

## **CHAPTER 1**

**Welcome: an  
introduction to  
international  
hospitality  
management**

## Chapter objectives

After working through this chapter, you should be able to:

- Follow the outline of the book and the logic of its construction
- Review the international dimensions of hospitality management
- Evaluate the nature of the host–guest relationship
- Identify the positive and negative implications of globalization in hospitality



**Figure 1.1**  
An example of a multilingual welcome – this key holder was issued at the InterContinental in Budapest in 2006.

## ■ Introduction

As the illustration suggests, you are welcome! You are welcome to join us on a rapid journey through the ways in which hospitality can be managed within an international context. This book addresses a challenge that is becoming increasingly important as we move through the 21st century,

namely how can we attempt to manage hospitality internationally. There have been many attempts and there are some which offer examples of good practice but there are also many examples of failure and underperformance that point to a lack of understanding of or an inability to meet the management challenge. We will draw on many examples in an attempt to explore the issues which we believe underpin the operation of the hospitality industry. For us we see the hospitality industry as the group of organizations providing hospitality services and products to the public, and we believe it has a very close relationship with the tourism industry. You will be introduced to the traditional aspects of the industry, with examples from hotels and restaurants, but we will also look at the ways in which the industry has been changing (though we stop short at giving full consideration to the underwater hotels and the space race!).

One of the tensions in the international study of any subject is how it is constructed in different countries – this is very true for our field. In the United Kingdom, tourism has overtaken hospitality as the centre of attention and research, with hospitality seen as a supporting sector. In the USA, the major focus has tended to be on hospitality with tourism emerging as a concern for the hospitality industry. In China, the phrase used is almost always hospitality and tourism or tourism and hospitality. This most clearly reflects our view that the two are interlinked and mutually dependent. The hospitality and tourism industries together are the largest and fastest growing industry in the world. The World Travel and Tourism Council ([www.wttc.org](http://www.wttc.org)) estimate that hospitality and tourism as a global economy are directly and indirectly responsible for 11% of gross domestic product, 200 million jobs, 8% of total employment and 5.5 million new jobs per year until 2010. This creates a wide range of management challenges and we will critically explore the developments within the industry in the book.

This chapter will introduce the aspects of international hospitality management that we will address in the book and explain the rationale for how we have divided it into 11 chapters, all of which deal with a major element of international hospitality management.

Our position has grown out of our experiences of living and working in international hospitality, both in our native countries and in other people's. This has sensitized us to the need to operate internationally in a way that facilitates exchange and growth. We have seen ventures based on a simple single culture being overwhelmed by the complexities of the world we live in and that they had chosen to operate in. We will look further at those issues by examining as a crucial example the introduction of the Disney brand and the Disney concept into the European and Chinese markets. These launches were not straightforward even for an organization as well developed and powerful as Disney.

Our position is an unusual one within hospitality management and that contributes to the challenging nature of this book. We have grown up in the debates in leisure studies and tourism studies, which have seen those areas move into critical debate. Jones (2004) has noted that hospitality

research is still lagging behind those fields. He identified the principal schools of thought in hospitality as follows:

- Hospitality science model: Based on the natural and physical sciences such as chemistry, biology and physics. Studies of this type include research in diet, nutrition, ergonomics, equipment performance and so on.
- Hospitality management school: This is largely based on empirical and quantitative studies, often related to studies of hospitality marketing and consumption.
- Hospitality studies: This includes qualitative as well as quantitative research.
- Hospitality relationship: This is a recent school of thought and separate to, and distinct from, any management or industry association.
- Hospitality systems: Systems thinking accommodates both positivist and normative research.
- Hospitality pragmatics: This is an all inclusive position dealing with the realities of the industry.

We do not sit easily in any of these positions, deriving a concern for the practical from the hospitality management school whilst being informed by the concerns for the hospitality relationship. We hope this book brings together the grounded elements of the case studies we provide with the insights of the awareness of the dynamics of the relationships which are central to our understanding of the hospitality industry and the distinctive relationships which mark out our concern with the management of international hospitality. We believe it is important to acknowledge our roots in the different traditions in order to clarify where our perspective comes from and how it shapes our analysis. We draw on the critical social sciences, valuing a constructivist approach towards social research and our analytical frameworks seek a holistic interpretation. We are pragmatic in that we live, work, teach and holiday in the real world, but we are conscious of the importance of recognizing the power of the theoretical in framing and explaining those real world situations.

## ■ The roots of hospitality management

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Hospitality is rooted in the relationships that develop between hosts and guests, a dynamic which has existed since the first human societies emerged. The early relationship was defined in terms of honour and respect within a reciprocal framework. It was an honour for someone to visit you and, as a good host, you treated your guest with respect and offered them comfort, security and entertainment. As a guest, you were aware of the honour that the host was bestowing upon you during your stay by welcoming

you into the heart of their home and it was your duty to repay that kindness with respect for your host's values and customs.

Even when we look at the earliest origins of the hospitality industry we find a mixture of journeys, both near and far, but they are all set within the context of the honour of the host–guest relationship. In setting our book within the context of this debate, we realize that we are visiting, and indeed revisiting, a well trodden and yet still controversial corner of the hospitality field. The couplet has been much used and some would argue misused over the years in the study of tourism impacts and tourism development but the critical dimensions feature less strongly in hospitality. We are seeking to use it in the sense established in Smith's seminal work (1977), in order to explore the dynamics of international hospitality management.

We are adopting a holistic view of human society and a methodology of cross-cultural analysis within this book, and we agree with Smith's emphasis on the need to unveil the internal processes of change inherent in societies (see also Smith, 2001). She gives prominence to globalization and the shrinking distances as communication and transportation bring destinations closer and with it their connections to issues of time, authenticity, identity and ethnicity.

