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À la carte

The literal interpretation of *à la carte* is ‘from or off the card’ to order. The *à la carte* menu is designed to enable guests to choose the meal according to their needs and tastes. This classical format is based on the original French *à la carte* menu form, which in former times comprised 16 courses – with or without a choice in each course for guests to choose from. The classical French *à la carte* chronological course structure is as follows: appetizers; soups; farinaceous dishes; eggs; fish and shellfish; entrées (main course in the USA, appetizers or starters in the rest of the world); grills; roasts; vegetables; salads; cold buffet items; sweets; ices; savories; cheeses; and chocolates, fruits, and bonbons.

Accommodation, demand for

Development of the accommodation sector comes as a result of a healthy tourism industry attracting both domestic and international tourism that arrive at a given destination for leisure and/or business purposes. There have been fundamental changes in the demand for hospitality accommodation during the past two decades. These have been in response to general socio-economic trends, in particular:

- Increasing prosperity and/or increased leisure time in developed economies (e.g. the introduction of the 35-hour working week in France in the 1990s has impacted directly on the demand for hospitality, as customers are taking short-break holidays starting on a Thursday evening).
- Changes in the structure of family life (e.g. dual careers, smaller families holidaying together).
- Increasing urbanization.
- The transition from an industrial society to a knowledge-based society.
- Need for specialized business facilities to serve the Meetings, Incentives, Conferences and Events (MICE) markets.
- ‘Mass customization’ and ‘personalization’, in the business accommodation sector resulting in guests turning to boutique hotels in preference to the standardized product offered by hotel chains.

Accommodation, supply of

Hospitality accommodation may include hotels, motels, timeshares, guest-houses, lodging-houses, bed and breakfast, inns, pensions, and ‘auberges’. Accommodation may be commercial,

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ACCOUNT AGING – ACCOUNT POSTING

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non-commercial, or social in character, and may include holiday camps, holiday villages, sanatoria, and villas and apartments for rent.

In recent years, several major trends have affected the supply of accommodation and therefore the structure of domestic and international hotel companies, including increasing concentration and consolidation, the increased importance given to branding, and the impact of technology. The major companies are indeed getting bigger and international companies now control an increasing proportion of the worldwide hotel supply. Owing to the effects of globalization, the industry has seen increasing competition, but with the continued dominance of major brands through companies emanating from the USA, UK, and France.

Account aging

Accounts receivable represents money owed to a hotel by its customers. To monitor how customers are paying their bills, hotels need to age the accounts and perform an aging schedule. This schedule is a table that lists the names of the customers, the unpaid account balances, and the number of days the accounts are outstanding. Unpaid account balance is the amount of funds that customers owe or have not paid to the hotel. The aim of the hotel is to keep all accounts 'young' so that they will not be aged. Generally speaking, aged accounts have a higher probability of becoming delinquent account.

Account allowance

A reduction in a hotel guest account folio for unsatisfactory service, a rebate on a discount voucher, or if a correction is to be made to a posting, which has been made the previous day (after the night audit).

Account correction

In a hotel, account corrections are normally made on the same day that a transaction has been posted (before the night audit). It corrects errors that have been made to postings (e.g. if a wrong charge was posted to a room). Depending on the error it can either increase or decrease the guest account balance.

Account posting

When guest make either payments or charges to their accounts the process is known as posting. It is the procedure used to record transactions made by the guests.

Account settlement

A term used to describe a situation that occurs when a guest account folio is brought to a zero balance (i.e. when the guest pays their account). Guests can pay their account in numerous ways namely: by cash, by credit card, by direct billing arrangement (normally arranged before the guest stay), or a combination of the above.

Account transfer

Involves transferring transactions from one hotel account to another. An example would be if one guest offers to pay for restaurant charges for another guest, the posting would have to be transferred from one account to the other account.

Action learning

The process whereby individuals learn skills through involvement in a team focusing on organization-specific problems. This is achieved through the use of questioning, analysis, and problem-solving techniques. As the individuals using this process are often working out with their normal area there is the added advantage of learning about other processes or areas of the business whilst developing interpersonal skills and, of course, improving organizational effectiveness. For example, a member of the front office team in a hotel may work in an action group with individuals from the sales and reservations teams to consider how to improve communication between the departments. The front office team member will learn about the other departments and assist in the creation of a solution for more effective communication; thus learning has taken place.

Activity-based pricing

A pricing method that combines market research data with cost accounting information to establish prices for products and services that result in designed profits. The activity-based pricing (ABP) concept emphasizes that profits can be maximized through knowing how much of a product's price is profit and through the elimination of pricing errors. For example, one method that the lodging industry uses to maximize room revenues is yield management. This technique forecasts demands for market segments that will generate the highest room rates, but it does not incorporate precise product and customer costs. ABP can improve a company's profitability by providing the marketing and accounting departments with information that allows them to cooperatively establish accurate prices.

