The Past, Present and Future of

Hospitality:

Perspectives on the Industry

Merly Fiscal Arjona

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ABOUT THE AUTHOR

Merly Fiscal-Arjona, MAT, Ph.D., Associate Professor IV of Laguna State Polytechnic University, Siniloan,Campus, Siniloan Laguna, Philippines. She graduated from the Laguna State Polytechnic University, Siniloan, Campus, with the Degree of Master of Arts in Teaching, Major in Technology and Home Economics. She took her Doctor of Philosophy Major in School Leadership and Management in St. Dominic Savio College, Caloocan, City. Her professional experience includes an assessor in different Hotel and Restaurant Competency in TESDA. She was also the former Dean of the College of Hospitality Management and Tourism, Siniloan Campus, Siniloan, Laguna, Philippines. She is an active member of Association of Administrators in Hospitality Hotel and Restaurant Management Educational Institution (AAHRMEI) and many more. She has attended seminars and trainings in Hotel and Restaurant Management and member of several professional organizations, At present, her greatest joy at the moment is to share her knowledge, expertise and give prestige to her students.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

LIST OF ABBREVIATIONS

AI	Artificial Intelligence
AMA	American Marketing Association
APEC	Asia Pacific Economic Co-operation
AR	Augmented Reality
AV	Audio Visual
BLS	Bureau of Labor Statistics
CST	Certification for Sustainable Tourism
DDoS	Distributed Denial-of-Service
EHL	Ecole Hôtelière De Lausanne
FDI	Foreign Direct Investment
FHRAI	Federation of Hotel and Restaurant Association of India
GDP	Gross Domestic Product
IH&RA	International Hotel and Restaurant Association
IoT	Internet of Things
IPTV	Internet Protocol Television
ITC	Indian Tobacco Company
ITH	Institute of Hotel Technology
LANs	Local Area Networks
NFC	Near Field Communication
OECD	Organization for Economic Co-Operation and Development
RM	Revenue Management
RMS	Revenue Management System
RTLS	Recent Time Location Services
SEA	Search Engine Advertising
SEO	Search Engine Optimization
TTCI	Travel and Tourism Competitiveness Index
UNEP	United Nations Environment Program

UNWTO	United Nations World Tourism Organization
VR	Virtual Reality
WTTC	World Travel and Tourism Council

GLOSSARY

A

Abbeys – the building or buildings occupied by a community of monks or nuns.

Aesthetics – a set of principles concerned with the nature and appreciation of beauty.

Aggregator – a website or program that collects related items of content and displays them or links to them.

Alleviate – to make easier to endure; lessen.

Ammunition – (informally ammo) is the material fired, scattered, dropped or detonated from any weapon.

Augmentation – the action or process of making or becoming greater in size or amount.

B

Bandwidth – a range of frequencies within a given band, in particular that used for transmitting a signal.

Bellhops – a person who is employed, especially by a hotel, to carry guests' luggage, run errands, etc.

Biometric Identification Systems – Biometrics are body measurements and calculations related to human characteristics. Biometrics authentication is used in computer science as a form of identification and access control.

Blemish – A blemish is any type of mark, spot, discoloration, or flaw that appears on the skin.

Blockchain – It is a system of recording information in a way that makes it difficult or impossible to change, hack, or cheat the system.

C

Caravan – a vehicle equipped for living in, typically towed by a car and used for holidays.

Carcasses – the trunk of an animal such as a cow, sheep, or pig, for cutting up as meat.

Chandeliers – a decorative light that hangs from the ceiling and has several parts like branches for holding light bulbs.

Claustrophobia – Claustrophobia is a situational phobia triggered by an irrational and intense fear of tight or crowded spaces.

Cloisters – a covered walk in a convent, monastery, college, or cathedral, typically with a colonnade open to a quadrangle on one side.

Colonization – the action or process of settling among and establishing control over the indigenous people of an area.

Compatible – able to exist or occur together without problems or conflict.

Concierge – a member of a hotel staff in charge of special services for guests, as arranging for theater tickets or tours.

Conscientiousness – the quality of wishing to do one's work or duty well and thoroughly.

Contemporary – living or occurring at the same time.

D

Deceitful – having a tendency or disposition to deceive or give false impressions.

Decibels – a unit used to measure the intensity of a sound or the power level of an electrical signal by comparing it with a given level on a logarithmic scale.

Demographics – statistical data relating to the population and particular groups within it.

Disdained – consider to be unworthy of one's consideration.

Dissemination – the action or fact of spreading something, especially information, widely.

Dormitories – a large bedroom for a number of people in a school or institution.

E

Emulate – match or surpass (a person or achievement), typically by imitation.

Encroaching – intrude on (a person's territory, rights, personal life, etc.).

Entwined – wind or twist together; interweave.

Enunciation – say or pronounce clearly.

Exemplify – illustrate or clarify by giving an example.

F

Forged – formed by pressing or hammering with or without heat especially.

Fragile – easily destroyed or threatened.

G

Gastronomic – relating to the practice of cooking or eating good food.

H

Heritage – something that is handed down from the past, as a tradition.

Holistic – characterized by the belief that the parts of something are intimately interconnected and explicable only by reference to the whole.

I

Indulgence – the habit of allowing yourself to do.

Intangible – unable to be touched; not having physical presence.

Irrefutable – impossible to deny or disprove.

Itinerary – a detailed plan for a journey, especially a list of places to visit; plan of travel.

K

Kayak – a canoe of a type used originally by the Inuit, made of a light frame with a watertight covering having a small opening in the top to sit in.

M

Metasearch – A metasearch engine is an online information retrieval tool that uses the data of a web search engine to produce its own results.

Millennials – a person who was born in the 1980s, 1990s, or early 2000s: Millennials have grown up with the internet and can't imagine a world without it.

Missionaries – a person sent on a religious mission, especially one sent to promote Christianity in a foreign country.

Mugging – an act of attacking and robbing someone in a public place.

Myopic – It is an adjective meaning shortsighted in every sense. Whether you need glasses or a new attitude.

N

Niche Marketing – the business of promoting and selling a product or service to a specialized segment of a market.

P

Panoramic – with a wide view surrounding the observer; sweeping.

Perception – the ability to see, hear, or become aware of something through the senses.

Poignant – Something that is poignant affects you deeply and makes you feel sadness or regret.

Posthouses – A post house, posthouse, or posting house was a house or inn where horses were kept and could be rented or changed out.

Proliferation – to grow by rapid production of new parts, cells, buds, or offspring.

Q

Quadrangle – a four-sided plane figure, especially a square or rectangle.

R

Ransomware – It is a form of malware that encrypts a victim's files.

Redundant – not or no longer needed or useful; superfluous.

Refurbishment – the renovation and redecoration of something, especially a building.

Repositories – a place where something, especially a natural resource, is found in significant quantities.

S

Scamming – A scam is a deceptive scheme or trick used to cheat someone out of something, especially money.

Skewed – suddenly change direction or position.

Souvenirs – a thing that is kept as a reminder of a person, place, or event.

Stage Coach – a large closed horse-drawn vehicle formerly used to carry passengers and often mail along a regular route between two places.

Sustainable – able to be maintained at a certain rate or level.

T

Tabernas – A taberna (plural tabernae) was a type of shop or stall in Ancient Rome.

Tangible – capable of being perceived especially by the sense of touch.

Taverns – an inn or pub.

Teleport – To teleport is to disappear and then reappear at a different place.

Thermostat – a device that automatically regulates temperature, or that activates a device when the temperature reaches a certain point.

V

Vandalism – It is the action involving deliberate destruction of or damage to public or private property.

PREFACE

The hospitality industry is a million-dollar industry that has been in existence for a very long time. The hospitality industry has seen its ups and downs, including the recent covid attack, which has put down the industry in a never-expected saturated state. Yet the industry has kept itself alive and is currently making a comeback in a newer version that suits the current needs of people giving utmost preference to people's safety and security. This is the salient feature of the hospitality industry as it can adapt itself to any kind of situation and can transform itself.

This book talks about the past, present, and future of hospitality perspectives of the industry. The hospitality industry has evolved in a progressive manner and has quickly grown into the million-dollar industry of today.

In the first chapter, the author details his vast research on the evolution of the hospitality industry. It's interesting to know how people of ancient times initially started to travel to different places for education and business purpose and how soon this turned into a matter of pride, hobby, and adventure.

The book also talks about the various industries that are under the umbrella of the hospitality industry. For example, two chapters are dedicated to the hotel and tourism industry which contributes a major share of the hospitality industry. The different challenges faced by each industry, the contribution that they make to the overall economic growth, and the enormous employment opportunities that they provide are also discussed in detail.

After analyzing the very basics of the hospitality industry, the author shifts the focus to marketing and branding, which are the key elements to the success of any industry. The role of marketing and branding and the various strategies used are carefully examined.

The last chapter takes us to the future of the hospitality industry. There is no future without technology, and we all know it very well. Even in the current digital age, the hospitality industry makes use of various technological and digital innovations. Right from the in-room technology to Chat Box and cloud services, technology is seen as a major help to the hospitality industry. Millennials are impressed with the current innovations, and it is quite clear how the future of the hospitality industry will look like. Apart from the technological side, future promises on sustainable tourism also, which is a hot topic, and the author talks a lot about sustainable tourism in the last chapter.

In General, this book gives us everything about the hospitality industry, the cultural impacts that it creates, and how the local communities all over the world are deriving the benefits out of this ever-booming industry.

Chapter 1

Evolution of Hospitality Industry

"The focus of entertaining is impressing others; the focus of true hospitality is serving others."

—*Tim Chester*

CONTENTS

The hospitality industry is something that has blended into our day-to-day lives. It is blended in such a way that we do not even recognize how much we depend on it. In this chapter, we are going to discuss elaborately the hospitality industry and how it has evolved over the years. We are also going to learn about the different types of the hospitality industry and the job opportunities it creates.

1.1. WHAT IS HOSPITALITY INDUSTRY? AN INTRODUCTION

The hospitality industry is one industry that is spread all across the world, and it is a part of every other industry. Hospitality is gaining so much importance, and so is the hospitality industry. The word 'hospitality' is coined from the French word 'hospice,' which means 'taking care of travelers.' Since the word 'hospice' has this deepest meaning of love and care, it is still used by many service organizations, especially hospitals (Figure 1.1).

Figure 1.1. Origin of the term 'hospitality.'

Source: https://www.soegjobs.com/hospitality-industry-historical-background/.

Every industry that is into service and caring for others proclaims themselves as part of the hospitality industry. So, what does hospitality actually mean?

There are many definitions to state what hospitality is. Hospitality focuses mainly on service and customer satisfaction. The hospitality industry relies only on happiness of customers.

The hospitality industry is a broad industry that various service industries such as lodging, food, and drink service planning, cruise line, theme parks, transportation, and tourism industry

The hospital industry is very broad when compared to most of the other industries as its roots lies upon customer satisfaction and meeting the leisurely needs of people rather than the basic ones. Still, there are hospitality industries that have linked themselves in providing basic services that people need, such as food and clothing. The hospitality industry is responsible for providing food services and accommodations in places such as hotels, resorts, etc. The catering industry, which is part of the hospitality industry, is responsible for providing food services to institutions such as hospitals, schools, and other private institutions.

The hospitality industry is a trillion-dollar industry that mainly depends upon disposable income and availability of leisure time. The hospitality industry mainly depends upon the availability of leisure time and disposable income of customers. The leisurely needs of people are well addressed by this industry, and it is for this reason that the hospitality industry is for tourists and other rich people because the common middle-class people would not have extra money to enjoy these luxury services.

Regardless of the category, the hospitality industry focuses mainly on providing excellent service. Customers approach hospitality services to spend their leisure time and to keep themselves away from everyday problems. A bad experience may ruin the reputation of the service providers. So, the hospitality industry always has the pressure of providing the best services. The staffs of the hospitality industry must have excellent interpersonal skills and should always be ready to exceed the expectations of the customers.

Different people have different perceptions about the hospitality industry. Some assume the hotel industry to be hospitality industry and some others think tourism to be hospitality industry. Actually, the hospitality industry includes different businesses, and we will look into all of them elaborately in the coming sections.

1.1.1. Importance of Hospitality Industry

The hospitality industry has survived for a very long time due to the fact that it is of high importance for millennials and also for the countries. The hospitality industry builds relationships and gives a chance for people to appreciate each other's culture. It provides warmth and receives people from different lands with respect and goodwill.

The hospitality industry, which comprises of several service industries is important not only to societies but also to the general public, job seekers, employees, and economies. There is no vacation without hospitality industry.

It is this industry that provides needed services for tourists whether they are on the move or on stay. According to some future projections, tourism, and hospitality sector will see an increase of 72 million jobs in the next 10 years and the industry will get a growth of 10%.

When tourists spend their money in hotels, restaurants, and other places of entertainment, they help in generating revenue for the local economy. It also helps economies indirectly because tourists purchase retail goods, pharmacy items, and locally made souvenirs and crafts. In addition, tourism can stimulate the building of infrastructure such as roads and public transportation. The restaurant industry is seeing a tremendous growth in the recent years due to the changing lifestyle of people. Restaurants and entertainment places cater to locals as well as tourists. According to statistical data, Americans spend 44% of their food budgets in eating out at restaurants and hotels instead of cooking at home.

The hospitality industry creates millions of jobs worldwide. In the year 2017, the hospitality industry accounted for over 313 million jobs worldwide which roughly translates to 9.9% of the total employment. This industry provides job opportunities for skilled professionals as well as for labors. This is one industry which encourages even small vendors to become entrepreneurs. The hospitality industry also helps in retaining the culture of different places by supporting jobs in arts and culture industries and keeping theaters alive. Because of the outlook the hospitality industry possesses, the professionals working in the hospitality industry gets chance to work in the glamorous settings around the world.

For few of the developing countries, the hospitality industry has been the only source of revenue. Even for the most developed countries, the economic contribution from the hospitality industry is utmost significant.

1.2. HISTORY

The hospitality industry can be dated back to thousands of years. As humanity started opening its doors, hospitality started to emerge. During old times people started to travel for various reasons. Some traveled as pilgrims, and some traveled for education purposes. The people who traveled found it very hard as there was no place to rest or relax during their journey. Sometimes the local people allowed the travelers to rest on their kitchen floors or extra spaces outside their houses. It was the monasteries who actually decided to build a resting place for travelers.

1.2.1. Start of Early Hospitality

Scientists said it was about 40 BC that social and religious hospitality facilities were a very common phenomenon. The past of the hospitality industry is now being shown to take us in prehistory. There is enough proof today.

The idea of hospitality is highly old; it is stated in documents from the ancient Greece, Rome, and the Bible. People believed that kindness was important to their moral well-being. Some other people were hospitable only because of their own superstitious beliefs. Two potential explains why people thought ancient times people were being hospitable. Thus, in the idea of hospitality we see either faith or the supernatural as the main motive.

Throughout ancient Greece the hospitality is composed of the intermingling of certain religious elements. The traveling crowd included very large sections of missionaries, priests, and tourists. They also went to sacred places, maybe oracles or temples, which governed their faith.

It was the Romans who offered travelers lodging on state premises. During the Roman time, the regular military, economic, and political journeys included travelers who were not on the path for religious reasons. Most service passengers disdained to use the route's lodging. The inn in the cities was poorly established and dangerous to travelers; it was neither outside the cities nor required. The armed travelers therefore tended to live in their tents (Figure 1.2).

Figure 1.2. Ancient Roman hospitality.

Source: https://www.soegjobs.com/hospitality-industry-historical-background/.

Taverns and hostels provided a refuge to traders, performers, and intellectuals during the latter years of the Roman Empire. Hospitality was still simplistic. There were often quarters for the men, but no horses 'stables; stables more often, but no beds. The Persian construction of posthouses along the caravan roads was the high point of that period in terms of hospitality. These were later developed and provided both soldiers and couriers with lodging and nutrition.

The posthouses known as yams are identified by Marco Polo as apartments for kings. They were 25 miles away, perhaps the equivalent of a day's journey, which equipped the texting mailmen with fresh horses across the ground. It is claimed that, on Marco Polo's voyage east, there were 10,000 such posthouses.

Throughout old Persia, a trip was carried out in large caravans, with intricate tents on the paths of the caravans. Nevertheless, accommodation known as Khans was established at certain points on these paths. These were basic buildings made up of four pillars, which covered not only natural elements, but also attackers entering the night. Marco Polo initiated through his memoirs what we know as travel diaries of today (Figure 1.3).

Figure 1.3. People traveling in olden days.

Source: https://www.soegjobs.com/hospitality-industry-historical-background/.

1.2.2. Medieval Period of Hospitality Industry

It was the period that started with English travels and excursions as they established inns as their private residences. The caravansaries come into

being, and supplied caravans with the monasteries and abbeys along the Middle Eastern roads. Such locations were the first to give travelers shelter. The Persians built inns and post offices along the caravan route. These have been used to provide both soldiers and couriers with accommodation and food. This led to what we know as a modern, hospitable, and customer service.

In 1282, the major innkeepers in Florence Italy, incorporated an association in order to transform the hospitality to a company. They had to obtain an authorization to import and sell wine that would later lead to hospitality spread elsewhere. The intermingling between faith and hospitality is once again visible in the Middle Ages. It was seen as the Christians' obligation to offer their visitors and pilgrims hospitality.

Monasteries became hostels, supplying the tired traveler with accommodation and food. Many monasteries and churches also established a separate building, possibly devoted to the disruption of private contemplation by the visiting public. These constructions are called xenodocheions, a Greek word that means hostels or resting places.

During his rule, Charlemagne introduced laws which defined the Christian's obligation to provide a traveler with a free residence. In view, however, of the possible overstaying, for some time, the traveler's welcome, the burden or the provision of free food, the law restricted a passenger's stay in any place to 3 nights.

Inns were allowed to import and resell wine. The inns pertained not to innkeepers themselves, but to the town and were leased by sale under 3-year leases. In 1290, the Guild was made up of 86 inns in Florence. Soon afterwards Rome and other Italian towns became the center of hospitality. Interestingly, many innkeepers were not Italian, perhaps because many of the merchants, traveling German and looking forward to finding accommodations in which they would find themselves in their own language and food.

1.2.3. Sixteenth Century

The 16th century arrived when there were numerous outlets for competition from inns and taverns. Around this time, the first hotel hospitality facility was built. It was called Henry Hotel or Salm Hotel and was constructed in 1788.

The first name of the property, though, goes to the over 1300 years of Koshu Nishiyama Property. The hotel still welcomes guests and is managed for several generations by the same family. Such hotels have created the

phenomenon and the world has been adopting the pattern and have started creating food and sleeping areas.

Pennsylvania made inns, and the Southern colonies built ordinary ones, as did England and New York made tabernas. The French Revolution changed the characteristics of the hospitality industry and its future. Chefs such as Escoffier and M. Boulanger come to this age and brought cooking quality completely to another level.

During this time, the quality of accommodation was significantly improved, especially in England. At that period, a stagecoach was the growing mode of transport. Stagecoaches had to take long journeys for overnight stops. These not only required food and rest for horses, but also food and passenger accommodation.

The building of inns and taverns at appropriate places along the train routes was an immediate consequence. Since passengers were largely rich people, who were familiar with some luxuries, stagecoaches not only helped to increase the number of inns, but also their quality.

The hostels or taverns were also popular venues for local nobility, politicians, priests, etc. The local lord or knight, whose territory was the inn, granted the license for the hostels. The inns were designed as a quadrangle with stagecoaches and people entering through a vaulted gateway. For many things, such as marriages, the yard in the quadrangle was used. It was easy to control and protect the outer quadrangular shape. The various structures or areas supported travelers with lodging quarters, a staff providing food and drink, and accommodation for both the drivers and the animals.

1.2.4. Hospitality Industry During the 18th and 19th Centuries

Cafés became extremely popular in Europe in the 18th century and were integrated into many inns. The Henri IV Hotel was constructed in Nantes in 1788, costing £18,500 in total. It was the best in Europe at the time, and it had 60 beds.

We saw the start of 19th-century luxurious hotels and resorts. The hotel was named as Savoy and New York as Delmonico. London has its own hotel. This produced high levels of quality and operation. The following was a flourishing number of great hotels, many of which still create new hospitality standards. The largest hotel chains seem over the years to have addressed the query of "what is the hospitality market." Since the colonial era, all aspects and features of the hospitality industry have changed enormously over time (Figure 1.4).

Figure 1.4. Early inns.

Source: https://www.soegjobs.com/hospitality-industry-historical-background/.

"Inns" were the only accommodation for tourists in the early 1800s. Before the 19th century, many Inns were founded. However, accommodation was no longer just about bedding and relaxation. They began providing the travelers with food and drink. And soon, the luxury element began to mix in. Hotels were raised there. Hotels became more luxurious, offering better rooms and restaurants.

The period for the US hospitality industry is regarded as a landmark in 1829. The year was the year when the first luxury hotel in Boston, Massachusetts, was designed and built by American architect Isaiah Rogers. It was the first hotel with a suite bathroom and a door lock. A pump operated by steam was used to lift water to the roof storage tank. In those days, "Tremont Hotel" established a reference point for luxury hotels. The hotels and inns began to emphasize the services to differentiate themselves from other hotels. Their services and facilities continuously improved.

Later on, hotels began having bars. Soon the bars were a major point of sale for the hotels. The hotels were improved with their architecture and esthetics. There were more old hotels and they were differentiated from other hotels by its elegant interior. Finally, it was a fashion for stunning crystal chandeliers and well-painted ceilings.

1.2.5. Start of Modern Hospitality Industry

The rise in hospitality in the 20th century was interrupted by two world wars. It was the rise in dark tourism or 'Thanaturism' after the world wars. The

history of the hospitality industry shows us also some of the darker aspects, as the business absorbs all the tourism shades.

In the 1950s or 1960s, a proper structure was created as a hospitality industry as an organized industry.

In the 1970s, the Industrial revolution facilitated the building of hotels in Europe, England, and America, followed by French and Italian veterans. Here's a look at the Meadow's club built in the early 1930s as the first Hotel and Casino in Las Vegas (Figure 1.5).
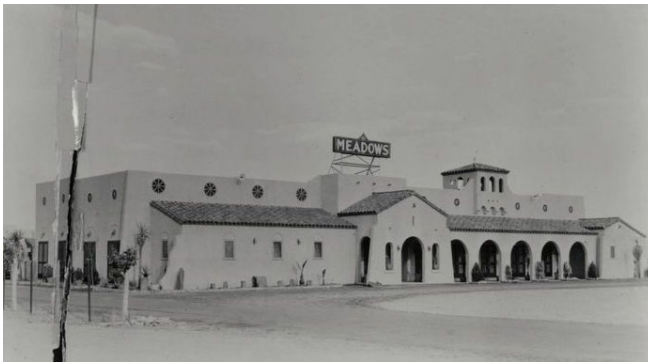
Figure 1.5. First Casino hotel in Las Vegas.

Source: https://www.soegjobs.com/hospitality-industry-historical-background/.

Hospitality was a big business opportunity and was rather a part of the culture. Many people began to build hotels, and more and more facilities have been incorporated. Innovations in transport systems have made it possible to fly for more and more people. Some people saw the chance and saw the hotel business. That's why many giant hotel chains began to do their business in the early to the mid-20th century.

The market was more dynamic than ever before. His first hotel was opened in Texas in 1919 by Conard Hilton. In 1954 Conard also acquired the hotel chain, Ellsworth Statler. The industries were also giant players Marriot (est. 1927); Sheraton (est. 1937); and Hyatt (est. 1957).

Having started the Holiday Inn series of hotels and inns is an interesting story. Once Kemmon Wilson went on vacation with his family in Washington DC. In all the hotels they stayed for he had to pay extra for his five sons. Kemmon considered the housing for families extremely costly and inconvenient. So he decided to begin a hotel of his own. This was

the beginning of the first Holiday Inn in 1952. Holiday Inn has set higher expectations for hospitality. Their main emphasis was on building hotels that are family friendly. The group Holiday continued to build its 1000th Holiday Inn in 1968 with their first hotel built-in 1952. Indeed, it was a huge increase for every hotel.

In the middle of the 20th century, cars became extremely popular. The well-connected road network made intercity travel more convenient. The growth of motels was supported by these factors. "Drive and bed" is the term motel. Motels have been small wooden cabins for 10 by 10 feet for travelers to rest on night trips. Such motels were built along the main roads to serve more and more customers who may want to rest for a few hours or stay overnight. The motel concept was well received, and in later stages, it grew exponentially. The motels were inexpensive and comfortable, which is why the motels idea was accepted.

Currently, architects, mechanics, artists, producers, and managers are mindful of the guest's preferences as they wish. Hotels currently evaluate new trends for improved requirements and for the enhancement of hotel quality of life by providing modern standards. There has been a variety in the business. The casual dining, as well as the hotel chain, has been rising. The hospitality industry seems to be doing quite well with brands such as Hyatt, Hilton, Marriott, Starwood, Ritz, etc., Hundreds of hotel rooms are in the pipeline, so tourism has taken a move forward.

A new era of stronger growth and innovation in the tourism industry. The hospitality industry looks positively to the future growth in the region and a growing curiosity among the citizens in travel.

All about their staff is the entertainment industry. After all, they are the internal clients. The hospitality industry means that we continue to enjoy nature and man. While the world changes to robots.

The workplace is the way to remind the market and companies of the real business. The hospitality industry is amazing because they can hire anyone. Yeah, you are right, the world of entertainment welcomes and embraces people with diverse expertise in every business, region, race, and gender. The roles are special, from executive managers, chefs, cleaning workers, gardens, security staff, waiters, bellhops, visitors, etc.

Today, more milestones and objectives are being met in the reductions and thresholds market is becoming competitive. Hospitality has a number of prominent occasions in which the country and the international travel

sector have been given a new test every time. Although it is easy to assume that there was always hospitality as a rule, what we addressed here was the development and emergence of what we still recognize as the hospitality industry.

1.2.6. Key Facts of Hospitality Industry

Accommodation is almost as old as humanity. The hospitality industry thrives today in some 187,000 hotels around the world from the early cellars to inns, stages, motels, and resorts. Below is a time schedule of several important milestones for the hospitality sector growth.

- Lascaux cellars in France are the first shelter in civilization in which men of a different tribe have been checked.

- In Japan, the first two hotels in history were built in the early 700s (guest houses called ryokans).

- Thermal spas and bathhouses in ancient Greece and Rome also had a place to sleep and attracted people who wanted to relax and enjoy themselves.

- Staging posts offer protection for couriers in China and Mongolia and have made it easier for horses to modified.

- In Europe, cloisters and abbeys provided free accommodation to travelers.

- In Karlovy Vary, Czech Republic, hot springs with lodgings have been built. The first travel guides were published in France. In France.

- The first example of a multi-use residential project, including the stores, banks, residences, and hotels, in Paris was the Place Vendome.

- The Royal Hotel in Plymouth was the first luxury hotel in England with a full range of amenities.

- The Tremont House was the first hotel in Boston to provide showers, door locks and bellboys indoors.

- The first hotel designed to be fire resistant and the first to provide telephone services in all of its space was the Palmer House Hotel in Chicago.

- Opened by top artists, Le Grand Hotel Paris became Europe's first and most lavish hotel.

- The first to deliver a bathroom with every bed in Kansas City, Missouri, was the Hotel Victoria.
- In Lausanne, Switzerland, the first school of hoteliers was founded in 1893 named as Ecole Hotelier de Lausanne.
- The Waldorf Astoria opened its doors that year in New York, and was the first hotel to provide room service.
- In the early years of the 20th century, new luxury hotels were built: the Ritz throughout Barcelona, London's Savoy, Lausanne's Beau Rivage Hotel, the New York Plaza, the Metropole in Brussels and Paris's Plaza Athena, Mahal Taj in Bombay, etc. Switzerland established its first ski resorts during this time.
- In 1927, Hot Shoppes, a corporation which later became Marriott Corp., was founded in Washington, D.C.
- In the 1950s, a second hotel boom took place after the Great Depression and the war, with the introduction of the Med Club, the first casino hotels, first airline company hotels and the proliferation of new hotels all over the Mediterranean world.
- The hotel industry began its third boom in 1980. In Africa, in the Middle East and in Asia, multinational (mostly US) hotel chains are growing.
- College Kendall initiated a hotel and restaurant operations bachelor program that eventually became the Hospitality Management bachelor's degree course.
- Taking advantage of the Internet's arrival, the travel industry offered clients a chance to compare, book, and analyze hotels from their home computers.
- Software companies began developing new tools for the hospitality industry that are still emerging today, including consumer accounts and applications for booking, room, and housekeeping operations, client expectations, loyalty programs, and more.
- In 2009, Airbnb was created, which challenged the hotel industry by tourism attraction and market share. Hotels are receptive to creative marketing strategies, including social media campaigns and customer experiences across intelligent apps.
- In 2014, The Waldorsk Astoria New York was sold at $1.95 billion, the most ever charged for a hotel, to the Chinese Anbang Insurance Group.

1.3. DIFFERENT SECTORS OF HOSPITALITY INDUSTRY

Whereas many market niches consist of just a few firms, the hospitality industry is open to almost every organization that is dedicated to customer satisfaction and is based instead on fulfilling basic needs. A hospitality unit such as a restaurant, hotel, or an amusement park consists of units such as facility maintenance and direct operations.

Several key aspects are important to understand considering the broadness of this sector. The hospitality industry includes hosting, event planning, parks, transport, the cruise lines and other areas within the tourism industry, and is a wide category within the service industry. The hospitality industry is a multibillion-dollar industry that relies on leisure, disposable revenue and full client satisfaction.

There are four segments of the hospitality industry:

- Food and beverages;
- Travel and tourism;
- Lodging; and
- Recreation.

1.3.1. Food and Beverages

Originally identified as F&B, the food and beverage sector is one of the biggest divisions in the hostel industry. It is estimated that the F&B industry provides 50% of the foods consumed in the USA today. It includes facilities primarily engaged in preparing food, snacks, and drinks on and off the premises for immediate use. When a restaurant is part of a hotel, services can improve the guest's experience by delivering excellent cuisine and excellent customer service.

Food and drink are ultimate in hospitality. It is the largest part of the hospitality industry, and it can take the form of high-end restaurants, fast-food restaurants, restaurants, and many other events. Food and beverage companies, for example, in bowling alleys and movie theaters, will operate. If your restaurant is part of the property, food and drink will improve the overall tourist experience dramatically by providing excellent cuisine and quality customer service (Figure 1.6).

Sectors of the foodservice industry

Restaurants	Hotel/Accommodation	Popular catering	Fast food
Takeaway	Retail stores	Events/ exhibitions	Leisure attractions
Outdoor catering (ODC)	Industrial catering	Motorway service	Transport catering
	Welfare catering or Social caterer	Licensed trade	

Figure 1.6. Sectors of food industry.

Source: https://www.soegjobs.com/different-sectors-hospitality-industry/.

There are businesses in the food and beverage sector that prepare food for consumers, which also is recognized as the foodservice industry. It is the most important sector of the hospitality sector in the United States. The food service companies are expected to provide 50% of today's food in the US, and there are many possibilities for food businesses with so much money eaten out.

A business in this sector will cover from casual to advanced, from large to small, costly to inexpensive. It is expected that the number of people in the food services industry will double to approximately 22 million by 2015.

"Food and Drinks" is the second hospitality category. It has already been concluded that the food and drink service during your stay must be offered to guests. This is another key element in the overall hospitality, as the quality and availability of these products also influence the overall customer service and the reputation of the hotel.

1.3.1.1. Restaurants

Restaurants account for a significant part of the entire hospitality sector. Such premises are often labeled with the name, and some offer Michelin-

starred service options based on their facilities. In many instances, visitors should rely on their overall experience in food quality.

1.3.1.2. Bars and Cafés

Cafes and bars make for a quick meal or a delicious meal. In fact, they are renowned for their laid social atmosphere; a significant difference relative to many restaurants in-house. Most facilities give such services because a large number of customers are attracted.

1.3.1.3. Tea Shops

Whether you are talking to a private bistro or a third-party company like Starbucks, tea and coffee shops provide a sense of comfort for visitors throughout their visit. Such smaller businesses also achieved increasing popularity by offering wireless access alongside on-the-go services.

1.3.1.4. Night Clubs

Many hotels are affiliated with a private in-house nightclub (the illustration is the Hotel W Barcelona). Nightclubs are a great way of getting extra money and it is important to point out that the public will typically accompany visitors.

1.3.1.5. Catering

When part of their daily pricing schedules, hotels, and resorts also provide catering services. Larger facilities can allow for business lunches, technical meetings and related events that restaurants may not be able to accommodate effectively.

1.3.2. Travel and Tourism

Travel and tourism are associated with transportation services. The travel industry comprises busses, cabins, planes, cars, trains, and so on. Tourism's primary function is to attract tourists. As people travel, whether for jobs or for pleasure, they spend money on lodging (Figure 1.7).

Figure 1.7. Travel and tourism.

Source: https://firsteducationnews.com/career-in-travel-tourism-sector/.

Leisure trips are when someone spends money on housing, food, and leisure while on a break, while business trips are when someone goes to work and spends money on accommodation and food. Most citizens also spend on leisure while traveling for business.

Travel and tourism need experienced IT staff and are also seen as part of hospitality. Designed places like theme parks draw thousands of people who all want a great customer service while having a memorable ride.

The transportation sector is another big field of the entertainment business. This refers to flights, cars, cruise ships, and each employee. Flight attendant and cruise workers serve as food servers and hoteliers for a comfortable experience of food or drink. This field of hospitality is focused on both business travelers and vacationers.

The travel industry moves people from place to place, while the tourism industry delivers services for people who support vacations and holidays. Travel agencies, tour operators, cruise lines, event promoters, and tourists 'centers are all members of the tourism industry. Tourism industry comprises bus and commuter rail.

The H&T sector funds many companies around it and provides a base for an economy. The whole economy is built around the domestic sector, for example, in' tourist towns.' A lawyer is not part of the hospitaller market in cases like these, but a lawyer employed for a hotel chain is sponsored by the hospitality sector, and the hospitality industry even helps a school teacher

in this type of community. Shop owners, company suppliers, government agencies, and other service providers are all dependent on tourism for their companies.

1.3.3. Lodging

Accommodation requires one- or two-nights' accommodation or a place to sleep. The lodging industry comprises excellent hotels, youth hostels, aged hostels, campgrounds, and motels. The business also has a place to sleep for guests. Hospitality firms are competing for other sectors such as business travelers, pleasure visitors, long-term travelers, luxury tourists, and unique travelers such as government employees, airline companies, and the military (Figure 1.8).

Figure 1.8. Places of accommodation

Source: http://nabilaamira.blogspot.com/2007/10/hotel-industry-trends.html.

Hotels, bed and breakfasts, and other hospitality services reflect a wide section of the entertainment industry. Types of companies span the range from excellent resorts to hostels and campsites. The emphasis of your company to provide accommodation should be focused on convenience, quality, and attentive customer service.

The hotel is a spot where you can live on one or more hours, commonly known as housing. A company in the hosting industry is a company which offers people a night's sleep. It can be one of several dormitories like a great residence, a youth hostel, an outdated hostel, a campground or an inn on the side of the highway.

The hostel industry's hostel facilities mostly entail where guests stay and the services they provide. Any place is designed to suit your individual needs, from luxury buildings to discount hotels and hostels. Accommodation can be claimed as the true foundation of the hospitality sector and, as a result, management should stress what is to be provided.

1.3.3.1. Hotels

The most esteemed properties within the hospitality sector are hotels (both chains and boutiques). The visitors expect to receive the facilities and products that are equivalent to the prices paid for the accommodation by companies such as Hilton and Radisson to smaller brick-and-mortar establishments. Each year, hotels add to this industry trillions of pounds of profits.

1.3.3.2. Hostels

Hostels are often associated with student travelers and can still be used by anyone who wants to spend the night. These are normally leased 24-hour, and nearby the city centers most of the hostels are situated (to allow those who are unfamiliar with the area easy access). Hostels are also well-known because they can offer low rates.

1.3.3.3. Motels

Motels are often used by business travelers and individuals who want to experience budget-friendly pricing between two locations, recognized for their sense of mobile luxury. That said some people will stay at a hotel for weeks or longer. Significant advances in infrastructure and in worker sensitivity have been seen in recent years.

1.3.3.4. Bed and Breakfasts

Bed and breakfasts combine a feeling of comfort with an enticing handmade taste for many people; particularly those who are always in the house.

Such appear to be smaller stores, and yet, because of the many places they currently exist, their role in the industry cannot be overlooked.

1.3.3.5. Serviced Apartments

Apartments Facilities are fully equipped residences that can be made available for both short and long visits. Some of the features synonymous with these facilities include room service, routine housekeeping, fitness centers and free Wi-Fi access.

1.3.3.6. Resorts

Hospitality resorts fell into the high end of the host market. Yoga retreats, spas, and assets that show you unlimited panoramic views of nature are all in this group. If you're looking for a home away from home while experiencing a personalized feeling of comfort, then you are eligible for new resorts.

1.3.3.7. Time-Sharing Plans

The period that visitors are allowed to stay in this form of accommodation is divided. An arrival and departure date is issued for each customer. Period shares are often connected to very common places of interest, such as Spain's Costa del Sol or Portugal's Algarve area.

1.3.4. Recreation

Recreation is every practice people perform for relaxation, relaxation, and leisure. The object of leisure is to refresh the body and mind of a human. Every company that provides rest, rest, and pleasure opportunities to recharge people's mind and body is in the field of recreation. The leisure field includes entertainment companies offering exhibits such as films or theaters and facilities which are sites of special interest of visitors such as zoos, parks, spectator sports and participatory activity.

Recreation is everything people do for healing, relaxation, and enjoyment. The object of leisure is to refresh the body and mind of the individual. Any company that offers rest, relaxation, and leisure experiences to renew the body and mind of an individual is in the recreation sector. Recreational companies are incredibly varied as people have different opinions about which things they take part in to refresh, enjoy. There are four main forms of recreation: culture, sightseeing, and participatory activities (Figure 1.9).

Figure 1.9. Recreational activity.

Source: https://chaffeecountyedc.com/business-environment/local-industry/.

1.4. DEVELOPMENT OF HOSPITALITY INDUSTRY

While everything began to be a place to sleep, the conventional hospitality market has grown into what we see today. The consumer has always been the focus, despite the changes which the industry saw. It is developing and growing slowly. The hotels practically scaled new heights in this new century. In the 21st century, some of the highest hotels were designed. Everything was made possible by technological progress in architecture. Any instances of this include the Fairmont Makkah Hotel and Burj Al Arab.

Airbnb opened a new hospitality industry section, which was established in 2008. It acts as a platform connecting people who would like to sell their property to those who want to rent it. As more and more people are going for business or recreation, this provides them with a very convenient and economical alternative. In fact, the number of solo travelers worldwide has seen a great increase. The comforts did not bother these lone passengers very much. I don't know for space-sharing. You like to greet and communicate with locals and other visitors. And this is why ideas of youth hostels and hostels have grown into new trends.

The Internet helps these hospitality industries a great deal. The popularity, pictures, and comments from other users can be seen. Today we can explore any way we can live in any part of the world. Resources and services can be learned. We can not only book our rooms, but also pay beforehand. The recent trends in the growth of hospitality are conducive to the creation of hotels that have a classic historical touch and contemporary facilities.

The hotel industry has always made a major contributor to any stable economy in terms of sales. Around $3 trillion was worth of the new hotel industry in 1960, which in 1990 was worth $25 trillion. Such estimates declined in the early 2000s owing to the 9/11 attacks and unemployment. But in the new decade, the business and its citizens were stable and soon lost momentum. The hotel industry is currently worth over $500 Billion, and 4.5 million people are employed.

Global exits have more than doubled over the past two decades, from around 600 million in 2016 to more than 1.4 billion. Due to this huge potential, a service provider network has grown that meets nearly any possible urge. Gradually, hospitality has become one of the biggest and most competitive businesses, hiring hundreds of millions across various sectors (Figure 1.10).

Figure 1.10. International tourist arrivals.

Source: https://hospitalityinsights.ehl.edu/the-origins-of-the-hospitality-industry-and-what-lies-ahead.

1.4.1. Innovation in Hospitality

New technologies such as artificial intelligence (AI) and the internet of things (IoT) are evolving, ensuring that companies already face the challenge of bringing their service into the digitization age. In the future, it will be important to maintain the pace of innovation in businesses that want to protect or grow their current market place.

The provision of extensive information to particular visitors allows companies to tailor their services on a specific level, contributing to more in-depth engagement with consumers.

Hotel rooms that automatically adjust the lighting and temperature to the personal preferences of each visitor will improve their guest experience and make them more likely to come back. A simple change can likely be seen through traditional check-in and guest interaction processes in hotels.

For example, the advent of voice recognition software helps hotels to automate tasks typically carried out by a human being. This will render property all over the world more effective. During simplification of processes, vehicles, buildings, and construction equipment become more knowledgeable and responsive.

The task for suppliers is to keep alive the human touch that has such effective accommodation facilities. In the fight for consumers in one of the most dynamic markets in the world, it will also be important to develop and leverage this new technology.

The only aspect that's steady is the transition in the hospitality industry. It is obvious that these days without worrying about innovation, you can't talk about the hospitality industry. As a hotelier, you will keep an eye on new trends to stop deceitful customers and slip behind rivals. The goal is no longer simply to increase the number of guests you draw, but rather to maintain them, whether digitally, on-site or through various points of contact. Here are three major changes, which will impact the hotel environment (and tend to do so).