## Guest expectations

We also want to engage with the notion of guest within that range of experiences.

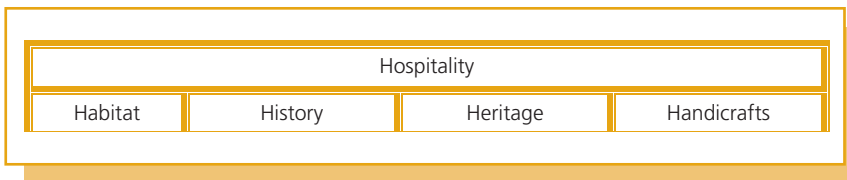
Aramberri (2001) called his confrontational contribution *The Hosts Should Get Lost*. He contends that the host–guest couplet is based around a pre-modern formulation where there were three main features:

- 1 Protection extended by the host to the guest on the grounds of their common humanity.
- 2 Reciprocity with the guest returning their host's generosity.
- 3 Familial duties and obligation – with the guest becoming a part of the host's family and supported in the same ways.

Aramberri argues that the modern experience no longer contains these elements of exchange and obligation. His argument is based on the replacement of the pre-modern experience of covenant by the contract form of modern capitalist societies. "The point, however, is that the nonmaterial reciprocity of the old covenant is gone and that no amount of mourning will bring it back to life. If the covenant is gone, so are also the fuzzy codes of mutual rights and duties that spelled its details. Now the main tie that binds the contracting parties is the deliverance of services – commodities – on the part of the hosts, and payment in cash for the tab they have been running on behalf of the guests. In fact, the hosts are no longer hosts, just providers of services, while the guests are no longer guests, just customers" (Aramberri, 2001: 746–747).

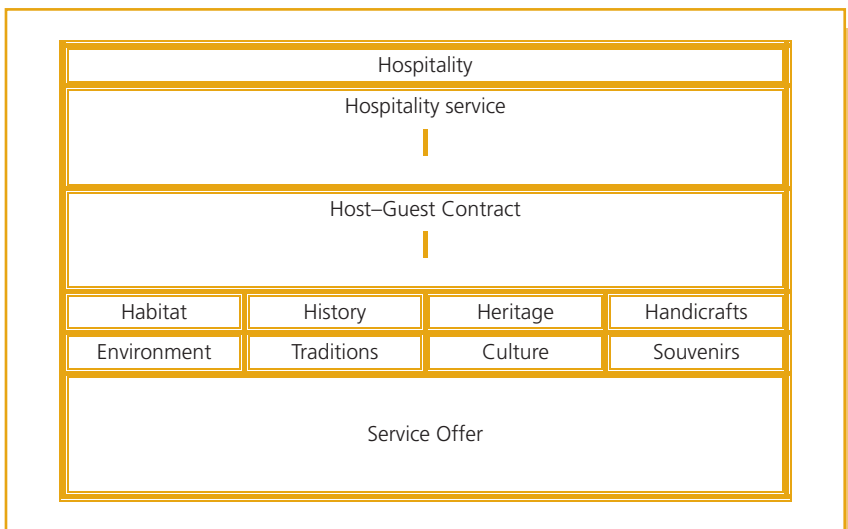
The argument continues by suggesting that the hosts have deliberately constructed the context for the commercialization of the contract because of the opportunities to grow rich at the expense of the guests. We will elaborate many of the points surrounding the contract relationship during our discussions but rather than losing the host, we feel that they help to redefine and recognize the role of the host in what we are calling international hospitality management.

Because too much hospitality and tourism, or the wrong type of hospitality and tourism, can despoil a community and marginalize the residents it is necessary to develop hospitality and tourism with care. Ideally, hospitality and tourism development will permit hosts to cope with hospitality and tourism by providing some cultural space for the guests while simultaneously preserving other, more private space for the hosts. Smith (2001) advocates the use of the four H's – habitat, history, heritage and handicrafts – as key elements in an ethnographic assessment of hospitality and tourism. This book will show how these inform the practice and analysis of international hospitality (Figure 1.2).



**Figure 1.2**  
The four H's

We would suggest that this can be re-presented within hospitality service as shown in Figure 1.3.



**Figure 1.3**  
The hospitality context

These elements help to translate the anthropological approaches into the domain of the manager and the service provider that we will go on to explore.

## ■ The context of international management in the hospitality industry

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The hospitality offer takes many forms, the hotel room, the coffee or should that be low-fat latté, the restaurant, the time share and so on. These offers share a common starting point in the relationship between the provider and the customer. However these relations are structured in many ways, by the expectations of the organization and by the cultural constraints of the hosts and the guests. If you do not believe that the offer is structured try ordering one of the top of the range sports cars from a car hire company if you are not 24 years old or hold a driving licence from a different country!

When you explore the relationship between the hospitality provider and the customer the constraints become more apparent. Moreover we become accustomed to the usual practices that we grow up with. The English have had a long and interesting history with the sale of alcohol, growing accustomed to licensing laws that impose strong restrictions over who can purchase alcohol, where and when. Travel outside those narrow national boundaries and one of the surprises is the way that alcohol is treated differently in other countries.

This simple example begins to raise the interest level in the international dimensions of hospitality management. We would urge you to open your imaginations and put aside the idea that there is a “normal” that you should expect to underpin the hospitality offer as you travel round the world or that you would impose on that offer.

