

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?
- a. Owner
 - b. Management company
 - c. Employees
 - d. Brand affiliation agreement
 - e. 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.
- a. Signage and identification
 - b. Minimum brand standards
 - c. Human resources
 - d. Computer information systems
 - e. None of the above
21. The classification, _____, includes all costs associated with hiring and relocation.
- a. Signage and identification
 - b. Minimum brand standards
 - c. Human resources
 - d. Computer information systems
 - e. None of the above
22. The two major challenges of converting a hotel are:
- a. The contract and negotiation process
 - b. The transition and the contract
 - c. The timing of the physical change-out and satisfying customers under the new name
 - d. The human resource issues and the timing of the physical change-out
 - e. The contract and the human resource issues
23. The physical change-out refers to:
- a. Hiring new employees
 - b. Hiring new managers
 - c. Changing the organizational culture
 - d. Developing new employee manuals
 - e. 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?
- a. General manager
 - b. Director of housekeeping
 - c. Operations manager
 - d. Controller
 - e. Front office manager

True/False Quiz Answers:

- 12. T
- 13. F
- 14. T
- 15. F
- 16. T
- 17. T
- 18. T

Multiple Choice Quiz Answers:

- 19. C
- 20. A
- 21. C
- 22. D
- 23. E
- 24. B

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

Peter O'Connor

True/False Quiz Questions:

- 25. 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?
- 26. 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?
- 27. T/F According to the author, using the Internet to make reservations is faster, easier, and more convenient than contacting a travel agent?
- 28. 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?
- 29. T/F According to the findings, the most commonly used source to book hotel reservations is through the hotels central reservation system?
- 30. 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?
- 31. 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?
- a. Customers are able to make a more rational decision when determining which hotel they prefer to visit.
 - b. Consumers use the range in prices to analyze the effectiveness of the hotel company, resulting in higher quality customer perception.
 - c. It allows the guest more flexibility in his/her decision-making process.
 - d. The more rates listed equals more information the consumer is able to use in making his/her purchasing decision.
 - e. 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?
- a. The majority of hotel brands now use simultaneous, multiple electronic channels of distribution.
 - b. The use of CRS-based reservations has increased over the past few years.
 - c. There has been a growth in the availability of hotel companies' own web sites.
 - d. Hotels at the upper end of the market are more likely to be consistent in their pricing structure across all types of distribution channels?
 - e. 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?
- a. 5
 - b. 10
 - c. 20
 - d. 25
 - e. 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.
- 25
 - 50
 - 60
 - 75
 - 95
52. Face recognition is the _____ step in guest recognition.
- First
 - Second
 - Third
 - Fourth
 - Fifth
53. There are three stages to remembering a name. The second stage is:
- The face must be recognized as being familiar
 - Information about why the face is familiar must be recovered from memory
 - The name of the person matching the face must be retrieved
 - 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?
- First-letter mnemonics
 - Visualize the persons' name written on his or her forehead
 - Key-word match
 - Repeat the individuals' name throughout the conversation
 - 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?
- a. Complementary and alternative medicine into the main stream life styles.
 - b. Traditional western medical and eastern lifestyle/wellness practices.
 - c. A proactive approach to overall health and quality of one's life.
 - d. All of the above
 - e. Only a and b
66. Which of the following was not listed as one of the fastest growing therapies in 1997?
- a. Sauna
 - b. Herbal medicines
 - c. Messages
 - d. Folk remedies.
 - e. Megavitamins
67. Which of the following is not a sub-segment of the spa industry?
- a. Destination spas
 - b. Overnight spas
 - c. Day spas
 - d. Mineral springs
 - e. 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.
- a. Destination
 - b. Resort
 - c. Medical
 - d. Club
 - e. Day
69. _____ spas are designed to provide a healing, beautifying or pampering experience in a short period of time.
- a. Destination
 - b. Resort
 - c. Medical
 - d. Club
 - e. Day
70. According to the ISPA 2004 survey, _____ spas are the fastest growing spa segment with respect to number of locations.
- a. Destination
 - b. Resort
 - c. Medical
 - d. Club
 - e. 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