

Unit-1

Catering and Hotel Industry

The word catering is derived from the word 'cater' which literally means to serve or supply food or to provide what is desired by the customer. The term catering refers to providing the provision of food and beverage to the guest in clean and hygienic surroundings in the exchange of money. It is organized by a group of caterers so called catering industry. Catering industries are the hospitality industries that basically deal with the service of food and beverage for the general public in clean and hygienic environment in proper hospitality way in the exchange of money. These are the establishments that provide the food and beverage facility to all the valued customers according to their desire with appropriate service in a proper hospitality way in order to satisfy their needs. These are the organization providing food & beverage services with the prime objectives of satisfying the customers which basically involves two different aspects. They are

- **Food & Beverage**
- **Service**

But the modern concept of catering does not involve these two aspects only. Today people, they don't go to restaurant just for the consumption instead they find it the most convenient place for different business dealings, meetings, get together, to date somebody as well. So, today it also includes the ambience (the atmosphere of a place) and environment of the establishment to entertain the customers. Now people, they do not order the food and beverage simply for the consumption. They are in search of good ambience and relaxed environment with proper hospitality and better services. They eat for pleasure. All the above mentioned things are to turn unsatisfied customers into satisfied customers after identifying the real need and exception of the customers.

Example of catering establishments

- Hotel, motel, resort
- Restaurant (Provides different types of meal and beverages to the general public according to their demands). They are also of different types.
 - Specialty (provides a particular food)
 - Ethnic (provides food as per tradition)
 - Multi cuisine(provide all kinds of food)
 - Popular restaurant (normally available at the busy areas like corporate areas, transit areas, shopping areas etc. which provides quick meal on cheaper rate.)

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- Café
 - Bistro: a small restaurant that serves simple, moderately priced meal and wine and the service is informal and quick.
 - Bar (Serves the alcoholic and non – alcoholic beverages to the general public with the limited snacks). They are of two types
 - Public bar(for public)
 - Dispense bar(dispenses beverage for various outlets)
 - Pub
 - Departmental store catering
 - Transporting catering
 - Leisure linked catering
 - Airlines catering
 - Hospital catering
 - **Outdoor catering** (ODC is a kind of catering establishment which provides the provision of food and beverages to the general public at the venue of their choice. It can be operated by individual catering establishment or can also be provided by the hotel or restaurant which is highly labor intensive. In this catering fixed menu is served to the people at the venue of their choice. It is usually expensive)
 - Industrial catering

Types of catering establishment

a. Primary catering establishment

The catering establishments which are operated with the target of earning profit by providing food and beverage to the guest as per their requirement fall under this category. They are totally profit motive catering establishment. Primary catering establishments are primarily concerned with the provision of food and beverage. It includes those establishments and outlets that sell the hospitality services to the general public for the sake of profit sharing. Hotel, resort, restaurant, bar, pub, cafe, outdoor catering etc are the examples of primary catering. The main motto of this catering establishment is to earn maximum profit rather than it providing the services at subsidized rates. This kind of establishment provides excellent service with skilled and semiskilled man powers. But the menu provided is expensive.

Types of primary catering

HOTEL: It is difficult to define hotel solely as a catering establishments, it is a lodging and food industry, where all the facilities are provided to the guests by the specialized departments and sections. They have the provision of both accommodation and food and beverage service. In many countries basically hotels are categorized ranges from one to five stars as per their government policy. As per the nature of service they are also called residential catering.

RESTAURANT: Restaurant is a place where provision of food, drinks and recreational facilities are available to bona fide guests. They should have comfortable and friendly environment. The various types of restaurants include fine dining, ethnic restaurant, multi-cuisine restaurant, theme restaurant, coffee etc.

FAST FOOD: These types of outlets have revolutionized the eating habits of many countries since late 1970s. The features of fast food outlets are use of convenience foods, dedicated to quality, fast and efficiency in service and focused on popular food items. The prices of food items of these outlets are reasonable, and they believe on high turnover. The examples of popular fast food outlets are McDonald, pizza hut, KFC, Wimpy etc.

