CHAPTER 1

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CHAPTER 1: INTRODUCTION TO HOTEL INDUSTRY

1.1 INTRODUCTION

The hotel industry is the servicing business conducing another significant branch in the economic development of the country. The hotel industry associates many types of industry, such as the tourist industry, the transportation industry, and the food servicing industry. It is apparent that every country emphasizes on the significance of this kind of industry, with a belief that this is a source for employment, disseminating the income of the country, conducing the country's progression, especially the progressing country such as Thailand. It is accepted that the hotel industry brings a high income to the country. Therefore, the government sector and the public sector should cooperate in promoting this kind of business. Whereby, the public sector would make the investment, and the government sector would support. It is complacent that generally the hotel industry in Thailand is being internationally accepted, due to the modernization of the hotel and the optimum service. The Thai amiability to foreigners avails the progression of this kind of business. The Oriental Hotel is an example of success for Thai Hotel, in receiving the world best hotel award for eight consecutive years. This enables the image for the Thai hotel business to become in one of the top levels in the eyes of foreigners.

Presently, various hotels expanded the network and branches, with a belief that the hotel business is still going well in Thailand, because people are still much interested to make a tour in this region of the world. Moreover, the booming tourist industry is enchanting people to put in more investment. These factors would conduce a great income to the country. More people give better interest in the study of the Hotel Academic. There was the intense teaching, training, and learning in this subject, to concur with the growth of this business. On the overall, this is directly advantageous to the hospitality industry. Because administrators and the operators attained the knowledge in the hotel business administration with a correct servicing knowledge, this would also be advantageous to other relevant business.
1.2 THE DEFINITION OF HOTEL INDUSTRY

Hotel: The Hotel Law, 1935 Article 3, indicated that the word hotel refers to all places constituted to receive the payment from travelers or people who quest for lodging or temporary stay. (Preecha Daengroj, 2001:199)

The word ‘Hotel’ in the Longman Dictionary of American English (1983:335) gave a definition of “a building where people can stay, in return for payment”. This refers to a place where people can stay through payment.

In the New Model English-Thai Dictionary (So Sethaputra, 2002:349) gave the definition that the word ‘hotel’ refers to the big hotel, the mansion, or the government offices, such as Hotel de Ville.

Accommodation

Before there was the word ‘hotel’ there was the word accommodation or places for travelers, which has a more extensive meaning than the word ‘hotel’. However, the hotel is the accommodation for travelers who wish have lodging through payment to the proprietor.

The accommodation refers to a temporary lodging, where travelers may rest and take a sleep. The accommodation is a prime significant for the traveling, which is important for the people, economically, culturally, and socially.

The form of accommodation should be suitably in concordance with the environment. This might be an endemic style or a modern style, depending on the surrounding. This conduces a diversity of accommodation formats. Therefore, the lodging has many types and many prices, with a variety of required conveniences.

The word ‘hotel industry’ can be concluded as the business administration pertaining to the lodging, put up to receive payments from travelers or the people who seek for a temporary stay, with services on the food, drink, and a systematic control on the particular administration.

1.3 HOTEL BUSINESS ADMINISTRATION FORMAT

The hotel business administration has different formats depending on the policy of servicing in each hotel, which can be classified as follows:

1.3.1 International Chain’s Hotel
This type of hotel business is the Joint Venture operation which refers to the participation of foreign investors.

For Thailand, in the case of a joint venture, the law stipulated that the Thai people must hold shares of not less than 51% of the registered capital.