1.4.2. Changes in Guest Expectations

The way hotels respond to guest anticipation has a dramatic impact on their competitiveness in an increasingly competitive setting. Through their orders, visitors often vote with their wallets. Immediacy, internet addiction, customized interactions and conflicting tastes are just some of the problem's hoteliers face on a daily basis.

Guests today are less involved in quick sales (i.e., low price sale) and more concerned about maintaining a long-term relationship (i.e., positive interactions). We want to be viewed from the point of view of knowledge of past company when they are a current client. Guests now recognize their influence by social media and online feedback- and use it when they are not happy with a company. It is important to keep in mind that a 1000 years old holiday-guest with his family has different expectations on business trips during the same millennium, as different people and generation-based profiles are established.

Hotels must please their clients and satisfy their sophisticated specifications. There, the key consideration is that visitors and styles of stays are not all alike, and handling them in this manner is detrimental.

1.4.3. Change in Technology

With the emergence of new technology, hotels of all types cannot afford to sit sideways. The hotels that first put the wishes of visitors are in an environment where new technologies constantly arise can be earned. In recent years, hoteliers have recognized that their structures combine online and offline and have to merge them. Such innovations have allowed many hotels to use cloud-based PMS solutions, so that they can easily expand, operate from anywhere, and get an overview into different aspects of their industry in real-time. New systems provide advanced features without limitations and overhead costs associated with large, complex legacy systems.

Mobile devices are becoming an increasingly important aspect of your experience before, during, and after the tour. Indeed, 60% of all searches for travel continue with a mobile device. Smartphones and tablets are quickly becoming the preferred method of communication for most passengers from travel analysis and reservation to testing and ordering on the site. Mobile technology can also boost hoteliers' sales of related products and services. Nonetheless, mobile is only the start. A McKinsey study showed that IoT applications could have a $410 billion to $1.2 trillion annually in 2025 in economic terms. This may be a long way to go, but this does not mean that forward-looking hoteliers should not lay the foundation for planning and taking action. The future of hospitality involves making the day-to-day industry more effective by using technology to deepen client interactions and increase guest experience. Hotels are better positioned to expand and prepare for future growth utilizing technologies developed from the ground up using Open API technology.

1.4.4. Changing Needs

The old saying was never true: unless you know the person, you can't personalize it. Because customers now go through multiple channels to book transportation, it will no longer be cut down on the processing or analysis of data in silos. The collection of data online and offline offers hoteliers an understanding of the tastes and desires of their customers. Through understanding what visitors want during their visit, hoteliers will ensure that they are able to deliver the products and services on arrival.

"When the customer goes through the gates, the environment where [hotels] have a competitive edge over online tour operators is one where guests are absorbed in the hotel experience, hoteliers will sell up" (Eye for Travel, 2015). Exceptional service management means the right support for the right person at the right moment. This can, of course, vary from self-checking facilities, following the DND sign on the door for complete privacy and minimal contact with the workers to providing customer assistance and vendors to build a diverse guest experience.

When it comes to this, it's primarily hardware that causes chaos. Any hotel that does not accept this is ready to fail. The reality is that you have to adapt to change in order to succeed.

1.5. CAREER IN HOSPITALITY INDUSTRY

In terms of overall GDP, jobs, and development, the tourism and hospitality industries are among the strongest in the world. According to the World Travel and Tourism Council's (WTTC) 2017 report, the year 2016–2017 was excellent for tourism and hospitality industries.

- +6 million net additional jobs in 185 countries;
- +7.6 Trillion US$ (10.2% Global GDP);
- 292 million jobs sustained;
- 1 in 10 jobs in the global economy.

In reality, it is anticipated that options for hospitality and tourism management should rise in nine jobs worldwide or in 380 million workers by 2027 from industry today's location of 1 in 10 employment on the globe at the moment.

It is obvious that it is difficult to find another area that offers as much professional satisfaction and as many opportunities for employment. However, the preparation and the level of employment in the tourism and

hospitality industry will have a great impact on your career opportunities (Figure 1.11).

Figure 1.11. Scope of hospitality industry.

Source: http://careeroverseas.net/career-overseas-provides-opportunities-for-higher-studies-abroad-in-tourism-hospitality-sector/.

Ecole Hotelier de Lausanne (EHL) offers accredited, industry-recognized degrees for students at every level:

- The bachelor's degree in hospitality management will launch your career in hospitality;
- The global master's degrees will take your hospitality career to the international stage;
- The MBA in hospitality (part-time) designed for career advancement;
- The executive MBA and online certificates for specialized skills.

Many workers are done face to face with clients in the hospitality industry. There are also, however, roles behind the scenes, which include advertising, marketing, and accounting positions. There are also plenty of workers in the food services business, including waiting staff and employees preparing food.

Such fields also include other management jobs, including hotel owners and executive chefs.

In consideration of this context, occupations will require much or no customer interaction in the hospitality industry. Many positions are at enters,

but hospitality, along with a higher pay, is a sector in which you can go on the ladder to the managerial role.

1.5.1. Why Choose a Career in Hospitality?

1.5.1.1. Entry Level Positions

It is disappointing to find that you can't get a job without a resume, without a background. The hospitality industry offers a large variety of career options for relatively inexperienced people with the right qualifications, as many companies need years of work experience for even low-level positions. Because the hospitality industry recognizes a strong working ethic, a commitment to quality service, and an outgoing personality over many years of experience, opportunities for new grades are abundant.

1.5.1.2. Job Safety

There are three requirements for occupations that are likely to be replaced over the next 30 years by automation, according to several recently published papers. Machines cannot accommodate special needs and provide personalized programs. Emergencies with consumers and issues with operation include problems that require an emotional understanding and patience not exhibited by machines. It is doubtful that AI can substitute customized cultural experiences for human customers.

1.5.1.3. Competitive Pay Rates

Although pay levels vary from one nation to another and from one location to another, hospitality provides solid starting salaries and plenty of opportunities for salary increases.

- **Lodging Manager**: $30,688 to $100,525;
- **Food and Beverage Manager:** $29,870 to $67,822;
- **Travel and Tourism Manager:** $32,000 to $124,616;
- **Casino Manager:** $124,618 to $338,199.

1.5.1.4. Good Benefits

Several hotels, such as Marriott, Hyatt, and Hilton, are managed and/or run by major businesses, and you recognize what you need to be in the market. This ensures, to a large extent, that outstanding team members and staff are

drawn and kept. Industry leaders usually offer highly competitive insurance coverage and pension plans for 401(k). We also promote flexible maternity leave, sick leave, and holiday pay plans. Many even have fee discounts for growing educational programs.

1.5.2. Common Hospitality Jobs

The following are the most common positions in the hospitality:

1.   **Concierge:** A concierge connects with customers directly and offers different facilities. You may address inquiries (e.g., "May you book me a booking for a restaurant?") or you can forecast the clients' needs. Such facilities may vary from a nurse to tickets for a performance to a restaurant. It is an entry level job in several hotels. Most luxury hotels, though, have many years of experience in hospitality. A concierge must have strong customer-service expertise and be able to handle diverse clients (Figure 1.12).

Figure 1.12. Job titles in hospitality industry.

Source: https://www.thebalancecareers.com/hospitality-job-titles-2061496.

Other front-of-the-house hospitality jobs include:

- Casino host;
- Cruise ship attendant;
- Front desk associate;
- Front desk supervisor;
- Front office attendant;
- Front-of-house manager;

- Gaming dealer;
- Guest relations manager;
- Guest services associate;
- Guest services supervisor;
- Hotel clerk;
- Hotel receptionist;
- Reservationist;
- Reservation's agent.

2. **Event Planner:** Most hotels have conference rooms or activities they hire from meetings to weddings for various events. An event planner partners with an organization or an individual to plan and assures that the event is executed properly.

Hospitality jobs in the field of event planning include:

- Events manager;
- Executive conference manager;
- Executive meeting manager;
- Meeting and convention planner;
- Meeting coordinator;
- Meeting manager;
- Meeting planner;
- Meeting specialist;
- Special events manager;
- Wedding coordinator.

3. **Executive Chef:** A CEO is a person that involves a lot of research in the hospitality industry behind the scenes. An executive chef is responsible for kitchen activities in hotels, restaurants or other food-serving sites. Cooks, sub-chefs, and other kitchen staff are supervised in this position. In the kitchen, they usually order all the ingredients, arrange, and prepare food.

Although this is not strictly mandatory, often head cooks have a certain amount of training in a gastronomic, academic, community or 4-year degree. Many people work towards managing director from entry-level positions such as line cooks. They develop over time the managerial skills needed to supervise the whole kitchen and to create menus.

Other jobs related to executive chef, including jobs many people have while working their way up to executive chef, include:

- Cafe manager;
- Catering manager;
- Chef;
- Cook;
- Food and beverage manager;
- Kitchen manager;
- Pastry chef;
- Restaurant manager;
- Sous chef.

4. **Hotel General Manager:** The management of a hotel or hotel manager guarantees that the hotel (or cabin, lodge, or any other living room) runs smoothly. Which involves contacts with visitors, managers, management of the property's finances and many more. Many hotel operators have a hotel management degree or certificate and others have secondary education diplomas and several years of hotel work experience. Hotel managers must have strong business, communication, and interpersonal skills.

Other jobs related to the management and/or administration of a hospitality facility include:

- Catering sales manager;
- Director of hotel sales;
- Director of marketing and sales;
- Group sales manager;
- Guest room sales manager;
- Hotel manager;
- Lodging manager;
- Sales and marketing manager;
- Shift leader;
- Shift manager;
- Spa manager;
- Wedding sales manager.

5. **Housekeeper:** The hygiene requirements of a hotel or other accommodation are maintained by housekeepers. The rooms of each hotel and the common areas are swept. Housekeepers make beds, do washing, clean bathrooms, store clothes and more within the hospitality industry. Housing needs physical strength because you often need to lift heavy loads and stay on your feet most of the day.

There are many other jobs related to maintenance and cleaning in the hospitality industry. There are also opportunities for management positions within these areas. Some other related housekeeping job titles include:

*   Director of housekeeping;
*   Director of maintenance;
*   Director of operations;
*   Executive housekeeper;
*   Housekeeper;
*   Housekeeping aide;
*   Housekeeping supervisor;
*   Lead housekeeper;
*   Maid;
*   Maintenance supervisor;
*   Maintenance worker.

6. **Porter:** These are responsible for handling guest luggage. They will carry luggage in the rooms of their visitors or baggage in the lobby.

    A porter is one of a number of support workers in the hospitality sector. Valet (also known as the parking area attendant) is another common position. When you come to a hotel, bar, or other location, a valet parks patron's car.

Other support staff positions similar to that of porter and valet include:

*   Baggage porter;
*   Bell's attendant;
*   Bellhop;
*   Bellman;
*   Driver;
*   Parking lot attendant;

- Valet;
- Valet attendant;
- Valet parking attendant.

7.   Waiter: Waiting makers and waitresses are workers in pubs, bars, hotels, casinos, etc. They communicate directly with customers who place orders, deliver food and drink and receive payments from employers. While no specific preparation is needed, waiters and waitresses must have good communication and interpersonal skills. We must also check at specifics, because customer orders, in particular complex drink orders, must be recalled. This work is ideal for people who want to reach clients directly in the hospitality industry.

Other job titles similar to waiter and waitress in the hospitality industry include:

- Back waiter;
- Banquet server;
- Barback;
- Barista;
- Bartender;
- Busser;
- Cafe manager;
- Catering assistant;
- Food runner;
- Food server;
- Head waiter;
- Host;
- Hostess;
- Maître d';
- Server;
- Sommelier.

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20. Eye for Travel, 2015

Chapter 2

The Transformation of Hotel Industry

"A satisfied customer is the best source of advertisement."

—G. S. Alag

CONTENTS

The hotel industry is one of the fastest-growing industries in the world. In this chapter, we will be able to understand what makes the hotel industry what it is today. The hotel industry has gone through multiple transformations and revolutions. This chapter also help us to understand the commercials around the hotel industry and the valuations it has reached in the modern era.

2.1. JOURNEY OF HOTEL INDUSTRY

The hotel industry existed as long as our ancestors inhabited the earth, to provide hospitality for the weary travelers, which goes way back to 100,000 years ago. From providing just a shelter to having acquired facilities like spas, food requirements for the travelers and their horses on the popular trade routes, it was soon converted from a necessity to a destination for resting and relaxing for fellow travelers.

Journey from medieval times to the modern era, the hotel industry thrived to fulfill the ever-changing demands of the society and has been developed to provide a significant contribution to any country's economy. Today the industry includes different sets of categorizations of establishments from inexpensive inns to 5-star chains. As per a 2016 study, increasing demands and frequency of travelers led to the contribution of $7.6 Trillion dollars to the world economy and is growing at a stagnating rate of 16.1% CAGR.

The Lascaux caves is considered to be the first shelter where both an artistic cultural background and the accommodation of different tribe has been proven. Although the dates of its origin is still debated but they are considered to go back to as long as 38,000 to 15,000 BCE (Figure 2.1).
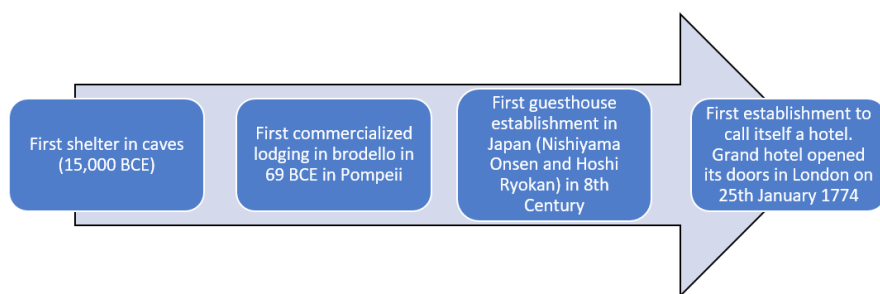
Figure 2.1. Journey of types of accommodation in hotel industry.

The technological, sociological, and economic development of hotel industry was revolutionized in 19th and 20th century primarily. One thing

that needs to be noted here is the evolution of this sector is directly related to the availability of transports and the growth of the transportation domain. With the invention of trains, motor engine, and overall development of the automobile industry, the mode of transport became cheaper, traveling was not limited to only upper class and purpose was not only limited to pure business. Along with globalization, many social benefits were being provided to the workers and employees. It encouraged and provided bandwidth to people to travel far often than before.

Along with rapidly growing globalization, disposable income of workers and employees saw a steep rise which led to a proliferation in mass travel which was witnessed in the later 20th century. Along with these factors, the concept of urbanization, and population explosion (world population is estimated to be doubled from 1925 to 2022) and increasing workload rapidly has created a desire to travel. This has led to increased demand in the sector. Consequently, growth of such establishments were noted. From guest houses, motels to chain of hotels were introduced for every price range placed in every nook of the world. Decreasing booking costs further elevated the inclusion of every demographic and economical segment.

Considering the factors, expansion of the hotel industry was exponential. And most of the credit for this goes to the advancement of technologies in the modern era. The way of operating the current model has changed significantly. From customer's expectations to purpose of arrival has taken a steep turn. Even though the hotel industry has been keeping pace with the ever-changing technologies, it has still been quite challenging and highly competing. However, the core business has remained the same, which is to provide lodging and food services commercially.

The segment had started with the initial goal of just providing a shelter to travelers at a cost. But growing years have led the industry to transform itself from just providing a room to stay but also making it home for someone who is away from home. And recently, it has been converted into making it more than home to tempt the end consumers to leave their houses and dwell themselves at the facilities and infrastructure at the hotel.

One of the biggest reasons for the surge in the industry was increase in accountability. With the digitization, word of mouth acts like a wildfire. Prior to this, any complaint or feedback was taken in their personal journal, which was not kept into public eye, hence could not be taken into account while making a booking. But with multiple online forums, consumers are now able to informed decisions (Figure 2.2).
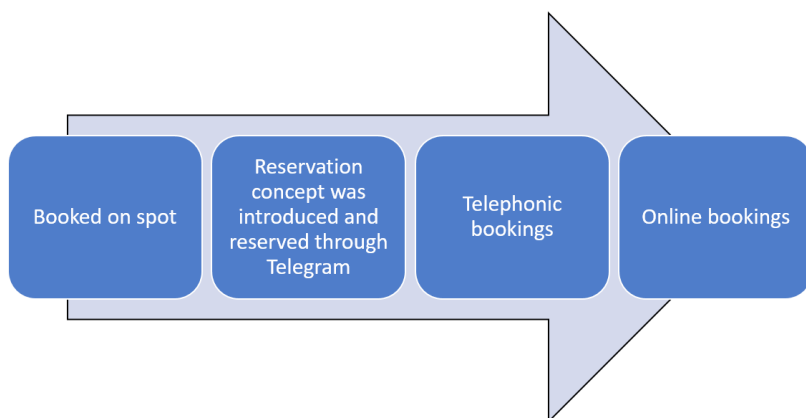
Figure 2.2. Modes of bookings and how it has evolved over the years.

Online bookings share has been skyrocketed since it was first introduced. According to a study, 63.5% of all the bookings are made online, and only 30% of them were made through an online agency portal like Expedia. The rest of them were made through direct hotel websites.

Through online portals, users have the leverage to compare points such as prices and reviews. Therefore, higher percentage of most of the bookings are done online. To further break it down, 31% of leisure travel bookings were made through smartphone, whereas 53% of business travelers online bookings were made through smartphone.

From its inception to now, the hotel industry has been among the fastest-growing industries in the world due to the infrastructure boom. Infrastructure of a country plays a critical role in developing tourism and traveling. Also, infrastructure attracts FDI (Foreign Direct Investments) for further developments and invites multiple corporates, offices, and businesses which in turn attract more business travelers. Along with the evolving booking and payments mode, the categorization of accommodations has been customized with the growing demands and expectations.

2.2. DIFFERENT TYPES OF ACCOMMODATION

2.2.1. Hostels

Hostels are probably the cheapest way for traveling accommodations. They may range from sharing rooms with bunk beds to private rooms. Even

with the private rooms, lodging cost does not exceed of any other mode of accommodation. Often amenities are shared among the other lodgers.

Despite this, hostels are quite famous for economical traveling especially among solo travelers. The primary purpose of hostels is to provide cheaper accommodations with quite decent facilities. Lately, many hospitality industrials have been capitalizing on this particular segment. Generally, frequent travelers would want to spend as little as possible from their budget on lodging and more on traveling. This creates a greater demand for hostels and shared lodging. Hostels also provide a better opportunity to connect with the fellow travelers because of sharing a common space. Hence, young travelers are spending more in hostels than in any other kind of lodging. Hostels are ideal for both shorter and longer stays due to multi facilities and economical demands.

Few common features of hostels are:

- **Shared Rooms and Facilities:** Generally, hostel rooms are meant to be shared. Either in the form of bunk beds to twin sharing beds. Being highly economical in nature, that is how hostels stay profitable. Many hostels in developing nations have common floor toilets. But hostels in Europe, although have sharing rooms, but have personal toilets. Hostels in Europe are very much in demand due to expensive alternative accommodations.

- **Affordable Per Bed Options:** Hostels are given out on per bed basis rather than room basis. That makes it more suitable for solo travelers to stay in hostels. Generally, hostels are ideal options for travelers looking for economical options to stay.

- **Networking and Social Opportunities:** Staying in a hostel provides an individual with ample opportunities to socially connect to someone with similar interests. As mentioned, generally hostels are given on per bed basis instead of room basis. That attracts solo travelers rather than a group or a family. Solo travelers generally connect over this and use their companionship for multiple purposes.

- **Wi-Fi:** When traveling international, telecom charges could be high. Hence, hostels provide basic internet facility in their establishment to their customers. Charges for the same are included in the rent. The Wi-Fi facility helps travelers connect with the internet at very nominal rates. This is one of the reasons solo travelers prefer staying in a hostel while traveling, instead

of booking a hotel or a guest house. Hostels are also preferred by youths generally who are not looking for much luxury, but a shelter at the most affordable prices.

• **Often Good Locations:** Due to sharing in nature, hostels are generally located at the good location or at a proximity from the city to attract more tourists. And good locations often attract tourists, leading to higher footfalls and margins. Locations also drive rent prices of the hostels as the hostels at good locations demanded higher prices and vice versa.

• **Preferred by Younger Guests:** Hostels are generally preferred by solo travelers and younger guests because of their nature. Hostels are not considered to be the luxurious stay hence not preferred by travelers who want a luxurious stay. Among youth, hostels are quite popular because of their inexpensive nature and availability.

• **No Room Services:** In hostels, room services are not provided. Being self-sustained in nature, guests are most likely to look after themselves. However, few basic amenities such as cleanliness are provided (Figure 2.3).

Figure 2.3. A shared hostel room.

Source: https://en.wikipedia.org/wiki/Hostel.

2.2.2. Guesthouses

Guesthouses fall in the economical category. They are given on a room basis and are highly suitable for a family travel. Guesthouses generally have common facilities such as toiletries and kitchen. Generally, guesthouses are used by families for travel and business purposes. A guest house is a house that has all the basic amenities that a hotel has. The only difference between a guest house and a hotel is the ambience. A guest house provides more personal attention to its lodgers. Guesthouse is ideal for shorter stays.

Guesthouses are among the first category of commercial accommodation ever started dating back to the medieval era. Guesthouses started with people commercially lending out their spare room to the fellow travelers. Generally, guesthouses are known to provide a personal touch in the stay of their customers.

Availability of guest houses are quite high as compared to the other modes of accommodation. Reason being entry barrier to opening a guest house is quite low. And with many new booking platforms and aggregators in this industry, conversion rates of guesthouses are quite high because of its charges to comfort ratio. Hence, it is considered to be profitable to start a guest house business because of its low cost maintenance and high profitability.

Some of the common features of a guesthouse are:

- **Homely Ambiance:** Guesthouses provide an ambience which highly resembles home. It is preferred by families traveling with economical budget. Homely ambience generally means an environment which is highly comfortable and familiar to some extent. Guesthouses are a type of inexpensive hotel-like lodging. Guesthouse is a private home which has been converted for the exclusive use of lodging. The owner tends to live in separate establishment but within the same property of guest house. And guest house may act as a separate commercial lodging.

- **Personal Attention:** Although it is a form of commercial lodging, guest houses are generally designed and operated in a manner where personal attention is provided to their guests. Reason being, generally, guest houses are not big commercial establishments. And at a given point of time, they do not possess huge infrastructure to entertain guests more than its capacity, which is quite limited. Providing personal touch and personal attention becomes feasible and viable for guest houses. This is

one of the main reasons that guests choose guest houses for their short-term or long-term stays.

- **Self-Cooking Facilities:** Many guest houses provide a common or personal kitchen area for self-cooking. This is ideal for long-term stays. Generally, customers staying in guest houses choose to travel in a more economical manner, hence, more self-sustaining manner. Ordering room service would not be a viable option for them as it would increase their cost of stay. Therefore, customers choose the option of self-cooking in guest houses. This self-cooking facility makes it an attractive option for guest house customers. The reason being, they can cook healthy food on their own at the minimal cost. Most of the guests choose the option for a private kitchen for their independence and privacy when it comes to cooking food.

- **Wi-Fi:** These facilities are generally provided at an additional cost. Being economical stay in nature, guest house counts them as an additional revenue and do not charge the Wi-Fi facility along with the room rent. It gives customers the liberty to choose the option for Wi-Fi services at their own discretion.

- **Local Environment and Stay:** As mentioned above, guest houses provide a homely ambiance to their customers. Hence, customers staying there get to stay in the local environment of the city or country where the guest house is located in. This is among the many reasons customers choose to stay in a guest house instead of a hotel. Customers get to experience the local ambiance in their stay. This may include local staff, local cuisine, local architecture, local designs, among many things. Guesthouses summarize the local environment of the surroundings and let guests experience the same (Figure 2.4).

Figure 2.4. A guest house bedroom.

Source: https://www.yatra.com/hotels/hotels-in-muzaffarpur/ct-guest-house.

2.2.3. Apartments

Service apartments are the ideal option for long-term stays and for utmost privacy. For longer stays, apartments are more economical and pragmatic than hotels. Apartment bookings have gone up especially after platforms like Airbnb have brought many underlying properties for commercial lodging. It provides all the facilities including a kitchen. Service apartments often provide many facilities which are common to guesthouse and hotels. But the key aspect for preferring apartments over any other mode of lodging is privacy and space. Some common features of apartment lodging are:

- **Generally, Apartments Are Well-Furnished Suitable for Long-Term Stay:** Service apartments are ideal for long-term stays. Service apartments are similar to the residential apartments. They can be in various formats such as 1RK (1 Room kitchen), 1BHK (1 Bedroom hall and kitchen) and so on. Service apartments come with all the necessary furniture required for a long-term stay such as Television, Kitchen, Wardrobes, Bed, Sofa set, etc. And similar to the hotel, room service, house-keeping, gyms, and spa services are also provided for the comfortable stay of the guests.
- **Privacy:** This is among the key reasons why guests choose service apartments over any other mode of commercial lodging.

Service apartments generally have bigger carpet area than of any hotel room, guest house, hostel, etc. Hence privacy becomes one of the unique selling propositions of service apartments. There are almost no restrictions during the stay. Guests can cook and use the facilities at their own discretion.

- **Bedroom, Living Space:** Unlike hotels, service apartments provide relatively bigger living space and a better standard of living. Relatively bigger living space are suitable for long-term stays as it provides an open ambience.

- **Good for Long-term Stay:** Service apartments are suited for long-term stays as they are exact replica of residential apartments. It provides all amenities which would be needed for a long duration stay such as furniture, kitchen facility, spa, gymnasium, etc. Service apartments are considered to be one-stop destination for long-term stay. Service apartments are generally charged on daily rent basis and are charged for the entire apartment.

- **Wi-Fi:** These facilities are generally provided and are inclusive in the daily rent (Figure 2.5).

Figure 2.5. An example of service apartment.

Source: https://www.booking.com/hotel/cn/westlake-7-service-tongrun-yinzuo.html.

2.2.4. Hotels

Hotel is an establishment which provides short-term lodging at a certain cost. Facilities provided may differ from star rating a hotel may have. Star ratings are provided on a country basis. A 4-star hotel in some country might have a different rating in another. Hotels are generally preferred for short-term stays. Hotels are charged on room rent basis. Amenities provided are not generally shared as rooms are not shared. As we go up the star, qualities, and amenities improve. And so does the lodging cost. Hotels are ideal for short-term stay and may be costly for long-term stay.

Hotels are generally used for all purposes. It is preferred by business travelers as it provides comfort, privacy, and amenities. And suitable check-in, check out timings. Hotels have in-house food lodging services as well at an additional cost which is another factor for travelers to choose hotels over other modes. Hotels provide a one-stop-shop for every facility required for traveling and staying. Including concierge and taxi services. Revolution of hotel industry started with the convenience of booking for its customers through multiple online travel agencies and even hotel websites.

Few of the facilities provided:

- **Personal Rooms and Toiletries:** Hotels generally operate on per room basis and are charged in a similar manner. They provide an entire room with common amenities such as private toilet, basic furniture, and a bed. Hotels are ideal for short duration stay, and they range from inexpensive rooms to highly expensive suites depending upon the room size, amenities, and basic facilities.

- **Spacious Rooms and Living Space:** Depending on the hotel and its ratings, hotel room size may differ from hotel to hotel or room to room. Generally, hotels can be found to accommodate any sort of budget of the customer. However, rooms accommodating more than one person can be spacious in their nature and have good carpet areas.

- **Food Lodging:** Hotels are considered ideal in case a guest does not want to bother himself with any sort of self service. Hotels provide room services and housekeeping for the utmost convenience for their guests, including food services or food lodging. Hotels have restaurants in their common premises to entertain in-house guests or external guests. Food lodging creates convenience for their guests. People traveling from outstations

have little to no clue about the food in and around the town. Food ordering from hotels can solve this problem and provide food services in their room as well.

- **Concierge Services:** These desks are set up by hotels to assist their guests with any adhoc queries. This could range from providing taxi services to their guests to guide the guests around the city. Concierge services act as a local guide for tourists and travelers in the city or local area.

- **Room Service for Utmost Convenience:** Room services are ideal for business travelers as it saves business travelers the hassle for looking after the room or arranging food during their stay.

- **Suitable for Short-term Services:** Due to its expensive nature, hotels are suitable for short duration stay. Although hotel rooms are convenient but they are confined to one room that makes them claustrophobic for a person to stay there for a longer duration (Figure 2.6).

Figure 2.6. An example of hotel room.

Source: https://www.kayak.co.in/hotels.

2.3. HOTEL MANAGEMENT

As the name suggests, hotel management is a chain of practices performed to strategize, maintain, and deliver the outputs to successfully manage a

hotel or chains of hotels. Hotel management has multiple branches which deal with different stages and fields of hotel operations. The hotel industry is one of the fastest-growing industry of the world. And will create more than 85 million jobs in the coming 10 years. Managing a hotel is a quite challenging task. Here are the few aspects which fulfill the aspects of hotel management and take the industry further by successful implementation:

- **Guest Satisfaction:** It is the ultimate motive of the entire hotel industry. All the work that is put in by the hotel management is for getting the end result of guest satisfaction. Guest satisfaction is the most critical as well as the most difficult aspect of hotel management. This is being achieved by constant learning, attention to detail, detailed feedback management system. Communication plays a key role in guest satisfaction (Figure 2.7).

Figure 2.7. Importance of guest satisfaction in hotel industry.

Source: https://www.hotelogix.com/blog/2014/10/20/5-commandments-to-de-light-your-hotel-guests/.

- **Effective Operations:** Apart from front-end operations such as guest satisfaction, cleanliness, politeness, etc., it is also important to make successful and effective backend operations such as cost cuttings, targeting profitability. Without these aspects, hotel will not reach profitability and end up being in the loss. A balance of operations needs to be maintained for an effective runway of a hotel (Figure 2.8).

Figure 2.8. A manager overlooking the operations.

Source: https://www.hotelinstitutemontreux.com/en/page/programs/bachelor-of-business-administration-in-hospitality-management-3522.

- **Employee Retention:** Along with guest satisfaction, employee satisfaction also needs to be targeted. Employees and back-end staff are the back-end of the entire hotel industry. With an already high attrition rate (20–25%) among the highest in all industries, employee hiring could be a challenging and costly task. In order to successfully retain employees in the hotel industry, it is important to provide perks and incentives to employees, give regular raises. Employee retention cost is less than the employee acquiring cost. Therefore, it is quite important to retain employees for effective hotel management (Figure 2.9).
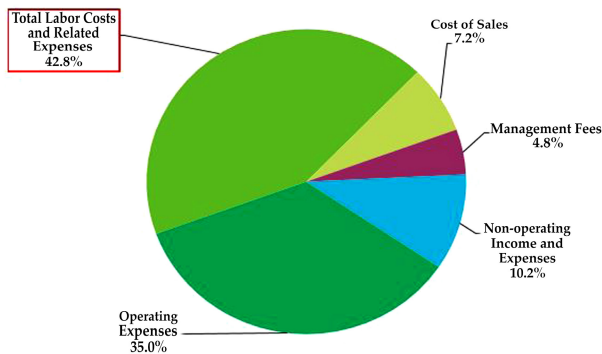
Figure 2.9. Cost breakdown for hotel industry.

Source: https://images.app.goo.gl/EjxrPd1ycea3NeME6.

2.4. CHANGING HOTEL MARKETING STRATEGIES

Since the inception of the hospitality industry, marketing strategies have changed drastically. With many booking and review platforms coming up, the hospitality industry has pivoted itself to pull marketing strategy. Along with utilization of digital marketing platforms, the cost of targeting relevant mass and economics of scale has gone down. Leading to higher margins and volumes. Although it has always been challenging for a hotel to survive in this neck-to-neck competition. Especially since the introduction of room renting concept through portals like Airbnb. But hotel industry has started coping-up with these challenges by attracting customers through different strategy. Let us have a look at the different strategies used by the hotel industry to target markets and increasing footfalls.

2.4.1. Online Presence Everywhere

Long gone are the days when people used to rely on the travel agents to plan their itinerary and book their accommodation. Technology has taken over. Technology has empowered people to not only review and book but also compare, read reviews of guests who have stayed in the hotel in the past, about the staff, facilities, amenities, staff behavior and everything of the similar kind. Online presence has been a key ingredient for this business. It has not only groomed multiple chains and created them a brand but also taken down many chains who were successful before. Due to no presence or very limited presence, these chains were not visible to customers and therefore have brought down the sales to a fraction of what it was before. In order to get a good online presence, there are multiple platforms where a chain can register themselves. However, solely that is not enough.

Customers lately tend to have a purpose of selecting a stay. It could range anywhere from cheaper stays to business stays to luxurious ones. In cheaper stays, customer's priorities are straight forward. Irrespective of the service qualities, they are just looking for the cheapest options. Or in case of business stays, budget is not the first priority, but the hotel services, staff, lodging facilities, food are the topmost concerns. In these cases, hotel branding should be done exactly in the manner of their selling points. For example, if an establishment is in to comfortable stays, hotel should work up in the same manner to create such a reputation in the online marketplaces. This would help in creating higher footfalls and more volumes.

To master such online presences, hotels have started targeting SEOs (Search Engine Optimization) or google ad words. Such as if a customer

wants to search for cheaper stays, hotels have started putting keywords related to 'cheaper' on their websites or online hotel aggregators. Keywords such as economical stay, homestay, etc. SEO is one of the biggest factors in generating footfall in the hotel industry, followed by reviews, feedback, and stay quality.

However, with the cut-throat competition, the same has become quite challenging. So currently, hotels do not solely rely on one single platform. Industry has already expanded their horizons to target mass audience which include both offline and online marketing (Figure 2.10).

Figure 2.10. Increasing online hotel booking platforms.

Source: https://www.businesstoday.in/buzztop/buzztop-feature/paytm-enters-oyo-territory-launches-on-demand-hotel-booking-business-with-nightstay/story/315039.html.

2.4.2. Targeting the Right Audience

Earlier, even with the offline marketing modes, targeting the right customers was being done to some extent. For example, advertisement of Ritz Carlton was not done through the pamphlets but the specific newspapers or publications which was supposedly consumed by the right audience for hotel Ritz Carlton. And for economical stays, fair usage of print media was

being done so as to only target the relevant audience. Offline modes also included travel agents. And the presence of layers of travel agents did the same. By considering the traveler's budget and agent's tie-up with a hotel chain of that particular budget, the agent would recommend the hotel which was suitable for that budget. But with technology taking over the entire process, targeting audience has been automated and no manual intervention is required in this scenario.

With data playing a huge role, it is easier to identify and segregate the audience based on demographic and income. Using this, right audience is being targeted. Many hotels have a variety of customers from taking an economical room to a presidential suite. These audiences are broken down in two segments and target differently. And with the presence of multiple targeting tools, it has become economical and easier to target the right segment of potential customer. Another example could be of a hostel, where a hostel would only need to target youth, travelers especially solo travelers with relatively lesser budget. This helps any establishment narrow down their potential customers and provide a leverage over customers. And as part of creating an omnichannel online presence combined with targeting the right audience right steps of marketing is being attained, resulting in higher footfalls and higher margins.

Another mode of targeting the right audience is through the offline mode for people who have lodged previously in the similar accommodations. Essentially, creating a database of hotel's previous customers, as customer retention is always economical than customer acquisition. Maintaining the loyal customers through various programs is one of the marketing strategies. Loyalty programs have had a presence since the very beginning of the hotel industry. However, digitization has made it more practical and easier to track. Previous customers are known as the perfect audience in targeted manners, and with good experience during the stay tend to provide higher conversions at a lower rate.

2.4.3. Allocating a Higher Budget to Marketing During a Particular Season

One of the key strategies that is being widely adopted across the industry lately is the focus on a particular season to drive growth during that season. For example, during the ski season, hotels near the ski zone or mountain areas promote the activity of skiing altogether instead of just marketing the hotel. And it has witnessed a tremendous success on the scale of higher

conversions and footfall. During a ski season, not only is it hard to find a room in a hotel but to find a hotel altogether becomes challenging for a customer during peak seasons. As hotel marketers are aware of their respective peak seasons and are well aware of the strategies to be used to monetize the same. Hotel marketing annual budgets are prepared according to the seasons. During the off-seasons, expenditure on marketing strategies is average. However, that changes when the expected turnout is higher.

This also includes day-to-day advertisements at the busy or high booking hours. For example, if a hotel is known for its business stays, then most of the booking would come at business hours. So, hotels time their online advertisements during business hours to a selective targeted audience planning for a business travel. On the contradictory, leisure travelers tend to book their itinerary during weekends or off-business hours. Hence connecting with the right audience at the right time during a season could maximize the footfall and conversions in the most effective way.

One relevant example to look into this is, during the summer season in India, leisure travelers tend to move to hill areas to spend either their weekends or summer holidays with their kids. This leads to overbooking of only a few lodges due to their marketing strategy to effectively target the audience during peak seasons. This behavior also tends to repeat itself during winters for the snowfall. Hence, all around the year, footfall and conversions are noted to be high (Figure 2.11).

Figure 2.11. Hotels during peak seasons.

Source: https://mk.pnkdesign.co.uk/vb/2018/08/26/essex-hospitality-market-ing-off-peak-seasons-for-hotels/.

2.4.4. Marketing the Locations

Generally, leisure travelers are indecisive about the location or city they want to travel to, and that could affect the footfall or conversion of chains of hotels in that city. One strategy that has been widely used by hotel marketer is to market the location of that particular hotel. For example, a hotel is based near the sea or a beach. So instead of marketing the hotel directly, maybe a view of the sea from a room window could be used to tempt users to spend their time around the sea and choose that particular sea-facing hotel, paying a premium for the sea-facing room. This is one of the reason hotel marketers do not just use amenities to promote their brand or hotel but also the surrounding, city or even a country has to offer.

One great example of this strategy being used is, W Chicago-Lakeshore. Rather than solely promoting the hotel amnesties or facilities for that matter, they promote some local happenings by targeting a specific audience of festival-goers. A study says that this strategy has helped them attract festival fans who were not even considering going to Chicago as their vacation options. This also creates fear in the consumer mindset that if they delay even for a couple of days, they might not get any accommodation post or during the festival around that area. Hotels take advantage of their local surroundings to promote their own brand by promoting the local events.

Figure 2.12. Sea facing room in a hotel.

Source: https://www.cghearth.com/brunton-boatyard/living.

Another example of same is the event of Tomorrowland in Belgium. In the particular case of Tomorrowland, not only hotels but every service provider in that vicinity promote the event including the Belgium government. Hence, this strategy is widely used for attracting footfall and longer stays. Due to high demands during that event, hotels could also charge a markup on the road to high profitability. Hotels use the marketing strategy of taking advantage of local tourist attraction to increase the volumes (Figure 2.12).

2.4.5. Taking Feedbacks and Complaints More Seriously and Going Beyond for Customer Services Before, During, and After the Stay

This is the biggest marketing strategy and also the most effortful. Word of mouth. Customer service should not just be a department; it should be an entire company especially for the hotel industry. Marketing and customer services are both parallel end for higher conversions. Prior to tech, even a critic review would not leave the complaint book of a hotel, hence it was not of a very high incentive to go above and beyond for customer service. But considering the giant leap of technology in the modern era, this could break an entire hotel chain now.

Hotel marketers are now focused on getting out good reviews from their customers to post on aggregator platforms. Good reviews act as a huge catalyst for hotels to get more footfall and conversions. In order for more positive reviews, hoteliers are going beyond their supposed task of just accommodation. While booking a stay, a customer can now reach out directly to the hotel for certain clarifications as well. For example, if a customer wants to take an understanding of the weather of the city, where the hotel is located for an accurate packing, she can reach out to the hotel and discuss the same.

Generally, it is also done for routes, how to reach hotel or how far is it from sights customer has in mind. During the stay as well hotel's concierge desk helps out customer for his stay in the city and guide him around the city, including places to visit and arranging a cab for it. And following up with the customers for feedback on their stay in the hotel is the extra mile hotels are willing to go to spread positive word of mouth.

In order to attain higher service standards, hotels have started hiring well qualified, trained, and customer friendly staff. Hotels have become more open to the customer requirements and customer-centric. To get at par with the competitors, hotels have started going beyond their list of services

provided in order to improve their customer experience. When a customer is treated exceptionally well, he tends to share the experience with others through multiple portals, including online and offline, which in return acts as a catalyst to generate higher volumes (Figure 2.13).
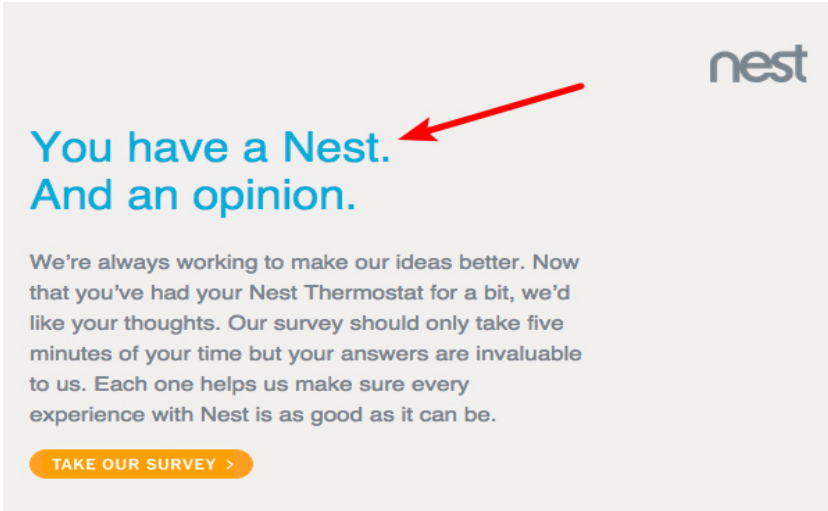
Figure 2.13. Customer feedback template.

