

The Hotel Development Process

John Dew

True/False Quiz Questions:

1. T/F According to the author, a developer of a hotel is an entrepreneur and risk taker?
2. T/F In general, the higher a hotel owner pays for the land where the hotel will be built, the lower the owner is able to charge for a room?
3. T/F After the developer selects an appropriate location to build the hotel, a feasibility study is often conducted to obtain an analysis of the site by an objective third party?
4. T/F An ownership entity hold the title to the land and the hotel after it has been built?
5. T/F According to the author, it only takes one year for a hotel to go from the original conception phase to welcoming its first guest?
6. T/F The Ownership Entity, The Developer, and The Management Company must all be different companies with different people, each operating on an “arm’s length” basis?

Multiple Choice Quiz Questions:

7. The following are all commonly used business structures except a:
 - a. C Corporation
 - b. S Corporation
 - c. Investment Club
 - d. Limited Liability Company (LLC)
 - e. None of the above
8. A hotel ownership entity often enters into an agreement to finance and build the hotel using a:
 - a. Franchise agreement
 - b. Development and Construction Management Agreement
 - c. Management Agreement
 - d. General Contractor for both financing and building
 - e. Only a and c
9. A hotel General Contractor is most often selected to build the hotel based upon:
 - a. The fact that they offered the lowest bid
 - b. The hotel franchiser requires that specific General Contractors be used
 - c. Their experience building hotels of a similar design
 - d. All of the above
 - e. Only a and c
10. Lending Institutions are most comfortable offering construction loans when the:
 - a. Loan is 100% personally guaranteed to be repaid by one of the owners
 - b. The loan-to-value ratio is no greater than 40% equity and 60% loan
 - c. The developer and general contractor are experienced hotel builders
 - d. The hotel will be franchised by a national hotel chain
 - e. All of the above

11. Costs to be considered in preparing a Construction budget include all but one of the following:
- a. Incentives to the local building inspectors
 - b. Working Capital
 - c. Construction Loan Fee
 - d. Construction

True/False Quiz Answers:

1. T
2. F
3. T
4. T
5. F
6. F

Multiple Choice Quiz Answers:

7. C
8. B
9. E
10. E
11. A

The Art and Science of Opening a Hotel

Tom Dupar

True/False Quiz Questions:

12. T/F The process by which hotel management and franchise companies protect their brand names is referred as brand integrity?
13. T/F The classification, signage and identification, includes items that are required by the incoming brand's standards, but do not currently meet the new standards?
14. T/F Preparing a hotel to carry a new brand is called a flag in the industry?
15. T/F From a planning standpoint, the ideal lead time for a conversion is 12 weeks?
16. T/F Typically, all goods necessary for reflagging are delivered in the late afternoon on the day prior to the flag change?
17. T/F From a legal standpoint, a hotel company cannot use a former flag's registration card to check in guests at the new brand's hotel?
18. T/F The classification, computer information systems, includes all costs for hardware, software, cabling installation, and training associated with converting the new brand's information systems requirements?

Multiple Choice Quiz Questions:

19. Which of the following are not part of the top entities involved in a hotel's operation?
- Owner
 - Management company
 - Employees
 - Brand affiliation agreement
 - All of the above were mentioned in the article as a top entity
20. The classification, _____, includes items that have the existing brand's name or logo on existing items, which must be replaced on the day of the name change.
- Signage and identification
 - Minimum brand standards
 - Human resources
 - Computer information systems
 - None of the above
21. The classification, _____, includes all costs associated with hiring and relocation.
- Signage and identification
 - Minimum brand standards
 - Human resources
 - Computer information systems
 - None of the above
22. The two major challenges of converting a hotel are:
- The contract and negotiation process
 - The transition and the contract
 - The timing of the physical change-out and satisfying customers under the new name
 - The human resource issues and the timing of the physical change-out
 - The contract and the human resource issues
23. The physical change-out refers to:
- Hiring new employees
 - Hiring new managers
 - Changing the organizational culture
 - Developing new employee manuals
 - Removing the former name

24. The incoming management team of a conversion usually wants to replace some, if not all, of the key executives. Which of the following is not one of the key executives mentioned in the article?
- General manager
 - Director of housekeeping
 - Operations manager
 - Controller
 - Front office manager

True/False Quiz Answers:

- T
- F
- T
- F
- T
- T
- T
- T

Multiple Choice Quiz Answers:

- C
- A
- C
- D
- E
- B

On-Line Pricing: An Analysis of Hotel-Company Practices

Peter O'Connor

True/False Quiz Questions:

- T/F According to the statistics quoted in the Horwath Worldwide Hotel Industry Studies, direct reservations increased in the period between 1995 to 1999, shifting sales away from electronic channels?
- T/F Consumer adoption of the Internet as a reliable and secure commerce medium has prompted a change in the way in which hotel rooms are being distributed?
- T/F According to the author, using the Internet to make reservations is faster, easier, and more convenient than contacting a travel agent?
- T/F According to Jupiter Media Metrix, roughly 50% of all would-be-guests visit only one website (i.e., Expedia.com, the hotels direct website, etc.) when making hotel reservations?
- T/F According to the findings, the most commonly used source to book hotel reservations is through the hotels central reservation system?
- T/F The findings indicated that hotels at the low end of the market are more likely to be consistent in their pricing structure across all channels used?
- T/F A consumer reserving an economy room will find the cheapest rate on the hotel company's website nearly 25% of the time?

32. T/F A consumer reserving a room from a luxury-hotel company will find the cheapest rate on the hotel company's website less than 10% of the time?
33. T/F According to the findings, a luxury-hotel companies' web site quoted the highest rate in over one-third of the time?

Multiple Choice Quiz Questions:

34. According to Jupiter Media Metrix, on-line travel sales in the year 2007 will reach _____ billion dollars?
- a. 50
 - b. 25
 - c. 85
 - d. 64
 - e. 18
35. Which of the following benefits is the key in selling successfully on-line, according to the article?
- a. Saving time
 - b. Price
 - c. Getting bonus loyalty-club points
 - d. Service
 - e. The availability of information
36. According to the study conducted by Yesawich, Pepperdine, and Brown (2000), almost _____ out of ten leisure travelers now seek the "lowest possible price" for travel services.
- a. 2
 - b. 4
 - c. 6
 - d. 8
 - e. None of the above
37. Which of the following explanations were given by O'Connor for the increased consumer perception that on-line reservations offer lower room rates compared to other distribution channels?
- a. Many of the best-known internet retailers (i.e., Amazon.com) initially competed with traditional outlets based on price.
 - b. Consumers are aware that web-based distribution costs are lower than those of other channels.
 - c. Many hotels use the web site to sell last-minute deals at relatively low prices but with short lead times.
 - d. All of the above
 - e. Only a and b

38. According to the article, which of the following was stated as a positive implication for presenting a variety of hotel room rates to consumers via internet channels?
- Customers are able to make a more rational decision when determining which hotel they prefer to visit.
 - Consumers use the range in prices to analyze the effectiveness of the hotel company, resulting in higher quality customer perception.
 - It allows the guest more flexibility in his/her decision-making process.
 - The more rates listed equals more information the consumer is able to use in making his/her purchasing decision.
 - It allows the customer to match his or her needs with the products being sold.
39. Which of the following was not a result (finding) of this study?
- The majority of hotel brands now use simultaneous, multiple electronic channels of distribution.
 - The use of CRS-based reservations has increased over the past few years.
 - There has been a growth in the availability of hotel companies' own web sites.
 - Hotels at the upper end of the market are more likely to be consistent in their pricing structure across all types of distribution channels?
 - Both B and D
40. According to the article, on-line intermediaries (i.e., Expedia.com) offer the highest probability of finding the best rate available for high-end properties, with an average savings of _____ percent over the company's own website?
- 5
 - 10
 - 20
 - 25
 - 50

True/False Quiz Answers:

25. F
26. T
27. T
28. F
29. F
30. T
31. F
32. T
33. T

Multiple Choice Quiz Answers:

34. D
35. B
36. C
37. D
38. E

- 39. E
- 40. A

Face Recognition and Name Recall: Training Implications for the Hospitality Industry

Vincent P. Magnini and Earl D. Honeycutt, Jr.

True/False Quiz Questions:

- 41. T/F In order to build and maintain customer loyalty and commitment, it is not crucial in remembering and addressing guests by name?
- 42. T/F Research confirms that customer emotions play an integral role in driving customer satisfaction and loyalty?
- 43. T/F The authors mention that one way to improve face recognition is by concentrating on a specific facial feature. As a result, it was recommended to focus on things such as hairstyle, facial hair, or eyeglasses?
- 44. T/F Facial recognition is enhanced considerably by remembering internal facial features as opposed to external features?
- 45. T/F The task of remembering faces is more difficult for females than it is for males?
- 46. T/F It is easier for one individual to remember a distinctive facial feature of a person of another race than it is for them to remember a distinctive facial feature of a person of their race?
- 47. T/F Name recall is more critical and challenging than face recognition?
- 48. T/F One memory technique, called first-letter mnemonics, is perhaps the most popular form of mnemonics, according to the authors?

