



DECEMBER 2016

STRATEGIC MANAGEMENT IN HOSPITALITY

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
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1. Using examples of your own choice, evaluate FOUR methods of classifying services in the hospitality industry. [5 each]
  2. a) Define the term '**service concept**'. [5]  
b) Explain how a chain of restaurants would employ the three main tasks to implement the service concept successfully. [15]
  3. a) Describe the main determinants on which pricing strategy can be based, i.e. cost, competitor and customer. [3 each]  
b) Analyse the most appropriate pricing strategy for a chain of four-star hotels. [11]
  4. a) Describe the main communication tools which form part of a communications strategy. [8]  
b) Appraise the most important of these tools for a chain of themed pubs. [12]
  5. Profit maximisation is an important consideration when establishing pricing objectives. Discuss the other components that would be included in the pricing objectives of a franchised fast food chain. [20]
  6. Employee empowerment is considered to be beneficial to the organisation and as a useful motivating tool. Evaluate the benefit to:  
a) the employees of a large independent country hotel  
b) the management of a gastropub chain [10 each]
  7. You work for an independent gourmet-style restaurant and your manager has asked you to consider service resources planning in the restaurant. Explain, with examples, to what extent you could adopt the same capacity management technique as that used by a large restaurant chain. [20]
  8. a) Compare and contrast the differences between operations management, marketing and human resources management for so-called back office and front office activities. [10]  
b) Analyse the extent to which the above may influence the location of a new golf club with hotel and restaurant facilities. [10]