The hotel business in the Chain Hotel may not be a joint venture, but an agreement between the person paying for the license and the vender of the license in all phases of administration, right from the administrator, the policy, the marketing, and the public advertisement through the expertise in the hotel branch. The duration of this indenture depends upon both parties, which the purchaser must pay for the license right, the administrative expenses, and must give dividends to the license vender. Whereby, the name of the particular hotel conglomerate, must be shown conspicuously; such as in the case of Holiday Inn Hotel, while the Crown Plaza is the conglomerate hotel of the Holiday Inn; the Regent Bangkok is a member of the Regent International Hotel; the Hyatt Erawan, Bangkok, is a hotel in the Hyatt International, etc. This character of business is a franchise contract (details in Chapter Nine). Each hotel conglomerate would have its own branches in every region of the world, such as the Regent Group International Hotel who has lots of hotels in its conglomerate.

Regent Hong Kong; Regent Beverly Winsor
Regent Singapore; Regent Sydney
Regent Melbourne; Regent Oakland
Regent Taipei; Regent Bangkok
Regent Fiji; Regent Kuala Lumpur

In this case, the hotel reservation system enables a direct contact with the reservation central reservation of the Regent which is in the United States, Australia, and Europe. However, the contact may be on the direct telephone line, or by a letter to the Sales Office of the Regent International Hotel at Hong Kong, Tokyo, Singapore, Los Angeles, New York, London, Frankfurt, Perth, Sydney. A direct contact to every Regent Hotel through the computer line is possible with a reservation center at Alberque, United States.
Moreover, there is the type of companies with an agreement to buy the business of notable hotel conglomerates, with accepted services, for the operation. Such as the Four Season Hotels and Resorts who agreed to buy the enterprise of Regent International Hotel; while the Four Season continues to utilize the name Regent International in the operation of the Regent International in the Asia Pacific Region.

Such franchise business is highly successful with lots of advantages:

1) Clients procurement, and room reservations can be done for all over the world with speed and reduced expenses;
2) Reciprocities marketing advantages;
3) Minimized expenses in the advertisement and public relations;
4) Attains lots of capital, and enables the enterprise expansion;
5) A system with the same standard, in the servicing of food and drink, and the accommodation;
6) The profit and loss is shared, enabling an assistance for each other, avoiding the instability of the enterprise;
7) A service in the international standard, and generally acceptable quality;
8) The personnel are always alert in their operation, with a constant training and development.

1.3.2 Family Hotel

This business is done amongst the family or cousins. This type of administration has long survived ever since the hotel service has begun, because it is suitable for small hotels, and need the least administrator and personnel. Therefore, when this business is conducted within the family, brothers and sisters would cooperate in the administration and become proprietors, such as the Family Hotel in the United States with the name of ‘Mom and Pop’. There were less than 100 rooms, while the hotel was owned by the head of the family. The wife and children help in the Mini-Mart, and the Perm Parlour within the hotel, and owners would give services themselves. There are both merits and demerits in this type of business.

| Merit | This type of business is independent, able to express one's opinion and make the decision by themselves. |
- Need little investment
- The association between the proprietors and clients is very good.
- The work control can be done extensively, because of the limited number of personnel.

**Demerit**
- The opportunity to develop into a large enterprise is rare.
- This job disbursement and the work entrustment have not been systemized.
- The administrator and the personnel would join the business through the patronizing system (selected through cousins, friends, or recommendations). In this case, the staffing may not be successful in enrolling competent personnel, while the personnel himself might be conceited and arrogant, and ignored the stipulated rules and regulations.
- The personnel development to a high level is limited, because there are few positions.

There is another type of administration called the Family Chain; this is also the family business. However, the administrative may be hired to control the internal operation for the entrepreneur, while the marketing may be done by the entrepreneur, or may make an agreement with any private marketing company such as Utell International who would operate the marketing for the hotel, with the international room reservation. In this kind of business, every policy would come from the proprietor, or the hotel committee or the administrative who received instructions from the proprietor. When the business is successful, the proprietor would enlarge the branches to various cities which are travel sources, both internally and externally. An example of this is The Imperial Family, who started with the Imperial Hotel, Vidhayu Road. Later this hotel enlarged to Impalatara, Imperial Smui, Thongsai, Boathouse, Imperial Queens Park, etc.

