Types of Lodging Properties

Based on Service Level

Full Service Properties
There are several ways to categorize hotel properties. We will be looking at categories based on service level. Service level refers to the number and quality of service offered by the lodging property.

Lodging Property – Provides overnight accommodations (hotel, inn, motel, motor inn, lodge, resort and bed and breakfast are all lodging properties).

Lodging Industry Categories based on service level:
- Full Service Hotels
- Limited Service Properties
- Speciality Accommodations
- Institutional Housing

Service Level related to price
- The higher the level of service, the higher the price
FULL SERVICE HOTELS
- High level of service → Higher Price
- Guest room with private bath, telephone and television
- Two or more stories high, guest rooms arranged along shared inside hallways
- Services: luggage assistance, concierge services, one or more restaurants, one or more bars or cocktail lounges, room service, meeting & banquet facilities, spa service and recreational facilities
- Concierge – a hotel staff member who helps guests make arrangements

Describe some of the amenities of the full service hotels that you have stayed in. Ask students to also contribute to the discussion by describing some of their experiences.
Examples:
• Housekeeping twice daily
• Complimentary manager beverage receptions in the evenings
• Upscale amenities (Bath & Bodyworks bathroom products)
• Plush robes available
• Upscale mattresses
• Upscale furnishings
• Chandeliers in the lobby
• You feel pampered with the accommodations
• Consider including pictures from your vacations
There are a number of different kinds of full service properties. We will divide them into 5 categories so that you can identify some of the differences. Keep in mind that some properties are more than one kind of property. For example, you might find a luxury resort that is also a convention property. We are looking at ways to distinguish properties but the categories are not always cut and dry.
Describe a convention hotel that you have stayed in.
Describe a trade show. Maybe even show pictures from a trade show that you have attended. Companies are at the trade show to sell their products or services. They pay to have a booth. Charges can range from $50-thousands of dollars depending on the trade show and the industry.

Many industries have organizations that sponsor conventions so that the individuals in the industry keep up to date on new information and trends in the industry.
Examples:

• FCSTAT Convention for FCS teachers to learn about teaching strategies and new information related to teaching FCS
• SPHR – Society for Professionals in Human Resources. Have conventions to learn about new laws related to human resources.
• Mary Kay Convention – Attendees learn about the new products that the company will launch or they learn how to be more successful in the business.
• TRA Food Expo – Texas Restaurant Association hosts a convention for all the restaurant owners and managers to learn about new products, new trends, and ways to make the business more successful.
• Ask have any of you ever attended a convention? Have any of your parents ever attended a convention?
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McCORMICK PLACE

- Considered North America's largest convention center
- In Chicago
- Walking distance to several convention hotels

Aerial View of McCormick Place Complex in Chicago IL.

http://www.mccormickplace.com/facilities/facilities.html

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Look at the Four Seasons website to obtain a current listing of amenities for a luxury property. Google search luxury hotels to look for videos. Travel channel has an episode called “The Top 10 Suites of Vegas” that describes some of the most luxurious suites. In one of the suites, the housekeeping personnel take pictures of the bathroom counter when you are a guest to see what products you use. This is filed away in your guest history. Next time you visit the hotel provides the products that you had on the bathroom counter (like perfume or cologne, face soap, toothpaste, etc.)
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RESORT HOTEL
- Caters to a vacationer or leisure traveler
- Provides entertainment, recreation, and relaxation
- Destination location
- Special facilities built in to the hotel: Spas, saunas, swimming pools, and exercise & fitness equipment
- May include a golf course, tennis courts and a pro shop
- Guest usually stay a week or more
- May be considered luxury resorts due to high level of service and amenities

Describe a resort that you have visited.
- Many resorts are all inclusive (All inclusive means that all meals are included in the rate that you pay to stay. The rate does not usually include alcoholic beverages (only non alcoholic beverages) because hotel restaurants make such a high profit margin from the sale of alcoholic beverages.
- Resorts might include things like:
  - Bike rentals
  - Lazy river tubing
  - Indoor water parks
  - Tours of local attractions
  - Special events at the property to keep you at the property: dance contests, concerts, themed parties, etc.
- Some examples of destination locations are:
  - Cancun (for the beach or Mayan Ruins)
  - Santa Fe (for the shopping)
  - Vail (for the snow skiing)
  - Disney Resorts (for the amusement parks)
Often times, these properties are 100 percent occupied during the week but almost empty on the weekends so they offer really low rates to weekend travelers. You can sometimes stay in a property like this for as little as $50 per night.

