

## Assignment 1: Answers

Conduct some desk research on various types of hotels and restaurants. (20 Marks)

### Types of Restaurants

The restaurant industry bases its classification system on a number of variables, including:

- Menu style
- Preparation method
- Pricing
- Seating options
- Means by which the food is served to the customer

In this article, the restaurant-management experts at Sling introduce you to the most common types of restaurants so you can plan your business accordingly.

### Types Of Restaurants

**Fine Dining** - Fine dining restaurants offer diners an upscale meal experience often comprising several courses (e.g., salad, appetizer, entree, dessert). These types of restaurants try to create a stylish atmosphere that speaks of elegance, exclusivity, and class. Fine dining establishments can operate as a franchise for broader appeal or as a single location to increase their sophisticated image.

**Casual Dining** - Casual dining types of restaurants usually share the following characteristics:

- Customers are served at their table
- Food offerings are moderately priced
- Atmosphere is low-key
- Decor is often unique and based on the type of food served

As a general rule, casual dining restaurants fall between fine dining and fast casual on the “fancy” spectrum.

**Fast Casual** - Fast casual restaurants cater to customers who are looking for fare that is relatively quick yet, at the same time, healthier than fast food and more affordable than a casual dining establishment. As such, fast casual types of restaurants offer quality food, counter service (as opposed to table service), and a more casual, contemporary style and decor.

**Ghost Restaurant** - A ghost restaurant (a.k.a. virtual restaurant, delivery-only restaurant, online-only restaurant, or dark kitchen) is a food-service business that serves customers exclusively through phone orders, online orders, or both. In a virtual restaurant — as the name rightly suggests — the majority (if not all) of the business is conducted via computer, tablet, or

smartphone. A ghost restaurant doesn't have a traditional storefront with decor, signage, and a large dining room. Instead, this new business model only requires a kitchen and delivery drivers.

**Family Style Types Of Restaurants** - A family style restaurant is similar to the casual dining model mentioned above with one significant difference: servers deliver the food in large dishes and customers then serve the food for themselves and pass it to other diners at the table. These types of restaurants often have a more relaxed atmosphere than the fine dining and casual dining models and cater to families with children or groups of friends.

**Fast Food** - Fast food is the most widely recognized type of restaurant thanks to franchise chains like Taco Bell, Burger King, and KFC. Fast food restaurants attract diners because of their price, convenience, and speed. Because of this focus, ingredients in fast food restaurants are usually preheated or precooked (though not always). Food is then delivered over the counter — or through a drive-thru window — and customers seat themselves.

**Food Truck, Cart, Or Stand** - Food trucks, carts, or stands are unique modern businesses that normally specialize in a single type of food (e.g., tacos, sandwiches, hot dogs, ice cream, smoothies, etc.) and serve a limited menu that revolves around those items. They are generally categorized together with fast food restaurants because the focus is on speed. Additionally, seating options may be sparse or even non-existent.

**Café** - Cafes are characterized by outdoor seating, an unhurried atmosphere, and the loyalty of their repeat customers. Offerings include coffee, tea, pastries, small items for breakfast or lunch, and a small sampling of desserts. Diners order food at the counter, pay on the spot, and serve themselves, so the cafe model does not require a large staff. Turnover in cafes is usually low, and customers may work or socialize for long periods of time.

**Buffet Style Types Of Restaurants** - Buffets are an extension of the family style restaurant where customers are provided a selection of food at a fixed price. Guests serve themselves and can return to the buffet as many times as they want. The buffet concept lends itself well to specialty cuisine, including pizza, Indian, Chinese, “home cooking,” and breakfast foods, although this is not a prerequisite.

**Pub** - Pubs have a long tradition of being the place to go when you need to unwind and enjoy a beer or other alcoholic beverage at the end of a long day. At first, they were little more than bars. But, in modern times, pubs have expanded their menus to offer food items and full meals as well as beer, liquor, and non-alcoholic beverages. Because of the wide range of fare and the festive atmosphere, pubs typically provide full table- and bar-service as well as casual decor, games (e.g., darts, pool, etc.), televisions for sports, and possibly even a dance floor.

