

FUNDAMENTALS OF HOTEL MANAGEMENT

Among the important inputs which flow into the tourist system is tourist accommodation. Accommodation facilities constitute a vital and fundamental part of tourist supply and an important feature of the total tourist image of a country. Many countries have recognised the vital importance of accommodation industry in relation to tourism and their governments have coordinated their activities with the industry by way of providing attractive incentives and concessions to suppliers of tourist accommodation, which have resulted in the building up of various types of accommodation. For instance, availability of sites for tourist accommodation on liberal payment terms, special concessions in the form of long-term loans, liberal import licences and tax relief, cash grants for construction and renovation of buildings, and other similar concessions are provided to the accommodation industry.

The United Nations Conference on International Travel and Tourism held in Rome in 1963 considered, in particular, problems

relating to means of accommodation. The Conference acknowledged the importance of means of accommodation, both traditional (hotels, motels) and supplementary (camps, youth hostels, etc.) as incentives to international tourism. The Conference recommended that governments should consider the possibility of including tourism projects, and particularly those relating to accommodation on the list of projects eligible for loans from their industrial or other corporations, and that, where required, they should establish special financial corporations for tourism. It also recommended that governments should give sympathetic consideration to the possibility of granting special facilities and incentives for accommodation projects. An adequate supply of accommodation suitably tailored to the requirements of the tourist market is one of the basic conditions of tourism development. The provision of accommodation facilities and their growth should, at the same time, be regarded in a much broader context as they make an important contribution to the economy as a whole, by stimulating economic development, social contacts and commercial activities.

In the promotion of tourism, of all the constituents of the tourist industry, the accommodation sector thus constitutes the most important segment. Tourism is, to a great extent, dependent on the type and quantity of accommodation available. Accommodation is a very important part of the tourism infrastructure and the expansion of tourism inevitably brings about the development of accommodation. It is rather the core of the tourist industry. Accommodation is, in other words, the matrix of tourism, and is thus the obvious choice to play a distinctive role in the development of this expanding industry.

According to the World Tourism Organisation, WTO Report on 'The Development of the Accommodation Sector, tourist accommodation is used to denote the facilities operated for short term accommodation of guests, either with or without service, against payment and according to fixed rates. For the purposes of classification, all tourist accommodation has been

divided into the following groups: (i) hotels and similar establishments (the hotel industry proper) and, (ii) supplementary means of accommodation.

The first group usually includes hotels, motels, boarding houses and inns, while the second includes registered private accommodation (rented rooms; apartments, houses), camping and caravan sites, youth hostels, recreation centres for children, mountain huts and shelters as well as health establishments, that is, sanatoria and convalescent homes.

THE HISTORY

The early history of accommodation for travellers can be said to have its origin in the Greek Word 'Xenia'. By this word ancient Greeks meant not only hospitality but also all forms of protection given to a visiting stranger. In ancient Greece, hospitality was a sort of divine order. The city or a town itself was bound to offer hospitality to a visitor and protect him from any discomfort. This was a custom. In the city of Sparta, whose extremely rigorous customs did not attract many visitors, it was the goddess Athena who was considered as protector of strangers, and hence her name 'Xenia Athena'.

Travelling during this period was not an easy affair. Travellers were mainly diplomats, philosophers, intellectuals and researchers. There were no lodgings specially designed to receive visitors. Guests were invited to stay in the dwellings of noblemen. This was rather a gift comprising a place to stay, food, care and bath. This explains the presence of baths in most archaeological finds. In ancient Olympia one can find one of the first buildings constructed with the aim of accommodating strangers, called the "Leonidio", built in 4th century B.C.

As travelling became more frequent, accommodation for travellers was viewed in two ways. The traveller who left his home required accommodation at his destination and, during journeys which could be completed in a single day, he needed

overnight accommodation. The institution of 'inns' came into being. Inns can perhaps be considered to be the first of such accommodation units which catered to the needs of travellers in early times. During the Roman Empire many such inns were established which provided food, drink and also entertainment to weary travellers. However, with the decline of the Roman Empire by about A.D. 500, the institution of inn-keeping lost its importance and for many years there was not much development since people travelled very infrequently and there being not much trading activity, there was not much need felt for inn-keeping.

Later, when travelling began to be undertaken in coaches, travellers were lodged in 'Hostelries' situated at the relay stations where both the traveller and their horses found rest and food. From this time onwards, hospitality was not always offered free. Payment for accommodation used was being resorted to.

After the advent of Christianity, it was the Church which came to the rescue of the travellers. Travel grew again for religious pilgrimage purposes. Travellers in thousands visited religious centres. Monasteries took over the role of providing lodgings and facilities to travellers who were mainly pilgrims. These welcomed the travellers and made their stay a comfortable experience. Every large monastery had a person responsible for reception of visitors and their well-being. The accommodation and the hospitality provided were free.

By the 15th century, the institution of the 'inn' once again developed in several countries in Europe, specially in England and France. During the seventeenth and eighteenth centuries, the facilities provided in the inns were expanded. Some of the inns had as many as 30 or more rooms. The English Common Law declared the inn to be a public house and imposed social responsibility in the innkeeper for the well-being of the traveller. Even today over one hundred odd inns are still operating in England as hotels as part of Trust House Limited. Some of these were built about four hundred years ago.

In the United States of America another type of accommodation unit, known as the 'tavern', was opened in the year 1634 by a man called Samuel Coles who had come by ship to the New World in search of a fortune in the year 1630. By 1780, taverns were popular meeting places where people used to come for eating, drinking and entertainment. Many important events were associated with taverns. In the year 1783, General George Washington bid farewell to his top ranking officers at the Frances Tavern in New York city. The famous Boston Tea Party was planned in a tavern called Green Dragon.

In India the concept of shelter for travellers is not new. In fact, it is as old as its recorded history. The historical records are replete with the mention/references of *viharas*, *dharamshalas*, *sarais*, *musafirkhanas*, etc. These establishments provided a home to all wayfarers, be they pilgrims, scholars, adventurers or merchants. The shelter under various names has always been a part of India's culture as a valuable institution, providing a vital service. The ancient Buddhist monks were probably the first to institutionalise the concept of a shelter in India. The cave temples scattered all over the south-western region of India have both a *chaitya* (sanctuary) for worship and prayer and a *vihara* (monastery). These monks, although living in their quiet retreats, away from towns and villages, were nevertheless mindful of the needs of travellers and pilgrims who found shelter and food at these monasteries. It is interesting to note that these monasteries were located on the ancient trade routes between important centres of pilgrimage of the region. It is gathered from some inscriptions that merchants gave liberal donations for the construction and maintenance of these establishments. Mere charity was obviously not the motivation in these displays of generosity. The trader travelled with their merchandise and money on these routes and the *viharas* were their 'hotels'.

