

## A study on hotel industry and bar services

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### Abstract

The hotel sector occupied a pivotal place in the Indian service industry and has witnessed a tremendous growth during the recent decade. According to a report, the country comprising a total room number of 99,301. This marked an increase of 97 hotels and about 13,180 rooms compared to 2012-13 survey. In India, Hotel industry plays a pivotal role towards boosting the economy. It is one of the biggest foreign exchange breadwinners to the country and also one of the largest employers. The current paper highlights the significance of hotel industry and its services.

**Keywords:** study, hotel industry, bar services

### 1. Introduction

The four pillars of the hospitality business are supply, demand, occupancy and average rate. They are key indicators when assessing the past, present and future of any hotel market. On a nationwide basis, branded or organized supply grew at a CAGR of 17.8% over the past five years. Demand for these rooms grew at 17.6% for the same period. Resultantly, India-wide occupancies moved from 59.3% in 2011-12 to 57.8% in 2012-13 and had closed at 58.9% in 2013-14.

Hospitality operations determine as service industry are usually involved in economic activities by selling the hotel products like room, food in a restaurant and other product and services. It also determine as lodging industry which provides hospitality services to guests and has the potential to generate revenue and foreign exchange.

To retain customer the guests should receive brand of hotel hospitality at the onset, this can mean repeated patronage in the future. The guest remains in contact with the front desk all the way through their stay for all types of information, queries and help. The activities of the front office department include: processing the reservation requests of the guests, room reservations, amendments and cancellations, receiving guests at the time of their arrival, registration of guests and the assignment of rooms, handling guests' luggage from the guest vehicle to the assigned room on arrival and from the guest room to the vehicle at the time of departure, accepting guests valuables for keeping in safety deposit lockers, delivering messages and mails of in-house guests, handling guests room keys, guest paging, posting and verifying the room charges in guest folio, providing information to guest about products and services of the hotel, arranging postage and courier of mails and other documents, making travel arrangement like sightseeing tours etc. for guests; preparing, presenting and settling guests bills at the time of departure; providing left luggage facility, changing rooms etc.

Most hotels operate around the clock with service of food and beverage being done in the rooms. Some hotels have valet and butler service under the purview of room service. Special floors for club members and VIPs have special room service facilities, and these may be operated from floor pantries. In some hotels, there may be limited food and beverage service in specific lounges, foyers or in the body for guests who like to relax in less

formal surrounding and also for those waiting for table in the restaurant. Apart from these, other areas like the swimming pool, rooftop garden, lawns, lobby and foyers may be used as temporary areas for service of food and beverages in specific situations like exhibitions, large wedding theme dinners, poolside barbeques, etc.

In Hotels, the main aim of the department remains the same i.e. guest satisfaction and to perform all the functions assigned by the management. Linen room, uniform room and sewing room may be located separately or at one place depending upon the size of the hotel. Linen room maintains the supply of clean linen while the uniform room takes care of the uniform of employees. Sewing room looks after all the patch-up work and the utilization of discarded linen. The hotel laundry is accountable for the cleaning and ironing of hotel linen, employees' uniform and for the guest necessities of laundry. It may be located within the hotel or at a different place. If laundry is situated within the hotel, it is recognized as on premises laundry, and if it is situated outside, it is identified as off-premises laundry. The maintenance of hotel gardens as well as planters which are used for decoration is also done by the housekeeping department.

Horticulture deals with up keeping of green part of the hotel i.e. plants, leaves, lawns and flower arrangements. It is headed by horticulturist who will be responsible for the smooth functioning of the department. He will report to the Executive Housekeeper, even if it is maintained by an outside agency. There are two rooms; one is inside the hotel that will have all the material related to the flower arrangements, second will be outside the hotel building that will store heavy equipment's that are used in gardens such as lawn movers, sprinkling systems etc. These are kept under strict control.

### 1.1 Major Operational Departments of Hotel

The organization of a hotel today is very complex and comprises various departments. The number of departments varies from one hotel to the other. All departments have their own manager, reporting to the general manager or resident manager.

### 1.2 Front office

Front office is the primary department of the hotel where guests come in contact with the hotel at the time of check- in and is also

the last department where they interact with at the time of check-out from the hotel.

Front office is divided into various subsections like reservation, reception, concierge, bell desk, travel desk, cashier, information desk, etc. Providing hospitality and service to the guest firstly starts with the hotel personnel of the front office and the key to success of a hotel business is service. The way in which guest is treated and received plays a pivotal role as this becomes the basis of their first impression and affects the other services of the hotel.

