

WARNING!!! UNDER PENALTY OF FAILURE OF THE COURSE

DO NOT PRINT THIS OUT

Your final exam is essay only. These are questions that may appear. You should understand the concepts, not just try to memorize answers. 8 or more questions will be chosen for the exam, with varying degrees of point value.

1. Why is service so important? What is a moment of truth?

Answer:

Great service results in happy guests. Happy guests provide not only repeated business, but a chain reaction via word of mouth. Service is defined in *Webster's New World Dictionary* as "the act or means of serving." To serve is to "provide goods and services for" and "be of assistance to."

Another key objective in the service equation is to create guest loyalty. We not only need to keep guests happy during their stay, but also to keep them returning—with their friends, we hope! It costs several times more to attract new guests than to retain existing ones. Imagine how much more profit a hospitality business would make if it could retain just 10 percent more of its guests as loyal guests.

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"Moments of truth" is a phrase credited to Jan Carlson, who, on becoming president of Scandinavian Airline System (SAS) when it was ranked at the bottom of the European airline market, realized that he had to spend a lot of time on the front line coaching SAS associates in how to handle guest encounters or, as he called them, moments of truth. Every hospitality organization has thousands of moments of truth every day. This leads to tremendous challenges in maintaining the expected levels of service.

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2. Describe the key elements of Disneyland guest service. Why does Disney call their employees "cast members"?

Answer:

1. Hiring, developing, and retaining the right people
2. Understanding their product and the meaning of the brand
3. Communicating the traditions and standards of service to all cast members
4. Training leaders to be service coaches
5. Measuring guest satisfaction
6. Recognizing and rewarding performance

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Answer:

To reinforce the service concept, Disney has guests, not customers, and cast members, not employees. These terms set the expectations for how guests will be served and cared for while at the park or resort. On the first day at work, every new Disney cast member participates in a one-day orientation program at the Disney University, "Welcome to Show Business." The main goal of this experience is to learn the Disney approach to helpful, caring, and friendly guest service. The term "cast member" indicates to the staff and guest alike that Disneyland is all about show business.

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3.. Describe and give an example of the following:

a. *The interrelated nature of the hospitality and tourism industry*

Answer:

Travelers have a tendency to travel to places that are hospitable. The relationship between hospitality and tourism is inseparable due to simultaneous production and consumption of the service product. Every guest/traveler has unique demands and each must be treated differently to satisfy their needs.

It doesn't matter whether the guest chooses a Fairmont hotel or a J. W. Marriott or a McDonald's or a Morton's Steakhouse; the idea is that hospitality plays a role in satisfying the guest demands whether they are making this choice in Cleveland or in Paris, France. (Page 6)

b. *The characteristics of the hospitality industry*

Answer:

Several characteristics of the hospitality industry are:

1. Service spirit; the concept of people being glad to do something extra to make the guest's experience memorable.
2. Advancement opportunities; the hospitality and tourism industry is the largest and fastest growing industry in the world.
3. It is a 24/7 operation; there is a tendency to work longer hours, plus the workweek is never the same. (Pages 7–8)

4.. What is the Disney service model?

Answer:

1. *It begins with a smile.* This is the universal language of hospitality and service.
2. *Make eye contact and use body language.* This means stance, approach, and gestures.
3. *Respect and welcome all guests.* This means being friendly, helpful, and going out of the way to exceed guests' expectations.
4. *Value the magic.* This means that when they're onstage cast members are totally focused on creating the magic of Disneyland.
5. *Initiate guest contact.* Cast members are reminded to actively initiate guest contact. Disney calls this being aggressively friendly.
6. *Creative service solutions.* For example, one Disneyland Hotel cast member recently became aware of a little boy who had come from the Midwest with his parents to enjoy the park and then left early because he was ill. The cast member approached the supervisor with an idea to send the child chicken soup, a character plush toy, and a get-well card from Mickey. The supervisor loved the idea, and all cast members are now allowed to set up these arrangements in similar situations without a supervisor's approval.

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5. Give a broad definition of tourism and explain why people are motivated to travel.

Answer:

Tourism is a dynamic, evolving, consumer-driven force, which is the world's largest industry if all its interrelated components are placed under one umbrella: travel; lodging; conventions, expositions, meetings, events; restaurants, managed services; and recreation.

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The World Tourism Organization's definition of tourism is "Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes."

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The reasons people travel are as diverse as the cultures in which we live. Just a few of the reasons may be to experience new cultures and to learn about a country's history; it may be business or it may be to see family.