OUTDOOR CATERING: The main motto of these catering is to provide the foods and drinks at customer's choice venue. They usually serve for large number of guests. Outdoor catering includes catering for functions such as marriages, parties and convention. Off-premises caterers meet the needs of all market segments, from the low budget customer who looks for the most quantity and quality for the least amount of money, to the upscale client with an unlimited budget who wants the highest level of service, the ultimate in food quality, silver plated flatware and luxurious linens.

BANQUET: Basically banquet is the hall where seminar, convention, exhibition and party are organized. They are set up either within premises of hotels or outsides. Many functions such as birth day party, marriage ceremony, New Year festival or others events can be organized.

COFFEE SHOP: These outlets are the provision of limited menu range, relatively cheap and fast food nature of service. They usually have multi- cuisine foods with limited choice of beverages. Their clients are officials, teacher, businessmen and budget tourists. These outlets are also established within or outside the hotel premises

b. Secondary catering establishment

Secondary catering establishments are the establishments which are operated as a part of another business which basically caters food and beverage to any target groups. They are not operated to make profits in fact they are operated to fulfill the social, physical and psychological need of any particular target group. They provide food and beverage in highly subsidized rate. The fundamental differences between the primary and secondary catering are that the primary caterings are opened to earn maximum profit whereas the secondary catering is to minimize the cost by achieving the maximum efficiency. It basically includes the welfare catering, hospital catering, industrial catering, school, colleges and universities catering, prison catering, leisure linked catering, transportation catering, departmental store catering etc. These establishments are totally service motive and run their operations by maintaining the BEP (break even point).

Types of secondary catering

- a. Industrial catering:** The catering industry which provides the provision of food and beverage to the people at work in industries at highly subsidized rate is known as industrial catering. It can be under the management of the industry or operated independently to fulfill the food and beverage requirement of the workers.

LUNCHEON CLUB: In some of the offices or in industries, staffs are provided with lunching facilities, usually called a luncheon club or staff restaurant, which are often subsidized or in some instances the meal may be supplied without any charge. Senior staff may have their own dining room, while the rest of the staff will have A' la Carte menu or Table d'hôte menu with waiter or self-service.

MANUFACTURING INDUSTRY CATERING: such types of catering establishments are especially established for officials and staffs of the concerned industry. The provision of food and beverages to people at work is provided at highly subsidized rates. Such catering for large number of workforce may be under taken by management itself, or may be contracted out to professional caterers.

- b. Welfare catering:** The provision of food and beverage to fulfill the social needs is called welfare catering. It fulfills the physical and psychological need of the people. Examples include school, hospital, armed force, prison, temple catering etc.

SB SLIDES & NOTES

SCHOOL: The school meals catering service was formerly structured on a dietary basis as per the age factors of children to ensure that their children obtained adequate nutritional levels from their meals. They practice the cyclic menu which is developed for a week, at the end the same menu will be repeated for next week. The service styles are either buffet or counter service with the seating facilities.

HOSPITAL: Hospitals catering is a special form of catering as the patients is normally unable to move anywhere and choose alternative facilities and therefore special attention must be given to food and beverage so that encouragement is given to eat the meal provided. These catering establishments cater mainly to three types of customer; patients, visitors and staffs. The food for patients may be prescribed by doctors as well as dietician. There might be the provision of small café -style facility or self- service restaurant. Staff might be fed in the same restaurant or in separate canteen.

PRISONS: The catering within the prisons is the responsibility of the prison governor. Mostly a group of prisoners prepares food. In such catering, required dishes are displayed on the table as buffet, but the service of food is done by the catering staff.

SCHOOL, COLLEGES AND UNIVERSITIES: School offers a multiple-choice menu at reasonable cost. They follow the cyclic menu. A lot of attention is paid to the special

needs of children. They practice the cyclic menu and children should obtain adequate nutritional levels from their meals.