**Cafeteria** - If you attended grade school or high school in the United States, you're probably familiar with cafeteria-style dining. By definition, a cafeteria serves ready-cooked food items

arranged behind a long counter. Patrons line up, take a tray, and file in front of the various food choices, picking out what they would like to eat along the way.

Some cafeterias offer:

- Fresh-cooked fare ordered from an attendant (omelets, waffles, cut-from-the-bone roast beef)
- Ready-made, pre-plated portions
- Self-serve portions (salads, soups, etc.)

Cafeterias are similar to buffets, but cafeterias typically have servers behind the counter ready to dish out the food you choose. Some large corporations, factories, and hospitals have in-house cafeterias to feed employees and patrons alike. Automat cafeterias featured banks of vending units — not the automated kind of vending machines you’re used to in the 21st century — that displayed fresh food for sale. Patrons would take a tray, deposit coins in the machine that offered their choice, lift a small window, and remove the food item therein. Attendants and cooks in the kitchen behind the vending machines would then replenish the food item for the next patron.

**Coffee House** - With the spread of Starbucks around the world, most people are familiar with the concept of the coffee house. As a type of restaurant, the coffee house offers some unique features that you won’t find anywhere else, including:

- Casual atmosphere
- No table service
- Limited selection of cold foods such as pastries, donuts, and sandwiches
- Allowing guests to relax and socialize without the pressure to leave after eating

Coffee shops are similar to cafes, but the focus at the coffee house — and the item that most people show up for — is the hot beverage. Coffee houses offer a wide variety of coffee drinks as well as hot tea and other drinks. The food in a coffee house often takes second place as a draw for customers.

**Diner** - At one time, you could find a diner (a.k.a. a greasy spoon) in every town in America. This type of restaurant is characterized by fried foods (e.g. chicken and fish), burgers, and breakfast items served at low cost. Many diners were open 24 hours and featured booths and table service as well as a long bar with stools at which patrons could sit and receive their food straight from the kitchen. Diners with a nostalgic theme — and even high-quality and high-priced fare — are becoming more common in downtown areas as employees at nearby businesses discover the benefits and convenience of leaving the office for lunch and an occasional break.

**Pop-Up Restaurant** - The pop-up eatery is a novel type of restaurant that allows owners and chefs to experiment with different ideas and different styles of food without changing their established location. The pop-up restaurant is also a fun and unique way to “test the waters” to see if a specific concept or cuisine would be successful in a certain area. Pop-up restaurants range in format from a beer garden that is only open from May through August, to a fine dining restaurant in a unique location (e.g. a warehouse, rooftop, or other old building), to a

contemporary casual restaurant that moves from location to location every few nights. The attraction of these restaurants often lies in their novelty, but the food and drink will keep customers talking for long after the pop-up disappears.

**Contemporary Casual** - Contemporary casual restaurants — a recent offshoot of the fine dining concept — cater mostly to young professionals in urban and metropolitan areas. As a concept, these eateries are modern and trendy and often offer a distinct brand that diners find appealing.

Such concepts include but are not limited to:

- Eco-friendly
- Farm-to-table
- Large wine selection
- Locally sourced ingredients
- Fusion cuisine
- Extensive bar

The food, and often the restaurant itself, relies heavily on visual appeal (though taste is also important) and caters mostly to the Instagram generation.

**Bistro** - The bistro concept got its start in France as a place to serve hearty meals at a moderate price in a not-so-formal setting. When restaurateurs began opening bistros in the United States, the format evolved to include more refined decor, fewer tables, finer foods, and higher prices. Most bistro owners don't consider their restaurant a fine dining establishment, per se — multiple courses in an opulent atmosphere — but, rather, as classy (and classic) fare in an upscale atmosphere.