6. Give a brief explanation of the economic impact of tourism. Name two organizations that influence or further the economic impact of tourism.

Answer:

Tourism is one of the world's most important sources of employment. It provides governments with substantial taxes to enhance infrastructures. It opens borders and promotes economic growth. It improves living conditions in host countries.

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The World Tourism Organization encourages governments, in partnership with the private sector, local authorities and nongovernmental organizations, to play a vital role in tourism.

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The World Bank (WB) lends substantial sums of money for tourism development.

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7. Choose a career in the tourism business and give a brief overview of what your responsibilities would be.

Answer:

A brief list taken from this chapter may be:

1. Tour Operator
2. Travel Agent
3. Corporate Travel Manager
4. Travel and Tour Wholesaler
5. Certified Travel Counselor

8. In your own words describe and give examples of the Multiplier Effect.

(See chapter 2 and think about what Prof. White has taught you.)

9. How is ecotourism defined by The International Ecotourism Society (TIES)?

Answer:

“ . . . responsible travel to natural areas that conserves the environment and improves the well-being of local people.”

This means that those who implement and participate in ecotourism activities should follow the following principles:

- Minimize impact.
- Build environmental and cultural awareness and respect.
- Provide positive experiences for both visitors and hosts.
- Provide direct financial benefits for conservation.
- Provide financial benefits and empowerment for local people.
- Raise sensitivity to host countries’ political, environmental, and social climate.
- Support international human rights and labor agreements.

10. What are the advantages of (a) management contracts and (b) franchising?

Discuss their impacts on the development of the hotel industry.

Answer:

Management contracts:

The management company provides operational expertise, marketing, and sales clout, often in the form of a centralized reservation system (CRS) for owners that do not have the desire or ability to operate the hotel.

Management contracts have been responsible for the hotel industry’s rapid boom since the 1970s. They became popular among hotel corporations because little or no up-front financing or equity was involved.

Franchising:

Franchising is a way of doing business that benefits both the franchisor—who wants to expand the business rapidly—and the franchisee—who has financial backing but lacks specific expertise and recognition.

Franchising continues to be a popular form of expansion both in North America and the rest of the world. North America is host to more than 180 hotel brand extensions and franchised hotel brands. Franchising remains a mostly North American activity, with limited opportunities in international markets.

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11. Explain what vacation ownership is. What are the different types of time-share programs available for purchase?

Answer:

Vacation ownership offers consumers the opportunity to purchase fully furnished vacation accommodations in a variety of forms, such as weekly intervals or points in points-based systems, for a percentage of the cost of full ownership. For a one-time purchase price and payment of a yearly maintenance fee, purchasers own their vacation either in perpetuity or for a predetermined number of years.

Two types of time-share organizations are:

Vacation ownership means a person purchases the use of a unit similar to a condominium for blocks of times, usually in weeks.

Vacation club owners purchase points that represent currency, which is used to access the club’s vacation benefits.

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12. What does PMS stand for? What functions does this system perform?

Answer:

A property management system contains a set of computer software packages capable of supporting a variety of activities in front and back office areas. The three most common front office software packages are designed to assist front office employees in performing functions related to the following tasks:

- Reservations management
- Rooms management
- Guest account management

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13. What is revenue management? How is revenue management applied in the hotel industry?

Answer:

Revenue management is a demand-forecasting technique used to maximize room revenue that the hotel industry borrowed from the airlines. It is based on the economics of supply and demand, which means that prices rise when demand is strong and drop when demand is weak. Thus, the purpose of revenue management is to increase profitability.

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14. A . Why did the First World War dramatically change the ship travel industry? B. How did the airplane affect the cruise industry? C. What is the status of cruising today?

A. Answer:

Many factors played a part in this, including the United States' change in immigration policies and the new attraction that Europe came to hold for the Americans. All in all, cruising became the fashionable thing to do, leading to an increase in the number of cruise ships built and operated.

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B. Answer:

Interestingly, the airplane, which caused the demise of most transoceanic passenger service, actually helped stimulate the cruise business. In fact, as early as the 1950s, most of the passengers on some Mediterranean-based cruise ships arrived at the embarkation point by plane. These air-cruise packages made cruising an option for millions of potential new passengers, and to this date they are still a popular means for inland passengers to make their way to the coast. For many years, the packages meant savings for the cruise passenger.

