Modern Hotel Operations Management 1st edition Chibili Test Bank

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Chapter 2

1

MC-QUESTION

LEVEL: Understanding

QUESTION: The Michelin Red Guide is the oldest and best-known European hotel and restaurant guide. It was created to encourage travelling by road in France, and began reviewing restaurants anonymously by means of a three-star system in 1926. It uses five criteria to grant its stars.

Which of the following **IS NOT** one of the five criteria?

CORRECT: The quality of the service

INCORRECT: The quality of the ingredients

INCORRECT: The value for money

INCORRECT: The consistency of culinary standards

FEEDBACK: The Michelin Red Guide, grants its (one to three) stars on the basis of five criteria: the quality of the ingredients, the flair and skill used in preparing them in a combination of flavours, the chef's personality as revealed through his cuisine, value for money, and the consistency of culinary standards. The stars reflect "what's on the plate and only what's on the plate". In other words, their award does not take into consideration the restaurant's décor, or the quality of the service, amenities and equipment or availability of valet parking provided.

REFERENCE: Section 2.2.1 The emergence of rating systems

KEYWORD: Michelin Red Guide criteria

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MC-QUESTION

LEVEL: Knowledge

QUESTION: The American Automobile Association (AAA) uses diamonds to rate lodging properties. The following text is the definition of one of the diamond levels:

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“These establishments appeal to the traveller with comprehensive needs. Properties are multifaceted and have a distinguished style, including marked improvements to the quality of physical attributes, amenities, and levels of comfort provided”.

Which of the AAA diamond level is defined by the text?

CORRECT: Three Diamonds

INCORRECT: Five Diamonds

INCORRECT: Two Diamonds

INCORRECT: Four Diamonds

FEEDBACK: This is a straight definition of the Three Diamonds in the AAA rating of lodging properties as included in their Approval Requirements & Diamond Rating Guidelines, 2008.

REFERENCE: Section 2.2.1 The emergence of rating systems

KEYWORD: AAA criteria

3

MC-QUESTION

LEVEL: Knowledge

QUESTION: Under the banner of which classification association were the 21 principles for the setting-up and/or reviewing hotel classification systems set up?

CORRECT: The Hotelstars Union

INCORRECT: The American Automobile Association

INCORRECT: The Automobile Association (UK)

INCORRECT: The North Star Travel Media

FEEDBACK: Many European countries are now a part of the Hotels, Restaurants and Cafés (HOTREC) in Europe organisation established to help unify European hotel rating systems. Under the banner of the Hotelstars Union the hotel associations have been committed to applying almost identical criteria for their hotel classification since 2010, and the 21 HOTREC principles for the process of setting-up and/or reviewing national/regional hotel classification systems in Europe were adopted in 2009.

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REFERENCE: Section 2.2.1 The emergence of rating systems

KEYWORD: HOTREC Principles

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MC-QUESTION

LEVEL: Knowledge

QUESTION: How many pillars are found in the World Hotel Rating project's declaration of intention of November 2011?

CORRECT: 6

INCORRECT: 8

INCORRECT: 4

INCORRECT: 10

FEEDBACK: The World Hotel Rating (WHR) project aims to set international classification standards and rating criteria along the lines of a world star-rating system. It has in its November 2011 declaration, 6 pillars which are: Universal language of hospitality; Diversity, multiculturalism and innovation; International transparency; Satisfaction of guests of all ages and enhanced quality; Sustainable Tourism; and lastly, Equitable Tourism Declaration

REFERENCE: Section 2.2.1 The emergence of rating systems

KEYWORD: World Hotel Rating pillars

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MC-QUESTION

LEVEL: Understanding, application)

QUESTION: Hotel rating systems are considered not to be very effective in assessing quality due to various reasons. However, these rating systems can be considered to be reliable under certain circumstances.

On what does the reliability of a hotel's rating primarily depend?

CORRECT: Its review frequency

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INCORRECT: Its star level

INCORRECT: Its customer segments

INCORRECT: Its management style

FEEDBACK: As indicated in the text, the reliability of a hotel's rating depends on how frequently such a hotel is reviewed. Some countries, such as Germany, review hotels every three years while others have less strict requirements and only conduct on-site reviews by request or after receiving complaints.

REFERENCE: Section 2.2.3 The effectiveness of rating systems in assessing quality

KEYWORD: Hotel rating reliability

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MC-QUESTION

LEVEL: Understanding

QUESTION: Many accommodation types are classified as hotels, and there are two main reasons for classifying hotels. The first one is to analyse the market sector and as such help in making comparisons, carrying out performance analyses, determining customer needs, identifying market gaps and establishing future strategies.

What is the second main reason?

CORRECT: To describe the type of hotel for advertising purposes

INCORRECT: To describe the type of hotel for managing purposes

INCORRECT: To describe the type of hotel for investing purposes

INCORRECT: To describe the type of hotel for communicating purposes

FEEDBACK: There are two main reasons for classifying hotels as indicated in the chapter. The stem contains the first reason and the second main reason is to describe the type of hotel for advertising purposes thus bringing the hotel to the attention of customers and potential customers.