**Destination Restaurant** - A destination restaurant is one that draws patrons from beyond its immediate area or community. The concept of the restaurant itself, the appeal of the food, the head chef, or the history of the establishment has to be strong enough (and famous enough) to motivate customers to make the trip from out of town. Some franchises have become destinations in the past few years, but, by and large, very few restaurants achieve destination status unless they have been around for a long time.

**Teppanyaki Grill** - The teppanyaki grill (a.k.a. hibachi) is a type of restaurant specializing in Japanese cuisine prepared with dramatic flair in front of patrons. Multiple parties (of typically eight to 10) sit together and watch the chef prepare their order on a hot grill a foot or two away. As the food is cooked, the chef entertains guests with various “tricks,” including building a volcano out of onion slices, catching a lemon on a fork behind their back, flipping small shrimp into a customer's mouth, and tossing an egg into the air and cracking it on the edge of a spatula.

**Mongolian Barbecue** - The Mongolian barbecue is a variation on the teppanyaki grill. In this type of restaurant, diners assemble a bowl of raw ingredients from a buffet line, hand the bowl to

the cook, and watch as they stir-fry the food on a large griddle. The cook then plates the food and hands it to the diner, who returns to their seat to eat

## Types of Hotels

### CLASSIFICATION OF HOTELS

Classification systems are used to indicate the level of quality offered by hospitality businesses, therefore guiding decisions in industrial application such as marketing initiatives; as well as prospective guests in need of accommodation facilities. Different rating criteria attach certain characteristics to different businesses, providing the guest with enough information to make comparisons between what is offered versus what is needed and enabling them to decide on their best suited option. Hotels are classified based on factors such as rating systems, location, size, clientele, target market, level of service, ownership and duration of stay.

#### A. Rating System

There are numerous classification systems developed according to international standards for varied use. The systems may either be official - driven by a government directive or; commercial - developed and implemented by private businesses or associations. A few examples include:

a. **Star Rating System** – star rating systems are assigned by the Hotels and Restaurants Approval and Classification Committee. As one of the most popular classification systems, it categorizes hotels based on a five point scale that includes:

1. Star hotel: provide high standards of cleanliness along with basic services and amenities. The hotels are small and independently owned. Located in convenient areas and has at least 10 rooms.
2. Star hotel: quite larger than the one star. Offer additional amenities such as en-suite baths, telephone etc. The hotel brands are independent and moderately priced but omit room service.
3. Star hotel: spaces are larger and decently furnished. Provide several bars and lounges. Have more staff numbers to support the operation. Located in business areas and contribute to comfort by offering toiletries, hair driers, room service etc.
4. Star hotel: offer superior comfort, space and cuisine. Located near major attraction areas, provide superior quality services. Décor is of good quality along with the addition to services provided; all round room service, higher staff to room ratios, continental breakfast, happy hour etc.
5. Star hotel: most sophisticated. Provide a wide range of luxurious products and services. Offer exercise facilities, swimming pools, formal service, superior cuisine, highly skilled employees, several restaurants serving a variety of dishes, personal service, quality linen, Jacuzzis, around the clock room service etc.

b. **Diamond System** – diamond award rating systems are commercial systems developed by the American Automobile Association and the Mobil Travel Guide. Hotels are rated

based on their facilities and staff to room ratio among other factors. The diamond system is a five-point scale similar to the star rating system ranging from One diamond to Five Diamond. One Diamond rated hotels consist of those that offer basic facilities while the highest rating being the Five Diamond represents those that offer luxury and sophistication in their products and services.

## **B. Hotel Size**

Hotel size is estimated by the number of rooms in that;

- Hotels with less than 50 rooms could be classified as small.
- Medium hotels would have 60 to 150 rooms.
- Large hotels would be those with 151 to 600 rooms.
- Very large hotels would be comprised of those with over 600 rooms.