We see the international dimension as more complicated than the simple trade between two countries. These commercial transactions can take place with any commodity, subject to international trade agreements and the willingness of the two parties to trade. In hospitality we are concerned with a more complex transaction, one where the hosts and guests are involved in the transactions at a variety of levels. You could argue that the purchase of a “tea” is a simple purchase and mirrors the transaction of any international trade. We would argue that it is far more complex than that and involves the host and the guest in a more complex relationship. What do we mean by tea? Also refer to Plate 1.

This book is the product of many sessions drinking tea in the United Kingdom, but it was not a traditional English breakfast tea, served in china cups with milk and sugar. Mostly it was a Chinese tea, drunk from mugs with nothing but the tea to interfere with the taste. Quite what the neighbours would have said if they had known remains the subject of

**Plate 1**

Source: Bettys Harrogate. Bettys is a well-loved Yorkshire institution, having a long history of serving fine quality tea, coffee and cakes

speculation. In Hungary we serve tea but with lemon not milk, but we do not go into the Turkish tradition of sugaring everything despite, or because of, the years of Turkish occupation. The offer of tea is therefore culturally a complex one, drawing on the specific cultural patterns of the hosts and may well challenge the conventional expectations of the guest (Plate 2).

**Plate 2**

An Asian tea house. Source: Author's photograph. This shows the entrance to an Asian tea house, which has traditionally been more important to the culture than coffee



We believe that such tensions are at the heart of managing international hospitality. How the specific and the different can be presented to the guest/customer as an exciting and satisfying experience, without reducing everything to a standardized commodity is at the heart of the challenge faced by the industry.

We believe that we need this book because the hospitality industry has moved into a position where any and all of its transactions could be set within this international context. We are aware from our experiences of hosting both in our native cultures and within foreign cultures of the challenges that these hospitality offers construct and that overcoming these interconnecting difficulties is never as simple as it first appears. Challenges and opportunities exist for the new generation of hospitality managers, even for a local hotel, where there is a frequent need to think outside the narrow confines of a local cultural construction and meet the expectations of an international market. This may not only be presented in the demands of foreign travellers but also in the worldwide influences that have come to work on the expectations of the local clients as well. It has been argued that the most famous café in the world is not a Starbucks or a McDonald's but "Central Perk", the café that kept the cast of characters from "Friends" fed and watered throughout the 10 series of the worldwide smash hit American television comedy. "Friends" influenced people in many ways – styles of dress, haircuts, names for their children and even what to ask for in a café! This worked both in terms of the menu and the style and décor of the space itself. Starbucks and their like influenced these trends but did not necessarily control them as they were also influenced by them. The cultural pressure derived from the media, and the huge success of the series, contributed to the growth of the internationalization of guests' expectations about hospitality. It was not an intended consequence of the series but the effect was felt nevertheless.

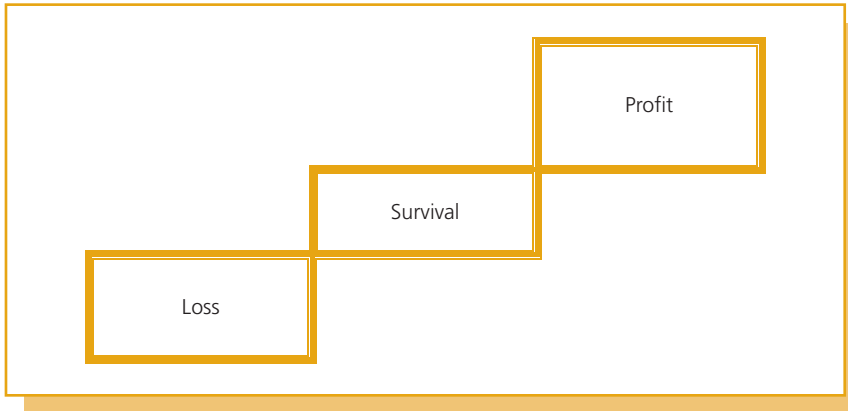
What we mean by international must therefore be seen in this broader and more culturally informed context. Rather than being contained in the trade between two countries, what we see as defining the international is the exchange of cultural values and expectations that underpin the host-guest relationship within any hospitality exchange. For us the focus is cultural rather than commercial and it is the cultural dynamic which is constantly changing and shifting that lies at the heart of the management challenge as we perceive it.

## ■ Interpreting the concept of international management

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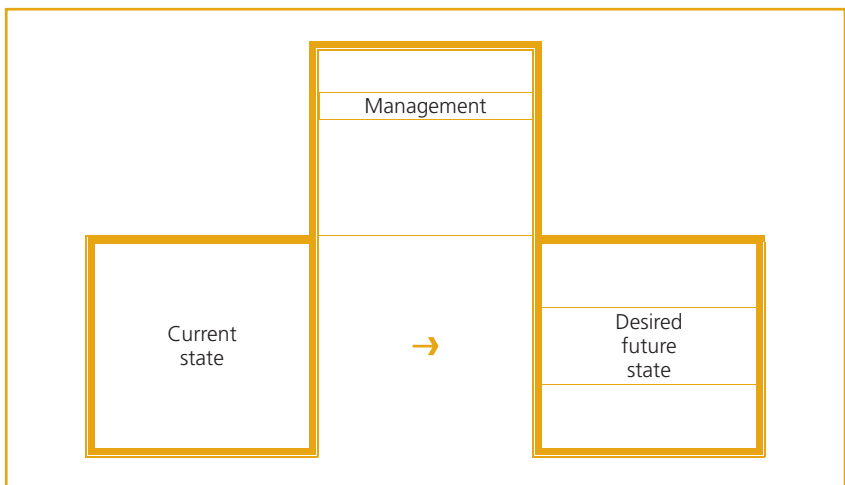
Most management texts assume that the concept of management is self-explanatory, it is after all about managing. We feel that the concept deserves slightly more consideration as our perspective will suggest that the ways in which management is interpreted is itself culturally significant and introduces a change into the operating environment of the organization.