Source: https://herothemes.com/blog/customer-feedback-email-template-samples/.

2.4.6. Building a Customer Loyalty Program

Customer Loyalty program attracts past customers due to sense of importance by an establishment. Customer Loyalty programs are highly common across the consumer industry. Loyalty programs provide better incentives to their loyal customers than their regular ones. It could range from getting exclusive discounts to upgrading their stay from a regular booking to suite booking. Customer loyalty programs have been massively successful in the past and generally help in retaining the customers.

Customer loyalty programs work through the accumulation of points provided by hotels every time a booking is made. Hotels also give an option of redemption at the customer's discretion. Earlier customer loyalty programs were not widely recognized due to the limitation of technology at the time. Tracking of customer loyalty without technology was quite challenging and would work only if the customer is recognized or known by

the owners, thereby limiting the customer base. However, with such massive improvement of the technology, the reachability of the program has hit new highs. It has become easier to identify and incentivize their loyal customers.

With the available set of data, the times customer has stayed with a particular hotel could be analyzed and that data can be used to incentivize the said customer. Loyalty programs have been quite useful and successful in other industries as well. As it makes any customer feels valuable and increase the ticket size of an industry. In the hotel industry as well, loyalty programs have created a huge customer sets to accommodate and satisfy the customers better. Loyalty programs are also used for the betterment of customer experience.

2.5. CUSTOMER FOCUS

Being customer-centric is the key element in the hotel industry. From the inception of the hotel industry, customer focus has been an inevitable part of it. Focus on customer requires obsessive knowledge of what your client needs, and the way to deliver it.

Hotel industry is highly a customer-focused industry. Because, at the end, it deals with customer comfort, luxury, and necessity. Competition has made the entire industry more inclined toward customer-centric approach. The reason for that is, customer feedback has become very critical at this point of time.

With connectivity costs going down, it is easier for anyone to share a feedback of a stay these days. This has put the entire hotel industry in a position where if directly or indirectly focus on customer shifts, it affects their word of mouth and therefore affects the footfall. Reason being, any new customer before booking an accommodation looks out for the experiences shared by previous customers during their stays. Hence it is critical for the entire hospitality industry to be customer-focused.

Currently, there are formal trainings that take place for the staff in hotels before officially joining the establishment. These trainings underline and train the staff about dealing with various kinds of customers. But once in a while, there arises a situation that is outside the parameters of the training given to the staff. In those scenarios, staff mindset plays a critical role.

There are few ways the hotel industry is following the customer-centric approach. Let us look at them in detail.

A customer-focus mindset encompasses all the how-to trainings and a positive attitude along with a customer-centric mindset.

2.5.1. Desire to Be Customer-Centric

There have been many establishments outside the hotel industry as well, where a customer-centric driven mindset has led the companies to establish great things. Customer-first approach has taken many chains on the route to high profitability in the hotel industry.

Nowadays, it has become very critical for an establishment to have good social and online footprints. And the fastest and most economical way of marketing and getting good traction is good reviews left by customers online and offline. And to get there, to reach there, it becomes an inevitable scenario to put customer's desire first, and that is what is being followed by successful hotel chains. For example, Airbnb is a peer-to-peer platform for customer to book accommodation in their host's spare lodge. It could be a room, a spare bungalow, or a spare apartment. The key thing to note here is that any of the host's room gets a booking is through a good feedback. Hosts go the extra mile to provide customer's good service. For example, providing toiletries complimentary or food complimentary. This does not cost the host a huge amount, but that leaves a good impression on their customers which lead to a good feedback and hence more bookings.

Therefore, it is a critical aspect in the hotel industry to provide services at the par failure of which might lead to losing in the number of customers to competition or worse, another format of lodging. Ergo, a desire to be customer-centric is the first step in the right direction, which has been improving since the intervention of technology in the industry. And there has been an increment in the attrition rates as well in the hotel industry since review and feedback forums have stepped into this industry.

Tolerance for front end staff which deals with customers on a day-to-day basis has gone down. Reason being, any bad customer experience either with staff or stay affects the overall footfall and business of that particular establishment. Therefore, since the training days, it has been very well engraved in the mindset of the staff to have a desire to serve customer first.

2.5.2. Being in the Moment

This generally means that while serving a customer, although there are some behavioral patterns that are quite natural and come automatically, for example, greetings. However, for the staff in the hotel industry, it is

important to realize these patterns and always look for something to make it even better. For example, opening a gate while greeting a guest. These kinds of gestures create a subconscious gratitude in the mind of customers. Lately, customer focus in the hospitality industry has been shifting toward serving the customer in the moment. Any issue or disagreements with the customers can be sorted out just by being present in the moment. Being in the moment also means being conscious of what they are doing.

This approach is helping the hotel staff in realizing the ways to make services more approachable and efficient. Being in the moment helps staff deliver positive experiences to the customers.

2.5.3. Knowing Where the Line Is

In this customer-driven and focused industry, it is a key element to know where to draw line or where to stop. The boundaries are typically further out than most people think. But it becomes quite essential to put boundaries or to draw a line. Sometimes, in order to serve customers better, staff of the hotels do not incline themselves with the hotel policies, although it is important to look after the customer's requirements but it is also necessary to draw a line. Staff is taught by the examples and stories, how far employees can go to take care of their customers, both internal and external customers.

2.5.4. Always Learning and Keeping Up with the Current Demands and Trends to Serve Customers Better and Up to the Mark or Expectations

With the ever-changing face of technology and innovations of many platforms based on the hospitality industry, the hotel industry has started keeping pace with the upcoming trends of the industry. And this can be done only when there is a regular practice of continuous learning and keeping up with the technology. So, what does keep up with the technology mean? It means to have keep a check of online activities, be it reviews, feedbacks, online presence, bookings, etc. There is a high fluctuation in volumes generated by online hotel booking aggregators; therefore, it becomes necessary to register the hotel on multiple tech platforms to increase the probability of booking.

Being customer-focused includes after stay services as well. Lately, hotels are following up with customers for their feedback during their stay at the hotel. This helps them improve their current offerings or present new offerings altogether depending upon the review or feedback they receive from their customer. Vintage hotel chains as well, have started their initiatives

to keep up with the technological demands that have started spurring lately. New generations of travelers rely heavily on technology for bookings.

Through these platforms, they need to make sure that they have all the data available in front of them and that they are making an informed decision while making any bookings. Hence it is important to keep up with the technological trends. So that a trustful relation can be developed online between a hotel and a customer. Information such as hotel photos, hotel location, distance from sights or office (depending on the reason a traveler is traveling), customer feedback, etc., should be transparent on the hotel website or aggregator portal for creating a trust and taking a step toward customer-centric approach in today's time.

Without adequate customer service or fulfilment, it is highly challenging to run an establishment in the hotel industry.

2.5.5. Recognizing the Responsibility

At any given point of time, a hotel employee is the one who is dealing with a customer and is representing the entire hotel brand. Hence it is necessary for the hotels and their chains to train their employees in such a manner that a reflection of the entire brand can be shown in each of the employees of that hotel.

This can only be done by recruiting already trained staff from various management institute or highly experienced employees. Post that, they go through an intense training to understand and execute the cultural values and mission-vision statement of that hotel. For example, in many of the review forums or feedback threads about a hotel, a name is mentioned from the staff, complimenting him for his / her services to customers.

This instantly creates a loyalty for the customers and attract potential travelers to that particular hotel for their services. This goes beyond the concept of generating footfall or conversions for that hotel. It is about creating a loyal customer who would visit the chain every time that customer has a chance. Just by engraving hotel values in each and every representative of that hotel could create a lasting impact and create subsets of loyal customers in the time to come.

Increasing focus on the customers has been a key strategy for the entire hospitality industry. Unlike earlier, just serving to the necessities is not enough. The hotel industry is going an extra mile for their customers and their satisfaction which has led for key players in this industry, to witness tremendous growth opportunities. And this is one of the areas where industry

is increasing its focus and investments. Customer focus has been directly proportional to growth in this industry.

2.6. GROWTH AND DEVELOPMENT OF HOTEL INDUSTRY

The growth of hotel industry is directly related to the growth of the travel and tourism industry. Reasons for travel and tourism could be multiple. People travel for education purposes, leisure travel, business travel, commercial reasons, or health purposes. With the increasing globalization across the world, the reasons mentioned above are seeing a tremendous growth, and hence there has been exponential growth in the hospitality industry. While it is not possible for travelers, be it short-term travel or a long-term stay to carry basic amenities like fresh food, accommodation, etc., with them. So, it falls directly on the hotel industry to look after the needs of customers, generated during travel. And with direct growth of the travel industry, the hotel industry has been noticing increased demand as well.

The concept of Inns and paid lodging came around in 500 BC to satisfy the needs of the travelers. With no automobile during that era, animals as a mode of transport were used. Including fulfilling the requirements of carrying luggage as well. Due to this, animals would need rest after some distance. And hence to satisfy such needs, these concepts were introduced. Even the commercials Inns were created in the houses of local residents for the meaning of generating extra income. These inns were generally used in their spare space.

If we consider the growth and expansion of the hotel industry in India, it shares a different growth story and strategy. After the colonization in India, hotel industry started growing rapidly. The Taj and Oberoi group already had a strong presence on Indian land. But post-colonization, many groups including ITC (Indian tobacco Company) witnessed an opportunity to enter this developing sector in India. ITC entered the Indian market with their first-ever ITC Welcome group, with the Sheraton Chola at Chennai. FHRAI (Federation of Hotel and restaurant association of India) came in 1955 to regulate, unionize, and control hotels and restaurants (Regional restaurants started flourishing in 1949).

Indian hotel industry is highly divided between organized and unorganized sectors with unorganized sector dominant over the organized one. The Indian hotel industry is highly driven by seasonal sales. India is an

extreme climate country. It affects the tourism industry. Most of the travelers choose to travel from October to April. However, this period can be seen shrinking as well due to climate variations. During off-seasons, hotels target B2B segments for business occupancies. Such as meetings, conferences, Inductions, interviews, business stay, etc., with some attractive discounts to compete with rivals.

Hotel industry, as per studies of 2011, generates high employments. It generates employment directly and indirectly to skilled, semi-skilled, and unskilled people. According to a research by HVS Global Hospitality Services, there is an indicator called employee-to-room ratio which represents the employment generated by hotel industry per room and that is 2.7 in the case of luxury hotels, 2.11 is for below luxury but above average hotels, 1.52 for an average 3-star hotel and 0.72 for budget or economical hotels. This brings the Indian average to 2.01, which is almost twice as the world. It clearly means that the Indian hotel industry is maturing and has been generating employment directly or indirectly for skilled, semi-skilled or unskilled people at twice the rate as compared to the rest of the world (Figure 2.14).

Figure 2.14. Top 10 global hotel industry market.

Source: https://www.hospitalitydesign.com/news/business/2018-development-update/.

The travel and tourism industry have played a crucial role in the expansion and growth of the entire hospitality industry. However, the major share of that has been contributed toward the hotel industry. Also, the steep and continuous growth of disposable income has been one of the many key factors which has led to proliferation in volumes and margins of the hotel industry in India.

The hospitality sector in India is witnessing a robust growth and contributes 7.5% to the GDP. According to a report by KPMG, the hospitality sector in India is expected to grow at 16.1% CAGR to reach INR 2,796.9 thousand crore by 2022. The hospitality sector or hotel industry attracts the most FDI. And also, it is the most important net foreign exchange earners for the country. Hotel industry is generally also the highly taxed industry. It provides high tax earnings to governments.

The total retail value of the global hotel industry has crossed USD $500 billion in 2018, according to a study conducted by Deloitte and Statista. Deloitte and Statista also noted the total revenue of the hotel industry in the USA alone has touched a staggering USD $ 200 billion, and Millennials are responsible for such key growth in the hotel industry in recent years. And with increasing interest in traveling among youths, the hotel industry is set to witness 6–7% year-on-year growth of hotel industry. Travel and tourism industry on an average account for 10% of entire GDP of the world and hotel industry is responsible for half of that if food and beverage along with alternate lodging is to be included. And the contribution toward GDP has been growing at a pace no one expected to.

Infrastructure is the backbone of the hotel industry and contributes significantly to the world GDP (gross domestic product). Taxes on the real estate development affects the investment in this industry which affects the growth indirectly. Governments must also look toward incentivizing the investment in the development of luxury and ultra-luxury segments of the hotel industry, which will provide a boost to the travel and tourism industry.

The hotel industry is directly related to the tourism and traveling industry, which relies heavily upon the infrastructure of a country or a city. With developed nation, the market is still growing for luxury hotels. Having more per capita income in developed nation provides them with higher disposable income. Therefore, luxury hotels are in demand in developed nations. However, in the case of developing nations, the budget or economical hotels market is proliferating due to less disposable income and poorer infrastructure in developing nations.

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Chapter 3

Tourism and Hospitality Industry

"Hospitality: making your guests feel like they're at home, even if you wish they were."
—Justine Vogt

CONTENTS

In this chapter, we shall discuss about the introduction and factors which led to the growth and transformation of the tourism and hospitality industry. Tourism and hospitality industry is among the fastest-growing industries in the world. Multiple factors have played critical roles which has led to the successful transformation of the tourism and hospitality industry. We shall attempt to break down these factors further and also try to analyze the role of other industries which has an indirect impact on the tourism and hospitality sector. Also, we will break down the impact and valuation of the tourism and hospitality industry on the world economy.

3.1. GROWTH OF TOURISM AS AN INDUSTRY

The tourism and hospitality industry has been one of the fastest-growing industries in the world. The tourism and hospitality industry are correlated with each other and contribute to the growth of other sectors as well. The hospitality industry is further divided into many categories. These categories provide an accurate segmentation of the hospitality industry and contribute directly to the growth of the hospitality industry and indirect growth to the tourism industry. This is because both industries derive growth for each other. If the tourism industry of a country or a state invites and attracts tourists to travel to that particular state or country, travelers would also search for various lodging options and food options.

3.1.1. Factors Responsible for the Growth of Tourism as an Industry

In the past few decades, growth of tourism industry has been tremendous and it has contributed a record $8.8 trillion dollars in world economy in 2018 alone, along with creating 319 million jobs in the world.

The entire sector grew at 3.9% year on year, surprisingly, the growth of tourism industry had surpassed the growth rate of global GDP, i.e., 3.2%. It has also generated 10.4% of all global economic activity. While tourism as a sector grew independently, still there are few factors that influenced the growth of the entire industry. To understand such factors, it is important to understand their level of influence on the growth of the tourism industry around the globe (Figure 3.1).
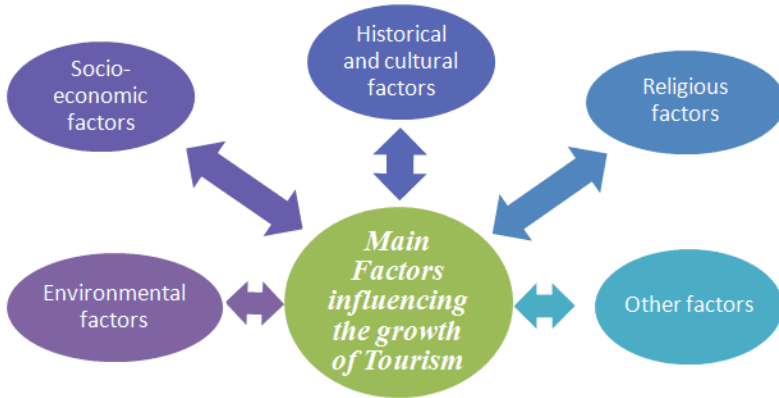
Figure 3.1. Factors influencing growth of tourism sector.

Source: http://articles-junction.blogspot.com/2013/07/five-main-factors-influencing-growth-of.html.

Here are the five factors that influence the overall tourism industry and has been a huge catalyst in the growth of tourism industry.

3.1.1.1. Socio-Economic Factors

When we talk about socio-economic factor of a country, we discuss the social and economic climate along with the infrastructural growth of that tourist spot. Socio-economic factors influence tourism by the status of its stability. If the socio-economic climate is stable, it would attract more tourist and contribute more toward the growth of the nation by providing growing space to the tourism industry.

Socio-economic development generally includes aspects such as poverty, employment, foreign exchange, political climate, etc. Unless socio-economic factors are stable, it would affect the tourism in that country.

Now, let us talk about further about the socio-economic factors that influence the development of tourism industry:

- **Accessibility:** It is one of the most important socio-economic factors, which influences the tourism industry. Accessibility includes transport, roads, water, hygienic food, etc. Any traveler before considering traveling anywhere tends to consider accessibility of any location. Hence, it becomes crucial for the

ruling body to aim and provide basic accessibilities in the most convenient and efficient manner.

Without adequate accessibility, tourism of that particular location gets affected and will harm the local economy. Now, with technology in everyone's approach, tourism spots are under more scrutiny than ever. Ruling bodies take up such initiatives quite seriously these days and solve the accessibility problems to attract more travelers in order to scale the local economy as well as the state's economy.

Developing nations generally are more affected by the increasing importance of accessibility. Although few aspects of accessibility can be changed easily, such as roads and transport, the majority of the accessibility composition is quite challenging to solve, such as poverty and clean water. Governments are working continuously, not only for the purpose of attracting more tourists but also to create a better and sustainable environment for their local residents.

Hence, accessibility is one most challenging yet important aspects of socio-economic factor for influencing the tourism industry for any state or nation.

- **Accommodation:** It is a symbolic representation of the infrastructure of any tourist spot. Accommodation is an important aspect of socio-economic development. Even with the most attractive tourist spot, if there are any short comings in terms of providing adequate shelter, it would affect the growth of the tourism industry in that nation. Hence, it is important to develop enough infrastructure to host and accommodate the tourists in the most suitable manner.

- **Amenities:** The growth of a particular tourist spot is also influenced by the other factors as well. Such as the maintenance, the cleanliness around it. Amenities also include the factors around the main attraction. Let us take an example of a Ski site. While going for a ski, we also tend to plan for the other factors or activities in and around the ski location, such as the hotels nearby, or good clubs nearby, or good eating out places. This influences the tourists' decision making. Let us take another example of amenities to understand better. While going for a festival, more than the festival tourists enjoy the ambience, the food, etc. Hence it is an important factor of socio-economic activities to develop an infrastructure around the main attraction spot.

- **Ancillary Services:** These are the essential services that are provided for the connectivity and safety of the tourists, such as banking services, financial services, medical services, insurance services, internet connectivity, telephonic connectivity, police services, etc. This kind of infrastructure creates a better trusted relationship between a tourist and the host location. It also encourages the tourists to stay longer than required, which indirectly develops the economy of the host location. Absence of these services not only discourage a longer stay but altogether discourage the intention of visiting. Along with all the socio-economic factor and development, it is important to create an infrastructure of better connectivity and the safety of tourists traveling.

3.1.1.2. Historical and Cultural Factors

Historical and heritage tourism basically means traveling with the primary purpose of exploring the history and heritage of a place.

Historical and cultural factor is one of the crucial aspects when it comes to influencing the tourism industry. Many tourists are attracted to historical sites and the story it contains. It has been proven, countries with history and culture-rich background, attract more tourists. Travelers tend to visit monuments, temples, forts, castles, palaces, forts, etc.

Statistics clearly indicate that culture and heritage tourism is growing at a tremendous pace, especially in OECD (Organization for Economic Co-operation and Development) and APEC (Asia Pacific Economic Co-operation) nations. One study directly indicated that cultural and heritage tourists spent 38% more on their stay and stayed 22% longer than any other kind of tourists as per the research done by my travel search.

Historic sites and cultural heritage create an engagement between a traveler and the location. Be it a historical monument, a museum, etc., travelers stated that the historical and cultural trips were more memorable to them more than any other conventional trip.

If maintained properly, historical sites gather many enthusiasts as tourists, which in turn, contribute significantly to the economy. By maintaining the historical sites, the ruling body injects the capital into the economy and create jobs in return. This supports small businesses and create employment for smaller roles as well, such as a guide or a navigator. Let us take an example of Taj Mahal in Agra, India. Taj Mahal attracts millions of tourists

each year and maintenance of Taj Mahal created employment for the local community. Now a small city in India hosts millions of tourists every year, which in return contributes in the growth of the community and the nation (Figure 3.2).
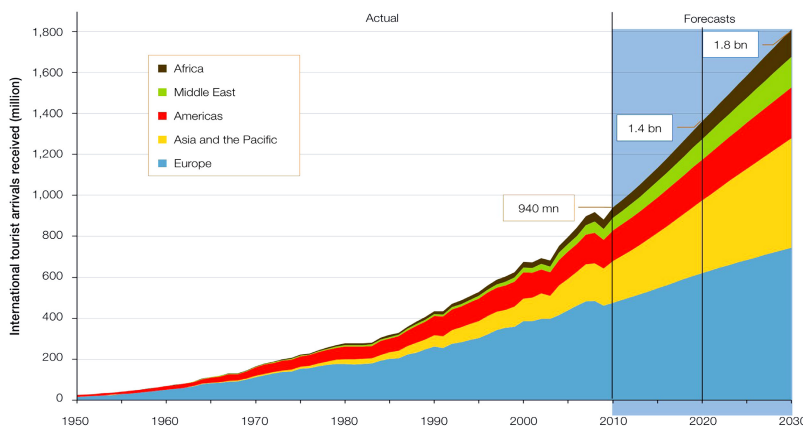
Figure 3.2. Travel and tourism development.

Source: http://geojam.weebly.com/tourism-and-development.html.

3.1.1.3. Religious Factors

Religious visits are among the biggest reasons of traveling domestic as well as international. People of faith tend to believe in the concept of pilgrimage and deities. Even under the religious factor, there are multiple sub factors contributing toward religious visits. For instance, to seek the blessings of a person; one might have faith in, fulfillment of sentiments, peace-seeking tourism, cleansing tourism might be few related examples related to the religious factor. The common reason of this kind of travel is to meet the spiritual and religious needs of the travelers and provide inner satisfaction. This travel also aids in providing the ultimate relaxation to the travelers. But the end motive could also be related to the reasons like exploring of new culture of different religions and nations, visit the sacred places which are said to be rich in their historical heritage, etc. The most common purpose for such tourism is pilgrimage.

3.1.1.4. Environmental Factors

There are many environmental factors that has led to the growth of tourism industry, out of which a perfect climate and scenic beauty tops the list. We shall discuss about them in detail:

Perfect Climate

The main reason why people take vacation and go to other places is to change their mood and to live a life that is different from their normal day-to-day life. So, the first thing that the tourists have in their list is to choose a destination where they can enjoy the climate. A perfect climate is the main source of attraction for any tourist destination.

People who live in warmer places look to go out to colder regions so that they can be relieved of the hot temperature for few days. For example, places like Switzerland and Sweden attract tourist from tropical countries. Similarly, people who live in colder regions look for warmer places to spend their vacation.

Scenic Beauty

The next important factor that makes a destination attractive is the nature's gift of beauty. Beautiful sceneries are always a treat for the eyes and it immediately rejuvenates our mind and body. For example, sandy beaches, fresh water lakes, steep waterfalls, misty mountains, sunset and sunrise points are all nature's gift to mankind and tourists never miss to have this checked before finalizing their destination.

3.1.1.5. Other Factors

Any other factor apart from the factors mentioned comes under this segment of travel. There are factors such as adventurous activities, research activities, observational activities, etc. For example, activities like diving, geological studies. Traveling for research purposes contributes in a moderate way to the tourism industry overall. Other factors also include temporary migrations for multiple reasons. The reasons may range from pursuing careers to taking advantage of the medical infrastructure of that location. Generally, these factors are location associated. In some or the other way, that particular location has an advantage over the other locations. Ergo travelers choose that location to travel and take advantage of that point.

To further break down hospitality industry, there are few aspects:

- **Food and Beverage:** Until few years ago, when someone talked about eating out in a restaurant, people would start thinking about some well-established or well-counted outlets. Today food and beverage industry has evolved and is growing at a stagnating rate. The rapid growth of stand-alone restaurants has been an indicator of continuous demand in the hospitality industry. Since the introduction of the role of the internet in the food and beverage industry, the reach and scalability have seen a massive turnaround. It has encouraged not just new businesses by eliminating the entry barrier, but also have given conventional or traditional businesses a sense of competition. Earlier, massive chains had nothing to fear about and they dominated the industry as they pleased.

- **Lodging and Accommodation:** Accommodation is one of the most critical aspects of the hospitality industry. It plays a vital role in contributing toward the tourism and hospitality industry. Lodging and accommodation sector has been evolving at an exponential rate. Internet has played a pivotal role in the growth of accommodation sector. One of the biggest reasons for the surge in the industry was increase in accountability. Reachability became easier and scalable. Prior to this, any feedback or experience could not be shared with the outside world easily. Even if an establishment provided excellent services with dedication, it would be months before it could show any positive turnout because of any such factors. Now, every individual has a voice to share their experiences. Hence, most of the industry has started working on merits rather than depending on a brand or a chain name to attract footfall. This has brought down the entry barrier to the industry and has brought big and small players on a level field leading to intense competition, resulting in improvement in quality of offerings by lodging and accommodation providers.

- **Recreational:** This activity comprises of any activity that is done by people for rest, relaxation, and enjoyment. Recreational activity simply represents the purpose of traveling and fulfilling that purpose. The goal of a recreational activity is to refresh a traveler' mind. Any business that provides that service commercially comes under the recreational business. Recreational businesses are a huge contributor to the tourism and hospitality industry. This sector is highly diversified because of variations in

demand. Some people might have a different idea or a concept of recreational activities than others. This makes the sector less concentrated and more divisive. There are four types of recreation business: (a) entertainment; (b) attractions; (c); spectator sports; and (d) participatory sports. Let us take one example from each type of recreation business:

i.   **Entertainment:** Any festival, any concert where any activity that is happening for the entertainment purposes.

ii.   **Attractions:** Tourist spots and sigh seeing of a particular location. Attraction generally means that any sort of attractive spot, famous for one location.

iii. **Spectator Sports:** To visit a location for following a sport.

iv.   **Participatory Sport:** Participatory sports mean the tourism derived due to being a member in a particular sport.

- **Travel and Tourism:** The travel industry simply means to move people from one point to another while the tourism industry is more inclusive in its nature. The tourism industry includes, cabs, travel modes, trains, etc. Tourism provides an infrastructure to the travel industry. The travel and tourism industry help other industries grow, thus creating an economy around it. From shops to hospitals, establishments are created and diversified as per the growth of travel and tourism industry.

3.2. TYPES OF TOURISM

In the context, types of tourism mean the different purposes of tourism and their contribution toward providing the reason for traveling.

Before we get into the various kinds of tourism, it is important to understand the basic model or modes of tourism. There are three modes:

- **Domestic Tourism:** This refers to the tourism within the borders of that country. Domestic travel mostly means explore the local culture and stay within the boundaries of the country.

- **Inbound Tourism:** This refers to visitors traveling inside the country from a different country.

- **Outbound Tourism:** A type of tourism where travelers travel to regions outside their national border, is called outbound tourism.

Now, let us look at the various types of tourism which are discussed in subsections.

3.2.1. Recreational Tourism

Recreational tourism, as the name suggests, serves the purpose of providing rest and relaxation to its tourists. This is one of the most common types of travel form. In this section, we examine the idea of entertainment in the travel industry and hospitality industry. Recreational activities, in the context of the travel and tourism industry can be characterized as the quest for relaxation and restful exercises availed at any possible moment. It can be attained by various methods. One of the most popular method is going on a vacation with the sole purpose of traveling and breaking the routine.

As indicated by the United Nations World Tourism Organization (UNWTO), experience tourism is "an excursion that incorporates at any of two of the accompanying three components: physical movement, natural environment, and cultural submersion."

Market for Recreational tourism has grown exponentially for the last two decades. With the ever-increasing work pressure, stress, and anxiety among the youth and old lately, recreational tourism serves as a purpose to take off some load from their daily routines. Recreational has been growing so much that it is now being recommended by experts, to take a vacation more often.

Recreational tourism and activities bring down the stress, anxiety, and depression level and generates physical movement of the body, which has been in decline lately, considering the modes of work, which majorly includes sitting all day these days. Recreational activities provide a way for the tourists to get connected with nature again through multiple ways. These ways might include trekking, water-based sports, rock climbing, etc. Another way, which is also considered as part of the recreational tourism is nature-based travel where even if not much of the physical sport or physical activity is involved, but to take advantage of the nature around the travel. This could be done while relaxing around the natural scenery or just visiting a spot or a location for a weather or clean air. This all constitutes under the recreational activity or recreational tourism.

To summarize, recreational activities or recreational tourism is a type of tourism which is done for the sole purpose of relaxing, rejuvenate, and rest. To break out from the routine and get in connection with the nature is purpose of any recreational activity or recreational tourism, whether it includes or physical activity or not, it completely depends on the tourist (Figure 3.3).

Figure 3.3. Recreational tourism site.

Source: https://www.tourismeilesdelamadeleine.com/en/members/recreational-tourism-cluster/.

3.2.2. Historical Tourism

History has been among the biggest contributor toward leisure and educational tourism. Historical or also known as heritage tourism simply means the primary goal or purpose of a travel is to explore and visit the history and heritage of a place. Now, there are multiple levels to history or heritage tourism. It could range from simply looking or sight-seeing a particular place to read, study, and analyze a place.

There are multiple ways to attain historical tourism. Historical or heritage tourism can be reflected in museums, artifacts gallery, a particular location that has been part of the history or part of a culture for quite some time. Historical or heritage travelers are more interested in knowing the origin of a particular place or an artifact. Governments try to restore their historical tourism by creating an infrastructure around the location. It can be done by securing and preserving the spot or artifacts by either creating a museum around it or generate scientific methods to increase the life span. Historical tourism has been a significant contributor toward overall tourism. And authorities try to retain that tourism with their best efforts.

Let us take an example of a place which is known for their historical destinations. Budapest, the capital of Hungary which is bisected by the

river Danube. The chain bridge, which is dated back to the 19th century, connects the hilly Buda district with flat pest. Budapest is known for its rich heritage and roman era architecture around the city. To preserve such heritage and architecture around the city, the government and concerned authorities discourage any new type of construction which might affect the older architecture and monuments. This has made the Budapest one of the most sought-after destinations across Europe. Budapest history museum carries the legacy of life from Roman times onward. And it holds churches that go back to the Roman empire. With the right combination of modern infrastructure, government and concerned authorities have successfully managed to create a perfect destination for both historical travel and leisure travel at the same time.

To summarize, historical, and heritage tourism has been around for quite some time, and it interests both history enthusiasts and non-enthusiasts to travel around the historical and heritage sites. The only difference that lies between both enthusiasts and non-enthusiasts is the level of tourism and the actual time spent along with the level of sites visited.

Governments and authorities around the globe have managed to make the historical and heritage tourism a significant contributor for their economies and has inspired many academics and practitioner such as archaeologists to pursue their researches and studies at multiple historical and heritage sites (Figure 3.4).

Figure 3.4. Historical site in India (Taj Mahal).

Source: http://www.imazineholidays.co.in/Historicaltourism.htm.

3.2.3. Ethnic Tourism

Ethnic tourism is when a traveler decides to encounter another culture and practices, and which also may include events, business exhibitions, and sight-seeing, depicting or displayed by another culture for the purpose of attracting tourists and creating an infrastructure around it. Such examples may include, the travel of Jews to Palestine and Israel from North America. Ethnic travel is basically a way to explore other cultures and ethnicity. It mainly relates to international travels across multiple locations. Participants of ethnic tourism or travelers set out on this type of tourism for multiple reasons which cannot be limited by any definition. But generally, purposes may include the exploration of their own roots or culture, exploration of roots of other ethnicity and other cultures.

Tourists with agenda of Ethnic tourism are not much interested in the sight-seeing or one particular location. Travelers often seek out other people, values, culture, origin, identity, and roots rather than a particular location. As discussed before, there is no particular set of definition which defines the ethnic tourism perfectly, hence it may include multiple purposes. When a person is traveling to his home to visit his family, also come under the purview of ethnic tourism. Such trips do no change the ethnic environment in the country. Ethnic tourism also includes visiting an old site in search for their ancestors and their origins. Many tourists seek out their origin and their ancestral values, in order to find out their true purpose of life and the path they should take in order to attain that.

The contribution of Ethnic tourism has been going down for the past couple of decades. Due to an increase in work pressure and loss of interest in other ethnicities. Although, ethnic tourism is being sold with multiple combinations. Such as with recreational tourism. While seeking out recreational activities, tourists explore parts of ethnic travel. Also, along with historical and heritage tourism, travelers are inclining toward parts of ethnic tourism. But there has been a fall in the number of tourists with the sole purpose of the ethnic tourism (Figure 3.5).

Figure 3.5. Ethnic tourism site.

Source: http://www.eguizhou.gov.cn/2016-07/26/content_26224777.htm.

3.2.4. Cultural Tourism

Cultural Tourism is somewhat quite similar to Ethnic tourism. Cultural Tourism is a part of the tourism which provides tourists with a purpose of exploring other cultures. It is concerned with exploring any other culture that a tourist is not part of. Cultural Tourism may include exploring other country's culture, specifically related to the lifestyle of those people based out of those geographical locations. Cultural Tourism includes exploring parts of the history, lifestyle, the art, architecture, religion, and other elements which are significant contributing factors of their different culture. It is one of the most promising forms of tourism, and policymakers are betting big on its contribution in the coming times. As per a research conducted by the world tourism organization, cultural tourism accounted for 37% of global tourism, which is a significant factor when it comes to global tourism.

With the technological revolution around, it has surged the demand of cultural tourism. The reason behind that is a steep increase in globalization. Globalization has reduced the cultural boundaries and have increased people's interest in other cultures. With the increase in the average disposable income, travelers are now spending a significant proportion of their traveling expenditure toward exploring other cultures and be a part of it. This is being done through many mediums and not just through traveling. People are more interested in becoming a part of a different culture by

preferring to become an immigrant instead of being mere travelers. By creating adequate infrastructure, government, and concerned authorities attract cultural tourisms. The most important aspect for cultural tourists is the safety around it.

Another important aspect of cultural tourism is the growth of historical and heritage tourism. As these two industries are indirectly interlinked and drive tourists (Figure 3.6).

Figure 3.6. An example of cultural tourism in the Southern part of India.

Source: https://www.india-tours.com/blog/tag/cultural-tourism-in-south-india.

3.2.5. Adventure Tourism

Adventure tourism is the type of tourism which involves a lot of physical activities and help break the regular schedule. Adventure tourism has been seeing tremendous growth with youths lately.

As explorers look for new and unexplored encounters, adventure tourism keeps on developing in prevalence. Experience or adventure tourism, as per the Adventure Travel Trade Association, "is a vacationer movement that incorporates a physical action, a social trade, or exercises in nature. You don't really need to go base bouncing or go scuba jumping with sharks to be an undertaking traveler (in spite of the fact that those exercises certainly qualify)."

As per the UNWTO/Global report on adventure tourism, adventure tourism has grown exponentially worldwide over the past few decades, which is leading to significant tourism to destinations which were undiscovered

before. As per the official reports, adventure tourism can be both domestic and international and similar to all travels, it has to include at least an overnight stay, but the duration of the travel cannot exceed 1-year. Adventure tourism attracts resilient tourists who are willing to spend more, than any other kind of tourism. Adventure operators have reported an average of USD 3,000 spent per person, with an average trip length of 8 days. The cost and stay could vary depending upon the type of activities or kind of stay a traveler chooses. If the traveler wishes to choose a luxurious stay, the cost of travel would rise.

Figure 3.7. Adventure tourism in Indian hill area activity known as trekking.

Source: https://www.eturbonews.com/220868/growing-adventure-tourism-in-india/.

Adventure tourism supports local surroundings and provide a growth to local communities as well. A study conducted by the United Nations Environment Program (UNEP) suggests that on every USD 100 spent, only USD 5 remains in the economy of a developing nation. All of the internal tourist's expenditures are mostly toward international brands. Which range from accommodation to food lodging to transport services. For example, if a tourist is traveling from a developed nation to a developing economy for an adventurous travel. He or she would choose a well-recognized hotel

brand or would buy the products which he or she is aware of, leaving a very thin margin of income for local communities and the economy. However, the presence of these international brand in a developing nation, provides an opportunity of employment and businesses.

To summarize, adventure tourism is the kind of tourism that seeks out to travelers to explore undiscovered areas or activities. It may or may not include too much physical involvement. However, it involves some degree of physical activity, natural environment and cultural immersion (Figure 3.7).

3.2.6. Health Tourism

Health tourism is a wider term which is used for the type of tourism where travel is involved for medical treatments and the use of healthcare services at a particular destination. It is also known as the medical tourism. Traveling for health and medical reasons is one of the most important tourist segments for any country. It is among the highest revenue generating tourism for any economy. Health and wellness tourism has become the most sought-after tourism in the recent times.

People generally, consider health and wellness tourism primarily for two reasons. Firstly, when the health infrastructure of any country is in any way superior to the origin country. If a country lacks in infrastructure in terms of a specific condition or treatment. Let us take one example to understand this better. The cancer research studies of North America are superior than of many Asian countries, people travel to North America to seek those treatments. It is aided by multiple factors, which include private and state-sponsored studies. Secondly, many health and wellness tourists travel to seek wellness and peace to other regions and countries. Suitable example for the wellness travel would be tourists all across the world, traveling toward Asia especially Tibet and India for the peaceful purposes. And this type of travel has seen a surge in recent years. India and Tibet provide Ashrams, which guide travelers on the way to peace. Many of the western tourists travel to east Asia or Pacific for the reason of finding peace.

To summarize, health and wellness tourism, also known as medical tourism, derives tourists from one location to another for the medical purposes due to the destination location being superior in terms of providing better infrastructure around the same. This kind of travel could be both domestic and international (Figure 3.8).

Figure 3.8. Wellness treatment center in Kerala for health tourism.

Source: https://toursinindia.in/travel-blogs/traveler-review-institutional-tours-corporate-tours-health-tourism-8561207365c1.

3.2.7. Religious Tourism

Religious tourism is the kind of tourism that is done for religious purposes. Religious tourism is a kind of tourism which attracts tourist traveling exclusively for the religious purpose. In this type of tourism, tourists do not have any other purpose or intentions. This has been around for centuries, has been considered as one of the oldest types of tourism. Tourists also refer Religious tourism as faith tourism or spiritual tourism. The purpose behind Religious tourism is to deepen their faith and to spiritual peace.

It is a highly growing segment. With the disposable income on the rise, tourists, especially those aged between 35 and above, are considering religious travel as one of the preferred tourisms. Religion-based tourism is completely based on the locations. If a location is considered to be a holy place, then only would it attract tourists of that particular faith. Let us take one example for this kind of tourism. Mecca in Jeddah is considered a holy shrine for Islam. Hence it attracts millions of faith travelers every year. The same example can be replicated in India for 'Chaar Dhaam Yaatra.'

Thousands of Hindus, internationally, and domestically travel to holy pilgrimage every year for the same religious purposes. This kind of tourism can be both domestic and international. Religious tourism is also related to certain periods. It means that during a certain time of the year, Religious tourism would see its peak, whenever it is considered to be a holy period. Let us take one example for this, during Ramdaan period, travel to Hazz is more frequent and considered holier than any other period of the year.

To summarize, Religious travels serve only one purpose of following the faith and done only for the religious purposes (Figure 3.9).

Figure 3.9. Muslim gathering for religious sentiments in Gulf. The Middle East has multiple religious tourism spots.

Source: https://gulfbusiness.com/gccs-booming-religious-tourism-industry/.

3.2.8. Music/Art Tourism

Music or art tourism is basically following the passion for art and/or music around the world. For an example, following a particular band globally or domestically. Music tourism is the act of visiting a location for a music festival or many other types of artistic formats. Music festivals are attended by many music followers around the globe. In art form, it could range from a play to exhibitions and galleries.

3.3. CONNECTION BETWEEN TOURISM AND OTHER HOSPITALITY INDUSTRIES

Tourism and hospitality industries are directly related. Tourism industry fuels the hospitality industry in multiple ways.

Like travel and tourism industry, Hospitality is also among the fastest-growing industries in the world. And travel and tourism industry play a critical role in the growth of the hospitality industry. Hospitality industry fulfills the fundamental needs of people, for example, commercial lodging, food, and beverages, and so on. At the point when an individual goes for spending occasions, excursions for work, and instructive outings to somewhere else and remains there for short of a year, is called tourism. Accommodation segment is one of the littler pieces of tourism part.

Now, let us talk about the connection between the tourism industry and other parts of the hospitality industry. But first, it is important to understand that the hospitality industry is one of the key players to drive the tourism industry. Without the adequate infrastructure, any economy would not be able to handle the mass tourism, which would affect the economy of that nation. Hospitality industry and the tourism industry follow the circle approach. Without the infrastructure, the tourism industry would struggle, and without having a strong tourism culture, the hospitality industry would suffer. Tourism brings global standards to the nation and fuels development. And without the presence of any of the industries, the other industry would struggle.