REFERENCE: Section 2.3 Classification

KEYWORD: Hotel classification reasons

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MC-QUESTION

LEVEL: Understanding

QUESTION: Hotels can also be managed under management contracts, which generally occur with already existing hotels entering into agreements with other hotel operators to provide professional management services, thereby agreeing to pay fees for these services and these are long-term agreements. Such contracts have basic advantages and disadvantages to both the owners and the operators. One such advantage or disadvantage is “low downside risk”.

How is this low downside risk considered?

CORRECT: Operator advantage

INCORRECT: Owner advantage

INCORRECT: Operator disadvantage

INCORRECT: Owner disadvantage

FEEDBACK: The low downside risk is shown in Figure 2.5 as an operator advantage.

REFERENCE: Section 2.3.2 The ownership and management

KEYWORD: Management contracts

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MC-QUESTION

LEVEL: Understanding

QUESTION: Hotels can also be managed under management contracts, which generally occur with already existing hotels entering into agreements with other hotel operators to provide professional management services, thereby agreeing to pay fees for these services and these are long-term agreements. Such contracts have basic advantages and disadvantages to both the owners and the operators. One such advantage or disadvantage is “quality management and recognition”.

How is the quality management and recognition considered?

CORRECT: Owner advantage

INCORRECT: Owner disadvantage

INCORRECT: Operator disadvantage

INCORRECT: Operator advantage

FEEDBACK: The quality management and recognition is shown in Figure 2.5 as an operator advantage.

REFERENCE: Section 2.3.2 The ownership and management

KEYWORD: Management contracts

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MC-QUESTION

LEVEL: Knowledge

QUESTION: What is the name of the type of lodging with features unavailable at standard hotels, and designed to provide a more domestic feeling with matching amenities, such as fully-fledged kitchens, dishes, refrigerator and laundry facilities called?

CORRECT: Extended stay hotels

INCORRECT: Residential hotels

INCORRECT: All-suite hotels

INCORRECT: Full service hotels

FEEDBACK: Extended stay hotels are a type of lodging with features unavailable at standard hotels, designed to provide a more domestic feeling and matching amenities, such as fully-fledged kitchens, dishes, refrigerator and laundry facilities. Extended stay hotels cover the range of hotels from economy to luxury. In such hotels, room rates are determined based on duration of stay, and they have no on-site food and beverage outlets.

REFERENCE: Section 2.3.3 Facilities and functions

KEYWORD: Extended stay hotels

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MC-QUESTION

LEVEL: Knowledge

QUESTION: Some hotels often combine luxury facilities in unique or intimate settings with full service accommodations, and are typically furnished in a stylish and themed manner, most frequently operated independently, and focussed on offering their services in cosy, friendly, and warm settings.

How are such hotels called?

CORRECT: Boutique hotels

INCORRECT: All-suite hotels

INCORRECT: Convention hotels

INCORRECT: Spa and health hotels

FEEDBACK: Boutique hotels, which are also called design or lifestyle hotels, are hotels, which often combine luxury facilities in unique or intimate settings with full service accommodations. They are typically furnished in a stylish and themed manner, and are most frequently operated independently. They are focussed on offering their services in cosy, friendly, and warm settings.

REFERENCE: Section 2.3.3 Facilities and functions

KEYWORD: Boutique hotels

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MC-QUESTION

LEVEL: Knowledge

QUESTION: Smith Travel Research (STR) uses a flexible format that relates the levels of the actual or estimated average daily rate to the number of hotels within the given market to define the class of hotels found there. Based on this format, they have defined different classes of hotels within the US hospitality industry depending on whether the hotels are metro-based markets, or non-metro-based (rural) markets.

How are hotels in the top 30% ADR level regarded in their non-metro market classification?

CORRECT: As upscale hotels

INCORRECT: As luxury hotels

INCORRECT: As economy hotels

INCORRECT: As budget hotels

FEEDBACK: This classification is shown in Figure 2.7 and they are classified as follows: Top 30% - Upscale; Next 30% - Mid-price; Next 20% - Economy; and lastly, Lowest 20% - Budget. Luxury hotels are at the topmost level instead within the metro markets.

REFERENCE: Section 2.3.5 Price or standard

KEYWORD: Smith Travel Research

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MC-QUESTION

LEVEL: Knowledge

QUESTION: According to the HOTREC's hotel star rating criteria, having a safe in a room is one of the conditions.

From which star level is it obligatory to have a safe in a hotel room?

CORRECT: Five stars

INCORRECT: Two stars

INCORRECT: Three stars

INCORRECT: Four stars

FEEDBACK: The criteria are shown in Text 2.6, and having a safe in a room is included only within the five stars criteria

REFERENCE: Section 2.3.6 Rating

KEYWORD: HOTREC criteria

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MC-QUESTION

LEVEL: Knowledge

QUESTION: Which type of hotels are specifically designed to provide a certain degree of seclusion, retirement or solitude?