One suggestion is that management is all about ensuring that the organization makes a profit – and certainly does not make a loss! In most cases, survival is not a preferred option as managers are required to show greater returns on the company's investment (Figure 1.4).



**Figure 1.4**  
The peaks of management

This is a view of management that is based on the concept of the advanced capitalist firm, operating with a division of labour that separates the management of the organization from what happens within it. We do not see management as merely the mindless pursuit of profit as we see managers having a more open role in hospitality organizations. Whilst the concern for the bottom line and profit will be a factor, we believe that managers have a crucial role in the delivery of service quality and are vital to the internal and external image of the organization. Therefore we would suggest that the manager is involved in a process which involves taking the organization from where they are now, the current state, to where they want to be, the desired future state. The desired future state will encapsulate a more rounded view of the organization than simply its profitability (Figure 1.5).



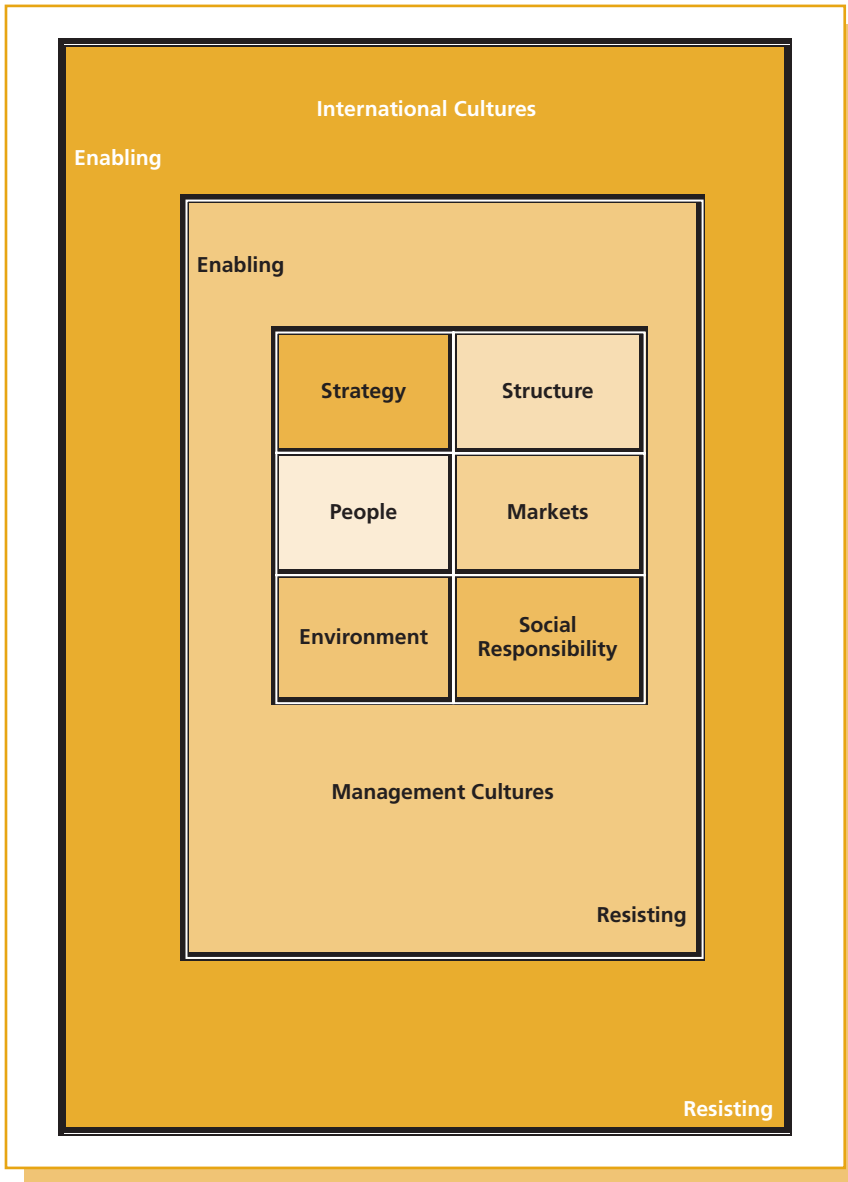
**Figure 1.5**  
The management journey

Let us consider what the process of management involves and therefore what is required of the manager. We believe that there are six components of the managerial role:

- 1 Strategy: Determining the direction of the organization and establishing the ways in which it will be able to achieve its objectives.
- 2 Structure: Considering how the organization is patterned and ensuring that the structure facilitates the delivery of the objectives.
- 3 People: The management process will involve dealing with people inside and outside the organization, with a variety of roles from development to discipline.
- 4 Operating environment: Coming to understand the internal and external forces that influence the organization and the impacts they may have on the future performance of the organization.
- 5 The market(s) and marketing: How will the organization select and present itself to existing and potential customers.
- 6 Social responsibility: Demonstrating both a private and social profit for the company.