Universities and colleges provide catering facilities for the academic, administrative, technical and secretarial staffs as well as for students and visitors. The service styles are either buffet or counter service with the seating facilities. The catering service in this sector of the industry suffers from an under-utilization of its facilities during the vacation periods and weekends.

POLICE/MILITARY: The staffs of same forces or retired officials operate these caterings. Heavy meals are provided to the forces or officials as per the schedule. The levels of food and beverage facilities within the services vary from the large self-service cafeterias for the majority of personnel, to high class traditional restaurants for more senior staffs. A considerable number of functions are also held by the armed forces leading to both small and large scale banqueting arrangements.

c. VOLUNTARY/ TRUST OPERATED CATERING

A group of volunteers usually organize such caterings without any motive of making profit. They are operated and taken care of by the trustees. The catering service is done willingly by the selfless volunteers with the pure motive of serving. The food menu is usually fixed in limited courses.

Trust operated caterings are usually organized in holy places, such as Church, Gurdwara, temple, Mosque and Gumbas to feed a particular group of religious people, orphans, mentally retarded or physically handicapped people..

- d. Club catering:** These are the catering establishment which provides the provision of food and beverage to the restricted clientele. People with a common objective and goal form a club and become a member. These clubs establish different food and beverage outlets for their members to cater foods and beverages. The food and service in these clubs are of good standard and are economically priced. Examples of clubs are cricket club, golf club, swimming club etc. the concept of club was borrowed from England.
- e. Transport catering:** Transport catering includes the provision of food and beverage to the passengers before, during and after the journey on train, aircraft, and cruise etc. The work is usually undertaken by the independent catering companies contracted to provide the food and beverage service. It includes the followings.
- a. Airlines catering:** Provision of food and beverages to the airlines passengers on board or the restaurant located at the airport terminal is termed as airlines catering.
 - b. Ship catering:** The provision of food and beverage to the passengers on cruise is called ship catering. The quality of facilities and service offered depends upon the class of ship.

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- c. **Railway catering:** Provision of food and beverage to the railway passengers during the journey as well as during the halts at various railway stations is called railway catering.
 - d. **Surface catering:** Provision of food and beverage to the passengers travelling by surface transportation such as bus or private vehicle is called surface catering. These establishments are normally situated at the bus terminals or highways.

However catering establishment can be classified on the basis of the motives which are as follows.

- a. **Commercial sector (profit motive)**
- b. **Welfare sector (service motive)**

It can also be classified according to market or types of customer which are as follows.

- a. **Non-captive market:** The customer has choice where to eat.
- b. **Captive market:** The customers do not have choice where to eat.
- c. **Semi- captive market:** The customers have a limited choice where to eat.

HOTEL

Hotel is a commercial catering establishment which provides accommodation with food and beverages along with the different facilities and services to the general public on payment. It is the second home for the people when they are traveling far away from their usual home town. It provides the lodging, fooding and other services and facilities as per its standard to the public in return for payment done. The British law defines the hotel as ‘a place where a bonafide traveler can receive food and shelter, if he is in a position to pay for it, and in a fit condition to be received.’ There fore a hotel not only provides room on hire but also serves food and beverages to the customer who can pay. Along with fooding and lodging it also provides one or more other facilities which include room attendant, bell desk service, laundry, business centre etc. which basically depends upon the type of the hotel. A hotel may be a small family run unit providing a limited service in one restaurant or a luxury hotel providing services through a number of outlets such as coffee shop, room service, banquet etc. Hotel is also known as home away from home. It provides the homely environment to the public with complete hospitality so that the guests can feel comfortable as in their own home during their stay in hotel.