**1.3.3 Management Contract (Management Team)**

This is a contract with companies dealing with the hotel management, right from commencing the hotel construction or after the hotel is built. The company undertaking this management, would have its own teamwork to control the specific hotel, through the General Manager, under the Management Contract, the undertaking company, would execute without
a capital investment nor other assets in the hotel, while the proprietor would have to be responsible for all the investment. The hotel conglomerate would stipulate the policy, the operation procedure, the accounting, the marketing, while the proprietor would have to pay for these expenses, and the dividends would be apportioned according to the profit (after deducting the expenses, but not the liabilities). While in some companies, there may be the administrative assurance called the Negative Guarantee; that is should the output be ineffective, then the administration would be conducted free of charge. The administrative time depends upon the covenant, and usually not less than 10 years, because the newly constructed hotels are in the average of 3-5 first years, and are still in the Setting in Period with no dividends. But it may still be less than 10 years, such as the Dusit Thani who signed a Management Contract with the hotel conglomerate of Westin (Western International) in 1970 and the contract terminated in 1972. The contract was changed from the Management Contract to the Marketing Contract, and did not need to change the name, such as the Dusit Thani who did not use the name of Western International, and the Rama Hotel, Silom, (1958), did not use the name of the Hilton International.

1.4 TYPE OF HOTELS

Hotels can be classified in many categories as follows:

1.4.1 Commercial or Transient Hotel

Commercial hotels usually situate in the Down Town with the business concourse. Businessmen are content to accommodate in this type of hotels, because it is convenient in the business contact, with no need for long travels, passing all the traffic jam. It is convenient because this type of hotels are fully and conveniently accommodated, such as the food servicing, the swimming pool, the exercise room, the tennis lawn, karaoke room, dancing room, and the conference room. It is also near various places, which businessmen may easily make business contacts. The communication is convenient, with all means of selectable transportation for servicing. In this type of hotels, clients can enter and leave all the time, while they would not rest in hotels for a long time.

1.4.2 Resort Hotel
This is a resting hotel for tourists. These hotels would situate in the tour sources or in the resting sources such as on the seashores, the mountains, on the riverside, near the golf course, etc. Therefore, the conservation of natural beauty is a significant matter, because guests require contacting the beautiful nature, and at the same time, they also need to all the conveniences and facilities. Therefore, this type of hotel must be fully prepared for the conveniences and facilities, because the guests only wish to rest. In the hotel, there should be the golf course, riding course, and fitness. There should be all the exercises and activities for guests, such as the boat services, horses for riding, wind surf, and ski lawn. All these would enable the success for resort hotels.

### 1.4.3 Residential Hotel

Residential Hotel refers to the resident and not for commercial. Therefore, the residential hotel is the lodging, with a tenant contract and conditions between guests and the proprietor, where there would be an accommodation for a short time, or a long time. This length of time may take a month long, or a year long. However, there might be a condition that in the case of long term tenant, should the guest be absent for a long time, such as going to upcountry for a long time, the hotel has a right to let the room on a short basis, such as the Voldolfi Astroia in New York, who are the Residential Hotel. They have temporary guests as well as permanent guests. In this case, the hotel conglomerate of Astroria has many branches, in Europe and in America.

### 1.4.4 Motel

Motel is the combination of the words 'Motel' to 'Hotel'. This word had been initiated in the United States before 1930. After the World War II, when the economy started to revitalize, people sold more motor cars, and went on the travel. Travelers experienced all inconveniences in the lodging. This is usually in town, where the traffic was congested and jammed, with no parking space. In this case, the motel must find all the facilitation for tourists, with a parking service right next to the bedroom, or sometimes, under the bedroom. Usually, motels do not have room services, because guests usually come to rest.
for only one night, before commencing on the travel in the next morning. Motels usually situate on the highways, and the accommodation service is executed for 24 hours.

