee.

- **Hotels contain many revenue or cost centers that contribute to the profitability of the hotel and often require unique skills and knowledge to successfully manage them. The management structure varies based on the size of a hotel but the ultimate**

At the end of every LO section, the Check Your Knowledge section helps you review and reinforce the material that has just been covered.

Key Words and Concepts

Highlighted in bold with easy-to-understand definitions in the Glossary, the key words and concepts help you recall the importance of and meaning of these important terms. Master the key words and concepts of the text and improve your test scores.

Review Questions

By answering these review questions, you will reinforce your mastery of the materials presented in the text and most likely improve your test scores.

Visuals

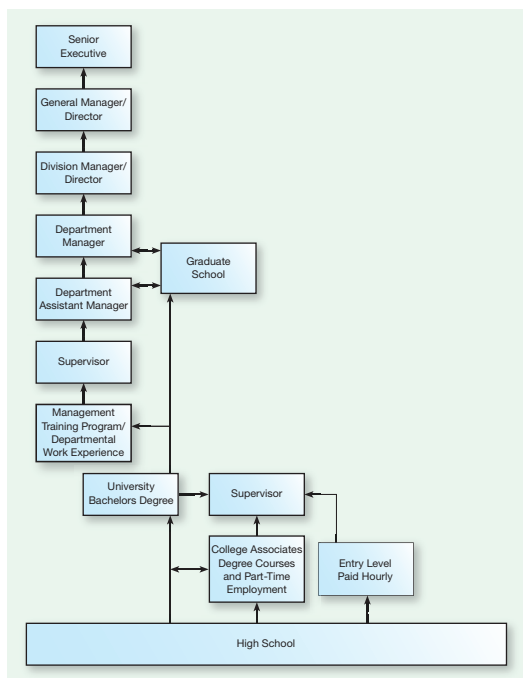


FIGURE 1-1 A Possible Career Path in the Hospitality Industry. Is Education Worth It? You Bet! Just Think—Over a Career, the Difference in Salary between an Associate and a Bachelor's Degree is \$700,000. Yes, that's More Than Half a Million Bucks! (Source: U.S. Census Bureau Average Lifetime Earnings—Different Levels of Education.)

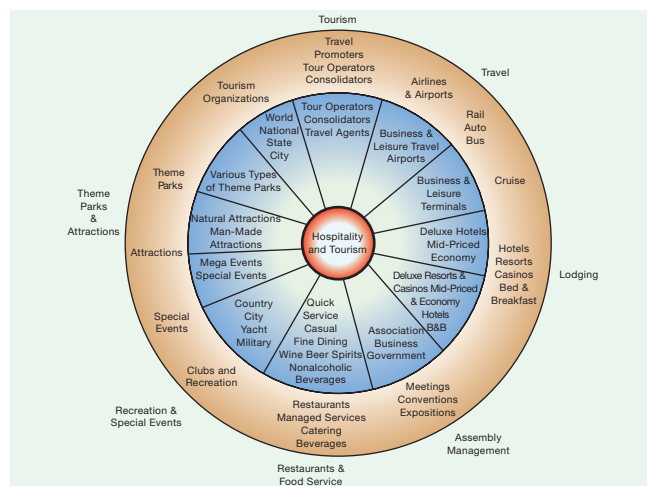


FIGURE 1-3 The Interrelated Nature of Hospitality, Travel, and Tourism.

The interrelated nature of hospitality and tourism means that we could fly here, stay in a hotel, and eat in a restaurant.



The colorful design with lively photographs, drawings, and tables maintain your interest and provide visual aids to learning.

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PREFACE

Thank you to the professors and students who have used the previous editions of this text. This new eighth edition of *Introduction to Hospitality* focuses on hospitality operations and has been written in response to professors and students who wanted a broader view of the world's largest industry. This text offers a comprehensive overview of the industry.

This text is designed for the hospitality management professionals of tomorrow. By involving readers in each step of this exciting journey, *Introduction to Hospitality* invites students to share the unique enthusiasm and passion surrounding the hospitality industry. Each chapter has been vetted by industry professionals and includes several hands-on examples that help students understand the how-to aspects of the hospitality industry.

The primary goals and objectives of this text are to:

- Prepare students to advance in their hospitality career by offering a foundation of knowledge about the hospitality industry presented in a lively, interesting manner with an extensive array of features to facilitate the learning process.
- Offer students information on the array of careers available in the various segments of the hospitality industry.
- Assist students in learning the details of the hospitality industry by offering chapters on the operational areas of the industry.
- Facilitate learning by offering a student-friendly text to students and an outstanding instructional package to professors.