In the medieval period this ancient institution gradually assumed a more secular character. Although religious centres invariably had *dharamshalas* and *musafirkhanas* attached to

them, the caravan *sarai* appeared as an exclusive traveller's lodge with a *Nanbai* or the cook attached with it. Sher Shah Suri, the Great Afghan Emperor and the builder of the Grand Trunk Road, is credited with having built caravan sarais at regular intervals all along this highway creating favourable conditions for commerce and travel. However, he was not alone in this venture. The Mughals built such facilities all over their empire. Later kings, rajas, nawabs, rich businessmen and philanthropists built *sarais* making travel less arduous.

At approximately the same point in time, the inn was the western counterpart of India's *sarais*. With the expansion of commerce, travelling became profitable and with it emerged the business of providing comfortable shelter and good food to the growing number of travellers. The *sarais* in India, like the inns in Europe, or the stage coach stations in the USA of the 18th and 19th centuries, stood all along the well-travelled routes. They provided food and shelter to the travellers and fodder to their horses. The amenities these early hotels offered would seem to us to be primitive but they conformed to the life-style of that age. However, with the passage of time, the age-old institution of the *sarai* or the inn adapted itself to the ever changing and constantly growing requirements of the market.

HOTEL AS AN INSTITUTION

The institution of hotel had its beginning in the early fourteenth century. The first hotel in the classical sense, the forerunner of the present day existing complex unit, is said to have been created in Paris, in the year 1312. Other similar hotels were soon established in France, Holland, Italy, Germany and many other countries.

With the growth of travel in the eighteenth century, there appeared in London the prototype of the modern hotel with the opening by one David Low in 1774. The next fifty years saw a gradual increase in the hotels and resorts in many countries

of Europe. In the United States of America, hotels emerged from institutions known as 'Tavern' by the simple expedient of a change of name. By about the beginning of the nineteenth century, the terms tavern and hotel were used to describe the same thing. By the year 1820, 'hotel' became the accepted term to describe a place where people stayed for the night and took their meals on payment. In the 1820s the first tourist hotel appeared in Switzerland. The period preceding World War I also saw many hotels coming up in Europe especially in resorts of France, Italy, Switzerland and Germany. The hotels in fashionable resorts such as Vichy and Evian in France, Montecatine in Italy, Baden-Baden in Germany became very popular with tourists. In the same way hotels also came up in summer resorts along the French and Italian Riviera.

From the age of carriage and horses through the age of railroad into the era of jumbo jet, the hotel industry developed with the simultaneous development of transportation systems. In the field of mass passenger transport, railways could perhaps be credited with being the pioneers. The evolution of the railway system in the eighteenth century greatly affected the quality and the quantity of accommodation used in conjunction with travel. The growth of the railways also brought in a speedy network of stage coach services. By the mid-nineteenth century the use of the stage coach as a means of travel had almost ceased. The industrialisation in its wake brought increased urbanisation.

The great number of people who flocked to various urban towns in search of employment and also entertainment needed some kind of accommodation. This need for accommodation enabled promising and enterprising people to build hotels and inns in many such urban towns to cater to an increasingly local market and also to serve the large number of travellers carried by the railways. Until about the middle of the nineteenth century, the bulk of the journeys were undertaken for business and vocational reasons, by road and within the boundaries of individual countries. The volume of travel was relatively small

and was confined to a fraction of the rich segment of the population in any country. Inns and similar establishments along the main highways and in the principal towns grew to become the hallmark of the accommodation for the travellers. The traveller could reasonably expect, at most inns, a clean and comfortable stay when he wished to eat or spend the night. It provided the bulk of accommodation *en route*. This trend continued until the end of the nineteenth century, as most people travelled by coach.

Emergence of the Hotel : Although the earliest hotels date back to the eighteenth century, their growth on any scale occurred only in the following century when the railways created sufficiently large markets to make large hotels possible. During this period a large number of hotels grew up at important destinations. The hotels were developed along the main railway and highway routes in major towns.

Substantial development of the hotels thus awaited the volume and the type of traffic only the railways could bring. With the development of railway systems in many other countries within and outside Europe, the number of hotels also increased. These hotels catered to the increasing volume of traffic. The 1860s also saw the introduction of Thomas Cook's railway and hotel coupons. Starting in 1868 Cook arranged regular circular tours of Switzerland and Northern Italy from England. By the 1890s, 1,200 hotels throughout the world accepted hotel coupons. Thus we find that railways greatly influenced the development of hotels during the early twentieth century.

The demand for accommodation of tourists was thus met by a variety of facilities ranging from inns, taverns, private houses to hotels. The main changes in the demand for tourist accommodation have come about from changes in tourist transportation and in the popularity of different forms of holidays. After the introduction of the motor car and the aircraft, a large number of hotels sprang up at various tourist areas and

destinations. The growth of hotels continued until the 1950s. Hotels as a unit of accommodation dominated the scene all over the world.

Definitions : Hotels provide accommodation, meals and refreshments for irregular periods of time for those who may reserve their accommodation either in advance or on the premises. In broad terms, hotels provide facilities to meet the needs of the modern traveller. The dictionaries define hotel in several ways: 'a place which supplies board and lodging', 'a place for the entertainment of the travellers', 'large city house of distinction', and 'a public building.'

The common law states that a hotel is "A place where all who conduct themselves properly, and who, being able and ready to pay for their entertainment, are received, if there be accommodation for them, and who without any stipulated engagement as to the duration of their stay or as to the rate of compensation, are, while there, supplied at a reasonable cost with their meals, lodging, and such services and attention as are necessarily incident to the use of the house as a temporary home."

A definition of the hotel as a business entity worthy of study was presented by hotel operators during the consideration of the hotel business to authorities of the National Recovery Administration, in Washington in 1933. This definition, as formulated by Stuart McNamara, was:

"Primarily and fundamentally a hotel is an establishment which provides board and lodging, not engaged in interstate commerce, competitive with or affecting interstate commerce (or so related thereto that the regulation of the one involves the control of the other), but is a quasi-domestic institution retaining from its ancient origin certain traditional, and acquiring, in its modern development, certain statutory rights and obligations to the public,

where all persons, not disqualified by condition or conduct, prepared to pay for their accommodation, are to be received and furnished with a room or place to sleep or occupy if such accommodations are available, and with such services and attention as are incident to their use of the hotel as a home, and/or with food, at stipulated prices, and with or without contract as to duration of visit, and which conducts, within the confines of its physical locations, this business of supplying personal services of individuals for profit. Incidental to such fundamental and principal business, the hotel may furnish quarters and facilities for the assemblage of people for social, business or entertainment purposes, and may engage in renting portions of its premises for shops and business whose contiguity is deemed appropriate to an hotel”.