### **1.3 Food and Beverage service**

The food and beverage service department is one of the major profits generating department of a hotel. This department is responsible for the service of food and beverage (drinks) to the guests. The department in a large hotel is headed by director or manager food and beverage service. He is supported by Managers and Assistant Managers who are responsible for different outlets. They are assisted by Supervisors or Captains who supervise their team of waiters, assistant waiters, busboys, apprentices and trainees.

If the kitchen is also a part of this department then executive chef will report to the director and he will be responsible for smooth functioning of his kitchen. The staff member should have great sense of personal hygiene and etiquettes because they are flag bearer of the reputation of the hotel combined with good knowledge of products offered by the hotel. There are different areas/outlets operating under this department such as restaurants, bars, banquet, inroom dining, lounge, etc.

### **1.4 Restaurants**

Restaurants may be stand alone or part of the hotel, but all of them are cuisine based. There may be specialty restaurants serving specific cuisines like Indian, Chinese, Spanish, Mexican, Thai, French or even Greek. Some of them offer more than one cuisine; in which case, they are called multi-cuisine restaurants. Usually, these restaurants operate during specific times such as lunch and dinner have elaborate a la carte menus, have comfortable seating, appropriate lighting, interiors and formal table service. Items are priced higher as turnover of guests is low.

Nowadays, in order to improve the business and cater to quicker mealtime, many of them offer buffet lunches. There may be more than one restaurant in large hotels. The staff working there should have all basic qualities of a good salesman. In nearly 70% cases the guests order what are suggested by the person attending the table.

### **1.5 Bars**

Bars are another important area of the department. This area is responsible for selling alcoholic and non-alcoholic beverages to the guest. They may also serve draught beer. Apart from the ones located in hotel, there are stand-alone pubs, barcum-restaurants, nightclubs and discotheques where alcoholic beverages along with food are served.

In large hotel the outlet is headed by a Manager, supported by supervisor and bar tenders and waiters. It may or may not have its own store wine caller depending upon type of hotel and clientele. The staff should have through knowledge of the beverages i.e. year of produce, area, manufacturer, and type of raw material used etc.

Cigars, cigarettes, tobacco is also available here. The staff has to be more socially responsible as the items sold here are considered bad in society. So many should consider the effects on society i.e. effects of heavy drinking and smoking on individuals and society's health. As all the items are very costly so the staff members should use standard measures to measure drinks, this practice not only helps in controlling but also helps in standardizing the products. It increases both profits and guest satisfaction.

### **1.6 Banquet**

Banquet and conference facilities are major sources of revenue for hotels. Many hotels have more than one conference center on their premises. It may consist of a grand ballroom, conference halls, meeting room, etc., with audiovisual, buffet and event management facilities to cater to various numbers and style of gathering. The staff is headed by a Banquet Manager supported by a large number of employees including banquet sales persons, receptionist, banquet supervisors, waiters and apprentices. They have their own store having a large number of crockery, cutlery, chairs, tables and other equipments. A strict control is exercised to minimize losses. It has its separate kitchen which supplies the food.

### **1.7 Room service**

Room service deals with the food and beverage needs of the guest staying in hotel room. This is situated near the main kitchen. It has its pantry and near to it is control desk where orders are received on phone and conveyed to kitchen. The service menu is short and slightly high priced as compared to other menus. Time is the most important factor apart from proper layout.

### **1.8 Kitchen**

The kitchen or the food production department is responsible for preparation of food. There are various kitchen/sections operating under this department. Larder kitchen refers to a separate section in food production that is associated with the preparation of cold foods. It is also known as garde manger, which in French means 'keeping cold for eating later'. This department prepares various items such as salads and starters usually known as hors d'oeuvres in French.

The larder kitchen also prepares cold meat, sausages, sandwiches, juices and so on. The sauce section is responsible for preparing sauces required for meat, poultry, game dishes and so on. The roast section provides all roast dishes of meat, poultry and game. The fish section is responsible for providing all fish dishes. The vegetable section is responsible for the preparation of all vegetable dishes. The soup section is responsible for preparing all types of soups such as consommés, creams, veloute, purees, broths, bisques and international soups. The pastry section is responsible for preparing all types of hot and cold sweets, like breakfast rolls, cakes, pastries and various desserts.

### **1.9 Housekeeping**

The housekeeping department is the operational department responsible for the cleanliness, maintenance and aesthetic upkeep of rooms, public areas, back areas and surroundings in a hotel, so that they appear as fresh and aesthetically appealing as on the first day when the property opened for business. This department is headed by the executive housekeeper or in chain

hotels, the director of housekeeping along with his team which includes Assistant housekeeper, various section supervisors and a large number of houseman, housemaids and room attendants. The housekeeping prepares a room status report, which is sent to the front office, the front office compares it with its record and the discrepancies are brought to the attention of the duty manager.