Multiple Choice Quiz Questions:

- 49. One study described in the article examined a guests' affective state in relation to his or her satisfaction judgments. Which of the following was found as a result of the study?
 - a. Luxury hotel guests desire to feel "sophisticated"
 - b. Midscale lodging guests like to feel "welcome"
 - c. Economy hotel guests want a feeling of "comfort"
 - d. All of the above
 - e. Only a and b

- 50. Addressing someone by name involves the successful completion of two tasks. Which of the following is not one of the two tasks?
 - a. Meeting the individual multiple times
 - b. Face recognition
 - c. Name recall
 - d. Finding something in common
 - e. Both a and d

51. According to research, recognition of familiar faces is ____ percent accurate when they are presented upright.
- a. 25
 - b. 50
 - c. 60
 - d. 75
 - e. 95
52. Face recognition is the _____ step in guest recognition.
- a. First
 - b. Second
 - c. Third
 - d. Fourth
 - e. Fifth
53. There are three stages to remembering a name. The second stage is:
- a. The face must be recognized as being familiar
 - b. Information about why the face is familiar must be recovered from memory
 - c. The name of the person matching the face must be retrieved
 - d. None of the above
54. Which of the following was NOT mentioned as a technique that will allow an individual to commit names to memory?
- a. First-letter mnemonics
 - b. Visualize the persons' name written on his or her forehead
 - c. Key-word match
 - d. Repeat the individuals' name throughout the conversation
 - e. All of the above were mentioned as successful techniques.

True/False Quiz Answers:

- 41. F
- 42. T
- 43. F
- 44. T
- 45. F
- 46. F
- 47. T
- 48. T

Multiple Choice Quiz Answers:

- 49. D
- 50. E
- 51. E
- 52. A
- 53. B
- 54. E

Spas and the Lodging Industry

Peter C. Anderson

True/False Quiz Questions:

55. T/F 23% of spa visits and 29% of spa goers in 2003 were men?
56. T/F Men are more likely to visit a spa for weekly visits after business hours, while women will often visit spas during regular business hours?
57. T/F The number of visits to alternative care physicians in 1997 was greater than the total number of visits to primary care physicians in the same year?
58. T/F The term “spa,” was once reserved for European destination resorts where guests went to “take the waters” to restore a healthy and balanced life?
59. T/F In 2005, the spa industry was considered the second fastest growing segment of the travel, hospitality, and leisure market?
60. T/F It is imperative that all full-service hotels and resorts without a spa should incorporate one into their property?
61. T/F There is a weak correlation between high employee turnover and customer service training?

Multiple Choice Quiz Questions:

62. Within the leisure industries in 2003, revenues related to spas ranked number _____.
 - a. 1
 - b. 2
 - c. 3
 - d. 4
 - e. 5

63. According to ISPA research, between 2002 and 2003, _____ percent of the national population over the age of 16 made one or more spa visits.
 - a. 5
 - b. 11
 - c. 16
 - d. 25
 - e. 35

64. Once a spa goer has visited a spa, _____ out of ten respondents reported that they would return for a similar experience.
 - a. 3
 - b. 5
 - c. 7
 - d. 8
 - e. 9

65. Which of the following is one of the various components one might find in a modern spa relating to services?
- Complementary and alternative medicine into the main stream life styles.
 - Traditional western medical and eastern lifestyle/wellness practices.
 - A proactive approach to overall health and quality of one's life.
 - All of the above
 - Only a and b
66. Which of the following was not listed as one of the fastest growing therapies in 1997?
- Sauna
 - Herbal medicines
 - Messages
 - Folk remedies.
 - Megavitamins
67. Which of the following is not a sub-segment of the spa industry?
- Destination spas
 - Overnight spas
 - Day spas
 - Mineral springs
 - Club spas
68. _____ spas are located on the grounds of vacation resorts where treatments for mind, body, and spirit are offered to complement other resort activities.
- Destination
 - Resort
 - Medical
 - Club
 - Day
69. _____ spas are designed to provide a healing, beautifying or pampering experience in a short period of time.
- Destination
 - Resort
 - Medical
 - Club
 - Day
70. According to the ISPA 2004 survey, _____ spas are the fastest growing spa segment with respect to number of locations.
- Destination
 - Resort
 - Medical
 - Club
 - Day

True/False Quiz Answers:

- 55. T
- 56. T
- 57. T
- 58. T
- 59. F
- 60. F
- 61. F

Multiple Choice Quiz Answers:

- 62. D
- 63. B
- 64. E
- 65. D
- 66. A
- 67. B
- 68. B
- 69. E
- 70. C

Resort Spas: How are they Massaging Hotel Revenues?