Today hotels industry has become one of the most important and largest industries in the world, especially in the countries where the tourism potential is very high. Initially the concept of hotel was developed in order to facilitate the general public by providing the accommodation when they were away from their home. During the evolution of hotel industry, it was only limited to room run by the husband and wife team which later added the F&B services, but today according to global modernization, the facilities and amenities have been increased with the view to

provide the hospitality service for ensuring high degree of customer satisfaction. However the hotel concept is luxurious concept which the rich people can only afford.

Origin of Hotel Industry

The leading in hoteliering was taken by several nations of Europe, especially France and Switzerland. Chalets- small cottages with an over hanging roofs found in the Swiss mountains and small hotels which provided a variety of services, were mainly patronized by the autocracy of the day.

Around 1760, a type of establishment that became common in Paris, called hotel Garni came into vogue. It was large house with a number of rooms or apartments, available for rent by the day, week or months. Its advent signified a more luxurious and organized way of providing lodging, quite different from the basic requirements met by the inns of that periods.

The city hotel in New York was the first building meant solely for use as a hotel. It was built in the year 1794. Later hotels began to be build all over the world. In the year 1827, Delmonico brothers who were immigrants from Switzerland, opened a pastry shop and café in New York City. It provided to be a change for better from the eateries of that era, and led to the opening of their first restaurant a few years later. Thus art of food service became recognized as an important part of the dining experience.

The big boom in the hotel industry came in the year 1920's, when the concept of chain hotel was born under the stewardship of Mr. E.M. Statler. However during the great depression of the 1930's, there was a considerable change in the decrease in the business there by affecting the growth of the hotel industry. Immediately, after the Second World War, the hotel industry regained its prominence and registered a steady growth. Of late there has been a phenomenal growth in the hotel industry, particularly in those countries which attracts business travelers and tourists in large numbers from all over the world. In 1950's, motels and international hotel chains gave a big boost to the industry. These chains either brought up smaller individually owned properties, or build their own hotels, many individual hotels operated merged with these international hotel chains, as it increased their ability to cope with the growing competition.

Classification of Hotels

Hotels can be classified on the basis of the followings.

- **Size**
- **Facilities**
- **Services offered**
- **Location**

- **Ownership**
- **Plan offered**
- **Target group**
- **Length of guest stay**

a. Classification of hotel on the basis of their sizes (No. of rooms)

- **Small hotel:** Hotels containing 25 or less than 25 rooms are called small hotels.
- **Medium hotel:** Hotels containing more than 25 and less than 100 guest rooms are called medium hotels.
- **Big hotels:** Hotels containing more than 100 and less than 300 rooms are called big hotels.
- **Large hotel:** Hotels containing more than 300 rooms are called large hotels.

b. On the Basis of facilities/service offered

World class service: These are also called luxury / Five Star hotels, they target top business executives, entertainment celebrities, high-ranking political figures, and wealthy clientele as their primary markets. They provide upscale restaurants and lounges, Valet, concierge services and also private dining facilities.

Mid-Range Service: Hotels offering mid-range or otherwise 3 to 4-star hotels service appeal the largest segment of the travelling public. This kind of hotels does not provide elaborate service and have a adequate staffing. They also provide uniformed service, food and beverage room service, in-room entertainment's and also Wi-Fi etc.

Budget / Limited Service: These hotels provide clean, comfortable, safe, inexpensive rooms and meet the basic need of guests. Budget hotels appeal primarily to budget-minded travellers who want a room with minimum services and amenities required for the comfortable stay, without unnecessary paying additional cost for costly services

c) On the Basis of Star

1. Star hotel

These are the standard hotel which offers different facilities and services to the public more than the non star hotel. On the basis of facilities and services provided, quality of service star rating varies. It varies from 1, 2, 3, 4, 5 star. The more the star rating, the more the hotel will be comfortable and luxurious.

a) One star hotel

It includes all the facilities of the non star hotel along with the upgraded facilities like proper dining outlets, 24 hours front office services, etc.

b) Two star hotel

These hotels have higher facilities and service in terms of quality and quantity than the one star hotel. There might be the provision of swimming pool, sports, more food & beverage outlets, luxurious rooms with comfortable beds etc.

c) Three star hotel

It includes all the facilities of 2 star as well as the followings.