Categories of Accommodation : Accommodation can be categorized in different ways. These could be categorized by location, price, by type of visitors and by type of facilities they offer. Luxury hotels are at one end of the scale while budget or economy hotels are at the other end. Some are within the city limits or in city centre while others may be in suburban areas. Some properties may cater to business travellers while others may cater to families on holiday. Yet another way to categorise them is on the basis of whether they are fully serviced, partially serviced or non-serviced. It is however, difficult to place international lodging accommodation into strict, exclusive categories.

According to the organisation for Economic Cooperation and Development (OECD) there are eleven different types of accommodation plus two ‘other’ categories. The ‘other’ categories refer to other “hotels and similar establishments” and “supplementary means of accommodation”. Following are the main categories of accommodation:

Hotels

- (i) International Hotels
- (ii) Commercial Hotels
- (iii) Residential Hotels
- (iv) Resort Hotels
- (v) Floating Hotels
- (vi) Capsule Hotels
- (vii) Airport Hotels

HOTELS AT WORLD LEVEL

International hotels are the modern western-style hotels located in almost all metropolitan and other large cities as well as principal tourist centres. These hotels are luxury hotels and reclassified on the basis of an internationally accepted system of classification. The hotels are placed in various star categories. There are five such categories ranging from five star to one star, depending upon the facilities and services provided. These hotels provide, in addition to accommodation, all the other facilities which make the stay a very comfortable and interesting experience. These facilities include well-appointed reception and information counter, banquet halls, conference facilities, etc. There are also a number of shops, travel agency, money changing and safe deposit facilities. Restaurant facilities, bars and banqueting are an integral part of the business of a hotel. The various services provided in these hotels include international and local cuisine, food and beverage service and speciality restaurant service. These hotels also provide entertainment for the guests in the form of various dance and music programmes, sports and games.

A number of these hotels belong to the luxury category. There are some international chains which own a large number of such luxury hotels. Hotels belonging to international chains are mostly owned by public companies and controlled by a

Board of Directors. These hotels have various departments which are managed by persons qualified and experienced in the field of hoteliering. The chief of the hotel designated as General Manager is responsible for the overall management and operation of the hotel through his departmental heads. International hotels are suitable for metropolitan cities and for other large business and commercial towns and principal tourist centres. The potential of these hotels is therefore limited to these areas. A number of this type of hotels have conference/convention facilities and are suitable for holding meetings, conventions and conferences.

Resort Hotels : Resort hotels cater to the needs of the holiday-maker, the tourist and those, who by reasons of health, desire a change of atmosphere. Resort hotels are located near the sea, mountain and other areas abounding in natural beauty. Rest, relaxation and entertainment are the key factors around which resorts are built. The primary motive of a person visiting them is rest and relaxation which he is looking for, away from his routine, busy work life.

The resort hotels, in order to provide special services to the visitors, are built to give a visitor special welcome and an atmosphere of informality. The type of services and amenities located in resort property include recreation facilities such as swimming pool, golf course, tennis courts, skiing, boating, surf-riding and various indoor sports. Other important amenities include coffee shops, restaurants, conference rooms, lounge, shopping arcade and entertainment. Emphasis in resort hotels, however, is on recreational facilities. The clientele of resort hotels is mostly persons with considerable income looking for relaxation and recreation. Resort hotels rarely attract commercial patronage.

Resorts can be of various types and can be classified on the basis of climate and topography. Broadly they fall in the following categories: (i) Summer resorts, (ii) Winter resorts (iii) Hill resorts, (iv) All season resorts, and (v) Health resorts.

A majority of the resort hotels are seasonal establishments which work to capacity during the high tourist season. Generally the high tourist season is the period when there are holidays at educational institutions. However, in recent years many of the resort hotels, with a view to extend the season, provide certain special facilities and various other concessions to the guests. The concessions provided include reduced tariffs, free entertainment, sightseeing, gifts, etc.

Commercial Hotels : The commercial hotels direct their appeal primarily to the individual traveller as compared to international or resort hotel where the focus is on group travel. Most of the commercial hotels receive guests who are on business although some have permanent guests. As the hotel caters primarily to people who are visiting a place for commerce or business, these are located in important commercial and industrial centres of large towns and cities. These hotels are generally run by the owners and their success depends on their efficient running and the comfort and facilities they provide. In some of the large industrial towns, fully licensed commercial hotels exist complete with restaurants, grill room, functional accommodation and a garage for those travelling by automobile.

Residential Hotels : These hotels can be described as apartment houses complete with hotel services. These are often referred to as apartment hotels. The tariff of rooms in these hotels is charged on monthly, half-yearly or yearly basis and is charged for either furnished or unfurnished accommodation. These hotels, which are located mostly in big cities, operate exclusively under the European plan where no meals are provided to the guests. These hotels were developed in the United States of America where people discovered that permanent living in hotels offers many advantages. Services and amenities provided in these hotels are comparable to those of an average well-regulated home. These are very popular in the United States and western Europe where these are also popularly known as Pension.

Floating Hotels : As the name suggests, these hotels are located on the surface of the water. It may be on the sea or on a lake. All the facilities and services of a hotel are provided here and these are very popular in many countries. In some countries old luxury ships have been converted into floating hotels and are very popular among tourists. The atmosphere they provide is exclusive and exotic. In India, floating hotels in the form of houseboats are very popular with tourists.

Capsule Hotels : Capsule hotel is the newest innovation in the budget hotel market. The first of its kind was opened in Osaka in Japan in the year 1979, as a spin-off of the 1970s fashion in Japanese architecture for capsules. These have now sprung up in increasing numbers in big cities of Japan.

The capsule is a box made of glass-reinforced plastic or cement, open either at one side or one end, in which are concentrated some of the functions of a traditional hotel room—bed, a clock, radio, TV, flexible lighting, a box for valuables and a miniature table for writing. Rooms in a capsule hotel generally are lined up in double-decker fashion along a central aisle as in a sleeping compartment of a train. Toilets and washrooms, vending machine room, and lounge are close by on each floor, of the hotel. The functions of each capsule are controlled and monitored by a central computer system and the security is controlled by close circuit TV cameras. The hotels cater mainly to business travellers. The low tariff and vintage locations are the major factors for their popularity. The hotels are well located near major transportation centres in Japan's largest cities.