1.4.5 Motor Hotel

The idea in building up Motor Hotels was initiated by Cammon Wilson, an American designer and fixed asset developer, who set his family on a tour. He encountered a great accommodation difficulty. After his tour, he contrived a new format for the hotel by collecting all conveniences with the travelers who owned cars. The format of the Motor Hotel is the medium hotel with 30 rooms to 300 rooms, accommodated with parking spaces. The parking is free to compete with hotels that collect parking spaces. Moreover, there may be other services, such as the coffee shop, cocktail lounge, conference room, and swimming pool.

In 1953, the Holiday Inn hotel in the United States commenced its business with 100 rooms, and presently owned over 1624 branches with 317,506 rooms in the towns, and in the vicinity. The format of the Holiday Inn is the Motor Hotel, which was so successful that it becomes a franchise with high popularity.

1.4.6 Budget Hotel

The Budget Hotel or the Economy Hotel is to serve travelers who like the economy, cleanliness and modernity. This is usually a small size hotel, with limited rooms. An example of this type of hotel is the Days Inn, which spread all over the United States. Sometimes, the Days Inn may be in the same place with a service station, while giving different services. This is the same as the Ibis in Europe and Japan. Quite a number of travelers prefer the economy hotels, especially in countries with high cost of living, where some groups of tourists are unable to accommodate in hotels with high services.

1.4.7 Condominium Apartment, Flat

The condominium is a suit condominium that is similar to an apartment or flat. The difference is that the owner of a condominium or the particular suit has an absolute tenure right, through the affirmative document under the agreed rules and regulations.
Condominiums were initiated in Thailand from the sky rising cost of the land and the traffic congestion.

Presently, condominiums have a character of temporary rent, rather than a permanent residence. This is because the Thai people are not used to stay in square and limited rooms for a long time. However, when the problem of land and traffic increased, there would be a more permanent residing in condominiums; while the apartments or flats are only the lodging and rooms for rent. Where, usually in apartments and flats, there is neither facilities nor furniture, and tenants must provide these for themselves. This is the type of long renting for months or for years.

Travelers are able to find accommodations from condominiums while traveling, and these condominiums are called the Condotel. (The condotel is the combination of the words 'condominium' and 'hotel'). Here, they would be able to save money because many people may stay in this place and they are also able to prepare their own food.

1.5 GUEST ROOMS SELLING FORMAT, AND THE FOOD SELLING FORMAT

Guest Rooms Selling Operation: The hotel proprietor or the investor must stipulate a precise sales policy of the hotel. The applied sales format for guest rooms are generally classified into four formats:

1.5.1 European Plan

The European plan or EP is the European style. In this type of business management, the room rate would be differentiated. While other expenses, such as the food, and drinks would not be included in the room rent. In this case, guests must arrange for their own meals.

1.5.2 American Plan

The American plan or AP is the American style. The AP management is the room rate administration with an inclusive expense of the room rent and three meals. This is composed of breakfast, lunch, and dinner, for each guest. This type of business management was initiated in America. While in Europe, the AP Format is in the Full Pension (inclusive of room rent and meals). Usually the food for service is presented through Table d’Hotel,
where the menu is fixed, and guests would have little option or none at all. This is usually presented in Resort Hotel, because this type of hotel is in the resort, away from communities, and inconvenience to find food. However, quite a number of tourists do not appreciate the AP Management, because it is independent, with a feeling of being enclosed in the limited space prepared by the hotel. This independent feeling impelled the AP format to be less popular. Therefore, a new format has been schemed, with some air of the AP.

1.5.3 Modified American Plan or MAP

The Modified American Plan or MAP is the improved American plan. When the popularity in the American plan was phasing out, the hotel tried to develop new methods, but would not leave out the AP completely. Because this type of management is advantageous to the hotel. Therefore, a new method has been revised by reducing the meal into two meals. Guests do not like to have lunch in the hotel, because they would have to hurry back for lunch. Should they be late, then they would have to pay for that meal without taking it, including the cost of the meal they had taken elsewhere. However, the MAP management is still advantageous to the hotel, because guests would still have to take breakfast and dinner in the hotel.