All the guest complaints and requests are handled at the counter desk, which is manned round the clock (24hrs basis). The person at the control desk interacts with the concerned section or person to resolve the complaints or to meet the requests. The progress is entered in follow-up register, which maintains a record of all complaints. The main sub-sections of this department are linen and uniform room, laundry, lost and found section, housekeeping control desk, sewing room, horticulturist room.

## 2. Objectives of study

The main objectives of the study are:

1. To identify major bar service operations practices in the Indian hotel industry;
2. To study the relationship between the dependent variable of perceived bar service operation practices and the independent variables of specific hotel characteristics
3. To examine the relationship between bar service operations practice and organizational performance.

### 2.1 Hypothesis of study

Consequently, considering the importance of bar service operation practices in the hotel industry, we may hypothesize that:  
**H1:** There is a set of bar service operations practices in the Indian hotel industry that is most important.

**H2:** There is a positive relationship between bar service operation practices and specific characteristics of hotel organizations such as category, age, capital, number of employees and type of ownership.

**H3:** There is a positive association between bar service operations practice and organizational performance.

### 2.2 Review of related literature

According to George (2011) [4], the hospitality industry promotes a warm and friendly experience which is helpful for the consumers and is mainly concerned with providing food, drink and accommodation. On the other hand, tourism industry refers to the activity that occurs when tourist travel.

According to Kotler *et al.*, (2013) [6], a service culture focuses on serving and satisfying the customer and it may be defined as the system of values and beliefs that emphasize the concept of providing consumers with quality service.

The provision of service quality should firstly be highly consistent in all situations. All the customers look upon the budget and always select the products according to their choice which offers them the quality and the greatest value for the money. In many conditions, customers are not clear on what precisely they want from a service provider (Ojasalo, 2011) [8]. Service providers always try to determine exactly what customers want and need, therefore this cause is a great concern for providers in the service industry. Hospitality industry is the people oriented and research on service quality is now of major concern to this sector. The provision of service quality is concerned with generating customer satisfaction (Gronroos, 2014) [5].

Customer satisfaction helps to learn about the business strength and weaknesses. Researchers have proven the concept that customer satisfaction and service quality are extremely interrelated. Many scholars According to Brymer (2011) [2] the hospitality industry comprised of those businesses which practice the act of being hospitable and are characterized by generosity and friendliness to the guest. The major segments of the hospitality industry are food service, lodging, travel, and recreation. The term hospitality links all these four business segments together, each of them a huge entity in itself. For over two years now, Hospitality and Tourism Industry is growing tremendously.

The Hotel Industry in India is growing so successfully that it seconds only to China in the Asia Pacific region. Hotel industry is so entangled to the tourism industry that the growth of tourism industry influences the growth of Hotel Industry (Ladhari, 2009) [7].

Before going further few questions which are always posed, need to be mentioned- Has the economic dip affected Hotel Industry? Do you think hotel Industry will recover in the near future? Is the global slump showing 'pink slip' for hotel Industry? These questions could be answered with the help of Indian tourism statistics which clearly states that there has been a 9.2% growth in terms of foreign tourist arrival in May 2015 over May 2014. WTO predicts that India will receive 25 million tourists by the year 2050.

According to Chakravarti (2012) [3] hotel is a place which provides food, shelter and other amenities for comfort and convenience of the visitors with a view to make profit. In fact, it is an establishment where primary business is to provide lodging & boarding facilities along with other facilities such as laundry, uniformed services etc. Hence, hotel may also be called as home multiplied by commercial activities (Bhatnagar, 2006) [1].

The history of the hotel industry is as old as tourism and tourism is old as civilization. Hotel Industry is inextricably linked to the tourism industry; in fact, both are two sides of the same coin. The growth in the Indian tourism industry has fuelled the growth of Indian hotel industry. Both are complementary to each other. The hotels provide a number of services to the visitors. The present day modern concept of the hotel is not just a place to provide accommodation and food and beverage but offering to its guest every possible facility, service and convenience (Tewari, 2009) [10].

The hospitality industry is among the oldest commercial activities in the world. The origin and development of the hospitality industry is a direct outcome of travel and tourism. The departments of a hotel can be classified as revenue generating and support providers.

Food & Beverage and Front office are the most revenue generating departments of the hotel. Front office is known as hub of the hotel, therefore it is the nerve centre of hotel operations as it is the first department of the hotel with which guest can interact first time and also the last department they interact at the time of check-out. The way in which guest is treated and received plays a pivotal role as this becomes the basis of their first impression and affects the other services of the hotel.

According to Roldan 2014, to retain customer the guests should receive brand of hotel hospitality at the onset, this can mean repeated patronage in the future. There are set of practices are following in the various subsections of front office.