A AFFILIATE RESORT – ALARM ANNUNCIATORS

Affiliate resort

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A resort with which a timeshare exchange company has a contractual agreement to offer rooms for exchange. The basic premise underlying the exchange process is that a collection of timeshare resorts, either single site or multi-site enter into an agreement with an exchange company to offer their owners the option of exchanging their interval (commonly a week) with another member that is seeking to swap their interval. It is this agreement between the timeshare developer and the exchange company that is known as an affiliation agreement. The affiliation agreement simply means that the developer has the right, at the point of sale, to offer the exchange company's services to this new owner as an additional service. Therefore, the owner makes a voluntary decision to buy into the exchange process by paying an annual fee to this exchange company for their services.

Agency theory

A theory of corporate behavior that describes the contractual relationship between principals and agents. In the context of hospitality, the appropriate framework for understanding the contractual relationship, for instance, between a hotel operating company and a hotel owning company, is agency theory. The agent is represented by the operating company, the principal is represented by the owning company, and the two parties' relationship is mediated by a hotel management contract. Agency theory explains how to best organize these relationships in which the owning company (the principal) delegates the work to the operating company (the agent) who performs that work. More specifically, the focus of the theory is on the contract between the principal and the agent and the ways in which the contract can be made most efficient from the point of view of the principal.

Alarm annunciators

Annunciator panels or terminals are used to pinpoint the specific location of a fire. The alarm annunciator panel is located in a control center, such as the security office, engineering office, or at a main entrance to allow trained personnel to identify the exact location, or zone, of the fire. Annunciators can monitor from 8–64 points and can be mounted on racks, panels, walls, or desks. Some annunciators are flame or explosion proof and most of them come with standby power supply. The alarm annunciator at the control center is required to be audible and visible to alert employees, who might be away from their desk or concentrating on another task. Regulations in the Life Safety Code limit the size of the floor area that can be included in an alarm zone.

Alliances

An umbrella term for a wide range of cooperative arrangements that can encapsulate suppliers, buyers, and competitors. As such, it covers many collaborative organizational forms including franchising, management contracts, joint ventures, marketing, and purchasing consortia. Primarily, hospitality and tourism alliances offer organizations a basis for creating a degree of stability in their external relationships and a method to secure access to resources or competences possessed by other organizations that support the attainment of strategic objectives. Alliances may function on the basis of formal or informal agreements and can be classified into two categories: equity and non-equity alliances. Equity alliances demonstrate a mutual financial commitment and often imply a long-term commitment to the partnership. On the other hand, non-equity alliance allows for greater strategic flexibility as partners may decide to terminate an agreement and either act on their own or form an alternative alliance without the need to deal with shared equity.

Application service provider

An information technology service firm that deploys, manages, and hosts remotely a software application through centrally located servers in a rental or lease agreement. The service provision is made usually through the Internet or virtual private networks (VPN). Usually the client pays a flat fee to sign up and a monthly fee for access to the application, training, expert support, and upgrades. Other payment schemes are based on usage rates (fees per transaction, number of screen clicks, or amount of computer time). Initially hospitality and tourism firms were reluctant to adopt the application service provider (ASP) model mainly due to the perception of data control loss, current telecommunication infrastructure problems, interface challenges with legacy systems, and data transfer security. Problems are gradually being overcome and the model seems to receive greater acceptance.

Apprenticeship

Apprenticeship involves on-the-job training and work experience while in paid employment with formal off-the-job training. Traditionally, formal apprenticeships (membership in Guilds) started in Europe during the Middle Ages. These were restricted to trade occupations (i.e. tailors, blacksmiths, etc.) and were of multiple years' duration. Hospitality apprentices can learn in fields such as front office, housekeeping, food and beverage, or culinary. Apprentices enter into formalized agreements with employers known as 'training agreements'. In some countries apprentices are paid a training wage adjusted to reflect the amount of time spent learning off the job and employers have access to public training funds to assist with training apprentices.

Arbitration

A method of dispute settlement in which an independent third party or group (e.g. industrial or labor tribunal) considers the arguments of both sides in a dispute and then makes a decision that is legally binding on the parties. This third party or group is appointed by mutual consent or statutory provision. The difference between arbitration and other forms of dispute settlement such as mediation or conciliation (where an arbitrator attempts to find a compromise) is that decisions are legally binding. Hospitality and hotel employers generally join employer associations (such as hotel associations) that represent their interests during arbitral proceedings in industrial tribunals, though larger hotels are increasingly using their own internal human resource management (HRM) departments to conduct tribunal work.

