

## THE DIMENSIONS OF HOSPITALITY INDUSTRY

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**Abstract:** *The hospitality industry is one of the most important industries of the world. It is difficult to make a clear distinction between the fields of hospitality, tourism and leisure. Activities in these areas are merged with each other so that they overlap.*

**Key words:** *tourism, hospitality, host*

### INTRODUCTION

According to Hemmington there are five key dimensions of hospitality as commercial experience: host-guest relationship, generosity, performance, the small surprises, and safety and security. The idea is that customers do not actually buy service delivery, they buy experiences, they don't buy quality services, they buy memories, they don't buy food and drink, they buy flavor. [Hemmington, 2007].

Most of the products offered by the hospitality industry are service oriented. Eliminating everything to the bare minimum, hotels are places where you can eat, drink and sleep, and all these activities relate to what you might call "essential items" such as restaurant, bar or hotel. [Mawson, 2000]

### MATERIALS AND METHODS

There are four major elements that customers receive when purchasing and using hospitality products: [Shoemaker, Lewis, Yesawich, 2007]

- Physical product, the tangible component (catering, room size, furniture, air conditioning, cable TV service, elevator, general repairs etc.). The physical components of the services are satisfying or not the basic needs of consumers,

- Services environment - physical space in which services are delivered. It has three elements:

1. ambient conditions (decor, lighting, architecture, background music, etc..)
2. spatial arrangement (to create a certain atmosphere for guests),
3. signs and symbols (to inform visitors of existing procedures to eliminate the possibility of confusion and chaos).

- Service as a product - defines how services work in a theoretical framework. This represents the idea of planning all activities performed by employees in their work with visitors. This element depends largely on employees' personal and attributes such as rapid in action, goodwill and friendliness, professionalism and responsiveness.

- Service delivery - refers to what happens when the customer uses the service

### RESEARCH RESULTS

According to King the four sides of hospitality are [King, 1995]:

1. A relationship between individuals, a host-guest relationship,
2. This relationship can be commercial or private
3. Knowledge of what could create happy customers
4. Hospitality is a process that includes both arrival and departure

There are five potential gaps in the hospitality services:

- The gap between customer expected services and management perception of customer expectations,
- The gap between management perception of customer expectations and service quality specifications,
- The gap between service quality specifications and service delivery
- The gap between services provided and services promised,
- The gap between perceived service and real services.

The hospitality industry is one of the most important industries of the world. The United States is the second largest employer, and in more than fifty countries all over the world hospitality is actually the most developed industry. [Kotler, Bowen, Makens, 2007] According to the World Travel and Tourism Council in 2011 we had 9.3 trillion dollars in economic activity from tourism.[Raza, 2005]

Clearly utilization rate of facilities in the hospitality industry is an important variable for an owner / investor in this field, from an economical point of view above all [Nistoreanu, Ghereș, 2010]

Trends affecting the hospitality industry include [Abbey, 1998]:

- globalization and expansion,
- consolidation through acquisitions and mergers,
- strategic alliances between hotels, restaurants, agencies, airlines and other companies involved in tourism,
- segmentation of products
- expansion of legal gambling worldwide
- distribution methods:
  1. owning a hotel or other travel companies,
  2. operations management for hotel owners,
  3. franchise
- new technologies: communication systems, mobile telephony, the Internet, various computer programs and software that helps tourism activity,
- media planning considering all options necessary to advertise,
- knowledge about the environment and the trends towards a clean, green, sustainable,
- the evolution of guest preferences.

The hospitality industry operates and works 365 days a year and 24 hours a day. Staff works in different shifts, but generally are working more than some other industries. Weekends, holidays and festivals are periods when workers in this sector are very busy. [Zagade, 2011]

The hospitality and leisure industry are business oriented and offer good prospects for growth. Information technology and communication systems have penetrated the hospitality industry and we can speak of e-hospitality. The hospitality industry is currently using computer systems to improve inventory management in order to enhance interaction and communication with customers to reduce operating costs, to create strategic opportunities and to maximize profits.

Accommodation is the largest sub-sector within tourism. Most tourists require overnight accommodation, and usually the accommodation expenses constitute the most significant element of the sums paid by tourists in their travel.

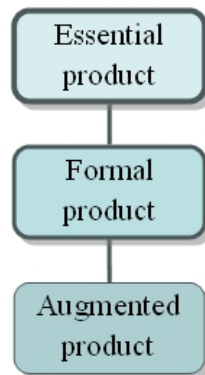
Fragmented market in Europe allow SMEs in tourism and hospitality industry to have ample opportunities for diversification. [Moutinho, 2000]

However we need to find out which could be the diversification benefits from the point of view of the entrepreneur. The trend may be towards individualisation and

personalization of services and tourism products, with their adaptation to the needs of consumers.

According to Mawson we have three levels of tourism and hospitality products:

1. essential product: the hotel room
2. formal product: quality (comfort), features (double beds, private jacuzzi baths), style (aesthetics), brand, etc..
3. augmented product: customer benefits (non-stop room service, rooms with panoramic views, valet, etc.).



**Fig 1 The three levels of tourism and hospitality products**

Source: Mawson S., *The Fundamentals of Hospitality Marketing*, Continuum London, 2000

According to Pender and Sharpley [Pender, Sharpley, 2005] there are three key points to be included in the hospitality industry - all these items have in common the notion of quality:

- heterogeneity of accommodation sector - it is highly fragmented and diverse. In addition to hotels, which in turn can be of many types and categories, there is a variety of other forms of accommodation
- accommodation is a sub-sector of the hospitality industry
- accommodation is not just an element of the tourism product, but also one of the tourist experience.

Hospitality research literature has focused on significant accommodation types such as hotels and motels, but only recently has been given more attention to smaller accommodation places, such as small hotels, motels and hostels. [Kadijk, Bourbon, 2010]

Businesses conducted at home are considered to be relatively cost effective. The owner-manager is engaged in an activity with a greater psychological involvement due to the existence of personal responsibility for the firm's survival.

## CONCLUSIONS

Tourism continues to recover from the decline suffered last years under the impact of the financial and economic crisis.

Still tourism managers and operators often knowingly reject business opportunities and economic growth in favor of lifestyle choice and their perceptions of independence.

The hospitality industry is characterized by a large number of employees. Regular employees do not necessarily need formal training. Hospitality professionals are usually qualified with certificates and diplomas in the field.

Tourism and hospitality have a symbiotic relationship. There is a level of independence, but some areas overlap between the two areas - the areas of overlap constitute common elements of both disciplines.

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