Airport Hotels : Airport hotels, as the name suggests, are located near the airports primarily to cater to the needs of transit passengers, airport crew as also passengers of delayed or cancelled flights. The various facilities provided in these hotels are designed to offer comfort and convenience to the air travellers. The various services may include parking and shuttle service to and from the airport terminal. The hotels may also provide

services for business travellers for organising meetings, conferences and conventions etc.

Space Hotels : Space tourism is probably just another decade or so away. A brand new phenomenon in the hotel stay to be available in space travel would be called 'Skotel'. It would perhaps be the world's first airborne hotel. In the initial stages, space travel may start off as suborbital flights which would mean taking off in a shuttle and staying put in space for a few days. It may limit to flying off from an airport orbiting the earth once and then landing back on it. According to the International Institute of Tourism Studies, space tourism is broadly applied to the concept of paying customers travelling beyond earth's atmosphere. It can include parabolic flight, vertical suborbital flights, orbital flights lasting upto three days or week-long stays at a floating space hotel, including participatory educational, research and entertainment experiences as well as space sports competitions.

Many experts have conceived different designs and ideas regarding the structure of space hotels. Some experts feel that space hotels wouldn't be anything more than clusters of pre-fabricated cylindrical modules. Inside these cylinders there could be lots of fun. Since there would be zero gravity one may find the bar of the hotel merrily perched on the ceiling, while the other guests laze on the ground below. Studies are, however, going ahead on Space Hotel concepts. Some of these concept hotels including one called space Hotel Europe can room around 50 guests. Most travel specialists would advertise them as elevated or uplifted establishments, since space hotels would be above earth hotels simply because of the physical reality of being airborne or floating in space.

Supplementary Accommodation : Supplementary accommodation may be of various types other than the conventional hotel type. Although hotels have been and still are the principal form of accommodation, there has been a growth

and development of some other forms in various parts at the world. Supplementary accommodation can be classified on the basis of its location, type of construction, type of management, etc. A study of these indicates that their diversity is a reflection of the specific nature of each one and their names simply indicate various ways in which one and the same function can be fulfilled or a need can be satisfied.

Supplementary accommodation may be described as the premises which offer accommodation, but not the services, of a hotel. Services provided here is minimal and not comprehensive as in the case of hotel establishments.

All establishments under the heading of supplementary accommodation are designed to offer the possibility of stay overnight and meals in return for cash payment per day and on the basis of services provided. The standard of comforts is modest compared to that of a hotel. On the other hand, however, there are certain inherent advantages in this type of accommodation. The biggest advantage is that of price. It is moderately priced. In addition, the atmosphere is informal and there is more freedom with regard to dress, etc. There is also more emphasis on entertainment and sports resulting in increased social contact among the guests.

Supplementary accommodation plays a very important role in the total available tourist accommodation in a country and can cater to both international as well as domestic tourist traffic. In fact, in some countries more tourists utilise this type of accommodation than hotels. In France and Italy as also in some other countries in Europe and elsewhere there are more campers than there are hotel clients. The following are some of the principal forms of supplemental accommodation:

- (i) Motel
- (ii) Youth Hostel
- (iii) Camping Sites

- (iv) Pension
- (v) Bed and Breakfast Establishments and
- (vi) Tourist Holiday Villages.

Motel : The concept of motel and motel-hotel originated in the United States of America. Motel was meant for local motorists and foreign tourists travelling by road. Primarily designed to serve the needs of motorists, motels almost exclusively meet the demand for transit accommodation. They serve the function of a transit hotel except that they are geared to accommodate motor travelling guests for overnight stay. The important services provided by motels include parking, garage facilities, accommodation, restaurant facilities, public catering and recreational facilities. Hence all motels are equipped with filling stations, repair services, accessories, garages, parking space, "elevator service to the automobile, restaurants, etc. There are also equipment and tools available which the guest can use himself if he wishes to repair his vehicle. The price charged for accommodation and meals/refreshments is much cheaper as compared to that in hotels.

Motels are mostly located outside the city limits in the countryside along the main highway and preferably at an important road junction. Since these establishments cater mainly for persons travelling by road, their development is linked with the development of new motorways along which these are necessarily located. Motels are of different types. Some provide just the minimum services while others are well-furnished, with comfortable accommodation and excellent facilities. The accommodation provided is of a chalet type, which is furnished, having a dining hall and a fixed menu. Shopping facilities for travelling public are also provided.

In many countries, especially the United States of America, motel accommodation is ranked with hotel accommodation and subject to general standards applicable to the hotel industry. In countries like Norway, France, Ireland, Turkey, etc., specific

legislation has been introduced for motels. This includes requirements for the approval of plans, easy access of cars, minimum capacity, provision of restaurant where necessary, minimum standards for facilities and provision of petrol pump or service station where they exist and model classification standards similar to those for hotels. For instance, in France, there are three categories designated by stars, the classification being based on location, sanitary fittings and collective amenities. An increasingly important segment of the accommodation industry, motels are looked upon as a distinct asset, as these have enabled the industry to meet the changes in travel patterns and personal preferences of the modern day traveller.

Youth Hostels : Youth hostels made their first appearance in Germany in the form of a movement in about the year 1900. The movement which spread rapidly all over the world was based on the need of city youth to travel throughout the country. In order to provide some sort of accommodation and services the dormitories in the inns were equipped with cots, mattresses, sheets and blankets. Large rooms in inns were used as dining and living places providing full board at low cost to the guests. There was also provision of additional kitchen where travellers could prepare their own meals. Since the movement was started with a view to encouraging youth to travel in order to learn and know more about the country and also to socialise, it had an educational value. As such, no service was provided in the inn. The persons staying in the inn were themselves required to look after the inn. Subsequently, exclusive youth hostel buildings were constructed to accommodate young travellers.

A Youth hostel can be defined as a building which offers clean, moderate and inexpensive shelter to young people exploring their own country or other countries and travelling independently or in groups on holiday or for educational purposes. It is a place where young people of different social backgrounds and nationalities meet and come to know each other. The objective of youth hostels, therefore, is not merely to provide

accommodation and board, but also to serve as centres which offer an opportunity to young people coming from different parts of the country, as also young travellers from abroad, to know and understand each other. It is a place of friendship, recreation and out-of-school and college education.