1.5.4 Half Pension, or Demi Pension (DP)

The Half Pension or Demi Pension (DP) is the application of the MAP, where the room rate, is the combination of the room to the food and drinks of the breakfast. The guests have to find their own lunch and dinner, either within or outside the hotel. Usually, in this case, the hotel would inform guests that the breakfast is the Complimentary. In actual fact, the hotel already included the breakfast into the room rate. While in some places, the hotel would not specify that this meal has to be a breakfast, it might be any one meal that guests prefer but must be in the specific amount, i.e. the hotel specified an amount of Bht.100.00. In this case, guests may use the food service in the hotel restaurant at any time of the day, within the given amount of 100 Baht.

| EP. | Guest Room Room only (European plan) |
1.6 HOTEL ADMINISTRATION STRUCTURE

The hotel administration is a characteristic administration. The leading hotel enterprise had an international administration, with procedural system and policy. The hotel administration would be classified into two large groups of:

(1) Front of the house
(2) Back of the house.

These two groups of services cannot be completely divided from each other. While the two operations would have to coordinate and to operate concurrently and harmoniously, for the accomplishment of the hotel business.

1.6.1 Front of the House

This part of service is the direct contact and association with guests, from the first second that guests arrived, showing an intention to accommodate in the hotel. This front service is under the superintendent of the General Manager. The front of the house is classified as follows:

1.6.1.1 Front Office Department: This is a very important department, making a direct contact with guests. Should guests any problems or require to appreciate or comment,
they would go direct to the Front Office, because it is convenient to contact and converse with other departments. Therefore, this department is the direct delegate to link the work and report the consequence to other departments.

The operational function of the Front Office Department:

- **Reservation**: This section is responsible in registering the room reservation from various sources, with recordings, filing of reservation records, and revise on the appropriate time to make sure that guests would have their rooms upon entering the hotel.

- **Postage and Parcels**: This section is to facilitate guests pertaining to the posting of letters, telegrams, and parcels.

- **Telephone**: This section is to facilitate guests pertaining to the telephone both internally and externally, and to wake guests up in the morning upon request.

- **Finance and Foreign Exchange**: This section relates with the Accounting Department, through the collection from guests through their services, and also give the foreign exchange service.

- **Lost and Found**: Should guests lost any of their belongings, this section would register the notification; and should the personnel or any person found this belonging within the hotel, then the personnel would bring it to this section in order to return to the owner.

- **Inquiry**: This section is to answer questions and inquiries of guests. Therefore, this section would have to be alert with the all the movements of the hotel.

1.6.1.2 **Uniformed service department**: This section is to provide a service guests from the first second of arrival the hotel. Therefore, the personnel have to acquire special training to impress guests from the first instance. Personnel in this section are:

- **Doorman**: The doorman is responsible in servicing guests by closing and opening the door, and to greet guests when they light from cars.

- **Porter**: The porter has to coordinate with the Doorman when guests arrive
the hotel. Then the Porter would lift up the baggage or other luggage of guests and lead guests to register at the counter.

- Bellboy: This personnel would act like Porters. He would wait until guests finished their accommodating registration at the front counter. Then the Bellboy would take guests to their rooms, lifting their luggage and belongings as well.

- Pageboy: This person is to give services to guests at the front of the house. Generally, the Pageboy would walk to various points where guests are expected to sit.

- Elevator boy: This person is responsible in controlling the moving up and down of the lift, and to advise the hallway for guests.

- Messenger: This personnel give services in sending various messages required by the Front Office Department in servicing guests.