Organization of the Text

This eighth edition has been divided into five parts:

- Part I Introducing Hospitality and Lodging
- Part II Beverages, Restaurants, and Managed Services
- Part III Tourism, Recreation, Attractions, Clubs, and Gaming
- Part IV Assemblies, Events, Attractions, Leadership, and Management
- Part V Managerial Areas of the Hospitality Industry

New to This Edition:

1. Updated interviews with hospitality professionals, including social media coach Fallon Zoe; general managers Thom Druffel and Norberto Roman; and Hospitality Playbooks founder Bob Duprey
2. Updated information on planning, including information on objectives and key results
3. Reorganization of information on gaming entertainment, with history of the industry and current practices in one complete section

New and Continuing Features:

- Revision of each chapter with current facts, figures, new photos, and new page layouts

Chapter 1:

- Addition of a section on hospitality in the twenty-first century
- An update of the salaries figure

Chapter 2:

- Extension of timeline beyond the year 2000
- The addition of new hotels by price segment
- Revised Introducing Valerie Ferguson and Jason Samson features

Chapter 3:

- New “Focus on Revenue Management” feature
- New case study about corporate tie-ups with hotels
- New section on spas
- New information on sustainability

Chapter 4:

- New “Corporate Profile” featuring Hema Hariramani, Hotel Manager, The Westin Mumbai Garden City, India
- New information about careers in food and beverage
- New case study about the all-inclusive model called package revenue

Chapter 5:

- New “A Day in the Life” featuring Brad Coburn
- New section on craft brewing
- New information on sustainability
- New “Current Issues in Beverage Management” feature
- New case study about zero-kilometer products

Chapter 6:

- New information about how to provide a remarkable dining experience
- New “Introducing Poonam Maini” feature
- New “Current Issues in the Restaurant Business” feature
- New information on sustainability
- New case study on the challenges faced by the casual dining sector

Chapter 7:

- New information about wireless POS systems
- New “Introducing Bob Duprey” feature
- New “Corporate Profile” featuring Kebab Turki Baba Rafi
- New “Current Issues in Restaurant Operations” feature
- New case study on dynamic pricing in restaurants

Chapter 8:

- New “Current Issues in Managed Services” feature

Chapter 9:

- New “Introducing Mary Kenealy” feature
- New information on sustainability

- New “Focus on Lorie Tuma” feature
- New “Current Issues in Travel and Tourism” feature
- New case study on the decline in Thailand’s tourism business due to the worldwide pandemic

Chapter 10:

- New section on spas
- New “Career Information” section
- New information on sustainability
- New case study on managing labor costs in a private club setting

Chapter 11:

- New “Career Information” section
- New “Current Issues in Gaming Entertainment Industry” feature

Chapter 12:

- New focus on marketing
- New information on sustainability
- New “Career Information” section
- New “Current Issues in Meetings, Conventions, and Expositions” feature

Chapter 13:

- New “Introducing Emily Greenbaum” feature
- New information on sustainability
- New “Current Issues in Special Events” feature

Chapter 14:

- New “How to Lead Yourself” feature
- New “Introducing Fallon Zoe” feature
- New “A Day in the Life” featuring Elena Cormio
- New information on sustainability

Chapter 15:

- New “Introducing Virginia Haley” feature
- New “Introducing John Horne” feature
- New information on sustainability
- New “Current Issues in Planning” feature

Chapter 16:

- New “Corporate Profile” featuring H.E.M.A. Resto
- New information on sustainability
- New “Current Issues in Organizational Management” feature
- New case study on creating an organizational structure

Chapter 17:

- New “Corporate Profile” featuring OYO Hotels and Homes
- New information on sustainability
- New “Current Issues in Communication” feature
- New case study on the challenges of decision-making process

Chapter 18:

- New “A Day in the Life” featuring Shannon Litchfield
- New information on sustainability
- New “Current Issues in Control” feature
- A Check Your Knowledge feature throughout each chapter aids in checking reading comprehension of learning objectives
- Key words and concepts set in boldface in text, listed at the ends of chapters, and defined in the Glossary
- Conclusion of each chapter with Review Questions, Apply Your Knowledge Questions, and Suggested Activities

Additional Resources

1. Professional PowerPoint presentation is available online to qualified text adopters
2. Online Instructors Manual is available online to qualified text adopters

To access supplementary materials online, instructors need to request an instructor access code.

Go to **www.pearsonglobaleditions.com**, where you can register for an instructor access code.

