

Leadership in Hospitality

Foundations
and
Practices

.....
Second Edition



Robert C. Lewis
Richard E. Chambers
Harsha E. Chacko
.....

Leadership in Hospitality

FOUNDATIONS AND PRACTICES

Second Edition

ROBERT C. LEWIS, Ph.D.

Professor of Marketing and Graduate Coordinator
School of Hotel and Food Administration
University of Guelph, Guelph, Ontario

RICHARD E. CHAMBERS, MBA

President
Directional Marketing
New York, New York

HARSHA E. CHACKO, Ph.D.

Associate Professor
School of Hotel, Restaurant and Tourism Administration
University of New Orleans, Louisiana



VAN NOSTRAND REINHOLD

ITP A Division of International Thomson Publishing Inc.

New York • Albany • Bonn • Boston • Detroit • London • Madrid • Melbourne
Mexico City • Paris • San Francisco • Singapore • Tokyo • Toronto

Copyright © 1995 by Van Nostrand Reinhold

ITP A division of International Thomson Publishing Inc.
The ITP logo is a trademark under license.

Printed in the United States of America
For more information, contact:

Van Nostrand Reinhold
115 Fifth Avenue
New York, NY 10003

International Thomson Publishing GmbH
Königswinterer Strasse 418
53227 Bonn
Germany

International Thomson Publishing Europe
Berkshire House 168-173
High Holborn
London WC1V 7AA
England

International Thomson Publishing Asia
221 Henderson Road
Henderson Building
Singapore 0315

Thomas Nelson Australia
102 Dodds Street
South Melbourne, 3205
Victoria, Australia

International Thomson Publishing Japan
Hirakawacho Kyowa Building, 3F
2-2-1 Hirakawacho
Chiyoda-ku, 102 Tokyo
Japan

Nelson Canada
1120 Birchmount Road
Scarborough, Ontario
Canada M1K 5G4

International Thomson Editores
Campos Eliseos 385, Piso 7
Col. Polanco
11560 Mexico D.F. Mexico

All rights reserved. No part of this work covered by the copyright hereon may be reproduced or used in any form or by any means—graphic, electronic, or mechanical, including photocopying, recording, taping, or information storage and retrieval systems—without the written permission of the publisher.

1 2 3 4 5 6 7 8 9 10 EDW-AA 01 00 99 98 97 96 95 94

Library of Congress Cataloging-in-Publication Data

Starbucks, Ex

Starbucks v. Ameranth CBM2015.

DOCKET
ALARM

Find authenticated court documents without watermarks at docketalarm.com.

their collective of their exper-
ative from the ted and thor-
the hotels, the services, before
ackage. The in- e company and
those who will

ly in resort ar-
be a real boost
e on the incen-
a property (and
lividual proper-
e certain of the
y an incentive
rns them by do-
with consortia,
ms, and travel
rvice is paid for

is, each channel
on the others for
se has the corpo-
s are dissatisfied
another incentive
ch channel mem-
everything goes as
ground transpor-
up a group at the
poiled and future
another incentive
on.

travel agent is
rvations for a

many individual agencies to combine marketing and negotiating clout as a channel member. As a channel of distribution, the travel agent is second to none. Table 16-1 shows the status of travel agents in 1993.

In the less-recent past, the travel agent was primarily oriented toward the individual traveler, be it for business or pleasure. This practice has been changing, and agents are handling more meetings and group itineraries each year. The travel agency also is more of a full-service channel whereby hotel-booking may be incidental to the airline and ground transportation already arranged. Because of this, travel agencies are actively soliciting corporate meeting accounts, especially when they have previously handled the company's individual business travel. By promising more clout in negotiating

times, collectively, are reported to change fa- as many as 80,000 times a day. To recomme- a hotel, the agent needs knowledge of locati- rates, amenities, dining, entertainment, pa- ing, ground transportation, recreation faciliti- and more. The technology of the industry changing at a furious pace in an attempt to ke- up with all this information. Thus, the tra- agent relies heavily on systems we have p- viously discussed, plus some others.

Agencies that were on manual systems o- a short time ago, now have sophisticated da- base equipment to manage their bookings. (most 100 percent in the United States, but i- so in Europe and Asia, as shown in Table 16- Figure 16-23 shows one example of such soph- tication. Other automated systems are, in fa- largely reservation terminals provided by t- airlines (e.g., Apollo by United Airlines and S-

TABLE 16-1 A Brief Review of Travel Agencies

There are 32,000 travel agencies in the United States and 3,000 in Canada. The vast majority a- single-location offices accounting for two-thirds of travel bookings. The mega-agencies account- just 25%. In the United States, 96% of all agencies are automated. They make \$10.5 billion yearly- hotel bookings, half of which are CRS transactions.