Melih Madanoglu and Sherie Brezina

True/False Quiz Questions:

- 71. T/F Spas were not added in resorts until the mid 1980's?
- 72. T/F Today, the spa experience is nothing but just a luxury commodity?
- 73. T/F Between 1997 and 1999, the average spa revenue increased 40 percent annually?
- 74. T/F Traditionally, spas were perceived as amenities needed to attract guests to a given resort. In other words, as long as the spa center achieved a break-even point and did not lose money, the ability of spas to increase the room occupancy was sufficient to justify their existence?
- 75. T/F According to the authors, resort spas operate more profitably than do stand-alone day spas?

Multiple Choice Quiz Questions:

- 76. The number of spa locations grew at an average of ____ percent between 2002 and 2004.
 - a. 5
 - b. 10
 - c. 12
 - d. 25
 - e. 50

In 2003, approximately ____ percent of the 136 million spa visits were made to resort/hotel spas.

- f. 5
- g. 20
- h. 27
- i. 54
- j. 68

77. Resort spas account for an impressive ____ percent of the total spa industry revenue of \$11.2 billion.

- a. 10
- b. 20
- c. 30
- d. 41
- e. 62

78. The results of the study indicated that operating a full-service spa facility creates a _____ difference in revenues for “the spa resort”.

- a. \$2.5 million
- b. \$3.5 million
- c. \$10 million
- d. \$2.5 billion
- e. \$3.5 billion

79. Which of the following was NOT listed as one of the main reasons that spurred the development of the spa industry?

- a. Individuals are getting older
- b. There is more disposable income in families
- c. Individuals are living more luxurious and healthier lifestyles
- d. People are concerned with their personal appearance to remain youthful
- e. Resorts started to add spas to their property in order to not be at a competitive disadvantage

True/False Quiz Answers:

- 71. T
- 72. F
- 73. F
- 74. T
- 75. T

Multiple Choice Quiz Answers:

- 76. C
- 77. C
- 78. D
- 79. B
- 80. E

As I See it: A Ritz-Carlton Spa Director

Holleigh Alexander

True/False Quiz Questions:

80. T/F The first thing Holleigh does when she arrives for work is personally greet each of her team members?
81. T/F A key to Holleigh's success is organization and prioritizing?
82. T/F Due to the rapid turnover of managers in the luxury hotel business, Holleigh does not believe that it is necessary to spend time and energy developing a supervisor into a leader?
83. T/F Given the lack of time during the day, Holleigh rarely has the time, or makes the effort, to teach her team something new?
84. T/F At lunch time, Holleigh makes an effort, each and every day, to eat with one of her employees, if she is not with a guest or vendor.

Multiple Choice Quiz Questions:

85. Which of the following is NOT one of the things Holleigh does when she first arrives to work?
 - a. Personally greets each team member
 - b. Review the day's spa appointments
 - c. Review the day's health and wellness activities
 - d. Review the day's Ritz Kids programs
 - e. All of the above were mentioned as things Holleigh does when she first arrives to work
86. Which of the following is important enough that Holleigh adds it to her detailed checklist of what needs to get done before the end of the day?
 - a. Call corporate office with an update of her previous days financials
 - b. Follow up calls and e-mails
 - c. Engage with guests and employees
 - d. All of the above were mentioned
 - e. Only b and c
87. The primary goal as spa professionals (according to Holleigh) is to _____.
 - a. Provide a profit for the company
 - b. Create memorable experiences that promote overall well-being, sensory restoration, and peace and tranquility to the soul
 - c. Satisfy the company's shareholders
 - d. Provide an amenity to the guests if they would wish to use it
 - e. All of the above are primary goals for spa professionals, according to Holleigh
88. When working in a spa, you are not only a spa associate, but also a (according to Holleigh) _____.
 - a. Food runner
 - b. Housekeeper
 - c. Retail sales person
 - d. Pool attendant
 - e. All of the above

True/False Quiz Answers:

- 81. T
- 82. T
- 83. F
- 84. F
- 85. T

Multiple Choice Quiz Answers:

- 86. E
- 87. E
- 88. B
- 89. E