Improvement in the innovation and travel part has additionally helped in the development of both tourism and hospitality industry. Today with the advancement of the aviation industry, we can move between different countries effectively, and it has additionally gotten less expensive when contrasted with certain years prior. This has been conceivable on account of innovation improvement. Individuals can book their tickets and plan their movement online through the sites. They don't have to go out and remain in a long line to book the tickets. Indeed, even the way toward getting identification and visa has gotten simpler.

Business traveling and leisure tourism segment need places for accommodation, food, and beverage and so forth and these places are given by cafés, lodgings, and resorts and all of these come under the umbrella of the hospitality industry. There is an immediate connection between both the enterprises. Both the industries go connected at the hip. Both the businesses are a piece of administration industry, and in the administration

industry, human touch assume a significant job in consumer loyalty. If the traveler or tourists are disappointed from the administration in one industry, it may influence the other businesses too. This is the reason that tourism organizations attempt to have their own administrations in the tourism and hospitality industry. Moreover, along these lines, they can have control on the activity of both the divisions. This goes under the joining procedure.

The Travel & Tourism Economy (2017)
Which Countries are Most Dependent on the Travel Industry?
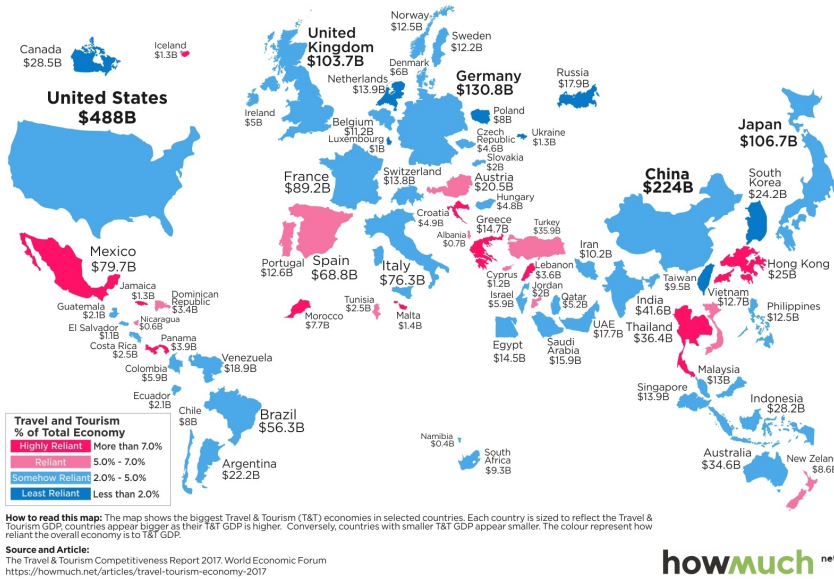
Figure 3.10. A brief break-up of tourism economy country-wise of the year 2017. The figure explains the contribution of the travel industry in a country economy.

Source: https://www.marketwatch.com/story/the-us-has-the-worlds-larg-est-travel-industry-but-these-are-the-countries-most-dependent-on-tour-ism-2017-04-26.

Bond between the visitor and his host is called cordiality. Client involvement with tourism segment becomes simpler and agreeable on account of cordiality division. Nature of administration is significant in both the ventures. Staff individuals serving the tourists and travelers must be cautious while managing the clients. This will help in getting the client devotion and fulfillment. History, culture, religion, economy, and so on of any nation are the components which are pulling in sightseers in the nation.

There are greater organizations like Thomas Cook which have business in both the ventures. Organizations in the tourism division have cooperation with the organizations in accommodation arrangement. Having nearness in both the segments is helpful and simpler for the two clients and the organizations (Figure 3.10).

3.4. AIRLINE INDUSTRY: A MAJOR PART OF TOURISM INDUSTRY

Traveling has been a significant part of the tourism and hospitality industry from its inception. Aviation industry created a necessary boom for the tourism and hospitality sector for both domestic and international travels. The tourism sector is the backbone of an economy, and it is essential to create the utmost convenient environment around it for it to flourish. Aviation industry has contributed to the tourism industry and the hospitality industry in a similar manner. Tourism industry directly affects the social, cultural, financial, and education sector of any given nation.

International tourism comes into the picture when a person intends to travel to a country other than its own domestic residence. Tourism could be defined in many ways, however generally it is defined by the phenomena of the voluntary movement of a person to learn or be part of new environment, lifestyle, and culture. Tourism is directly linked with the transport system of that country. As the transport system grows, so does the tourist destinations.

Tourism sector comprises of both private and public sector. And if we notice it carefully, tourism industry follows a chain rule and is a consequence of series of many events. Such as infrastructure around the nation along with hospitality and food industry. When we consider Aviation industry into the factor, we need to understand that aviation industry plays a huge role in adequate transport infrastructure. Air transport is something that is mostly seen as a medium to bring in or take out tourists in any nation. It is also a considerable medium for the tourists to get around within any nation. Page and Lumsdon (2004) suggests that the air travel system of a tourist destination plays a significant role in the tourism experience which explains how people travel and get around, and also how they choose a form of holiday, destination, and mode of travel. The significant progress in the air transport system has brought closer even the destinations that once were considered to be remote and impractical to travel. That progress has played a role in communizing the prices and made it affordable for tourists other than just the upper class.

Tourism and accessibility go hand in hand. Accessibility can make and break a destination. Especially, international tourism has seen a tremendous growth and is still growing at an exponential rate. Before air travel, the sea used to be one of the most common modes of transport. But it would take days, even weeks, to get to a destination. That had killed the casual tourism market. And were targeted by the upper-class segment. Now, air travel has made the weeks' worth of journey into few hours, which has led to a tremendous surge in international travel.

Let us take an example to understand the co-relation better. Maldives had seen its first international airport in 1966, at that point known as Hulhule International Airport. Then it did not take long for the first tourist resort to open in the island of Vihamanna Fushi. From there on Maldives has seen a direct correlation with the number of airports with a number of tourists and the number of resorts opened in the consecutive years.

As the Aviation industry progresses, it grows its capacity to handle masses. And this capacity is directly linked with a capacity of the tourist destinations. These nations grow and develop the capacity to handle such masses. The infrastructure to handle masses get developed around it, such as the resorts, hotels, restaurants, more accommodation options, etc. This in return creates a boom for the economy and provide direct and indirect employments. As more air routes get developed, it becomes more convenient for masses to visit that location. And that directly and indirectly create indefinite business opportunities (Figure 3.11).

Figure 3.11. Role of aviation industry in domestic and international tourism.

Source: https://timesofindia.indiatimes.com/city/agra/agra-tourism-industry-welcomes-air-connectivity-with-major-cities/articleshow/70525557.cms.

3.5. CHALLENGES FACED BY TOURISM INDUSTRY

Similar to any growing industry, tourism and hospitality industries are both highly volatile. Any dip in the economy or any anomaly can cause a ripple effect on the tourism industry. Hospitality and tourism industry would be among the first industries to get affected by changes in the purchasing power. Here we would discuss about the challenges that are faced by the tourism industry as a whole which, in return, directly affects the hospitality industry. Since both the industries are co-related and one industry can affect the other. Tourism industry derives the requirement of the hospitality industry and vice versa. Let us see the challenges that are faced by the tourism industry.

3.5.1. Taxation

Tourism and hospitality industry is among the highest-taxed industries. Governments and the concerned authorities of any country heavily tax the tourism industry. To get a better understanding, just ask for a break up of prices of airline tickets and hotel tariffs. This discourages the new businesses and creates an entry barrier for them. Governments should realize and consider this in to the factor that tourism and hospitality industry contribute toward local communities and economy as a whole by generating purchasing revenues and other expenditure related to tourism.

There is an actually a quite intense debate going on around the role of taxation in the tourism and hospitality industry. There are many pros and cons arguments around it. The tourism and hospitality industry is the backbone of any economy, and by taking it on the higher end of the fence, it is being discouraged. Tourism also plays a crucial role in when it comes to contributing toward GDP and internal revenues.

The ultimate objective of the tourism industry is to boost economies by creating employment, attracting foreign direct investments (FDIs), foreign exchange gains by bringing foreign currencies to the nation-leading toward a positive surplus and to create an adequate infrastructure around it by marketing and promotions or investing in the local transport and providing better accessibility, governments expect some kind of return from the investments made. And heavy taxation is among the highest contributing factor for returns on the investments.

Despite many levies and charges present around for a long time, there has been a general increase in the number of fees, levies, charges, penalties, and taxation in the last 10 to 15 years and that would continue to grow as per the experts. The most common of these charges are the travel charges. Such

as a fee on arrival and the departure from the tourist destination, for example, the increased charges on Visa, per day tax collection in many countries for the tourists, etc. However, these taxes are not levied to discourage tourism but to recover the costs of travel from tourists. Such as cleaning costs if littered or costs related to negative externalities.

Apart from the idea of general tax revenue for the government, the general theme around the tax collection varies from country to country, but the common approach around it to fund the infrastructure for the mass tourism. Such as the funding of environment protection, the cost recovery of ports of entry, customs, immigration, security, to fund the infrastructure to increase the consumer spending and create employment, etc.

3.5.2. Travel Marketing

One of the biggest challenges with the tourism industry as a whole is the false and misleading travel marketing, especially with the international travel. This has created a general distrust among the potential tourists, and this is affecting the tourism at particular location.

This issue can be resolved by creating some innovative marketing campaigns by targeting the right demographic audience. Travel marketing is one most sensitive aspect of tourism and hospitality industry. It can make or break any market. Hence it is important to appoint trusted and licensed agents when it comes to marketing of any tourism and hospitality industry.

One of the most effective tools of travel marketing is word of mouth. If a tourist had a good experience and stay while visiting a country, it creates a good impression of that country or state in the tourist's back home. Therefore, by making a traveler feel secured and providing him or her a good experience, it creates a positive word of mouth on the international level.

3.5.3. Globalization

While globalization has done tremendous things for international trade, it has created a huge challenge for international tourism. With globalization around the world, it has affected the local markets and created dominance over local content. Globalization has created less distinctive locales, leading to a surge in the demand of local produces. For an example, if a tourist is traveling internationally to a remote but culturally rich destination, he would travel there by an international carrier and be put up in a global hotel chain consuming the global products. This has not just affected the local

experiences, but it has also brought down many local businesses. Let us take one example to understand the impacts of globalization. Shopping malls have replaced local flea markets. With the standardization, malls and its products have replaced the local produces and impacted the local markets. Localization is the key factor when traveling to a location.

3.5.4. Lack of Security

Security is one of the major challenges when it comes to international, or in many cases, even domestic travels. Lack of security at any destination majorly affects the tourism. This issue has been around the globe for centuries. It is a major factor which sets off the potential tourists.
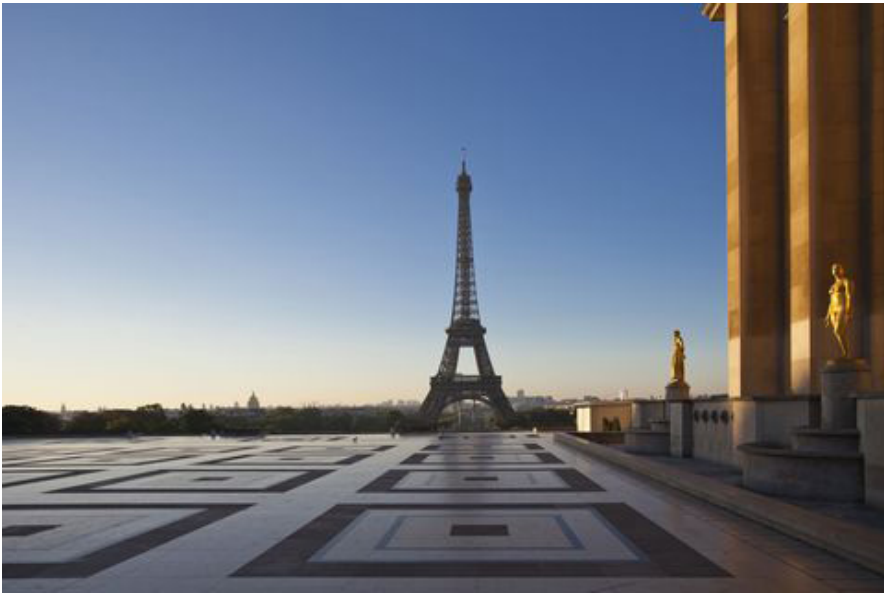
Figure 3.12. Eiffel tower without any tourists factored to seasonality.

Source: https://www.eledecor.com/life-culture/travel/g3167/tourist-attractions-travel-photos/.

There have been major crimes against tourists in many of the developing countries. Local criminals consider international tourists to be rich and cash full. Without the proper security and special training for protecting tourists, the international tourists become victims of such incidents. The crimes may range from mugging to scamming. There have been many incidents noted, where local criminals scammed the international tourists for some money.

In this age of internet, such stories spread faster than usual. And affects the tourism in that particular country or state. And ergo, affect the economy of that country. This also affects the foreign investments. Hence, it is quite important to take the security factor more seriously and for the governments and concerned authorities to invest heavily in the infrastructure around the security. Also, to train the local enforcements especially for the tourist protections. Without this, attracting the tourism would be highly challenging (Figure 3.12).

3.6. BENEFITS OF THE TOURISM INDUSTRY

Tourism industry has contributed to the world economy in more ways than any one predicted or forecasted. The tourism and hospitality industry have become a backbone of many developing and even developed nations. It creates demands which drives consumption and boosts the economy. This industry is among the oldest industries in the world. Surprisingly, the industry has been seeing an exponential growth since its inception. With more and more innovations coming around this industry, it has been playing pivotal roles in creating demands. From booking an entire itinerary with few touches to aviation costs coming down, making air travels more mainstream, it has seen it all.

There are many benefits of the tourism industry and the role it has been playing in the development of the world. Let us understand its benefits in more detail.

3.6.1. Tourism Industry Creates Demand

Any individual or group of tourists that travel to any international or domestic location creates a boost in demand. At any point of time, tourists would engage themselves in the commercial activity and incur expenses. That brings more foreign currency into any nation.

For any form of tourism, a tourist might be it adventure tourism or health tourism, there is a purpose behind any form of travel. Let us consider the example of adventure tourism. Adventure tourism would create a demand for adventurous activity and tourists would shell out their resources for the supply of their purpose of travel. While doing so, they would be staying in a commercial lodge and consuming food and beverage. This is how demand is being generated in adventure tourism. Let us take another example of health tourism. When a tourist travels to another location for medical or health reasons, he or she creates a demand for the medical industry or a hospital

industry. For the treatment and the consecutive expenses, he or she would pay for lodging, medical expenses such as pharmacy and medicines, food, and beverage expenses, etc. That is how a demand gets generated which creates job around the sector. The tourism industry has been responsible for creating millions of jobs around the world.

3.6.2. Tourism Industry Also Boosts Many Other Industries

One of the most important aspects of the tourism industry is that it also boosts multiple industries which are not directly related to the tourism and hospitality industry. As per the UNWTO, there are 12 industries broadly under the value chain of the tourism industry of any nation. Which directly or indirectly get affected by the tourism industry. These industries are:

- **Primary Industries:**
  o Travel agencies and other reservation services activities;
  o Railway passenger transport;
  o Road passenger transport;
  o Water passenger transport;
  o Air passenger transport;
  o Accommodation for visitors;
  o Food and beverage serving activities;
  o Transport equipment rental.
- **Secondary Industries:**
  o Cultural activities;
  o Sports and recreational activities;
  o Other country-specific tourism characteristic activities;
  o Retail trade of country-specific tourism characteristic goods.

Apart from these industries, local industries of any nation also grow. Such as the local flea markets, Jewelry markets, etc. Hence, tourism industry brings boom to other industries.

3.6.3. Tourism Sector Brings Development

This is one of the reasons that makes tourism much more important than any other industry or sector. Tourism drives the development of any nation in order to attract new tourists every year. There is an index called travel and tourism competitiveness index (TTCI). This index captures the overall "set of factors and policies that enable the sustainable development of the travel and tourism sector, which in turn, contributes to the development and competitiveness of a country" as per the WEF (World Economic Forum)

definition. This inspires nations to bring adequate development in their country or states to attract more tourism and do well on TTCI. This in turn creates employment by the government and contribute toward the overall development of the nation.

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10. Page and Lumsdon (2004)

Chapter 4

Importance of Marketing and Branding

"The art of marketing is the art of brand building. If you are not a brand, you are a commodity."

—Philip Kotler

CONTENTS

Marketing and Branding are two important elements in Hospitality Industry without which the industry cannot flourish. These are like two eyes of the industry. People who give importance to these two are on the right path in growing up their business. This chapter speaks all about marketing and branding and the different trends and strategies that need to be followed.

4.1. WHAT IS MEANT BY HOSPITALITY MARKETING?

Marketing hospitality is marketing activities aimed at rising turnover in the hospitality business. Marketing is the mechanism by which a product or service of an organization is sold to customers. Hospitality marketing looks at the marketing methods used for the promotion of their goods or services by hospitality sectors such as hotels, restaurants, resorts, and amusement parks.

The hospitality industry is very concerned with the development of customer experiences and connections, a marketing which stimulates customer loyalty and also connects new customers is essential for ensuring the success of a member of the hospitality industry. Hospitality marketing not only involves tangible goods, such as lodging in rooms, tickets, and food but also intangible things such as comfort, enjoyment, excitement or relaxation.

Marketing hospitality is as much about selling goods to customers as it provides an experience that encourages travelers to return for more. Hospitality marketers can use a number of tactics with a little research to raise brand awareness and inspire consumer commitment to create lifetime ties. In any company, marketing strategy plays a key role in the development and retention of a brand that attracts new customers. The hospitality industry is no different (Figure 4.1).

Hospitality is primarily a tourism sector, so a consistent brand name is also very relevant. Marketers want the brand recognition to be able to ensure that their services are used repeatedly by consumers. Repeat customers carry in an excellent share of sales, meaning that marketing campaigns need to be separated into partnerships with former customers to find new customers.

In the growth process in most sectors, marketing plays a key role. Good organized and coordinated promotion of marketing is the secret to success (Hannam, 2004). On the other hand, lack of marketing awareness can lead to the company's failure. The marketing function can be defined as a

management function, which organizes, directs all the operations involved in assessing customer needs and transforms customer buying power into an effective demand for a certain product or service, and transfers the product or service to the final consumer or user in accordance with the Chartered Institute of Marketing cited in the Holloway (2004).

Figure 4.1. Hospitality marketing.

Source: https://slideplayer.com/slide/5836436/.

Market segmentation is the mechanism by which clients and prospects are grouped into groups of common needs and buying behavior. (Weinstein, 1994 as cited in Morritt, 2007). Shepherd (1992) notes that market segmentation is due to its usability and measuring capacity, the most common classification used by company or unit managers. For the entertainment industry, the market segmentation approach is familiar. By leveraging target marketing, one can in part achieve the constant need of optimizing sales.

Roberts (1993) notes that in the hospitality industry, there are three main segment categories. The first is undifferentiated or mass marketing with the ultimate goal of corporate marketing. The second is focusing on differentiated or targeted marketing, which aims, using various approaches, to attract multiple groups and markets. The third and last segments are centered and niche marketing on small and unique segments.

However, according to Morrison (1989), the identification and implementation of efficient market segmentation has many problems and restrictions. The cost is one of the issues. Segmentation is also costlier than

non-segmented because of the cost of meeting any customer requirement. Brand positioning is another step in the development of a business in the market after identifying the optimal market segments. Every company's positioning is focused on the style and selection of products and promotion (Roberts, 1993). Branding should communicate clearly what a company is about, put it in a valuable position and give consumers an indication of what to expect. It is not only important to improve external performance, but also leads to internal achievements.

As cited in Kayaman (2007); Simoes and Dibb (2001) claimed that the branding of the service is of vital importance to the business because a good brand will boost customers' confidence and increase their awareness of the service given. Fogacs (2003) thinks that branding's value proposition can be simplified by stating that it is easier to join a brand than not. An effective, strong brand brings multiple benefits to a business, it:

- Creates trust;
- Boost's recognition;
- Adds value;
- Supports marketing efforts.

These four areas are important not only to retain customers, but also to sustain them. A brand that considers and appeals carefully to its target markets can have a highly positive sales effect. For example, millions of people with a quick glimpse of their logo automatically acknowledge Apple, McDonalds, and Nike (Figure 4.2).

Figure 4.2. Apple logo.

Source: https://logos-world.net/apple-logo/.

Branding plays a role in empowering and making workers feel as if they are part of something greater when it comes to internal performance. The brand is guided most often by the employees who know the company mission, ethos, and the reason for their life.

4.2. DIFFERENT MARKETING TRENDS IN THE HOSPITALITY SECTOR

4.2.1. Customer Experience Marketing

Customer experience is important for loyalty benefit in the dynamic world of the hospitality industry. Be mindful that the provision of an exemplary customer service alone does not contribute to direct profits. To meet the needs of your hotel or travel company, it is important to build detailed customer service marketing strategies. You must compile analytics from the online customer testimonials on the review websites to produce healthy returns and a continuous stream of return customers. This gives a wealth of insight about how the business can do better and what factors will contribute to potential changes.

4.2.2. Influencer Marketing

The influential marketing of hospitality marketers rapidly becomes an excellent opportunity to be valuable to a highly competitive industry. Influencer's marketing is a digital variant of the conventional word of mouth that increases awareness of hotel brands and creates direct reservations. You can target a much wider audience by using this strategy to draw more visitors to your hotel or travel company through reputation and customer confidence.

4.2.3. Video Marketing

Video marketing for travel industries and hotels can be used to reach your target audience on Facebook through YouTube videos, Instagram or Snapchat. Brand visibility and publicity can be obtained through written material, but why not send them digestible videos of your hotel or resort, in order to engage them instantly. You can use video marketing, for example, to catch calming moments in the facilities of your hotel. Be mindful, in order to attract buyers, that your videos or picture must be of very high quality! The number of marketers' choices, including live streams of hotel

events and promotional videos showcasing hotel features and interviews with customers, are almost infinite.

4.2.4. Personalization Marketing

Personalized marketing enables businesses to offer personalized content through automation technologies and data collection to reach consumers. Perspective consumer engagement is the aim of personalization marketing by contacting them as individuals. It is essential for hotels and tour operators to personalize their services through targeted e-mails to their guests and clients. For example, when the travel agent or hotel provides a next deal, targeted e-mails can be sent to potential customers. Personalization Marketing is one of the most direct marketing hospitality solutions to enable to make a more personalized interaction with the clients.

4.2.5. Online Content

Online end-users build and share content created by users. It can be given in various forms, including testimonies, observations, forums, blog posts and publications. When a potential consumer searches for content of your brand online, he or she typically read your customer opinions on other websites or social media channels about your business. This technique allows you to get more room reservations as well. One smart way is to allow your guests to share their experience through social media. You can arrange tournaments, create hashtags or make photos in your hotel to accomplish this.

4.2.6. Virtual Reality (VR)

In order to find information about tours and hotels on the internet, online users can make better decisions using videos and photos. In this sense, virtual reality (VR) can have an impact on the interactions of consumers, since they can digitally position themselves in the hotel room to see whether it suits their needs or not. VR is not only a fun marketing feature, but also provides infinite possibilities. In order to illustrate local attractions to its clients, the hospitality industry uses VR. For example, you can check out the area by VR before your hotel receiver recommends the local waterpark. VR helps remove the confusion of visitors and tour operators and is an important instrument to use for both tour operators and hotels.

4.2.7. Voice Search

Since the next generation of web users prefer to interact through speech activation, the hospitality industry can do so well. Voice search is a kind of voice control technology, which operates mostly with laptops, smartphones, and other similar devices. This marketing trend could remove the need to push buttons or enter your search queries online. Guests at the hotel can reserve a Hotel room by talking to the computer using their smartphone. The functions of the room such as lighting, music or voice searches may also be managed. More online advertisers are expected in the near future to invest money in this new trend.

4.2.8. Artificial Intelligence (AI)

Artificial intelligence (AI) can simplify processes and provide useful perspectives. Many online hotel room seekers prefer to reserve their accommodation on aggregator websites, while some might land on a hotel website but leave without booking. You can provide a personalized service and build a robust framework by using AI chatbots on your website. You can also place your room demands through your AI website, which will certainly save time for your hotel staff.

4.2.9. Remarketing

This marketing tool targets at potential clients who have seen or shown an interest in your website. Remarketing is a means to re-engage people who have been visiting pages on their websites but have not reserved their rooms. This tool helps you to reconnect and give a discount to people who have visited your Website to motivate them to return. For example, via Google analysis, you can set up this strategy based on n or preferences of users. These searches can also be filtered to gather the details you need about those who are visiting your website.

4.2.10. E-mail Marketing

You may think that it is a little outdated. E-mail marketing campaigns are an excellent way for customers to remember their life, especially in low seasons. But e-mail marketing is still incredibly successful as long as you do not flood consumers with them every day. Special deals, special events, or honors you have received can be highlighted here. Research also indicates that a direct mail service is preferred by certain clients. The important thing

to consider is to ensure that your information is properly monitored. When it comes to any sort of campaign, the data is your key instrument for success.

4.2.11. Customer Insight Marketing

It can be easy to incorporate consumer insights marketing; by simply asking your guests to complete a fast inquiry or even fill in the guest book, you can have a positive impact if you want something older and personal.

4.2.12. Online Marketing

In order to meet the customer, your hotel must have a strong website and a very powerful tool: SEO. It is one of the robust instruments to push the website's traffic. Its strong point is that it keeps producing sales and performance after its initial implementation.

4.2.13. SEO

Search engine optimization (SEO) is a marketing technique that seeks to improve the grades in the search engine results pages. More than 80% of internet traffic is actually generated from search engines. If a potential customer is searching for "affordable hotels in town A" he/she will possibly click on the results from the first results tab. You will most probably get this transport, and likely turn the person into a paying customer, if your company site is in this range. That's how important SEO marketing.

A lot of technical work is involved in the plan itself. To begin with, you need to conduct market research into the keywords that consumers are searching for. These keywords need to be properly used in the content of your web. It is also important to make it easier for search engines to combine the website with that word with headings and subheadings. Furthermore, quality content is needed by SEO: text, pictures, videos, and even music. It is a challenge also requiring experience in digital marketing.

4.2.14. SEA

It could be tedious and time-consuming job to make it the top search results pages. On the other side, SEA (search engine advertising) helps you to do this almost immediately. Organic results and paid search results are available for each results page. Paying searches require payment for search engines such as Google, so that the results of your site may first appear when someone is looking for a keyword.

Search Engine Ads needs a lot of technical knowledge, too. First, you need to identify the right key search words used by potential customers, such as "best spas in town B." Secondly, getting advertising space on search engines involves a bidding war. Many businesses are out for the same spot. You, therefore, need to optimize your site to meet all the requirements needed in order to outdo your competitors.

4.2.15. Social Media Presence

Social networking is the forum for most internet users in this modern era. In general, web users spend 30% of their time on social networking websites on the internet. Therefore, it is a perfect place to advertise your service. This is particularly true of companies in the hospitality field, as social media is a place to discuss and share enjoyable memories of vacations and tours.

The social media marketing strategy will, therefore, aim at reaching users of all social networking sites including Facebook, Twitter, Instagram, Snapchat, Pinterest, and LinkedIn. These campaigns are targeted at using captivating texts and media like photographs, gifts, and videos.

However, marketing strategies will not operate alone, if the provided product is not of sufficient quality, engaging or creative enough. Having this part right would be a perfect way to develop the organization on a stable basis. Sometimes, a successful product itself will produce enough spirits to create an amazing new enterprise, while retaining healthy returns.

4.3. ROLE OF BRANDING IN THE HOSPITALITY INDUSTRY

4.3.1. Definition

Branding is a concept or picture on the market that more and more people know when there are many other businesses selling the same product or service and when it's synonymous with a specific service. Branding is an important aspect of the business because branding will improve the image of businesses and broaden products and services.

The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers (Belinda, 2000).

A brand is the identity of a specific product, service, or business (David, 1991).

David Ogilvy's definition of a brand: "The intangible sum of a product's attributes: its name, packaging, and price, its history, its reputation, and the way it's advertised."

Jeff Bezos, the founder of Amazon's: "Your brand is what people say about you when you are not in the room."

4.3.2. Branding in Hospitality Industry

For the hospitality industry, brands are significant. Brands save effort, time, and promote guest decision making. Brands can be found in almost all types of tourism goods (Cai, 2002). For advertisement, branding is extremely important. If people want to build a good business, they need to know how to build a good brand. It would easily be possible to achieve success if companies have a strong branding.

Creation of a brand should be a priority for the image and aspirations of your company. You will make consumers feel secure by providing a clear brand image that your services and goods fulfill their expectations and will be reliable. The branding is a customer affiliation with a name, emblem or motto of an organization. Companies spend millions of dollars improving their identity, so customers can remember their organization and return to business in the future.

Very few business owners know that a good brand name is a good way to connect. If the design of the brand is right, it can provide consumers with details, even without costly publicity. The customer no longer are just customers but clients as the connection grows. The branding is therefore essential to marketing.

A brand that considers and appeals carefully to its target markets can have a highly positive sales effect. The branding aim is to make sure customers come back and recommend your company to others. You may also brand special products tailored for your tourists, such as luxurious bathrobes or gourmet jams and jellies. Certain items may be additional, while others may be sold in the gift shop.

Consider co-branding to differentiate the entertainment business. The branding process involves a collaboration between two independent organizations to develop their brand images. Hotels have historically marketed products that consumers tend to find in suites, like minting on

pillows or in the bathroom. This continues to be a strong branding strategy, but you should ensure that your goods represent the quality level and image of your hotel (Figure 4.3).

Figure 4.3. Branding.

Source: https://www.hotel-suppliers.com/listing/brilliant-hospitality-hotel-management-software-solutions/.

It is important to choose a branding hospitality strategy that suits the budget of your business. Luckily, innovative, wise, and adorable branding decisions don't have to cost a fortune. Branding is aimed at enhancing the client's awareness of your importance in the hospitality industry.

If your branding has a positive effect on people, they can talk to everyone they meet about you. You'll get more booking and sales with this good word of mouth both directly and online. But badly executed or inexistent branding will make you laugh or even worse, your hotel will lose altogether.

4.4. STRATEGIES USED FOR BRANDING

Pick branding strategies representing the distinctive picture of your property. In the hotel industry, branding plays a vital role in attracting and retaining guests. For your hotel to stand out from the crowd, branding is important. Guests can select a place to stay with a wide range of choices. What unique things does a hotel bring to the table; many people shopping around in the

area do not know this, and it's the responsibility of the branding strategy to educate and entice them. Luxury hotels should choose high-end branding options while small bed and breakfast options should be offered to reflect the charm of home-style or regionally focused hotel services (Figure 4.4).

Figure 4.4. Branding strategy.

Source: http://www.brandanew.co/top-five-branding-strategies-used-big-players/.

If your hotel or establishment has a fascinating story, it will work for you to build a particular brand identity. You can maximize customer loyalty by appealing to a community of travelers so you can tailor your unique travel experience.

Below given are few effective branding strategies:

- **Get Employees' Input:** The face of the hotel brand is the staff. According to Tony Hsieh, CEO of Zappos, your culture is your brand. So, if it doesn't fit with the picture of your hotel, you will have inconsistent guest experience, and eventually, your guests won't feel like they have all the items for which they have registered. Not only building a brand, but building a community, needs the feedback of your employees who reflect the brand you create.

The reason why employees must be involved in the branding process is because it helps your hotel build a culture that your employees focus on and want to promote. It also allows them to feel that their voices are heard, making them comfortable and able to serve any guest.

- **Know the Clients:** The hotel industry is always competitive, and most definitely your audience is broad and complex. You need to recognize the demographic you are trying to market before you can begin to determine your brand identity. Your guests at the hotel will range from couples and newlyweds to senior citizens, business travelers, families, etc. You need to create a customer persona to encompass each of the most likely guests that will come to your hotel. The reason your audience is so crucial to consider is that your brand will eventually have to respond to potential guests. Both your guests and people who affect your guests need to be reached by your brand.

If you target a certain number of consumers instead of attempting to cast unnecessarily large networks by seeking as many people as possible, the promotional campaigns will be much more effective. It's niche marketing, which offers you much better returns on investment than conventional generic marketing campaigns.

- **Plan the Branding Strategy:** Your brand will involve everything from welcoming visitors into your reception room, to reacting to the telephone and even how the website looks. Promotions you run, marketing materials you send out, and even the color of your logo will impact a person's perception of your company and, therefore, the brand of your hotel.

Consistency is important where branding is concerned. If it does not fit the brand you are thinking of, get the logo redesigned. Incorporate beautiful colors that are important and unforgettable. Use this logo on all materials regardless of whether they are relevant to marketing or not. Your marketing materials will include the website, newsletters, and brochures of your hotel. Anything that a guest looks like a hotel wallet, envelopes, lotion, etc., should have your logo, so that the name of your hotel is easily recognized in this regard.

- **Promote the Brand:** If no one recognizes a brand, it means nothing. While it can take your hotel time to improve your brand in the community, you can get things started immediately, and all can begin with a revision of the website. Your website is probably the most popular way of promoting your hotel. The authoritative source of information is also considered if a person plans to stay in your hotel. Therefore, when branding (or rebranding) your hotel, it must be one of the first things you discuss. Start by ensuring

that the font, color scheme, logo, and voice tone fit the brand you mentioned. Enhance your positive guest experience and all the additional luxury of reserving a hotel stay.

You should have a professional cover photo and profile picture that fits your hotel's branding. The tone and style that you have put down should be compatible with the environment you want your hotel to include in future Social Media posts. You must simultaneously exchange the branding in your hotel. You may order new towels that include an updated logo or completely redesign your sign and all of the other branded aspects of your hotel. The point is to upgrade anything that does not represent your new brand in your hotel. If you don't have the money right now to do all this, start considering what improvements you can make.

- **Pricing Strategy:** Instead of taking part in a race to the bottom, stress the special qualities of your establishment and use it as sales channels. Identify your target market, and work to brand your business, instead of trying to make the error of being everything to everyone. This rivalry for businesses leads many hotels to participate in unproductive price wars in order to retain prospective customers as much as possible. This does have its place during some parts of the booking season, however, this approach can be self-defeating for everyone involved and shouldn't be part of your hotel branding strategy. First of all, you don't need to be predominantly recognized as the cheapest place in the city. Also, bear in mind that someone still tries to discredit you, which can push the prices down even further.

Either rebranding your hotel in order to represent changing customers or finally setting up a brand when your hotel was previously inconsistent and lacking an identity, there is a lot of thinking, preparation, and effort involved. Coming up with a branding strategy in itself could take a couple of weeks, depending on the depth of research that needs to be completed, and then having things redesigned could take a few more weeks. If you have it all before you and are ready to rebrand your hotel, your online presence is key. Anything with your logo must be modified to fit your branding strategy, and long-term plans to renovate all the obsolete features which do not match your image perfectly should also be considered.

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Chapter 5

Advent of Information Technology in the Hospitality Sector

"Technology if used right can improve fine service. A good balance of high tech versus high touch is key."

—Barak Hirshowitz

CONTENTS

Technology is growing by every passing minute, and we are living in the technically developed and developing century. The contributions made by technology to the hospitality industry is surprising. The technological applications have reduced numerous manual interventions and is reasonably and at par reducing time and cost. In this chapter, we are going to discuss the growth of information technology in the hospitality industry, its different applications and its impact. We are also going to look at various examples of how the industry uses the technological findings for its growth.

5.1. APPLICATIONS AND ROLE OF IT IN HOSPITALITY INDUSTRY

The ever-growing hospitality industry contributes greatly to the economies of developed and developing countries and has been boosted more than ever by the inclusion of IT in this region. With major changes in IT over the past 20 years, the international hospitality industry is revolutionizing with revolutionary innovations, which have set benchmarks and breakthroughs for future growth in automation and mechanization over the coming years.

We have seen that the hospitality sector has changed the path of its customers from travel to the hotel by enhancing IT solutions. The improvement and dynamic processes of the industry are the result of agile improvements that have contributed to a revolution in worldwide growth. As a result of the internet and the IT world, the entire IT structuring and the hospitality industry procedure appear to be changed. The IT industry has already played a very important role in the hotel industry and without data processing in hospitality, it would not be right to connect them.

We are all aware that the hospitality industry is also described as the sectoral innovation and production system! Technology has played a substantial role in achieving economic growth by garnering economic means for consumers to travel. The augmentation and contribution of air travel as a means of transporting tourists to different locations is an important contribution of technology to the hotel industry. The evolvement and progress of AI with information technology has had a tremendous impact on the hotel industry, which also includes the world of hotels. This, in turn, has helped airlines to reduce costs and get closer to the customers by increasing their outreach.

A variety of conditions that were helpful and harmful both to the modern traveler have been introduced by the unlimited public use of the internet. The

information age has brought tremendous advantages, while computers have been an important part of the hotel agency since their widespread adoption. Few business-level software helps hotels to manage their businesses and to organize their databases exclusively through specialist programs. The developments in connectivity, reservations, and guest services systems can be of use for both clients and businesses. On the front desk, technology is most influential, with management of assets increasing over the years, speed of operation, reduced cost of work, greater accuracy, and modernized lobbying look and flow.

One of the most effective strategies for speedy transactions is to make payments for products or services to the merchant. Tourism providers such as UK Airways started e-commerce operations under the hospitality industry and thus allow their customers to directly access the booking systems. Mobile technology's approach and implementation have influenced the hospitality sector further. Customers can now view and select from different touristic and travel options through their mobile phones by browsing the internet.

By incorporating all aspects of technology, hotels will draw new customers (millennia travelers). But technology is in constant flux and opens new chances to enhance customer loyalty and increase internal performance. Everywhere hotel managers understand that the internet is a perfect place to make reservations for their facilities. While many people are still skeptical about its potential to improve travel and hotel reservations, many accept that online ads are a great way to raise people's interest and awareness.

Technology is affecting and enabling almost every business to develop in today's era. Hotels are also not isolated from its impacts. In hospitality industry today, the value of technology is irrefutable. Every single hotel in the world is attributable to technology one way or the other from a small bed and breakfast to a multinational hotel chain. With the introduction of information technology in the hotel industry, the scene has changed drastically.

Globally, hotels use technology power to catalyze sales and strengthen relationships with customers. This shows that the internet is a key factor in today's hotel industry. Social networking portals such as Facebook, Twitter, etc., play a prominent role in hotel campaigns around the globe. The feedback and reviews created by users on these websites play a significant role in popularizing hotel services word of mouth. In addition, hotels have also been able to remain in contact and establish relationships with visitors through the use of online resources and the use of information technology in

hotels. The way the environment works has been redefined by information technology in hospitality. The entire hotel ecosystem depends on hotel reservations and the role played by IT in the hotel industry is irrefutable. Increasing reservations and occupancy has opened the internet with many windows for hotels to explore. Be it channel managers who help with distributing inventory and rates across global OTAs, or social media that has created a myriad of opportunities for hotels to tap into, review sites that psychologically encourage/discourage prospective bookers to make a decision, web booking engines that entice website visitors to make a booking, aggregators, metasearch, the mighty Google itself!-the importance of technology in hotel industry is well established.

Various other types of websites operate round the clock to put similar goods and services closer to end-users, either through delivering them on the desktops of consumers or via the exponentially growing number of internet users on mobile phones. Many utility portals also arise today, which act simply as aggregates of hotel reviews, feedback, and other customer information. For example, in Europe, nearly one-third of the travel arrangements in 2011 have been done via the internet, via online hotel affiliates and online booking sites such as Travelocity, TripAdvisor, Expedia, among others.

In other parts of the world, this pattern has also seen a significant increase over the years. Especially in Asian markets where leading hotel and travel companies are technologically up to the Western world. The opportunities in growing markets are obvious to online travel companies that were only invested in Western countries so far and have started to concentrate on Asia, where online travel is still to enjoy penetration that it has in Great Britain and the USA.

5.1.1. Impact

5.1.1.1. Corporate Organizations

The Information Age has brought tremendous new advantages. It is only because of high-speed hardware and superior applications that the data can be processed faster than previously. Any of the new technologies at the business level enables travel agencies to handle and process their data exclusively through specialist programs. This helps agencies to work more effectively, avoiding lack of capacity due to input time and other repetitive activities.

5.1.1.2. Booking

The growth in online or e-booking has been one of the big impacts on the travel industry. Customers who want to book a trip no longer have to go to an agent and can visit companies like Expedia, MakeMyTrip, or Priceline online. Airlines and hotels themselves have now completely replaced the travel agent by enabling customers to book tickets and accommodation from their websites.

5.1.1.3. Communication Link

The way a travel agency can contact not only with customers but also with business contacts and partner providers and sponsors has been dramatically expanded by enhanced communications technology. High speed Internet networks also deliver a much lower cost of near-instant video, voice, and text connectivity worldwide than conventional methods such as long-distance telephony and mobile phone can offer. Data from the agency to an airline, a hotel, or other services can be sent almost instantaneously and then reversed to clients. This allows for reservations and coordination to be processed almost immediately and significantly decreases wait times and showcases the efficiency of a company.