These are the elements that we see constituting what a manager should do – but we recognize that not all managers will do all of them all of time. However we do see an increased awareness about what is involved in these six areas as helpful in developing sensitive and informed managers for the hospitality organizations of the future. We would also stress that this management process does not operate in a vacuum. All organizations are set within the context of cultures and given that the focus of this book is on international management, we would have to address the role of international cultures in shaping the opportunities for organizations. This can be seen both positively and negatively, with some aspects of the cultural environment encouraging development – those we have termed enabling forces, whilst others are likely to present obstacles to challenge the development of the organization – which we have identified as resisting forces. We would also say that the same analysis holds for the culture of the organization itself or the management culture (Figure 1.6). Parts of this will be open to the challenge of international management but others will be more resistant. We would therefore ask you to share our model of how this international hospitality management is constructed.

There is one danger with this model, and indeed with all such models of management, which is that it presents an analytical framework for the study of international hospitality management but the very drawing of the model denies the interrelationships between the elements. Our model does not intend to prioritize any of the six elements in the centre, they could be presented in any order and the model would be just as coherent. Nor do we intend the sets of forces to be seen as separate from the elements contained by them. We see this as a dynamic relationship between the cultural forces, from both the organizational management and international dimensions, and the knowledge, skills and competences required to deliver the practice of management. Our conception of the model is one of analytical separation but we recognize that the separation is required for presentational purposes but in practice we would see a myriad of



**Figure 1.6**  
The cultural contexts of international hospitality management

interconnections, crossovers, reinforcements and contradictions between and within the elements and their settings.

This book is built around the central notion of culture and the way it constructs the hospitality industry, from design to offer, for both the developers and the guests. We therefore have to say something about the way that this notion of culture impacts on the ways in which management has been presented and written about in the past. It has been noticeable that management training and practice has been developed from a largely westernized base of knowledge. These theories and perspectives were developed to account for, explain and perfect the operations of business organizations. It has been recognized that there is a production bias to many of these

approaches which makes the transition to services difficult in some areas. We would also note that the cultural specificity of these accounts in westernized, capitalist, modernist societies also creates issues for translation into other societies, with different traditions and historical contexts.

We see our challenge as authors as setting the issues facing hospitality management in a cultural context that allows for the recognition and valuing of a diversity of cultures. For us the practices of international management in different societies, with their different cultures and their own economic and political systems are not just about the implementation of the tried and tested knowledge of western management gurus. It is a practice that begins from the recognition of cultural diversity rather than adapting to it as a part of the process. It is an international management which is open to cultural dynamics rather than closed by checklists and guidelines.

## ■ Globalization and international hospitality management

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Much of the work which is being done by academics in terms of the international situation has been talked about in terms of globalization (Dicken *et al.*, 1998, Wahab and Cooper, 2001). We must explore carefully what this term means, as it appears that there are different ways of using the same term, which have very different impacts on the way the issue is presented. As academics write about globalization, they appear to have two different models of the process open to them (MacLeod, 2004). One sees globalization as a distinct process – something which is happening to the world. The other sees globalization as an intensification of changes which are taking place in society as a result of other identifiable forces (Rosenberg, 2002).

The first model of globalization as a distinct process (De Beule and Cuyvers, 2005) is most powerfully seen embodied in the “disneyfication” argument, where it is seen that Disney is transforming the world. Everyone knows Mickey Mouse. Even in China, Mickey is recognized as much as Mao. This version of globalization sees a process where global corporations are producing and reproducing a world in their own image (Dunning, 1993). The businesses, and this would include hospitality and tourism businesses, are operating in a market which is no more than an extension of their own back garden, but that marketplace has been extended across the world and constructed in their own conditions (Davis and Nyland, 2004). One key factor involved in these accounts is the role of technology in facilitating participation in this global system (Roy, 2005). A critical account of this thesis can be found in Ritzer’s accounts of McDonaldisation (1993, 1998). Here globalization offers the promise of worldwide standards in service provision, with the promise of not disappointing the customers’ expectations wherever they are.

The second model sees globalization as the summation of a range of other processes which are happening within the societies of the late 20th and early 21st centuries (Hoogevelt, 1997). There are processes which change the way that social life is lived – access to satellite and cable broadcasting networks opened up mass communications in a way which has revolutionized the

way the broadcasting system works today (Hirst and Thompson, 1995). In the United Kingdom we have the institution of the BBC, with a public broadcasting rationale. It is the voice of the nation in the air and, with globalization, they are seeking markets throughout the world, under the slogan “nation shall speak unto nation”. However with the diversification of the media, it is now possible to have a production – made by one person – and broadcast to an audience across the city, across the world – which might not be much more than two people in their own rooms. It is very different from the notion of mass broadcasting and conjures up a notion of narrow casting where specialist audiences can be accessed by minority interest programming. There are political processes which are taking place alongside this (Smiers, 2003).

There is a possible third view of the processes of globalization, which sees “globalization” as a discourse. The importance of discourse for this account is that discourses have a power in themselves and in particular they have the power to shape the “lived realities” of people’s everyday life. These realities do not exist until they are constructed by people interacting in and through social processes (Jameson and Miyoshi, 1998). Moreover, those processes then assume a reality and you get to the really important point about what they have been creating. The more people buy into a discourse the more power those discourses have. You will find that the more people believe that the only products which can appeal anywhere are those which are acceptable in the global market, the more you will have people who only produce products which will appeal in that global marketplace. To oversimplify the argument to demonstrate the logic, if you believe that the only type of hospitality and tourism product that can appeal globally is a Disney style theme park, then you will only be prepared to invest in and develop that style of attraction. All tourists will then go to the new attractions because they have no other choice within this new Disney style theme park world. The closure of the discourse is demonstrated as attendance at the theme parks is up, tourists are choosing to go to them and you were right to join the global market and offer the tourists what they want in your own locale. Look at the example in France, where a great deal of the cultural capital of northern Europe can be found. Now they find that more visitors go to Euro Disney than the attractions in Paris.