The youth hostels are equipped to accommodate young men and women who travel on foot, by bicycle or other means of locomotion and who, at very little cost, are provided with a place to sleep, eat or to make their own meal. The services provided include accommodation, meals and also recreation. The charges for these services are very modest. The hostels are also equipped to enable the users to prepare their own meals if they so desire. The accommodation provided in the hostels is for a limited number of days.

In most countries, youth hostels are developed and managed by non-commercial organisations whose main aim is the development of youth tourism. Since World War II, the number of such hostels has increased greatly. These hostels are now planned to provide comfortable accommodation as also such other services and facilities which are required by youth. Also the number of those using these hostels has grown tremendously. Many hostels receive an increasing number of groups and organise stays for winter sports or sailing.

The construction of youth hostels is based on certain norms laid down from time to time all over the world. International requirements for these include provision of separate dormitories for men and women, appropriate and clean toilets, washrooms for both men and women, a kitchen where hostelers can prepare their own meals, common rooms, living accommodation for warden and a left-luggage room. There is also a provision of a kitchen where warden and staff can prepare meals to supply to hostelers, separate small room for instructors, a dining room and classroom for school parties and a warden's office. Some youth hostels have playgrounds attached for the use of hostelers.

The International Youth Hostel Federation has laid down certain minimum requirements for accommodation in the youth hostels. These include:

- (i) Separate dormitories for men and women with separate entrances;
- (ii) Separate toilets and washrooms for men and women with separate entrances;
- (iii) A members' kitchen where hostelers can prepare their own meals;
- (iv) A common room, separate from members' kitchen, wherever possible;
- (v) Living accommodation for warden(s), on the premises wherever possible.

Caravan and Camping Sites : Caravan and camping sites constitute a significant accommodation category in many holiday areas. These are very popular in some European countries as in the United States of America. These are also known as open-air hostels, tourist camps or camping grounds. Camping, originally practised by hikers on foot, is increasingly giving way to car camping.

The sites are usually located within the large cities in open spaces. Equipped to receive mobile accommodation in the form of caravans, the camping sites provide facilities for parking, tent pitching, water, electricity, toilet, etc. Though the services provided generally include restaurants, recreational rooms, toilets and at certain places a grocers shop, the type of services often vary from place to place.

Some countries have enacted legislation establishing the minimum facilities that must be provided and these include health and sanitation standards, prices to be charged for parking and use of various services and facilities.

Pension : This type of accommodation is very popular in certain European countries. Particularly in Italy, Austria, Germany

and Switzerland these establishments are used extensively by the tourists. Pension is also described as a private hotel, a guest house or a boarding house.

Catering facilities are optional and are usually restricted to the residents. Many of them stay for longer and definite periods such as a week or a fortnight. The reservation of accommodation is made in advance. Mostly managed by a family, a pension is much cheaper than a hotel.

Bed and Breakfast Establishments : Also known in some countries as apartment hotels and hotel garnis, they represent a growing form of accommodation units catering for holiday as well as business travellers. These establishments provide only accommodation and breakfast but not the principal meals. These are usually located in large towns and cities, along commercial and holiday routes and also resort areas and are used by en route travellers. Some of these are very popular with holiday-makers.

Tourist Holiday Villages : Tourist villages were established in some European countries after World War II. These are situated at warm seashores and in the regions which offer certain facilities for tourists. In Italy and Spain, tourist villages are located in the regions not economically developed, thereby helping the region economically. The villages are mostly promoted by important clubs, social and tourist organisations.

The village complex is a centre of accommodation providing extensive sports and recreation facilities, riding, swimming, tennis, volleyball, football, sauna, mini-golf, badminton, table tennis and yoga. These provide both board and lodging. The atmosphere in these villages is kept as informal as possible. Telephones, radios, newspapers and TV are banned unless there is an emergency. Wallets and other valuables are locked away at the beginning of one's stay.

The staff are chiefly educated young people who live on an equal basis with the holiday-makers. The accommodation

provided is usually in multiple units and many provide for self-catering. The furnishing provided in the rooms is minimal. The easy mixing of guests is encouraged by the banning of advance booking of tables in the village restaurants. One rarely finds oneself sitting with the same group twice.

The holiday villages are usually based on family units, each providing a convertible living room, bath/shower and sometimes a kitchen. The villages are self-sufficient, providing almost all necessities required by the residents. There is also a small shopping complex where one can buy articles of daily need. The services of a doctor are available. The accommodation is sold for a week or a fortnight at an all-inclusive price. In Spain and Italy, these are classified into three categories according to the services and amenities provided.

Time-share and Resort Condominiums : Through time-share and condominium concepts a tourist has a unique range of options for resort holiday and lodging. In the case of condominiums, a tourist owns a room or a suite within a condominium or hotel complex and uses the same as required by him or it can be rented to other tourists. The owned condominiums usually are within the complex of rooms or suites that are rented as regular hotel or resort rooms. It is difficult to tell the difference between an owned and a rented room.

Time-share on the other hand is a modification of condominium ownership. The units are owned partially. The time-share owner may own one-fifth of a unit thereby sharing the unit's use and costs. In some cases the owner may only purchase a certain set of weeks to use the unit. In other cases, a group of investors may jointly own a property through actual deeds. The time-share title implies that the unit is shared with others throughout the year.

Time-share began in the French Alps during the mid sixties. However, it was in USA that the concept began to take a proper shape. It is said that Time-share was born when distressed real

estate developers of United States in the Florida region, could not sell their second homes in the mid-seventies and decided to sell one apartment fifty times over for each week of the year. Holiday time-share brings a number of benefits not only to the buyer and developer but also to the holiday resort areas and the traditional suppliers of services to the holiday industry.

Today, time-share owners have the choice of trading the use of their units with others. This provides the owners a unique opportunity to vacation at comparable prices at destinations throughout the world. Many time-share companies are available to help time-share owners locate others interested in exchanging units.

Time-share today has become quite popular with holiday-makers especially with families. It offers high quality accommodation and associated amenities ideal for repeat visitors. It also offers better price and value than a hotel room for extended stays and is a hedge against room rate inflation. Time-share offers flexibility of use and a variety of experiences through exchange options as also peripheral benefits offered through an exchange company.

Regulation of Accommodation : Tourist accommodation is an important component of a tourist plant. As an individual product it is intangible, often bought in advance of its use. The tourist at the time of making purchases thus cannot inspect or accept or reject. Accommodation as such, raises some issues in its development and in its marketing, both as an individual product and as a part of a package.