### 3. Research Methodology

In this study, bar service operation practices identified through various review of literature were used. Data were collected using a self-administrated questionnaire developed by the researcher, through a review of previous literature. A structured questionnaire was developed consisting of three parts.

The first part contained six questions on demographic profile of the hotel, the second part of 59 bar practices which are used by the bars of the star hotel and the third part of the questionnaire consists of 12 performance variables. Likert-type 5-point scale ranging from 1=strongly disagree, 2=disagree, 3=neutral, 4=agree and 5=strongly agree for importance.

In order to validate the research instrument, the questionnaire was tested for clarity and length by administrating it to a sample of respondents. Through the use of the respondent's comments and suggestions, the research instrument was revised to its updated form used for this study. A set of 59 bar service operation practice items was generated from a review of literature. Respondents were asked to give their level of agreement that mostly closely corresponded with the adoption of practices in their outlet. It was assumed that these practices would be most appropriate which are used in the hotel industry. Data were collected from the hotel managers in India. Prior to data collection, questionnaire was pre-tested with a sample of 150 Bar Managers. Based on the pretest, several items were revised and some changes were made to the questionnaire format. Sample hotels were identified from the highly respected directory of the Ministry of Tourism, Govt. of India and FHRAI that serves as a resource Centre for business information and maintains relevant databases of hospitality firms.

The research focuses on India as its universe and Bar Managers are the sample. Study will be based on both primary and secondary data. Primary data will be generated through self-administered questionnaires and interviews. To initiate the sample 560 Bar Managers were contacted and out of the total sample only 362 (64.64%) bar managers responded and agreed to participate in the survey. A survey methodology was chosen because it was deemed to be the most efficient way of reaching a large number of respondents, whereas the data required facilitated the use of a mail administered questionnaire with close-ended questions. Likert 5-point scale was used for close ended questions.

### 4. Results

With regards to the distribution of sample hotel organizations with respect to the demographics used in the study, it is found that, in terms of star category 76 (20.99%) respondents from 3 star hotels, 101 (27.90%) from four star hotels, 122 (33.70%) from five star category hotels and 63 (17.40%) from five star deluxe hotels. This shows that the vast majority of the sample was 4 star & 5 star category hotels. In terms of age of the property, 104 (28.72%) hotels existed for less than 5 years, 148 (40.88%) existed for 6 to 10 years, 57 (15.74%) existed for 11 to 15 years, 43 (11.87%) existed for 16 to 20 years and another 10 (02.76%) for more than 21 years.

This shows that most hotels have already established their names in the market, gained stability in the society, and indeed is part of a growing hospitality industry. In terms of capital, 21 (5.80%) hotels spend less than 100 million, 34 (9.39 %) spend 101-300 million, 34 (9.39 %) spend 301-500 million, 112 (30.93%) spend 501-1000 million, 161 (44.47%) spend more than 1001 million. In terms of size of employment, there are 55 (15.19%) hotels

have less than 50 numbers of employees, 76 (20.99%) have 51 to 100 employees, 78 (21.54%) have 101 to 200 employees, 87 (24.03%) have 201-300 employees and 66 (18.23%) have more than 301 employees working with the organizations.

The findings denote that the number of employees was largely dependent on the organizational set-up of the hotels and the services offered. Further, most hotel organizations are 232 (64.08%) are chain hotels and rest 130 (35.91%) are Individual hotels.

It further indicates the correlation between a hotel with respect to bar service operation practices and demographic features. With respect of capital employed highest mean has been recorded. Whereas in case of number of employees employed negative correlation has been found. Further, the table provides the correlation between the dependent variable of perceived bar service operation practices and the independent variables of specific hotel characteristics which are positive, ranging from 0.10 to 0.97 and significant.

Consistent with prior works, this result provides preliminary support for the first hypothesis. The magnitude of the correlations is generally small to moderate, however, potentially pointing out the difference about the substantive importance of some bar service operation practices over others. This result also provides initial support for the second hypothesis. In the light of these results, regarding Hypothesis 2, we found that there is a positive relationship between bar service operation practices and capital, sales, age and there is no relationship between bar service operation practices variables and employees.

### 6. Conclusions

In general, it emanates that bar service operation practices are being used in the industry; however the concept is widely practiced in the hospitality industry and has a profound impact on the revenue and quality of service. The present study investigated several new bar service dimensions, which have never been tested before in hospitality literature. These new aspects reflect new insights in beverage service research.

The Indian hospitality management literature review shows a deep void in the context of bar service operation practices. Hotel organizations have to continuously develop new bar services operation practices in order to be successful. Further investigations will be of potential value to hotel and generally hospitality managers, as it will enable them to focus on beverage services more strategically and professionally. In the last two decades very few academic studies have concentrated on this area, which means that the knowledge of bar operation literature has not advanced very far.

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