Within 48 hours after registering, you will receive a confirming e-mail, including an instructor access code. Once you have received your code, go to the site and log on for full instructions on downloading the materials you wish to use.

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John has taught at two- and four-year schools in Canada and the United States. In addition to being a hospitality management consultant and text author, he has been published in *The Cornell Hotel Restaurant Administration Quarterly*, *The Hospitality Educators Journal*, and the *New York Times*. He is a 10-time recipient of the President's Award for teaching, scholarship, and service, and he has received the Patnubay Award for exemplary professional performance through teaching and authorship of tourism and hospitality publications.

John is an editorial advisory board member for Progress in Tourism and Hospitality Research. He is a past president of the Pacific Chapter of the Council on Hotel, Restaurant, and Institutional Education (CHRIE). He is a certified hotel administrator (CHA) and a certified foodservice management professional (FMP).

John is married to Josielyn T. Walker, and they have twins, Christopher and Selina. The Walkers live in Sarasota, Florida.

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Scnhnc052008/Shutterstock

Introducing Hospitality

1

Learning Objectives

After reading and studying this chapter, you should be able to:

- Discuss the history of hospitality through the ages.
- Describe the modern hospitality industry.
- Explain why service is so important to success in the hospitality industries and how to perfect it.
- Determine and prepare yourself for a career path in the hospitality and tourism industries.



The modern lobby reflects the changing needs of the modern traveler focusing on creating a warm and welcoming experience.

Prelude

Interested in a six-figure income? Read on: This book and the hospitality industries can take you there. Let's begin with a brief overview of how we got to where we are today.

Hospitality through the Ages¹

Learning Objective 1: Discuss the history of hospitality through the ages.

The concept of hospitality is as old as civilization itself. Its development from the ancient custom of breaking bread with a passing stranger to the operations of today's multifaceted hospitality conglomerates makes fascinating reading, and interesting comparisons can be made with today's hospitality management.

The word **hospitality** comes from *hospice*, an old French word meaning "to provide care/shelter for travelers." The most famous hospice is the Hospices de Beaune in the Burgundy region of France, also called the Hôtel Dieu or the House of God. It was founded as a charity hospital in 1443 by Nicolas Rolin, the chancellor of Burgundy, as a refuge for the poor.

The hospital is still functioning, partly because of its role in the wine world. Throughout the centuries, several Burgundian landowners have donated vineyards to the Hospices to help pay for maintaining its costs. Every fall, the wines from these vineyards—about a hundred acres of vines—are sold at a colorful wine auction on the third Thursday in November, which determines the prices for the next year's Burgundy wines.

Ancient Times

The Sumerians (who lived in what is now Iraq) were the first to record elements of hospitality in about 4,500 years before the Common Era (B.C.E.). They moved from being hunter-gatherers



Vergisson, located in the Burgundy region of France and known for its Pouilly-Fuisse, is a popular destination for wine connoisseurs and novices who travel to France to experience the wine and culture.

to growing crops, which, due to surpluses, they were able to trade. More time became available for other activities such as writing, inventing money, creating pottery, making tools, and producing beer, which was probably safer to drink than water. Taverns served several beers and, as with today, provided a place for locals to relax and enjoy each other's company.

Between 4000 and 2000 B.C.E., early civilizations in Europe, China, Egypt, and India all had some elements of hospitality offerings, such as taverns and inns along the roadside.

Greece and Rome

Mention of hospitality—in the form of taverns—is found in writings dating back to ancient Greece and Rome, beginning with the Code of Hammurabi (circa 1700 B.C.E.). The Code required owners to report guests who planned crimes in their taverns. The penalty for not doing so was death, making tavern-keeping a hazardous occupation. The death penalty could also be imposed for watering the beer!

Increased travel and trade made some form of overnight accommodations an absolute necessity. In the Greek and Roman empires, inns and taverns sprang up everywhere. The Romans constructed elaborate and well-appointed inns on all the main roads, located about 25 miles apart. To ensure that fresh horses were available for officials and couriers of the Roman government, these inns could only be used with special government documents granting permission. The Mongol expansion through the Asian continent and the re-establishment of the Silk Road provided some of the best inns in China.

Some wealthy landowners built their own inns on the edges of their estates. These inns were run by household slaves. Nearer the cities, inns and taverns were run by freemen or by retired gladiators who would invest their savings in the "restaurant business" in the same way that so many of today's retired athletes open restaurants. The first "business lunch" is reputed to have been the idea of Sequius Locates, a Roman innkeeper; in 40 B.C.E., Locates devised the idea for ships' brokers, who were often too busy to go home for their midday meals.