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Learning Outcomes


- Appreciate the interrelationship of tourism, lodging, food & beverage, and hospitality services.
- Understand the economic impact of the hospitality industry.
- Appreciate the immensity of the hospitality industry.
- Identify the trends in the hospitality industry.

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- Extended Notes & Slides Available
- Industry Profile & Statistics
- Careers & Internships in Hospitality Management
- Professional Associations in Hospitality Management
- Scholarship Opportunities

Hospitality Definition

- Hospitality – The reception and entertainment of guests, visitors, strangers with liberality and good will. *By Oxford English Dictionary*




Hospitality and Related Services

- The lodging business goes back to antiquity.
- First, accommodation was part of private dwellings, then caravansaries and early inns, then monasteries.
- The world's oldest commercial business is providing overnight accommodations.


Hospitality and Related Services

- Technology has had a profound influence
 - Website
 - Wireless Internet
 - Online-booking
 - Self check in and out
 - iPhone Reservations



Hospitality and Related Services

- **Utah Economic Impact: (2013)**
 - SLIAirport Arrivals (+2.9%)
 - Drive-through visitors (+4.7%)
 - Current spending \$7.4 Billion
 - State & Local taxes = \$960 million
 - Employment over 110,508 jobs



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Hospitality is Critical



- The customer is the reason for our business
- 68% of those who quit a business due to an attitude of indifference

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Commercial Accommodations



Hotels Motels Bed & Breakfast Time Shares Campgrounds

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Non-Commercial Accommodations



Private Non-Profit Institutional

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The Lodging Industry

- World hotel room inventory grows about 2.5% a year.
- Occupancy rates average 65% overall.
- 72% of the world's hotel rooms are located in Europe and North America.



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The Lodging Industry

- The largest sources of hotel revenue.
 1. Rooms
 2. Food & Beverage




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Trends in Lodging Industry

- (1) towards more extended stay properties,
- (2) remodeling of fine older properties,
- (3) more franchising,
- (4) growth of chain or systems type of operation







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Hotel Brand Diversification


- **Intercontinental Hotels:** Intercontinental Hotels & Resorts, Crowne Plaza, Hotel Indigo, Holiday Inn Hotels & Resorts, Holiday Inn Express, Staybridge Suites, Candlewood Suites



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Bed and Breakfasts (B&B)


- According to the Professional Association of Innkeepers International (PAII):
 - \$3.4 billion in size/17,000
 - Average 8.5 rooms
 - An average daily rate of \$ 150.
 - www.innkeeping.org/



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Resorts and Timesharing

- 41% of the world's timeshare units are located in the U.S.
- 52% of the world's timeshare owners are U.S.
- Timeshare resorts are located in 95 countries.



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Resorts and Timesharing

- Timeshare owners reside in 174 nations.
- Major companies such as Disney, Hilton, Marriott, and Hyatt have become involved in timeshare.



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Food Service Industry

- Le restaurant divin (divine restorative) opened in Paris in 1765.
- With the development of stagecoaches, taverns began providing food and lodging along the early roads



Food Service Industry

- Delmonico's, New York
- Price of menu style
 - A la Carte and Table d'hote.





Food Service Industry





Fast Food

Cafeteria

Full Service


Food Service Industry

- ◆ U.S. sales total estimated \$526 billion
- ◆ Employs more than 12.2 million people.
 - *Restaurant industry provides work for more than 9% of those employed in the United States.*
 - *Industry employees more minority managers than any other retail industry.*



Food Service Industry

- ◆ 900,000 locations.
- ◆ Travelers contribute about \$130 billion to sales each year.



Food Service Industry



- The fast food restaurants have grown so rapidly in the past 20 years.
 - They use limited menus, have group purchasing power, less waste, more portion control, and have lower operating costs.
 - Also, they benefit from national advertising and management assistance from the chain company.

Meetings and Conventions

- Industry worth \$102.3 billion.
- Average convention attendee spends \$218 per day, stays 4.1 days and spends \$895 per event.
- Convention centers are expanding, so do the jobs (meeting planners, convention organizers).



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