1.6.1.3 Housekeeping Department: This section is to give facilitation pertaining to the accommodation, and the general condition of the hotel have to be proper, clean, convenient, and sanitary; and has to be all set at all times. The Housekeeping Depart is composed of:

- Guest Room
- Linen Room
- Minibar
- Florist
- Decoration
- Upholsterer
- Public Area
- Laundry Room

Guest Room:

The Guest Room is the core of the hotel. The personnel in this department are composed of the Room boy, and the Room Attendant who are women responsible for
cleaning the room. They are supervised by the Floor Supervisor, while the Floor Attendant is to take care of floors in her responsibility.

**Linen Room**:

This room is to store all the linen of the hotel, including all the uniform of the personnel. This section is composed of the Linen Supervisor, giving surveillance over the Sewing Girl who repairs the uniform of personnel and all the damaged cloths; the Linen Attendant is responsible in taking the cloths and in allocating the cloths to various departments.

**Mini-bar**:

This section give services apart from the Room Service. The Mini-bar crews are responsible for cleaning drinking glasses, storing them inplaces, filling in the ice cubes, and soft drinks in the refrigerator, to keep the amount in full according to the Mini-bar Menu.

**Florist**:

The florist is responsible in arranging all kinds of flowers in the hotel, including the Guest Rooms, the Dining Room, the Hall, various banquets and in offices.

**Decoration**:

This section is responsible in decorating the place in various occasions, on special days, and holidays; including the decoration on the state, and conference room. Some hotels may combine this section to the Florist.

**Upholsterer**:

This section is responsible in repairing the furniture, cushion, carpet, curtains to keep the place in the best condition at all times.

**Public Area**:

The Public Area refers to the place where all guests make the use of, such as the dining room, the swimming pool, the garden, the lobby, the hallway, the conference room,
the banquet hall, and the fitness room. In these places, the personnel would be responsible for the cleanliness and the tidiness all the time.

Laundry Room:

This section is responsible in the whole cleaning services of the hotel, such as all the uniform of the personnel in the hotel, including the clothes of guests.

1.6.2 Back of the House

The services at the Back of the House do not usually make direct contacts with guests. This function is only performed in offices, but it is a very important task. Various sections at the Back of the House are:

- Sales Department
- Food and Beverage Department
- Engineering Department
- Accounting Department
- Personnel Department
- Public Relations Department
- Purchasing Department

1.6.2.1 Sales Department:

This department is very important in finding guests to accommodate in the hotel. The personnel in this department must be competent in selling with good human relations. The Sales Department is classified into:

- Guest Rooms Selling Section
- Conference Room and Banquet Room Selling Section

1.6.2.2 Food and Beverage Department:

This department brings a high profit to the hotel. Currently, hotels rather depend upon the total sales from this department than the guest rooms. Therefore, this Department needs a highly competent Administrator, and effective personnel. This department is divided as follows:
- Beverage Service
- Service
- Food Service: This section is subdivided into:
  - Catering
  - Banquet Service
  - Food Preparation
  - Art (the place decorations entertainment and banquets)

1.6.2.3 Engineering Department:

This department is also called the Mechanics Department. This department works on all the engineering work, the repair and mending, the lights, the colour, the sound, the water and electricity, the heater, the cooler, and etc.

1.6.2.4 The Accounting Department:

The Accounting Department controls on the whole financing and the accounting of the hotel. The function of this section is:
  - Payroll
  - Auditing
  - Control and Post the Accountings

1.6.2.5 Personnel Department

The function of this department is to set all the policies on the personnel.
  - Assemble the history and information of the personnel
  - Make personnel planning for various departments
  - Select, allocate, and transfer personnel
  - Welfare control, the petition, and personnel relations
  - Training
  - Discipline penalty, and fault investigation

1.6.2.6 Public Relations Department

This department is the delegate of the hotel in giving information to guests and the public. The Public Relations Department is very important, and without the public relations,
the hotel business can easily collapse. The operational factors of the public relations in the Hospitality Industry are in three stages:

- Advertise to appraise the facts
- Propaganda to induce the belief and faith
- Instigate to arouse the operation, conducing a good association

1.6.2.7 Purchasing Department

This Department is responsible in purchasing everything for the hotel. Some hotels set the purchasing in each department, or assign the administrative department to be the procurer. The Purchasing Department needs a high reliance. Therefore the personnel in this Department have to be honest, without the selfishness.
Conclusion

The Hospitality Industry is the Industry which various countries all over the world are highly interested. This industry supports the traveling industry. This is another industry which disseminates the income of the people in the whole nation; and also brings a high income to proprietors. It is apparent that in the past 3-5 years, every region in Thailand, especially Bangkok, gave a high interest in the investment of this industry, through the private investment and the foreign investment. The development on the administrative system, the servicing, and the hotel decoration was very particular and luxurious, enabling the high benefit and convenience to the service users.

The hotel industry had been initiated and developed as fast as the travel industry; and this is the same condition all over the world. This circumstance might occur from the expansion of the global economic, the economic recuperation, and the transportation system development, which facilitates the traveling with a better safety and cheaper expenses. This induces people to more traveling and touring, which the hotel business, who is the sequential business, has to respond on tourists who need the accommodation and food. Hotel proprietors who were successful in his first hotel would enlarge his means of enterprise by adding more guest rooms, or building up a new hotel. This conduces big and small network. The branch extension is beneficial in many phases, such as on the reputation which conduces the feeling that this is a big enterprise and must have been successful, enabling branches to expand; and this seemed to be the assurance that the service must be good. On the marketing, this induces a wider marketing and clients can be extensively allocated with a decreased marketing expense. For example, in one hotel, pamphlets for the public relations can be shown for every hotel in the conglomerate, these enable customers to be acquainted with other hotels in the same conglomerate. In Thailand, there are many hotel conglomerates such as the Dusit Thani Group, the Central Group, the Amari Group, the Imperial Group, the Felix Group. In the business coterie, changes always occur. This is apparent from the constant takeover on hotels. Therefore, the change of proprietor, the change of executive, the change of hotel, and the change of business may happen all the time. In this case, the information of
the hotel business has to be updated all the time. In the past, the hotel conglomerate with 
highest number of rooms and hotels is the Holiday Inn, and remained so for a decade. It was 
only in 1993, that this position had been subdued by Hospitality Franchise System (HFS), 
when HFS bought the business in the Super 8 conglomerate, increasing the number of guest 
rooms and the number of hotels. However, this champion position might also be subjugated.

There are many variables in the hotel industry to impinge the operation of the 
enterprise, and this includes the unexpected international crisis, such as the experience in the 
Persia Gulf War which had been an unforgettable event for the people in the hotel business. 
Because this made many administrators and proprietors shocked and convulsed through a 
great loss. When the hospitality industry expanded rapidly and extensively, the hotel industry 
automatically expands. The necessity increased in the academic principle, such as the 
psychology, law, economics, business administration, sociology, communication, history, 
geography, and languages. In this case, the hotel industry proprietors should always realize 
that the good quality of the hotel industry is that the complacence of hotel clients. Therefore, 
a control must be taken on the level of performance efficiency that should be in accordance 
with the stipulated plan. Moreover, a study must be done on the whole circumstance, with a 
means of future modification, whenever this method seemed to be phasing out and becomes 
out of mode.

There are many types and characters of hotels, with varying prices. Therefore it is the 
consumer's business to choose. Hence, each type of hotel competes in its product and 
services which should enable hotel industries to prosper well. However, the surrounding 
factors should also be taken into consideration, such as the political status, the economy 
status, the society, the contagion, the revolt, the natural catastrophe, which resulted in some 
interval suspension. Therefore, the hotel industry administrators, and relevant persons have 
to perceive and learn about the current situation and also to conceive on the problem solution 
for the future progression and exuberance of the hotel industry.

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