It creates a need for reliable and accurate information for both the tourists and the travel agents, and therefore, may require supervision and control. An individual operator needs to bring information about his accommodation to the tourist before he sets off on his journey and also when he reaches his destination. Similarly the tourist on the other hand, needs to know in detail what accommodation is available at what price

in a particular destination from which he can make a choice about where to stay. Schemes of classification, registration and grading of the tourist accommodation are intended to meet these requirements.

The United Nations Conference on International Travel and Tourism held in Rome in the year 1963 also emphasised the need for some sort of regulation of accommodation with a view to safeguard the interests of the users. Considering that special attention should be given to relations between the public authorities and the operators of tourist accommodation facilities, the conference advocated the adoption of a hotel trade charter codifying the regulations applicable to the hotel industry and, in particular, giving official tourist organisations powers enabling them to perform the activities devolving on the state in that field.

The conference observed that many states classify tourist hotels or are considering doing so. Acting upon the recommendations put forward by the International Chamber of Commerce, the conference advocated the standardisation of methods of classification and in particular the subdivision of hotels into five categories, each identified by a conventional sign (stars) in conformity with the sets of standards appropriate to different climatic conditions. The conference also considered the question of classifying supplementary means of accommodation such as tourist bungalows and camps.

Registration : The aim of registration is to provide a complete list or register of tourist accommodation within a particular definition. A registration scheme results in an inventory of accommodation which can be kept up-to-date. In order to be comprehensive, it normally has to have statutory legal authority and is administered by a government authority or a statutory body. Because of the wider range of accommodation used by the tourists, a scheme of registration should normally cover all forms of accommodation used by them.

Gradation : Grading separates accommodation into different categories or grades, on the basis of judgements such as standards of amenities and service. A grading scheme provides qualitative judgements on the amenities and facilities of a particular accommodation unit in a form which enables the user to choose the quality of accommodation he requires. This may refer to the physical facilities, food and other services of the establishment, various amenities provided, etc. The establishments are graded individually or collectively by way of giving them numbers, letters or symbols.

Classification : The chief aim of classification is to maintain standardisation of services and security for tourists. By establishing uniform standards of classification, it is easier for all concerned with tourism (tour operators, travel agents, tourist enterprise and tourists themselves) to know exactly what standard of services is offered by each hotel (according to the number of stars) thus leading to more effective uniformity both in statistics and in regulatory and control standards. The adopted scheme envisages that hotel establishments are to be divided into five categories, symbolised by stars, and based on objective standards. The categories are assigned on the basis of two types of requirements:

- (i) minimum requirements common to all categories, as stated in the classification scheme, concerning health, sanitary, material and staff standards;
- (ii) minimum requirements for each category, expressed as specific conditions for the hotel (as a building), the rooms, additional accommodation, facilities and guest service. The classification scheme is intended as a guide for National Tourism Administrations in their efforts to perfect a classifications system in collaboration with the hotel sector, on the basis of the principles set forth in the scheme. The classification system is to be adopted in a flexible manner so that any establishment failing to

comply with a particular, though not fundamental requirement, would not be downgraded provided it complied with all other requirements.

International Hotel Association (IHA) : Founded on 18th March, 1946 in London on the initiative of Societe Suisse des Hoteliers, the International Hotel Association (IHA) replaced the International Hotel Mens Association set up in June 1869 and International Hotel Alliance set up in April 1925. The main aim of the new association was to bring together members who could be of mutual benefit to each other. The IHA was registered by a French Ministerial Decree of 23 September 1949 having its headquarters in Paris.

The priority objectives of IHA include the protection and coordination of hotel interests in their relations with travel agencies who often play an important intermediary role between hotels and clients. Through the IHA/UFTAA Convention, there is a formal codification and confirmation of international practice governing relations between hoteliers and travel agencies. It informs hoteliers on their rights concerning payment, commission, cancellation, late arrival or no-show and relevant compensations.

Membership : IHA has a membership spanning 160 countries, comprising hotels and restaurants whether chains, both national or international, or individual establishments, who wish to participate directly in the Associations activities, even whilst being represented by their National Associations.

In addition, there are hotels and tourist personalities as individual members. Affiliates like hotel schools, training centres, tourist organisations, suppliers and services companies etc. also participate in IHA activities. The Association today represents more than 700,000 hotels and restaurants throughout 160 countries and more than seven million hotel industry wage earners.

There are over 90 National Hotel Association members of

the IHA. Each Association has the right to send delegates to vote their numbers being determined by the number of hotels who are members of the Association in the respective country. Independent hotels, which constitute about 80 per cent of IHA membership, are entitled to the numerous services offered to IHA.

All members receive a personalised membership card which entitles them to 25 per cent discount on accommodation in IHA member hotels.

Objectives and Aims : The aims of IHA include the following:

- (i) to federate National Hotel Association of all countries;
- (ii) to study problems affecting the international hotel industry and international tourist traffic including re-establishment of free traffic, economic policy for hotels and restaurants, hotel guides, international currency exchange, hotel insurance and conditions of work and personnel;
- (iii) to create an international employment service for qualified hotel personnel and for the exchange of apprentices;
- (iv) to inform members of international problems concerning hotels; and
- (v) to give commercial information concerning travel agencies.

The Structure : The association has a General Congress which meets at least every two years, an Executive Committee consisting of 30 members and a Council having 180 members. The Association is headed by the President and assisted by a Deputy President and five Vice Presidents. There is a General Secretariat responsible for looking after administrative and personnel matters. Planning and Finance Committee looks after all matters pertaining to finances including membership. Publications Committee is responsible for various publications of the association and their distribution. In addition, the following

Functional Committees look after various subjects of the Association:

- (a) Industry Economic Committee;
- (b) Sub-Committee on Computerisation;
- (c) Travel Agencies and Commercial Relations Committee;
- (d) Seasonal and Resort Hotels Sub-Committee;
- (e) Legal Committee; and
- (f) Labour Relations and Training Committee.

One of the most important activities of IHA is, however, the provision of a wide range of practical services for hoteliers interested in attracting business from all over the world. The services include the following:

Annual IHA international meetings are held where the most pressing issues confronting the large hotel chains", individual hotel owners, and service and supply companies are addressed. These meetings provide an ideal environment in which members can exchange valuable ideas, promote individual properties, and discuss specific problems and concerns of the industry.

International Hotel Guidebook : An annual listing of all IHA members is provided to members free of charge. The guide is an automatic sales tool: used by travel agents, hoteliers, airlines, international corporations and business and professional offices worldwide promoting all the properties and services listed. *Hotels & Restaurants International*, a bimonthly magazine published in the US, with a special IHA section in every issue. This magazine keeps the industry well informed of all the activities of the IHA, its members and councils.