Top New Tech Rollouts in 2016
(Fig.2)

Location-based technology	**30%**
Tablets at front desk	**27%**
Mobile payment	**24%**
Mobile key	**23%**
Room control devices	**22%**
Mobile app for customer use	**21%**
Energy management	**20%**
interactive digital signage	**16%**
IPTV ["Smart" Tv]	**16%**

% of hotels allocating captial to these orojects, according to the 2016 Lodging Technology Study
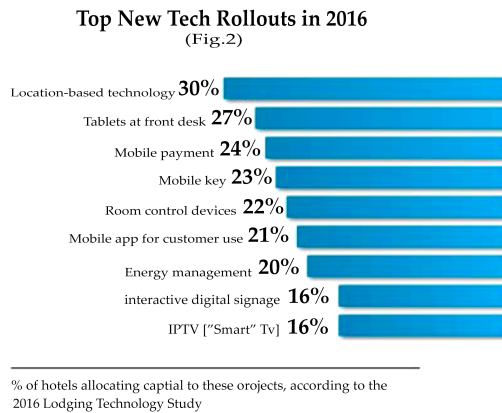
Figure 5.1. Top new tech rollouts in 2016.

Source: https://www.soegjobs.com/hospitality-technology-trends-insights/.

In today's technology-driven world, the future of the hospitality industry is digital. The good news is that hospitality technology has come a long

way over the years. Everyone are spending on mobile technology and better usage of customer data. Figure 5.1 shows the report from Callbox.

5.2. GROWTH OF INFORMATION TECHNOLOGY IN THE HOTEL INDUSTRY

In the hospitality and tourism industry, technology plays an important role. The developments in connectivity, reservations, and guest service systems can be rendered both to consumers and companies. Technology facilitates constant contact with the guest, from booking to check-out. The internet has a strong influence on tourism and hospitality. The experience starts just before a traveler arrives for several businesses and places-when a person sees pictures of the place and has an idea of where he or she should be. Efficient use of Internet technology can increase incomes in the hospitality and tourism industry. Websites, websites, online ads, social media, online purchasing and information repositories are all useful for persuasion and customer preference.

5.2.1. Reservation System

Booking engines make accessibility to consumers and travel professionals easy; systems enable individuals to book and compare prices. Many such as Expedia and Orbitz are available through online interfaces. By minimizing call frequency, booking engines reduce travel companies' costs and provide travelers with more control over their buying process. You can conveniently book a hotel room for anyone through the online booking facility, which helps users and travel professionals to be able to easily access it. There is now a 24 × 7 chat board operated by major hotels to increase direct website bookings.

5.2.2. Communication via Mobile

When talking about the importance of information technology in the hotel industry, mobile devices cannot be missed! Mobile has had a virtually innovative influence on the hotel industry, as well as on the other industries. It has changed communications between hotel guests and also allowed hotels to better meet guests' needs.

Many travelers take a mobile device, whether it's a tablet or a mobile telephone, on the road. Many tourism and hotel companies use mobile communication to keep the customer aware of changes; they send late

notifications, provide discounts and endorse ads based on locations. Depending on the type of company, e-mails, SMS, or GPS tags can be used to communicate. Something similar is available to hotel guests by clicking a button on their smart devices to check, compare, decide, and make reservations. With mobile reservations growing every day, hotel marketing policies without a mobile strategy are now incomplete.

5.2.3. Computers

Since several tourist companies are big and distributed, computer systems are used to remain connected. Computer systems allow connectivity between divisions and locations, enabling reservations and corporate policy streamlining. They are used internally to keep everyone on the same page and to make access to information simpler for guests: guest preferences, housekeeping information, and booking details can be maintained on one single system. The latter are often used internally.

5.2.4. In-Room Technology

Today, travel is fitted with many electronic devices, and the most important of the list for customers is secure wireless internet access. Some luxurious hotels sell customers with iPads or smartphones when staying. The hotel can access room facilities through its website or an interactive service that can locate restaurants, transport or shopping nearby by using the hotel's web application.

The use of IT in the hotel industry has seen a significant change over the past decade or so. Particularly for experiences in the room. The owners of hotels have recognized that incorporating technology alone would not be enough for their front and backend operations. Technology must also be incorporated within the plan of your guest experience, as the modern traveler expects nothing less. This explains why many hotels now have access to keyless rooms (via smartphones), smart testing for a variety of devices (AC, heater, taping), dining tablets, etc.

5.2.5. Real-Time Communication

One cannot overlook the effect that technology has on communication and teamwork in today's hospitality industries. The way relationships work and live has changed in reality. Since the hospitals industry needs to offer flawless service, it's a big advantage to be able to quickly connect and collaborate with peers.

The cloud has equipped the industry with numerous boots, one of the best is a cloud-based PMS! A cloud-based PMS lets hoteliers communicate via the platform, a feature that takes efficiency to the next level. A decade or so ago, if a front desk staff had to communicate to the travel desk about picking up a guest from the airport that evening, it would have had to be done manually, without any guarantee of the message reaching the travel desk in time.

Today, interdepartmental interactions will happen not only in real-time but also centrally, so that no major contact can be lost. So, all that the front desk staff has to do today, is this-whenever there is a communication that needs to be done with any department, they leave a note to the concerned department via the PMS, and the receiver gets notified in real-time. When the task assigned is done, they mark it as 'done' It's that simple. A cloud PMS also allows in real time to spread inventory and prices through various distribution platforms.

5.2.6. Data Analytics

Using hotel technology, modern hoteliers have been able to use data-driven insights for their business. There are cloud-based integrations that give you every detail in reporting, accounting, business intelligence, income control, price intelligence, and competitive intelligence. There is a tool available for all your requirements, and a world-class PMS lets you attach to only the best integrations so that your hotel company can be managed seamlessly, effectively, and sustainably.

Of course, the most essential and fundamental aim solved by internet-easy distribution of knowledge. Vast ranges of data such as check-in/check-out, rate charts, restaurant information, etc., can easily be accessed by guests via the internet any time. Public details such as activities, value deals, room furnishings, missions, special rates may also be used by prospective employers. These were but a broad listing of the importance of information technology in today's hospitality industry.

5.3. IMPACT OF TECHNOLOGY IN TOURISM SECTOR

In the hospitality and the tourism sector, information technology has played an important role over the past 10 years. Tech has led to cost savings, operating performance enhancement and quality improvement and customer

experience. The enhancement of communication, bookings, and customer service will help both consumers and businesses.

Technology helped to replace high-cost human labor with technological labor in the tourism and hospitality industries. This leads to reducing labor costs but also to avoiding customer service problems. Technological advances have changed the way we travel, and these new developments promise an even more interactive and exciting experience. Yet technology may produce a whole new set of unintended consequences.

There is no question that in tourism and travel technology plays an important role. Most of us now reserve our airline bookings, negotiate with telephone trees and other economical devices online. These advancements in technology allowed businesses to save on manpower while allowing consumers to decide for themselves. On the other hand, passengers are using more technology than ever before, and the tourism industry has always exploited this urge (need to remain in contact with its customers.

Most of us are now almost harassed by online surveys or telephone calls from computers. Now we have entered into the world of e-marketing, a system that may be called an advanced form of "spam." Even though many hotels offer free internet, many of the "better" hotels have added extra charges for local calls, Internet connections and a per-page fax fee. These extra costs in conjunction with less personalized service also offer travelers the impression that technology is turned into a one-way path. Technology is used to provide a less customized service while producing incremental revenue in hotels, aircraft, and transport hubs at the same time.

The development of technology has allowed the world's tourism industry to be targeted by international terrorism. Cell phones can save lives or expose bombs; air conditioners can make life bearable in hot climates, but also pollute and bring the disease. The dawn of the computer age helps us to know the world's weather predictions, allows business travelers to keep in contact and solve the issue of the negotiation of cross-clock zones, but can only kill air travel.

While technology is being misused, tourism and travel are highly technologically based, and their use has made life much easier. The mobile phone has undeniably become an integral part of our lives. And while technology's etiquette may be behind technology machinery, the discomfort of someone who speaks too loudly on a cellular telephone is overweighed by the security, safety, and comfort that most cell phones bring in. For the tourism industry, technology has been a mixed bag. It provides plenty of

relaxation while also being used as a means of growing sales and reducing customer service. The technology world has made aviation safe and plentiful, but has made to move through long safety lines and everyday problems.

Some areas of the industry have definitely started to use technology cautiously. Technology can help to enhance our connectivity and protection when used ethically. When technology, on the other hand, is used for egoistic or destructive reasons, it can become a nemesis in the tourism industry. Hamlet's question "to be or not to be" has never seemed more poignant in its relationship to travel and tourism.

No one today questions the ideal blend of technology and travel. This joint force also plays a decisive role in our way of traveling: from our holiday destination to what we do when we have been there and also after we have returned. The fact that 74% of travelers' are preparing their trips on the internet, while only 13% still use traffic organizations to schedule them, according to a Google Travel survey.

In this shifting paradigm, millennials have also played important roles. They enjoy traveling and also love new technologies. This mix of interests has given way to a new world in which social media, smartphones, blogs, and more play an important role in the time of a tour. With this in mind, the industry has adapted its business model and product offering to attract this coveted target, as it becomes increasingly aware of this trend.

5.3.1. Good Use of Technology

Even though the best machine cannot replace care and love from another person, technology can solve many of the problems of tourism, provided it is used properly. Use technology and social networks to allow visitors to do home research and collect basic information. However, numbers on their websites appear to hide many hotels and transport firms. Combine basic information that can be given on a computer with the human side of information.

A great deal of information can be given to guests without linguistic, pronunciation, and grammar mistakes in their own language using technology. There is nothing as alarming as the exploitation of time for the tourist industry. The use of machines to promote both check-in and check-out in locations like hotels helps the employee to cope with other difficulties.

Almost every part of the tourism industry is influenced by technology, whether or not it is liked. If we are wise enough to make use of the advantages of technology, such as simplicity, speed, and precision to avoid pitfalls, ease

of use, lettering size and lack of human touch, technology will provide a great time and save on costs. But if the tourism industry forgets that the human element is relevant and tourism is all about the experience, it makes a huge mistake.

We are quicker, and we travel more frequently, we live in a less contaminated environment, and we can often save, and we would never have imagined these experiences just a few years ago. Most importantly, we step in ourselves with greater trust. All this thanks to the highly integrated tourism-technological partnership that has changed the sector in 1000 ways. Below are some ways that IT continues to improve the hospitality and tourism industry:

- **Internet:** In hospitality and tourism, the internet has a strong effect. A visit to your website will be the first consumer experience with your brand. This involves viewing photographs and feedback from previous visitors. It's vital for a company, particularly if your competitors do the same to make the best possible use of online advertisements, media, blogs, and online purchase.

- **Mobile Communication:** Mobile tablet and smartphone replaced massive, practically obsolete desktop computers. This is useful since many passengers carry mobile devices on a ride with them. This helps host companies keep customers aware of changes and delays in bookings, promotions, and ads via GPS monitoring.

  One of the key components of this technological development is smartphones. We use them today to purchase and display the airport airline tickets. We book an Uber car with them to get from the airport to the city center. And some of us, based upon them, even decide where to go on holiday. Smartphone and photographic applications are important and have contributed to the creation of tourist areas which were otherwise unknown, but also a general trend towards providing smartphone-oriented services for airports, airlines, and hotels. Wi-Fi on planes, battery sockets and very creative payment systems via smartphones are included.

- **Using Biometrics:** Every journey has been made extremely secure by including biometric identification systems in the key airports worldwide, based on your eye or your fingerprints. An experimental project has also been launched by Atlanta airport and the airline company Delta that allows travel without

documentation with biometric recognition only. This approach saves us up to nine minutes in the future.

- **GPS:** The GPS system has grown and has now become more inclusive than just the navigators, as well as the tablets, comprises, and smartwatches. The rising popularity of car rental companies, including airlines such as Ryanair, is also demonstrating this. The awareness that you almost never lose yourself or can submit your exact location in case of need of support, and ever more accurate and tourism-based map have led people to give up conventional customs and discover new ways of visiting a destination.

However, a more varied range of ideas is undoubtedly the most striking influence in the positive connection between technology and tourism. Almost always, tourism meant visiting a hotel by sea, mountains or the city of art for years. For many years the most popular destinations have been the same, and players in the sector have not had to work too hard to draw customers.

But things have changed, and people have started deciding how and where to move. You save paper by viewing a boarding document on your smartphones, listening to the podcasts with blue-tooth headphones everywhere, discovering the secret coves via the GPS and are certainly more fulfilled in their entirety.

- **Computers:** These systems make it easier to communicate with multiple locations among large hotel chains. They also make it easy to have your workers on the same page, making it much easier for your guests to have access to details. All housekeeping records, guest requests and reservations are available on one device.

- **Increasing Private Homes:** The economy of sharing is booming. Via applications such as Airbnb you can book various accommodation solutions for any use from the cheapest to the most luxurious. In addition to the houses, one can also book the most varied experiences made available by the locals, to experience the journey 100%.

In addition, you can listen to your own music with a Blue Tooth speaker and feel relaxed in a desert caravan. In reality, they are products which, thanks to their water resistance, offer optimum quality, with a minimum footprint and also adapted to the beach. And you can take a run or simply go for a walk with blue-tooth headphones, without giving up the opportunity to listen to their music.

- **Higher Performance with Lower Price:** Nowadays it is possible to manage everything remotely, even from countries whose cost of living is lower than the average of western countries. We are also witnessing the increasing spread of tour operators who did not vanish, as one would imagine, but replaced them traditionally.

All these have led to a general decrease in rates and a rise in the bid. Competition is in favor of the customer, on the one hand. On the contrary, the ability to disseminate the most luxurious experience through the web makes it attractive to a broader public and helps to drive forward the luxury market. Above all, the dissemination of review pages and social networks has obliged operators to look after all stages of tourism. In addition, this lowered to a minimum the chance of fraud.

The use of technology in tourism and hospitality has led to speeding activity and to a much more enjoyable and effective traveling experience. Technology not only benefits big chain hotels but also helps B&B and other smaller businesses in the industry. Technologies are factors that affect the activity of any company. Therefore, with each development of new technology, a company could have to completely change their operating process. The technological transition would impact a company's way of doing business.

In the years with the advent of modern technologies, the travel and tourism industry has expanded significantly. New innovations have moved the tourism direction on a worldwide scale. In the dark ages, litter or chariots were used to fly on land and small vessels were used for sea travel. Tourism and leisure tourism existed but not active, but many people started to live a new life by the middle of the Middle Ages with the principal goal of traveling for religious purposes to Europe. Traveling in the 18th century was primarily a major attraction of high society people attending spas that often-offered social activities, sports.

The railways were established in the late 1830's and gave everyone the chance to travel as demand for holiday trips increased and direct contributions from large sea resorts were made. Thomas Cook, who was then seen as the first travel agent, now has one of the biggest travel agencies in the world, created the first publicly advertising hiking train.

As the need for technology has increased over the years, there have been many developments, and tourism industries have been increased. The first two-engine aircrafts, which allowed a large number of persons to fly in 1958, were introduced in the 20th century. With the great increase in technological

growth in the middle and late 20th century, visitors discovered increasing access to a wide variety of destinations.

Communicating technology aid in making airline increasingly accessible from the promotion of destinations to attracting travelers' attention to enabling instant reservations and payment collections. Modern tourism is well prepared to communicate its advantages and to market themselves to potential tourists, thanks to the value of communicating technology. On return, those potential visitors can reach points of interest at their chosen destination. In 1953, through the introduction of communication technology, airline reservation way slinked directly with travel and booking agents. This brought about a generous increase in the tourism according to "the learning and teaching network. This connection made the booking process more convenient as more airlines capitalized the booking process.

As the progress on technology increased, modern internet made tourist to access information such as travel destinations, accommodation, and dining options at the destination, up to the minute wait time and making reservations before departing for their chosen destination. The use of telephones often permits travelers to quickly get in touch without a busy signal. It also permitted potential travelers to receive payments before leaving. Modern communications technology also makes the publicity of attractions at different tourist destinations for tourists, as reported in the "Journal of information technology and tourism."

Technology has tremendous impacts on the travel and tourism industry as growing numbers of travelers compare and check for information on possible destinations available on the internet. As stated by China daily, according to "John Liu," the executive vice-president and head of greater chins at Google, 85% of travelers do their research on the internet about potential destinations and the average traveler does 55 online searches for bookings, travel guides and visas before a booking.

Although technology has changed the travel and tourism industry completely, it still calls for significant financial investments, according to the "daily observer." Further, tourist destinations must continue to provide innovation in customer service, attractions, and economic development, which in spite of the various avenues for promoting the area will continue to produce attractive destinations. During the Forum TurisTIC de Barcelona event, Salvador Anton Clavé, Eurecat Tourism Innovation Department Director, commented that "the change goes beyond improving processes or the tourist experience; it entails transforming the tourism system itself."

All this naturally leads to benefits for the traveler, letting them simplify, and often enrich, the travel planning process.

Booking.com Senior Vice President and Chief Marketing Officer Arjan Dijk recently shared similar sentiments and stated that "in this new decade, we'll see how the travel industry tries to respond to the needs of a type of a traveler more concerned with sustainability, and with more tech knowledge or curiosity, through developing products, functions, and services make discovering the world easier for all."

Below are some of the technological advances that are bringing significant short-term changes to the sector:

1. **Augmented Reality (AR):** Augmented reality (AR) or virtual reality (VR) has also come into the world of travel and because of all its possibilities, it is a trend now. It is being used increasingly by companies to show the users a car on a cruise ship or to transport them to the Great Wall of China for a few seconds. Today, you can "teleport," without leaving your sofa, to the farthest corners of the globe! This is what you can do with Everest's EVEREST VR app. It helps you to look to the top of the planet without climbing to the top. Or, if you prefer, you can take a kayak through the Grand Canyon to enjoy the sights and sounds of the landmark.

2. **Internet of Things (IoT):** This involving the extension of internet access to regular products, computers, and appliances is also a technological development in hospitality management. Then they can collect data and communicate or connect over the internet and transform previously unintelligent devices into 'intelligent' devices, often semi or completely independent.

The IoT promises to provide the tourism industry with substantial updates. They require the incorporation of internet-connected sensors into objects such as vehicles, cases, buildings, and more. Indeed, Spain's Institute of Hotel Technology (ITH) affirmed that the IoT "will be the main transforming element in the personalization of customer experience in the following years" (Figure 5.2).

An instance of this is already used by internet-enabled thermostats in the hospitality industry, which are used to modify room temperatures automatically at check-in and check-out times or in response to sun or windows temperature changes.

Figure 5.2. Technology revolutionizing travel.

Source: https://www.wearemarketing.com/blog/tourism-and-technology-how-tech-is-revolutionizing-travel.html.

Some Virgin Hotel properties give their customers an app to communicate with the thermostat in the room or monitor TV in the room. The same principle is often used for lighting purposes, such as minimizing the intensity of light during daylight hours. Some cases also have equipment allowing users to monitor where the case is in order to prevent missing luggage at the airport or other public areas at any time.

3.   **Mobile Technology:** This is without a doubt the main feature of the modern modes of travel. Our mobile phone is our tour guide, travel agent, best locator for restaurants, map, and so forth. It's alongside us on the shopping ride. Currently, 45% of people use their smartphones for their holidays, according to TripAdvisor. That is why the company services and communications need to be adapted to these devices. For example, for passengers with Facebook Messenger, KLM has already developed an information service (Figure 5.3).

Figure 5.3. Mobile technology.

Source: https://www.wearemarketing.com/blog/tourism-and-technology-how-tech-is-revolutionizing-travel.html.

This system will send user details about the ticket through Facebook Messenger, and boarding pass and updates of the status of flight once someone has made a reservation. The user has the details about his/her trip in his/her hand. This way user can use an application which you already use to prevent the need to download something else.

4. **Virtual Assistants:** Siri and Alexa are both familiar, virtual aids that meet our every need. Thanks to the access to virtual assistants specially built for this environment, hotels are now beginning to enroll this "help." Watson Assistant, an AI virtual assistant building immersive and customized user experience, has recently been introduced by IBM. This is the open technology businesses can use and tailor to their requirements. The virtual assistant will not therefore be named Watson, but will have the name the hotel prefers instead.

5. **Blockchain:** It is the technology we hear about that will change the world. Although mainly related to finance, travel may also seem to have an influence. Although this was not done very much, it could be useful to recognize passengers on the airport, to ensure the transparency of the opinion of visitors, and to make payments simple and safe.

6. **5G:** With support from 5G networks, travel technology is all the stronger. You promise to load and download speeds, large coverage and reliable connections far more quickly. In addition to uploading content 20 times faster than before, 5G enables us to build and implement technology that 4G restricted. This means that we can have a stronger link between smart devices and start to really enjoy the IoT. Immersive tourism, where technology turns travelers into the experience's protagonist, will be a reality. Plus, augmented reality (AR) or 360° video will be more ubiquitous and accessible.

At the Roman Baths in Bath, England, the BBC undertook a test project using the 5G and the AR application where users could return in time to the significant moments in history.

7. **Big Data:** Almost all sectors have seen rapid growth in data collection, but can be used to provide more customized experiences by hospitality companies. Travel agents, for example, may use it to make intelligent recommendations based on age, gender, financial position, prior goals, etc.

There have been several recent debates about big data, but all the prospects for the travel industry are yet to be seen. Nonetheless, it is already used by many industry players. Big data helps organizations to recognize patterns that can be used for revenue management (RM) purposes in the hotel industry. This allows more data-driven pricing strategy approaches and helps corporate leaders to gain a better sense of current market success and its external factors. The hotel chain Melia uses its guest details to find out the best marketing target. In order to create a consumer profile and achieve a higher success rate, they are primarily updating their database to determine the amount spending, reason for their journey, country of origin and cross-check this information with public data from governmental sources. This way, they make a better segmentation for their campaigns to increase their efficacy and optimize the investment required for these campaigns.

5.4. ADVANTAGES AND DISADVANTAGES OF TECHNOLOGY IN THE HOSPITALITY INDUSTRY

Technology has changed many people's lives based on the manner in which things have changed. One of the industries with a significant technological transition has been the hospitality and tourism industry. Technology is critical for the success of the tourism and hospitality sector, irrespective of the shortcomings that are seen in the document. No wonder that this field is

one of the world's most productive industries. This performance has been greatly affected by technology. Hospitality and tourism are one of the most competitive sectors, both regionally and globally. The tourism industry contributes to about 10% of GDP worldwide, according to the Tourism World Council (2004). The increase in this rapid growth has been attributed to the use of information technologies in its management and operations (World Travel and Tourism Board, 2004).

Many companies in hospitality and tourism have the potential to reap massive returns from the same information technology into their business. Computerized reservation systems are an example of an information technology system used in this industry to meet the target clients.

Prior to technological advances, marketing of their offerings to their clients was very challenging for the hospitality industry. It was also very costly as clients, for example, are often physically separate miles apart. However, the arrival of IT has encouraged the business activity in addition to improving the customer base. It was made easier and less costly to market their products and services by the fact that people can communicate and interact in various regions.

In the past, the most common type of IT was an inter-organizational structure linking organizations. Owing to the high prices, however, many companies could not afford to use it (Chih-Yao 2011, p. 1986). The growth of international distribution networks has promoted cross-border connectivity and communication. This permitted rapid transfer of information which helped the industry to boost the number of reservations.

Global distribution was a type of inter-company system that came out of computer booking systems that helped integrate airline information. These integrations have strengthened the tourism industry, as consumers could make reservations on a single common marketplace. These devices were used in the 1960s, and new computers could not be integrated. The growth of technology has seen the Internet and World Wide Web emerge, which have changed the conduct of people and their businesses (Cristiana, 2008, p. 345).

Companies market their tourism goods and hospitality services over the internet. The planet is linked with this network. It has turned it into a global village. People can interact in real-time at various locations. Without having to meet physically, they can express their views and opinions. Technology has led to the creation of numerous inter-connections types or networks.

Today, social media like MySpace, Twitter, Facebook, LinkedIn, etc., are information sources used by the tourism industry and the hospitality industry for reaching customers around the world and thereby growing the touristic profits (Alexis and Buhalis, 2007, p. 389). Clayton and Criscuolo (2002) argue that technology through the internet has brought about various changes on how people carry out their businesses.

These reforms will offer an alternate means of converting innovations into marketable creativity, which will later be transmitted to a broader market at a cheaper price, while accessing and looking for buyers. It makes the market for new products easier to enter. The sharing of information among people and organizations has changed. The advantages of tourism and hospitality technology are massive.

5.4.1 Advantages of Technology on the Industry

Almost every aspect of life reveals the advantages of IT. The internet has been a big part of the lives of individuals. In their remote locations, people can exchange information in real-time through private computers, fax machines, cell phones, e-mails, and Internet (Cristiana, 2008, p. 346).

The technology capabilities have been demonstrated in key economic sectors. One of the fields needing appropriate marketing around the globe in the hospitality and tourism industry. This is conveniently and at low cost, with the internet in place. The business has hosted numerous websites to promote its goods and services around the world. They are able to tailor the needs of the customers accordingly.

Another advantage of technology is that it has facilitated globalization. The planet is limited to a small town. The Internet network and social media bind people. With one mouse click, information can be transmitted faster. This ability to exchange ideas about different companies was used in the hospitality industry and tourism. It also helped to put together people from various backgrounds, divided by geographical locations.

This industry relies on information, and this technology has added value so people can access information about places that they can visit, spend a fun holiday and their spare time. Many people in the USA use the internet to book their journeys to several destinations, according to Cristiana (2008). Every day the rate rises. For example, more than 75 million people worldwide are projected to use the internet to obtain information about their destinations.

They therefore use the internet to book, check, and compare prices, and schedule their traveling to various tourist destinations. Many people who travel across their borders spent their time and or are accommodated by the hospitality industry. Therefore, they contribute a lot to the industry. Some trips are for fun. They thus pay foreign exchange for the host country to be hosted or to visit some attractive region, such as game reserves and game parks across the country. Between 1996 and 2006, the number of reservations increased to two digits.

In 2001, growth was 58%, and in 2002, it was 25% (Cristiana, 2008). Many online travelers have said they use the internet to receive information and alerts about their destinations and other logistics. Consequently, they process their business through the internet. For example, on arrival at your destination, you book your places of visit in advance. This highlights how technology has changed the business.

In the past, the numerous tedious paper processes that people have undergone have made it very difficult and costly to travel. Technology has taken this a notch higher, as everything is done at the comfort of the houses (Dis, 2010).

An analysis of online tourists found that most of the travelers traveled for fun, vacation, business, and personal purposes (Cristiana, 2008). Technology has helped people to seek directions, directions charts, lodging/hospitality facilities, flights, and the amount of money to spend on a trip. The logistics can be found on the internet. It is now a very critical medium for budgeting and making decisions.

This is about places or places a person wants to visit. The availability of this information on the internet, such as tourist sights, attractions, and features, provides a forum for people to travel and experience it. The internet has therefore led to the increased reservation and visitor visits, which is why the industry is rising the gross domestic product (GDP) (Cristiana, 2008).

Technology has progressed at a faster pace, allowing cellular internet access. People around the world also have the ability to communicate with each other on their phones. This platform has enabled the hospitability industry and tourist industry to market their products on the internet. People who travel for pleasure or for whatever other reason are always in contact with friends and family. This has allowed many people to increase their travel across borders (Cristiana, 2008).

Jungsun and Hardin (2010) report that many users are hosted by social media, Facebook, and MySpace. In 2007, around 360 million people visited

and used the media for contact and other purposes. Hospitality and tourism industry has the potential of using such media to reach out to many potential visitors.

5.4.2. Challenges of Technology

There are certain barriers to technology. The virtual world poses maintenance and follow-up challenges, according to Jungsun and Hardin (2010). In order to update the links and respond to several blogs, it takes a lot of investment. People or visitors can change their thoughts or plan a journey to a specific destination unless their questions are answered in good time (Jungsun and Hardin, 2010). The rising possibility of cybercrime and hacking is also a threat.

Some individuals can gain access to a system on the internet to access confidential information. This person can falsify information that leads to customers being misrepresented and lost. In addition, there may not be as many people visiting the website as planned. This leads to tremendous losses as the company cannot generate enough revenue and thus reduces the company's amount of revenue.

The fact that it has caused unemployment is one of the drawbacks of technology. Many of the people who served as managers, waiters, chefs, as well as travel guides, lost their employment by cutting the cost and using the internet. Jobs have also been decreased because the bulk of advertisement and marketing is done through the internet. The anonymity of the internet was also impaired.

People have improvised ways to hack or obtain important information on their websites. This puts the business at risk (Zipf, 2002). Proliferation has increased on the internet. There are several tourist websites on the internet. This is a challenge for small and medium-sized tourist businesses with insufficient website productivity skills and awareness.

This abundance is an indicator that the market is already saturated by the lack of organization. Many of these websites are not known to consumers. Potential consumers find it challenging and also trust them in the degree to which it is used. Another obstacle in the internet are intermediaries that connect the customer to different companies. They are then compensated for their services which lead to low profits, income, and website homogeneity (Alexis and Buhalis, 2007).

In conclusion, technology has made a major contribution to the growth of the worldwide tourism and hospitality industry. In terms of increased

profits, countries that have positively incorporated technology in their operations have benefited. This technology's potential is incredible. Nevertheless, it takes people with comprehensive experience and skills to handle it effectively and harvest it from its overwhelming potential.

Technology, on the one hand, has left many people unemployed. This has impacted their standard of living as their livelihoods rely on their employment. However, its advantages outweigh the negatives.

5.5. BEST EXAMPLES OF INFORMATION TECHNOLOGY APPLICATIONS IN THE HOSPITALITY SECTOR

Technology is evolving faster than ever, changing the standards of employers as well as the way the hospitality industry is working. Some industry changes lead to substantial improvements and savings for companies within the hospitality industry, while some change how hotel developers design their facilities, infrastructure, management systems, and employee requirements.

Let us look at some of the latest information technology applications in industry:

- **Wi-Fi Infrastructure:** Hotel guests who are on the road nowadays do not consider Wi-Fi as a convenience but as a must-have when checking into a hotel with devices like phones, tablets, or computer.

Figure 5.4. Application of Wi-Fi in hotels.

Source: https://www.aurecongroup.com/thinking/insights/aurecons-successful-hotels/technology-in-the-hospitality-industry-exploring-the-very-latest-trends.

Hotel guests expect to have smooth and interruptive internet connectivity, which will allow hotels to invest in improvement and faster Wi-Fi infrastructure, so that people can do business and use their technology devices conveniently while their stay (Figure 5.4).

Hotels are also beginning to retire from user-pay models. Hotels have historically been able to charge exorbitant rates and guests knew they had to pay if they wanted to go online. Hotels may not yet be financially viable, but many are rethinking the existing infrastructure and price models. The pay model is not yet fully abandoned. Setting up and maintaining a wireless network around the hotel can be related to costs, but several leading hotel groups have started installing high density Wi-Fi and are starting to provide cell phone coverage during their stay (not only for themselves, but also for their guests if they are hosting a conference or function at the hotel).

5.5.1. Mobile Communication and Automation

In many airports, you no longer have to wait in the line to check-in, and you expect the same quick check-ins based on technology at hotels. Instead of waiting in queues and running around the premises, guests want all the options, from checking out at the automated kiosk of a venue to ordering room service via digital equipment.

Digital innovation and social media also mean that guests can expect to personalize digital experiences with the hotel. Hotel operators use systems and technologies to optimize their guest experience by engaging in digital applications for check-in, room service, and other customer-oriented digital connections. These include a guest name on the reception desk at a digital check-in point; their food favorites or previous transactions getting reflected in the digital room service order system.

Moreover, since it is capable of allowing operators to provide useful details, such as the nearby entertainment venues, medical facilities, and similar services, the 'concierge in your pocket' idea becomes increasingly common. Like many other technological developments in the hospitality industry, investing in check-in applications requires a small initial investment that will lead towards greater productivity and savings, as hotel personnel will concentrate on customers' service.

5.5.2. NFC Technology

Near field communication (NFC) technology is the next-generation short-range high frequency wireless communication technology that gives users the ability to exchange data between devices. NFC devices can communicate with each other at up to 424 kbit/second, and contact can be enabled if the two devices that make mobile payments touch each other (by touching the smartphone to a credit card) an instant, secure process. This technology is also ideal for self-check-ins by guests at hotels (Figure 5.5).
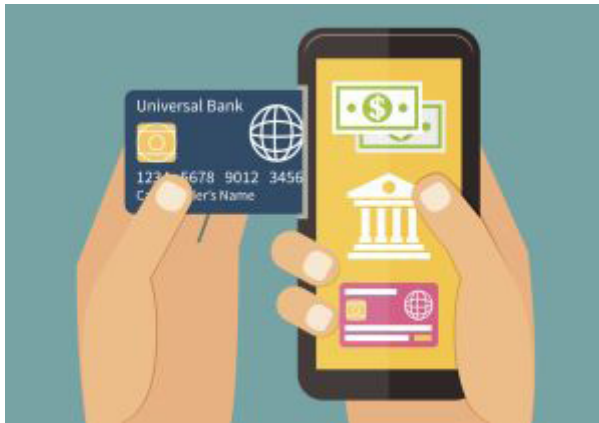
Figure 5.5. NFC technology.

Source: https://www.aurecongroup.com/thinking/insights/aurecons-successful-hotels/technology-in-the-hospitality-industry-exploring-the-very-latest-trends.

NFC technology can also be used to personalize a guest's experience in a hotel or resort, besides payments and accessing hotel rooms. For example, advertising can be targeted based on gender and age (so if a child walks by a digital sign in the lobby, the advertisement can change to promote a local theme park or the hotel's kids club) and this technology could also be used to track loyalty points from a guest's use of the conference facilities or room service. This opens many doors for hotels that want to offer a more personalized experience at their establishment.

5.5.3. Conference Facilities

In addition to providing high-density Wi-Fi connectivity for meetings and conferences, hotels also need to provide access to audio visual (AV) and digital conference facilities. Although there are fairly few AV or digital

equipment in a typical conference space, institutors are often hired for different projects, so that the facility can be fitted as needed (Figure 5.6).

Figure 5.6. Conference facility.

Source: https://www.aurecongroup.com/thinking/insights/aurecons-successful-hotels/technology-in-the-hospitality-industry-exploring-the-very-latest-trends.

The easily accessible, closed pathways in ceilings and floors where adequately power and data can be facilitated is a key component in designing efficient conference facilities that can handle this kind of technology. If a hotel is well-equipped for conferences, network architecture is essential if mobile indoor coverage, Wi-Fi internet access, VoIP, and RTLS (recent time location services) and Internet protocol television (IPTV) are to be assured.

5.5.4. Robots and Infrared Sensors

The growth of robotics and the use of robots in conventional tasks performed by human beings are a significant technological trend in hospitality industries. Robots will, for example, take on the role of concierge in hotels, welcome visitors and send them valuable details about their clients.

Some hotels provide more future-oriented experiences, with robots providing products ordered through room service to a guest door. A boutique hotel, nestled between Apple's headquarters and other technology firms, called Aloft Cupertino, has a Botlr robot butler which is capable of traveling between the hotel's different floors in order to take guests things like toothbrushes, chargers, and snacks. These kinds of digital systems not only promote the distribution of things to guests from the hotel's workers but also give people staying in the hotel a forward-looking digital experience.

Similarly, several hotels are now starting to use robots, including even for germ-killing and for cleaning purposes. The use of robotics will help to make a COVID safer environment in the rest of the hospitalizing industry too, even in restaurants.

Infrared scanners are also now used to eliminate housekeeping disturbances. The hotel staff can use an infrared scanner that senses the body heat in the room and tell cleaners to return later if they are occupied instead of hanging a 'Do Not Disturb' sign on doors or cleaning workers wake up travelers through knocks and telephone calls.

5.5.5. In-Room Entertainment

According to a trend study by Smith Micro Software, The Future of Hotel Entertainment in rooms, people increasingly plug into their own room entertainment appliances. TV, radio, and clock in the hotel room are back-stationed as travelers are amused by their own technology. An earlier Smith Micro Software survey found that 81% of respondents are interested in accessing mobile video content in hotels, and 55% state that the availability of mobile content in a hotel will impact where they stay.

5.5.6. Smart Room Keys

Hotels are increasingly installing intelligent room access systems that allow guests to open their doors simply by swiping their phones on a keyless door pad. Many hotel chains are deploying the smart room key technology globally. This technology will prevent guests from thinking about choosing keys, and workers at the front desk will not have to issue new keys if a guest loses the room key. The fingerprint-activated room entry systems and retina scanning devices provide another creative way to provide a keyless experience.

Retina scanning is much more reliable and safer than fingerprints, and the Iris Scan System has already been installed by hotels like the Nine Zero Hotel in Boston in place of key cards to track hotel presidential suite entry.

5.5.7. Cloud Services

The fact that hotels invest in cloud services trend has led to entertainment on the tap. Hotels are not really interested in investing in IT and IT infrastructure and in making cloud computing the perfect solution, even though they are looking to provide digital content (Figure 5.7).

Figure 5.7. Cloud service.

Source: https://www.aurecongroup.com/thinking/insights/aurecons-successful-hotels/technology-in-the-hospitality-industry-exploring-the-very-latest-trends.

It does not only give hotels the flexibility to extend their IT needs and change them along with business development, invest in improvements without triggering a total IT system revision and it eliminates the administrative burden to manage the IT system internally. It does not provide only lower capital than IT infrastructure and servers. We continue to see hotel groups replace their legacy IT infrastructure with cloud solutions, and we are making a standard for cloud computing.

5.5.8. Converged LANs

The establishment of smarter hotel systems is also ensured by converged local area networks (LANs). In order to monitor lighting, refrigeration, air conditioning and ventilation, a range of computer-oriented building facilities can be automated. In order to have a more intelligent, personal experience, converge LANs can be built to reduce the energy consumption. If a guest is known to prefer his or her room temperature at 18°C with the lights dimmed to 65%, for example, this can be programmed before the guest checks in at the hotel.

5.5.9. Social Media Feedback

Technology has invaded most facets of our lives, and developers of hotels must know that almost everybody who checks in a hotel, resort, spa, and lodge has a smartphone in the pockets. Many businesses in the hospitality industry also use social media as visitors on local social media sites, tweet about their experience and post their travel images on Instagram and Facebook with friends and followers. This trend will continue, and hotels expect guests who use these sites to provide input on their experience, complain, and congratulate on their stay.

From the online viewpoint of reputation management, advertisers, and hotel management have to be proactive in handling this trend. Consumers do not make any decision on where they are going, or they do not make a void booking-they make choices about vacation destinations, hotels, and leisure activities by using community developments and rating systems such as Trip Advisor and social media.

This change has led many hotel and leisure groups to develop active social media tracking and contact strategies in order to keep up with what they say online and to ensure that marketing and operational personnel answer feedback received online. Another way for operators in this field to make the most of technology is to report how well in real-time they do in relation to their various environmental measures (e.g., real-time data on energy and water consumption).

5.5.10. Integrated Seamless Experiences

A technology that is generic does not mean customer service can only occur online and through smartphones, check-ins, and comments. The experiences must all be included in an interconnected, complex structure, so that the experiences of visitors are at the forefront of the operative and marketing team. For example, if a customer leaves a comment on his or her stay upon check-out, the right person must respond to this form of communication. Where a guest complains that mobile content cannot be transferred during his stay, the procedures should be developed to ensure that the correct person follows up with the guest and fixes the issue at the hotel (Figure 5.8).

Figure 5.8. Technology used in hotel rooms.

Source: https://www.aurecongroup.com/thinking/insights/aurecons-successful-hotels/technology-in-the-hospitality-industry-exploring-the-very-latest-trends.

Marketers, hoteliers, and management are no longer able to operate in silos and these technological changes provide them with the resources, tools, and strategies to create unforgettable interactions and innovations that can contribute to meaningful market change and growth.

5.5.11. Voice Control

Voice search is increasing technology trend within the hospitality community, as a growing number of guests or customers turn to voice search to find hotels, restaurants, and cafés. Demand for voice control also rises in certain environments. This could include everything from the use of intelligent speakers to the monitoring of the numerous in-house systems in hotel rooms, to automatic ordering in restaurants and cafes, which ensures that consumers won't have to wait for workers to take their order any longer.

5.5.12. Contactless Payments

In recent years, this has been among the key technological developments in the hospitality sector, since contactless payments provide many benefits for hotels, resorts, restaurants, bars, and cafes. In addition to accelerating

payments and enhancing client satisfaction, contactless technology can also easily be matched with loyalty programs. Mobile contact-free payments can be made, even if customers have no wallets or even lost credit card. In addition, COVID can provide an excellent way to minimize interaction between human beings, which is firmly in the mind of hotel guests and other hospitality guests.

5.5.13. Chatbots

For several years chatbots have been an emerging trend in hospitality technology, but the value of this choice has been increasing, particularly as customers now often need fast answers to questions. Hotels and restaurants often draw inquiries from people in various time zones. Without human intervention, a successful chatbot can address the most frequent questions. In advanced cases, the chatbot will collect customer information, then send it to an individual staff member as soon as possible, as well as giving them access to what the customer has said.

5.5.14. Virtual Reality (VR)

Another important technological development in the hospitality industry is VR. This can be especially useful at the time when consumers are prepared to make a reservation because it gives prospective customers a much better idea of what they can expect when they finally visit. Many who work in the field of hospitality marketing will be able to capitalize on VR technology and take advantage of rivals during the COVID pandemic because it allows consumers to explore elements of a hotel or see the architecture of a dining room before booking.