These properties are ideal for families with small children because there is usually extra space for a roll away bed or there is a sofa that converts into a bed.

Many extended stay properties have limited lobby areas since guest rooms have sitting areas or living rooms.

Limited restaurant if any on property since the guest rooms usually have kitchen amenities.
# Presentation Notes
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### Slide 11

#### Extended Stay Subcategories
- Extended Stay Hotel
- All-Suite Hotel
- Residential Hotel

<table>
<thead>
<tr>
<th>Extended Stay</th>
<th>All-Suite Hotel</th>
<th>Residential Hotel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full kitchen with dishes and utensils</td>
<td>Suites are usually more expensive</td>
<td>Combine living space with kitchen facilities</td>
</tr>
<tr>
<td>May include a grocery shopping service</td>
<td>May be two hotel rooms joined together</td>
<td>Basic kitchen facilities (small fridge, coffee maker, and a microwave)</td>
</tr>
<tr>
<td>Small lobby</td>
<td>Offer only suites</td>
<td></td>
</tr>
<tr>
<td>No meeting rooms</td>
<td>Combine living space</td>
<td></td>
</tr>
<tr>
<td>Limited foodservice</td>
<td>with kitchen facilities</td>
<td></td>
</tr>
<tr>
<td>Housekeeping offered less frequently</td>
<td>Basic kitchen facilities</td>
<td></td>
</tr>
<tr>
<td>Pool and health club offered</td>
<td>(small fridge, coffee maker, and a microwave)</td>
<td></td>
</tr>
</tbody>
</table>

- Guests may choose to stay in this type of hotel temporarily if their employer transfers them to a new city. They can stay here while looking for a home.
- Some guests may be having a home built or remodeled.
- Some guests may be in the city for a temporary basis and not need to purchase a home.
- Some extended stay properties may offer a weekly rate or monthly rate instead of a nightly rate.
Types of Lodging Properties

Small lobby
No meeting rooms
Limited foodservice
Pool and health club offered
• A suite usually means that the guest has at least two rooms in the accommodation.
• There are very few “all suites” hotels. Many properties have a combination of suites and traditional rooms. This way the property caters to a wider segment of the traveling population.

Residential Hotel
Cater to long-stay guests
Ex. An executive that has been relocated
Décor usually more home like
Kitchen, living area and a bedroom
Small lobby
No meeting rooms
Limited foodservice
Less frequent housekeeping
Pool and health club offered
These properties usually offer a weekly or monthly rate.
Condominium hotels are popular in areas where owning land can be considered cost prohibitive like New York City.

- Some properties may have condominium units on the top floor and traditional accommodations on the lower floors. The residents in the condo units may have a separate entrance to the property.
- Units may be individually owned and managed by a property management company. They may be rented out to visitors when the owner is not using the condo. Many people with extra disposable income use the condo units as investments.
- Most condos are decorated by the owners and can be used as a vacation home for the owner.
CONDOMINIUM SUBCATEGORIES

- Individual owned
- Time-share ownership
  - The owner has the right to use the unit for a specific time of the year
  - Other owners have the right to use the unit at different times
  - Time-share owners may trade with each other
  - Trades arranged with time-share trading organizations (RCI or Interval International)

Timeshare properties can seem like a good idea but you have to be careful that there are not too many owners or you may get into a situation where you are not able to schedule usage because there are too many owners and not enough weekend or units available.

Timeshare sales have become very popular. It is a way to sell the property ahead of time and bring in the money to pay for the construction and start up of the business.

Example: I want to build a hotel, it will cost $100,000 dollars to start up (fictional amount for this example; it costs much more to build a hotel). I only have $10,000 so I find 10 to 20 of my closest friends to each contribute $10,000. I promise them that they can stay in the hotel for two full weeks each year for the next 20 years or forever. I get the money I need to build the hotel and my friends (timeshare owners) get vacation accommodations for 40 weeks for only $10,000 dollars that is only $250 for each week at the property. Not a bad price to pay for a full week in a hotel at a destination location.
REFERENCES/RESOURCES

Textbooks:
- *Lodging Management Program Year One*
  AHLA Educational Institute
  ISBN 0-86612-214-1