International Bibliography : A publication listing books in western languages concerning hotel-related information, administration, proper management, hotel catering, etc. available to members upon request.

The World Directory of Travel Agents, a valuable reference book for hoteliers, listing 6,000 reliable travel agencies approved by the IHA. All listed agencies must belong to their national association, and must be in business for at least one year.

Debt Recovery Service is available to members upon request. The IHA intervenes and assists member hotels to claim payments overdue from foreign travel agencies.

Statistical Service on Payment Incidents, is a subscription service offered to members. Monthly lists are provided of at least 100 slow-paying travel agencies worldwide. Confidential information concerning travel agents is available upon request.

International Hotel Training and Staff Placement: The IHA brings together hoteliers and distinguished specialists in hotel education. The IHA offers a hotel trainee network that facilitates the mobility and coordination of hotel training worldwide. The network also organises introductions for the placing of upper management.

Documentation Centre: The IHA provides members with a wide and varied range of information on the hotel and tourism industries. For example, the IHA member may obtain lists of hotel publications, information on public utility charges, tariffs and all relevant hotel and industry material.

Address Labels of travel agencies worldwide are available to members for promotion and sales use at a small fee.

IHA Membership Card: This card entitles the member to a 25 per cent discount on accommodations in other IHA member hotels worldwide. It encourages referral business the year round and is a valuable sales tool in low seasons.

Accommodation Volume and Use : The number of rooms that are available to the travelling public within lodging facilities varies from country to country and from region to region. Within a country most of the accommodation units will be located where the demand for these is very big.

The demand will be more near the location of tourist attractions both natural or man made. Internationally the demand for accommodation will be more pressing in the regions which receive more tourists. Today Europe and America are the regions which receive maximum share of world tourists and it is here that the largest number of accommodation units are located.

According to World Tourism Organisation (WTO) estimates, or a survey conducted by them, the total capacity of hotels and similar establishments like motels, boarding houses and inns is over 20 million bed places.

The largest accommodation capacity is, however, available in the continent Europe which is about 10 million bed places in the hotel industry proper. This constitutes about half of the total bed places available all over the world. The explanation for this is that the demand for both international and domestic tourists in Europe is maximum.

In several European countries, hotel development is concentrated in small and medium-sized hotel constructions. In many countries, within the framework of general expansion of the accommodation sector, the increase in hotel accommodation was outstripped by the increase in supplementary means of accommodation, such as camping and caravan sites, rented rooms, apartments, etc.

This type of accommodation has become the main provider of lodging for domestic tourism and has also started to play a very-significant role in international tourism. In America the total capacity of hotels and similar establishments increased significantly in several countries of the regions.

In East Asia and the Pacific region, several countries are currently enjoying a hotel-building boom. In South Asia, the countries of the region are undertaking great efforts to develop the accommodation sector. In the Middle East, hotel construction

in the region is mainly concentrated on luxury-class hotels intended chiefly to cater to business travellers. In view of the high profitability, there are many hotel projects which are under construction. In the African region, accommodation facilities are concentrated in the northern part of the continent.

CHANGING SCENARIO

The accommodation sector has undergone substantial changes in recent years. New developments in tourism and transportation, changes in the organisation of travel and technological innovations are some of the factors which are responsible for these changes. In addition, increasing consumer demand among tourists, due in turn to the improvement in living standards and economic conditions, has also changed the profile of the accommodation sector.

All the above factors seem to have influenced the structure of the hotel industry as a whole. The tendency among middle-income groups to take a holiday at any time of the year has encouraged accommodation operators to offer novel kinds of arrangements which are now available in addition to traditional hotel accommodation.

New types of accommodation, particularly holiday villages suitable for family-type tourists, condominiums and apartment houses, private villas and camping facilities have proved very successful and to a certain degree are replacing traditional hotels and boarding houses.

These changes reflect changes in demand with new, often younger, groups entering the international travel market and also new approaches to the problem of providing facilities in every competitive industry with a highly seasonal demand. The probable future developments in the accommodation sector were the subject of study undertaken in WTO's research programme. Some conclusions which emerge from the study are as follows:

- (a) a significant growth in accommodation supply will continue to be contributed by chain operators, including airlines. This expansion will result mainly from the further development of management contracts and franchise agreements;
- (b) there will be a continuing move towards the further diversification of accommodation. The development of budget accommodation, covering budget hotels, and also supplementary means of accommodation, is likely to continue as mass tourism stimulates new demands for competitively-priced accommodation;
- (c) rising building and operating costs, growing environment and conservation pressures, as well as the need to keep staffing levels at a minimum, will influence design and construction of accommodation units;
- (d) the standard of accommodation will continue to rise. Demand for recreational and sporting facilities will increase in both business and leisure accommodation;
- (e) advances in technology will both influence the traditional construction methods, for example, more frequent use of prefabricated building techniques, as well as traditional methods of hotel operations.

In recent times, several environmental problems have come to be recognised in the accommodation sector. Several environmentalists as well as users of accommodation are demanding that environmental issues associated with accommodation industry should be addressed properly. Tourists visit different places of tourist interest and consume various products they buy.

The consequences of the pressure of consumers on tourist services results in putting pressure on the environment. However, with few exceptions, industry owners are taking various steps to address the environmental issue in its proper perspective.

The various policies for the accommodation industry cover areas like environmental protection, energy conservation, waste reduction, emission reduction, recycling of waste, reduction of chemical usage and awareness and education of employees and the guests about environment.

The best possible arrangement is that the commitment for environment should have full support of the top management and that it should start with them. It should be an integral part of management practice and be communicated to all personnel. Once this is agreed, corporate policies can be implemented through management techniques such as environmental audits. A proper and formal monitoring system that can be adopted to achieve the best possible results.

HOTELS AS AN INDUSTRY

Definition : “Hotel” or “Inn” is defined by British law as a “place where a bonafide traveller can receive food and shelter, provided he is in a position to pay for it and is in a fit condition to be received.” Hence, a Hotel *must provide* food (and beverage) and lodging to travellers on payment and has, in turn, the right to refuse if the traveller is drunk, disorderly, unkempt, or is not in a position to pay for the services.

Origin : The hotel industry is, perhaps, one of the oldest commercial endeavours in the world. The first inns go back to the sixth century B.C. and were the products of the urge to travel, spurred by the invention of the ‘wheel’.