- Proper parking space for minimum 10 cars
- Telephone with direct local calls facilities in all room
- Furniture are luxurious
- Facilities of air conditioner
- Free laundry shall be provided

d) Four star hotel

It includes the facilities of three star as well as the followings.

- Sufficient parking area
- Lobby is well decorated
- Child care service is available
- 24 hour front office staff on duty
- World wide tele-communication is available in rooms
- Facilities of hair dressing and beauty saloon
- 24 hour coffee shop, bar and cocktail lounge

e) Five star hotel

The five star category hotels provide high class exclusive service to the guest for the full customer satisfaction. The services provided by the 5 star hotels are as follows.

- The room is attended by the room maid twice a day.
- The lobby is well furnished and decorated.
- 24 hour hot and cold water.
- Provision of more Food & beverage outlets and recreation facilities.
- Casino, bar, pub, discotheque, etc.
- High class and exclusive rooms.
- In door and out door swimming pools.
- Each guest is made to feel that s/he is very important.
- Various sports facilities.
- Well trained and experienced manpower.
- 24 hours doctor on call.
- 24 hours room service.

- Safe deposit locker.
- Conference or seminar halls.
- Souvenir shop.
- Sufficient and scientific parking space.
- Saloon and beauty parlor.

d) Classification on the basis of location

- 1. Down town hotel:** These kinds of hotels are located at the big city centers or at the heart of the city with in a short distance of business center, government and private offices, entertainment centers, shopping malls etc. These kinds of hotels are normally tower shaped and expensive due to the shortage of land and location advantage respectively. The target groups of these hotels are the business man and the company executive. Facilities and the services provided by the hotel may be very exclusive like 24 hours coffee shop, bar and cocktail lounge, casino, health clubs, business centre etc. the length of guest stay in down town hotel is usually short and rooms are mostly available in E.P. (European plan) basis. Most of the down town hotels have the basement parking due to the shortage of the land.
- 2. Motel:** These are the hotels which are located along or near by the national or international highway. These kinds of hotels are ideal for the highway traveler who travels by their automobile. The special feature of the motel is the provision of enough parking space or parking facilities in front of the guest rooms, minor maintenance of the automobile, general refueling system and garage as well. Inside the guest room tea-coffee kettle, tea-coffee sachet, sugar sachet, creamer is also available to prepare their own tea and coffee as well as micro oven to reheat their food. Motels are usually single story or two story building. The rooms in motels are simple and clean with hot and cold water bath facilities. The length of guest stay is very short. Usually over nights and food and beverage and lodging is comparatively in expensive than other hotel.
- 3. Transit or airport hotel:** These hotels are usually located at the sea port, railway station as well as airport. The hotels which are located inside or outside but near to the airport is known as airport hotel. These hotels are ideal for the transit airline passengers who may be catching another flight to complete their journey, passengers with the cancelled flight or flight delay as well as the air crew who find the airport hotel convenient between the flights.. The length of guest stay is usually shorter which exceeds from one hour to twenty four hour depending upon the length of the transit. These hotels also provide the room on hourly basis. Airport hotels also provide the wake up call to the guests to help them awake to catch the next flight. They also provide airport pick up and drop facilities. The room rate offered is exclusively high, usually charged on European plan basis.