The European agency market consists of 40,000 agency locations, producing \$9 billion in ho- bookings. Six countries account for 75% of these agencies: the UK, Germany, France, Italy, Spa- and Sweden. Mega-agencies dominate and tend to specialize in either business or leisure/passa- travel. Only 40% of agencies are automated. In the UK, 22% of agents are automated. Germany- one of Europe's most technologically advanced—70% are equipped with Amadeus' Start System. Or- 13% of hotel bookings in Europe are made via CRS.

The Asia/Pacific market consists of 13,000 agencies doing \$20 billion in hotel sales. Four cent- markets—Japan, Hong Kong, Australia, and Korea—account for 80% of all travel activity. Th- Japanese market is dominated by mega-agencies. Four account for half of the travel business. Jap- Travel Bureau is the world's largest travel agency, followed by Kintetsu, Nippon Travel Agency, an- Toyo Travel. Automation is clearly on the rise, yet few hotel bookings are conducted through CR- While 97% of Japanese agencies have CRS systems, only 30–40% outside Japan have access to CR-

Chris Schulz, *Hotels*, November, 1993, p. 82. Courtesy of *Hotels*.

TravelLOGIX GUI technology accesses databases that can be coupled with visual presentation that educates the user by providing information described in the "thousand words" of a picture.

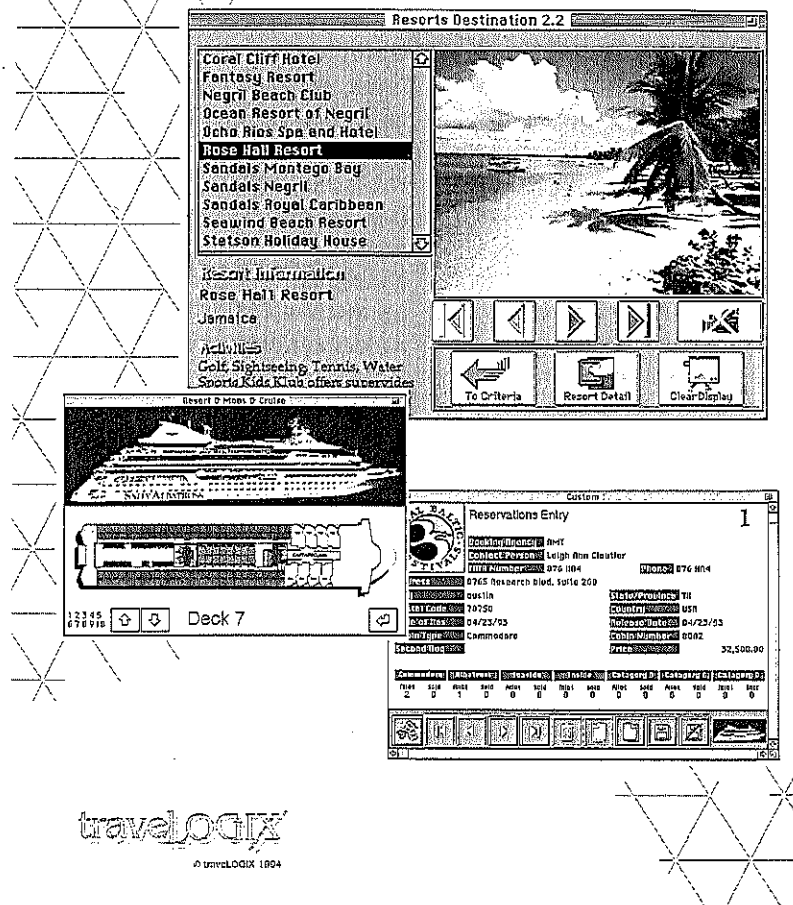


FIGURE 16-23 TravelLOGIX's CRS technology

bre by American Airlines), creating a direct link between travel agents and the airlines controlling this distribution channel. Figure 16-24 is a sample directory page from the Sabre system. Like the hotel systems, these have been called central reservations systems (CRS), but are now being called global distribution systems (GDS). Table 16-2 shows GDS computer screen data that travel agents would view for the Roger Smith Hotel in New York City.

Rates change at an unparalleled frequency in the history of travel. The proliferation of hotels

offering thousands of packages, incentives, and varying rate structures to varying people at varying times, makes booking a difficult task at best.

The rental car industry has followed suit with the airlines and hotels, offering special promotions and incentives every day. Many of these promotions have conditions attached to them, such as booking an airline seat 30 days in advance, with cancellation penalty clauses. Add to all this the overlapping frequent-traveler awards (and the traveler's perplexity over a

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.