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C. Answer:

The cruise business is reported to be a combined 12-billion dollar industry. In the past few years, the major cruise lines have launched 62 new cruise ships. In the past decade there has been an increase in embarkations from North American ports, and there are currently no signs that this growth will stop. The past couple of years have resulted in a 17-port expansion for the U.S. cruise industry. (Page 166)

15. Describe 6 different types of restaurants and give examples of each. Highlight some of the characteristics that make up the specific restaurant types.

Answer:

Some of the different types of restaurants are: theme (T.G.I. Friday's), celebrity (House of Blues), steak house (Outback), family (Denny's), casual (Olive Garden), ethnic (Panda Express), and quick-service (McDonald's). (Pages 197–206)

16. Name some of America's finest chefs.

Answer:

Some of the best chefs in America are Wolfgang Puck, co-owner of Spago and Chinois in Los Angeles; Charlie Trotter, Charlie Trotter's in Chicago; Alice Waters of Chez Panisse in Berkeley, California. Others are Janos Wilder, Ming Tsai, Paul Prudhomme, Charlie Palmer, Alain Ducasse, Todd English, Thomas Keller, and Kevin Binkley.

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17. Describe the characteristics of Quick Service Restaurants. Name and give an example of each of the five types of Quick Service Restaurants.

Answer:

Quick-service restaurants consist of diverse operating facilities whose slogan is "quick food." The following types of operations are included under this category: hamburger, pizza, chicken, pancakes, sandwich shops, and delivery services. Quick-service restaurants have increased in popularity because of their location strategies. They are found in very convenient locations in every possible area. Their menus are limited, which makes it easy for customers to make quick decisions on what to eat. Quick-service restaurants also require minimum use of both skilled and unskilled labor, which increases the profit margins.

The five types are:

Hamburger

McDonald's is the giant of the entire quick-service/fast-food segment with worldwide sales in the billions. Each of the major hamburger restaurant chains has a unique positioning strategy to attract their target markets.

Pizza

By some estimates it is now a \$21 billion market, with much of the growth fueled by the convenience of delivery.

Chicken

Chicken is relatively cheap to produce and readily available and adaptable to a variety of preparations. It also is perceived as a healthier alternative to burgers. Kentucky Fried Chicken (KFC), with a worldwide total of more than 12,000 units dominates the chicken segment. There are now about 1,000 KFC restaurants in China.

Sandwich Restaurants

A sandwich restaurant is a popular way for a young entrepreneur to enter the restaurant business. The leader in this segment is Subway, which operates more than 20,000 units in 75 countries.

Delivery Services

Delivery services are operations that deliver prepared foods to customers' homes. Delivery service also characterizes meals-on-wheels, as well as urban restaurants that deliver to a neighborhood.

18. List and explain features that distinguish managed services operations from commercial ones.

Answer:

The difference between managed services and commercial foodservice:

1. Commercial foodservice requires that you please the guest. In managed foodservice you must please both the guest and the host (client).
2. Commercial foodservice offers alternative venue options where managed foodservice services a captive audience.
3. Managed operations are in host organization facilities where foodservice is not the primary business.
4. Managed operations produce batch cooking (cooking food for a meal period in intervals so as to provide good quality food throughout the meal).
5. Volume of business is more consistent and therefore more predictable.

This makes it easier to plan, organize, produce, and serve meals. (Page 250)

19. What difficulties do bar managers face when serving alcohol? What are the problems relating to alcoholic beverage drinking and how can they be avoided?

Answer:

Owners, managers, bartenders, and servers may be liable under the law if they serve alcohol to minors or to persons who are intoxicated. The extent of the liability can be very severe. The legislation that governs the sale of alcoholic beverages is called dram shop legislation. Because of recent increases in underage drinking, bars have been greatly encouraged to crack down on such practices.

Answer:

Arrange for a designated driver if you intend to have a drink. If you do drink alcoholic beverages, then stay with the same drink—don't mix them (two different types are grape and grain; that is, wine and spirits). That's when trouble really begins and hangovers are bad. Remember that moderation is the key to enjoying beverages.

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20. 2. Name and describe the different types of clubs.

Answer:

- Nearly all *country clubs* have one or more golf courses, (some have swimming and tennis), a club house, locker rooms, lounges, bars and restaurants, and most have banquet facilities.
- *City clubs* are predominantly business oriented. They vary in size, location, type of facility, and services offered.
- *Professional clubs*, as the name implies, are clubs for people in the same profession.
- *Athletic clubs* give city workers and residents an opportunity to work out, swim, play squash and/or racquetball, and so on.
- *Dining clubs* are generally located in large city office buildings. These clubs are always open for lunch and occasionally

for dinner.