## **C. Target Market**

a. **Business/ Commercial hotels** – situated within the city center, commercial hotels best cater to the business traveller by providing high standards and work stationary that adds to the purpose of travel. Mostly occupied during the week.

b. **Suite hotels** – facilities include a living area, well fitted kitchenette and a sleeping area with a full bath. They provide personalized service and appeal to business travellers who stay for extended periods of time.

c. **Transient hotels** – particularly located in ports of entry, they are designed to accommodate travellers en route to other destinations and are often 5- star hotels.

d. **Boutique hotels** – characterized by their distinct interior, boutique hotels are small and pricey hotel concepts that deliver rooms which differ from each other in terms of their design.

e. **Bed and Breakfast & Homestays** – usually small in size, have basic facilities and are often rooms converted into lodging or commercially established to offer accommodation and breakfast to guests. Ideal for backpackers.

f. **Conference centers** – hotels with banqueting halls or large rooms that are meant to accommodate meetings offer packages that include meals and stationary items in addition to refreshments to the attendees.

g. **Casino hotels** – have intricate design and cater to gamblers.

h. **Green hotels** – new hotel concepts that intend to conserve the environment by being ecologically responsible through the construction material used as well as how their operations are conducted.

i. **Heritage hotels** – old buildings such as castles and forts converted into accommodation facilities to appeal to specific travellers with an interest in historic sites.

j. **Lodges** – hotels in remote locations best for getaways.

k. **Camping grounds** – open spaces provided along with water and a wash area. Ideal in price and best for the adventure traveller.

l. **Youth hostels** – moderately priced lodging facilities that appeal to individuals travelling for education or leisure.

#### **D. Level of Service**

- a. **Luxury or upmarket hotels** – usually highly priced, luxury hotels offer sophisticated products and services in their well-furnished and decorated premises.
- b. **Budget or economy hotels** – meet sanitary standards; however, offer basic facilities along with ideal prices.
- c. **Mid-market hotels** – provide midrange products and services, moderate in price without compromise in quality.

#### **E. Ownership and Affiliation**

- a. **Independent hotels** – have all the rights of operation and are owned and managed by the proprietor.
- b. **Hotel Chains** – a number of hotels located in different parts of the world but with a central organization. The hotels may adopt different styles or concepts.
- c. **Franchises** – a business in a chain of businesses that are strictly managed and are expected to operate by adhering to a set of specified guidelines within a specified period of time and place. The businesses are similar to each other.
- d. **Management contract** – an agreement between a proprietor and a property manager to assume total responsibility when managing a hotel.
- e. **Referral groups** – independent hotels that collaborate for a specific reason.
- f. **Time-shares** – a type of vacation ownership to a fully furnished facility where guests schedule their visit and multiple guests can own a single room for a specified period of time usually one year.
- g. **Condominiums** – these are second homes operated by a management company; that may be let out during the year. The owner receives the revenue.

#### **F. Location**

- a. **Downtown Hotels** – located in close proximity to commercial centers, downtown hotels appeal to the business traveller although they are pricier than similar hotel concepts in other locations.
- b. **Sub-urban hotels** – located in the outskirts of city centers, away from the hustle and bustle. They are moderately priced favoring guests to stay longer.
- c. **Resorts** – attract the leisure traveller as they are located in tourist destinations such as beaches as well as the countryside. They offer a variety of leisure activities to entertain guests while on vacation.
- d. **Airport hotels** – ideal for passengers awaiting their flights, stopovers or arrivals that do not need to travel further from the airport. Their facilities are close in range and standard to the commercial hotels.
- e. **Motels** – act as rest stops for road travellers as they are conveniently located along major highways.
- f. **Floatels** – accommodation facilities located on water along the shore.
- g. **Rotels** – these refer to hotels on wheels such as a train converted into a hospitality business.

### **G. Guest duration of stay**

- a. ***Commercial hotels*** – short stays of a period not exceeding one week at a time.
- b. ***Transient hotels*** – cater to travelling guests who do not extend their stay beyond a week.
- c. ***Extended stay hotels*** – offer self-catering facilities and provide a booking period of no less than a week.
- d. ***Residential hotels*** - serve non-residents on prolonged duty up to a year at a time. Offer basic services.