Many current AR tours can be viewed and conveniently accessed in a web browser. A higher immersion level can also be reached with access to a VR headset.

5.5.15. Recognition Technology

Recognition technology is one of the most important new technologies in general, but it is of particular importance to its future applications in the hospitality industry. Biometrics is in particular used for the creation of a new era of seamless authentication, which may support hotel processes and purchasing by customers. Just imagine, for instance, if your hotel could use a fingerprint or facial recognition technology to release rooms. Now take the same technologies for check-in and check-out purposes. This technology

would also allow truly seamless shopping in the future, with payments authenticated by touch.

5.5.16. Augmented Reality (AR)

Finally, the AR exploded as a technological trend, in a similar way as VR, but is much more accessible; usually only smartphone and Internet connectivity are required. In contrast to VR, which puts users in a digital world, AR means increasing the reality of the actual environment by overlaying details.

This again has infinite possibilities. Imagine your hotel offering AR-compatible wall charts, so that customers can point to their phone and figure out where to go.

5.5.17. Artificial Intelligence (AI)

At the present time, consumers expect to communicate and receive fast answers through a variety of digital platforms. Of course, it can be challenging, if not impossible, to have staff monitoring all of these networks to have fast responses, where chatbots and artificial intelligence (AI) are involved. Chatbots can understand basic questions and provide responses almost immediately, eliminate the pressure from customer service workers and enhance customer experience. AI uses have now expanded into other fields, including data analysis, which are also essential for hotels. Briefly: a tech trend certainly to look after.

5.5.18. Cybersecurity

The increasing need for cyber safety is one of the most important technological developments in the hotel sector. Hotels and restaurants today rely more than ever on data, and they use IT systems more than ever before. This might, however, make them far more fragile. Some of the main threats are ransomware, phishing attacks, distributed denial-of-service (DDoS) attacks and company human errors. Hotels therefore need to properly invest in cybersecurity awareness training, protect their IT infrastructure, safe customer data and secure backup and recovery of data.

In the hospitality industry, it is extremely important to keep up with new technological developments not only to enhance customer experiences, but at the same time also to improve internal processes.

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Chapter 6

Advancement in Management and Operations

"Success in management requires learning as fast as the world is changing."
—Warren Bennis

CONTENTS

This chapter throws light on the management and operations segment of the hospitality industry. For any business to be successful, a careful analysis of operations is a must. In this chapter, we are going to learn about two important key managements in hospitality industry-hotel management and revenue management (RM), the different statics hotels can use to increase their revenue.

6.1. HOSPITALITY MANAGEMENT AND OPERATIONS

6.1.1. Hospitality

The partnership between a host and a visitor is called hospitality. If you welcome a friend to your home, you will be accomplishing hospitality by meeting the needs of the visitor. In many facets of their lives, individuals around the world depend on the hospitality industry. People encounter distinct types of hospitality almost every day, from catering establishments to stores, casinos, hotels, or amusement parks. This sector is an important concept that countless companies work on. To truly appreciate the value of hospitality, first, you need to familiarize yourself with all the sectors within it.

As for hospitality management, the term refers to a wide variety of roles and responsibilities that guarantee the best guest experience possible. Management of human resources, marketing management, accountancy, and financial management, PR, and reputation management-all fall under the hospitality management confines.

With the industry being so diverse, the purpose, roles, and goals of hospitality management differ considerably from one company to the next. The key objective of hospitality management, however, remains the same to ensure that each and every guest experience the same seamless experience from beginning to end.

Hospitality is the guest-host relationship, or the act or practice of being hospitable. This involves, in particular, receiving, and hosting tourists, visitors or outsiders, resorts, membership clubs, seminars, attractions, special events, and other travel and tourist facilities. Hospitality includes the process of partnership between the hotel and a visitor, and the act of being hospitable, such as polite, goodwill, and liberal visitor reception and entertainment. Tourists who travel for recreational or leisure purposes are

linked to the management of tourism. Tourism has become a prominent global leisure activity among global customers in recent years.

6.1.2. Hospitality Management

In the fields of lodging, dining, and general guest facilities, hospitality management relates to the implementation of management principles and formal leadership. All such enterprises form an essential part of the hospitality industry, from the largest hotels to the smallest cafeterias.

The area of Hospitality Management encompasses all facets of hospitality, including hotels, restaurants, cruise ships, amusement parks, country clubs, conference centers, while tourism management focuses on the growth of tourism, travel management, tourism marketing, and tourism services. Management of hospitality has different aims and roles that vary from one organization to another. Its main aim, though, is to provide customers with the best quality from start to finish and an outstanding experience.

Management of hospitality extends to many different kinds of organizations, including hotels, restaurants, casinos, resorts, airlines, and tour agencies. The restaurant and foodservice business is synonymous with many jobs in the hospitality industry. While this industry has experienced job losses due to the Great Recession, relative to the average occupational sector in the United States, it is growing at about an average rate.

Hospitality Management includes managing companies such as hotels, resorts, restaurants, catering establishments, stores, casinos, theme parks, and many other associated companies' regular administrative, operational, and commercial activities. They are all part of the hospitality industry, from the major hotel chains to the smallest dining establishments. Your aim as the manager is to make your visitors feel at home while you work in hospitality management and to ensure that they have the most fun experience at your establishment.

Hospitality management is the host industry research. Also, a degree within the subject is awarded either by a university faculty committed to hospitality management studies or a graduate school with a department concerned. Degrees in hospitality management may also be listed as management of buildings, buildings, and enterprises, or administration of buildings.

6.1.3. Operations Management

Tourism and hospitality operations management refers to the work performed in the various areas of the hotel industry. Hospitality is a reference to employment in the hospitality industry, such as hotels, restaurants, catering, resorts, and casinos, as well as other hospitality roles that typically deal with visitors.

6.1.4. Hospitality Management as a Profession

Hospitality management has in recent years become a growingly popular occupation. As hospitality companies continue to expand, they will constantly seek new hires, particularly as managers, to fill open positions. Whether it's a hotel, restaurant, amusement park, tourism, event planning, etc., it needed professional managers from all hospitality businesses.

Management of hospitality is simply a managerial role within a hospitality company. This staff, known as a hospitality manager, is responsible for supervising other employees and ensuring smooth running of the operations. More significantly, constructive relationships with both consumers and clients must be forged and nurtured. This defines the characteristic of hospitality enterprises, as they depend heavily on consumer or consumer loyalty to generate revenue.

In the areas of food, lodging, and other hospitality-related industries, hospitality management includes the direct implementation of sound management principles and practices. Graduating from a hospitality management bachelor's degree program will prepare you for a career in this area. Many interrelated sectors are comprised of the hospitality and tourism industry, including hotels, food services, leisure, rental cars, contract services, gaming services, private clubs, and meeting planning.

Many hospitality administrators, such as information technology, human resources, guest relations, or food services, specialize in a specific role. For top-level managers and executives, however, it is necessary to have a thorough understanding of the different divisions and how they come together.

Operations in hospitality management include the introduction of personnel, supplies, equipment, and technology. As an operations manager, you are supposed to create and deliver customers a service or products based on their needs. Your position in operations management is to handle various strategic issues, including the use of project management approaches and

the size of manufacturing plants, as well as the implementation of the IT network structure. Management of inventory levels, procurement of raw materials, handling of materials, quality control, and work-in-process levels are other organizational duties.

Earnings for hospitality managers vary based on the type of company, the experience of the manager, the payroll policies of the company and other parameters. However, according to the Bureau of Labor Statistics (BLS), in the United States, food service managers receive an average of $47,960. Hospitality administrators for hotel companies will gain even more money. Statistics indicate that hotel managers earn an average of $104,928 a year in the United States — around twice the national average. Travel managers who work for tourism firms also exist. Travel managers in the United States earn an average of $84,645 a year, according to reports reported by Learn. org.

The BLS estimates that by 2024 the job area for the administration of food services will expand 5%. This is because of the growing number of people who frequently eat out. There are no educational criteria for most restaurants. However, experience and a degree in hospitality administration could make potential employers more appealing to prospective foodservice and restaurant managers. Foodservice managers' annual salary is $48,690.

6.1.4.1. Restaurant Manager

Restaurant and foodservice managers, like most executive positions, are responsible for recruiting, training, and firing employees. They could be called on to mediate customer issues or employee problems. They control budgets, schedules, and wages, as well as develop and implement staff performance and customer service regulations.

6.1.4.2. Function Organizer

As freelance professionals or as part of an event planning team, event managers may work for corporate, private, and charitable organizations. Responsibilities will include catering, performers, designers, florists, and more, fulfilling client and arranging event requirements, reservation venues and scheduling, maintaining compliance with legal legislation and insurance and coordinating. According to BLS, this workforce is expected to rise by 10% by 2024. An event organizer's annual salary is $46,840. Event organizers also operate seasonally and concentrate on particular activities, including summer weddings.

6.1.4.3. Front Office

The hotel's front office is considered the core of the hotel. Often a client contacts the facility for the first time. The guest cycle consists of four separate stages: pre-arrival, arrival, occupation, and departure. Each of the four stages involves the front office staff. In the perspective of visitors and in the perspective of the hosting, we will explore what happens at each stage and the importance of each stage. In this scenario, a guest notifies the hotel of their stay. In this section of the course we shall discuss why reservations are relevant, their function (for customers and lodgings), the difference between guaranteed and not guaranteed reservations. A package of accommodations, transfers, food, drinks, and activities is provided to our guests in many hotels. We will address the main priorities, commodity, and prices of the reservation department.

Several giant companies have committed to enterprise hospitality and management companies provide local services, management coaching programs, and direct placements for children in the hospitality and tourism management field in a range of operational, non-operational welcoming and business divisions.

6.2. HOTEL MANAGEMENT

Hotel management is a business area and research field that focuses both on the operational aspects of a hotel and on a variety of affiliated subjects. For instance: accounting, administration, finance, IT, human resources management, public relations, policy, marketing, income management, sales, exchange managements, management, gastronomy, etc. Generally, hotel managers enable owners to employ a general manager and hotel staff when they do not want to go. In this way, all facets of the property are properly handled and coordinated (Figure 6.1).

Hotel management includes studying management strategies for hotel management, marketing, housekeeping, servicing, etc. Hotel management concentrates on and operates in the hotel industry, as opposed to the hospitality business. The management of the hotel really requires the monitoring of any property operation. Knowledge of the distribution strategy, financing, customer service, personnel management, marketing, and more are required.

A cloudy concept of hotel management is that it is a business field and a study that focuses on the operational aspects of a hotel and a number of affiliated subjects including accounting, administration, finance, information

systems, management of human resources, public relations, planning, marketing, revenue management (RM), sales, change management, leadership, food, and drink.

Figure 6.1. Hotel management.

Source: https://www.facebook.com/pg/bcihmctofficial/reviews/.

Hotel management continuously assesses performance and makes the required changes on all aspects of the business. Effective hotel management ultimately does not guarantee business stays for your hotel but can benefit and expand over time. Consider the hotel as an ecosystem that will boost your health. When the hotel succeeds, higher charges, salaries, and an experience with which visitors want to return can be upgraded and paid.

6.2.1. Hotel Inventory and Revenue Management (RM)

A hotel's daily activities are very extensive. Clearly, the care of your rooms or your inventory is a central feature of hotel management.

6.2.1.1. Inventory Management

Ensuring and controlling demand as well as optimizing returns means efficient inventory Management for hotels. The hotel's investment support is connected up in its rooms, and the returns can only be made from the optimum sale of those rooms. We shall look at some strategies:

1. **Market Segmentation:** Aware of your competition and the variable tastes, requests, and affordability of various populations, it is important to understand how to pricing and sell your rooms through different networks. This not only helps you maintain your current

facilities; it also allows you to capture more of the market and boost sales and revenue. Flexibility is an important virtue that hoteliers need, and it is necessary for creating loyalty and maintaining profitability to understand and respond to their customer needs.

2. **Setting up of Price:** By raising prices in high demand hours, and knowing how much to lower prices, hotels would be able to increase their returns to ensure that rooms are leased during low peak periods. Businesses may offer discounts and rewards on a managed basis over various seasons through dynamic pricing.

3. **Distribution:** Hotels advertise their rooms generally through several platforms, like online travel agencies, to maximize their reach and encourage sales. Management of distribution is important and includes determining for each channel the required number of rooms to be sold within a specified span. You can then opt to reassign cancellations or list spare rooms to boost sales in the event of cancellations.

6.3. REVENUE MANAGEMENT (RM)

Revenue management (RM) is another critical aspect of the hotel management. In the hospitality industry, RM is an extremely important concept, since it enables hotel owners to predict demand and maximize supply and pricing in order to achieve the best financial results possible. RM is the technique that enables businesses to anticipate and forecast demand to maximize pricing, accessibility, and distribution channels. Effective management of sales can forecast micro-market customer behavior.

Management of sales optimizes cost-efficiency by forecasting when and where to sell each item or service. For example, today's purchasing of a concert ticket means another price than one week's purchase of a concert ticket. This was because of the customer behavior expected by the ticket seller and how much they would increase the price as the supply falls.

In order to understand RM, we must first define it. Within the hotel industry, the widely accepted definition is: "Selling the right room, to the right client, at the right moment, for the right price, through the right distribution channel, with the best cost efficiency."

It includes the use of performance data and analytics to assist hotel owners in forecasting demand and other customer behaviors more accurately. This, in turn, makes it possible for them to make more rational pricing and distribution decisions in order to increase sales and thus, profit. In the airline

industry, as a practice, RM actually started, where businesses found ways to predict customer demand in order to implement competitive pricing. It is, however, true in any industry in which different consumers are prepared to pay different prices for the same product, in which only a certain quantity of that product is to be sold and in which that product must be sold before a certain point in time.

A company must also have some way of predicting demand and customer buying patterns in order to carry out successful sales management so that informed changes can be made. For example, to inform their RM plan, hotels may use past data, current bookings, weather forecasts, and other industry data.

6.3.1. Importance of Revenue Management (RM)

Hotel RM allows the opportunity to make the most of a perishable inventory of hotel rooms for hotel owners, helping them to optimize the amount of money earned by the company. Essentially, it helps decision-makers, rather than relying on intuition or guesswork, to make educated, data-driven decisions.

Hotels have fixed costs, like all other firms, which need to be charged regardless of how many rooms are sold and how much revenue is earned from visitors. Therefore, hotel owners will ensure their expenses are covered through a RM plan and their rates and services are dynamically optimized.

6.3.1.1. Revenue Management (RM) During Early Days

Hospitality RM began in 1972 when BOAC airlines (now British Airways) started offering "early bird" passenger bookings with discounted fares while charging others on the same flight with full prices. In the 80s, the lodging industry introduced multitier rate systems for rooms, and about a decade later, the first hotel RM positions made their debut. Initially, RM was a discipline in which hoteliers were experts in systems, working under the sales and marketing director of a hotel. RM's early applications were reactive and focused on room rate management, i.e., rates and inventory, and were not long-term proposals that were proactive.

Yield management decisions were usually only reviewed a few times each year at best), with occasional changes made 30 days out or 90 days at most, depending on the year-over-year rate. Using the expertise of SQL programming and the advanced features of Excel spreadsheets, revenue managers compiled a list of regular reports sent to the management team,

who in turn made pricing and allocation decisions. Instead of a proactive one, RM took a pragmatic and reactionary position-working to control incoming demand and pricing in ways that were more concentrated on occupancy and/ or ADR than sales and benefit. Considering the source or duration of the business's stay, while it was significant, it was hard to factor in a timely pricing decision. So, an improvement in occupancy year-over-year or ADR meant that you would be "winning despite profit growth.

6.3.1.2. Revenue Management (RM) Today

In the last 10 years, in particular in recent years-the RM sector in the hotel sector has flourished, transcending its former role of controlling prices and stocks simply to lead hotels to real growth in revenue through long-term strategies. And large data, together with technology, were catalysts for such development.

Hotels now have access to huge quantities of knowledge, which can be used in the RM effort of a hotel. Segmented Guest data will personalize your business experiences and promotions, enhance pricing strategies for demand predictions and ensure you prevent leaks in revenue. All of this means more profit for your hotel. However, it is a specific challenge to handle the sophistication and accuracy of these records.

Leaps in algorithmic frameworks for technology and sales management and data capture and analysis allow RM software more advanced than ever. Advanced revenue management systems (RMS) are now essential to the reliable and understandable insights of complex data, which include rapid takeovers. System automation can tell hoteliers easily how they work on a regular weekly, monthly, and annual basis at business, channel, and room types levels. And using an improved RMS with Machine Learning and Business Intelligence provides income managers with new ways to classify complex data.

The cloud-based RMS architecture gathers data in one location and includes demand statistics, market segments, competitive rates, historical figures, local events, evolving market conditions, etc. All of these data provide a much more realistic market perspective, which makes you know which hotel customers and where and what that means for the future story of your hotel. Technological advances have allowed RMSs to process more data more rapidly, with comprehensive and reliable forecasts and cost-effective recommendations. Another advantage of cloud technology is that it permits the position of RM to become increasingly cooperating, work with

the same data and accomplish the same goal for each department. RM now cooperates with these teams to improve the occupancy of top paid guests and guarantees that spacing is not underpriced instead of working for the sales and marketing director.

Modern RM has shifted from a short-term, myopic tactical perspective to a long-term, large strategy for transient and group companies. A long-term approach that balances occupancy and rate strategies for these two segments brings you on a path to wise pricing decisions and enhanced hotel profitability.

Intelligent RM is required if the average daily rate is to be optimized. Few tips for RM are as below:

- **Attracting Guest:** Not all business a hotel receives can be called 'good business.' While ensuring maximal occupancy is important, repeat customers are a lot more lucrative than new ones-it costs more to reach out to new guests' every time. A complete hotel does not inherently need to be profitable-mistreatment of revenues like too low a rate to sell rooms or high fees will leave hotels losing money even with full occupancy!

Automated revenue managers allow hotels to better recognize the best clients who will generate the highest long-term value for the future of the property. Hotels need to analyze all of their expenses, and not just the room details, for the purpose of recognizing these guests-restaurant, bar, and gift shop costs can allow properties to get a better view of a guest's favorite activities and their overall value. Hotels can also use this data to make better decision regarding promotions and marketing campaigns.

- **Package and Promotions:** Packages are any rate that blends a room with an add-on: free breakfast, free parking or a local event or attraction pass. Packages are available for free.

Special rates can change depending on the promotion:

- The period of time or holiday;
- If you are a VIP guest;

By offering items like mobile promotions, you can become even more precise. Extras are an extra expense that visitors can only know during the process of booking. This could involve things such as champagne and chocolate stored in your room, airport shuttles, or events such as training courses.

1. **Sale of Hotel Products:** If you give your visitors the chance to purchase their shampoo, towels for the bath and pool, pieces of art, linens, and so forth, it will give you extra income and may also save you from the expense of replacing things that visitors pack 'accidentally' with their own baggage upon leaving.

2. **Arranging for Events:** The selling of tickets to local events, tours, or the rental of cars is a good opportunity to raise your sales per client and to make your visitors happier.

3. **Support Flexible Travelers:** Some travelers do not have a timetable or give themselves flexibility so you can boost your occupancy and incremental income with a discount on an extra night's stay.

4. **Referrals:** Invite your guests to share experiences with their families and friends and to make more bookings and brand recognition in social media if their feedback on their stay is good. You may also set up a promotional code to receive a discount when you stay next time. This allows you to maintain a high rate of occupancy.

6.3.1.3. Importance of Revenue Management (RM) in the Hospitality Industry

RM is related to the right room being presented at the right cost at the right time. At the present time, the profit centers are expanding the hotel industry to newer avenues such as conventions, restaurants, and other leisure facilities, such as spas and golf courses. The common traits among each are that every one of these products is perishable. This means that if a hotel room isn't sold until day, it's a complete garbage. For later use, it cannot be saved. This basically means that the manager of the hotel must ensure that every night's reservations rationalize the revenue control of non-sale nights. If it fails, the hotel loses profits and witnesses a decline in margins of profit.

This will result in a minimum price increase of 10% for each room that is open, which would seriously boost profitability. Of course, larger rooms produce more income, but management of sales is important even for the smallest company. It is important to understand the value of RM in the hotel industry to increase sales and produce large profits so that you can precisely structure them to accumulate the results you want (Figure 6.2).

Figure 6.2. Revenue management.

Source: https://www.import.io/post/revenue-management-hospitality-indus-try/.

In order to forecast sales based on potential costing strategies, management needs data on past revenues, past purchasing patterns and past price strategies, consumer demand, and more. It may be difficult and time consuming to obtain and evaluate these results. Each data set comes from a different source that needs standardization and integration.

Few of revenue management advantages are as follows:

- In order to maximize rentability, it allows team synchronization between a variety of groups or services within a hotel.
- It aids in presuming and forecasting future demand.
- By cutting costs, it increases efficiency.
- The conceptualization and development of undiscovered goods and services contribute to innovation.
- The concept of how to handle revenue flow is provided to all hotel employees.
- It strikes a balance among general managers, income managers and hospitality managers.
- It builds a brand's competitive intelligence and market.

- It decreases the expense and time of conventional price strategies.
- It serves as a support pillar for someone who considers a situation solemnly and also presents the best possible remedy for the hotel management system.

The control of sales is fundamental to the hotel industry and must be carefully and faithfully traded. In order to operate the company effectively, it is critical that a hospitality professional know about the role of RM in the hotel industry. In the hospitality industry, income control will make a big difference in a company's income. Efforts in this region could raise revenues significantly. Income management methods, however, take a great deal of data and time, which can be a hard investment.

In many industries, RM can be used, but in the hospitality industry, it is particularly important. Hospitality firms would be losing many future profits if they did not benefit from vacancies, the shortage due to their low inventory, or the desire of customers to be paid. Since hotels, airlines, and online travel agencies booked all rooms at the same rate regardless of when or where they were booked, they would not make the same money.

If the journey gets nearer in time, as supply is scarce, and during peak periods of the year, customers can pay more. A competitive pricing approach thus enables hospitality companies to achieve the highest profits with optimum cost-efficiency. Dynamic pricing strategies require both internal and external large data that can be difficult to obtain and integrate. That's where incorporation of web data comes in.

Figure 6.3. Income management.

Source: https://www.hotelogix.com/blog/2016/06/13/uncovering-significance-revenue-management-hotels/.

Income management has always been the least understandable aspect of the operations of an independent property-hotel owner agree that proper income management techniques will improve occupancy, but do not consider it important to the success of a hotel (Figure 6.3).

The hospitality situation changes. Unlike previously, more and more self-employed hotel owners start to take on an active role in their property. While it is helpful for the management team to still have the owner around the hotel, it can also result in additional pressure on the hotel management. Managers can have to explain all their decisions to an individual primarily involved in the ROI. RM is absolutely not a new sector activity, but its importance, if not always recognized by proprietors, may require management to confront a reluctant challenge. But today, we have a situation in which guest trends and reservation habits shift so rapidly that it is absolutely necessary to have a comprehensive RM plan.

6.3.2. Restaurant Management

For hotels that also have a restaurant, life becomes even more difficult. A Leonardo research investigated the pictures the travelers saw most. Obviously, guest rooms were the number one outcome but restaurant pictures were the second most frequently seen. This means that travel has two main necessities: people want a comfortable place to sleep and a decent place to eat. The restaurant is a good revenue generator and an important part of the hotel's branding, so it should not be overlooked as being capable of helping marketing and selling your hotel. As we know, operating a hotel is an extremely time consuming, stressful, and complex activity. The same is true of running a decent restaurant.

Not only must a good restaurant serve your guests in your house, but it must also be a restaurant for everyone in the local area. This is because many guests are interested in discovering the city and its many possibilities. Some diners might even make it a night, and directly book a room at your reception desk.

The standard of your product must be strong in order to function. Your hotel restaurant must customize and deliver a full restaurant experience. Besides the excellent food, you have to concentrate on lighting, music, decoration, and well-designed wine lists. It could shut off people from booking a space, no matter how awesome the rest of your hotel is if your restaurant has bad reviews. If there is no effort in the restaurant to create the best experience possible, visitors would do the same for your entire

company and look somewhere else. On the other side of the coin, there is the same chance. If your hotel's experience is poor and your occupancy low, then your hotel restaurant could decrease and die if it relies exclusively on business outside the hotel walls.

6.3.2.1. Increasing Restaurant Business

- **Developing the Restaurant:** The first thing you have to do is make your restaurant a restaurant of your own quality, rather than just a glorified bar that can be reached by visitors. Make your restaurant a luxury dining experience that focuses on the whole package of food, lighting, music, decoration, and wine lists. This will not only help your restaurant draw new customers in but also attract current guests who visit the area.

At the same time, it is important to consider who your customers are and how they can improve themselves. Build a menu that you don't think is hip and trendy, and ensure that the prices are in line with the rest of your hotel. This is supported by the use of local goods.

- **Attract Customers by Providing Offers:** Invite people to book at your hotel through different restaurant offers for various sections of the week. You can take your customers to your restaurant with different parts of the week and using various media. E-mail a drink voucher to the bar of the restaurant before a guest arrives. They're probably going to take a meal also. In midweek, you may be promoting cheap drinks or desserts via social media or other medium. On the weekend, a reduced three-course meal with reservation can be included.

- **Create a Personalized Website:** A specialist restaurant web site helps to optimize revenue by increasing traffic through page links to your hotel. There should be big high-resolution photos and videos on the restaurant website to display the food and décor. If visitors come here, hopefully they're more persuaded to stay and book online and see that they can also stay in a hotel.

You are optimizing the search engine optimization (SEO) and maximizing traffic and conversions by cross-referencing of both business lines. You should ensure that all mobile devices are configured and that you also have a direct connection to the booking motor of your hotel on the restaurant website. By offering a separate website to your restaurant, you can resolve the need for appropriate and distinctive content for the customer

and also increase the visibility of your website. Time and effort are certainly worth it, particularly if you are using an intelligent, intuitive website builder.

Below are few tips to make restaurant business a success:

- **Hire Right Talent:** In view of the unique challenge of running a restaurant, you need people who are qualified to meet the challenge. Offer them the ability to provide the hotel guests with the best restaurant experience. Both hotels and restaurants form part of the hospitality sector, and both require customer service. These companies live and die from customer satisfaction due to their always open public exposure. Guests are just too willing to share good and bad stories from their vacation or dining experience.

  Without the right people and the right resources in the right departments, a restaurant will not run smoothly.

  a. **Executives:** They are the decision-makers within the company. They may be heads, managers, or directors of departments.

  Managers may be accountable for some of the other areas, including accounting, marketing, and sometimes even front desk services, depending on how your business runs and the size of it.

  b. **Housekeeping:** It's an essential job to keep your guest rooms clean and tidy. For every detail in a room, from the cleanliness of the sheets to keeping toiletries stocked, your housekeeping team is usually responsible.

  c. **Front Desk Services:** While no organizational segment is dispensable within a hotel company, without the front office workers, it could be argued that very little would happen. These individuals are regularly in touch with visitors, and may even be responsible for bookings being taken and treated. For this position, detail-oriented individuals are often needed, because they have to meet the exact needs of the guests. Concierge can also be lumped in with this business division often, but it may be a totally different department worth creating.

  d. **Maintenance:** Also, utilities and electronics of the highest quality can break and malfunction. There is much to repair and restore in terms of computers, TV screens, game con-

soles, DVD players, and other cutting edge tech products in today's tech-oriented world than ever. Depending on what fits best for the company, technology may also be the responsibility of executives or front desk services.

In addition, maintenance may be lumped in with housekeeping or another function in some instances. Again, it depends on the company size and the staff available to you.

1. **Create a Social Media Page:** If your restaurant has its own website, it should have its own Facebook page as well. This is particularly true when there are regular events. Think on live music, monthly wine tastings, or happy hours on Friday's evenings. It is helpful to post photos of your dining and food experience as well.

2. **Provide Comfort:** Your restaurant should be a quick and easy place to get a meal for guests who are already at your hotel. If they have other plans, they won't spend too much money or time waiting for food. On the other hand, guests will expect first-class ambience, cuisine, and service to come to the restaurant. In order to satisfy everyone, you need a simple but delicious menu that is comfortable and promotes social interaction.

You have to think about everything and look for ways to save time and money or increase efficiency in order to improve your hotel management. During a financial year, even small changes can gain large rewards. As people, food is our most important link with the planet and its resources. However, environmental researchers often assume that we value food less than we used to do. You need only look at the hotel kitchen numbers for food waste in order to understand their perspective.

- It is estimated that 40% of all food is discarded in the USA alone;
- US hotels serve 35 billion dollars a year in food;
- In customer-oriented companies like hoteling and supermarkets, 40% of food is estimated in waste.

6.3.3. Managing Food Waste

The fight against food waste in your hotel extends beyond the food and environmental protection of people and the bottom line of your property. More than 90% of workers say they want to take steps to counter food waste, according to the Hotel Kitchen. Also, 60% of those surveyed expect hotels to aggressively eliminate waste in their operations to become increasingly professional.

6.3.3.1. Steps to Reduce Food Waste

1. **Check Raw Ingredients with Diners' Plates:** If you do a manual waste audit, at the very least, you have to separate waste into raw and processed ingredients that are left on food plates. Nearly 10% of raw materials are wasted. This includes products such as potato peels and coagulant leaves, for which it is difficult to find use. Raw ingredients also mask the preparation of kitchen errors. Roughly 35% of restaurant waste is left on food dishes. In the hotel restaurant, diners are less likely to take their remainders home. This is certainly higher.

2. **Use Waste Management Software:** Conduct a waste audit by classifying waste and ensuring that the workers dispose of it in a correctly labeled jar. There is software based on weight for this purpose: essentially a talking bin recorded by employees on a touchscreen to record the weight of various waste forms. The best known is perhaps the Winnow system, which its manufacturer generally claims to save operators 3–5% on food costs-an annual ROI of up to 10 times. The challenges of using such a system is that all waste needs to be placed in the same bin leading to congestions in the kitchen or pot washing and data input can take a long time.

3. **Create a Team to Monitor:** Create a team that owns and encourages waste reduction. A cook or chef and a cook (KP) should be included. Your KPs see what's going on in the plates, while a chef will know how to make better use of remaining ingredients in future menus.

4. **Use Less:** To discuss performance after a quarter or a month, gather as many workers as possible. In the case of prepared waste, you can find that this is due to too big component sizes, in which case strict portion controls may be enforced, probably using color-coded measuring scoops for different products. Consider buying in individual wrapped portions if a ton of butter and preserve remain after breakfasts. Bear in mind that farmers also can use inevitable post-consumer waste for animal feed.

5. **Ask Staff to Monitor Closely:** The two key categories might be raw materials and diners' plates, so make sure you have as many containers as possible. By weight, record the waste. You'll hear more from the feedback of the staff: What surprises did they find? Was there a plated object but it didn't eat? Our customers always leaving a garnish?

6. **To Sharpen Knife Skills:** For stock, meat carcasses should always be used. When workers report that much meat remains on the bones, ensure that the knives are properly sharpened and the staff is effectively prepared. If there are not enough workers to do butchery and fishmonger, you can save on waste, for example, by purchasing cubed chicken and filleted fish.

7. **Check Expiration Dates:** If you find that new products are going out of date, implement a strict rotation scheme for the refrigerator and colored stickers to mark which items to use first. To maximize shelf life, store new foods on the right refrigerator and existing ones on the left. Get this ingrained and repeat it for rice, herbs, and spices, pulses, and grains in ambient storage areas as well. Ingredients that are out of date will generally be donated to local food banks. To raise your visibility in the local community, build up a friendship with your local food bank operator and post about it on social media. This will lead to worthwhile engagement in charitable activities.

8. **Allocate Space for Composting:** When you have some outside space, raw vegetable waste can be composted. It is possible to actually create a compost area out of pallets. The resulting compost may be used or donated to local allotment organizations to enhance the soil on site.

In restaurants, excellent customer service leads to guest satisfaction in hotels. The first step is to turn 'service' into 'hospitality.'

Service is simply about a task being performed; doing something for others. It's a mechanical operation. Hospitality, on the other hand, is about giving others an impression and going the extra mile to make their experience a memorable one. The partnership involved in hospitality is a real one and should be based on a caring mentality. In hotels, during their stay, guests can communicate with several different staff members, meaning they don't always get this personal connection. They will have to wait longer for services, and if the staff member does not know their needs, they may get irritated. Hospitality is something really well achieved by the best restaurants. Customers will normally be served by one waiter their entire visit and will be made to feel like close friends or relatives, attended to and spoken to warmly and constantly. Any inquiries will be promptly addressed. Customers will look forward to going back and seeing their waiter again at the end of the meal. Restaurants' attentiveness is definitely something that hotels should aspire to emulate. Some things to try are to welcome visitors by name, get to know their preferences, and when they want attention.

In order to comply with changing customer tastes, restaurants change their menus and technology. For fresh food, mobile ordering, and automated kiosks, this looks at millennial tastes. The bottom line is that restaurants work hard to please customers in a manner that clients dictate, resulting in greater satisfaction. The same needs to be achieved by hotels. If customer service is to improve, new technology, both front and back-end, needs to be explored. This goes back to hospitality and personalization once again.

Give what they need to each particular guest. It's not something everyone wants, even if you look at mobile check-in. Obviously, some guests are in a hurry or tired of traveling and only want to return to their room as soon as possible. Any human contact would be craved by others. For the individual hotel guest, it is about what is convenient. A recent study shows that full-service and fast-food restaurants are revamping their menus and to the delight of consumers, they are adding more mobile ordering choices.

In every respect, technology should be able to help hotels. Think about how technology can enhance the experience in the room, especially when it comes to speeding up room service or cleaning procedures. Conversely, if backend software is used to handle bookings and delivery more efficiently, more time can be devoted to guest experience.

Quality restaurants will take on challenging or specific requests and provide customers with any special requirements they require. When something goes wrong, their daily hands-on experience helps them, without a manager's interference, to fix it. It's done with a smile on their face because nothing is too much trouble for a valued customer. Nothing frustrates a customer more than a member of staff who constantly wants to explain something with their boss. This not only takes more time, but it makes the employee look inefficient.

Hotels need this way to train and inspire their workers in this way. The Ritz-Carlton Hotel Company is a perfect example, where even hourly workers have permission to spend up to $2,000 per guest without having to ask for approval or involve management to fix any issue or dissatisfaction that might occur. And it's not the sum of money that's the point; it's the instant empowerment of no-need-for-approval, which encourages guests to have fast solutions.

The very best restaurant workers display a passion for their jobs and a sincere desire to make customers happy. While the hospitality industry is one where skills can be learned on the job, it is important to take very seriously

the approach taken to recruiting employees. Below are some necessary traits a hotel should find it its staff:

- Enthusiasm;
- Empathy;
- Conscientiousness;
- Warmth;
- Charisma.

6.3.4. Managing Reputation in a Hotel

Managing a hotel is not just about managing the physical property, it's also about managing intangible stuff like credibility. If they don't focus attention on their online feedback and take care of their reputation management, hospitality companies such as hotels are at danger. Failure to track, handle, and react to feedback will bias the hotel management approach to problems that are unimportant to guests, as well as provide negative feedback on travel and social networking platforms to dissatisfied customers with ammunition.

The effectiveness of conventional hotel ads is decreasing as more and more guests turn to each other for recommendations on where to stay in cities around the world, while the influence of online hotel reviews is on the rise. We exist in a social age. Without substantial episodes being recorded on social media networks, it can be difficult for a person to get through their lives, let alone a hotel to exist without the blemish of concerns about social media.

As the influence of online bookings and digital reviews continues to grow, the value of reputation management is rising with it. However, while online reputation management is a trend in the hospitality industry, some independent hoteliers still consider it an indulgence. The uncertainty about how to deal with both constructive and negative reviews online drives part of this reasoning.

A negative review is the most feared of all online reviews. In evaluating the importance of reviews, however, audiences are especially savvy, not only because the author's "voice" is on show, but because audiences also apply a filter to their reading of every review. They consider the importance of any commentary consciously or subconsciously, as well as the relevance of a comment to their own perceptions and interests. For horse-lovers, a statement on the convenience of a hotel location to an equestrian event venue would therefore be of potential significance, but totally meaningless

to many other potential guests. Below are some standard ways hoteliers can deal with online reviews:

Hoteliers have options on how to respond when a negative comment is posted.

1. **Acknowledge First:** For real, reasoned negative feedback on our customer experience, hotels should respond promptly (within 72 hours of posting), identify the problem and explain how it is handled. Ideally, after the problem is dealt with a follow-up post showing how the experience will not be replicated. This is by far the strongest answer to negative reviews because online publics are far more prepared to appreciate action and constructive behavior improvements than to think negatively of the initial negative experience.

2. **Apologize and Thank:** For negative observations that concentrate on pedantic information, an excuse for the experience and an acknowledgment that this feedback helps shape the future guest experience plan of your hotel is the most suitable response. This is more relevant than the answer which says that a customer service team will receive the comment, because the customer is already persuaded that the property's service is an issue.

3. **Apologize and Compensate:** A good response is to apologize for the bad experience, to give either monetary compensation or discounts for future reservation privately, for a negative remark illustrating experiences that were difficult to avoid or impossible to avoid. While it is not probable that the customer is completely satisfied with the declared poor experience, the priority will be given to other customers in the hotel. Where possible, it's important to take compensation offline to avoid allowing people to complain about free things.

Similar to negative reviews, positive reviews also need a response. How to thank hotel guests for their positive feedback is given below:

1. **Be Delighted:** Where constructive feedback is genuine and reasoned, the best approach to the feedback and desire for service in the future is to convey satisfaction and appreciation. This is the easiest answer to delivery, but also the least effective.

2. **Being Humble:** Where a positive review is excessive and may be bustling, businesses should thank the visitor for their excitement, but still consider areas in which you are seeking to develop. This strengthens customer service engagement.

3. **Be Appreciative:** Where reviews are mainly neutral, but some aspects have been shown to be especially relevant, hotel managers should express their appreciation for the feedback and ask for more guidance on how the company can develop in specific areas. Again, consider using an e-mail or personal phone call to hold this discussion offline. This makes it easier to observe the original post more carefully.

Management of reputations is also seen as complicated or time-consuming. However, it is unquestionable that the findings of research are important and rising in terms of the value of reputation management. Understanding how to address your feedback is not only a strategic advantage but also a way to guarantee a business stay in your hotel. You can quickly turn complaints around and get hotel guests back- and your first line of defense is this fundamental reputation management response.

6.3.5. Difference Between Hospitality and Hotel Management

It is not unusual to use hospitality and hotel management as near-identical words that are definitely synonymous. There are, however, distinct distinctions worth noting between hospitality and hotel management. It's worth familiarizing yourself with how hospitality and hotel management differ, especially if you prefer one side of the industry over the other.

A few of the main differences being as follows:

1. **Employment:** If you have a background in hospitality management, in almost every field of hospitality-including hotel management-this can be used to develop a fulfilling career. You can find your career opportunities more limited to the global accommodation and general travel and tourism sectors if you concentrate solely on hotel management.
2. **Work Area:** Hotel management, as suggested by the term, focuses solely on offering lodging and associated guest facilities within a hotel establishment. On a much wider range of business areas, on the other hand, hospitality management could refer to a supervisory position-restaurants, cafes, nightclubs, casinos, and so on.
3. **Growing Sector:** There's really never been a better time to enter this booming and evolving industry, whatever your aspirations and goals may be. In hospitality, to become a confident and able leadership figure is to enjoy exceptional career opportunities for life. The demand for skilled staff at all levels is at an all-time high, irrespec-

tive of whether you concentrate on hotel management or broader hospitality management.

4. **Responsibilities:** The guest may spend an hour or two in your company in a typical hospitality environment. In a hotel, for days, weeks or even months on end, you can look after any given guest. The above, therefore, calls for a considerably different approach to the provision of management and services. Many of the day-to-day obligations are identical in hotels and general hospitality environments, but operating a hotel is not exactly the same as running a casual restaurant or eatery.

6.4. IMPORTANT OPERATIONAL AREAS IN HOSPITALITY INDUSTRY

Hotels, campgrounds, hotels, conference centers, visitor offices are all part of hospitality management. This industry generally employs staff in administrative or managerial roles in a service-based environment. Any hospitality manager's ultimate purpose is to ensure visitors have a fun experience.

6.4.1. Managing Food Service

Restaurant and foodservice processes are monitored by food service managers. They operate in restaurants, fast-food stores, hotels, catering, and cafeterias. Oversight and coordination between the kitchen staff and restaurant staff, inventory control, budget keeping, and administrative duties are all common responsibility. A degree in food services management is not inherently mandatory. Most managers of food services are promoted from chefs, waiter or waitresses, host or counter servants. However, for people who want to work for luxury restaurants and hotels, a bachelor's degree will benefit them in restaurant management, hospitality management or institutional food services.