- *Military clubs* cater to both NCOs (noncommissioned officers) and enlisted officers.
- *Yacht clubs* provide members with moorage slips, where their boats are kept secure.
- *Fraternal clubs* include many special organizations, such as the Veterans of Foreign Wars, Elks, and Shriners. These organizations foster camaraderie and often assist charitable causes.
- *Proprietary clubs* operate on a for-profit basis. They are owned by corporations or individuals; individuals wanting to become members purchase a membership, not a share in the club.
- (Pages 315–317)

21. Discuss 4 of the World's popular fairs and festivals.

Answer:

1. Oktoberfest - The first Oktoberfest was held on October 17, 1810, in honor of the marriage of Crown Prince Ludwig of Bavaria to Princess Therese Von Saxe-Hildburghausen. These days, the festival has become, above all, a celebration of German beer. The Munich Oktoberfest—known by the locals as the “Wiesn”—is the biggest public festival in the world. Each year, around 6 million visitors attend Oktoberfest.

2. The Carnival in Rio de Janeiro, Brazil

This four-day celebration attracts thousands of people from all over world, starting on a Saturday and ending on Fat Tuesday (Mardi Gras). The concept originated as a pagan celebration in ancient Rome or Greece, imported from Italy in the 19th century.

3. Reggae on the River

California's Reggae on the River is one of the most successful music festivals in the United States. Leisure travel is beginning to encompass a larger market because more events, festivals, and other activities have sprung up to meet a variety of personal interests.

4. Mardi Gras

This 100-year-old festival in New Orleans is arguably the most flamboyant of all festivals and takes place in January, February, and March. The days leading up to Fat Tuesday are filled with wild parades, costume contests, concerts, and overall partying. The famous Bourbon Street is home to most of the party- going crowd and it is often too crowded to even walk.

The culture of New Orleans greatly adds to the festiveness of Mardi Gras, as traditional jazz and blues can always be heard on most street corners.

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22. Briefly describe the history of legalized gaming in the United States.

Answer:

The gaming entertainment business has its roots in Las Vegas. From the early 1940s until 1976, Las Vegas had a monopoly on the casino business, not the gaming entertainment business. Casinos had no hotel rooms, entertainment, or other amenities. New Jersey voters in 1976 approved casino gambling for the city of Atlantic City. Iowa legalized riverboat casinos 13 years later. They were followed in rapid succession by Illinois, Mississippi, Louisiana, Missouri, and Indiana.

(Pages 363–364)

23. What does the Indian Gaming Regulatory Act of 1988 consist of?

Answer:

The IGRA of 1988 was the result of California allowing Native American Gaming. Now, Native American casinos may be found in 32 states.

The three objectives of the IGRA were to (1) provide a statutory basis for the operation of gaming by Native American tribes as a means of promoting tribal economic

development, self-sufficiency, and strong tribal governments; (2) provide a statutory basis for the regulation of gaming by a Native American tribe adequate to shield it from organized crime and other corrupting influences; and (3) establish an independent regulatory authority, the National Indian Gaming Commission (NIGC), for governing gaming activity on Native American lands.

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24. What are three different types of meetings described in the text and what is their purpose?

Answer:

Board meetings for corporations must be held annually and most corporations hold meetings monthly or four times a year.

Committee meetings are generally held at the place of business and only occasionally are held in hotels.

Seminars are frequently held in hotels as are workshops and technical meetings.

Social, military, educational, religious, and fraternal groups (SMERF)—these groups are price conscious, due to the fact that the majority of the functions sponsored by these organizations are paid for by the individual.

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25. List the duties of CVBs.

Answer:

The International Association of Conventions and Visitors Bureau (IACVB) describes a CVB as a not-for-profit umbrella organization that represents an urban area that tries to solicit business- or pleasure-seeking visitors.

A bureau has five primary responsibilities:

1. To enhance the image of tourism in the local/city area.
2. To market the area and encourage people to visit and stay longer.
3. To target and encourage selected associations and others to hold meetings, conventions, and expositions in the city.
4. To assist associations and others with convention preparations and to give support during the convention.
5. To encourage tourists to partake of the historic, cultural, and recreational opportunities the city or area has to offer.

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26. Describe the Key Points of one of the group presentations (Not your own)

27. Describe 5 moments from the movie The Last Holiday and tell how they relate to our course study.