Architectural plans

Drawings developed by architects, engineers, or consultants to provide instructions for contractors and trades personnel. They may also be used to determine the amount of construction materials needed and to evaluate the travel patterns of building inhabitants. There are several types of architectural plans:

- *Plan view*: The plan view is obtained when a building or room is cut horizontally 3' above the finished floor.
- *Elevation*: An elevation is a vertical view of an exterior wall or an interior room.
- *Section*: A section view is generally a vertical cut through a building or piece of equipment.
- *Plot/survey*: A plot view is a horizontal view of an entire property showing the location of the building, contour lines, and landscaping.
- *Detail*: A detail view is used to show specific features of construction, such as cabinet drawers, decorative trim, or furniture design.

ARDA International Foundation

The American Resort Development Association (ARDA) was founded in 1969 to represent the interests of the resort industry in the USA. The ARDA International Foundation serves the professional and educational needs of the resort industry. The foundation provides two professional designations, the Associate Resort Professional (ARP) and the Registered Resort Professional (RRP). Other programs offered by the ARDA International Foundation are the conduct of consistent, on-going surveys, and research studies of the industry such as the Worldwide Timeshare study, and the US Economic and a Financial Performance study.

ARDA Resort Owners Coalition

One of the American Resort Development Association's (ARDA's) programs that brings together opposite sides of the timeshare industry, the developer and the consumer, to work together in achieving benefits for all parties involved. ARDA is a national US association that serves as the vacation ownership industry's sole lobbying, educational, and information source. The ARDA's Resort Owners Coalition (ARDA's ROC) is comprised of individual timeshare owners forming a united front as a legislative advocate. Since its inception in 1989, ARDA-ROC has served as a funding resource waging legislative battles across the USA. The organization is dedicated to preserving, protecting, and enhancing vacation ownership for timeshare owners.

Artificial intelligence

A branch of computer science focusing on the automation of intelligent behavior, such as reasoning, learning, and problem solving. Artificial intelligence (AI) seeks to construct intelligent machines; formalize knowledge and mechanize reasoning; make use of computational models to understand behavior of people, animals, and intelligent agents; make it possible to work with computers as easily as with friendly experts. Areas of AI are: (a) knowledge representation and articulation; (b) learning and adaptation; (c) deliberation, planning, and acting; (d) speech and language processing; (e) image understanding and synthesis; (f) manipulation and locomotion; (g) autonomous intelligent agents and robots; (h) multi-agent systems; (i) cognitive modeling; and (j) mathematical foundations. AI went through a period of success followed by failure, and is becoming a steadily growing and maturing technology now. AI has the potential of helping tourists to better plan their trips and choose the most appropriate services from huge information sources, and also support various functions within hospitality enterprises.

Association market

A body of existing or potential buyers that are associations, of specific goods or services in the hospitality industry. Associations are a subset of a type or organizations typically referred to as 'non-profits' or non-governmental organizations. More than 147,000 associations exist in the USA, including more than 127,340 local, state, and regional associations; 20,285 national associations; and 2409 international associations headquartered in the USA. Convention planning and other convention activities are the second most prevalent activity, next to education, in which 89 per cent of associations engage. With a budget of \$3.6 billion per year, association-sponsored meetings and conventions account for more than 26 million overnight stays in hotels each year. Association

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meetings and events account for a large part of the meeting industry, with associations spending more than \$66.4 billion annually on conventions, expositions, and seminars.

Atmospherics

The study of the physical environment where some activity occurs. The physical environment is defined as the material surroundings of a place. For example, a physical environment may be the lobby of a hotel or the swimming pool/spa area of a property. Atmospheric studies examine the effects that the physical environment has on people's behaviors. One way of looking at the atmospheric effects of an environment is the 'Servicescapes' framework. In the service industry atmospheric researchers examine the effect of the physical environment on human response in a services delivery situation. In such situations the customer becomes part of the service-creation environment and the atmospherics becomes part of the product itself.

Attendee

A combination of delegates, exhibitors, media, speakers, and guests/companions who attend an event. It is customary to classify attendees based on their origin as follows:

- *International*: Draws a national and international event audience; 15 per cent or more of event delegates reside outside of event host country.
- *National*: Draws a national event audience; more than 40 per cent of delegates reside outside of a 400 miles (640 km) radius of event city.
- *Regional*: 60 per cent of delegates reside within a 400 miles (640 km) radius of the event city.
- *State/province*: More than 80 per cent of delegates reside in state/province event; state/provincial audiences are less inclined to use air travel and local auto-rental than regional audiences.
- *Local*: 80 per cent of delegates reside within a 50 miles (80 km) radius of the event site; local audiences typically do not require overnight accommodations.