These definitions of the globalization process must be questioned. However in asking the questions, it must be recognized that there are certain effects of the globalization discourse which are affecting hospitality and tourism on three levels. These levels are:

- 1 the expectations of the guests,
- 2 the expectations of the locals,
- 3 the opportunities which may exist because of these changing expectations.

The expectations are different for both the international guest and the domestic guest – What is the domestic tourism experience in the region? It is necessary to consider what has traditionally been the domestic tourism experience and what the expectations are now. How that is changing with the expectations that come with the global process is an important aspect of the cultural dynamic.

It can also be seen to bring about opportunities. Part of this globalization process is that opportunities are being created. There is a danger in presenting an argument such as this of being seen as being opposed to globalization but whatever our feelings about the trends it represents, it has to be recognized that it does create opportunities. We now have the opportunity – if we have the money – to stay in a three/four/five-star hotel almost all the way round the world. This did not exist before so that it is a new opportunity that has refined the way the host–guest relationship is constructed. Globalization also makes things available – it puts into place an international infrastructure which makes things possible. It is an infrastructure which makes the changing expectations realizable (Olds *et al.*, 1999). It changes the opportunities open to people and it changes the availability of those opportunities.

What is more important than studying the global at the global level is to look at the ways in which it impacts on people's lived realities (Whalley *et al.*, 2006). When you examine the way that people live their everyday lives, what you see is that discourse of the globalization processes cut right the way across everyday life. It constructs civil society in new ways, but it has to be recognized that the impact is differently experienced locally (Huaichuan, 2004). The changes are re-presented in many different ways depending on the local contexts upon which the processes are being mapped and the discourses read. It will be different in Hong Kong from Beijing, from Kuala Lumpur, from Manila and from Bangkok and Birmingham. It is different regionally as well as locally and it will be different between countries. There will be as many differences – if not more – than there are similarities – across regions and certainly across nation states.

If anyone suggests that there is a monolithic process called globalization and that, as a result, we will all be the same a few years down the line – do not believe them (Robertson, 1992). That observation is predicated upon a notion that the power of the economic is total and that it will be the force that determines the future. Economics is not the only social process involved (Gangopadhyay and Chatterji, 2005). Development theory introduced the notion of core and peripheral regions, centres that were the “core” of the civilizing and development processes and peripheral regions which supported the continued development of the core (Peet, 1991). In the good old days, the United Kingdom could be seen as a core with our colonies as the periphery. The same patterns of development can be seen across the Asia Pacific region, not only with colonial core periphery regional relations but also between strong national capitals and peripheral regions within the nation state. It is also possible to propose that there is a core for the Asia Tiger economies and then a periphery within the region which has supported that development.

If we place this argument within the context of a globalization process which is working towards a monocultural and mono-economic system, you cannot have core and periphery systems. The relationships can be about dependence and supply, but they are not about core and periphery. The challenge for countries in the region is about repositioning the hospitality product(s) in a global market and you have to accept that some of the old

positions which have been constructed are no longer tenable. The debate has moved on and the market has moved on – more accurately, the markets have moved on. The consumer, for that is what the guest is, has moved on.

The implication must also be therefore that the core no longer exists. Where are the claimants for the title of the capital of the global society? They do not exist. The capital of the global society does not exist. Capitals exist for nation states and globalization operates across the construction of the nation state, with no fear of borders at all. There would be no passport control, no immigration. There is no differentiation within the global. Yet there has to be a way of marking one place off from another, for creating and maintaining the concept of the destination (Turner, 1994). This increasingly becomes an issue of “image”, of the images which the hospitality and tourism industry can create and maintain. For the consumer the only reality they have of the destination is the image that is constructed of that location. This is partially – the professionals would argue largely – informed by the brochure and the videos produced within the tourism industry. The decision to travel to a particular place is often taken before there is any personal knowledge of the place which could be used to inform the decision. In business, the decision of where to stay and where to eat may well even be taken by someone else in the organization. The image which has to be sold therefore has to be compatible with the customers’ position within the forces of globalization.

Plate 3 is a photograph taken in a food court in a shopping plaza, only one of many throughout the world. Looking at the style of the catering units and the range of offer (Thai, Japanese/Sushi and Pizza) – Where do you think you are?

## ACTIVITY



**Plate 3**  
Where are we today?



There are not many clues! The format is very familiar – the Coca-Cola cups almost omnipresent. There are examples of French, Italian, Japanese and Thai characters but the actual clue is in the word “bufé”. This marks the setting out as Hungarian and it is, in fact, the Balaton Plaza in Veszprém in Hungary.

Take this opportunity to look at your local high street. Note what sort of retail and cafés are available to you as a contemporary customer.

After doing this, talk to anyone over 50 years old or go to the local history archive and check out how this has changed over the years. Even if you only go back 15 years the changes will be obvious. If you go back further, they become even more apparent. The local library will have photographs that depict the changes you have been talking about. Find those and consider how unfamiliar the old photographs look to you because you know the contemporary version. Then remember that for other people the older photographs are more like the reality they remember.

The changes are a part of the processes we are talking about here. They do not just affect other people as your work demonstrates they affect all of us, no matter where we live.