6.4.2. Lodging Management

Management of the lodging includes control of hotel, motel, spa, campground, hostel, or any other form of accommodation facility. The accommodation managers' welcome visitors and set room rates and budgets, audit rooms, supervise other staff and monitor the efficiency of the facility. Special departments such as households or front desk workers may serve

as general managers, oversee all operations, or department manager. To supervise large hotel chains and resorts, a bachelor's degree in hospitality or hotel management is required. A high school degree and service industry experience can be enough to obtain smaller management roles (Figure 6.4).
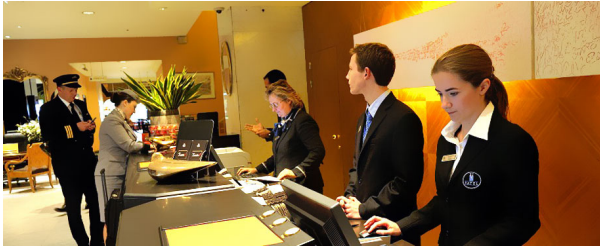
Figure 6.4. Lodging management.

Source: https://www.ramapo.edu/articles/importance-outstanding-hospitality-management/.

6.4.3. Event Planning

Planning activities is a significant part of the management of hospitality. The activities including event planning, weddings, conventions, corporate conferences, and meetings are only a few of these. Every component of such activities, from venue and transition to foodservice and entertainment, is organized by meetings, conferences, and event planners. Education for a career as an event designer varies, but for most positions, a bachelor's degree and some work experience in hotels or events is a common prerequisite (Figure 6.5).

Figure 6.5. Event planning.

Source: https://www.bls.gov/ooh/business-and-financial/meeting-convention-and-event-planners.htm.

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Chapter 7

Hospitality Industry: Revenue Generator and Connects Culture

"Remember, a person who wins success in hospitality may have been counted out many times before. He wins because he refuses to give up."

—Kemmons Wilson, founder of the Holiday Inn.

CONTENTS

This chapter provides insights on how the Hospitality Industry in correlation with the Travel and Tourism industry influence the economies of the country and the world. Details of how the revenue improvisations were made and the employment opportunities the industry paved the way to are discussed. Information on the various attributes of the Hospitality and Tourism Industry which helped in boosting the world-wide economy are also discussed. Cultural importance to help the hospitality industry can guide the businesses to survive the multi-cultural environment they operate or plan on operating in.

7.1. HOSPITALITY INDUSTRY: A BOON FOR LOCAL COMMUNITIES

Hospitality Industry is one of the vibrant and revenue generators of the economies. The word hospitality from the very ancient times meant that guests who are coming over are taken care of in an absolute spirit of goodwill. Warmth towards the guest, the respect and protection rendered without any expectations but prioritizing the dreams of the guest during the stay. Some of the cultures bring about appreciation and understanding with hospitality at its core. Some of the related words of the Latin word "Hospes" that is formed from the word "Hostis" are host, hospital, and hotel. The hospitality industry comprises of the hotels, restaurants, entertainment, sporting events and other tourism-related services which paves way for the strength of the economy by strengthening the exchange of money.

Hospitality Industry is a major contributor to the global GDP. One of the studies specifically mentions that the travel and tourism contribute to over 10.4% of the global GDP. Some of the forecasting studies showcase that the tourism and hospitality sector would have a staggering growth by 10%, and there might be a spike in the tourism jobs by 72 million within the next 10 years. The major revenue generators are based on the spend of money in hotels, restaurants, and entertainment venues. These are some of the direct indicators for enhancing the economies. Some of the revenue generators that indirectly impact the economies are the purchase of retails goods, the souvenirs, mementos and the local handicrafts, the pharmacy products. Building of competent infrastructure such as efficient roadways that connect important tourist spots and the transportation enhancement both in the private and public sectors thereby influencing the economies.

Hospitality Industry is also one of the sectors which resolves the unemployment issues globally. A study of 2017 shows that about 313

million jobs were accounted for in the hospitality industry worldwide, which translated to 9.9% of the total jobs created throughout the year within the industry. This further contributed to about 20% of the net jobs created globally in the past decade. Another sector which is supported by the hospitality industry is the entertainment industry and the art, cultural industries. Hospitality Industry keeps the cinema theaters and art festivals thriving and welcomes a lot of crowd to the venues.

Hospitality Industry is the backbone of providing comfort and convenience to the travelers who are traveling across for necessity, leisure or luxury. Taking care of customer needs and the hospitality plays a vital role despite the fact that the travel is for pleasure or business. Therefore, it is very important to both individual customers and to every business associated with the Tourism industry. Some of the divisions of the hospitality industry, such as the entertainment venues, restaurants, etc., cater to both the locals of the region and also the tourists. There has been a tremendous increase in the food and restaurant industry in the recent decade. One study shows that about 44% of the food budgets of American millennials end up being spent at restaurants and eat out instead of cooking in. One of the primary focus of the hospitality industry to ensure there is customer delight by creating highly defined spaces and services with well-trained staffs so that the customers are treated with utmost respect, warmth, empathy, and professionalism.

Hospitality Industry, as mentioned earlier, is one of the major creators of jobs, and therefore, the employees of the industry can have rewarding career experiences with good paychecks. The industry offers jobs such as event planners, tourist guides, hotel general managers, facilities, and assets manager and everything beyond. Budding entrepreneurs are attracted to the major scope of the hospitality industry and are opening up new restaurants and boutique hotels which allure professionals to the industry given the glamourous living the industry offers. Hospitality Industry unintentionally helps Sustainable tourism whereby the support for running the hospitality industry is taken from the locals living in that area. In a report from the Tourism Association of Australia, it has been mentioned that around 3 million people across the continent of Australia are involved in hotel jobs which directly has resulted in 11 to 14 billion of domestic economic activity.

Hospitality industry can be made community-centric in various ways. The three exciting ways in which this can be achieved is as below:

- Arranging community nights uniquely making sure everyone in the locality are able to be part of the events;

- • Encouraging local talents or bands by arranging musical nights; and
- • Being the sponsor to local community sports events.

Social night outs are one of the most alluring and interesting ways to boost up the hospitality industry targeting the special crowd for that evening. Some of the ways this can be categorized are dedicating an entire evening for ladies, hosting a painting night or even arranging fun quiz nights. All these events should be in line with a discount on the food and drinks, thereby ensuring the crowd doesn't disperse. This will be a rewarding experience for the loyalty of the customers and would most likely make them a regular at the hotel. Social nights can be further expanded to accommodate hosting dance shows, talent shows, open mic events, which can provide more opportunity to the hotel to enhance its business (Figure 7.1).

Figure 7.1. Social night out.

Source: https://www.dfkcrosbie.com.au/index.cfm?module=blog&topic=How%2Dthe%2Dhospitality%2Dindustry%2Dcan%2Dbest%2Dsupport%2Dits%2Dlocal%2Dcommunity&page_id=702085&pagemode=dosearch.

Hospitality industry also thrives when the young local talents are attracted to it. Their talents when encouraged and provided an opportunity, display their talents. Instead of trying to book the most popular talent in the city, having an opportunity to explore the talents in the community and boosting them would result in an amazing community that co-exists between

the hospitality and music industry. When the local community sees one of their kind playing, they are most likely to step into your establishment and become a loyal customer before anyone else (Figure 7.2).

Figure 7.2. Encouraging young talents.

Source: https://www.insidehook.com/article/music/china-expat-hotel-bands-exiled-coronavirus.

Hospitality Industry can essentially increase their revenue by having a strong partnership with the Sports community. It is one of the exciting and great way to communicate to the employees and connect with the local community. Sponsoring the team would enable the establishment to have their brand name on the jersey and will result in a great partnership once the sports team is up and running. The hotel can hold a congratulations event if the partnership resulted in a greater success showcasing the enthusiasm for the team and back them up.

Listed below are six hotels which brought in amazing support to the social causes which has positively impacted their financial status. Whilst hotels are the oasis of luxury catering to holidays and business occasions in a way it suits the need, it is encouraging to that hotels reinforce the importance of responsibility towards the community around in small or big ways. It is interesting that this is not restricted to one region of the world but is considered globally.

The Goring, located in London, United Kingdom, has a joint venture with "The Passage" one of the largest voluntary service organizations taking care of the homeless people. Their joint venture named as "Hotel School" focuses on creating employment sustainability and provides ample support while they take the first steps to the working world. This "Hotel School" is in liaison with the five-star hotel community of London to bring about the syllabus for about 10 weeks which starts with one whole week of taster course followed by courses on details of hospitality industry, incorporating cookery skills, about customer service and food catering skills. All the successful learners from this school are provided an opportunity to work with "The Goring Hotels" or their partners (Figure 7.3).

Figure 7.3. The goring hotel.

Source: https://suitcasemag.com/articles/six-hotels-giving-back.

Hospitality Industry also partners efficiently with Food chains across the world by providing food for the children of the unprivileged regions of the world. The 11 Howard Soho located in New York, United States, has a unique mural on its 12-story building, which is approximately 150 foot-by-50 foot that depicts the history and culture of SoHo. This Mural

was created by Groundswell, a local community mural organization which encourages young talents to use creativity as a tool for change.

The design brought to life by the team showcases the music, food, and fashion of the region and representations of the industries that existed in the neighborhood earlier. This project brings together the community public art, youth, the artists, the community partners along with the Hotel representatives who strive to create public art.

This hotel also has in its agenda many other charitable activities, which includes one interesting act, whereby every time someone hit the minibar, a contribution would be made to the "Feed," an initiative that provides meals and nutrient packs for children across the world. In partnership with "The Thrive" the hotel also takes steps to provide healthy meals to those American Families with poor income (Figure 7.4).

Figure 7.4. The mural.

Source: https://www.wescover.com/p/murals-by-misha-mdot-tyutyunik-at-11-howard--PB1pic9_dDb.

Hospitality Industry should make sure the local community is by far benefitted the most as they are the ones who are sacrificing their region to enable tourism and exposure to the world. Cicada Lodge located in Katherine of Australia-The primary focus of the Cicada Lodge is to enable every human around the world witness the Jawoyn culture, the Nitmiluk Gorge and the exotic beauty of the natural landscapes in that region. One

beautiful gesture of Cicada management, i.e., The Nitmiluk Tours is that they provide employment opportunities for the native Jawoyn people and boosting up the economy of the region. The profits earned at this place is all contributed to the local Jawaoyn Association. This association and the hotel, which is practically owned by the Jawoyn community, they focus on funding all the services, programs, and provide training on tourism and the landscape management to the youths of the same community.

The famous Nihi Sumba resort located in Indonesia is also another significant example whereby the culture connects has a direct impact on the revenue generators. The resort is world-class and was voted the best hotel in the world twice in a row by the travel and leisure. The hotel was brought by Chris Burch and hotelier friend James McBride in 2012 and redeveloped in 2015 thus, becoming the largest employer in the island. They have more than 27 private villas with plunge pools, waterfalls, fantastic surfs, turtle hatchery, and amazing beaches. The Sumba Foundation, which is purely funded by the Nihi resort, aims to lessen the consequences of poverty in that region.

All the administrative costs of the Sumba Foundation originate from the Nihi resorts. Over the past 15 years, the Sumba Foundation has also built-up primary schools to educate the kids and youth of the region. They had organized village-based projects by strengthening the local health workers, and also by facilitating to provide access to clean drinking water, putting up educational programs and enabling the community to revive themselves from the continual malarial fever providing mosquito nets. Another important objective of the Sumba Foundation is to make sure the culture, traditions, and customs of the Sumbanese people to be retained.

Misool, located in the Southern Raja Ampat in Indonesia, is a private island resort and conservation center for the precious corals, great diversity of fishes and mollusks in the ocean surrounding the island. The owners of this resort, Marit and Andrew Miners, spent close to a year and a half constructing this resort's stylish cottages using the hardwood that was reclaimed from Raja Ampat islands. The owners developed the 300,000-acre reserve and have set up the Misool Foundation just like the Sumba Foundation, but the primary focus is to safeguard the bio-diverse reefs on earth by ensuring the local community is empowered. It is said that a simple football-sized area of a Misool's coral reefs consists of about five times the specific times of coral reefs as the entire Caribbean Sea. The Misool and the foundation ensure there is sustainable tourism and the community-based

conservation is done which mutually benefits both the people of the region and themselves (Figure 7.5).

Figure 7.5. Misool Eco resort.

Source: http://indonesia-islands.com/misool-eco-resort/.

Hotel Sol and Luna situated in Urubamba of Peru is a dream venture of the couple Petit Miribel and Franz Schilter. The hotel reflects the rich Andean culture and provides experiences that allows the tourists to taste a slice of the Sacred Valley and thereby generating the income to support the Intercultural school of Sol and Luna. As part of the sacred valley, the hotel endeavors to develop the community through a well thought sustainable model. The hotel provides memorable genuine experiences with adrenaline-charged adventures. Along with the previously mentioned experiences, the traveler gets an opportunity to experience the unique culture of the region.

Sol and Luna Association was formed with a focus on offering high quality education to the kids in that region as the education can help the child rebuild her life and engage themselves in high performing workplaces and also feeling inclusive eventually. The association also organizes sports and cultural activities to encourage the kids to help attain a collective identity, get inspired by their own culture and also to learn as a team. The education of these kids are charted in a well-rounded manner that it allows children to develop their emotional intelligence and their cognitive abilities.

7.2. HOSPITALITY INDUSTRY HELPS IN BOOSTING ECONOMY

In the book Principles of Hospitality Law written by Michael John Boella, he makes a specific description as to how 10% of the world's GDP is of the Hospitality Industry. It is a popularly known fact that the industry that has had a steep growth in the process of expansion is the Hospitality Industry. In a changing multi-cultural environment promotion plans on expanding the Hospitality Industry globally has become a primary focus for every stakeholder. Building the industry at a regional, national, and global levels is the focus of this place. Most of the internationally oriented hospitality industry strives to move locally and regionally. The International Monetary Fund of the UN has provided a number of indicators that say that the economic growth in lieu of the Hospitality Industry for the developing countries and advanced nations are 6.4% and 2.2%, respectively.

Tourism and Hospitality Industry co-exist and are considered to be industries that are subset to each other and has overlapping existence with each other. However, sometimes these get categorized as two individual sectors. Tourism can be expressed as the travel that takes place either because of business or for pleasure. Tourism involves the individuals who just visit the place for a year or so. This is totally for visiting purposes but not for employment. Hospitality, on the other hand, means the provision such as the meals, the homestays, hotels, accommodations, venues, and other drinks. Other touristic spots such as art exhibitions, circuses, etc., also gets listed under Tourism. Although both the industries are overlapping the clear difference between the two is that the hospitality industry sometimes considers the tourism industry as the source of their revenue. Some of the unique sectors of the Hospitality Industry are licensed clubs, food shops, catering activities, Caterings offered with in house, all the exhibitions, carnivals, festivals, fair organizer activities, conferences, and other conference related activities and other food services.

The hospitality industry is the lifeline of many of the countries who make their revenue basis the tourism and thereby the major export industry. Evidently, the Hospitality Industry and Tourism Industry hand in hand are the important source of overseas currency exchanges within the country and are the major unemployment problem solvers of every country. Hospitality industry also enables cultural understandings and bring into one umbrella the unique cultures of different regions. All those countries who have poor trade revenues always make it a point to enhance their tourism and hospitality to

arrive at a decent economic growth. All these attributes to provide us the information that hospitality industry is not just a concept but it is one of the driving forces of the economy within a country.

All the lifestyle changes and driving the globalization of the regional business within the industry are governed by facilitating the communications using and adopting multi-lingual methods. The industry also has to cope-up with the political implications within the country and societal pressures to ensure they survive the competitive industry. Most of the hospitality businesses in the under-developed nations need the global presence by expansion of globalization. Whilst the developed nations are ahead in the hospitality industry, it would greatly help the revenue if the business is able to absorb the authentic and raw ideas from the industry that thrives well across the world. Hence it is imminent that all the businesses are bound to go global and all those businesses which take step to move globally ahead of other businesses should be able to survive the global competition.

Hospitality Industry has multiple services and products, however the hotels can be classified on the basis of the season and services exclusively, such as the Motel 6, Four Seasons Hotels, etc. One of the prime examples is the Marriot chains of hotels that is popular and has earned a name for itself by ensuring the price are set competitive to the market and also segmenting the market in such a fashion that the hotel can serve both people who want to have extended stay or for those who come by to experience the luxury stay at the hotel. Some of the hotels under "The Marriot Company" are Marriot hotels Resorts and Suites, Courtyard by Marriot, Spring Hill suits by Marriot, Marriot Conference centers, Marriot Vacation Club International and Residence Inn by Marriot. These hotel chains grew rapidly after the second world war and in two decades after the same. The driving trend to expand the hotels and the chains of hotels across regions globally is majorly because of the rising competition. Hotel businesses such as "The Marriot" has been striving to be efficient by providing the needs of the travelers, thereby not succumbing to the critical point in the business. The sub-sector of the hospitality industry is hotels which eventually became the only option for the customers to satiate their needs to food and shelter while traveling.

All the hoteliers of America want to lead their way in all the markets around the world by competing with the local regional brands. The global hotel businesses design unique propositions that in the products and the way of hospitality in the hotels that the traveler is able to differentiate a particular businesses product easily. Meanwhile, the tourist demands on

the local authentic and unique handy crafts or commodities specific to the region are high. These hotel businesses that are prevalent globally adopt the local design to make sure the products are available and that it'll enhance the revenue.

Hospitality Industry is primarily characterized by hotel and restaurant. These are considered to be the most essential part of the hospitality industry. Some of the other components of the hospitality industry are the services such as bed and breakfasts, motels, inns, and all the accommodations such as Airbnb's and the hostels. Luxury hotels also provide all the services stated before. It is interesting to find that there is also a unique body, "International Hotel and Restaurant Association (IH&RA)" who govern the hospitality industry at a global level. Local economies are stimulated with the help of the employment opportunities provided as a result of the hotel developments.

Two prime services of the Hotels are accommodation and dining. All those that are touring abroad, domestic people in the locality and the institutional buyers are those that are very important as customers to the Hotels. The three major factors that circumvent the facilities of boarding, lodging, and selection of the hotels are pricing competitively, service availability, and the other free services that can be availed as part of selection the hotel or lodging. One survey says that in the past 5 years the growth of the visitors to the hotels peaked annually at a rate of 9%. Hotels are considered as the most primary option by more than 50% of the travelers. Tourism industry has massively increased and expanded under the influence of social media in every segment of it. Another research says that hospitality industry solely provided approximately 2.8 million jobs in the United Kingdom.

Hospitality and hotels are entwined, and the various aspects of the business and the types of businesses associated with the same. On a holistic overview of the hospitality industry, all the various dimensions which contribute to provide exemplary shelter and bodily comforts to the traveler is very important. The accommodation establishments and all the hotels have catered for people who travel on personal and business purposes ever since human civilization happened. Some of the major capitals for the hotel development are generated using the support from personal contacts, bank loans, investors, and companies that can invest in the business, stocks, and shares and at times based on the initiatives from the government. One of the records showcased that there are around 700 million international tourists. The data provided information that over the last decade, there were more than 240 million increases and the percentage of annual growth rate was

about 4.9%. According to Brotherton, the percentage of increase of tourists in various regions are mentioned in Table 7.1.

Table 7.1. The Increase Percentage of Tourists in Various Regions

Region	Percent Increase of Tourists
Europe	4.50%
Middle East	10.70%
Eastern Asia	6.60%
Africa	6.60%
Western Asia	8.80%

Hospitality Industry in the United Kingdom alone provides about 10% employment that calculates to about 2.5 million people. The whole of the hospitality industry as discussed earlier is majorly categorized into two. The clubs, bars, restaurants, hotels, and contract catering all comes under the first category of hospitality business. This comprises in itself 2/3rd of the entire hospitality industry. The second category includes the food outlets and hospitals making the rest of the 1/3rd of the hospitality industry. Again, the industry employs people from all walks of life at both permanent, fixed-term profiles and contractual basis, thus enhancing the employment in the region. Apart from the said, outside service providers for the effectual functioning of the services and the business thereby. The working conditions and the work timings are very acute and demands the presence of the staffs through the weekend and late working hours. Hence flexibility is the essence of the working style of the hospitality industry (Figure 7.6).

Figure 7.6. Hotel industry supports more than 1 in 25 U.S. jobs.

Source: https://www.hotelbusiness.com/report-hotel-industry-supports-more-than-1-in-25-u-s-jobs/.

The Industrial sector of luxury and the hospitality industry go hand in hand, making the tourists and travelers the focal point of the business. Whatever be the size of the hospitality business, the organizations work on developing their international market presence by partnering with another 100 businesses that produce products that are greatly needed in the leisure industry. Amongst the commercial sectors working locally and globally, these businesses are mostly on boom making their revenue excellent. Those businesses who have larger revenue work on strategies that are larger than region and target customers globally so that the business stays relevant across the national boundaries.

The European market therefore has a lot of global fast-food chains that follow the strategies that help expand uniquely and yet globally. There has been a rapid enhancement in the revenue of the businesses because of the development and openness resulting in the growth of the country's economies. The exponential growth of some of the global fast food such as McDonald's, KFC, Burger King, Pizza Hut, etc., have influenced the youth around the world and calls for the world to see the culture. The vibrancy in the hospitality industry is majorly because of the fact that the different methodologies go into the production of the products used, marketing strategies, technology, and therefore able to extrapolate the data that can be used for analysis and decision making. The industry strategizes to market different products in different regions and ensures data on the loyal customers are retained. This helps them to have a close contact with the customers who purchase the products at the sale point.

Hotels belonging to the Hospitality Industry are important globally for providing facilities that are under the scale of recreation that would include the scope of entertainment, all the corporate events with the inclusion of the annual meetings, celebrations, conferences, and all the associated business transmission. It is a known fact that when the economies are dependent on the hotels that the societies make sure they transport to move things in that direction. The output of the Hotel Industry, such as goods and related services are the foundation of the community around and the nation. As discussed in the earlier part of this chapter, we also know that any tourist or a visitor indirectly or directly contribute to the economies of the country. When these are foreign tourists, then the benefit of the foreign currency is reaped as the visitors convert their currency to the one that matches the country of visit to access the hotel benefits. The hotel industry is one of the major sources of employment from the blue collared to the white-collared jobs within the country. These hotels provide more than 1000 jobs

to the locals and foreigners as well in different capacities and occupations. Hotels can be considered as a community center and availed for the usage of socially responsible activities that are focused on developing the local community. This has been mentioned in the research article by Medlik and Hadyn Ingram in the year 2002.

Hospitality Industry in The United Kingdom is the major generator of employment opportunities and wealth within the country. From the highlands of Scotland to the South West of England, all the major cities including London and Edinburgh, the Hospitality industry provides a significant number of jobs for the residents. The social fabric of the lower-class communities in the UK are strengthened and made stronger by the presence of smaller enterprises in the country. However, the Hospitality industry was not always wonderful and had to go through a string of struggles during the 20th century and has seen a lot of reformations across all the world nations. The living standards of the people across the world was greatly increased once there was a striking impact on the economies of the world. There were many changes socially in the Hospitality industry, thus resulting in the easy and cheaper travel, quality leisure time and also creating disposable incomes.

The hospitality industry has upgraded standards of living basis the services provided, products used during the stay or the products sold at the sale point, employment, and the leisure services. We all know that the lifeline of the tourism industry is the catering and the hotel industry and can easily be considered as the fastest growing industry in terms of the revenue and also the fastest growing industry fueling the foreign currency earning. The total value of the tourism in UK that occurred in 2003 amounted to approximately 76 billion GBP as announced by the British Hospitality Association. The most popular usage of the Hospitality industry by the tourists and also overseas students are mostly cafes, public houses, the in-house catering facilities and the restaurants. It was even discovered that most of the tourists and sometimes even the locals preferred to eat at restaurants than at home.

Hospitality industry off late has been focusing on improvising the working conditions and also wages of all the employees and contractors. There has been a lot of products and services that have been introduced to enable the enhancement for the workers of the industry. Some of the interesting facts of the employment areas of the industry include the astounding information that the hospitality industry employees generate about 40000 GBP for the business every year. Whilst the 10% to 40% of the total revenue accounts for the labor charges, the rest of the revenue percentage goes into the property

costs, fixed costs, profit costs and also the material costs. The author Mullins in his research states that the Hospitality Industry can undergo imminent changes in the near future, helping the laborers and the employees of the industry to have a better future. Another survey also indicated that the major workforce constituted of women. Hence, the industry is making efforts to keep the women safe in their work environment and also making sure that the wages are at par with the men in the industry. One unique advantage of the hospitality industry is that efforts are taken to ensure that people with not so great an education are still provided a chance, thereby giving them a chance to make progress.

Hospitality Industry is majorly enhanced with the help of the hotel businesses. It is also considered as the major source of income whereby all the products and services that are at the sale point globally is the greatest advantage. The British Hospitality Association in one of the surveys identified that around 5 million employees are benefitted by the employment opportunities provided by the Hospitality Industry. BHA, in cooperation with the government and the hotel business owners are looking to share efforts to make sure the tourism in the area they live around to be sustainable. The Hotel industry of the UK puts forth perspectives as to how the businesses can be conducted so as the economies and the standard of living of the people in the community can be improvised eventually. The impact of the hospitality industry at the global level are highly influential and positive, and the UK is one of the countries that are in the forefront investing and enhancing the business in unique ways to reap the full benefits from the industry.

7.3. THE CONTRIBUTION OF TOURISM INDUSTRY TO THE WORLD ECONOMY

The travel and tourism industry, along with the hospitality industry, are the major drivers of the global economy and GDP. In one of the researches conducted by the World Travel and Tourism Council (WTTC) along with the Oxford Economies in 2017, the astounding identification was that the Travel and Tourism industry outpaced the global economy by their vast contribution. This was the 7th consecutive year that the Travel and Tourism industry made their contribution. Some of the interesting facts found in the research that directly, indirectly or induced the development of the GDP are found below:

- US$8.3 trillion contribution to the world's GDP;
- 10.4% of global GDP 313 million jobs;

- 1 in 10 jobs around the world US$1.5 trillion exports. This is almost 6.5% of total exports, 28.8% of global services exports;

- US$882 billion investment. This is about 4.5% of total investment.

This research further cited information that 2017 was one of the years where the tourism and the travel industry grew at an enormous way of about 4.6%. This was way faster than the growth of the whole global economy in the year 2017 whereby the global growth was only about 3%. Again, in the year 2017, it was identified that there were about 700 million new jobs globally. This means that in the year 2017, one out of the five available jobs were part of the Travel and Tourism industry. Hence, the role of the major driver of the economic growth is absolutely evident. Travel and Tourism is considered as one of the engines which churns out economic development and employment opportunities throughout the world. Factually from the research, it is said that in the year 2017, the Travel and Tourism industry contributed to about USD 2.6 trillion and approximately about 119 jobs worldwide. If we consider the indirect and induced economic growth, then the industry contributed to about 8.3 trillion to the global GDP and approximately about 10.4% of the global jobs, i.e., about 313 million jobs. If equated to the world's employment avenues, the contribution was about 1 out 10 jobs, and it was due to the Travel and Tourism industry.

Travel and Tourism industry is vast and covers into it both the travel for pleasure and business. Again, geographically, the travel and tourism industry cater to both domestic and international travel. The research further gives numbers on the travel spend split whereby a total of USD 4.2 trillion, i.e., close to 77% was spent on leisure travel. And the rest 23% was spent on business travel. Travel and Tourism can also be categorized as an export sector as the industry attracts travelers from around the globe making the foreign exchange possible and thereby uplifting the economy. Another interesting research finding of the 2017 research is that the global visitor exports totaled at about USD 1.5 trillion. This again when equated to the total world services exports is about 30% and when equated against total world exports stands at 6.5%. The research further explained that although there was a significant contribution to the world's GDP through the international travel, the domestic travel directly contributed to about 73% of the total GDP (Figure 7.7).

Figure 7.7. Travel and tourism.

Source: https://www.locusassignments.com/solution/unit-1-historical-develop-ments-travel-tourism-assignment.

Tourism industry saw an ever-increasing shift which directly led to the enhanced economies. In the year 2018, the total GDP globally was about USD 8.8 trillion when compared to the year 2017 where the total USD was about USD 8.3 trillion in addition to about 319 million jobs based on the statistics of the WTTC. It is clearly evident that the travel and tourism sector has an exceptional growth performance providing insights on how the industry is enormous in size and its indispensable economical nature. However, the public is still yet to be made aware of the fact that this industry has proved its mettle in the economies by improving the revenue drastically within the past 3 years. The year 2018 also recorded a total economic activity of about 10.4%. Some of the regions which contributed to this peaking economic activity were Australia, Malaysia, Indonesia, and the Southwest Pacific islands, India, and China. Again, the major countries that have retained their position as the third-largest in the travel and tourism industry are Canada, Mexico, and the United States. Comparing to the previous year's statistics, there was an up of 8.2% that is a total contribution of about USD 1.9 trillion in 2018. In terms of the travel and tourism, the European regions which are considered to be the matured market in the Tourism and Travel industry saw a whooping economic activity of about 2.2 trillion. China from the North-Eastern Asian market stood second with about 2.1 trillion in terms of economic activity. Travel and Tourism Industry amongst all the regions, North America's was the one which had the slowest growth whilst the

Caribbean region generated more than USD 62 billion taking up the place of that with fastest growth. The Caribbean regions alone took up more than 15.5% of the economic activity as compared to the year 2017. The economic activity in percentage rise and the revenue are represented compared to the year 2017 in Table 7.2.

Table 7.2. Rise in the Economic Activity (in Percentage) and the Revenue Compared to the Year 2017

Region	Economic Activity Percentage	Remarks
Southeast Asia	12.20%	close to 373 billion
Oceania	12.20%	close to 206 billion
Europe	9.70%	–
Northeast Asia	9.60%	–
South Asia	8.80%	close to 296 billion
Latin America	8.70%	close to 336 billion
The Middle East	8.70%	close to 237 billion
Africa	8.50%	close to 194 billion

When segregating the regions country wise, The United States of America is considered the largest of the Tourism and the Travel market with an extravagant contribution of USD 1.6 trillion. This is equated to about 7.8% of the US economy in total. The United States has seen a growth of about 2.2% exclusively. Gloria Guevara, the President of WTTC, stated in one of her releases that travel and tourism has solely been responsible for one out of five new jobs globally. This global council has estimated that about 100 million new jobs will get created worldwide in the next decade. By 2029, there will be about 421 million jobs that are generated from the Travel and Tourism industry.

The Travel and Tourism industry is greatly influenced by the social and the political conditions within a country. The best example of this is the political tension between The United States and China which resulted in the incoming of travelers from China in 2018 when compared to the previous year. Ever since the tensions around there has been an average of about only 23% of travelers annually to the country. This further brings us to the statistics whereby 11% of the economic activity in the country is generated by Chinese visitors. In the wake of the new featured tariffs for the Chinese-made goods by the President of the United States of America, Donald Trump,

the travel and tourism industry is hopeful that a perfect solution would be brought in to alleviate the impact of the same to the economies. Gloria Guevara further stated that once the relations between the US and China are ironed out, both the countries will have the privilege of creating a large and constructive impact on the economies for both the counties, thereby the global economy in general.

One of the ways to understand the surrounding ever-changing reality of human lifestyle, improvise the rich cultural background of a particular region and the health of the people both mentally and physically is to understand the tourism industry of the region. The new decade and the new era is focused on earning good experiences in comparison to the good products or real estate. It has become a massive phenomenon bringing about a real boom in the industry. International trade now categorizes tourism as one of the most important services. On the ranking of the various industries, tourism stands third with the chemical and fuel industry ahead of it and the industries of automotive products and food after it. Some of the developing nations have made up tourism as their primary export product.

The contribution of tourism economically can be felt in both direct and indirect ways. Commodities such as accommodation, entertainment, food, and beverage services, Handicrafts, and other sale articles at the Touristy point, etc., directly impact the economy of the country. This could involve foreign currency exchange and hence accounting to elevate the revenue thereby the economies. Another interesting discovery is that International Tourism was able to generate about USD 216 billion in 2016 based on the exports of the international passenger's transport services for the non-residents. These exports drove the total value of the revenue to about USD 1.4 trillion or sometimes USD 4 billion per day average.

The travel and tourism industry has become one of the significant industries which is the foundation of providing revenue to the country and also at creating employment opportunities. This has therefore has had a profound impact on developing the country's economy. It is the most important source of revenue and welfare for many of the regions and countries. The only way the national economy can be benefitted from the Tourism and Travel industry is by ensuring availability of investments. These investments should then be directed to enhance the infrastructure, thereby facilitating and catering to the needs of the tourists. The travel industry is also responsible for about 7.2 million new jobs worldwide. The WTTC which is a non-profit organization that specializes in the research of

the effects of Tourism and Travel globally. One of the earlier reports from WTTC, which was published in the year 2015, showed us that there were about 7.2 million jobs and had contributed about USD 7.2 trillion towards gross domestic product (GDP). David Scowsill, who is the President of the WTTC mentions that the Tourism Industry grows by 3.1%, which in turn elevates the global GDP to about 9.8%.

The Tourism and Travel industry is greatly impacted if there is an impact because of pandemics such as COVID-19, Zika, and Ebola, which puts the entire industry in to a safety limbo. Attacks of terrorist's groups, outbreak of diseases, fluctuations of currency and the challenges that arise because of political and cross-border tensions have always been hurdle for the Travel and Tourism Industry and has impacted the robust performance. However, when focused globally, these factors when not impacting the other regions has provided amazing revenue and economic upheaval.

Another important factors that drive the Travel and Tourism Industry in the United States is that there was a global increase in the middle-class household income because of the rise in the US Dollar. Another reason was the aging population and the ability to connect every nook and corner of the world, also with affordable and accessible commuting options. As discussed earlier, the Travel and Tourism Industry is expected to grow 4% annually over the next decade and hence the economic performance of the countries could also grow. It can easily be accounted that the Travel and Tourism Industry has generated 20% of the Total World Employment ever since 2013.

We are all aware that the Travel and Tourism industry is a great driver of the economy. Also, the large emerging economies of the world, the developing and the developed nations all depend on the industry for a steady economic growth. In one of the reports submitted by the United Nations World Tourism Organization (UNWTO) tourism on an average generates a revenue of more than 5 USD a day. Also in the year 2018, the total revenues reaped on international travel making the passenger transport is about 1.7 trillion with over 1.4 billion International arrivals globally.

Most of the developed nations, including the US, France, and Spain have a competition in the Tourism and Travel Industry fighting to crown them as the number one in the industry, which is considered as powerful and the most profitable objective. In order to maintain the leadership status of the Travel and Tourism Industry, each of the countries struggle a lot. Since it is evident that the travel and tourism industry is the revenue generator for the country and the cultural wealth for the region and also the most important

economic churner of development and improvisations of the country, it is obvious that every country want to concentrate on developing the industry.

Tourism and Travel industry has seen a bright pavement with the Globalization and also the diplomatic relations between the countries around the world that has made the traveling to every part of the world increasingly a common event. One of the unique statistics is that there was a drop from 75% to 53% in the year 2018 for the world's population that needed an entry visa to set foot on a foreign country. As per the report from the World Tourism Organization (UNWTO), the frequency of the foreign travelers who are into traveling for pleasure has increased from 50 to 56%.

Recurrent travelers of various countries across the globe to explore and experience have therefore increased drastically. This has had quite an impact on the countries where the inflow of travelers has had an impact on the major economies of the world. The tourism and travel industry has rightly become the focus of various countries because of the various advantages it renders to the country and the government as such. Almost all the developed nations and also drastically developing nations have formulated strategies and are running campaigns so that appeal of the major destinations are publicized to the global community to attract them to the country. This way, the countries have been greatly benefitted by receiving an increased number of travelers arriving at the particular country year on year.

Travel and tourism industry is one of the safest bets for the countries as it has survived most of the worldwide crisis that has shaken the economy of the world. One of the major reasons this has been quoted is that the sector is a good absorbent of uncertainties and the damages made in the economies based on the factors that we discussed previously. Tourism has been able to grow incessantly despite any kind of setbacks creating a positive uptrend which when compared to the other sectors that are coping up after any kind of setback. This is showcased based on the economic activity each of the sector brings up after the setback. Also, the Travel and Tourism industry nullifies the problems of employment, creating numerous jobs for people from all walks of life. In a report submitted by the Cornwell University titled, "International Perspectives on Women and Work in Hotels, Catering, and Tourism," it was found that there were about 55.5% of the employees were being employed in the tourism and travel industry.

Travel and tourism industry is a powerful industry which is the producer of employment all around the world. As per the International Labor Organization, the travel and tourism industry continue to provide

employment at various levels and to people with various demographics and ages and is bound to create jobs exponentially over the coming years. Due to the deterioration of the other important sectors and also the economies going south Worldwide and also because the Travel and Tourism industry put forth amazing growth and a bright emergence in the economies, it is gaining more attention and importance worldwide.

Country	GDP Influenced by Tourism
Spain	15%
France	7.30%
Portugal	13.70%
Mexico	8.70%

Tourism and travel industry has lifted up the GDP of all the Organization for Economic Co-operation and Development (OECD) countries by 4.1%. Another report provides information that 6% of the employment in the OECD countries was contributed to by the Travel and Tourism Industry. While looking at this significant impact of the industry to the country's GDP, it has easily secured the place of being the fundamental pillars to grow the economy and also provide development.

7.4. CULTURAL IMPACTS OF HOSPITALITY INDUSTRY

Culture constitutes the shared values, understandings, assumptions, and goals which transcended to us from our previous generations and those that we imbibe from each other. Culture is a collaboration of the climate, legal systems, religion, languages with also influences from environmental factors. This is the stem to creation of the values, norms, and the beliefs that has direct influences on the attitudes and behavior. Cultural Sensitivity is one of the important criteria to have a successful hospitality business and also is important in building the industry. To be culturally aware, one must importantly concentrate on acquiring cultural knowledge could be a crucial move.

Hospitality industry when trying to move globally, has to ensure the culture mix is taken care of beautifully with proper management such that it doesn't end in disaster. Hospitality industry as a service industry in itself gets to deal with people from various countries and regions with differing cultures and lifestyles. Two important challenges that is put forth to a hospitality industry business is the dealing of customers from different backgrounds and

culture under a single roof and also the challenge of dealing with difficulties and assimilation of a new business in a new destination. For example, if a Japanese hospitality business expands its chain to London, then it has understood the cultural trend prevailing in the new location. The Japanese policies and way of working might look redundant in the UK environment, hence with the vision of the business kept as-is, work on developing the culture would provide the benefits it needs.

One of the research papers submitted by Jia in the year 2010, it has been mentioned that many of the businesses that has been successful in the home countries have failed to prove their mettle in the new countries, this is majorly because of the lack of knowledge and understanding of the foreign culture and not because their technical expertise was fragile. Another challenge that can be highlighted is from the internal environment of the business that is the employees of the cross-cultural business environment. The challenge is to hire the right employee for the right job in a foreign environment, However, if the right fit is discovered, it is one of the first steps for a successful business.

Hospitality Industry involves the business encountering customers from different cultural backgrounds. The managers are put up with situations to manage the internal factors, i.e., the employees and the external factors, i.e., the customers. This has to be managed efficiently as the Hospitality industry is filled with plenty of competitors who can draw the attention of both the staff and the customers. According to Mohsin in the research paper released in 2016 informs that the consumer behavior is mostly dictated by the cultural background of the individual. Unhappy customers and business loss could be a direct outcome if the core culturally sensitive values are ignored or mishandled. As the environment is ever changing, it is important that the managers and every person who manages resources or things for both the internal and external factors are trained regularly so that they are able to manage in a multi-cultural environment.

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Chapter 8

Runway for Hospitality Industry in the Digital Age

"Take only memories, leave only Footprints."

—Chief Seattle

CONTENTS

Hospitality Industry of the digital age is a fast-paced world where the travelers set up new demands, the environment showcases threats to curb any kind of damages that it has to endure, and the boon to all of the issues in the digital age. This chapter brings to you a detailed review on Sustainable Tourism and why it is important to understand that Sustainable Tourism is the need of the hour. There is a slice of information explaining the importance of technology driven hospitality industry, giving a blend of the local culture, cuisine, and nature. Finally, you will be able to get a view of the latest trends in the hospitality industry and emphasis on why re-building of the tourism should be done in such a fashion that there is no loss of the authenticity of the destination. While the industry can do a lot of changes and upgrade the travel experience of the traveler, it is very important that every individual is aware of Sustainable Tourism and contributes to create a world that is livable for the future generation. This should urge the human species to be responsible and not threaten the fellow species living along with them.

8.1. SUSTAINABLE TOURISM

As the world enters into a unique environment where sustainability could evolve into a way of life, tourism, and hospitality industry is no exception to the same. Most humans are opaque to this, but sustainability with its simplistic concept makes it easy to understand. The centric point around which the sustainability revolves around is maintaining the resources or avoid depleting the resources such as environmental, economic, or cultural.

Sustainability is a common catchphrase of the digital world as the world is consciously aware of the depletion of natural resources resulting in greater impacts such as rising of the sea levels and glaciers melting away. Example, sustainable fashion would mean that the clothing lines are created in such a fashion that people and the environment can maintain their reliability. Sustainable development could alternatively be explained by terming it as the provision of infrastructure facilities in order to curb the erosion of natural resources.

Tourism looked up as one of the fastest-growing, important, and a significant source of income for most of the countries, hence looking at a sustainable option would greatly help long-term. Whilst sustainable tourism could be the next big step to revenue generation for all nations, it does come with a lot of struggles. Some of them are the social issues, eventual loss of cultural heritage, dependency on the economy and the degradation caused by the ecology.