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- 4. Resort:** These kinds of hotels are located at the places where different types of natural beauties are located. These hotels are located near the natural sights like hill stations, river or sea beaches, mountains, jungles, lake side etc. which may be far away from the crowded area with the full view of the natural beauties. Such hotels are very ideal for the long staying guests who are on vacation as well as nature lovers, honey moon couples who are in search of peaceful environment. These kinds of hotel provides different sports facilities like gulf, long tennis, badminton etc. as well as organizes different adventurous activities like rock climbing, horse riding, rafting, trekking etc. it also organizes the cultural program at the evening for the entertainment of the guest. The length of guest stay is usually longer. Rooms are usually offered on MAP (Modified American Plan) basis. Resort normally provides off season rate to attract the budget traveler.
- 5. Suburban hotel:** These are the hotels located at the sub urban areas or on the outskirts of the city not far away from the cities and with in the touch of all modern technology. Sub urban hotels have quiet and peaceful environment. So these kinds of hotels are very suitable for conducting meetings, conference, seminars and training program. These kinds of hotels are mostly suitable for the cost conscious people as well as the budget travelers. This is also an ideal hotel for groups. The length of guest stay in this hotel is usually longer which may exceed from one month to two months. These kinds of hotels have sufficient parking space and are cheaper as compared to the down town hotels. In these kinds of hotels the guests are usually charged on modified American plan (MAP) basis.

E) On the basis of length of guest stay

- a) **Transit hotel:** these hotels are especially targeted to those passengers who stay one day or less than one day during the time of transit. These hotels are usually situated at the transit points like airport, sea port, railway stations etc.
- b) **Residential hotel:** These kinds of hotel are especially built for long staying guests and are similar to renting a room. These are just similar to the apartment building with different facilities and lodging is available on weekly, monthly, yearly basis to the guest who is in search of home away from home environment on a lease basis and these kinds of hotel are generally cheaper.
- c) **Semi-residential hotel:** In these types of hotel the length of guest stay is usually longer than the other hotels but shorter than the residential hotel generally of 15 days.

F) On the basis of ownership (affiliation)

- a) **Independent hotel:** Independent hotels are the hotels operated by the owners themselves. Independent hotels have no relationship to other hotels regarding the policies, procedure, marketing or financial obligation. All the operational aspects, marketing policy and managerial aspects are directly planned, controlled, managed and handled by the operation manager under the close coordination with the owner of the hotel. The unique advantage of this hotel is its autonomy.
- b) **Parental hotel:** Such types of hotel are considered as the sister concern. It basically works as a part of central hotel in which rules and regulations, marketing policy etc. are handled by the central hotel.
- c) **International chain operator:** International chain hotels are the hotels which are operating within a country or outside the country with the same brand name with the intention of global marketing and to increase the sales of the hotel. It is a group of hotels that has more than one hotel located in different cities all over the world. Most of the independent hotels, they take their affiliation with the internationally recognized hotel chain operator by paying certain percentage of profit sharing or affiliation fee. The top level management, decision making, marketing policy, rules and regulation etc will be governed by the head office with the international chain operators. The hotel in return will attain the height of dignity and goodwill of the chain operation by using the brand name and logo of the chain operation along with the name of the hotel. The examples of international chain hotels are as follows.
- Welcome groups of hotels
 - Taj groups of hotel
 - Oberoi groups of hotel
 - Inter-continental
 - Sheraton
 - Hilton
 - Holiday inn
 - Crown plaza
 - Radisson
 - Hyatt
 - Le-meridian
 - Ritz Carlton
 - Marriott
 - Hoke

International chain hotels

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- Crown plaza
 - Hyatt
 - Radisson
 - Le-meridian

Restaurant Chain: These are the restaurants which are operated in different cities of the world with the same brand name. Examples of international restaurant chain are as follows.

- Pizza hut
- McDonald's
- Burger king
- KFC (Kentucky fried chicken)
- TGIF (Thanks god! its Friday)
- Wimpy
- Hot breads

G) On the basis of ownership

On the basis of the ownership hotels are classified as under:

Proprietary Ownership: Proprietary ownership is the direct ownership of one or more properties by a person or company.

Franchise: It is the authorization given by a company to another company or individual to sell its unique products/services and use its trademark according to the guidelines given, for a specified time, and at a specified place.

Management Contract: Management contract, as the name suggests, is a contract between the owner of the property and a hotel operator (management contractor) by which the owner employs the operator as an agent to assume the full responsibility for operating and managing the hotel.