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There is a need to construct a strong local image, because there has to be a distinction – a difference. However this difference has to be constructed within the global forces of the hospitality marketplaces. There has to be an image of the region, the nation and the local which appeals to the market and moreover which outperforms the images constructed by other regions, nations and locales that are also competing within the marketplace. The globalization processes can be seen in the increasingly popular tourism quiz of cutting out the photographic images from the brochures and the travel magazines and inviting participants to state “where in the world is that?” It is such a good competition that during 2002, Silk Air could offer a prize of a free trip to the winner of such a competition in their in-flight magazine. What the globalization processes mean for the hospitality and tourism market is that the entrance to the market is already set at a very high level. There is a potential of a global market, but the individual “signatures” of destinations – be they regions, nations or specific locations – have to be read in the context of the global hospitality and tourism market constructed within the globalization processes. Again if the argument is exaggerated to demonstrate the logic of the globalization processes, it is possible to argue that the processes will eventually culminate in just one dominant touristic image or a register of agreed touristic images. One suggestion would be the – ubiquitous – white sand beach and palm tree image used to promote exclusive beach tourism. Players in the hospitality and tourism markets are therefore competing against this pre-given, pre-determined construct of the attractive tourist location. Even if you can match the image, what can be offered to the market to convert the interest in the image to an actual sale?

## ■ Implications for hospitality and tourism

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The implications of this are felt all the way through the hospitality and tourism model and inform the analyses offered in the chapters that follow this introduction. Globalization fundamentally challenges the way in which hospitality and tourism are constructed. At its very basic, it impacts because some of the opportunities are no longer there. Some businesses have ceased trading and therefore their part of the hospitality and tourism offer is no longer available. Moreover the same is true for some of the guests. The guests may not be there because of the economic crises as some people are no longer able to afford the products. The global level of expectations has gone up, at exactly the time when the economic crises have threatened the ability of the destinations to provide for and to satisfy these expectations (Go and Pine, 1995).

The future for hospitality and tourism is not all bleak and an optimistic vision can be seen if the economic logics of crises and globalization are confronted and stood on their heads. The processes of globalization suggest a coming together of provision in the market but rather than looking to a single global culture, it is possible to argue that hospitality and tourism produces a distinctive culture of its own. The touristic culture binds the experience of hospitality and tourism with its own set of expectations. For hospitality and tourism development, there appears to be a rationale based within the touristic culture for differentiation rather than standardization.

There are some expectations which hospitality and tourism promotes itself. It argues that guests should expect high quality of service. This has been interpreted by the industry as having to improve service in a continuous way and it has been built into the hospitality and tourism industry in every sector. The satisfaction questionnaire is now found every where the guest goes. The responses are analysed and something is done about it. The problem about that is that if the industry continues raising the levels of service quality they can never satisfy the demand. They are bound to fail and they are bound to fail a challenge which they need not have taken on. What the industry needs to address is the appropriate level of quality and ensure that this level is met. If the offer is a three-star experience, the quality should be appropriate to a three-star expectation of quality. It should not be a four-star version of quality, because that is not what the demand was for. If the offer is of four-star quality, it should be offered to consumers demanding four-star standards. This has been taken out of context in hospitality and tourism, where the industry has gone in search of the holy grail of the perfect holiday.

When we say that the issue of guest safety is important, we have to recognize that we are talking about an issue which is as rooted in image and discourse at least as much as it is in any experienced reality for the majority of potential tourists. The more you talk about the problem, saying it does not exist and there is nothing to worry about – the more you confirm

the discourse that there is something to worry about it. The experience of Jamaica is relevant here, as the introduction of all inclusive resorts to the island was in part designed to offset the sense of threat tourists were thought to feel from the increasing violence in the capital. However the discussions around the bars and the pools in the all inclusions furthered the sense of danger and discouraged the tourists from ever leaving the resort development. This had the consequence of seeing the tourism numbers being maintained, in more expensive resorts, but the figures for tourism expenditure declining in the Jamaican economy.

The concern for quality is a minimal standard in making a touristic offer in the global marketplace, but it cannot be the sole criteria for decision-making. The quality of the experience in any part of the region will be comparable; therefore the actual offer has to move beyond the boundaries of the definition of quality. The transcendence can come from the richness of the offer, still maintaining quality levels but offering an acceptable and attractive difference to the other offers. There is also a marketplace for the cheaper offer. The offer can undercut other destinations but such a policy has consequences for the type and style of the development which has been provided around the offer.

The future of hospitality and tourism is also going to be affected by the emergence of what Pearce (1982) has called touristic careers. This is a concept which seeks to understand the way tourists build their experience and levels of confidence into what will be called here touristic literacy. As the literacy levels rise so do the demands of the tourist for what they want – they will not all be demanding the same thing for some will demand more independent travel and others will seek more sophisticated packages but they will share a clearer set of expectations of what it is that they as customers are seeking. It is important to recognize that the tourist changes. Each touristic experience increases the level of the literacy of the tourist. What the industry must consider is what level of literacy it is demanding from the tourists it is seeking to attract. Can you target people who are first timers away from home, who want to sit in a bar which looks remarkably like their bars at home, who want to eat food which looks remarkably like their food at home and where the entertainment is provided in such a way as it looks like the entertainment they have at home? This requires hospitality and tourism which is designed for the illiterate tourists, but probably does not dare to call them that.

If the industry is aiming for a more literate tourist, then the package has to be altered. The tolerance of difference – in deed the expectation of difference will be greater. The menus will not have to have pictures of the food on the menu. The confidence will also increase the size – or perhaps puncture – the tourist bubble. For the illiterate the bubble includes the hotel and the beach – and possibly the next hotel because that will probably have tourists in it. The aim of the hospitality and tourism developers has to be to find ways of extending the safety of the hospitality and tourism bubble to encourage the usage of a wider range of resources. The more experienced guest will seek out local information to probe the area and discover the extra, the additional and the different within their chosen destination. They are independent and safe in their independence.