The earliest inns were ventures by husband and wife teams who provided large halls for travellers to make their own beds and sleep on the floor. They also provided modest wholesome food, thirst-quenchers like wine, port, ale, etc. and stabling facilities. Entertainment and recreation were provided by the host’s wife or his wench. The entire cooking service, and recreation was provided by the husband and wife team and his family.

These conditions prevailed for several hundred years. The advent of the Industrial Revolution in England brought ideas and progress in the business of inn-keeping. The development of railways and steamships made travelling more prominent. The Industrial Revolution also changed travel from social or government travel to business travel. There was a need for quick and clean service.

The lead in hotel-keeping was taken by the emerging nations of Europe, especially Switzerland. It was in Europe that the birth of an organised hotel industry took place in the shape of chalets and small hotels which provided a variety of services and were mainly patronised by the aristocracy of the day.

In early England, public houses were normally called “inns” or “taverns”. Normally, the name “inn” was reserved for the finer establishments catering to the nobility and clergy. The houses frequented by the common man were known as “taverns”. In France, a similar distinction was made with the finer establishments known as “hoteleries” and the less pretentious houses called “cabarets”.

The word “hostel” was used after the Norman invasion derived from “host”. The “hosteler” was the head of the hostel whereas the same position was called the “innkeeper” in England. The word “hotel” was used in England in about 1760 after a passage of over 80 years. In America lodging houses were called “inn” or “coffee house”.

The real growth of the modern hotel industry took place in the USA beginning with the opening of City Hotel in New York in 1794. This was the first building specially erected for hotel purposes. This eventually led to great competition between different cities and resulted in frenzied hotel building activity.

Some of the finest hotels of the USA were built in this era, but the real boom in hotel building came in the early twentieth century. This period also saw the beginning of chain operations

under the guidance of E.M. Statler. It involved big investments, big profits and trained professionals to manage the business.

The Depression in 1930 had a disastrous effect on the hotel industry. It was felt that the hotel would never recover; but the outbreak of World War II brought a tremendous upsurge. This prosperity continued through the war years into the fifties, when two new concepts emerged:

- (1) Motels,
- (2) International chain operations.

While the growth of motels was restricted to the North American continent, international chain operations spread into all continents. Individual entrepreneurs found themselves crushed in this race for a multi-dimensional, multi-national industry. International chains could provide the expertise technology and marketing thrust that individual owners could not provide. Individual owners thus merged themselves with large international chains such as Sheratons, Hiltons, Hyatt, Holiday Inn, Ramada Inn, etc. These international chains provided the following services to individual owners:

1. Partnership—sharing equity and profits.
2. Franchise—providing “name” and “association” and marketing services in exchange for franchise and marketing fees.
3. Management—expertise in management, professional managers, technicians, manuals, systems, etc. on the basis of management fees and share of profits as “incentive” payment.
4. Marketing—active selling, chain benefits, reservation tie-ups, etc. on payment for marketing fees and incentive payment.

Today’s hotel caters to all the needs and wishes of a guest and the future holds promise for a further mushrooming of modern hotels.

KINDS OF HOTELS

Hotels may be categorised depending upon factors such as:

1. Location
2. Number of rooms
3. Type of plan room rates that are quoted
4. Type of clientele
5. Length of guest stay
6. Facilities that it offers.

Categorisation by Locations

Downtown Hotel : It is located in the heart of the city within a short distance of the business centre, shopping areas, theatres, public buildings, etc. Rates in these hotels are normally high due to their locational advantage and also due to the fact that the rate of return on investment (ROI) computed on these capital intensive hotels is substantially high. Normally business clientele prefer such hotels.

Suburban Hotel : Located in the suburbs, it has the advantage of quieter surroundings. Rates quoted are moderately low. Such hotels are ideal for limited budget travellers and also organisations who find the quiet setting ideal for conferences, seminars, educational programmes, etc.

Resort Hotel : This type of hotel is located in the hills or at beaches. It is mainly patronised by vacationers. Basic facilities are provided and the rates offered are often on American Plan, i.e. room plus all meals included.

Airport Hotel : As the name suggests, these hotels are situated at the airport and are ideal for transit passengers who have only a few hours in the city making it impossible for them to stay in a downtown hotel. Rates are on European plan, i.e. charges for room only.

Motel : This term is derived from the phrase, “motor hotels”,

which are located principally on highways. They provide modest boarding and lodging to highway travellers. The length of stay is usually overnight, thus rates quoted are on European plan. i.e. room only.

Inns : They are smaller in size with modest board and lodging facilities. They may be located anywhere within or outside the city. They are the forerunners of the modern motel.

Categorisation by Number of Rooms : The capacity of a hotel in terms of the number of rooms is a yardstick for the categorisation of the hotel by "Size". Hotels with 25 rooms and less may be termed "small"; those with 25 to 100 may be called "medium"; those with 101 to 300 are called "large". Hotels with over 300 rooms which are very common these days, may be termed "very" large.

Categorisation by Type of Plan : Hotels are categorised according to the type of plan, they offer. We thus have hotels on European plan. American plan or Continental Plan for a discussion of plans. These plans are decided by the hotel on a variety of factors including type of clientele, length of stay and average customer preference.

Categorisation by Type of Clientele : We often hear in hotel parlance, the terms such as Group hotel, Commercial hotel, Family hotel, etc. This categorisation is based on the type of patronage. Group hotels cater to groups and thus their rates would be on American Plan. Commercial hotels cater to mostly businessmen and are on European Plan. A family hotel would again be on American plan. Such hotels are normally situated in resort cities.

Categorisation by Length of Guest Stay : This categorisation of hotels further be divided into three sub-groups:

- (1) Transient hotels where a guest can register for a day or even less (airport hotels could be termed thus);
- (2) Residential hotels where guests stay for a minimum

period of one month the hotel signs a detailed lease with the customer;

- (3) Semi-residential hotels which incorporate the features of both the transient and residential hotels.

Categorisation by Facilities the Hotel Offers : Facilities offered by hotels may be the most important criteria for classifying hotels. Some countries adopt the star rating system. Thus, a five star hotel which is the highest rating will provide facilities such as central air-conditioning, attached bathrooms with hot and cold water, channel music, wall-to-wall carpeting, shopping arcade, health club, swimming pool, sports facilities and a variety of restaurants and bars including a coffee shop, speciality restaurant, grill room, etc.

These are just some of the criteria for star rating. Certain such facilities are denied as the star rating of the hotels goes lower and lower. They may be excluded for a variety of reasons such as cost, level of business, etc.