"Nature-based Tourism," "Eco-Tourism" and "Cultural Tourism" are some of the most common terms of forms of tourism explained with sustainability at its heart. These stemmed from the very fact that the masses have, if not a vast, at least a little knowledge on what responsible tourism means. Whilst Sustainable Tourism has become the hot topic of the decade showcasing itself as an alternative, it could become the way of living and a mainstream topic in the near future.

Responsible Tourism and Sustainable Tourism can be looked at as topics of similar ethos. The responsible tourism mainly focusing on preserving the environmental resources, society, and economy. Sustainable tourism, on the other hand, emphasizes the principles that intend to minimize the negative influences of tourism and maximizing the positive impacts of tourism.

Thinking about the extensively evolving tourism industry, one could easily chart out the implications of the same on the natural resources, social systems, patterns of consumerism, pollution caused because of the tourism. It's wild to imagine that the natural resources such as the waterfalls, hills, and mountains and the seashores which are the basis of tourism are also the same things that are in danger of exploitation. Some of the examples of this can be found in the negative impacts of tourism in trail of Mount Everest where oxygen cylinders were found strewn, or the Muslims being offended as the sanctity of their place is failed to be kept looking at the half-naked tourists in the city or the native Goan forced to leave their places given the increase in the price of the land, in cost of living due to the refurbishment of the city as such. This brings us to emphasize the necessity of sustainable tourism, whereby detailed planning and management is made so that it can be operated without having to deal with a lot of negative impact.

Sustainable Tourism is an important aspect and the onus of it lies with the stake holders. The stakeholders in tourism can be categorized as the local residents, local companies, media, employees, government, competitors, tourists, business associations, activists, and tourism developers. These stakeholders should take it into account that the tourism needs should be planned, making sure the future is intact. The policies, projects, and planning that governs everything around tourism needs to become sustainability centric and has to be centrally agreed with all the stakeholders so that they are all aboard the concept of sustainability.

The tourism industry overall comprises the business tourism, conferences, holidays rooted for motivation, adventure, and the need to be sustainable. The motive of the sustainable tourism is to provide an exciting

and educational holiday that would enhance the revenue of the host nation positively and also helps to maintain the local environment or the society around it.

Sustainable tourism can be defined as the tourism which enables the requirements of the tourists by collaborating positively with the tourism industry largely and the host communities without compromising the resources for the future generations. Another definition of sustainable tourism could be said as a way of exploring and traveling to a particular destination giving due diligence and respect to the culture, people, and the environment. Whilst the essence of the definition is very simple, most people do not travel consciously and are more likely to participate in mass touristic events such as cruises, hotel tour packages and huge beach parties (Figure 8.1).

Figure 8.1. Mass tourism.

Source: https://visit.org/blog/en/what-is-sustainable-tourism/.

Sustainable tourism and Mass Tourism has a wide variance. Most of the travelers who are enthused to travel take part in one of the kinds of mass tourism contributing to the multi-trillion-dollar industry without getting a glimpse of the tourism that is sustainable in nature that could also provide an authentic view of the destination and what it has to offer. Sustainable tourism, when encouraged, would benefit the local residents, thereby preserving the unique traits of the destination, the natural resources, and the local citizens. While Mass Tourism mostly powered by big multinational companies usually reap the rewards of the tourism, which are usually based in a different country, thereby bringing down the revenue of the country

where the actual tourism happens. But travel enthusiasts have now triggered the importance of sustainable tourism and has received significant attention. Statistically, it is said that there more than 270,000,000 results that show up when searched for Sustainable Tourism in Google. This brings to the place where every traveler gets to see an exponential number of information and article that is based on Sustainable Tourism. There are even tourism courses which provides exclusive add-on's in the stream Sustainability Management Issues.

Brundtland Report defines Sustainable Development as the development which caters to the needs of the present, making sure the ability of the future generations to meet their own needs aren't compromised. United Nations World Tourism Organization (UNWTO), on the other hand, defines Sustainable Tourism as, "Tourism that takes full account of its current and future economic, social, and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities."

The three vital points mentioned by the UN World Tourism Organization in view of Sustainable Tourism are mentioned below:

- Development of Tourism with optimum usage of the key element, i.e., environmental resources ensuring the conservation of natural heritage and the biodiversity by maintaining the eco-system around those regions;

- Due Respect to the Socio-cultural authenticity of host communities, preserving the existing, built, and living cultural heritage and the traditional values. Encourage travelers to contribute and enhance the inter-cultural understanding and tolerance; and

- Make sure practical policies and operations in the economic space that would provide socio-economic benefits to all of the stakeholders, thereby contributing to steady employment opportunities and income-generating avenues. Social services to the communities of the destination thereby alleviating the poverty.

Whilst there is a huge literature on Sustainable Tourism, the most popular texts are found in 'Managing Sustainable Tourism' by David Edgell and 'Sustainable Tourism' by David Weaver. The Millennials crave for travel and the immense benefits and opportunities it creates also had paved way for its popularity and also for the recognition of the Sustainability of the Tourism showcasing it from the environmental context. Many of the stakeholders have now identified the interdependence of the environment and tourism. This also has provided a positive reinforcement on the link

between the tourism, environment, and fixing issues of poverty. Another definition of Sustainable Tourism is that, tourism which is economically feasible without destroying the resources on which the entire tourism depends on with reverence to the physical environment and the social fabric of the destination community.

Richards defines Sustainable Tourism as something which develops rapidly, taking into account the accommodation capacity at the destination place, the population and the environment. New tourism investments and the development of tourism should be planned to ensure tourism is not detracted but gets integrated to the environment as such.

Butler defines Sustainable Tourism that is environmentally sustainable as the Tourism that is constantly developed and managed in a community or environment such that it exists over an infinite period without degrading or altering the environment both human and physical (Figure 8.2).
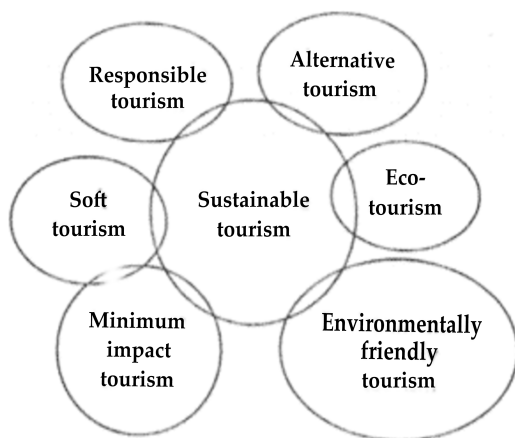
Figure 8.2. The relationship between sustainable tourism and other terms.

Source: https://tourismnotes.com/sustainable-tourism/.

8.2. UNSUSTAINABLE TOURISM AND ITS IMPACT

Sustainable Tourism is very important to this era where tourism has become a lifestyle. Traveling itself can be defined as one of the most beautiful and satisfying experiences putting the perspectives of the people into different spheres by exploring the different cultures, eat different cuisines and experience the different customs of the destination. Tourism in union with

the pleasure should focus and help to uplift the poverty-stricken areas closer to the destination, the welfare of the natural resource's preservation, etc. Generally overusing any of the natural resources and spoiling their natural flair brings the destination unusable for the future generation and also paves the way for loss of authenticity amongst the locals.

8.2.1. Habitat Loss, Degradation, and Fragmentation

Any development usually is destruction or alteration of the nature. Most of the times, the infrastructures which pop up destroying the natural forest plan up their establishments with no future plans on substituting the same with sustainable options. Improper sustainable plans, flawed environment protection policies put the natural resources at a greater risk. Hence, it can easily be quoted that the developments are made at the cost of the nature.

Most of these initiatives, such as new hotels and roads, requires the clearing of lands which eventually disturbs the habitat of the animals. There are incidents where the animals try to fight the humans when encroaching their habitat or while looking for food in their own ecosystem, however they are always overpowered by the humans and therefore at a greater loss. This could result in the extinction of these animals (Figure 8.3).

Figure 8.3. Habitat loss.

Source: Cheryl-Samantha Owen/Nature Picture Library/Getty Images.

Whilst the land animals are at risk on the land, improper disposal of the sewage water into the sea or the river results in the marine lives to be endangered. If untreated sewage water is let into the water resources, it allows the aquatic lives to consume the hazardous waste, thereby causing a disruption in their natural life cycle. Alternatively, when these toxic substances are incorrectly disposed of on the land, it affects the whole area due to the leakage surrounding the dumpsite making it impossible for normal life to exist.

8.2.2. Burden on the Resources

Tourism is naturally at the cost of the resources at the destination. When a group of individuals travel to a particular location, the local resources from that particular location gets depleted due to excess consumption. Some of the delicate resources might include the water, electricity, vehicles for movement, food, and even the local produce. This also brings about an inflation of all the commodities available in the market, making the survival expensive for the local residents.

One of the first resources that could be depleted is the groundwater that is available fresh and easily. Many of the cities from Bangalore to California and many other major cities in the world have started to feel the impact of the groundwater depletion. This has even resulted in humans taking shorter showers to save water and recycle the shower water for other household utilities such as gardening purposes or for flushing of the toilets. Another stressful factor of the overpowering tourism is the soil erosion. In some of the destination, you'll find the buildings sinking to its own weight, destroying the lithosphere. Constant renovation of the roads and the new buildings bringing an end to the rich soil of the destination. These slow pressures on the natural resources could bring about a drastic change to tourism as the entire dependency on the natural resource would become redundant.

8.2.3. Cultural Identity Loss at Tourist Spots

Tourism often results in making the cultures of the local community skewed. The local citizens often try to mimic the tourists, talk like the tourists to have their business stay alive in the cut throat competition with the mass tourism powered by billion-dollar multinational companies. This unconsciously makes the local residents lose their unique and rich culture and heritage.

Centering the needs of the tourist, the local residents also are required to upgrade their quaint authentic restaurants to pubs or casinos. All the shops start selling things that are demanded by the tourists. Alternatively, this

would have been based on the articles that are available at that particular location. Sophisticated styles of hotels are designed, eventually making the charming village or a town into a party place thereby the local residents have no way but to adapt to the changing scenario so one could accommodate the needs.

Also, with the play of corporate in the tourism industry, every big chain restaurant brings down their franchisee to every other location available for tourism. Hence, the tourists are also deterred from exploring unique cuisines that are originated from the place and stick to the safe options such as KFC, McDonald's, etc., in the destination of visit.

8.2.4. Increase of Crime Rates

Every tourist spot has unique customs and traditions. Offending these might instigate the local residents resulting in unexpected consequences resulting in the increase in crime rates. It is on the traveler to ensure that they read about the norms of the place they are traveling to. For example, scanty clothes in Dubai are offensive but still allowed, offering money on you left hand is deemed disrespectful in India, while the island Bali accepts scanty clothes, other islands in Indonesia find it belligerent.

Sheer ignorance and carelessness to respect the values and local norms lead to finding tourists to be on bad behavior, creating unrest in the local communities. As this becomes a normalcy, the residents don't find it repulsive to take advantage of tourists and mug them easily. Eventually, these places become a center of criminal activities leading to a loss of moral and any religious values the place carried ahead of the popularity.

8.2.5. Animal Exploitation for Entertainment

Most of the tourist spots these days are reliant on the animal experiences these days. Elephants are the must have experiences in the Asian Countries. Capturing pictures with lion and tiger cubs are a common sight in South Africa and Thailand, respectively. Donkey rides in Greece is deemed to be fun, similar to street shows with monkeys in India. In addition to all this there are registered Circuses, Safari's and Oceanariums where the animals are made to put on a show of dance and sports.

The issue with these shows is that the animals are given immense training so they could perform on the shows. Hence, they go through torture and pain to get to the place where they are ready to perform for the crowd. You'll be able to see the ringmasters even torture these animals during the

act if the act is not done in perfection. The methods they use to make them do it are immensely brutal and cruel.

Those tourists who are interested in watching these animals are basically ardent animal lovers. But, are naïve of the various things which go behind the scenes to have the show up and running. So, it is again on the traveler to read if the place they get in to view these animal shows are ethical.

8.2.6. Overcrowding and Vehicle Traffic

Amsterdam and Venice can easily be showcased as two tourist spots which have overwhelming crowds that make it difficult for both the tourists and the locals (Figure 8.4).

Figure 8.4. Overcrowded streets of Amsterdam.

Source: Konstantin Tronin/Shutterstock.

There are about 830,000 people in Amsterdam, but the city manages a total of about 5.3 million tourists every year. Similarly, Venice has only 55,000 local inhabitants but entertains around 30 million tourists each year. All the Instagram 'blue places are overly crowded and make it difficult for the local residents to run on errands, let alone if it is urgent. Some of the travelers focus on going to the most popular places, which is where the rest of the travelers also go causing a huge inflow of human population and vehicles on these spots. These spots then have huge queues to get to the space where they can take a picture for themselves which they have dreamt

about. These high traffic poses as a problem for both the tourists and the locals.

Sometimes the picturesque natural scene is covered with so much of pollution caused by the number of vehicles in the location. This can only be avoided if Sustainable Tourism is followed immediately.

8.2.7. Price Inflation of Commodities and Services

Tourism is expensive in itself. The cost of living rises so much so that the local residents find it very difficult to survive the inflation in the price of the goods and the services that are a basic necessity. Some of the small business owners feel the pressure to pay the increased rent. Mass tourism gets into these tiny places and buy every land and every business putting the local residents in a bad spot to survive in their land.

In Dubrovnik, a city in Croatia, the housing costs skyrocketed, forcing the locals to leave the city. The old town of Dubrovnik was the home for more than 5000 people. The registered number of locals residing in the Old Town right now are only about 900. The past 20 years has seen a drastic increase in the cost of living in this city. Apartments for shelter, groceries, and the commute is extremely expensive in these areas (Figure 8.5).

Figure 8.5. Prices for essential goods rise.

Source: Photo by Dan Freeman.

8.2.8. Pollution Spike-Plastic, Noise, Light, and Sewage

Another significant reason why Sustainable Tourism is important may gravitate towards the topic of pollution. When there are more people than that can be allowed in a particular place, it could relatively result in the spike in the plastic pollution in that area. Every human is somehow aware of the plastic pollution but would still opt for plastic water bottles, plastic carry bags for the groceries, take away containers, etc.

When the inflow of tourists to a particular place increases, there is immediately an increase in the hotels, restaurants, and pubs. LED light signs to the restaurants, buzzing pubs with their bright lights to invite the tourists turning that which was a small village once into a nightlife dependent tourist spot. With the developments of the pubs and night clubs along with the vehicle noise, the noise from the bars and people goes up the decibels causing disturbance to all the local residents.

About the sewage disposal, it is very clear that the unsustainable tourism would lead to untreated waste to go to the oceans or the lands. When there is a huge number of people, it adds more pressure on the land and the rivers (Figure 8.6).

Figure 8.6. A section of Hy Vong Canal in HCMC is seriously polluted due to garbage.

Source: https://www.vir.com.vn/tourism-enterprises-complain-about-water-way-pollution-48668.html.

Many of the beaches are at greater risk directly affecting the coastline incredibly. Spain is said to have around 50 million visitors each year. Around 80% of this entire tourist population flock to all of the famous beaches and coasts in Spain littering it massively. Only 32% of the coastline is underdeveloped in Barcelona, which means that the rest of Barcelona's coast is entirely filled with new developments, businesses, and tourist attractions. The Mediterranean Sea therefore is dumped with about 10 billion tons of residential, industrial, and tourist garbage. Natural charm and the indigenous architecture have started to lose its genuine appeal in almost all the tourist hotspots of Spain.

8.2.9. Ruining the Historical Monuments and the National Parks

Sustainable Tourism is indispensable when it comes to preserving the various historical monuments and places. Tourists behave so badly and hurt the places which they came to visit and have a peaceful stay. Vandalism and Wear and Tear on some of the historical places are irreversible and pose a huge threat as people struggle to maintain the sanity of the uniqueness surrounding the monuments.

Leaving signatures such as initials, hearts carved on the statues, or drawing a full-blown graffiti on the national parks can be categorized as acts of Vandalism. Negligent Tourists stick chewing gum, climb the statues to get a better selfie, or breaking the items accidentally cause irreparable dangers to the place. The Stone Henge in the United Kingdom saw every listed act of atrocity on its beautiful stones. Every year when the UNESCO announces the heritage centers, the new locations immediately draw in so many tourists who are not prepared for the inflation of the tourists resulting in damaged properties.

In "The Parthenon" located in Greece, tourists took away stones for remembrance and the government put in measures to crack down people who did it. The Machu Picchu of Peru was advised by the UNESCO to accommodate only 2500 visitors per day. However, in 2015 alone, this limit was superseded and around 1.3 million tourists which gave way to tear and wear of the place. Another important place that needs to be referenced is the Great Barrier Reef. Although the Great Barrier Reef is the largest ecosystems that is in existence, the constant reef walking, dropped anchors, emitted fuels and other pollutants has greatly impacted the fragile reef environment.

8.3. PRINCIPLES OF SUSTAINABLE TOURISM

In the year 1991, the Tourism Concern and the World Wildlife Fund for nature hand-in-hand prepared the 10 sustainable principles whereby Sustainable Tourism can be made possible.

- **Using Resources Sustainably:** The natural, cultural, social, and human resources in every region need to be utilized in such a fashion it is not over utilized or abused for profit of mass tourism.

- **Reducing Over-Consumption and Waste:** The second principle, a follow-up of the first one, focuses on the reduction of over-consumption there by the restoring costs of the environmental damages can be curbed or at least reduce it to a particular extent.

- **Maintaining Bio-Diversity:** Diversity in the natural, culture, social, and environment is the basis of tourism. Hence taking sufficient efforts to ensure the bio-diversity is maintained and promoted to bring about a neat tourism. This would also facilitate the long-term reliability of sustainable tourism by creating a resilient base for the Tourism Industry.

- **Integrating Tourism into Planning:** The government and the regulatory body should work on strategic planning of the tourism with representatives both at the national level and local region level. They should base their planning on the Environmental Impact Assessments which provides and increases the longevity of the Tourism in the intended location.

- **Supporting Local Economies:** Sustainable Tourism should support a varied range of activities that could boost the economy locally. This would take into consideration the environmental costs and values into account. Therefore, this protects the economies and also avoids environmental damage.

- **Involving Local Communities:** The end-to-end involvement of the local communities in the Sustainable Tourism would bring a local flavor to the overall experience and also benefits them. This directly enhances the quality of tourism experience.

- **Consulting Stakeholders and the Public:** Developing the plans around the Tourism involving all the stakeholders of tourism industry that comprises of the local community, the organizations and institutions world avoid potential conflicts of interest. This also creates a comradery and enables them to work alongside

each other with ease.

- **Training Staff:** The improvisation of the quality of the Tourism product also depends on the staff with high expertise. This can be facilitated by quality recruitment at all levels. Also, training of the staffs which could easily integrate Sustainable Tourism into work practices should be made available.

- **Marketing Tourism Responsibly:** The advertisement on the Tourism product should be expertly done. The Do's and the Don'ts to be followed at the location and detailed description of the should be provided. The appropriate information provided by the marketing team could positively impact the travelers and increase the respect for the natural, socio, and cultural environments of the Tourist destination.

- **Undertaking Research:** It is essential that continual monitoring is done to keep track of the Sustainability of the destination. Ongoing research by effective data collection and analysis are necessary to solve the problems. Benefits to destination, industry, and consumers are also the outcome of a continual monitoring and research.

According to Bramwell and Lane's principles of Sustainable Ecotourism Development outlined in the year 1993 which definitely was in line with the Sustainable Development Concept:

- **Holistic Planning and Strategy Making:** Entire end-to-end planning and Strategy creation for the Tourism of the particular destination taking into consideration all the stakeholders of the Tourism industry.

- **Preservation of Essential Ecological Processes:** Bramwell and Lane proposed that the natural ecosystems needed to be conserved and hence the enunciation to the same is provided in the second principle making sure the environment is protected from Tourism blunders.

- **Protection of both Human Heritage and Bio-Diversity:** The customs, norms, traditions that build up the heritage of the humans in the particular destination along with the bio-diversity has to be protected.

- **Development to Ensure that Productivity can be Sustained Over the Long-term for Future Generations:** Every Sustainable

Tourism is effectively planned so that it can be used for a long time and helps to conserve the nature.

8.4. SUSTAINABLE TOURISM AND CONVENTIONAL TOURISM

Sustainable tourism and conventional tourism are based on two different concepts and hence the strategies of sustainable tourism are also different (Table 8.1).

Table 8.1. Difference between Sustainable Tourism and Conventional Tourism

SL. No.	Sustainable Tourism	Conventional Tourism
1.	Holistic approach taking into account the Tourism industry and the factors around	Focusses solely on the growth requirements of the tourism industry alone
2.	The Plans are designed so that all the stakeholders of the tourism industry are involved.	Marketing and capital investment plans are majorly designed to attract the inflow of tourists to enhance turnover and job creation.
3..	Takes care of all the resources with notes to preserve the community and culture.	Exploitation of all the resources without consideration of the community, culture, and the entire enterprise.
4.	Wider, holistic, and regional analysis	Provides analysis of the particular product of Tourism

8.5. STRATEGIES AND DIMENSIONS OF SUSTAINABLE TOURISM

8.5.1. Strategies of the Sustainable Tourism

The strategies of the Sustainable Tourism are refined and tested in practice in many places:

- Analysis of the needs of social, economic, ecological, and cultural criteria of a particular destination is done.

- The assets and the liabilities of a particular area's tourism currently and the future constraints are all analyzed and reported.

- A brain storming session on the implication of tourism in the social, economic, ecological, and cultural regeneration is conducted to obtain new innovative ideas.

- A quantitative and qualitative measure of the local community participation in the brain storming session, the planning meetings and the ongoing decision-making process is important.

- Vigilant considerations to ensure the level of development in each of the areas, the type and scale of the development that each are can take is imminent. The decisions whereby some areas can be used intensively and some places made less accessible so that the conservation can be implemented. This could wisely set rules for the overall development.

Sustainable tourism strategies should be designed by professionals who are not only an expert in the Tourism Industry but also has extensive experience in the economic, ecological, and social analysis. Local knowledge is important to make sure the strategies are well-prepped. Hence, Impartiality is most important as there are multiple stakeholders involved in the strategy creation.

The consultations when preparing the strategy should include representatives from the transport industry, farmers, trade, and business, administrators, Forest officers, custodians of the historical assets in the said location. One of the important requirements of the Tourism industry is openness as the industry thrives based on the goodwill than any other industries. The local community should be given the assurances and ensured that they are happy to have the visitors. The knowledge on how the incoming visitor count will not overwhelm their lives.

Monitoring and ensuring the housing costs are not inflated and protection of the existing values is made. Openness in the strategy can be achieved by careful usage of media such as the press, radio, and television so that a two-way communication can be achieved. The two-way communication would greatly build the trust amongst the stakeholders. This should never become a one-way affair. Sustainable Tourism should, at the heart of it, be an evolving long-term enterprise that is able to cope with the change, if there are any mistakes, then try to sort it out and develop corrective measures. The strategy planning is the multi partnership of the business, government, cultural activists and those with the conservation interests. Making sure the

key issues are all included Sustainable Tourism would provide rewarding results.

8.5.2. Three Dimensions of Sustainable Tourism

The three major dimensions of sustainable tourism are (Figure 8.7):

- Environmental;
- Economic; and
- Social impacts.

ECONOMIC
EFFICIENCY

Economic sustainability of tourism

Sustainable tourist development

SUSTAINABILITY
Tourism as part of
sustainable development

Ecologically sustainable tourism

SOCIAL EQUITY

ENVIRONMENTAL
CONSERVATION
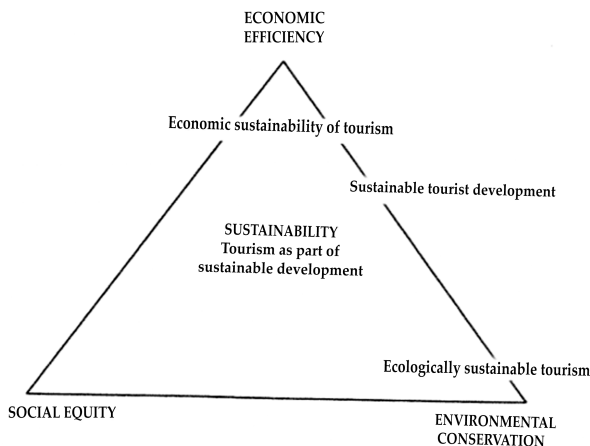
Figure 8.7. Three dimensions of sustainable tourism.

8.5.1.1. Environmental Dimension

Sustainable Tourism is majorly based on a good environment. It is primarily the nature and physical environment and also the protection of the same. The natural resources in a location which comprises the clean air, land, and the water resources of the locality. Tourism Industry can be considered as the only industry that has the capability to change the natural landscapes itself. Most of the wilderness and the natural landscapes have already been explored by the humans throughout the centuries. Waterfalls, the mountains, the hills, the valleys, lakes, rivers, oceans, etc., are the basis of the Tourism.

Wildlife of the particular destination constitute to the environmental dimension. The land-based mammals, reptiles, the variety of flowers, plants, trees, birds, insects, the fishes, aquatic plants and the marine mammals are all part of this wildlife. Tourism can be harmful for all the wildlife by acquisition

of their wild habitat, disrupts breeding patterns, wildfires, etc. Individual buildings and structures, villages, and townscapes, transport infrastructure, dams, and reservoirs constitute the build environment. Sustainable Tourism also brings build environment as part of the environmental dimension.

8.5.1.2. Economic Dimension

Sustainable Tourism should also make sure the economic aspect of the same if taken into consideration as Tourism is a major economic phenomenon as it is the most important foreign currency earner. It serves as the basis for the development of transnational companies. Annual disposable income takes its major share from Tourism. The economic benefits of a sustainable Tourism is vast and some them are Job Creation, Inception of income into the local community, allows the local businesses to survive, development of feasible infrastructure and attracting foreign direct investments (FDIs). There are benefits and there are also liabilities which affects the economic survival of Sustainable Tourism. Most of these costs revolve around the opportunity costs, congestion, one-time investments on infrastructure which is not usable throughout the year and the dependency of Tourism as the sole source of survival.

8.5.1.3. Social Dimension

The social dimension of the Sustainable Tourism doesn't get as much attention as the Environmental Tourism. The reason behind this overlooking could be the unhurried and slow impact on the social and cultural aspects of the Sustainable Tourism. These are those fine and impressive aspects of the society which is intangible and not visible outright are those that get lost overtime. The agony of not taking care of the social dimension is that the change is quite irreversible. Some of the factors that implicate the social and cultural impacts are the strength of the local society to handle the influence of the Tourism. The nature of the tourism, the development for the local and social aspects of the host population as compared to the tourists visiting the area. The measures taken by the public sector in the destination to manage the tourism concentrating on protecting the socio-cultural norms therefore is imminent.

8.6. EXAMPLES OF SUSTAINABLE TOURISM

Sustainable Tourism has greatly reaped a lot of benefits for all the stakeholders involved. The most famous and successful projects of Sustainable Tourism

is the Footsteps Eco lodge founded by David in Gambia. The idea of Sustainable Tourism crept into him when he visited Gambia, where he found that the staffs of the hotel, he was staying were being paid one pound per day. The economic returns received by the locals of Gambia were zero to none, while he was able to enjoy a perfect holiday. David focused to develop Footsteps Ecolodge with a mission to exemplify the economy of Gambia by improving the trade through responsible tourism. This therefore would directly encourage the Sustainable Development.

Another unique goal of his is to employ only from the local village and buy only that which is produced locally. The Ecolodge as the name suggests is entirely sustainable with environmentally friendly initiatives. This starts from Solar powered electricity to composting toilets. The Ecolodge is based in an area which is far away from the bustling crowds providing unique and authentic holidays experience. The perfect blend of the beach and unique setting of the cottages makes the entire experience lovable and is highly Sustainable.

The Eden Project in Cornwall is another example of Sustainable Tourism. Understanding of the relation between plants and people is the essence of the Eden project. The entire complex has a wide range of tourists from the UK and all over the world. It is an educational charity that connects the living world with the sustainable world. The mission of the Eden project is to explore the dependence on the natural world and showcase transformational efforts and make the team ask genuine questions which would make the world a better place. They made a huge impact Annual Sustainability Reports showcasing significant improvement in the environment. Notably, Eden project had about 1 million visitors.

The Reality Tours and Travel in India brings about authentic and thought-provoking local experiences so that the unprivileged areas undergo that absolute change that is intended. The Reality Tours and Travels focus on using 80% of their profits to facilitate the reality gives trust to take care of the education programs for those in the same area. As per the website of Reality Tours and Travel, there has been around 7000 tourists and the support received has helped the community centers in Dharavi located in Mumbai and Sanjai Colony in Delhi to receive Spoken English sessions, computer, and life skills along with sports activities for youngsters from their teens to those young adults. In 2012 the Reality Tours and Travels was awarded the overall winners at the Responsible Tourism Awards. Dolphin Discovery Center in Western Australia allows the tourists to have a

Sustainable Tourism whereby they allow the tourists, community members to speak and understand the language of dolphins. This happens in a group that consists of tourists within 25 at a time. The major objective of this Center is to conserve the dolphins and thereby contribute to the overall marine mammals' health (Figure 8.8).

Figure 8.8. Dolphin discovery center.

Source: https://tourismteacher.com/sustainable-tourism/.

Rancho Margot located in Costa Rica and founded by Juan Sostheim in the year 2004. All through the beginning was just 400 acres of pasture without any vegetation, the vision of Juan was to create a sustainable resort that would benefit both man and the other species of the planet by producing sustainable food and also raising animals. Rancho Margot now has a full functional sustainable resort in itself with a focus on sustainable production and living, energy production and also the transportation used. The mission of Rancho Margot mirrors that of the Burndland's report "To achieve and maintain sustainable operations, we work to find better ways to satisfy our needs without compromising future generations." The Government of Costa Rica has accredited Rancho Margot with the "5 Leaves" CST (Certification for Sustainable Tourism) for its excellence in producing organic food and 100% hydro-electric power with a growing percentage of solar energy.

8.7. HOSPITALITY TRENDS OF FUTURE

To be successful in the Hospitality Industry, one must be equipped to manage the constantly changing demands of the travelers. The industry is ever changing and the demands made by the customers today could become the must-haves of the future. Lindsey Ueberroth, CEO of Preferred Hotels and Resorts is one of her speeches has made a mention that she believes that conscious traveling would be taking the idea of transformative travel to a new level. She adds that it is about the human right and sustaining communities and not the mere word saying Sustainability. Keith Barr, CEO of InterContinental Hotels Group, in another speech, mentions that it is necessary for the hotels to act immediately looking for sustainable options rather than wait for the legislation on the same. He mentions that the Sustainable Tourism would help reduce the carbon print by avoiding one-time usable plastics. The focus really should be on building sustainable options analyzing the ongoing impact that could result in an irreversible change.

Hospitality Business is a huge revenue generator. According to a survey which was run in 2018, there are about 17 million hotel rooms available across the globe targeting the travelers. The changing fashion of these rooms are that the size, shape, décor, location, facility, specifications that you desire in every corner of the world could be made available with the touch of a smartphone. Another research run by the Inter-Continental hotels and the Amadeus informs that the customization of the rooms is actually paving a road to the future whereby the traditional fixed interior rooms will be done.

Another important criterion for the hospitality industry to survive the change is to keep up with the technology and the travelers experience (Figure 8.9).

Figure 8.9. Connecting technology and hospitality industry.

Source: https://financesonline.com/hospitality-trends/.

From the booking of the hotel online to the checking in and checking out of the hotel using the smartphone is a tell-tale sign that the hospitality industry is looking at a forever revamped model in the near future. This small trigger has already awakened all the big brands of the hotel industry to re-engineer their operating model whereby smart sustainable yet technologically connected options are built. The websites being rebuilt to accommodate language change settings could be a minor smart shift but would result in huge revenues as the industry can cater to the entire globe accordingly.

8.8. ROLE OF MILLENNIALS IN SHAPING THE FUTURE OF HOSPITALITY INDUSTRY VIA DIGITAL

Statistically, as of 2020, it is known that the millennials are about 50% of the total world population. Travel and Hospitality industry took on a positive turn when the millennials came into existence. Millennials are focused on the digital world but with giving significant importance to the experiences rather than the material pleasures of life. The travel and hospitality industry saw its disruptive heights with the emergence of the digital platforms popularly termed as Social Media. The attributes which could be imperative for attracting a millennial traveler are the design, experience, mobile, and perceived value.

Digitally savvy, demanding, high quality amenities, smart technology, locally inspired ambience are the basic criteria's these Millennials live for. Millennials are also looking at experiencing Sustainable, Responsible, and Meaningful Tourism, which would help them get the best of both worlds. Innovation in the world of Tourism by building up boutique hotels and fast growth start-ups which has been a big break for them. Larger Corporates and the owners of the Mass Tourism are already in it gearing up to make things happen, taking cues from the disruption and relevance required to make the Tourism work for the Millennials and thereby earn the revenue they seek.

Hilton, Starwood, Intercontinental, Marriott, and Best Western Hotels are some of the leading hotel chains that re-thought the entire room designs, guest services, smart features, experiences with emphasis on ethical footprints to ensure they are able to attract the Millennial traveler. This would be appreciated by the millennial who on the sophistication of wherever he is, is able to discuss, organize, book, and customize their experiences online accessing through the mobile or laptop.

Smart technology is the life and breath of the millennials. User experience is the essence of Tourism in the digital world. Connecting across the destination to allow the millennials to stay connected truly by satisfying the high expectations in discovering, payment mode and live experience online before choosing the packages and during the holiday. Unique unlocking the rooms in the W hotel where an Apple watch or a smart phone could be used brought technology and the hospitality industry closer. Another Scandinavian Hotel Group by name HTL Hotels allow both checking in to the hotel and also access to the rooms via the smartphone. The Henn-Na Hotel in Japan, translated as Strange Hotel employed human like robots to take care of greeting the guests, act as a porter and also in cleaning the room once the guest leaves. This hotel also provides options to open the room using facial recognition software (Figure 8.10).

Figure 8.10. Millennials.

Source: https://www.extremenetworks.com/extreme-networks-blog/how-are-millennials-shaping-the-future-of-hospitality/.

Many hotel brands are now looking at creating a smart app of their own brands or utilize WhatsApp to enable on-demand services on the go for the travelers. This enables them to have quick access to prices, amenities or room services. The app owned by Ritz-Carlton Hotel is designed in such a fashion that the guests are able to order extra towels or toiletries, luggage pick-up, or housekeeping services from their mobile. Conrad Concierge app on the other hand provides you with options to choose your room and also the order room services. Keeping up with the current trend has helped many of the larger hotels to attract the millennials to their zones.

Hospitality Industry has seen a rise in Millennials who have interests in sharing the economy. Airbnb is the world's largest hotel group allows the

travelers to rent out spare rooms or vacant homes to strangers. The recent valuation of the entire Airbnb led to a total of $10 billion and a total revenue of $250 billion in the last year alone. Around 76% of the entire listings in Airbnb are outside traditional hotel sectors. As per the shared economy model, Airbnb serves as a community based on-line platform which is based on acquiring, proving or sharing access to goods and services. Millennials thrive on authentic travel experiences, and Airbnb just created the bridge for the travelers to every nook and corner of the world, whereby it has boosted the local business responsibly and tremendously.

Meaningful experiences are the heart of the millennial traveling. As the traveler looks for inspiration and personalized local experiences. Zoku brainchild of innovation intending to satiate the needs of the millennials. Zoku is officially situated in the Netherlands and the rooms of the hostel features neat designs which includes pull out stairs, drawers, and sliding doors, along with multi-purpose space whereby the room can be converted as per the needs of the traveler. In one of the researches by Zoku, it was discovered that the most loved factor of the millennials in Zoku hostels are the experience where the traveler jumps out of his bunk bed and head to have a coffee, meets new people and the new experiences.

Mariott's Residence Inns plans weekly theme nights by the name Mix whereby the millennials get to connect with the local culture. There are samples of desserts served, local music is played in the lobbies, local food trucks, and fire pit nights. The Canopy of the Hilton Hotel's takes care of the millennial needs by providing a lot of add-ons such as the Hamper with the welcome goodies from the local bakery, gym access information and entry passes to the wine and beer tastings. HTL hotels, on the other hand, has a well-organized concierge service which helps you personalize your itinerary showing the city's unexplored sweet spots, the places where you could get the local favorite cuisines and shopping spots. Four Seasons also has started the Food Truck tours across the cities all through America.

Boutique hotels are here to stay. Definitely a favorite choice of the Millennials, the boutique hotels has brought about a natural evolution to the hospitality industry whereby amazing experiences are served to the travelers making an everlasting impact. The Laslett hotel situated in Notting Hill, London is one of the recent new boutique hotels which has become a raving one amongst the Millennials. The Interiors of the hotel draws inspiration from the local culture, showcasing local market stalls and antique shops of the Portobello Road. The hotel itself is named after Mr. Rahune Laslett, the local activist who was key in setting up the Notting Hill Carnival. The hotel

charmingly showcases all that is British in every aspect of their setting from The Henderson Bar, Coffee Shop, the boutique store which encompasses the work of artists and designers (Figure 8.11).

Figure 8.11. Laslett hotel.

Source: https://in.hotels.com/ho533268/the-laslett-hotel-london-united-kingdom/#:WO:wo0.

Best Western's boutique hotels by name Vib which stands for Vibrant, gives us the message that every large chain of hotels sis rethinking the idea of hospitality industry based on the new millennial travelers. Vib has a blend of contemporary and modern design, obtaining inspiration from the local culture. The entire idea behind the creative spaces, customized food and drinks options, eco-friendly features, and vending machines which dispense most of the convenience products, which also includes an apple headphone. The whole concept capturing the curious minds that are the millennials is afresh, combining the experience that has to do with the design and giving an opportunity to experience something local.

Obtaining more for less is the concept of the Millennials. They are all price-sensitive looking to obtain maximum benefits for less. The hospitality industry therefore can see a lot of experiences that are on the look for unbundling so that a win-win situation can be set up for the travelers and the hotels.

The Virgin hotel brand is one of the first hotels to take a chance by putting forth money saving initiatives so that the travelers will get an opportunity to capture the target audience. Some of the unique strategies includes the free happy hours between 6 pm and 7 pm, minibars, free early check-in, later check-outs and cancellations accommodated at the last minute. Some of the hotels such as Tune Hotels has brought in the "Pay-as-you-go" system whereby guests can opt for the facilities such as the TV, Wi-Fi, Towels, etc., they would require, which would help the travelers save money.

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INDEX

The Past, Present and Future of Hospitality:
Perspectives on the industry

The hospitality industry is a million-dollar industry that has been in existence for a very long time. The hospitality industry has seen its ups and downs, including the recent covid attack, which has put down the industry in a never-expected saturated state. Yet the industry has kept itself alive and is currently making a comeback in a newer version that suits the current needs of people giving utmost preference to people's safety and security. This is the salient feature of the hospitality industry as it can adapt itself to any kind of situation and can transform itself.

This book talks about the past, present, and future of hospitality perspectives of the industry. The hospitality industry has evolved in a progressive manner and has quickly grown into the million-dollar industry of today.

In the first chapter, the author details his vast research on the evolution of the hospitality industry. It's interesting to know how people of ancient times initially started to travel to different places for education and business purpose and how soon this turned into a matter of pride, hobby, and adventure. The book also talks about the various industries that are under the umbrella of the hospitality industry. For example, two chapters are dedicated to the hotel and tourism industry which contributes a major share of the hospitality industry. The different challenges faced by each industry, the contribution that they make to the overall economic growth, and the enormous employment opportunities that they provide are also discussed in detail. After analyzing the very basics of the hospitality industry, the author shifts the focus to marketing and branding, which are the key elements to the success of any industry. The role of marketing and branding and the various strategies used are carefully examined. The last chapter takes us to the future of the hospitality industry. There is no future without technology, and we all know it very well. Even in the current digital age, the hospitality industry makes use of various technological and digital innovations. Right from the in-room technology to Chat Box and cloud services, technology is seen as a major help to the hospitality industry. Millennials are impressed with the current innovations, and it is quite clear how the future of the hospitality industry will look like. Apart from the technological side, future promises on sustainable tourism also, which is a hot topic, and the author talks a lot about sustainable tourism in the last chapter. In General, this book gives us everything about the hospitality industry, the cultural impacts that it creates, and how the local communities all over the world are deriving the benefits out of this ever-booming industry.

Merly Fiscal-Arjona, MAT, Ph.D., Associate Professor IV of Laguna State Polytechnic University, Siniloan,Campus, Siniloan Laguna, Philippines. She graduated from the Laguna State Polytechnic University, Siniloan, Campus, with the Degree of Master of Arts in Teaching, Major in Technology and Home Economics. She took her Doctor of Philosophy Major in School Leadership and Management in St. Dominic Savio College, Caloocan, City. Her professional experience includes an assessor in different Hotel and Restaurant Competency in TESDA. She was also the former Dean of the College of Hospitality Management and Tourism, Siniloan Campus, Siniloan, Laguna, Philippines. She is an active member of Association of Administrators in Hospitality Hotel and Restaurant Management Educational Institution (AAHRMEI) and many more. She has attended seminars and trainings in Hotel and Restaurant Management and member of several professional organizations, At present, her greatest joy at the moment is to share her knowledge, expertise and give prestige to her students.

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