The prospect is that the industry will have to work increasingly hard at ensuring that the hospitality and tourism offer meets the expectations and the needs of their tourists. It will have to do that with the pretourism experience as well as the events in the destination. This will then ensure that the tourists who arrive in the destination leave as satisfied customers and a hospitality and tourism ambassador for the region. The pretourism work is vital, especially where the uncertainty around the definition of the destination exists, and is primarily concerned with image. Image is constructed by the industry and those who know – or who we think ought to know.

The economic crises of the 1990s did not spell the death knell for the hospitality and tourism industry. There is no simple death sentence because hospitality and tourism is a resistant industry. It survives partly because it is a luxury product and as such is something people want to have. People may trade down but hospitality and tourism will survive. The implications for the region of trading down can be significant. Value for money will become increasingly important as a determinant. The industry will have to ensure a maximization of the return of the tourists' investment. Hospitality and tourism businesses expect a return on their investment, so why should they think their customers are any different. The prospects for the region will be determined by the ability to provide viable answers to the question of why should the tourist come here. The quality of the experience will come for the sectors of the industry working together with the best possible quality – including the taxi drivers. Who do the tourists see in your city? They see the front-line people in the hotels, the taxis – they do not see the highly paid hospitality and tourism planners. Education is therefore the key to improving the level of service and as there is no way of predicting who will be working in the front line of the hospitality and tourism offer, the education has to be made available to all as part of a national curriculum to help prepare the society for hospitality and tourism and the hospitality and tourism society.

We also need to educate our guests as well. The tourists require education before they set off and in their destinations. They need education which helps to explain the responsibilities of tourist within the societies they visit and how they should behave to avoid insulting and upsetting their hosts. This of course is a circular argument, for if you are learning to be a good host you are also learning how to be a good guest and vice versa. It is a big challenge but that is the one global consequence of extending hospitality and tourism as an international and domestic experience of quality and of difference.

## ■ The structure of the book

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The book will now take you through a series of chapters that outline the parameters of the international hospitality industry, drawing your attention to the dynamics of the development through a series of international case studies. We have selected the case studies and examples from a wide range

of contemporary sources to try and maintain the immediacy of the book but also to demonstrate the range of the industry we are concerned with.

The first part of the book deals with the importance of culture in shaping the industry and the expectations which drive it. These will be arguments that are presented and then critiqued from the perspective of our understanding of international cultural dynamics. This will take you through a critical discussion of cultures, national, organizational and touristic, and how they interact to create the context for international hospitality practice.

In Chapter 3, you will be asked to consider the definition of the industry, both in terms of its structure and of its organizations. This will include the development and the size of the sectors. For instance you will be taken through the Lodging industry, looking at the classification of hotels and the main niche markets. We will also explore the interconnections between different sections of the international hospitality industry by looking at the linkages between the gambling and accommodation sectors, in the form of casino developments. We will address the construction of the contexts within which the international hospitality industry operates. We will explore the international environmental issues that underpin the development of the hospitality offer. This will take forward our interpretation of the concept of international management and commenting on past and current influences to establish a view on future trends and developments. We will seek to develop an analytical framework that evaluates the general environment and can interact within the hospitality and tourism industry, cultural factors, political factors, legal factors, economic factors and technological factors.

The next part of the book will present several different international hospitality management issues and applications. These chapters are not intended as introductions to the totality of the subject but are written to focus on what is important for international hospitality management about, for instance, marketing, by developing the international issues. Our book cannot offer to be comprehensive about the elements we are discussing but there are huge texts available to you in the specific disciplines we address. The intention here is to present accounts that make you think about the issues we think are central to the practice of international hospitality management. Our chapters reflect the six elements we presented in the model of international management earlier in this introduction. You will encounter strategic management, marketing, human resource management and the roles of small- and medium-sized enterprises (SMEs) in global competition. You will also be asked to explore some of the business models commonly found in the international hospitality industry. These will include Franchising and the Issues to consider about international franchising, including the political environment and legal considerations; language, culture and traditions; and the availability of resources. This section will also explore the origins and the history of the management contract and its role in the future of the international industry. Lastly we will consider the role of consortia in the development of the international hospitality industry. Finally we will review the ethical dilemmas and social responsibility issues involved in the international hospitality management, with the adoption of a more sustainable approach to international hospitality.

The final chapter will offer the evaluation of a large international case study, elaborating the implications for now and for the future. This will give a concrete rehearsal of the arguments we have developed throughout the book, exploring issues (such as cultural/political/economic environments, international market development, emerging markets, international strategy, ethical marketing, risk management, local SMEs, human resource management and new technologies). This will be an integrative analysis of the one case of the Disney Corporation designed to show not only the various elements we have discussed but the interrelationships between them.

## ■ Review questions

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- 1 What factors establish the context for the operation of international hospitality management?
- 2 Does the host–guest relationship mean anything in the modern world?
- 3 What are the opportunities that globalization promotes?
- 4 Why do we talk about international hospitality management rather than global or globalized hospitality management?

These are challenging questions and we would ask you to think through the arguments carefully. They will help you deal with the arguments that come later in the book. We are not providing answers here but would suggest you look at the discussions we have posted on the website. There you will find our opinions about the questions but remember they are only one set of opinions and other people see the relationships in hospitality differently to us. If you use any of the material to answer specific questions you have been set on your own courses, you will have to look further than our generalized opinions to be successful. By all means use what we say, but make sure it is justified in the context in which you are developing your own work and the requirements of your specific assignment.

So, we hope this welcome will encourage you to join us on our journey. We begin in the next chapter by looking at the role of cultures within international hospitality management.