Attribution theory

Attribution theory attempts to explain how individuals interpret causes of behavior based on their past knowledge and experiences. They can attribute behavior either to internal factors such as ability, skill, or effort, or to external factors such as rules, policies, or environment. This is known as locus of control and can influence behavior at work. For example, if a customer complains about

poor service from their waiter, the restaurant manager might agree that the waiter has been slow and/or rude (internal attribution). Alternatively the manager might attribute this to the restaurant being overcrowded or short-staffed (external attribution). The attribution of these events might then influence how the restaurant manager deals with the waiter.

Attrition clause

Based on the word attrition, meaning a reduction or decrease in numbers, size, or strength, this clause is contained in most hotel contracts today. This clause specifies the fees that the organization that books an event must pay if it fails to use the sleeping room block commitment. It contains formulas that stipulate the amount of liquidated damages for which the organization will be held liable. The attrition fee is based on the difference between the total room nights booked by the organization and the total number of rooms actually used. There is often a 10 per cent attrition allowance before fees are imposed. The amount is generally multiplied by an agreed upon percentage of the room rate to calculate the fee due in terms of lost profit for the facility. Experienced meeting planners require language that stipulates that rooms resold by the hotel are not included in the penalty fee.

Auto-closing device

A device that automatically takes a fire door back to the closed position. A fire door is impaired when chocked or blocked open and is unattended. Opening a fire door and walking through it, or holding it open for materials to pass through, is not impairment as long as someone is there to close the door when done. For safety and security purposes, hotels install the auto-closing device on each fire door. When a guest walks out from the room, the auto-closing device starts its function by closing the door automatically. Furthermore, when fire breaks out in a hotel, guest floors and hallways fill with smoke. With the auto-closing device, the guestroom entrance door can prevent the spread of fire and smoke through the hallway by containing it in the compartment of origin.

Automated minibar

A refrigerator in the guest's room containing drinks and other items (snacks, sun cream disposable cameras, etc.), which the guest can purchase for a fee. Manual systems rely on the minibar being restocked daily, and the consumption noted. An automated minibar has sensors that record the removal of items. These sensors are linked to a computer, which records the removal of each item.

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AVERAGE CHECK – AVERAGE DAILY RATE

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This produces information about consumption that is added to the guest's bill, as well as a list of items to be restocked by the hotel staff.

Automated minibars have the advantage of reducing the demand for room service. They can be locked, for instance when children are staying in the room. They ensure that items are added to the guest's bill immediately, reducing the risk of a guest checking out before the consumption is noted and charged for.

Average check

Average check is calculated by dividing total revenues by total number of customers.

$$\text{Average check} = \frac{\text{Total revenues}}{\text{Total number of checks (guests)}}$$

Average check (also referred to as 'guest check average') is one of the common tools available to the foodservice industry to measure the amount of money spent per customer. This information is extremely useful in managing a restaurant. Average check is used in foodservice operation for various purposes, including allocating labor dollars, forecasting unit sales, assessing employee productivity, measuring the effectiveness of suggestive selling, effective usage of floor space in the dining area, calculating cost percentage per meal, comparative analysis across operational units, etc. In on-site foodservice operations, average check is sometimes translated into 'average transaction'.

Average daily rate

The average (mean) selling price of all guest rooms in a hotel for a specific period of time. Average daily rate or ADR is calculated by dividing total room sales by the number of rooms sold.

$$\text{ADR} = \frac{\text{Total room sales}}{\text{Total number of rooms sold}}$$

ADR is a measure of the hotel's staff efficiency in selling available room rates. ADR is used in projecting room revenues for a hotel and is a factor in calculating gross revenue from room sales. If the supply of hotel rooms is limited considerable attention is focused on improving the ADR.

Average rate per guest

The average rate that the hotel obtains per guest. Some rooms are double rooms, some are triple and this rate indicates an average rate that each guest paid. It is calculated by dividing the total rooms' revenue by total number of guests.

Awareness, trial, and usage

A grouping of three types of questions, *awareness*, *trial*, and *usage*, which are used in marketing research to determine some of the behavioral characteristics of consumers. *Awareness* refers to the presence of the product or brand in the consumer's mind. *Trial* refers to the types of questions that ask the consumer if he or she has ever used the product or brand in the past. *Usage* of the product may refer to both the frequency of use as well as the way the product is used. Usage questions also ask how the respondent uses the product or service. Hospitality applications of usage questions may include the occasion or reason for a visit to a hotel or restaurant and the types of services that are consumed while at the hotel or restaurant.