CORRECT: Retreat hotels

INCORRECT: Secret hotels

INCORRECT: Trophy hotels

INCORRECT: Exclusive use hotels

FEEDBACK: Retreat hotels are hotels that afford peace, quiet, privacy, or security, thereby permitting the guests some degree of seclusion, retirement, or solitude.

REFERENCE: Section 2.3.7 Property distinctiveness, theme, alternative accommodation

KEYWORD: Seclusion

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MC-QUESTION

LEVEL: Understanding

QUESTION: The following is a definition provided by Wheelen and Hunger (2008). "The fundamental, unique purpose that sets a company apart from other firms of its type and identifies the scope of the company's operations in terms of products (including services) offered and markets served".

What statement did Wheelen and Hunger (2008) define?

CORRECT: Mission statement

INCORRECT: Strategy statement

INCORRECT: Values statement

INCORRECT: Vision statement

FEEDBACK: The mission statement is simply the declaration of the organisation's mission, and its definition as per Wheelen and Hunger (2008, p. 12) is contained in the stem to the question.

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REFERENCE: Section 2.4.1 Mission, vision, values, goals, objectives and strategy

KEYWORD: Unique purpose

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MC-QUESTION

LEVEL: Understanding

QUESTION: What is the name of the statement used to indicate the ideal that stretches the organisation's resources but is both inspiring and attainable?

CORRECT: Vision statement

INCORRECT: Strategy statement

INCORRECT: Mission statement

INCORRECT: Values statement

FEEDBACK: Contained in a statement, an organisation's vision describes what the organisation aspires to become. It provides a future direction for the organisation. It describes where the organisation desires to be in the future. It establishes an ideal that stretches the organisation's resources but is both inspiring and attainable.

REFERENCE: Section 2.4.1 Mission, vision, values, goals, objectives and strategy

KEYWORD: Ideal, inspiring, attainable

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MC-QUESTION

LEVEL: Knowledge

QUESTION: Within the hospitality industry, levels of management are commonly split into three.

Which level of managers amongst the three common levels of management are also called supervisory managers?

CORRECT: Line managers

INCORRECT: Top managers

INCORRECT: Middle managers

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INCORRECT: Tactical managers

FEEDBACK: Supervisory managers or line supervisors are at the bottom of the management ladder. Line supervisors have the primary role of planning and managing work; they are generally in close contact with frontline staff, whose activities are supported, coordinated and facilitated by frontline supervisors

REFERENCE: Section 2.4.2 Hotel organisational structures and charts

KEYWORD: Levels of management

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MC-QUESTION

LEVEL: Understanding

QUESTION: In reviewing hotel organisational structures, the fewer the management levels within a hotel, the _____ it will be in completing its tasks and projects.

CORRECT: more effective

INCORRECT: less effective

INCORRECT: more authoritative

INCORRECT: less authoritative

FEEDBACK: Large hotel organisations tend to have tall organisational structures containing many management levels, while small organisations have flatter organisational structures. In the text, it is indicated that the fewer the management levels, the more effective the organisation will be in completing its tasks and projects.

REFERENCE: Section 2.4.2 Hotel organisational structures and charts

KEYWORD: Organisational structures

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MC-QUESTION

LEVEL: Knowledge

QUESTION: In hotel guest segmentation, a hotel guest can be categorised under the three main headings of purpose, numbers and _____ at any given time.

CORRECT: origin

INCORRECT: gender

INCORRECT: age

INCORRECT: wealth

FEEDBACK: Hotel guests are generally classified according to their numbers, the purpose of their trips and their origins. Figure 2.11 illustrates the classification types, and it should be noted that a hotel guest can be categorised under the three main headings of purpose, numbers and origin at any given time.

REFERENCE: Section 2.5.1 Types of hotel guests

KEYWORD: Guest segmentation

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MC-QUESTION

LEVEL: Knowledge

QUESTION: Based on bedding categories, in the United States, the Caribbean, Canada and Mexico, what type of room will contain a bed measuring 72 inches wide by 78 inches long?

CORRECT: California King

INCORRECT: King

INCORRECT: Queen

INCORRECT: Twin

FEEDBACK: Text 2.14 provides an insight into the types of guest rooms commonly in use in the United States, the Caribbean, Canada and Mexico. Based on bedding categories, King measures 72 by 72 inches; California King is 72 inches wide by 78 inches long; Queen is 60 inches wide and 72 inches long; and Twin is supposed to be 36 inches wide and 72 inches long, but it can also describe a bed that is only 32 inches wide.

REFERENCE: Section 2.5.2 Rooms differentiation

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KEYWORD: Guest room types

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MC-QUESTION

LEVEL: Knowledge

QUESTION: Market segments are generally established based on behavioural, demographic, geographic, and _____ factors.

CORRECT: psychographic

INCORRECT: public

INCORRECT: physical

INCORRECT: psychologic

FEEDBACK: Market segments are generally established based on the following factors and example: behavioural factors such as benefits, features, loyalty, occasion and usage; demographic factors such as age, gender, income, lifestyle and occupation; geographic factors such as climate, population, region and size; and psychographic factors such as activities, social interests and values.

REFERENCE: Section 2.5.3 Market segmentation

KEYWORD: Market segments

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